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SENATE—*Tuesday, November 11, 1975*

The Senate met at 12 meridian and was called to order by Hon. WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we lift our prayer to Thee aware of Thy goodness and Thy knowledge of our needs. When we know what we ought to do give us the will to do it. When we do not know what to do give us the humility to call upon Thee. Save us from hotheads who would act foolishly and from cold feet that would keep us from acting at all. In our thinking and our speaking and our acting make us obedient to the promptings of Thy spirit. May we be numbered among those of whom it is said:

"Blessed are they which do hunger and thirst after righteousness: for they shall be filled."—Matthew 5: 6.

We pray in the name of Him who spoke these words. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 11, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 10, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations will be stated.

THE JUDICIARY

The second assistant legislative clerk read the nomination of Eugene E. Silver, Jr., of Kentucky, to be U.S. district judge for the eastern and western districts of Kentucky.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nomination of Peter R. Taft, of California, to be an Assistant Attorney General; and Milton L. Luger, of New York, to be Assistant Administrator of Law Enforcement Assistance.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed.

DEPARTMENT OF LABOR

The second assistant legislative clerk read the nomination of Morton Corn, of Pennsylvania, to be an Assistant Secretary of Labor.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

VISIT TO THE SENATE BY MEMBERS OF THE KNESSET OF ISRAEL

Mr. MANSFIELD. Mr. President, it is an honor for the Senate today to have in its Chamber as our guests a delegation from the Knesset of the State of Israel. It is my privilege at this time to introduce the following members of the delegation:

The Honorable Yisrael Yeshayahu, Speaker of the Knesset, the Honorable Ari Ankorion, the Honorable Menachem Beigin, the Honorable Yitzhak Ben-Aharon, the Honorable Mrs. Chaya Grosman-Orkin, the Honorable Josef Tamir, the Honorable Zerah Warhaftig, and the Honorable Simcha Dinitz, Israeli Ambassador to the United States. [Applause, Senators rising.]

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate take a brief recess, subject to the call of the Chair, for the purpose of greeting our distinguished visitors.

Mr. HUGH SCOTT. Mr. President, I reserve the right to object, simply for the purpose of joining in the welcome to the distinguished visitors from the Knesset, saying that we welcome friends and allies. We are pleased and delighted that they are here.

RESOLUTION RELATING TO THE UNITED NATIONS AND ZIONISM

Mr. HUGH SCOTT. Mr. President, I send to the desk a concurrent resolution and I ask unanimous consent for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will state the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 73) relating to the United Nations and Zionism.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. HUGH SCOTT. Mr. President, last night in New York the United Nations General Assembly approved a resolution, by a vote of 72 to 35, determining that "Zionism is a form of racism and racial discrimination." Quite precisely, the U.S. Ambassador to the United Nations, Daniel Moynihan, branded this move an "infamous act."

The concurrent resolution now at the desk has four purposes:

First, it "sharply condemns" the United Nations action in that it encourages anti-Semitism.

Second, it states the Congress opposition to any U.S. participation in the United Nations so-called "Decade for Action To Combat Racism and Racial Discrimination."

Third, it calls for the United Nations to reconsider its ill-advised action on the basis that it is contrary to the purposes stated in the United Nations Charter.

And fourth, it asks the Senate Committee on Foreign Relations and the House Committee on International Relations to initiate hearings "to reassess the United States' further participation in the United Nations General Assembly."

Mr. President, the United States can no longer tolerate the contemptuous actions of a world body determined to destroy other nations.

I move the adoption of the concurrent resolution.

Mr. RIBICOFF. Mr. President, I wish to take this opportunity to commend the minority leader for taking this action. I am proud to be a cosponsor. I, too, condemn the action of the United Nations yesterday. I believe that this resolution, which calls upon Congress to reexamine the relationship between the United States and the United Nations, is most timely. I have the highest praise for the strong stance taken by Ambassador Moynihan in presenting the position of the United States. I also have the highest praise for the statement by Ambassador Herzog of the State of Israel, who pointed out with such great clarity what the problems and implications are toward worldwide Semitism.

The resolution approved last night in the General Assembly of the United Nations classifying Zionism as a form of racism is a disgrace to every nation that supported it, and to the United Nations itself.

It is not the Jewish people of the nation of Israel that will suffer the consequences of this unconscionable and morally bankrupt act, but those who turned a blind eye to history, the Jewish faith, and to their own interests as embodied in the United Nations.

The United Nations was begun with the hope of creating a community of nations. The need for that community was great in 1945 when the charter was signed. And it remains equally great today.

But sadly, as yesterday's vote demonstrates, the United Nations is no longer a community of nations. It has fallen to the point where the most transparently political and self-serving declarations can be forced by the most irresponsible of nations upon the world as a whole.

Those who perpetrated this outrageous resolution have subverted the resolve with which the United Nations was born: "To practice tolerance and live together in peace with one another as good neighbors". A catastrophic blow was dealt to that lofty ideal last night.

Yesterday, racism of the most dangerous and disgusting kind was spotlighted for all the world to see. It was not Zionism, as much of the Arab world had hoped, that was exposed as a form of racism. Instead, it was the blatant anti-Semitism motivating those who had previously failed in their bid to oust the nation of Israel from the forum of the United Nations.

Anti-Semitism did not surface for the first time last night. It is as old as the Jewish faith, as old as mankind. Countless millions have suffered and died because of it. And out of that needless and senseless plight the ideal of Zionism rose: the fervent desire of the Jewish people to have a homeland where they could live together in peace. This most recent attack on the Jewish people and their ideal of a community at peace can only strengthen and reaffirm their resolve.

Those who have tried to justify their irrational hatred of the Jewish people will have to live with the consequences of their actions. For they have violated the purpose and intent of the United Nations to an extent where that institution—that hope for peace, cooperation, and understanding—cannot long survive.

I have long supported the United Nations and the important role that this Nation must play in it if that body is to survive. Today, I am no longer able to rise in defense of the United Nations. I am no longer optimistic about the future of that one-time community of nations that has now fallen so far.

I believe the time has come for the United States to reappraise its position in the United Nations and its constituent agencies. The time has come, too, for the United States to reappraise its foreign aid programs, all of them, since those programs give substantial American assistance to the countries that, time and time again, oppose the United States in the United Nations. And the United Nations, set up on democratic foundations and with democratic procedures, is constantly being overwhelmed by countries that are neither democratic in scope or in philosophy.

The first article of the Charter of the United Nations states:

> The purpose of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian charter, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion.

It is as eloquent a definition of peace as I have ever heard. And today, I reaffirm my faith in these principles, upon which the United Nations once stood. But I question whether that body is working toward the goal of peace, or whether it is simply hiding behind the veil of peace to promote the self-serving ambitions of the few at the cost of many.

I thank the distinguished Senator for yielding.

Mr. HUGH SCOTT. Mr. President, I yield to the distinguished Senator from Idaho.

Mr. CHURCH. Mr. President, I associate myself with the remarks of the distinguished Senator from Connecticut.

I want strongly to commend the minority leader for the resolution he has introduced. It has my very conscientious support. I would only add the comment that it is not possible to change the definition of a word by majority vote. Zionism has never meant, nor does it now mean, racism. Zionism has never had any connection, nor does it now have any connection, with racism, the vote of the General Assembly of the United Nations to the contrary notwithstanding.

Mr. HUGH SCOTT. I thank the distinguished Senator. I yield to the distinguished Senator from Alabama, Mr. ALLEN.

Mr. ALLEN. I thank the distinguished Republican leader for yielding to me.

I wish to state that I approve entirely of the resolution which the Republican leader has introduced. I was interested to hear him state that the resolution provided, as I understood it—and I hope he will give attention to my construction of what he has said—that the appropriate committees of the Senate give consideration to withdrawal from the General Assembly.

That is very interesting to the Senator from Alabama because earlier in the Congress he submitted a resolution calling for the establishment of a select committee to consider our position in the United Nations, consider the role we are playing, consider the fact that the hand of almost every member of the General Assembly is against the position of the United States, and consider whether we should withdraw from the United Nations.

I believe this resolution hits along the same lines that the appropriate committees of the Senate consider whether we should withdraw from the General Assembly. I think that it does not go quite as far as the Senator from Alabama would like to see it go, and he feels that a select committee would be the proper vehicle for considering this because the so-called appropriate standing committees of the Senate have had jurisdiction over this matter since the institution of the United Nations and, apparently, they have not felt this step should be taken.

The Senator from Alabama would like to inquire if the distinguished Senator from Pennsylvania would look with favor on setting up a select committee to go into this question.

Mr. HUGH SCOTT. I would look with favor on the setting up of a select committee once we establish some jurisdiction in these committees in the first instance. But I think a subsequent proposal or subsequent amendment is one I would be glad to consider, and consider favorably.

Mr. ALLEN. Do I understand the Senator would be willing to accept an amendment calling for the establishment of a select committee to go into this question?

Mr. HUGH SCOTT. Yes. I think we would accept a select committee, but we would like to have upon it some members of the two committees, Foreign Relations and International Relations, since they have had considerable input.

Mr. ALLEN. Yes, that would certainly be fine with the Senator from Alabama.

Would the distinguished Senator object if we would put in a quorum call while the matter is considered and give the Senator from Alabama an opportunity to offer his amendment?

Mr. HUGH SCOTT. I would have no objection to that. I would like to hear from the distinguished Senators, however.

Mr. MANSFIELD. Mr. President, will the distinguished Senator yield briefly.

Mr. HUGH SCOTT. I yield.

Mr. MANSFIELD. I would like to say to the distinguished Senator from Alabama that we have a Subcommittee on the United Nations in the Foreign Relations Committee which is charged with the conduct of the foreign policy of the United States. I hope we would observe the regular procedure of the Senate and refer this to the Foreign Relations Committee and have the appropriate subcommittee look into it because that is the one charged with that responsibility. That is the committee charged with that responsibility by the Senate as a whole.

Mr. ALLEN. Would the distinguished majority leader cooperate with the Senator from Alabama in seeing that a hearing is held on the resolution offered by the Senator from Alabama some time ago?

Mr. MANSFIELD. I most certainly would.

Mr. ALLEN. I thank the distinguished Senator.

I would like to be added as a cosponsor to the resolution.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senator from Alabama be added as the 30th cosponsor.

Mr. ALLEN. I thank the Senator.

Mr. HUGH SCOTT. I yield to the Senator from Oregon.

Mr. PACKWOOD. Mr. President, I cannot think of anything the United Nations has done in its 30 years of existence which is as odious as its action of last night. I can only think of it as something Hitler would do. I am sure he drank a toast to at last seeing his theories propounded before the world by a body that otherwise asks for credibility.

I think their action last night should not only cause this Nation to think about our commitment to the United Nations. I think by their action last night the United Nations has shown that it does not take itself seriously as a body designed to try to keep world peace, let alone world morality, and I think the time has come when we can well ask the question: Does this Nation any longer belong in that body?

I yield the floor.

Mr. HUMPHREY addressed the Chair.

Mr. HUGH SCOTT. I first ask unanimous consent that the name of the Senator from Delaware (Mr. ROTH) be added as a cosponsor.

I now yield to the Senator from Minnesota (Mr. HUMPHREY).

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I was privileged to be in New York City yesterday conducting hearings for the Joint Economic Committee.

Last evening I visited the United Nations General Assembly. I had the opportunity of visiting and talking with our distinguished Ambassador, Mr. Daniel Patrick Moynihan, as well as Ambassador Garment, Ambassador Clarence Mitchell, and our congressional representation, particularly Congressman DONALD FRASER of Minnesota.

Ambassador Moynihan's speech was an eloquent and powerful statement of the position not only of the executive branch of the Government but also of the legislative branch. I ask unanimous consent that the text of that speech be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. Moynihan made it very clear that the action taken by the General Assembly was in no way to be considered binding upon the United States in any of its relationships with other countries or in its responsibilities in relationships in the United Nations.

The General Assembly vote on the Zionism resolution was a hostile act against a U.N. member state. It is a setback for greater international understanding.

It will weaken the struggle against racism. And it could cause the American people and their elected representatives in Congress to lose faith in the United Nations.

It is tragic that an organization formed in the aftermath of a mindless holocaust against the Jewish people sows anew the seeds of religious bigotry.

I, for one, have been a long-time supporter of the United Nations, not because I felt it was going to bring us peace immediately, nor did I feel the United Nations could perform any miracles, even through its so-called related agencies.

I do believe the United Nations General Assembly, as well as the Security Council, does provide a forum for the ventilation of different ideas and for the discussion of the many difficulties that our country and other countries currently face.

I would not want my sponsorship of this resolution to indicate that I believe we should withdraw from the United Nations. I do not believe in retreat. I do not believe that simply because in the emotion and passion of the moment, and in terms of history what happened at the U.N. was but a fleeting moment, that we should give up or that we should take an action which we may subsequently regret. I believe in standing and fighting and pursuing the course we believe is right. While votes may be disappointing, they can be reversed.

Just a year ago it appeared that certain countries in the United Nations would be able to mobilize sufficient support to call for the expulsion of Israel from the United Nations. That did not happen. There were countries that worked with the United States to prevent that course of action, and Israel is still a member of the General Assembly and of the United Nations and its many agencies. In fact, Mr. President, let us not forget that the U.N. was instrumental in the creation of Israel.

The resolution I sponsor today with the distinguished minority leader would allow the appropriate committees of the Congress to examine our participation in the U.N. General Assembly to evaluate whether it is in the national interest to continue our involvement there.

I do not believe that the U.N. is a luxury—it is part of an international apparatus for the resolution of conflict, for debate and concerted action against disease and hunger. But I warn today that it cannot carry out these functions in a highly politicized atmosphere created by the resolution approved last night.

I think one of the important votes at the United Nations yesterday was the vote on the motion that was offered to defer action on the resolution that subsequently was approved, and on that vote it was a very close margin by which the motion was defeated. The vote was 55 to 67 with 16 abstentions.

I did not know we were going to have this discussion here at this moment or I would have brought the papers with me that were presented to me last night by Ambassador Moynihan, but I would have it noted that by a change of a handful of votes, just several votes, the motion to defer action would have been successful.

I also want it to be noted that the overwhelming majority of the African countries stayed with the United States and Israel on the motion to postpone consideration of the Zionism resolution.

The ACTING PRESIDENT pro tempore. The time of the joint leadership has expired.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that I may proceed for two reasons: First: to ask unanimous consent that the distinguished Senator from Maryland (Mr. MATHIAS) and the distinguished Senator from Arizona (Mr. GOLDWATER) be added as cosponsors; and second, to renew, if the majority leader has no objection, the unanimous-consent request that we stand in recess for 5 minutes.

Mr. MANSFIELD. Mr. President, I ask that after the resolution is disposed of, there be an additional time of 4 minutes, the time to be equally divided between the Senators from Connecticut and Minnesota.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

The preamble was agreed to.

The concurrent resolution, Senate Concurrent Resolution 73, with its preamble, reads as follows:

S. Con. Res. 73

(Submitted by Mr. Hugh Scott (for himself and Messrs Humphrey, Packwood, Baker, Beall, Biden, Brock, Bumpers, Byrd of Virginia, Cannon, Domenici, Garn, Griffin, Hart of Michigan, Hartke, Haskell, Jackson, Javits, McGee, Mondale, Montoya, Morgan, Nunn, Percy, Proxmire, Ribicoff, Schweiker, Tunney, Weicker, Hathaway, Allen, Roth, Mathias, Goldwater, Stone, Taft, Buckley, Fong, Bentsen, Symington, Muskie, Metcalf, Nelson, Pastore, Glenn, Hollings, McClellan, Gravel, Fannin, Magnuson, and Kennedy:))

Whereas the United States, as a founder of the United Nations Organization, has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in Article 1 of the Charter of the United Nations the stated purpose of the United Nations include:

"To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion;" and

Whereas the General Assembly of the United Nations decided to launch on December 10, 1973, a Decade of Action to Combat Racism and Racial Discrimination and a program of action which the United States supported and in which it desires to participate; and

Whereas the United Nations General Assembly on November 10, 1975 adopted a resolution which describes Zionism as a form of racism thereby identifying it as a target of the Decade for Action to Combat Racism and Discrimination; and

Whereas the extension of the program of the Decade to include a campaign against Zionism brings the United Nations to a point of encouraging anti-Semitism, one of the oldest and most virulent forms of racism known to human history: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encouraging anti-Semitism by wrongly associating and equating Zionism with racism and racial dscrimination, thereby contradicting a fundamental purpose of the United Nations Charter; and be it

Resolved, That the Congress strongly opposes any form of participation by the United States Government in the Decade for Action to Combat Racism and Racial Discrimination so long as that Decade and program remain distorted and compromised by the aforementioned resolution naming Zionism as one of the targets of that struggle; and be it

Resolved, That the Congress calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the aforementioned resolution with a view to removing the subject of Zionism, which is a national but in no way a racist philosophy, from the context of any programs and discussions focusing on racism or racial discrimination; and be it further

Resolved, That the Committee on Foreign Relations and the Committee on International Relations begin hearings immediately to reassess the United States' further participation in the United Nations General Assembly.

Mr. WILLIAMS subsequently said: Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of Senate Concurrent Resolution 73.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FOR 2 MINUTES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the distinguished Senator from Connecticut (Mr. Ribicoff) has completed his remarks there be a recess for not to exceed 2 minutes for the purpose of greeting our distinguished guests.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I simply want to conclude by stating that every American could have been and should have been proud of the powerful address given by Ambassador Moynihan and also by the distinguished Ambassador from Israel, Mr. Herzog. They were moving messages.

I listened to the Ambassador from Belgium, the Ambassador from Canada, the Ambassador from Germany, the Federal Republic of Germany and was moved by their strong statements against this infamous resolution.

We were not without friends in this fight and, as I said a moment ago, our Latin American friends—all but three—the Latin American countries stood with us, the vast majority of the African nations stood with us, our Western European allies alike stood with us.

So we had good reason to be proud of the effort that was made by our country. Unfortunately, we were not successful.

Mr. President, I yield.

Mr. RIBICOFF. Mr. President, I would like to ask the distinguished Senator a question.

The distinguished Senator is chairman of the Subcommittee on Foreign Aid, is he not?

Mr. HUMPHREY. Yes; I am.

Mr. RIBICOFF. Could the distinguished Senator tell us how many of these countries who have voted against the position of the United States are recipients of foreign aid of the United States?

Mr. HUMPHREY. I could not give the Senator the number, but some of them are, but many of them get very little.

Mr. RIBICOFF. Will the Senator supply, for the Record, the amount of aid being received by the countries who voted against the position of the United States?

Mr. HUMPHREY. I will see that is done. I ask unanimous consent that the U.N. rollcall on the deferral of the Zionism resolution and on the Zionism resolution itself be inserted on this point in the Record.

There being no objection, the rollcalls were ordered to be printed in the Record, as follows:

ROLLCALL ON DEFERRAL MOTION

BELGIAN MOTION TO ADJOURN—USUN—GENERAL ASSEMBLY VOTING LIST

Country	Yes	No	Abstain
Afghanistan		×	
Albania		×	
Algeria		×	
Argentina	×	------	
Australia	×	------	
Austria	×	------	
Bahamas	×	------	
Bahrain		×	
Bangladesh		×	
Bardados	×	------	
Belgium	×	------	
Bhutan			×
Bolivia	×	------	
Botswana	×	------	
Brazil		×	
Bulgaria		×	
Burma			×
Burandi		×	
Byelorussian S S R		×	
Cambodia		×	
Canada	×	------	
Cape Verde		×	
Central African Republic			
Chad		×	
Chile			×
China		×	
Colombia	×	------	
Congo			
Costa Rica	×	------	
Cuba		×	
Cyprus		×	
Czechoslovakia		×	
Dahomey		×	
Democratic Yemen		×	
Denmark	×	------	
Dominican Republic	×	------	
Ecuador	×	------	
Egypt		×	
El Salvador	×	------	
Equatorial Guinea		×	
Ethiopia	×	------	
Fiji	×	------	
Finland	×	------	
France	×	------	
Gabon			×
Gambia		×	
German Democratic Republic		×	
Germany, Federal Republic of	×	------	
Ghana	×	------	
Greece			×
Grenada			×
Guatemala			×
Guinea		×	
Guinea-Bissau		×	
Guyana		×	
Haiti	×	------	
Honduras	×	------	
Hungary		×	
Iceland	×	------	
India		×	
Indonesia		×	
Iran		×	
Iraq		×	
Ireland	×	------	
Israel	×	------	
Italy	×	------	
Ivory Coast	×	------	
Jamaica			×
Japan	×	------	
Jordan		×	
Kenya	×	------	
Kuwait		×	
Laos		×	
Lebanon		×	
Lesotho			×
Liberia	×	------	
Libyan Arab Republic		×	
Luxembourg	×	------	
Madagascar		×	
Malawi	×	------	
Malaysia		×	
Maldive Island		×	
Mali		×	
Malta		×	
Mauritania		×	
Mauritius		×	
Mexico	×	------	
Mongolian P.R.		×	
Morocco		×	
Mozambique		×	
Nepal	×	------	
Netherlands	×	------	
New Zealand	×	------	
Nicaragua	×	------	
Niger		×	
Nigeria		×	
Norway	×	------	
Oman		×	
Pakistan		×	
Panama			
Papua-New Guinea			×
Paraguay	×	------	
Peru			×

Country	Yes	No	Abstain
Philippines			×
Poland		×	
Portugal	×		
Qatar		×	
Romania			×
Rwanda		×	
Sao Tome and Principe			
Saudi Arabia		×	
Senegal		×	
Sierra Leone	×		
Singapore	×		
Somali Republic		×	
South Africa			
Spain	×		
Sri Lanka		×	
Sudan		×	
Swaziland	×		
Sweden	×		
Syrian Arab Republic		×	
Thailand			×
Togo	×		
Trinidad and Tobago	×		
Tunisia		×	
Turkey		×	
Uganda		×	
Ukrainian S. S. R		×	
U. S. S. R		×	
United Arab Emirates		×	
United Kingdom	×		
United Republic of Cameroon			×
United Republic of Tanzania		×	
United States	×		
Upper Volta	×		
Uruguay	×		
Venezuela			×
Yemen Arab Republic		×	
Yugoslavia		×	
Zaire	×		
Zambia	×		

ROLLCALL ON RESOLUTION

ZIONISM—USUN—GENERAL ASSEMBLY VOTING LIST

Country	Yes	No	Abstain
Afghanistan	×		
Albania	×		
Algeria	×		
Argentina			×
Australia		×	
Austria		×	
Bahamas		×	
Bahrain	×		
Bangladesh	×		
Barbados		×	
Belgium		×	
Bhutan			×
Bolivia			×
Botswana			×
Brazil	×		
Bulgaria	×		
Burma			×
Burundi	×		
Byelorussian S S R	×		
Cambodia	×		
Canada		×	
Cape Verde	×		
Central African Republic		×	
Chad	×		
Chile			×
China	×		
Colombia			×
Congo	×		
Costa Rica		×	
Cuba	×		
Cyprus	×		
Czechoslovakia	×		
Dahomey	×		
Democratic Yemen	×		
Denmark		×	
Dominican Republic		×	
Ecuador			×
Egypt	×		
El Salvador		×	
Equatorial Guinea	×		
Ethiopia			×
Fiji		×	
Finland		×	
France		×	
Gabon			×
Gambia	×		
German Democratic Republic	×		
Germany, Federal Republic of		×	
Ghana			×
Greece			×
Grenada	×		
Guatemala			×
Guinea	×		
Guinea-Bissau	×		
Guyana	×		
Haiti		×	
Honduras		×	
Hungary	×		
Iceland		×	
India	×		
Indonesia	×		
Iran	×		
Iraq	×		
Ireland		×	
Israel		×	
Italy		×	
Ivory Coast		×	
Jamaica			×
Japan			×
Jordan	×		
Kenya			×
Kuwait	×		
Laos	×		
Lebanon	×		
Lesotho			×
Liberia		×	
Libyan Arab Republic	×		
Luxembourg		×	
Madagascar	×		
Malawi		×	
Malaysia	×		
Maldive Island	×		
Mali	×		
Malta	×		
Mauritania	×		
Mauritius			×
Mexico	×		
Mongolian P R	×		
Morocco	×		
Mozambique	×		
Nepal			×
Netherlands		×	
New Zealand		×	
Nicaragua		×	
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Norway		×	
Oman	×		
Pakistan	×		
Panama		×	
Papua-New Guinea			×
Paraguay			×
Peru			×
Philippines			×
Poland	×		
Portugal	×		
Qatar	×		
Romania			
Rwanda	×		
Sao Tome and Principe	×		
Saudi Arabia	×		
Senegal	×		
Sierra Leone			×
Singapore			×
Somali Republic	×		
South Africa			
Spain			
Sri Lanka	×		
Sudan	×		
Swaziland		×	
Sweden		×	
Syrian Arab Republic	×		
Thailand			×
Togo			×
Trinidad and Tobago			×
Tunisia	×		
Turkey	×		
Uganda	×		
Ukrainian S.S.R	×		
U.S.S.R	×		
United Arab Emirates	×		
United Kingdom		×	
United Republic of Cameroon	×		
United Republic of Tanzania	×		
United States		×	
Upper Volta			×
Uruguay		×	
Venezuela			×
Yemen Arab Republic	×		
Yugoslavia	×		
Zaire			×
Zambia			×

Mr. RIBICOFF. Is there any justification for the United States to continue giving foreign aid, economic or military to nations that consistently vote against the position of the United States in international affairs?

Mr. HUMPHREY. It surely is something that should be weighed very carefully. There may be compelling conditions, but I think it is very remote. Those conditions would be very little and remote.

Mr. RIBICOFF. It seems to me, as far as I am concerned, I cannot see myself—consistently—supported and voted foreign aid and to continue such aid to countries that consistently are against the United States.

Since the Arab nations who led this fight have so much excess money in their treasuries, it would seem to me that the nations that vote against the United States should go to the Arab countries asking for assistance instead of the United States since they follow the lead of the Arabs and not that of the United States of America.

Mr. HUMPHREY. The Senator makes a compelling case.

The ACTING PRESIDENT pro tempore. The 4 minutes have expired.

Exhibit 1

Statement by Ambassador Daniel P. Moynihan

The United States rises to declare before the General Assembly of the United Nations, and before the world, that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Not three weeks ago, the United States Representative in the Social, Humanitarian, and Cultural Committee pleaded in measured and fully considered terms for the United Nations not to do this thing. It was, he said, "obscene." It is something more today, for the furtiveness with which this obscenity first appeared among us has been replaced by a shameless openness.

There will be time enough to contemplate the harm this act will have done the United Nations. Historians will do that for us, and it is sufficient for the moment only to note one foreboding fact. A great evil has been loosed upon the world. The abomination of anti-semitism—as this year's Nobel Peace Laureate Andrei Sakharov observed in Moscow just a few days ago, the abomination of anti-Semitism has been given the appearance of international sanction. The General Assembly today grants symbolic amnesty—and more—to the murderers of the six million European Jews. Evil enough in itself, but more ominous by far is the realization that now presses upon us—the realization that if there were no General Assembly, this could never have happened.

As this day will live in infamy, it behooves those who sought to avert it to declare their thoughts so that historians will know that we fought here, that we were not small in number—not this time—and that while we lost, we fought with full knowledge of what indeed would be lost.

Nor should any historian of the event, nor yet any who have participated in it, suppose that we have fought only as governments, as chancelleries, and on an issue well removed from the concerns of our respective peoples. Others will speak for their nations: I will speak for mine.

In all our postwar history there has not been another issue which has brought forth such unanimity of American opinion. The President of the United States has from the first been explicit: This must not happen. The Congress of the United States, in a measure unanimously adopted in the Senate and sponsored by 436 of 437 Representatives in the House, declared its utter opposition. Following only American Jews themselves, the American trade union movement was first to the fore in denouncing this infamous undertaking. Next, one after another, the great private institutions of American life pronounced anathema on this evil thing—and most particularly, the Christian churches have done so. Reminded that the United Nations was born in the struggle against just such abominations as we are committing today—the wartime alliance of the United Nations dates from 1942—the United Nations Association of the United States has for the first time in its history appealed directly to each of the 141 other delegations in New York not to do this unspeakable thing.

The proposition to be sanctioned by a resolution of the General Assembly of the United Nations is that "Zionism is a form of racism and racial discrimination." Now this is a lie. But as it is a lie which the United Nations has now declared to be a truth, the actual truth must be restated.

The very first point to be made is that the United Nations has declared Zionism to be racism—without ever having defined racism. "Sentence first—verdict afterwards," as the Queen of Hearts said. But this is not wonderland, but a real world, where there are real consequences to folly and to venality. Just on Friday, the President of the General Assembly warned not only of the trouble which would follow from the adoption of this resolution but of its essential irresponsibility—for, he noted, members have wholly different ideas as to what they are condemning. "It seems to me," he said, and to his lasting honor he said it when there was still time, "It seems to me that before a body like this takes a decision, they should agree very clearly on what they are approving or condemning, and it takes more time."

Lest I be unclear, the United Nations has in fact on several occasions defined "racial discrimination." The definitions have been loose, but recognizable. It is "racism"—incomparably the more serious charge—which has never been defined. Indeed, the term has only recently appeared in United Nations General Assembly documents. The one occasion on which we know its meaning to have been discussed was the 1644th meeting of the Third Committee on December 16, 1968, in connection with the report of the Secretary-General on the status of the international convention on the elimination of all forms of racial discrimination. On that occasion—to give some feeling for the intellectual precision with which the matter was being treated—the question arose, as to what should be the relative positioning of the terms "racism" and "Nazism" in a number of the "preambular paragraphs." The distinguished delegate from Tunisia argued that "racism" should go first because "Nazism was merely a form of racism . . ." Not so, said the no less distinguished delegate from the Union of Soviet Socialist Republics. For, he explained, "Nazism contained the main elements of racism within its ambit and should be mentioned first." This is to say that racism was merely a form of Nazism.

The discussion wound to its weary and inconclusive end, and we are left with nothing to guide us, for even this one discussion of "racism" confined itself to word orders in preambular paragraphs, and did not at all touch on the meaning of the words as much. Still, one cannot but ponder the situation we have made for ourselves in the context of the Soviet statement on that not so distant occasion. *If*, as the distinguished delegate declared, racism is a form of Nazism—and *if*, as this resolution declares, Zionism is a form of racism—*then* we have step by step taken ourselves to the point of proclaiming—the United Nations is solemnly proclaiming—that Zionism is a form of Nazism.

What we have here is a lie—a political lie of a variety well known to the twentieth century, and scarcely exceeded in all the annals of untruth and outrage. The lie is that Zionism is a form of racism. The overwhelmingly clear truth is that it is not.

The word "racism" is a creation of the English language, and relatively new to it. It is not, for instance, to be found in the Oxford English Dictionary. The term derives from relatively new doctrines—all of them discredited—concerning the human population of the world, to the effect that there are significant biological differences among clearly identifiable groups, and that these differences establish, in effect, different levels of humanity. Racism, as defined by Webster's Third New International Dictionary, is "The assumption that . . . traits and capacities are determined by biological race and that races differ decisively from one another." It further involves "a belief in the inherent superiority of a particular race and its right to domination over others."

This meaning is clear. It is equally clear that this assumption, this belief, has always been altogether alien to the political and religious movement known as Zionism. As a strictly political movement, Zionism was established only in 1897, although there is a clearly legitimate sense in which its origins are indeed ancient. For example many branches of Christianity have always held that from the standpoint of the biblical prophets, Israel would be reborn one day. But the modern Zionist movement arose in Europe in the context of a general upsurge of national consciousness and aspiration that overtook most other people of Central and Eastern Europe after 1848, and that in time spread to all of Africa and Asia. It was, to those persons of the Jewish religion, a Jewish form of what today is called a national liberation movement. Probably a majority of those persons who became active Zionists and sought to emigrate to Palestine were born within the confines of Czarist Russia, and it was only natural for Soviet Foreign Minister Andrei Gromyko to deplore as he did in 1948, in the 299th meeting of the Security Council, the act by Israel's neighbors of "sending their troops into Palestine and carrying out military operations aimed"—in Mr. Gromyko's words—"at the suppression of the National Liberation Movement in Palestine."

Now it was the singular nature—if I am not mistaken, it was the unique nature—of this National Liberation Movement that in contrast with the movements that preceded it, those of that time and those that have come since, it defined its members in terms not of birth, but of belief. That is to say, it was not a movement of the Irish to free Ireland, or of the Polish to free Poland, not a movement of Algerians to free Algeria, nor of Indians to free India. It was not a movement of persons connected by historic membership in a genetic pool of the kind that enables us to speak loosely but not meaninglessly, say, of the Chinese people, nor yet of diverse groups occupying the same territory which enables us to speak of the American people with no greater indignity to truth. To the contrary, Zionists defined themselves merely as Jews, and declared to be Jewish, anyone born of a Jewish mother or—and this is the absolutely crucial fact—anyone who converted to Judaism. Which is to say, in the terms of the International Convention on the elimination of all forms of racial discrimination, adopted by the 20th General Assembly, anyone—regardless of "race, colour, descent, or national or ethnic origin. . . ."

The State of Israel, which in time was the creation of the Zionist Movement, has been extraordinary in nothing so much as the range of "racial stocks" from which it has drawn its citizenry. There are black Jews, brown Jews, white Jews, Jews from the Orient and Jews from the West. Most such persons could be said to have been "born" Jews, just as most Presbyterians and most Hindus are "born" to their faith, but there are many Jews who are converts. With a consistency in the matter which surely attests to the importance of this issue to that religious and political culture, Israeli courts have held that a Jew who converts to another religion is no longer a Jew. In the meantime the population of Israel also includes large numbers of non-Jews, among them Arabs of both the Muslim and Christian religions and Christians of other national origins. Many of these persons are citizens of Israel, and those who are not can become citizens by legal procedures very much like those which obtain in a typical nation of Western Europe.

Now I should wish to be understood that I am here making one point, and one point only, which is that whatever else Zionism may be, it is not and cannot be "a form of racism." In logic, the State of Israel could be, or could become, many things, theoretically including many things undesirable, but it could not be and could not become racist unless it ceased to be Zionist.

Indeed, the idea that Jews are a "race" was invented not by Jews but by those who hated Jews. The idea of Jews as a race was invented by nineteenth century anti-semites such as Houston Stewart Chamberlain and Edouard Drumont, who saw that in an increasingly secular age, which is to say an age which made for fewer distinctions between people, the old religious grounds for anti-semitism were losing force. New justifications were needed for excluding and persecuting Jews, and so the new idea of Jews as a race—rather than as a religion—was born. It was a contemptible idea at the beginning, and no civilized person would be associated with it. To think that it is an idea now endorsed by the United Nations is to reflect on what civilization has come to.

It is precisely a concern for civilization, for civilized values that are or should be precious to all mankind, that arouses us at this moment to such special passion. What we have at stake here is not merely the honor and the legitimacy of the State of Israel—although a challenge to the legitimacy of any member nation ought always to arouse the viligance of all members of the United Nations. For a yet more important matter is at issue, which is the integrity of that whole body of moral and legal precepts which we know as human rights.

The terrible lie that has been told here today will have terrible consequences. Not only will people begin to say, indeed they have already begun to say, that the United Nations is a place where lies are told. Far more serious, grave and perhaps irreparable harm will be done to the cause of human rights. The harm will arise first because it will strip from racism the precise and abhorrent meaning that it still precariously holds today. How will the peoples of the world feel about racism, and about the need to struggle against it, when they are told that it is an idea so broad as to include the Jewish National Liberation Movement?

As this lie spreads, it will do harm in a second way. Many of the members of the United Nations owe their independence in no small part to the notion of human rights, as it has spread from the domestic sphere to the international sphere and exercised its influence over the old colonial powers. We are now coming into a time when that independence is likely to be threatened again. There will be new forces, some of them arising now, new prophets and new despots, who will justify their actions with the help of just such distortions of words as we have sanctioned here today. Today we have drained the word "racism" of its meaning. Tomorrow, terms like "national self-determination" and "national honor" will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made as they already have begun to be made—it is the small nations of the world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?

There is this danger, and then a final danger that is the most serious of all. Which is that the damage we now do to the idea of human rights and the language of human rights could well be irreversible. The idea of human rights as we know it today is not an idea which has always existed in human affairs. It is an idea which appeared at a specific time in the world, and under very special circumstances. It appeared when European philosophers of the seventeenth century began to argue that man was a being whose existence was independent from that of the State, that he need join a political community only if he did not lose by that association more than he gained. From this very specific political philosophy stemmed the idea of political rights, of claims that the individual could justly make against the State; it was because the individual was seen as so separate from the State that he could make legitimate demands upon it.

That was the philosophy from which the idea of domestic and international rights sprang. But most of the world does not hold with that philosophy now. Most of the world believes in newer modes of political thought, in philosophies that do not accept the individual as distinct from and prior to the State, in philosophies that therefore do not provide any justification for the idea of human rights and philosophies that have no words by which to explain their value. If we destroy the words that were given to us by past centuries, we will not have words to replace them, for philosophy today has no such words.

But there are those of us who have not forsaken these older words, still so new to much of the world. Not forsaken them now, not here, not anywhere, not ever.

The United States of America declares that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

ADDITIONAL STATEMENTS SUBMITTED ON S. CON. RES. 73

VOTE ON ZIONISM ENDANGERS FUTURE OF U.N.

Mr. TAFT. Mr. President, yesterday's vote in the United Nations, by which Zionism was termed a form of racism, has put the future of the United Nations itself into jeopardy. It has caused fair and thoughtful men of all persuasions to question the utility of an international organization which can be so perverted from the purposes for which it was created.

There is no way that Zionism can objectively be seen as any form of racism. It has no implication of racial superiority or inferiority. It has no racial implications whatsoever. Zionism is merely the belief that the Jewish people, the most persecuted people in history, have a right to a place where they can be at peace, under their own laws. Race is irrelevant to that belief. Acceptance of this concept has been an unbending principle of U.S. foreign policy for decades.

The fact that Zionism is not racist is so self-evident that it was obviously understood by those who voted for the resolution in the United Nations. That is a particular aspect of the action that makes this vote so disturbing in terms of the future of the U.N. One can perhaps comprehend why certain Middle Eastern States would vote for such a resolution from their parochial interest, even if one disagrees with it strongly. But they were joined by many other nations, primarily those of the Third World, which had no such parochial interest. They acted from no rational motive, in a way obviously inconsistent with the charter and the purpose of the United Nations.

If the U.N. is to be a showplace for the immaturity and irresponsibility of certain Third World states, and a propaganda forum for the Communist powers, then it will be utterly useless for the purpose of promoting peace. If that is so, what possible justification can there be for having a United Nations, or for continuing U.S. membership in the organization? The vote yesterday must force the United States and all other responsible powers, devoted to peace, to reassess their role in the U.N. and the role of the U.N. itself.

I call upon our Government to undertake such a reassessment and to do so publicly. The American people, as well as the American Government, are now confronted by the question of whether the U.N. can play a useful role in the future, or whether, as was the case yesterday, it is to become a forum for lies and distortions, backed by an irresponsible majority. This is not just a case of an action by the Arab powers. It is even more a case of an action by the majority of the members of the General Assembly. It must be understood by the Government and the American people in that light, and those responsible must bear the full consequences of this disgraceful action.

I am today cosponsoring with Senator HUGH SCOTT, Senator PACKWOOD, and other Senators the concurrent resolution strongly condemning the General Assembly action.

THE UNITED STATES AND THE UNITED NATIONS

Mr. MATHIAS. Mr. President, yesterday's vote in the General Assembly of the United Nations may well have been the most reckless act in the history of that organization. The uncorking of the evil genie of anti-Semitism—and its apparent sanction by a substantial majority of the member governments—is shocking to every thinking person. A serious question comes to mind as to whether the vote reflects accurately the views of the world's population.

To those of us who have consistently supported efforts to make the United Nations a more viable organization, the vote must be taken as a signal to rethink the basic assumptions on which such support was based.

After the earlier vote in the Commission on Human Rights, many of us believed that the outcry that accompanied that vote would act as a moderating force on those nations who are committed to using the General Asembly as nothing more than a vehicle for their own narrow propaganda purposes. We were wrong. The overwhelming vote in the General Assembly yesterday offers a clear indication that narrow parochialism and bloc voting have replaced serious and thoughtful efforts to seek solutions to the myriad problems facing this troubled world.

Under these circumstances, and with considerable reluctance, I believe it is now imperative for the United States to undertake a thorough study of possible alternative voting arrangements and structural reform within the United Nations. Both the legislative and executive branches should participate in this complete review process.

Mr. BENTSEN. Mr. President, yesterday the United Nations took a long step toward its own demoralization. In an act reeking of discrimination and intolerance, the United Nations General Assembly approved an infamous and immoral resolution equating Zionism with racism. It is a resolution which attacks one of the first accomplishments of the United Nations when, soon after its founding 30 years ago, the U.N. supported and endorsed the establishment of a Jewish homeland—which we now call Israel. The U.N. role in fostering the creation of this nation has been enhanced by its contributions toward resettling immigrants in Israel from all over the world, immigrants who were fleeing tyranny and repression for a new life in an open, democratic society.

The United Nations played an important, constructive role in that instance. For the past 30 years the United States has cooperated with the U.N. in an attempt to carry out the purposes for which it was formed—to maintain international peace and security and to develop friendly relations among nations based on respect for the sovereignty and integrity of nations. The U.N. has served us well in many respects, but I am growing concerned that it is more and more frequently straying from these basic principles. Indeed the General Assembly approval yesterday of the anti-Zionist resolution mocks the central function of the U.N.: To act as a forum for resolving disputes, for discussing common goals, and for developing the means to implement those goals.

Mr. President, inviting terrorists to address the General Assembly; denial of UNESCO funding for archeological excavations and exclusion of certain nations from decisionmaking bodies due to purely political considerations; and actions equating Zionism with racism are not the mark of a responsible, peace-seeking egalitarian organization.

I believe these actions call into question the continued usefulness and viability of that organization. Can an organization in which hostility and intolerance among nations are fostered achieve the goals of promotng harmony among nations? Can an organization in which a lack of respect for sovereign member nations foster the international cooperation that is so desperately needed in the face of today's threats to world peace?

Mr. President, together with the distinguished minority leader, Mr. SCOTT, I have introduced legislation, pending before the Senate Foreign Relations Committee, to authorize the President to suspend U.S. participation in and funding for any organ of the U.N. which discriminates against a member nation in a fashion inconsistent with the spirit of the U.N. Charter. I believe it is time for the U.S. Congress, in cooperation with the Department of State, to carry out an indepth review of the United Nations in an effort to determine whether its structure and procedures, and particularly U.S. participation in the U.N., are such as to promote compliance with the goals of the U.N. Charter. I am not suggesting at this point that the United States should withdraw from the United Nations; I am merely suggesting that it is time the Congress reassessed the nature of our participation and whether that participation still serves U.S. national interests. I am pleased to be a cosponsor of the resolution pending before the Senate at this time and urge my colleagues' support for it.

Mr. FONG. Mr. President, yesterday, the United Nations General Assembly adopted a resolution equating Zionism with racism by a vote of 72 to 35 with 32 abstentions. That deplorable resolution "determines that Zionism is a form of racism and racial discrimination."

Mr. President, I stand here today to denounce, in no uncertain terms, the action that was taken by the General Assembly.

I also want to associate myself with the remarks that were made by our Ambassador to the United Nations, Daniel Patrick Moynihan, when he told the Assembly soon after the vote that the United States "does not acknowledge, will not abide by, will never acquiesce in this infamous act." Ambassador Moynihan went on to denounce the adoption of the resolution as unleashing "a great evil" upon the world. He went on to charge that "the abomination of anti-Semitism has been given the appearance of international sanction. This day will live in infamy."

Under the guise of a program to eliminate racism, the United Nations General Assembly officially endorsed anti-Semitism—one of the oldest and most virulent forms of racism known to human history.

Adoption of the resolution not only encourages but legitimizes anti-Semitism around the world.

It is a direct attack on Israel since Zionism is an integral part of the Jewish religion.

Furthermore, any nation could use the U.N. resolution as an excuse to crack down on its own Jewish residents.

I firmly believe that the attack on Zionism was a crude and callous attempt designed to confuse issues which affect peace in the Middle East.

I say this because I believe that the Arab governments which lobbied for the resolution were really lobbying, in large part, against the Sinai Peace Agreement which has set in motion a process of conciliation between Israel and Egypt. There is no doubt in my mind that the resolution is meant to perpetuate the hostility that exists between the Arab world and Israel at a time when one Arab state—to its great credit—has sought to diminish this hostility and work toward a peaceful resolution of her differences with Israel.

It is indeed regrettable that some governments will use such a resolution to strike a political blow at Israel just at a time when the Sinai accord has given us reason for hope and optimism that, at long last, progress is being made in resolving the Mideast dispute in a peaceful manner.

Most of all, it is tragic and sad that the action at the United Nations will have an adverse impact on the overwhelming majority of Jewish people, wherever they live, who have seen in the creation and success of the State of Israel the answer to an age-old dream—the achievement of a refuge for Jews denied full freedom elsewhere in the world. It is most unfortunate that the United Nations took this action against a member state which has every right to exist and to be free of persecution in that world body.

Recent actions at the United Nations have led me to review the purposes and principles for which that international organization was created.

Article 1 of the Charter of the United Nations states that the purposes of that body are:

> To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;
>
> To achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and
>
> To be a center for harmonizing the actions of nations in the attainment of these common ends.

Mr. President, when the United Nations was founded 30 years ago, it contained only 51 members—a number that has now grown to 142. It was surprised to find out that the U.S. population—approximately 212 million—is greater than the combined populations of the 77 smallest countries represented in the United Nations. As we all know, each of these nations, including the tiny Pacific island of Nauru—population 6,700—has one vote in the General Assembly.

Furthermore, the U.S. economy exceeds the total output of goods and services for the combined economies of 124 countries in the United Nations.

It is also a fact that from 1945 to 1970, the United States provided approximately 40 percent of all United Nations funds. Due to recent congressional action, this figure has been reduced to approximately 25 percent.

Mr. President, since coming to the Senate in 1959, I have consistently supported the United Nations and its related agencies. However, my confidence in the U.N. has been shaken recently and I believe that the time has come for a thorough and in depth review of all aspects of our participation in the United Nations. My call for a reassessment of our role in the United Nations stems from my profound concern about recent U.N. actions, possible future actions, and the long range trends which have developed in the world body during the last several years. These actions include:

First the explusion of the Republic of China from membership in the United Nations. I was not opposed to the admission of the People's Republic of China, but expelling the Republic of China—a charter member and nation of 16 million people— is clearly not consistent with efforts to make the United Nations an all inclusive organization. As a matter of record, 70 Senators signed a statement in October 1971, supporting United Nations membership for the Republic of China.

Second. The growing tendency for the United Nations to apply a double standard to issues involving member states. As Secretary of State Henry Kissinger said in response to the U.N. action on the Zionism resolution:

> We think that it is an example of the bloc voting, of the one-way morality, that has weakened the public support in the United States for the United Nations.

Third. The United Nations decision to allow the Palestine Liberation Organization to participate in a General Assembly debate as though it were a sovereign nation was a deplorable and regrettable precedent. The U.N. action had the effect of making the Palestine Liberation Organization—a terrorist organization—more respectable.

Fourth. Last year, the General Assembly came within two votes of expelling the de jure government of Cambodia and seating, in its place, the then exiled rebel movement.

Fifth: The action taken by UNESCO to exclude Israeli participation in its programs. This practice of excluding nations from the specialized and technical agencies must be resisted with all our resources.

Mr. President, the 1970's has seen the emergence in the United Nations of a coalition of Arab, African, and other nations of the so-called Third World, generally supported by the Communist powers. This coalition has dominated the General Assembly and has been running hog-wild in adopting one-sided, unrealistic resolutions which cannot practically be implemented. These resolutions cannot practically be implemented. These resolutions often even flaunt the charter of the U.N.

Former U.S. Ambassador to the United Nations John A. Scali once warned the members of the body that—

> Support for the world organization was eroding in Congress and among the American people.

He went on to warn that—

> When majority rule becomes the tyranny of the majority, the minority will cease to respect or obey it.

As a consequence of what appears to be a tyranny of the majority:

> Many Americans are questioning their belief in the United Nations. They are deeply disturbed.

It is possible that the United Nations of the 1970's has become like the League of Nations of the 1930's—powerless and useless?

To further illustrate the disillusionment over the United Nations that has been growing in the United States, John P. Roche, a true liberal—a founder of Americans for Democratic Action—recently wrote in a column:

> If the Soviets, the Arabs and their Third World friends want to play nasty games, we should refuse to subsidize the playground.

I am not advocating that the United States withdraw from the United Nations. I am asking that the American people, the Congress, and the administration conduct a thorough review of our role in the United Nations. I am hopeful that such a comprehensive reassessment will serve to help the President and the Congress develop a new policy and a new American relationship with the United Nations.

Mr. President, I ask unanimous consent that the statement made by Ambassador Daniel P. Moynihan in explanation of the vote on the resolution equating Zionism with racism and racial discrimination be included in the RECORD immediately after the statement I made earlier today on the same subject.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT BY AMBASSADOR DANIEL P. MOYNIHAN

The United States rises to declare before the General Assembly of the United Nations, and before the world, that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Not three weeks ago, the United States Representative in the Social, Humanitarian, and Cultural Committee pleaded in measured and fully considered terms for the United Nations not to do this thing. It was, he said, "obscene." It is something more today, for the furtiveness with which this obscenity first appeared among us has been replaced by a shameless openness.

There will be time enough to contemplate the harm this act will have done the United Nations. Historians will do that for us, and it is sufficient for the moment only to note one foreboding fact. A great evil has been loosed upon the world. The abomination of anti-semitism—as this year's Nobel Peace Laureate Andrei Sakharov observed in Moscow just a few days ago—the abomination of anti-semitism has been given the appearance of international sanction. The General Assembly today grants symbolic amnesty—and more—to the murderers of the six million European Jews. Evil enough in itself, but more ominous by far is the realization that now presses upon us—the realization that if there were no General Assembly, this could never have happened.

As this day will live in infamy, it behooves those who sought to avert it to declare their thoughts so that historians will know that we fought here, that we were not small in number—not this time—and that while we lost, we fought with full knowledge of what indeed would *be* lost.

Nor should any historian of the event, nor yet any who have participated in it, suppose that we have fought only as governments, as chancelleries, and on an issue well removed from the concerns of our respective peoples. Others will speak for their nations: I will speak for mine.

In all our postwar history there has not been another issue which has brought forth such unanimity of American opinion. The President of the United States has from the first been explicit: This must not happen. The Congress of the United States, in a measure unanimously adopted in the Senate and sponsored by 436 of 437 Representatives in the House, declared its utter opposition. Following only American Jews themselves, the American trade union movement was first to the fore in denouncing this infamous undertaking. Next, one after another, the great private institutions of American life pronounced anathema on this evil thing—and most particularly, the Christian churches have done so. Reminded that the United Nations was born in the struggle against just such abominations as we are committing today—the wartime alliance of the United Nations dates from 1942—the United Nations Association of the United States has for the first time in its history appealed directly to each of the 141 other delegations in New York not to do this unspeakable thing.

The proposition to be sanctioned by a resolution of the General Assembly of the United Nations is that "Zionism is a form of racism and racial discrimination." Now this is a lie which the United Nations has now declared to be a truth, the actual truth must be restated.

The very first point to be made is that the United Nations has declared Zionism to be racism—without ever having defined racism. "Sentence first—verdict afterwards," as the Queen of Hearts said. But this is no wonderland, but a real world, where there are real consequences to folly and to venality. Just on Friday, the President of the General Assembly warned not only of the trouble which would follow from the adoption of this resolution but of its essential irresponsibility—for, he noted, members have wholly different ideas as to what they are condemning. "It seems to me," he said, and to his lasting honor he said it when there was still time, "It seems to me that before a body like this takes a decision they should agree very clearly on what they are approving or condemning, and it takes more time."

Lest I be unclear, the United Nations has in fact on several occasions defined "racial discrimination." The definitions have been loose, but recognizable. It is "racism"—incomparably the more serious charge—which has never been defined. Indeed, the term has only recently appeared in United Nations General Assembly documents. The one occasion on which we know its meaning to have been discussed was the 1644th meeting of the Third Committee on December 16, 1968, in connection with the report of the Secretary-General on the status of the international convention on the elimination of all forms of racial discrimination. On that occasion—to give some feeling for the intellectual precision with which the matter was being treated—the question arose, as to what should be the relative positioning of the terms "racism" and "Nazism" in a number of the "preambular paragraphs." The distinguished delegate from Tunisia argued that "racism" should go first because "Nazism was merely a form of racism . . ." Not so, said the no less distinguished delegate from the Union of Soviet Socialist Republics. For, he explained, "Nazism contained the main elements of racism within its ambit and should be mentioned first." This is to say that racism was merely a form of nazism.

The discussion wound to its weary and inconclusive end, and we are left with nothing to guide us, for even this one discussion of "racism" confined itself to word orders in preambular paragraphs, and did not at all touch on the meaning of the words as such. Still, one cannot but ponder the situation we have made for ourselves in the context of the Soviet statement on that not so distant occasion. *If*, as the distinguished delegate declared, racism is a form of Nazism—and *if*, as this resolution declares, Zionism is a form of racism—*then* we have step by step taken ourselves to the point of proclaiming—the United Nations is solemnly proclaiming—that Zionism is a form of Nazism.

What we have here is a lie—a political lie of a variety well known to the twentieth century, and scarcely exceeded in all that annal of untruth and outrage. The lie is that Zionism is a form of racism. The overwhelmingly clear truth is that it is not.

The word "racism" is a creation of the English language, and relatively new to it. It is not, for instance, to be found in the Oxford English Dictionary. The term derives from relatively new doctrines—all of them discredited—concerning the human population of the world, to the effect that there are significant biological differences among clearly identifiable groups, and that these differences establish, in effect, different levels of humanity. Racism, as defined by Webster's Third New International Dictionary, is "The assumption that . . . traits and capacities are determined by biological race and that races differ decisively from one another." It further involves "a belief in the inherent superiority of a particular race and its right to domination over others."

This meaning is clear. It is equally clear that this assumption, this belief, has always been altogether alien to the political and religious movement known as Zionism. As a strictly political movement, Zionism was established only in 1897, although there is a clearly legitimate sense in which its origins are indeed ancient. For example many branches of Christianity have always held that from the standpoint of the biblical prophets, Israel would be reborn one day. But the modern Zionist movement arose in Europe in the context of a general upsurge of national consciousness and aspiration that overtook most other people of Central and Eastern Europe after 1848, and that in time spread to all of Africa and Asia. It was, to those persons of the Jewish religion, a Jewish form of what today is called a national liberation movement. Probably a majority of those persons who became active Zionists and sought to emigrate to Palestine were born within the confines of Czarist Russia, and it was only natural for Soviet Foreign Minister Andrei Gromyko to deplore, as he did in 1948, in the 299th meeting of the Security Council, the act by Israel's neighbors of "sending their troops into Palestine and carrying out military operations aimed"—in Mr. Gromyko's words—"at the suppression of the National Liberation Movement in Palestine."

Now it was the singular nature—if I am not mistaken, it was the unique nature—of this National Liberation Movement that in contrast with the movements that preceded it, those of that time and those that have come since, it defined its members in terms not of birth, but of belief. That is to say, it was not a movement of the Irish to free Ireland, or of the Polish to free Poland, not a movement of Algerians to free

Algeria, nor of Indians to free India. It was not a movement of persons connected by historic membership in a genetic pool of the kind that enables us to speak loosely but not meaninglessly, say, of the Chinese people, nor yet of diverse groups occupying the same territory which enables us to speak of the American people with no greater indignity to truth. To the contrary, Zionists, defined themselves merely as Jews, and decleared to be Jewish anyone born of a Jewish mother or—and this is the absolutely crucial fact—anyone who converted to Judaism. Which is to say, in the terms of the International Convention on the elimination of all forms of racial discrimination, adopted by the 20th General Assembly, *anyone*—regardless of "race, colour, descent, or national or ethnic origin. . . ."

The State of Israel, which in time was the creation of the Zionist Movement, has been extraordinary in nothing so much as the range of "racial stocks" from which it has drawn its citizenry. There are black Jews, brown Jews, white Jews, Jews from the Orient and Jews from the West. Most such persons could be said to have been "born" Jews, just as most Presbyterians and most Hindus are "born" to their faith, but there are many Jews who are converts. With a consistency in the matter which surely attests to the importance of this issue to that religious and political culture, Israeli courts have held that a Jew who converts to another religion is no longer a Jew. In the meantime the population of Israel also includes large numbers of non-Jews, among them Arabs of both the Muslim and Christian religions and Christians of other national origins. Many of these persons are citizens of Israel, and those who are not can become citizens by legal procedures very much like those which obtain in a typical nation of Western Europe.

Now I should wish to be understood that I am here making one point, and one point only, which is that whatever else Zionism may be, it is not and cannot be "a form of racism." In logic, the State of Israel could be, or could become, many things, theoretically including many things undesirable, but it could not be and could not become racist unless it ceased to be Zionist.

Indeed, the idea that Jews *are* a "race" was invented not by Jews but by those who hated Jews. The idea of Jews as a race was invented by nineteenth century anti-semites such as Houston Steward Chamberlain and Edouard Drumont, who saw that in an increasingly secular age, which is to say an age which made for fewer distinctions between people, the old religious grounds for anti-semitism were losing force. New justifications were needed for excluding and persecuting Jews, and so the new idea of Jews as a race—rather than as a religion—was born. It was a contemptible idea at the beginning, and no civilized person would be associated with it. To think that it is an idea now endorsed by the United Nations is to reflect on what civilization has come to.

It is precisely a concern for civilization, for civilized values that are or should be precious to all mankind, that arouses us at this moment to such special passion. What we have at stake here is not merely the honor and the legitimacy of the State of Israel—although a challenge to the legitimacy of any member nation ought always to arouse the vigilance of all members of the United Nations. For a yet more important matter is at issue, which is the integrity of that whole body of moral and legal precepts which we know as human rights.

The terrible lie that has been told here today will have terrible consequences. Not only will people begin to say, indeed they have already begun to say, that the United Nations is a place where lies are told. Far more serious, grave and perhaps irreparable harm will be done to the cause of human rights. The harm will arise first because it will strip from racism the precise and abhorrent meaning that it still precariously holds today. How will the peoples of the world feel about racism, and about the need to struggle against it, when they are told that it is an idea so broad as to include the Jewish National Liberation Movement?

As this lie spreads, it will do harm in a second way. Many of the members of the United Nations owe their independence in no small part to the notion of human rights, as it has spread from the domestic sphere to the international sphere and exercised its influence over the old colonial powers. We are now coming into a time when that independence is likely to be threatened again. There will be new forces, some of them arising now, new prophets and new despots, who will justify their actions with the help of just such distortions of words as we have sanctioned here today. Today we have drained the word "racism" of its meaning. Tomorrow, terms like "national self-determination" and "national honor" will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made—as they already have begun to be made—it is the small nations of the world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?

There is this danger, and then a final danger that is the most serious of all. Which is that the damage we now do to the idea of human rights and the language of human rights could well be irreversible. The idea of human rights as we know it today is not an idea which has always existed in human affairs. It is an idea which appeared at a specific time in the world, and under very special circumstances. It appeared when European philosophers of the seventeenth century began to argue that man was a being whose existence was independent from that of the State, that he need join a political community only if he did not lose by that association more than he gained. From this very specific political philosophy stemmed the idea of political rights, of claims that the individual could justly make against the State; it was because the individual was seen as so separate from the State that he could make legitimate demands upon it.

That was the philosophy from which the idea of domestic and international rights sprang. But most of the world does not hold with that philosophy now. Most of the world believes in newer modes of political thought, in philosophies that do not accept the individual as distinct from and prior to the State, in philosophies that therefore do not provide any justification for the idea of human rights and philosophies that have no words by which to explain their value. If we destroy the words that were given to us by past centuries, we will not have words to replace them, for philosophy today has no such words.

But there are those of us who have not forsaken these older words, still so new to much of the world. Not forsaken them now, not here, not anywhere, not ever.

The United States of America declares that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Mr. SPARKMAN. Mr. President, the three anti-Israel votes in the United Nations yesterday will make the U.N. peacekeeping and peacemaking efforts in the Mideast more difficult.

I do not believe Zionism is equated to racism. The U.N. action was a move away from—not toward—peace. It makes the situation worse.

Peace in the Mideast is possible. The hopes and dreams of all peoples in the area can be accommodated through negotiation and I hope the healthy steps taken in recent months along the path toward peace will not falter.

U.N. VOTE ON ZIONISM

Mr. BEALL. Mr. President, I rise in support of the resolution.

The vote by the United Nations' General Assembly equating Zionism with racism is certainly to be deplored by all Americans. In recent years there's been a growing trend of irresponsible political decisions coming out of the United Nations, and I am afraid that the politicizing of this peacekeeping body is contributing to a decline in public support for the U.N.

Last night's vote is only one of several actions in recent years that have tended to erode public confidence in this body. The expulsion of Taiwan, the refusal to seat South Africa, the decision to allow the PLO to participate in a General Assembly debate, and the exclusion of Israel from UNESCO programs were forerunners of the anti-Zionism resolution. I think the world needs an international forum where people of differing ideologies can come together to talk out their differences. And I have traditionally supported the United Nations. Recent actions, however, have clearly shaken my confidence and caused me to conclude that the time has come for a complete review of U.S. participation in this world organization.

On August 1, I introduced legislation that would establish a temporary 15-member commission to conduct such a review. On October 1, I circulated a "Dear Colleague" letter soliciting cosponsors for this measure—S. 2262. To date, the following Senators have joined me in this effort: Senators BARTLETT, FANNIN, GARN, and MOSS. In light of last night's General Assembly vote I have renewed my efforts to gain prompt Senate consideration of S. 2262. I would urge my fellow Senators to join in cosponsoring this measure and I would hope that the Foreign Relations Committee will begin to move this bill through the legislative process.

Mr. President, Senator PACKWOOD's resolution is an appropriate response to the U.N.'s anti-Zionist vote of last night. I believe that the Senate should give prompt and favorable consideration to Senate Concurrent Resolution 73, which addresses itself to the immediate situation. S. 2262 on the other hand, is designed to bring about an overall review of U.S. policy toward the United Nations, and I intend to press for Senate consideration at the earliest possible moment.

Mr. President, for the convenience of my colleagues, I ask unanimous consent that my dear colleague letter of October 1, 1975, and the text of S. 2262 be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., October 1, 1975.

DEAR COLLEAGUE: On August 1, 1975, I introduced S. 2262 which would, if enacted, establish a temporary 15-member commission on U.S. participation in the United Nations.

It has been 30 years since the United Nations' charter was signed, and the world as well as the United Nations has changed a great deal during this period. For a number of reasons, I believe that the U.S./U.N. relationship should be reassessed, and I believe that the commission approach contained in S. 2262 is a responsible way for Congress and the Executive Branch to jointly participate in a major foreign policy review.

I am enclosing, so as to be of assistance to you, a copy of the statement I made at the time of this bill's introduction. This reprint also outlines the reasons I believe such a reassessment is necessary.

If you are interested in cosponsoring this legislation, or if you need additional information, please call Dave Rust or Margaret Barrett in my office on extension 4-4524.

With best wishes, I am

Sincerely yours,
J. GLENN BEALL, Jr.

S. 2262

A bill to establish a temporary Commission on United States Participation in the United Nations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,,

ESTABLISHMENT OF COMMISSION

SECTION 1. There is established a Commission on United States Participation in the United Nations.

MEMBERSHIP OF THE COMMISSION

SEC. 2. (a) The Commission shall be composed of fifteen members as follows:

(1) Five members appointed by the President of the United States, of whom two shall be employees of the United States holding a position not above grade GS-16 of the General Schedule under section 5332 of title 5, United States Code, or equivalent grade.

(2) Five members appointed by the President of the Senate, of whom two shall be Members of the Senate; and

(3) Five members appointed by the Speaker of the House of Representatives, of whom two shall be Members of the House.

(b) One of the Members of the Senate appointed under subsection (a)(2) and the Members of the House appointed under subsection (a)(3), not more than three such Members in each instance shall be from the same political party. Except as provided in subsection (a), all members of the Commission shall be appointed from private life.

(c) Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

(d) The Commission shall elect a chairman and a vice chairman from among its members.

(e) A quorum of the Commission shall consist of seven members, except that the Commission may establish a lower number as a quorum for the purpose of taking sworn testimony.

DUTIES OF THE COMMISSION

SEC. 3. (a) It shall be the duty of the Commission to conduct a full and complete study and investigation of the United Nations, and the nature and extent of United States participation therein.

(b) The Commission shall, from time to time, and in a final report, report the results of its study and investigation and submit its recommendation to the President and the Congress. The Commission shall submit a final report not later than one year after the appointment of all members of the Commission.

POWERS OF THE COMMISSION

SEC. 4. (a) The Commission may, in carrying out its duties under this Act, sit and act at such times and places, hold such hearings, take such testimony, require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, have such printing and binding done, and make such expenditures as the Commission deems advisable. Subpenas shall be issued under the signature of the chairman or any member of the Commission designated by him and shall be served by any person designated by the chairman or any such member. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(b) Any United States district court within the jurisdiction of which any inquiry is carried on, may, upon petition by the Commission, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) Subject to such rules and regulations as may be adopted by the Commission, the chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional staff personnel as he deems necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $125 a day for individuals.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 5. (a)(1) The members of the Commission who are Members of the Congress shall serve without additional compensation. The members of the Commission who are officers or employees of the United States shall serve without additional compensation, but shall continue to receive the salary of their regular position when engaged in the performance of the duties vested in the Commission.

(2) A member of the Commission other than one to whom paragraph (1) applies shall receive $125 per diem when engaged in the actual performance of the duties vested in the Commission.

(b) All members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

EXPENSES OF THE COMMISSION

SEC. 6. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

EXPIRATION OF THE COMMISSION

SEC. 7. The Commission shall cease to exist thirty days after the submission of its final report.

THE UNITED STATES IN THE U.N.

Mr. PERCY. Mr. President, today we are all very deeply disturbed by the passage in the United Nations General Assembly of a resolution which seeks to equate Zionism with racism. This absurd formulation reflects badly on the judgment of those nations which supported it, for it only makes more difficult the achievement of an atmosphere of trust which is a prerequisite for peaceful resolution of Mideast problems.

It is understandable that despair over this hostile action has brought strong reactions in our country where the people of Israel are held in such high regard. I myself am bitterly disappointed that a majority in the General Assembly should take an action so counterproductive to Mideast peace, so harmful to the United Nations, and so insulting to the Jewish people.

Yet, even at this time when emotions are running high, it is important to note that the resolution was passed by a majority of the representatives of U.N. member states, not really by the U.N. itself. The U.N. as an institution has not made a policy pronouncement. Rather the U.N. has been tarred by this brush carried by 72 member states, the radical leaders of whom deserve the blame for this resolution.

As we consider the future U.S. role in the U.N. General Assembly, we should bear in mind that a U.S. withdrawal from Assembly deliberations would only leave the Assembly in more complete control of those nations which have chosen to politicize that body. Moreover, if the United States should end its participation in the Assembly, who would stand up to promote, explain, clarify and defend the policies of the United States? In those circumstances, what world power would stand up to urge fairness for Israel?

It is my profound belief that the United States should stay in the United Nations and in every element of it, including the General Assembly and the specialized agencies. We should stay and fight for our views, for our interests, for our position, for our principles. I can think of no greater folly than to abandon any element of the United Nations to those whose purposes are antithetical to our own.

WHAT IS ZIONISM?

Mr. BIDEN. Mr. President, I would like to say a few words about the United Nations General Assembly's adoption of a resolution equating Zionism with racism, on November 10, 1975.

Only a few weeks ago, a committee of the General Assembly of the United Nations adopted Resolution 2159, portions of which sought to equate Zionism with racism. A few days later, on October 21, I cosponsored Senate Resolution 288 that strongly condemned the U.N. resolution. Senate Resolution 288 urged the United Nations General Assembly to disapprove Resolution 2159 whose obvious purpose was to attack and condemn the State of Israel in a most heinous and abhorrent manner.

Yesterday, a majority of the delegates

to the United Nations General Assembly made a mockery out of the charter of this international organization. By a vote of 72 to 35 the General Assembly adopted Resolution 2159. Article I of the Charter of the United Nations states the purposes of the organization as follows:

> To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;
>
> To achieve international co-operation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and
>
> To be a center for harmonizing the actions of nations in the attainment of these common ends:

The U.N. resolution condemning zionism, is a stupid one. The U.N. is weakened by its passage. The 72 nations that supported this resolution need the U.N. more than we big powers do. In the long run it will hurt them more than the United States, the Soviet Union or China.

Racism is a singularly evil and vicious force, which should be condemned where it is practiced. Zionism on the other hand, is a national movement that had as its genesis the creation of a Jewish state in Palestine in the late 19th century. Theodor Herz, often considered the father of Zionism pioneered this movement during a period of violent anti-semitism in Europe. Zionism advocated the return of Jews to present day Israel.

I have today joined in cosponsoring a resolution, Senate Concurrent Resolution 73 which was adopted by the Senate on November 11, condemning the General Assembly vote.

Mr. TUNNEY. Mr. President, the U.N. General Assembly's approval of the Arab-inspired resolution which equates Zionism with racism is an utterly senseless and intolerable act. I patently decry this resolution because it thwarts the efforts of the United Nations to rid the globe of racism by eroding any true consensus on this critical issue. The resolution asserts that Israel is an expression of "racial" cohesion when, in fact, that nation is united by a religious and cultural affinity. Such one-way morality, dictated by a bloc of regimes, serves only to destroy the faith of the American people in the institution optimistically-named the United Nations.

I have joined Senator HUMPHREY and my other colleagues in the Senate in cosponsoring Senate Resolution 288, a formal condemnation of the United Nations' resolution that classifies Zionism as "a form of racism." Further, I have today joined Senators PACKWOOD and HUMPHREY in a resolution which denounces the action of the General Assembly and moves to investigate the implications of this vote with respect to our U.N. activities. Finally, it is my sincere hope that the worthy efforts of the U.N. will not be hindered by those venting rage against one of the oldest, and most venerable, nations represented there.

Mr. BAKER. Mr. President, I want to express briefly my strong support for Senate Concurrent Resolution 73, condemning the passage in the United Nations General Assembly of a resolution characterizing Zionism as racist. I do not believe that the Congress of the United States can state too strongly its repugnance at this infamous and immoral act. It is repugnant to the letter of the charter of the United Nations, and it is repugnant to the moral character of those civilized peoples for whom the United Nations is supposed to be a forum for peace and the advancement of humanity.

I want, particularly, to endorse that provision of this concurrent resolution which "calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its charter to obtain reconsideration" of this action by the General Assembly. As Representatives of the American people, I believe that the Congress is intimately concerned in the achievement of this end; and it is my hope that we continue actively to seek it. Because, until the effect of this inimical act is totally expunged, its stain will continue to color whatever future actions, however beneficial, that are undertaken by the General Assembly.

Mr. President, there is little that we can find pleasing about this resolution; but, if there is anything, it is that a large number of nations opposed it. Particularly pleasing is the large number of African nations who, despite the undoubted pressure placed upon them, refused to support this act of the extremists. On the other hand, I was surprised and extremely disappointed that such nations as Portugal, Cyprus, Turkey, and Mexico joined those who would so demean the United Nations in pursuit of their own political aims.

The concurrent resolution dedicates this Congress to continue its opposition to this regrettable act. In so doing, perhaps we can also work to restore some measure of substance and credibility to the severely tainted image of the United Nations.

Mr. KENNEDY. Mr. President, yesterday, the U.N. General Assembly voted to equate Zionism with racism: and in doing so, it compromised the principles on which the United Nations was founded 30 years ago.

I am deeply distressed and concerned by this action. It denies the historic role played by the United Nations in the creation of the State of Israel. It can only serve to undermine both the capacity of the United Nations to play an effective role in meeting issues critical to the future of mankind, and its inability to promote the principles on which it was founded. And it once again brings racism back as a method of statecraft.

Yesterday's vote was not unexpected. But even this action in the General Assembly cannot damage the heritage of the Israeli people which has endured—under greater challenges—for thousands of years.

I do not rise to condemn the United Nations. To do so would be a tragic mistake. It is not the U.N. which instigated yesterday's vote—it is those member states which favored the passage of this resolution that rightfully deserve to be the target of our protests. To denigrate the concept of an international community of nations—embodied in the U.N.—is to subscribe to the very philosophy of those States which instigated the passage of this resolution. I hope—despite the anger of the American people—that our support of the United Nations will not diminish.

In recent years, the United Nations has increased in importance, both in its peacekeeping activities, and in its role as a forum for debate and decision of major issues relating to the restructuring of the global economy. Both of these functions are important for all members of the United Nations; and the importance of these functions is further argument for isolating that organization from efforts to pervert both its goals and the charter itself.

Since the U.N. General Assembly's Third Committee voted on the resolution, thoughtful voices have been raised around the world, counseling against this renewal of racist attitudes that the resolution itself pretends, wrongly, to condemn. Yesterday, 35 nations, including the United States, understood the wisdom of rejecting a return to racism. But 72 others failed to heed the voices of wisdom and true humanitarian concern. By doing so, they have seriously damaged the reputation and the capacity for leadership of an institution upon which many of these same nations rely in their quest for justice and development.

In a more immediate sense, this resolution undermines another key principle of the United Nations: its commitment to peace. This resolution can only jeopardize the cause of peace in the Middle East, by introducing a new source of division and discord, at the very time that so many people, there and elsewhere, are seeking to end a generation of conflict. To be united in the cause of peace should be the primary task of U.N. member states; and yesterday's resolution is a threat to that vital cause.

Mr. President, if mankind is to move beyond those attitudes of hatred and prejudice that have so marred its history, and that have brought untold suffering and grief to so many people of so many races, creeds, ethnic groups, and religions, then the institution in which the hopes of people throughout the world are invested—the United Nations—must itself set the example. Yesterday, the representatives of 72 nations failed to do so.

We in the United States, in a country which itself has suffered the blight of racism, must condemn this action, and do what we can both to minimize its effects and try at every opportunity to restore the United Nations to the high road of principle and practice that is so vital for that institution—and for all mankind.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the recess, the distinguished Senator from Idaho be recognized.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS FOR 2 MINUTES

The ACTING PRESIDENT pro tempore. The Senate will now stand in recess for 2 minutes.

The Senate, at 12:25 p.m., recessed until 12:27 p.m., whereupon, the Senate reassembled when called to order by the Acting President pro tempore (Mr. FORD).

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Idaho (Mr. CHURCH) is recognized for not to exceed 15 minutes.

Mr. ROTH. Will the Senator yield for 30 seconds?

Mr. CHURCH. I am happy to yield to the distinguished Senator from Delaware.

SENATE CONCURRENT RESOLUTION 74—SUBMISSION OF A CONCURRENT RESOLUTION TO REDUCE FEDERAL TRAVEL EXPENSES

Mr. ROTH. Mr. President, I send to the desk a concurrent resolution to reduce Federal travel expenses, and I ask unanimous consent that it be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I am today submitting legislation calling for the President to take immediate steps to reduce Federal spending on travel and transportation by Federal employees by at least 10 percent. Immediate action by the President to implement a reduction in Federal travel spending will result in a savings of more than $230 million this fiscal year.

Last December, Congress adopted my amendment for a 10 percent across-the-board cutback of all Federal travel expenditures. However, after 2 months of bureaucratic complaints and claims that the travel cutback had hampered vital Government services, Congress rescinded the travel amendment, at a cost to the taxpayers of $160 million. My objective was to eliminate the unessential and wasteful travel expenses, and I regret the unwillingness of the executive branch to even attempt to impose budget restraints in this area without jeopardizing legitimate Government activities. As I said then on the Senate floor, the repeal of the travel amendment produced the sad spectacle of the Government asking the American people to make sacrifices when the Federal Government is showing no willingness at all to tighten its own belt.

Although the administration was adamantly opposed to my travel amendment last year and worked for its repeal, I am hopeful that the President will support this travel cut. The President has asked for a substantial cutback in Federal spending, and with his cooperation, the President and Congress can work together to make reductions in an area of substantial Government waste.

Therefore, the legislation that I am introducing today would call on the President, through his OMB Director, to take steps to reduce Federal travel by 10 percent, taking care to insure that the cutbacks do not disrupt vital Government services or the movement of military personnel.

Because of the difficulties involved in legislating an across-the-board travel cut, this legislation is in the form of a concurrent resolution expressing the sense of Congress that immediate steps be taken by the President to reduce Federal travel expenses.

According to the fiscal 1976 budget estimates, the Federal Government will spend $2,314,371,000 on travel and transportation of Federal employees, and a 10 percent cutback would achieve a savings for the taxpayers of more than $230 million. This reduction of $230 million will still allow the Government to spend as much on travel as it did in fiscal years 1975 and 1974, when it spent $2.1 billion and $2.0 billion respectively.

And while I do anticipate objections from virtually all executive branch departments and agencies, I am convinced that a substantial amount of waste can be cut from the travel budgets of many of our departments and agencies.

For example, the projected percentage increases for the travel budgets of many departments and agencies are, in my opinion, excessive and unjustifiable.

The Agriculture Department is planning to spend $90,049,000 in fiscal 1976, a 25-percent increase over fiscal 1975 spending for travel.

The Veterans' Administration will spend $74,521,000 this year on travel expenses, a 25-percent increase over fiscal 1975 and a 40-percent increase over fiscal 1974 spending.

The Secret Service will spend $10,916,000 in fiscal 1976 on travel, an increase of 54 percent over fiscal 1975 travel spending.

And the Selective Service System, operating on a standby basis since the draft was eliminated, will spend $1,640,000 on travel, an increase of more than 60 percent over last year's travel budget.

These are not the only departments and agencies with large travel budgets. The Defense Department will spend $1,477,889,000 in fiscal 1976, with a large portion of these funds spent on change of station travel for military personnel. This legislation is not intended to disrupt the movement of military personnel, but it is also not intended to exempt the Department from trimming the fat in its travel budgets.

The Department of Health, Education, and Welfare has a travel budget of $75,027,000, including $22,501,000 for the Social Security Administration.

Other travel budgets include $84,737,000 for the Treasury Department, $74,042,000 for the Transportation Department, $63,832,000 for the Interior Department, and $34,417,000 for the State Department.

In addition to the well-known departments and agencies, a variety of 63 commissions and boards will spend $90,419,000 on travel in fiscal 1976.

And although the legislative and judicial branches of Government account for less than 1 percent of the spending on Federal travel, my travel legislation will also apply to these two branches.

If the President is serious about reducing Government spending, he will endorse my efforts to cut Government travel spending. If the Government expects the American people to sacrifice, then the Government must be willing to sacrifice.

We must act immediately to cut back unnecessary Government costs, reduce the duplication of Federal programs, and trim the administrative expenses of Government. And as a first step, we must reduce Government travel expenses by 10 percent and save the American taxpayers $230 million a year.

I ask unanimous consent that the text of the concurrent resolution and a table listing the estimated travel costs for the departments and agencies be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. CON. RES. 74

Resolved by the Senate (the House of Representatives concurring),

That the President, through the Director of the Office of Management and Budget, shall take immediate steps to restrain the inflationary impact of Federal expenditures and to conserve the use of energy by ordering a reduction of Federal travel expenditures by at least 10 percent; and

That these steps shall include such provisions as are necessary to insure that such reductions are allocated so as not to disrupt the provision of vital governmental services or the organized troop movement of military personnel, and

That the President is requested to submit to Congress, within 30 days of adoption of this Resolution by the Senate and the House of Representatives a report outlining his actions.

Travel and transportation costs

Agency:	*Fiscal year 1976*
Legislative branch	10,508
The judiciary	9,939
Executive Office of the President	1,315
Funds appropriated to the President	26,703
Department of Agriculture	90,049
Department of Commerce	26,117
Department of Defense—military	1,477,889
Department of Defense—civil	37,516
Department of Health, Education, and Welfare	75,027
Department of the Interior	63,832
Department of Justice	53,173
Department of Labor	18,170
Department of State	34,417
Department of the Treasury	84,737
Energy Research and Development Administration	8,040
Environmental Protection Agency	12,800
Department of Transportation	74,042
General Services Administration	10,887

Department of Housing and Urban Development	16,448
National Aeronautics and Space Administration	17,822
Veterans' Administration	74,521
Other independent agencies	90,419
Total	2,314,371

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, under the special orders, I believe the distinguished Senator from Idaho is now to be recognized.

The ACTING PRESIDENT pro tempore. He has been recognized, and he yielded to the Senator from Delaware for a unanimous-consent request.

Mr. MANSFIELD. Mr. President, it is my understanding that I have 15 minutes as well.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. MANSFIELD. Mr. President, I yield my 15 minutes to the distinguished Senator from Idaho.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Idaho may proceed.

Mr. CHURCH. I thank the Senators very much for their courtesy.

Mr. President, I ask unanimous consent that Mr. Lock Johnson be granted privilege of the floor during the presentation of this address.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AN IMPERATIVE FOR THE CIA: PROFESSIONALISM FREE OF POLITICS AND PARTISANSHIP

Mr. CHURCH. Mr. President, "For ye shall know the truth and the truth shall make you free." So read the words carved in white marble at the entrance to the Central Intelligence Agency. It is a noble Biblical thought, chosen by Allen Dulles when he was Director of the CIA perhaps to remind his colleagues of their ultimate purpose: the creation of objective intelligence.

Objectivity ought to be the hallmark of every public trust. As chairman of the Senate Select Committee on Intelligence Activity, I have done my utmost to assure a fair and balanced inquiry into the intelligence services. When the committee was first established, Senate Majority Leader Mike Mansfield stressed that the allegations against the intelligence agencies were serious. They deserved, he said, a sober inquiry which would be "neither a whitewash nor a vendetta." That is how I have tried to conduct this investigation.

Certainly it has not been a whitewash. The committee has already exposed many serious abuses of power within the intelligence services. Working steadfastly for 9 months, the select committee has amassed a comprehensive set of records, documents, and sworn testimony.

This month, the committee will publish a detailed interim report on assassination. The committee has voted to make the report public, despite an appeal by the President to suppress it. Based on the sworn testimony of over 100 witnesses, some 8,000 pages of transcripts, and countless hours of research, this report examines the involvement of our Government in foreign assassination intrigue during the administration of four Presidents, Eisenhower, Kennedy, Johnson, and Nixon. Piecing together the available evidence has been an extraordinarily difficult job. But the result has been as penetrating an inquiry into this regrettable chapter of our history as the obtainable facts will allow.

Beyond identifying threats to the liberty of American citizens, the committee is working diligently to establish legislative safeguards to better protect their rights in the fuure. These proposals for reform will be the focus for public hearings later this year.

So, a whitewash this investigation is not.

Just as clearly, it is not a vendetta.

In the interests of fairness, wherever the CIA has been wrongly charged, I have been quick to say so. Some alleged earlier this year that the CIA had been involved in plots to murder Charles DeGaulle, the late President of France. An immediate review of the facts showed no such plot was ever contemplated by the CIA or any other agency of the U.S. Government. What actually happened was this: A CIA agent was approached by a foreign citizen who made a totally unsolicited suggestion of a plan to kill DeGaulle. The plan was rejected at once by the Central Intelligence Agency.

On another occasion, the accusation was made that the CIA had periodically "infiltrated" the White House and other executive agencies. Specifically, it was said that Alexander Butterfield, an aide to President Nixon, had served in the White House as a spy for the CIA. There was no scintilla of evidence that Mr. Butterfield had spied on the President for the CIA. I announced this finding as quickly as it could be confirmed, in the interest of fairness both to the CIA and Mr. Butterfield.

Where the CIA has erred, the committee will say so; where it has performed with merit, the committee will acknowledge that as well. In short, our objective has never been to wreck the intelligence system, but to expose wrongful and unlawful conduct, so that needed reforms can be written into law.

In appraising the intelligence services, a subject of particular concern is the quality of our national intelligence estimates, or NIE's as they are more commonly called. The preparation of national intelligence estimates is a most important task, for the NIE's from the building blocks of national security policy. Put briefly, an intelligence estimate is a paper prepared by the CIA in cooperation with the other intelligence services which assesses the current situation in some part of the world, or analyzes the major forces at work—political, economic, military, sociological, psychological—on some aspect of the world situation. Often an estimate will go further and make a prediction about future developments. In this sense, an estimate is forecast, a judgment, a "shrewd guess" as to what is likely to happen.

Though it is impossible to predict the precise course of events, the good NIE describes in detail how various parties involved view a situation, and how they might act toward hypothetical changes. The estimate will lay out, and often rank, a range of possible outcomes, especially those that threaten American interests or present an opportunity for the United States.

The value of national intelligence estimates to the decisionmakers in our Government should be immense. Our national security could depend upon reliable judgments as to future actions and capabilities of hostile nations. The national estimate is the final product of an intricate gathering and evaluation of intelligence, drawn from all sources.

If NIE's are accurate and timely, and decisionmakers have confidence in them, we have spent our money well. But we have both wasted money and posed an added danger to our safety if our estimates are inaccurate, or if they have been distorted by analytic or policy bias. Mistaken estimates of enemy intentions hold a potential for national disaster. This we learned almost too late, prior to 1962, from the estimate which assured us that the Soviet Union would not place nuclear-tipped missiles in Cuba.

We have had other mistaken estimates. The professionals have erred in overestimating the growth of Soviet ICBM forces. The misconceived "missile gap" in the early 1960's is one illustration. The intelligence estimates on the Soviet invasions in Hungary in 1956 and Czechoslovakia in 1968 were also wide of the mark. By far the worst failure of the estimative process in many years was the misreading of the imminence of the 1973 Arab-Israeli war.

In a word, our national intelligence estimates have certainly been fallible. The Committee on Intelligence in the House of Representatives is to be strongly commended for examining recent estimates by the intelligence services which have proven to be inaccurate. Such failures need to be exposed so we will not develop a blind faith in our intelligence agencies.

However, we should not forget that on other occasions, our intelligence estimates have proven to be accurate and valuable. Admittedly, the CIA Directorate of Science and Technology has not yet developed a crystal ball. Predicting the future must remain probabilistic. Though the CIA did give an exact warning of the date last year when Turkey would invade Cyprus, such precision will be rare. Simply too many unpredictable factors enter into most situations. The intrinsic element of caprice in the affairs of men and nations is the hair shirt of the intelligence estimator.

When the Soviet Union mobilized troops in the summer of 1968 to threaten Czechoslovakia, no solid indication was available one way or the other as to when, or even if, the assembled forces would actually be used. The Politburo was sharply divided on the issue of intervention. The decision now appears to have been taken only a few hours before the invasion was launched on August 20. Though the mobilization of Soviet troops was duly reported by the CIA, no one could say for sure that the Politiburo decision would be—they themselves did not know until the last minute.

While it is unreasonable to expect precise predictions, a developing situation ought to be well-understood and reported to policymakers. Also, competent intelligence should shield the United States against major surprises. In this field, the intelligence services earn higher marks. Examples are plentiful in the critical areas of military, economic, and political intelligence.

Militarily, the intelligence agencies must detect new weapons systems. Before anything else, we need to know the numbers and characteristics of the weapons that can strike us directly, the doctrine for their use, intentions for further deployment, and, most importantly, the new weapons still on the drawing boards. In the last 25 years, no important new Soviet weapons system, from their H-bomb to their most recent missiles, has appeared which had not been heralded in advance by NIE's. The new Soviet Polaris-type "Y" missiles and the submarines on which they are carried were anticipated well before the first boats slid down the ways.

The CIA, with the help of the other intelligence services, identified and monitored the development of the Soviet ABM system around Moscow some 7 years before it became operational. Individual ABM radars were identified in the early phases of their construction—up to 5 years before they became active.

Our Government would never have been able to enter into the SALT negotiations were it not for the ability of the intelligence services to verify—that is, detect through our own independent means—any significant violation of the agreements. This capability gave us the confidence to take this important step toward arms control. Moreover, U.S. intelligence studies on Soviet strategic missile programs, as they might develop without a further SALT agreement, played an important role in determining the ceilings reached at Vladivostok.

Even in the estimate failure I cited earlier concerning the Cuban missile crisis, we should not forget that ultimately it was the CIA-developed U-2 plane which detected the missiles in time for us to act. Moreover, 2 months before, John McCone, then Director of Central Intelligence, had warned his colleagues on the National Security Council of his belief that the Soviet might place ballistic missiles in Cuba. He in fact took issue with the national intelligence estimate that discounted this possibility.

The economic intelligence estimates we have received have also been valuable. The great wealth of OPEC governments now gives them an enormous potential to exert influence and to create disruption throughout the Western World. The quadrupling of oil prices in 1973–74 has given them a huge surplus to invest—over $40 billion in this year alone.

Our intelligence agencies have been successful in tracking the flow of petrodollars worldwide and have alerted U.S. policymakers to significant changes in OPEC investment strategies. In addition to comprehensive estimates on production, consumption, and pricing, they have given us timely assessments on the strengths and weaknesses of OPEC as a cartel and the availability of alternative sources of energy.

To further assist the State Department in its overseas relations, the CIA regularly prepares valuable biographic profiles on political officials throughout the world, many of whom would otherwise remain strangers to us, concealed within their closed societies.

These examples illustrate the point: National intelligence is by no means limited to the prediction of specific events. Its primary purpose is to help our leaders protect the national interest by making available the best possible understanding of foreign capabilities, leaders, and developing events.

To accomplish this purpose, we must continue to demand of our intelligence officers the standards suggested by Sherman Kent, who for many years was chairman of the CIA Board of National Estimates. He observed that these men and women must have "the best in professional training, the highest intellectual integrity, and a very large amount of worldly wisdom."

But this in itself will not be sufficient. It is imperative that we preserve the professional stature of the Central Intelligence Agency, keeping it free from the eroding forces of politics and partisanship. Only in this way will the CIA continue to serve as an adequate counterbalance to the intelligence estimates that come from other quarters of the Government, including the Pentagon, and to the other pressures which develop even in the White House itself.

Let us not forget, Mr. President, it was for this very purpose that we created the Central Intelligence Agency in the first place. If the Central Intelligence Agency becomes so discredited through an overemphasis on its failures in the drawing of estimates, we may find this crucial task lodged exclusively within the Pentagon in the future.

Often the military has exhibited a built-in bias to take the most dour view on enemy threat assessments. The "worst-case" approach so often adopted by the military leads to the most frightening forecasts. The rule-of-thumb at the Pentagon still appears to be "the bigger, the better." Distortions in these judgments sometimes arise through pressures to justify larger military budgets or new weapons systems.

In contrast, the CIA national estimates process is more apt to be free of such self-serving interests. This is why the Central Intelligence Agency was created in the first place. It was to be an agency without policy blinders; one dedicated, as Allen Dulles put it, "to get at the hard facts on which others must determine policy."

Lt. Gen. Daniel O. Graham, who was Director of the Defense Intelligence Agency until the administration shakeup last week, wrote recently that he thought the time was "ripe for the military profession to reassert its traditional role in the function of describing military threats to national security." One must view with some alarm the prospect of a silenced CIA succumbing to an increasingly dominant military voice in calculating the foreign threat to our Nation.

The ABM debate in Congress a few years ago illustrates the problem. In the debate, large outlays as well as questions of U.S. security in the 1970's rode on the decision of whether to deploy a nationwide ABM system. The debate was marked by conflicting analyses and differing forecasts between the CIA and the military of what the U.S.S.R. could achieve with nuclear weapons, given time. Technical details became crucial for assessing the opposing points of view.

The Pentagon was driven by its own policy considerations, based on a "worst-case" analysis. The questions they asked themselves led to one answer: The need for a nationwide ABM system. The price tag would have been something like $100 billion, a bonanza guaranteeing a bloated military budget for years to come.

The congressional coalition against the ABM had to have reliable information to counteract the reams of data turned out by the military. This information was available only at one source: The Central Intelligence Agency. The CIA had no policy ax to grind, and no pressures upon it to protect lucrative contracts. Through a series of CIA briefings, Members of Congress were given the whole range of information on the strengths and weaknesses of the ABM system. These briefings went far beyond the selective data provided by the Pentagon.

The data presented by the CIA indicated the futility of an ABM system. Since no way existed to prevent a saturation of the system by enemy missiles, the ABM's would not provide an adequate shield. This evidence enabled opponents to mount an effective debate against the concept. By 1967, Congress had decided that a nationwide ABM deployment against a Soviet attack was not desirable and even a limited ABM deployment was approved in the Senate by only a single vote. The insights provided by the CIA briefings helped immeasurably to stop the stampede toward the costly decision to construct a national system, and laid the foundation for a ready acceptance of the ABM treaty which soon followed.

As recently as last week, CIA testimony before Congress contradicted claims by the Pentagon that massive Soviet military buildups are reducing the United States to the status of a second-rate power. In contrast to gloomy Defense Department estimates, the Central Intelligence Agency figures indicated that Soviet military spending has not leapt forward at all. Instead it has been increasing at the steady 3-percent annual rate which it has maintained for the past 10 years.

Moreover, noted the CIA, a substantial portion of Soviet military spending has nothing directly to do with the United States, such as the expenses incurred by their positioning of great numbers of forces along the Chinese-Soviet frontier. Also, the CIA has taken a much calmer view of Soviet naval developments in the Indian Ocean than have assessments prepared by the U.S. Navy or the Department of Defense—who just happen to have a Diego Garcia cure-all. Without these independent civilian contributions from the CIA, we would be forced to rely solely on the military point of view. The Congress can ill afford to do without the more impartial judgments offered by the Central Intelligence Agency.

However, it is not only a matter of standing up to the Pentagon. We need a CIA that can resist all the partisan pressures which may be brought to bear by various groups inside and outside the Government—including partisan pressures from the White House itself. We must seek to insulate the Central Intelligence Agency from the ebb and flow of political considerations.

If we have learned anything out of the last 2 years, considering the way that agency has been used for political purposes, if there is any constructive result to come from this whole, lengthy, conscientious investigation, it must be that we have to protect the impartiality, the independence, and the professionalism of that agency.

This does not mean that we must always select a Director from within the Agency or from outside the Government. The critical factor is the selection of a person of demonstrated independence, someone who would have the ability to say:

> No, Mr. President, I believe you are wrong. According to our best information, the policy you propose will fail. It is based upon incorrect assumptions, which are contradicted by the underlying facts.

And unless we have a man with the strength and resolution to stand up and fight for the facts as his agency has found them, even when it is very tough going, then the role and purpose of the agency itself has been undermined.

This is why, in my judgment, the appointment of Ambassador George Bush is so ill-advised. It is one thing to choose an individual who may have had political experience, or diplomatic experience. That is fine. It is quite another to choose someone whose principal political role has been that of chairman of the Republican National Committee. There is no need to eliminate from consideration an individual simply because he or she may have held public office. But the line must be drawn somewhere, and a man of Mr. Bush's prolonged involvement in partisan activities at the highest party level surely passes over that line.

Indeed, it appears that Mr. Bush's nomination to be Director of the CIA may even be regarded at the White House as a springboard to higher political office. When asked at a press conference if the nomination of Mr. Bush would eliminate him as a Vice-Presidential running-mate possibility, President Ford replied:

> I don't think [he's] eliminated from consideration by anybody. The delegates to the convention or myself.

Significantly enough Mr. Bush also leaves the door open. When asked by a reporter in Peking whether this new assignment would end a political career that could lead to a Vice-Presidential nomination, his response was:

> Well, I'm not sure I've ended it forever . . . .

If this is to be the nature of the reform of the CIA, I just wonder why we have gone to such an effort to try and analyze the problems, the abuses, and the overreach of the executive authority these past months.

What if CIA assessment should collide with the judgment of the President who wants to embark upon some new policy in the coming year? It is, of course, the President's final decision, but can one imagine in an election year so partisan a man, the past chairman of the Republican National Committee, standing up to a President in that situation under all the pressures of a partisan character that would be focused upon him? The question answers itself.

George Bush is a likable man. He is a capable man. I find him to be a personal friend. I think there are many political offices that he could hold with distinction. But he is not the man to head up the CIA.

I find the President's appointment astonishing. The Senate and the House committees—not to mention the President's own Commission on Intelligence—have labored for months reviewing the problems of the intelligence agencies. These problems have been plentiful, and the areas for new legislation are many. Still, the prospects for starting afresh are good, and I have viewed the chances to restore public trust and confidence in the CIA with considerable optimism.

But this is no way to begin the restoration. No new set of laws, no new guiding principles—regardless of how skillfully drawn—will restore this trust if the credentials of the new Director raise serious questions of propriety. I can just imagine what the uproar in this Chamber would have been if a Democratic President had nominated Larry O'Brien to be the Director of the CIA, as fine a man as Larry O'Brien may be.

Let us not undermine the good work of the Rockefeller Commission and the committees of the House and Senate by placing a former party chairman at the head of a highly sensitive intelligence agency.

Let us not make a travesty out of our efforts to reform the CIA. The Senate and the people we represent have the right to insist upon a Central Intelligence Agency which is politically neutral and totally professional.

I urge Senators to stand up and oppose this nomination. I can choose no other course, for if the CIA is to play its intended role in our Government, it must be impartial and nonpolitical. Its ability to be so depends, in the final analysis, on a Director who possesses these same qualities.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order the Senator from Alabama (Mr. ALLEN) is recognized for not to exceed 15 minutes.

Mr. ALLEN. Mr. President, time was allotted to me in anticipation that the distinguished Senator from Idaho (Mr. CHURCH) might need this additional time. I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order the Senator from West Virigina (Mr. ROBERT C. BYRD) is recognized for not to exceed 15 minutes.

Mr. MANSFIELD. Mr. President, I yield back the Senator's time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GARY HART). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. FORD) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:15 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 4287. An act to provide for additional law clerks for the judges of the District of Columbia Court of Appeals;

H.R. 6461. An act to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes;

H.R. 9958. An act to transfer certain real property of the United States to the District of Columbia Redevelopment Land Agency;

H.R. 10035. An act to establish the Judicial Conference of the District of Columbia; and

H.R. 10041. An act to amend section 739 of Public Law 33-198, relating to the Federal Enclave, and for other purposes.

At 5 p.m., a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8365) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate No. 49 and 50 and concurs therein; that the House recedes from its disagreement to the amendments of the Senate No. 20, 21, 31, 32, 42, and 47, each with an amendment in which it requests the concurrence of the Senate.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4073) to extend the Appalachian Regional Development Act of 1965 for an additional 2 fiscal year period; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. JONES of Alabama, Mr. WRIGHT, Mr. JOHNSON of California, Mr. ROE, Mr. HARSHA, and Mr. HAMMERSCHMIDT were appointed managers of the conference on the part of the House.

The message further announced that the Speaker has appointed Mr. LUJAN as an additional conferee on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE COMPTROLLER GENERAL

A letter from the acting Comptroller General of the United States transmitting, pursuant to law, a report on certain deferrals contained in the sixth special message of the President of the United States submitted to the Congress on October 20, 1975 (with accompanying report); referred jointly, pursuant to the order of January 30, 1975, to the Committees on Appropriations, Budget, Labor and Public Welfare, and Finance, and ordered to be printed.

GENERALIZED SYSTEM OF PREFERENCE

A communication from the President of the United States notifying, pursuant to law, the Senate of his intention to designate additional beneficiary developing countries and territories for purposes of the Generalized System of Preference; to the Committee on Finance.

FINAL DETERMINATION OF THE INDIAN CLAIMS COMMISSION

A letter from the Chairman of the Indian Claims Commission transmitting, pursuant to law, a copy of the final determination of the Commission in the case of the Klamath and Modoc Tribe and Yahooskin Band of Snake Indians v. U.S. (with accompanying papers); to the Committee on Appropriations.

REPORT OF THE COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency transmitting, pursuant to law, his annual report for the year 1974 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

PROPOSED LEGISLATION BY THE SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to authorize the Secretary of Transportation to lease certain property in foreign countries (with accompanying papers); to the Committee on Commerce.

PROPOSED LEGISLATION BY THE SECRETARY OF COMMERCE

A letter from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Commercial Fisheries Research and Development Act (with accompanying papers); to the Committee on Commerce.

INTERNATIONAL AGREEMENTS OTHER THAN TREATIES

A letter from the Assistant Legal Adviser for Treaty Affairs transmitting, pursuant to law, copies of international agreements other than treaties entered into within the past 60 days (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF THE VETERANS ADMINISTRATION

A letter from the Administrator of Veterans' Affairs transmitting a report on New System for the Veterans Administration's Compensation, Pension and Education System (with an accompanying report); to the Committee on Government Operations.

PROPOSED CONTRACT FOR A RESEARCH PROJECT

A letter from the Deputy Assistant Secretary of the Interior transmitting a copy of a proposed contract for a research project entitled "Magnetite Recovery in Coal Washing by High Gradient Magnetic Separation" (with accompanying papers); to the Committee on Interior and Insular Affairs.

STRIPPER WELL LEASE EXEMPTION AMENDMENT

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a copy of a proposed amendment to a stripper well lease exemption (with accompanying papers); to the Committee on Interior and Insular Affairs.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. FORD (for Mr. MAGNUSON), from the Committee on Commerce:

Karl E. Bakke, of Virginia, to be a Federal Maritime Commissioner.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. EASTLAND, from the Committee on the Judiciary:

Blair A. Griffith, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania.

Paul R. Thomson, Jr., of Virginia, to be U.S. attorney for the western district of Virginia.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MANSFIELD, from the Committee on Foreign Relations, without reservation:

Exec. E, 94-1. Tax Convention with Iceland;

Exec. A, 94-1. Tax Convention with Poland; and

Exec. B, 93-2. Tax Convention with Romania (Exec. Rept. 94-15).

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 4287. An act to provide for additional law clerks for the judges of the District of Columbia Court of Appeals; to the Committee on the District of Columbia.

H.R. 9958. An act to transfer certain real property of the United States to the District of Columbia Redevelopment Land Agency; to the Committee on the District of Columbia.

H.R. 10035. An act to establish the Judicial Conference of the District of Columbia; to the Committee on the District of Columbia.

H.R. 10041. An act to amend section 739 of Public Law 33-198, relating to the Federal Enclave, and for other purposes to the Committee on the District of Columbia.

HOUSE BILL PLACED ON THE CALENDAR

The bill (H.R. 6461) to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes, was read twice by its title and placed on the Calendar.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolution were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2642. A bill to authorize the Secretary of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S. 2643. A bill to provide for the gradual reduction of the U.S. contribution to the

United Nations. Referred to the Committee on Foreign Relations.

By Mr. FANNIN:

S. 2644. A bill to amend the Social Security Act to require employers to make an approved health care plan available to their employees, to provide a health insurance plan for low-income persons, and for other purposes. Referred to the Committee on Finance.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2645. A bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of 1 year. Referred to the committee on Commerce.

By Mr. BENTSEN:

S. 2646. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of small businesses. Referred to the Committee on Finance.

S. 2647. A bill for the relief of Dr. Reynaldo P. Perez, his wife, Raquel Perez, and their child, Marie Freinde Perez; and

S. 2648. A bill for the relief of Norfa Ruth Velgar. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY:

S. 2649. A bill for the relief of Mr. Jeff Yee. Referred to the Committee on the Judiciary.

By Mr. ALLEN:

S. 2650. A bill to require separate consideration of certain pay increases for Members of Congress. Referred to the Committee on Post Office and Civil Service.

By Mr. CRANSTON (for himself, Mr. HARTKE, Mr. RANDOLPH, Mr. STAFFORD, and Mr. HUGH SCOTT:

S. 2651. A bill to amend the Higher Education Act of 1965 to extend the veterans cost-of-instruction payments program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. DOMENICI:

S. 2652. A bill to amend section 552 of title 5, United States Code, to provide an exemption to the requirements of that section relating to the availability of information. Referred to the Committee on Interior and Insular Affairs.

By Mr. THURMOND (for himself, Mr. DOLE, and Mr. HARTKE):

S. 2653. A bill to amend title 38, United States Code, to make the Veterans' Administration an executive department, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. KENNEDY:

S. 2654. A bill to amend the Higher Education Act of 1965 to extend and strengthen special programs for students from disadvantaged backgrounds, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JACKSON:

S. 2655. A bill to reduce the dependence of the United States on insecure foreign energy supplies by controlling oil imports, to foster competition in world petroleum markets; to minimize the resource and foreigh exchange costs of petroleum imports to the United States; to allocate petroleum imports equitably; and for other purposes. Referred to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2642. A bill to authorize the Secretary of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. THURMOND. Mr. President, today Senator HOLLINGS and I are submitting legislation to authorize the Secretary of the Interior to establish the Old Ninety Six-Star Fort National Historical Park in the State of South Carolina. It would be most fitting during our Bicentennial period for the U.S. Congress to authorize the addition of this unique historical area to our National Park System—an action that was recently formally recommended to the Secretary of the Interior by his citizens' Advisory Board on National Parks, Historic Sites, Buildings, and Monuments.

The Ninety Six Historic Site deserves to be preserved and interpreted as a national park because it embodies a unique combination of three major thematic guidelines represented in the Interior Department's National Park System plan for preservation of historic areas. First, the frontier trading post and settlement at Ninety Six was strategically important to the initial exploration and settlement of the Carolinas. Second, the area was intimately involved in the territorial expansion, growth, and development of the English Colonies in America during the period 1700–75. It was from this key frontier post that several campaigns were launched to control Indian uprisings before and during the French and Indian War. Third, Old Ninety Six and the nearby, extant, star-shaped fort were the sites for several of the most important Revolutionary War engagements in the South.

No existing national park incorporates all of these three major themes; furthermore, the subthemes of settlement of the Carolinas and population growth in the English colonies are presently not now represented in the National Park System at all. These facts exemplify the area's national importance and historic uniqueness, and they argue strongly for making the area a national park.

Local efforts to call national attention to the historic resources at Old Ninety Six were initiated as early as 1903 and have been continued through the years by the Star Fort Chapter of the Daughters of the American Revolution, the Greenwood County Historical Society, and the Star Fort Historical Commission. Old Ninety Six and Star Fort was listed on the National Register of Historic Places in 1969. In February 1974, the Secretary of the Interior officially designated the site as a national historic landmark. At my request, the Park Service undertook, and has now completed, a study of alternatives for management and use of the area. On October 8, 1975, the Advisory Board on National Parks, and so forth, endorsed Alternative No. 2 from the Park Service report, which called for the addition of the area to the National Park System and stressed preservation and appropriate interpretation of the historic remains. I hope Congress will now act promptly to authorize the Secretary of the Interior to acquire and appropriately develop the necessary lands, most of which will be donated by the local Star Fort Historical Commission at no cost to the taxpayers.

It is unfortunate that many American citizens today have far too little appreciation for the people, events, and places that constitute the history of this great Nation. I think it is also unfortunate that, in many cases, our history books have failed to accurately portray the full story of historic occurrences. Specifically, I have long been disappointed that most accounts of the American Revolutionary War give too little emphasis to the role of the Southern English Colonies, where much of the decisive military action took place.

Most of the American people are probably familiar with what happened at Lexington, Concord, Bunker Hill, Valley Forge, Saratoga, and Yorktown—to name just a few of the important military engagements that occurred from Virginia northward. However, I would venture to say that most of our citizenry are not so familiar with the significant happenings at Kings Mountain, Cowpens, Guilford Courthouse, Camden, and Ninety Six. The southern theater was characterized by an entirely different sort of strife, for the American Revolution in the South was principally a civil war, pitting British loyalists against American patriots. Yet, from the viewpoint of Lord Cornwallis, whose British forces were forced out of the Carolinas to Yorktown, the overall effect of the military action in North and South Carolina was critical and decisive.

Ninety Six was one of the most important sites in this southern theater of the American Revolutionary War. While in command of the southern department, Cornwallis emphasized the strategic importance of Ninety Six. Here the first land battle of the Revolution in the South took place on November 19–21, 1775, when Maj. Andrew Williamson's force of patriots was besieged by loyalists commanded by Maj. Joseph Robinson. This was the beginning of a vicious civil war which raged across South Carolina until 1781. In 1780, Ninety Six fell into the hands of the British, who fortified the town extensively and made it one of their major outposts. From May 22 to June 19, 1781, the loyalist garrison under Lt. Col. John Harris Cruger held out within their star-shaped fort against Nathaniel Greene's entire force of Continentals, until Lord Rawdon marched with 2,000 British troops to the relief of the post.

Americans of Polish descent would be interested in knowing that Count Thaddeus Kosciusko, one of the great heroes of the American Revolution, reconnoitered the loyalist position at Star Fort for General Greene and engineered the attack. Specifically, Count Kosciusko supervised the digging of a series of parallel siege trenches and a mine shaft, intended to tunnel beneath a section of the eight-pointed, earthen Star Fort.

No fewer than 1,536 American Whigs fought 2,440 American Tories and one British regular in two battles at Ninety Six during the Revolutionary War. Altogether, approximately 4,000 Americans met here in armed conflict over differences in political ideology. Today, the star-shaped redoubt which gives the fort its name remains in a remarkably well-preserved condition. The only other original, Revolutionary War fortifications in the entire Nation which are still extant are at Yorktown, which is already a part of the National Park System. Kosciusko's mine shaft and siege trenches have been found by archeologists and constitute a unique survival of 18th century warfare in the United States. This historic site deserves to be incorporated into our system of national parks because of its Revolutionary War significance. However, as I mentioned earlier, there are other unique historical aspects to the area which further merit its preservation and interpretation as a National Park.

The Ninety Six site is distinguished from other historic landmarks by several unique features. On the site are found:

First, a prehistoric aboriginal site and a contact period aboriginal site that are yet to be explored.

Second, an 18th century plantation and trading post complex.

Third, two distinct historic village complexes.

Fourth, three Revolutionary War military complexes.

Fifth, a network of historic roads.

The village of Ninety Six was located on the Charleston Road at the intersection of a connector road to Augusta, Ga. The town served as a commercial center of the Carolina backcountry, a major outpost in the French and Indian War, and after 1772, it was the judicial seat for western South Carolina.

The district has been essentially undisturbed by modern developments, and the overall integrity of the site has been preserved. When fully explored, these resources will give us insights into the lifestyles of a 1750 trading post and plantation, a colonial judicial seat, major British outpost during the Revolutionary War, and a commercial and academic center of the early Republic.

However, adequate development of the Ninety Six-Star Fort site imposes demands in size, scope and significance which can hardly be expected of a county, or even of the State of South Carolina itself. The area is important to the Nation and should be made a national historical park.

However, Mr. President, I also realize that there are many historic areas throughout the United States which others feel should be incorporated into the National Park System. I happen to think the Old Ninety Six-Star Fort site is especially unique and deserving of such status. If I were not convinced of this, I would not be sponsoring this bill. Yet, Congress and the administration must, of necessity, closely examine the cost of any such proposal.

The management alternative endorsed by the Advisory Board on National Parks, and so forth, calls for a 963-acre unit, of which 695 acres are now within the boundaries of the Ninety Six Historic Site and owned by the Star Fort Historical Commission. This local public entity is ready and willing to donate its property to the people of the United States in fee simple. The Park Service study recommends acquisition of an additional 268 acres to complete the integrity of the site and allow for the necessary visitor services, maintenance facilities, and staff headquarters. The plan for development of the site calls for a staff of 11 full-time personnel. Estimated total land costs—as of October 1974—are $198,000, and net development costs are projected at $1,728,000.

This means, Mr. President, that for a very modest cost to the taxpayers of about $2 million, the Old Ninety Six-Star Fort site can be acquired and developed as a national historical park. The historical aspects of this area do, indeed, have national significance. Preservation and appropriate interpretation of the area as a national historical park would be an extremely worthwhile addition to our Nation's cultural heritage. Accordingly, I urge the Senate to act promptly on this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD, together with two excellent editorials on this subject.

There being no objection, the bill and editorials were ordered to be printed in the RECORD, as follows:

S. 2642

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to preserve and commemorate for the benefit and enjoyment of present and future generations an area of unique historical significance associated with the settlement and development of the English Colonies in America and with the American Revolutionary War, the Secretary of the Interior (hereinafter referred to as the "Secretary"), is authorized to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina.

SEC. 2. For the purposes of this Act, the Secretary may designate existing lands within the boundaries of the Ninety Six Historic Site together with such additional lands and interests therein as he deems necessary for proper interpretation, protection, and administration of the area referred to in the first Section of this Act. A map or other boundary description of the area so designated shall be published in the Federal Register. Within the area so designated the Secretary may acquire lands and interests therein by donation, purchase, or exchange, except that any property owned by the State of South Carolina or any political subdivision thereof may be acquired only by donation.

SEC. 3. When the Secretary determines that lands and interests therein have been acquired in an amount sufficient to constitute an administerable unit, he shall establish the historical park by publication of a notice to that effect in the Federal Register. Pending such establishment and thereafter, the Secretary shall administer the property acquired for such park in accordance with the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act of August 21, 1935 (49 Stat. 666), as amended.

SEC. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

[From the Charlotte Observer, Oct. 26, 1975]

IT IS TIME TO HONOR NINETY SIX

Ninety Six, S.C., gets its name, as one might guess, from its geographical location. It is 96 miles from the original site of Keowee, once a principal Cherokee village, now deep under the waters of Lake Keowee in upper South Carolina. It is not much farther from Charlotte.

The present Ninety Six, a town of some 2,000 population, is a couple of miles north of the early site, where the first Revolutionary battle in the South took place in November, 1775. The only visible remains of that site are the star-shaped earthworks known as Star Fort.

Star Fort, which covers about an acre itself, is the center of 697 acres that ought to be a National Park—and probably will be before long. But the Ninety Six Historic Site in Greenwood County should not only be preserved, it should be restored and interpreted. The work of the Star Fort Commission and the University of South Carolina in unearthing its history and meaning should be expanded.

It is the very pattern of American frontier history, preserved, as the director, archeologist Mike Rodeffer, says, by "a happy set of historic accidents." The happiest accident is that industrial life detoured around it, leaving it undisturbed except for country picnics, arrowhead hunts and rambling walks.

There has been a Ninety Six on the South Carolina map since 1730, when one George Hunter mapped the "Cherokee Nation and the Path Thereunto" for his king.

It was the British who built the eight-pointed star redoubt in 1780, part of a complex of village and fortifications that they burned when they left. More widely-known battles radiate from Ninety Six; it was from here, for instance, that Major Ferguson marched to join Lord Cornwallis at Charlotte and made his fatal stop at Kings Mountain.

Nov. 15–16, Ninety Six will have a colonial muster, its second among the pines and hardwoods that have grown up around the old fort. The muster will recreate the daily life of the patriots and Tories who fought back and forth in what was a civil war before it was a colonial rebellion.

The first two Southerners to die fighting for freedom fell at Ninety Six. The 200th anniversary of that battle is an appropriate time to add this important site to the country's Revolutionary shrines.

[From the State, Aug. 20, 1975]

STAR FORT DESERVES NATIONAL PARK STATUS

Reluctant as we are to suggest additional federal spending, we nevertheless heartily endorse the proposal that the Star Fort Historical Site at Ninety Six be taken over by the Department of Interior as a national park.

The thought is not new, but it is being revived and pushed at an appropriate time by U.S. Rep. Butler Derrick. The Third District congressman will introduce legislation on the subject when Congress reconvenes next month. But in the meanwhile, he is enlisting the support of others—in and out of Congress—for the project.

This morning, for example, a tour of the site has been arranged for Rep. Robert G. Stephens Jr., a Georgia congressman who serves on the House Interior Committee to which Mr. Derrick's bill logically will be referred. Meeting with the two congressmen today will be members of the Star Fort Historical Commission and its project director.

A number of important considerations distinguish the Ninety Six site from other historic landmarks of South Carolina. For one thing, it incorporates the scene of what is generally recognized as the first Southern land battle of the American Revolution (in November of 1775). For another, and herein lies its greatest recognition factor for Revolutionary War buffs, the starshaped redoubt which gives the site its name is a remarkably well preserved remnant of fortifications of that period. The fact that it withstood repeated assaults by the besieging patriots in 1781 attests its worth as a defensive work.

The site is intimately linked with such Revolutionary heroes as Major Andrew Williamson, who was involved in the 1775 fighting; Count Thaddeus Kosiusko, the Polish nobleman who ably served the American cause; and General Nathaniel Greene, the American commander largely responsible for turning the fortunes of war against the British in the South. Both of the latter officers participated in the siege of 1781.

But the site has an historic significance apart from its connection with the Revolution. The very name Ninety Six identifies it with South Carolina's earliest relations with the Cherokee Indians, for the settlement gained its name from the distance it lay from the important Indian town known as Keowee. Then, too, the area includes artifacts and identifiable sites of trading posts, jails, and other installations which provide meaningful—and visual—links with the past.

Proper restoration and interpretation of the 697-acre site has been undertaken in recent years with the support of the Star Fort Historical Commission, Greenwood County, and agencies of the state. A trained project director is on site and archaeologists from the University of South Carolina have made notable discoveries there.

But adequate development of the site imposes demands—in size, scope, and significance—which can hardly be expected of Greenwood County or even of the State of South Carolina itself. The history of the nation, not just of the region, argues for the site's development into a national park. No better time could be picked for such development than right now—on the eve of America's 200th birthday.

By Mr. BARTLETT:

S. 2643. A bill to provide for the gradual reduction of the U.S. contribution to the United Nations. Referred to the Committee on Foreign Relations.

Mr. BARTLETT. Mr. President, today I am introducing legislation to phase down the percentage level of the U.S. contribution to the United Nations. This legislation provides for a reduction of our contribution from the present 25 percent of the U.N. budget to 15 percent, the reduction being accomplished at the rate of 2 percent annually for the next 5 years.

I believe such a reduction in the U.S. burden of funding the United Nations fairly reflects the diminution of America's role in the organization. No longer does our position as a permanent member of the U.N. Security Council provide the role of responsibility and leadership it has in the past. Actual powers of the United Nations, once vested to a great degree in the Security Council, now rest largely with the General Assembly and its 138 members. With this shift in powers, the emerging nations have assumed a greater influence. I believe this redistribution of power calls for a redistribution of the responsibilities of maintaining the organization financially.

The legislation I offer today is introduced with no malice toward the United Nations, but with hope that this organization can find greater stability through equitable distribution of its financial assessment to member nations. It is also my hope that this legislation will result in more responsible actions by the United Nations.

I introduce this legislation not so much in response to any particular decisions made recently by the United Nations, but in response to obvious changes in the decisionmaking process of the United Nations.

By Mr. FANNIN:

S. 2644. A bill to amend the Social Security Act to require employers to make an approved health care plan available to their employees, to provide a health insurance plan for low-income persons, and for other purposes. Referred to the Committee on Finance.

NATIONAL HEALTH STANDARDS ACT

Mr. FANNIN. Mr. President, this legislation, which was originally introduced in the 93d Congress as S. 3353, is designed to provide comprehensive health insurance for all Americans.

In reintroducing this bill, I realize that the Nation faces three very difficult problems that must be resolved before we proceed with national health insurance legislation. These problems are severe recession and high unemployment, the continuation of inflation, and the energy crisis.

These severe problems have set back the timetable for enactment of national health insurance. This setback, fortunately, is giving the Congress and all interested parties crucially needed time to reassess the value of national health insurance, its costs, and the problems it will create.

I believe it is fair to say that the ground is shifting under us on national health insurance issues. More and more economists are questioning the value of the benefits we are receiving for the additional billions of dollars we put into health care each year. Experts believe there is no technological, political or economic event on the horizon that can prevent the continued rise of medical care costs.

In 1974, medical care expenditures totaled $104.2 billion; this year the total is expected to be $118.4 billion, up 13.1 percent over last year. Medical care is now consuming an estimated 8.3 percent of the Nation's GNP, up 0.6 percent from 1974—a rate of growth equal to the total growth over the previous 5-year period. With a population of about 213.4 million, health care costs average about $555 a year for Americans.

Medicare and medicaid expenditures are estimated by HEW to jump from $25 billion in fiscal 1976 to $30.4 billion in fiscal 1977, an increase of $5.4 billion. Medicare expenditures will rise to $21 billion in fiscal 1977 from $11.3 billion in fiscal 1974.

President Ford has requested $4.5 billion for all HEW health programs except medicare and medicaid in fiscal 1976. The inflationary increase in medicare and medicaid expenditures will exceed the total health budget for all other programs.

If HEW programs continue to grow for the next two decades at the same pace they have in the last two, we will spend more than half our gross national product for all social programs by the year 2000.

Yet, the fact is the health status of the American people has not substantially improved despite the enormous price we have paid for health care. Questions about the value of these health services and the Nation's increasing investment cannot be ignored. No one knows the precise limits the Nation is willing to bear for health programs. Logically, there should be an optimum percentage social limit.

The health industry is as vulnerable as other sectors of the economy to general inflation and increased labor cost. Certain inflationary factors, however, are peculiar to the health industry. The expansion of insurance, the increased number of physicians, the public demand for more and better health care, and the increased practice of defensive medicine due to malpractice claims, all aggravate cost escalation. The elasticity of the medical care system in America today is such that it could legitmately absorb every dollar society is willing to spend.

As the demand for quality medical care is expanding, the inability of supply of medical services to grow as rapidly as demand is a result of many factors, of which money is only one. Therefore, pouring more money into a national health insurance system will not get at the heart of the matter. Ignoring this point could be self-defeating. We cannot afford to raise unreasonable expectations as to how much some future national health insurance system will do for our citizens or how little it will cost them.

As a result, we have before us two broad and complex questions. First, is some form of national health insurance the best method of financing a quality medical care system for all Americans? Second, how do we contain ever-escalating health care costs?

In answer to the first question, national health insurance is a financial plan to make the cost medical care more equitable and to provide access to health care where it is available. Many Americans today have adequate health insurance coverage but many do not, and even among those that do, serious gaps exist in their insurance plans. To illustrate the problem the Social Security Administration in 1975 released the following statistics, which I ask unanimous consent to have printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

The GAPS in private health insurance

The total population of the United States on January 1, 1974 was 210 million (with those aged 65 and over nearly 20 million.) In the under 65 population:

	Percent	*Million*
Had no hospital insurance	22	42
Had no surgical insurance	22.4	43.1
Had no in-hospital medical expense insurance	22.8	43.3

Had no insurance to cover x-ray and laboratory examinations when not in the hospital	23.1	44
Had no insurance for visits to doctor's offices or doctor visits to their homes	64.8	123
Had no insurance against dental expenses	88.6	168
Had no insurance against the cost of prescribed drugs	35.4	67
Had no insurance for private duty nursing	38.5	73
Had no insurance for visiting nurse services	37.1	70
Had no insurance for nursing home care	66.6	127

Source: Social Security Bulletin, February 1975.

Mr. FANNIN. A national plan would fill in the gaps where health insurance does not exist to protect all Americans from being bankrupted by medical bills.

In answer to the second question regarding containment of health care costs we realize that some resolution of this problem must be made before we can afford to offer a reasonably effective national health insurance system to the American people.

Dr. Walter McClure, a health economist at InterStudy, a Minneapolis health policy research organization, said in analysis of the cost issue:

> The problem is structural, not conspiratorial. The great bulk of medical professionals are honorable, committed people. Even a group of saints placed in the present medical care system would produce the same malperformance. The system is doing exactly what society rewards it to do.

Dr. McClure outlines four major options in considering the issue of national health insurance.

Option I.—Expand health insurance and do nothing about the third party effect of insurance which by its nature effects an explosive cost spiral. Once the premium is paid, consumers and health care providers have every incentive to use or prescribe procedures that might be of benefit.

Option II.—Place the third party effect on the government—the public utility approach. The government is presumably in a better position to control costs and improve medical care organization than can insurers. It has the regulatory power to effect a ceiling on total health spending as in Britain.

Option III.—Place the third party effect on the consumer through a high cost-sharing and deductibles approach. Consumers could buy cheap catastrophic insurance right now if they wished, but apparently prefer to buy basic insurance against the more probable hospital episode.

Option IV.—Place the third party effect on the provider—the incentives approach. This option would encourage alternatives delivery systems such as health maintenance organizations which would place the provider more at the risk for the cost of services.

Any of these options could be implemented short of national health insurance but this would leave the problem of financial protection unaddressed. This bill attempts to incorporate cost-containment measures such as co-insurance and deductibles. It also provides a prepaid health care delivery option as an alternative to traditional fee-for-service, in an attempt to stimulate competition in the delivery system.

This legislation does not attempt to resolve all the complex and interrelated problems that need to be solved if we are going to obtain better health care for the American people. Let me repeat, if I may, these problems involve rapidly escalating costs, shortages, and maldistribution of medical manpower and facilities, lack of access to care by important segments of the population, mismanagement of medical resources, the need for innovation in the organization and delivery of medical care services, and the need for the improvements in health education and preventive medicine. Other legislation such as the Health Planning and Resources Development Act, the Health Maintenance Organization Act, the Health Manpower Act, and various health education plans, more directly and appropriately deal with these issues.

"Reasonable" and "realistic" are the keystones of this legislation which I am introducing today. The bill was purposely designed to be conservative in that it would be affordable by the Federal Government, the individual consumer, large and small businesses alike.

Let me briefly review the major provisions of this bill. The National Health Standards Act proposes a two-part program. Part one would require all employers to make available a comprehensive health care package to their employees. Part two would provide comparable protection for low-income as a replacement for the Federal/State medicaid program.

Both programs allow for voluntary enrollment in a choice of health delivery plans such as health maintenance organizations—HMO's—or traditional fee for service delivery arrangements.

With respect to benefits, the National Health Care Standards Act calls for protection against a wide range of hospital and medical care expenses. It would provide protection for hospital care, surgery, medical treatment by a physician, X-ray and laboratory services, drugs and medicines, maternity care and to very costly illnesses—the medical catastrophe—that could spell financial ruin for almost anyone.

The plan calls for both deductible and coinsurance. There is a $100 calendar deductible for an individual with a maximum payment of $200 a family. The enrollee would pay 25-percent coinsurance for all covered services up to a maximum out-of-pocket personal expenditure of $2,500 a year. After that, the plan pays all costs.

It is recognized, of course, that first dollar coverage is prevalent throughout industry—particularly in negotiated plans. However, without these deductibles and coinsurance provisions it would be impossible to cover such broad range of services at a reasonable price. If first dollar coverage were provided, the benefit package would have to shrink or premium costs would have to be increased to unrealistic levels.

An extremely important provision—one which is unique to this proposal—is benefit value equivalency. Many firms currently provide their employees with a health insurance package which costs more per month per employee than the proposal which is being recommended, but all of the plans may not be identical.

It would be unreasonable to require employers to change their group plans to reflect every single benefit in the package. Instead, employers should be required to offer a plan which is equivalent in value, on an actuarially determined basis, to the recommended proposal. Basically, this means that claims costs, including administrative expenses, of an employer's plan, should be equal to the recommended plan. Independent actuaries would affirm such equivalency.

Insurance pools would be established to provide coverage for the self-employed and small employers to make the economies of mass purchasing available to them. A second pool, in each State, would provide coverage of low-income individuals. The Federal Government would pay all or part of the cost of the premiums for the poor and the near-poor from general revenues.

With respect to penalty provisions, employers would be encouraged to make the plan available through the process of administrative and judicial relief. If an employer willfully and knowingly fails to comply, he would be liable for an amount equal to twice the annual health insurance premium cost, plus he would be required to reimburse the employees for any out of pocket hospital and medical expenses.

While the deductible and coinsurance provisions may serve to prevent unnecessary utilization, there are several other steps that can be taken to curb spiralling health care costs.

All hospital and medical services should be subject to peer and utilization review, claim reviews and audit. This should be carried out by physicians to insure that only medically necessary services are provided to both inpatients and outpatients.

Hospitals and other institutional providers should be reimbursed on the basis of prospective budgets with payments based on agreed rates for fixed periods of time. This should improve to our present cost-plus method of paying for hospital services.

Local health planning needs to be implemented to avoid duplication of facilities and provision of unnecessary services. What is proposed here is simple—do not pay the hospital or other health care institution for the cost of added facilities and services unless these capital expenditures have been approved by a local health planning agency.

The National Health Care Standards Act would be financed from both private and public sources. Employers, employees, and the self-employed should pay the entire cost of the private program through health insurance premiums. Where the employer-employee relationship exists, the employer would not be required to pay more than 50 percent of the cost of the coverage. What the employer does voluntarily, of course, is his own business. The program for the poor and near-poor—essentially nonworking groups—would be financed from the general funds of the Treasury.

The Federal/State medicaid program, title XIX of the Social Security Act, would be replaced by a Federal program which would purchase health insurance policies for persons whose income is below "low-income levels" established by the proposal. The identical benefits available in the mandated plan would be available to the poor and the near poor at a premium scaled to their income.

The proposal would essentially build on the existing framework of insurance arrangements in the United States, extending group insurance to virtually all full-time employees and a new program for low-income individuals and families.

The business community is keenly interested in preserving a pluralistic private medical care system with as little government intrusion into the practice of medicine as possible. There is great confusion today. We have all come to recognize that deregulation of industry is critical for our economy to recover its full strength and vigor.

There is no reason to believe that similar marketplace—free enterprise incentives would not work to correct the ills of the health industry. Yet we have witnessed the opposite trend in the health industry. There are some who would destroy the private nature of our health system which has brought the highest standard of medical care to more people in the United States and throughout the world than any other system since recorded medical history began.

Expanded regulation in the health industry that would not stimulate improved services or reward innovation to contain costs in problem areas such as excess hospital beds could lead to the same hazards that followed regulation in other industries.

This legislation encourages making greater use of innovative alternative forms of health care organizations, such as HMO's. Wherever an HMO is available, the individual has the choice of enrolling in a plan or continuing coverage for traditional fee-for-service medicine. Alternative delivery systems that compete on the basis of prices and scope of benefits with traditional methods for delivering health services offer one method for bringing marketplace forces to bear on the health industry.

What is an HMO? Generally speaking, an HMO is an organized system that provides comprehensive hospital and medical services to individuals and families who voluntarily agree to obtain their health care for a fixed sum of money in advance. At a minimum, services would include physicians and emergency care, and hospitalization. HMO's differ from the traditional health insurance programs in that they have the responsibility for providing medical care to the enrollees, while the insurance plan merely pays for specified covered services. The HMO must provide care to each of its enrollees, even if it operates at a loss.

Many people are concerned with long waits before hospitalization and difficulties in finding doctors. One major advantage of the HMO type of delivery system is that it brings together into a single organization the doctor, hospital laboratory and clinic so that patients can get the right care at the right moment.

Many experts believe that the competition from HMO's will prove the quickest pay-off in containing escalating costs, increase the efficiency of the delivery system and, at the same time, improve the quality of medical and hospital care.

The HMO approach stresses the provider incentives cost containment method with the idea that if the structure and incentives of the private medical care system can be properly set, the system will work itself out with the least intrusion by the Federal Government into the private practice of medicine.

The most rapidly inflating portion of the health care dollar, about 45 percent of personal health care expenditures, goes for hospital care. Comparatively, the amount going to physician services—21 percent—and just to inpatient physician services—an estimated 9 percent—is small relative to the hospital expense.

Nationwide comparisons between HMO's and Blue Cross/Blue Shield hospital occupancy rates show that HMO subscribers use half as many hospital beds per capita. The Columbia, Md., health care plan uses 370 days in comparison to Blue Cross/Blue Shield utilization of 800 days. The Medical Health Plan Center in Minneapolis, Minn., uses 360 days to 857 for Blue Cross/Blue Shield. Genessee Valley group health plan, Rochester, N.Y., uses 420 days to 725 days for Blue Cross/Blue Shield. The Harvard community health plan—which has 41,000 members—averages 340 hospital days in comparison to the national average of 850 days.

HMO's are not a panacea or even suitable for everyone but they should be encouraged as an alternative. They are one way to permit physicians the maximum amount of independence and autonomy in the practice of medicine while reaping the economies of effective preventive medicine and wise utilization of limited health resources and dollars.

To summarize, although the timetable of national health insurance has been set back, we are fortunate to have a new opportunity to review, in depth, the critical cost/benefit issues involved in quality health care for all Americans before we lock ourselves into a national health insurance program.

As we resolve the cost/benefit problems and again debate the form of national health insurance that we may choose to enact, I would once again strongly urge my colleagues to closely scrutinize the National Health Standards Act as it appears to be the only proposal which attempts to combine the best of all bills currently before us.

The Wall Street Journal on July 12, 1974, characterized this bill as the "most modest" and "most sensible looking" of the national health insurance bills. But even this bill, the most conservative of the comprehensive health insurance bills, would cost an additional $3.6 billion if fully effective at this time. Industry's share would be higher by $2.7 billion divided equally between employers and employees.

Finally, this legislation embodies a series of recommendations on health care developed by a special committee of the Chamber of Commerce of the United States. The Special Committee on the Nation's Health Care Needs, which is composed of business and industrial leaders and members of health professions worked the better part of 1973 to produce the National Health Standards Act.

As the largest private purchaser of health care, business is legitimately concerned with how health dollars are spent. This year business will spend $25 billion on health care. This vast expenditure for employee benefit health plans and the concomitant explosive rise in health care costs have far-reaching implications for the economy. This cost directly affects the overall cost of goods and services produced in our economy.

I cannot overemphasize the need for caution and a conservative approach to a massive national health insurance system. Many small employers and working Americans who are not already paying for an employee health benefits plan will be severely impacted initially by the enactment of national health insurance. These added costs must be kept to a minimum if we do not want to aggravate the Nation's No. 1 problem—inflation—while continuing high levels of unemployment.

Mr. President, I ask unanimous consent that the National Health Standards Act and a section-by-section analysis of the bill, be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Health Standards Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds that:

(1) the health of the Nation's people is fundamental to their well-being and the Nation's productivity;

(2) every citizen of the Nation should have access to quality health care and each shares the responsibility for protecting his own health and well-being;

(3) not all of the Nation's people have the ability to purchase quality health care when and where they need it and at a cost they can afford;

(4) the Nation needs to improve and expand its health care system using the existing system as a base upon which to build; and

(5) an improved and expanded health care system should draw from the collective competence and experience of the medical and allied health professions, private enterprise, government, and consumers.

(b) The purpose of this Act is to establish a national health care insurance system that would provide quality health care for all of the Nation's people in accordance with the following principles:

(1) employers would be required to purchase a health care plan for their employees;

(2) Federal Government would assume the total cost of purchasing a health care

plan for those unable to pay for their own; and

(3) Medicare program would continue to provide medical care for the aged and disabled.

TITLE I—HEALTH BENEFITS FOR EMPLOYEES

SEC. 101. The Social Security Act is amended by inserting immediately after title V thereof the following new title:

"TITLE VI—HEALTH BENEFITS FOR EMPLOYEES

"TABLE OF CONTENTS

"Sec. 601. Definitions.
"Sec. 602. Health care plan required.
"Sec. 603. Effective date for providing health care plan.
"Sec. 604. Termination of health care plan.
"Sec. 605. Health care plan benefits.
"Sec. 606. Exclusions.
"Sec. 607. Deductibles.
"Sec. 608. Penalties for noncompliance.
"Sec. 609. Additional requirements of health care plans.
"Sec. 610. Approval of plans.
"Sec. 611. Plans for the self-employed and small employer.
"Sec. 612. Regulations of the Secretary.
"Sec. 613. Benefit value equivalency.
"Sec. 614. Employee option.

"DEFINITIONS

"SEC. 601. (a) For the purposes of this title—

"(1) The term 'employee' means with respect to any employer, any individual not eligible for benefits under title XVIII who has been employed by that employer for more than 31 days and either—

"(A) is considered to be a full-time employee; or

"(B) is not considered to be a full-time employee, but who is expected to work at least 20 hours a week for at least 26 weeks during the next 12 months; or

"(C) is not considered to be a full-time employee, but who has actually worked at least 20 hours a week for at least 26 weeks during the previous 12 months.

"(2) The term 'employer' means an individual, firm, or agency that employs at least one employee as defined by this title.

"(3) The term 'approved health care plan' means a plan of employee health benefits which—

"(A) must be in writing;

"(B) must be adopted by the employer;

"(C) must be communicated by the employer to his employees;

"(D) must provide at least the benefits described in this title; and

"(E) must cover each employee, employee's spouse, and employee's dependent unmarried children under age 21, or, if the dependent child is a full-time student, under age 23. If an employee's dependent child incurs a covered illness or disability while eligible for benefits described in this title, the eligibility of such child shall remain in effect as defined in section 1614(a) of the Social Security Act.

"(4) The term 'benefit value equivalent' means that the total expected claim cost per employee of the equivalent health insurance plan shall be at least equal to the total expected claim cost of the benefits described in section 605 including 100 percent of the expected claim cost of each of the benefits described in sections 605(a)(1), 605(a)(2), and 605(a)(3).

"(5) The term 'physician' means a doctor of medicine, doctor of osteopathy, doctor of podiatry, and, for purposes of oral surgery only, a doctor of dental surgery or a doctor of medical dentistry.

"(6) The term 'inpatient hospital services' means all inpatient services customarily furnished and charged for by a hospital, except for convenience items such as telephone and television, including (but not limited to)—

"(A) bed and board;

"(B) such physicians' services in the hospital (such as those of radiologists and pathologists) as are held out as generally available to all patients of a hospital;

"(C) such nursing services and other related services, such use of hospital facilities, and such medical social services as are ordinarily furnished by the hospital for the care and treatment of inpatients, and such drugs, supplies, appliances, and equipment, for use in the hospital, as are ordinarily furnished by the hospital for the care and treatment of inpatients; and

"(D) such other diagnostic or therapeutic items or services, furnished by the hospital, as are ordinarily so furnished to inpatients of the hospital.

"(7) The term 'physicians' services' means professional services performed by physicians, including surgery, consultation, and home, office, and institutional calls.

"(8) The term 'skilled nursing services' means services and items specified as such in regulations of the Secretary including the services specified in section 1861(h).

"(9) The term 'skilled nursing home' means those facilities which meet the requirements of paragraphs (1) through (9) of section 1861(j).

"(10) The term 'hospital' shall have the same meaning as when used in title XVIII.

"(11) The term 'carrier' means an insurance company, a hospital service or hospital expense indemnity organization, a medical service or medical expense indemnity organization, a dental service or dental expense indemnity organization, a fraternal benefit society, an employer who makes available directly to his employees a health care plan or other similar organization, society, or funding arrangement which provides coverage for health care.

"(12) The term 'ambulance services' means those services customarily provided and charged for by a medical service transportation company or other organization providing transportation for individuals who are ill or disabled but only when such services are medically necessary as delineated in regulation promulgated by the Secretary.

"(13) The term 'qualified health maintenance organization' means a health maintenance organization, as defined in section 1301 of the Public Health Service Act, which has been certified by the Secretary as capable of providing health services to its members in the manner prescribed by this title and that it is organized and operated in the manner prescribed by section 1301(c) of the Public Health Service Act.

"(14) The term 'exclusions' means an expense incurred for items or services described in section 606 for which no payments need be made under this title.

"(15) The term 'deductibles and co-insurance' means those costs which must be borne by an individual or family for services and items described in section 607.

"HEALTH CARE PLAN REQUIRED

"SEC. 602. (a) Every employer, other than one excluded by subsection (b), shall provide his United States resident employees (and the members of their families) an approved health care plan. With respect to United States citizen employees performing services outside the United States, variations, as determined by the employer, in the provisions of an approved health care plan may be permitted.

"(b) The provisions of subsection (a) shall not apply to a foreign government or an international organization described in section 210(a)(15), or any agency or instrumentality of one or more of the foregoing.

"(c) In the case of any employer who, on the date of enactment of this title is a party to a contract with all or some of his employees (or any labor union or other association representing all or some of his employees) which (1) includes provision for coverage under a health care plan, and (2) is still in effect on the effective date of this title, the provisions of subsection (a) shall not, until the expiration of such contract, apply with respect to any of such employees to whom coverage under such health care plan is made available.

"(d) For the purposes of this section an employer shall meet the requirements of subsection (a) in any case where he pays not less than 50 percent of the cost of providing such plan for his employees; and is hereby authorized to deduct any cost contribution from such employee(s) pay.

"EFFECTIVE DATE FOR PROVIDING HEALTH CARE PLAN

"SEC. 603. Every employer covered under this title shall provide an approved health care plan for his employees (and the members of their families) beginning one year after the date of enactment of this title.

"TERMINATION OF HEALTH CARE BENEFITS

"SEC. 604. In the case of any employee who has coverage under a health care plan required by this title, such coverage shall be maintained in effect for a period of 31 days following termination of the employment relationship with his employer if the covered employee (or his surviving spouse) so chooses.

"HEALTH CARE PLAN BENEFITS

"SEC. 605. (a) An approved health care plan shall, subject to the provisions of section 612, provide payment for the following services, prescribed by a physician, in each benefit period for each covered member—

"(1) inpatient hospital services;

"(2) physician services and any medical supplies customarily furnished by physicians as part of such services which are furnished:

"(A) while the covered person is an inpatient in a hospital, or

"(B) in connection with a surgical procedure performed while the covered person is not an inpatient in a hospital;

"(3) X-ray and laboratory services provided on an outpatient basis (including radiation therapy);

"(4) outpatient physician professional services (other than those of the types specified in other items of this section).

"(5) drugs requiring the prescription of a physician licensed to prescribe drugs;

"(6) services of a physical therapist provided on an outpatient basis;

"(7) psychiatric care, limited to two visits a week provided on an outpatient basis;

"(8) extended care services furnished an individual after transfer from a hospital in which he was an outpatient for not less than 3 consecutive days;

"(9) medical devices and prostheses;

"(10) durable medical equipment that has no normal personal use in the absence of the condition for which prescribed, and

"(1) ambulance services.

"(b) Payments made for psychiatric care under paragraph (7) of subsection (a) shall not exceed $20 per visit per person, provided on an outpatient basis.

"(c)(1) The benefits described in paragraphs (1), (2) and (3) of subsection (a) shall be available to employees not later than 1 year after the date of enactment of this section.

"(2) The benefits described in paragraphs (4), (5), (6), (7), (8), (9), (10) and (11) of subsection (a) shall be available to employees not later than 5 years after the date of enactment of this section.

"EXCLUSIONS

"SEC. 606. (a) No payment need be made for coverage of any expenses incurred for items or services—

"(1) which are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member;

"(2) for which the individual furnished

such items has no legal obligation to pay, and which no other person (by reason of such individual's membership in a prepayment plan or otherwise) has a legal obligation to provide or pay for;

"(3) which are paid for directly or indirectly by a governmental entity (other than under this title);

"(4) which constitute personal comfort items;

"(5) where such expenses are for eyeglasses or eye examinations for the purpose of prescribing, fitting, or changing eyeglasses;

"(6) where such expenses are for orthopedic shoes;

"(7) where such services are for cosmetic surgery or are incurred in connection therewith, except as required for the prompt repair of accidental injury or for improvement of the functioning of a malformed body member;

"(8) where such expenses are for custodial care;

"(9) where such expenses are for services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth except that payment may be made for inpatient hospital services in connection with a dental procedure where the individual suffers from impairments of such severity as to require hospitalization;

"(10) where such expenses are for the treatment of flat foot conditions, or routine foot care (including the cutting or removal of corns, warts, or calluses, the trimming of nails, and other routine hygiene care);

"(11) where such expenses are for the purchase, rental, or repair of hearing aids;

"(12) where such expenses are for—

"(A) private room accommodations provided during inpatient hospital confinement unless such accommodations are medically necessary; or

"(B) private duty nursing;

"(13) where such expenses are for general physical examinations or immunizations;

"(14) where such expenses are for services received prior to the effective date of coverage; or

"(15) where such expenses are for the cost of the first three pints of whole blood (or equivalent quantity of packed red blood cells as defined by regulations) furnished during any spell of illness.

"(b) An approved health plan may also exclude from coverage payments with respect to any item or service to the extent that payment has been made, or can reasonably be expected to be made (as determined in accordance with regulations to be promulgated by the Secretary), with respect to such item or service, under a workmen's compensation law or plan of the United States or a State.

"DEDUCTIBLES AND COINSURANCE

"SEC. 607. (a) With respect to the services described in section 605 (other than obstetrical care), an approved health care plan must provide that an eligible individual or family will be required to pay for not more than the following—

"(1) for any calendar year, $100 for each individual for covered charges not to exceed $200 per family, and

"(2) 25 per centum of the next $10,000 of covered charges incurred in any calendar year except that this subclause (2) shall not apply to the services described in subsection 605(a)(7); or

"(3) with respect to the services described in subsection 605(a)(7), 50 per centum of the next $10,000 of covered charges incurred in any calendar year provided the plan payment for such charges does not exceed $20 per visit.

"(b) With respect to obstetrical care provided under this title, the health care plan will pay 50 per centum of charges up to a maximum of $500 for any one pregnancy.

"PENALTIES FOR NONCOMPLIANCE

"SEC. 608. (a) In any case in which the appropriate State official has found, after notice and opportunity for a hearing to the employer, that the employer is not making available to his employees a health care plan which complies with the requirements of this title, he may, after making such efforts as he finds appropriate to secure the employer's voluntary compliance with this title, request the State's Attorney General to bring suit in the district in which the employer designates as his principal place of business, to compel the employer to comply with the provisions of this title.

"(b) Any employer who willfully and knowingly fails to adopt an approved health care plan as required under this title—

"(1) may be assessed a civil penalty of not more than two times that amount such an employer would have spent, in any period not longer than the most recent twenty-four month period, had such employer complied with the requirements of this title; and

"(2) shall reimburse all employees for actual expenditures for health care, made within twenty-four months of the date the expense occurred, that would have been reimbursed by an approved health plan had the employer been in compliance with this title.

"ADDITIONAL REQUIREMENTS OF HEALTH CARE PLANS

"SEC. 609. A health care plan, to be approved by the appropriate State official as required by this title, must provide that—

"(1) each hospital or other facility providing care on an inpatient basis shall, in order to be eligible for reimbursement—

"(A) have in effect a utilization review plan which meets the requirements imposed by sections 1155(a)(1)(A), 1155(a)(1)(B), and 1155(a)(1)(C);

"(B) accept reimbursement on the basis of prospective budgets with payments based on uniform rates for all patients for a fixed period of time and such rates may not include any allowance for costs directly related to facilities or services that are determined by the appropriate health planning agency to be inconsistent with State or local health needs;

"(C) be reviewed periodically by a group representative of public and private payors who will analyze the services provided, financial statements, statistics, operating and capital budgets and other pertinent data; and

(D) submit to the appropriate health planning agency all proposed capital expenditures which exceed $100,000, change the facility's bed capacity or substantially change the facility's services; and

"(2) each physician providing services under this title shall, in order to be eligible for reimbursement—

"(A) agree that his services may be reviewed by a utilization review committee established pursuant to part B of title XI; and

"(B) accept reimbursement on the basis of usual and customary charges.

"APPROVAL OF PLANS

"SEC. 610. (a) Each carrier which develops and offers a health care plan to any employer to whom section 602 (a) is applicable shall notify the appropriate State official within 30 days after such employer subscribes to a health care plan.

"(b) In the case of any employer who does not enter into arrangements with an insurance company or other such organization but instead makes available directly to his employees a health care plan, such employer shall so notify the appropriate State official and provide information concerning the contents of the plan. Such employer shall notify the appropriate State official within 30 days after the development and implementation of the plan.

"(c) If the appropriate State official, after reviewing the contents of a health care plan required by this title, finds that a plan complies with the requirements of this title as presented in regulations promulgated by the Secretary, he shall approve the plan and notify the employer.

"PLANS FOR THE SELF-EMPLOYED AND SMALL EMPLOYER

"SEC. 611. (a) Each insurance company or other such organization which develops and offers health care plans to any employers to whom section 602 (a) is applicable, must develop (itself or in combination with other such carriers) a health care plan or plans to which employers with less than one hundred employees and self-employed individuals and other individuals not eligible for benefits under title XX may subscribe.

"(b) It shall not be unlawful under any antitrust law for any carrier to enter into any contract, combination, or other arrangement with any other such carrier after the date of enactment of the title for the sole purpose of establishing or participating in an insurance pool arrangement whereby there will be offered to the public health insurance coverage approved under paragraph (a) of this section.

"REGULATIONS OF THE SECRETARY

"SEC. 612. In addition to regulations specifically required or authorized by this title, the Secretary is authorized to prescribe such further regulations as he deems necessary to the efficient administration of this title.

"BENEFIT VALUE EQUIVALENCY

"SEC. 613. (a) Each employer required by section 602 to provide his employees (and the members of their families) an approved health care plan shall provide a plan which provides payment for all health care benefits described in section 605 or which is the actuarial equivalent (as defined by this title) of the benefits described in section 605.

"(b) An employer desiring to adopt a benefit value equivalent plan shall obtain a certificate that his proposed plan is so equivalent from a Member of the American Academy of Actuaries or other actuary designated as qualified for this purpose by a State official responsible for regulating health insurance in the State in which the employer is domiciled and such certificate shall be filed with such State official.

"EMPLOYEE OPTION

"SEC. 614. Each employer which is required by section 602 to provide an approved health care plan for his employees (and members of their families) and which employs an average number of employees of not less than 25 shall, in accordance with regulations which the Secretary shall prescribe, offer to his employees (and members of their families) an option of membership in a qualified health maintenance organization as specified by section 1310 of the Public Health Service Act.

TITLE II—HEALTH BENEFITS FOR LOW-INCOME INDIVIDUALS AND THEIR DEPENDENTS

SEC. 201. The Social Security Act is amended by adding after title XX the following new title:

"TITLE XXI—HEALTH BENEFITS FOR LOW-INCOME INDIVIDUALS AND FAMILIES

"TABLE OF CONTENTS

"Sec. 2101. Definitions.
"Sec. 2102. Establishments of low-income insurance program.
"Sec. 2103. Eligible beneficiaries.
"Sec. 2104. Payment of premiums.
"Sec. 2105. Federal financing responsibility.
"Sec. 2106. Health care insurance program.
"Sec. 2107. Exclusions.
"Sec. 2108. Deductions and coinsurance.
"Sec. 2109. Requirements for carriers.

"Sec. 2110. State requirements.
"Sec. 2111. Cost-of-living adjustments.

"DEFINITIONS

"Sec. 2101. (a) For the purposes of this title—

"(1) The term 'low-income individual' means any person whose annual income is not in excess of $2,247.

"(2) The term 'low-income family' means any family which includes two or more members and whose annual family income is not in excess of—

"(A) $2,895 (or, if greater the amount determined under section 2111) in the case of two such members;

"(B) $3,548 (or, if greater, the amount determined under section 2111) in the case of three such members;

"(C) $4,540 (or, if greater, the amount determined under section 2111) in the case of four such members;

"(D) $5,358 (or, if greater, the amount determined under section 2111) in the case of five such members;

"(E) $6,028 (or, if greater, the amount determined under section 2111) in the case of six such members; and

"(F) $7,435 (or, if greater, the amount determined under section 2111) in the case of seven or more such members.

"(3) The term 'dependent beneficiary' means any child or stepchild who is a member of a low-income family and who receives more than 50 per centum of his support from such family and has not attained the age of 21, or, if he is a full-time student, has not attained the age of 23. If a dependent beneficiary incurs a covered illness or disability while eligible for benefits described in this title, the eligibility of such beneficiary shall remain in effect regardless of age but shall remain in effect only during the term of such covered illness or disability.

"(4) The term—
"(A) 'physician',
"(B) 'inpatient hospital services',
"(C) 'physicians' services',
"(D) 'skilled nursing home services',
"(E) 'skilled nursing home',
"(F) 'hospital',
"(G) 'carrier',
"(H) 'ambulance service',
"(I) 'qualified health maintenance organization',
"(J) 'exclusions', and
"(K) 'coinsurance and deductibles',
shall have the same meaning as when used in title VI.

"ESTABLISHMENT OF LOW-INCOME INSURANCE PROGRAM

"Sec. 2102. For the purpose of providing medical and hospital care to individuals and families whose income and resources are insufficient to meet the expenses of necessary medical and hospital services, there is hereby established a program of comprehensive medical and hospital benefits for any eligible beneficiary and his dependents who meet the requirements of section 2103.

"ELIGIBLE BENEFICIARIES

"Sec. 2103. (a) Benefits under this title shall be provided for all persons who are residents of the United States, qualify as a 'low-income individual', 'low-income family', or 'dependent beneficiary' as defined by this title, and files an application under this title (filed in such form and manner and containing such information as the Secretary shall by regulations prescribe).

"(b) An individual or family that is not eligible under subsection (a) may establish eligibility by making appropriate premium payments as required under section 2104 and upon payment of such amounts shall be eligible for all benefits provided under this title.

"PAYMENT OF PREMIUMS

"Sec. 2104. (a) Every individual who is an eligible beneficiary under section 2103(a) shall be eligible to receive full payments of allowable premiums for a health care insurance policy or plan described in section 2106.

"(b) Every individual who wishes to establish eligibility under section 2103(b) shall be required to contribute toward the cost of the program described in section 2106 an amount limited as follows—

"(1) in the case of an individual or family whose annual income is not in excess of 105 per centum of the amounts described in sections 2101(a)(1) and 2101(a)(2), such individual or family shall pay to the administering carrier an amount equal to 10 per centum of the allowable premium;

"(2) in the case of an individual or family whose annual income is in excess of 105 per centum of the amounts described in sections 2101(a)(1) and 2101(a)(2), but is not in excess of 110 per centum of such amounts, such individual or family shall pay to the administering carrier an amount equal to 20 percentum of the allowable premium; and

"(3) in the case of an individual or family whose annual income is in excess of 110 per centum of the amounts described in sections 2101(a)(1) and 2101(a)(2), but not in excess of 115 per centum of such amounts, such individual or family shall pay to the administering carrier an amount equal to 30 per centum of the allowable premium.

"(4) in the case of an individual or family whose annual income is in excess of 115 per centum of amount described in section 2101 (a)(1) and 2102(a)(2), but not in excess of 120 per centum of such amounts, such individual or family shall pay to the administering carrier an amount equal to 40 per centum of the allowable premium.

"(5) in the case of an individual or family whose annual income is in excess of 120 per centum of the amounts described in sections 2101(a)(1) and 2101(a)(2), but not in excess of 125 per centum of such amounts, such individual or family shall pay to the administering carrier an amount equal to 50 per centum of the allowable premium.

"FEDERAL FINANCING RESPONSIBILITY

"Sec. 2105. (a) The Secretary shall pay to each State 100 per centum of the costs necessary to provide medical care benefits to eligible beneficiaries as required under this title.

"(b) There are authorized to be appropriated from time to time to the Secretary sums equal to the costs of providing benefits under this title.

"HEALTH CARE INSURANCE PROGRAM

"Sec. 2106. (a) For the purpose of this title, a health care policy or plan must—

"(1) provide payment for the following services, prescribed by a physician, in each benefit period for each covered member—

"(A) inpatient hospital services;

"(B) physician services and any medical supplies customarily furnished by physicians as part of such services which are furnished while the covered person is an inpatient in a hospital, or in connection with a surgical procedure performed while the covered person is is not an inpatient in a hospital;

"(C) X-ray and laboratory services provided on an outpatient basis (including radiation hygiene);

"(D) outpatient physician professional services;

"(E) drugs requiring the prescription of a physician licensed to prescribe drugs;

"(F) services of a physical therapist provided on an outpatient basis;

"(G) psychiatric care, limited to two visits a week, $20 per visit, per person, provided on an outpatient basis;

"(H) skilled nursing home services furnished an individual after transfer from a hospital in which he was an inpatient for not less than 3 consecutive days;

"(I) medical devices and prostheses;

"(J) durable medical equipment that has no normal use in the absence of the condition for which prescribed; and

"(K) ambulance services.

"(2) assure that payments will be made only to those hospitals or other facilities providing care on an inpatient basis which—

"(A) have in effect a utilization review plan which meets the requirements imposed by sections 1155(a)(1)(A), 1155(a)(1)(B), and 1155(a)(1)(C);

"(B) accepts reimbursement on the basis of prospective budgets with payments based on uniform rates for all patients for a fixed period of time and such rates may not include any allowance for costs directly related to facilities or services that are determined by the appropriate health planning agency to be inconsistent with State or local health needs;

"(C) agrees to be reviewed periodically by a group representative of public and private payors who will analyze the services provided, financial statements, statistics, operating and capital budgets, and other pertinent data; and

"(D) submits to the appropriate health planning agency all proposed capital expenditures which exceed $100,000, change the facility's bed capacity or substantially change the facility's services.

"(3) assure that each physician providing services under this title shall, in order to be eligible for reimbursement—

"(A) agree that his services may be reviewed by a utilization review committee established pursuant to part B of title XI; and

"(B) accept reimbursement on the basis of usual and customary charges.

"EXCLUSIONS

"Sec. 2107. (a) No payment need be made under this title for any expenses incurred for items or services—

"(1) which are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member;

"(2) which constitute personal comfort items;

"(3) where such expenses are for eyeglasses or eye examinations for the purpose of prescribing, fitting, or changing eyeglasses;

"(4) where such expenses are for orthopedic shoes;

"(5) where such services are for cosmetic surgery or are incurred in connection therewith, except as required for the prompt repair of accidental injury or for improvement of a malformed body member;

"(6) where such services are for custodial care;

"(7) where such expenses are for services in connection with the care, treatment, filling, removal, or replacement of teeth or structure directly supporting teeth except that payment may be made for inpatient hospital services in connection with a dental procedure where the individual suffers from impairments of such severity as to require hospitalization;

"(8) where such expenses are for the treatment of flat foot care (including the cutting or removal of corns, warts, or calluses, the trimming of nails, and other routine hygiene care);

"(9) where such expenses are for the purchase, rental, or repair of hearing aids;

"(10) where such expenses are for

"(A) private room accommodations provided during an inpatient hospital confinement unless such accommodations are medically necessary; or

"(B) private duty nursing;

"(11) where such expenses are for general physical examinations or immunizations;

"(12) where such expenses are for services received prior to the effective date of coverage; or

"(13) where such expenses are for the cost of the first three pints of whole blood (or equivalent quantities of packed red blood cells, as defined under regulations) furnished during any spell of illness."

"(b) Payment under this title may not be made with respect to any item or service to the extent that payment has been made, or can reasonably be expected to be made (as determined in accordance with regulations to be promulgated by the Secretary), with respect to such item or service, under a workmen's compensation law or plan of the United States or a State.

"DEDUCTIBLE AND COINSURANCE

"SEC. 2108. With respect to the services described in section 2106, each beneficiary under this title shall pay for not more than the following—

"(1) 10 per centum of each service not to exceed in the cumulative 5 per centum of annual income, except that this subclause (1) shall not apply to the services in subsection 2106(a)(1)(G), or

"(2) with respect to the services described in subsection 2106(a)(1)(G), payment shall not exceed $20 per visit, per person, provided on an outpatient basis.

"REQUIREMENTS FOR CARRIERS

"SEC. 2109. (a) No private insurance company or other organization shall be utilized in the administration of this title or title VI unless such insurance company or other such organization develops (in combination with other such carriers or other organizations) health care policies which may be purchased for individuals and families under this title.

"(b) It shall not be unlawful under any antitrust law for any carrier to enter into any contract, combination, or other arrangement with any other such carrier after the date of enactment of this title for the sole purpose of establishing or participating in an insurance pool arrangement whereby there will be offered health insurance policies approved under this title.

"STATE REQUIREMENTS

"SEC. 2110. (a) Each State shall receive periodically from the Secretary, and the Secretary shall pay periodically to each State, such funds as are authorized under section 2105.

"(b) Each State shall contract or make other arrangements with a health insurance carrier (or carriers) which shall pay to practitioners, institutions, and other providers, on behalf of the individuals and families required under section 2103 to be made eligible therefor, the costs of providing health care benefits (described in section 2106) in accordance with the provisions of this title.

"(c) The appropriate State agency shall enroll each recipient, required under section 2103 to be made eligible therefor, in the State plan and shall file his application with the administering carrier.

"COST-OF-LIVING ADJUSTMENTS

"SEC. 2111. The Secretary shall, during November of 1977 and of each succeeding year, determine (on the basis of the Consumer Price Index prepared by the Department of Labor for the most recent period prior to July 1976 and the most recent period prior to such November) the per centum of increase (if any) which has occurred in the cost-of-living since July 1976. If the per centum of increase (rounded to the nearest one-tenth of one percent) is one or more per centum under any such determination of the Secretary, then, for the calendar year which commences on January 1 following the November in which the determination is made, each of the dollar amounts set forth in section 2101 (a) (2) (A), (B), (C), (D), (E), and (F) shall, subject to the following sentence, be increased by the same percentage (and rounded, when not a multiple of $1.20, to the next higher multiple of $1.20) as the percentage of such increase (as so rounded). In no event shall the dollar amounts (referred to in the preceding sentence) for the calendar year commencing January 1, 1977 or any succeeding calendar year be less than such amounts as in effect for the preceding calendar year, as determined after application of this section.

TITLE III—GENERAL PROVISIONS

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COUNCIL OF HEALTH ADVISERS

SEC. 301. Title XI of the Social Security Act is amended by adding after section 1131 the following new section:

"COUNCIL OF HEALTH ADVISERS

"SEC. 1132. (a) There is created in the Executive Office of the President a Council of Health Advisers (hereinafter referred to as the 'Council'). The Council shall be composed of seven members who shall be appointed by the President to serve at his pleasure, and with the advice and consent of the Senate. The President shall appoint one member of the Council to serve as Chairman.

"(b) The purpose of the Council is to—

"(1) analyze and interpret trends in the health care field;

"(2) appraise health programs and activities of the Federal Government; and

"(3) appraise the effectiveness of the quality control programs established under this Act.

"(c) The Council is authorized to employ and fix the compensation of such employees, experts, and consultants as is necessary to carry out its functions under this Act.

"(d) The Council shall submit an annual report to the President not later than March 1 of each year. Each such report shall also be transmitted to Congress.

"(e) There are authorized to be appropriated such sums as may be necessary to enable the Council to carry out its functions under this Act."

OPERATION OF STATE BENEFIT POOLS

SEC. 302. Title XI of the Social Security Act is amended by adding after section 1132 (as added by section 301 of this title) a new section as follows:

"OPERATION OF STATE BENEFIT POOLS

"SEC. 1133. (a) The State insurance pools authorized in title VI and title XXI shall be administered by the administering carrier under regulations promulgated by the appropriate State agency.

"(b) The premiums collected pursuant to title XXI, any service charges paid and the reimbursement for pool losses shall be paid into the pool.

"(c) the pool shall—

"(1) without fiscal year limitation pay all qualified State plan benefit claims certified by the administering carrier;

"(2) without fiscal year limitation pay premiums to approved health maintenance organization (as defined by the Secretary);

"(3) pay the reasonable administrative charges of the administering carrier; and

"(4) pay any other charges for which the pool has a liability.

"(d) The moneys in the pool shall be invested and reinvested in interest-bearing obligations, which may be sold for the purpose of the pool. The interest on, and the proceeds from the sale, of such obligations become a part of the pool.

"(e) An annual experience accounting for the pool for the policy year shall be prepared by the administering carrier and submitted to the Secretary, to the State, and to all carriers participating in the pool.

"(f) All carriers shall participate in any pool losses in accordance with a formula, designed by the administering carrier and approved by the appropriate State official, that equitably allocates pool losses to carriers and approved health maintenance organization in proportion to their total health care business. For purposes of this subsection the term 'carrier' means an insurance company, a hospital service or hospital expense indemnity organization, a medical service or medical expense indemnity organization, a dental service or dental expense indemnity organization, a fraternal benefit society, or other similar organization, society or funding arrangement which provides coverage for health care.

"(g) The aggregate pool losses for any policy year to be apportioned among the pool participants shall be limited to 3 per centum of the qualified premiums collected by the pool for the year. Losses in excess of this limitation shall be borne by the Federal Government.

"(h) If the experience accounting reflects a gain for the policy year, such gain shall be retained in the pool and used to minimize future premiums to be paid by the Federal Government."

QUALITY CONTROL

SEC. 303. (a) The provisions of titles XI and XVIII relating to utilization and professional review and conditions of participation required with respect to providers of health services shall be applicable to all health services provided under this title.

(b) To the maximum extent practicable, the Secretary, in the administration of this title, shall coordinate with the procedures employed in the administration of the health insurance programs established under this Act.

CO-ORDINATION OF BENEFITS

SEC. 304. The approved health care plan must include a provision identical with or substantially similar to the suggested model group anti duplication provision as modified and interpreted in the report of the insurance industry task force on coordination of benefits attached to the report of the C-1 Accident and Health Protection Subcommittee as set forth in volume I of the 1971 proceedings of the National Association of Insurance Commissioners.

SEVERABILITY

SEC. 305. If a provision enacted by this Act is held invalid, all other provisions so enacted shall remain in effect. If a provision enacted by this Act is held invalid in one or more applications, the provision shall remain in effect with respect to all other applications.

EFFECTIVE DATE

SEC. 306. The amendments made by this Act shall become effective on the date of enactment of this Act, except that the provisions of titles VI and XVI of the Social Security Act (as enacted by this Act) shall not become effective until July 1, 1976.

REPEAL OF TITLE XIX

SEC. 307. Title XIX of the Social Security Act is repealed, effective July 1, 1976.

SECTION-BY-SECTION ANALYSIS OF NATIONAL HEALTH STANDARDS ACT

To amend the Social Security Act to require employers to make an improved health care plan available to their employees, to provide a health insurance plan for "low-income" persons, and for other purposes.

This Act may be cited as the "National Health Standards Act."

SEC. 201. *Findings and declaration of purpose*

Congress finds that: the health of the nation's people is fundamental to their well-being and the nation's productivity; each person shares the responsibility for protecting his own health and well-being; not everyone has the ability to purchase health care when they need it; the health care system needs to be improved using the existing ssytem as a base upon which to build; and the improved system should draw from the experience of medical and allied health professions, private enterprise, government and consumers. The purpose of this Act is to establish a national health care insurance system that would provide health care for all. This would be accomplished by requiring: employers to purchase a health care plan for their employees and the federal government to assume the total cost of purchasing a health care plan for those unable to pay for their own. Medicare would continue to provide medical care for the aged and disabled.

TITLE I: HEALTH BENEFITS FOR EMPLOYEES

SEC. 101. Title VI of the Social Security Act is amended to read as follows:

SEC. 601. Definitions
SEC. 602. Health care plan required
SEC. 603. Effective date for providing health care plan
SEC. 604. Termination
SEC. 605. Health care plan benefits
SEC. 606. Exclusions
SEC. 607. Deductibles
SEC. 608. Penalties for noncompliance
SEC. 609. Additional requirements of health care plans
SEC. 610. Approval of plans
SEC. 611. Plans for the self-employed and small employer
SEC. 612. Regulations of the Secretary
SEC. 613. Benefit value equivalency
SEC. 614. Employee option

SEC. 601. Definitions: Defines the various terms as follows:

"Employee" to include both full-time and certain part-time employees who have been employed for more than 31 days.

"Employer" as any individual, firm or agency that employs at least one employee.

"Approved health care plan" to mean a plan of employee health benefits which is in writing, adopted by the employer, communicated by the employer to his employees, provides at least the benefits described in the act, and covers the employees and their dependents.

"Benefit value equivalence" as that which is equivalent to the total expected claim costs of the total benefit package, including 100 percent of the expected cost of hospital services, outpatient physician services, surgical care, and diagnostic x-ray and laboratory services.

"Physician" means a doctor of medicine, osteopathy, podiatry, and for certain purposes, a dentist.

"Inpatient hospital services" are those services customarily furnished by a hospital, except for convenience items.

"Physician services" are those services usually performed by a physician including surgery, consultation, home and institutional calls.

"Skilled nursing home services" are those services specified in regulations of the Secretary.

"Skilled nursing homes" are those facilities meeting the requirements of Section 1861(j).

"Hospital" means the same as in Title XVIII.

"Carrier" means an insurance company or other such indemnity organization, or an employer who makes available directly to his employees a health care plan.

"Ambulance services" are those services customarily provided by a medical service transportation company but only when such services are medically necessary.

"Qualified health maintenance organization" means an HMO which has been certified by the Secretary as specified in Section 1301 of the Public Health Service Act.

SEC. 602. Health Care plan required: Every employer, other than a foreign government or other international organization, shall provide his U.S. resident employees an approved health care plan. An employer who, on the date of enactment of this title has a contract to provide health care to his employees shall not be required to amend that contract until its expiration or renewal. An employer is required to pay 50 percent of the cost of providing a health care plan.

SEC. 603. Effective date for providing health care plan: Every employer has one year after the enactment of this Act to comply with the provisions of this Act.

SEC. 604. Termination of health care benefits: Coverage of an employee shall continue in effect for a period of not more than 31 days following termination of an employee, at his election.

SEC. 605. Health care plan benefits: An approved health care plan shall offer the following benefits: inpatient hospital services; inpatient physician services; surgical care; x-ray and laboratory services; outpatient physician services; prescription drugs; outpatient physical therapy; limited outpatient psychiatric care; extended care services; medical devices and appliances; and ambulance services. The first three services shall be available not later than one year after enactment of this Act. The next listed services shall be available not later than five years after enactment of this Act.

SEC. 606. Exclusions: An approved health care plan need not make payment for the following items or services: those which are not medically necessary; those which the individual furnished such items has no obligation to pay; those which constitute personal comfort items; vision care services; orthopedic shoes; cosmetic surgery; custodial care; routine dental care; flat foot conditions or other routine foot care; hearing aids; private room accommodations and private duty nursing; general physical examinations or immunizations; expenses for services received prior to the effective date of coverage; and those items which can be expected to be paid for by a workmen's compensation law or plan of the United States or States.

SEC. 607. Deductibles and coinsurance: For all services except psychiatric and obstetrical care, the plan must provide that an individual or family will pay no more than $100 for each individual not to exceed $200 per family and 25 percent of the next $10,000 of covered charges. With respect to outpatient psychiatric care, the plan shall pay 50 percent of charges provided payment for such charges under this Act does not exceed $20 per visit. For obstetrical care, the plan will pay 50 percent of charges to a maximum payment under the plan of $500 for any single pregnancy.

SEC. 608. Penalties for noncompliance: Any employer who willfully and knowingly fails to adopt an approved health care plan as required under this title—

(1) may be assessed a civil penalty of not more than two times that amount such an employer would have spent, in any period not longer than the most recent twenty-four month period, had such employer complied with the requirements of this title; and

(2) shall reimburse all employees for actual expenditures for health care, made within twenty-four months of the date the expense occurred that would have been reimbursed by an approved health plan had the employer been in compliance with this title."

SEC. 609. Additional requirements of health care plans: To be an approved health care plan, the plan must provide that a hospital: have in effect a utilization review plan which meets the requirements imposed by Part B, Title XI of the Social Security Act; accepts reimbursement on the basis of prospective budgets and such budgets shall not include any allowance for costs related to facilities or services that are determined by a local health planning agency to be inconsistent with state or local health needs; agrees to be reviewed periodically by a group of public and private payors; and submits to the local health planning agency all capital expenditures that exceed $100,000, change the facility's bed capacity or substantially change the facility's services. Each physician, to be eligible for reimursement, shall agree that his services may be reviewed by a utilization review committee and that reimbursement shall be on the basis of usual and customary charges.

SEC. 610. Approval of plans: Each carrier and self-insured employer shall notify the appropriate state official within 30 days after the implementation of a health care plan. The state official shall approve the plan and notify the employer if he finds that it complies with the act.

SEC. 611. Plans for the self-employed and small employer: Each insurance company shall develop (itself or in combination with other such carriers) plans to which employers with less than 100 employees and self-employed individuals may subscribe. For the pending purpose only, existing antitrust laws shall be overridden.

SEC. 612. Regulations of the Secretary: The Secretary is authorized to prescribe regulations necessary for the administration of this title.

SEC. 613. Benefit value Equivalency: Every employer covered by this title can offer a plan which is the "benefit value equivalent" of the benefit plan required by section 605. To offer a benefit value equivalent plan, the employer must obtain a "certificate" from a qualified actuary stating that his plan is a benefit value equivalent plan.

SEC. 614. Employee option: Each employer with 25 employees covered by this title shall offer his employees an option of membership in a qualified health maintenance organization as specified in Section 1301 of the Public Health Service Act.

TITLE II—HEALTH BENEFITS FOR LOW-INCOME INDIVIDUALS AND THEIR DEPENDENTS

SEC. 201. The Social Security Act is amended by adding a new title XX.

Title XX Health Benefits for Low-Income Individuals and Families

SEC. 2001. Definitions
SEC. 2002. Establishment of low-income insurance program
SEC. 2003. Eligible beneficiaries
SEC. 2004. Payment of premiums
SEC. 2005. Federal financing responsibility
SEC. 2006. Health care insurance program
SEC. 2007. Exclusions
SEC. 2008. Deductibles and coinsurance
SEC. 2009. Requrements for carriers
SEC. 2010. State requirements

SEC. 2001. Definitions: Defines the various terms as follows:

"Low-income individual" is any person whose annual income is not in excess of $2,247.

"Low-income family" means two or more family members whose annual income is not in excess of: $2,895 in the case of two such members; $3,548 in the case of three such members; $4,540 in the case of four such members; $5,358 in the case of five such members; $6,028 in the case of six such members; and $7,435 in the case of seven or more such members.

"Dependent beneficiary" is any child who is a member of a low-income family, receives at least 50 percent of his support from such family and has not obtained the age of 21 or, if he is a full-time student, the age of 23.

The term "physician," "inpatient hospital services," "physicians services," "skilled nursing home services," "skilled nursing homes," "hospital," "carrier," "ambulance service," "qualified health maintenance organization," "exclusions" and "coinsurance and deductibles" shall have the same meaning as when used in Title VI.

SEC. 2002. Establishment of low-income insurance program: Establishes a program of comprehensive medical and hospital benefits for individuals and families whose incomes are insufficient to meet the expenses of necessary medical and hospital services.

Sec. 2003. Eligible beneficiaries: All "Low-income individuals," "Low-income families," or "dependent beneficiaries" are eligible under this section. Other individuals may establish eligibility by paying all or a portion of the premium rates as required under section 2004.

Sec. 2004. Payment of premiums: Every individual or family who is eligible under section 2003(a) shall be eligible to receive full payments of premiums. Other individuals and families to establish eligibility, shall contribute towards the cost of the program as follows: those with annual incomes in excess of 100 percent but not in excess of 105 percent of the amounts described in section 2001 shall pay 10 percent of the allowable premiums; those whose income is between 105 percent and 10 percent of the amounts described in section 2001 shall pay 20 percent of the allowable premium; and those with incomes in excess of 110 percent but not in excess of 115 percent of such amounts shall pay an amount equal to 30% of the allowable premium; those whose incomes is in excess of 115% but not in excess of 120% shall pay an amount equal to 40% of the allowable premium; those whose income is in excess of 120% but not in excess of 125% shall pay to the administering carrier an amount equal to 50% of the allowable premium.

Sec. 2005. Federal financing responsibility: The federal government shall pay each state such funds as are necessary to provide care as required under this title.

Sec. 2006. Health care insurance program: A health care policy must provide payment for the following benefits: inpatient hospital services; inpatient physician services; surgical care; x-ray and laboratory services; outpatient physician services; prescription drugs; outpatient physician therapy; limited outpatient psychiatric care; skilled nursing services; medical devices and prosthesis; and ambulance services.

This section requires that reimbursement may be made only to a hospital which: has in effect a utilization review plan which meets the requirements of Part B, Title XI of the Social Security Act; accepts reimbursement on the basis of prospective budgets and such budgets shall not include allowances for costs directly related to facilities or services that are determined by a local health planning agency to be inconsistent with state or local health care needs; agrees to be reviewed periodically by public and private payors; and submits to a local health planning agency all proposed capital expenditures which exceed $100,000, change the facility's bed capacity or substantially change the facility's service. Each physician, to be eligible for reimbursement, shall agree that his services may be reviewed by a utilization review committee and that reimbursement shall be on the basis of usual and customary charges.

Sec. 2007. Exclusions: No payments need be made under this title for the following items or services: those which are not medically necessary; personal comfort items; vision care; orthopedic shoes; cosmetic surgery; custodial care; routine dental care; routine foot care; hearing aids; private room and private duty nursing; physical examinations or immunization; expenses for services received prior to effective date of coverage and those expenses which are covered under a workmen's compensation law, or plan of the United States or State.

Sec. 2008. Deductibles and coinsurance: Each beneficiary shall pay not more than the following: 10 percent of each service, not to exceed, in the cumulative, 5 percent of annual income. For mental health services, payment by the plan shall not exceed $20 per visit, per person, provided on an outpatient basis.

Sec. 2009. Requirements for carriers: No carrier shall be utilized in the administration of this title unless such carrier agrees to participate in state insurance "pools". For this purpose only, existing antitrust laws are overridden.

Sec. 2010. State requirements: The Secretary shall periodically pay each state such funds as are necessary to operate the "low-income" program. Each state shall contract with carriers to administer the program. A state agency shall be responsible for the enrollment and filing of beneficiary applications.

TITLE III—GENERAL PROVISIONS

Sec. 301. Council of health advisors
Sec. 302. Operations of state benefit pools
Sec. 303 Quality control
Sec. 304. Co-ordination of benefits
Sec. 305. Severability
Sec. 306. Effective date
Sec. 307. Repeal of title XIX

Sec. 301. Council of health advisors: Creates a Presidential Council of Health Advisors composed of seven members appointed by the President with the advice and consent of the Senate. The Council's purpose is to analyze and interpret trends in the health care field, appraise health programs and activities of the Federal Government, and appraise the effectiveness of the quality control programs established under this Act. The Council shall submit an annual report to the President and Congress.

Sec. 302. Operation of state benefit pools: The various state "pools" and "pools" for small employers and the self-employed shall be administered by an administering carrier under regulations promulgated by the Secretary and enforced by the appropriate state agency. All funds collected from the "low-income" plan shall be paid into the state pools. All pools shall pay claims, health maintenance organizations dues, reasonable administrative expenses, and any other charges for which the pool has a liability. The pools may invest and reinvest their funds in interest bearing obligations. The administering carrier shall prepare an annual experience accounting which shall be distributed to the state, all participating carriers and the Secretary. The pool's losses shall be distributed among participating carriers in accordance with a formula that equitably allocates losses to all carriers and approved health maintenance organizations. For the purposes of this subsection, the term "carrier" does not include self-insured employers. The pool shall be liable for all losses limited to 3 percent of collected premiums. Losses in excess of this limitation shall be borne by the Federal Government. Pool gains shall be retained in the pool and used to minimize future premiums to be paid by the Federal Government.

Sec. 303. Quality Control. The utilization review of Titles XI and XVIII shall be applicable to all services provided under this title.

Sec. 304. Co-Ordination of benefits: No health insurance benefits shall be provided under this title to any person during any period for which he is legally covered by any other existing health insurance plan, workmen's compensation law or other law of the United States or State.

Sec. 305. Severability: If a provision enacted by this Act is held invalid, all other provisions so enacted shall remain in effect.

Sec. 306. Effective date: The effective date is July 1, 1976

Sec. 307. Repeal of Title XIX: This section repeals the existing Medicaid program.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2645. A bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of 1 year. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of 1 year, and I ask unanimous consent that the letter of transmittal and Statement of Purpose and Need be printed in the Record together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That appropriations of the Department of Commerce are hereby authorized to be available without fiscal year limitation, or for periods in excess of one fiscal year, whenever so provided for in an appropriation act.

Secretary of Commerce,
Washington, D.C., October 14, 1975.

Hon. Nelson A. Rockefeller,
President of the Senate,
U.S. Senate,
Washington, D.C.

Dear Mr. President: Enclosed are six copies of a draft bill "To authorize appropriations of the Department of Commerce to be available until expended or for periods in excess of one year," together with a statement of purpose and need in support thereof.

This proposed legislation has been reviewed by the Department in light of Executive Order No. 11821 and has been determined not to be a major proposal requiring evaluation and certification as to its inflationary impact.

We have been advised by the Office of Management and Budget that there would be no objection to the submission of our draft bill to the Congress from the standpoint of the Administration's program.

Sincerely,

Rogers Morton,
Secretary of Commerce.

Statement of Purpose and Need

This legislation would provide authorization for Department of Commerce appropriations to be available until expended or for periods in excess of one year.

Under the rules of the Senate and the House of Representatives, most appropriations making funds available to the Department of Commerce beyond a single fiscal year are subject to a point of order because authority in law does not exist for this type of funding. The Congressional Appropriations Committees have pointed out, on several occasions, that absence of specific statutory authority results in an appropriation bill which proposes new legislation. The Department's efforts to reduce the number of appropriation accounts have resulted in 75% of our appropriations containing funds which are available beyond a single fiscal year. The proposed legislation would provide authority in law for multiple-year and no-year appropriations. Whether or not funds are actually appropriated on this basis would be determined by the language contained in the appropriation act.

Similar legislation was submitted by this Department to the 92nd Congress and introduced as H.R. 6892 and S. 1694.

The passage of this legislation will not require additional funds to be appropriated.

By Mr. BENTSEN:

S. 2646. A bill to amend the Internal Revenue Code of 1954 with respect to the tax treatment of small businesses. Referred to the Committee on Finance.

SMALL BUSINESS TAX REFORM

Mr. BENTSEN. Mr. President, I am today introducing legislation to make several changes in our tax laws which will be of particular significance to our Nation's smaller businessmen who play an indispensable role in promoting healthy competition in our economy and creating jobs for our growing work force. This legislation was formulated after comprehensive hearings of the Senate Financial Markets Subcommittee, which I chair, and the Senate Small Business Committee, chaired by Senator Nelson, on the tax and financial problems of small business.

The bill would make the following changes in our tax laws to help provide a healthier economic climate for the growth of small business.

First, it would allow a new business to carry forward for 10 years any net operating losses incurred during the first 10 years of operation of that new business. These net operating losses would be deductible against profits. This will help new businesses grow and thus promote greater competition in our economy.

Second, it would expand the existing "Subchapter S" provisions of the Internal Revenue Code in order to enable a greater number of business enterprises to take advantage of these existing tax provisions which were enacted in 1958 to meet some of the special problems of smaller firms.

Third, it would allow the taxable year of a partnership to close at the death of a partner, with respect to the interest of the deceased partner, in order to provide greater flexibility for those enterprises that are organized as a partnership.

Finally, this legislation would also direct the Department of the Treasury to conduct a study to simplify inventory tax accounting for smaller businesses. Small businessmen lack the money to hire sophisticated tax lawyers and accountants and are simply unable to take full advantage of many existing tax provisions.

The proposals I am introducing today would result in a negligible revenue loss to the Treasury but would provide greater business flexibility for small enterprises throughout our Nation.

Earlier this year Senator NELSON and I introduced legislation to provide greater tax equity to small businessmen by extending three provisions of the 1975 Tax Reduction Act which are important to small business. These provisions increase the corporate surtax exemption from $25,000 to $50,000; reduce the tax rate on the first $25,000 of corporate income from 22 to 20 percent; and increase from $50,000 to $100,000 the amount of used property that can qualify for the investment tax credit.

The legislation I am introducing today, in conjunction with an extension of the 1975 tax cuts for small business, would provide significant tax reform for the crucial small business sector of our economy.

Mr. President, it is not widely known that small businesses and individual entrepreneurs are the largest source of jobs in our economy.

As of 1972, the most recent year for which figures are available, 48 percent of all businesses in the United States had between 1 and 3 employees. Ninety-nine percent of all businesses consisted of firms with less than 250 employees.

But, for several years small businesses have been in a state of decline.

For example, income for individual proprietors declined from 17 percent of national income in 1945 to only 9 percent in 1974, a reduction by almost half over the past 30 years.

The current recession has hit small businesses harder than larger firms.

During the first 3 months of 1975, manufacturing corporations with assets of less than $1 million suffered a 48.9 percent decline in after-tax income, compared with the same period in 1974. By contrast, manufacturers, with assets of $1 billion or more suffered a loss of only 28.5 percent for the period.

This poor profit performance means that small businesses will have great difficulty sustaining, let alone expanding their levels of economic activity and employment.

It is important that Congress take constructive action to provide a favorable economic climate in which small business can prosper and grow. Enactment of this small business tax reform legislation would be one step in that direction.

Mr. President, I would now like to explain my proposals in greater detail.

NET OPERATING LOSSES FOR NEW BUSINESSES

Under my proposal, for the first 10 years of operation of a new business the period over which net operating losses may be carried forward and deducted against profits would be increased from the present limit of 5 years to 10 years. New enterprises are generally more dependent on internally generated capital for growth and the current 5-year limit on the net operating loss carryover can have an adverse effect on growth. An extension of the carryover period for an additional 5 years could help finance the second stage of a new enterprise's growth. Since new businesses are frequently unprofitable for the first few years after formation, operating losses incurred in the early stages of a business enterprise often cannot be recovered in the limited 5-year carry forward period now permitted. Thus although well established companies can usually utilize the net operating loss deductions, newer enterprises often cannot and my proposal would help eliminate this tax inequity.

SUBCHAPTER S CHANGES

Last year the House Ways and Means Committee approved four tax changes which would facilitate use of the "Subchapter S" provisions of the Internal Revenue Code by small businesses. I am including these changes in my legislation. Under Subchapter S, the shareholders of closely held corporations are taxed as though they were carrying on their activities as partners. Thus Subchapter S relieves the corporation itself from taxation but only on the condition that each stockholder reports his share of the corporation's income, whether distributed to him or not, on his individual tax return.

Subchapter S was enacted by Congress in 1958 to permit small corporations which are essentially partnerships to enjoy the advantages of the corporate form of organization without being made subject to the possible tax disadvantages of the corporation and to eliminate the influence of the Federal income tax in the selection of the form of business organization which may be most desirable under the circumstances.

Under my proposal the maximum number of shareholders which a Subchapter S corporation is allowed to have would be increased from 10 to 15.

In addition, in three types of situations trusts would be permitted to be qualified shareholders in Subchapter S corporations: First, voting trusts; second, grantor trusts—where the grantor is treated as the owner for tax purposes; and third, instances where the holding by the trust is only temporary, for example, where it passes through a residuary trust to individual beneficiaries.

Also under this legislation when Subchapter S stock has been held by a husband and wife, the estate of one of the spouses would not be considered a shareholder for purposes of determining the number of shareholders of the Subchapter S corporation.

Finally, a Subchapter S election would be terminated under by proposal only upon a new shareholder's affirmative refusal to consent to a continuation of the Subchapter S election—instead of upon the failure of a new shareholder to consent to the election.

There reforms in Subchapter S which were approved by the House Ways and Means Committee last year would make it possible for many smaller enterprises to utilize these provisions which were originally enacted in 1958 to assist small firms.

CLOSING OF PARTNERSHIP TAXABLE YEAR ON DEATH OF A PARTNER

The third portion of my bill relates to the tax treatment of partnerships. Under my proposal, the successor in interest of a deceased partner may elect to close the taxable year of the partnership with respect to the interest of the deceased partner as of the date of his death, instead of waiting until the close of the partnership taxable year or the date his interest is sold, exchanged, or liquidated. This would provide partnerships with greater flexibility.

TREASURY DEPARTMENT STUDY TO SIMPLIFY LIFO ACCOUNTING FOR SMALL BUSINESS

Under existing law, any business, whether incorporated or not, may value its inventory and determine its cost by use of the LIFO method—last-in, first-out. In practice, however, a significant number of smaller enterprises find that they are unable to use LIFO because of the ambiguity and complexity of the current regulations. My proposal would direct the Treasury Department to conduct a study to simplify the mechanims of applying LIFO.

Mr. President, Americans too often forget the indispensable role of small business in promoting healthy competition in our economy, creating jobs for a growing workforce and developing innovative ideas and products. Small business in many ways is the essence of our country's promise.

It has traditionally been relatively easy for an American to go into business for himself, to become his own boss.

This has not only been good for the millions of individual Americans who have set up their own businesses, but it has been good for our economy and the country at large. This great diversity of ownership has spurred competition, helping keep prices down, helping assure a wide variety of goods and services and helping bring strength and resilience to our free enterprise system.

In recent years, though, it has become more and more difficult for Americans to go into business for themselves, and for those already operating small businesses to keep their doors open or to resist urgings to sell out to the giant concerns.

In recent years it has become particularly difficult for small businesses to raise the capital needed to expand or modernize or simply get off the ground.

We may never know how many potential "Xeroxes" or "Polaroids" have failed to get started over the past few years for a lack of start-up capital.

We must carefully review our tax laws to find ways to provide fairer tax treatment for smaller firms which would have the effect of helping these enterprises achieve greater cash flow for expansion and modernization.

The small business tax reform legislation I have offered will help achieve that goal.

By Mr. CRANSTON (for himself, Mr. HARTKE, Mr. RANDOLPH, Mr. STAFFORD, and Mr. HUGH SCOTT):

S. 2651. A bill to amend the Higher Education Act of 1965 to extend the veterans cost-of-instruction payments program, and for other purposes. Referred to the Committee on Labor and Public Welfare.

A FITTING TRIBUTE TO VIETNAM-ERA VETERANS ON VETERANS' DAY: EXTENSION OF VETERANS COST-OF-INSTRUCTION PROGRAM

Mr. CRANSTON. Mr. President, I am introducing today, for appropriate reference, legislation to extend the veterans cost-of-instruction—VCI—program and to make other improvements in the existing enabling legislation for the program. The proposed Veterans Cost-of-Instruction Extension Act is cosponsored by the distinguished chairman of the Committee on Veterans' Affairs (Mr. HARTKE), the distinguished Senators from West Virginia (Mr. RANDOLPH) and Vermont (Mr. STAFFORD), with whom I serve on both the Education Subcommittee of the Committee on Labor and Public Welfare and the Veterans' Affairs Committee, and the distinguished minority leader of the Senate, Mr. HUGH SCOTT of Pennsylvania. The bill proposes to amend section 420 of the Higher Education Act of 1965, as amended, to extend the veterans cost-of-instruction payments program, and for other purposes.

The VCI program which I authored in the Education Amendments of 1972—Public Law 92–318—was designed to provide incentives and supporting funds for colleges and universities to recruit veterans and to establish special programs and services necessary to assist veterans in readjusting to an academic setting, especially educationally disadvantaged veterans. Institutions which meet various requirements of the legislation for special veterans programs are entitled to payments for each of certain categories of veterans enrolled in an undergraduate program on a full-time basis.

Mr. President, it is particularly appropriate that we introduce this legislation today—November 11—the 11th day of the 11th month. This is the day that the Nation has traditionally set aside to pay tribute to those men and women, living and dead, who dedicated themselves to the preservation of this Nation's security. It is the day which in 1978 will again be legally recognized nationwde as Veterans' Day pursuant to Public Law 94–97 enacted on September 18. In fact, 44 States, including my own State of California, have passed legislation returning Veterans' Day to November 11; 2 States have never deviated from the traditional date.

It is with a sense of gratitude and support for our most recent generation of veterans—the Vietnam-era veterans—and in recognition of their contribution to the Nation, that we are introducing this legislation in the Senate today.

Mr. President, I would like to outline briefly at this time each of the five provisions of the measure we are introducing today.

SUMMARY OF THE BILL

THREE-YEAR EXTENSION

First, Mr. President, the bill would extend the authorization for the VCI program for 3 years, through fiscal year 1978. The program authorization in section 420 of the Higher Education Act of 1965, as amended, expired on June 30, 1975. However, under a general extension provision in section 414 of the General Education Provisions Act, the program authority has been automatically extended for an additional year—through fiscal year 1976 in this case.

USE OF GI BILL WORK-STUDY PROGRAM

Second, Mr. President, the bill emphasizes the need to insure that educationally disadvantaged veterans are fully informed of their GI bill benefits and other opportunities available to them. This provision would encourage, by specific reference, the use in VCI programs of the VA work-study program as a means of providing outreach, recruiting, and counseling services to educationally disadvantaged veterans.

VCI offices are required by law to carry out active outreach programs, to recruit disadvantaged veterans, and to counsel other veterans needing personal, vocational, or educational assistance. Many undereducated and underskilled Vietnam-era veterans do not know anything about VA tutorial assistance or work-study programs, or about programs to help them obtain their high school degrees without using their GI bill entitlements. These veterans are the ones who are suffering the most during this worst economic recession in 40 years since, with the least education and the fewest skills, they are the most likely to be laid off and the least likely to find jobs.

Section 1685 of title 38, U.S.C., a provision which I authored in the Veterans Education and Training Assistance Amendments Act of 1970—Public Law 92–540—and amended in the Vietnam Era Veterans Readjustment Assistance Act of 1974—Public Law 93–508—provides for an unlimited number of work-study slots to enable GI bill veteran-students to be paid an additional educational assistance allowance for the performance of certain services during or between periods of enrollment. Such services include participation in outreach programs and the processing of paperwork at VA facilities and educational institutions.

The specific legislative linking of these two efforts should enable the VCI program to be more responsive to the veterans it is designed to serve—especially the educationally disadvantaged veteran, the prime target of the VA's outreach services program carried out under subchapter IV of chapter 3 which I also authored in the 1970 Public Law 92–540.

Mr. President, on October 1, the Subcommittee on Readjustment, Education and Employment of the Senate Veterans' Affairs Committee, took testimony from Rufus H. Wilson, Chief Benefits Director of the Veterans' Administration, regarding the current status of the VA educational assistance program. In his statement, Mr. Wilson discussed in detail the status of the VA work-study program. He noted that the current allocation for fiscal year 1976 is 9,459,629 hours at a cost of approximately $23.7 million; he estimated that more than 37,000 veterans will be participating in the work-study program in this fiscal year.

Chief Benefits Director Wilson also stated that "DVB circular 20–75–27—specifically provides for use of veteran-students in the Veterans cost-of-instruction—VCI—program" and that he knew of "no situation where VCI coordinators and vet-reps have found it necessary to compete for the services of the same work-study participant."

I ask unanimous consent, Mr. President, that this portion of Mr. Wilson's testimony regarding the work-study program be printed in the RECORD at the conclusion of my remarks following the text of the bill, the summary of the bill, and the listing of current VCI awards.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNUAL REPORT

Mr. CRANSTON. Third, Mr. President, the bill would require that each institution receiving VCI payments prepare an annual report on its activities and programs for submission to the Commissioner of Education. The Commissioner would be required to submit to the Congress, not later than 60 days after the end of each fiscal year, an annual report summarizing the reports of the individual institutions, as well as indicating other steps taken to carry out his monitoring responsibilities under the law and making any recommendations he wishes.

This data gathering and reporting function will provide the Congress with a basis for making determinations with respect to the effective conduct of the program, as well as provide certain assistance in focusing our oversight responsibilities with respect to this program.

COORDINATION WITH V.A. PROGRAMS

Mr. President, fourth, the bill seeks to ensure the maximum effectiveness of the program by requiring the Commissioner of Education to coordinate the activities of the VCI program with complementary and supplmentary programs carried out by the Veterans' Administration. The bill also requires the Administrator of Veterans' Affairs to provide to VCI programs and the Office of Education assistance, technical consultation, and information otherwise authorized by law.

This legislative mandate for greater coordination of effort is intended to ensure that programs are conducted in a manner which will promote maximum effectiveness and will help keep to a minimum the confusion and redtape which confronts many veterans trying to progress through the educational "maze."

This coordination of programs provision is a coordinate of section 220 of title 38, which I authored in Public Law 93-508 last year, to require the Administrator of Veterans' Affairs to "seek to achieve the maximum feasible effectiveness, coordination, and interrelationship of services among all programs and activities affecting veterans and their dependents carried out by and under all other departments, agencies, and instrumentalities of the executive branch".

IDENTIFIABLE ADMINISTRATIVE UNIT

Fifth, Mr. President, and of special importance, the bill would require that the VCI program be administered by an identifiable administrative unit in the Office of the Commissioner. This is to ensure that institutions receiving VCI awards receive adequate administrative assistance and program support in carrying out their responsibilities. A reorganization plan pending at the Office of Education would dissolve the veterans program unit, leaving VCI institutions without the support of a central office.

It is almost a prerequisite for an effective program to have a unit at the Federal level devoted to and advocating the interests of that segment of the population that it is mandated to serve—in this case, veterans. This is especially so since the Administration has consistently opposed this program, refused to spend—and proposed rescission of—funds appropriated, delayed implementation, and otherwise done its best to downplay the VCI program. This program deserves to be more than just another effort caught in the reshuffling of Federal in-baskets, and visible support at the departmental level is vital.

CONTINUED NEED FOR THE VCI PROGRAM

Mr. President, over the past 3 years, more than 1,500 VCI programs across the Nation have provided a central focus for efforts to meet the needs of veteran-students. VCI institutions have received grant funds totaling $80 million since enactment of this program in 1972. In fiscal year 1975, 1,206 institutions of higher education received VCI awards totaling $31,237,730 to implement special veterans programs for a total estimated veteran undergraduate enrollment of 916,646. In fiscal year 1974, 1,009 institutions received a total of $23,750,000 based on an estimated undergraduate veteran enrollment of approximately 580,521. In fiscal year 1973, the first year of VCI funding, 1,070 institutions received grants totaling $25,000,000 to serve 481,803 veteran-students.

Mr. President, at a time when thousands of Vietnam-era veterans continue to suffer from serious readjustment and need to enhance available education opportunities and services, particularly to those veterans who are educationally disadvantaged.

The evidence of the continuing critical need for this program is, I believe, overwhelming.

The unemployment rate for young Vietnam-era veterans—22 percent, or 219,000 people out of work, in October—continues to be significantly higher—more than 40 percent higher—than the national rate for nonveterans in that same group—13.6 percent.

Those who need GI bill training the most—the most than 1 million Vietnam-era veterans without high school diplomas—still use their eligibility the least. As of June 1975, more than 700,000 Vietnam-era veterans who were high school dropouts had made no use whatsoever of their education and job training benefits under the GI bill. Literally millions more have used but a small portion of their benefits.

Moreover, a recent General Accounting Office survey documented that 71 percent of the educationally disadvantaged veterans whom the GAO had questioned said they did not receive personal counseling from the VA to explain available benefits.

The same survey revealed that 90 percent of the veterans questioned had never heard of the GI bill PREP—predischarge education program—either before—or during their time of service. About 60 percent never learned of it at all. Fifty-eight percent said they would have used military predischarge programs such as PREP and transition had they known about them.

In response to these problems the VCI law, as reemphasized in the bill we are introducing, requires VCI institutions not only to establish full-time offices of veterans' affairs, but also to go into their communities and to seek out those veterans who are unskilled, unemployed, and most in need of educational assistance. Many disadvantaged veterans, if they were not informed of available opportunities by the local VCI coordinators, would be relegated to the unemployment lines, menial jobs, or no job at all and exhausted unemployment compensation benefits.

IMPACT OF VCI PROGRAM

Mr. President, the general GI bill institute of higher learning participation rate increase from fiscal year 1973 to fiscal year 1975 was 40.1 percent. Based on the enrollment data of the 803 institutions which received VCI funds during the three academic years between September 1973 and September 1975, the increase in the number of veteran-students utilizing GI bill educational benefits was 59.4 percent. The dramatic veteran recruitment gain at VCI institutions—48 percent more than the average GI bill participation rate increase—is certainly attributable to the success of VCI programs in recruiting additional veterans.

A summary of a national VCI survey of VCI institutions, with 453 grantees responding, conducted in the fall of 1974 by Dr. George Weston of the San Diego County Veterans Task Force, indicates a employment problems, there is clearly a 1-year 94-percent increase in veteran tutorial and remedial programs and a 360-percent increase in referral services for legal aid, family counseling, and medical rehabilitation at VCI campuses. Of special interest is the 85-percent increase shown by the survey in veterans job placement assistance at VCI campuses—an impressive achievement during this period of bleak employment prospects for younger veterans.

HISTORY OF 1974 VCI AMENDMENTS

Mr. President, last year in connection with consideration of the Education Amendments of 1974, I offered a series of amendments, both in committee and on the floor, joined by Senators STAFFORD, MATHIAS, JAVITS, and RANDOLPH, to make certain changes in the conduct of the VCI program. These amendments, which were enacted as section 834 of Public Law 93-380, were designed to make it more feasible for smaller institutions of higher learning to establish programs which meet all the requirements of the law. The amendments can be separated into the following three categories:

First. Changes in institutional eligibility criteria. Institutions of higher education are now eligible for VCI payments if the number of veterans receiving GI bill payments in attendance equals at least 25 persons, and is at least 110 percent of the number of veterans in attendance the previous academic year; or, by virtue of our 1974 amendment, and is at least 10 percent of the total undergraduate enrollment, and such per centum is no lower than that for the previous academic year.

Further, an institution which has established eligibility for VCI payments for an initial year, shall continue to be eligible in succeeding years if the number of veterans in attendance is at least equal to the number for the previous academic year; or, as a result of our 1974 amendments, is at least equal to the number needed to establish eligibility for VCI payments for the preceding academic year, whichever is less.

This alternative prerequisite to institutional eligibility based on minimum qualifying numbers of GI bill enrollees was designed to eliminate inequities at schools which had achieved enrollments of returning veterans over the 10 percent increase required—initially the only way to qualify—for first-year VCI eligibility.

Second. Changes in institutional allocation levels. Under our 1974 VCI amendments, changes were made in the funding procedure for eligible schools to increase the amount many smaller qualifying institutions had been receiving, by limiting to $135,000 the maximum amount of payments to any single institution in any fiscal year. Prior to our amendment, there was no maximum payment provision. Funds which become available as a result of this maximum grant provision are reapportioned to schools which would otherwise receive a payment of less than $9,000—the estimated minimum amount needed to open a full-time veterans affairs office on a campus. In fiscal year 1975, 364 schools received reallocated funds totaling $478,648.

Third. Changes in authorized utilization of grants. Our 1974 amendments provided that institutions receiving VCI payments are required to utilize at least 75 percent of funds received to establish a special office for veterans' programs at the recipient institutions. Any funds included in this 75 percent minimum which are not required for establishment of the office are to be used to maintain programs for educationally disadvantaged veterans; to maintain outreach, recruiting, and counseling programs for veterans; and to carry out tutorial assistance programs for veterans. Originally, VCI institutions were required to utilize 50 percent of funds received for these purposes.

INCREASED GRANT SUPPORT FOR SMALLER VCI INSTITUTIONS

Mr. President, the beneficial impact of these 1974 amendments may be seen in the change in the average payment per VCI institution. In the academic year 1973–74, participating institutions received an average payment of $23,364. In the academic year 1974-75, payments averaged $23,538. This year, institutions receiving VCI payments are averaging grants of $25,912.

Significantly, this is true even though the number of grants over $135,000 those 2 prior years was 13 and 8, respectively. Similarly, the number of grants under $3,000 in the first 2 years was 145 and 97, respectively; whereas no institution received less than $5,000 under the new reallocation formula and the number between $3,000 and $9,000 rose to 358 this year by contrast with 256 and 251 the previous 2 years.

Mr. President, I ask unanimous consent that a table setting forth this and other data be printed at this point in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

VCI GRANT LEVELS TO INSTITUTIONS (1973–76)

	Academic year—		
	1973–74	1974–75	1975–76
Institutions over $135,000.	13	8	Would have been 12.
Institutions under $3,000.	145	97	Would have been 91.
Institutions between $3,000 and $9,000.	256	251	Would have been 267 but with reallocation none received less than $5,000—358 between $5,000 and $9,000.
Deobligations	176	79	None as of this date.

Mr. CRANSTON. Thus, Mr. President, it would appear that the 1974 amendments have done the job of providing for a much more equitable distribution of funds to smaller schools.

I recognize that some Senators may still be interested in making further revisions in the allocation formula. We have devised many different possible approaches, but thus far, assuming a continuation of relatively static appropriations, none seems to provide a more equitable distribution of funds. However, at my request, the Library of Congress is developing data on this, and computing the effect of various changes in the allocation formula. This data will be considered carefully as the Committee examines this legislation.

CONCLUSION

Mr. President, in closing I note that the work that remains to be done in providing educational and employment opportunities for veterans and the encouraging progress made to date through the efforts of the VCI program are the strongest arguments that can be made in favor of continuing the veterans cost-of-instruction program. I urge speedy and favorable consideration of this measure by Congress.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section summary of the measure be printed in the Record at this point followed by a listing of the 1975–76 academic year VCI awards to institutions on a State-by-State basis, and the excerpts from Mr. Wilson's testimony.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 2651

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Veterans Cost-of-Instruction Extension Act".

Sec. 2. (a) Section 420(a) (1) of the Higher Education Act of 1965 is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1978".

(b) Section 420(c) (1) (B) (iii) of such Act is amended by inserting "(with special emphasis on educationally disadvantaged veterans)" after "outreach", and by inserting "(with special emphasis on the veteran-student services program under section 1685 of such title 38)" after "programs".

(c) Section 420 of such Act is amended by adding at the end thereof the following new subsections:

"(f) Each institution of higher education receiving payments under this section shall at the end of each fiscal year submit to the Commissioner a report on the activities and programs (including data on the number and characteristics of veterans) assisted under this section. The Commissioner, not later than 60 days after the end of each such fiscal year, shall prepare and submit to the Congress an annual report containing (1) a summary of the reports and data submitted pursuant to this subsection, (2) a description of the steps taken (and the results thereof) to carry out his responsibility under subsection (c) (1) of this section to monitor and determine the adequacy of efforts by institutions receiving assistance under this section to carry out the programs specified in clause (B) of subsection (c) (1) thereof, and (3) such recommendations, including recommendations for legislation, as he deems appropriate.

"(g) The Commissioner, in carrying out the provisions of this section, shall seek to assure the coordination of programs assisted under this section with programs carried out by the Veterans' Administration pursuant to title 38 of the United States Code, and the Administrator of Veterans' Affairs shall provide all assistance, technical consultation, and information otherwise authorized by law as necessary to promote the maximum effectiveness of the activities and programs assisted under this section.

"(h) The program provided for in this section shall be administered by an identifiable administrative unit in the Office of the Commissioner, the head of which shall be appointed by and directly responsible to the Commissioner and to whom the Commissioner shall delegate all of his delegable functions relating to this section.".

SUMMARY OF PROVISIONS OF VETERANS COST-OF-INSTRUCTION (VCI) EXTENSION ACT

First, the bill would extend the authorization for the Veterans Cost-of-Instruction (VCI) program for three years. The program authorization in section 420 presently expires on June 30, 1975. Under a general extension provision in the General Education Provisions Act, that program authority is automatically extended for an additional year—FY 1976 in this case.

Second, the bill would emphasize the need to ensure that educationally disadvantaged veterans are fully informed of their G.I. Bill benefits and other opportunities available to them. This provision would encourage the use in VCI programs of the VA work/study program as a means for providing outreach, recruiting and counseling services to educationally disadvantaged veterans.

Third, the bill would require that each institution receiving VCI payments prepare an annual report on its activities and programs for submission to the Commissioner of Education. The Commissioner would be required to submit to the Congress, not later than 60 days after the end of each fiscal year, an annual report summarizing the reports of individual institutions, as well as indicating other steps taken to carry out his monitoring responsibilities under the law and making any recommendations he wishes.

Fourth, the bill seeks to ensure the maximum effectiveness of programs designed to assist veterans by requiring the Commissioner to coordinate the activities of the VCI program with complementary and supplementary programs carried out by the Veterans Administration, and by directing the Administrator of Veterans' Affairs to provide all assistance, technical consultation, and information otherwise authorized by law as necessary to promote the maximum effectiveness of VCI programs.

Fifth, the bill would require that the VCI program be administered by an identifiable administrative unit in the Office of the Commissioner to ensure that institutions receiving VCI awards receive adequate administrative assistance and program support in carrying out their responsibilities. A reorganization plan pending at the Office of Education would dissolve the Veterans Program Unit, leaving VCI institutions without the support of a central office.

VETERANS' COST-OF-INSTRUCTION PROGRAM

(Section 420 of the Higher Education Act of 1965, as amended by Title X of Public Law 92–318)

The Veterans' Cost-of Instruction Program, administered by the United States Office of Education, is announcing the 1975–76 Academic Year Awards to 1,206 postsecondary institutions through the enclosed Institutional Award List. The list, dated June 25, 1975, presents the recipient institutions alphabetically by State and Congressional District.

This program of institutional aid provides for a cost-of-instruction payment to postsecondary institutions based on their undergraduate veteran enrollment. Payments are based on the number of veterans receiving vocational rehabilitation assistance or veterans' educational assistance for undergraduate study, and the number of veterans who have participated in special pre-discharge or remedial programs. The institution in return must establish and maintain a full-time Office of Veterans' Affairs to provide counseling and tutorial services, outreach and recruitment activities, and special programs for educationally disadvantaged veterans. After providing the mandated services, the institution may use up to 25% of the award for its academic/instructional program.

It is hoped that the arrangement of this announcement will prove helpful to you and your constituent institutions.

For further information contact the Veterans' Programs Branch, U.S. Office of Education, Room 4616, ROB #3, 400 Maryland Avenue, S.W., Washington, D.C. 20202, telephone (202) 245–2806.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Alaska:					
Congressional District 1: University of Alaska, Anchorage	2651 Providence Ave	Anchorage	99504		$28, 577
Congressional District 1 total				1	28, 577
State total				1	28, 577
Alabama:					
Congressional District 1:					
University of South Alabama	307 University Blvd	Mobile	36688		20, 550
S. D. Bishop State Jr. College	351 North Broad St	Mobile	36603		16, 116
Congressional District 1 total				2	36, 666
Congressional District 2:					
Chauncey Sparks State Tech College	P.O. Box 56	Eufaula	36027		5, 646
Enterprise State Jr. College		Enterprise	36330		17, 868
Douglas MacArthur State Tech	P.O. Drawer 600	OPP	36467		12, 036
Reid State Tech College	P.O. Box 71	Evergreen	36401		5, 456
Lurleen B. Wallace State Jr. College	P.O. Drawer 1418	Andalusia	36420		10, 726
John M. Patterson State Voc.-Tech. School	3920 Troy Highway	Montgomery	36111		16, 580
Troy State University	University Ave	Troy	36081		40, 046
Auburn University, Montgomery	435 Bell St	Montgomery	36109		8, 354
Alabama State University	915 South Jackson St	Montgomery	36101		14, 381
Congressional District 2 total				9	131, 093
Congressional District 3:					
Alexander City State Jr. College	P.O. Box 699	Alexander City	35010		15, 753
Tuskegee Institute	P.O. Box 188	Tuskegee	36088		6, 823
Auburn University, Auburn		Auburn	36830		23, 453
Alabama Aviation and Tech College	P.O. Box 1088	Ozark	36360		15, 116
Alabama Christian College	5345 Atlanta Highway	Montgomery	36109		5, 456
Southern Vocational College	P.O. Box 688	Tuckegee	36083		6, 903
Southern Union State Jr. College		Wadley	36276		34, 568
Chattahoochee Valley State Cmty. Col	P.O. Box 2610	Phenix City	36867		38, 391
Geo. C. Wallace State Cmty Col., Dothan		Dothan	36301		38, 267
Congressional District 3 total				9	184, 730
Congressional District 4:					
Selma University	1501 Lapstey St	Selma	36701		5, 456
Gadsden State Jr. College	George Wallace Dr	Gadsden	35903		60, 977
N. F. Nunnelley State Technical Inst	P.O. Box 389	Childersburg	35044		7, 381
Jacksonville State University	Pelham Rd	Jacksonville	36265		21, 408
Alabama Technical College	1001 Broad St	Gadsden	35903		15, 372
Congressional District 4 total				5	110, 594
Congressional District 5:					
University of Montevallo		Montevallo	35115		14, 868
University of Alabama	P.O. Box 2846	University	35486		17, 789
Bessemer State Technical Institute	P.O. Box 308	Bessemer	35020		14, 691
James H. Faulkner State Jr. College		Bay Minette	36507		36, 020
Stillman College	P.O. Drawer 1430	Tuscaloosa	35401		5, 456
Congressional District 4 total				5	88, 824
Congressional District 6:					
Daniel Payne College	2101 West Sayreton Rd	Birmingham	35214		5, 456
Lawson State Community College	3060 Wilson Road	Birmingham	35221		43, 542
Lawson State Community College, Tech Div	2915 Wilson Rd	Birmingham	35211		13, 151
Jefferson State Jr. College	2601 Carson Rd	Birmingham	35215		76, 376
University of Alabama, Birmingham	University Station	Birmingham	35294		36, 993
Congressional District 6 total				5	175, 518
Congressional District 7:					
Northwest Alabama State Jr. College		Phil Campbell	35581		22, 709
Northeast Alabama State Jr. College	P.O. Box 159	Rainsville	35986		64, 304
Northwest Alabama State Tech Inst	Drawer 9	Hamilton	35570		7, 859
Snead State Jr. College	P.O. Drawer D	Boaz	35957		25, 523
Geo. C. Wallace State Cmty. Col., Selma	P.O. Drawer 1049	Selma	36701		25, 037
Gadsden State Technical Institute	600 Valley St	Gadsden	35901		9, 346
Congressional District 7 total				6	154, 778
Congressional District 8:					
Oakwood College	Oakwood Rd	Huntsville	35806		5, 456
Alabama A. & M. College	P.O. Box 258	Normal	35762		11, 328
J. F. Drake State Technical School	3421 Meridian St. North	Huntsville	35811		20, 674
John C. Calhoun State Cmty. Col	H.O. 2216	Decatur	35601		41, 294
University of Alabama, Huntsville	P.O. Box 1247	Huntsville	35807		12, 625
Congressional District 8 total				5	91, 377
State total				46	973, 580
40: Community College of American Samoa	P.O. Box 2609	Pago Pago	96799		5, 456
Congressional District, total				1	5, 456
State total				1	5, 456
Arkansas:					
East Arkansas Cmty. College	524 Court	Forrest City	72335	2	5, 456
North Arkansas Cmty. College	P.O. Box 1136	Harrison	72601		5, 456
Congressional District, total				2	10, 912
Congressional District 1:					
Delta Vocational Technical School	P.O. Box 279	Marked Tree	72365		6, 160
Phillips County Community College	P.O. Box 785	Helena	72342		6, 407
Congressional District 1 total				2	12, 567

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Arkansas—Continued					
Congressional District 2:					
Arkansas Baptist College	1600 High St	Little Rock	72202		$16,054
Philander Smith College	812 West 13th St	Little Rock	72203		8,443
University of Arkansas, Little Rock	33d and University Ave	Little Rock	72204		30,267
Congressional District 5 total				3	54,764
Congressional District 3:					
Garland Co. Community College	First Federal Bld	Hot Springs	71901		5,456
Westark Community College	P.O. Box 3649	Fort Smith	72901		26,267
Arkansas Polytechnic College		Russellville	72801		6,443
Congressional District 3 Total				3	38,166
State total				10	116,409
Arizona:					
Congressional District 1:					
Phoenix College	1202 West Thomas Rd	Phoenix	85013		93,474
Mesa Community College	1833 West Southern Ave	Mesa	85202		66,596
Maricopa Technical College	106 East Washington	Phoenix	85004		61,631
Arizona State University		Tempe	85281		83,730
Congressional District 1 total				4	305,431
Congressional District 2:					
Arizona Western College	Box 929	Yuma	85364		25,453
Pima Community College	2202 West Anklam Rd	Tucson	85709		135,000
University of Arizona		Tucson	85721		73,862
Cochise College		Douglas	85607		20,408
Congressional District 2 total				4	254,723
Congressional District 3:					
Northern Arizona University	P.O. Box 4103	Flagstaff	86001		27,081
Yavapai College	1100 East Sheldon	Prescott	86301		15,903
Glendale Community College	6000 West Olive Ave	Glendale	85302		98,363
Mohave Community College	1971 Jagerson Ave	Kingman	86401		5,456
Congressional District 3 total				4	146,803
Congressional District 4:					
Eastern Arizona College	616 Church St	Thatcher	85552		21,444
Scottsdale Community College	Pima and Chaparral Rds	Scottsdale	85252		18,780
Northland Pioneer College	203 West Hopi Dr	Holbrook	86025		8,567
Central Arizona College	Woodruff at Overfield Rd	Coolidge	85228		23,714
Congressional District 4 total				4	72,505
State total				16	
Congressional District 1:					
Napa College	2277 Napa Vallejo H vy	Napa	94558		30,895
Humbolt State University		Arcata	95521		37,117
California State College, Sonoma	1801 East Cotati Ave	Rohnert Park	94928		33,081
College of The Redwoods		Eureka	95501		45,224
Butte Community College	Rt. 1, Box 183A	Oroville	95965		32,028
Congressional District 1 total				5	178,345
Congressional District 2:					
Columbia Jr. College	P.O. Box 1849	Columbia	95310		12,563
Feather River College	P.O. Box 1110	Quincy	95971		6,045
California State University, Chico		Chico	95926		45,648
College of the Siskiyous	800 College Ave	Weed	96094		8,062
Shasta College	1065 Northern Old Oregon Trail	Redding	96001		53,777
Santa Rosa Junior College	1501 Mendocino Ave	Santa Rosa	95401		66,056
Sierra College	5000 Rocklin Rd	Rocklin	95677		45,529
Lassen College	P.O. Box 3000	Susanville	96130		19,983
Congressional District 2 total				8	257,663
Congressional District 3:					
Sacramento City College	3835 Freeport Blvd	Sacramento	95822		98,545
California State University, Sacramento	6000 J St	Sacramento	95819		97,748
Cosumnes River College	8401 Center Pkwy	Sacramento	95823		29,771
American River College	4700 College Oak Dr	Sacramento	95841		135,000
Congressional District 3 total				4	361,064
Congressional District 4:					
Soland Community College	P.O. Box 246	Suisun City	94585		74,871
University of California, Davis	200 Silo	Davis	95616		17,231
Yura Community College	2088 North Beale Rd	Marysville	95901		48,728
Congressional District 4 total				3	140,830
Congressional District 5: Golden Gate University	536 Mission Street	San Francisco	94105		22,674
Congressional District 5 total				1	22,674
Congressional District 6:					
College of Marin		Kentfield	94904		24,957
City College of San Francisco	50 Phelan Ave	San Francisco	94112		70,942
San Francisco State University	1600 Holloway Ave	San Francisco	94132		80,677
Indian Valley Colleges	720 Ignacio Blvd	Novato	94947		11,523
Congressional District 6 total				4	188,099
Congressional District 7: Laney College	900 Fallon	Oakland	94607		133,387
Congressional District 7 total				1	133,387

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Arizona—Continued					
Congressional District 8:					
College of Alameda	555 Atlantic Ave	Alameda	94501		$59,985
Chabot College	25555 Hesperian Blvd	Hayward	94545		94,447
Merritt College	12500 Campus Dr	Oakland	94619		44,622
Congressional District 8 total				3	199,054
Congressional uistrict 9:					
Ohlone College	43600 Mission Blvd P.O. Box 909	Fremont	94537		57,356
Cogswell Polytechnical College	600 Stockton St	San Francisco	94108		5,456
California State University, Hayward	25800 Hillary St	Hayward	94542		30,771
San Jose State University	125 South Seventh St	San Jose	95192		87,226
Congressional District 9 total				4	180,819
Congressional District 10:					
De Anza College	21250 Stevens Creek Blvd	Cupertino	95014		62,406
Gavilan College	5055 Santa Teresa Blvd	Gilroy	95020		15,753
Foothill College	12345 El Monte Rd	Los Altos Hls	94022		44,728
Congressional District 10 total				3	122,887
Congressional District 11:					
College of San Mateo	1700 West Hillsdale Blvd	San Mateo	94402		38,356
Skyline College	3300 College Dr	San Bruno	94066		31,311
Congressional District 11 total				2	69,667
Congressional District 12:					
Monterey Peninsula College	980 Fremont Blvd	Monterey	93940		102,779
Mendocino College	P.O. Box 3000	Ukiah	95482		8,992
Monterey Institute of Foreign Studies	P.O. Box 1978	Monterey	93940		5,456
Hartnell Community College	156 Homestead Ave	Salinas	93901		60,392
Cabrillo College	6500 Soquel Dr	Aptos	95003		41,524
Congressional District 12 total				5	219,143
Congressional District 13:					
Allan Hancock College	800 South College Dr	Santa Maria	93454		92,593
California Lutheran College	60 Olsen Rd	Thousand Oaks	91360		5,456
Ventura College	4667 Telegraph Rd	Ventura	93003		99,563
West Valley College	14000 Fruitvale Ave	Saratoga	95070		63,570
University of California—Santa Barbara		Santa Barbara	93106		17,806
Santa Barbara City College	721 Cliff Dr	Santa Barbara	93109		65,826
Moorpark College	7075 Campus Rd	Moorpark	93021		95,438
Congressional District 13 total				7	440,252
Congressional District 14:					
Los Medanos College	2700 East Leland Rd	Pittsburg	94565		24,302
John F. Kennedy University	P.O. Box 2189	Martinez	94553		5,456
Contra Costa College	2600 Mission Bell Dr	San Pablo	94806		44,498
Diablo Valley College	321 Golf Club Rd	Pleasant Hill	94523		69,703
Congressional District 14, total				4	143,959
Congressional District 15:					
Modesto Jr. College	College Ave	Modesto	95350		127,475
California State College, Stanislaus	800 Monte Vista Ave	Turlock	95380		13,841
Congressional District 15 total				2	141,316
Congressional District 16:					
California State University, Fresno	Cedar and Shaw Ave	Fresno	93740		48,799
West Hills Community College	300 Cherry Lane	Coalinga	93210		13,275
Reedley Community College	995 North Reed Ave	Reedley	93654		14,479
Merced College	3600 M St	Merced	95340		65,419
Fresno City College	1101 East University	Fresno	93704		85,296
Congressional District 16 total				5	227,268
Congressional District 17:					
Harbor Occupational Center	740 North Pacific Ave	San Pedro	90731		14,603
El Camino College	16007 Crenshaw Blvd	Via Torrance	90506		98,624
Los Angeles Harbor College	1111 Figueroa Place	Wilmington	90744		56,675
San Jose City College	2100 Moorpark Ave	San Jose	95141		113,563
California State College, D'Guez Hls	1000 East Victoria St	Dominguez Hills	90747		39,688
Congressional District 17 total				5	323,153
Congressional District 18:					
California State College, Bakerfield	9001 Stockdale Hwy	Bakerfield	93309		11,319
Porterville College	900 South Main St	Porterville	93257		20,621
College of the Sequoias	Mooney Blvd	Visalia	93277		31,833
Congressional District 18 total				3	63,773
Congressional District 19: Cerritos Cmty College	11110 East Alondra Blvd	Norwalk	90650		135,000
Congressional District 19 total				1	135,000
Congressional District 20:					
Glendale Cmty, College	1500 North Verdugo Rd	Glendale	91208		24,249
Pasadena City College	1570 East Colorado Blvd	Pasadena	91106		61,154
Congressional District 20 total				2	81,403
Congressional District 21:					
Los Angeles Trade Technical College	400 West Washington Blvd	Los Angeles	90015		135,000
Central City Occupational Center	1646 South Olive St	Los Angeles	90015		5,456
Compton Community College	1111 East Artesia Blvd	Compton	90221		56,127
Congressional District 21 total				3	166,583

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Arizona—Continued					
Congressional District 22:					
Los Angeles Valley College	5800 Fulton Ave	Van Nuys	91401		$96,753
Los Angeles Pierce College	6201 Winnetka Ave	Woodland Hills	91364		80,597
Los Angeles Mission College	400 South Fernando Mission Blvd	San Fernando	91340		5,456
Congressional District 22 total				3	182,806
Congressional District 23:					
California State University, Fullrtn	800 North State College Blvd	Fullerton	92634		86,659
Congressional District 23 total				1	86,659
Congressional District 24:					
California State Poly University–Pomona	3801 West Temple Ave	Pomona	91768		49,241
Mount San Antonio College	1100 North Grand Ave	Walnut	91789		119,564
Congressional District 24 total				2	168,805
Congressional District 25:					
Rio Hondo College	3600 Workman Hill Rd	Whittier	90608		102,235
Fullerton College	321 East Chapman Ave	Fullerton	92634		113,723
Valley Vocational Center La Puente Adult School	15359 East Proctor Ave	City of Industry	91744		49,861
Citrus College	18824 East Foothill Blvd	Azusa	91702		59,237
Congressional District 25 total				4	325,056
Congressional District 26:					
Canada College	4200 Farm Hill Blvd	Redwood	94061		15,974
University of California–Los Angeles	405 Hilgard Ave	Los Angeles	90024		40,011
Congressional District 26 total				2	55,985
Congressional District 27:					
College of the Canyons	25000 West Valencia Blvd	Valencia	91355		20,621
California State University–Noridge	18111 Nordhoff St	Northridge	91324		62,366
Antelope Valley College	3041 West Ave K	Lancaster	93534		38,480
Congressional District 27 total				3	121,467
Congressional District 28:					
Santa Monica College	1815 Pearl St	Santa Monica	90405		37,551
Congressional District 28 total				1	37,551
Congressional District 29:					
Los Angeles City College	855 North Vermont Ave	Los Angeles	90029		80,659
Congressional District 29 total				1	80,659
Congressional District 30:					
Art Center College of Design	5353 West Third St	Los Angeles	90020		5,456
East Los Angeles College	5357 East Brooklyn Ave	Los Angeles	90022		107,421
Congressional District 30 total				2	112,877
Congressional District 31:					
Los Angeles Southwest College	11514 South Western Ave	Los Angeles	90044		40,816
Congressional District 31 total				1	40,816
Congressional District 32:					
California State University-Long Beach	6101 East 7th St	Long Beach	90804		112,023
Long Beach City College	4901 East Carson St	Long Beach	90808		135,000
Congressional District 32 total				2	247,023
Congressional District 33:					
La Verne College	1950 3d St	La Verne	91750		40,179
San Bernardino Valley College	701 South Mount Vernon Ave	San Bernardino	92403		115,316
Chaffey College	5885 Haven Ave	Alta Loma	91701		75,898
California State College—San Bernardino	5500 State College Parkway	San Bernardino	92407		25,842
Barstow College	2700 Barstow Rd	Barstow	92311		15,682
Congressional District 33 total				5	272,917
Congressional District 34:					
Santa Ana College—Santa Ana	17th at Bristol	Santa Ana	92706		135,000
Golden West College	15744 Golden West St	Huntington Beach	92647		103,970
Cypress College	9200 Valley View	Cypress	90630		63,446
Congressional District 34 total				3	302,416
Congressional District 35:					
Mira Costa College	Barnard Dr	Oceanside	92054		47,126
Palomar Community College	1140 Mission	San Marcos	92069		100,567
Chapman College	333 North Glassell St	Orange	92666		43,878
Southern California College	2525 Newport Blvd	Costa Mesa	92626		5,456
Congressional District 35 total				4	197,027
Congressional District 36:					
University of San Diego	Alcala Park	San Diego	92110		5,456
Bakersfield College	1801 Panorama Dr	Bakersfield	93305		97,669
Cerro Coso Community College	College Heights Dr	Ridgecrest	93555		19,691
San Diego Mesa College	7250 Mesa College Dr	San Diego	92111		61,198
Congressional District 36 total				4	184,014
Congressional District 37:					
San Diego City College	1425 Russ Blvd	San Diego	92101		72,105
San Diego Evening College	1325 12th Ave	San Diego	92101		129,591
West Los Angeles College	4800 Freshman Dr	Culver City	90230		26,231
Southwestern College	900 Otay Lakes Rd	Chula Vista	92010		66,941
Congressional District 37 total				4	294,868

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Arizona—Continued					
Congressional District 38:					
Riverside City College	4800 Magnolia Ave	Riverside	92506		$95, 651
Imperial Community College	P.O. Box 158	Imperial	92251		26, 320
California Baptist College	8432 Magnolia Ave	Riverside	92504		5, 456
College ot the Desert	43-500 Monterey Ave	Palm Desert	92260		44, 887
Congressional District 38 total				4	172, 314
Congressional District 39:					
Orange Coast College	1370 Adams Ave	Costa Mesa	92626		125, 705
Saddleback College	28000 Marguerite	Mission Viejo	92675		59, 915
Congressional District 39 total				2	185, 620
Congressional District 40: Grossmont College	8800 Grossmont College Dr	El Cajon	92020		99, 536
Congressional District 40 total				1	99, 536
Congressional District 41:					
San Diego State University	5402 College Ave	San Diego	92, 182		100, 766
National University	4141 Camino Del Rio South	San Diego	92, 108		14, 726
Congressional District 41 total				2	115, 492
Congressional District 42: University of California, Irvine		Irvine	92, 664		16, 443
Congressional District 42 total				1	16, 443
Congressional District 43: Mount San Jacinto College	21400 Highway 79	San Jacinto	92, 383		16, 479
Congressional District 43 total				1	16, 479
Congressional District 76: University of California, San Diego	P.O. Box 109	La Jolla	92, 037		9, 381
Congressional District 76 total				1	9, 381
State total				129	7, 156, 550
Colorado:					
Congressional District 1:					
Metropolitan State College	250 West 14th Ave	Denver	80, 204		102, 465
Community College of Denver	1009 Grant St	Denver	80, 203		135, 000
Congressional District 1 total				2	237, 465
Congressional District 2:					
University of Colorado		Boulder	80, 302		80, 008
Araphoe Communtiy College	5900 South Sante Fe Dr	Littleton	80, 120		38, 409
Congressional District 2 total				2	118, 417
Congressional District 3:					
Otero Jr. College	18th and Colorado	La Junta	81, 050		5, 456
Adams State College		Alamosa	81, 101		9, 965
Southern Colorado State College	2200 Bonforte Blvd	Pueblo	81, 001		44, 073
Trinidad State Jr. College		Trinidad	81, 082		5, 456
El Paso Community College	2200 Bott St	Colorado Springs	90, 904		112, 501
Western State College		Gunnison	81, 230		6, 921
Congressional District 3 total				6	184, 372
Congressional District 4:					
Aims College	P.O. Box 69	Greeley	80, 631		25, 169
University of Northern Colorado	P.O. Box 86	Greeley	80, 639		24, 638
Larimer County Voc.-Tech.-Center	4616 South Shields, P.O. Box 2397	Fort Collins	80, 522		5, 456
Colorado Mountain Jr., College Dist	P.O. Box 1367	Glenwood Springs	81, 601		6, 646
Colorado State University		Fort Collins	80, 523		29, 966
Morgan County Community College	300 Main St	Fort Morgan	80, 701		5, 456
Mesa College	12th and North Ave	Grand Junction	81, 501		10, 810
Congressional District 4 total				7	108, 141
State total				17	648, 395
Connecticut:					
Congressional District 1:					
University of Hartford	200 Bloomfield Ave	West Hartford	06117		14, 726
Hartford State Technical College	401 Flatbush Ave	Hartford	06106		6, 390
Manchester Community College	60 Bidwell St	Manchester	06040		26, 015
Congressional District 1 total				3	47, 131
Congressional District 2:					
Middlesex Community College	100 Training Hill Rd	Middletown	06457		9, 770
Mohegan Community College	Mahan Dr	Norwich	06360		10, 753
Eastern Connecticut State College	83 Windham St	Willimantic	06226		5, 456
Thames Valley State Technical College	574 New London Turnpike	Norwich	06360		5, 699
Quinebaug Valley Community College	P.O. Box 59	Danielson	06239		5, 456
Congressional District 2 total				5	37, 134
Congressional District 3:					
South Central Community College	111 Whitney Ave	New Haven	06511		18, 196
University of New Haven	300 Orange Ave	West Haven	06516		20, 160
Southern Connecticut State College	501 Crescent St	New Haven	06515		10, 196
Congressional District 3 total				3	48, 551
Congressional District 4:					
Norwalk Community College	333 Wildson Ave	Norwalk	06854		14, 638
Housatonic Community College	510 Barnum Ave	Bridgeport	06608		16, 567
Congressional District 4 total				2	31, 205
Congressional District 5:					
Western Connecticut State College	181 White St	Danbury	06810		12, 779
Mattatuck Community College	640 Chase Parkway	Waterbury	06708		14, 337
Congressional District 5 total				2	27, 116

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Connecticut—Continued					
Congressional District 6:					
Asnuntuck Community College	111 Phoenix Ave	Enfield	06082		$5,456
Tunis Community College	P.O. Box 159	Farmington	06032		12,726
Central Connecticut State College	1615 Stanley St	New Britain	06050		24,426
Congressional District 6 total				3	42,608
State total				18	233,745
District of Columbia:					
Congressional District 7:					
Federal City College	1420 New York Ave. NW	Washington	20005		58,919
American University	Mass and Nebraska Aves NW	Washington	20016		26,993
Washington Technical Institute	4100 Connecticut Ave NW	Washington	20008		57,498
Congressional District 7 total				3	143,410
State total				3	143,410
Delaware: Delaware Technical and Community College	P.O. Box 1260	Newark	19711		16,930
Congressional District total				1	16,930
Congressional District 2:					
Delaware Technical and Community College—Wilmington	333 Shipley St	Wilmington	19801		12,700
Delaware State College		Dover	19901		12,877
Delaware Technical and Community College—Kent Campus	1679 South State St. extended	Dover	19901		11,487
Delaware Technical and Community College	P.O. Box 610	Georgetown	19947		12,425
Goldy Beacon College	4701 Limestone Rd	Wilmington	19808		38,745
Congressional District 1 total				5	88,234
State total				6	105,164
Florida:					
Congressional District 1:					
University of West Florida		Pensacola	32504		27,895
Oklaloosa Walton Junior College		Niceville	32578		23,612
Gulf Coast Community College	5230 West Highway 98	Panama City	32401		18,213
Pensacola Junior College	1000 College Blvd	Pensacola	32504		53,392
Congressional District 1 total				4	123,112
Congressional District 2:					
Lake City Community College		Lake City	32055		17,886
Florida A. & M. University	South Boulevard St	Tallahassee	32307		12,815
North Florida Junior College	Turner Davis Dr	Madison	32340		5,456
Chipola Junior College		Marianna	32446		11,297
Santa Fe Community College	3000 Northwest 83d St	Gainesville	32601		46,409
University of Florida		Gainesville	32611		35,887
Congressional District 2 total				6	129,075
Congressional District 3:					
Florida Junior College at Jacksonville	21 West Church St.—Marion Bldg	Jacksonville	32202		116,616
Edward Waters College	1658 Kings Rd	Jacksonville	32209		5,456
Jones College	Arlington Expressway	Jacksonville	32211		54,003
Congressional District 3 total				3	176,705
Congressional District 4:					
Central Florida Community College	P.O. Box 1388	Ocala	32670		12,956
Daytona Beach Community College	P.O. Box 1111	Daytona Beach	32015		24,975
Saint Johns River Junior College	5001 St Johns Ave	Palatka	32077		5,456
University of North Florida	P.O. Box 17074 Pottsburg Station	Jacksonville	32216		22,329
Congressional District 4 total				4	65,716
Congressional District 5:					
Valencia Community College	P.O. Box 3028	Orlando	32802		42,746
Lake-Sumter Community College		Leesburg	32748		5,456
Florida Institute of Technology	Country Club Rd	Melbourne	32901		7,080
Florida Technological University	P.O. Box 25000	Orlando	32816		46,710
Pasco-Hernando Community College	2401 State Highway 41	Dade City	33525		11,930
Seminole Junior College		Sanford	32771		34,267
Congressional District 5 total				6	148,189
Congressional District 6:					
University of South Florida	4202 Fowler Ave	Tampa	33620		63,981
University of Tampa	401 West Kennedy Blvd	Tampa	33606		13,275
Tampa College	1059 North Hercules Ave	Clearwater	33515		5,841
Tampa College	6400 East Columbus Dr	Tampa	33619		25,099
Rollins College		Winter Park	32789		17,337
Tampa College	4950 34th St. North	St. Petersburg	33714		22,037
Congressional District 6 total				6	147,570
Congressional District 7:					
Polk Community College	999 Avenue H NE	Winter Haven	33880		20,744
Hillsborough Community College	P.O. Box 22127	Tampa	33622		99,748
Congressional District 7 total				2	120,492
Congressional District 8: St. Petersburg Junior College	P.O. Box 13489	St. Petersburg	33733		52,764
Congressional District 8 total				1	52,764
Congressional District 9:					
Florida Atlantic University	500 Northwest 20th St	Boca Raton	33432		19,736
Jones College	1505 East Colonial Dr	Orlando	32803		48,887
Brevard Community College	1519 Clearlake Rd	Cocoa	32922		72,959
Congressional District 9 total				3	141,582

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Florida—Continued					
Congressional District 10:					
Indian River Community College	3209 Virginia Ave	Fort Pierce	33450		$17,072
Fort Lauderdale College of Business and Finance	1401 East Broward Blvd	Fort Lauderdale	33301		12,266
Congressional District 10 total				2	29,338
Congressional District 11: Palm Beach Junior College	4200 Congress Ave	Lake Worth	33460		21,134
Congressional District 11 total				1	21,134
Congressional District 12: Florida International University	Tamiami Trail	Miami	33199		48,294
Congressional District 12 total				1	48,294
Congressional District 13:					
Miami-Dade Community College, North Campus	11380 Northwest 27 Ave	Miami	33167		63,578
Biscayne College	16400 Northwest 32d Ave	Miami	33054		5,456
Congressional District 13 total				2	69,034
Congressional District 15:					
Miami-Dade Junior College	11011 Southwest 104th St	Miami	33176		32,373
Miami-Dade Community College—Downtown	300 Northeast 2d Ave	Miami	33132		15,178
Congressional District 15 total				2	47,551
State total				43	1,320,601
Georgia:					
Atlanta Area Technical School	1560 Stewart Ave. SW	Atlanta	30310		35,506
Congressional district total				1	35,506
Congressional District 1:					
Georgia Southern College		Statesboro	30458		9,390
Savannah State College	State College Branch	Savannah	31404		40,568
Brewton Parker College		Mount Vernon	30445		5,456
Armstrong State College	11935 Abercorn Extension	Savannah	31406		19,275
Brunswick Junior College	Altama at 4th Street	Brunswick	31520		13,934
Congressional District 1 total				5	88,623
Congressional District 2:					
Abraham Baldwin Agricultural College	ABAC Station	Tifton	31794		6,744
Albany Area Technical School	1021 Lowe Rd	Albany	31701		20,249
Albany State College		Albany	31705		6,000
Albany Junior College	2400 Gillionville Rd	Albany	31705		17,700
Bainbridge Junior College	P.O. Box 953	Bainbridge	31717		5,456
Valdosta State College	1500 North Patterson St	Valdosta	31601		13,726
Thomas Area Technical School	P.O. Box 6	Thomasville	31792		11,859
Valdosta Area Vocational Technical School	Route 1—Box 83	Valdosta	31601		9,363
Congressional District 2 total				8	91,097
Congressional District 3:					
Upson College Area Area Vocational-Technical School	P.O. Box 1089	Thomaston	30286		9,558
South Georgia Technical and Vocational School	P.O. Box 1088	Americus	31709		5,593
Columbus College		Columbus	31907		32,860
Columbus Area Vocational Technical School	4460 River Rd	Columbus	31904		20,249
Fort Valley State College	South State College Dr	Fort Valley	31030		6,123
Congressional District 3 total				5	74,473
Congressional District 4: DeKalb Community College	555 North Indian Creek Dr	Clarkston	30021		71,150
Congressional District 4 total				1	71,150
Congressional District 5:					
Clark College	240 Chestnut St. SW	Atlanta	30314		5,456
Morris Brown College	643 Hunter St. NW	Atlanta	30314		5,456
Georgia A	University Plaza	Atlanta	30303		61,561
Atlanta Junior College	1630 Stewart Ave. SW	Atlanta	30310		10,067
Congressional District 5 total				4	82,540
Congressional District 6:					
Macon Junior College		Macon	31206		21,355
Gordon Junior College		Barnesville	30204		6,018
Carroll County Area Vocational Technical School	P.O. Box 548	Carrollton	30117		6,761
Griffin-Spalding County Area Vocational-Technical	P.O. Box 131	Griffin	30223		9,062
Mercer University-Macon	1400 Coleman Ave	Macon	31207		6,248
Clayton Junior College	5900 North Lee St	Morrow	30260		36,657
Congressional District 6 total				6	86,101
Congressional District 7:					
Floyd Junior College	P.O. Box 1864	Rome	30161		16,846
Kennesaw Junior College		Marietta	30061		14,310
Marietta-Cobb Area Vocational-Technical School	980 South Cobb Dr	Marietta	30060		12,709
Coosa Valley Vocational-Technical School	112 Hemlock St	Rome	30161		10,337
Southern Technical Institute	534 Clay St	Marietta	30060		12,381
Congressional District 7 total				5	66,583
Congressional District 8:					
Benhill-Irwin Area Vocational-Technical School	P.O. Box 1069	Fitzgerald	31750		5,593
South Georgia College		Douglas	31533		9,093
Waycross-Ware County Area Vocational-Technical	1701 Carswell Ave	Waycross	31501		6,655
Georgia Military College		Milledgeville	31061		27,258
Congressional District 8 total				4	48,599

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Georgia—Continued					
Congressional District 9:					
Truett McConnell College		Cleveland	30528		$5,456
Pickens Area Vocational-Technical School	Burnt Mountain Rd	Jasper	30143		6,726
Gainesville Junior College	P.O. Box 1358	Gainesville	30501		15,390
Reinhardt College		Waleska	30183		12,107
Dalton Junior College	Box 2168	Dalton	30720		20,656
North Georgia Technical and Vocational School	P.O. Box 65	Clarkesville	30523		10,620
Congressional District 9 total				6	70,955
Congressional District 10:					
Georgia College	231 West Hancock St	Milledgeville	31061		8,797
Augusta College	2500 Walton Way	Augusta	30904		17,612
University of Georgia		Athens	30601		31,081
Augusta Area Technical School	2025 Lumpkin Rd	Augusta	30906		47,790
Athens Area Vocational Technical School	U.S. Highway 29 North	Athens	30601		11,054
Congressional District 10 total				5	116,334
State total				50	831,961
Guam: University of Guam	P.O. Box EK	Agana Guam	96910		10,832
Congressional district total				1	10,832
State total				1	10,832
Hawaii:					
Congressional District 1:					
Kapiolani Community College	620 Pensacola St	Honolulu	96814		17,098
Honolulu Community College	874 Dillingham Blvd	Honolulu	96817		24,815
Chaminade College of Honolulu	3140 Waialae Ave	Honolulu	96816		19,983
Congressional District 1 total				3	61,896
Congressional District 2:					
University of Hawaii at Hilo	P.O. Box 1357	Hilo	96720	A	18,408
Lee Community College	96-045 Ala Ike	Pearl City	96782		61,100
Hilo College	333 West Lanikaula St	Hilo	96720		0
Kauai Community College	R.R. 1, Box 216	Lihue	96766		9,275
Congressional District 2 total				3	88,783
Congressional District 7: Maui Community College	310 Kaahumanu Ave	Kahului	96732		8,319
Congressional District 7 total				1	8,319
State total				7	158,998
Iowa:					
Congressional District 1:					
St. Ambrose College	518 West Locus St	Davenport	52803		6,443
Eastern Iowa Community College District	3546 Brady St	Davenport	52806		21,806
Southeastern Community College	Drawer F, Highway 406	West Burlington	52655		7,965
Congressional District 1 total				3	36,214
Congressional District 2: Kirkwood Community College	6301 Kirkwood Blvd SW	Cedar Rapids	52406		27,559
Congressional District 2 total				1	27,599
Congressional District 3:					
Ellsworth Community College	1100 College Ave	Iowa Falls	50126		5,456
Marshalltown Community College	3700 South Center St	Marshalltown	50158		9,487
North Iowa Area Community College	500 College Dr	Mason City	50401		18,213
Congressional District 3 total				3	33,156
Congressional District 4:					
Simpson College		Indianola	50125		5,456
Southwestern Community College	1501 West Townline	Creston	50801		8,292
Indian Hills Community College	Ottumwa Industrial Airport	Ottumwa	52501		12,647
Congressional District 4 total				3	26,395
Congressional District 5:					
Northwest Iowa Vocational School—Area IV	Highway 18 West	Sheldon	51201		5,947
Iowa Central Community College	330 Avenue M	Fort Dodge	50501		15,284
Des Moines Area Community College	2006 Ankeny Blvd	Ankeny	50021		26,798
Congressional District 5 total				3	48,029
Congressional District 6:					
Western Iowa Tech	P.O. Box 265	Sioux City	51102		10,195
Iowa Lakes Community College	101 ½ No. Sixth St	Estherville	51334		19,435
Sioux Empire College	Box 312	Hawarden	51023		11,434
Congressional District 6 total				3	41,064
Congressional District 7: Iowa Western Community College	2700 College Road	Council Bluffs	51501		20,258
Congressional District 7 total				1	20,258
State total				17	232,675
Idaho: Congressional District 1:					
Boise State University	1910 College Blvd	Boise	83725		51,826
Lewis-Clark State College	8th and 6th St	Lewiston	83501		8,593
University of Idaho		Moscow	83843		16,912
North Idaho College	1000 West Garden Ave	Coeur D'Alene	83814		7,700
Congressional District 1 total				4	85,031

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Idaho—Continued					
Congressional District 2:					
College of Southern Idaho	P.O. Box 1238	Twin Falls	83301		$10,204
Idaho State University		Pocatello	83209		24,753
Congressional District 2 total				2	34,975
State total				6	119,988
Illinois:					
Congressional District 1:					
Loop College	64 E. Lake St	Chicago	60601		22,904
Kennedy-King College	6800 South Wentworth	Chicago	60621		72,039
Chicago State University	95th at King Drive	Chicago	60628		18,921
Congressional District 1 total				3	113,864
Congressional District 2: Olive-Harvey College	10001 South Woodlawn	Chicago	60628		30,692
Congressional District 2 total				1	30,692
Congressional District 3: Southwest College	7500 So. Pulaski	Chicago	60652		28,285
Congressional District 3 Total				1	28,285
Congressional District 4:					
Moraine Valley Community College	10900 So. 88th Ave	Palos Hills	60465		30,878
Thornton Community College	50 West 612d St	South Holland	60473		28,824
Prairie State College	Box 487	Chicago Heights	60411		20,709
Congressional District 4 total				3	80,411
Congressional District 7:					
Central YMCA Community College	211 West Wacker Dr	Chicago	60606		19,629
Malcolm X College	1900 West Van Buren St	Chicago	60612		44,356
University of Illinois-Chicago Cir	P.O. Box 4348	Chicago	60680		58,853
Roosevelt University	430 South Michigan Ave	Chicago	60605		18,674
Congressional District 7 total				4	141,512
Congressional District 9: Columbia College	540 North Lakeshore Dr	Chicago	60611		5,456
Congressional District 9 total				1	5,456
Congressional District 10: Triton College	2000 North Fifth Ave	River Grove	60171		35,931
Congressional District 10 total				1	35,931
Congressional District 11:					
Mayfair College	4626 North Knox Ave	Chicago	60639		12,425
Northeastern Illinois University	5500 North St Louis Ave	Chicago	60625		19,877
Wilbur Wright College	3400 North Austin Ave	Chicago	60634		20,603
Congressional District 11 total				3	52,905
Congressional District 12:					
College of Lake County	19351 West Washington St	Grayslake	60030		37,135
McHenry County College	6200 Northwest Highway	Crystal Lake	60014		11,505
Congressional District 12 total				2	48,640
Congressional District 13:					
William Rainey Harper College	Algonquin and Roselle Rd	Palatine	60067		26,656
Oakton Community College	7900 North Nagle Ave	Morton Grove	60053		5,456
Congressional District 13 total				2	32,112
Congressional District 14:					
Lewis University	Route 53	Lockport	60441		17,532
Joliet Junior College	1216 Houbolt Ave	Joliet	60436		16,496
Illinois Benedictine College	5700 College Rd	Lisle	60532		5,456
Elmhurst College	190 Prospect	Elmhurst	60126		8,877
College of Dupage	22d Street and Lambert Rd	Glen Ellyn	60137		54,304
Congressional District 14 total				5	102,665
Congressional District 15:					
Elgin Community College	1700 Spartan Dr	Elgin	60120		9,815
Kishwaukee College	Alt No. 30 and Malta Rd	Malta	60150		12,894
Waubonsee Community College	Route 47 and Harter Rd	Sugar Grove	60554		19,674
Congressional District 15, total				3	42,383
Congressional District 16:					
Rock Valley College	3301 North Mulford Rd	Rockford	61101		26,174
Sauk Valley College	Rural Route 1	Dixon	61021		15,948
Congressional District 16 total				2	42,122
Congressional District 17:					
Kankakee Community College	Box 888, River Rd	Kankakee	60901		10,921
Governors State University	P.O. Box 316	Park Forest South	60466		16,824
Congressional District 17 total				2	27,745
Congressional District 18:					
Bradley University	1501 West Bradley	Peoria	61625		5,770
Carl Sandburg College	South Lake Storey Rd	Galesburg	61401		13,098
Illinois Central College	P.O. Box 2400	East Peoria	61635		38,834
Congressional District 18 total				3	57,702
Congressional District 19:					
Black Hawk College	6600 34th Ave	Moline	61265		30,046
Congressional District 19 total				1	30,046

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Illinois—Continued					
Congressional District 20:					
Lincoln Land Community College	Shepherd Rd	Springfield	62708		$46, 586
Sangamon State University	818 Myers Bldg	Springfield	62708		17, 576
Congressional District 20 total				2	64, 162
Congressional District 21:					
Rend Lake College	Rural Route No. 1	Ina	62846		5, 456
Parkland College	2400 West Bradley	Champaign	61820		25, 882
Shawnee Community College	Shawnee College Rd	Ullin	62992		8, 779
John A. Logan College	111 E Cherry Street	Carterville	62918		6, 885
Congressional District 21 total				4	47, 002
Congressional District 22:					
Illinois Eastern cmty Colleges	233 East Chestnut St	Olney	62450		18, 045
Danville Jr. College	2000 East Main St	Danville	61832		10, 744
Lake Land College	South Route 45	Mattoon	61938		20, 355
Congressional District 22 total				3	49, 144
Congressional District 23:					
Southern Illinois Univ, Edwardsville		Edwardsville	62025		56, 950
McKendree College	701 College Rd	Lebanon	62254		5, 456
Lewis and Clark Community College	5800 Godfrey Rd	Godfrey	62035		28, 869
Belleville area College	2500 Carlyle Rd	Belleville	62221		31, 347
Congressional District 23 total				4	122, 622
Congressional District 24:					
State Community Col. of E. St. Louis	417 Missouri Ave	East St. Louis	62201		24, 267
Southeastern Illinois College	Route 4	Harrisburg	62946		6, 053
Congressional District 24 total				2	30, 320
Congressional District 61: Richland Community College	100 North Water St	Decatur	62523		17, 027
Congressional District 61 total				1	17, 027
State total				53	1, 202, 748
Indiana:					
Indiana University—Southeast	4201 Grantline Rd., Box 679	New Albany	47150		15, 762
Congressional District, total				1	15, 762
Congressional District 1:					
Purdue University—Calumet Campus	2233 171st St	Hammond	46323		15, 523
Calumet College	4721 Indianapolis Blvd	East Chicago	46312		8, 271
Congressional District 4 total				2	23, 740
Congressional District 2:					
Purdue University—Lafayette		West Lafayette	47907		20, 921
Indiana Vocational-Technical College—Lafayette	616 Wabash	Lafayette	47905		5, 456
Congressional District 2 total				2	26, 377
Congressional District 4:					
Purdue University—Fort Wayne Center	2101 Coliseum Blvd,, East	Fort Wayne	46805		9, 558
Indiana University at Fort Wayne	2101 Coliseum Blvd	Fort Wayne	46805		17, 346
Congressional District 4 total				2	26, 904
Congressional District 5:					
Indiana Vocational-Technical—Kokomo	3717 South Reed Rd	Kokomo	46901		12, 850
Congressional District 5 total				1	12, 850
Congressional District 8:					
Oakland City College	Lucretia St	Oakland City	47660		5, 456
Indiana State University—Evansville	8600 University Blvd	Evansville	47712		11, 948
Vincennes University	1002 North First St	Vincennes	47591		9, 841
Congressional District 8 total				3	27, 245
Congressional District 10:					
Indian University—East	2325 North Chester Blvd	Richmond	47374		6, 129
Congressional District 10 total				1	6, 129
Congressional District 11:					
Indiana University—Purdue University at Indiana	355 North Lansing St	Indianapolis	46202		58, 145
Indiana Vocational-Technical College	1315 East Washington St	Indianapolis	46202		30, 302
Congressional District 11 total				2	88, 447
State total				14	227, 454
Kansas:					
Congressional District 1:					
Cloud County Community College	2409 Scanlan Ave	Salina	67401		5, 456
		Concordia	66901		5, 456
Marymount College of Kansas	East Iron and Marymount Rd	Salina	67401		5, 456
Congressional District 1 total				3	16, 368
Congressional District 2: Kansas State University		Manhattan	66502		30, 718
Congressional District 2 total				1	30, 718

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Kansas—Continued					
Congressional District 3:					
Johnson County Community College	111th and Quivira	Overland Park	66210		$19, 780
Kansas Community Junior College	7250 State Ave.	Kansas City	66112		17, 173
Donnelly College	1236 Sandusky Ave	Kansas City	66102		5, 456
Congressional District 3 total				3	42, 409
Congressional District 4:					
Wichita State University	1845 North Fairmount	Wichita	67208		60, 003
Hutchinson Community Junior College	1300 North Plum	Hutchinson	67501		8, 682
Congressional District 4 total				2	68, 685
Congressional District 5:					
Labette Community Junior College	200 South 14th St	Parsons	67357		5, 456
Fort Scott Community College	2108 South Horton	Fort Scott	66701		5, 456
Congressional District 5 total				2	10, 912
State total				11	169, 092
Kentucky:					
Congressional District 1:					
Hopkinsville Community College	North Dr	Hopkinsville	42240		13, 364
Paducah Community College		Paducah	42001		5, 456
Madisonville Community College	University Dr	Madisonville	42431		5, 456
Murray State University	Main St	Murray	42071		18, 532
Congressional District 1 total				4	42, 808
Congressional District 2:					
Elizabethtown Community College	P.O. Box 607	Elizabethtown	42701		9, 062
Western Kentucky University	College Heights	Bowling Green	42101		28, 192
Kentucky Wesleyan College	3000 Frederica St	Owensboro	42301		5, 456
Henderson Community College		Henderson	42420		5, 456
Congressional District 2 total				4	48, 166
Congressional District 3:					
Jefferson Community College	109 East Broadway	Louisville	40201		40, 445
University of Louisville	2301 South 3d Street	Louisville	40208		32, 904
Congressional District 5, total				2	73, 349
Congressional District 4:					
Northern Kentucky State College		Highland Heights	41076		14, 372
Thomas More College	2701 Turkeyfoot Rd	Fort Mitchell	41017		5, 456
Congressional District 4, total				2	19, 828
Congressional District 5:					
Somerset Community College		Somerset	42501		5, 456
Somerset State Vocational-Technical School	Route 2 Box 512A	Somerset	42501		6, 611
Eastern Kentucky University		Richmond	40475		43, 064
Congressional District 5, total				3	55, 131
Congressional District 6:					
University of Kentucky	South Limestone St	Lexington	40506		27, 400
Lexington Technical Institute	310 Breckinridge Hall	Lexington	40506		9, 054
Congressional District 6, total				2	36, 454
Congressional District 7:					
Ashland Community College	1400 College Dr	Ashland	41101		5, 456
Morehead State University	University Boulevard	Morehead	40351		13, 859
Hazard State Vocational-Technical School	2130 Allais Rd	Hazard	41701		5, 456
Congressional District 7, total				3	24, 771
State total				20	300, 507
Louisiana:					
Congressional District 1:					
Southern University—New Orleans	6400 Press Dr	New Orleans	70126		31, 347
Delgado Junior College	615 City Park Ave	New Orleans	70119		92, 456
University of New Orleans	Lakefront	New Orleans	70122		38, 020
Congressional District 1, total				3	161, 823
Congressional District 4:					
Louisiana State University—Shreveport	8515 Youree Dr	Shreveport	71105		14, 195
Southern University—Shreveport	3050 Cooper Rd	Shreveport	71107		9, 009
Congressional District 4, total				2	23, 204
Congressional District 5:					
Northwestern State University		Natchitoches	71457		18, 089
Congressional District 5, total				1	18, 089
Congressional District 6:					
Southeastern Louisiana University		Hammond	70401		16, 797
Southern University—A. & M. College	Southern Branch Post Office	Baton Rouge	70813		83, 031
Lousiana State University—A. & M. College	University Station	Baton Rouge	70803		30, 258
Congressional District 6, total				3	130, 086
Congressional District 7:					
Louisiana State University—Eunice	P.O. Box 1129	Eunice	70535		5, 456
University Southwestern Louisiana	East University Ave	Lafayette	70501		26, 205
Congressional District 7 total				2	31, 661
State total				11	364, 863

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Massachusetts:					
University of Massachusetts, Amherst Campus		Amherst	01002		$63,295
Boston Architectural Center	320 Newberry St	Boston	02115		5,456
Congressional District total				2	68,751
Congressional District 1:					
Berkshire Community College	West St	Pittsfield	01201		10,585
Greenfield Community College	1 College Dr	Greenfield	01301		8,514
Holyoke Community College	303 Homestead Ave	Holyoke	01040		21,222
Westfield State College	Western Ave	Westfield	01085		5,456
North Adams State College	Church St	North Adams	01247		7,841
Congressional District 1 total				5	53,618
Congressional District 2:					
American International College	170 Wilbraham Rd	Springfield	01109		5,456
Springfield Technical Community College	1 Armory Sq	Springfield	01105		98,598
Congressional District 2 total				2	104,054
Congressional District 4:					
Worcester State College	486 Chandler St	Worcester	01602		8,549
Quinsigamond Community College	670 West Boylston St	Worcester	01606		19,718
Worcester Junior College	768 Main St	Worcester	01608		5,456
Central New England College of Technology	768 Main St	Worcester	01608		5,456
Mount Wachusett Community College		Gardner	01440		14,780
Framingham State College	100 State St	Framingham	01701		7,806
Congressional District 4 total				9	61,765
Congressional District 5: Middlesex Community College	Springs Rd	Bedford	01730		10,443
Congressional District 5 total				1	10,443
Congressional District 6:					
Northern Essex Community College	100 Elliott St	Haverhill	01832		24,045
North Shore Community College	3 Essex St	Beverly	01915		22,975
Congressional District 6 total				2	47,020
Congressional District 8:					
Fisher Junior College	118 Beacon St	Boston	02116		34,179
Bunker Hill Community College	Rutherford Ave	Charlestown	02129		19,682
Newbury Junior College	921 Boylston St	Boston	02115		126,254
Massachusetts Bay Community College	57 Stanley Ave	Watertown	02172		13,275
Boston University	775 Commonwealth Ave	Boston	02215		10,894
Congressional District 8, Total				5	204,284
Congressional District 9:					
Boston State College	625 Huntington Ave	Boston	02115		31,860
University of Massachusetts, Boston Campus		Boston	02125		43,170
Massasoit Community College	290 Thatcher St	Brockton	02402		21,116
Northeastern University	360 Huntington Ave	Boston	02115		69,650
Roxbury City College	424 Dudley St	Roxbury	02119		5,456
Congressional District 9, total				5	171,252
Congressional District 10:					
Bridgewater State College	777 Elsbree St	Bridgewater	02324		12,567
Bristol Community College		Fall River	02720		23,205
Congressional District 10, total				2	35,772
Congressional District 12:					
Southeastern Massachusetts University	Old Westport Rd	North Dartmouth	02747		22,740
Cape Cod Community College		West Barnstable	02668		13,417
Congressional District 12, total				2	36,157
State total				32	793,116
Maryland:					
Congressional District 1:					
Cecil Community College	Rd 1, Box 57	North East	21901		11,434
University of Maryland, Eastern Shore	Camden Ave	Princess Ann	21853		5,456
Salisbury State College		Salisbury	21801		7,275
Saint Marys College of Maryland		St. Marys City	20686		5,456
Congressional District 1, total				4	29,621
Congressional District 2:					
Towson State College	8000 York Rd	Baltimore	21204		24,674
Harford Community College	401 Thomas Run Rd	Bel Air	21014		22,758
Dundalk Community College	7200 Sollers Point Rd	Baltimore	21222		14,266
Congressional District 2, total				3	61,698
Congressional District 3:					
Catonsville Community College	800 South Rolling Rd	Catonsville	21228		33,488
Congressional District 3, total				1	33,488
Congressional District 4:					
Essex Community College	P.O. Box 9596	Baltimore	21237		34,019
Loyola College	4501 North Charles St	Baltimore	21210		5,456
Anne Arundel Community College	101 College Parkway	Arnold	21012		20,523
Bay College of Maryland	1106 North Charles St	Baltimore	21201		5,456
Congressional District 4, total				4	65,454

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Maryland—Continued					
Congressional District 5:					
Bowie State College	Jericho Park Rd	Bowie	20715		$9, 841
Charles County Community College	P.O. Box 910	La Plata	20646		6, 496
University of Maryland, University College	University Blvd and Adelphi Rd	College Park	20742		42, 940
Prince Georges Community College	301 Largo Rd	Largo	20870		76, 893
Morgan State College	Coldspring La. and Hillen Rd	Baltimore	21239		17, 824
Congressional District 5 total				5	153, 994
ongressional District 6:					
Frostburg State College		Frostburg	21532		5, 456
Garrett Community College	P.O. Box 151	McHenry	21541		5, 456
Hagerstown Jr. College	751 Robinwood Dr	Hagerstown	21740		7, 487
Howard Community College	Little Patuxent Pkwy	Columbia	21044		5, 456
Allegany Community College	P.O. Box 870	Cumberland	21502		5, 832
Congressional District 6 total				5	29, 687
Congressional District 7:					
Coppin State College	2500 West North Ave	Baltimore	21216		10, 408
Community College of Baltimore	2901 Liberty Hgts. Ave	Baltimore	21215		54, 852
University of Baltimore	1420 N. Charles St	Baltimore	21201		24, 161
Congressional District 7 total				3	89, 421
State total				25	463, 363
Maine:					
Congressional District 1:					
Unity College	Quaker Hill	Unity	04988		5, 456
Southern Maine Vocational Tech. Inst	Fort Rd	South Portland	04106		12, 443
Kennebec Valley Voc.-Tech. Institute	Brooklyn Ave	Waterville	04901		5, 456
University of Maine, Portland-Gorham	College Ave	Gorham	04038		36, 356
University of Maine, Augusta	University Heights	Augusta	04330		14, 859
Congressional District 1 total				5	74, 570
Congressional District 2:					
University of Maine, Presque Isle	181 Main St	Presque Isle	04769	B	0
Northern Maine Vocational Tech. Inst	33 Edgemont Dr	Presque Isle	04769	B	0
Husson College	One College Circle	Bangor	04401		9, 381
University of Maine, Fort Kent	Pleasant St	Fort Kent	04743	B	19, 390
University of Maine, Farmington	86 Main St	Farmington	04938		6, 876
University of Maine, Orono	107 East Annex	Orono	04473		26, 214
Congressional District 2 total				4	61, 861
State total				9	136, 431
Michigan:					
Congressional District 2:					
Monroe County Community College	1555 So. Raisinville Rd	Monroe	48161		5, 947
Siena Heights College	1247 E. Siena Hts. Dr	Adrian	49221		5, 456
Madonna College	36600 Schoolcraft Rd	Livonia	48150		13, 125
Washtenaw Community College	P.O. Box 345	Ann Arbor	48106		28, 696
Congressional District 2 total				4	53, 224
Congressional District 4: Lake Michigan College	2755 East Napier Ave	Benton Harbor	49022		11, 186
Congressional District 4 total				1	11, 186
Congressional District 5: Aquinas College	1607 Robinson Rd SE	Grand Rapids	49506		6, 416
Congressional District 5 total				1	6, 416
Congressional District 6:					
Jackson Community College	2111 Emmons Rd	Jackson	49201		20, 408
Lansing Community College	419 North Capitol Ave	Lansing	48914		69, 526
Congressional District 6 total				2	89, 934
Congressional District 7: Charles Stewart Mott Community College	1401 East Court St	Flint	48503		50, 746
Congressional District 7 total				1	50, 746
Congressional District 8:					
Delta College		University Center	48710		23, 506
Saginaw Valley State College	2250 Pierce Rd	University Center	48710		9, 832
Congressional District 8 total				2	33, 338
Congressional District 9:					
Grand Valley State College		Allendale	49401		27, 085
Muskegon Community College	221 South Quarterline Rd	Muskegon	49443		38, 073
Muskegon Business College	145 Apple Ave	Muskegon	49442		9, 204
Northwestern Michigan College	1701 East Front St	Traverse City	49684		6, 797
Congressional District 9 total				4	81, 159
Congressional District 10:					
Kirtland Community College	Route 4, Box 59–A	Roscommon	48653		6, 611
Mid Michigan Community College	1375 South Clare Ave	Harrison	48625		5, 456
Central Michigan University		Mount Pleasant	48858		17, 558
Ferris State College		Big Rapids	49307		32, 320
Congressional District 10 total				4	61, 945
Congressional District 11:					
Gogebic Community College	Jackson and Greenbush Sts	Ironwood	49938		6, 266
Bay de Noc Community College		Escanaba	49829		8, 337
Alpena Community College	666 Johnson St	Alpena	49707		9, 354
Lake Superior State College		Sault Ste. Marie	49783		5, 456
Northern Michigan University	Presque Isle Ave	Marquette	49855		26, 612
Congressional District 11 total				5	56, 025

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Michigan—Continued					
Congressional District 12: Macomb Community College, South Campus	14500 Twelve Mile Rd	Warren	48093		$123,741
Congressional District 12 total				1	123,741
Congressional District 13:					
Wayne County Community College	4612 Woodward Ave	Detroit	48201		67,384
Shaw College at Detroit	7351 Woodward Ave	Detroit	48202		14,656
Wayne State University		Detroit	48202		135,000
Congressional District 13 total				3	217,040
Congressional District 16:					
University of Michigan—Dearborn	4901 Evergreen Rd	Dearborn	48128		8,585
Detroit College of Business	4801 Oakman Blvd	Dearborn	48126		131,936
Henry Ford Community College	5101 Evergreen	Dearborn	48128		47,755
Congressional District 16 total				3	188,276
Congressional District 17: Mercy College of Detroit	8200 West Outer Dr	Detroit	48219		6,434
Congressional District 17 total				1	6,434
Congressional District 18:					
Walsh College of Acounting and Business Administration	3838 Livernois Rd	Troy	48084		5,456
Oakland University		Rochester	48063		25,028
Congressional District 18 total				2	30,484
Congressional District 19:					
Lawrence Institute of Technology	21000 West Ten Mile Rd	Southfield	48075		21,718
Schoolcraft College	18600 Haggerty Rd	Livonia	48151		23,076
Oakland Community College	2480 Updyke Rd	Bloomfield Hills	48013		71,119
Congressional District 19 total				3	115,913
Congressional District 33: West Shore Community College	P.O. Box 277	Scottsville	49454		5,456
Congressional District 33 total				1	5,456
Congressional District 44: Southwestern Michigan College	Cherry Grove Rd	Dowagiac	49047		7,877
Congressional District 44 total				1	7,877
State total				39	1,139,194
Minnesota:					
Congressional District 1:					
Faribault Area Vocational-Technical Institute	1225 Southwest 3d St	Faribault	55021		5,456
Inver Hills Community College	8445 College Trail	Inver Grove Heights	55075		9,248
Congressional District 1 total				2	14,704
Congressional District 2: Mankato State College	Box 4	Mankato	56001		44,144
Congressional District 2 total				1	44,144
Congressional District 3:					
Hennepin Technical Centers	1820 North Xenium Lane	Minneapolis	55441		13,824
Anoka Ramsey Community College	11200 Mississippi Blvd NW	Coon Rapids	55433		12,974
Normandale Community College	9700 France Ave South	Bloomington	55431		15,704
North Hennepin Community College	7411 85th Ave North	Brooklyn Park	55445		18,010
Congressional District 3 total				4	60,512
Congressional District 4:					
University of Minnesota St Paul		St Paul	55108		9,620
Lakewood Community College	3401 Century Ave	White Bear Lake	55110		15,134
Congressional District 4 total				2	24,754
Congressional District 5:					
Metropolitan Community College	50 Willow St	Minneapolis	55403		19,696
Northwestern Electronics Institute	3800 Minnehaha Ave	Minneapolis	55406		6,213
University of Minnesota-Minneapolis	107 Armory	Minneapolis	55455		135,000
University of Minnesota Technical College-Waseca		Waseca	56093		5,456
Congressional District 5 total				4	166,365
Congressional District 7:					
University of Minnesota Technical College		Crookston	56716		5,456
Northland Community College		Thief River Falls	56701		5,456
Bemidji State College		Bemidji	56601		14,231
Moorhead State College		Moorhead	56560		16,089
Congressional District 7 total				4	41,232
Congressional District 8:					
University of Minnesota-Duluth	2400 Oakland Ave	Duluth	55812		17,346
Hibbing Community College	1515 East 25th St	Hibbing	55746		5,456
Congressional District 8 total				2	22,802
State total				19	374,513
Missouri: Longview Community College	500 Longview Rd	Lee's Summit	64063		30,665
Congressional district total				1	30,665
Congressional District 2:					
University of Missouri-St Louis	8001 Natural Bridge Rd	St Louis	63121		35,011
Meramec Community College	11333 Big Bend Boulevard	St Louis	63122		40,108
Webster College	470 East Lockwood	St Louis	63119		5,456
Congressional District 2 total				3	80,575

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Minnesota—Continued					
Congressional District 3:					
Forest Park Community College	5600 Oakland Ave	St Louis	63110		$63,685
Harris Teachers College	3026 Laclede Ave	St Louis	63103		5,456
Congressional District 3 total				2	69,141
Congressional District 4:					
Central Missouri State University		Warrensburg	64093		26,081
State Fair Community College	1900 Clarendon Rd	Sedalia	65301		8,089
Wentworth Military Academy	18th and Washington Ave	Lexington	64067		5,456
Congressional District 4 total				3	39,626
Congressional District 5:					
University of Missouri, Kansas City	5100 Rockhill Rd	Kansas City	64110		25,745
Rockhurst College	5225 Troost Ave	Kansas City	64110		9,629
Avila College	11901 Wornall Rd	Kansas City	64145		5,456
Penn Valley Community College	3201 Southwest Trafficway	Kansas City	64111		64,587
Congressional District 5 total				4	105,417
Congressional District 6:					
Park College		Kansas City	64152		7,735
Maple Woods Community College	2601 Northeast Barry Rd	Kansas City	64156		15,912
Northwest Missouri State Univ		Maryville	64468		14,072
Northeast Missouri State University		Kirksville	63501		154,116
Missouri Western State College	4525 Downs Drive	Saint Joseph	64501		16,611
Congressional District 6 total				5	69,446
Congressional District 7:					
Southwest Missouri State Univ	901 South National	Springfield	65802		31,630
Missouri Southern State College	Newman and Dequesne Rds	Joplin	64801		18,408
Drury College	Benton at Central	Springfield	65802		8,328
Crowder College		Neosho	64850		10,496
Congressional District 7 total				4	68,862
Congressional District 8:					
Rolla Area Vocational School	1304 East 10th St	Rolla	65401		5,912
East Central Jr., College	P.O. Box 529	Union	63084		5,456
Lincoln University	820 Chestnut	Jefferson City	65101		13,080
Columbia College	8th and Rogers	Columbia	65201		5,456
Congressional District 8 total				4	29,904
Congressional District 9:					
Lindenwood Colleges		Saint Charles	63301		8,018
Saint Mary's College of O'Fallon	200 North Main St	O'Fallon	63366		5,456
Florissant Valley Community College	3400 Pershall Rd	St Louis	63135		64,331
Congressional District 9 total				3	77,805
Congressional District 10:					
Three Rivers Community College	507 Vine St	Poplar Bluff	63901		7,416
Southeast Missouri State Univ	900 Normal	Cape Girardeau	63701		22,930
Congressional District 10 total				2	30,346
State total				31	601,787
Mississippi:					
Congressional District 2:					
Mississippi State University	Drawer LE	Mississippi State	39762		16,603
Itawamba Junior College		Fulton	38843		14,018
Northeast Mississippi Junior College		Booneville	38829		7,390
Northwest Mississippi Junior College		Senatobia	38668		5,456
Coahoma Junior College	Route 1, Box 616	Clarksdale	38614		8,443
Congressional District 2 total				5	51,910
Congressional District 3:					
Meridian Junior College	5500 Highway 19 North	Meridian	39301		16,727
East Central Junior College		Decatur	39327		5,456
Congressional District 3 total				2	22,183
Congressional District 4:					
Holmes Junior College		Goodman	39079		5,456
Hinds Junior College		Raymond	39154		26,231
Whitworth College	P.O. Box 229	Brookhaven	39601		5,456
Mississippi College	P.O. Box 4186	Clinton	39058		5,655
Southwest Mississippi Junior College		Summit	39666		5,456
Copiah Lincoln Junior College		Wesson	39191		5,593
Jackson State University	1325 Lynch St	Jackson	39217		23,833
Congressional District 4 total				7	77,680
Congressional District 5:					
Jones County Junior College		Ellisville	39437		17,877
Jefferson Davis College	Handsboro Station	Gulfport	39501		23,833
Perkinston College	P.O. Box 67	Perkinston	39573		5,456
Jackson County Junior College		Gautier	39553		10,664
William Carey College		Hattiesburg	39401		5,456
University ot Southern Mississippi	Southern Station	Hattiesburg	39401		35,878
Congressional District 5 total				6	99,164
State total				20	250,937

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Montana:					
Congressional District 1:					
University ot Montana		Missoula	59801		$22, 851
Montana State University		Bozeman	59715		22, 784
Missoula Technical Center	909 South Ave. West	Missoula	59801		5, 456
Montana College of Mineral Science and Technology		Butte	59701		5, 456
Flathead Valley Community College	Box 1174	Kalispell	59901		7, 576
Butte Vocational-Technical Center	404 South Wyoming	Butte	59701		5, 456
Congressional District 1 total				5	69, 579
Congressional District 2:					
Dawson College	300 College Dr	Glendive	59330		5, 456
College ot Great Falls	1301 20th St. South	Great Falls	59405		6, 337
Eastern Montana College	1500 North 30th Street	Billings	59101		14, 806
Congressional District 2 total				3	26, 599
State total				9	96, 178
North Carolina:					
Congressional District 1:					
Southeast Community College, Milford		Milford	68405		5, 456
Beaufort County Technical Institute	P.O. Box 1069	Washington	27889		11, 655
Craven Community College	P.O. Box 885	New Bern	28560		10, 930
East Carolina University	P.O. Box 2727	Greenville	27834		21, 864
Elizabeth City State University	Parkview Dr	Elizabeth City	27909		5, 456
Carteret Technical Institute	P.O. Box 849	Morehead City	28557		13, 912
Roanoke-Chowan Technical Institute	Route 2, Box 46–A	Ahoskie	27910		6, 195
Lenoir Community College	P.O. Box 188	Kinston	28501		27, 727
Martin Technical Institute	P.O. Drawer 866	Williamston	27892		18, 638
Pitt Technical Institute	P.O. Box 7007	Greenville	27834		19, 205
Pamlico Technical Institute	P.O. Box 1215	Alliance	28509		5, 456
Congressional District 1 total				11	146, 494
Congressional District 2:					
Vance-Granville Technical Institute	406 Chestnut St	Henderson	27536		15, 629
Nash Technical Institute	P.O. Box 2347	Rocky Mount	27801		15, 771
Wilson County Technical Institute	902 Herring Ave	Wilson	27893		13, 541
Halifax County Technical Institute	P.O. Drawer 809	Weldon	27890		17, 081
Edgecombe Technical Institute	P.O. Box 550	Tarboro	27886		15, 594
Congressional District 2 total				5	77, 616
Congressional District 3:					
Johnston Technical Institute	P.O. Box 29	Smithfield	27577		16, 793
James Sprunt Institute	Box 398	Kenansville	28349		9, 098
Bladen Technical Institute	P.O. Box 266	Dublin	28332		5, 456
Central Carolina Technical Institute	1105 Kelly Dr	Sanford	27330		21, 072
Coastal Carolina Community College	222 Georgetown Rd	Jacksonville	28540		22, 904
Wayne Community College	P.O. Drawer 1878	Goldsboro	27530		21, 302
Sampson Technical Institute	P.O. Drawer 318	Clinton	28328		12, 018
Congressional District 3 total				7	108, 643
Congressional District 4:					
North Carolina Central University	Fayetteville St	Durham	27707		12, 018
North Carolina State University, Raleigh		Raleigh	27607		26, 099
Robeson Technical Institute	Drawer A	Lumberton	28358		26, 037
Durham College	3128 Fayetteville St	Durham	27707		8, 089
Duke University		Durham	27706		5, 456
Durham Technical Institute	P.O. Box 11307	Durham	27703		23, 612
Congressional District 4 total				6	101, 311
Congressional District 5:					
Forsyth Technical Institute	2100 Silas Creek Parkway	Winston-Salem	27103		16, 815
Wilkes Community College	Drawer 120	Wilkesboro	28697		31, 630
Surry Community College	P.O. Box 304	Dobson	27017		10, 372
Piedmont Technical Institute	P.O. Box 1197	Roxboro	27573		22, 922
Congressional District 5 total				4	81, 739
Congressional District 6:					
Technical Institute of Alamance	411 Camp Rd	Burlington	27215		17, 465
University of North Carolina-Greensboro	1000 Spring Garden St	Greensboro	27412		11, 222
Rockingham Community College		Wentworth	27375		9, 753
Guilford Technical Institute	P.O. Box 309	Jamestown	27282		39, 347
North Carolina A&T State University	312 North Dudley St	Greensboro	27411		19, 877
Guilford College	5800 West Friendly Ave	Greensboro	27410		8, 744
Congressional District 6 total				6	106, 408
Congressional District 7:					
Methodist College	Raleigh Rd	Fayetteville	28301		5, 456
Fayetteville State University	Newbold Station	Fayetteville	28301		17, 523
Fayetteville Technical Institute	P.O. Box 5236	Fayetteville	28303		86, 960
Cape Fear Technical Institute	411 North Front St	Wilmington	28401		12, 231
Southeastern Community College	P.O. Box 151	Whiteville	28472		10, 974
University of North Carolina-Wilmington	601 South College Rd	Wilmington	28401		10, 664
Congressional District 7 total				6	143, 808
Congressional District 8:					
Montgomery Technical Institute	P.O. Drawer 487	Troy	27371		5, 456
Sandhills Community College	P.O. Box 1379	Southern Pines	28387		9, 531
Biscayne Southern College	Highway 73 West	Concord	28025		55, 259
Rowan Technical Institute	P.O. Box 1595	Salisbury	28114		29, 639
Richmond Technical Institute	P.O. Box 1189	Hamlet	28345		21, 532
Anson Technical Institute	P.O. Box 68	Ansonville	28007		11, 133
Stanly Technical Institute	621 Wall St	Albermarle	28001		7, 992
Congressional District 8 total				7	140, 542

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
North Carolina—Continued					
Congressional District 9:					
Johnson C. Smith University	100 Beatties Ford Rd	Charlotte	28216		5,456
Central Piedmont Community College	P.O. Box 4009	Charlotte	28204		104,766
Mitchell Community College	West Broad St	Statesville	28677		6,540
Congressional District 9 total				3	116,762
Congressional District 10:					
Catawba Valley Technical Institute		Hickory	28601		29,550
Cleveland County Technical Institute	137 South Post Rd	Shelby	28150		53,596
Appalachian State University		Boone	28607		12,337
Western Piedmont Community College	1001 Burkemont Ave	Morganton	28655		18,656
Gaston College		Dallas	28034		46,383
Davidson County Community College	P.O. Box 1287	Lexington	27292		16,784
Caldwell Community College and Technical Institute	Box 600	Lenoire	28645		18,461
Congressional District 10 total				7	195,767
Congressional District 11:					
Isothermal Community College	P.O. Box 804	Spindale	28160		13,010
Tri-County Technical Institute	P.O. Box 40	Murphy	28906		14,408
University of North Carolina-Asheville	University Heights	Asheville	28804		5,456
Southwestern Technical Institute	P.O. Box 95	Sylva	28779		6,142
McDowell Technical Institute	P.O. Drawer 1049	Marion	28752		14,001
Mayland Technical Institute	P.O. Box 547	Spruce Pines	28777		17,541
Western Carolina College		Cullowhee	28723		17,744
Blue Ridge Technical Institute	Route 2	Flat Rock	28731		5,850
Asheville-Buncombe Technical Institute	340 Victoria Rd	Asheville	28801		13,293
Haywood Technical Institute	P.O. Box 457	Clyde	28721		11,009
Congressional District 11 total				10	118,454
State total				72	1,337,544
North Dakota:					
Congressional District 1:					
North Dakota State University-Fargo		Fargo	58102		22,054
North Dakota State School-Science		Wahpeton	58075		10,443
University of North Dakota-Grand Forks	Box 334 University Station	Grand Forks	58201		22,815
Mary College	Apple Creek Rd	Bismarck	58501		5,456
Lake Region Junior College		Devils Lake	58301		5,456
Dickinson State College		Dickinson	58601		5,456
Bismarck Junior College	Schafer Heights	Bismarck	58501		9,284
Congressional District 1 total				7	80,964
Congressional District 2:					
University of North Dakota-Williston	Box 1326–1410 University Avenue	Williston	58801		5,456
North Dakota State University-Bottineau	1st and Simrall Blvd	Bottineau	58318		5,456
Congressional District 2 total				2	10,912
State total				9	91,876
Nebraska:					
Congressional District 1:					
Northeast Nebraska Technical College	801 East Benjamin	Norfolk	68701		6,655
Southeast Community College-Lincoln	2240 Vine	Lincoln	68503		6,992
Southeast Community College-Fairbury	10th and K St	Fairbury	68352		5,456
Congressional District 1 total				3	19,103
Congressional District 2:					
Metropolitan Technical Community College	13202 I St	Omaha	68144		14,160
University of Nebraska-Omaha	Box 688-Downtown station	Omaha	68101		66,269
Bellevue College	Wright Way at Galvin Rd	Bellevue	68005		11,368
Congressional District 2 total				3	91,797
Congressional District 3:					
Platte Technical Community College	P.O. Box 1027	Columbus	68601		5,456
Nebraska Western College	1601 East 27th St NE	Scotts Bluff	69361		5,456
Central Technical Community College	Box 1024	Hastings	68901		11,912
Congressional District 3 total				3	22,824
State total				9	133,724
New Hampshire:					
Congressional District 1:					
University of New Hampshire—Mer'mck	200 McGregor St	Manchester	03101		8,319
University of New Hampshire		Durham	03824		22,895
New Hampshire College	2500 River Rd	Manchester	03104		50,826
Congressional District 1 total				3	82,040
Congressional District 2:					
Keene State College	229 Main St	Keene	03431		9,151
Rivier College	410 Main St	Nashua	03060		5,456
New Hampshire Voc-Tech-Nashua	505 Amherst St	Nashua	03060		5,456
Plymouth State College		Plymouth	03264		5,456
Congressional District 2 total				4	25,919
State total				7	107,559
New Jersey:					
Congressional District 1:					
Gloucester County College	R.F.D.	Sewell	08080		11,594
Camden County College	P.O. Box 200	Blackwood	08012		35,011
Glassboro State College		Glassboro	08028		21,435
Congressional District 1 total				3	68,040

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
New Jersey—Continued					
Congressional District 2:					
Stockton State College		Pomona	08240		$23,099
Atlantic Community College	Route 322 Black Horse Pike	Mays Landing	08330		21,169
Congressional District 2 total				2	44,268
Congressional District 3:					
Brookdale Community College	765 Newman Springs Rd	Lincroft	07735		38,223
Salem Community College	P.O. 5ox B51	Penns Grove	08069		5,456
Congressional District 3 total				2	43,679
Congressional District 4:					
Trenton State College	P.O. Box 940	Trenton	08625		22,302
Mercer County Community College	1200 Old Trenton Rd	Trenton	08590		22,302
Burlington County College	Pemberton-Brown Mills Rd	Pemberton	08068		32,480
Congressional District 5 total				3	77,279
Congressional District 5: County College of Morris	Route 10 and Center Grove Rd	Dover	07801		18,514
Congressional District 5 total				1	18,514
Congressional District 6: Ocean County College	College Dr	Toms River	08753		21,169
Congressional District 6 total				1	21,169
Congressional District 7: Bergen Community College	400 Paramus Rd	Paramus	07652		21,629
Congressional District 7 total				1	21,629
Congressional District 8:					
Passaic County Community College	170 Paterson St	Paterson	07505		6,832
William Paterson College	300 Pompton Rd	Wayne	07470		28,940
Congressional District 8 total				2	35,772
Congressional District 10:					
Montclair State College	Valley Rd and Normal Ave	Upper Montclair	07043		23,966
Essex County College	31 Clinton St	Newark	07102		42,551
New Jersey Institute of Technology	323 High St	Newark	07102		12,532
Congressional District 10 total				3	79,049
Congressional District 12:					
Kean College of New Jersey	Morris Ave	Union	07083		26,125
Union College	1033 Springfield Ave	Cranford	07016		16,098
Congressional District 12 total				2	42,223
Congressional District 13: Ramapo College of New Jersey	P.O. Box 542	Mahwah	07430		11,390
Congressional District 13 total				1	11,390
Congressional District 14:					
Jersey City State College	2039 Kennedy Memorial Blvd	Jersey City	07305		21,753
St. Peter's College	Kennedy Blvd	Jersey City	07306		9,593
Congressional District 14 total				2	31,346
Congressional District 15: Rutgers-State University, New Jersey		New Brunswick	08903		75,468
Congressional District 15 total				1	75,468
New Mexico: State total				24	569,826
Congressional District 1:					
New Mexico Highlands University		Las Vegas	87701		17,187
University of New Mexico	University Hill NE	Albuquerque	87106		52,038
University of Albuquerque	St. Joseph Pl. NW	Albuquerque	87120		25,311
College of Santa Fe	St. Michaels Dr	Santa Fe	87501		6,354
Congressional District 1 total				4	100,890
Congressional District 2:					
Eastern New Mexico University—Roswell	P.O. Box 6761	Roswell	88201		6,788
New Mexico State University	Box 3509	Las Cruces	88003		31,772
New Mexico Institute-Mining-Tech	Campus Station	Socorro	87801		5,456
Eastern New Mexico Univ., Portales		Portales	88130		12,514
Congressional District 2 total				4	56,530
State total				8	157,420
Nevada:					
Congressional District 1:					
Clark County Community College	3200 East Cheyenne Ave	North Las Vegas	89030		64,145
Western Nevada Community College	4815 Echo Ave	Reno	89506		31,382
University of Nevada, Reno		Reno	89507		19,510
University of Nevada, Las Vegas	4505 Maryland Pkwy	Las Vegas	89109		22,683
Northern Nevada Community College	901 Elm St	Elko	89801		5,456
Congressional District 1 total				5	143,176
State total				5	143,176
New York:					
Congressional District 1:					
Suffolk County Community College	533 College Rd	Selden	11784		72,145
SUNY at Stony Brook		Stony Brook	11790		11,815
Congressional District 1 total				2	83,960

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
New York—Continued					
Congressional District 2:					
SUNY Agri. & Tech, Farmingdale	Melville Rd	Farmingdale	11735		$38, 405
Congressional District 2 total				1	38, 405
Congressional District 3:					
SUNY College, Old Westbury	P.O. Box 210	Old Westbury	11568		5, 456
Long Island University	University Center	Greenvale	11548		28, 639
Congressional District 3 total				2	34, 095
Congressional District 4:					
New York Institute of Technology	Wheatley Rd	Old Westbury	11568		135, 000
Nassau Community College	Stewart Ave	Garden City	11530		43, 418
Adelphi University	South Ave	Garden City	11530		8, 908
Congressional District 4 total				3	187, 326
Congressional District 8: CUNY-Queens College		Flushing	11367		28, 780
Congressional District 8 total				1	28, 780
Congressional District 9: F. H. LaGuardia Community College	31–10 Thomson Ave	Long Island City	11101		34, 196
Congressional District 9 total				1	34, 196
Congressional District 12:					
CUNY-Brooklyn College	Bedford Ave. and Avenue H	Brooklyn	11210		56, 198
CUNY Medgar Evers College	1127 Carroll St	Brooklyn	11225		14, 452
Congressional District 12 total				2	70, 650
Congressional District 13: Cuny-Kingsborough Community College	2001 Oriental Blvd	Brooklyn	10014		24, 196
Congressional District 13 total				1	24, 196
Congressional District 16:					
CUNY-Staten Island Community Col	715 Ocean Ter	Staten Island	10301		70, 499
CUNY-Richmond College	130 Stuyvesant Pl	Staten Island	10301		10, 514
Congressional District 16 total				2	81, 013
Congressional District 17:					
CUNY-Hunter College	695 Park Ave	New York City	10021		22, 320
CUNY-New York City Community College	300 Jay St	Brooklyn	11201		71, 030
CUNY-John Jay College	445 W. 59th St	New York City	10019		87, 013
Congressional District 17 total				3	180, 363
Congressional District 19: Malcolm King-Harlem College Ext	103 East 125th St	New York	10035		
Congressional District 19 total				1	5, 456
Congressional District 20: Cuny-City College	138th St at Convent Ave	New York City	10031		38, 498
Congressional District 20 total				1	38, 498
Congressional District 21: Cuny-Hostos Community College	475 Grand Concourse	Bronx	10451		9, 416
Congressional District 21 total				1	9, 416
Congressional District 23:					
Mercy College	555 Broadway	Dobbs Ferry	10522		8, 956
CUNY-Bronx Community College	W 181st St. and Univ Avenue	Bronx	10453		77, 969
Westchester Community College	75 Grasslands Rd	Valhalla	10595		32, 869
Congressional District 23 total				3	119, 794
Congressional District 25: Dutchess Community College	Pendell Rd	Poughkeepsie	12601		9, 912
Congressional District 25 total				1	9, 912
Congressional District 26:					
Iona College	715 No Ave	New Rochelle	10801		7, 204
SUNY College-Purchase		Purchase	10577		5, 456
Congressional District 26 total				2	12, 660
Congressional District 27:					
Ulster County Community College		Stone Ridge	12484		8, 319
Marist College	North Rd	Poughkeepsie	12601		5, 456
Congressional District 27 total				2	13, 775
Congressional District 30:					
Adirondack Community College	Bay Rd	Glens Falls	12801		5, 974
SUNY, Jefferson Community College	P.O. Box 473	Watertown	13601		5, 456
Congressional District 30 total				2	11, 430
Congressional District 31:					
SUNY, College of Arts and Sciences		Plattsburgh	12901		8, 638
State University College at Utica Rome	811 Court St	Utica	13502	0	12, 275
North Country Community College	20 Winona Ave	Sarnac Lake	12983		5, 456
Clinton Community College	P.O. Box 399	Plattsburgh	12901		7, 292
Congressional District 31 total				4	33, 661
Congressional District 32:					
Herkimer County Community College	Reservoir Rd	Herkimer	13350	0	0
Syracuse University		Syracuse	13210		11, 881
Congressional District 32 total				1	11, 881

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
New York—Continued					
Congressional District 33:					
SUNY at Binghamton	Vestal Parkway East	Binghamton	13901		$10,425
Tompkins-Cortland Community College	170 North St	Dryden	13053		6,673
Onondaga Community College	Onondaga Hill	Syracuse	13215		17,147
Broome Community College	Front St	Binghamton	13902		11,576
Congressional District 33 total				4	45,821
Congressional District 34: SUNY College, Oswego		Oswego	13126		10,549
Congressional District 34 total				1	10,549
Congressional District 35:					
Genessee Community College	1 College Rd	Batavia	14020		12,045
Community College of Finger Lakes	Lincoln Hill Rd	Canandaigua	14424		5,456
Congressional District 35 total				2	17,501
Congressional District 36:					
Monroe Community College	P.O. Box 9720	Rochester	14623		33,064
Rochester Institute of Technology	1 Lomb Memorial Dr	Rochester	14623		42,126
Congressional District 36 total				2	75,190
Congressional District 38:					
Corning Community College	Spencer Hill	Corning	14830		9,540
Jamestown Community College	525 Falconer St	Jamestown	14701		18,293
SUNY Agricultural and Technical, Alfred		Alfred	14802		8,686
SUNY College, Fredonia		Fredonia	14063		6,177
Congressional District 38 total				4	42,696
Congressional District 39:					
Suny College, Buffalo	1300 Elmwood Ave	Buffalo	14222		27,170
SUNY at Buffalo	3435 Main St	Buffalo	14124		62,764
Rosary Hill College	4380 Main St	Buffalo	14226		5,456
Erie Community College, North Campus	Main St. and Youngs Rd	Williamsville	14221		41,011
Hilbert College	5200 South Park Avenue	Hamburg	14075		5,456
Congressional District 39 total				5	141,857
Congressional District 40: Niagara County Community College	3111 Saunders Settlement Rd	Sanborn	14132		18,656
Congressional District 40 total				1	18,656
Congressional District 99:					
CUNY, Bernard Baruch College	17 Lexington Ave	New York City	10010		41,250
CUNY, Queensborough Community College	56th and Springfield Blvd	Bayside	11361		33,294
CUNY, Herbert H. Lehman College	Bedford Park Blvd. West	Bronx	10468		18,735
CUNY, York College	150–14 Jamaica Ave	Jamaica	11432		13,523
Congressional District 99 total				4	106,802
State total				59	1,488,559
Ohio:					
Congressional District 2:					
Cincinnati Technical College	3520 Central Parkway	Cincinnati	45223		10,328
University of Cincinnati		Cincinnati	45221		83,686
Congressional District 2 total				2	94,014
Congressional District 3: Sinclair Community College	444 West 3d St	Dayton	45402		47,870
Congressional District 3 total				1	47,870
Congressional District 5:					
Terra Technical College	1220 Cedar St	Fremont	43420		10,762
Michael J. Owens Technical Collebe	30335 Oregon Rd	Perrysburg	43551		14,337
Northwest Technical College	P.O. Box 260	Archbold	43502		5,456
Congressional District 5 total				3	30,555
Congressional District 6: Shawnee St. General and Tech. College	P.O. Box 790	Portsmouth	45662		11,505
Congressional District 6 total				1	11,505
Congressional District 7:					
Wright State University	7751 Colonel Glenn Highway	Dayton	45431		29,594
Clark Technical College	P.O. Box 869	Springfield	45501		5,456
Marion Technical College	1465 Mount Vernon Ave	Marion	43302		5,456
Central State University		Wilberforce	45384		18,160
Congressional District 7 total				4	58,666
Congressional District 8:					
Miami University		Oxford	45056		15,691
North Central Technical College	2441 Kenwood Circle	Mansfield	44906		6,310
Tiffin University	155 Miami St	Tiffin	44883		21,488
Congressional District 8 total				3	43,489
Congressional District 9:					
University of Toledo	2801 West Bancroft	Toledo	43606		33,435
Congressional District 9 total				1	33,435
Congressional District 10:					
Hocking Technical College	Route 1	Nelsonville	45764		9,682
Rio Grande College		Rio Grande	45674		5,456
Congressional District 10 total				2	15,138
Congressional District 12:					
Columbus Technical Institute	550 East Spring St	Columbus	43215		24,001
Congressional District 12 total				1	24,001

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Ohio—Continued					
Congressional District 13:					
Lorain County Community College	1005 North Abbe Rd	Elvria	44035		$21,382
Bowling Greet State University-Firelands	901 Rye Beach Rd	Huron	44839		5,456
Congressional District 13 total				2	26,838
Congressional District 15:					
Franklin University	201 South Grant Ave	Columbus	43215		36,462
Congressional District 15 total				1	36,462
Congressional District 16:					
Stark Technical College	6200 Frank Ave NW	Canton	44720		5,456
Congressional District 16 total				1	5,456
Congressional District 20:					
Dyke College	1375 East 6th St	Cleveland	44114		5,456
Cuyahoga Community College	700 Carnegie Ave	Cleveland	44115		109,138
Cleveland State University	1983 East 24 St	Cleveland	44115		38,542
Congressional District 20 total				3	153,136
Congressional District 22:					
Cleveland Institute of Art	11141 East Blvd	Cleveland	44106		5,456
Congressional District 22 total				1	5,456
Congressional District 76:					
Ohio State University-Mansfield	1680 University Dr	Mansfield	44906		5,456
Congressional District 76 total				1	5,456
State total				27	591,477
Oklahoma:					
Congressional District A: University of Science and Arts of Oklahoma	17th and Grand Ave	Chickasha	73018		6,230
Congressional District A, total				1	6,230
Congressional District 1: Tulsa Junior College	909 South Boston	Tulsa	74119		39,701
Congressional District 1, total				1	39,701
Congressional District 2:					
Claremore Junior College	College Hill	Claremore	74017		12,585
Connors State College		Warner	74469		20,638
Northeastern Oklahoma A. & M. College	2d and I Sts. NE	Miami	74354		8,478
Northeastern Oklahoma State University		Tahlequah	74464		27,298
Congressional District 2, total				4	68,999
Congressional District 3:					
Southeastern Oklahoma State University	Station A	Durant	74701		16,319
Seminole Junior College	P.O. Box 351	Seminole	74868		12,018
Murray State College		Tishomingo	73460		6,266
Carl Albert Junior College	P.O. Box 606	Poteau	74953		12,479
Eastern Oklahoma State College		Wilburton	74578		24,815
Kiamichi Area Vocational SD–7	Box 490	Wilburton	74578		57,456
Congressional District 3, total				6	77,353
Congressional District 4:					
Western Oklahoma State College	220 North Park Lane	Altus	73521		7,540
University of Oklahoma	660 Parrington Oval	Norman	73069		43,511
Oscar Rose Junior College	6420 Southeast 15th	Midwest City	73110		95,208
Congressional District 4, total				3	146,259
Congressional District 5:					
Oklahoma City Southwestern College	4700 NW. 10th St	Oklahoma City	73127		20,497
South Oklahoma City Junior College	7777 South May Ave	Oklahoma City	73159		23,205
Central State University	100 North University Dr	Edmond	73034		57,348
Cameron University	2800 West Gore Blvd	Lawton	73501		52,781
East Central Oklahoma State University	East 14th St	Ada	74820		9,381
Congressional District 5, total				5	163,212
Congressional District 6:					
El Reno Junior College	Box 370	El Reno	73036		5,456
Northern Oklahoma College	1220 East Grand	Tonkawa	74653		5,456
Oklahoma State University		Stillwater	74074		50,943
Sayre Junior College		Sayre	73662		5,456
Phillips University	University Station	Enid	73701		5,456
Congressional District 6, total				5	72,667
State total				25	574,421
Oregon: Western States Chiropractic College	2900 Northeast 132d Ave	Portland	97230		5,456
Congressional District total				1	5,456
Congressional District 1:					
Portland State University	P.O. Box 751	Portland	97207		48,144
Portland Community College	12000 Southwest 49th Ave	Portland	97219		118,360
Clatsop Community College	16th and Jerome	Astoria	97103		5,832
Congressional District 1 total				3	172,336

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Oregon—Continued					
Congressional District 2:					
Linn Benton Community College	6500 Southwest Pacific Blvd	Albany	97321		$23,581
Central Oregon Community College	College Way	Bend	97701		13,191
Clackamas Community College	19600 South Molalla Ave	Oregon City	97045		23,948
Chemeketa Community College	4000 Lancaster Dr	Salem	97303		35,453
Blue Mountain Community College	2411 Northwest Carden Ave	Pendleton	97801		5,456
Oregon Institute of Technology		Klamath Falls	97601		12,974
Congressional District 2 total				6	114,603
Congressional District 3: Mount Hood Community College	26000 Southeast Stark St	Gresham	97030		45,365
Congressional District 3 total				1	45,365
Congressional District 4:					
Umpqua Community College	P.O. Box 967	Roseburg	97470		12,386
Southwestern Oregon Community College		Coos Bay	97420		15,134
Southern Oregon State College	1250 Siskiyou Blvd	Ashland	97520		16,072
Lane Community College	P.O. Box 1E	Eugene	97401		64,711
Rogue Community College	3345 Redwood Highway	Grants Pass	97526		15,461
Congressional District 4 total				5	123,764
State total				16	461,524
Pennsylvania:					
Congressional District 2:					
La Salle College	20th and Olney Ave	Philadelphia	19141		21,815
Temple University	Broad and Montgomery Sts	Philadelphia	19122		69,596
Congressional District 2 total				2	91,411
Congressional District 3: Community College of Philadelphia	34 South 11th St	Philadelphia	19107		87,173
Congressional District 3 total				1	87,173
Congressional District 5: Penn State University, Delaware Campus	25 Yearsley Mill Rd	Media	19063		5,456
Congressional District 5 total				1	5,456
Congressional District 6:					
Penn State University, Berks Campus	R.D. 5, Tulpehocken Rd	Reading	19608		7,788
Reading Area Community College	Fremont and Bruckman Aves	Reading	19605		5,456
Alvernia College	Bernardine St	Reading	19607		5,456
Albright College	13th and Exeter Sts	Reading	19604		5,456
Congressional District 6 total				4	24,156
Congressional District 7:					
Delaware County Community College		Media	19063		13,399
Widener College		Chester	19013		8,390
Congressional District 7 total				2	21,789
Congressional District 8: Bucks County Community College	Swamp Rd	Newtown	18940		26,630
Congressional District 8 total				1	26,630
Congressional District 9:					
Cheyney State College		Cheyney	19319		10,655
Penn State University–Altoona Campus	Smith Building	Altoona	16603		8,089
West Chester State College		West Chester	19380		12,408
Congressional District 9 total				3	31,552
Congressional District 10:					
Penn State University–Worthington Scranton	120 Ridge View Dr	Dunmore	18512		5,456
Mansfield State College		Mansfield	16933		5,456
Lackawanna Junior College	635 Linden St	Scranton	18503		5,456
Congressional District 10 total				3	16,368
Congressional District 11:					
Bloomsburg State College		Bloomsburg	17815		5,912
Kings College	133 North River St	Wilkes-Barre	18711		7,567
Luzerne County Community College	Prospect St. and Middle Rd	Nanticoke	18634		8,823
Penn State University–Hazleton Campus	Highacres	Hazleton	18201		5,456
Penn State University—Wilkes-Barre Campus	P.O. Box 1830	Wilkes-Barre	18708		5,456
Congressional District 10 total				5	33,214
Congressional District 13: Montgomery County Community College	340 Dekalb Pike	Blue Bell	19422		12,974
Congressional District 13 total				1	12,974
Congressional District 14:					
Point Park College	201 Wood St	Pittsburgh	15222		9,540
University of Pittsburgh	5th Ave and Bigelow Blvd	Pittsburgh	15213		48,233
Mercyhurst College	501 East 38th St	Erie	16501		5,456
Electronic Institutes	1402 Penn Ave	Pittsburgh	15222		5,456
Community College of Allegheny County	610 Smithfield St	Pittsburgh	15222		83,650
Congressional District 14 total				5	152,335
Congressional District 15:					
Lehigh County Community College	2370 Main St	Schnecksville	18078		13,545
East Stroudsburg State College		East Stroudsburg	18301		5,456
Northampton County Area Community College	3835 Green Pond Rd	Bethlehem	18017		13,757
Congressional District 15 total				3	32,758

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Pennsylvania—Continued					
Congressional District 16: Automotive Training Center	114 Pickering Way	Lionville	19353		$5,456
Congressional District 16 total				1	5,456
Congressional District 17:					
Harrisburg Area Community College	3300 Cameron St Rd	Harrisburg	17110		21,727
Pennsylvania State University-Capitol Campus		Middletown	17057		13,912
Congressional District 17 total				2	35,639
Congressional District 19: Pennsylvania State University-York Campus	1031 Edgecomb Ave	York	17403		5,456
Congressional District 19 total				1	5,456
Congressional District 21: Westmoreland County Community College	Armbrust Rd	Youngwood	15697		12,266
Congressional District 21 total				1	12,266
Congressional District 22:					
Indiana University of Pennsylvania		Indiana	15701		10,045
Mount Aloysius Junior College	Wm. Penn Highway	Cresson	16630		5,456
Congressional District 22 total				2	15,501
Congressional District 23: Pennsylvania State-University Park Campus	102 Boucke	University Park	16802		57,047
Congressional District 23 total				1	57,047
Congressional District 24:					
Gannon College	109 West 6th St.	Erie	16501		9,912
Pennsylvania State University-Behrend Campus	Station Rd	Erie	16510		5,456
Congressional District 24 total				2	15,368
Congressional District 25:					
Slippery Rock State College		Slippery Rock	16057		6,053
Butler County Community College	Oak Hills Dr	Butler	16001		7,151
Congressional District 25 total				2	13,204
Congressional District 26: Pennsylvania State University-Fayette Campus	P.O. Box 519, Route 119 North	Uniontown	15401		5,456
Congressional District 26 total				1	5,456
Congressional District 27: Robert Morris College	Narrows Run Rd	Coraopolis	15108		17,169
Congressional District 27 total				1	17,169
State total				45	717,978
Puerto Rico:					
College of the Sacred Heart	Box 12383 Loiza Station	Santurce	00914		5,456
Inter-American University of Puerto Rico	GPO Box 3255	San Juan	00396		89,562
Bayamon Central University	Box 1725	Bayamon	00619		7,717
American Junior College	Box 2037–Calle 11-1-17 Fla Gar	Bayamon	00619		13,443
University of Puerto Rico—Humaco Reg. College	P.O. Box 428	Humacao	00661		6,956
Ana G. Mendez Educational Foundation	P.O. Box AE	Rio Piedras	00928		33,347
World University II-A	Avenida Barbosa Esq. Guayama	Hato Rey	00919		65,083
University of Puerto Rico—Mayaguez Campus	Post St	Mayaguez	00708		19,851
Catholic University of Puerto Rico	Local Station 6	Ponce	00731		38,436
Caribbean Junior College	Box 493	Bayamon	00619		5,456
Congressional District total				10	285,307
Congressional District 18: Texas State Techincal Institute—Mid Continent	Box 11035	Mayaguez	00708		5,456
Congressional District 18 total				1	5,456
State total				11	290,763
Rhode Island:					
Congressional District 1:					
Roger Williams College	Old Ferry Rd	Bristol	02809		14,753
Salve Regina College	Ochre Point Ave	Newport	02840		9,629
Congressional District 1 total				2	24,382
Congressional District 2: Johnson and Wales College	8 Abbot Park Pl	Providence	02903		135,000
Congressional District 2 total				1	135,000
State total				3	159,382
South Carolina:					
Congressional District 1:					
Beaufort Technical Education Center	South Ribaut Rd	Beaufort	29902		17,753
College of Charleston		Charleston	29401		21,134
Baptist College at Charleston	P.O. Box 10087	Charleston	29411		10,828
Trident Technical College	P.O. Box 10367	Charleston	29411		71,694
Congressional District 1 total				4	121,409
Congressional District 2:					
Midlands Technical College	P.O. Drawer Q 316 Beltine Blvd	Columbia	29250		84,323
Benedict College	Harden and Blanding Sts	Columbia	29204		5,456
University of South Carolina		Columbia	29208		71,597
Orangeburg-Calhoun Technical College	P.O. Drawer 1767	Orangeburg	29115		33,595
Allen University	1530 Harden St	Columbia	29204		5,456
Congressional District 2 total				5	200,427

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
South Carolina—Continued					
Congressional District 3:					
Piedmont Technical College	Drawer 1208	Greenwood	29,646		$29,630
Aiken Technical Education Center	P.O. Drawer 696	Aiken	29,801		13,691
Spartanburg Tech. College	P.O. Drawer 4396	Spartanburg	29,303		33,471
Tri-County Technical College	Box 87	Pendleton	29,670		43,661
Congressional District 3 total				4	120,453
Congressional District 4: Greenville Tech. College	P.O. Box 5616 Station B	Greenville	29,606		96,571
Congressional District 4 total				1	96,571
Congressional District 5:					
York Technical College	U.S. 21 Bypass	Rock Hill	29,730		26,192
Chesterfield-Marlboro Tech. College	Drawer 928	Cheraw	29,520		19,041
Sumter Area Technical College	506 Guignard Dr	Sumter	29,150		25,860
Congressional District 5 total				3	71,093
Congressional District 6:					
Williamsburg Tech-Voc. & Adult Ed. Ct.	601 Lane Rd	Kingstree	29,556		6,213
Horry-Georgetown Tech. Education Ctr	P.O. Box 710, Highway 501	Conway	29,526		16,510
Coker College	P.O. Box 559	Hartsville	29,550		5,456
Friendship Jr. College	P.O. Box 10750	Rock Hill	29,730		8,222
Florence-Darlington Tech. College	P.O. Drawer 8000	Florence	29,501		45,117
Congressional District 6 total				5	81,518
State total				22	691,471
South Dakota:					
Congressional District 1:					
Lake Area Voc Tech. School		Watertown	57,201		5,456
Augustana College		Sioux Falls	57,102		5,456
Congressional District 1 total				2	10,912
Congressional District 2:					
Black Hills State College	1200 University Ave	Spearfish	57,783		11,399
Univ. of South Dakota, Springfield		Springfield	57,062		5,456
Mitchell Area Voc.-Tech. School	821 North Capital	Mitchell	57,301		5,456
Congressional District 2 total				3	22,311
State total				5	33,223
Tennessee:					
Congressional District 1:					
East Tennessee State Uhiversity		Johnson City	37,601		33,869
Steed College	P.O. Box 3098 Crs	Johnson City	37,601		64,853
Congressional District 1 total				2	98,722
Congressional District 2: Walters State Community College	P.O. Box 647	Morristown	37,814		22,762
Congressional District 2 total				1	22,762
Congressional District 3:					
McKenzie College	401 West 9th St	Chattanooga	37401		36,692
Chattanooga St Tech Comm College	4501 Amnicola Highway	Chattanooga	37046		28,302
Lee College	North Ocoee St	Cleveland	37311		5,456
Cleveland State Community College	Box 1205	Cleveland	37311		18,904
Congressional District 3 total				4	89,354
Congressional District 4:					
Roane State Community College	Patton Lane	Harriman	37748		13,505
Motlow State Community College		Tullahoma	37388		5,456
Congressional District 4 total				2	18,961
Congressional District 5:					
Nashville State Tech Institute	120 White Bridge Rd	Nashville	37209		12,036
Tennessee State University	3500 Centennial Blvd	Nashville	37203		23,417
University of Tennessee-Nashville	10th and Charlotte	Nashville	37203		33,789
Congressional District 5 total				3	69,242
Congressional District 6:					
Volunteer State Community College	Nashville Pike	Gallatin	37066		12,372
Austin Peay State University	601 College St	Clarksville	37040		22,470
Congressional District 6 total				2	34,842
Congressional District 7:					
State Technical Institute, Memphis	5983 Macon Cove	Memphis	38128		46,144
Dyersburg State Community College	P.O. Box 648	Dyersburg	38024		7,257
Jackson State Community College	Box 2467	Jackson	38301		12,700
Congressional District 7 total				3	66,101
Congressional District 8:					
University of Tennessee, Martin	University St	Martin	38237		8,593
Le Moyne-Owen College	807 Walker Ave	Memphis	38126		5,456
Shelby State Community College	P. O. Box 4568	Memphis	38104		41,843
Congressional District 8 total				3	55,892
Congressional District 9: Memphis State University		Memphis	38152		60,295
Congressional District 9 total				1	60,295

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Texas:					
State total				21	$516, 171
Congressional District 1:					
Paris Jr College	2400 Clarksville St	Paris	74560		17, 302
Texarkana College	2500 N Robison Rd	Texarkana	75501		28, 462
Jacksonville College	P.O. Box 1747	Jacksonville	75766		5, 456
Congressional District 1 total				3	51, 220
Congressional District 2: Angelina College	P.O. Box 1768	Lufkin	75901		5, 735
Congressional District 2 total				1	5, 735
Congressional District 3:					
Richland College	12800 Abrams Rd	Dallas	75231		42, 524
Tyler State College	100 East Berta St	Tyler	75701		5, 868
Congressional District 3 total				2	48, 392
Congressional District 4:					
East Texas State University	Etsu Station	Commerce	75428		23, 895
Grayson County Junior College	6101 Highway 691	Denison	75020		55, 569
Tyler Junior College	1400 East Fifth	Tyler	75701		42, 002
Congressional District 4 total				3	121, 466
Congressional District 5:					
El Centro College	Main and Lamar	Dallas	75202		55, 242
Eastfield College	3737 Motley Dr	Mesquite	75149		67, 472
Congressional District 5 total				2	122, 714
Congressional District 6:					
Prairie View A & M University		Prairie View	77445		11, 930
Navarro College	P.O. Box 1170	Corsicana	75110		6, 363
Congressional District 6 total				2	18, 293
Congressional District 7:					
University of Houston—Downtown College	1 Main St	Houston	77002		25, 435
North Harris County College	12620 North Freeway	Houston	77037		5, 655
Henderson County Junior College	Cardinal Dr	Athens	75751		12, 638
Houston Baptist University	7502 Fondren Rd	Houston	77036		5, 456
Congressional District 7 total				4	49, 184
Congressional District 8: Lee College	P.L. Box 818	Baytown	77520		17, 010
Congressional District 8 total				1	17, 010
Congressional District 9:					
Lamar University	P.O. Box 10003	Beaumont	77710		47, 755
College of the Mainland	8001 Palmer Highway	Texas City	77590		15, 965
Congressional District 9 total				2	63, 720
Congressional District 10:					
Saint Edward's University	3001 South Congress Ave	Austin	78704		5, 456
Southwest Texas State University		San Marcos	78656		32, 493
Wharton County Junior College	911 Boling Highway	Wharton	77488		5, 456
Austin Community College	901 Neal St	Austin	78702		45, 454
Blinn College	902 College Ave	Brenham	77833		5, 459
Congressional District 10 total				5	94, 315
Congressional District 11:					
American Technological University	P.O. Box 1416 Highway 190 West	Killeen	76541		5, 531
McLennan Community College	1400 College Dr	Waco	76708		17, 665
Central Texas College	Highway 190 West	Killeen	76541		69, 906
Texas State Technical Institute—Connally		Waco	76705		18, 497
Weatherford College	308 East Park	Weatherford	76086		10, 288
Congressional District 11 total				5	121, 887
Congressional District 12:					
University of Texas—Arlington		Arlington	76010		57, 591
Tarrant County Junior College District	1400 The Electric Service Bldg	Fort Worth	76102		135, 000
Congressional District 12 total				2	192, 591
Congressional District 13:					
Midwestern Univertisy	3400 Taft St	Wichita Falls	76308		17, 470
Cooke County College	P.O. Box 815	Gainesville	76240		34, 506
Vernon Regional Junion College	4400 College Dr	Vernon	76384		5, 629
Congressional District 13 total				3	57, 605
Congressional District 14:					
Texas A. & I. Universities—Corpus Christi	P.O. Box 6010	Corpus Christi	78411		7, 894
Del Mar College	Baldwin and Ayers	Corpus Christi	78404		56, 348
Congressional District 14 total				2	64, 242
Congressional District 15:					
Incarnate Word College	4301 Broadway	San Antonio	78209		5, 456
Pan American University	West University Dr	Edinburg	78539		33, 665
Texas State Technical Institute—Rio Grande	P.O. Box 2628	Harlingen	78550		10, 682
Texas Southmost College	80 Fort Brown	Brownsville	78520		27, 701
Congressional District 15 total				4	77, 504
Congressional District 16: El Paso Community College	6601 Dyer St	El Paso	79904		120, 320
Congressional District 16 total				1	120, 320

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Texas—Continued					
Congressional District 17:					
Cisco Junior College	Route 3 Box 3	Cisco	76437		$7,222
Howard College at Big Spring	Birdwell Lane	Big Spring	79720		6,629
Abilene Christitian College	ACC Station, Box 7844	Abilene	79601		14,426
Tarleton State University	Tarleton Station	Stephenville	76401		5,956
Texas State Technical Institute—Rolling Plain	Route 3	Sweetwater	79556		5,546
Congressional District 17 total				5	39,689
Congressional District 19:					
Midland College	3600 North Garfield	Midland	79701		10,425
Western Texas College	3610 Avenue S	Snyder	79549		5,456
University of Texas of Permian Basin		Odessa	79762		5,456
Congressional District 19 total				3	21,337
Congressional District 20:					
St. Philip's College	2111 Nevada	San Antonia	78203		107,227
San Antonio College	1300 San Pedro Ave	San Antonio	78284		125,219
Congressional District 20 total					232,446
Congressional District 21:					
Bishop College	3837 Simpson-Stuart Rd	Dallas	75241		5,753
Saint Mary's University	2700 Cincinnati Ave	San Antonio	78284		16,457
Odessa College	P.O. Box 3752	Odessa	79760		19,727
Southwest Texas Junior College	Garner Field Rd	Uvalde	78801		15,726
Congressional District 21 total				4	57,663
Congressional District 22:					
University of Houston	4800 Calhoun	Houston	77094		77,969
University of Houston at Clear Lake City	2700 Bay Area Boulevard	Houston	77058		5,456
Texas Southern University	3201 Wheeler St	Houston	77004		43,931
San Jacinto College	8060 Spencer	Pasadena	77505		45,007
Alvin Junior College	3110 Mustang Rd	Alvin	77511		11,903
Congressional District 22 total				5	184,266
Congressional District 23:					
Bee County College	Route 1	Beeville	78102		16,496
Laredo Junior College	P.O. Box 738	Laredo	78040		26,488
Texas Lutheran College	1000 West Court	Seguin	78155		5,456
Congressional District 23 total				3	48,440
Congressional District 24:					
Texas Womans University	Box 23925 TWU Station	Denton	76204		5,456
Mountain View College	4849 West Illinois	Dallas	75211		56,976
Congressional District 24 total				2	62,432
Congressional District 99:					
Houston Community College System	22 Waugh Dr	Houston	77007		76,513
Congressional District 99 total				1	76,513
State total				67	1,948,984
Utah:					
Congressional District 1:					
Utah State University		Logan	84322		36,197
Utah Technical College—Provo	1395 North 150 East Box 1009	Provo	84601		22,355
Weber State College	3750 Harrison Blvd	Ogden	84403		88,075
Congressional District 1 total				3	146,627
Congressional District 2:					
University of Utah	1400 East 2d South	Salt Lake City	84112		57,388
Westminster College	1840 South 13th East	Salt Lake City	84105		5,456
Utah Technical College, Salt Lake	4600 South Redwood Rd	Salt Lake City	84107		45,985
Congressional District 2 total				3	108,829
State total				6	255,456
Virginia:					
Congressional District 1:					
Christopher Newport College	Shoe Lane	Newport News	23606		13,381
Thomas Nelson Community College	P.O. Box 9047	Hampton	23670		48,923
Congressional District 1 total				2	62,304
Congressional District 2:					
Old Dominion University	P.O. Box 6173	Norfolk	23508		45,524
Norfolk State College	2401 Corprew Ave	Norfolk	23504		41,436
Congressional District 2 total				2	86,960
Congressional District 3:					
J. Sargeant Reynolds Community College	P.O. Box 6935	Richmond	23230		38,427
John Tyler Community College	13101 Jefferson Davis Highway	Chester	23831		16,357
Virginia State College		Petersburg	23803		9,434
Congressional District 3 total				3	64,198
Congressional District 4:					
Tidewater Community College	State Route 135	Portsmouth	23703		76,880
Paul D. Camp Community College	P.O. Box 737	Franklin	23851		5,735
Congressional District 4 total				2	82,615

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Virginia—Continued					
Congressional District 5:					
Patrick Henry Community College	P.O. Drawer 5311	Martinsville	24112		$5,456
Southside Virginia Community College	Intersection U.S. and State Route 46	Alberta	23821		5,925
Central Virginia Community College	P.O. Box 4098	Lynchburg	24502		14,881
Congressional District 5 total				3	26,262
Congressional District 6:					
Dabney S. Lancaster Community College	P.O. Box 610	Clifton Forge	24422		5,456
Virginia Western Community College	3095 Colonial Ave. SW	Roanoke	24015		22,191
Congressional District 6 total				2	27,647
Congressional District 7:					
Shenandoah College & Conservatory of Music		Winchester	22601		5,456
Madison College		Harrisonburg	22801		5,456
Lord Fairfax Community College	P.O. Drawer E	Middletown	22645		6,584
Blue Ridge Community College	P.O. Box 80	Weyers Cave	24486		8,071
Piedmont Virginia Community College	Route 6, Box 1-A	Charlottesville	22901		6,938
Germanna Community College	P.O. Box 339	Locust Grove	22508		5,456
Congressional District 7 total				6	37,961
Congressional District 7:					
Wytheville Community College	1000 East Main St	Wytheville	24382		8,615
Virginia Highlands Community College	P.O. Box 828	Abingdon	24210		6,531
Virginia Polytechnic Institute and State University		Blacksburg	24061		16,855
Southwest Virginia Community College	Box SVCC	Richlands	24641		6,062
Mountain Empire Community College	Drawer 700	Big Stone Gap	24219		5,456
New River Community College	Drawer 1127	Dublin	24084		17,576
Congressional District 9 total				6	61,095
Congressional District 10:					
Northern Virginia Community College	8333 Little River Turnpike	Annandale	22003		115,178
George Mason University	4400 University Dr	Fairfax	22030		16,196
Congressional District 10 total				2	131,374
State total				28	580,416
Vermont:					
Congressional District 1:					
University of Vermont		Burlington	05401		10,089
Community College of Vermont	P.O. Box 81	Montpelier	05602		5,456
Norwich University		Northfield	05663		5,456
Southern Vermont College	Monument Rd	Bennington	05201		5,456
Lyndon State College	Vail Hill	Lyndonville	05851		5,456
Vermont Technical College		Randolph Center	05061		5,456
Goddard College		Plainfield	05667		5,456
Johnson State College		Johnson	05656		5,456
Castleton State College		Castleton	05735		5,456
Champlain College	232 South Willard St	Burlington	05401		5,456
Congressional District 1 total				10	59,193
State total				10	59,193
Washington:					
Congressional District 1: Shoreline Community College	16101 Greenwood Ave. North	Seatlte	98133		22,42
Congressional District 1 total				1	22,426
Congressional District 2:					
Whatcom Community College	5217 Northwest Rd	Bellingham	98225		5,788
Skagit Valley College	2405 College Way	Mount Vernon	98273		23,873
Everett Community College	801 Wetmore Ave	Everett	98201		41,922
Edmonds Community College	20000 68th Ave. West	Lynnwood	98036		17,912
Congressional District 2 total				4	89,495
Grays Harbor College		Aberdeen	98520		12,107
Peninsula College	1502 East Lauridsen Blvd	Port Angeles	98362		7,310
Lower Columbia College	1600 Maple St	Longview	98632		30,993
Olympia Vocational-Technical Institute	2011 Mottman Rd. SW	Olympia	98502		7,664
Evergreen State College, the		Olympia	98505		10,726
Saint Martin's College		Olympia	98503		9,045
Clark College	1800 East McLoughlin Blvd	Vancouver	98663		28,833
Centralia College	P.O. Box 639	Centralia	98531		14,806
Congressional District 3 total				8	121,484
Congressional District 4:					
Columbia Basin College	2600 North Chase St	Pasco	99301		12,461
Big Bend Community College	28 and Chanute	Moses Lake	98837		8,531
Central Washington State College		Ellensburg	98926		22,691
Yakima Valley College	16th Ave. and Nob Hill Blvd	Yakima	98902		16,125
Walla Walla Community College	500 Tausick Way	Walla Walla	99362		10,363
Congressional District 4 total				5	70,171
Congressional District 5:					
Wenatchee Valley College	1300 5th Street	Wenatchee	98801		13,107
Fort Steilacoom Community College	P.O. Box 99186	Tacoma	98499		84,057
Whitworth College		Spokane	99218		5,456
Spokane Falls Community College	West 3410 Fort George Wright Dr	Spokane	99204		31,595
Spokane Community College	East 3403 Mission Ave	Spokane	99202		38,126
Eastern Washington State College		Cheney	99004		35,962
Congressional District 5 total				6	208,303

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Washington—Continued					
Congressional District 6:					
Olympic College	16th at Chester St	Bremerton	98310		$66, 995
Tacoma Community College	5900 South 12th St	Tacoma	98465		64, 304
Green River Community College	12401 South East 320th St	Auburn	98002		33, 590
Congressional District 6 total				3	164, 889
Congressional District 7:					
Seattle University	12th and East Columbia	Seattle	98122		9, 116
Highline Community College		Midway	98031		34, 639
Seattle Central Community College	1705 Broadway	Seattle	98122		34, 754
South Seattle Community College	6000 16th Avenue Southwest	Seattle	98106		15, 877
Congressional District 7 total				4	94, 386
Congressional District 99: North Seattle Community College	9600 College Way North	Seattle	98103		29, 059
Congressional District 99 total				1	29, 059
State total				32	800, 213
Wisconsin:					
Congressional District 1:					
Blackhawk Technical Institute	2228 Center Ave	Janesville	53545		15, 311
University of Wisconsin—Parkside	Route 4 Wood Rd	Kenosha	53140		18, 514
Gateway Vocational-Technical and Adult Educational District	3520 30th Ave	Kenosha	53140		27, 771
Congressional District 1 total				3	61, 596
Congressional District 2: Madison Area Technical College	211 North Carroll St	Madison	53703		23, 364
Congressional District 2 total				1	23, 364
Congressional District 3:					
District One Technical Institute	620 Wes Clairemont Ave	Eau Claire	54710		18, 143
Western Wisconsin Technical Institute	6th and Vine Sts	La Crosse	54601		28, 515
Southwest Wisconsin Vocational-Technical Institute	Bronson Blvd	Fennimore	53809		8, 213
University of Wisconsin—Barron County	University Dr	Rice Lake	54868		5, 456
Congressional District 3 total				4	60, 327
Congressional District 4: Milwaukee School of Engineering	1025 North Milwaukee St	Milwaukee	53201		6, 195
Congressional District 4 total				1	6, 195
Congressional District 5:					
Milwaukee Area Technical College	1015 North 6th St	Milwaukee	53203		82, 960
University of Wisconsin—Milwaukee		Milwaukee	53201		54, 852
Congressional District 5 total				2	137, 812
Congressional District 6:					
Fox Valley Technical Institute	1825 North Bluemound Rd	Appleton	54911		21, 205
Lakeshore Technical Institute	1290 North Ave	Cleveland	53015		6, 160
Congressional District 6 total				2	27, 365
Congressional District 7:					
Wisconsin Indianhead VTAE District	P.O. Box 8	Shell Lake	54871		14, 302
North Central Technical Institute	1000 Schofield Ave	Wausau	54401		10, 107
Congressional District 7 total				2	24, 409
Congressional District 8: University of Wisconsin—Green Bay		Green Bay	54302		14, 479
Congressional District 8 total				1	14, 479
Congressional District 9: Waukesha County Technical Institute	800 Main St	Pewaukee	53072		16, 496
Congressional District 9 total				1	16, 496
Congressional District 10: Nicolet College and Technical Institute	Box 518	Rhinelander	54501		11, 540
Congressional District 10 total				1	11, 540
State total				18	383, 583
West Virginia:					
Congressional District 1:					
Parkersburg Community College	Route 5 Box 167A	Parkersburg	26101		26, 054
West Virginia Northern Community College	87 15th St	Wheeling	26003		12, 894
Fairmont State College	Locust Ave	Fairmont	26554		10, 478
Congressional District 1 total				3	49, 426
Congressional District 2: West Virginia Institute of Tech		Montgomery	25136		11, 169
Congressional District 2 total				1	11, 169
Congressional District 3: West Virginia State College		Institute	25112		21, 669
Congressional District 3 total				1	21, 669
Congressional District 4: Southern West Virginia Cmty. College	University Avenue	Logan	25601		14, 983
Congressional District 4 total				1	14, 983
Congressional District 5:					
Beckley College	609 So. Kanawha Street	Beckley	25801		9, 806
Bluefield State College	218 Rock St	Bluefield	24701		9, 328
Congressional District 5 total				2	19, 134
State total				8	116, 381

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE—OFFICE OF EDUCATION: VETERANS COST OF INSTRUCTION PROGRAM AWARDS BY STATE AND CONGRESSIONAL DISTRICT—Continued

State and Congressional District: Applicant name	Street address	City	Zip	Consort	Award amount
Wyoming:					
Congressional District 1:					
Casper College	125 College Dr.	Casper	82601		$6,549
Western Wyoming Community College	P.O. Box 428	Rock Springs	82901		5,456
Sheridan College		Sheridan	82801		5,456
Northwest Community College		Powell	82435		5,456
Laramie County Community College	1400 East College Dr.	Cheyenne	82001		18,527
Congressional District 1 total				5	41,444
State total				5	41,444
National total				1206	31,237,730

EXCERPTS FROM THE STATEMENT OF RUFUS H. WILSON

* * * * *

The work study program first added in Public Law 92–540 was expanded by Public Law 93–508 to provide that the number of hours of services for which a single contract could be granted should be raised from 100 to 250. Also the 800 man year limitation on the program was removed. As a result almost 2.5 million man-hours were funded at a cost of nearly $6.2 million in fiscal year 1975.

Section 1685 of title 38, United States Code, as you are aware, authorizes the use of veteran-students in four general categories. The same section also provides that the Administrator shall determine the number of veterans whose services the VA can effectively utilize and the types of services that such veterans may be required to perform. These determinations are based on an annual survey of regional offices.

The current allocation for fiscal year 1976 is 9,459,629 hours. This means that the total cost of the program for 1976 will be approximately 23.7 million dollars. If all of the contracts were allocated for 250 hours a minimum of 37,849 veterans could participate. (Actually we know that even though some veterans will be given more than one contract larger numbers will be given contracts for less than 250 hours. Therefore, far more than 37,000 veterans will be participating). We believe that the number of hours allocated for fiscal year 1976 correctly represents the maximum number of hours of services which can be validly and legally utilized.

Of the 9.4 million man-hours requested, 1.2 million are allocated for use in VA medical installations and domiciliaries. Under the previous overall ceiling of 1.6 million man-hours, there had been limited use of veteran-students in this area. Most student services were used in schools and regional offices assisting full-time employees to identify and expedite payment of disability benefits and educational assistance allowances.

DVB Circular 20–75–27, copies of which have already been furnished the Committee staff, specifically provides for use of veteran-students in the Veterans-Cost-of-Instruction (VCI) program. Interchangeable use of such students was approved in the VA Vet-Rep program, the VCI program, and the Campus Office of Veterans Affairs. Adequate assistance should be available for all of these programs. We know of no situation where VCI coordinators and Vet-Reps have found it necessary to compete for the services of the same work-study participant. School officials and VCI coordinators will be responsible for defining jobs to be performed by work-study personnel as accurately as possible in order to properly determine whether such functions are permissible under work-study criteria provided within section 1685(a)(1)–(4) of title 38, United States Code. There is no reason why there should be any conflict, as the tasks are different in scope. However, it is possible there could be competition for a promising applicant at a particular school.

We envision a great deal of work-study usage in the terms of outreach services and other activities of the VA, and increased efforts by other activities and organizations with which we share our mission. These groups encompass agencies of Federal, State, and local governments, as well as recognized national and local organizations. The general guidelines for such interagency cooperation are defined in section 244 of title 38.

By Mr. DOMENICI:

S. 2652. A bill to amend section 552 of title 5, United States Code, to provide an exemption to the requirements of that section relating to the availability of information. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, the Bureau of Indian Affairs serves as trustee for Indian lands, water rights, and other natural resources. Its responsibility in this area is not unlike that of any other private trustee or fiduciary, except insofar as the integrity of the U.S. Government is at stake in the Bureau's activities, and, thus, an even greater sense of responsibility and fidelity is required. As the Supreme Court has stated, the United States, in its dealings with Indian tribes,

> Has charged itself with moral obligations of the highest responsibility and trust. Its conduct, as disclosed in the acts of those who represent it in dealings with Indians, should, therefore, be judged by the most exacting fiduciary standards. *Seminole Nation v. U.S.*, 316, U.S. 286, 297 (1942).

It has recently come to my attention that an existing Federal law, while motivated by an honorable and important concern with unwarranted and dangerous secrecy within Federal agencies, is now threatening to egregiously impair the fiduciary relationship between the United States and our Indian people. I refer to the Freedom of Information Act and our recent amendments thereto. The amendment I introduce today is not intended to, and does not, categorically exempt the Bureau of Indian Affairs from coverage under the Freedom of Information Act. It does, however, reflect and respect the peculiar trust relationship between Indian people and the Federal Government. That such a narrowly drawn exemption is warranted should come as no surprise upon a moment's reflection. As long ago as 1831, the great Chief Justice John Marshall declared:

> The condition of the Indians in relation to the United States is perhaps unlike that of any other two people in existence. . . . (T)he relation of Indians to the United States is marked by peculiar and cardinal distinctions which exist nowhere else. *Cherokee Nation v. Georgia*, 5 Pet. 1 (1831).

The Freedom of Information Act, as currently worded, places the Bureau of Indian Affairs officials charged with carrying out the Nation's trust responsibilities to Indian tribes in the uncomfortable and untenable position of determining whether or not a Federal law of general application, enacted without mention of this peculiar and historical relationship, was intended to abrogate the Nation's solemn pledge to these people. Let me provide a specific example of this conflict, or this dilemma.

The Bureau of Indian Affairs has been engaging in inventories of the natural resources and mineral deposits on Indian lands. This information is essential for prudent management of these resources, for without this information neither the BIA nor the tribes can intelligently assess the proposals made to them by mining companies and energy developers for permits and leases. I am advised that under existing law, it is possible for entities dealing with Indians to petition the BIA for information the Bureau has on energy and mineral deposits, as well as copies of leases and agreements entered into in the past.

Currently, the BIA can withhold geological and geophysical data "concerning wells," but this narrow exemption does not cover past transactions, other inventory data where no wells have been drilled or planned, or past commercial transactions. If the Senate believes, as I do, that disclosure of such information to the very entities that will profit from it at the expense of the tribe whose resources are at stake is a breach of the fiduciary responsibility we have assumed toward Indian tribes, then the amendment I propose will occasion no great suspicion or concern.

If the Members of the Senate further believe, as I do, that our Indian tribes are entitled to the economic return on their resources that market competition and arm's length transactions will bring, then the amendment I propose should cause no consternation.

The Bureau's and, ultimately, this Government's duty as trustee demands no less. The late Justice Cardozo, when he was sitting on the Second Circuit Court of Appeals, fashioned the standard for fiduciaries that is "stricter than the morals of the market place" which has endured for years. Certainly, Mr. President, where the integrity and fairness of our Government is at stake, we should accept no less a standard for our dealings with Indian tribes.

Finally, Mr. President, we should not allow the results of two important national policies—the trust obligation we owe our Indian people and the openness of government we owe all our people—to combine to the unintended detriment of Indian people. I realize that the bill I introduce today may not be as effective as it could be to accomplish the protection of Indian rights under the trust relationship, that it may not address all the problems. I will, of course, work with the appropriate committee and other interested Senators to make this amendment as effective as possible for the purposes I have mentioned. I invite all those who share my concerns to make it known to the Government Operations Committee, to offer their suggestions for improvement and to push for rapid enactment. Likewise, I encourage those with opposite views to make them known, so that our final enactment will have had the benefit of all viewpoints.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 552 (b) of title 5, United States Code, is amended—

(1) by striking out at the end of paragraph (8) "or";

(2) by striking out at the end of paragraph (9) the period and inserting in lieu thereof a semicolon and "and"; and

(3) by adding immediately below paragraph (9) the following new paragraph:

"(10) information held by a Federal agency as trustee, regarding the natural resources or other assets of Indian tribes or bands or groups or individual members thereof."

By Mr. THURMOND (for himself, Mr. DOLE, and Mr. HARTKE):

S. 2653. A bill to amend title 38, United States Code, to make the Veterans' Administration an executive department, and for other purposes. Referred to the Committee on Veterans' Affairs.

Mr. THURMOND. Mr. President, today, Senator DOLE, Senator HARTKE, and I are introducing legislation to upgrade the Veterans' Administration to a Cabinet level department, and to provide for a Secretary of Veterans' Affairs within the President's Cabinet.

The VA, with a $19 billion budget and over 200,000 employees, administers programs for over 29 million veterans, plus their dependents and survivors. Only the Department of Defense and the Department of Health, Education, and Welfare are agencies of the Government which employ more personnel and have a larger budget.

Mr. President, together with their dependents and survivors, veterans represent almost one-half of the total population of our country. VA activities touch practically every phase of life and every family in America. VA activities range from the largest health care and medical system in the world, to a multibillion-dollar compensation and pension program; from GI housing and home loans, to burial benefits and the National Cemetery System; and from a $5 billion education and training program, to a multibillion-dollar insurance system.

Basically, the activities of the Veterans' Administration are divided between the veterans benefits system, which employs almost 20,000 people, and the medical care system, which employs approximately 175,000 personnel. There are 53 regional offices within the United States, with at least one in every State; 172 VA hospitals; and over 200 outpatient clinics. Recently, the Congress gave the VA the added responsibility of administering the National Cemetery System, when it was transferred from the Department of the Army to the VA.

Mr. President, the diverse activities and duties of the Administrator, alone, should qualify him as a member of the President's Cabinet, even if there were no other reasons. There are more substantive reasons, however.

One of the great domestic problems which faces our country today is the need to provide adequate readjustment programs for recently returned veterans. Moreover, older veterans require equal attention in hospital care and in the benefits system. Disabled veterans should receive no less than the best care our Nation can provide.

It has been said that to provide a Cabinet position for veterans would be to give special preference to a single group. It is said that the next logical extension would be to provide for Cabinet positions for women, the elderly, youth or minorities. I do not buy this argument, because veterans are made up of all classes, all groups—men, women, the young, the elderly, minorities—and they deserve to be given preference. They sacrificed when the Nation needed them most.

Mr. President, the current Administrator of Veterans' Affairs is doing an excellent job, but he could do a better job if he were able to sit with the President's Cabinet. He would sit at the highest policy level, and by virtue of his organizational position, would be able to give a greater profile to veterans problems and needs.

Recently, the Congress passed a bill which highlights the anomaly of having an Administrator, instead of a Cabinet Secretary, preside over VA activities. An interesting situation has developed. In an effort to provide an extra incentive for the recruitment and retention of physicians in the VA, the Congress voted an approximate $8,000 to $9,000 special pay increase in the annual salaries of VA doctors. The Chief Medical Director of the VA now makes an annual salary of $51,500; and the Deputy Chief Medical Director, $47,700. The VA Administrator currently earns $44,625 as head of the agency.

Furthermore, Mr. President, efforts are being made by some policy planners in the Government to subordinate the VA health care system to HEW, and to integrate the veterans' benefits and compensation program with other Government programs. Creation of a Cabinet-level Department of Veterans' Affairs would protect veterans' programs from these designs.

For some time, there has been talk of making the Administrator a member of the President's Cabinet. Unfortunately, that idea has never come to fruition. I am convinced that the time has come to put that idea into practice.

By law, the Administrator of Veterans' Affairs is charged with implementing and administering one of the largest programs in the Federal Government. Additional responsibilities and duties have been given to him in recent years. It is my strong feeling that the Congress should make the institutional rank of the position commensurate with the great responsibility with which the office is charged.

Mr. President, I, therefore, send a bill to the desk to establish a Cabinet-level Department of Veterans' Affairs, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 201 of title 38, United States Code, is amended to read as follows:

"§ 201. Establishment of Department of Veterans' Affairs

"There shall be at the seat of government an executive department to be known as the Department of Veterans' Affairs. There shall be at the head of such Department a Secretary of Veterans' Affairs who shall be appointed by and with the advice and consent of the Senate.".

(b) The table of sections at the beginning of chapter 3 of such title is amended by striking out

"201. Veterans' Administration an independent agency."

and inserting in lieu thereof the following:

"201. Establishment of Department of Veterans' Affairs.".

SEC. 2. Section 210(d) of title 38, United States Code, is amended to read as follows:

"(d) There shall be in the Department of Veterans' Affairs an Under Secretary, an Assistant Secretary for Veterans' Benefits, an Assistant Secretary for Medical Affairs, and a General Counsel of the Department of Veterans' Affairs, each to be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary, Assistant Secretaries, and the General Counsel shall perform such functions and duties as the Secretary may prescribe. The Assistant Secretary for Veterans' Benefits shall have as his principal duty the overall supervision of general benefits, other than medical care and readjustment and related benefits of the Department of Veterans' Affairs. The Assistant Secretary for Medical Affairs shall have as his principal duty the overall supervision of health and hospital care programs of the Department of Veterans' Affairs. The Under Secretary shall be Acting Secretary of Veterans' Affairs during the absence of or disability of the Secretary or in the event of a vacancy in the office of Secretary. An Assistant Secretary or the General Counsel, as determined by order of the Secretary, shall be Acting Secretary of Veterans' Affairs during the absence or disability of both the Secretary and the Under Secretary or in the event of a vacancy in the offices of both Secretary and Under Secretary.".

"SEC. 3. Title 38, United States Code, is amended by—

(1) striking out "Administrator" wherever such term appears and inserting in lieu thereof "Secretary"; and

(2) striking out "Veterans' Administration" wherever such term appears and inserting in lieu thereof "Department of Veterans' Affairs".

SEC. 4. Title 5, United States Code, is amended by—

(1) striking out "Veterans' Administration" in section 5102(c)(3) and inserting in lieu thereof "Department of Veterans' Affairs";

(2) striking out "Veterans' Administration" in section 5301(c)(3) and inserting in lieu thereof "Department of Veterans' Affairs";

(3) striking out "Veterans' Administration" in section 5303(a)(3) and inserting in lieu thereof "Department of Veterans' Affairs";

(4) adding at the end of section 5312 a new clause as follows:

"(14) Secretary of Veterans' Affairs.";

(5) striking out clause (5) in section 5313;

(6) striking out clause (14) in section 5314 and inserting in lieu thereof the following:

"(14) Under Secretary of Veterans' Affairs.";

(7) striking out in clause (38) of section 5314 "Veterans' Administration" and inserting in lieu thereof "Department of Veterans' Affairs";

(8) striking out "Veterans' Administration" in clause (31) of section 5315 and inserting in lieu thereof "Department of Veterans' Affairs", and adding the following new clauses at the end of such section:

"(105) Assistant Secretaries of Veterans' Affairs (2).

"(106) General Counsel of the Department of Veterans' Affairs.

"(107) Chief Benefits Director, Department of Veterans' Affairs.";

(9) striking out clauses (20), (104), and (110) in section 5316, and striking out "Veterans' Administration" in clause (133) of such section (relating to the Director of the National Cemetery System) and inserting in lieu thereof "Department of Veterans' Affairs"; and

(10) striking out "Administrator of Veterans' Affairs" in section 5355 and inserting in lieu thereof "Secretary of Veterans' Affairs".

SEC. 5. Whenever reference is made in any provision of law (other than any provision of law amended by this Act), regulation, rule, record, or document of the United States to the Veterans' Administration, the Administrator of Veterans' Affairs, the Deputy Administrator of Veterans' Affairs, or the General Counsel of the Veterans' Administration, such reference shall be deemed to be a reference to the Department of Veterans' Affairs, the Secretary of Veterans' Affairs, the Under Secretary of Veterans' Affairs, or the General Counsel of the Department of Veterans' Affairs, respectively.

SEC. 6. (a) All delegations of authority by the Administrator of Veterans' Affairs and all orders, rules, authorizations, determinations, contracts, regulations, certificates, directives, issuances, or other official actions of the Administrator of Veterans' Affairs, or of any other agency officer or office, which are in force on the date of enactment of this Act, shall continue in full force and effect until modified, amended, superseded, or revoked by the Secretary or such other officer or office of the Department of Veterans' Affairs as, in accordance with applicable law, may be appropriate.

(b) No suit, action, or other proceeding commenced by or against the Veterans' Administration, or by or against any officer of the agency in his official capacity, shall abate by reason of the enactment of this Act.

SEC. 7. This Act shall take effect when specified by Executive order of the President, but in no case later than six months after the date of its enactment.

Mr. DOLE. Mr. President, I am pleased to join my colleague, the senior Senator from South Carolina (Mr. THURMOND) in cosponsoring a bill to raise the Veterans' Administration to a Cabinet level Department of Veterans' Affairs. This bill is especially appropriate for today since today is November 11, the traditional Veterans' Day.

This legislation has a special significance to me since on June 27, 1974, I introduced a similar bill, S. 3725, to raise the Veterans' Administration to a Cabinet level organization. It is my strong feeling that there was a need for this step at that time and that the need still exists. This idea has been presented to the Congress in previous years and I feel that it has not received adequate consideration. So it is encouraging to me to see that the distinguished senior Senator from South Carolina, a member of the Veterans' Affairs Committee, is introducing this legislation and it is my hope that his colleagues on the Veterans' Affairs Committee will follow his lead in taking interest in this legislation.

MINIMAL BUDGET IMPACT

As a member of the Senate Budget Committee, I am especially concerned about the fiscal impact of new legislation such as this. As a member of that committee, I am especially aware of the strong pressure to hold Federal spending to a responsible level and certainly every other Member of the Senate is aware of that need. However, this legislation is not intended to create nor would it, in fact, create any gigantic new Federal spending program. On the contrary, the increased Federal spending of this legislation should be minimal since it would only entail the increase of salaries for certain officials to a level appropriate for cabinet grade organizations. As I understand, this is not at all inappropriate since the VA Administrator reportedly receives a lower salary than about 9,500 of his employees; namely, medical doctors.

But the new Federal spending under this legislation would not be great. For the organization itself already is in existence. The programs have already been legislated and it is simply a matter of upgrading the organization to a status appropriate to the vast number of people it provides service to and the tremendous size of its budget.

It is also an appropriate way to recognize the invaluable service provided to the Nation by the millions of American veterans. For by establishing a Department of Veterans' Affairs, we would be upgrading the organizational priority for matters relating to veterans.

IMPROVEMENTS MADE

Last year, the General Accounting Office submitted a report to the Government Operations Committee concerning the legislation I introduced at that time to create a Department of Veterans' Affairs. The recommendation of the GAO was that the executive level of the Undersecretary, General Counsel and various Assistant Secretaries authorized the bill be specifically stated. As I understand, this legislation takes care of that suggested improvement and would establish two Assistant Secretaries—one for the VA medical system and another for veterans' benefits.

I would also like to state that both the American Legion and Amvets last year have agreed to contact the committee to indicate their support for a cabinet level organization for veterans' affairs. It is my feeling that this support should be taken into careful consideration by the Congress in regard to this legislation.

Mr. President, the simple fact is that the Veterans' Administration has a direct influence on the lives of over 29 million veterans. When wives and children of these veterans' immediate families are added to this figure, it is apparent that the activities of the Veterans' Administration affect nearly one-half of our population of over 200 million Americans.

It is a well known fact that with over 202,000 employees, the Veterans' Administration is the second largest Federal agency in employment.

For fiscal year 1976 and the 3-month transitional period, we appropriated $17.8 billion for the Veterans' Administration alone. In the second concurrent budget resolution recently reported to the Senate, the budget target for the veterans' function is proposed at $19.1 billion. A similar figure is in the House resolution and that represents a $1.6 billion increase from the $17.5 billion target in the first concurrent budget resolution.

The level of Federal expenditures for veterans is anticipated to be around $18 to $18.5 billion for fiscal year 1977. That level of funding makes the VA the third largest agency in the Government. The size of the budget and its economic impact make the VA appropriate for a Cabinet level agency.

These simple facts are an indication of the tremendous importance of the Veterans' Administration in our Government. It seems clear to me that this is adequate to demonstrate the importance of giving departmental status to the VA but there are additional reasons.

MULTIPLE FUNCTIONS

Mr. President, the diversification of services within the Veterans' Administration are paralleled by almost no other Federal agency. VA services range from education and training to housing, business and farm loans to disability compensation and pension to life insurance and many other services.

The National Cemetery System was added last year to the organization's responsibilities. There are over 100 national cemeteries administered by the VA in this recent program. With this added responsibility the VA may now serve a veteran from early in life with his education right on through to his final resting place.

VAST MEDICAL SYSTEM

The best example of the tremendous range of VA services may be its vast medical system. This system includes 171 hospitals and over 200 clinics.

In the VA system of hospitals and clinics, over 80,000 inpatients are treated daily. There are over 14 million outpatients treated by the VA.

The prosthetic aids and rehabilitative assistance provided by the VA rival the best available in the private medical sector and anywhere else in the world. Sharing these developments with the rest of the population could be more easily accomplished if the VA were raised to Cabinet-level status.

ORGANIZATION IMPROVED

Presently, at least 8 other agencies are concerned with some sort of service to veterans. Hopefully, the quality and availability of these services could be better evaluated and improved if a Department of Veterans' Affairs could be established to control and supervise all services provided to veterans.

Presently, the Administrator of the VA is responsible to the President for the well-being of veterans and he carries out many of the Federal laws which govern them. He is the primary adviser to the President on veterans' affairs.

In view of the enormous responsibility and magnitude of services under the VA Administrator, he should, in my opinion, clearly be promoted to cabinet rank. There should be a clear-cut and higher level channel by which the Administrator can supply facts and counsel to the President. In turn, the President's guidance and support should be more directly available to the Administrator.

The establishment of a Department of Veterans' Affairs would permit greater consistency and effectiveness among the many benefits and rights established by the Congress for veterans of the Armed Forces and their dependents and beneficiaries.

Mr. President, again I wish to underscore my concern about the importance of this measure and to urge the support of every Member of the Senate for it.

By Mr. KENNEDY:

S. 2654. A bill to amend the Higher Education Act of 1965 to extend and strengthen special programs for students from disadvantaged backgrounds, and for other purposes. Referred to the Committee on Labor and Public Welfare.

IMPROVING OPPORTUNITIES FOR HIGHER EDUCATION

Mr. KENNEDY. Mr. President, today I am introducing a bill to amend the Higher Education Act of 1965 to improve the postsecondary education opportunity of disadvantaged youth by coordinating and expanding the "trio" special services programs in a new National Center for Postsecondary Opportunity.

In addition, the bill will create a new service learning center program which is designed to be a stop-in counseling, guidance and tutoring center not only for the disadvantaged but for other students as well.

All too frequently, the sons and daughters of the working class, those whose incomes may not meet precisely low-income standards, have need of additional assistance in order to make the transition from high school to college. They may not need long-term assistance or even comprehensive counseling but require merely short-term support. That is rarely available today.

For that reason, I believe opening the doors of this new service learning center to these individuals may prove one of the most cost-effective ways of improving the retention rates for these young men and women in institutions of higher education.

In 1965 the talent search program was created by section 408(a) of the Higher Education Act of 1965, as a recruiting mechanism to identify disadvantaged students who would be eligible to receive educational opportunity grants.

In 1966, through amendments to the Economic Opportunity Act, the upward bound program became a national program, designed to meet the needs of disadvantaged students who were in need of intensive preparatory programs before entering college. Under the Higher Education Amendments of 1968, the upward bound program was transferred to the Office of Education.

The Office of Education also employed the upward bound technique to develop special projects to aid those veterans who may be disadvantaged and want to pursue postsecondary education.

The Higher Education Amendments of 1968 also amended the Higher Education Act of 1965 to provide a program of special services for disadvantaged students with academic potential who are enrolled or accepted for enrollment at higher educational institutions. This program was established to provide career guidance, academic assistance and counseling for disadvantaged college students.

While the accomplishments of these programs are encouraging the separate administration of these programs results in some overlapping of operations, an inability to identify specific national goals, and, too often, a failure to recognize the need for sharing effective practices in educating the disadvantaged, according to a recent report of the task force on the disadvantaged and postsecondary education.

They found that we lack the necessary vehicle for leadership and coordination for these programs that are designed to assist our disadvantaged youth.

It is painfully evident that if one is poor, a minority or physically disabled, the chances of successfully entering and completing postsecondary education are unequal when compared to the rest of society.

The task force in its summary report submitted to the U.S. Office of Education, in January 1975, cited alarming examples of the inequities and needs of disadvantaged individuals:

Only one out of every two youngsters from low-income background will graduate from high school, and only one of four of those high school graduates will graduate from college.

In 1970, minorities constituted 16.8 percent of the population, but only 10.6 percent of the postsecondary undergraduate enrollment.

In graduate and professional schools, minorities comprise only 5.8 percent of the total enrollment.

Spanish surnamed Americans, representing approximately 5 percent of the total population, comprise only 2.1 percent of the enrollment in institutions of higher education.

Native Americans also still have an overall dropout rate of 50 to 60 percent from elementary and secondary schools.

While blacks comprise 11.1 percent of the total population, they comprise only 6.9 percent of the undergraduate enrollment in colleges and universities and enrollment has been declining since 1972.

Although there are no fully accurate national statistics related to postsecondary enrollment of the physically handicapped, it was reported that our country is only educating about 40 percent of these individuals.

These examples of exclusion and unequal participation reveal the vast distance still to be travelled in achieving equal access to higher education for our citizens.

In addition, it should be emphasized that the need for services far exceeds available resources. There are 3,000 postsecondary institutions, yet only 331 have special services projects. Talent Search has a potential target population of more than 5 million and serves only 145,000. Upward Bound serves only 53,000 students out of a potential population of 2½ million individuals between 14 and 17 years of age who meet the low-income criteria for assistance.

I believe this bill will facilitate a more comprehensive approach to educating the disadvantaged.

This bill would create the National Center for Postsecondary Opportunity that would provide national leadership and coordination for activities and programs for the disadvantaged that is lacking in current programs.

The Center would be assisted by the National Advisory Council, comprised of 20 members, 10 of whom will represent the different geographical areas of the country.

The bill authorizes $250 million for the fiscal year ending June 30, 1976, and the same amount for each of the succeeding years ending prior to September 30, 1980.

The increased authorization will permit the doubling of the current participation in talent search, upward bound, special services and educational opportunity centers. In addition, the service learning centers and the special focus centers should permit an additional 220,000 students to receive assistance. Thus, instead of serving 355,000 students, these programs would be able to reach nearly 1 million students.

Services provided through grants and contracts under the trio programs will be specifically designated to assist individuals disadvantaged because of deprived economic backgrounds, deprived cultural or educational backgrounds, limited English-speaking ability, physical handicaps and significant interruptions, or postponements of education. Also included is a small fellowship program for developing higher education personnel in designing and serving in programs to assist the disadvantaged.

Equal educational opportunity is a goal that has been recognized for decades. President Kennedy, in his message to Congress on education, February 6, 1962, said:

> In our democracy, every young person should have an equal opportunity to obtain a higher education, regardless of his station in life or financial means.

As long as there are identifiable groups excluded from participation in postsecondary education, the goal of equal educational opportunity will continue to elude us. Now is the time to provide the leadership and the means to provide every citizen of this country with an equal opportunity to rise to the fullest extent of his capabilities.

By Mr. JACKSON:

S. 2655. A bill to reduce the dependence of the United States on insecure foreign energy supplies by controlling oil imports, to foster competition in world petroleum markets; to minimize the resource and foreign exchange costs of petroleum imports to the United States; to allocate petroleum imports equitably; and for other purposes. Referred to the Committee on Finance.

THE OIL IMPORT CONTROL ACT OF 1975

Mr. JACKSON. Mr. President, it is 2 years since the Arab oil producing nations joined to cut back crude oil production and to cut off shipments to the United States. In the following months we saw long queues at gasoline stations, and mass layoffs in the automobile and other industries. We also saw the Organization of Petroleum Exporting Countries—of which the Arab producers are only a part—repeatedly and unilaterally raise the world price of crude oil until their average revenues per barrel exceed nine times the 1972 figure.

Higher oil prices have been the biggest single cause of accelerated inflation and deep recession in almost every advanced country, and for a new wave of misery and starvation in many poor nations.

Despite this powerful demonstration of how vulnerable our economy, and the economies of other oil importing nations, are to blackmail and extortion by the cartel, the United States has not devised any strategy to halt or reverse these disastrous price rises. The energy policy of Kissinger, Nixon, and Ford has oscillated between pleading with Saudi Arabia, the leading member of the cartel, to take pity on the poor industrialized countries, and moves to further increase oil prices in the United States through decontrol of domestic crude oil prices, and imposition of tariffs and taxes on top of the exorbitant OPEC oil price. Rather than lending every effort to lower prices, Dr. Kissinger and Mr. Ford have gone so far as to offer the producing cartel, and to urge upon other consuming nations, an oil price floor which would prevent a fall in prices should OPEC be unable to do so.

Only this fall has the administration finally agreed with Congress on specific legislative language to establish a strategic oil reserve, a concept which I and many other Members of Congress have urged for more than 4 years.

Mr. President, despite the existence of surplus producing capacity equal to almost half of their current production, the Organization of Petroleum Exporting Countries has again decreed an increase in world oil prices, amounting to 10 percent of the Persian Gulf "marker" price. There are indications, however, that conditions are favorable for the restoration of some competition in world crude oil markets—at least sufficient to restrain further price increases—if only we will encourage it.

The producing nations have yet to solve the most fundamental problem of a price-fixing cartel—how to allocate markets and idle capacity among its members. This task has so far been undertaken by the multinational oil companies, which distribute their "liftings" among the producers roughly in proportion to their producing capacity.

The September OPEC meeting was the most acrimonious yet. It was both preceded and followed by intense competition at the fringes of the market over quality and location premiums, payment terms, and the like. And Saudi Arabia and Indonesia have openly declared that their net price increases will average substantially less than the OPEC norm.

In this context, I believe that the time is ripe for the United States and other important nations to establish a purchasing system that will encourage competition among the producing nations, and put an end to the role the major oil companies have played in prorationing supply to manage the cartel's excess producing capacity.

The legislation I am introducing today does not put the U.S. Government in the business of buying and selling oil. The major oil companies perform a logistical and coordinating function for world petroleum markets which would be difficult to improve upon. The Oil Import Control Act of 1975 leaves them with this function as long as they can perform it competitively.

Competition, not confrontation, is the objective of this legislation. It is pointless to talk about "breaking up OPEC." The exporting nations will always have their "trade association" and we cannot quarrel with their right to have one for technical, informational, or economic purposes. Our goal in this legislation is to break the monopoly power of the cartel—to end the situation in which OPEC unilaterally sets the world price of oil.

The Oil Import Control Act of 1975 would establish a new quota or "allotment" system to control the volume of oil imports. Unlike the old mandatory oil import program, however, its objective is to lower, not raise, crude oil prices.

The bill requires the President to publish and update monthly an oil import plan, consisting of oil import targets for each month of the following 2 years. The President is granted the discretion to choose targets and actual allotments ranging from a decrease in imports of 10 percent per year to an increase of 7 percent. The allotment would have to be limited sufficiently, however, to create some market value for import permits.

Actual import allotments would be set monthly, and the volume of imports permitted—including any deviation from the last plan—would have to be supported by an impact statement and appropriate analyses.

A system of quantitative restrictions on imports would automatically insulate the domestic market price from OPEC prices, unlike a tariff system in which domestic prices would move up or down with the import price. In principle domestic prices might be higher or lower than import prices under the quota, depending upon domestic supply and demand and price control policy. I believe that it is clearly in the long-run interest of the United States to promote competition in the world oil market and competition will result in lower, not higher prices.

Import permits would be auctioned each month to the highest bidders in a secret bid auction. Anyone might bid for permits—oil companies, brokers, foreign governments or their nominees, or speculators. The permits would be freely transferable and negotiable and could be used by any importer.

In this way, every refiner could obtain the right to import as much oil as he wanted by purchasing tickets either at auction or in the open market. All the money would be returned to importers, but in proportion to the volume of oil they imported, not in proportion to their bids. The permit price would not, therefore, serve as a tariff raising the prices of petroleum products to U.S. consumers.

The principal purpose of the sealed-bid auction is to erode the OPEC cartel price by providing individual exporters a secret, "backdoor" method of price reductions. A producing nation that wanted to assure itself of increased exports could do so without abandoning the cartel price, by subsidizing—with "laundered" money if necessary—its customers' purchase of import permits.

In this way, no oil exporter need openly cheat on OPEC, but those with the greatest need for foreign exchange—Algeria, Nigeria, Iraq, et cetera—could see that all their producing capacity was utilized by assuring that their own prospective customers have access to U.S. import permits. Others, such as Saudi Arabia and Abu Dhabi, which would actually receive lower revenues as a result of further price increases—because they take the brunt of any production cutbacks caused by higher prices—could restrain those increases without openly breaking the front of OPEC solidarity. No one would know which nations were purchasing or subsidizing the purchase of U.S. import permits, so that the ethical and political restraints which now inhibit discounting by OPEC members would be seriously weakened.

Because the revenue from the sale of permits would be redistributed to importers in proportion to their imports—resulting in a lower across the board cost for imported oil—any subsidy of imports by producer nations would be translated directly into price reductions for American consumers.

Permits would be issued valid for 1 month, 3 months, 6 months, 1 year and 2 years, in order to accommodate various contract terms. The first month's allotment would be distributed to importers free of charge on an historical basis. Because there would always be a substantially greater number of valid permits outstanding than importers required in any 1 month, it would be impossible to "corner" the market.

The President would be permitted—but not required—to exempt from permit requirements pipeline imports from Canada and/or Mexico, oil imported in swaps for domestically produced oil imports from another country using a substantially similar system of import controls.

The program established in this draft legislation is essentially the one which was first proposed by Prof. M. A. Adelman of MIT at a hearing of the Committee on Interior and Insular Affairs in February 1973. In his proposal, however, revenues from the sale of permits would have gone to the Treasury rather than to importers, and would not, therefore, have directly reduced consumer prices.

The legislation I am offering today contains both essential features required of any proposal designed to attack directly the problem of import dependence: a flexible provision for direct limitation of imports together with the maximum encouragement to producer competition which could reduce import prices.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 159

At the request of Mr. HELMS, the Senator from North Carolina (Mr. MORGAN) was added as a cosponsor of S. 159, a bill to amend the act relating to the Lumbee Indians of North Carolina.

S. 1729

At the request of Mr. BAYH, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1729, the Old Age, Survivors and Disability Insurance Act, to amend the social security laws which offer discriminatory benefits to dependents of male workers, but not to dependents of women workers; it eliminates dependency requirements for the extension of benefits; and it offers a new formula for the calculation of benefits based on the combined earnings of a working couple.

S. 1776

At the request of Mr. HUGH SCOTT, the Senator from Indiana (Mr. HARTKE) and the Senator from Idaho (Mr. MCCLURE) were added as cosponsors of S. 1776, a bill to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania.

S. 1949

At his own request, Mr. HUGH SCOTT was added as a cosponsor of S. 1949, a bill to amend the Internal Revenue Act of 1954.

S. 1992

At the request of Mr. CHURCH, the Senator from North Dakota (Mr. BURDICK) was added as a cosponsor of S. 1992, a bill to amend title II of the Social Security Act to revise the provisions relating to automatic cost-of-living increases in benefits and for other purposes.

S. 2110

At the request of Mr. CHURCH, the Senator from Missouri (Mr. EAGLETON), the Senator from Arizona (Mr. FANNIN), the Senator from Wyoming (Mr. HANSEN), the Senator from Indiana (Mr. HARTKE), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from West Virginia (Mr. RANDOLPH) and the Senator from Ohio (Mr. TAFT) were added as cosponsors to S. 2110, a bill to amend the Controlled Substances Act so as to make unlawful the robbery of a controlled substance from a registered pharmacy.

S. 2134

At the request of Mr. BAYH, the Senator from New York (Mr. BUCKLEY) was added as a cosponsor to S. 2134, a bill to amend the Internal Revenue Code to permit State legislators to deduct living expenses in the same manner as Members of Congress.

S. 2157

At the request of Mr. JAVITS, the Senator from Ohio (Mr. TAFT) was added as a cosponsor of S. 2157, a bill to amend title XX of the Social Security Act.

S. 2229

At the request of Mr. BAYH, the Senator from Wyoming (Mr. MCGEE) was added as a cosponsor of S. 2229, a bill to direct the National Commission on the Observance of International Women's Year, 1975 to organize and convene a National Women's Conference before December 31, 1976.

S. 2262

At the request of Mr. BEALL, the Senator from Oklahoma (Mr. BARTLETT), the Senator from Arizona (Mr. FANNIN), and the two Senators from Utah (Mr. GARN and Mr. MOSS) were added as cosponsors of S. 2262, a bill to establish a temporary Commission on U.S. Participation in the United Nations.

S. 2359

At the request of Mr. BAYH, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2359, the Equity Health Insurance Act, to provide equal treatment for all persons entering into health insurance agreements.

S. 2360

At the request of Mr. BAYH, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 2360, the Life Support Centers Act of 1975, to amend the Public Health Service Act to provide health care services for pregnant adolescents before and after childbirth.

S. 2446

At the request of Mr. CHURCH, the Senator from Nevada (Mr. CANNON) was added as a cosponsor of S. 2446, a bill to amend the Social Security Act to freeze medicare deductibles.

S. 2451

At the request of Mr. DOLE, the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 2451, a bill to amend the Food Stamp Act of 1964.

S. 2574

At the request of Mr. EAGLETON, the Senator from Michigan (Mr. PHILIP A. HART) was added as a cosponsor of S. 2574, a bill to amend the Securities Act of 1933.

S. 2589

At the request of Mr. MCGOVERN, the Senator from Vermont (Mr. LEAHY), the Senator from Oregon (Mr. HATFIELD), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Indiana (Mr. HARTKE) were added as cosponsors of S. 2589, a bill to foster and continue the family farm in the United States by providing farmers with the necessary assistance to purchase family farm units, and for other purposes.

S. 2629

At the request of Mr. BENTSEN, the Senator from Alabama (Mr. ALLEN) and the Senator from Arizona (Mr. FANNIN) were added as cosponsors of S. 2629, a bill to amend the Internal Revenue Code to provide a tax credit to businesses which expand their employment during 1976 and 1977.

SENATE RESOLUTION 251

At the request of Mr. BIDEN, the Senator from New Jersey (Mr. CASE) was added as a cosponsor of Senate Resolution 251, relating to the President's trip to China and American POW's and MIA's.

SENATE RESOLUTION 288

At the request of Mr. HUMPHREY, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of Senate Resolution 288, relating to an action of the United Nations concerning Zionism.

SENATE RESOLUTION 295

At the request of Mr. TUNNEY, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of Senate Resolution 295, relating to the submission of any base agreement with Spain as a treaty.

SENATE CONCURRENT RESOLUTION 70

At the request of Mr. HUMPHREY, the Senator from Wyoming (Mr. MCGEE), was added as a cosponsor of Senate Concurrent Resolution 70, relating to broadening the observance of Thanksgiving to an occasion of sharing our plenty with the hungry of other lands.

SENATE CONCURRENT RESOLUTION 75—SUBMISSION OF A CONCURRENT RESOLUTION TO RECOGNIZE "CONGRESS OWN REGIMENT"

(Referred to the Committee on the Judiciary.)

Mr. MATHIAS (for himself and Mr. BEALL) submitted the following concurrent resolution:

S. CON. RES. 75

Whereas the Continental Congress established a military framework that has added in the defense of our Nation throughout its two hundred-year history;

Whereas a vital part of that framework was the formation of nationally raised, nationally supported military units;

Whereas the Continental Congress did on November 10, 1775 order establishment of a regiment to be supported not by an individual colony but by the Congress itself;

Whereas this regiment distinguished itself throughout the Revolutionary War in numerous campaigns, including the Staten Island Campaign, the Battle of Long Island, the Battle of White Plains, the Battle of Brandywine, the Battle of Germantown, the Saratoga Campaign, and the Battle of Yorktown;

Whereas patriotic citizens have diligently endeavored to recreate this unit and carry on its traditions;

Whereas these efforts by American citizens preserve our heritage, aid in our festivals, and assist younger Americans in their search for better citizenship: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the appellation "Congress Own Regiment" is recognized as an alternate title for the Second Canadian Regiment formed November 10, 1775 by order of the Continental Congress, and that those engage in recreation of this regiment and in the carrying forward of its traditions and history are hereby commended by the Congress for their work and encouraged to continue such efforts in the years between our Nation's Bicentennial and Tricentennial, and that the private citizens engaged in recreating this regiment are especially commended for their work with younger Americans.

AMENDMENTS SUBMITTED FOR PRINTING

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS—H.R. 5900

AMENDMENT NO. 1063

(Ordered to be printed and to lie on the table.)

Mr. BUMPERS submitted an amendment intended to be proposed by him to the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

AMENDMENT NO. 1064

(Ordered to be printed and to lie on the table.)

Mr. BUMPERS submitted an amendment intended to be proposed by him to amendment No. 1058, intended to be proposed to the bill (H.R. 5900), supra.

AMENDMENT NO. 1065

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to the bill (H.R. 5900), supra.

AMENDMENT NO. 1066

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to amendment No. 1058, intended to be proposed to the bill (H.R. 5900), supra.

ADDITIONAL COSPONSORS OF AN AMENDMENT

Mr. CHURCH. Mr. President, when I submitted on November 3 an amendment to the International Development and Food Assistance Act which would eliminate the use of foreign assistance loan "reflows," I had no opportunity to add cosponsors to the amendment. Since a number of Senators have asked to be associated with the amendment, I wish to add as cosponsors Senators CRANSTON, INOUYE, HANSEN, DOLE, and ROTH.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF HEARING ON INTERNATIONAL FREEDOM TO WRITE AND PUBLISH

Mr. JACKSON. Mr. President, I wish to announce a Permanent Subcommittee on Investigations hearing for November 18 on the American role in encouraging respect for the freedom to write and publish in the international community. The hearing will be held at 10 a.m. in room 3302, Dirksen Senate Office Building—Government Operations Committee hearing room.

Distinguished literary and publishing figures will testify before the subcommittee on the importance of promoting the freer exchange of ideas through freedom of the press and of publication.

The panel will include:

Mr. Robert L. Bernstein, President and Chairman of the Board, Random House, Inc.; Chairman of the Committee on International Freedom to Publish, Association of American Publishers.

Mr. Arthur Miller, Author and Playwright; Member of the Board of P.E.N. American Center; Former President, P.E.N. International.

Mr. Joseph Okpaku, Publisher and Author; President, The Third Press; Member, International P.E.N., with a special interest in Africa.

Mr. Harrison Salisbury, Journalist and Author; President, National Institute of Arts and Letters; Former Moscow Correspondent and Managing Editor, the New York Times.

Mr. Alan U. Schwartz, Lawyer and Author; Counsel to the Committee on International Freedom to Publish, Association of American Publishers; Counsel to P.E.N.

Ms. Rose Styron, Journalist, Poet and Translator; Member, American Board of Amnesty International, with a special interest in Latin America.

MEDICARE-MEDICAID FRAUD HEARINGS CALLED

Mr. MOSS. Mr. President, this Thursday, November 13, my Subcommittee on Long-Term Care of the Senate Special Committee on Aging, will resume hearings on medicare and medicaid fraud. The hearings will be held in room 235 Russell Senate Office Building beginning at 10 a.m.

These hearings were an outgrowth of our nursing home investigation in New York earlier this year. We issued a great number of subpenas to nursing home operators and other providers. The data we received, and which the General Accounting Office helped us analyze, was devastating. My reaction was to broaden the scope of my subcommittee's investigation. On September 26 we held hearings which foused on the activities of two hospitals which predominantly serve welfare patients; we learned of the operations of factoring companies and clinical laboratories. We heard estimates that as much as one medicaid dollar out of every six may be ripped off by unscrupulous operators. On October 28, we had a look at the operation of some for-profit home health and homemaker agencies. Our November 13 hearing will continue this trend.

Witnesses will include the U.S. General Accounting Office; two pharmacists and State officials in charge of combating medicare-medicaid fraud.

NOTICE OF HEARINGS

Mr. BIDEN. Mr. President, as chairman of the Consumer Affairs Subcommittee of the Committee on Banking, Housing and Urban Affairs, I wish to announce that the final day of hearings on S. 1840, the Fair Credit Reporting Act amendments, will be held on Tuesday, November 18, at 10 a.m. in room 5302 of the Dirksen Senate Office Building. At this time the subcommittee will hear those witnesses originally scheduled for October 28.

NOTICE OF HEARING

Mr. MOSS. Mr. President, I wish to announce that the Committee on Aeronautical and Space Sciences will hold a hearing jointly with the Subcommittee on the National Science Foundation of the Committee on Labor and Public Welfare, and the Subcommittee on Science, Technology, and Commerce of the Committee on Commerce, on H.R. 10230, the National Science and Technology Policy and Organization Act of 1975.

This hearing will be held in room 235 of the Russell Senate Office Building at 2 p.m., Wednesday, November 12, 1975. The witnesses will be Dr. H. Guyford Stever, Director, National Science Foundation, and Science Adviser to the President, and Mr. Arthur P. Stern, President, Institute of Electrical and Electronic Engineers, and member of the Association on Cooperation in Engineering.

ADDITIONAL STATEMENTS

THE DILEMMA OF BOSTON

Mr. BROCK. Mr. President, the dilemma of Boston continues. Now there are reports of white flight. News articles and editorials are both pointing to the resultant problems inherent with forced busing of schoolchildren. Boston, for instance, is learning the hard way the experiences of many families and cities in my State. I ask unanimous consent that a news article from the Washington Post and an editorial from the Washington Star, both pointing out the drop in enrollment following forced busing, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WHITES IN MINORITY IN BOSTON'S SCHOOLS

(By Ed Schumacher)

BOSTON, October 23.—After six weeks of massive court-ordered school busing, Boston has a majority non-white school system for the first time in its history, according to official enrollment figures made public this week by the Boston School Department.

The figures, submitted to U.S. District Court Judge W. Arthur Garrity Jr. into Tuesday, appear to confirm fears that the controversial busing plan would produce white student flights, particularly in the elementary grades, portending an even smaller white student population in the future.

According to the school department, which administers the city's schools, whites make up less than 48 per cent of the student population, compared with more than 52 per cent last year under the first, more limited phase of federal court-ordered busing and more than 57 per cent two years ago.

In the elementary grades, 1 through 6, whites make up 42 per cent, blacks 43 per cent and the rest are other minorities. Last year, whites held a bare majority in those grades. More than three-fourths of Boston's population is white.

The figures indicate white student flight to other schools and not a flight by white families to the suburbs, city officials said.

More than 2,000 of a reported 3,500 white students who officially transferred from public schools are enrolled in parochial schools. Most of the rest are enrolled in suburban public schools, using the addresses of relatives, school officials said.

The number of transfers is similar to past years, but 5,000 white students of a total enrollment of about 73,500 of all races in grades 1 through 12 are listed as missing.

The figures also show that 2,600 blacks out of a projected enrollment of more than 33,000 blacks are listed as missing and 800 are listed as official transfers.

Many of the "missing" students—black and white—are attending private schools or schools in other areas.

Federal court and city officials caution that school department figures more than a year old are unreliable, possibly changing the size of the drop in the number of white students. But the figures for this term, for the first time, were gathered with close monitoring by the federal court.

The enrollment figures include all students who showed up at school for at least one day during the first six weeks. The figures have been amended to show students who officially transferred to other schools but do not indicate those who enrolled and dropped out or transferred without notification.

School department officials delayed making public the enrollment figures so they could track down students who were unaccounted for. Some of the missing students may be administrative mistakes, officials said.

Robert Dentler, the dean of Boston University School of Education who has been assisting Garrity in the school desegregation, cautioned that the changing composition of the total student body is partially due to normal demographic patterns, such as higher birth rates among blacks and a general national trend for whites to leave inner cities.

But the view among many school and city officials and community leaders is that desegregation, and particularly court-ordered busing, is the main cause for whites leaving the school system.

"MISSING" IN BOSTON

Some 5,000 students, black as well as white, are officially listed as "missing" this year from the Boston public schools. Together with several thousand official transfers from public to parochial schools, they account for the saddening but unsurprising news that after two years of accelerated racial cross-busing the Boston schools are tipping toward a black majority. In two years, this noble experiment has reduced white enrollment from 57 to 48 per cent.

One mentions these sad figures with reluctance. There is an intimidating kind of moral obloquy in store for anyone who talks about practical consequences in this matter. And of course, the usual alibis are being readied. Prof. Robert Dentler of Boston University, who has assisted Federal Judge Arthur Garrity in overseeing the desegregation program, has "cautioned" reporters, we note, against drawing sweeping conclusions from the figures—which, incidentally, were withheld for a time in the hope that these conclusions could be made less obvious. The professor, who is dean of the school of education at BU, said some of the changes might be traced to "normal demographic patterns." And so some may be.

There is an entirely human and quite compassionate double standard at work in the evaluation of the Boston figures. Those who encourage judges and school officials to overcome their fears about cross-busing are quick to seize upon evidence that it is working well, but slow to draw sad conclusions from unfavorable figures.

In fact, it really doesn't matter whether the melancholy figures from Boston are read to indicate significant resistance to a disruption of neighborhood school patterns, or are seen as the result of "normal demographic patterns." Either way, they raise the question of what profit there may be in policies that in the pursuit of integrated schools serve to segregate them further.

However one interprets the Boston figures, they lend urgency to an already urgent message. It should be federal (and state) policy to attract all children to good schools, not to ship them off to schools perceived by their parents as bad ones, from which they are shortly reported "missing."

Prof. James Coleman, who is sometimes thought of as the architect of cross-busing, has been saying so for some time. But his warnings arouse a chorus of quibbling and complaint over his figures and his conclusions. The crying need, in any case, is for the courts to take note—to have the flexibility to take note—of practical consequences. In a less emotion-ridden problem, that need would not be disputed. Yet it continues to be disputed in every city where the courts are pursuing this wrong-headed policy. How many school systems, along with Boston's, must be put beyond the reach of meaningful desegregation before the risk begins to register?

EDUCATION AND AMERICA'S FUTURE

Mr. HUMPHREY. Mr. President, there is a growing feeling among many parents that the public schools have not paid enough attention to the three traditional standbys—reading, writing, and arithmetic.

This was reinforced by a 4-year study recently released by the Office of Education which concluded that one in every five American adults—aged 18 to 65—have great difficulty in the everyday tasks of reading job notices, making change, shopping, and locating needed services. The study also found that 40 million other adults—one in every three—have just the minimum competence required to be effective citizens, consumers, wage earners, or family members.

The decline in college entrance test scores, among the few nationwide measures of academic performance among students in American high schools, is another source of concern among parents, educators, and scholars of the American scene. Although many bright freshmen entering college are quite conversant with local, national, and international problems, they are increasingly deficient in basic reading and writing skills.

Mr. President, this is disturbing and it underscores the need to establish a new education policy for America—a policy to guarantee that all children and youth regardless of residence, family income, or race will have full and equal opportunity to obtain a quality education.

The National Education Investment Act of 1975, which I introduced in the Senate, is designed to address the serious problem of inadequate, obsolescent, and run down school facilities by providing loan guarantees for modernization and new construction. Second, under my bill, a national education trust fund would be established, from which payments would be made to State and local jurisdiction applicants which agree to substantially reduce or eliminate the property tax as the means for financing elementary and secondary education.

It is not the function of the Federal Government to dictate the answers. Rather, this legislation would provide strong incentives for reform in the States. It would provide major assistance to improve and balance per pupil expenditures among all local school districts without penalizing high expenditure districts. The trust fund would enable schools to know in advance what funds would be available, and these resources would be free from zealous budget cutters.

The National Education Investment Act proposes direct measures to solve profound problems—the need for up-to-date school facilities and for ending the unconscionable inequality where a child's education is made dependent on the wealth or poverty of his or her community.

The National Education Investment Act also pinpoints special education needs of children which for too long have received a totally inadequate response—including the needs of preschoolchildren, of mentally or physically handicapped children, and of educationally deprived children in areas of poverty.

A new education policy for America must establish education as a high national priority in the protection and development of our human resources. We are the only major nation in the world that lacks a Cabinet-level post in education.

Studies have shown that education has a high correlation with productivity. Knowledge-based industries have become an even more important part of our economic life. We must give education an advocate at the highest levels of Government and have the means to consolidate and coordinate all education-related programs. For this purpose, I have introduced the Education Reorganization Act, to establish a Cabinet-level Department of Education so that we can begin to deal with the educational problems systematically, instead of piecemeal and haphazardly.

Passage of legislation along the lines of the National Education Investment Act and the Education Reorganization Act would mark the beginning of a new era in education. But it would just be a beginning. New programs need to be established: comprehensive early childhood development centers, vocational and career training centers, and adult education centers are only a few.

We must clearly recognize the critical role of education in defining the future of our Nation. We must make a firm commitment to give all our children and youth every possible opportunity for self-development in achieving lives of meaning and purpose. But, most of all, we must assure that our children have the basic tools necessary to be effective citizens, able to participate fully in a complex society and able to, in turn, impart to their children a sense of worth and hope.

Mr. President, I ask unanimous consent that three newspaper articles describing some of the problems facing our educational system be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 30, 1975]

20 Percent of Adults Found Unable To Cope With Life

(By Eric Wentworth)

More than 23 million American adults, one in every five, lack the basic know-how to function effectively in a complex society, according to a study released yesterday by the U.S. Office of Education.

The study found that 40 million other adults, one in every three, have just the minimum competence required to be effective citizens, consumers, wage-earners or family members.

Only about 55 million, less than half the nation's total adult population aged 18 to 65, were found really proficient in reading, writing, computation and problem-solving skills.

U.S. Education Commissioner Terrel H. Bell called the findings "rather startling" and said they "call for some major rethinking of education on several levels."

Among the more glaring examples of incompetence found through testing representative samples of American adults:

Some 20 per cent didn't know the meaning of a company's sign, "We Are an Equal Opportunity Employer."

Some 13 per cent—amounting to 15 million adults—were unable to address an envelope well enough to assure that the Postal Service could deliver it.

Twenty-seven per cent didn't know, or couldn't remember, that normal human body temperature is 98.6 degrees Fahrenheit.

And 14 per cent, equivalent to 16.5 million, were unable to make out a personal check correctly enough that a bank could process it.

Other questions tested abilities to pick the best buy among three cereal boxes on a grocery shelf, to select the desired flight from an airline timetable, to compare—from a simple graph—the effectiveness of two pain-relievers, and to name their states' two U.S. senators.

The million-dollar study, conducted over the past four years by a University of Texas team headed by Norvell Northcutt, found American adults particularly weak in consumer economics—money management, comparison shopping, figuring taxes, tipping in restaurants and the like.

Testing results showed 29.4 per cent incompetent, 33 per cent barely competent and 37.6 per cent proficient on consumer economics questions.

These results tended to confirm findings of another federally funded project, the National Assessment of Educational Progress, which reported in July that many young Americans lacked basic skills in consumer mathematics.

But the new study showed adults have trouble calculating what they earn as well as what they spend. One question involved computing the paycheck for someone who works 43 hours in a given week at a rate of $2 an hour for the first 40 hours and one-and-a-half times that rate for the additional hours. Twenty-nine per cent failed to get the correct answer: $89.

On another question, 13 per cent thought a "credit check" was a substitute for cash.

The study involved developing a list of 65 objectives for successful functioning in today's society and sets of questions—or tasks—to test how well adults meet such objectives.

Ten thousand adults, according to Northcutt, were involved in the survey. Each person was asked to respond to 67 questions or tasks during an hour-long interview.

Generally paralleling results of the National Assessment of Educational Progress in its tests on various subjects, the Northcutt study found the weakest performances among blacks and Hispanics, Southerners, and those with low family incomes and least education.

The new study, and the debate it will doubtless inspire, marks another step in a trend among many educators and public officials to look beyond classroom skills and judge education's effectiveness more on whether Americans are learning to cope with the "real world."

Such educators speak of "functional literacy"—the ability to apply reading skills effectively in everyday life—and in the wake of this new study will talk more generally of "functional competency."

[From the Christian Science Monitor, Oct. 23, 1975]

Many Parents Demand Return to Basics in School

WASHINGTON.—There is a growing feeling among many parents that the public schools have not paid enough attention to the three traditional standbys—reading, writing, and arithmetic.

On one level, this feeling is related to dissatisfaction with the educational innovations of the 1960s and the belief that the schools have become too permissive. On another level, it is related to the growing mistrust of American institutions in general.

"People are worried their children aren't respecting the old values," said Bob Mackin, director of the National Alternative Schools Program at the University of Massachusetts, "so they want to impose the basics on them."

The desire to return to traditional methods of teaching also goes hand in hand with the fiscal conservatism of the times. According to a nationwide survey of school-district budgets conducted by Market Data Retrieval, an educational research company based in Westport, Connecticut, the average cost of educating a student in the U.S. public schools rose from $553.95 during the 1967–68 school year to $1,168.22 during 1974–75.

"As things begin to cost more, we tend to look at them more closely," said George Weber of the Council for Basic Education, a nonprofit education organization in Washington, D.C. "The public is getting more information on the outcome of innovative teaching methods and they're finding out the innovations aren't giving results."

In many parts of the country, parents are also upset by what they consider to be too much emphasis on the teaching of left-wing politics, sex education, and street language. Violent protests erupted last fall in Kanawha County, West Virginia, over the use of new textbooks that many parents regarded as un-American, blasphemous, and obscene.

Parent-teacher disputes also have arisen in Hanover County, North Carolina, and Baton Rouge, Louisiana, over the use of profanity in high school texts. Such controversies have not been limited to the South, however. Conflicts over texts and teaching materials have erupted in such places as Aurora, Colorado; Syracuse, Indiana; McKeesport, Pennsylvania; and St. Paul, Minnesota.

One result of parental dissatisfaction has been the emergence of alternative public schools that emphasize educational fundamentals. They now are found in several school districts in various parts of the country. In the past, alternative schools were set up to give students more freedom and a broader curriculum. The new alternative schools, however, tend to stress strict discipline, patriotism, and the traditional "three Rs."

In the meantime, pressure for more emphasis on the basics at the elementary and secondary levels has come from the colleges. Increasingly, they have complained about entering freshmen who are deficient in basic reading and writing skills. Richard W. Moll, director of admissions at Bowdoin College in Maine, said high schools had stressed the "fun and the relevant" social science courses at the expense of composition, math, and reading. "The result," he has been quoted as saying, "is that a good many bright students are quite conversant with local, national, and international problems, but they can't write three consecutive declarative sentences in the English language."

Test scores on the College Entrance Examination Board's Scholastic Aptitude Test (SAT)—a test that is given to help forecast how a high school student will perform in college—have fallen steadily during the last 13 years for which results are available. The average composite scores on tests administered by the American College Testing Program (ACT) have also fallen in recent years.

Lillian Weber, a professor at City College of New York, has argued that the "open, learner-centered" innovations in elementary education should not be held responsible for the apparent decline in student achievement. "These kids who are not achieving now in high schools and colleges never even had open education," she has said. "It was the end of the 1960s before the schools were really doing anything in open education, and at that time it was a drop in the bucket."

Supporters of open education, in which children are allowed to explore a wide assortment of subjects at their own rate, emphasize they are not opposed to teaching the basics at all. However, they have warned against what many consider to be the reactionary philosophy behind some elements of the "back to basics' movement, such as the emphasis on dress codes, patriotism, and rigid discipline.

[From the Washington Post, Nov. 9, 1975]

The Great SAT Mystery

The decline in college entrance test scores throughout the country offers an irresistable opportunity to all philosophers of American culture. Since nobody really knows why the scores are dropping, you can pick whichever explanation you like best with the assurance that it's as defensible as any other. You won't often get a chance like this one. For the seers who take their inspiration from the history of the Roman Empire, it's another welcome bit of evidence of the incipient decay around us. For those of us who are no longer excessively young, it is further reassurance that the schools are no longer as good as they were when we were in them (whenever that may have been). For the romantics, it demonstrates that the greening generation of adolescents is indeed liberating its winsome self from the tiresome middle-aged preoccupations with competition and credentials. Each of these large conclusions is doubtless as wrong as the next, but you can't prove it from the test scores.

Every year about one million high school students take the Scholastic Aptitude Test, designed and administered by the College Entrance Examination Board. As every student knows (not to mention their parents), the test has two parts, verbal and mathematical, each scored on a scale from 800 to 200. The average scores have been declining for more than a decade, at first slowly and, within the past year, quite sharply. In 1962–63, the average scores were 478 in the verbal test and 502 in the mathematical. By 1973–74, they were down to 444 and 480. Last year they fell an unprecedented distance, to 434 and 472.

Before you accept this invitation to speculate on the reasons, you need to know that all of the obvious explanations have been under microscopic analysis for years. Is the test getting harder? The Board replies that it has been giving tests since 1901, and the modern SAT is the product of a meticulous process of pre-testing and cross-checking; it is hard to see how the traditional controls could suddenly go awry. Is the average being pulled down by badly-prepared youngsters from ghetto schools? The students so scoring in the top brackets, over 600, are not only a smaller proportion; they are also fewer in absolute numbers.

Does it reflect on new teaching methods and experimental curricula? Evidently not. The SAT is designed to measure aptitude, but the CEEB also gives achievement tests on specific academic subjects—chemistry, English composition, French and so forth. Over the past four years, while the SAT scores have fallen significantly, the achievement test scores have held steady, or in some cases, risen slightly.

(But here's another inscrutable clue: far fewer kids take the achievement tests than the SAT, and the number taking the achievement tests has fallen by one-third in those past four years.)

Like all administrators, the people who run the CEEB detest mysteries and they are beginning to feel rather defensive about their inability to solve this one. They have now appointed a committee of experts and scholars, headed by Willard Wirtz, the former Secretary of Labor, to try to find out what's going on. It's a good deal more than frivolous curiosity. These test scores are among the very few nationwide measures of academic performance among the ablest students in American high schools. If these scores accurately reflect a real drop in competence, that is a matter of serious concern and the sources of the trouble need to be identified precisely.

But they may not reflect a real drop in competence. There are some grounds for thinking that the tests, despite all the internal controls, may indeed be slightly harder than they once were. That is a question for the statisticians on the Wirtz committee. Beyond that possibility, some of the decline may also be due to a change in the way that high school students approach the test itself. In the 1950's, the student with the high scores was very often the obedient and harrassed worry-wart (we remember him well) who was certain that, should he fail to get into precisely the right college, his whole career would lie in ashes. The present attitude, if we read it correctly, tends to be much more relaxed. There are a great many good colleges, most youngsters realize, and at least within the past couple of years some of them have begun to run short of students. Perhaps the real change lies even deeper. In a society in which few go to college, the entrance examination is a matter of overwhelming importance to a 17-year-old. But now that well over half of all high school graduates go on to college, the test itself does not summon up quite so much adrenalin as it once did.

As for the culture that surrounds these young people, it makes much of them and provides, if anything, too much reassurance. A further clue to the falling score lies in a set of questions in which the CEEB asks the college-bound students to rank themselves, confidentially, in relation to other students. The portrait that emerges is one of profound self-satisfaction. "About one-fifth of the 1974–75 seniors ranked themselves in the top one per cent in ability to get along with others," the CEEB reported this year, "and about 10 per cent ranked themselves in the top one per cent in leadership." Young people who are very sure of themselves do extremely well in mathematics or foreign languages, but they are not likely to approach a college entrance with that sense of desperate anxiety that may well push a score up. The SAT, it appears, is a sensitive receiver picking up signals from far beyond the walls of the classroom.

CRIPPLING THE HATCH ACT?

Mr. FONG. Mr. President, as the Committee on Post Office and Civil Service has held hearings on legislation which would emasculate the Hatch Act if enacted, I wish to call the attention of our colleagues to a newspaper column titled "Crippling the Hatch Act?"

Syndicated columnist Kevin P. Phillips warns that injecting partisan politics into the Federal Civil Service through Hatch Act changes can have devastating results. He points out that, under legislation being promoted by many Government employee unions and their congressional allies, "not just typists and clerks but high-level officials of the FBI, Internal Revenue Service, and Federal Communications Commission—can be involved in party politics."

Asserts Mr. Phillips:

> . . . if critical job functions like those in the investigative and regulatory agencies are mixed up with partisan politics, we can expect new scandals nearer those of Watergate than the New Deal.

I ask unanimous consent to have printed in the RECORD the article by Kevin Phillips, as distributed by King Features Syndicate on October 1. The bill referred to is H.R. 8617, the "Federal Employees' Political Activities Act of 1975," which was passed by the House on October 21 and is now being rushed through the Senate Post Office and Civil Service Committee.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CRIPPLING THE HATCH ACT?

(By Kevin P. Phillips)

WASHINGTON.—Senator Carl A. Hatch, a scholarly Democrat who represented New Mexico in the U.S. Senate from 1933–49, left one great monument behind him in Washington—the Hatch Act, passed in 1939 to curtail the political activities of government workers after Congressional investigations had unearthed a variety of Federal scandals.

In Pennsylvania, Tennessee and Kentucky, Works Progress Administration (WPA) officials had forced Federal workers into local political machines and in the state of Maryland, even Internal Revenue and Post Office officials were implicated.

Now, 36 years later, Democratic leaders in the House have scheduled late October action on legislation that comes within a few inches of repealing the Hatch Act. Existing laws is to be modified so that the Federal Civil Service—not just typists and clerks but high-level officials of the FBI, Internal Revenue Service and Federal Communications Commission!—can be involved in party politics. Supporters of the proposed "Federal Employees Political Activities Act of 1975" purport only to be giving Federal employees the same political rights enjoyed by other citizens. Alas, things are not that simple.

NEW SCANDALS

First off, Federal employees are not like "everyone else" (compare their paychecks and lush retirement benefits with those of private employees). And for these perquisites they must yield a little something. More important, if critical job functions like those in the investigative and regulatory agencies are mixed up with partisan politics, we can expect new scandals nearer those of Watergate than the New Deal.

And here's the critical point: Pressure for gutting the Hatch Act does not come from government workers themselves, but from leaders of public employee labor unions, plus their allies in the Democratic Congressional power structure. These canny Machiavellis have a dual goal: With one contemplated brand of legislation, they want to force all government employees into unions and with Hatch Act emasculation, they want to make it possible for the public employee unions to shift their political activities into high gear.

Division of opinion is sharp. Nathan Wolkomir, President of the National Federation of Federal Employees, a voluntary, independent group, says a 30,000 sampling of NFFE membership shows 89 per cent opposition to any Hatch Act change. He testified that passage of the proposed bill would open the floodgates of public employee union politicking, and "the spectacle of public workers in the Federal departments and agencies up to their eyebrows in partisan political campaigning would tend to increase the criticism and cynicism which now is so endemic throughout our country." In contrast, all of the leaders of the public employee unions are anxious for repeal of both the Hatch Act and its state-level ("Little Hatch Act") equivalents.

NOT AN APPEALING PHILOSOPHY

The philosophy that guides these champions of public employee political activity is not very appealing. Jerry Wurf, President of the American Federation of State, County and Municipal Employees, has been quoted by Maryland Gov. Marvin Mandel as saying that "Baltimore City would burn to the ground unless the city gave in to his demands." Missouri Congressman William Clay, Chairman of the House Employee Political Rights Subcommittee and chief sponsor of the Hatch Act rollback, has been charged by the St. Louis Globe-Democrat with failing to file required Federal election spending reports that allegedly would have shown massive transfusions of union money. And AFL–CIO President George Meany, whose organization recently set up a Public Employees Department, told its first meeting: "Certainly, it's against the law to strike the Civil Service, but it's AFL–CIO policy to ignore those laws." Enough said, I think.

If these gentlemen and their legislative allies succeed in using reform sloganry to slip party politics and public employee union skulduggery into the FBI, the Criminal Division of the Justice Department and the regulatory sections of agencies like the Federal Communications Commission and Interstate Commerce Commission, then it will be fair to say that the corrective spirit of Watergate has turned into a potential renaissance of the Spoils System. Far better to maintain Senator Hatch's monument unweakened and unamended.

TRIBUTE TO SENATOR ROBERT C. BYRD

Mr. HUMPHREY. Mr. President, contrary to what Shakespeare once said in Julius Caesar, that "the good that men do is oft interred with their bones," sometimes the good that men do lives after them. That is a truly happy state of affairs. But even happier is the instance when the good that a man does lives with him. And such is the case with our distinguished majority whip, and my good friend, the Senator from West Virginia, Mr. ROBERT C. BYRD.

A recent article in the Atlantic Monthly profiled, for the Nation to see, the tireless leadership and respected accomplishments of BOB BYRD. It describes, among other things, the way in which Senator Robert Byrd both performs his exhausting duties and acts as an articulate and able spokesman for the most pressing issues of the day. It is a rare glimpse of the man behind the office.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MAN WHO RUNS THE SENATE: BOBBY BYRD, AN UPSTART COMES TO POWER

(By Sanford J. Ungar)

Robert Byrd, a little-known, fiddle-playing West Virginian, is the Senate's Democratic whip, probably its next majority leader, and just possibly a favorite son at the 1976 Democratic Convention. Says he: "I believe that a big man can make a small job important." Some of his colleagues think Byrd also proves the converse: that a big job can help a small man to grow.

"Bobby Byrd is a member of the early morning health club," says the master of ceremonies. "Every morning, early, he gets up, calls Mike Mansfield, and asks him, 'How's your health?' "

The occasion is a luncheon "roasting" in honor of Robert Carlyle Byrd, fifty-seven, junior senator from West Virginia, and the Democratic whip of the Senate. It is given by the P. T. Barnum Tent of the Circus Saints & Sinners Club of America—one of those slick and seamy Washington events where nearly everyone is called a "VIP," the food is inedible, and the true aficionados arrive early to watch a striptease show over pre-lunch cocktails before the more worldly political hoopla begins. Byrd, the fall guy for the day, does not ordinarily travel in these bell-raising stag circles. He has a standing rule against attending downtown (off Capitol Hill) lunches and, in fact, proclaims himself to have "no time to socialize" at all; there is too much work for that. During twenty-three years in Washington, he has been to one football game (to crown the queen at half time), three baseball games (two of them in one day, a doubleheader), and one movie (he found it dull and left in the middle). He does watch television now and then, however, and once protested on the Senate floor when *Gunsmoke*, a favorite of his, was canceled.

But such are the responsibilities of power and acceptance on the national scene that Byrd has reluctantly agreed to be feted by the Saints & Sinners to try to enjoy himself. Business on the Senate floor makes him unavoidably but conveniently late—it would hardly do if a statesman soon to speak at a national Baptist convention in Atlantic City appeared at a striptease. Once on hand, in a vast ballroom of the Shoreham Hotel, he sits through interminable introductions of other people, some very unfunny skits about moonshine liquor in "West By-God Virginia," and a nightclub comic whose routine consists largely of imitating drunken men coming home late at night to their angry wives. Given his turn, Byrd allows as how the affair "is an honor for a country boy from the hills and hollows of West Virginia," and he announces that the $500 charitable contribution in his name which is part of the day's honors will go to the family of a police officer recently killed in Beckley, West Virginia. He surprises many people in the audience by telling a few off-color jokes himself. Then the usually dour Senator picks up his most reliable prop, his fiddle, and plunks out "Rye Whiskey," complete with hoots and lyrics. That brings the house down, so he plays another, "Goin' Up Cripple Creek," which he dedicates to Mike Mansfield.

Byrd's lusting after Mike Mansfield's job as majority leader has become one of the central factors and favorite jokes of Democratic politics in the Senate. It is all "an exaggerated assumption," says he: "I don't have the consuming desire that people attribute to me"—although, "if the position were to open up, I would be compelled to run for it. I believe in advancing forward, moving up." For the moment, Byrd insists, he is content to work under Mansfield, whom he names without a trace of hesitation as the colleague he most respects: "I admire his patience, his fairness and his honorableness, his integrity. . . . This may appear to be self-serving, but that is how I feel."

The relationship, by all accounts and appearances, works very well indeed. Mansfield plays the senior statesman, the venerated elder from Montana who makes broad policy pronouncements and worries about the future of the republic, while Byrd runs the Senate. Through a series of procedural changes he has initiated or supervised during the past few years, including a shortening of the Senate's "morning hour" and of the speeches that may be given during it. Byrd controls the floor and, most of the time, who may have it and how it may be used. (One rule, which has other senators depending upon him and their aides detesting him, bans all senatorial staff from the chamber except when the man they work for is speaking.) He hammers out the "consent agreements" that keep the Senate running smoothly and efficiently—and, some argue, without its old charm and unpredictability—and he stays on the floor most of the time to be sure that the agreements are carried out. In a word, he is probably as powerful as anyone in the legislative branch, because of the access he controls and the shrewdness with which he uses it.

Most senators in both parties seem to feel that Byrd performs his tasks fairly, although he has been known to pull a few fast ones on liberal Democrats he considered to be advocating extreme positions and on Republicans he suspected of exploiting procedure for partisan advantage. During the recent debate over how to solve the disputed New Hampshire Senate election, for example, he said he would happily go along with a GOP suggestion to have the proceedings televised, but on the strict condition that the Republicans agree to set a time limit on the debate. The Republicans, who wanted to filibuster until the Democrats agreed to send the whole issue back to New Hampshire for a new election, quickly backed out.

"This never would have happened if Lyndon Johnson were still with us," said an aide to one liberal Democratic senator when three conservative southern members of the party repeatedly foiled attempts by the Democratic leadership to invoke cloture and cut off debate on the dispute over how to settle the New Hampshire election deadlock this summer. Sooner or later Johnson would have forced a resolution of the issue, whether by discipline or backroom deal. Indeed, there could be no greater contrast between the Johnson style of Senate leadership—in which arms were twisted and egos bruised if necessary to work out compromises and pass critical legislation—and the soft, easygoing Mansfield style, which places full confidence in the ability of the Senate eventually to "work its will." The question is how Byrd will handle the majority leadership if he succeeds to it. "There are advantages to both [the Mansfield and Johnson] styles," he says diplomatically; "but if I had to choose between the two, I prefer the Mansfield approach . . . You have to remember, you have a different Senate now from when Mr. Johnson was the leader. He was in a position to utilize discipline more than it can be used now, and there is no longer a very cohesive southern bloc." That cohesiveness was one of the key constants in Johnson's formula for working his will on the Senate. One important difference is that the Democrats today have a far larger, more unwieldy, and somewhat less pragmatic majority in the Senate than in the Johnson days of the 1950s; a growing number of senators are inclined to vote their conscience on this matter or that. But many senators suspect that Byrd would try to assert greater authority over his troops than he is prepared to admit.

Byrd is an enigmatic man, churlish and angry one moment, and coming on with a sly, foxy smile the next. He is capable of alternating role recitation of political boiler plate and florid eighteenth-century rhetoric with frank and insightful political analyses. He is discouraged by Gerald Ford's attacks on Congress, and believes that while they may win points for the President in the short run, they will ultimately backfire. "Mr. Ford knows how the system works. He is as partisan as any of us," he complains; "I think he has a mistaken impression that he can follow the approach that Mr. Truman followed. But circumstances are a lot different now than when Mr. Truman was President, and Mr. Ford is not Mr. Truman."

Robert Byrd came to Congress as a conservative. Many of his early attitudes and some of the premises he holds to today were developed while he was coming of age as a poor white boy in West Virginia, struggling for a meager existence during the Depression. At first he did not go to Sunday school, because he was embarrassed that he had no socks to wear. For many of those years he earned only $50 a month, even after he had a wife to support (the Byrds were married in 1937). The Byrd family's first refrigerator was not even an icebox, but half an orange crate nailed outside the kitchen window; there was no car, and when the Byrds wanted to go somewhere they borrowed one from his father-in-law, a coal miner.

Byrd's manner is taut, and he is notorious on Capitol Hill for being tough with his staff; even on the night before a holiday, they may wait for him to dismiss them before going home. Sometimes his penchant for hard work goes to extremes: when his trusted secretary Ethel Low is away, for example, Byrd himself opens all the office mail. His personal life is spartan. He takes no vacation, rarely touches alcoholic beverages, and is most comfortable in the company of his wife, Erma, two daughters and sons-in-law, and six grandchildren, who are all close at hand in the Virginia suburbs of the capital. There he relaxes with a cigar or the fiddle; often he plays a tune before going to sleep at night. He has very few close friends in Washington or West Virginia. The senator from whom he has sought advice in recent years is John Pastore of Rhode Island. Asked whom he really trusts and feels he can confide in, he answers only, "My wife."

Few people knew or cared much about Bobby Byrd (for decades "Senator Byrd" meant Harry Flood Byrd of Virginia) until he achieved a dragon slayer's reputation in January, 1971, by defeating the incumbent Democratic whip, none other than Edward M. Kennedy of Massachusetts.

The feat was popularly portrayed at the

time as an overnight coup, a blow at Kennedy while he was still suffering the effects of the Chappaquiddick scandal. Byrd will not discuss the subject, but he probably does have an old antipathy to the Kennedy family. He supported Hubert Humphrey over John Kennedy in the crucial West Virginia Democratic primary in 1960 (although he was really a Lyndon Johnson man, and went to the convention that year as a Johnson-committed delegate), and had some nasty quarrels on the Senate floor with Robert Kennedy. He clearly would not favor the nomination of Teddy Kennedy in 1976, and says bluntly, "If the pollsters and media would leave [Kennedy] alone, he would keep on being a good senator." He does not like fashionable, sophisticated liberals, whether as members of dynasties or as individuals.

Actually, Byrd's 1971 coup was long in the making. In the course of four years, as secretary of the Senate Democratic Conference, a previously meaningless job in itself, Byrd came to function as Mansfield's de facto right-hand man, doing the routine chores that did not interest Kennedy. While Byrd's better-known colleagues were off at cocktail parties and other ruinous pursuits ("I despise cocktail parties," he says; "you just stand around and waste time"), he would stay late at night in the office of the Senate parliamentarian mastering the intricacies of the Senate rules. Now he knows those rules better than any of his peers, and can make the rules do whatever is needed by him, his friends, or his party.

"I believe that a big man can make a small job important," says Byrd in one of his favorite bits of armchair philosophy. Some of his colleagues believe that while he is a good example of that maxim, he is also living proof of the converse principle, that a big job can help a small man to grow. During his early days in the Senate—he was elected with the 1958 crop of Democrats who profited from President Eisenhower's decline in popularity—Byrd took mostly easy, conservative positions. He railed against welfare cheaters and voted against major civil rights legislation, including the 1964 law; he came to have an unbroken record as a hawk on the Vietnam war and related international issues. He denounced student protesters and, as a member of the Appropriations Committee, took his turn worshipping at the altar of J. Edgar Hoover, even after the FBI director's performance had begun to slip. But by the time his senior colleague from West Virginia, Jennings Randolph, an old-time New Dealer, nominated him for whip when the Democratic caucus convened in 1971, Byrd had metamorphosed into a moderate and had enough progressive votes on his record—including support for open housing and gun control—to be acceptable across the spectrum.

The transformation has continued and intensified. Although he is still regarded more as an institutional creature than as a creative thinker on substantive issues, Byrd has taken several steps leftward into the Democratic mainstream. He talks about the danger that we in the United States will "overextend ourselves" in the world, and he urges a careful review of all of the nation's international commitments, treaties, and alliances. Once a vehement anticommunist, he now supports the resumption of diplomatic relations with Cuba, and he accepted an invitation to visit China this summer. (He was invited once before, but turned down the opportunity because it would have meant being away while the Senate was in session.) This year he supported an extension of the Voting Rights Act of 1965, though he opposed it twice in the past.

Named to the Senate Judiciary Committee in 1969, he put a sharp, young—and liberal—aide onto the committee staff in 1971 and then used that vantage point to build a part of his new image. Byrd rarely attended the long Judiciary Committee hearings in the spring of 1972 on the nomination of Richard Kleindienst as Attorney General, but he authorized his Judiciary Committee aide, Tom Hart, to work closely with assistants to Edward Kennedy, of all people, in turning up new ammunition for the anti-Kleindienst effort, especially details of the suspect dealings between the Nixon Administration and the International Telephone and Telegraph Corporation. Every night Byrd met with Hart to review the latest developments, and he may be one of the few people in Washington who has read the entire 1751-page Kleindienst hearing record. Finally, although he declared Kleindienst to be an able lawyer, and "a man of remarkable charm and ingratiating personality," he took the Senate floor to say that he would vote against the nomination because "important questions remain unanswered and . . . uneasy doubts remain which cannot be explained away." Byrd was one of only nineteen senators to vote against Kleindienst in the end, but the onetime "law and order" hardliner from the West Virginia hills was becoming a leader of Democrats who saw battlelines drawn with the Nixon Administration over issues of legal and political ethics—issues that later came under the wide Watergate umbrella.

Even before L. Patrick Gray III, acting director of the FBI for a year, was nominated by Nixon as permanent director of the agency, Byrd declared that Gray would be unacceptable to him. He obtained copies of secret Watergate-related depositions from Washington *Post* reporters, talked personally on the telephone with airline pilots who disapproved of Gray's controversial handling of a hijack case (FBI agents shot out the tires of the plane), and relentlessly cross-examined the acting director before the Judiciary Committee. Eventually, it was Byrd who extracted from Gray the damaging admission that John W. Dean III, Nixon's White House counsel, had "probably" lied to the FBI during the early stages of the Watergate investigation. That statement led Dean to begin talking with prosecutors in order to protect himself, which in turn helped break the case open.

In May of 1973, Senator William Proxmire (Democrat of Wisconsin), ordinarily no great admirer of his party's whip, declared that Robert Byrd was "the unsung hero" of the Watergate investigation then gathering force.

When Clarence M. Kelley was named FBI director in the summer of 1973, Byrd spent an entire day quizzing him and asked the only tough questions of the hearings, zeroing in on the issue of whether FBI practices violated civil rights. He negotiated a promise of independence for the Watergate special prosecutor and demanded close scrutiny of Gerald Ford and Nelson Rockefeller, the first two Vice Presidents named under the terms of the Twenty-Fifth Amendment.

Byrd's switch—his new role as a man concerned about civil liberties and a Watergate warrior—was a subject of great curiosity and some wonderment on Capitol Hill. For his own part, he insists that it is the issues and the circumstances which have changed more than his own position; but one long-time Byrd-watcher says, "He realizes where the tide is going, and he will drift with it to compile a public record that is more defensible and acceptable" than his old narrowly conservative posture. Another suggests simply, "It was inevitable: he went national."

Byrd still keeps the faith on some points of conservative orthodoxy, denouncing busing, for example, not only on policy grounds, but also because "it is a waste of money—buying buses and burning all that gasoline." The slightest mention of repression by the South Korean government sets him off on a tirade: "If we want to talk about repression, let's talk about India. We have to look out for our own interests sometimes; we can't tell everyone what kind of government to have. . . . As long as a government is pro-United States and the country is important to our long-range national interests, we have got to look out for Uncle Sam first." He frets about "over-liberal" social theorists, and is delighted that the "libertarian" justices on the Supreme Court have been balanced out by Nixon appointees. (During his period of flirtation and friendship with the Nixon Administration, he himself was considered for a Supreme Court slot.)

The result of all this is a jagged, if well-mapped, course through the middle. Byrd has his own conception of where the American people stand ideologically—somewhere just right of center—and if he has his way, he will steer the Democratic party there. He is increasingly asserting himself as a national spokesman for the party, appearing on Sunday network television programs at the drop of a hat. He is said to be looking for a good speechwriter who can take on the Republican Administration.

"Don't forget 1924," says a devoted Byrd follower who takes a visiting stranger aside after the Senator has addressed a luncheon of the Parkersburg (West Virginia) Rotary Club. "The Democratic Convention was deadlocked and there seemed to be no way out. Finally, on the ninth day and the hundred-and-third ballot, they turned to a West Virginia boy, John W. Davis."

That is one way of looking at the events of 1924. John W. Davis had been a member of Congress, Solicitor General of the United States, counsel for the American Red Cross, an adviser to President Woodrow Wilson at the Versailles peace conference, ambassador to Great Britain, and a Wall Street lawyer who represented, among others, the House of Morgan before he became the compromise presidential nominee of the hopelessly divided Democratic party in the race against Calvin Coolidge. But he was born in Clarksburg, West Virginia, and practiced law there for several years before being elected to the state's House of Delegates in 1899 and going on to greater fame and fortune.

Robert Byrd started in the West Virginia House of Delegates too, but his background was rather more humble than that of Davis. He was brought to the state from North Carolina when he was a year old, after his mother had died in a flue epidemic, to be raised in coalfields country by an impoverished aunt and uncle who adopted him. (His real name is Cornelius Calvin Sale, Jr., a fact he learned when he was sixteen. When his brother, Clyde Sale, wrote to him from North Carolina on the occasion of his victory over Edward Kennedy in 1971, he learned for the first time that his true birthdate was November 20, 1917, two months earlier than he had always believed and than is listed in *Who's Who*.) He worked as a garbage collector, a gas station attendant, a butcher, and, during World War II, a welder in the shipyards of Baltimore and Tampa; it was only on his election to Congress in 1952, at the age of thirty-five, that he gave up his grocery store in Sophia, a tiny town in Raleigh County. His law degree took ten years to earn in night school, first at George Washington University and then at American University, while he was a member of the House and, later, the Senate.

But the analogy between Byrd and Davis, however flawed, is picking up steam in West Virginia. Davis' nomination came in Madison Square Garden in New York, which is under consideration as a possible site for the 1976 Democratic Convention. Then, as now, the party, although thought to attract the loyalties of a majority of the public, was torn asunder by factional disputes, even in the aftermath of shameful Republican scandals.

Calvin Coolidge, like Gerald Ford, was a man who had succeeded to the presidency but had never been elected to it. Davis was all over the map ideologically, and while he began his career as a conservative (supporting the "Red Raids" of Attorney General A. Mitchell Palmer, for example), he took increasingly liberal, populist-sounding positions; as *The Saturday Evening Post* saw it at the time, he represented the "respectable medium" among Democrats. Curiously, Davis and Byrd both had political problems concerning their attitude toward the Ku Klux Klan. Davis for failing to denounce it with sufficient vigor, and Byrd for having been a member in his youth ("a 100 percent mistake," he now acknowledges). "Fifty years have passed since West Virginia's only major party candidate for President" was nominated, noted Representative Ken Hechler, a liberal downstate congressman, in a small-town newspaper column last year. Since Davis was from the north of West Virginia, Hechler said:

". . . the time for a good and strong candidate (for President) from the southern part of the state is now here. In recent years, Senator Byrd has broadened his base of appeal. There was once a time when only certain elements in the political spectrum would accord him enthusiastic support. Now he attracts supporters from all those who are tired of deviousness, dishonesty and deceit in politics and who yearn for a return to traditional virtues which are practiced instead of merely preached."

Byrd, for his own part, plays it cool and coy. "I feel that I can do any job that the American people wish to assign me. I would not reject the nomination, although I am not actively seeking it," he says. He insists that he has no favorite in the field of declared and undeclared candidates, and, while he was lukewarm about George McGovern in 1972, sees nobody "among the current aspirants" whom he could not support or, for that matter, run with as a vice presidential candidate—including George Wallace of Alabama. He hopes for an open convention that will produce "a moderate ticket, not too far out in any direction." And although he considers the prospects unlikely, he says it is "not inconceivable that the convention could turn to me." He would be ready, and thinks that West Virginia law would permit him to run for re-election to the Senate and national office at the same time, just as Lyndon Johnson did in Texas in 1960.

Bobby Byrd no longer maintains a home in the state, and rarely even spends a night within its borders. Yet he is putting West Virginia, long the brunt of jokes, back on the map. The state has two fewer elected representatives in Washington now than it did fifteen years ago, but when one of them is Byrd, that hardly seems to matter. He is clearly West Virginia's favorite son, and traveling with him to his native state makes it easy to understand why.

As soon as the door of the Piedmont Airlines plane closes at Washington National Airport, Byrd is back in his element, among the people of West Virginia. "I feel good when I meet the people down here," he confides. "They're home folks. . . .They accept me, when I hug them or shake their hands." He does a lot of hugging and touching during his hectic one-day visits, whether in the aisles of the airplane, among a crowd at a shopping center, or with people he encounters in the street. His rule of procedure is simply stated: "I may not know them, but they know me. If they look at me, I stop and talk." The talk may be about arthritis, the price of gasoline, or the weather, but it hardly ever stops. He puts his arm around a young man washing the walls at the Kanawha County Airport in Charleston and huddles in a confidential conversation with him. He squeezes the shoulder of a policeman driving him to the airport in Huntington and asks, "How're you gettin' along in your work? Do you like your work?" A security guard shouts out, "Hey, Senator Byrd, will you have a spot in the Cabinet for me?" and the Senator beams knowingly, "Where're you from?" he asks a man who reaches out to him in the plane. "Oak Hill." "Oak Hill? Be sure to say hello to my friend Shirley Donnelly" (a minister). "Sure thing, Senator. I'll call him in the morning."

At the Parkersburg Rotary Club, a bastion of Republican conservatism in an area along the Ohio border where both parties are strong, Byrd talks about crime—or, as he is more inclined to pronounce it in West Virginia, "crahm." It is a tough law-and-order talk that could be straight out of the late 1960s:

"I think the proliferation of crime all across our country can be largely attributed to one fact: there is so little punishment for it. Fewer and fewer criminals pay any penalty for crimes they commit. Retribution is so slow as to be almost nonexistent in an overwhelming majority of criminal situations. The old adage that crime does not pay is no longer true in case after case. . . . The best way—and perhaps the only way—to halt the crime wave that has been getting worse and worse . . . is to lock up the criminals. . . . I say that it is better to build more prisons and hire more jailers than it is to allow American cities to deteriorate further into jungles in which no one is safe. It may not be popular to say so, but some people belong in jail, and the quicker we recognize that fact and put them there the better off our society will be."

"Bob shouldn't be talking like that," says one old friend of his privately after the meeting. "That stuff is easy, and everybody knows it. He should be talking about the great issues of the day—the energy crisis, the economy . . ." Those issues are the ones the reporters at the luncheon ask him about afterwards, and he gives his stock reply: that the Democrats in Congress have better answers than President Ford, and once given time to develop and pass their programs, they will show the country the way out of its problems. On the whole, the Rotary appearance is a happy one for the Senator. Only one thing nags at him: an old friend said, in his introduction, that Byrd has a 95 percent attendance record in the Senate; "actually it is just over 96 percent."

Byrd visits a real estate office that has pictures of him from the early days of his political career, and a photographic studio that is making new portraits of him for a museum soon to be started up in Parkersburg; then he embarks on a long drive to Huntington with Chester Airhart, the Democratic sheriff of Wood County, and his principal deputy for tax collection. Until his recent retirement and entry into politics, the sheriff was for many years the FBI resident agent in Parkersburg, and Byrd chats with him about how much crime has increased in the area—80 percent in a year. Airhart is proud of the county's newly opened "correctional center," but reinforces the Senator's view that "we haven't figured out any way to correct them yet." The deputy is a wizened character who, as Byrd notes later, "knows a little bit about West Virginia politics." The conversation focuses on the gubernatorial race in 1976 and the chances of Jay Rockefeller (John D. IV, the Democrat and adopted West Virginian in the Rockefeller family, who lost on his last try). The primary, potentially a divisive one, is another fight that Byrd will sit out, accepting the voters' verdict on who should join him on the Democratic ticket. He could accept Rockefeller, even though that ambitious young man was once found in the unfortunate situation of having contributed money to a Byrd opponent in the primary. (The Senator, who beat that opponent with 89 percent of the vote, says he doesn't even remember the man's name.)

In Huntington, Byrd joins in on-the-air festivities inaugurating a new transmission tower for WOWK-TV. He is in no mood for small talk with the station officials before the ceremony, and looks stiff and out of place in the midst of falling balloons as he pulls the switch to activate the new tower; but later he enjoys the taping of a half-hour "newsmaker" interview with two reporters, an easy, unaggressive encounter in which the Senator has plenty of opportunity both to play the statesman on national issues and to boast about all that he has done for West Virginia.

He has no compunction about saying that he will "use whatever influence I can bring to bear," as chairman of the Senate Appropriations subcommittee which approves the budget for the Department of the Interior, to have an experimental coal gasification plant located in the state.

Byrd's power base in West Virginia, like his position in Washington, is strictly a one-man operation. Whereas the state's other senator, Jennings Randolph, is the favorite of the United Mine Workers and other unions, and Republicans like Governor Arch Moore are entrenched with the state's business community. Byrd keeps his distance from both. "Bob Byrd's strength is in the people who come down from the hollows to vote for him. Some of them only vote when he is running," says his press secretary, John Guiniven. The resilience of that power base has never really been tested, because since he first entered Congress in 1952, Byrd has never faced a tough election fight.

En route to the airport for the flight back to Washington, Byrd lights up one of his favorite big fat cigars; but when there is no time to finish it, he stubs it out and slips what is left of it back into his briefcase. On the plane, he gives the stewardess his autograph and talks resignedly about how little power he feels the leaders of the Senate really have: "It's frustrating, you know. People expect too much . . . What power do I have? Or Mike Mansfield? We can have some input into legislative policy, but you're still just one senator, and there are ninety-nine others with their own ideas about how things ought to work . . . Now the President, he speaks for the executive branch; he has real power."

When Joseph R. Biden, Jr. was elected to the Senate from Delaware in 1972, and at thirty became the youngest member of that august body, he had a great deal of help from some prominent and established fellow Democrats. Statewide mailings went out from Washington, carrying the pictures and signatures of celebrities like Teddy Kennedy, Birch Bayh, and others, exhorting the voters to "send Joe Biden" down to join them. Some politicians spoke in Delaware on his behalf, and there was an appearance in the conservative area below the Chesapeake and Delaware Canal by one Robert C. Byrd. Barely six weeks after the election, Biden's wife and young daughter were killed in a traffic accident in Wilmington (his two sons survived). Although the funeral was a small, private matter, a public memorial service was held in a suburban Catholic church, and Biden let it be known through an aide that he would welcome the attendance of any of his new colleagues who had helped him in the campaign and could break away from their holiday schedules.

Only one came—Bobby Byrd. He drove up from Washington on a cold, miserable, rainy night and sat unobtrusively in the back row of the church. After the service, according to one man who observed the scene closely, Byrd stood in line for seventeen minutes for the opportunity to shake Biden's hand and say a few words of condolence. Then he left for the two-and-a-half-hour drive back to Washington.

When Biden came to Washington to interview people for his staff, he had the use of the Whip's ornate chandeliered office in the Capitol. Along with Walter Huddleston of

Kentucky and a few other members of that year's class of freshman Democratic senators, he was looked after by Byrd and treated to occasional homemade political science lectures, relating, among other things, that the Senate is made up of "work horses and show horses." Regardless of their political philosophies, Byrd treated them much the way the late Richard Russell of Georgia had once treated him (from his deathbed, Russell cast the proxy that won Byrd the whip's job in 1971), and once they became his protégés, they found it much easier to obtain extra office space and other amenities.

Was the Byrd who was so sensitive to Biden in time of tragedy, and beyond, the one who is often mocked for doing and saying the expedient thing in order to enhance his own power? Or the one who without fanfare sent the daughter of the owner of his favorite Chinese restaurant through college after her mother died? Or some of each?

Officially, Mike Mansfield still intends to run for re-election to the Senate in 1976, and to continue for at least another two years as majority leader. If he does not, there are those who say that Lloyd Bentsen of Texas might make a run, that Edmund Muskie of Maine, or Alan Cranston of California, could attract substantial liberal support, or that good old Hubert Humphrey of Minnesota might want to return to the leadership and the limelight. As far as Byrd is concerned, any one of these men could make a fine whip; but there is little doubt in his mind or that of anyone else who carefully counts votes in the Senate that he could beat all of them for the top spot with one hand tied behind his back. Even should Mansfield stay in the Senate, say the people behind the scenes, if a way could be found to guarantee him continued use of his limousine, he would gladly step down in Byrd's favor. The upstart from West Virginia is probably already working on a way to arrange that, just in case.

OIL, GAS, AND CONGRESS

Mr. BROCK. Mr. President, the Washington Post, correctly, labels the Federal Government's energy posture as "awkward." In a well considered editorial, the Post has pointed out the dilemma of the present nonpolicy on energy. I ask unanimous consent that the Post editorial, "Oil, Gas and Congress," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Oil, Gas and Congress

Once again the law controlling oil prices is about to expire. Once again Congress is in the final stages of enacting an extension. But no one knows exactly what form it will take, or whether the President will sign it. The administration seems optimistic that the new bill will be, by its terms, acceptable. But for both consumers and producers, the present situation only deepens the extreme uncertainty that hangs over every aspect of fuel and energy policy in this country. Since a great deal of complex legislation is now proceeding simultaneously, it is helpful to separate the main lines of the debate.

First issue: How much should oil and gasoline cost, and who should decide? Congress likes to carry on this kind of battle in moral terms, but it is essentially a sectional issue. The rising cost of fuel means a tremendous shift of wealth and power into the states that produce oil and natural gas, at the expense of those that consume it. The prices of some crude oil and all oil products are regulated by the federal government under the last remnant of President Nixon's wage-price control aparatus. That last remnant was to expire in August. Earlier in the summer President Ford proposed gradual decontrol. But the House of Representatives voted it down and supported, instead, more stringent rules to roll back prices. A month after the controls expired, the President and Congress got together on a compromise providing a brief retroactive extension giving Congress time to work out a permanent law. That extension expires on Nov. 15.

The conference on the permanent law is now in its final stages. The President has said that he is willing to extend controls to all domestic oil, somewhat below the current market level, if Congress will agree to peel off all controls gradually over the next several years. He considers higher prices necessary to encourage greater production and to enforce conservation. But the congressional conferees are sharply divided over the principle of eventual decontrol.

One point, at least, is unarguable: it would be wantonly dangerous to let all controls end abruptly on Nov. 15, with an immediate jump upward of all prices to the world level. That jolt could well destroy the present economic recovery and throw the country back into renewed recession. But the effect of permanent controls would also be deeply harmful. Over the long haul, controls tend to turn into price-fixing and cartelization agreements. Worse, holding prices down means letting imports rise unnecessarily high. To the extent that the United States has an oil policy these days, that—by default—is it. This country is importing more oil now than before the Arab embargo, and a higher proportion of it is coming from the Persian Gulf. The wisest solution is a bill that will prevent any sudden drastic jump in oil prices, but will commit the country to decontrolling steadily over a period of two or three years. The President is right on this crucial choice, and the Democratic majority in the House is wrong.

Second issue: What about the price of natural gas and the shortages in the industrial Northeast? For more than 20 years the federal government has regulated the price of gas sold across state lines, but not within states. The current federal ceiling is one-third the unregulated price within the gas-producing states and one-fourth the equivalent cost of oil. When you think about those disparities, the present shortages in this part of the country—which depends upon interstate sales—are not hard to understand.

The Senate has passed an excellent bill, permitting short-term emergency sales at higher prices this winter and, next spring, beginning the deregulation of prices. Since this deregulation would apply only to new gas production as it comes onto the market, the bill threatens no abrupt surge of costs. But the bill has now gone to the House Commerce Committee, whose chairman, Rep. John D. Dingell (D-Mich.), is evidently determined not to report the half of the bill that provides permanent deregulation. That makes a hard choice for the administration and the Senate majority: Should they settle only for a jerry-rigged emergency sales procedure, or use the shortage as a lever to try to get the whole Senate bill? Probably, on balance, it's better to get whatever can be passed quickly. There are jobs at stake, and a legislative stalemate here would be very bad for public morale. But not much gas is going to be sold under short-term emergency procedures, and Mr. Dingell's tactics are already contributing to a further gas shortage in the winter of 1976–77.

Third issue: Should Congress enact unfocused multibillion dollar subsidies for the production of synthetic fuels? The President and Sen. Henry M. Jackson (D-Wash.) are enthusiastically allied in favor of this one and they are both wrong.

The authorization bill for the Energy Research and Development Administration was in conference a few weeks ago when the Senate members began passing in a generous $6 billion fund for loans and guarantees to support synthetic fuel development. Rep. Ken Hechler (D-W. Va.) protested that there had been no hearings on this huge fund and obtained a brief recess. When the conference reconvened, the Ford-Jackson bonanza had magically swelled to $11 billion, with money now in it for price supports—to subsidize the energy companies for producing fuel too expensive to sell competitively.

There you see, brightly illustrated, the federal government's present awkward posture on energy. It is currently using controls and regulation to hold down the prices of oil and gas. Lower prices mean higher imports from the Middle East. But everyone agrees that greater dependence on the Middle East is unwise. The answer? An appropriation of $11 billion to manufacture extremely expensive synthetics to meet a shortfall of domestic production that is being aggravated and widened by, of course, the price controls.

ARE GRAIN EXPORTERS RUINING OUR FOREIGN MARKETS?

Mr. McGOVERN. Mr. President, recent scandals particularly at gulf ports regarding short weighing and adulteration of grain exports and outright bribes have seriously endangered the credibility of our foreign grain markets. The Senate Committee on Agriculture and Forestry has held a series of hearings on grain standards and in addition it has a special task force in the field for further investigations. Doubtless there will be major legislative reforms in this area.

To indicate the extent to which public awareness is mounting in the country, I ask unanimous consent to have printed in the Record a searching article by Jack T. Pickett, the publisher of Agrichemical Age, in its special edition for September-October entitled "Saving the Harvest."

There being no objection, the article was ordered to be printed in the Record, as follows:

Are Grain Exporters Ruining Our Foreign Markets?

(By Jack T. Pickett)

American farmers are producing a clean crop of golden grain which is being diluted with dirt, broken kernels, is short weighted and shipped overseas in "weevily" ships. It is time for the American farmer to get up on his hind legs and demand a change. Why? Because American exporters are sabotaging the American farmer.

Huge exporting companies in this country control most U.S. grain. USDA estimates show that Cargill, Inc. and Continental Grain Co. each handle about 25% of our total U.S. grain trade. Bunge Corp. handles about 12%, Cook Industries, Inc. and Louis Dreyfus Corp. nearly 11%, Garnac, Archer-Daniels-Midland Co. and Peavey Co. 10% and the farmer-owned co-ops 6%.

In 1972, when the Russians exploded in our market with no advance public notice, the big American exporters made contractual deals to sell to Russia at $1.65 a bushel while Kansas wheat farmers were getting as low as $1.27 a bushel.

How is it that the farmers are on the short end of this situation?

One reason is our incredible U.S. inspection system. It is the USDA that licenses employees of state agencies, trade groups or private companies to inspect our overseas grain shipments. There are 111 officially licensed inspection agencies, including 23 operated by the state, 14 by grain exchanges, chambers of commerce and boards of trade and 47 through private inspection. These "inspectors" are paid fees by their employers. That seems to me pretty much like hiring a fox to guard my chicken coop.

Over all this mess, the USDA has 226 "supervisory-type" inspectors. But they check only 2% of the 4 million inspections each year.

In the last few years, as grain exporting has become big business, the temptation to cheat has become correspondingly greater. In New Orleans, for example, the world's second largest port after Rotterdam where about 44% of our grains exports are handled, USDA inspectors have been threatened so often that they now travel in pairs!

The New York Times reported that USDA supervisors have had their tires slashed and have been abused in other ways while riding man-lifts in grain elevators. One USDA supervisor, who protested when one of the private samplers permitted fermented corn to be loaded on a ship, later was told a "contract" was out to break both his kneecaps.

U.S. overseas grain is sold by "grade." Example: The permissible foreign material limit for No. 1 wheat is .5%. Most foreign sales are for No. 2 grade allowing a permissible level of 1% of foreign material.

Almost every farmer I know takes great pride in producing a quality product. As one example, 69% of our hard red winter wheat grades No. 1 as it comes off the farm. When a foreign sale calls for No. 2 grade, the terminal markets blend in lower grades and in some cases actually throw in an allowable amount of dirt. The higher the grade number, the cheaper the price. No. 4 soybeans can contain 5% broken or foreign material.

Some of our foreign customers are telling us they would rather buy from Brazil, as their 5% will be cracked grain while U.S. exports may contain sticks, dirt, trash—you name it.

Our U.S. system of handling grain is weak at many points. 1) The person who samples grain for grade test can greatly influence the "grade" results. (The grader is only endangered if the USDA makes one of its spot checks.) 2) The person who blends the grains is in a position of extreme temptation. 3) Another weak link is the inspector who certifies that the hold of a ship is clean, free of weevils, etc. (One federal official described the entire grain and ship inspection system as "a rather incestuous relationship" that was set up as "an accommodation of local interests" in the export trade.)

The going rate (or "bribe") used to be $200 to $500 a ship, but starting with the heavy traffic in 1973–74, the demurrage costs became even greater. One inspector of record was given a bribe of $1,000 and the shipping company saved $32,000 in demurrage. (Ironically, the inspector was fined $600 and put on 5 years probation.)

The Des Moines Register, in a story datelined May 20 of this year, stated that a London firm angrily told the USDA that recent shipments of American corn have been "nothing short of rubbish." A year earlier, the pest infestation control laboratory of the British government had reported 13 of 20 corn shipments from the U.S. full of insects.

These complaints are typical of those contained in USDA's Foreign Agricultural Service (FAS) files, charging that misgraded, contaminated and poor quality grains are being delivered to U.S. export customers. Representative Neal Smith (Dem.-Ia.) said he is "upset about grain grading regulations that permit a U.S. seller to ship grain containing up to 3% "foreign materials."

"The foreign customer assumes that it will be 'natural' foreign material, such as weed seeds," according to Smith, "But what happens is that if the grain being loaded has only 1% foreign material, they sweep up the floor and put that in to bring it up to 3%.

"They actually add dirt, and that's what the purchaser sees at the other end. Then he thinks American grain is no good, and it hurts our sales.

"If a shipment of $3 per bushel corn contains 1% 'natural' foreign material, the shipper," Smith concludes, "can save 6 cents a bushel by adding another 2% foreign material."

An official of the American Soybean Association recently reported that U.S. soybean farmers are fast losing overseas business because of complaints from European buyers that shipments of American soybeans are arriving in a damaged condition and contaminated with dirt, rocks and sticks. He complains, "Everyone in Europe is focusing on buying Brazilian beans instead of American because they do not want to pay for foreign material being hauled across the ocean."

Statistics of the New Orleans Board of Trade for 1973–74 as reported in the *Kansas City Star* indicate a discrepancy of at least 115 million bushels between grain receipts and grain exports by the Port of New Orleans. Senator Dick Clark (Dem.-Ia.) feels that operators of grain elevators at U.S. port cities are collecting kick-backs on grain secretly "skimmed off" while loading export ships. Clark charges that the giant international grain companies may be directly involved in this fraud, since it is the exporters who own the majority of the main terminal elevators in this country.

Senator Clark, commenting on techniques used by the elevator operator, said, "He can tip the scales, mix or blend beyond what is acceptable under U.S. standards. He can misreport loading so that either the night or the day shift in the elevator becomes totally confused about the size of the shipments. Or, he can bribe the inspection agency and perhaps even the federal inspector, to misgrade the grain going out of his elevator. The net result is excess stock, cream off the top."

Clark adds, "For the elevator operator it means a substantial bonus and for the company owning the elevator it means that this 'left over' stock or 'average' as it is called is 100% profit."

An Iowa soybean producer told the Senator, "We produce a good clean product, in demand throughout the world, and we spend our own money to promote the sale of that product. I'll be damned if we are going to let petty bribery, sloppy work and greedy exporters throw it down the drain!"

Except for one company, Cook Industries, Inc., all major U.S. firms are privately owned and are required to file little or no information on their financial and corporate affairs and activities with any U.S. government agency. Not to single them out, but to gain some idea of their awesome size, we have found that Cargill, one of the two largest U.S. grain companies with headquarters in Minneapolis, has sales in excess of $5 billion each year! They employ 16,000 persons and own a transportation fleet that includes 1,500 covered hopper cars, 1,000 tank cars, 350 barges. In addition, the giant firm leases or controls two Great Lakes vessels and 12 ocean-going ships!

Again quoting a story in the *Des Moines Register* (June 17, 1975): "A team of European feed company executives warned that the U.S. stands to lose a large share of its foreign agricultural markets because of the poor quality of U.S. grains being shipped abroad.

"Because American grain frequently arrives in a dirty and broken condition, Europeans are increasingly turning to Brazil, Argentina and other nations for their corn and soybeans, even though prices are often higher."

Kenneth Arnott of Great Britain, explaining that British feed and whiskey makers are starting to buy from South Africa and Argentina, stated, "We are alarmed at the quality of the U.S. corn that has been coming across."

Apparently this increasing U.S. grain "scandal" has just been brought into the light by a series of excellent articles in the *Des Moines Register*. It was this "expose" that led to a hearing before the Subcommittee on Foreign Agricultural Policy and the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices. (I have just completed a detailed study of this 155-page report, from which a large portion of the above quoted material was taken.)

It is perfectly obvious that the inspection service must be changed. As it stands now, all inspections will be made by USDA employees. There must also be a change in the method of certifying the cleanliness of ships, as well as obtaining accurate scales and certification of final weight of grain delivered into the holds of export ships. The fines and prison terms for violations have got to be increased substantially. Present maximum fine of $5,000 should be increased to $10,000, and accompanied by a prison term of not less than 1 year nor more than 3 years. In other words, the whole system from the ground up needs renovating. I am asking you personally to send your views on this vital U.S. agricultural disgrace to Congressman Thomas S. Foley, Chairman of the House Agriculture Committee, Longworth House Office Bldg., Room 1201, Washington, D.C. 20515.

DEPARTMENT OF AGRICULTURE CROP SURVEYS

Mr. TAFT. Mr. President, in recent months many people have denounced reports issued by the Statistical Reporting Service of the U. S. Department of Agriculture.

Our farmers in Ohio have received complaints that the USDA reports are inaccurate, that methods of collecting and interpreting data are slipshod and unscientific, that information frequently is leaked to speculators and nonfarm users prior to its public release. Some even blamed Federal crop reports for wild price swings and distortions in the marketplace.

Ohio farmers decided to check out the Federal reporting system for themselves. They have now done so, and have put the lie to the complaints listed above. Their findings are reported by the well-known farm writer, Rod Swoboda, in the October 18 issue of the Ohio Farmer magazine.

The Ohio Farm Bureau, as part of its excellent service to producers, sponsored the investigative tour of five Ohio farmers. The five farm leaders first met with and studied the work of the Crop Reporting Board in Washington, D.C. Then they followed up in Ohio with a close look at the data gathering and processing system of Ohio's chief SRS statistician, Vaughn Siegenthaler, and his staff of about 50 field enumerators. This staff is headquartered in Columbus.

The investigating team included John Stevenson of Circleville, James Mitchell of Plain City, Keith Linnabary of Cardington, Howard Skiles of Montpelier, and Duane Keener of Ashland.

These men found the crop surveys

furnished farmers by the Department of Agriculture to be "accurate as any available," including costly private reports and wire services offered commercially.

Many farmers cannot afford expensive private surveys or newswire services. Howard Skiles, speaking for the team, said:

> If we didn't have government estimates, we'd be left totally at the will of the people we sell to.

While this article emphasizes the security necessarily involved in the crop reporting process, it is important for all of us to realize that the key word really should be accuracy. The fact that our domestic economy and world trade are all heavily dependent upon the validity of these statistics should underscore why this work is so vitally important.

I commend the Ohio Farm Bureau Federation for initiating this "behind the scenes" look into USDA's reporting work, I commend The Ohio Farmer for doing such an excellent job of reporting this firsthand account, and I commend their story to my Senate colleagues for their serious reading and ask unanimous consent to have the article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From The Ohio Farmer, Oct. 18, 1975]

Five Ohio Farmers "Locked Up" in Washington

(By Rod Swoboda)

Five Ohio farmers were locked up in Washington, D.C., September 11. No, not in jail.

They were locked in the offices of USDA's Statistical Reporting Service (SRS)—where on crop report release days, security is tighter than the town drunk on Saturday night.

In the lock-up, SRS statisticians compile state estimates and formulate the national crop estimate behind closely locked doors. Once inside, no one can leave until the report is made public after the commodity markets close.

An armed guard is stationed at the only entrance, since any leak would give traders an unfair advantage. SRS officials say they once denied a pregnant secretary's demand that she be allowed to leave before the report was released. She stayed, without "delivering" her threat.

The trip, sponsored by Ohio Farm Bureau, gave the farmers a chance to talk with USDA officials and to observe first-hand how the monthly crop count is tallied and reported. The five were chosen from various areas around the state, the idea being that they will be able to explain the crop reporting process to other farmers at local meetings.

Commenting on why he went to Washington, Circleville farmer John Stevenson points out that much of a farmer's potential income rides on these estimates. Farmers deserve assurance that the methods of operation are the most fair and the best available, he says.

CROP COUNT CRITICISM

USDA has come under fire during the last few years from farmers who believe the reports are inaccurate, cause wild price moves, and enable speculators to set farm prices. Some farmers also believe the reports are leaked to outside sources before being released publicly.

Crop Reporting Board members, like other USDA personnel, are prohibited from playing the commodities market. If they do, the risk is $10,000 in fines and 10 years in jail.

The entire corridor of SRS' Washington offices is locked by a set of double doors at each end. Windows are locked, shades are sealed, and all telephones are disconnected. There are no windows or telephones in the crop reporting board room itself.

"After going through the lock-up, there's no doubt in my mind about the Crop Reporting Board's integrity," says Plain City farmer James Mitchell. His feelings were echoed by the other four farmers on the trip.

"I don't always agree with the way some people interpret the survey results, particularly the politicians," says Keith Linnabary, Cardington. "But from what I saw, when it comes to honesty and security in putting out the report, the Crop Reporting Board is one government agency which is doing a good job."

There hasn't been a provable leak from the lock-up in over 60 years. The story is that back then, an Ag Department worker used a window shade to signal to a crony on the outside whether the report would make the market go up or down.

BEHIND CLOSED DOORS

A dozen or so official crop counters in Washington, and another dozen or so from the major crop producing states, make up the Crop Reporting Board. On the day they compile and issue a report, they are locked up in a room at 5 a.m. Here they review the crop data which comes primarily from mail questionnaires and from actual field checks.

U.S. farmers receive about 7 million questionnaires from USDA every year. In order to check the bias of these surveys, several hundred thousand farmers are also personally interviewed by USDA personnel. Last but not least, there are also actual in-the-field yield, acreage and crop counts taken which measure such things as kernels per ear, ears per stalk, stalks per row, and so on, in sample areas of randomly selected fields.

Using computers and mathematical formulas, these sample measurements are projected in with results of the mail surveys and personal interviews. That's how estimates are arrived at, be they on hogs, crops, cattle, etc.

Ohio usually has from 1,500 to 2,000 full and part-time crop reporters (many are farmers), according to Vaughn Siegenthaler, SRS Statistician in Columbus. About 50 are field enumerators.

When the information arrives at the state offices, it is punched onto computer cards. These are sent to a locked mailbox in the basement of USDA's mammoth Washington headquarters.

Sometimes state estimates fail to make the mailbox by lock-up time. If so, the results are sent electronically via a computer hookup and secret crypto-code.

The Board usually completes compiling the estimates and writing summaries of the results before noon, then breaks for lunch (ordered prior to the lock-up and placed between the locked double doors).

OFFICIALS REVIEW REPORTS

Board members then review and double check the figures. The Secretary of Agriculture or one of the Assistant Secretaries then enters the lock-up to review the report prior to its release. Yep, even Earl Butz has to stay locked up until the report is released.

Weather scientists from the National Oceanic and Atmospheric Administration are also present with records and maps to show what Old Man Weather had to do with the crop estimates.

After the Secretary approves and signs the report, shortly before 3 p.m. Eastern Time, the guard outside the locked double doors is told how many people will be leaving with the estimates. If two are to leave, the guard lets two leave, that's all.

Looking straight ahead and accompanied by a guard, the two men carry the estimates down the sometimes TV camera-crowded hall to a press room.

There, waiting before 10 phone booths, are representatives of the newswire services, the Wall Street Journal and other business newspapers. Calls have been placed and the phones are off the hooks and ready.

The newsmen wait behind white lines painted on the floor, while an SRS official places a copy of the crop report face down in each booth. He steps back. All watch the large clock on the wall, which is locked in a glass case to make sure the hands aren't moved.

At 10 seconds before the appointed minute of release, the SRS board chairman says "Get set." Ten seconds later, at 3 p.m., he says "Go."

The newsmen sprint for their phones, the rest of the waiting crowd grabs for the reports, the guard releases the people still locked up, and markets in Ohio and the rest of the world react accordingly.

WHAT'S IN IT FOR FARMERS?

Upon release from the crop lock-up, the five farmers also talked with USDA officials who put together livestock reports, such as Hogs & Pigs, and Cattle On Feed.

"What impressed me most was that the USDA people didn't duck any of our questions," says Howard Skiles, Montpelier. He believes that "the surveys are probably as accurate as any available, all uncertainties considered."

There's some "windage" from farmers who deliberately fill the reports out wrong. Then there's the weather between when surveys are made and reported.

"Even with these uncertainties, the government's reports are useful to keep abreast of trends," says Duane Keener, Ashland.

Like most farmers, he tries to catch crop reports first on the radio, then the newspaper. He uses farm magazines and market letters for more thorough interpretation, and is a daily reader of the Wall Street Journal's commodities page.

Skiles, who also finds the government surveys useful as indications of general trends, believes the reports are overly criticized.

"Think how we'd be without them," he says. "They contain largely the same information which the speculators, politicians and buyers of our farm products use. The main consideration is that if we didn't have government estimates, we'd be left totally at the will of the people we sell to.

"Private concerns would make more of their own surveys. They'd know the real supply-demand situation. Farmers wouldn't. A false report could throw prices in any direction buyers wanted."

For a cool $200-plus a month you can get newswire. But the roomful of ticker tape it spits out would likely be a bit more news, numbers and prices than you wish to decipher everyday.

You can also order the various crop and livestock reports you're interested in (USDA counts just about everything from apples to zucchinis). To avoid a paper blizzard in your mailbox, order only the ones you really want. And don't expect speedy delivery.

You can order a free report calendar from the Crop Reporting Board, SRS, USDA, Washington, D.C. 20250. Then circle the important crop and livestock report dates on your kitchen calendar and stay a step ahead by knowing when to keep your eyes and ears open. That's what the people you sell to do.

NUCLEAR PROLIFERATION: A GROWING DANGER

Mr. NELSON. Mr. President, under the able chairmanship of my distinguished colleague from Wisconsin, Clement Zablocki, the Subcommittee on International Security and Scientific Affairs of the House Committee on International Relations is conducting a very thorough and careful examination of the issue of nuclear proliferation. Few developments pose such a potential threat to the well-being of our planet as the increasing spread of nuclear technology and equipment. The issue demands our attention. It will not go away, and can only grow more dangerous with time.

In testimony before the Subcommittee on International Security and Scientific Affairs, the distinguished Senator from California (Mr. CRANSTON) pointed out that experts believe that by the 1980's the present nonweapons countries will have enough plutonium to make 50 atomic bombs per week. Senator CRANSTON calls this deeply alarming specter coupled with a superpowers' arms race, "the most urgent problem facing our Nation and mankind."

I commend his eloquent and constructive testimony for the careful attention of the Senate, and I ask unanimous consent that the full text of his testimony, an analysis of Senate Concurrent Resolution 69 (H. Con. Res. 371), the text of that resolution, and a related article from the Washington Post, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR ALAN CRANSTON

Mr. Chairman and members of the Subcommittee on International Security, I appreciate the opportunity to appear before you to testify in support of the purposes and goals incorporated into the resolution introduced by Representatives Zablocki, Fountain, and Bingham in the House and a similar resolution (S. Con. Res. 69) introduced in the Senate by myself, Senators Brock and Mathias. I might add that six of the nine members of the Foreign Relations Arms Control Subcommittee in the Senate joined us as co-sponsors at the time the Senate resolution was introduced. The other three members of that Subcommittee have expressed real interest in the resolution, and I especially welcome the encouragement we have received from the Chairman of that Subcommittee, Senator Symington.

Before addressing the resolutions that are the subject of this hearing, Mr. Chairman, let me express my admiration for the work of this Subcommittee of the International Relations Committee. I know of no committee on Capitol Hill that has investigated the problems of national and international security with the imagination and breadth of vision displayed by this Subcommittee. For years, you have been throwing light on every important topic related to controlling nuclear weapons, from the issues in the SALT talks to the decisionmaking processes of our own government pertaining to command and control over nuclear weapons—not to mention the hearings and studies you have conducted on every other important aspect of national security policy.

Mr. Chairman, these resolutions recognize the fact that nuclear power is on the loose in the world and that this is the most urgent problem facing our Nation and mankind. It is a problem which demands the serious, day-to-day attention of both the Congress and the Executive agencies, if our civilization is to survive. There are many ways to illustrate the danger of our dilemna. Let me cite one recent estimate by Professor Lincoln Bloomfield writing in Foreign Affairs. He estimates that there will soon be 7,000–12,000 annual shipments of spent fuel rods between reactors and reprocessing plants. By the early 1980's, this will mean that the present nonweapons countries will have available to them annually enough Plutonium 239 to make 50 atomic bombs a week if they choose to.

What can these concurrent resolutions accomplish? They have meaning in several respects:

1. If passed by the Congress, such a resolution would be seen as a major Congressional initiative for peace, addressing several major aspects of the nuclear control problem. It is a means by which Congress, in an act of statesmanship, can respond to the challenge of a very dangerous nuclear world by advising the President, and the nations of the world, just how far we are willing to go in bringing nuclear power under control. The resolutions address the SALT talks, arms reductions, nuclear tests, and the proliferation problem. In omnibus fashion, most aspects of the nuclear threat are dealt with—contrary to numerous resolutions introduced in Congress which deal with individual aspects of the problem.

2. A resolution such as we are proposing—as Congressman Zablocki has pointed out—is a constructive way for Congress to go about influencing the formulation of foreign policy, vis-a-vis the Executive branch. It is appropriate for the Senate and the House to advise the President on the directions U.S. foreign policy should take in the future by stating principles of policy goals.

The resolve section requests the President to inform foreign countries of specific declarations of policy by Congress. This is a positive approach. The objective is to give the President guidance and clearer understanding as to the position of Congress. Goals are set for future negotiations that logically relate.

It is important to stress, Mr. Chairman, that the resolutions provide a statement of principles and policy goals, in the hope that we can at least influence and at most guide what will actually happen down the negotiations road.

3. Our resolutions—it should be noted—are consistent with the nuclear initiatives of the present Administration and its predecessors. Section 4 of both resolutions endorses Secretary Kissinger's recent proposal at the U.N. for multinational regional nuclear fuel cycle centers.

4. The resolutions require a quid pro quo from the Soviets by insisting on parity and verification procedures. This is a way for Congress to make clear in a formal way that it expects an equitable arrangement with the Soviets in all arms control and reduction negotiations.

5. Finally, the resolutions provide the framework for the nuclear powers to offer incentives to the nonnuclear states to abstain from nuclear weapons in return for the ultimate peaceful benefits of nuclear energy.

While quid pro quo arrangements are required of the major nuclear powers, there are included genuine incentives for compromise on the part of states further down the nuclear totem pole. International participation in critical elements of the fuel cycle is offered in return for nations becoming full signatories of the Non-Proliferation Treaty and accepting International Atomic Energy Agency inspection—in a context that encourages political trust. In proceeding to increase the power of the international community, a step by step process is essential.

The operative hypothesis is that a seat at the table of nonweapons aspects of the fuel cycle is the price the "monopolists" must pay to others who agree to forgo a seat at the table of nuclear weaponry. (To quote Secretary Kissinger: A new international structure has to be built "not on the sense of preeminence of two power centers, but on the sense of participation of those who are part of the global environment.")

It is important to note that none of the steps proposed in the resolution require nuclear disarmament, a working collective security system, or total international ownership of nuclear goods.

In regard to the specific provisions of the resolutions, Mr. Chairman, I submit for the record the resolution I introduced in the Senate and an accompanying "white paper" explaining the reasoning behind the various sections.

I have made it clear to my colleagues in the Senate that I earnestly invite changes in the wording of the resolution that will improve it; I hope you will approach it critically in this committee as you study the two resolutions. I think we are trying to accomplish the same thing in both. I do not feel that any of the language in the Senate resolution is sacrosanct. Let me express the hope that you will consider the further step outlined in Section 5 of the resolution introduced by Senators Brock, Mathias and myself.

Today, given recent developments, I would stress Section 1 of both resolutions. It incorporates the spirit and intent of S. Res. 20 introduced early this year in the Senate by Senators Kennedy, Mathias and Mondale, and H. Res. 160 introduced in the House by Congressman Bingham and many members of your committee. In short, what we are trying to do is to express support for the broad purposes of the Vladivostok Accord while stressing the necessity of immediately moving on to nuclear arms reduction negotiations between the United States and the Soviet Union.

This latter point is a long-time concern of mine, Mr. Chairman. How do we bring the arsenals down? Back in 1972, the Senate adopted an amendment proposed by Senator Taft and me that urged the United States to begin "at the earliest practicable moment" strategic arms reduction talks (SART) with the Soviet Union and other nuclear powers.

But what most concerns me today, Mr. Chairman, are the press reports out of Moscow and Peking and other reports out of the Executive branch that SALT II is in trouble and may not result in a treaty establishing some limits, even upper limits, on the strategic arsenals of the U.S. and the U.S.S.R. incorporating principles of strategic parity.

Regardless of the fact that there are major differences between Moscow and Washington in trade, human rights, and diplomacy; regardless of the fact that "detente" provides no magic solutions to real differences in national interests; regardless of the fact that the United States desires improved relations with the People's Republic of China—we must not, we cannot allow the momentum of SALT to be slowed down and ground to a halt. After all, the overriding purpose of talks with the Soviet Union in the first place was to contain the nuclear genie in a bottle of restraint. We must keep this all-important goal in mind and not abandon the quest.

Some officials in our own government, and some in the Soviet Union, have come dangerously close to suggesting that the two major powers can engage in nuclear war "with cozy assurances to each that they will pulverize each other only up to a certain point"—as Norman Cousins recently stated. That refutes the notion of what warfare is all about, which is to destroy the other side. If we are going to insert rationality into the situation, we have to prevent nuclear war from coming about altogether.

Prompt passage by Congress of this resolution is one means of encouraging the parties to move forward on SALT II while reminding them that SALT III (reductions) is a necessary follow-up.

OFFICE OF U.S. SENATOR ALAN CRANSTON: AN ANALYSIS OF THE CONCURRENT RESOLUTION ON "NUCLEAR REDUCTION, TESTING AND NON-PROLIFERATION"

Section 1

Description

Congress urges the prompt translation of the strategic parity principles embodied in the Vladivostok Accord (SALT II) into a treaty. After the conclusion of the treaty, Congress urges immediate negotiations on a verifiable, mutual 20 percent reduction in the number of strategic delivery vehicles and the number of missile launchers equipped with MIRV's.

Commentary

The final details of the treaty are scheduled to be agreed upon when Brezhnev visits the United States late this year. The Senate will then be asked to approve it. The chief feature of the treaty will be the ceiling placed on the number of vehicles and "mirved" launchers in the inventory of the two superpowers, 2400 and 1320 respectively.

The next step would involve numerical reductions in the actual number of vehicles and launchers in the inventory of both sides. Twenty percent is an arbitrary figure. If the ceiling figures under Vladivostok were actually built up to, the 20 percent reduction would result in 1920 strategic delivery vehicles and 1056 launchers equipped with MIRV's on both sides. However, assuming disparities in numbers and MIRV-installation rates between the two sides, the reduction would appear to "favor" the Soviets in total number of vehicles and the United States in total number of launchers with MIRV's remaining.

Section (1) meets two complaints recently directed at the talks between Moscow and Washington. Concern has been expressed that the Vladivostok Accord would encourage a bilateral arms race to the agreed upon upper limits, with the Soviets having a head start over the United States in the number and kind of ICBM's. A related view is that SALT II represents only token progress, another cosmetic device, which does not promote meaningful reductions in strategic arsenals. Immediate negotiations toward a substantial reduction target would provide, potentially, a response to these complaints. This resolution, therefore, provides a constructive linkage between the ceiling of a SALT II Treaty and the reduction of a SALT III follow-on agreement.

Section (1) also speaks to the convictions of the great majority of signatories to the NPT who believe that there is a direct linkage between nuclear arms reductions by the superpowers and the prevention of the further proliferation of nuclear weapons to current non-nuclear weapon states. Article VI of NPT states: "Each of the parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of a nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control."

The power of the US-USSR example is acknowledged in the international community. "Horizontal" non-proliferation must be accompanied by "vertical" non-proliferation. In strategic missiles alone on both sides, the number of deliverable warheads has increased nearly four-fold, from 2,600 to 8,000, in the seven years since NPT was signed. And these figures do not include thousands of tactical nuclear weapons and those delivered by bombers.

Section (2)

Description

Congress urges a comprehensive agreement ending all underground nuclear explosions under adequate verification.

Commentary

As bilateral talks with the Soviets proceed on SALT matters, talks on an underground test ban can proceed concurrently.

In 1963, the U.S., the U.S.S.R., and the U.K. signed the Test Ban Treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. The parties agree "not to carry out any nuclear weapon test explosion, or any other nuclear explosion" in the designated areas, or in any other environment if the explosion would cause radioactive debris to extend beyond the borders of the state conducting the explosion. The treaty is of unlimited duration. Most of the countries of the world have now signed it, but not France and the P.R.C. (The latter two continue to test in the atmosphere.)

At the Moscow Summit meeting of July, 1974, the U.S. and the U.S.S.R. took the first step toward limiting underground tests by signing the "Treaty on the Limitation of Underground Nuclear Weapon Tests." Under the terms, each party agrees not to carry out any tests of weapons having a yield in excess of 150 kilotons after March 31, 1976, to keep its underground tests to a minimum, and to work toward ending all underground nuclear weapon tests. Verification is to be by national means of detection. The accord provides for inspection by satellite photography and seismic readings of earth tremors. The two countries pledge to designate test areas in advance, to exchange geological measurement of weapons yield and to fire two "calibrating shots" so that standards of measurement could be set. (Critics charge that, set at 150 KT, the threshold is so high as to have little effect on the weapons programs of either the U.S. or the U.S.S.R.)

Article III states that the provisions of the treaty do not apply to nuclear explosions for "peaceful purposes," and that these "shall be governed by an agreement which is to be negotiated and concluded by the Parties at the earliest possible time." The decision not to have the treaty take effect before March 31, 1976, was in part determined by the need to give the two parties time to conclude this agreement. Negotiations are under way. (The treaty has not yet been submitted to the Senate.)

In the NPT, the nuclear powers obligated themselves to share the potential benefits of peaceful applications of nuclear explosions with non-nuclear states. Hence, agreed procedures for peaceful explosions, should these become technically and economically feasible, are also significant in limiting nuclear proliferation. (Article V of the NPT states in part that "potential benefits from any peaceful applications of nuclear explosions will be made available to non-nuclear weapon states Party to the Treaty on a nondiscriminatory basis . . ." Further, "non-nuclear weapons states Party to the Treaty shall be able to obtain such benefits . . . through an appropriate international body with adequate representation of non-nuclear weapons states. Negotiations on this subject shall commence as soon as possible . . .")

Section (2) of this resolution urges a verifiable agreement ending all underground nuclear explosions on the part of states that have nuclear weapons. There is no threshold on yield, and no distinction is made between peaceful and military explosions (a distinction in motive that is not provable, incidentally).

The value of peaceful nuclear explosions (PNE's) for engineering purposes is highly controversial. Various groups of U.S. scientists have tried hard recently to persuade their Soviet counterparts that on the basis of "Plowshare", PNE's are uneconomic, dangerous, and a spur to proliferation.

If a total ban on underground testing cannot be negotiated because of the belief of some states that PNE's may contribute to economic development, then perhaps an international PNE facility could be set up to handle tests as exceptions to an underground test ban. (The current U.S. position calls for "internationally approved facilities," national in nature.) Such a facility would not affect the stockpiles of nuclear weapons currently possessed, but it would give to countries who held back from signing the NPT on grounds of status and autonomy a greater sense of participation in a far less discriminatory system.

In any case, the United States can accept a comprehensive test ban without a threat to our nuclear deterrent or our security. (In the 93rd Congress, S. Res. 67, a resolution calling on the President to promote negotiations with the Soviet Union for a Comprehensive Test Ban Treaty was approved by the Senate Foreign Relations Committee—but no action was taken on the Senate floor.)

If the threshold test ban does not cover peaceful nuclear explosions, and remains set at the high level of 150 kilotons, it will offer little incentive to any state to refrain from its own developments.

NOTE.—On September 11 the Soviet Union put forward at the U.N. a draft for a treaty that would prohibit all underground tests of nuclear weapons as well as those tests prohibited by the 1963 Test Ban Treaty. Title: "A Treaty on the Complete and General Prohibition of Nuclear Weapon Tests." The text of the treaty states that it cannot become operative until it has the approval of all countries with nuclear weapons (US, USSR, UK, France, China). Significantly, the text failed to provide adequate safeguards against secret underground testing. Nuclear explosions underground for peaceful and nonmilitary purposes are to be covered by "special agreement" according to the Soviets. The vagueness of this provision is an important objection because, w/o adequate safeguards, "peaceful" explosions can be used to develop nuclear weapons technology.

NOTE.—In July 1975 it was announced after Kissinger and Gromyko met in Geneva that the Soviet Union had accepted the principle of on-site inspection of nuclear explosions in connection with the U.S.-U.S.S.R. underground threshold treaty. But the Soviets did not mention such inspections in the draft treaty submitted at the U.N. Instead, it calls for verification of compliance through "national technical means" and asks governments to assist by exchanging seismic data. It would appear that the Soviets have not become reconciled to on-site inspections under a comprehensive test ban. But Kissinger did say on Sept. 22 that the negotiations setting a threshold on underground tests constitute a significant step "towards a verifiable comprehensive test ban."

The Soviet Union has long advocated a total ban on tests, and the United States has long said it cannot agree to such a ban without on-site inspection, since a seismograph cannot distinguish between nuclear blasts and earthquakes or between weapon tests and blasts for peaceful purposes.

Section (3)

Description

Congress urges a halt by all major nuclear suppliers on further transfers (exports) of nuclear fuel, technology, and equipment to any country which has not accepted IAEA safeguards on all its nuclear programs or which by January has not become a party to NPT.

Commentary

At least eight suppliers would be covered by this section: US, USSR, UK, France, Canada, West Germany, Japan, South Africa. Other potential suppliers are the Netherlands, Italy, Sweden. Prominent nuclear customers that could have been affected by such a provision earlier are Brazil, Iran, India.

Under Section (3), Israel and Egypt would have to sign on to NPT or come under IAEA in order to receive from the United States the 600 megawatt reactors offered by President Nixon. Incidentally, it is U.S. policy not to export the total fuel cycle (as West Germany has done with Brazil).

A halt on transfers would be an important first step in confronting directly the issue of proliferation. It is consistent with the cessation of underground tests and can be pursued simultaneously.

At the U.N. on Sept. 22, Secretary Kissinger called attention to new efforts among the supplier states to strengthen and standardize safeguards and controls on the export of nuclear materials, adding that commercial competition must not be allowed to erode safeguards. He repeated a U.S. proposal for "an international convention setting standards to protect the physical security of nuclear materials in use, storage or transfer."

Section (5)

Description

Congress urges an agreement among the suppliers to *reprocess plutonium* (resulting from transfers) in secure regional centers under multinational control.

Commentary

Plutonium which is sufficiently pure to be used in a light-water reactor—or a bomb—requires in most cases processing in a chemical separation plant that separates it from unspent uranium and other materials contained in fuel rods which have been irradiated in a reactor. For most of the reactors being built, where the spent fuel rods are reprocessed is where weapons-grade plutonium could also be produced. India has recently shown that plutonium need only be extracted from the spent fuel rods through reprocessing techniques that can be readily built on a small scale.

The number of spent fuel rods that will be moved about in the years to come is enormous. One estimate is that there will soon be between 7,000–12,000 shipments annually between reactors and reprocessing plants. By the early 1980's this will mean that the present nonweapons countries will have available to them annually enough Plutonium 239 to make 50 atomic bombs a week—if they chose to. (Kissinger: "The greatest single danger of unrestrained nuclear proliferation resides in the spread under national control of reprocessing facilities for the atomic materials in nuclear power plants.")

Not many reprocessing plants have yet been built, due to expense. We have arranged to have recipients of fuel produced here to send their present fuel rods for reprocessing to the United States (or in some cases a third country).

This is a good (early) time to rethink the system. On Sept. 22 Secretary Kissinger, drawing on a plan under discussion at IAEA, proposed—as "a major step to reinforce all other measures"—the establishment of "multinational regional nuclear fuel cycle centers." He argued that their existence would reduce the incentive for small and inefficient reprocessing facilities, limit the possibility of diverting peaceful nuclear materials to national military use, and create a better framework for applying effective international safeguards.

This concurrent resolution would put Congress on record as endorsing the U.S. initiative at the U.N.

A series of internationally controlled facilities, along with regulated transport of lethal material to and from plants, could represent "community" control of a process that is crucial to all—but is currently held by the nuclear "monopolists." A planned regional approach would reduce the danger of domination or capture and, more positively, spread control facilities and thus participation.

Section (5)

Description

Congress urges a halt in the production of weapons grade material for weapons use under a verification system. If this is done, Congress further urges the sharing of access to, and the product of, nuclear enrichment facilities (gaseous diffusion plants) of major nuclear powers with those nations who sign the NPT and accept IAEA safeguards.

Commentary

This section is the most unique feature of the resolution. It urges the nuclear weapons states to take a big step of statesmanship comparable to the Baruch-Lilienthal plan put forward by the United States after WW II. It might be termed the "open facilities" plan.

It can be put forward in international forums as a target to be pushed for down the road as the steps in Sections 1–4 are realized. Looking ahead to a climate in which steps have been taken to share at least some important peaceful nuclear responsibilities and privileges, this step would provide the means by which the international community could get a handle on the basic element of the process—the uranium itself.

Weapons grade fissionable material is produced by power reactors and by military reactors. Under the first part of Section (5) the production of all fissionable material for military purposes in both types of reactors would be ended. If Congress approved this part of the resolution, it would be revitalizing the 1966 U.S. proposal for a "cut-off" in the production of all weapons grade material and the transfer of substantial military stocks of U–235 and plutonium to peaceful uses.

Incidentally, U.S. weapons needs are presently consuming only a very small portion of the enriched nuclear fuels that we are capable of producing. A proposal to halt the production of weapons grade material for military purposes would probably not be favored by the Soviet Union at this time since they are now in the initial stages of an extensive MIRV program requiring manufacture of many new warheads.

The time of the proposal may not be right but negotiations are never accomplished instantaneously. Besides, we are talking about an initiative to be suggested by Congress now to take effect over the long term, if other nuclear weapons states agree.

Coupled with the "cut-off" proposal in Section (5) is a proposal that would amount to the internationalization of enrichment plants. IAEA inspection could be performed at all nuclear power reactors using both U–238 and U–235.

At this time the United States has a virtual monopoly on enrichment facilities since we possess about 90 percent of the world's existing capacity. In contrast to the period of the Baruch-Lilienthal plan, however, the enrichment technology is one in which both the U.S. and the U.S.S.R. have achieved the required know-how—so this idea may be acceptable to the Soviet Union.

In addition to its symbolic effect, this plan would have the real value of guaranteeing nuclear fuel as needed to satisfy the energy needs of participating countries. Perhaps the driving force in the nuclear policies of the nations of the world—in the future—will be to guarantee that their energy needs are met, with weapons proliferation per se of secondary importance. Therefore, such an initiative by Congress could provide the impetus for a better climate in which to head off the slide toward uncontrolled proliferation.

S. Con. Res. 69

NUCLEAR REDUCTION, TESTING, AND NON-PROLIFERATION

Whereas the operation of the Treaty on the Non-Proliferation of Nuclear Weapons was reviewed in May, 1975, by a special conference which included parties to such Treaty;

Whereas such conference confirmed the fact that states with nuclear-weapons capability have made only limited progress in pursuing "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and a treaty on general and complete disarmament," as called for by such Treaty;

Whereas a significant number of non-nuclear weapons states have not acceded to such Treaty;

Whereas pressures generated by expanded energy requirements throughout the world have vastly increased the demand for non-military uses of nuclear energy;

Whereas it is important that further efforts be undertaken on an urgent basis to limit the dangers involved in peaceful and military nuclear developments and that the position of the United States Congress be understood with respect to its willingness to give full effect to the terms of the Treaty on the Non-Proleferation of Nuclear Weapons and to take further steps to limit nuclear dangers; Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the President of the United States is respectfully requested to inform the appropriate foreign countries of the following declaration by the Congress of the United States with respect to arms control and disarmament negotiations and the proliferation of nuclear weapons materials:

(1) The Congress of the United States, noting the principles of strategic parity embodied in the Vladivostok Accord of November 24, 1974, urges their prompt embodiment in a Treaty. The Congress further urges, after the conclusion of such a Treaty, immediate negotiations on a verifiable mutual 20 percent reduction in the number of strategic nuclear delivery vehicles and the number of strategic missile launchers equipped with multiple independently targetable reentry vehicles.

(2) The Congress of the United States urges a comprehensive agreement ending underground nuclear explosions under adequate verification.

(3) The Congress of the United States, in order to reinforce international actions to prevent the proliferation of nuclear weapons and other nuclear explosive devices, urges a halt on further transfers of nuclear fuel, technology, and equipment to any country which has not accepted International Atomic Energy Agency safeguards on all its nuclear programs or which by January, 1976, has not become a party to the Treaty on the Non-Proliferation of Nuclear Weapons, upon the condition that all major nuclear suppliers agree to a similar halt on such transfers.

(4) The Congress of the United States urges an agreement among the major nuclear suppliers providing that, with respect to the plutonium resulting from any transfer between countries of nuclear fuel, technology, or equipment, all reprocessing of such plutonium will be performed in multinational regional nuclear fuel cycle centers which are protected by the strictest possible safeguards.

(5) The Congress of the United States urges a halt in the production of weapons

grade material for weapons use under an adequate verification system. Following implementation of this provision, the Congress further urges, in order to share American resources and to guarantee nuclear fuel as needed to satisfy the legitimate energy needs of participating countries, the sharing of access to, and the product of, the nuclear enrichment facilities of the major nuclear powers with all nations who sign the Non-Proliferation Treaty and accept International Atomic Energy Agency safeguards.

The Secretary of the Senate and the Clerk of the House of Representatives are instructed to send an authenticated copy of this Concurrent Resolution to the President of the United States.

NUCLEAR FUEL CONTROL URGED BY HILL GROUP

(By Murrey Marder)

A drive to arouse "a laggard Congress and hesitant White House" to greater action over the spread of nuclear fuel was launched yesterday by a bipartisan group of senators.

"Nuclear power is on the loose in the world," said Sen. Alan Cranston (D-Calif.), "and that is the singlemost important problem facing our nation and mankind."

Cranston, joined by Sens. Charles McC. Mathias Jr. (R-Md.) and Bill Brock (R-Tenn.) at a press conference, said Congress must awaken to the danger that pressure for energy supplies is spreading nuclear power reactors around the world without adequate safeguards.

It is estimated, Cranston said, that "the so-called nonweapon countries will have enough plutonium in the 1980s to make 50 atomic bombs a week."

At the same time, he said, "the nuclear arms race between the U.S. and the Soviet Union continues, for all practical purposes, virtually unchecked."

Most members of the Senate Foreign Relations Arms Control Subcommittee, Cranston said, have agreed to cosponsor his resolution that asks the United States and the Soviet Union to "reduce their nuclear arsenals by 20 percent and to halt further production of nuclear warhead materials."

His resolution calls for starting these negotiations immediately after conclusion of the current strategic arms limitation talks (SALT) which are to be climaxed by a Washington summit meeting between President Ford and Soviet leader Leonid I. Brezhnev.

These negotiations, however, are bogged down and whether Brezhnev will visit the United States this year is in doubt.

In addition, the resolution calls for halting all underground nuclear explosions; asks for a halt in exports of nuclear fuel, technology, and equipment in any country that has not accepted international safeguards on all its nuclear programs, and seeks agreement among all nuclear suppliers to reprocess plutonium from exported nuclear reactors in regional centers under strict control.

Noting that Secretary of State Henry A. Kissinger has proposed regional centers for processing nuclear fuel, Cranston said there is nothing in the cosponsored resolution that conflicts with any position taken by the Ford Administration.

The proposed resolution, however goes considerably beyond several administration positions, particularly in the new proposal for halting production of material for nuclear weapons.

Mathias said "the danger of nuclear proliferations is the most imminent and the most dreadful danger" in the world today. Brock said, "We just cannot tolerate further lack of attention" on a problem of this magnitude.

Cranston told reporters that Senate Majority Leader Mike Mansfield (D-Mont.) and Senate Minority Leader Hugh Scott (R-Pa.) both concur in the need for greater congressional attention to the nuclear dangers.

CAPITAL SHORTAGE

Mr. FANNIN. Mr. President, the unquestionable capital shortage which presently exists in the United States is a matter which I have felt compelled to discuss for some time. Our unparalleled national proclivity for spending far beyond our income now appears to have established itself as part of our heritage. As investment always equals savings, it is clear that the Federal Government should be designated the ring leader of this injustice to the American people.

Many of our colleagues scramble to pass new programs to help the "people." I do not question the good intentions of these individuals who believe they are correct in spending dollars to solve social problems and, at the same time, laying more government regulations on the daily lives of the recipients.

What I do question is the soundness of this spendthrift policy. The unanswered question remaining is where do we find the dollars required for new productive capacity. The Nation cannot continue to spend at the expense of saving and expect to have new jobs created, homes built, and financially sound retirement programs established.

Mr. President, the United States has been slipping steadily from its position of leadership among free market nations. Study after study verifies this contention. These same studies indicate that other market economy nations view business investment and profits from a more rational viewpoint. Most other nations have tax structures which have allowed them to outstrip our nation in investment in productive capacity.

Mr. President, on November 10, 1975 the Wall Street Journal published a column entitled "Capital Shortage" by Lindley H. Clark, Jr. I agree with Mr. Clark's analysis of this vital economic problem. His clear depiction of the workings of the free market system and the forces which stymie it makes good reading. I commend this article to our colleagues.

I ask unanimous consent that the column, "Capital Shortage", be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

CAPITAL SHORTAGE

(By Lindley H. Clark, Jr.)

In recent months there have been many warnings that the nation faces a huge capital shortage in the next decade or so. The timing of the talk is less than propitious, since the nation's factories now are operating well below capacity, and are likely to continue to do so for months to come.

Some of the estimates of the potential shortage, moreover, probably are exaggerated. Certainly the efforts to come up with precise dollar figures for the capital gap vastly exaggerate our ability to forecast the future.

Yet the talk shouldn't be ignored. Anyone can see that the capital needs of the future will be enormous, whatever their exact dollar amount turns out to be. Factories become obsolete even if they stand idle; technology simply refuses to stand still. Proper concern for environmental and human values has dictated immense expenditures for pollution control and industrial safety.

The energy problems will force us to spend more to find and develop new energy sources. The recent recession has stopped construction of electric power plants that we will have to have early in the 1980s. The demands for capital, however you measure them, are likely to be relatively larger than they have been in the recent past.

A nation can meet capital demands only through someone's saving, saving done by government, business and consumers. That's as true of a communist country as it is of our capitalist nation.

Now, saving will always equal investment; it may not equal the investment that's wanted or needed, but it has to equal the investment that gets done. If savings are low relative to the investment demand, the two are balanced by the interest rate. Determining whether saving is "adequate" or not is to some extent a subjective exercise; the answer depends on what you think of the desirability of those investment projects that are squeezed out.

Murray L. Weidenbaum, director of the Center for the Study of American Business at Washington University in St. Louis, considered this and other capital questions in an address last week. He made it clear that he doubts the flow of savings will meet his definition of "adequate."

Several basic factors, he said, will be holding down savings over the next decade. One is simply demographics: "The changing age distribution of the United States population suggests that, if past savings patterns are maintained, the personal saving rate (although not the absolute amount) could decline over the coming decade."

What this means is that there will be more people in the high-spending, low-saving age brackets (20–34) and fewer in the high-saving age brackets (40–54). The net effect could be more consumption and less saving.

Mr. Weidenbaum also says that the personal saving rate will be held down by the "repeated liberalization of Social Security and other government welfare programs." Since Social Security is at best a pay-as-you-go proposition, there is no offsetting government saving.

Inflation impedes both individual and business saving. Depreciation allowances, based on original costs, prove entirely inadequate to replace machines as they become obsolete. Accelerating inflation creates inventory profits, which look fine in earnings statements but aren't available in any realistic sense for spending on new plants and equipment. Unless the businessman plans to cut his scale of operations, the inventory profits simply have to be ploughed back into more inventory.

The biggest single obstacle to savings right at the moment is the federal government, which is taking many billions of dollars more from the economy than it is putting back. Brookings Institution economists, in a recent study, concluded that we might just barely meet our capital needs in the next decade—but only if the government starts running sizable surpluses.

Perhaps some of these obstacles will in time look less imposing. Perhaps the 20-to-34-year-olds will turn out to be big savers, not big spenders. Perhaps the federal government will be running massive surpluses along about 1978 or 1979. Perhaps.

Do we really want to take a chance that everything will somehow turn out all right? Or should we at least try to lower some of the existing obstacles to saving?

For anyone who doubts that the present tax system is biased in favor of consumption and against saving, Mr. Weidenbaum offers a homely example: "Let us take the case of three factory workers, A, B and C. Each is of the same age, has the same work experience and size of family, and earns the same wage. To keep it simple, let us also assume that each rents the house that he lives in."

Mr. A spends exactly what he earns. Mr. B saves, putting part of each paycheck in a savings account. Mr. C not only spends all he earns but borrows, buying all that he can. Who pays the most tax and who the least? Mr. B, the saver, has the highest tax bill, paying taxes not only on his wages but on the interest from his saving. Mr. C, the big spender, has the lowest tax bill, since the interest on his borrowing is tax deductible.

What can be done? The biggest step would be for the government to become less a big spender and more a saver, as the Brookings study clearly recognizes.

At a minimum, moreover, the government should tamper less with the tax system in ways that discourage saving. The frantic drive to close each and every alleged tax loophole is at base an effort to redistribute income from savers to spenders and, if carried farther, is likely to be a service to no one.

The investment tax credit clearly has been helpful, but a much better approach would be to make depreciation allowances more realistic reflections of actual replacement costs. Congress might even reduce the corporate income tax if the lawmakers could grasp the fact that the tax is not paid merely by rich investors but by the general public in the prices of products.

Maybe we will somehow squeeze through, but a sensible nation would avoid that sort of gamble with its future.

ALGERIAN NATIONAL DAY

Mr. HARTKE. Mr. President, in a constitution approved by popular referendum in 1963, Algeria was declared a democratic and popular Republic, a part of the Arab Maghreb, the Arab world, Africa.

According to provisions of this constitution, executive powers of the state are to be exercised by the President of the Republic who is elected for a 5-year term, by universal, direct, and secret ballot.

Algeria's struggle for independence was long, a National Liberation Front—FLN—and a National Liberation Army—AKN—were formed in 1954 to lead and organize a national struggle for independence. After 7 years of intense warfare, a cease-fire agreement was reached in Evian, France on March 18, 1962. On July 3, 1962, Algeria was recognized as a sovereign state and shortly thereafter became a member of the United Nations.

There are an estimated 14.2 million people in Algeria with a density of 122 people per square mile. The indigenous group of the area were the Berbers, who have held on to their land through invasions by the Phoenicians, Romans, Vadals Byzantine, Arabs, Turks, and finally the French.

Administratively, Algeria was divided into 15 departments. In 1969, the Wilaya—Governorate—Charter was published. It states:

> The Wilaya is a living political institution which assembles a community of interests whose management must be guaranteed by the elected representatives of these citizens.

Each Wilayate has its own people's assembly and executive council. As of July 2, 1974, the number of Wilayate was increased from 15 to 31. They are as follows: Adrar, El Asnam, Laghouat, Oum El Bouaghi, Batna, Bejaia, Biskra, Bechar, Blida, Bouina, Tamanrasset, Tebessa, Tlemcen, Tiaret, Tizi, Ouzou, Alger, Djeffa, Jijel, Setif, Saida, Skikda, Sidi Bel Abbes, Annaba, Guelma, Constantine, Medea, Mostaganem, M'Sila, Mascara, Quargla, Oran. Each Wilayate is subdivided into Daira and communes.

Algeria petrochemical industry is growing at a rapid rate. A nitrous ammonia factory is in operation and a fertilizer complex was opened in 1972.

Skikda, a newer and larger petrochemical complex, which includes a gas liquification plant and a refinery, is contributing to the infrastructure of the growing manufacturing sector.

Algeria's second 4-year development plan allocated 100 billion dinars to achieve an economic growth rate of 8 percent per year.

Because November 1 is the day that initiated the forty commando raids that was the backbone of the Algerian Revolution, that day is set aside as a national holiday. And I take this opportunity to salute the President, the government, and the people of Algeria.

PRESIDENT FORD'S CABINET SHAKEUP

Mr. BELLMON. Mr. President, last week, President Ford took perhaps the most decisive action of his administration. He sacked some top-level personnel. That has always been a prerogative of the Presidency, and Mr. Ford's Presidency was coming under increasing fire for lack of purpose and direction. One of the chief criticisms leveled at President Ford during his first 14 months as Chief Executive was his apparent reluctance to replace some of the Nixon holdovers in his administration with men of his own choosing.

So what was the verdict when Mr. Ford finally made some changes?

The real verdict, among other things, is that Washington—those who run the town and those who report on it—love a good scrap, that is all. Suddenly, however, the ground rules for President Ford have changed. Now, apparently, Mr. Ford should not have replaced Nixon holdovers in a bold and decisive manner. Suddenly, the verb "fire" is a bad word, a privilege not available to the President of the United States. Interestingly, an ex-Secretary of Defense and an ex-Director of the Central Intelligence Agency have suddenly had their credibility greatly elevated in the eyes of the Nation's news reporters. This is a remarkable, perhaps even unprecedented, flip-flop. However, it casts a shadow over the credibility of the suddenly outraged news commentators.

Let us see what really happened. All those reporters who last August were complaining about Washington being "Dullsville, U.S.A." can breathe a sigh of relief and now zero in on the closest thing this town has to a juicy scandal—the first shakeup in the Ford-Nixon administration. President Ford, you have sinned. You have surprised and stunned your erstwhile critics.

In so doing, President Ford, you have caused the commentators to attempt to make heroes out of Schlesinger and Colby. Only today, on the front page of the Washington Post, there is a touching picture of the dismissed Defense Secretary bidding farewell at a Pentagon ceremony. Fittingly, William Colby also is featured in that picture. Who would dare suggest that only days earlier these two were treated to something short of rave reviews in the press? Rather, they were frequently criticized and held up to derision.

And how did two of our Nation's newsmagazines treat Mr. Ford's action? "Ford's Costly Purge," sniffed Time. "A Halloween Massacre," echoed Newsweek.

Suddenly, though somewhat belatedly, Mr. Schlesinger is conceived by certain newsmen and Members of Congress as perhaps the greatest defense expert in America.

As for those nominated by Mr. Ford—the men he terms "my guys"—they may or may not be worthy of wholesale endorsement. Whether or not Persident Ford has chosen the proper replacements does not diminish in the least his right, and at times his duty, to remove high-ranking people from the executive branch and submit his own appointments for Senate confirmation. So, to put it bluntly, what is the big deal? Why all the furor?

Surely the many fine Democrats who are running for President and who have grabbed headlines in their defense of our departed Secretary of Defense and Mr. Colby would never have been so political in the 1976 Presidential campaign as to point to the number of Nixon appointees remaining in the Ford administration.

Clearly, they would have done precisely that. Their current agitation is probably less due to disagreement with President Ford than to the loss of a campaign issue which they looked forward to with relish.

Mr. President, the press and President Ford's Democratic critics have had a lot of fun with the new "team" lineup of the Ford administration. It may be necessary to remind them of this fun—and its implications—the next time they demand the scalp of a member of the Ford administration.

Gerald Ford is President. Washington now knows what the rest of the Nation accepted 14 months ago.

SAMUEL PISAR "NEVER AGAIN" AUSCHWITZ 1975

Mr. RIBICOFF. Mr. President, President Giscard d'Estaing's recent pilgrimage to Auschwitz with Samuel Pisar, the youngest survivor, as his personal guest, had a profound impact in France.

Samuel Pisar and his wife, Judith, are close personal friends of Mrs. Ribicoff and myself.

Thirty years after Auschwitz, with the tragic votes in the United Nations yesterday again sowing the seeds of horrible anti-Semitism, it is essential that the words of Mr. Pisar be read by all understood by all, and followed by all.

I ask unanimous consent that Mr. Pisar's address to President Giscard d'Estaing at Auschwitz on June 18, 1975, as restated to President Gerald Ford on July 29, 1975, be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by Samuel Pisar

To return at your side, Mr. President, to this altar of the holocaust, where as a boy of 14 I died so many deaths, lived so many tortures and humiliations, where all I ever loved was reduced to cinders, is an experience that staggers the soul.

But it is also a journey from tragedy to triumph.

By your presence here today, the date on which from London, 35 years ago, Charles de Gaulle's call to resistance redeemed the honor of France, you add a new dimension to the historic meaning of the 18th of June.

From here, Mr. President, you speak to generations, to races, to nations, to ideologies, to liberal and conservative, to rich and poor, to East and West.

For the spot on which you stand is the deepest wound ever inflicted upon human civilization, the inferno where Eichmann's realism eclipsed Dante's vision of hell.

On this I bear you the personal testimony of a rare survivor, perhaps the youngest survivor of all.

Among the unspeakable reminiscences that flood my mind in these once familiar surroundings, one heartbreaking image stands out, and it is the only one about which I would like to say a word.

Near those machine-gun towers, in their striped blue and white rags, sat every day the most remarkable symphony orchestra ever assembled. It was made up of the greatest virtuosos from Warsaw and Paris, from Kiev and Oslo, from Burapest and Rome. The precious violins they brought along on their last journey were signed Stradivarius, Guarneri and Amati.

To accompany the daily hangings and shootings—while the gas chambers over there belched fire and smoke—they were ordered to play Mozart, the Mozart you and I adore.

Enough of the past!

These horrors, which I have never mentioned to you in the years of our friendship devoted to seeking together new avenues of international coexistence, new weapons of peace, must not numb our senses, nor shake our faith in God and man.

If they seem relevant today it is because we dare not forget that the past can also be prologue, that amidst the ashes of Auschwitz we behold the true specter of doomsday—a warning of what might still lie ahead.

It is to this barbed wire fence, therefore, that man must come, in emulation of your example, to bow his head and meditate on justice, on tolerance, on respect for human rights and, most of all, on new moral perspective that can reclaim the world's alienated youth.

Mr. President, in this cursed and sacred place you are facing your greatest audience. Here you stand in the presence of four million innocent souls.

In their name, and with the authority of the number engraved on my arm, I say to you that if they could answer your noble words they would cry out: "Never again"!

Never again between Frenchmen and German between Turk and Greek, between Indian and Pakistani. Never again between Arab and Jew.

In their name I thank you for your pilgrimage to this shrine of martyrdom and agony.

Your gesture inspires universal hope that the statemen of the world will pay new heed to the clouds of violence that are gathering around us.

That they will spare no effort to lead us to a safer and better future.

Samuel Pisar, Auschwitz, 1975.

A STUDENT'S VIEWPOINT

Mr. BROCK. Mr. President, day after day we struggle with the difficulties of the day. We try, as best we may, to take into account the varied views and needs of our society. I recently received a letter from a student at one of the fine State universities in my State, Memphis State University. In his letter, the student wrote:

> In past articles and readings of the Congressional Record I have noticed to my surprise that not many of the newspaper articles published are from a student's viewpoint.

The letter was from Mike Rorie, who is president of the Interfraternity Council at Memphis State. Mr. Rorie was nice enough to also include an article written for the Memphis State Helmsman, and viewing the nature of that article, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Forum—A Challenge to Students

(By Mike Rorie)

The past three months I have had the opportunity of viewing society's problems as related to the workings of the United States Government. The privilege of viewing our government has made me a witness to many of society's ills and its effect upon the people of this area (Washington, D.C.) and in all parts of the country. For example, the recent struggle between the Congress and the President over the energy crisis is going to affect the people of this country greatly, especially in the pocketbooks.

Government in our country is a lot like big business in that it spends billions of dollars of taxpayers' money to help provide needed services but also wastes a great deal of money in this process. This can well be illustrated in the use of tax money for experiments with drugs on human beings.

Government, in its effort to help the American people, has produced a very insensitive image. Of course, this may well be caused by the slow change that our government and our way of life makes. Where are we headed as a nation in the many problem areas that we have? What are we as students going to do about future problems that we will face if today's society cannot cope with its problems?

As all of us realize, we are certainly affected by the condition of our society and the bureaucratic changes it undergoes: for example, as the price of goods continues to increase, so must the price of education; and as laws are enforced unfairly, certain groups of people continue to suffer. But where does this leave the student today? Why should we be concerned with today's society?

Today's society is made by our past, in part for us. It's a challenge, in my view, for the student to take hold of the grassroots of society to improve American culture as we know it today.

It's a lot like laying a new foundation upon the one our past history has already given us. As many of our minorities have realized, this nation's culture in many aspects is shaped for the majority of the people. We, as the leaders and the builders of the future must take into consideration the varied problems of minorities and strive to work with them to build a total culture and not build just for the majority of the American people. We, the students need to also strive to learn how to cope with today's environment and to improve upon our culture in our varied roles within society.

As our day comes for us to leave the pleasant surroundings of our university and face the many problems related to the "outside world", let us not forget the many virtues our culture has provided us with. We are 1) the best educated country the world has ever known, 2) we are the best fed country the world has yet known, 3) we have the highest standard of living the world has known and 4) we have the right to express ourselves without fear of harm from society itself.

To me, this does not mean that there should not be change, but constructive change for the betterment of the world.

With our problems in today's society, we as a student body should strive to move forward with the education we gain at Memphis State University and the experience we gain in our lifetimes within our culture. For if I may quote John F. Kennedy: "Ask not what your country can do for you, but ask what you can do for your country."

The past several decades have shown that America can move forward and change without civil strife and without changing our style of government in a radical way. Let us always remember the small changes we have already made, especially in the past two decades and especially in the area of civil rights for all Americans.

Let us not, as Americans, stand pat for the society we have now but strive to accomplish the dream of society of freedom and goals that can better benefit society as a whole and not just for sections of our society. Let us as students challenge our professors and our administration to give us educational opportunities we shall need to improve our culture and change our society for the betterment of our total culture.

Let us give thanks that we might, just might, have such an opportunity to accomplish this.

SAVE THE CHAMBERLAIN BASIN

Mr. CHURCH. Mr. President, the combined acreage of the Idaho and Salmon River Breaks primitive areas within my State of Idaho is almost 1.5 million acres. Permanent classification of these areas as wilderness would bring long-range protection to the largest untouched natural areas in the continental United States.

When Congress passed the Wilderness Act of 1964, the U.S. Forest Service was required to study the existing primitive areas for possible classification as wilderness. The Ford administration has recently submitted to both the House and Senate its recommendations for these areas.

Among the recommendations approved by President Ford and Secretary of Agriculture Butz was the deletion of the 300,000 acre Chamberlain Basin. Not only is this basin the very heart of the Idaho primitive area, but it has been variously described as "the best elk range in North America."

Not surprisingly, the Forest Service has shown an almost casual attitude toward the concerned sportsmen and conservationists who have written the President requesting that Chamberlain Basin be restored to the wilderness proposal.

Mr. President, recently there appeared in the Lewiston Morning Tribune an article by Ferris Weddle titled, "Chamberlain Basin Still Endangered by Exploiters," which details the controversy surrounding this unique area.

Because the Chamberlain Basin has a multitude of fish and wildlife species and because of the flimsy nature of the excuses advanced by the Forest Service for the deletion of this area from its wilderness proposals, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Chamberlain Basin Still Endangered by Exploiters

(By Ferris Weddle)

Kamiah.—Will Idaho have the largest classified wilderness area in the lower states? It could have with the 2.3 million acre River of No Return Wilderness Area, a combination of the present Idaho and Salmon River Breaks primitive areas plus some adjacent backcountry that meets all the criteria for wilderness quality.

We will have only a token area of 1.1 million acres if the Ford Administration has its way because of the recommendation of Secretary Earl Butz of the U.S. Department of Agriculture. Even the U.S. Forest Service, at least outside Washington, D.C., had suggested a 1.5 million acre wilderness. Fortunately, the Congress will make the final decision.

Along with conservationists on state, regional and national levels, Gov. Cecil D. Andrus and the Idaho Department of Fish & Game were outraged by the USDA dictated recommendation. Gov. Andrus opted for a minimal 1.8 acre wilderness that would include Chamberlain Basin, which has been described as the outstanding elk range in the nation.

The truth is the elimination of the 300,000-acre basin astonished even the ardent preservationists. They expected opposition to certain additions, but it seemed a foregone conclusion that Chamberlain Basin, a part of the Idaho Primitive Area since 1931, would be included in the final administration recommendation.

Aside from the other deletions, why Chamberlain Basin? I think Ted Trueblood had the answer in an article in the September Field & Stream, "The Forest Service vs. The Wilderness Act." A quote: " 'Purity' is the best dodge the Forest Service has found so far (to scuttle the Wilderness Act) and making progress against this subterfuge is like trying to paddle a canoe through mud."

Trueblood is no starry-eyed visionary—his feet have always been and still are solidly planted and certainly he's the state's outstanding outdoors writer. He, along with thousands of others, wrote President Ford about the Basin deletion. He received a stock form reply under the name of John R. McGuire, Chief of the U.S. Forest Service. The gist of the reply was that Chamberlain Basin has evidence of man's past activities, but the truth came out in the paragraph which read:

"In his review, the Secretary of Agriculture determined that the evidences of man's works, the opportunities for wildlife improvement, and the potential for minerals development and timber harvest at some future date outweighed the merit for allocation of Chamberlain Basin to wilderness."

The form letter also acknowledged that the timber in the basin can't be economically harvested with present technology. The mineral potential is "modest." In addition, "There is development on some non-federal lands."

The latter "developments," it turns out, are the 409-acre Stonebraker Ranch and the 158-acre Root Ranch. The former is now owned and managed by the Idaho Fish & Game Commission, and the latter is used as a hunting camp. Two other developments are Forest Service administrative buildings.

The basin is justly famed for its elk, but there are also deer, and in adjacent areas bighorn sheep, mountain goats, moose, black bear, cougars and other wildlife. The USDA, through the Forest Service, maintains ". . . and there is potential for wildlife habitat enhancement of a nature not permitted under wilderness designation."

Calling the statement, "absurd," Trueblood asks: "How can you improve on the best there is? Well-documented studies have proved that roading and logging decimate elk herds . . . wipe out sheep and goats and doesn't help any other wildlife."

What is Chamberlain's timber potential? Trueblood points out that the Pacific Northwest exports more timber to Japan in four days that could be taken from the basin in one year. And we can't forget the extensive, highly detrimental roading that would be necessary to log Chamberlain—roading that would affect not only wildlife but fishery resources.

There are many other examples of the Forest Service "purity" dodge in Idaho and other western states. We have examples galore in the management plan for the Selway-Bitterroot Wilderness Area—hassles over maintaining even minimum airstrips, unrealistic regulations for hunting and fishing camps, severe limitations on visitors and sizes of groups—and earlier, of course, the burning of some buildings with historic values.

Trueblood deplores the Forest Service policy of burning down historic homestead and trapper cabins and certain other structures that were a part of the wilderness country when it was truly wild. In the Idaho Primitive Area, two historic log cabins were burned—the Mahoney and Billy Mitchell cabins. There was no reason to burn either—they fit into the environment, they had historical significance and would enhance the wilderness experience rather than detract from it. There are a few purists among preservationists who would disagree, but the majority would not.

It's perhaps unfortunate that the Wilderness Act of 1964 was too open-ended, allowing the administrating agency too much leeway in making regulations that can be often nonsensical and pure and simple nit-picking.

Is the Forest Service exceeding its authority? Consider this quote from The Wilderness Act: "Nothing in this act shall be construed as affecting the jurisdiction or responsibilities of the several states with respect to fish and wildlife in the national forests."

The Forest Service in its Selway-Bitterroot plan has decreed, among other things that no more fish will be planted if there is no past history of the species and that barren lakes will be left barren. There will be no introduction, in short, of any non-native species—fish or wildlife.

The main point, however, is that the Forest Service is usurping the rights of the state fish and wildlife agencies—but that is an old story whether we are speaking of wildlife-fishery resources within or without wilderness or primitive areas. True enough, the Forest Service does try to cooperate in many ways—and has become more cooperative in recent years, but there's a great distance to go yet in this cooperative effort.

Basically, I think Trueblood's charge that the Forest Service is antiwilderness and is using the "purity" concept as a dodge is correct—at least it is in the higher echelons. The lands in question, and their natural resources, are public lands. Only an aroused public can change Forest Service thinking—and may be the Forest Service needs to have more direction from the apathetic public.

A NEBRASKA FARM WIFE LOOKS AT THE NEW YORK CITY FISCAL CRISIS

Mr. HRUSKA. Mr. President, a particularly insightful look at the New York City fiscal problem was taken recently by a lifelong Nebraskan, Mrs. Marian Lenzen, who with her husband operates a wheat and cattle farm near Sidney, Nebr.

In a letter to the New York Times, Mrs Lenzen asks:

> Why should anyone out here in the midlands give a damn about New York City? Or New York State?

Mrs. Lenzen suggests that the same kind of economic theory which allows a New Yorker to believe that wheat farmers are millionaires entitles her to discount the dire forecasts of widespread disaster if New York City collapses financially.

"Why should I believe it?" she asks. "You refuse to believe that the price of wheat has very little to do with the price of bread. New York City claims to be the intellectual center of the United States but its financial plight makes that claim ridiculous."

Mr. President, I commend Mrs. Lenzen's spunky letter to my colleagues from the metropolitan areas. In the deft use of satire, she has drawn a powerful moral for all of us.

That moral is that the urban centers of this Nation cannot have it both ways. They cannot continually penalize and downgrade agriculture and deny our farmers and ranchers their hard-won right to their fair reward for their efficiency and productivity and, at the same time, ask that bad administration and foolish fiscal policies be rewarded by a Federal bailout.

Farmers and ranchers like the Lenzens work long, hard hours to make a profit. They know that when their costs of production rise, they must have a corresponding return on their investment and labor.

Marian Lenzen cannot understand why she and her husband should subsidize free college educations for New Yorkers when she has to scrape up $18 an hour tuition to keep her children in the University of Nebraska.

Mrs. Lenzen's purpose will have been well served, it seems to me, if only a handful of those who favor low-farm prices and who speak of farmers and ranchers growing rich at the expense of the consumer will consider the matter on the terms she so bluntly expresses.

Mr. President, I ask unanimous consent to have printed in the Record Mrs. Lenzen's letter to the New York Times which appeared on November 6 of this year.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Nebraskan: Let New York Go "Down the Drain"

(By Marian Lenzen)

Sidney, Neb.—New York City will go "down the drain" unless the Federal Government (the taxpayers of the United States) comes to the rescue.

I don't think we should let N.Y.C. go "down the drain." No sense messing up the plumbing. It would be better to amputate. Let's just saw N.Y.C. off, tow it to the middle of the Atlantic, cut it loose, and forget the whole thing. It's easy to forget unpleasant things.

Why should anyone out here in the midlands give a damn about N.Y.C.? Or New York State? New York has a large number of Congressmen (how many I don't exactly know, but a lot more than Nebraska, which has just three members in the House of Representatives). How many New York Representatives voted to override President Ford's veto of the emergency farm bill last spring? How many showed any concern for the farmer? All they were interested in was cheap food.

It didn't matter that many small family-size farmers could go broke without that legislation, which was designed to assure the farmer the cost of production. But New Yorkers are quick to support higher minimum wage laws which are, in effect, a support price for labor). All they could see were the big farmers with their thousands of acres. The little farmer was completely ignored.

In Nebraska alone, there have been 1,000 farmers a year leaving the land. They go to the cities, not the small towns. Small towns depend on agriculture for their prosperity, too. If farmers are going broke, so are the small-town merchants. This has been going on for years because the Congressmen representing cities couldn't understand that a prosperous agriculture was good for everybody. So the cities can blame themselves for their troubles.

You tell us that if N.Y.C. defaults the repercussions will be felt far and wide. Nonsense! Why should I believe it? You refuse to believe that the price of wheat has very little to do with the price of bread. New York City claims to be the intellectual center of the U.S. but its financial plight makes that claim ridiculous.

You can't handle your own financial situation, but your newspapers and television columnists make profound announcements—of vacuity—on agriculture.

When you tell me that it's good for me to get $3.50 a bushel for my wheat when I could have had $5.50 at least, if Ford had kept his hands off of the export market, then I tell you that you can extricate yourself from your mess.

I hope N.Y.C. does default. Do it good. Make it face up to the realities of life. Good for its soul. It will teach other cities not to get in the same situation. I've got just as much right to make such a judgment about N.Y.C., as you have to tell me that this latest Russian grain deal is good for the farmer. And how many times I've read and heard that recently!

This latest Russian grain deal is designed primarily to keep grain prices low. That alone is silly. The higher the price of the grain sold to Russia, the more money comes into the country to help offset the money going out to buy oil.

"Wheat prices have very little effect on domestic food prices but you refuse to accept and acknowledge that fact because it doesn't jibe with your preconceived ideas. Tell me why fish prices have gone up 50 percent in the past two years. We haven't sold any fish to Russia. An extra dollar on the price of wheat can have a beneficial ripple all through the economy, just as surely as a N.Y.C. default can have a disastrous effect.

As long as New Yorkers think that all wheat farmers are millionaires, then I'm going to believe that the only people who will be affected by a default will be millionaire bankers who have been getting richer and richer because of advantageous tax laws.

Why should I want to subsidize New Yorkers' free college educations when I have to scrape up $18 an hour tuition to keep my children in the University of Nebraska?

You didn't even have sense enough to raise ferryboat prices. New York City—who needs it? Let it go down the drain."

THE FIRST LADY OF SKOWHEGAN—AND BEYOND

Mr. MUSKIE. Mr. President, our former colleague, Margaret Chase Smith, was interviewed recently by Mr. Richard Plummer of the Central Maine Morning Sentinel, of Waterville, Maine.

The wide-ranging interview covered her current work with Freedom House, progress on the Margaret Chase Smith Library in Skowhegan, Maine, and her opinions on a variety of subjects of current interest. Those of us who served with her in this Chamber will see her sharp wit and thoughtful analysis of issues reflected in this article. Asked to summarize her current views, she said:

> We have to be optimistic and we must not lose our confidence . . . In urging the regeneration of the American will, it is well to recognize that the majority of people, young and old, are good.

Mr. President, I ask unanimous consent that the article on Mrs. Smith from the November 3, 1975, edition of the Morning Sentinel, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

INTERVIEW WITH FIRST LADY OF SKOWHEGAN—AND BEYOND: MRS. SMITH CALLS ON YOUNG PEOPLE FOR REGENERATION OF AMERICAN WILL

(By Richard A. Plummer)

SKOWHEGAN.—For many years—partisan politicians to the contrary—Margaret Chase Smith has been the First Lady of Skowhegan and beyond.

As we interviewed her last week at the Margaret Chase Smith Library, Inc., we felt the title still applies to this famous woman.

Things on Norridgewock Avenue, as we observed them, hadn't changed that much since she lost her bid for re-election as a U.S. Senator and entered private life.

The telephones rang constantly, and she continued to move swiftly from one end of the house to the other. She opened what seemed like volumes of mail. She conferred many times with her executive secretary, William Lewis—a retired Air Force major general and an attorney—on whether it would be possible to keep this appointment or make that speech.

She is pleased and excited over her Woodrow Wilson National Fellowship Foundation appointment as a Senior Fellow. She is entering the third of her three years with this program. So is Lewis.

"I think you could say that our basic message is the regeneration of the American Will," she said. "And this is basic."

Mrs. Smith added: "We are trying to get the young people to spearhead this regeneration.

"It is proving one of the most challenging and fascinating aspects of my career. It gives me the feeling of contributing something to a fine cause. It is completely positive in nature. And you don't have to be defending yourself against petty criticisms."

In the more than two years they have been Visiting Fellows, she and Lewis have done 17 colleges and universities across the country, spending a week at each campus.

Mrs. Smith speaks on such subjects as history, political science, foreign relations, government, women, education, the environment.

Lewis' topics lean toward the military, law, business and economics.

We asked Mrs. Smith if the educators ever proved objective in their introduction and made any references to the fact that she holds only a high school diploma.

"Oh, yes. They have been very fair. Many of them bring out this very fact. I tell them that my education has been a continuing thing; that it has never ended. A great deal of experience has been my education," she stated.

Mrs. Smith explained that the Lilly Pharmaceutical Company gave one million dollars to the Wilson Foundation for the lectures over a three-year period.

"Bill and I started it. They came to me and asked if I would be willing to get the program started. What we usually do is go onto the campus Sunday night. The next morning we go to classes.

"We cover the waterfront in our talks, as you noticed in our list of subjects. None of the other Fellows cover the range of subjects that Bill and I do. The rest are more specialized. There are 60 of the Fellows. I guess one would have to say that I have done the most work and have received top rating for my efforts."

She explained that a purpose of the program is to get people with experience to go to a university or college with the object of obtaining better rapport between the college and the community.

Lewis added that Mrs. Smith is serving as chairman of the board for Freedom House of New York City, which has fought extremism of the left and right.

He said that Freedom House is sponsoring a forum in Indiana during January, the subject to be the Regeneration of America and How to Achieve It. The moderator will be Daniel Moynihan, U.S. Ambassador to the United Nations, and Mrs. Smith will be a speaker. The Lilly Company also is underwriting this forum.

"The largest college which Bill and I have visited is Notre Dame, at South Bend, Ind. The Rev. Theodore Hesburgh, trustee of the Wilson Foundation, made a request for his university to have a Wilson Foundation speaker, and he asked that I be sent. After we finished our week there. Fr. Hesburgh commented that it was the finest thing that ever happened on campus. He remarked he would love to have us come back at any time and he would roll out the red carpet."

Mrs. Smith recalled her first job after graduating from Skowhegan High School was to teach school at the Pitts School on the Back Road to Fairfield, the first to the ninth grades.

Referring to her current educational efforts Mrs. Smith said: "I don't say yes to one-tenth of the requests which come in from the U.S. and from Canada. I have finished my political career although I remain a very busy woman."

She reported she is considering an offer from a state university in the south to be a professor in residence. And she does want to do a book. "I make notes all the time and have requests from publishers. One of them has asked me to do my autobiography. The answer was, 'Yes, I will give it serious consideration.' "

What about the Margaret Chase Smith Library, Inc.? Lewis gave us a description of progress, to date, and what is planned for the structure.

"The east wing of this house will be converted to the library. We anticipate a fireproofed addition to house all of Mrs. Smith's records and papers.

"The center or middle section of the house will be the museum and remain exactly as it is. It will include a display of memorabilia, including the 80 hoods which she received with her honorary doctorates.

"The west wing will house the offices," Lewis said as he concluded his outline.

Lewis explained that Arnold Ginsburg of New York City, Bates Manufacturing Co. president, was the first to ask the former senator if she would consider converting her home to a library-museum.

Lewis added: "A group of men asked her if she would agree to maintain her residence here because we needed her help with her records and papers. She would be able to maintain a portion of the house as a residence . . . a right of occupancy. That was the situation.

"As to when it will be opened, it will depend on financing. Underwriting the project is going to take time. We wish to be careful and cautious, not overextend in any way. But we are moving ahead. Money is coming in gradually. The papers, records and scrapbooks will be microfilmed. And you will be in them, Dick, with your stories."

I asked the former senator her opinion on Henry Kissinger: "I think he is working very hard on the job. I would want to read the fine print of the agreement he is making before I could make an evaluation—what price we will have to pay for his diplomatic triumphs, what price the American people will have to pay."

On President Gerald Ford: "I am disappointed in his lack of leadership. And I wish he would stay in Washington and mind the store, either in the White House or Congress." But she added: "I am pulling for him on the vetoes. The latest count is Ford, 31, Congress, 7.

On New York City: "If I were still in the U.S. Senate, I would find it very difficult to vote for bailing out New York City."

On the upcoming presidential campaign: "I don't know who is going to make it. Have no idea who might be the next president. But I hope both conventions will be wide open and the candidates not selected ahead of time."

And a final wrap-up of her current views: "We have to be optimistic and we must not lose our confidence. We are wonderful people in every way. In urging the regeneration of the American will, it is well to recognize that the majority of people, young, middle-aged and old, are good. Don't judge a group by the bad actors who are very much in the minority.

"I urge the people of America to have pride in ourselves, not to live beyond our means, to stop wasting our natural resources, make things go further.

"We need a return to self-reliance and self-discipline, and great respect for the law. Let us turn away from permissiveness and the something-for-nothing notion."

As we drove back down Norridgewock Avenue after interviewing the lady from Maine—said by some to have received the most honorary doctorates of any person in the world—we felt inclined to give her still another title, Woman of the World.

THE FOOD STAMP TROUGH

Mr. BROCK. Mr. President, the food stamp program has become of prime importance to the American people. Of late, numerous reports and studies have indicated widespread mismanagement and abuse of this program which originally was intended to help the nutrition of the poor in this Nation. That is a commendable goal and should be the guideline for any reform that Congress seeks. In a well-considered editorial on October 26, the Washington Star pointed to another aspect of the food stamp debate—the ability of Congress to keep its own legislative intent on track. That is a vital issue today. I ask unanimous consent that the Star's editorial "The Food Stamp Trough" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Food Stamp Trough

By one count, there are now 160 versions of food stamp reform before Congress, one of them the bill President Ford sent to Capitol Hill last week.

The variety of the reformist notions is a sure sign that the food stamp program is a textbook case. It tells us how well-intended programs for the relief of distress convert themselves, by administrative laxity and congressional connivance, into monstrosities.

In the food stamp program, original principle has dimmed to the vanishing point. We don't know, for instance, whether there are 11,000 food stamp recipients at the University of California, Berkeley. But if there are, the program has grotesquely overshot its legitimate aim. Maybe a good number of these 11,000 youngsters need to have their diets improved at the taxpayers' expense. But their title to the subsidy should rest on claims other than that they are in some sense "heads of households" whose net income falls below a certain level.

Beyond the abundant evidence of widespread abuse that must be called borderline chiseling, there are more than the usual allegations of waste. In late September, this newspaper reported that overpayments, or payments to ineligibles, resulted in an estimated waste of some $797 million last year. The figure is disputed by the Department of Agriculture, which in response to a query by Sen. Bob Dole of Kansas set the wastage at $264 million. But the department concedes that it reached the lower figure by refusing to accept certain accounting assumptions whose validity it does not flatly deny. In any case, the waste and misspending are excessive.

No doubt a bargain will be struck, in the end, between those who want the program to go on subsidizing millions of Americans whose incomes are well above the poverty mark and those who, given their druthers, would cut it off at the line. In any event, there are several decisions of principle that Congress needs to make about food stamp eligibility.

It ought to decide, above all, whether the program has defensible purposes other than to relieve abject hunger and malnutrition. The way to do that—the approach advocated by Mr. Ford last week—is to standardize deductions from gross income under which the threshold of eligibility is determined. As the program operates, there are all kinds of deductions for expenses, chiefly open to middle-income taxpayers, that can bring net income within the program's standards. But since most of the genuinely poor can't afford the deductible expenditures, the effect is to tilt eligibility requirements in favor of millions of Americans whose right to food stamps should, in principle, be questioned.

Sen. George McGovern, attacking the President's reform proposals, called them "a surrender to some of the more extreme critics . . . who really want to reduce it to just a *poverty program*." (Our emphasis.) "Just a poverty program" is, of course, what it started out to be during the Johnson years; and if it is to be more than that—as it obviously is now—the taxpayers are due a reasoned case for the expansion of aims and purposes. Maybe it can and should be defended, for example, as a form of unemployment relief, which in the past couple of years it clearly has become for added millions. But this is just the kind of bootlegging of extraneous purposes into programs otherwise conceived and explained that makes an incoherent mess of social policy. Maybe food stamps can be defended, also, as a cushion for farm prices. The question is whether that aim will be candidly professed, and on what grounds.

At stake in the food stamp controversy is a larger question of immeasurable consequence. It is whether Congress is capable of keeping its legislative purposes on target. The failure of food stamp reform would offer a pretty clear signal that we can no longer devise ways to help the genuinely needy without inviting to the federal trough those who rarely let principle or comfort stand between them and an unneeded public subsidy.

GOOD DEAL—FOR WHOM?

Mr. CHURCH. Mr. President, much discussion has centered recently around the long-term grain agreements reached between the United States and the Soviet Union. In all of the debate surrounding these agreements, commentators and policymakers alike, seem to have lost sight of a most crucial point: the Soviets needed to purchase the grain more desperately than we needed to sell it.

According to an October 23 editorial in the Idaho State Journal, unless the price of wheat goes appreciably higher than it is at present, the Russians are going to have the American farmers supplying them at bargain basement rates for a long time.

Perhaps we would not have found ourselves in this particular situation had President Ford heeded my suggestion that the Secretary of Agriculture be included in the U.S. delegation at the discussions preceeding these agreements. It is very difficult to balance the different economic interests associated with this issue. Not only must the price consumers pay for a loaf of bread be reasonable but the farmers who toil from sunrise to dusk to produce this commodity must receive a reasonable price which will allow them to make a fair profit.

I am afraid that our "sharp Yankee traders" were once again "mauled" by a famished Russian bear. Or, as the editorial in the Journal puts it—

> Somehow it seems the U.S. should have gotten a better deal on this deal.

Mr. President, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Idaho State Journal,
Oct. 23, 1975]

Good Deal . . . for Whom?

With announcement of the long-term deal to let the Russians buy our grain comes a glimmering of suspicion that we just may have been snookered again.

It is true that without sale of grain to the Russians this year, U.S. farmers might have been saddled with a record crop which would have depressed prices. As it is, the Soviets are expected to purchase more than 16 million metric tons of wheat and corn from American exporters, necessary because of a large shortfall in the Russian harvest.

But in the two-month interim since President Ford clamped an embargo on sale of grain ostensibly to confirm that the U.S. harvest was indeed twice as large as we can consume, the price slumped some 50 cents per bushel to the producer. The price for a bushel of wheat in Pocatello Tuesday was $3.39, which is not much above the break-even figure. It is not expected to rise, since the market already had discounted news of the Russian deal before it was announced.

Over the long term, Russia will be permitted to buy between 6 million and 8 million metric tons of corn and wheat annually, unless the U.S. has a poor harvest, in which case no sales will be made.

What does the U.S. get in return for bestowing this largesse on a rival (if not enemy) world power? Very little, it now appears. We seem to have lost sight of the fact that the Russians need to buy the grain a lot more than we need to sell it. Unless the price of wheat goes appreciably higher than it is this year, the Russkies are going to have American farmers supplying them at bargain basement rates for a long time. It is easy to see why the American Farm Bureau Federal and the National Farmers Organization have denounced the agreement.

As for the ballyhooed reciprocal agreement involving U.S. purchase of 200,000 barrels of crude oil per day from the Soviets, that similarly has a hollow ring. Even if the tentative arrangement finally is concluded, the price will be no lower than what the OPEC nations charge, and it seems poor policy anyhow to create any dependence on Russian oil.

We presume the U.S. balance of trade will benefit from Russian purchases, that there is ample grain to feed the U.S., plus its traditional customers such as Japan and the poor countries struggling against starvation, and that American consumers will not be ripped off for bread as a result. But somehow it seems the U.S. should have gotten a better deal on this deal. Time will tell.

IN TRIBUTE TO THE LATE NEAL SHAW BLAISDELL, FORMER MAYOR OF HONOLULU

Mr. FONG. Mr. President, I report with heavy heart on the passing Wednesday of one of Hawaii's most illustrious sons, Neal Shaw Blaisdell, the former mayor of the city and county of Honolulu.

Neal died just 1 day short of his 73d birthday, and, until his stroke the previous day, lived a vigorous, active, and full life. It was particularly shocking for me and others of his friends here in Washington, for it was only during the previous week that he had visited the Nation's Capital, and at that time looked his usually very fit and healthy self.

My personal friendship with Neal goes back many, many years. I first knew him when he starred in scholastic sports, especially in football. His friendliness, charm, and good sportsmanship will remain among my cherished memories. It was my good fortune to serve with him in the legislature of the Territory of Hawaii where he worked diligently and consistently in the interest of the people of Hawaii.

Neal, in addition to serving as mayor of Honolulu for 14 years as a legislator, also served as a school teacher and coach, and as the public welfare administrator of Hawaii.

All State flags in Hawaii currently are being flown at half-staff until funeral services tomorrow—Wednesday—as people of the Aloha State mourn the loss of one of their greatest and best-loved leaders.

As the official proclamation of mourning issued out of the Governor's mansion in Honolulu said:

> Neal is remembered with deep affection and genuine admiration by the many citizens throughout our Islands who were privileged to associate with Mr. Blaisdell in government, civic and business affairs. . . .
>
> His distinguished record of public service stands as a shining inspiration to all who share in the American dream.

The loss felt in Hawaii is being shared nationally and internationally, for Neal served several terms as president of the U.S. Conference of Mayors, was founder of the Japan-American Conference of Mayors and Chamber of Commerce President, and the initiator of sister city relationships between Honolulu and Hiroshima and Naha in Japan, and Kaohsiung, Taiwan.

My heartfelt and deepest sympathies go out to his grieving widow, Lucy, and to their two daughters and others of the family.

Mr. President, in tribute to a great and good man, I ask unanimous consent that the following editorials and news articles, which appeared in the Honolulu Star-Bulletin and the Honolulu Advertiser, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From a Honolulu Star-Bulletin editorial]

Neal Blaisdell—Effective Leader

It is almost seven years since Neal Shaw Blaisdell walked out of the Mayor's office at City Hall to a very comfortable, relaxed and happy retirement.

His death yesterday, just one day short of his 73rd birthday, brings him back into the news in a major way for the first time since that date.

It is a shocking event to his family and friends since he had remained in superb health and condition until his stroke while gardening on Tuesday.

For the community at large, his passing will be a reminder of a kind of political leadership some people think never existed—warm, devoted, honest and effective.

For 14 years, 1955 through 1968, Blaisdell was "Mr. Mayor" and those were the years of booming growth that markedly transformed this city.

No mayor has served more consecutive years as Mayor of Honolulu, though his predecessor, John H. Wilson, was Mayor for nearly 17 years in the 35-year period from 1920 through 1954.

Some questioned the background that propelled Blaisdell to his first political successes—athletics.

A college football star at Bucknell, he later was known and admired in a sports-happy town for successive stints as an athletic director or coach at McKinley, Punahou, Roosevelt and St. Louis Schools.

But he also had a business executive background with Bishop Trust and Hawaiian Pineapple companies, and he grew from an uncertain, sometimes fumbling stump speaker in his first campaigns for the Territorial Legislature in 1944 and 1946 to one of the most polished public personalities in the State.

At his choice, he could woo a crowd with either a speech or a hula, or both. Being part-Hawaiian, the hula with him was wholly natural and extremely sophisticated.

As it turned out, he also could sit in a room with his cabinet, or the City Council, or one of his many boards and commissions, and use his coaching talents to bring them together and inspire them with his own enthusiasm.

A member of the old Board of Supervisors that preceded the City Council created by the 1959 Charter recalls how the Democratic Board of Supervisors began 1955 sparring and suspicious of the new Republican Mayor.

The issue that divided them was the cave-in that had occurred in the construction of the Wilson Tunnel in Kalihi Valley with loss of life, and heavy damage claims, and a Board fear that the new Mayor might somehow be more interested in helping out the contractor (a leading Republican) than in protecting the City's interest.

Before this fight was over, Blaisdell had earned the Board's respect and trust and they went on to work cooperatively together on a list of accomplishments that included:

Building the Honolulu International Center. (Blaisdell foresightedly fought for a bigger arena than Council would fund.)

Adoption of the first City Charter.

Adoption of the City's first General Plan.

Installation of centralized computerized data system that preceded the State's, and is considered more effective.

Laying the groundwork studies for an Oahu mass transit system.

Redeveloping the Kapahulu areas and all of Palolo Valley with curbs, paved streets and sidewalks and undertaking major redevelopment in Kalihi as well.

Moving into environmental protection with the adoption of a sign ordinance strongly urged by Outdoor Circle.

Initiating planning for the redevelopment of Chinatown.

Blaisdell also made a mark nationally and internationally. He became president of the U.S. Conference of Mayors, one of the few to serve multiple terms, and attracted the conference to meet in Hawaii for the first time.

He also was a founder of the Japan-America Conference of Mayors and Chamber of Commerce Presidents, and an instigator of sister city relationship between Honolulu and Hiroshima, Japan; Naha, Okinawa; and Kaohsiung, Taiwan.

While this led to much international travel, he also loaded his cabinet members and City Council into a bus one or more times each year to circle Oahu and give voters at every stop a chance to present their problems first-hand and on-the-spot so that officials could see what was at issue.

As Mayor, he also suffered reversals and frustrations. Early in his administration, he and the Board of Supervisors won legislative support for a plan to realign Kalakaua Avenue one block back from Kuhio Beach in Waikiki in order to provide public open space and protect the view of Diamond Head. But they were frustrated when Congress, which had to approve all bond issues by the Territory of Hawaii, denied approval for the expenditure, apparently responding to pressures from Waikiki property owners.

Creating that space in 1955 would have cost only $5 million. Today it would cost hundreds of millions to buy and remove the buildings that block the area.

Blaisdell was frustrated, too, in his plans to get a new Honolulu Stadium under construction at the end of his administration.

Preliminary work had already been done by Architect Charles Luckman, who was prodded and inspired by Blaisdell to develop the moveable stand concept. Council was ready to appropriate $200,000 more for architectural and engineering design work, but Mayor-elect Frank Fasi announced he would not authorize spending of the funds even if appropriated. Eventually the stadium project was taken over by the State and Aloha Stadium opened this year.

The City-to-State play on the stadium reflected another aspect of Blaisdell's administration—his closeness to many Democratic leaders, such as Gov. John A. Burns.

Burns shared the belief that Honolulu needed a new stadium, no matter who built it, and was ready to have the State move in if the City wouldn't act.

Though Blaisdell wanted to be governor, he never was willing to run against Burns, even though his advisers assured him he could win. His reluctance seemed to reflect both a respect for Burns and a concern for what he would do to his supporters, many of whom supported both him and Burns.

Blaisdell was a consistent Republican election winner at a time when elected GOP leaders in Hawaii were very rare, and he managed in part by keeping an independent stance and keeping his lines open to opposition leaders he respected.

They recall how his hot temper led to heated arguments with them that always ended with a shake of hands, or a convivial drink, and no grudges.

In retrospect, the years when Blaisdell was in charge at City Hall were extremely stable ones. He steered through a time of great change with considerable equanimity.

In part, this paralleled the Burns years as head of the State government, and helped Hawaii make a major transition with a minimum of social destructiveness.

Both men seemed to share common qualities of high personal integrity and strongly inner-directed moral codes that kept them steadfast no matter what storms beat around them.

If Burns was "Mr. Democrat" of the 1950s and 1960s, Blaisdell was "Mr. Republican."

Both ought to be studied and restudied as examples of some of the best in politics.

Yesterday death took the ex-Mayor seven months to the day after it claimed the ex-Governor.

[From the Star-Bulletin]

BLAISDELL: A GRACIOUS BLEND

(By Mary Adamski)

While Neal Shaw Blaisdell was mayor, he presided at a meeting of the National Conference of Mayors in Honolulu—and later entertained the other top municipal executive with a hula.

That combination of gracious dignity and warm informality are traits for which the Hawaiian-Irish athlete, politician and businessman is remembered.

Mr. Blaisdell, who was the Republican mayor of Honolulu from 1955 through 1968, died yesterday, one day before his 73rd birthday. His death at Queen's Hospital came suddenly, after he suffered an apparent brain hemorrhage while gardening at his Kaimuki home Tuesday.

He leaves his wife of 49 years, the former Lucy Thurston; two daughters, Mrs. James K. (Velma) Clark and Mrs. Charles (Marilyn) Ane Jr., and eight grandchildren.

A period of official mourning, with State flags to be flown at half staff, was ordered yesterday by Lt. Gov. Nelson Doi, acting on behalf of Gov. George R. Ariyoshi who is in the Philippines.

Funeral services are pending with arrangements being made by Borthwick Mortuary.

In addition to his record of 14 years as mayor, Blaisdell served two years as a representative and four years as a senator in the Territorial Legislature between 1945 and 1950.

In spite of "retiring" as mayor at the age of 65, he had been director of government and community affairs for Western Airlines for the past seven years, a full-time job which included membership on the joint Airline Operating Committee.

A dapper, wiry, usually softspoken man, he was elected to five consecutive terms as mayor for an administration "which bridged the gap from the small town of Honolulu to one of the great cities of this nation, a City that is envied and admired by people all over the world."

His words, spoken at a farewell testimonial dinner in December 1968, accurately characterized the changes in the City and County of Honolulu during his administration.

During that time, the Island of Oahu's population went from 353,000 to 654,000 and the City budget went from $25.4 million to $123.3 million.

During the Blaisdell administration, both the "home-rule" power of Honolulu and the role of mayor within the City government were strengthened by 1959 revisions in the City Charter.

Blaisdell directed the expansion of the public park system and the construction of the Honolulu International Center. More than 224 acres of slum areas in downtown Honolulu were cleared and replaced by the Queen Emma and Kukui development projects.

When he retired from office he saw a longtime political foe, Frank F. Fasi, succeed him.

Blaisdell, who defeated Fasi in the 1954 and 1960 mayoral races, was beleaguered throughout his term with attacks on his administration by the former City councilman.

The former mayor refused to enter political debates with Fasi—he quoted Franklin D. Roosevelt's "Why should I build an audience for my opponents?"—contributed to his public image as a cool-headed gentleman.

But the City Hall crowd also still remembers the flashes of Irish temper, notably one occasion in May 1965 when Blaisdell threatened to punch Fasi in the nose, a scene that took place in the City Council chamber before a sizable audience.

But in general, the Republican mayor's administration operated in surprisingly close harmony with the Democratic Council.

His City Hall regime was not without dark moments. There were conflict of interest "scandals" such as the forced resignation of former managing directors Bartley M. Harloe, because City bidding procedures were not followed in the purchase of cesspool equipment, and Charles G. Clark, who engaged in real estate business while in his City position.

And there were disappointments, including the Blaisdell hopes of making the new stadium a City project—a plan that was dropped by Fasi and picked up by the State.

Blaisdell's decision not to run for a sixth term in 1968 was reportedly based on the anticipation of being named a trustee of the Bishop Estate.

But that appointment did not come through and, in a last minute decision, he accepted the GOP's draft as a candidate for the U.S. Congress seat held by Patsy T. Mink.

His loss to Mrs. Mink was one of only two political defeats in his career. He was also defeated in his first bid for mayor in 1952 by the Democratic incumbent John H. Wilson.

Blaisdell's years in public office were a matter of following a family tradition. His great-grandfather, John A. Cummins, was a minister of foreign affairs for King Kalakaua.

He was born in Honolulu, one of seven children of William W. and Malia Blaisdell. His father was an assistant fire chief. One of his brothers, William, followed in their father's footsteps and was named Honolulu fire chief by Blaisdell when he became mayor.

He attended Kamehameha School, St. Louis College and the University of Hawaii before receiving a bachelor degree in business in 1925 at Bucknell University in Philadelphia.

He made his mark as an all around athlete, in football, baseball and basketball, during his school days.

He tried out as a pitcher for the Chicago White Sox in 1923 and pitched for the Baltimore Orioles, then in the International League, in 1926 before returning to Hawaii.

He was a teacher and athletics coach at McKinley High School for three years and had coaching jobs at Punahou School, St. Louis College and Roosevelt High School during the 1930s.

He pursued a business career for more than 20 years at Bishop Trust Co. and Hawaiian Pineapple Co. before deciding to enter politics.

Blaisdell's first attempt to run for mayor in 1950 was halted abruptly when he contracted tuberculosis and underwent nearly two years treatment.

He was named director of the territorial department of public welfare by Rep. Gov. Samuel Wilder King after his 1952 attempt to challenge Mayor Johnny Wilson failed.

His background as an athlete and his determination to overcome the weakening effects of tuberculosis led Neal Blaisdell into an enviable record of physical fitness. He was a regular on the Oahu and Waialae country club golf courses.

Even more frequent than the requests for a Blaisdell hula were the routine queries about his daily habit of 100 to 200 pushups throughout his public life.

That image of a vigorous and active man is the one Blaisdell's friends and acquaintances still hold. He was a man who never grew old.

[From the Star-Bulletin]

POLITICAL FRIENDS, FOES RECALL BLAISDELL FONDLY

(By Doug Boswell)

"He was a good friend to me and to all who knew him," said Acting Gov. Nelson K. Doi, reflecting the attitude expressed by many yesterday about the late Neal Shaw Blaisdell.

Admiration for the former Republican Mayor of Honolulu who died yesterday crossed party lines and came from business as well as labor leaders.

"The greatest gift that Neal Blaisdell had was his ability to get people to work together in harmony and friendship. He used that ability during his entire life for the good of the people of Hawaii," Doi added.

Democratic Mayor Elmer F. Cravalho of Maui, who served as speaker of the House of Representatives during much of Blaisdell's tenure as Mayor of Honolulu, spoke quietly of "fond memories" and other days.

"This is a very great shock for everybody. He was a tremendous man, a very friendly and cooperative person and his death is a terrible loss for everybody," Cravalho said.

Honolulu's current mayor, Frank F. Fasi, who often challenged Blaisdell in the political arena, said yesterday he had great respect for Blaisdell, "although we were on opposite sides in politics.

"The high regard which the people of Honolulu had for him was well demonstrated by the fact that Mr. Blaisdell was mayor of Honolulu longer than anyone else has ever been," Fasi said.

"Blaisdell also was highly regarded nationally and internationally, having been a president of the United States Conference of Mayors, a member of the President's Advisory Committee on Intergovernmental Relations and an active member of the Japan-American Conference of Mayors and Chamber of Commerce Presidents," Fasi said.

Sen. Hiram L. Fong said Blaisdell's death came as a great shock, "because only last week he was in Washington and looked well."

"He was a great American and a great citizen of Hawaii and we will miss him dearly," Fong said.

George Akahane, chairman of the City Council, noted Blaisdell provided leadership for the City through 44 years during which the City grew from a population of 353,000 to 654,000.

"Among his accomplishments, we shall long remember him for looking ahead and preserving our open space through the expansion of our public parks system on Oahu," Akahane said.

"And in this regard, it is appropriate that the Pearl Harbor Park was named two weeks ago in his honor," the councilman added.

Political leaders of both parties also mourned Blaisdell's passing.

Robert Ellis, executive director of the Chamber of Commerce of Hawaii and a high cabinet official in Blaisdell's administration, said his former boss "represented the epitome of a politician.

"His administration for the whole time I was with him was surrounded in nothing but integrity," Ellis said.

"He was a fine man and we will miss him," Ellis added.

ILWU leaders, including Eddie Tangen and Robert McElrath and other top executives, also issued a statement yesterday.

"A great man has left us," the statement said.

"We in the ILWU remember the many times over many years that we willingly took the time to discuss with us issues we felt were important.

"He didn't always agree, but he listened, considered and used his good judgment on any given issue.

"Many of the things he had the foresight to recognize are even now coming to fruition as a result of his original efforts," the statement added.

David Trask, director of the Hawaii Government Employes Association, said his union viewed Blaisdell as a "good and forthright public servant both in the Legislature and as Mayor.

"We have a keen sense on the untimely death of Neal Blaisdell. We knew him intimately as Mayor and we have kept close contact since he retired. Hawaii's loss is really the country's loss," Trask added.

Former Republican Sen. Hebden Porteus said Blaisdell was "truly a man of Hawaii."

In praising his political service, Porteus said, "All knew where he stood on issues and he carried into public life the fight and enthusiasm he showed in sports."

Former Republican Gov. William F. Quinn, whose term as chief executive of the Territory and State spanned the tenure of Blaisdell as Mayor, said Blaisdell will occupy an important place in the history of Hawaii.

"I'm devastated by his untimely death. We were associated since 1952.

"I loved and admired him and have the greatest sympathy for Lucy and their family," Quinn said.

"Honolulu will forever be in his debt, for the leadership he gave to her under the new charter and as Statehood and the jet age gave rise to incredible growth and change," Quinn said.

Circuit Judge Arthur S. K. Fong said, "Having known Neal Blaisdell for about 20 years, I feel Hawaii has lost one of its valued citizens. His loss is akin to that of the late Gov. John A. Burns. Men of their caliber are hard to replace."

Andrew Poepoe, Republican leader in the House, said Blaisdell's energy and foresight will be missed.

"I think it is important for us to remember that many of the bright spots today in central Honolulu were created during his 14-year administration—the Queen Emma project downtown and our fine cultural complex, the Honolulu International Center.

"Also, it was Neal and the late Gov. John A. Burns who had the foresight and cooperatively laid the groundwork for the Aloha Stadium.

"Probably the finest thing to remember about his years as Mayor was that it was a time of close cooperation between the City administration, the State administration and the Legislature," Poepoe said.

Blaisdell Leaves Sports Legacy

(By Bill Gee and Dave Koga)

The death yesterday of Neal Shaw "Rusty" Blaisdell, on the eve of this 73d birthday, left a rich legacy to Hawaii's athletic history—a period which spanned four decades.

Blaisdell was a terrific football player who quarterbacked "Proc" Klum's University of Hawaii Fighting Deans during his freshman year in 1921.

He also starred in basketball and was a southpaw pitcher good enough to earn "a cup of coffee" with the Chicago White Sox in 1923. He was regarded as one of the finest all-around athletes produced in the Islands.

Blaisdell's greatest fame in sports, however, came as a coach—in football and basketball—first at McKinley in 1927 through '31, then at Roosevelt, Punahou and St. Louis.

He gave Hawaii sports an unforgettable era through direct participation and contributions, and in tradition.

Blaisdell came from a family of athletic brothers of whom only Jimmy is alive. His younger brothers, Bill and Timmy, both great football players, died several years ago.

Blaisdell's sons-in-law—Jimmy Clark and Charley Ane—were football players who stood out in high school, college and in the pro ranks.

His daughters, Velma and Marilyn, were song and cheer leaders at Punahou, and his wife of 49 years, Lucy, is a better-than-average golfer.

Blaisdell's grandsons—Kale and Neal Ane—also are fine football players, and a granddaughter, Malia, is a volleyball star at Brigham Young University.

During the mid-1960s (and as early as the mid-'50s), much of the local sports talk revolved around the possibility of Hawaii landing a franchise in either the National Football League or the then newly established American Football League.

Blaisdell had commissioned studies into the feasibility of such enterprises and had even journeyed to the Mainland to confer with the heads of professional football.

And with a new multi-purpose stadium—designed to replace the outmoded facility on King St.—already on the drawing board, with plans calling for a seating capacity of 35,000 and an "at the latest" completion date of 1970, optimism was running high.

And while neither dream would materialize as envisioned, the emotional level of the hopefuls—stoked by the promising reports—was at a fever pitch.

Most people passed it off as a joke when Blaisdell was quoted as saying that he would be highly interested in being named the head coach of the first professional football entry from the Islands.

But athlete-sportsman Bill "The Knee" Pacheco, while admitting that the Mayor might have indeed been jesting, pointed out in a letter to the Star-Bulletin that Blaisdell's championship record as a high school coach for McKinley, Punahou, Roosevelt and St. Louis gave merit to the suggestion.

Pacheco's letter read, in part, "He is . . . a great football coach . . . ever offensive-minded, but still a cagey defensive wizard.

"He has the uncanny ability of getting the most out of his men, (he is) a very inspiring leader (and) a fighter to the very end. What else could one want in a coach?"

That was 10 years ago.

In the time that has passed since then, Hawaii's hopes for an NFL franchise have been all but snuffed out completely and the brief two-year courtship with the doomed World Football League proved to be financially disastrous.

A new stadium, even larger that the one originally planned, has been constructed. But only after numerous delays and controversy.

And Neal Shaw Blaisdell, who led the visionaries, is dead.

"He was a great coach," said Ted Nobriga, who quarterbacked Blaisdell's 1928 McKinley team.

"He was a strict disciplinarian and he would ride you if he had to, but he could get guys to really put out for him," Nobriga said.

"The thing I remember most about him is that he was always so full of enthusiasm," said Walter Wong, athletic director at St. Louis High School, who played basketball for Blaisdell at McKinley.

"As a coach, he was full of fire . . . when he told you to do something, you had to do it right, exactly right. When he gave you a play, he expected you to execute it well.

"And I agree with that. You really don't need 50 plays if you can execute six plays perfectly."

There was genuine sadness in Wong's voice when he said, very simply, "It's too bad he had to die."

[A Honolulu Advertiser Editorial]

Neal Blaisdell

At the peak of his long career, as Mayor of Honolulu in the first part of the 1960s, Neal Shaw Blaisdell sometimes seemed to symbolize both the friendly intentions and turmoil of the Island scene.

An editorial then noted his part-Hawaiian heritage, his vigor, social charm, fine family, ability to do "a left-handed hula," and his more serious attributes. It concluded:

"He looks and acts like the Mayor of Honolulu should look and act in his role as salesman for a community that wants to keep its old charm while moving into a vigorous, booming new era."

There is, of course, much more about Neal Blaisdell, who died yesterday—a day short of his 73rd birthday.

As mayor for 14 years, from 1954 to 1968, he was a figure bred in an older Hawaii who found himself presiding in a period of major change that meant both progress and problems.

He was the last of our kamaaina mayors, in the best old sense of those words, and a man who kept his spirit and charm to the end.

Blaisdell's early years and political career are outlined elsewhere—his boyhood in Palama, athletic achievements, local and Mainland education, experience in business and as a territorial legislator, and his bout with tuberculosis.

They helped shape the man who presided longer than anyone at City Hall in a sometimes turbulent period that spanned statehood, the coming of the jet age, and the tourism, development and population booms on Oahu.

There were some epic fights, including one in the beginning between the Republican Mayor and the Democratic City Council. The result was a kind of consensus built on cooperation and what critics felt was cronyism. It usually got things done, although not to everyone's liking.

Blaisdell's personal integrity was always considered high, but at times he was not tough enough with friends and officials of lesser motives. One judgment of his administration's final years was that the challenge of change and development on Oahu had swept ahead of City Hall.

Yet two years before his last term as mayor ended, Blaisdell in 1966 probably could have been elected governor had he chosen to run against Democratic incumbent Jack Burns.

Moreover, Blaisdell's accomplishments as mayor should not be minimized in relation to the challenges the City faced.

His activity in national and international municipal organizations put Honolulu on the map as a modern city and won us many friends.

He was capable of growth, and change, which is why The Advertiser supported him for reelection several times after periods of strong disagreement.

He was for the realignment of Kalakaua Avenue. He pushed park development, which is again a popular issue. His annual bus "safaris" with other City officials around Oahu were a good old-new mixture of keeping in touch with the people.

In his last years in office, Blaisdell became an advocate of a rapid transit system, providing a kind of needed leadership. In keeping with his athletic background, he championed a new aloha stadium.

In the end, memories of Neal Blaisdell have to be the best ones. If his temper flared at times in very human ways, his later forgiveness and good spirits were a reminder that bitterness was not his style.

Like his intentions and his essential integrity, his warmth of heart in a Hawaii he loved was never in doubt.

NEAL BLAISDELL, EX-MAYOR, DIES

Former mayor Neal Shaw "Rusty" Blaisdell, who presided over Honolulu's rapid metamorphosis from Territorial small town to American metropolis, died yesterday at Queen's Medical Center following a stroke.

He would have been 73 today.

The Palama-born Blaisdell, a newsboy at age 8, made his mark in athletics, business and politics.

But it is as head of Honolulu's City government from 1955 until retirement in 1969 that the lively Hawaiian-Irish kamaaina will be remembered best.

During that span, the longest for any Honolulu mayor, Blaisdell was reelected again and again as an independent Republican with many Democratic supporters.

He liked to say that he gave the City an administration which went beyond partisan politics in both appointments and policy. He boasted also of the integrity and dedication brought to municipal government by his team.

His administration, especially in its later years, had a close working relationship with Democratic governor John A. Burns and the predominantly Democratic City Council and its powerful leaders, Herman G. P. Lemke and Matsuo Takabuki. Supporters characterized that situation as productive, opponents said it was too cozy and resulted in no real scrutiny of municipal affairs.

In 1968, even though Blaisdell did not run for reelection, much of the campaign of his successor, Democrat Frank F. Fasi, was directed at removing the so-called Blaisdell "machine" from City Hall political power.

Blaisdell viewed his greatest mayoral accomplishment as having guided Honolulu in fiscally responsible fashion through an unprecedented growth. As he put it upon retirement:

"We were just a small, village-type city in 1955 when I became mayor and we have built into one of America's great metropolises."

Midway in his final term, many thought that Blaisdell wanted to be governor and had a good chance of winning a 1966 race against Burns.

When he belatedly removed himself from gubernatorial consideration in mid-1966, friends said he thought he had a Burns commitment to have him appointed to fill the next vacancy on the Bishop Estate board of trustees.

That honor went instead to Burns intimate Hung Wo Ching in August 1968—after Blaisdell had announced he would not run for reelection as mayor. Five days later, Blaisdell undertook an unsuccessful campaign for a U.S. House seat.

The road to the top was long and often difficult for Blaisdell, eldest son in a poor family of six boys and a girl.

He was born in Kapiolani Hospital to Malia K. Merseberg Blaisdell and William Wallace Blaisdell.

His grandfather came to the Islands as one of the first sugar boilers at Kilauea Plantation on Kauai. His father was born there.

His mother was the daughter of James and Piikea Merseberg. Her grandfather, John Adams Cummins, was King Kalakaua's minister of foreign affairs.

Joking about his childhood, the former mayor once said:

"My father was a messenger with the Fire Department. We moved pretty often and I'm not sure that didn't have something to do with my father's slowness about paying bills."

He attended Central Grammar School and the Kamehameha School for Boys, then transferred to St. Louis College (now St. Louis High School), where he was graduated in 1921.

Although short and slight in stature, Blaisdell was a natural athlete. He played varsity football, baseball and basketball in high school and during two years at the University of Hawaii.

He was good enough on the diamond to get a tryout at 20 as a southpaw pitcher for the Chicago White Sox in 1923. He went on to a degree in business administraton from Bucknell University, where he again excelled in football and baseball.

After graduation, he took a job with a steel company in McKeesport, Pa., coached Bucknell's freshman football team and pitched for the Baltimore Orioles of the International League.

Asked recently why he gave up professional baseball, he said:

"I found I just wasn't big enough physically for the majors."

In 1926, he married Lucy Thurston of Honolulu, then working for her master's degree in education at Columbia University.

When the couple returned to Hawaii the following year, Blaisdell became a teacher and athletic director at McKinley High School and his wife, a teacher at Washington Intermediate School. He later took his coaching talents from McKinley to Punahou, Roosevelt and finally to St. Louis, where he was active during the 1943–49 seasons.

Meanwhile, he joined the Bishop Trust Co. mortgage department in 1930 and worked there until moving to the Board of Education in 1935.

Two years later, he became director of factory personnel for Hawaiian Pineapple Co., a job he held until 1953.

While still active in business and high school coaching, Blaisdell simultaneously launched a career in politics. In 1944, he ran for the Territorial House of Reprsentatives and won.

He was elected a Territorial senator two years later. A bout with tuberculosis took him out of politics and into Leahi Hospital in 1950.

After a year of recuperation, he tried to go back to work, but recurrent TB returned him to the hospital.

There, as he later recounted:

"The doctors told me to take things easy. I became disgusted. I felt useless, and there was so much I wanted to do.

"I heard about some new techniques in surgery and gave them a try. I was operated on in April 1952, and in August I was running for mayor.

"John H. Wilson beat my ears off."

He served governor Samuel Wilder King as public welfare director for two years, ran successfully for mayor in 1954, then began his record tenure at Honolulu Hale.

Viewing the office in his second term, Blaisdell said:

"I didn't start out with the intention of making politics my career. But I did feel I wanted to be a part of Honolulu as it grew.

"In the hospital, I had a lot of time to think. I felt I could contribute something to the City. It was nothing great or dramatic, just a feeling that there was room for a person of my training in the business world and my familiarity with local needs."

Recognition of Blaisdell as a municipal administrator came from outside, as well as inside, the State.

President John F. Kennedy named him one of four mayors on the Advisory Commission on Intergovernmental Relations. He became vice president of the U.S. Conference of Mayors in 1964. That same year, president Lyndon B. Johnson appointed him to the Presidential Advisory Committee for Community Relations.

When he left office in January 1969, Western Airlines promptly capitalized on his broad acquaintance with the people, the issues and the needs of the Islands.

That carrier, just starting service to Hawaii, hired him as its State and community affairs director. He continued in that post until he suffered an apparent stroke at 7:30 a.m. Tuesday at his home.

Always a physical fitness enthusiast, Blaisdell expanded his own personal regimen of calisthenics following his hospitalization. Every morning, between odd jobs around the house and yard at 749 16th Ave. in Kaimuki, he would perform 250 pushups and dozens of pull-ups.

He also put in two or three rounds of golf each week.

But politics, too, remained very much with him, although he expressed no desire to return to office.

As recently as September, a new Republican magazine featured a front-page interview in which Blaisdell advocated the return of ex-governor William F. Quinn to the political wars.

Blaisdell is survived by his wife, Lucy; daughters, Mrs. James K. Clark and Mrs. Charles Ane; brother, Jimmy; and eight grandchildren.

THE MAYOR'S SPORTS DEEDS: "HE INSPIRED GREATNESS"

(By Hal Wood)

The good and the great sometimes die young—but sometimes they live the good life and last until the day before their 73rd birthday.

So it was that Neal S. Blaisdell, former star athlete, former outstanding coach, the man who as mayor guided the City and County of Honolulu from small town status to a major metropolis.

The death of the man everyone still called "Mayor," was a blow to hundreds of his former athlete-students and the thousands of political followers. But his deeds will be recalled over bull-sessions for years to come. And much of the sports programs of Honolulu today will be a monument to his memory . . . the H.I.C. . . . prep football . . . Aloha Stadium . . . the many beautiful parks . . . the beaches . . .

It is doubtful that Blaisdell ever had a player perform for him at St. Louis, McKinley, Punahou or Roosevelt, who actually disliked the man. Their memories of him all are good—to be treasured for life.

"Rusty," as the coach was known, because although being part-Hawaiian, he had a haole skin, first hit the coaching headlines when he led McKinley to an undefeated Island season, then took the team to the Mainland to play (and beat) Weber Junior College in Utah.

"HE INSPIRED US"

Chester Dods, an insurance man now, but a blocking back on that unbeaten team, recalls some of Neal's greatness.

"They called it the 'wonder team'," said Dods. "It was the first Island football team ever to venture to the Mainland—and we beat a college team (Weber, which then was a junior college.)

"But the thing about the coach was that he inspired greatness in everyone with whom he came in contact. I really can't explain it . . . Any time we had problems we couldn't resolve, he always solved them for us.

". . . He inspired us to do things better than we really could."

The star of that team was a 155-pound scatback named Red Raymond; and the quarterback was Rusty Hamada.

"Red was as fast as a whip," recalls Dods, "compared with the rest of us he was tiny. I was six feet tall—big for that era—and weighed 180 pounds. Ted Nobriga was even bigger."

That was the 1929 club that was to go down in history and still is considered perfection in prep grid circles.

Don't get the idea that Blaisdell tried to play the part of God. He was human. And he loved to win.

"One of the things I remember about him when he was coaching at Punahou," says Carlos Long, captain of the 1935 team, "was that we started practice in the summer before it was legal. A bunch of us got together down on the beach.

"Blaisdell was off in the trees some place watching us. He didn't say anything, but he knew what was going on . . . We finished third that year.

"But one of his greatest attributes was being able to get loyalty from all who came in contact with him. And he made a football team into one big family.

ALWAYS A MOVIE

"He always took us to a movie the night before a game . . . And very often we'd all be at his home for snacks."

Johnny Traut, now president of Consolidated Amusement, was Blaisdell's assistant coach at McKinley, Punahou and Roosevelt.

"What made him successful," says Traut, "was his personality. He had a way of getting along with people and getting them to work for him."

Of course, Blaisdell carried that over into politics. He was the driving force in the building of the H.I.C., with many thought was an extravagance at the time, but which now is even too small to handle the crowds that go there.

In 1965 Mayor Blaisdell started the big drive that resulted in the present Aloha Stadium. I was a member of the research committee that was to look for a place to put a new stadium, to find out what kind of a stadium was needed, what kind of a stadium the City and County could afford.

It was my opinion that we should settle for something costing between $4 and $12 million—which would have been nice, but not elegant.

"That's not what I have in mind at all," said His Honor. "Hawaii deserves the very best. Even if it costs $20 million. We can afford it. There would be no problem with the financing."

He had the papers all signed for the stadium when he decided to retire as mayor.

"There," he said. "That's done. There's nothing to stop the start of construction now."

CUPPA COFFEE

However, when the new mayor stepped in, he killed the project and it wasn't continued until former Governor John A. Burns, a long-time friend, moved ahead and completed the program, with the State taking over most of the construction costs.

As an athlete he excelled in football, basketball and baseball. But he didn't brag much about any of his feats.

"Sure," he used to say, "I had a 'cuppa coffee' with the Chicago White Sox."

That means they took a look at him in spring practice and then farmed him out.

A lefty, he loved golf, but never quite mastered the game. He was a frequent entry in the State lefthanders' tournament at Oahu Country Club and played in several prestigious pro-amateurs, including the Canada Cup (now World Cup) at Royal Kaanapali and the Hawaiian Open at Waialae Country Club. He was an honorary chairman of the first Hawaiian Open in 1965.

He appeared to be in near-perfect physical condition until the day he died. He used to do as many as 250 push-ups a day. Sometimes on the golf course.

"He was a fighter," recalls Hamada. "When we were practicing for a game and didn't execute the plays properly, we'd have to go over them time and again until we got them. Sometimes when we failed he'd boot us in the okole. But a few minutes after practice he'd be laughing and joking and we'd be close friends again."

The mayor was an outstanding hula dancer and he and Kenneth Brown paired up as one of the best male hula dancing acts in the Islands at many a party over many years.

He's gone now . . . but the memories of his deeds, his acts, his compassion for fellow man, will linger through the generations in the Islands.

SATELLITE COMMUNICATIONS—A BENEFIT REALIZED

Mr. MOSS. Mr. President, in a recent issue of Science, a publication of the American Association for the Advancement of Science, Dr. Burton I. Edelson, director of COMSAT Laboratories, has a most interesting editorial on Satellite Communications. In this editorial, Dr. Edelson briefly but succinctly describes the benefits which satellite communications have brought to the people of the world.

Less than 17 years ago, in December 1958, we heard the first transmittal of the human voice from space. Only 10 years ago the first commercial communication satellite was launched. During this brief period—less than a generation—there has been enormous progress in communications satellite technology.

Today 91 countries are members of the International Telecommunications Satellite, (INTELSAT) Organization. The INTELSAT system has 7 satellites in geosynchronous orbit and 115 Earth terminals in 65 countries with 6,500 full-time telephone circuits, plus television, data and facsimile service.

In addition to INTELSAT several domestic satellite communication systems are operating in various countries including the United States, Canada, and the Soviet Union. Dr. Edelson points out that the capital investment in communications satellite systems now exceeds $1 billion and annual revenues exceed $500 million.

In concluding his editorial, Dr. Edelson states that communications satellites today are the most significant benefit of the space program. I agree; for now that is a correct statement. But it is only the beginning. There are many other direct benefits that we will realize in the coming decade from the NASA space program which this Congress established in 1958.

Mr. President, I ask unanimous consent that the editorial by Dr. Edelson be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SATELLITE COMMUNICATIONS—A BENEFIT REALIZED

(By Burton I. Edelson)

There has been concern over what benefits, if any, our multibillion-dollar investment in space might bring. The benefits from some space projects appear quite distant; from others, vague or diffused. But one space application—satellite communications—requires no imagination or foresight; the benefits already realized are measurable in the most meaningful of terms.

The commercial use of satellites for communications already has a ten-year history. In that period there has been rapid progress in technology, in operations, in international arrangements, and in economic profitability. The International Telecommunications Satellite (Intelsat) Organization is now a mature, successful, paying "benefit" of the world's investment in space technology.

Seven to ten years is normally considered a reasonable period for the development of a single generation of a complex technological system. But four generations of commercial satellites have been introduced in a decade, each a major step forward. The first Intelsat spacecraft (known as Early Bird) weighed but 40 kilograms. It was placed in orbit in 1965 with a capacity of 240 telephone circuits to demonstrate the feasibility of geostationary orbits for transatlantic commercial telephone service. The more powerful Intelsat II and III satellites provided a multiple access capability for the use of several earth stations simultaneously and extended service around the world. Then in 1971 the first of the present-generation, 740-kilogram Intelsat IV's was launched, each satellite providing a capacity of 4000 simultaneous telephone circuits.

In 1965 Early Bird provided one link through one satellite across the Atlantic. Now the system supports 380 links girdling the globe with seven satellites in orbit. The full-time leased telephone traffic is 6500 circuits, plus television, data, and facsimile service. The system is used at 115 earth terminals in 65 countries, among them Argentina and Zaire, Egypt and Israel, India and Pakistan, the Soviet Union and China.

Perhaps most remarkable of all are the international arrangements that have allowed Intelsat to attain these operational results. Whereas Apollo-Soyuz showed that two nations can cooperate in space for an important mission at great expense, Intelsat has shown that many nations can do so for over a decade and earn a profit doing it. The 91 member countries, of every racial, political, and religious stripe, jointly own the satellites and provide for their development, launching, and maintenance.

In addition to Intelsat, other commercial systems have come into being. Domestic satellite communications systems are operating in several countries, including Canada, the Soviet Union, and the United States. A maritime system will be established before the year is out, and a system for aeronautical communications later in this decade.

The world's investment in communications satellites and earth stations now exceeds $1 billion, and annual circuit revenues exceed $500 million.

Governmental and industrial research centers in many nations are involved in the development of new technology directly applicable to satellite communications. Digital techniques will be increasingly used for new services, particularly facsimile and computer interconnection; for communications to very small and mobile terminals on islands, building roofs, ships, and aircraft; and to make systems ever more cost effective. For these purposes new frequency bands will be opened, advanced spacecraft materials and structures developed, and solid-state devices pushed to even higher power and performance levels. Generally the same production economies will be applied to satellite networks as have proved fruitful in other areas of the telephone and television transmission industries.

Already the benefits of satellite communications are apparent in the usual statistical indices; in investments made, equipment manufactured, workers employed, revenues earned, profits derived, and services rendered. In its effect upon society the communications satellite is today the most significant benefit of the space program.

AN AMUSING FABLE

Mr. BROCK. Mr. President, I noted a fable in the Chattanooga News-Free Press in my home State recently. Although it is a fable and is amusing to read, I believe it has a serious message. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TANSTAAFL

Tanstaafl isn't the name of a new government agency. It stands for something else.

It's an old story. We don't know who originated it. It makes the rounds periodically, and it's going around again.

It needs to. Simple though it is, it tells us something that we all should know (and do) but won't admit, much to our own distress.

Here's the story:

After the War of the Almonds, the Land of Kulumar was the richest and most powerful of all.

Its fields were bountiful and its granaries were full.

Its flocks were fat and sleek.

The Kulumese were proud and productive. They worked and they rejoiced in the highest standard of living known.

Sire, the Generous, surveyed all this plenty and said: "Surely a country as rich as Kulumar should provide food and housing and garments for our less fortunate. I will ask the Lawmakers to levy a tax on the workers to provide this."

And the Lawmakers, each of whom hoped one day to become Sire, levied the taxes. They then said: "Let there also be free circuses for those who do not work. And let there be soft hassocks and free food and wines for those who watch the circuses."

And the Lawmakers levied more taxes.

When the workers of Kulumar heard of the free circuses, the soft hassocks, and the food and wines, and then figured their now monstrous taxes, they said: "That is for us."

The farmers left the fields. The shepherds abandoned their flocks. The weavers laid down their shuttles. The blacksmiths cooled their forges. All the Kulumese were watching the free circuses.

Plenty turned to scarcity. No longer was there abundant food. Garments were hard to come by. The Kulumese did not even have camel chips to heat their tents.

Prices rose and rose. And the Lawmakers raised taxes again and again. (It was the only thing they knew how to do.)

Misery and gloom replaced joy and pride.

And Sire, the Generous, who was well-intentioned, went to the Wise Man of the Mountain and said: "Wise One, I have tried to give the good life to my people. But they no longer want to work. Food and goods are scarce. Prices are outrageous. Taxes are even more so. Give me a solution."

And the Wise Man of the Mountain replied in Kulumese: "Tanstaafl."

Which means: "There Ain't No Such Thing as a Free Lunch."

INTERIM FISHERIES ZONE

Mr. GRAVEL. Mr. President, in a short time the U.S. Senate will be taking up S. 961, legislation to unilaterally extend our fisheries jurisdiction to 200 miles. The Committee on Commerce has issued a report, No. 94–416 on this matter. However, a close examination of the report indicates that although three of America's major fisheries industries—tuna, shrimp and salmon—have testified extensively against this legislation, a mere two paragraphs are devoted to their problems.

I share with the Senate the recent testimony of William Utz, executive director of the National Shrimp Congress before the House Committee on Foreign Affairs. He notes that if a 200-mile bill is passed, it would be "a severe and damaging blow to the U.S. shrimp industry." Furthermore, says Mr. Utz, the legislation would negate the Brazilian-United States shrimp treaty, negate any possible chance of protection of shrimp interests at the law of the sea, and would have indirect but severe impact upon U.S. coastal shrimp fishermen, especially in the Gulf of Mexico.

Mr. C. W. Sahlman, of the Fisheries Association also testified against the 200-mile bill as a representative of the shrimp industry from Alabama, Florida, Georgia, North and South Carolina. He notes that passage of S. 961 would be a devastating blow to America's highest value fisheries producer, the shrimp industry. His prediction that the other nations would react to unilateral fisheries legislation by the United States in 1973 to prohibit U.S. fishermen from fishing for spiny lobsters off their coasts has been proven right. A letter from Mr. Sahlman that I have recently received details the economic effects of the action by the Bahamas for example.

A letter I recently received from Mr. Bob Jones of the Southeastern Fisheries Association, representing Alabama, Georgia, Florida, North and South Carolina, echoes the points made by Mr. Sahlman. Mr. Jones reiterates his associates complete opposition to the 200-mile fisheries legislation now before Congress.

I also have an article written on July 3, 1975 by Mr. Robert Mauermann, executive director of the Texas Shrimp Association, and the Shrimp Association of the Americas. In his article, Mr. Mauermann notes that passage of a 200-mile bill would seriously jeopardize the distant water shrimp fleet operating out of the Gulf of Mexico. He further explains that if America's three most valuable fisheries are going to receive adequate protection—tuna, salmon, and shrimp—they will do so only through a "viable combination of enforceable international conventions and regional agreements * * * negotiated only by a Law of the Sea Conference" and not unilateral fishing legislation.

I believe that a thorough understanding of S. 961 will lead to a better appreciation of the grave danger this legislation will have on three of America's most valuable fisheries.

I ask unanimous consent that the material referred to above be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY WILLIAM NELSON UTZ

Mr. Chairman and Committee members, I am William Nelson Utz, appearing here today as Executive Director of the National Shrimp Congress. The National Shrimp Congress, Incorporated, is a Delaware Corporation with its principal headquarters in Washington, D.C. This non-profit organization was formed in 1956. It is an organization whose membership is made up primarily of shrimp producers throughout the Gulf Coast States.

Gentlemen, in my judgment, H.R. 200, if passed into law at this time, would be a severe and damaging blow to the U.S. shrimp industry, the American fishing industry as a whole, and the foreign relations of the United States.

To lend credit to that statement I would like to set forth some facts and figures on the U.S. fishing industry and treaties and agreements involving the U.S. In comparison to the total value of all U.S. catches, the U.S. shrimp catch represents 26.6% and the shrimp, tuna and salmon catches account for roughly 55% of the dollar value of the entire U.S. fishing catch. Over 55% of the dollar value of the U.S. fishery is encompassed by shrimp, tuna and salmon. Gentlemen, those industries are absolutely opposed to unilateral extension of U.S. jurisdiction to 200 miles. They are opposed because a 200 mile contiguous fishing zone would have disastrous and irreversible impact on all three of these industries.

I will not attempt to go into detail as to its impact on the tuna or salmon industries—their representatives can best speak for themselves. I will, however, try to point out some specifics wherein H.R. 200 would damage the U.S. shrimp industry.

H.R. 200—would negate the Brazilian-American shrimp treaty;

H.R. 200—would foreclose present possibilities of workable agreements with Mexico;

H.R. 200—would negate all U.S. efforts toward a fisheries agreement in the Law of the Sea Conference and limit U.S. participation to supporting a 200 mile fisheries provision or sitting by while some other form of agreement is reached;

H.R. 200—would have an indirect impact on U.S. coastal shrimp fishermen by forcing upon them excessive competition from those high seas fishermen forced to return to the U.S. Gulf.

First, let's review the American-Brazilian situation. We have in effect today a highly workable treaty with Brazil. This treaty was worked out approximately three to four years ago. For the first two years it worked on a purely voluntary basis, inasmuch as the enabling legislation was not signed into law until the final days of 1973. The treaty was extended by exchange of letters, until March 1, 1975. Then in February, 1975, the treaty was renegotiated for an additional two years.

The basis upon which both the original and present treaty were founded and the leverage which provided the American distant water shrimp fishermen with an opportunity to negotiate were two-fold. First, the U.S. and Brazil enjoy a friendly relationship and both parties wanted to continue that relationship. Second, the U.S. absolutely refused to recognize 200 mile territorial limits. Brazil, however, as you know, claims a 200 mile territorial sea. With these facts upon the table, and the parties agreeing it was in their mutual interest to have a conservation regime which would avoid conflict, the negotiators went to work and put together the existing agreement. The point I am attempting to make is this present agreement came about and continues only because the United States does not recognize a 200 mile territorial sea or contiguous fishing zone.

If this Committee and the Congress should approve this legislation and it be passed into law, I can think of no logical basis upon which we could return to the bargaining table with the Brazilians. You will have removed from the hands of the American shrimp industry the only real lever we have. We will, in effect, be going to the table to talk to the Brazilians not as negotiators, but as purchasers. They will be saying to us "we own the shrimp." With a 200 mile unilateral jurisdiction claim by the U.S. Congress, how could the U.S. negotiators claim otherwise?

H.R. 200 would foreclose present possibilities of workable agreements with Mexico. At present we have no agreement with Mexico. At present Mexico does not claim a 200 mile contiguous fishing zone. Many of her latin neighbors do. They have been exerting great pressures to have Mexico declare a 200 mile contiguous zone.

The Mexican President has requested the Mexican legislature to do so. The legislature is resisting, saying "wait until we see what the U.S. does."

Mexico has for some time now shown considerable interest in our arrangement with Brazil. The Mexicans have intimated they would be willing to discuss a similar agreement with the United States. The Gulf shrimp industry, particularly Texas and Florida, are dependent upon those fisheries that would be caught up in a 200 mile confrontation with Mexico.

H.R. 200, in my judgment, would force Mexico to immediately claim a 200 mile fishery zone also, and just like Brazil, claim ownership of the shrimp.

H.R. 200 would damage U.S. efforts towards gaining a fisheries agreement to provide protection to all segments of the U.S. fishing industry in the Law of the Seas Conference.

Since early in 1972 I have attended all the conferences held by the United Nations for preparations for the United Nations Conference on the Law of the Sea. I have also participated as an advisor to the Department of State Law of the Sea Advisory Committee, and have been privileged to be designated as one of the four official U.S. representatives in the U.S. Delegation to the Law of the Sea Conference. I will continue to perform in this capacity in New York in 1976.

I can tell you, gentlemen, candidly and directly, if this measure becomes law the Conference will contend they can unilaterally declare any type of jurisdiction they desire because if the U.S. is not bound by earlier multi-national agreements and international law, why should they? All our efforts will have been for naught. Any opportunity for us to obtain a multinational conference with provisions that would permit the entire U.S. fishing industry to continue, without serious damage to any segment of that industry, will have been wiped out.

Further, H.R. 200 has an equally drastic impact on our efforts to negotiate any multinational fishery agreements because of the bad faith posture it creates for the U.S. negotiators. H.R. 200 rejects—unilaterally—multi-national agreements to which we are parties.

In 1958 this country was a party to four conventions that came out of a major conference held in Geneva:

Convention on Fishing and Conservation of the Living Resources of the High Seas;

Convention on the Territorial Sea and the Contiguous Zone;

Convention on the Continental Shelf; and

Convention on the High Seas.

All four of those Conventions were ratified by the United States. Therefore, we view them as law, applicable to us as a country, and to each and every citizen of this country. Those Conventions are recognized in varying numbers by other nations. The Fisheries Convention has thirty-three member nations. The Territorial Sea Convention is accepted by forty-two nations. The Continental Shelf Convention by fifty-one nations, and the High Seas Convention by fifty-two nations.

Each and every one of these Conventions are recognized to varying degrees, ranging from international legislation to general acceptance as international law by countries throughout the world. The United States, as I stated, has recognized those Conventions, yet H.R. 200 would deny recognition—in fact, it would go directly contrary to certain provisions of those very treaties which the U.S. has ratified.

H.R. 200, in my judgment, is in conflict with the Geneva Convention on Territorial Sea and Contiguous Zone dated April 20, 1958. In Part II, paragraph 3 of that Convention, it clearly spells out and limits the right of a coastal nation to establish a contiguous zone to its territorial sea. That provision states:

"The contiguous zone may not extend beyond twelve miles from the baseline from which the breadth of the territorial sea is measured." Not only is this bill in conflict with a multi-national Convention which we have ratified, it is in conflict with generally accepted international law and, by a mere tally of numbers, out of step with the nations of the world. According to the Department of State statistics, ninety-two (92) nations claim only 12 miles or less as their fishing limits.

Contrarily, there are only ten nations which claim a 200 mile fishing zone. Those nations are: Argentina, Brazil, Chile, Ecuador, El Salvador, Nicaragua, Panama, Peru, Sierra Leone, and Uruguay.

While those countries that are parties to the Convention on Fishing and Conservation of the Living Resources of the High Seas include few if any of the offenders of the Northwest Pacific and New England fishing grounds, at least that Convention and its provisions is recognized by over three times as many nations as those who would concur with the unilateral action this bill proposes.

A prime example of the disastrous results created by such unilateral disregard of those agreements for parochial interests is the December 1973 unilateral declaration by the United States that the Northern Lobster was a "creature of the shelf" under the definition of the 1958 Convention. The 1958 Convention had specifically decided to the contrary. That unilateral act by the United States was the justification given recently by the Bahama Government when it declared the "Spiney Lobster" to be a creature of the shelf. A recent letter from Mr. Robert Jones, Executive Director of the Southern Fisheries Association to the Chairman of the House Merchant Marine and Fisheries Committee can exemplify better than I the destructive impact this unilateral act has brought about.

You cannot blow "hot and cold" at the same time. We either honor our agreements or we don't. We cannot pick and choose which segments of a multinational agreement that we will honor—which we will breach—and which we will unilaterally amend. Let's not repeat the lobster error one hundred fold.

When we claim 200 miles of ocean in order to protect the fishery resources—regardless of the justification we state for such unilateral action, we are providing an open invitation for all other declarants to do likewise. But there is no requirement they must adhere to good conservation practices and reasonable access, by other fishermen, to underutilized species which we advocate. No—they will have 200 miles of ocean resources to squander as they please—unrestrained by any law or agreement. Is this to be the trend of international law set in motion by the United States?

Southeastern Fisheries
Association, Inc.,
Tallahassee, Fla., September 5, 1975.
Mrs. Leonor K. Sullivan,
Chairman, Committee on Merchant Marine and Fisheries, Longworth House Office Building, Washington, D.C.

Dear Mrs. Sullivan: I have just recently returned from the Bahamas where I served as an industry advisor in the talks between the United States and Bahamian governments. I am confident that the Committee will be briefed by appropriate NMFS or State Department officials but felt that a view from industry might be worthwhile.

As you will recall, the Bahamian government declared spiny lobsters creatures of their continental shelf after the United States declared the American lobster a creature of its shelf off New England.

According to figures obtained from NMFS, Florida fishermen in 1974 landed over 4 million pounds of spiny lobsters taken in international waters but on the Bahamian continental shelf. This was accomplished by about 260 boats and 800 fishermen and had a dockside value of over 6 million dollars. As a comparison, according to "Fisheries of the United States, 1974" (page 19), this 6 million dollar fishery that has just been lost to us is more valuable than any one of the following: Cape Charles, Va., Point Judith, R.I., Newport, R.I., Boston, Mass., Cape May, N.J., and Beaufort-Morehead City, N.C.

I wonder how hard the United States government would work if any of the above cities found themselves unable to land one pound of fish because of government actions. I wonder if any program would be developed that would offer new jobs either in fisheries or other fields. I wonder if Congress would press NMFS to come off the moratorium that has been placed on one of the long programs. I wonder if anyone would realize that what we have here is a group of people who want to work and not draw welfare but feel they are actually getting less response than welfare recipients.

Florida's commercial fishing landings were valued at 66 million dollars at dockside in 1974 and with a loss of 6 million dollars you can readily see the impact a little better now. Action by Congress to keep one segment of the fisheries from damage has resulted in a 6 million dollar loss and 800 lost jobs. Naturally we who have lost the jobs wonder if the trade off was worth it.

Getting back to the talks in Nassau. First, I wish to compliment Mr. Dave Wallace for leading the battle. He is knowledgeable and dedicated and he represented the United States very well. However, I think Mr. Wallace should have carried the rank of Ambassador. The Ambassador who is stationed in Nassau never made an appearance where we could talk with him. I felt that industry was looked upon by the Consulate as persona non grata. Many of the meetings that were held were strictly between the government people even though we, the advisors, were given status reports on an intermittent basis. We did have some input in what was to be offered, but most of those points had been raised at meetings prior to the talks in Nassau.

What our offer boiled down to was the following:

1. License fee per boat (paid for by industry).
2. Continued enforcement by Coast Guard and Florida Marine Patrol (already being done, no new money involved).
3. Research work on spiny lobster resource (to be done within the existing budget).
4. Training Program for Bahamians to learn lobster fishing (these funds would have come from existing programs also—no new money).

I don't know what was said in the private meetings. The total secrecy involved in that respect makes things suspect anyway. However, I wonder if it was pointed out to the Bahamians just how much the United States is providing them. Do we provide any sort of military protection? In how many search and rescue operations does the Coast Guard participate that are for the Bahamians? Is there some way we could have assisted the Bahamian government in growing beef cattle and vegetables on some of the islands in return for continued fishing rights on a renewable natural resource?

It seems that we have lost any chance to further participate in this heretofore international high seas fishery. In order that this not be a complete waste, might it not now be the appropriate time to look at some of the programs within NMFS that were designed to help industry and see if this in fact is being done? Wouldn't now be a very appropriate time to scrutinize the loan programs within NMFS and find out how they can be redirected in order to be of some benefit to a substantial number of food producers? Shouldn't we find out now whether or not NMFS is really a service agency or is it leaning more towards becoming a regulatory agency, as has been suspected by many of us during the past few months. While we are looking around maybe Congress should determine how the State Department could keep good people in some of the jobs that are of importance to the fishing industry. There are so many things that need to be done, why don't we start now?

Sincerely yours,

BOB JONES,
Executive Director.

STATEMENT BY C. W. SAHLMAN

Mr. Chairman and members of the Senate Commerce Committee, my name is C. F. Sahlman. I am speaking here today on behalf of three separate entities, Sahlman Seafoods, the American Shrimpboat Association and the Southeastern Fisheries Association. Sahlman Seafoods, Inc., is my own business out of Tampa, Florida. We personally operate a fleet of shrimp trawlers which fish in international waters off the South American coast, primarily Guyana, Surinam and Brazil. The American Shrimpboat Association is a trade association which has as it membership those American fishing operators who are presently engaged in shrimp fishing off South America and in international waters elsewhere. Thirdly, I speak as President of the Southeastern Fisheries Association. This Association represents fishermen of all species from the States of Alabama, Florida, Georgia, North Carolina and South Carolina. The position I am taking today and the statements I make are consistent with the thinking of my Company, the membership of the American Shrimpboat Association, and the membership of the Southeastern Fisheries Association.

Your bill, S. 1988, ostensibly would take unilateral interim action pending the Law of the Sea conference to establish a contiguous fishing zone beyond our national jurisdiction. That contiguous zone would provide an additional 197 miles, or a total 200 mile fishing boundary around the shoreline of the United States.

Gentlemen, I and all whom I represent here today oppose this legislation. It is argued by many in the New England area of the U.S. and in some quarters of the Northwest Pacific, that such legislation would be a godsend. It would be the cure-all for their fishing industry ills. I totally disagree with that belief and the comments that they have expressed to support that false hope. It would not be a cure-all for their particular problems. It would, however, be a devastating blow to a large part of the American fishing industry, in particular America's highest value producer, the shrimp industry.

We are at present engaged in fishing off South America. There have in the past been serious conflicts between some South American countries and ourselves concerning our right to fish in what we consider international waters. We are fishing in those waters for shrimp that in fact are not being caught by the coastal nation closest to these shrimp grounds. Those nations neither have the capacity nor the inclination to advance to the capacity to catch the existing shrimp crops that are produced there annually. At the moment we have an ongoing treaty with Brazil. This treaty was worked out approximately two years ago after long and difficult negotiations. It is a very workable treaty; it has worked for the past two years on a purely voluntary basis inasmuch as the enabling legislation was not completed by the Congress and signed by the President until the very end of 1973. That Treaty's provisions have now been extended thru June 30, 1974, and in the very near future we hope to engage in negotiations with the Brazilians to extend this Treaty on a long-range basis.

The preamble to that Treaty spells out that Brazil recognizes in its constitution a territorial sea extending 200 miles off its coastline. Anything and everything within 200 miles off Brazil's coastline is its property. The U.S. stated in those negotiations, and has spelled out in the Treaty, that this country does not recognize 200 miles. Both countries, however, agreed there was a need for a conservation regime in order that the shrimp in that area of the high seas be conserved and not over-exploited. We agreed to establishing a conservation zone and limiting the fishing season and the amount of catch effort, by number of boats, that would be exercised in the area. That Treaty is an interim agreement pending the outcome of the Law of the Sea.

Should the U.S. Senate determine to enact legislation that would provide for a 200 mile fishing zone off the coast of the U.S., it will be virtually impossible for us to negotiate an extension of that agreement within the realm of reason for the U.S. fishermen, or to negotiate any multi-national agreements at the Law of the Sea conference that would protect the high seas shrimp fishermen. Why do I say this?—Because the U.S. industry and government negotiators going to Brazil or the Law of the Sea conference will be usurped by the Senate. Regardless of how you phrase your legislation, you will have convinced those other countries that the U.S. will approve of any other country claiming 200 miles.

For a moment, gentlemen, let's examine the people and the industry I represent. Who are they? And how would they be affected by this legislation? The American Shrimpboat Association is comprised of the distant water shrimp fleet. According to the National Marine Fisheries Service statistics for 1973, the total dollar value of the U.S. distant water shrimp catches at ex-vessel prices was $40,703,000 or, in round figures, $41 million. The total shrimp value in the U.S. in 1973 was $241,307,000. As you see, our distant water shrimp catch approximates one-sixth of the total U.S. shrimp landings. Of those total U.S. shrimp landings, over one half ($154,145,000) was caught in the Gulf. Or, viewed in another way, we catch in distant waters shrimp valued at over one-fourth (26%) the dollar value of all shrimp that is caught in the entire Gulf.

Additionally I am here today to represent the Southeastern Fisheries Association which encompasses those fishermen fishing within the Gulf. Where are we if S. 1988 becomes law in the U.S.? Most assuredly, Mexico's first reaction would be to claim a 200 mile fishing zone, just like her northern neighbor. That would, for all practical purposes, completely close the Gulf of Mexico. Brazil already claims 200 miles thus, in the absence of any agreement, we are totally removed from our fishing grounds. A $41 million a year industry at the vessel level is wiped out.

In that event, we have only two alternatives. One alternative is to face those nations such as Brazil, and Mexico, across the bargaining table and to work out some agreement under which we would be allowed to come in and fish for—and might I say with very heavy emphasis—their shrimp—they would in effect, be sitting as sellers of a commodity, and we in effect would be buyers of an opportunity to collect their commodity. The chances of our negotiating any agreement that would not totally deplete the profit margin that presently justifies our being in the distant waters, is very unlikely. The probabilities are that we will be looking toward the second alternative.

The second alternative would be to return to the Gulf. Gentlemen, it does not take much imagination to recognize that should the boats and crews that capture $41 million of shrimp, approximately 26% of the value of the entire shrimp catch within the Gulf, if those crews and boats return to the Gulf in competition with the fishermen presently there, we would soon have a Gulf that would be drastically overfished, as much or more so than those in New England claim exists in their waters today.

Fishing areas do not develop overnight. They are discovered and cultivated over long periods of time. Likewise they cannot be changed overnight, without having drastic and disastrous impact upon the economies of the areas which depend upon that fishing industry. 200 mile legislation by the U.S. would have a direct and disastrous impact upon the economies of the States of Florida and Texas, and indirect impacts throughout all the Gulf States.

Gentlemen, I did not come here today just to present a negative attitude about your legislation. I applaud the interest exhibited by this Committee and its members. I am pleased there is a group of Congressmen and Senators who are interested in improving the fishing industry. I was very pleased to see the so-called Eastland Resolution so well received by the Senate and the House of Representatives. That Resolution, as you know, calls for immediate attention and the strongest possible support to upgrade and improve the fishing industry of the U.S. As a follow-up to that legislation, it is my understanding that the Pacific, Atlantic, and Gulf States Marine Fisheries Commissions are presently submitting budgets to Senator Eastland. Those budgets will be utilized as the basis for a total appropriation of $400,000 to conduct hearings throughout the entire U.S. coastal regions. These hearings will provide the fishermen themselves, the people directly involved in the industry, an opportunity to express exactly what they feel is necessary to improve and upgrade their industry, and to protect, conserve and fully utilize all the living resources of the sea. I applaud that effort. I think it is a step in the right direction.

I have fully supported many, many efforts throughout the past years to support the total fishing industry. I have worked long and hard with my fellow members of the fishing industry in an effort to find those things which we all agree are universal problems facing the industry; problems which we could work in unison to support.

One particular issue was our representation and posture at the Law of the Sea Conference. This conference will officially begin in June of this year, in Caracas, Venezuela. The industry representation there and the position advanced there for the industry did not come easy. There have been many years and many meetings, a lot of time and great efforts on the part of the fishery associations and individual fishermen getting us to this point. Some years ago, representatives of every segment of the entire fishing industry met.

After difficult and arduous sessions, and unbelievable compromises by many segments of the industry, the approach and posture presently exhibited was agreed to and advanced as the official U.S. position on fisheries, commonly referred to as the "Species Approach." The Species Approach was hammered out and was agreed to by each and every individual segment of the American fishing industry. It was agreed they would support that position and would refrain from advancing or advocating unilateral action pending the outcome of the Law of the Sea conference. I, and those I represent, agreed to support the Species Approach. I might add, that we have steadfastly done so, consistent with our agreement with the remainder of the industry.

I would like to point out, however, that the Species Approach in its present form is not the very best approach for the distant water shrimp industry. It does, however, give us protection. It gives us adequate protection for what could be a limited period of time, provided it would be passed in its present form, and if it were enforced in the strictest sense. I speak here in reference to the full utilization concept that is part of the Species Approach. That concept provides in essence that the coastal State would have management responsibility over the coastal species and would have to make any species of the living resources off the coast available to international fishing wherever the coastal State did not fully utilize the species. By virtue of that language, we would be permitted to continue fishing in those areas where we are presently fishing, provided, however, that the coastal State did not upgrade and expand its fishing capacity for shrimp. Wherever the coastal State did begin to expand its catch capability, we would have to diminish our catch accordingly and eventually could be completely removed from those fishing grounds where we presently operate. This, as you might recognize, was an industry compromise which gave full protection to the New England and Pacific coast fisheries under a Law of the Sea agreement containing such provisions, but provided us with a slow removal from our operating grounds.

We are not insensitive to the present situation which the Pacific Northwest and New England faces. However, we do feel any legislation should be reasoned and it should be helpful in every respect, or at least in the vast majority of the industrial interests. The 200 mile legislation does not provide this type of protection for either the New England fisherman or the Pacific fisherman. In my judgment, it is both unenforceable as to attitude and capability. Yet it jeopardizes a major segment of the American fishing industry, the distant water shrimp industry.

This Congress has just recently passed a similar well-intentioned piece of legislation that, in my judgment, will provide no assistance to those people for whom it was directed. I speak specifically of the legislation to make northern lobster a creature of the shelf. That legislation was directed to the New England lobster industry. It sought to assist the lobster industry, which according to National Marine Fisheries Service statistics produced in 1973 approximately $42 million for its fishermen. The lobster was declared a creature of the shelf by unilateral legislative action on the part of the U.S., although the 1968 Continental Shelf Convention had specifically omitted the lobster. Furthermore, that Convention only by a tie-vote refrained from naming the shrimp a creature of the shelf.

To date, I dare say not one lobster has been saved by that legislative effort for the New England lobstermen. I would venture to say that very little, if anything, will be done to enforce that legislative Act. But what has it done to other segments of the fishing industry?

In the Southeastern U.S., is based a spiney lobster industry. Again, according to National Marine Fisheries Service statistics, in 1973, that industry brought into the U.S. approximately $12 million, almost one third of the New England fishing lobster industry. The spiney lobster industry, while based primarily in Florida, takes almost half, a critical portion, of its catch in distant waters beyond the 12 mile territorial limit, off Caribbean nations. Caribbean nations which are not at all pleased by this competitive fishing. Caribbean nations which fortunately are either unaware or have not to date decided to follow the U.S. unilateral act and likewise declare spiney lobster a creature of their continental shelf. They could so easily do it and drive into bankruptcy the vast majority of those fishermen presently involved in the Southeastern U.S. spiney lobster industry. Further, if the U.S., by legislative fiat can declare the lobster a creature of the continental shelf, although contrary to discussions and agreements of that Convention, who is to say to Mexico or Brazil that they cannot declare the shrimp a creature of the shelf by unilateral legislative enactment, especially in view of the extremely close vote that took place at that Convention?

Gentlemen, as you can see, in a well-intentioned effort to protect a very small segment of the New England fishing industry, an effort that probably will come to nought; last year this Congress endangered $11,500,000 a year spiney lobster industry and a $41 million a year distant water shrimp industry. Somehow, to me, the risk of such inequities do not seem to be justified.

As I stated, I have worked hard to aid and improve the shrimp industry and the American fishing industry as a whole. I want to help now. We can help if we look for approaches that pull together and strengthen the industry, and not divide it. Let's pull together and demand enforcement of existing laws and international agreements. We have in existence today treaties with foreign nations designed to protect the New England fisheries and the Pacific fisheries. If these treaties are ineffective then let's unite together, the fishing industry and the Congress, and seek to improve those agreements, seek to beef them up, seek to put realistic enforcement provisions within them. Then let's demand enforcement of these agreements. Let's show to the world, by the enforcement of those agreements already in existence, that the U.S. is sincerely interested in protecting the American fishing industry.

In conclusion, gentlemen, the actual results of this well-intentioned bill would be disastrous in three respects:

(1) it would not in actual application answer the needs of the New England and Northwest Pacific fishing industry;

(2) it would definitely bring economic disaster to the distant water shrimp and Gulf coast fisheries;

and (3) it would totally wipe out all possibility of achieving an international accord at the Law of the Sea conference.

I say again, I applaud your interest and am pleased to have your support for the fishing industry. I can only hope the information I have provided, the views I have stated and the conclusions I have expressed on behalf of myself, the distant water shrimp industry, the Southeastern Fisheries Association and all of its Gulf State members, have convinced you to abandon this specific legislative effort. Abandon this legislation. But, please do not lose your interest for the American fisherman and his industry. He needs your support. The whole industry needs your support for enforcement of existing laws and passage of legislation to upgrade the industry—provide us with goals we can pursue together as a united industry, not legislation that divides and damages us, both as individuals and as an industry.

SAHLMAN SEAFOODS, INC.,
Tampa, Florida, November 4, 1975.
Hon. MIKE GRAVEL,
U.S. Senator, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR GRAVEL: There are approximately 150 U.S. registry shrimp trawlers engaged in fishing off the northeast coast of South America, more specifically off the coasts of Guyana, Surinam, French Guiana and Brazil. These vessels fish from 20 to 150 miles off the coasts of those countries. This fishery was discovered in 1958 by an exploratory fishing vessel operated by the National Marine Fisheries Service.

Passage and implementation of the H.R. 200 legislation almost certainly would result in the exclusion of these American registry vessels from that South American fishery. These vessels represent an investment by U.S. owners of 18 million dollars, and in addition, two U.S. companies operate servicing facilities in French Guiana and Guyana valued at four million dollars. The entire U.S. fishing fleet operating in that area have paid and continue to pay full U.S. income taxes on profits. Over 75% of the shrimp produced by this fleet, an amount in excess of seven million pounds is consumed in the United States.

If as a result of the passage H.R. 200 these vessels were forced to leave this fishery there would be an approximate loss of American jobs of 300 fishermen. If these vessels returned to the shrimp fishery in the Gulf of Mexico where the shrimp fishery is already producing at its maximum substainable yield, there would be a serious adverse impact on those vessels presently engaged in the Gulf shrimp fishery. Since the return of these vessels cannot be expected to increase the total production of shrimp in the Gulf of Mexico, there would be a net loss of shrimp available to the United States consumer in excess of fifteen million dollars per year. This would probably result in increased imports of shrimp in that amount, thereby having an unfavorable impact on the balance of trade.

The above information applies only to those U.S. registry vessels known to be operating in international waters off the northeast coast of South America. There are many other vessels which would be adversly affected operating in the Caribbean Sea off the coast of Central America.

Yours very truly,
C. W. SAHLMAN,
President.

SOUTHEASTERN FISHERIES
ASSOCIATION, INC.,
Tallahassee, Fla., October 29, 1975.
Senator MIKE GRAVEL,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRAVEL: Very shortly you will be asked to vote on a proposal that would unilaterally extend fisheries jurisdiction out to 200 miles. The House recently passed similar legislation, and the Senate passed it during the last session of Congress. Hopefully you will not pass it again.

Since the Senate action last year, an event has occurred here in Florida of which you should be aware. Congress passed a bill the year before last naming the Northern Lobster a creature of the continental shelf, even though the scientific community was not in agreement that this was true. Nevertheless, it was so declared over our strenuous objections. We knew that such unilateral action would cause the Bahamian government to take similar action on the Spiny Lobster which we have here in the southeastern United States.

Today, we have over 250 boats tied to the docks and over 2,000 fishermen in the Spiny Lobster fishery out of work. These fishermen historically have been working in the international waters off the Bahamas for many years. Many of these fishermen are Cuban-Americans who fled Communist Cuba.

What protection to the Northern Lobster was accrued since it was declared a creature of the shelf? We heard that one foreign boat was searched and that a grand total of 44 pounds of Northern Lobster were on board. We here in the southeast have been producing 4 million pounds annually in the Bahamas and the resource would stand much more. Now all of this is lost.

I will not go into how much unilateral action will hurt fisheries here including shrimp, grouper, snapper, salmon, tuna and others, as I am sure you have heard all that before. I did want you to be aware, however, that your action is affecting thousands of American fishermen already and that it is truly debatable as to just how much real good the United States will accomplish with unilateral extension of 200 miles.

New England does have a problem, but why penalize other parts of the country again? Super-rich offshore game fishermen who travel the world for a trophy fish have a right to do this, but should their sport overshadow our ability to produce food for all the Americans who don't have the good fortune to live in the coastal areas? We don't think so.

Please vote against the unilateral 200-mile fisheries extension bill.

Sincerely yours,

BOB JONES,
Executive Director.

SHRIMP AND THE 200-MILE ISSUE

(By Robert G. Mauermann)

All of us who are concerned with our fishery resources, whether our interests are commercial or recreational, want the same thing—an optimum sustainable yield, although some of us may march to the sound of a different drummer. Many of my colleagues in the Northeast and the Pacific Northwest are sincerely convinced that U.S. fishermen can best be served by an extension of our fishery zone to 200 miles from our shores and that the passage of legislation by the U.S. Congress providing for such action would eliminate the competition from foreign fishing fleets. I will agree that foreign fishing fleets combined with our own are over-fishing several important species in what has historically been America's most important fishing areas in both the North Pacific and the North Atlantic. I disagree, however, that the passage of legislation proclaiming U.S. fisheries jurisdiction over a 200-mile area in what is now considered international waters is the solution for several reasons.

First, such a law would be enforceable only if the world's major fishing nations agreed to recognize such a radical departure from the principle of freedom of the seas. Foreign fishermen are not likely to recognize the U.S. claim to an extended fisheries zone into what is now accepted as international waters by the major powers of the world anymore than we have recognized similar claims by several of the Latin American countries.

More importantly, the unilateral extension of our fisheries zone to 200 miles provides no protection, or at least very little, to the salmon or the tunas, both of which range the ocean far beyond the 200-mile zone. The only solution to the maintenance of optimum sustainable yields of these species is through enforceable international agreements. It is my hope, and I should think the hope of fishermen all over the world, that the Law of the Sea Conference will ultimately provide such agreements.

The original U.S. position at the Law of the Sea Conference was based on a species management concept which did not include an extended economic zone. Since the meeting began, however, the official U.S. position, as outlined by Ambassador Stevenson in his address to the Conference on July 11, 1974, indicated that our government would agree to an extended economic zone to 200 miles provided that such a package included provision for the management of anadromous species and the migrating ocean species, and further, Mr. Stevenson contemplates that it will be the coastal states' duty to permit foreign fishing under a reasonable license and under coastal state regulations to the extent that a fisheries resource is not fully utilized by the coastal state.

There are two points in this position statement which are of great concern to the distant water shrimp fishermen. First, who is to decide whether or not a fishery resource is fully utilized? Biologists studying shrimp populations have been unable to agree on this issue in the Gulf of Mexico, although research in this area has covered an expanse of many years. Secondly, the Ambassador's statement does not mention historic fishing rights and yet that is what much of the sound and fury is all about. The 200-mile advocates who are pushing for unilateral U.S. action are trying by this legislation to protect their historic rights to the fishery resources off our coast in waters which have been considered as international by the world community. The U.S. shrimp industry feels that such unilateral action by the U.S. would jeopardize the historic fishing rights of distant water shrimp fishermen who are largely responsible for the development of this fishery throughout Latin America.

In this connection it is important for us to recognize that 18% of the shrimp landed in Gulf ports in 1973 were caught by distant water shrimp fishermen operating off the coast of several Latin American countries. These landings amounted to 37 million pounds worth over 40 million dollars. Therefore, it becomes immediately apparent that the shrimp fishing industry stands to gain nothing from an extended American fisheries jurisdiction. In fact, unilateral action by the U.S. will undoubtedly trigger similar action by Mexico. Legislation now pending in the Congress of the U.S. has already strengthened Mexico's position on the 200-mile issue. I fully expect that our neighbor to the south will unilaterally declare a 200-mile Patrimonial Sea in both the Gulf of Mexico and the Pacific within a matter of days.

We do not quarrel with the basic concept of granting coastal states preferential rights over coastal species. We do, however, object to the ultimate elimination of a very important segment of the Gulf shrimp industry by the stroke of a pen. We are willing to cooperate with the Latin American countries in the management of this resource and we are willing to pay our fair share of the management costs in the form of licenses. We feel that our Law of the Sea position should include language that addresses the issue of historic fishing rights.

An extension of fisheries jurisdiction by the Republic of Mexico and other Latin American countries without some consideration for American fishing rights off their coasts would result in the return to American shrimping areas in the Gulf of Mexico off our own coast of a great number of fishing vessels, possibly as many as 600. This increased pressure would certainly further reduce the annual landings per vessel and create further financial problems to vessel owners. The Gulf shrimp industry is already caught in an economic crunch far greater than any it has known in the past because of the enormous increases in the cost of fuel and other production costs.

The U.S. shrimp industry, America's most valuable fishery, could survive through bilateral or multilateral treaties with its neighbors to the south. Such arrangements, however, are of no help to the salmon or tuna fishermen. If America's three most valuable commercial fisheries are to remain viable a combination of enforceable international conventions and regional agreements are going to be necessary, and these can be negotiated only by a Law of the Sea Conference.

USE OF TAX-EXEMPT INDUSTRIAL REVENUE BONDS—S. 1949

Mr. HUGH SCOTT. Mr. President, I am delighted to join once again with my friend, Senator CURTIS, in sponsoring a bill to amend section 103 of the Internal Revenue Code of 1954. The legislation, if enacted, would provide an increase of the present $5 million limitation to $10 million for the use of tax exempt industrial revenue bonds.

I have just received a letter endorsing the concept from a constituent in Lebanon County, Pa. The Lebanon County Industrial Development Authority was established to help secure tax exempt bonds for local industries. The manager-secretary of the council has related to me a particular problem of the Butler Manufacturing Co., of Kansas City, Mo. This out-of-State corporation, involved in the production of steel, desires to construct a plant on 80 prime acres located in Annville, Pa. Planned construction would encompass a 150,000 square foot plant, initially employing 150 to 175 workers, and expanding within 3 years an additional plant construction of 350,000 square feet, creating a total of 365 jobs.

Lebanon County and the entire Commonwealth would benefit greatly by encouraging industrial activity. Congress originally enacted section 103 to aid business development by providing tax exempt financing. And, in many cases, such development would be impossible without industrial development bonds. Amending section 103 would give industry an added boost. Increased industrial activity will provide needed jobs and additional income for Pennsylvania and the Nation.

Butler Manufacturing needs to secure the industrial bonds to fund their prospective operation which includes land, building, and equipment. As other companies in this similar situation, this company will probably not begin construction for fear that their total investment would run over the $5 million limit, upon which the interest paid on the bonds would become taxable retroactively. A common problem encountered is that private investors will not risk buying the tax-exempt industrial bonds, if the possibility of exceeding the $5 million limit exists. Therefore, industrial expansion in Pennsylvania has been retarded due to the restrictions placed upon the size of the bonds.

I concur with the industrial development corporation's opinion that changes must be made in the Internal Revenue Code regulating the size of the bonds for industrial development purposes. The $1 million and $5 million limit restrictions are no longer realistic in our current inflationary economy. The construction industry in 1968 had a greater building capacity financed by the tax revenue bonds, unfortunately, inflation has decreased this capacity. The ceiling on these bonds is not feasible considering construction costs have nearly doubled since 1968.

We must acknowledge the critical shortage of employment opportunities our Nation is now experiencing. The economy needs a boost. This legislation would provide the incentive for industries to follow through with their plans for capital expansion, as well as a catalyst to attract new industry.

Through our lack of action we are, in effect, cutting back our assistance to private industrial expansion at a time when there is a most critical need.

Mr. President, I urge the adoption of this bill.

WHAT ABOUT ECONOMIC VIABILITY OF ATOMIC ENERGY?

Mr. GRAVEL. Mr. President, an increasing number of officials connected with the nuclear power industry are seriously questioning the economic viability of atomic energy. Public utility commissioners, investment officers, utility executives, and even those within the nuclear supply industry are all taking a hard look at nuclear economics.

The question is arising with new vigor now because of the rising price of uranium fuel and the current attempt by Westinghouse to break its uranium supply contracts. Westinghouse agreed to supply uranium to utilities at a low price in order to help clinch reactor sales. But now Westinghouse says it cannot afford to purchase the uranium it promised.

It has previously been assumed that the low cost of uranium fuel would offset nuclear's high capital costs and thus make nuclear more attractive economically than other central station types, notably coal. This assumption can no longer go unchallenged.

I should note, too, that according to the current issue of Business Week, Westinghouse is the only major nuclear supplier claiming to make a profit on its nuclear business. But if it is forced to honor the fuel supply contracts it has made, Westinghouse may face a billion dollar loss over the next decade.

Prof. Irving Bupp of Harvard foresaw the narrowing economic advantage of nuclear over coal many months ago. His article on nuclear economics, published in the February 1975 Technology Review is available from my office.

I say, finally, that it is more than mere economics that make nuclear power a bad choice. We are still producing deadly radioactive wastes in our reactors while we have no program for their ultimate disposal. To risk turning this planet into a radioactive desert would hardly be a wise policy, even if the economics of nuclear power were not dubious.

Mr. President, I ask unanimous consent that the three items be printed in the RECORD. An article from the New York Times entitled "Fuel Issue Stirs Nuclear Debate"; another New York Times item entitled, "Regulators Alter Nuclear Power Views"; and the cover story of this week's issue of Business Week, "Why Atomic Power Dims Today."

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times]

FUEL ISSUES STIRS NUCLEAR DEBATE

(By Reginald Stuart)

New uncertainty about the future of nuclear power in the United States has been stirred by a recent decision of the Westinghouse Electric Corporation to abandon its uranium supply contracts with 20 utilities after 1978 and sharply reduce deliveries until then.

The move by Westinghouse has also aroused concern in the investment community over the ability of the big Pittsburgh-based company to weather the consequences of its action. Kidder, Peabody & Company, an investment house here, argues that the company could be forced to pay as much as $1 billion if required by the courts to make good on the supply contracts.

Capital shortages among utilities and reduced customer demand for electricity have resulted in the cancellation of nearly a dozen nuclear power plants this year. These developments have stimulated debate over whether nuclear power can be afforded or is even necessary.

QUESTIONS ARISE

With the Westinghouse action, industry observers say, there are now questions about the price and supply of fuel for the plants, with added uncertainty about nuclear power in general.

"The Westinghouse action will certainly adversely affect the influx of nuclear power," said Arthur M. Williams, president and chief executive officer of the South Carolina Electric and Gas Company.

This utility is one of more than a dozen that have sued Westinghouse. It has been advised by Westinghouse, as have the other utilities affected, that it will receive only 18.75 per cent of the uranium on order from Westinghouse before deliveries are halted completely. The company's suit seeks to force full compliance with the contract.

Since then there have been a multitude of legal maneuvers by Westinghouse to halt—at least temporarily—interference by the utilities with its allocation program, including a request to the Federal District Court in Pittsburgh that it take over the uranium.

That order was dissolved by the court after the utilities involved in the Westinghouse litigation agreed not to interfere with uranium shipments until their cases could be considered for pretrial consideration by the Judicial Panel on Multidistrict Litigation. The utilities have agreed not to block uranium shipments during the rest of this year.

In New Orleans, Judge Minor Wisdom of the United States Court of Appeals for the Fifth Circuit will hear arguments this week on whether there should be expedited proceedings to get the case before the judicial panel.

South Carolina Electric and Gas recently canceled plans to build a second nuclear power plant because it could not find an acceptable offer for uranium supply. To 44 invitations for bids, said Mr. Williams, the utility's president, there was only one response. And that response asked the utility to provide several million dollars to finance exploration and then pay for the uranium at market prices when found. The offer was rejected.

Charles S. McNeer, president and chief executive officer of the Wisconsin Electric Power Company, also affected by the Westinghouse action, said that it "has thrown and added a twist into an already unsettled period."

Irwin M. Stelzer, president of the National Economic Research Association, a consulting firm that does extensive work for the utility industry, said in a recent interview that the Westinghouse action "puts the whole nuclear program up for grabs."

Aside from existing capital and customer load problems, Mr. Stelzer said the move "puts the utilities in a position of having their licensing cases re-opened over the question of whether it is still economically advantageous to take nuclear over coal."

One of the long-term arguments for nuclear power has been that, despite its high capital costs, the low price of the fuel (uranium) makes nuclear power cheaper than that produced from plants that use oil, gas or coal.

Westinghouse, which entered into most of its supply contracts at prices of $6 to $8 a pound, has said that rising prices of all fuels have tripled the price of uranium.

Although Westinghouse officials have refused to discuss their allocation or curtailment program because of the pending litigation, the company contends that it is legally "excused" from carrying out its contracts under provisions of the Uniform Commercial Code.

"The Uniform Commercial Code covers instances similar to the present in which a rise in costs due to some unforseen contingency alters the essential nature of the performance of the contract or in which a severe shortage of raw materials or supplies due to a contingency causes a marked increase in costs," the company wrote its utility customers in defending its action.

The Westinghouse position was based on a legal opinion from the Chicago law firm of Kirkland & Ellis.

While there is speculation that some of the utilities might be willing to negotiate a settlement over their supply contracts, the Kidder, Peabody study argues that "utilities probably do not want to negotiate because their relationship with Westinghouse has been more than that with a fuel supplier." The study continues:

"Westinghouse has booked profits on nuclear reactor orders which some utilities were induced to order partially because of base price uranium commitments.

"If Westinghouse is able to break uranium contracts, then the door is open for contracts to be renegotiated with all uranium producers. If this happens, utilities might become even more discouraged with nuclear power. As a result, some present reactor orders may be canceled and new orders could continue to be weak."

Westinghouse would have to spend about $100-million in the near future, Kidder, Peabody estimated, for exploration and development of uranium for the future, and—if forced to fulfill its commitments under the present contracts—upwards of $1-billion would be required.

[From the New York Times, Nov. 4, 1975]

REGULATORS ALTER NUCLEAR POWER VIEWS

(By Reginald Stuart)

BOSTON, November 4.—State utility regulators are apparently modifying their views regarding their traditionally firm support for nuclear power, their opposition to competition in the telephone business and their case-by-case approach to rate-making. These changes are being stimulated by depressed economic conditions, the consumer movement and the emergence of new and young faces on the regulatory commissions.

State-level utility regulators, of which there are about 300, decide the retail price of electricity, water, natural gas, intrastate transportation and telephone services.

Gathered here for the annual meeting of the National Association of Regulatory Utility Commissioners, the regulators expressed in interviews a growing sense of skepticism about the cost to the electrical utilities it manages of nuclear power over electric power from coal.

Some also said that despite their fear that local telephone bills would be forced to rise faster than usual, competition in the telephone business had emerged and must be dealt with.

And there was also an indication that, in contrast to the tradition of developing much regulatory philosophy on a case-by-case basis, regulators would increasingly rely on rule making for setting the framework for future rate hearings. This would entail the development of new philosophies about services based on so-called generic hearings, such as those being held in New York concerning electric power rates and rate reform.

"The financing on the nuclear side raises many more questions than it used to," said Matthew Holden, Jr., a 44-year-old member of the Wisconsin Public Service Commission. "It is no longer safe to assume that the costs of nuclear will be such that it is comfortable in the future," he said.

The views of Mr. Holden, appointed to his post six months ago, were echoed by others.

"I think they're going to have to go back and take another look at nuclear," said J. Lewis Moss, a 58-year-old commissioner from South Carolina. He has served for 23 years.

Mr. Moss said that nuclear power would be the answer if there was a plentiful supply at low prices but said that indications are that uranium, the fuel used to fire nuclear plants, will eventually equal the price of coal and other fuels.

One of the main factors in this trend of re-examining past principles and beliefs as well as developing new concepts, is the fact that 25 percent of today's state-level regulators were not in office before the 1972 national elections.

"What you're seeing is the American political process in action," said Paul Rodgers, general counsel for the regulators association.

He said many of the new regualtors, products of what he called the "regulator baby boom," are reflecting in their thinking the sentiments of a more consumer-oriented nation as well as the thinking that some utilities need to be dealt with more firmly than they have in the past.

[From Business Week, No. 17, 1975]

WHY ATOMIC POWER DIMS TODAY

The idea that nuclear power would one day fill the world's voracious appetite for energy is suddenly beginning to look anemic. After a decade of steady advances, suppliers of nuclear reactors face the most uncertain, bleakest period in their brief history. Orders booked during the record boom of the early 1970s are fast evaporating. Environmentalists are stepping up their campaign against these "unsafe, unnecessary, and unreliable" power plants, in Ralph Nader's nagging phrase. Washington is bogged down in a quagmire of regulatory and political issues that will have to be resolved soon if nuclear power is to provide more than a small fraction of the nation's electricity needs through the 1990s. And as if these pressures were not enough, rapidly rising costs of everything from fuel to construction have lately thrown the economics of nuclear power—once an unchallenged selling point—into question.

When Jersey Central Power & Light Co. ordered its Oyster Creek atomic power plant in the fall of 1963, the nuclear community considered the event a milestone. The Atomic Energy Commission had just completed a seven-year demonstration program during which it had nursed the nascent nuclear power business through one of the most difficult infancies any industry had ever known. Now Oyster Creek was to stand on its own. From purchase order to power production, this plant would be a purely commercial venture, totally free of the direct subsidies that had propped up atomic plants ever since the prototype of today's light-water reactors, a 90-megawatt unit at Shippingport, Pa., went on line in 1957. Oyster Creek heralded the coming of age of nuclear power.

THE DELAYS KEPT COMING

And for a while it did seem to be on its way to fulfilling a long-standing promise. A decade after the Oyster Creek order, 41 nuclear plants were operating in the U.S. Together they were capable of producing 25,340 Mw of electricity, and they represented 5.5% of all U.S. generating capacity.

But then came the Arab oil embargo, huge runups in the price of all kinds of fuel, and the recession of 1974. In an effort to stave off financial collapse, the nation's hard-pressed utilities started canceling or postponing new power plant construction. Most of the cutbacks affected nuclear plants because they generally require more front money than other types.

By mid-1975, most state regulatory commissions had rushed through sizable rate increases to restore some financial balance in the utility industry. But still the cutbacks came.

Now the culprit was mainly a flattened growth curve in the demand for power. Putting off nuclear plants, which today take up to 10 years to bring on line in the U.S., not only saved the utilities huge capital outlays but also gave them a chance to see if electricity's annual growth rate would return to its historic 7% pace. If it did, the companies reasoned, they could always order coal-fired plants, which take only six to seven years to build. "The uncertainties make you pause and say, 'Gee, let me wait another year,'" says Clyde A. Lilly Jr., president of Southern Co's engineering subsidiary. "And if you do that a couple of times, then you don't have time to put in a nuclear unit." All told, utilities have canceled or delayed some 190,000 Mw of generating capacity in the past two years, of which 130,000 was nuclear—the equivalent of about 130 large plants.

Today the U.S. has 56 operating nuclear power plants. Their combined capacity of 37,995 Mw represents 8% of the power industry's total. Despite the recent wave of cutbacks, most utilities would still like to see this percentage grow as quickly as possible. "If this country is ever going to achieve energy self-sufficiency, nuclear power is going to have to carry a major role in electrical power generation," says Robert Bolger, assistant vice-president of Chicago's Commonwealth Edison Co., the nation's biggest user of nuclear power. Commonwealth, says Bolger, believes that nuclear units will account for as much as 55% of its generating capacity by the mid-1980s vs. 33% today.

Many, though, are hedging their bets. San Francisco's Pacific Gas & Electric Co. recently made a $1 million down payment on a huge reserve of low-sulfur coal in Utah. Texas Utilities Co., which had been planning a major shift to nuclear power, has detoured instead to the vast lignite reserves in the eastern part of the state.

CAMPAIGNING AGAINST COAL

Thus the cutbacks have fanned the utilities' interest in coal as a boiler fuel, an interest that was first rekindled by the Arab oil embargo. In fact, the cutthroat competition for plant orders during the lull of the past two years has generated some friction between two normally friendly trade groups, the Atomic Industrial Forum and the National Coal Assn.

In August the AIF published a report purporting to show that nuclear plants are environmentally more acceptable than coal-fired plants and produce cheaper power. The following month NCA President Carl E. Baggie sent a blistering open letter to AIF President Carl Walske, charging that the study was "misleading and full of half truths." Coal, huffed Baggie, can compete with nuclear power on an economic basis.

Some experts heartily back Baggie's boast, Says Irvin C. Bupp, a Harvard Business School professor who has studied the economics of nuclear power: "The only place on the planet where you can make a case for nuclear power 8 or 10 years out is New England." Bupp thinks utilities have been "led down the garden path by the reactor people," who overly sweetened contracts during the 1960s to get nuclear power going.

Few experts in or out of the utility industry are as bearish as Bupp. But there is certainly a growing awareness that nuclear power does not always mean cheaper power, especially in less populated regions with easy access to coal. American Electric Power Co., for example, which has just brought its first nuclear reactor on line and is now finishing a second, is not planning another—even though the company expects its annual growth in demand soon to top 8%. AEP says that at the time commitments were made for these two units, projections showed that nuclear power would be cheaper.

Now the company figures coal-fired plants are again the better buy. "Let me put it this way," muses Chairman Donald C. Cook in his well-lit Manhattan office: "We are delighted to have two nuclear plants. But we are also delighted not to have three."

Cook quickly adds, however, that AEP is hardly typical, because it owns huge reserves of coal that it bought many years ago, before prices skyrocketed. Moreover, much of it is low in sulfur, so the company expects to avoid installing stack gas scrubbers, the controversial pollution control devices that could add as much as 20% to the cost of future coal-fired stations. And even AEP is ready to go back to nuclear units if the economics reverse. Cautions Cook: "There is no guarantee that the situation today will remain so, or that what is true for us is true in every part of the country."

In the heavily populated Northeast, with its stringent clean-air requirements and its great distance from the low-sulfur coal deposits of the West, the economics of nuclear power remain quite attractive. "We've reaffirmed our commitment to nuclear," states James M. Lydon, vice-president of Boston Edison Co. Lydon notes that work on at least a half-dozen power reactors is now under way in New England, while not a single coal unit is even contemplated. Utilities in New York feel the same. Says Bertram Schwartz, senior vice-president for planning at Consolidated Edison Co.: "There is no contest in our state."

FUTURE POWER COSTS

Schwartz's group has just completed a detailed study of future power costs from various fuels. "For our system," he says, "we estimate that a nuclear power plant going on line in 1985 will cost $1,120 per kw to build, and we figure uranium will cost us $34 a lb. by then. If so, the plant would cost 34.5 mills per kwh. to maintain, and the fuel would cost 6.4 mills." The total operating cost of 40.9 mills per kwh easily beats total coal power costs, which Schwartz thinks may be as high as 65.4 mills per kwh. "Even if uranium goes to $100 a lb.," he adds, "total nuclear costs would rise to only 47.6 mills."

Most utilities, however, do not face the hurdles to coal power plants that block Northeastern utilities. Nor do many have the wealth of coal that AEP has. So for most, the economics of nuclear power is a far fuzzier thing.

Recently the consulting firm of Ebasco Services Inc. released a report on the cost of nuclear power nationwide. Assuming that the plants are actually operating 75% of the time, Ebasco estimated that, on average, nuclear plants should generate power for 2 mills per kwh less than coal-fired ones.

But will the plants perform that well? In the past they have not. Proponents say the high downtime during the early days of nuclear power merely reflected the usual start-up problems of any new technology, and they claim nuclear plants now run as well as coal plants. Opponents, on the other hand, contend that the elaborate precautionary systems necessary in today's nuclear power plants will continue to make frequent shutdowns unavoidable.

The performance rate has a surprisingly big bearing on operating costs. An AIF survey reports that nuclear power costs an average of 12.2 mills per kwh during the first half of the year, while coal power costs 15.6 mills. But nuclear critics such as David Comey, who is environmental director for Chicago's Businessmen in the Public Interest, thinks the forum's figures are misleading. He claims that close examination of nuclear power performance at Commonwealth Edison, for example reveals a much different picture.

Commonwealth's Bolger says that if his utility's six nuclear and five largest coal plants run at 65% of capacity, nuclear power costs the company 8.29 mills per kwh to generate and coal power costs 9.68 mills per kwh. But Comey points out that the company's actual experience this year has been 33.4% for its nuclear units and 52.8% for its coal units. Thus he figures that Edison's nuclear power costs came to 16.4 mills per kwh vs. 10.5 for coal.

"Utter nonsense," snaps Bolger. He says Comey's comparison is invalid because the government temporarily shut down several reactors after a water pipe cracked in one of Edison's units. But such regulatory safeguards may prove in the long run to be more the rule than the exception, and there is obviously a cost associated with this that utilities sometimes ignore.

They may be ignoring other intangibles as well. For the problems of nuclear power go far beyond simple dollar-and-cents calculations. They thread through practically every segment of the nuclear fuel cycle (page 103). "The whole nuclear industry is in a bucket of trouble," says Harvard's Bupp.

Right now the most critical segment of the cycle is the enrichment stage. Capacity at the nation's three enrichment plants is entirely booked up, raising the specter of a nuclear logjam in the years ahead, despite the recent cutbacks in power plant orders. "If nuclear power is to grow in this country, we must build new enrichment plants," says Robert E. Fri, assistant administrator for ERDA and former deputy administrator of the Environmental Protection Agency. "We must have many of them and fast. The next enrichment plant must be on line by 1983."

Until recently enrichment has been the exclusive responsibility of the federal government which operates plants at Oak Ridge, Tenn., Portsmouth, Ohio, and Paducah, Ky. But since 1971 the Administration has been trying to entice private industry into enrichment, the last portion of the nuclear power industry still in government hands. Rather than ask the taxpayers to shoulder the cost of the necessary expansion program, which may top $30 billion over the the next 15 years, the government opened its long-secret files on the technology to potential investors.

After a year's study, however, such industrial giants as General Electric, Westinghouse, and even Union Carbide which runs two of the three existing plants for the government, turned Washington down. The snag: The companies could see no way to raise the enormous capital needed. Undaunted the Administration came up with a new plan earlier this year. President Ford asked Congress to approve a bill that would guarantee its technology, either the gaseous diffusion method used since World War II or the unproven centrifugal approach.

With that generous bait, industry has started to nibble. So far, four companies or groups of companies have made proposals, including three that are willing to gamble on the centrifuge technology. This week the General Accounting Office urged ERDA to expand its existing diffusion plants, thus giving industry more time to develop the centrifuge technology.

If successful, this approach would be far superior to diffusion enrichment. Either way, the goal is to raise the uranium mix from the 0.7% that occurs in nature to 2% or 3%. But centrifuge enrichment promises to consume only 10% as much electricity as gaseous diffusion—a powerful plus, since today's energy-intensive diffusion plants require enormous companion power plants solely to serve their needs. Moreover, unlike diffusion plants, centrifuge plants can be built in modular fashion, thus allowing capacity to grow more in step with demand.

THE LEGISLATIVE OUTLOOK

The advantages are such that Exxon Corp., Garrett Corp. (a Signal Cos. subsidiary), and Centar Associates (a joint venture of Atlantic Richfield Co. and Electro-Nucleonics Corp.) have each proposed centrifuge plants. All three want to build plants capable of producing 3 million "separative work units" a year, or enough to supply fuel for 25 reactors. A SWU (pronounced "swoo") is the basic measure of production from an enrichment plant. The combined capacity of the nation's three existing enrichment plants is 17.6 million SWUs a year, and will rise to 27.7 million SWUs a year when the government's current expansion program is completed in 1981.

The companies expect their centrifuge plants to cost from $700 million to $1 billion apiece. Initial production, they say, would begin in the early 1980s, just in time to meet the deadline that Fri of ERDA foresees.

A fourth company, Uranium Enrichment Associates, a joint venture of Goodyear Tire & Rubber, Bechtel, and Williams, has proposed a $3.5 billion diffusion plant capable of producing 9 million SWUs a year. However, because diffusion requires so much electricity, the company would have to raise an additional $2 billion to build two 1,100-Mw power plants.

All four ventures hinge on Congressional approval of President Ford's Nuclear Assurance Act, and the outlook for quick action on that grows dimmer by the day. Meanwhile critics of the Administration's plan to turn enrichment over to industry are rallying, and the legislation is almost sure to become embroiled in a major battle. Some question why the government should take such a substantial risk to get private enterprise into the business. Others are concerned about the wisdom of moving enrichment technology, which can be modified to make bomb fuel, into the public domain.

Manufacturers of nuclear reactors are growing more and more concerned that an impasse on the enrichment issue will deal a heavy blow to their already wobbly business. "We don't particularly care who does the enrichment," says a worried A. L. Bechtel, vice-president of the light-water reactor division at Westinghouse Electric Corp. "But they have got to get on with it. Otherwise we are going to have trouble selling these things."

So far this year Westinghouse has managed to win only four domestic orders for nuclear reactors. General Electric Co. has handled just one. And the remaining three suppliers, Babcock & Wilcox, Combustion Engineering, and General Atomic have not sold a single unit. It now looks as if 1975 will go down as the slowest year since 1969, when utilities signed up for just seven reactors.

The situation looks so grim that General Atomic Co., a joint venture of Gulf Oil Corp. and the Royal Dutch/Shell Group, last month dropped out of the reactor market. Interestingly, General Atomic does not seem to think the poor conditions of the past two years are to blame. Richard A. McCormack, now president of the company's Power System Group but for many years a vice-president with Combustion Engineering Inc., went right to the core of the problem in a hard-hitting speech this summer before an AIF meting in Seattle. "The fundamental cause of our malaise," he said, "is the nature of the nuclear business itself. . . . It was born in the government and consciously weaned by statutory and administrative policies to grow through an adolescence of government support. But the business was never firmly founded, and the magnitude of the problems of getting it established in the private sector were never fully appreciated."

In McCormack's view, the nuclear business is the most technologically complex, most capital-intensive, and least rewarding of all the world's major industries—and therefore still requires government support. "Frankly," he said, "we are a sick industry."

Thus reactor suppliers hardly have the sound financial base to make prospective buyers of their products feel secure. Westinghouse is the only one that claims it is finally making a profit on its commercial nuclear power business after more than 20 years trying. And yet Westinghouse sent shudders through the power industry this summer by announcing that it could not afford to fill some large contracts for uranium supplies.

Alone among reactor vendors, Westinghouse began to offer fuel as part of its reactor package during the late 1960s, when competition was fierce and ore prices low. But uranium prices have since tripled, and Westinghouse has found itself with 20 fuel supply contracts for between 40 million lb. and 70 million lb. that the company has not covered. It stands to lose as much as $1 billion if it has to buy these supplies on the open market. Rather than swallow this huge loss, Westinghouse argued that events beyond its control made it "commercially impracticable" to fulfill its contracts.

The affected utilities lost no time responding. Despite personal pleas from top Westinghouse officials to accept higher fuel costs, none has so far agreed to let the company off the hook, and 14 of the 20 have already taken Westinghouse to court.

The incident has stirred up the debate over just how much uranium the U.S. actually has. At a production cost of up to $30 a lb., ERDA now lists known U.S. reserves of yellowcake—the uranium oxide that is separated from the ore—at 700,000 tons. The agency also estimates that the nation's potential reserves total 2.9 million tons—enough to cover the maximum projected requirement of 2.3 million tons between now and the end of the century. And the Electric Power Research Institute, an arm of the utility industry, believes that there is a 90% probability that more than 3.5 million tons of yellowcake can be found at a recovery cost of up to $100 a lb. "Uranium supply will not be the critical link in the nuclear fuel cycle," sums up George White Jr., executive vice-president of Nuclear Exchange Corp., a uranium broker.

But supply is not the only problem. "From now until the early 1980s, it is not so much a problem of reserves as of production capacity," says Richard T. Zitting, president of Kerr-McGee Nuclear Corp., the nation's largest uranium producer.

For the short term, then, uranium oxide will be tight despite sufficient reserves. ERDA expects demand to total as much as 110,000 tons over the next five years, yet domestic producers have signed contracts for only 65,000 tons. The shortfall will have to come from uncommitted reserves, government stockpiles, and imports.

During the next decade, the situation should ease at least temporarily, because every major uranium producer has stepped up its domestic development program. Exploration had slumped in the early 1970s when prices leveled off at around $7 a lb. yet extraction costs kept climbing. Now uranium is selling for $26 a lb. on the spot market, and contracts for 1980 delivery cost about $38 a lb.

But what happens in the 1990s after the nation has uncovered all its easy ore? Most producers are counting on development of the so-called breeder reactor—an advanced fission reactor that makes more nuclear fuel than it consumes. "If the breeder doesn't come," says Herbert M. Weed, president of the Uranium Div. of Anaconda Co., "we probably will run out of uranium from conventional sources."

The breeder, however, may just never come. ERDA has decided to slow down the joint government-industry program to build a breeder demonstration plant at Clinch River, Tenn. "The project has built up too rapidly," admits ERDA chief Robert C. Seamans Jr. So has the cost. The original estimate for the demonstration project has ballooned from $700 million in 1972 to $1.7 billion today and is expected to swell still more.

If the development program eventually proves successful, breeders would offer some very appealing advantages. For fuel they would use a fissionable isotope of plutonium, PU_{239}, mixed with some of the nonfissionable U_{238} discarded at enrichment plants. As the plutonium molecules break up during fission, they release neutrons as well as heat, and the escaping particles would convert some of the U_{235} into Pu_{239}. If all goes as planned, the breeder reactor would wind up producing 20% more plutonium than it consumes. Thus five breeders could provide enough fuel for themselves plus one light water reactor.

But the breeder also carries with it some decided disadvantages. For one thing, some experts are convinced that the fancy reactors will cost so much to build that their magic show would not be worth the price of admission. An even more troublesome problem is that they use plutonium, a man-made substance so toxic that a speck the size of a pinpoint will kill a person if it enters the lungs. And unlike uranium, plutonium can be converted into a bomb material relatively easily.

The handling of plutonium, as well as the radioactive wastes from conventional fission plants, is probably the most vulnerable link in the complex nuclear fuel cycle. Unfortunately, it is also inescapable with fission power plants. During fission, even a conventional light water reactor creates some plutonium. Moreover, not all of the valuable U_{235} is consumed in the process.

From its inception, the nuclear power industry has planned to recycle the usable isotopes from reactor wastes. In fact, long range, this is a key factor in the economics of nuclear power. Yet today, not a single reprocessing plant is in operation. Utilities that had expected to be shipping their waste products to central recycling facilities have been forced to store them at their power plant sites instead. Many utilities are now running out of storage space and they will soon have to scramble to expand.

The top 10 in nuclear power

[In megawatts]

Utility:	*Total capacity*	*Nuclear capacity*
Commonwealth Edison	15, 337	5, 100
Duke Power	11, 228	2, 613
TVA	26, 726	2, 304
Northern States Power	5, 048	1, 578
Florida Power & Light	9, 015	1, 332
Indiana & Michigan Electric	2, 790	1, 060
Wisconsin Electric	3, 618	994
Philadelphia Electric	7, 214	886
Con Edison	10, 082	864
Niagara Mohawk Power	4, 400	610

Even though no reprocessing facilities are currently operating, some do exist. A few years ago a company called Nuclear Fuel Services built a small plant in West Valley, N.Y. It was shut down in 1972 after a brief operating stint. The company wants to expand the plant's capacity from 300 tons a year to 750 tons, but the Nuclear Regulatory Commission refuses to grant a new construction permit until it finishes a detailed review of the operation. Last year GE tried to start up a 600-ton-a-year plant at Mount Morris, Ill., but it could not get its process to work. A third reprocessing plant, being built in Barnwell, S.C., by Allied Chemical Corp. and General Atomic, is supposed to be ready next July. It is designed to process as much as 1,500 tons of waste a year.

Recycling would obviously conserve both fuel and enrichment capacity. But the loop may never be closed.

In its first major decision, the NRC earlier this year announced that it would undertake a whole new study of the plutonium question to decide whether sufficient safeguards are possible to permit widespread commercial handling of this substance.

The nuclear industry immediately balked. Reactor suppliers complained that the recycling review would add yet another uncertainty to their already cloudy market. And the companies planning to reprocess fuel say they will lose a bundle if their costly recycling plants must stand idle for two or three more years. "It would be devastating and stupid," scoffs AIF's Walske. "Guarding things is an ancient art, and we know how to guard plutonium."

While the government tries to formulate a policy, the spent fuel from the nation's nuclear power plants continues to mount. Even if utilities work out ways to store more fuel at their plant sites that are both environmentally and economically acceptable, they face problems ahead. By 1984 the spent fuel from the nation's nuclear power plants will exceed the combined capacity of the Barnwell and West Valley facilities. New plants would take perhaps 10 years to build, and clearly no one will start building one until the NRC formulates a final policy.

Thus even if the commission completely clears the way for reprocessing in 1978, a shortage of reprocessing capacity seems inevitable during the mid-1980s. The result: another case of painful constipation in the highly irregular nuclear fuel cycle. "The absence of closure of the full fuel cycle cannot go on indefinitely," advises Chauncey Starr, president of the Electrical Power Research Institute.

What is the answer? No one can say, but most experts say the solution must include more nuclear power. "There is no question that we need both nuclear and fossil-fuel units," says Starr. Adds EPRI's fossil fuel director, Richard Balzhiser: "There is no way coal can pick up all the demand predicted for nuclear. We can neither mine it nor move it that fast."

The nuclear community could not agree more. "There are no good alternatives for utilities," says the AIF's Walske. "If there were, nuclear power could be dead in a day."

POST ARTICLE ON MARINES IS MISTAKEN

Mr. TAFT. Mr. President, last Sunday's Washington Post contained an article by Martin Binkin and Jeffrey Record entitled, "A Few Good Men in Search of a Beach." This article, which deals with the mission and force structure of the Marine Corps, makes some good points. Unfortunately, its main thesis—that the amphibious mission is increasingly both unnecessary and impractical—is, I believe, quite incorrect.

Among the valid points the article makes, two in particular should be noted. The first is that the questions of Marine Corps mission and force structure are now being thoroughly studied not only by the Congress and the Office of the Secretary of Defense, but by the Marine Corps itself. The Commandant has established a special study group, the Haynes committee, to examine these issues for the Marine Corps. I have met General Haynes and discussed his ongoing work with him, and I have every reason to think his study will be objective and thorough.

One other good point made by the Post article is that a question must be raised as to whether Marine aviation has not in some sense become the tail wagging the dog. There is a valid reason for having aviation integral with the Marine Corps: the need for effective close air support for Marine ground forces. It should be noted, for example, that all Marine Corps pilots undergo full infantry training, so they can better understand the needs of the ground forces they are to support. Neither Air Force nor Navy pilots receive such training.

However, the current mission of Marine aviation includes not only close air support, but also air superiority and even deep interdiction. The last of these, in particular, is of questionable necessity. With Marine aviation now devouring 55 percent of the total budget of the Marine Corps, the question of whether a more limited, and less costly, mission might not be more appropriate for Marine aviation must be considered.

As to the main thrust of the Post article, it is, I fear, mistaken. The basic assumption of the article is stated only briefly, and is not really demonstrated at all. It is that we are in an era where it is unlikely that the United States will need to use ground forces in any part of the world where we do not have forces already stationed.

Undoubtedly, none of us want to have to use ground forces, or any other kind of military forces, anywhere. We all hope for, and work for, a world where international disputes are resolved by negotiation. But unfortunately, we do not yet seem to have that sort of a world. We do not yet have a world of Switzerlands. We also have Ugandas, and Angolas, and Cambodias, and IRA's and PLO's, and other irresponsible nations, factions within nations, terrorist organizations, and general trouble spots. Our best efforts notwithstanding, the international arena retains a hobbesian aspect.

It is difficult to look at these various trouble spots and conclude from this that we will not, under any circumstances, require a capability to send in American Forces to rescue Americans or other neutral civilians, or to defend other aspects of our vital interests. We may, at least, need a capability to convince someone that we can send in forces if we have to. And that—the ability to send in American ground forces where we do not have such forces already on station—is what the Marine Corps is all about.

That is also what the amphibious operation is all about. Basically, there are only two ways of inserting your ground forces into an area, unless the other party invites you in or unless you share a land frontier. One is via amphibious assault; the other is by parachute, as is done by the Army's airborne troops.

The Post article ignores this point entirely. But unless you are going to assume, as Messrs. Binkin and Record have done, that you are not going to require any insertion capability, you must face the fact that there are only two ways to accomplish the insertion: amphibious or airborne.

The authors of the article do, in passing, make a useful point about the type of force required for an insertion mission. They note that the Marine Corps is an infantry force, and that infantry is increasingly of questionable utility against the mechanized forces we might be called on to oppose.

But because the authors have failed to note that there are only two ways of undertaking an insertion—amphibious and airborne—they miss the important implication of this fact. Because amphibious forces are transported by sea, they can be mechanized if necessary. Ships can carry the tanks and armored personnel carriers a mechanized force needs, in the numbers it needs, and they can carry the large amounts of supplies required.

An airborne force, on the other hand, is restricted to being an infantry force. Aircraft cannot carry the large amounts of heavy equipment and supplies a mechanized force requires. Indeed currently developing military doctrine is raising serious questions as to the viability of parachute dropped forces in any important role.

Therefore, the logical conclusion the authors of the article should have come to, is that, in an era where foot infantry may be of increasingly less value, the Marines, with their ability to be mechanized, should become the major or perhaps the only insertion-capable force. The force which may be obsolete is not the seaborne amphibious force, but the airborne.

Unless one can accept the Post article's premise that we will not, in this best of all possible worlds, need an insertion-capable force, the logic of Messrs. Binkin and Record argue for the Marines, not against them. I hope that in any future work on this topic, the authors of the article recognize this fundamental fact, and either clarify their premise—in which case their study could be contained in one paragraph—or argue, as their own logic really dictates, for strengthening our amphibious force, not for weakening it.

I ask unanimous consent that the article referred to above be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"A FEW GOOD MEN" IN SEARCH OF A BEACH

(By Martin Binkin and Jeffrey Record)

[Our] amphibious assault force . . . has not seen anything more demanding than essentially unopposed landings for over 20 years, and . . . would have grave difficulty in accomplishing its mission of over-the-beach and flanking operations in a high-threat environment.—Secretary of Defense James R. Schlesinger, February 5, 1975.

Tomorrow marks the 200th anniversary of the U.S. Marine Corps. From the Barbary Coast to Belleau Wood to the sands of Iwo Jima to the jungles of Vietnam, the Marine Corps has forged a unique and impressive tradition of arms equaled by few other fighting forces in the world. Longstanding popular celebration of the Corps has been evident in countless Hollywood epics and in unshaken congressional support at times when the other military services' programs were under serious challenge.

Yet for America's most honored combat force, justifiably proud of its past, the 1970s are a time of troubles. The need for the Marine Corps' principal mission—amphibious warfare—is less and less apparent. Moreover, the Corps' capacity to take on other tasks has been hampered by its extraordinary investment in airpower. And despite their quest for just "a few good men," the Marines have encountered surprising difficulties in adjusting to the end of the draft.

Since 1945, the Marines have been used mostly to supplement Army units in conflicts devoid of a significant amphibious dimension. Current Pentagon planning assumes that the Marines would probably be used in a variety of scenarios—including war in Central Europe. But the 196,000 men and women of the Marine Corps are still organized, equipped, trained and deployed mainly for seaborne attacks on hostile beachheads.

The Corps' association with amphibious warfare is of relatively recent origin. For the first 150 years of their existence, Marines were used largely to board enemy ships and to garrison America's commercial outposts abroad. Continued emphasis on amphibious assault stems from a variety of factors: the 1947 National Security Act's investiture of the Corps with responsibility for the amphibious mission; anticipated future requirements for sizable seaborne quick-reaction capabilities; declining U.S. troop levels overseas, a trend often interpreted as increasing the importance of forces offshore; and the conviction, shared by most Marines, that preservation of the Corps' separate identity is contingent upon its ability to perform a unique mission.

Marine fears of being "swallowed up" by the Army are long-standing. When possible, the Corps has deliberately avoided assuming tasks that would render it simply a second land army. Continued "ownership" of the amphibious misison, even in the face of the mission's declining utility, is thus regarded as essential to the Corps' survival as a separate organization. In fact, the Marines' initial interest in amphibious assault during the 1920s was to no small extent attributable to the Army's rejection of it after World War I.

However, amphibious forces, inherently designed for offensive operations, are of dubious value in an era of dwindling prospects for direct, large-scale U.S. military intervention in what is now called the Third World, the Marines' traditional arena. Waning congressional and public support for U.S. military adventures abroad strongly suggests a declining political viability of amphibious assault operations. In fact, the public's general interest in foreign affairs since the Vietnam debacle has lessened as Americans have become increasingly absorbed in the problems of a troubled economy and other domestic issues.

A half century of preoccupation with amphibious warfare has shaped the Marine Corps into a distinctively tailored "light" infantry force. In order to be deployable quickly via helicopters and amphibious ships, the Corps has had to forego equipping itself with armored fighting vehicles and heavy weapons. None of the Marine Corps' three divisions possess tanks or armored personnel carriers; the Corps' small inventories of these weapons are kept in special units outside the divisions. Thus, given the demands of modern combat against heavily armored forces such as those of the Warsaw Pact or any one of several armies in the Middle East, the utility of Marine ground forces in nonamphibious contingencies is debatable.

The implications of new precision-guided munitions such as "smart" bombs, artillery and wire-guided missiles are particularly serious for the Marines. The Corps depends on helicopters and slow-moving landing craft during an assault—easy game for the new precision weapons.

Moreover, shrinking numbers of amphibious vessels and large-caliber guns in recent years have sharply reduced the Navy's capacity to support amphibious operations. In short the price of continued focus on the amphibious mission could range from maintaining a larger Marine Corps than is necessary to inhibiting preparation of the Corps for more realistic contingencies.

A corollary, but no less important issue is the proper role of Marine aviation. What began in the 1920s with a few biplanes helping to track down bandits in the jungles of Nicaragua has turned into a separate air force, complete with over 1600 airplanes and geared to perform the full range of tactical aviation missions.

Furthermore, most of these planes are not simple, inexpensive aircraft compatible with the austere image of the Corps. Marine aviators, like Air Force and Navy pilots, have become enamored of such sophisticated air weaponry. In fact, the Corps is at the forefront of VSTOL technology: fixed-wing aircraft that can take off and land like helicopters. And although the program to equip the Marines with such an aircraft—called the Harrier—was only recently completed, plans to procure a more advanced, and certainly more expensive successor already have been announced.

Programs to modernize the Marine air force promise to cost the taxpayer several hundred millions of dollars a year over the next 10 years. Even more costly than the advanced Harrier will be the development and procurement of a new aircraft to replace the Corps' F-4 Phantoms.

Marine foot soldiers, who vie annually with the flying leathernecks for limited resources, note that of the $3.8 billion spent on the Marine Corps in the last fiscal year, about $2.2 billion, or 55 per cent of the total, was gobbled up by Marine aviation. Their concern justifiably centers on the deepening contrast between Marine airpower, which is geared increasingly for modern aerial combat, Buck Rogers style, and Marine infantry, whose fighting prowess continues to depend on the physical stamina of the bayonet-wielding, foot-slogging grunt canonized in those old John Wayne movies.

This imbalance is likely to persist despite the recent decision to scrap plans for equipping the Marines with the F–14 Tomcat—the most expensive fighter aircraft ever introduced into the U.S. inventory. The estimated cost of the F–18, which finally was selected to replace the Corps' aging F–4s and which immediately became the subject of widespread controversy, has already started to mount.

Though attention has focused on the replacement for the F–4, the more important issue is whether the Marine Corps should have its own aviation at all. This issue centers on whether the sizable numbers of Marine aircraft configured mainly for dogfighting and bombing targets deep in enemy territory—as opposed to providing close support of Marine ground units—could be phased out. The Air Force and the Navy, which themselves are already oriented principally toward the so-called "deep penetration" missions, could fly these for the Marines just as they do for the Army.

Moreover, the likelihood that future conflicts would find Marines fighting alongside the Army, just as they have in the past, suggests a diminished need for the Marines to maintain even their own close air support capability. Experience since World War II indicates that the Marine air/ground team doctrine—although a necessity for amphibious assault operations—is less relevant when Marine ground forces are engaged in sustained inland campaigns. In both Korea and Vietnam, for example, U.S. tactical aviation forces, including the leathernecks, were placed under the control of a single Air Force commander.

Finally, more so than the other services, the Marine Corps is having a rough time adjusting to the end of the draft. Although recruiting statistics indicate an upward trend in the mental abilities of Marine recruits, the Corps has been plagued by an embarrassing growth of disciplinary problems that threatens the elite quality of which it, and the nation, have rightly been so proud in the past.

According to the latest figures released by the Pentagon, the Marines were suffering higher rates of courts martial, AWOL and desertion than the other three services combined; and these rates have been growing steadily since the end of conscription. The causes of this trend are difficult to pin down. There is some evidence linking it to the relatively high proportion of Marine recruits who are high school dropouts. Or it may be that the Marines are paying a price for adhering to traditional disciplinary standards. Or the problem might stem from the changing racial composition of the Corps.

Whatever the reason, attempts to maintain the Marine Corps at its present size risk serious damage to its manpower quality and discipline and, by implication, to its effectiveness in carrying out whatever missions might be assigned to it.

There are other questions to face: Can the Marines afford continued participation in the Air Force-Navy fancy fighter sweepstakes? Should the Corps even have its own air force at all? And, if the Corps is to preserve its reputation as an elite body of finely tuned fighting men, can it any longer rule out a reduction in size which would permit more selective recruitment?

Fortunately, these questions are now being asked by the Congress, the administration and, most importantly, by the Corps itself. The Senate Armed Services Committee, traditionally one of the staunchest protectors of the Marine Corps, has called for a reassessment of its purpose and size. Any meaningful reappraisal of the Corps cannot escape the premise that the golden age of amphibious warfare is now the property of historians and that the Marine Corps needs to look hard at additional missions if it is not to become a minor appendage of the U.S. military establishment.

GAUGING THE GAP

Mr. MONTOYA. Mr. President, I wish to call to the attention of my colleagues a useful article that appeared in the Wall Street Journal of November 6, 1975, titled "Gauging the Gap: How Much Slack Is Left in the Economy? Analysts Are Far Apart."

As chairman of the Subcommittee on Economic Development of the Committee on Public Works, for nearly a year I have reviewed the question of capacity as we considered various antirecession public works employment bills. The subcommittee has been particularly concerned with depression levels of unemployment and inactivity in the construction industry. As we considered legislation to both stimulate that industry and provide jobs for construction workers on useful public works projects, we have been told of the lurking dangers of inflation. Do not overstimulate that sector, we were told. We were reminded of the shortages that existed of some building materials during the late 1973 and the first half of 1974. Today the construction industry is far from utilizing its capacity.

Lindley H. Clark tells us in this article that Federal Government estimates the economy is running at 69 percent capacity. Many analysts believe this to be a good deal of slack—enough in fact, to safely absorb greater fiscal and monetary stimulus during the months to come.

But the essential point of the article is that economists do not agree on the measurement of capacity. At 69 percent of capacity—is the economy very slack or slightly slack? Or are we at closer to full capacity than the Council of Economic Advisers estimates? The question has tremendous consequences for national economic policy. Too much stimulation at full or near full capacity of course increases the likelihood of inflation. Too little may mean continued unprecedented levels of unemployment.

Mr. President, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Gauging the Gap—How Much Slack Is Left in the Economy? Analysts Are Far Apart; Some Claim It May Be Less Than Generally Believed, Fear More Stimulation Others Cite Glum Statistics

(By Lindley H. Clark)

How much slack is there in the economy?

Relying on official calculations that 8.3% of the work force is unemployed and that the nation's factories are running at only 69% of capacity, many analysts figure there is a great deal of slack. They say the economy can absorb fresh injections of fiscal and monetary stimulants for some time to come without suffering a fresh upsurge in inflation.

The University of Minnesota's Walter W. Heller and George L. Perry of the Brookings Institution, for instance, call for extension of the 1975 tax cuts into 1976 and a significant easing of monetary policy. The economy, they say in a recent analysis, "is running some 12% below its potential," and even with strong economic growth in 1976 and 1977 "we would enter 1978 with plenty of excess capacity and too much unemployment."

But other economists aren't so sure. Robert L. Genetski, an economist for Chicago's Harris Trust & Savings Bank, says a study of the economy's potential convinces him that upward pressures on prices from insufficient capacity and labor could appear as early as 1977. Other analysts question the significance of current unemployment figures, and some economists doubt that factory capacity has been growing as fast as official figures suggest.

These academic-sounding arguments are important because they are far more than academic; they have a direct bearing on national economic policy. And in recommending policy, economists are generally in agreement that efforts to push the economy to faster growth, when it has already reached full capacity, can only bring on more inflation. But just what constitutes "full capacity" is as much in dispute as ever.

The President's Council of Economic Advisers began measuring the economy's capacity in 1962. Every measurement has to start somewhere, so the council assumed that the economy was operating at full capacity in mid-1955. At that time the unemployment rate had fallen to a little above 4%, the factory operating rate had moved above 90%, and price increases had begun to accelerate.

But that was full capacity in mid-1955. As the labor force grows, new factories are built and technology advances, the economy's potential gross national product expands. The Council of Economic Advisers has assumed that potential GNP grew at an annual rate of 3.5% from the first quarter of 1952 to the fourth quarter of 1962, 3.75% from the fourth quarter of 1962 to the fourth quarter of 1965, and 4% since then.

GROWTH RATE VARIES

No one pretends that potential GNP grows quite that smoothly; for one thing, new technology can't be expected to show up at an even rate every year. Nor are the investments required to apply it made at an even rate. But a number of economists question whether, even on the average, the economy's potential has been growing at an annual rate of 4% recently. And looming in the background is the possibility that shortages or high costs of energy might further crimp that growth rate.

"In the past few years, potential GNP has been expanding at only about 2% a year," declares Michael K. Evans, president of the consulting firm of Chase Econometric Associates. "That consists almost entirely of increases in the labor force. Plant and equipment spending has gone mostly to satisfy antipollution and safety legislation, not to increase productivity. This trend is likely to continue."

If that's so, the economy already is operating a lot closer to full capacity than the Council of Economic Advisers estimates. The trouble is that no one really knows. Economists agree that the pollution-control and other new spending programs have limited the expansion of production capacity, but they don't agree on the size of the limitation.

ESTIMATE CUT BACK

The council itself earlier had estimated that potential GNP grew by 4.3% a year after

1969. Later, it cut this figure back to 4% on the basis of a Bureau of Labor Statistics study that indicated a slower growth in productivity, or output per man-hour.

The council still estimates potential GNP on the basis of the assumption that a 4% unemployment rate means that labor resources are as fully employed as possible. The 4% minimum is set that high because at any given time several million Americans are moving from job to job or from job to voluntary unemployment, and no amount of tax cutting and easy money is going to halt that switching around.

In recent years, however, many economists have come to believe that structural changes in the labor force have lifted the "full-employment" figure to about 5%. There are more women and teen-agers in the work force now than 10 or 15 years ago, and many of them are more likely than adult men to move in and out of the labor force.

Lifting the minimum unemployment rate to 5% would make quite a difference. New York's First National City Bank computes potential GNP on the basis of the 5% rate. In the third quarter of this year, the bank figures the gap between actual and potential GNP was $85.8 billion. On the basis of a 4% rate, the gap was much higher—more than $120 billion.

Some analysts argue that more attention should be paid to the employment rate, the percentage of the population that has jobs. For one thing, this eliminates the problem of determining who is unemployed and who isn't. At present the government considers a person to be jobless only if he is actively seeking work. Many analysts contend that, among other drawbacks, this approach overlooks many thousands of "hidden" unemployed, who have given up hunting work.

Irwin L. Kellner, vice president and economist of Manufacturers Hanover Trust Co., follows employment as a percentage of the noninstitutional population over the age of 16. When the unemployment rate rose sharply in late 1974, the employment rate fell almost as sharply. But the employment rate now has moved up to 55.5%, close to its average for the years since 1948, while the unemployment rate at 8.3% is still well above the 4.9% average for the same period.

Mr. Kellner also finds that the employment rate correlates with inflation better than the unemployment rate. "When the employment rate remains above normal for a considerable period of time, the inflation rate jumps above its long-term norm, too," he says. "In contrast, when the employment rate is normal or slightly less, the inflation rate ultimately settles down as well."

In his view, "the message to policymakers is clear. Elected officials should consider the current high rate of unemployment as only one of several indicators of the state of the nation's health. And since the jobless rate reflects to a large extent more people looking for work, rather than just fewer jobs alone, the labor market may not be as weak as it seems."

RESERVE'S INDEX CRITICIZED

Economists are also critical of the Federal Reserve Board's index of capacity utilization, the one that indicates the nation's factories were running at only 69% of capacity in the third quarter of this year. For one thing, the figure appears to imply that it's possible to operate at 100% of capacity. Actually, economists now figure that full capacity is reached at somewhere around 90%.

"In fact," comments a study by Argus Research Corp., "the economy experienced serious shortages in the third quarter of 1973, when manufacturing was using only 83.3% of capacity. Some of the theoretical capacity is economically obsolete, some is in the wrong products, and the allowance for maintenance time may be inadequate."

Some private estimates of capacity utilization attempt to compensate for such problems, and they generally have run at least 10 percentage points higher than the Federal Reserve estimates. The Conference Board, for instance, estimated that manufacturers were operating at 85.2% of capacity in July.

Whatever the exact amount of slack in the economy currently, all economists agree there is a good deal of it. Leif H. Olsen, senior vice president of First National City Bank, says flatly that there is "no possible way that we can close the gap between actual and potential gross national product in two years even with extremely expansionary federal fiscal and monetary policy."

But that doesn't mean that Mr. Olsen is advocating that policy. The trouble, in his view, is that such policy would create problems later on. He says it would build up severe inflationary pressures in 1977 or 1978.

SLOWER RATE FORECAST

Citybank is forecasting that the gross national product, adjusted for inflation, will grow at an average rate of around 4% in 1976, considerably below what many economists would consider desirable and a rate that wouldn't lead to any substantial decline in unemployment. When the outlook is extended into 1977 and 1978, Mr. Olsen figures that relatively slow and steady growth is much safer than more-explosive expansion.

Still other economists worry about the impact of highly expansive federal policies in the next year or so. They note that businessmen and consumers will be very sensitive to policies they perceive as inflationary.

The rise and fall of inflation expectations are likely to have a reverse impact on the economy in 1976, says M. Kathryn Eickhoff, vice president of the consulting firm of Townsend-Greenspan & Co., particularly in business decision-making. "Already, we have seen primary-materials producers reluctant to reduce inventories because they believe that higher inflation lies ahead," she says. "A reduction in inflation expectations could slow the rate of inflation by encouraging such companies to cut prices as a means of stimulating business."

What all of this adds up to for policymakers, unfortunately, is uncertainty. There is a great deal of slack in the economy but no one knows just how much.

SHELBY, OHIO, URGES DECLARATION OF INTERDEPENDENCE

Mr. TAFT. Mr. President, the people of Shelby, Ohio, have issued, as part of their celebration of the Bicentennial, one of what I believe to be the most profound and most significant statements I have seen. This statement, prepared by the Shelby Bicentennial Committee, urges that we mark the 200th anniversary of our Declaration of Independence with a Declaration of Interdependence, in which we would recognize the interdependence of all the peoples on this planet.

The people of Shelby have, I feel, shown tremendous insight and foresight by urging that we seek at this time to understand and officially acknowledge the interdependent nature of the modern world. I have long believed in the principle of interdependence, and I have worked for it. I have worked for a U.S. policy of greater reliance on the World Court of Justice for the settlement of international disputes. I have worked for free trade. The sentiments expressed by the people of Shelby reflect many of my own beliefs, and those of many other persons not only of this Nation but throughout the world.

Mr. President, it is an honor at this time to ask unanimous consent that the statement of the Shelby, Ohio, Bicentennial Committee be printed in full in the Record. I sincerely hope that this statement will serve as inspiration to other people everywhere to follow where the people of Shelby have led, in recognizing the interdependent relations of all peoples in the modern world.

There being no objection, the statement was ordered to be printed in the Record, as follows:

LISTEN, AMERICA

Eighty miles south of Cleveland, Ohio, is the City of Shelby; population 10,000. Half of the people in the United States live in cities this size or smaller. Shelby isn't among the oldest cities nor among the youngest. It's not among the richest or poorest and it's located at about in the population and geographic center of our nation. What Shelby believes could very well be what most of America will agree with. America needs to listen to what they're saying.

Shelby's Bicentennial Project is to convince The United States that on its 200th Anniversary of the Declaration of Independence our Nation needs to make a new formal statement to the world. This statement like the one made two centuries ago should describe the position of our country and our people as we relate to other countries and their peoples. We, they say, should call this statement a Declaration of Interdependence. Its purpose will be to help us and other nations and peoples of the world to recognize the importance of understanding that in today's world, nations and individuals cannot be independent in the same manner that was regarded as desirable in the past. It must be recognized that national independence in today's world has not provided its citizens with the desired level of freedom. On the contrary, it is actually robbing people of their freedom. It must be understood that recognition of our actual interdependence can increase our freedom.

The Daily Globe recently printed a "Consideration for Shelby's Bicentennial Project." The Shelby Rotary Club affirmed this proclamation and what follows is what many of this communities leaders agreed with and what the Shelby Bicentennial Committee, after receiving input from other segments of the community, also declare.

The major problems facing all nations are more pervasive and intense than in the past, because man's increasing knowledge, affluence and freedom makes him more critical and more demanding. The output of technological developments is continually accelerating, and the world is changing very fast at this point in time. This is not necessarily bad, because a lot of changes are needed.

The faster pace of change within the nations of the world has blinded most people to a basic growing problem which is the sources of the majority of serious troubles that source of the majority of serious troubles that are facing the world and its people. The root problem is that our world has no recognized mission. Without a mission or purpose, we cannot identify objectives and establish rational management. It is this condition now interfaced with today's rapid change in all fields of human endeavor that is forcing disruption upon the world. It can not be resolved by any attempts to slow down the relentless speed of change. It must be resolved by the establishment of effective management of its (to be identified) purpose.

The lack of world management causes enormous waste of human effort. An example of this is the intense terracing of hilly land, as in Japan, to produce agricultural products which could be produced with much less human energy on mechanized farms in this or another country. Another example, is the waste in capital and manpower that is involved in taking oil out of the arctic, or the vast depths of the ocean, at a cost of three dollars to four dollars per barrel, when the production cost in sandy Iran ranges between fifteen to twenty-five cents per barrel. We believe that we are forced to do this because of OPEC schemes. The lack of a world organization that can legislate and enforce its laws, is where the problem really is. We had our Vanderbilt's and Carnegie's doing the same thing about ninety-years ago, but we had the organization that could bring it under control. In our present environment our only recourse is to take the gouging, or go to war, because we can't legislate and enforce on a world basis.

More subtle effects of world economic forces can be seen in the actions of our Federal Reserve Board, whose function is to effect interest rates and money supply, being frustrated as they are by the international flows of money to the greatest return or safety. The economic changes in our country, produces serious impacts upon other countries, as do theirs upon us. Through the resulting political frustrations the increasing worldwide effect of economic factors dictates mankind's increased concern to provide worldwide restraints for the prevention of military conflict. Scholars of History have known and have told us for a long time, that it is not the people to people relationships that cause war, but the economic forces that cause political frustrations that fan the flames of war. Even our own Secretary of State who, to us seems to be as much a man of World Peace as we will ever see, becomes frustrated and makes comment to the World Press that he has not ruled out a military response to the economic strangulation of the oil embargo. While this had its sobering effect in the Arab nations, it sent some chilling echoes around the world.

A few years ago a great Pope traveled to Yankee Stadium and said to the world that it had taken his Church 2000 years of development to be able to deliver his message. The message was that Peace is the most important condition in the world—that it is even more important than his Church. To us it seemed that for a Pope to make that statement, demonstrated the very ultimate of concern and need. He also said that pride, and we believe in this he meant national as well as individual pride, was the root of all evil.

The size of the defense burdens of a nation always seem to be a function of how much a nation can carry. It will continue to grow as a nation's ability to produce increases. It is as relentless as that, and in terms of the total world society, it is the height of stupidity. In terms of our Nation's current needs, we believe our current defense posture is essential. In our present environment we must be strong. Importantly, however, we also need to work at changing this insane environment.

We need no more demonstration than watching the plight of the South Vietnamese on television during their final days of conflict, to demonstrate how sick, and how stupid, and how wasteful this whole affair is, and all past wars were. We need to recognize that the basic problem lies in a world without a mission and a rational means of managing its mission.

The word is out, and yet we believe thinking people have become too frightened in these past many months to discuss the implications of terrorist groups using atomic weapons. We don't hear the News Media even mentioning it. Scientists tell us that the know-how that is readily available in many major universities, along with small amounts of capital, is all that is necessary for these groups to produce an atomic bomb. We have no doubt that the Palestine Liberation Organization has an atomic bomb avaliable for use right now, and is merely waiting for the most rewarding situation for its use. The situation would have to be a single, one-time play of winner take all. The world needs to work fast to develop laws and enforcement means before this takes place. A nation's use of the atomic bomb is deterred by the threat of retaliation, but with a terrorist group where do you retaliate? Where are they?

We don't believe that we are likely to find much political leadership to come forward to promote a world government. A leader could have the fear of not appearing to be loyal to his country. He'd think it wasn't good politics; that he would lose elections. Recently we heard a TV Program with William Buckley and the President of Notre Dame, who has an international scope from his leadership in the World Food Conference in Rome, and many years of experience in the world food problem. He stated that it was his opinion from his extensive travel throughout the world that the younger adults in the world have less nationalistic feeling than older generations, and probably would accept a World Society. This gives us hope. Once a movement towards the acceptance of a World Society gets rolling and gains popularity, leaders *will* emerge.

We have a potentially great opportunity before us today to do something that might help, and we should seriously consider taking action. We are suggesting that our country on its 200th anniversary of its Declaration of Independence reassess its position in the world at this time, and to publish to the whole world as it did 200 years earlier, a new statement. That statement would be a Declaration of Interdependence.

This statement which our country would declare to the world is that all Nations should recognize their dependence upon each other, and would encourage that a future Constitutional Convention be planned to determine a basis for the establishment of law, and a means of enforcement in the world.

A significant impact could be obtained if our Nation, the most powerful nation in the world, as its national Bicentennial Project, would devote its efforts to selling the world on the proposition that the joining of the Nations of the World today to overcome extinction is an even greater need now than it was 200 years ago when our thirteen Colonies recognized their dependence upon each other. It could be readily demonstrated that the conflicts between States 200 years ago, were greater than exist between Nations today. It is certainly safe to say, that greater fear existed between the Virginia leaders and the New York or Massachusetts leaders then, than exists between the Europeans, the Russians, the Americans and the Chinese now. Our thirteen Colonies were so fearful of each other that each state was free to drop out at any time, a condition which lasted for decades. We disagreed with each other and feared each other so much then, that the States could not accept anything more binding. This can give us encouragement in the face of international differences today. As we say, there is now no leadership for this sort of thing, as it smacks of not being very patriotic. Yet the moment that political leaders see any public support to this activity, leadership will become plentiful.

It is Shelby's hope that this effort will help this world get off the track that is taking the human race to extinction. We believe that this can best be accomplished by people realizing that today a rational form of limited international dependence is needed and importantly, is wanted to increase individual freedom—the freedom from the waste caused by trade constraints, the freedom from military expense that overloads tax burdens, the freedom from the human suffering caused by war, and now the freedom from the fear of extinction.

Shelby hopes that other communities will join in supporting the formation of a National Project for the Declaration of Interdependence of 1976.

Listen, America! Shelby hopes and prays that you do.

DEFINING DÉTENTE

Mr. CULVER. Mr. President, one of the most important and frequently used terms of our times is "détente." Yet most of us would be hard pressed to offer a clearcut definition of what it means.

As a consequence, I believe there is a compelling need for serious discussion on the meaning of the term—particularly the differences between the Soviet and American viewpoints on the subject—if détente is to succeed in contributing to stability and peace between the superpowers.

The distinguished Senator from Indiana (Mr. Hartke), on November 2, 1975, delivered a thoughtful and provocative address on the subject before the Hillel Foundation. I commend it to my colleagues for their study and I ask unanimous consent that it be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

REMARKS GIVEN BY SENATOR HARTKE AT THE HILLEL FOUNDATION ON NOVEMBER 2, 1975

Since the beginning of the 1970's, the term "detente" has been used to characterize American-Soviet relations. Its ramifications extend far beyond the two super-powers involved, affecting international politics in practically every corner of the world. Even though detente has been the subject of countless books and articles, each intent on scholarly exegesis, even though it has occupied the press and the media almost endlessly, and even though it has been the subject of constant debate within executive agencies and within the Houses of Congress, it remains an idea in search of a definition—not for lack of definitions, but because of a plethora of conflicting definitions.

Everyone has a particular notion of what detente represents. In too many cases, it has been romanticized. It has become a huge sigh of national relief following almost a quarter of a century of cold war—wishful thinking, not serious international politics and foreign policy. Muted strains of this theme are evident even in Congress and the Administration.

Unfortunate as it may be, detente is not the millenium. It is not the embodiment of the American ideal that all men are brothers who will find rational solutions to rational problems in an atmosphere chastened of both ideology and power politics. Americans and

Russians will not now bury the cold war hatchet and walk arm in arm into the sunset.

As a people, we Americans have been especially prone to personalize international politics. We polarize the world into one of friends and one of enemies: under President Eisenhower and Secretary of State Dulles, this bad habit suffused even the highest levels of policymaking. We seem singularly incapable of understanding that sound international relationships are based upon shared interests and that every nation—not just our own—owes its primary loyalty to the security and well-being of its people. Friendship and hatred are emotions that characterize interpersonal relations. Governments, which are formal organizations, cannot and should not act on the basis of emotion.

The true meaning of detente is lost unless we understand this fact. If we personalize detente, we are left with nothing more than a few meaningless cliches and a vast array of expectations that have not the slightest chance of fulfillment. The value of detente will be lost.

At its simplest, detente merely denotes a relaxation of tension. And after we dispose of all the high-sounding rhetoric we find that is precisely what detente is. Detente has been talked and written to death by too many people searching for too many clever explanations.

For much of the confusion, we have the administrations of Mr. Nixon and Mr. Ford to thank. In their rush to take endless curtain calls for detente, they have left the distinct impression that it represents a fundamental revolution in the relations between the United States and the Soviet Union. Whether calculated or not they have managed to convince large segments of the public that detente is a victory of American diplomacy: that as the result of skillful maneuvering, the Soviet leadership was convinced to abandon its wanton ways. Little could be further from the truth.

Detente is the product of forces over which the principal actors had only marginal influence. It is an evolutionary modification of existing relationships, not a revolutionary change. Detente is a change of pace, not a change of policy. The great German student of international politics, Karl Von Clausewitz, observed that war was a continuation of diplomacy by other means. Detente, we might say today, is a continuation of the cold war by other means.

The essential misunderstanding of detente lies in the failure to relate it properly to the cold war. It is too easy to think of detente as a simple end to the cold war. It is far more accurate to view detente as an evolution in the cold war relationship, an evolution that touches more upon the modes and instruments than upon the substance of policy. It has altered the manner in which the principal players pursue their objectives, but the objectives themselves are little changed.

These remarks are in no sense a denunciation of detente. The tactics of detente are far preferable to the tactics of the earlier phase in Soviet-American relations. A degree of realistic skepticism towards detente is healthy, particularly for those of us who have a hand in shaping the decisions that will constitute American foreign policy. But skepticism and caution should not be mistaken for cynicism.

Detente is not a *rapprochement* with the Soviet Union, a restoration of friendly or cordial relations as in the case of estranged friends. Rather, it is the mutual recognition that as a result of a wide variety of factors, different modes of interaction and different instrumentalities are required. Russian statesmen prefer to use the term "peaceful coexistence" which more graphically describes the altered relationship.

Both parties to the cold war conflict have concluded that war between them would be an unmitigated disaster. As a consequence they have accepted the necessity of managing their conflict in such a way as to minimize the chance of mutual annihilation. They have not, however, declared an end to the conflict itself. Peaceful coexistence emphasizes, more than detente, that what is involved is a process: a way of doing business; a method for conducting relations. Detente, therefore, is not a thing or a fixed quantity. It is an attitude of determination to avoid those forms of conflict that are most dangerous by regularizing and formalizing relations.

It is instructive to take note of the Russian conception of detente. Their official spokesmen as well as their party ideologues make it abundantly clear that detente is a tactic within the broad context of an ongoing and inevitable struggle between capitalism and socialism. Detente, for them, implies no acceptance of the status quo between the United States and Russia. The iron laws of history cannot be set aside by political expediency. They have no doubt that the eventual outcome will be a communist victory. Detente affects means, not objectives. The idea that communism must display tactical flexibility is by no means new with detente. It is enshrined in the works of Lenin and Stalin. Accommodation to circumstances has been its hallmark of success.

Americans have a tendency to treat ideology lightly. It must be remembered, however, that the Soviet leadership can justify its own position only in terms of communist ideology which provides the rationale for the regime itself. Any substantial retreat from that ideology—especially in a matter as fundamental as the inexorable struggle between capitalism and socialism—endangers their personal position and their system of government. Ideology cannot be dismissed cavalierly, it is a fundamental part of Soviet life.

Even though the Soviets emphasize the tactical nature of detente, they take it seriously. They have been willing to make serious and substantial concessions to see it succeed. In a formal statement on detente, Secretary-General Brezhnev stated that "disputes which arise between countries should be resolved not by force of arms or war but by peaceful means . . . observance of the principles of peaceful coexistence also opens wider possibilities for the development of relations . . . it is a question of settling international problems around the negotiating table and agreeing to measures to diminish military danger and ease international tension and also of mutually advantageous economic, trade, scientific and technical, and cultural relations."

Detente has grown out of an accumulation of changes in the international system—some dramatic, others hardly noticeable. Foremost has been the development of military parity at the nuclear level. The strategic arms limitations talks (SALT) which epitomize detente involved a formal American recognition of nuclear parity with the Soviet Union. For some Americans, this was a bitter pill; but even in the halcyon days of the 1950's, perceptive analysts knew that parity was inevitable.

Recognition of nuclear parity by the United States has been discomforting to Americans, but it has never been the central issue that it has for the Soviets. For them, nuclear parity and detente are permanently interlocked. Since the end of World War II, they have lived in the shadow of American power. This disequilibrium led directly to the Cuban missile crisis—an ill-advised attempt by Khrushchev to bring about strategic nuclear parity.

Detente reflects the realities of international power, and the desire of both sides to cope with this power. It has taken the Soviet Union a long time to accept mutual destruction as the outcome of an international war. In their ideological pronouncements they have maintained until recently that in any such exchange they would emerge victorious. As long as you are not a full-fledged member of the nuclear club—as China is not—the tendency is to de-emphasize the importance of nuclear weapons. Once you are no longer burdened by that insecurity, you quickly seek the means to accommodate that power.

The mutual recognition of nuclear parity has created a common interest in decelerating the arms race. Without parity, the Soviet Union felt compelled to devote itself to the task of building a comparable weapons base. We, in turn, responded by seeking to expand our lead. Even though the United States is technologically more sophisticated, it is in the nature of nuclear weapons to make such distinctions extremely marginal once a certain threshold is crossed.

American acceptance of parity was necessary to bring about the SALT negotiations which place upper limits on some of the more costly weapons systems within a broad framework that takes into account differing strategic requirements. This should enable both sides to divert some funds away from arms development into other areas.

Europe has occupied a unique position in the cold war. Both sides have viewed it as the ultimate prize. Germany, in particular, has been seen as the fulcrum of Europe, and Europe as the keystone of world power. As a result, the United States and the Soviet Union have pursued extremely active policies throughout Europe with the focus on their rivalry centering on Germany.

Russian armies, in the wake of World War II, nudged history along by imposing the regimes in Eastern Europe that Communist ideology predicted would eventually occur. In the period that followed, Soviet policy in Europe has been to consolidate their position in eastern Europe while attempting to extend their political influence, by a variety of means, into western Europe. The American response was containment. At the military level, it involved the formation of the NATO Alliance to form a solid barrier against any soviet incursion, large or small. At the same time, we poured billions of dollars into economic recovery designed to stabilize the social and political systems of Western Europe. In general, the United States did not serioulsy challenge the Soviet presence in Eastern Europe.

By 1970, the Soviet Union was forced to recognize that its efforts in Western Europe had met with little success. NATO was still firmly in place, although not as central to European security as it once was. European unity was not a reality, but the common market effort was trudging slowly towards its appointed goal. Italy produced significant communist gains, but the Italian Communist party is perhaps the most moderate in the world and appears to enjoy denouncing Soviet methods. Not all was well in the Russian Camp, either. A welter of centrifugal forces manifested themselves first in Hungary and then in Czechoslovakia.

Without abandoning its ultimate goals, the Soviet leadership resolved that the situation demanded retrenchment and consolidation. This could be accomplished best if the entire region were defused. In this spirit, the German problem was resolved and the Soviets requested a European security conference which resulted in formal recognition of the de facto division of Europe accomplished more than two decades ago.

Detente filled a different but similar need for America. The Vietnam war was a traumatic experience for the American people which reverberated throughout practically every aspect of national life; it has certainly had an impact on the formulation and execution of foreign policy.

The aftermath has included a serious debate on the limits of American power, a pronounced tendency towards isolationism on the part of some, and a profoundly significant reassertion of congressional power and responsibility in the foreign policy-making process. What the net effect of this will be is too early to predict. I am confident, however, that no excesses in any direction will result, American foreign policy, I believe, will be revitalized, not demoralized.

A reassessment of our power and its limits should provide us with a more realistic conception of the possible dimensions of our role in the world. The re-emergence of Congress as an equal partner with the Executive in foreign policy should insure that future foreign policy ventures enjoy a popular base of support. Neo-isolationism, although enjoying a minor resurgence, has had more impact on the minds of political pundits than it has on foreign or defense policies.

Among those events that have crystallized detente, none is more important than the Sino-Soviet dispute. Animosity between China and Russia is not new; they have been traditional rivals. The affinity created by the victory of communist forces in China turned out to be only skin deep. Even at the ideological level, conflicts between the two regimes surfaced early. In the evolution of their contemporary relationship, ideological differences merely reinforced their long history of mutual distrust and hostility.

China poses both a military and a political threat to the Soviet Union. She is an emerging great power who shares an immensely long border with Russia. China's millions are mobilized behind a radical leadership whose pretentions extend well beyond China's borders. China has also achieved nuclear status. China's leaders have overtly challenged Russian preeminence within the communist and third worlds. They have touted their revolution as a model for the restless new nations of Africa and Asia. Even within the communist bloc itself China has repeatedly criticized Russia, seeking to become the communist leader. The measure of that success is reflected in the need to speak of a "polycentric" rather than a "monolithic" communist world.

To respond to the Chinese challenge, Soviet Russia has initiated a massive military build-up along the Asian frontier; they have undertaken an intensive political propaganda campaign designed to discredit the Chinese; they have sought an Asian security system; and, most importantly, they have endeavored to accelerate the growth of detente with the West.

American diplomacy has unabashedly capitalized on the Sino-Soviet split, although the cold war bromide that communism was unalterably monolithic made us suspect the authenticity of that conflict. Using the split as a level, America re-established relations (although not fully) with China. The action had merit on its own, but its larger purpose was to force Russia to be more flexible by hinting at the possibility of a two-front conflict. This suited the interests of China perfectly as she was anxious to isolate Russia diplomatically. If timing is an indication of the causality of events, the SALT Agreement was signed a bare three months after President Nixon visited Peking. Two months later there was the now infamous Soviet-American Wheat Deal, and four months after that, negotiations for SALT II and the European Security Treaty were initiated.

Detente was preceded by disillusionment for the Soviet Union. The Khrushchev years, by contrast, were bouyant, filled with expectation. The Russian outlook was good. Soviet power was being exercised in practically every corner of the world. The process of decolonization seemed fertile soil for socialist victories and further expansions of Russian influence. But expectations never materialized. In the third world where the promise of success was greatest, the sense of failure was sharpest. Virtually nowhere did Russia gain a permanent foothold. When Khruschev jauntily toured the United States proclaiming that his nation would soon bury us, the Soviet economy seemed capable of unending miracles. By 1970, the technological and economic gap between East and West had widened. What had promised to be the golden age of communism revealed, instead, all the flaws of a maturing social-political system. Most distressing of all was the decay within the communist camp itself.

In the areas of economics, science, and technology, the Soviet Union has experienced uneven and insufficient development. The disproportion between her needs and her capabilities is a glaring reminder of the inefficiencies and ineffectiveness of a planned, bureaucratized state. The choices facing the leadership to correct this were either fundamental systemic reform at home or the importation of the necessary goods and skills from abroad. Unwilling to make changes with unknown and potentially dangerous domestic consequences, Russia looked to the West and to Japan. Thus, the need to supplement their own inadequate production of essential goods and skills led Russia towards detente with the West.

Ironically, the decision to liberalize relations with the West compelled Russian leaders to become more repressive at home. For the individual Soviet citizen, the price detente has been a tightening of totalitarian controls. Detente—especially economic detente—unavoidably brings diverse categories of Russians into more direct contact with the artifacts and values of the West. Some American advocates of detente have argued that it is precisely this subtle insinuation of Western ideas and ideals that makes the effort worthwhile. Those who make the argument have more faith than I that washing machines and spray deodorant will lead to democracy. I do believe, however, that America gains little economically, scientifically, or technologically from greater Soviet-American intercourse. The benefits we derive are essentially political.

Take in the aggregate, these conditions have produced, after more than two decades of cold war, significant changes in the manner in which the superpowers approach each other. Tensions have eased. Arms limitation agreements have been signed, transforming arms races into brisk walks. The post-war division of Europe and the German question have been acknowledged and resolved. Trade between East and West has expanded. American and Russian astronauts have joined together in a symbolic space extravaganza. The angry denunciations of the Khrushchev era have been superseded by cordial state visits. Even the Watergate scandals were treated more sympathetically in the Russian press than in the West. Brezhnev exudes a sense of moderation. At the rhetorical level, at least, all the principals seem intent on beating swords into negotiating tables.

In the midst of the euphoria, I feel compelled to sound a warning note. Not a warning in the sense of wanting to return to cold war attitudes and methods; but a warning against overestimating detente. Detente is a rational response to the changed circumstances of the great powers, and it serves the interests of both. But detente is not an end to the Soviet-American conflict. It has done little to resolve the core issues that divide us. It is a matter of style more than substance, although style in politics is not to be underestimated.

Soviet leaders are still committed to the overthrow of Capitalist systems like the United States. Their belief in ultimate victory is not shaken. They are still committed to undermining American influence in Europe whether through the support of local communist parties or by urging the Arab oil producing nations to institute boycotts and raise prices to disruptive levels.

Detente is, nonetheless, real. Detente is important. But, ultimately, detente is tactical.

Americans should not be lulled into a false sense of mutual friendship with the Soviet Union. She is neither friend or ally. She is a traditional adversary whose vital interests differ from our own even though we share the desire to minimize dangerously overt conflict that could result in war.

That Russia represents a political system whose values are fundamentally antithetical to our own has been amply reconfirmed by recent experiences involving emigration policy.

The relaxation of tensions associated with detente have been manifested most clearly in the pattern of trade between the United States and Russia. Prior to 1970, there was virtually no trade between the two countries with the exception of a 1964 Wheat Deal. After a flurry of activity between 1969 and 1971 that led nowhere, a trade agreement was signed in 1972 that extended to Russia both credits and most favored nation status. This was an extremely important concession for the Soviet Union whose latest five-year plan was floundering. Even before Congress acted upon the question of most favored nation status, trade between the two countries reached substantial levels—$546.7 million in 1972 and $1.4 billion in 1973.

It was in the Senate Finance Committee where I sit as third-ranking member that the first discussions of what later came to be known as the Jackson-Vanik Amendment occurred. The general question was on the value of expanded trade with the Soviet Union. There was a sense that the benefits were one-sided and that the United States should attempt to derive political benefits from that trade. Jewish emigration from the Soviet Union was a problem of long-standing that we felt might be resolved by congressional action.

It was during the 1960's that the movement for freer Russian emigration to Israel became a major issue. Under the Soviet Constitution, emigration is allowed. In practice, however, this right was exercised only rarely. Soviet policy made emigration highly unlikely except under extraordinary circumstances. In 1972, for example, the Supreme Soviet decreed that emigrees would be liable for the costs of state education that in some cases were calculated as high as $25,000. This particular roadblock was removed in 1973 as formal expressions of detente proliferated. However, other practices, equally restrictive, continued. They ranged from loss of employment to stiff emigration fees.

Jewish emigration to Israel reached significant levels in 1970 when 1,000 persons were permitted to leave. In 1971, the figure jumped to 14,000; in 1972, it was up to 31,700; in 1973, it leveled off at 33,450; and by 1974, it had dropped down to 16,900. Extrapolating from data on hand, it is estimated that this year's total will not be much in excess of 10,000—the lowest figure since 1970.

Pinpointing the causes of the increases and subsequent decline in emigration is impossible since we are not privy to official Russian thinking. In general, I believe that the emigration question is linked to both detente and American Trade Policy.

The initial increase in emigration was a signal from the Soviet Union designed to demonstrate its sincerity towards detente. Even at this juncture, however, there was pressure for more internal repression. Emigration leniency for any group might encourage others to dissent from the regime.

The desire to make clear their intentions towards detente outweighed the opposite proclivity.

Enter, at this point, the Jackson-Vanik Amendment, tying most favored nation status and a variety of other trade concessions to a reasonably free emigration policy. (The amendment is Title IV, Section 402 of the Trade Act of 1974.) The expanded flow of emigrees continued through 1973 when the House accepted the amendment and the Senate made it clear that it would as well. Almost immediately, the flow declined sharply. This, I believe, was a signal to the United States that the Soviet Union was unwilling to have its domestic policies tied to trade arrangements. The voices of those who favored more repression across-the-board would now carry more weight. Already, they could argue, the pernicious ideas of the West were interfering in Soviet life.

Compromise at this point was still possible. In October of 1974, Secretary Kissinger revealed an exchange of letters that seemed to suggest that they would allow emigration if we would down pedal the amendment. Congress, in my estimation, overreacted. Immediately, the quiet exchange of letters was hailed as a great diplomatic victory for the Congress—the Soviets had capitulated. Implicitly, the precondition for the compromise was moderation in victory; instead, we gloated. The result, as you all know, was first a rejection in December of the notion that there had ever been an agreement. A month later the Russian government announced that it would not implement the 1972 Russian-American Trade Agreement. That is where the matter stands today.

Many issues have been raised by this experience. The Soviets argue that the Jackson-Vanik Amendment was an unwarranted intrusion into the internal affairs of their country, an argument that has the weight of four hundred years of practice and precedent. Advocates of the amendment have suggested that Soviet adherence to the "International Convention on the Elimination of All Forms of Racial Discrimination" as well as the "Universal Declaration on Human Rights" voids that argument. They also believe that, in reality, the Soviet Union was reacting to a $300 million ceiling on credits enacted at roughly the same time.

The larger issue is the price America should pay for détente. Critics of détente have repeatedly pointed out the one-sided nature of trade and other agreements, including SALT. The United States, they say, is purchasing good will at too high a price. At the very least, America should gain in other ways such as changing Soviet practices to conform more closely with our own standards of justice.

I believe that this example clearly illustrates the limits of detente and underscores the proposition that the Soviet Union has not changed in any fundamental ways.

I noted that in your publicity for this evening that I would bear a prescription for peace. If such a formula were mine, I would have revealed it long ago. But I do think that this examination of detente and its relationship to the Russian emigration problem suggests a few things.

International, no less than national politics is the art of the possible. To be effective, means to operate within a cognitive framework that is firmly anchored in reality. Ideals should inspire us, but when we will accept no less we become like Don Quixote—admirable, but ineffective. We should never retreat from our ideals, but if we are ever to translate them into reality we must approach them practically, accomplishing what we can and not demanding what we cannot possibly achieve.

The Jackson-Vanik Amendment was a noble experiment, and one that I supported. Its value as an ideal is no less diminished because it failed. But because it failed, many individuals will have lost a chance to raise the quality of their lives. In retrospect, I think we could have accomplished part of what we wanted had we been willing to accept half a loaf. If, for example, at the time when Mr. Kissinger revealed his exchange of letters we had backed off from the amendment, telling the Soviet Union that we commended its effort, the effect on thousands of lives might well have been different. Even now, there may still be avenues open. I have encouraged Mr. Kissinger to explore every possibility with the Soviet leadership.

I believe that the discussion of detente reiterates once again the need for an educated electorate. How can we expect the American people to react in a rational manner to detente unless they understand its causes? Without that knowledge, it is a meaningless word. How can we protect ourselves from violent swings in public opinion generated by disappointments based upon unrealistic expectations?

Detente, to conclude, is real, but it is limited. Its focus is style, not substance. It is no panacea for peace. But it does initiate an ongoing process characterized by a change in tone of Soviet-American relations. It has enjoyed considerable success in marginal areas. It has created the framework for the growth of functional diplomacy in the future. Cooperation is presently limited to the superficial; but the habit of cooperation may in time become more powerful than the habit of confrontation. We may, inadvertently, create peace in the world.

HEALTH CARE SERVICES

Mr. TAFT. Mr. President, I bring to the attention of our colleagues an article which appeared in the Cincinnati Enquirer on November 10, 1975, entitled "The Costs of Government."

While I have not endorsed any one national health insurance proposal, I am inclined to support a measure which draws upon the private sector in managing and providing health care services. The article from the Cincinnati Enquirer supports that view, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article ordered to be printed in the RECORD, as follows:

THE COSTS OF GOVERNMENT

The General Accounting Office (GAO)—Congress' agency which inspects the work of the bureaucracy—has come up with some interesting figures that explain why government costs so much and does so little.

The report deals with the cost of processing Medicare claims and provides some important ammunition for those who are critical of government competition with the private sector and believe that if national health insurance is to be enacted, it should be run by private insurance companies, not the federal government.

According to the GAO, it costs the Social Security Administration (SSA) from two to four times as much to process a Medicare claim, when compared to the costs generated by private insurance companies.

It cost SSA $12.39 for each claim submitted to it in 1973, while the average cost for the four private carriers involved was $6.45. Blue Cross of Maryland had the lowest cost per claim at $3.55. The Chicago Blue Cross office spent $3.81 per claim. Mutual of Omaha spent $7.28, while Travelers Insurance Co. spent $7.31.

The private, competitive insurance companies have an incentive to keep their costs low while the bureaucracy does not. As a result, salaries are higher and productivity is lower for SSA than for the private carriers.

For example, federal accountants and auditors averaged $21,600 in salary and benefits compared with $18,000 for Chicago Blue Cross accounts, $17,300 for Maryland Blue Cross accountants, $13,800 for Travelers' accountants and $13,700 for Mutual of Omaha's accountants.

And despite higher wages, SSA employees did less work than those employed by the private sector. Each federal employee processed 2500 claims a year while Travelers' staff processed 3900, Mutual's handled 4200, Maryland's reviewed 5700 and Chicago's Blue Cross office completed 6600.

The private carriers might have done an even better job had they not had to take time to file financial and performance data with the government. SSA, of course, made no such demand upon itself.

Productivity and cost figures varied among the four carriers and the government because the two Blue Cross plans did not process the more complicated nursing-home claims. But there is no excuse for the costly inefficiency on the part of the government.

The GAO report is one more piece of evidence that supports our view that the private sector is more efficient than the federal government in almost every area of activity.

U.N. VOTE TERMED REGRETTABLE MOVE

Mr. GLENN. Mr. President, the recent vote whereby the United Nations General Assembly in effect equated Zionism with racism marks a sad and tragic moment in the history of that body.

Just at the moment when progress appears to be underway toward easing tensions in the Middle East, a coalition of so-called Third World nations has run roughshod over pleas for decency and caution, ramming through resolutions that violate the spirit of international cooperation which this Nation and so many others seek to achieve.

I noted with a great sense of respect comments made following the vote by Ambassador Daniel P. Moynihan, who—as is his custom—spoke out unequivocably regarding the attempt to cast such serious aspersions.

Dr. Moynihan said:

> The United States does not acknowledge, will not abide by, will never acquiesce in this infamous act. A great evil has been loosed upon the world. The abomination of anti-Semitism has been given the appearance of international sanction.

Mr. President, I concur with the Ambassador's appraisal. This rising mood of anti-Semitism by Third World nations, coming at the very time that multinational relaxation of tensions appears to be bearing fruit, is deeply regrettable. I fear that it will undermine the efforts of those in Congress who—for reasons quite apart from this issue—feel that the United Nations remains a viable worldwide forum. Such beliefs are rendered less defensible after votes such as occurred at the U.N. this week.

INDEPENDENCE OF ANGOLA

Mr. BAKER. Mr. President, today the former Portuguese Colony of Angola joins the community of nations as an independent country. We would have all hoped that the independence of this new nation had been achieved under happier circumstances; that between the colonial government of Portugal and the new government of independence there had transpired an orderly transition; and that now, with independence a reality, a government truly representative of the people of Angola was prepared for the orderly administration of the new country. As we are all aware, however, that is not the case. The government which will be installed today is merely one of three warring factions and is the one that happens to be in control of the capital city of Luanda. There is little hope that, with the installation of this government, the fighting will cease.

Following the unfortunate but firmly entrenched custom, foreign influence and arms have inflamed the struggle and correspondingly lessened the opportunities for the peaceful resolution of this conflict. It seems that every major world power has contributed to the tragedy, and it now appears that there is danger of armed intervention by neighboring African nations.

I hope that the flow of arms will cease and that the United States will make every diplomatic effort to ensure that this destructive influence be discontinued. Further, I hope that the United Nations and the Organization of African Unity will continue its efforts in attempting to bring the warring factions to a peaceful settlement and the restoration of the coalition government. Finally, I hope that the warring factions themselves will undertake peaceful initiatives toward a government that represents all of the Angolan people.

Of all this I am hopeful, but I am by no means optimistic. The transitional departing Portuguese had no alternative country to the ungoverned "people" of Angola. While I welcome the independence of the newly found nation, I deplore the conditions under which it has begun.

EXTENSION OF REVENUE SHARING

Mr. BAYH. Mr. President, I express my concern about the need for early action to extend the revenue sharing program. I believe that most Members of Congress and concerned citizens agree that the revenue sharing program has been successful, and it is my perception that the revenue sharing program has little opposition. The questions are when Congress will act and how much money will be allocated to the program.

The present legislation does not expire until December 31, 1976, but because many local governments operate on fiscal calendars beginning on January 1 and because they are also under State constitutional obligations to balance their budgets, they must begin in the next few months to plan for fiscal 1977. If Congress does not act at the earliest opportunity to extend the revenue sharing program, the orderly budgetary processes of these local governments will be seriously disrupted.

Our federal system suffers from a vertical fiscal imbalance which has been intensified by the current recession. As things are presently organized, the Federal Government has a greater ability than local governments to raise revenue progressively through the Federal income tax. Federal tax mechanisms are also better insulated from the effects of the recession. State and local governments, on the other hand, are faced with declining tax revenues, increased demands for services, and soaring costs. The revenue sharing program was designed to ease the problem of fiscal imbalance and, while not flawless, it has worked.

The example of New York City has forced to the front of our national consciousness the immediate and serious nature of the financial problems facing our cities. New York's problems are not simply a function of poor management. They are symptomatic of the ills facing cities all over the country. One way for Congress to help our cities is to resolve quickly the fate of the revenue sharing program and thereby to provide a basis for rational planning on the local level.

Furthermore, we must consider increasing the funds allocated to the revenue sharing program. The rate of inflation has had a particularly severe effect on local government costs. Simply to maintain the current level of support provided by the revenue sharing program we must increase the funds available for redistribution to local governments.

I am concerned that revenue sharing money reach those governmental units which have stretched to the limits of their fiscal capacities to raise money through local taxes. For this reason, some changes in the program's distributional formula may be in order.

The countercyclical revenue sharing bill, which I supported and which has already passed the Senate, is another effort to direct additional Federal funds to those local governments hardest hit by the current economic crisis. Countercyclical revenue sharing is not intended to replace, but rather to supplement the general revenue sharing program. In times of high national unemployment, this legislation will provide aid to State and local governments where unemployment is most severe in order to compensate for diminished tax revenue attributable to the recession.

In renewing the general revenue sharing program, I believe that Congress should take steps to erase any doubt that may exist with respect to the authority of the Secretary of the Treasury to terminate payments to local governments after an express finding that minority groups have been discriminated against in the use of revenue sharing funds. I fully support the concept that these funds should have a minimum of conditions attached to their use, but "no strings attached" cannot mean that Federal funds are used to perpetuate historical patterns of discrimination.

Finally, there has been much talk about the need to increase citizen participation in planning for the use of revenue sharing funds. The announced theory behind the program was to return the power to deal with local problems to people on the local level. Including more people in local budgetary processes requires time, and if we in Congress delay to the last minute in renewing the revenue sharing program, we are effectively foreclosing the possibility of increased citizen participation.

For these reasons, I urge that we act at the earliest opportunity to renew and strengthen the revenue sharing program.

THE CONGRESSIONAL BUDGET PROCESS

Mr. PERCY. Mr. President, this morning's Washington Post contains an excellent editorial on the congressional budget process and the major steps in the process that will be coming up soon.

Within the next few weeks the Congress will be setting binding ceilings on spending for fiscal year 1976. The Congress will be voting on the budget as a whole and putting a stamp of approval on spending and deficit levels for the fiscal year.

As an original and active supporter of budgetary reform, I have been pleased with the way the process has worked so far. Indeed, the Senate Budget Committee has been able to persuade the Senate so far this year to stick with the committee's original recommendations on spending levels.

The new budgetary process means for the first time that Congress will have to look at the Federal budget as a whole and make decisions in an overall context, not just on a piecemeal basis. But the next few weeks are critical to the continued success of the process as Congress works on the second concurrent resolution.

If Congress can adopt a realistic binding resolution, we will be a long way toward restoring fiscal responsibility in the Congress and giving the Congress a coequal voice with the executive branch in the budgetary process.

Mr. President, I ask unanimous consent that the editorial appearing in this morning's Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS AND THE NEW BUDGET PROCESS

Congress is now approaching the crucial test of its extremely promising new budget process. Unlike the votes that it took on spending limits and revenues last spring, the votes coming over the next two weeks will be binding. Any bill pushing spending beyond the limit will be out of order, and can be blocked by one member's objection. If the current tax bill does not raise enough money to meet the revenue requirement, Congress will either have to send it back to the tax committees or vote to raise the deficit.

For the first time in its long history, Congress is having to vote on the budget as a whole, and on the deficit. The result is a profound change in the way that Congress thinks about money. If the 535 unruly and highly individual members can summon up the cohesion and stamina to enforce this machinery—and so far the prospect seems unexpectedly hopeful—the new budget law will accomplish more than any event of this century to bring Congress back into a genuine share of the authority and responsibility for making national economic policy. Spending and taxing is no longer being left to the disparate and fragmented purposes of the separate committees and their individual chairmen. It is a remarkable example of the influence of a procedural reform on the substance of politics.

Last May, Congress adopted advisory figures for the budget and over the past six months the budget committees in the two houses have carried on an astonishingly effective campaign to enforce them. It is symbolized by the unlikely alliance struck in the Senate between the committee's chairman, Sen. Edmund S. Muskie, and the ranking Republican, Sen. Henry L. Bellmon. They have vigorously defended the spending targets against both the defense appropriations that the administration wants, and the expanded social programs that many of the Democrats urgently support. In the House the Budget Committee's chairman, Rep. Brock Adams, has evidently managed to establish cooperative relations with the traditional committee chairmen who might have been expected to be his natural competitors and adversaries.

Throughout this month Congress will take the new procedure a great deal farther, demolishing a number of comfortable but irresponsible old customs as it goes. The most interesting example is likely to arise in the handling of revenue. The House Budget Committee, in the resolution that it has just repored, is counting on $1 billion in additional revenue during this fiscal year from tax reform, which means closing loopholes. The Senate Budget Committee, less optimistic, expects no new revenue from tax reform. The resolution will go to conference, where the difference will be compromised. But meanwhile the tax bill seems to be losing altitude rapidly as it flies along toward the usual tempest at the end of the session. The Ways and Means Committee changed its mind last week and threw out of the bill all the reforms on which the budget specialists were counting to raise that $1 billion. In the Senate, the Finance Committee gives some indication of preparing to insert new loopholes that would bring revenues out well below even the Senate Budget Committee's modest expectations.

What happens if, sometime around Christmas Eve, the tax bill finally emerges in final form designed to raise less than the amount that the budget resolution requires? Nobody is entirely sure. That is where the real test comes. Under the new law, Congress cannot end the session until it has closed the gap. At that point, it will either have to send the bill back to committee or acknowledge a bigger deficit. Whichever it chooses, it will have to take full responsibility for it in a record vote.

Other tests of the new procedure, and the new responsibility, will follow. It will be a good deal less comfortable to play the old game in which Congress loudly cuts a department's budget and then quietly restores part of the money in a supplemental appropriation bill. Under the law now in effect, any supplemental that exceeds the budget limit will be out of order unless Congress is prepared to raise the budget total first. Congress can still increase appropriations whenever it chooses. But it will have to declare explicitly the changes that it is making in a fiscal policy that is no longer the President's alone.

One reason for the unexpected momentum of this new procedure is unquestionably the increasingly cautious public attitude toward spending, deficits and inflation rates. Congress did not need the election returns, with the multitude of defeated bond issues, to tell it that the wind was changing. But there is another reason for the new budgetary rigor, one not well understood outside Congress itself. Rep. Adams puts it very clearly. In the past seven years, under two conservative Presidents, he observes, the federal budget has doubled and the deficit has soared. And yet, Mr. Adams points out, this vast outpouring of money has brought no new social programs at all. The country, for example, still has no comprehensive health insurance coverage. Unless Congress can get a handle on the old programs, he argues, there will never be any money for new ones.

The former budget process, permitting Congress to ignore the cumulative effect of its fragmented fiscal votes, was working exceedingly badly from almost everybody's point of view. The new process—if the members have the will to sustain it—promises to transform the nature of congressional politics, and congressional power as well.

COSMETIC SAFETY

Mr. EAGLETON. Mr. President, cosmetic safety has long been of concern to me. Virtually every American uses products defined in the law as cosmetics. Toothpastes, mouthwashes, shampoos, talc, deodorants, hair sprays, bubble bath, suntan preparations, aftershave lotions, nail polishes, hair coloring—the list goes on and on—are defined as cosmetics. Because of the inadequacies of our present Food, Drug, and Cosmetic Act, these items are largely unregulated.

Since early 1973 I have proposed legislation which would eliminate this gap in food, drug, and cosmetic law. In working with the issue, one problem has been that no one has a clear idea of the magnitude of the cosmetic safety problem. In hearings held before the Senate Health Subcommittee in both 1974 and 1975, estimates of annual injuries have ranged from 60,000 by the Commission on Product Safety to 9,700 by an industry spokesman.

This past summer, the Food and Drug Administration released results of a study it conducted on adverse reactions suffered by consumers as a result of cosmetic use. The study, the first of its kind, began in September 1974, and involved 10,000 households: 703 consumer-perceived cosmetic reactions were reported; over 83 percent of which were confirmed by dermatologists as attributabe to cosmetic use. This translates into an injury or adverse reaction rate of 6.9 per 10,000, or approximately 400 times the rate of injury which the industry wouid have us believe.

Mr. President, I ask unanimous consent that an article regarding the FDA study which appeared in Tuesday's New York Times be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EAGLETON. Mr. President, I believe the FDA study clearly indicates the need for greater scrutiny of cosmetic products. I am hopeful that the Senate Health Subcommittee will take prompt action on the legislation that I have introduced. It is imperative that Congress amend the weak and ineffectual statute now in effect, and give the FDA the authority to protect all of us from cosmetics which can cause injury.

EXHIBIT 1

U.S. STUDY RAISES QUESTIONS ABOUT SAFETY OF COSMETICS

(By Frances Cerra)

In 1970, the National Commission on Product Safety estimated that there were 60,000 injuries a year caused by cosmetics, a figure that the cosmetics industry labeled a gross exaggeration.

In 1974, a portion of the industry voluntarily passed along to the Food and Drug Administration, the agency primarily responsible for cosmetic safety, all the complaints about injuries that had been received. The companies handed over 5,300 complaints, which when figured into the number of products they had distributed—three billion—computed to a complaint rate of .018 per 10,000.

Critics of the industry, in turn, contended that these figures did not reflect the true number of cosmetic complaints, and they have continued to press Congress for legislation to regulate the cosmetics industry. Unlike prescription drugs, cosmetics need not be safety-tested before being placed on the market.

SIZABLE SEGMENT

Finally, this past summer, the Food and Drug Administration released the results of the first actual study of a sizable segment of the population and the injuries and adverse reactions they suffered from cosmetic usage.

The study found a rate of adverse reactions of 6.9 per 10,000, almost 400 times the rate reported by the industry. But the debate over the hazards presented by cosmetics is still not over.

Heinz Eirmann, head of the F.D.A.'s division of cosmetics technology, said that he did not regard the F.D.A. study as conclusive but rather saw it as a starting point for further inquiry.

"In the past we didn't have anything concrete to work with, and now we have something," Mr. Eirmann said in an interview. "It's clear that the industry data do not necessarily reflect the magnitude of adverse reactions that actually occur."

The F.D.A. study, which cost $250,000, was conducted for the agency by a private consulting company. It attempted to measure only the number of adverse reactions that occurred within a short time after use of the products.

These reactions included rashes and other forms of dermatitis, swelling, other allergic responses and infections. Such reaction might occur from use of a hair dye or mascara, for example, that is contaminated with bacteria.

Cosmetic hazards that have been associated with the long-term effect of such substances as hexachlorophene and vinyl chloride were not considered.

Among the cosmetics included in the study were toothpaste, mouthwash, soap, talcum powder, suntan lotion, shampoo and shaving cream, as well as what are commonly thought of as cosmetics—products like nail polish, lipstick and face powder.

About 8,600 families with 30,500 members participated in the F.D.A. study by keeping diaries of their cosmetic use during September, October and November of 1974. The families were not selected in such a way that the results of the study can be applied to the general population, but according to Mr. Eirmann, the sampling "reflected very closely the population shown in the update of the 1970 census."

The study participants reported 703, adverse reactions to cosmetics in the three-month period. By interviewing the participants over the phone—but without examining them—dermatologists attempted to verify that the reported reactions were actually attributable to cosmetic use.

Of the 703 reported reactions, the dermatologists judged 589, or 83.8 per cent, to be definitely or probably caused by a cosmetic.

They judged 13.2 per cent of the reactions to be either severe or moderate: "Severe" was defined as causing pain, loss of time from normal activities and long-lasting symptoms. "Moderate" meant annoying and long-lasting symptoms that could have caused loss of time from normal activities.

As would be expected, women and girls were most affected. They were involved in 447, or 75.9 per cent, of all reactions.

The three groups of products with the highest number of adverse reactions per 10,000 uses were: deodorants and antiperspirants, with 182 reactions; moisturizers and lotions with 24, and depilatories with 13.

"I am surprised by the moisturizers and lotions, although they also show up high in the industry data," said Mr. Eirmann. "Maybe they are used by people with problem skins or delicate skins. Now that we know what categories of products have a higher incidence of reactions than the average, we have to follow this up to find out what ingredients are causing the problems."

EXTRAORDINARY UNDERREPORTING

Dr. Sidney Wolfe of the Health Research Group, a public interest organization in Washington, said he believed the study showed an "extraordinary underreporting of cosmetic reactions." He said, "I hope that those who think there is no need for cosmetic legislation [to require, among other things, premarket safety testing] will look at this and see there is really a serious problem."

His view of the study was not shared by Dr. Naomi Kanof, a dermatologist and former chairman of the American Medical Association's committee on cutaneous health and cosmetics.

Dr. Kanof said she believed that a very sophisticated, computerized study of cosmetic use was needed to establish a true picture of cosmetic hazards.

AMENDMENT TO THE ABM TREATY

Mr. DOMENICI. Mr. President, yesterday I cast my vote against the proposed amendment to the Treaty on the Limitation of Antiballistic Missile Systems. This addition to the ABM treaty between the United States and the Soviet Union would limit to a single site the deployment of ABM systems in the two countries.

It is time we recognized that the protection and the stressed strategic stability thought to have been gained through the ABM treaty have in fact been lost as a result of Soviet actions in other areas.

The principal basis for advocacy of the ABM treaty has been that extensive ABM defense of cities would undermine deterrent strength by insulating a potential attacker from the consequences of retaliation. By limiting ABM deployment to a very low level, it was thought that the United States deterrent would remain strong. However, the Soviet Union has found another way to undermine the strength of the U.S. deterrent force—by implementation of a meticulously planned comprehensive civil defense program.

In U.S. deterrent calculations, it is generally assumed that should the Soviet Union attack the United States, on the order of 100 million Soviet citizens would lose their lives in the U.S. retaliatory strike. By the Soviets own estimates their civil defense evacuation, dispersal and sheltering measures would reduce these fatalities to about 10 million people. This is only half of the fatalities which the Soviet leadership caused to occur during the great purge of the 1930's and 1940's. It is appropriate to note that at the time the ABM treaty was being signed, the Soviets were increasing their efforts to implement their civil defense program.

In addition to protecting their population from the U.S. deterrent force the Soviet Union has also protected its industrial capacity. While a U.S. retaliation would destroy a large percentage of Soviet industrial buildings, 90 to 95 percent of the machinery essential to rapid recovery would survive. This has been accomplished by the simple expedient of dispersing the essential equipment and protecting the machinery with sandbags or with prefabricated covers and canopies prior to evacuation of personnel.

The Soviet civil defense program, combined with their repeated and well documented violations of the ABM treaty, has resulted in my casting my vote against the new proposal.

The United States can no longer fail to recognize that the Soviet Union has effectively circumvented the protection which we sought to achieve from the ABM treaty.

Mr. President, I ask unanimous consent that an article from the October issue of Air Force magazine be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CIVIL DEFENSE IN THE USSR

(By Harriet Fast Scott)

GO is not a Russian monopoly game, GTO is not a Soviet sports car, ZOMP is not a new cereal. GO stands for *Grazhdanskaya Oborona*—Civil Defense, in Russian. GTO is a military-sports complex, "Ready for Labor and Defense." ZOMP represents the initials of "Defense from Weapons of Mass Destruction." These letter combinations are quite familiar to Russians from seven to seventy, for they represent different aspects of civil defense. As Soviet citizens of all ages are told: "Civil defense is everybody's business!"

The Politburo takes civil defense seriously. Several dozen Soviet general officers who work full time at civil defense tasks have been identified. The Moscow Military School of Civil Defense is believed to be the first of its kind anywhere. It was started in 1967 with a three-year course to prepare officers for mechanized civil defense units.

General Colonel A. T. Altunin became the Chief of Civil Defense of the USSR and Deputy Minister of Defense in 1972, only a few months after the signing of SALT I. Official Soviet sources since then have listed Civil Defense Troops on a par with the other five Soviet services—Strategic Rocket Troops, Ground Troops, Troops of National Air Defense, Air Forces, and Navy.

In June and July 1975, 23,000,000 Soviet youth were in the countryside participating in massive military-sports games. The purpose of the games was "to improve the military-patriotic education, the physical and military training of youth." Survival training in simulated nuclear war conditions was a major part of these games.

But that is not all. For many years, instruction in the use of gas masks and individual medicine kits—which contain first-aid pills for use in the event of nuclear, bacteriological, or chemical attack—have been regular features in the millions of booklets published on civil defense. For example, a 1974 textbook, written for college and university students studying required civil defense courses, states:

Radioprotective pills #1 are to be taken at the danger of radiation (6 tablets in the course of 30 to 40 minutes), and in the event of repeated radiation, another 6 tablets.

Contrasting Views on Civil Defense

In contrast to the Soviet effort, Washington seems to pay little attention these days to civil defense. There are those in the United States who feel that a civil defense program instituted by either side would be destabilizing. The Soviet response to this is unequivocal:

"Soviet civil defense does not incite, does not promote, and does not provide impetus to war. Its nature is decisively influenced by the peace-loving foreign policy of the socialist state. Therefore, there is no basis for the "forecasts" of Western experts that a strengthening of the Civil Defense of the USSR will lead to greater "inflexibility" of Soviet foreign policy and even to aggravation of international tension."

This statement is from a 1972 book written under the aegis of the Main Political Administration of the Soviet armed forces, the Party's voice in the Soviet military. And, moreover:

"Improving Soviet Civil Defense, raising its effectiveness, is just one more real barrier on the part of the imperialists' unleashing a new world war. Consequently, Civil Defense of the USSR intensifies the peaceful actions of our state and strengthens international security as a whole."

The Soviet Minister of Defense and Politburo Member, Marshal Andrey Grechko, in his 1975 book, *The Armed Forces of the Soviet State*, asserts that civil defense is now a matter of strategic significance. In his view, "modern war demands the creation of a carefully thought-out system of measures to ensure stability of operation of the whole national economy and reliable protection of the country's population."

History of Soviet civil defense

Prior to 1961, civil defense was called MPVO, meaning "local air defense," and was under the control of the Ministry of Internal Affairs. In July 1961, it was reorganized on a national level to become Civil Defense of the USSR and placed under the Ministry of Defense. Its first Chief was Marshal Vasily Chuykov, Commander in Chief of the Ground Troops and Deputy Minister of Defense at that time.

This new status of Soviet civil defense was a result of the "revolution in military affairs," brought about by the introduction of nuclear weapons and ballistic missiles into the Soviet armed forces. A basic tenet of the new military doctrine, adopted in 1960, is that "the Armed Forces, the country, the whole Soviet people must be prepared for the eventuality of a nuclear rocket war." Civil defense was no longer a "local" affair; it became a matter of national importance.

The three groups of tasks given to Soviet civil defense are:

Protecting the population;

Keeping the economy going in wartime;

Post-atomic recovery and disaster relief.

The scope of these tasks, particularly of the first, is considerably broader than the popular Western concept of civil defense, which tends to be limited to sheltering the population from fallout and caring for casualties. "Protecting the population" in the Soviet scheme of civil defense includes more than passive measures. It extends, through the programs described below, to mass training of civilians in the use of arms, to prepare them for active defense against attack.

TASK 1: PROTECTING THE POPULATION

Soviet officials point out that at Hiroshima losses would have been significantly reduced if there had been advance civil defense measures. For instance, when the bombers appeared, no warning signal was given. After the explosion, in addition to the victims of the bomb itself, there were thousands more victims of panic. And many died months later from radiation. Had they known how to protect themselves, according to General Altunin, tens of thousands would be alive today.

Civil defense got a boost from General Secretary Brezhnev, in 1966 at the 23d Party Congress, when he urged greater attention be given to the problem. About this time, there was a shift from primary reliance on shelters, to evacuation. The general plan was to disperse essential workers at distances of thirty-five to fifty miles from cities likely to be hit. The old, the young, and the sick would be evacuated to smaller towns.

Evacuation depends on a number of complicated estimates: advance warning, the size and significance of the city, the surrounding area, and transport means. Evacuation and/or dispersal will be done only by government order when a threat of attack arises. Based on calculations of probable nuclear destruction, safe distance can be established and the people moved to secure villages, camps, and holiday rest areas before an attack takes place.

Preplanning by city evacuation commissions reduces to a minimum the time needed to evacuate an area. Each citizen, upon being warned by radio, TV, loudspeakers, etc., of the decision to evacuate, will gather his individual means of protection, food for two or three days, clothing, his vital documents, and his first-aid kit, if available, and proceed to his designated evacuation point. There, upon presentation of his evacuation certificate, he will be boarded on the designated evacuation means, train, bus, boat, and the like. In some cases, evacuees will proceed on foot to the designated areas of evacuation.

If there is no warning time to prepare for evacuation, the population, on hearing the "Air Alert" signal, must proceed to the nearest shelter, either in housing areas or public buildings, subway stations, tunnels, or other protective structures. Those in rural areas threatened by radioactive fallout will be told the time it will hit their area, and will use that time to prepare livestock and protect food and water before taking shelter. If the attack is chemical, gas masks and protective clothing should be donned if one is not in a shelter, and he should proceed in the direction indicated by civil defense posts to safe areas where he can be decontaminated.

For residents in a number of the major Soviet cities—Moscow, Leningrad, Kiev, Tbilisi, Baku, Kharkov, and Tashkent—deep subways provide remarkable shelter systems against nuclear blasts. All of these subways have heavy blast doors throughout their length, so that sections can be closed off as required. It is estimated that the present ninety-mile Moscow Metro alone could accommodate 1,000,000 of the city's inhabitants. During the Battle of Moscow in 1941, the subways were even used to house the Soviet General Staff.

Soviet civil defense planners are urged to make shelters dual-purpose. In peacetime, they can be used as garages, storehouses, training facilities for lectures, and so on. Civil defense is also to provide gas masks and respirators, special clothing and boots. Food and water supplies must be provided. It does no good to save the population from bombing only to have them die of starvation.

The other side of the coin is teaching the people what they must do. Psychological preparation of the people to believe measures can be taken that will save them is vital. Therefore, general compulsory courses in civil defense have long been in effect. In 1956, it was a twelve-hour program, which, in 1957, was increased to twenty-two hours and included defense against possible chemical and bacteriological attacks as well as against nuclear weapons. In the early 1960s, there was a nineteen-hour program, now increased to twenty hours.

Today, students in the second, fifth, and ninth grades, as well as students in institutions of higher learning, study a special program at their schools. All workers must take a twenty-hour civil defense course at work. Nonworking and retired persons must study independently and attend lectures.

This instruction is the primary responsibility of the staffs of Civil Defense, DOSAAF, and the "Znaniye" Society, with the cooperation of the Red Cross and Red Crescent.

The role of civil defense staffs

Each of the fifteen Soviet Republics has a general officer who is the Chief of the Civil Defense Staff for that republic. Each institute, factory, collective farm, school, or grouping must set up a civil defense unit to work closely with local authorities. The director of the facility becomes the Chief of Civil Defense for that facility. He has a staff to assist in the following tasks:

Insuring compliance with teaching civil defense courses;

Planning dispersal of workers and evacuation of their families;

Construction of adequate shelters;

Keeping his facility operating in wartime;

Restoring operation after enemy attack by weapons of mass destruction.

The Chief of Staff for Civil Defense is assisted by the Party organization, the Komsomol (the Young Communist League), trade union organization, and local city council agencies.

THE ROLE OF DOSAAF

DOSAAF—the Volunteer Society for Cooperation with the Army, Aviation, and Fleet—is a paramilitary organization dating back to the 1920s. It has about 10,000,000 active members ten years old and up. Forty million to 60,000,000 more use DOSAAF sports facilities. The head of DOSAAF is a Marshal of Aviation, and he is assisted by a large military staff. One of DOSAAF's major responsibilities is to support civil defense training.

DOSAAF works through a physical culture complex called GTO—"Ready for Labor and Defense." The latest program was introduced in 1972, differing from previous programs in that the beginning age for training of youth was reduced from fourteen to ten years. The individual proceeds through five steps, based on his age. Civil defense training is an integral part of each step. Great emphasis is placed on awarding gold and silver pins to those who complete the norms of each step. DOSAAF also organizes military sports competitions.

In the summer of 1967, in cooperation with schools, Komsomol organizations, and military commissariats, DOSAAF organized a military sports game, code-named "Zarnitsa" ("Summer Lightning") for millions of young teenagers all over the country. By 1975, 16,000,000 youths were participating in these games. So successful was "Zarnitsa" that in 1972 "Orlenok" ("Eaglet") games were launched for older teenagers. Seven million participated in 1975. A featured part of the games is the identification of contaminated areas, and determining how to go around or through them in accordance with radiation safety rules and civil defense measures. Winners of the competition are given awards at special ceremonies, with major press and TV coverage.

Role of the "Znaniye" ("Knowledge") Society

"Znaniye" with its 3,000,000 members, most of whom are scientists and teachers, conducts science-educational work with the population. It uses lectures as a medium, both live and by radio and TV. In 1973, for example, 21,000,000 popular science lectures were given to various live audiences and 300,000 on radio and TV. It also publishes magazines and books. Through its popular science lectures, "Znaniye" teaches, among other things, the importance of civil defense.

The "Znaniye" Society informs the Soviet population about radiation and other destructive factors of nuclear weapons, the dangers of poison gases and the new psychogases, and germ warfare. "Znaniye" lectures are a form of agitation and propaganda to arouse the citizenry to greater efforts in learning the basics of civil defense, in supporting the armed forces, and in fulfilling their work norms and other socialist obligations.

Coordination of Civil Defense Programs

An example of the coordination in civil defense matters between the "Znaniye" Society, DOSAAF, and the Komsomols is the program at Technical High School No. 5, located in the city of Kalinin, between Moscow and Leningrad. The military instructor, a lieutenant colonel who is an active-duty reserve officer, heads the DOSAAF organization at the school. After twenty-five years in military units, he was selected by the local military commissariat for the assignment. His two tasks are preinduction military training and civil defense instruction for the student body. The school's Party bureau, the Komsomol Committee, and the teaching staff provide assistance. He also receives help from district and city DOSAAF Committees and maintains close ties with the local "Znaniye" Society. At this particular school the physics teacher has been made responsible for ensuring that the students pass DOSAAF's GTO norms. Another teacher, a Komsomol member selected by DOSAAF, organizes sports competitions and arranges expeditions to military monuments, battlefields, and museums.

The DOSAAF Committee sets up firing ranges and a military sports camp, and works out the annual plan of instruction. DOSAAF is supported primarily by lottery, tickets for which are sold by student and faculty DOSAAF members. The first concern of the school's DOSAAF Committee was setting up a well-outfitted room for primary military training.

A small civil defense classroom existed before primary military training was introduced, but it needed remodeling. This was done after the military room with its storage for firearms was completed. The civil defense classroom now is the air-raid shelter. It contains a large model of the city; a model of dispersal and evacuation plans, including those of the school; a model of the school's shelter; and a model of a nuclear explosion.

At the end of school, the students spend two weeks at a military-sports camp on a campsite of a local military unit. The local military commander details officers and sergeants, with the necessary supplies, for the camp. Campers are divided into platoons and drilled by the officers and sergeants. Work is intensified for passing the GTO norms.

The "final exam" at camp is a military-sports game, such as the nationwide "Orlenok" competition. This involves a hike with map and compass, rendering first aid, building a simple shelter, conducting decontamination and sanitary work. Later, weapon assemblage, grenade-throwing, and firing competitions are conducted.

Points are added up, local area winners are announced, awards are given at a ceremony with much fanfare, and national winners are treated to a special trip to Moscow.

In summary, the task of protecting the population is accomplished by a combination of physical, military, and civil defense training and psychological indoctrination. The Soviet leaders use to the utmost Hitler's invasion of the USSR and the foreign intervention during the Civil War to keep alive a belief in the necessity of preparedness for war. There are monuments, museums, and reminders everywhere to instill in the younger generation the fear of being attacked and the need for them to do their patriotic duty.

TASK 2: KEEPING THE ECONOMY GOING IN WARTIME

Although Soviet military planners may hope for a quick victory in the event of a future war, they also fully recognize that the nation must be prepared to fight a protracted conflict. This means that factories and farms, as well as transportation, communications, and services, must continue to operate in wartime.

Soviet planners anticipate that entire cities will be completely destroyed in the event of a nuclear conflict. To ensure that vital segments of the economy continue to operate, a planned dispersal of industry has been in effect for years. One has only to recall that in the Soviet Union 10,000,000 people and 2,600 industrial plants were evacuated in toto from western regions to the Urals and Central Asia from July to November 1941.

After the war, these plants remained where they were and duplicate new plants were built on the old sites. Civil defense needs lie at the base of the formation of many "new cities" now in eastern and northern parts of the Soviet Union. As Marshal Grechko explained in 1971:

"The movement of the productive forces to the east, bringing them closer to the sources of raw materials and fuel, and their scattered placement in the economic regions will significantly raise the defense capability of the Soviet motherland and make our industry less vulnerable in the event imperialism unleashes a nuclear missile war."

Obviously, an important factor in preparation of the economy for a possible war is the food reserve. A 1974 book, *The CPSU—The Organizer of the Defense of the Socialist Fatherland*, reminds us of this necessity, quoting these words of V. I. Lenin:

"The Red Army cannot be strong without great state reserves of wheat because without this, the army cannot be moved about freely, nor trained as it should be."

Recent grain purchases from the West are a telling reminder that reserves must be maintained at all costs.

TASK 3: POST-ATOMIC RECOVERY AND DISASTER RELIEF

This task calls for the Civil Defense Troops of the armed forces to cooperate with local firefighting and nonmilitary formations to conduct rescue work, both in wartime and during natural disasters. Such equipment as bulldozers and cranes must be available with skilled operators, trained to work in contaminated areas. There must also be personnel trained to check areas for radiation, put out signs, keep order, evacuate the survivors and those needing medical treatment, and decontaminate the area as soon as possible.

In the summer of 1972, dry weather brought on many forest fires, and peat bogs north of Moscow ignited spontaneously, putting the main railway line out of operation for several days. Troops of Civil Defense and nonmilitary formations were joined by units of the armed forces to fight these destructive fires, which were reported to be raging over thousands of acres.

Civil defense troops are responsible for restoring communications, railroads, and bridges, defuzing unexploded bombs, and perhaps even countering airborne attacks and enemy diversionary groups. Primary emphasis, however, is on putting essential plants back into operation as soon as possible.

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It may be argued that where approximate parity in ICBM's exists between the United States and the Soviet Union, an all-out attack with the nuclear arsenals of the superpowers is unlikely. However, a number of strategists believe that small "surgical" attacks, paradoxically, have become a greater possibility.

The more impossible the unthinkable becomes, the more possible a limited nuclear attack, or the threat of one. And if such an exchange should take place, or be used as a threat, the country best prepared for post-attack recovery clearly will have an advantage that may be decisive in negotiations. Therefore, the nation that has a viable civil defense program for general nuclear war obviously will be in a better position to withstand limited attacks than will a nation that has made no preparations.

The attention given to civil defense by the Soviet Union perhaps cannot be duplicated in a free society. This does not mean that the prudent planner should not attempt to do everything possible to prepare ahead of time for such a contingency. The Soviet leadership has physically and psychologically prepared its people for the possibility of nuclear war. Western leaders have not.

FOOD POLICY AND FOOD AVAILABILITIES

Mr. HUMPHREY. Mr. President, there no longer are ample world food supplies and the situation is not likely to change in the foreseeable future.

We are faced with the challenge of developing a new food policy which will relate domestic requirements, humanitarian assistance programs, and export sales.

Our Nation must adopt a policy which recognizes the importance of agriculture and encourages the farmer to produce. We need agricultural policies which are realistic in terms of addressing today's needs.

We also need to recognize the significance of our agricultural output on world trade and food availabilities. Many of the developed as well as Third World countries depend on the United States for part of their food. This country is as dominant in food as the OPEC nations are in the production of petroleum. This situation will continue unless there are substantial increases in food production in Third World countries.

We need to encourage improved agriculture policies and population control in food deficit nations. Seventy percent of the world's population live in countries which produce only 40 percent of the world's food supply. We need to increase our knowledge of food production in other countries including our information on weather and crop forecasting.

In addition, a world food reserve should be established to restore stability in the international food commodity markets. However, the United States should never again be the main holder and controller of the world's food stocks.

Dr. A. H. Boerma, director-general of the FAP, and I addressed these issues at the general conference of the International Federation of Agricultural Producers held on October 29, 1975.

Mr. President, in order to encourage further discussion of issues, I ask unanimous consent that my remarks and those of Dr. Boerma be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY

Today we stand on the threshold of a new era of food insecurity. And we have not yet fashioned a policy to deal with this reality.

Until recent years, the world has had ample food which over the decade 1963–1972 averaged around an 80 day supply. Now that figure is down to the three to four week range.

And in earlier years the United States regularly kept as much as 60 to 80 million acres out of production in order to support prices for agricultural commodities.

This has all changed. Today—largely as a result of bad weather, rising demand for food, conscious Soviet policy decisions to improve diets, and population increases—food stocks are expected to remain tight for the foreseeable future.

And the United States—whether in sharing its food or the technology to produce it—is as dominant in food as the OPEC nations are in the production of petroleum.

Yet our present leadership hardly seems aware of the awesome influence and power of the United States when it comes to food and agriculture.

What has recently passed for an agricultural policy has been dominated by:

First, the notion of exporting as much as possible; and second, the rhetoric of freeing farmers from governmental controls.

U.S. farm exports have increased sharply in response to rising world demand. Last year our farm exports produced a net income of $12 billion to meet our petroleum import needs.

But, the Government—in spite of its free market rhetoric—has repeatedly intervened in our agricultural export markets.

It is taken for granted in the highest levels of the U.S. Government that agricultural exports can and should be the main vehicle for paying for our petroleum imports.

And yet, there is no program to assure farmers some modest floor protection in case of short-term food surpluses. And the government has not hesitated to put a hold on exports when it appeared that supplies might be in short supply.

We seem to grope from crisis to crisis with little sense of where we are headed.

I am convinced that the nation which devised programs such as the Marshall Plan and Food for Peace can respond with courage and imagination.

At the outset, we must realize that a new food and agricultural policy is needed which balances and relates domestic and international concerns. As one step in accomplishing this objective, I have recommended that a Food Coordinator be established at the White House.

While establishing a food and agricultural policy should be a concern of everyone, I am not suggesting that the interests of our farmers be ignored.

Our Department of Agriculture has already yielded too much to other government departments in setting agricultural policy.

And, concurrently, the role of farm interests should be increased in dealing with issues such as interest rates, energy programs, transportation and taxation.

I have already introduced legislation to give representation to agriculture on the Federal Reserve Board.

I would hope that the Administration would begin to develop a more comprehensive food and agricultural policy which would relate our domestic needs, humanitarian assistance programs and commercial export sales.

One requirement in a new policy is increased floor prices so that farmers can take the risks and make the investments needed to assure a high level of production. With the veto of the 1975 Emergency Farm bill, farmers felt that they needed extensive export markets in order to avoid depressed prices.

Our farmers still face a situation whereby they could well be ruined by bumper harvests, if crops are good in other countries. The Department of Agriculture earlier this year was anticipating sharply reduced farm prices in its fight on inflation.

However, farmers were again sorely disappointed when export controls were imposed after being told once more to produce as much as possible. The Administration had assured farmers that it would not interfere with exports.

But, as in the fall of 1974, the Administration felt compelled to change the rules in the middle of the game.

It still has no clearly established procedures to deal with a short-supply situation.

And these short-supply rules or procedures need to be spelled out well in advance. Too many times in recent years the government has intervened and changed the rules in the middle of the game.

We also need to face up to a number of critical issues in our export policy. Will we be prepared to require cooperation of buyers in terms of sharing information on their requirements?

Will regular customers such as Japan be given priority consideration?

Are we prepared to improve our information system so that we have better data on weather and crop forecasts?

Another major issue is how will we react to a buyer who tries to buy up more than needed with the idea of manipulating the world food markets?

This Administration has been most reluctant to face up to these issues in light of its doctrinal devotion to the principle of the free market.

But in a world where every major country conducts its transactions through a state-controlled trading operation, it is somewhat ludicrous to look to the past and describe today's situation as a free market. Other nations have concluded that food is central to their security and have taken steps to protect their citizens.

A comprehensive food and agricultural policy also must relate to our food aid and development assistance program.

During the 1970's Canadian and United States grain exports have doubled, reaching almost 100 million tons in the current year. It is doubtful that this record can be repeated in the near future.

We should utilize our food aid and development assistance to increase food production and encourage improved agricultural policies in the food deficit nations.

In particular, research programs should be directed toward encouraging the small farmer. And rural development investments should be directed toward increasing employment and improving opportunities away from the urban areas.

We also should encourage and support food deficit nations in launching programs to limit their population growth. The rate of population increase will be a critical factor in determining world food availabilities during the remaining decades of this century.

We also need to establish a world food reserve system which will assure adequate supplies of food for consumers and assure reasonable prices for producers. Such a system can be made to work in spite of the reluctance of this administration to see its merits.

The government needs to be in a position to purchase when there is surplus production, and release—under carefully controlled conditions—during periods of scarcity. Such a system can restore some stability to our international commodity markets.

But, we will need to make it clear that we do not intend to again become the holder of the world's food stocks.

I would certainly not want to lead you to believe that this will be an easy undertaking. However, the stakes are high, and we must make the effort.

What we do in this area will carry heavy implications for our own and the world's economy. This also offers our best hope for establishing some new rules in terms of dealing with other scarce commodities.

Much of the authority required to develop and implement such a policy already exists. I already have introduced legislation to further these policies. And I will be looking at the need for any new initiatives.

But the important thing is to get on with the challenge at hand. New thinking is needed.

In the immortal words of Abraham Lincoln: "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so must we think anew. We must disenthrall ourselves."

Today we face a challenge regarding food security whether we like it or not. We also need to recognize the interdependent world in which we live. Addressed in a spirit of cooperation, this issue can be met, and other benefits also derived.

It would be worth recalling Secretary Kissinger's closing challenge to the World Food Conference almost a year ago:

"Let the nations gathered here resolve to confront the challenge, not each other.

"Let us agree that the scale and severity of the task require a collaborative effort unprecedented in history.

"And let us make global cooperation in food a model for our response to other challenges of an interdependent world—energy, inflation, population, protection of the environment."

ADDRESS BY DR. A. H. BOERMA, DIRECTOR-GENERAL OF FAO

Mr. President, Distinguished Delegates, Ladies and Gentlemen,

This is the third time during my term of office as Director-General of FAO—which comes to an end two months from now—that I have had the pleasure of addressing a General Conference of this Federation. The first occasion was at Tunis in April 1968, shortly after I had taken over. That, you will recall, was during the period when the world was living through the early hopes of the Green Revolution, and I took the opportunity to unveil FAO's new approach of "cautious optimism" towards the world food situation. The second occasion was some three years later, in Paris in May 1971, when I again publicly announced for the first time a new FAO policy line—the initiative that we were taking with regard to international agricultural adjustment. These two earlier themes are a natural point of departure for what I have to say today, on this third occasion, by the way of summing up.

There is no doubt that the world food and agricultural scene has changed very considerably in comparison with the situation in which I spoke in 1968 and 1971. The hopes which greeted the Green Revolution—although I took care, even at the time, to warn against exaggerating them—have been heavily obscured by the events of the world food crisis of the last few years. There are some people who might also say that these events have also reduced the importance of international agricultural adjustment, since we are now no longer anything like as concerned as we were with the problem of surpluses. With this view, however, I emphatically do not agree. As I told the FAO Council already in June 1973, "it is taking much too narrow a view of adjustment. For adjustment is not only concerned with a more equitable sharing of markets for agricultural products but with a much wider range of production and trade policies in both developed and developing countries with a view to a far greater general harmonization of the patterns of world agriculture. It is only to the extent that this harmonization is achieved—which is not noticeably occurring at present—that adjustment can lose any of its importance."

Next month, I am putting forward a proposed new strategy for international agricultural adjustment to the FAO Conference. In this, adjustment is described in the following terms—"acceptably managed change in agriculture in a context of growing inter-dependence of countries." I believe this description reflects very well the broader view that must be taken of adjustment in the world of today, both as regards its essential features and its increasing necessity. The need for change in world agricultural policies and for such change to be acceptably managed—or, to put it another way, to be carried out in an agreed and orderly fashion—has become even more dramatically evident than before in these years of crisis which have led to the World Food Conference and its powerful call for increased food production in developing countries, for world food security and for a strengthening of food aid, all of which are vital components of international agricultural adjustment.

As to the growing inter-dependence of countries, this is a phenomenon whose general and critical significance in these times heightens still further the importance of the concept of adjustment. For a direct result of it has been the drive for a New International Economic Order, an idea which is gaining increasing acceptance, as was seen at the Seventh Special Session of the United Nations General Assembly early last month. And it is quite clear that, for the goals of the New International Economic Order to be achieved, a much better performance of world agriculture, particularly with regard to the production and distribution of food, is a central necessity. Indeed, the new strategy for international agricultural adjustment that I am proposing consists of a series of policy guidelines and machinery for monitoring progress on their effective application which together form a basic contribution to the realization of a New International Economic Order. To put it another way, the New International Economic Order is essentially concerned with the management of global inter-dependence by consensus, which is without doubt the most important item today on the agenda of international economic affairs, and adjustment translates this into agricultural terms.

Having made these general observations on international agricultural adjustment, let me now turn to some of the specifics of the situation, bearing in mind the essential role and the concerns of farmers, upon whom our hopes and plans ultimately depend. I will begin by referring back to the World Food Conference and the principal emphasis which it placed on the vital need for a massive increase in food production in developing countries.

This is unquestionably the most important line of action that must be followed if we are ever to solve the world food problem. As I am sure you are aware, the developing countries as a whole, with over 70 per cent of the world's population, account for not much more than 40 per cent of its agricultural production. Unless the developing market economies rapidly accelerate their average annual increase in food production from about 2.6 per cent a year in the last decade or so to about 3.6 per cent a year, the projected increase in food demand in those countries by 1985 would enlarge their net cereal deficit, which was about 16 million tons some five years ago, to the appalling amount of nearly 85 million tons. Even if this growth in effective demand can be met by some combination of increased production, commercial imports and food aid, it would not cover the nutritional needs of their most impoverished and malnourished people, whose numbers would probably swell from the already unconscionable level of about 500 million people to about half as much again.

Thus, while every effort must be made to boost production in developing countries in order to reduce as far and as rapidly as possible their dependence on the rest of the world for food, which has been growing alarmingly in recent years, we also have to be realistic enough to recognize that this dependence is going to remain very heavy for some years to come and that, at least in the case of food aid, especially for the most vulnerable groups, there will have to be a substantial and guaranteed increase.

This whole situation also poses serious problems of course for the main food-producing countries of the developed world and for their farmers. They are expected to continue producing enough to provide a large-scale food reserve for the world as a whole—and indeed it is essential that they do so, for it is unlikely that developing countries will attain even the target of a 3.6 per cent average annual increase in food production over the period up till 1985. Yet, in doing so, they run the risk of accumulating burdensome surpluses, a risk that may become reality at any time due to changes in demand in years when, for example, weather conditions are generally favourable throughout the world and when developing countries do manage to reach their production targets.

The answers to such problems are of course extremely complicated, but clearly a prime necessity is for much more in the way of medium-term and long-term planning for agricultural production in global terms. Such planning, based on knowledge of the production situation in different parts of the world, would make it possible to see more clearly how production in developing countries fits into the overall world picture and to make provision accordingly. There is no doubt that agricultural planning is still carried out far too much on a national or regional basis and thus inevitably leads to situations where the interests of one country or region are in open conflict with those of one or more others.

I would like to point out here that, in the kind of overall planning that I have in mind, much greater use could profitably be made of FAO. Our knowledge of the production situation in different parts of the world, our network of study groups on a wide range of commodities and now our expanding activities in connection with all the various aspects of international agricultural adjustment together provide an immense and internationally comprehensive source of material which countries could draw on very effectively for their national planning as it relates to the world agricultural scene.

Along with planning—or, more exactly, as a particular feature of it—the main food-producing countries in the developed world must, if they are to maintain production sufficiently to meet world needs over the next few years and at the same time avoid any damage to themselves from doing so, be prepared to follow agricultural policies that have a high built-in degree of flexibility in order that they can adjust to changing circumstances. This is especially necessary where production is backed by strong support prices. Lack of flexibility under these conditions will surely lead to surpluses such as those that have emerged in recent times in the case of protein products. Nor is it enough to argue that such surpluses can be disposed of, whenever necessary or convenient, as food aid. For food aid, if it is to be of really effective assistance, is not something that can be doled out haphazardly or in response to fluctuations in production and prices in donor countries. As the World Food Conference made clear, it needs to be governed by forward planning. It should indeed form an integral part of the overall pattern of production planning in donor countries, a pattern in which there are four main requirements to be met—namely, those of national consumption; those of normal exports in countries which are in fact exporters; those needed to fulfill obligations for food aid; and those for the now crucial purpose of stock-building.

The mention of stock-building leads me on to the vital question of world food security, which, along with increased production in developing countries, is a cardinal necessity in coming to grips with the world food problem. I have been heartened by the progress that has been made on this both at the World Food Conference and since—notably the Conference's endorsement of the International Undertaking which developed my own proposal for an internationally coordinated system of national reserve stocks; its setting up of a minimum target for food aid of 10 million tons of grain a year; and the recent proposal by the United States to the International Wheat Council for the establishment of a world food reserve of 30 million tons—25 million of wheat and 5 million of rice. I also warmly welcome the recommendation of the recent Seventh Special Session of the General Assembly of the United Nations that, pending the establishment of the world food grain reserve, emergency stocks of 500,000 tons should be placed at the disposal of the World Food Programme.

It is true that these steps in themselves do not seem to go far enough to meet the real needs of developing countries in these times, especially as regards the quantities involved in the food aid target and the world food reserve proposal. But they are at least steps in the right direction.

At the same time, I can fully appreciate the concern that I know farmers feel about the idea of stock-building without adequate accompanying price policies, since this could easily result in depressing prices. It could indeed ultimately work against the achievement of world food security itself to the extent that depressed prices would discourage production. There is undeniable truth in the view stressed by your Federation that food security begins with farmer security.

But this is clearly not the whole story. The question of achieving a greater degree of price stability, especially so far as cereals are concerned, has, as we all know, been a major preoccupation of governments all over the world in recent times. Although they have obviously approached the question from their different viewpoints, the basic dilemma is, in varying ways, common to them all—namely, that if prices go too high, consumers will be hurt, while, if they fall too low, this will act as a disincentive to farmers and thus discourage them from producing the food that the world now needs on the scale required.

Debates on this crucial, difficult and highly sensitive issue have ranged widely. Here in the United States, for example, where a major domestic concern is to avoid a further increase in inflation, the result was a decision to regulate and monitor exports of grain. In view of the extremely tight stock situation and prevailing uncertainties about new crop supplies, I think this will prove to have been a prudent decision. I can fully appreciate the dilemma of any government of a major cereal exporting nation in attempting to carefully balance the interests of their consumers with those of primary producers of grain and livestock.

However, I would like to inject another dimension. I have noticed that the more recent concerns in developed countries about the world food situation have largely focused on the problem as seen from their own-point of view. It seems that little attention has been paid to the critical needs of developing countries for sufficient supplies at reasonable prices.

There is clearly an urgent need for a much more systematic and world-wide approach to the whole problem as opposed to measures taken by individual countries, primarily in a short-term context and mainly with their own interests in view. Long-term contracts, such as the recent United States grains agreements with Japan and the Soviet Union, can have a salutary effect. They can usefully contribute to price stability by forestalling large and unexpected fluctuations of demand that upset world markets and prices.

They can also provide greater security of supplies to the buyer and an assured market to farmers in the exporting countries. They thus enable farmers to plan ahead with greater confidence, and this is immensely important in ensuring that world food production expands at the necessary rate. For these reasons, FAO itself has long advocated long-term contracts.

But I must emphasize that long-term contracts do not, in themselves, resolve the fundamental problems caused by fluctuations in production and supplies. Indeed, bilateral contracts can only be an effective guarantee of supplies if they are supported by adequate stock policies designed to offset variations in production. For example, the agreement just concluded between the United States and the Soviet Union provides for total purchases of 30–40 million tons of grain over the next five years—which is somewhat greater than the quantity the USSR actually purchased from the United States over the preceding five years. But the stock levels are much lower than in 1972, and the idle cropland that North America had as a potential reserve in 1972 is no longer there. Any large and simultaneous declines in production in the next two or three years in major producing countries could still have very serious consequences. Our margin of safety for the future has thus narrowed.

What we need urgently is a sustained increase in production, a speedy replenishment of stocks and some mechanism that will regulate grains sales, in years of shortage, in favour of the most seriously affected developing countries.

We must not forget that the developing countries, particularly the poorer ones, may suddenly be faced in future years, once again, with very large import requirements in periods of crop failure. I would urge all exporting countries, when negotiating large-scale trade agreements, to keep in mind the fluctuating needs of the most seriously affected developing countries.

In my view, the real solution must lie in the achievement of an International Grains Agreement which covers not only wheat but also coarse grains and which includes provisions not only for stock-building and food aid but also—of pre-eminent importance—for sufficient commercial supplies at reasonable and stable prices for the world as a whole.

On this, let me say in the first place that there is certainly a need to link food grains with feed grains in such an Agreement. In some quarters much has been made of the fact, in the context of stocks, that the largest grain "reserve" in the world is that of feed grains. But any attempt to make use of this so-called reserve merely transfers the farmer's problem from the grain sector to the livestock sector, as we have seen in the past two years, unless it takes in an orderly fashion within the framework of an overall agreement.

Regarding the more general aspects, I must frankly admit that I am increasingly worried about the slow progress made over the past year in the negotiations in London and Geneva towards a new international grains agreement. In my view, there is a serious danger that these vital negotiations, partly because they are being linked up with more general trade policies and problems affecting other products and even industrial goods, will become unduly protracted and could even get bogged down. I cannot emphasize too strongly that an agreement on grains transcends purely commercial considerations. It would be tragic if we were to lose the momentum built up— as a result of initiatives in FAO and the support of the World Food Conference— towards building a dependable system of world food security which will ensure against future food shortages and crop failures, after 25 years of effort. I believe that it will be necessary for the FAO Conference next month to make a critical evaluation of the whole situation as it now stands, and, if it is generally felt that things are not moving fast enough, the Conference should recommend that more speedy action be taken, with a closer involvement of FAO in the present negotiations.

What I have been saying so far with regard to the need for an International Grains Agreement has been concerned with wheat and coarse grains. The other major staple commodity in the world is of course rice, and although I know that rice is being discussed in the present negotiations in connection with reserves, I believe that serious consideration should be given to reaching a parallel international agreement on rice.

To pull together some of the issues I have been discussing, what is generally needed, in order to back up the main lines of attack on the world problem—namely, greatly expanded production in developing countries, world food security and increased food aid on a guaranteed basis—is a complementary series of interlinked measures to promote longer-term planning on agricultural production, a greater flexibility in production policies among the main producing countries and much more stability in world market prics for food. These are all matters which fall within the scope of international agricultural adjustment.

I would just say one more word here about adjustment. The main purpose of the new Strategy which we are proposing to the FAO Conference is that an exercise which has so far been regarded in some quarters as largely academic should now move into the operational stage.

The combination of policy guidelines with systematic monitoring of the progress made in following them up as a basis for periodic intergovernmental consultations, notably at the biennial sessions of the FAO Conference, would provide a new and unique practical opportunity for the harmonization of national agricultural policies at a world-wide level. I would like to think that the lead that FAO has taken in preparing the way for such an opportunity is one of the most important developments of the years in which I have been responsible for guiding the Organization.

It is now time, I think, Mr. President, that I should try and summarize my general impressions of those years and of what the future may hold.

Basically, what I hope and believe has emerged from recent years is a belated realization that the world food problem is so widespread, deep-rooted and potentially explosive as to constitute perhaps the most serious challenge of our times. It is true that this has not even now been fully accepted everywhere. But the present prolonged world food crisis, of which the end is not yet in sight, has, it would finally seem, made clear to most responsible and thoughtful people concerned with the management of human affairs that the world can no longer afford to coast along on the easy promise of technical triumphs like the Green Revolution. Technology of course remains the key to solving the world food problem. But it is now more widely appreciated than ever before that technology alone is not enough. Its achievements have to be extensively and consistently followed up by concerted economic and social measures on an unprecedented scale, which in turn involves a far greater commitment of political will to the world food problem than we have know in the past. That, to me, is the main message of the World Food Conference.

The question that remains of course is whether the world will indeed act to the extent that is required on this realization of what needs to be done. Political will is easily weakened as soon as it appears to be in conflict with self-interest, and there is no doubt that considerable efforts will be called for, both in developing countries, which are burdened by poverty and often by outmoded social structures, and in the richer nations, which have so frequently been dominated by inward-looking policies.

But there are, I believe, some signs of encouragement. Considerable progress, for example, has been made towards the establishment of the International Fund for Agricultural Development which was called for by the World Food Conference. And, since I am now here in Washington, I would like to take this opportunity of paying tribute to the notably more generous provisions of the new and more enlightened foreign aid bill of this session of Congress, particularly as regards support for this Fund and sizeably increased allocations of food aid to countries most in need. This is the kind of more open-minded and more open-hearted approach to the world food problem that needs to be increasingly adopted everywhere.

We are nevertheless only at the beginning. One aspect of the new approach that is required to the world food problem and that I would like to stress today is the need to associate farmers all over the world more closely with what needs to be done. This is as important in developed countries, where the good-will and support of farming communities is vital in helping to carry the global food burden of at least the next few years, as it is in developing ones, where a paramount priority must be a radical improvement in the prospects and conditions of the vast numbers of small impoverished farmers, not only because they have a right to it but also because it is essential if the tremendous increase in food production that must take place in those countries is to be achieved. Never before has the world had such need of its farmers nor indeed such an obligation to them.

And what, finally, of FAO? There are some who may be inclined to think that the World Food Conference and in particular the setting up of the World Food Council as an organ of the United Nations General Assembly have to some extent relieved us of part of our responsibilities. I can assure you without hesitation that this is not so. We in FAO welcomed both the Conference and the Councl as vehicles for a much-needed application of greater political will to the world food problem. What the Conference has therefore done primarily is to strengthen us in our own efforts. As you know, virtually all the substantive preparation for the Conference necessarily had to be carried out by FAO, and we are clearly largely responsible for following up most of its recommendations at the international level. Indeed, I believe that the Organization has now entered a new and more vital stage of activity in response to the crucial challenges that lie ahead if the world is finally to overcome hunger and malnutrition. In this, we shall count very much on the support of this Federation, which we have received in generous measure in the past, but which we shall need even more in the years to come.

Thank you.

REGULATORY REFORM: A MONUMENTAL EFFORT UNDERWAY

Mr. PERCY. Mr. President, after months of uncertainty, the American people are more confused than ever. The traditional cures for recession, they are told, will aggravate inflation; but curbing inflation may scuttle recovery. So what can be done to help the economy get back on its feet?

One good place to begin, I am convinced, is where the Senate Government Operations Committee is now starting in taking steps to get the crushing weight of senseless and anticompetitive Government regulation off the proverbial back of the economy. Over many years, Government regulation—particularly economic regulation of air, truck, and rail service—has, by small degrees, run amuck. By stifling competition, limiting the entry of new firms, suppressing beneficial new technology, and subjecting everyone to reams of redtape and interminable delays, regulators have allowed cartels to develop and prices in crucial industries to rise even when demand was falling. This phenomenon represents one of the most baffling economic challenges America faces today.

The issue of Government regulation of the economy has elicited considerable controversy in recent months. Although nobody seems to be especially supportive of the status quo, opinions differ as to what needs to be changed. Free enterprise advocates criticize regulations adopted by OSHA, EPA, EEOC, CPSC, and FDA, which they claim burden businessmen with needless paperwork, delays, and restrictions. Consumer advocates tend instead to decry certain anticompetitive biases of the older commissions operating principally in the economic sphere; namely, the ICC, CAB, FCC, and FMC.

As this ideological battle-of-the-alphabets intensifies, the American public must wonder why, after so many years of obscurity, regulatory agencies are now hitting the front pages. How do the actions of these relatively obscure, often snail-paced Government entities affect their daily lives?

Last year, expert witnesses outlined for the committee how excessive regulation contributes to "stagflation." When the Government thwarts competition, a "ratchet" effect in pricing takes over: Prices will rise as costs and demand rise, but will not fall when demand slumps. Markets lose their flexibility and another cycle of layoffs and inflation begins.

Government regulation distorts the functioning of some of the most crucial areas of our economy: transportation, communications, energy, and agriculture, among others. The Department of Agriculture has for years told farmers how much of what not to grow and how much to sell at what price; the ICC tells truckers who can truck what where, and for how much, and to make sure they come back empty; the CAB even tells the airlines where to go—as well as when, how often, and how much to charge.

Not too long ago, Federal regulators battled a railroad company in and out of court for over 4 years, at tremendous cost to taxpayers, all in the interest of preventing a promising innovation in railroad freight service. In 1972, other staunch guardians of the public interest turned down an airline's bid to cut the price of transatlantic flights by two-thirds. And the FCC required a company owning three TV stations in Oregon to submit written material weighing 45 pounds, at the same time the Commission was ignoring the rate structure of one of the more classic examples of monopoly enterprise in America.

Although the hidden costs of Government regulation have never been—and probably cannot be—fully totaled, no one doubts that they are staggering. A recent FTC report found $80 billion of economic waste in the American economy attributable in no small part to regulatory overkill and anticompetitive practices. The General Accounting Office puts the yearly cost of defective regulation at $60 billion; President Ford has said $130 billion, or approximately $2,000 for each American family. Estimates of the cost of ICC regulation alone vary from about $4 billion to $9 billion each year. One recent study found that various ICC rules banning backhauls and straight-line routing waste up to 460 million gallons of fuel annually, and contribute 150,000 tons of pollutants to the air we breathe.

We cannot afford to let this insidious drain on our economy and hard-earned consumer dollars continue. Though immediate deregulation of every industry is clearly not the answer, Congress must take prompt and effective action to see that, where feasible, healthy competition returns to the American marketplace.

Some would have us think that competition is obsolete, but I must demur. No other system can better assure consumers of the widest variety of goods and services at the lowest possible price, which is the hallmark of a robust, efficient economy. While we must address the difficult task of reregulation and deregulation with careful attention to individual cases, we cannot lose sight of our primary goal. The long-run health of our Nation's economy may depend on it.

Some answers to the problem were provided in the testimony offered at joint hearings convened by the Senate Government Operations Committee and Commerce Committee recently. The hearings represent the first step in a major regulatory reform effort the two committees now have underway, with the help of outside consultants and a distinguished panel of experts. The study promises to be a truly bipartisan effort to deal with a problem of deep economic significance.

The enabling resolution for the study, Senate Resolution 71, was drafted jointly by Senator **Abe Ribicoff** and myself, with assistance from Senators **Lee Metcalf**, **John Glenn**, and **Jacob Javits**. At present, the majority and minority staffs of both committees are working closely to bring this effort to fruition.

In the interest of helping to clarify just how Government regulation affects the consumer, I would like to have inserted into the Record the excellent statement offered by Richard Wegman, Chief Counsel and Staff Director for the Government Operations Committee, explaining the nature and scope of, and reasons for, the Senate Resolution 71 study. Mr. Wegman's testimony summarizes in a balanced, well-documented way the range of issues our study needs to address, citing many specific problem areas. In short, the inquiry will address the following seven facets of agency regulation:

Elimination of undue delay;

The elimination of inconsistent or overlapping regulatory functions;

Increasing public participation;

Insuring agency independence from both undue political interference and improper pressures by the regulated industry;

Upgrading the quality of regulators;

Improving congressional oversight; and

Determining the extent to which regulation is necessary or appropriate.

Following Mr. Wegman's statement, I am including the testimony of Robert M. Beckman, counsel for Laker Airways, which provides a particularly grim view of the flaws of regulation over the years within the CAB. Mr. Beckman offers an indepth study of the Government regulating counter to the public interest.

Mr. President, I ask unanimous consent that these materials be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement by Dick Wegman

Mr. Chairman, you have asked me to outline the scope of the joint study on regulatory reform which the Committees on Commerce and Government Operations are now beginning, and to discuss briefly some specific examples of problems which the study will consider.

The joint study on regulatory reform is authorized by S. Res. 71, which the Senate passed on July 26, 1975. The two Committees have been allocated just under $500,000 for purposes of the study.

To our knowledge, this is the first time a comprehensive study of the Federal regulatory agencies has ever been undertaken by the Congress. Although there have been a number of studies of government organizations and Federal regulation in the past, this study by two Congressional Committees is unique in that they will have the ability to convert study recommendation into legislative action where they decide it is appropriate and needed.

The mandate of S. Res. 71 is rather broad. Among other things, the Resolution directs the two Committees to make findings and recommendations with respect to:

The most serious deficiencies within the regulatory process which tend to contribute to inflation, lessen competition, or which adversely affect the public and regulated companies;

The extent to which certain areas of the national economy are over-regulated or under-regulated;

The economic costs and benefits of regulation;

The anti-competitive effects of regulation, and the degree of market concentration in regulated industries;

An evaluation of the purposes and objectives which regulation should now serve;

The consequences to the Nation of selective de-regulation in specified areas;

Elimination, transfer, or separation out of the subsidy-granting or other forms of promotional activity performed by regulatory agencies;

Revising procedures for selecting commissioners and reviewing their qualifications;

Modifying agency rules to expedite regulatory agency proceedings as a means of facilitating more timely decision-making.

As one can see from this partial list, this study is neither pro-regulation or anti-regulation, neither pro-business nor anti-business. Individuals and institutions representing all segments of the economy, and all elements of the political spectrum, have raised concerns about the present state of Federal regulation. The witnesses at this morning's hearing, who will speak of the difficulties they have encountered with the Federal regulatory agencies, range from consumer advocate Ralph Nader to the Chairman of the Board of one of the Nation's leading railroads.

Of course, different groups are concerned with different aspects of regulation. Consumers may be concerned with the imbalance of public interest advocacy, and with the close ties between the regulatory agency and the industry it regulates. Small businesses may be concerned with the inordinate paperwork burden, and with the variety of regulations which affect them. Independent businesses may be concerned with barriers to energy created by a regulatory agency, and with the negative attitude toward technological innovation. Large, regulated corporations and utilities may chafe at the regulatory lag in approving rate-increase requests, and at regulatory indecision in general. The joint study will examine these concerns and many others, and will seek ways to make the regulatory process more responsive, more decisive, more accessible, and swifter.

At the outset, the S. Res. 71 study has been tentatively divided into 7 working segments. They are:

(1) eliminating undue delay in the regulatory process,

(2) eliminating or modifying inconsistent or overlapping regulatory functions,

(3) increasing public participation in the regulatory process,

(4) insuring agency independence from (a) undue political pressures and (b) influence by the regulated industry,

(5) upgrading the quality of regulators,

(6) improving and increasing Congressional oversight, and

(7) determining the extent to which regulation is appropriate or necessary.

Administrative Delay. Examples of enormous delay in the regulatory process are legion. Delay has probably been talked about and written about more than just about any other problem in the regulatory field. It is not at all difficult to find cases when the administrative process has dragged on for years and years, exhausting both the funds and the patience of all parties concerned, and in the end yielding a result that is satisfying to no one.

For example: For over 34 years, the Federal Communications Commission has been unable to resolve a dispute between radio stations KOB in Albuquerque and WABC in New York, which arose because the agency placed the two stations on the same frequency. Since 1941 when an international agreement required the FCC to assign a new frequency to KOB the FCC has been unable to figure out how to restrict the broadcast frequency of one of the stations to eliminate interference. Since 1969 the FCC has had a proposed rulemaking policy on this issue. Meanwhile, the delay has caused a paperwork nightmare at the FCC, cost the respective companies a fortune in legal fees, and left listeners of either station with interference from the other.

On July 2, 1959, the Food and Drug Administration proposed new rules setting the percentage of peanuts that should go into peanut butter. After originally proposing a higher figure, the FDA said it should be 90%; the Peanut Butter Manufacturer's Association thought it should be only 87%. On the opening day of the hearing before the FDA, the first government witness presented a survey of cookbooks, patent applications, and general testimony concerning the historical composition of peanut butter. On cross examination, the witness was questioned about his personal tastes in peanut butter, omissions in his list of patent applications, and about a number of cookbook formulations of peanut butter that he had failed to refer to in his direct testimony.

This kind of attention to unimportant detail set the pattern for the FDA's hearing: 6½ years and 7736 pages of testimony later, the lawyers finally rested their case. Still, it took the FDA another 2 years and 3 months—until July 24, 1968—to issue its final order in the case. Then the case was appealed to the Third Circuit Court of Appeals. On May 14, 1970, the Third Circuit finally disposed of the case by affirming the FDA's regulation. Thus, it took nearly 11 years, and millions of dollars in staff time and legal fees, to decide by what amount peanut butter manufacturers should be required to increase the composition of peanuts in peanut butter. The answer was: 3%.

Several of the witnesses at this morning's hearings will describe in detail their experiences before Federal regulatory agencies, and the enormous wastes of time and money that were incurred as a result of administrative delay.

What causes administrative delay of this magnitude, what costs does it impose, and what can be done to prevent it? It has been suggested that regulatory agencies have become over-judicialized, that they tend to act on a case-by-case basis rather than utilizing generic rulemaking. It is also suggested that the fear of judicial review and reversal is so pervasive that agencies tend to amass mammoth records and to dot every "i" and cross every "t" in an effort to insure that the agency action will not be reversed.

Many suggestions have been offered for dealing with the problem of undue delay—ranging from the Ash Council's proposal that a new Administrative Court of Appeals be established and that review at the Commission level be sharply curtailed, through procedural reforms which would require written instead of oral testimony, limit the time or the scope of discovery, limit the number or types of intervenors, and increase the discretionary powers of administrative law judges, to broader reforms which would impose far greater rule-making responsibilities on the agencies and discourage the use of case-by-case adjudication as a policy-making tool. The joint study will explore these proposals, and seek to find ways to speed up the process without depriving interested parties of an opportunity to be heard and to participate fully in the process.

Overlap. As the Federal regulatory scheme has developed since the establishment of the Interstate Commerce Commission in 1887, numerous instances of overlap, duplication, or inconsistent regulation have come to exist. The transportation regulatory agencies are a case in point, as the Ash Council noted. For example, if a manufacturer of television tubes in Chicago wants to send his wares to Zurich, Switzerland, he has to be concerned with a regulatory patchwork covering three different modes: The first part of the trip by truck is regulated by the ICC under the Motor Carrier Act of 1935; the second portion of the trip, by rail, is also regulated by the ICC, under the Interstate Commerce Act of 1887; and the final leg (before reaching Europe) of the journey is on an ocean-going vessel, regulated by the FMC under the Shipping Act of 1916.

The problem is not limited to transportation. Consider, for example, the maker of a pesticide. Before he can sell it, it must be registered with the Environmental Protection Agency (EPA). If it is bought by a homeowner, it has to conform to the requirements of the Consumer Product Safety Commission (CPSC). And, if the maid in the home uses it, it has to satisfy the requirements of the Occupational Safety and Health Administration (OSHA).

Nor are these problems limited to the Federal level. In many instances, Federal regulations overlap or are inconsistent with regulations imposed by state regulatory agencies, and a business attempting to comply with both may be caught in the middle. At a minimum, better coordination between Federal and state regulatory agencies seems desirable. Possibly, the joint study may develop an organizational mechanism to avert problems of this nature before they occur.

Public Participation. Testimony before both Houses of Congress over the past several years have attested to the imbalance of the advocacy before the Federal regulatory agencies—testimony by Robert Pitofsky estimating that business advocacy outweighs consumer advocacy by a ratio of 100 to 1 (before the House Government Operations Committee March, 1973); testimony by Anthony Roisman that public utilities budget 5 to 10 times as much as consumers in presenting their case for a Federal license (before the Senate Government Operations Committee March, 1974); statement by Carol Foreman of the Consumer Federation of America that consumer groups are outspent by 50 to 1 by trade association organizations.

One response by these two Committees and by the full Senate this year has been legislation to create an agency for Consumer Advocacy, which would be empowered to represent the consumer's interests, with full party rights where appropriate, before the Federal regulatory agencies and other Federal decision-makers. That legislation is now pending before the House, and action is expected shortly.

But the ACA addresses only a part of the problem. Roisman's testimony, for example, suggests that there may be a case for providing direct public assistance to public interest intervenors—possibly in the form of assisting with research, providing reports on request, or even reimbursement for witness costs and attorneys fees. Congress is already beginning to respond to this need.

The Magnuson-Moss Act, passed by Congress last year, provides up to $500,000 per year for funding public interest advocates in FTC rulemaking proceedings. A similar provision was adopted by the Senate last year as part of the Energy Reorganization Act of 1974—the legislation that abolished the Atomic Energy Commission and established the Energy Research and Development Administration (ERDA) and the Nuclear Regulatory Commission (NRC). However, the provision was dropped in conference, in favor of conference report language urging the NRC to decide this question for itself at the administrative level. We understand that Senator Kennedy is now working on a comprehensive bill which would provide reimbursement, under certain conditions, for costs of public participation before any Federal regulatory agency.

In addition, the S. Res. 71 study will review questions of standing and access to determine whether agency procedures permit the fullest possible public participation.

Agency Independence. Questions under this segment of the study fall into two categories: How can the regulatory agency be better insulated from the industry it is charged with regulating? And to what extent should the agency be insulated from political pressures?

The need to better insulate the agency from close ties with the regulated industry is illustrated by the case of the DC-10—a case which Senator Cannon's Aviation Subcommittee has thoroughly investigated. In June, 1972 an American Airlines DC-10 flying from Detroit to Buffalo, suddenly went out of control. The rear cargo door had blown off the plane in midflight, which caused the plane to depressurize, which caused the rear floor to buckle, and which in turn caused the pilot to lose control of the aircraft. Fortunately, the pilot succeeded in guiding the plane down safely and the 67 people on board survived.

An investigation immediately thereafter by the Federal Aviation Administration determined that a locking mechanism on the rear cargo door was at fault. Thereupon, the Western Regional Office of the FAA prepared an Airworthiness Directive (AD) requiring that the plane be repaired. An AD carries the force of law, and requires that the modification be made by a set date.

However, before the AD went out, the President of McDonnell Douglas, the plane's manufacturer, talked with John Shaffer, the then head of the FAA. He persuaded Shaffer that an AD—which is considered a "black mark" against the plane—should not go out. He asked that a simple Service Bulletin be issued. Service Bulletins do not require that the modification be made; they simply alert the aircraft manufacturer and the airlines that the problem exists, and it sets no time limit for the modification to be carried out.

As of March, 1974, the modification of the DC-10's cargo door had been made on almost all of the DC-10s then in service—but, unfortunately, not all of them. Two of the planes had not been modified. One was owned by Laker Airways of Britain, the other by Turkish Airlines. On March 3, 1974, the Turkish Airlines DC-10 took off from Paris heading to London. Nine minutes after take-off the rear cargo door of the DC-10 blew off the plane. Again the plane depressurized, again the rear floor buckled, and this time the control cables were severed completely. The pilot was helpless, the plane went completely out of control, and crashed in a field outside of Paris. There were 346 people on board. No one survived the crash.

This case is perhaps an extreme example, but it suggests the types of problems that may arise when a too-close relationship between top regulatory officials and the industry under its jurisdiction exists.

Another example, in a lighter vein, is the yak fat case at the Interstate Commerce Commission. In March, 1965, a trucker named Leroy Hilt who owned Hilt Trucking Inc., was upset by what he viewed as the ICC's favoritism toward the railroads. On a number of occasions, he had his own tariffs rejected by the ICC because his rates were too low, and would take business away from the railroads. To see how far the ICC would go in protecting the railroads, Hilt concocted a phony tariff—a tariff for a non-existent commodity—yak fat. Hilt had once seen a yak at the Local 300. The tariff he prepared read as follows:

Yak Fat, Omaha to Chicago 45¢ per one hundred pounds. Effective April 11, 1965.

The tariff went on to specify that the yak fat was to be shipped in minimum quantities of 80,000 pounds per shipment. The trucker indicated that he would accept shipments in glass or metal containers, boxes, barrels, pails, or tubs.

Hilt then sent his 7 page tariff off to Washington, D.C., and waited to see what would happen. And the predictable happened. A group of the nation's leading railroads, upset by the "non-compensatory" rate, immediately formed a Yak Fat Arguing Committee. The railroads pointed out to the ICC that the minimum it should cost to ship yak fat from Omaha to Chicago was 63¢, and that the tariff was therefore 18¢ below cost. The ICC agreed, and on April 7, 1965 it suspended Hilt's rate. It offered Hilt 30 days to come in and argue on behalf of the rate, and when Hilt declined the offer, the ICC ruled that Hilt had "failed to sustain" his rate, and it was therefore rejected.

These cases also argue forcefully for the establishment of an Agency for Consumer Advocacy. Beyond this, other suggestions for dealing with the problem range from Senator Hart's S. 857 now pending before this Committee, which proposes that a majority of commissioners shall not have been employed by the industry regulated by the Commission prior to their appointment, to Senator Proxmire's proposal which would sharply limit the ability of Commissioner and staff to go to work for the regulated industry upon leaving the regulatory agency.

At a minimum, there is certainly a need to look at existing conflict of interest statutes, and at provisions which govern ex parte contacts with members of an agency.

On the question of agency independence from the Executive branch, there is some difference of opinion. Senator Metcalf's bill before this Committee, S. 363, proposes that agency budgets and legislative recommendations be submitted directly to Congress at the same time they are submitted to the Office of Management and Budget, as a means for securing greater independence from the Executive branch. It would also empower agencies to conduct their own litigation. On the other hand, the Ash Council recommended that agencies be headed by single administrators, serving at the pleasure of the President, in order to make them more accountable to the Executive branch.

There seems to be a general agreement, however, that regulation of an industry should not be handled by the same individuals who are responsible for promotion of the industry. Last year Congress enacted the Energy Reorganization Act, which split the promotional responsibilities of the old Atomic Energy Commission off from its regulatory responsibilities, and vested them in entirely separate bodies. This approach may be worth considering elsewhere.

Quality of Regulators. A team of researchers at the Georgetown University Law Center has been studying the quality of regulatory appointments to the FTC and FCC since World War II. The study analyzed regulatory appointments and we understand they came up with some striking conclusions:

The current appointment process has consistently failed to provide the commissions with able, energetic and forceful leadership;

Except for minimal statutory requirements, the appointment process operates without any announced standards or qualifications for appointments;

The appointment process operates without consistency. For example, FBI checks on prospective appointees sometimes have been delayed until after the nominee has been announced to the public;

The public is never informed who is under consideration for an appointment before it is made, or what criteria governed a particular nomination. However, the regulated industry is actively consulted by the White House before a nomination is announced;

Most regulators are not picked as a result of a systematic search for talent, nor are they appointed on the basis of special qualifications or ability;

Partisan consideration dominates the selection of regulators to an alarming extent, even on occasions where the law requires a partisan balance.

The Ash Council, in recommending that administrators replace collegial bodies at the heads of regulatory agencies, cited the need to upgrade the quality of regulatory appointments. The Council believed that a President would find it easier to attract first rate people if the job was that of a single administrator rather than as a commissioner on a multi-member commission. S. Res. 71 will certainly explore this issue.

Congressional Oversight. Almost everyone agrees on the need to improve the quality and extent of Congressional oversight. Much of this lies in the hands of the Committees themselves, and no legislation is necessary. Several proposals, however, have been offered to make the process easier. Senator Metcalf's S. 363, which is mentioned earlier, would give Congress easier access to agency budgets and legislative recommendation, and might make it easier to go to bat for increased agency funding. Senator Hart's S. 857 would require regulatory agencies to submit annual regulatory activity reports to Congress, and planning reports every fourth fiscal year. Senator Brock has introduced a bill, S. 2258, which would require that each regulation promulgated by a regulatory agency lay over for sixty days during which period Congress would have an opportunity to consider and reject such regulation. Only after the expiration of such a period would the regulation take effect. S. Res. 71 will consider these and other means of insuring better Congressional oversight.

As part of this segment of the study, the question should be asked: Do agencies have their priorities straight? Problems of excessive agency attention to trivial details, imposition of enormous paperwork burdens, a tendency to focus on violations by small businesses and to ignore transgressions by the corporate giants—all of these bear looking into. The yak fat and peanut butter cases mentioned earlier suggest that in those cases at least, agency priorities could use reordering.

On a broader basis, Senator Brock has proposed a cost and benefit assessment as a means of keeping agency priorities in order. A requirement that each regulatory agency undertake such an assessment whenever regulations are issued has been made a part of S. 200, which passed the Senate earlier this year.

Regulation Versus De-Regulation. This aspect of the S. Res. 71 study may be the most significant of all, since it raises questions relating to the basis of regulation in the first place.

The joint study will make an effort to identify fundamental criteria for justifying regulation. Does a natural monopoly exist? Is the existing regulatory scheme required in order to assure service to small communities? If Congress decides to deregulate, what would replace regulation? Increased antitrust enforcement? State regulation? Subsidies? Nothing? Does regulation of one particular mode—e.g., railroads—justify regulation of a competing mode—e.g., motor carriers?

This segment of the S. Res. 71 joint study will attempt to answer some of these questions, and perhaps suggest alternatives. It may be useful to focus on 3 or 4 case studies, and assess the impact of regulation on a particular industry, or on competing industries.

Finally, in considering these questions, it is essential to distinguish between economic regulation and health and safety regulation. This is a distinction which has been blurred somewhat in a number of the recent calls for regulatory reform, and very different considerations often apply. The answer may well be de-regulation when one considers the effect of ICC rules which require interstate motor carriers to travel empty on return trips. But few would suggest that the government should have nothing to say about whether a nuclear reactor is safe before it issues a license for construction, or that the Food and Drug Administration should not have the authority to seize cans of soup suspected of containing botulism.

We have tried to indicate by examples the scope of the problems which the Committee has decided to study. Obviously for each illustration there are a hundred others. These serious concerns about the Federal regulatory process, as expressed by so many members of the Senate, are what this study will seek to address.

TESTIMONY OF MR. ROBERT BECKMAN

Let me tell you about an innovative new fare proposal for New York-London service. A British independent carrier, named Laker Airways, in 1971 came up with the idea which had never been tried in international aviation: a scheduled jet no-reservation service between New York and London for a fare of $135 each way. This is not a no-reservation service like the Eastern shuttle which guarantees you a seat. This was an entirely new idea of selling tickets only at the airport for one flight a day. You had to get in line and buy a ticket on the day of the flight, like you do to get on a train. When the flight is sold out, you have to line up again the next day. There are no reservations.

The service was called "Skytrain" and it had other innovative features. Freddie Laker, the owner of Laker Airways, thought there was a market for just air transportation with none of the frills you get included in your high priced ticket on Pan American, TWA and the other IATA airlines. For $135 you got just air transportation on Laker's "Skytrain". You got your seat on a modern McDonnell Douglas DC–10 jet, but nothing more unless you wanted it.

If you wanted to bring your own food in a brown paper bag you could. If you wanted to buy a meal on the plane, he would sell it to you, just like on a train. If you wanted to see a movie, you pay for it; if you wanted a cocktail, you pay for it; if you wanted stereo, you pay for it.

Unlike Pan American and TWA, with language lessons, hotel reservations, rental car reservations, and on and on, which you pay for in the price of your ticket whether you want them or not, Laker offered good, reliable, comfortable air transportation at a low price because he is an efficient operator and had none of the costs of a reservation system and the other frills.

What happened? As a British carrier, he was designated by the United Kingdom under the international air service agreement between the United States and the United Kingdom. By virtue of this agreement the United States was bound to issue Laker authority to operate the service without undue delay. He already had authority from the British.

The frustration of Laker's authority by staff officials of the State Department and the Civil Aeronautics Board is a classic case of denying the public the kind of air service Congress wanted but which the staff, blindly devoted to Pan American, a disease which Mr. Laker calls "Panamania", effectively blocked.

I might tell you that neither Pan American nor any other American carrier wanted to provide a similar service.

The first line of defense was the aviation division of the State Department. These people have a totally irreversible and terminal case of "Panamania". I never heard any of them even mutter the term "public interest".

The British gave notice of their intention to designate Laker in December 1972. The idea was to have the service in operation for the summer season 1973. I assure you that in the normal course, under the procedures set forth in the law, the service could have been operational by that time.

The battle plan was delay. If the hearing could be held up long enough, circumstances could change. There could be a new government in England, anything could happen. And the awful horror of a low fare service enabling some people of limited means to visit America or Americans who could not afford to pay Pan American's prices of $600 to $700 per person round trip, might actually fly to Europe.

Step number one was to request consultations with the British. This chewed up two months. The "consultation" was a farce. All the United States staffers did was ask questions on what Skytrain was, which they already knew.

The consultation gambit ran out and the British sent Laker's application to the State Department for onward transmission to the CAB. This is essentially a protocol exercise and normally takes a few days.

Bless the aviation division of the State Department. They sat on the application for most of the spring of 1973. They just did not transmit the application. They needed "clarification" from the British.

Finally, that gambit ran out, so the State Department handed the ball to the staff of the CAB. They were equal to the task.

They succeeded in holding up a hearing until December 1973! A whole year until we could get a hearing.

What an achievement for America. They had succeeded in keeping this awful low fare service out of the market in 1973 and had a good start on keeping it out in 1974.

Further procedures by the administrative law judge (who I might tell you would not play the delay game and promptly issued a decision recommending issuance of a permit to Laker), and the board in hearing oral argument on appeals from the administrative law judge's decision, chewed up the spring of 1974.

Hallelujah! America was saved from Skytrain for another year because the board did not act until the summer of 1974, and under the law the board's decision must be approved by the President.

Back to the State Department's aviation division which now had the ball as adviser to the President. They needed to know if the Labour Government which had taken over in the spring of 1974 from the conservatives in England, still supported Skytrain. The British Government said "yes". The State Department said "do you mean 'yes'?" The British said "yes, we mean yes". The State Department said, "cross your heart?" The British said, "cross our heart".

This lovely game went on all last winter and, can you believe it, until the summer of 1975. Finally, the Lord be praised, the Labour Government said that initiation of Skytrain should be deferred until 1976.

The CAB said to the White House, "quick, send our decision back to us". You see, President Ford has shown too much interest in lower air fares and competitive air service for the CAB to trust the White House with the Skytrain decision. They might approve it!

After a while, those opposed to Skytrain prevailed, and the case went back to the CAB to moulder.

If I sound bitter, you should hear Mr. Laker. He has spent over $15 million getting ready to operate Skytrain.

This is an interesting but not unique case. It shows the basic problems which face this committee:

First, those parts of the process which worked reasonably well were the parts in the Federal Aviation Act. The hearing itself, the judge's decision and the board members' decision took only a few months.

The rest of the time was taken up with delaying tactics by staff officials in the State Department and at the CAB. They exercised their stranglehold control over the hearing process behind the scenes. **This was *not*** what Congress intended.

The real problems this committee must come to grips with are the secret actions by faceless but all-powerful staff officials who can and frequently do frustrate the congressionally mandated objectives of our laws.

We have not had a thorough legislative oversight hearing in this town for almost 20 years. I respectfully submit that one is long overdue and I thank this committee for undertaking the difficult and important task.

In my judgment, the CAB has stultified competition, allowed service deterioration, and encouraged cartelization with high fares. The CAB is the arm of the Congress. If your investigation confirms what I have told you, I am confident that appropriate legislation will be forthcoming to put the CAB back in the public interest business.

CHILDREN'S PAINTINGS TO BE USED FOR CHRISTMAS SEAL DESIGNS

Mr. McGEE. Mr. President, for the first time in the long tradition of Christmas seals, children's paintings from all 50 States will be used for the seal designs. I am proud to announce that Wyoming will be represented on this year's Christmas seals by a painting by little Gayla Wessels of Laramie, Wyo.

For background on the new Christmas seals art program and Wyoming's Gayla Wessels, I ask unanimous consent that a news release from the Office of Public Affairs at the Smithsonian Institution as well as a story about Wyoming's winner in the Laramie Daily Boomerang by Sandra Guzzo be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHILDREN'S CHRISTMAS PAINTINGS AT THE NATIONAL COLLECTION OF FINE ARTS

(News release from the Office of Public Affairs, Smithsonian Institution, Washington, D.C.)

"Christmas Seal Paintings 1975" opens at the National Collection of Fine Arts, Smithsonian Institution, on November 14 and continues through January 4. For the first time, the work of schoolchildren will comprise this year's Christmas seals, and the original paintings selected will be on exhibition in NCFA's Discovery Gallery.

Art teachers asked their kindergarten through sixth grade students to create paintings expressing what they liked about Christmas or what they thought Christmas should be like. The nationwide project was co-sponsored by the American Lung Association and the National Art Education Association. The final selection of paintings to be reproduced in miniature as Christmas seals was made by Dr. John Mahlmann, executive secretary of the NAEA; Bill Lockhart of West Texas University in Lubbock, former president of NAEA; Evart Brink, art director for Fleming-Potter Lithography in Peoria, Illinois; and Dr. Joshua C. Taylor, Director of NCFA.

There is one work from each of the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands and Samoa/Guam, and they were drawn by 34 girls and 20 boys. To the children, Christmas means angels, Santa Claus, snowmen, pine trees, reindeer, gifts, carolers—and home. The paintings range from snowy scenes in the cold belt to sunny Puerto Rico and New Mexico.

Excerpts from the children's letters describing what they drew:

"Santa was going down the chimney to give his gifts of love." Gayla Wessels, 4th grade, Wyoming.

"My picture is of a angle with her wand. Christmas has always been the most beautiful time of the year to me. Ever year in our home we had a real pine cone tree for Christmas. My mother put this angle on the top of the tree. And she looked so beautiful and real when the Christmas tree lights were on." Juanita Henderson, 5th grade, Mississippi.

"All the animals in my picture reminded me of when baby Jesus was born in the barn and had animals around him." Randy Maurer, 3rd grade, Idaho.

"What my painting means to me is people sking. Santa claus deliveren presents. To you and everybody else. When I think of christmas I think of Deep snow, giving presents to freinds. getting wet from the snow. Building snow forts and making snow balls." Ricky Harsha, 4th grade, Indiana.

"My painting is about winter. Two years ago I built a snowman right here in front of my house, here in Aus. Tex. I think how nice it would if all children were never sick and could build a snowman in the winter." Tim Cole, 3rd grade, Texas.

"I thougt of a big tree, on it was gingerbread men, tinsel and all different colored bulbs and at the very top of the tree sat a beautiful star. There was a stocking and a kitten was peeking out of it." Kelly Locke, 3rd grade, New Hampshire.

"My painting is really me. 2 years ago it was snowing. It was the day before Christmas, And I had to give my friends the presants. I gave my painting the name Molly girl." Beth Hagerman, 6th grade, Oklahoma.

"My picture of Santa Claus in his sleigh with his raindeer means that I like Christmas. I put a blanket on his lap because Mrs. Claus didn't want him to catch cold. . . ." Pamela Coughlin, 4th grade, Rhode Island.

The National Collection of Fine Arts is at 8th and G Streets, N.W., and is open every day of the week from 10 a.m. to 5:30 p.m.

[From the Laramie (Wyo.) Boomerang]

GAYLA WESSELS HOPES TO GO TO WASHINGTON, D.C.

(By Candra Guzzo)

The little Laramie Community Club is trying to raise funds to send Gayla Wessels to Washington, D.C.

Entering with elementary school children all over the state Gayla was informed by the American Lung Association, that a painting by her had been selected for use in the 1975 Christmas seals.

The letter continued, "We hope you are as pleased as we are. Although the Christmas Seal is a 68-year-old tradition in the United States, 1975 will mark the first time that children's paintings will be used on the Seals. The 1975 Christmas Seals also will be the first printed in a new format which will include a representative design from each state and territory. Gayla's painting will represent Wyoming."

The painting (and 53 paintings from school children in other areas) was selected in a nation-wide project conducted in elementary schools throughout the U.S. and its territories. The project was cosponsored by the National Art Education Association and endorsed by the Association of State Directors of Art Education.

Her naturally proud mother, Mrs. Gerald Wessels, explained that her daughter's painting, the original, created two years ago when Gayla was a fourth-grader in the Little Laramie Valley school, will be displayed in the Smithsonian Institution in Washington, D.C.

Her home community (20 miles northwest of Laramie), would like to see Miss Wessels go to Washington, D.C., where a special tour is being planned for the young artists, where they are invited to a preview of the special exhibit at the National Collection of Fine Arts. They will also have the opportunity to tour the monuments, museums and other sites that the capital city offers. The young people will also meet with senators and congressmen and other representing the lung association.

Because the project was designed as an educational project and not a competition there were no prizes. It is up to the individuals to attend the special tour on their own.

Because it was such an honor, Gayla's community and the Little Laramie Community club would like to see her go. They feel it is also an honor for the state. The club is asking for contributions to send Miss Wessels to Washington, D.C. in November. Those interested in helping may write in care of Norma Day, Rex Route 77, Laramie.

COMPANIES SPENDING CAUTIOUSLY ON PLANT AND EQUIPMENT

Mr. MONTOYA. Mr. President, as chairman of the Subcommittee on Economic Development, I have been watching with keen interest the so-called recovery of the economy. It seems clear to me that there is no agreement among the experts that we are on our way out of the recession. Yet, the administration seems unduly optimistic.

One indication that the recovery is tentative if not at a standstill is apparent in the cautious spending plans for plant and equipment of major companies. The Wall Street Journal summarized it this way:

> With many factories running far below capacity, interest rates remaining high and the economic outlook still cloudy, companies are budgeting 1976 capital spending cautiously. They are completing expansions already begun and making necessary replacements. But they are planning relatively few brand-new facilities or major expansion.

The article suggests that there will be less expanded or improved productive capacity than in 1974. One of the reasons is simply inflation. Another is the cost of pollution-control and employee health and safety requirements.

Business Week highlights the same "bearish indicator" that could put a crimp in next year's growth rate. McGraw-Hill's annual fall survey of capital spending plans reveals that expected increases in capital expenditures are destined to be canceled out by price increases, with no rise in the present relatively slow outlays that are running in real terms 9 percent below last year. So businessmen are not bullish about the recovery. They are uncertain. In the same survey, the majority view expected growth at modest levels.

Mr. President, I ask unanimous consent to have printed two articles in the Record: "Little Lift From Capital Spending" in the November 17, 1975 Business Week, and "Cautious Capital: Firms Are Still Wary in Planning on Plant, Equipment" in the November 10, 1975, Wall Street Journal.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Little Lift From Capital Spending

Economists and politicians who hope the economy will move into high gear in the nation's bicentennial year still have to contend with one bearish indicator that could put a crimp in next year's growth rate: Businessmen continue to keep a tight rein on capital expenditures. In its annual fall survey of capital spending plans, the Economics Dept. of McGraw-Hill Publications Co. finds that companies plan to boost 1976 outlays for plant and equipment by 9%. Since they also expect prices of capital goods to rise by the same percentage, this works out to no rise at all from the present lackluster spending level—which is running some 9% below last year in real terms.

The picture could be worse. An earlier survey by Lionel D. Edie & Co. indicated that nominal capital spending would rise only 5% in 1976, which would mean a drop in real spending for the second year in a row. "Under the circumstances," says Douglas Greenwald, chief economist for McGraw-Hill Publications, "a 9% rate is better than I expected. If the recovery continues strong, we might see some additional spending. And with significant capacity available in capital goods industries, any increase would probably be in real terms."

DECIDING FACTORS

The latest survey results demonstrate the sensitivity of capital spending plans to current operating conditions. Nondurable goods industries plan a healthy 15% jump in outlays, more than enough to offset the impact of inflation. Manufacturers of durables, on the other hand project a dollar increase of a paltry 1% and a significant decline in real spending. Not surprisingly, the government's latest inventory figures suggest that nondurables manufacturers have virtually completed their liquidation of excess stocks, while durables makers are still cutting back. Further, according to McGraw-Hill's monthly operating survey, the durables sector was running at only 68% of capacity in September, compared with 78% for nondurables.

Among nondurables, the textile and chemical industries plan the biggest spending jumps next year—29% and 23% respectively. Textile manufacturers, of course, were among the first affected by the recession, and they slashed this year's capital expenditures some 22% below 1974's level. Now they are benefiting from a dramatic upturn in business. "I see a continuation of present demand trends and some improvements in profitability at least through the first half," says Peter G. Scotese, president of Springs Mills Inc., which is currently running flat-out.

CAPACITY NEEDS

Chemical companies, which operated at 75.5% of capacity in September, continue to push forward with expansion plans uncorked several years ago, when they could not keep up with demand. Though some sectors of the industry are still lagging, a Du Pont spokesman notes that fibers, pigments, and plastics are now "experiencing a good resurgence . . . and we're going to need that capacity in late 1976 and 1977." Du Pont is spending at a $1 billion-a-year clip.

Other big spenders in the nondurables group include food and beverages, paper and pulp, and petroleum. Food and beverages were humming along at 90.5% of their preferred operating rate a month or so ago, so much of their 13% rise seems earmarked for expansion. But paper's 10% planned increase is mainly for modernization and pollution control. "We don't need new capacity—we need better markets," says a Crown Zellerbach Corp. spokesman.

Though petroleum's 13% scheduled boast may seem somewhat modest for this critical industry, it comes on top of a hefty 38% rise this year and represents a $1.36 billion stepup in outlays. Oil companies are stressing production and exploration spending while planning to cut back outlays for refining by more than $1 billion. Robert J. Menzie, chief financial planner for Getty Oil Co., complains of a continuing profit squeeze in manufacturing and marketing operations because of rising costs that controls prevent the company from passing along.

STRENGTH IN ENERGY

A close analysis of the McGraw-Hill survey suggests that perhaps two-thirds of the total projected $10 billion expansion in capital expenditures next year will come in energy-related industries and areas. Mining, mainly coal mining, is scheduling a 21% increase of $780 million. Electric utilities are still plagued by high credit costs and lower-than-anticipated demand growth, but after actually cutting expenditures this year, they plan to loosen their purse strings by a healthy $2.24 billion in 1976. And the biggest percentage gainer in the entire survey is the gas utility industry, which plans to shell out an additional $1 billion next year—a 32% hike. With the shortage of natural gas, some of the money will go toward developing liquefied natural gas and synthetic gas facilities.

In the durables manufacturing sector, nonferrous metals and aerospace are among the weakest performers, projecting spending declines of 9% and 13% respectively. Nonferrous metals are still plagued by massive producer inventories and soft demand, while aerospace is reeling from the expected cuts in defense spending and the airline industry's woes. Airlines, in fact, posted the largest percentage decline in the survey, planning a 31% drop next year on top of a 12% cut in 1975. Complaining of weak demand, Delta Air Lines, which lowered its outlays by $89 million this fiscal year, is currently replacing DC–8s with 727s that "burn substantially less fuel."

Two bellwether industries, steel and autos, also plan declines in the real level of spending next year. Steel is slating a nominal rise of only 6%, a disappointing figure considering the industry's ambitious plans to boost capacity by 1980. Two consecutive quarters of badly slipping profits and a continuing slide in operating rates are causing steelmakers to reconsider their capital programs. Bethlehem Steel Corp., for example, suspended work last week on a new 110-in. plate mill at its Burns Harbor (Ind.) plant, and it is slowing down completion of its $300 million taconite pelletizing plant in Hibbing, Minn.

DETROIT'S EXCESS

For their part, auto and truck producers are scheduling a 2% cut in spending next year. Explains one Big Three executive: "There's obviously excess capacity in the industry now, and there will continue to be for several years."

While companies expect a 9% rise in the prices they must pay for plant and equipment, most expect to raise their own prices by 6% or so. The two industry groups that diverge most from the average are utilities, which plan a 11% to 13% rate increase, and the food industry, which anticipates only a 4% boost in its prices. With expectations of an 11% jump in the dollar volume of their sales next year, manufacturers are projecting a real gain of 5% in sales.

UNCERTAINTY

Clearly, businessmen's conservative spending intentions are linked to considerable uncertainty about next year's economic outlook and the vigor of the recovery. Given major questions regarding monetary policy, future inflation, and government tax policy, as well as the strength of consumer demand, it may be no surprise that 41% of the executives surveyed expect the economy to post real growth of less than 3%, while another 44% see growth in the 3% to 5% range. Only 15% anticipate rapid economic growth of more than 5%.

This somewhat dour view could change, of course. But right now, as Dewain K. Cross, vice-president for finance at Cooper Industries Inc., puts it, no dramatic turnaround in the economy is in sight. "We're looking for modest improvement," he says.

Cautious Capitol: Firms Are Still Wary in Planning Spending on Plant, Equipment

(By Ralph E. Winter)

Crown Zellerbach Corp. expects to spend about $125 million next year on paper mills, box plants, sawmills and other production facilities. That sizable outlay will follow investments estimated at $110 million to $115 million this year.

At first glance, such major spending by the San Francisco-based paper and wood-products company would appear to promise gleaming new plants, work for hundreds of construction workers, new jobs for many mill hands and an enlarged market for loggers.

But it doesn't.

The huge outlay will just keep Crown Zellerbach's present plants running. "We will continue with mandatory spending to meet environmental requirements at our plants, and to handle normal maintenance and equipment replacement, but we won't begin any big new projects," a company official says.

Crown Zellerbach is typical of major corporations these days. With many factories running far below capacity, interest rates remaining high and the economic outlook still cloudy, companies are budgeting 1976 capital spending cautiously. They are completing expansions already begun and making necessary replacements. But they are planning relatively few brand-new facilities or major expansions.

DECEPTIVE STATISTICS

This caution will be masked in the many year-end capital spending projections by government and private economists, however. In fact, such estimates generally will show 1975 and 1976 corporate capital spending at record levels. The latest Commerce Department projection for 1975 puts total outlays at $113.51 billion, up 1% from the record $112.4 billion last year.

Spending next year may again raise a bit, with higher investment by electric and telephone companies offsetting a slight reduction by manufacturers. Some more-optimistic forecasts envision a second half rise in manufacturers' outlays producing an overall increase of 10% or more for the entire year. The annual fall survey of McGraw-Hill Inc., for example, projects a 9% boost in 1976 outlays, but it also concludes that price rises would result in no gain in physical investment.

Interviews with economists and executives indicate, however, that the physical amount of expanded or improved productive capacity to be installed next year will be far below the 1974 level. For one thing, new buildings and machinery cost more each year. Also, companies must spend more to satisfy government pollution-control and employe health and safety rules. Finally, it costs more each year just to replace existing facilities, partly because of inflation but also because there is more plant to maintain.

SIGNIFICANT DECLINE

This decline in actual additions of plants and better machinery is highly significant. Only new or expanded facilities create new industrial jobs and provide the capacity needed to avert shortages in the next economic boom. Also, the long-term rate of gain in productivity—the rise in output per man-hour—depends on the amount of more efficient facilities actually installed, not on the total dollars spent. And rising productivity is essential to a higher standard of living and to keeping U.S. products competitive in world markets.

A two-year decline in actual additions to or improvements in productive facilities doesn't necessarily mean the U.S. is stagnating, of course. Historically, capital spending has lagged economic trends; it continues at high levels for a while after the economy turns down, and during a recovery it rises months after consumer purchasing, industrial production and other economic activities have begun improving. But if executives caution about adding plant and equipment continues, it will slow future expansion of the economy.

Evidence of that caution abounds. Executive after executive talks about increasing return on investment, generally by minimizing capital outlays and making existing capital work harder. Ford Motor Co., for example, cut 1975 spending below initial projections by deferring or eliminating some projects. The company now estimates 1975 spending at about $700 million, down from $800 million projected in January and $832 million actually invested in 1974.

SURVEY OF BIG FIRMS

The nation's 1,000 largest manufacturers plan to spend $45.3 billion on plant and equipment in 1976, down from $46.1 billion this year, according to a survey by the Conference Board, a New York economic research organization. Appropriations for future spending by the companies this year will drop to about $44.7 billion, 21% below 1974's $56.9 billion, the Conference Board adds. As of July, only 57% of the companies said they will expand facilities; in January 1974, 79% were planning expansion.

As a result of this caution, suppliers of capital goods have seen orders plunge. Producers of machine tools, the machines used to shape practically all parts made of metal, report a 61% decline in orders for the first nine months of this year. Companies making other capital goods ranging from heavy trucks to textile machinery also note slack orders.

"Industrial plants are running at low capacity, working back from consumer industries all the way to the basic industries such as steel," says George Ramsden, vice president, sales, for Jervis B. Webb Co., Detroit producer of industrial conveyor systems. "As a result, they aren't spending for expansion."

And because of slow business, companies have less cash to invest. Sun Oil Co., St. Davids, Pa., sees 1975 spending "at the very bottom" of the $600 million to $750 million range set last January. That's down from $834 million in 1974. The sag reflects in addition to a drop in purchases of federal oil lease, a 60% plunge in first half earnings because of lower product demand and a surge in domestic and foreign taxes.

Companies also say they are conserving capital because they expect it to be scarcer in the next decade.

"Cash generation for expansion has become our No. 1 priority," says Richard E. Heckert, senior vice president of Du Pont Co. "In selecting new investments, we face increasingly difficult choices because of cash limitations. New investments are being judged not just on their individual merits, but are also being weighed against alternatives." The chemical giant expects to keep capital spending about level at about $1 billion a year from 1974 through 1977.

Likewise, TRW Inc., Cleveland-based producer of automotive, electronic, industrial and aerospace products, plans to hold 1976 spending at approximately this year's levels because TRW doesn't want any more debt. The 1975 spending will be $10 million to $15 million below last year's $128 million, officials say.

Companies holding 1976 capital spending to 1974 levels, of course, will get fewer new buildings and machines. The Commerce Department figures that this year's projected 1% increase in current-dollar spending represents an 11.5% drop from 1974 in real capital outlays. Price increases on plant and equipment are likely to be smaller in 1976 but still substantial, probably exceeding 8%.

FOOD STAMP REFORM

Mr. BAYH. Mr. President, I am honored to add my name as a cosponsor of S. 2451, the Food Stamp Reform Act of 1975. This legislation will resolve the current debate over the food stamp program by strengthening its ability to serve low-income families and by terminating participation in the program by those who do not need this assistance.

Secretary Simon's ill-advised and politically inspired attacks on chiselers and rip-off artists notwithstanding, the real problem with the food stamp program is not fraud—USDA estimates that fraud occurs in substantially less than 1 percent of the cases—but that families earning more than $10,000 a year are able to qualify for stamps legally because of the very liberal schedule of itemized deductions which are substracted from gross income before determining eligibility.

S. 2451 responds to this problem by setting maximum income ceilings and by establishing a standard deduction in place of the list of itemized deductions. The income ceiling and the standard deduction have been set at levels which will permit continued participation by low-income families, but which will cut off families earning for than $9,000 a year, families clearly above the poverty level.

It is very important that, in its rush to reform the food stamp program, Congress does not weaken the ability of the program to respond to the needs of low-income working families and in particular families struggling with the economic dislocation of unemployment.

The recent dramatic increase in the number of people receiving food stamps is largely attributable to soaring unemployment. Between September 1974 and May 1975, unemployment rose approximately 60 percent from 5.8 percent to 9.2 percent. Not surprisingly, food stamp participation climbed 30 percent from 15 to 19.5 million people. Since May, unemployment has declined somewhat and food stamp participation has gone down correspondingly. USDA estimates that an increase of 1 percentage point in the unemployment rate can be expected to add from 500,000 to 750,000 people to the food stamp lists.

The food stamp program has played a significant role in cushioning the impact of the recession on literally hundreds of thousands of American families. The bill authored by the able Senator from South Dakota (Mr. McGovern) will permit the food stamp program to continue to help families faced with unemployment. The administration has proposed legislation which, by contrast, establishes a 90-day retrospective accounting period which will in effect establish a 3-month waiting period for food stamps, thereby seriously crippling the ability of the program to provide immediate help to families struck by unemployment. In other words, the same administration that deliberately put millions of Americans out of work now proposes to deny basic aid to those workers and their families.

Perhaps the most innovative reform included in S. 2451 is the elimination of the purchase requirement. As presently set up, the food stamp program requires that participating households pay for their stamps on the basis of a sliding scale tied to net income. For example, all participating four-person families receive a monthly allotment of stamps worth $162, the cost as determined by USDA of an economy food plan. At a net income of $250 per month, the four-person family pays a purchase price of $71 for their $162 worth of stamps. If their net income is less, they pay less. If more, they pay more.

The differences between the value of the stamp allotment and the purchase price is the bonus, and in the case of the four-person family with a monthly net income of $250, the bonus amounts to $91 in additional food purchasing power. The elimination of the purchase requirement provided for in S. 2451 will mean that recipients will receive a monthly allotment of stamps equivalent to what is now the bonus. This is not an increase in aid, but a more logical way to provide it.

The Senator from South Dakota (Mr. McGovern) estimates that doing away with the purchase requirements—which involves large numbers of administrative personnel handling money and stamps—will save $50 to $100 million in administrative costs. In addition to removing a bar to participation by families lacking the initial cash now required to purchase food stamps, it will reduce the stigma experienced by recipients in their supermarkets because they will only be spending the bonus in stamps and will retain the purchase price to spend in cash.

Two other important cost-saving features of S. 2451 are the elimination of automatic eligibility for welfare recipients and a prohibition against participation by students who are claimed as tax dependents by ineligible families.

The Food Stamp Act of 1964 was an effort to insure that all Americans have sufficient means to purchase nutritionally adequate diets. The Food Stamp Reform Act of 1975 strengthens the ability of the program to provide assistance to those it was designed to serve and corrects defects in the design of the program which have allowed higher income groups to participate. I am pleased to join our colleagues as a cosponsor of S. 2451.

THE END OF UNEMPLOYMENT BENEFITS FOR MANY

Mr. MONTOYA. Mr. President, I ask unanimous consent that an article titled "What's Happening to Workers When Jobless Pay Runs Out" be printed in the Record at the conclusion of my remarks. The article is from the November 3, 1975, issue of U.S. News & World Report.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MONTOYA. One of the unwritten stories this past year of severe recession is how the unemployed American worker has seemed to take it in stride. Part of the reason, of course, has been unemployment insurance benefits.

Congress extended benefits from a maximum 39 weeks to 52 weeks, then to 65 weeks. By late November, 1 million working people so far this year will no longer be eligible for unemployment benefits. This will not be a happy Christmas for these people. There are about 5½ million persons presently receiving unemployment compensation out of the nearly 8 million persons that are unemployed.

This timing is particularly unfortunate because we have shocking news in the unexpected jump in the unemployment rate from 8.3 percent to 8.6 percent for the month of October.

The bad news continues with the expected, and alarming, jump in the wholesale price index, to an annual rate of 21.6 percent.

The U.S. News & World Report article provides a realistic picture of what these statistics mean to real people.

Exhibit 1

Labor: What's Happening to Workers When Jobless Pay Runs Out

By late November, a million Americans so far this year will have lost not only their jobs but also their unemployment-insurance benefits.

For these people, whose numbers are escalating rapidly, the loss of benefits often turns an already insecure life style into a battle for survival.

As staff members of U.S. News & World Report discovered, many such persons lower their job expectations and grasp at any work available. Others, who can find only part-time employment or none at all, try to hold their families together until their fortunes improve. Still others turn to welfare.

Consider 44-year-old Miriam Smith, who waits in a State employment office in Atlanta to talk to a job counselor. Her final unemployment-benefit check is in the works. She says: "I'm prepared to take anything for now, and hope to get something better later."

Without savings or other source of support, she lost her most recent job as a payroll clerk when a food store cut back its work force last summer. Despite daily reading of newspaper want ads and countless treks to personnel offices, the closest she has come to a job was a $2.10-an-hour offer—with no hope of a raise for three years. Now, she wishes she had taken it. "I've just got to get a job," she says, rubbing her hands nervously "That's all there is to it."

SCRAPING THE BARREL

Many do find work of some sort when the benefits stop, but often these are jobs they would scorn during better times.

One such person is 25-year-old Dennis O'Keefe, who earned $550 a month at a Northern California lumber mill until the housing industry hit the skids. He migrated first to San Francisco, then to Los Angeles There, his unemployment checks ran out.

Now he's a busboy at a suburban restaurant, earning $35 a week in wages, plus another $10 or so in tips. His girl friend, also unemployed, still draws jobless insurance. By pooling their resources, he says, they "get by."

John Finn, also of Los Angeles, was a bit luckier. The 50-year-old limousine driver lost his lucrative job with a Beverly Hills firm in July, 1974, and was still without work when his $70 a week in unemployment compensation ended 65 weeks later.

But he eventually found employment driving a shuttle bus around a college campus for $3.50 an hour. That's close to his former wage, but now he gets no tips and must work split shifts that sometimes stretch from 7:30 a.m. until 11 p.m.

"Even though I've started work," he remarks, "I will have to continue to try for something better."

STRETCHING BENEFITS

The jobless-benefits system which has helped tide over these and other individuals, was established four decades ago. Its provisions were expanded late in 1974 as the recession worsened.

Eligibility for the benefits, once limited to a maximum of 39 weeks, was stretched first to 52, then 65 weeks. Workers never before eligible for payments—State and local-government employes, farm laborers and domestic servants—were given protection for the first time.

As a result of these extensions, few workers exhausted their eligibility early in 1975. The Department of Labor says that, as a result of extended protection that became effective at the start of 1975, benefits expired for only 63 persons across the country last January.

But the numbers have snowballed in recent months, as the chart on this page shows, and on a scale far greater than August, the Labor Department told Congress that 150,000 Americans would exhaust their eligibility for the unemployment benefits between July and September.

But a recent survey of all States by the Department found that the payments had expired for more than 120,000 persons in August alone.

THE "EXHAUSTIVE" CURVES

The Government's actuarial studies indicate that the number of "exhaustees" will grow month by month until the end of 1975, then taper off through the middle of next year as the employment picture improves.

At last count, some 5.4 million persons were getting unemployment compensations, out of a total of 7.8 million unemployed. The size of benefits varies State by State. All States pay at least half of an unemployed worker's former weekly wage, and the amount in some States is as high as two thirds of previous earnings.

But ceilings on maximum payments—seldom higher than $120 a week and usually in the range of $60 to $80—limit compensation to persons who have lost well-paying jobs.

As this magazine's survey suggests, workers whose jobless benefits have expired are trying in various ways to cope with their problems.

Some fall back on relatives for help. Chicagoan Shellie Brown and her 3-year-old child now live with her parents, who operate a small hardware store. Months of following up newspaper advertisements have been to no avail in her case. Now, without income from any source, she considers applying for welfare.

"I want to be independent—I have always been able to support myself and my child," says the one-time file clerk and factory assembler. "I don't like the idea of welfare, but I suppose it's only a matter of a few weeks before I am driven to ask for it."

SHATTERED FAMILIES

Another young mother, in Detroit, says her family has been shattered by her husband's loss of work, then the exhaustion of jobless benefits.

Her husband quit his job with an auto company in 1973, when jobs were still plentiful. She and their three small children followed him to New York in search of work, then back to Detroit, where unemployment payments ran out last February.

Frightened by his inability to support his family, he left home, and the woman becomes another welfare statistic for the State of Michigan.

"Everything was beautiful when he was working," says the woman, now recovering from a nervous breakdown. "We had problems, but if we hadn't had the extra load of problems—no job, the responsibility of a family—maybe we could have made it. Financial problems are the worst problems you can have."

Changes in the unemployment-insurance law, now before the House Ways and Means Committee, would neither raise the level of benefits now in effect in each State, nor extend the maximum time for payments beyond the present limit of 65 weeks. Amendments thus far approved by a subcommittee would bolster the funding of benefits, make permanent the temporary inclusion of 9.5 million workers in the program and establish a commission to recommend basic changes after a long-term study.

Critics of the compensation system are pushing for more basic reforms. The AFL–CIO wants payments raised in each State to at least two thirds of former weekly earnings and aid extended to new entrants into the work force who have not built up eligibility for jobless compensation. The Ford Administration supports the move for a higher level of jobless payments.

TAX THE BENEFITS

From a different perspective, others are demanding that the benefits be made taxable. One such proponent, economist Martin S. Feldstein of Harvard University, contends that exemption of jobless pay from income taxes makes unemployment so painless that it acts as a deterrent to finding new work. While not endorsing Mr. Feldstein's claim, Labor Secretary John T. Dunlop calls it "a problem that deserves attention."

But few who have exhausted their compensation eligibility would agree.

"They should be in my position," declares Albert Moye, of suburban Detroit, who has worked erratically since his unemployment pay lapsed. "It's easy to criticize people like us when you've got a steady paycheck. When you have a home, a car and kids, you don't just wait for unemployment benefits to come in. Ever since I was laid off, I've looked for work every day."

WE'VE GOT TO HELP OURSELVES

Mr. BUCKLEY. Mr. President, we have just marked the 10th anniversary of the "Great Blackout," when the city of New York was plunged in darkness by a massive power failure. Thousands were trapped in elevators, offices, subways, and trains. It was a major emergency, but the people of New York responded, with cheer and good will. They volunteered to help in a hundred different ways, and were the stronger for the experience.

The city of New York now faces another period of emergency—one that will not be corrected overnight. But the latent strength of the people is there to be harnessed, and it is being harnessed to help the city take over the cutbacks in services that the condition of the city's finances make necessary.

The current issue of the magazine New York contains a particularly eloquent statement of the need for New Yorkers to exhibit the kind of civic responsibility that carried us through the great blackout. I am confident that the necessary force of volunteers will be mobilized; and that the city and its people will emerge the stronger from their present difficulties.

I ask unanimous consent that the New York article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Editorial From the New York magazine, Nov. 17, 1975]

WE'VE GOT TO HELP OURSELVES

This magazine has always celebrated New York. The core of this city's greatness, despite its host of afflictions, lies in its scope: whether you find the good life in beautiful possessions, in the exhilaration of a furious pace, or in listening to a free Bach concert, you will find it here best. As this issue demonstrates in its pages, we still believe that the pursuit of happiness is a principal purpose of a city like New York.

But now this city is under siege—in part from the consequences of its own past, in part from the sorry spectacle of a president who has declared war on the first city of his own country. Whether New York meets its financial obligations in the days ahead, one fact is inescapable: we cannot meet all our public obligations from the public treasury alone. Either New York's financial overseers or a federal bankruptcy court will be presiding over spending reductions that will last for years. And those reductions will diminish the quality of our public life at its roots—from safety to health to learning.

The meager resources of this city must go to the maintenance of the most critical services: police and fire, sanitation, emergency wards of hospitals. But does that mean that we must shut our libraries and museums, abandon our parks to vandals and decay, eviscerate our school system? It does not. New Yorkers can keep this city's head, heart, and spirit alive, if we have the will and the wit to use our strongest weapon: ourselves.

We are talking about the mobilization of New Yorkers to assume—voluntarily—public responsibilities for which there is no money. We are not talking about charity lunches and fashion shows or masked balls for some disease of the month. We are talking about using New Yorkers of every neighborhood, every class, every political persuasion, to do necessary work we can no longer pay for. For too long, too many of us have believed that if we do not pay for someone's work, that work has no value. That system of measuring worth must be discarded. And we must begin to make the obligation of citizenship mean something more than a vote and a tax check.

The possibilities are limitless. Opportunities exist in every neighborhood of New York for people with and without special skills—given the cooperation of the city's political and labor leaders. Fifty people, each working a few hours a week, can keep a branch library open. A few dozen art lovers can provide the eyes and ears necessary to give a museum enough security to stay open. It takes no special training or testing to help keep a neighborhood park clean. And the more who help in such work, the less any one person need do.

There are also thousands of retired New Yorkers, including experienced civil servants, whose pensions provide money, but whose lives may lack purpose. Who better to staff day-care centers and after-school programs? Who better to help organize volunteers to use their time efficiently and usefully? Hundreds of thousands of other New Yorkers held families supported by welfare. Do we still believe the myth that these people cannot function as school-crossing guards or paraprofessionals? Is it really "scab talk" to urge that this work be done for free, rather than not at all? We are not talking about the production of ball bearings or kitchen stoves; we are talking about work that directly touches the lives of 8 million people.

New York has the greatest collection of talent in the world; people who have built empires out of dreams, people who have changed how the world sees, buys, and thinks. In normal times, this talent is channeled into largely personal pursuits. But these are not normal times. It is, instead, time for us to take to the streets, not for a meaningless protest march, but to take on a share of public responsibility.

And this is, perhaps, especially true of those New Yorkers who have gained a substantial share of the good life through their minds. If the current crisis in New York means one less dinner party or movie-screening or night out a week, if it means a few hours of plodding but essential work in a neighborhood park or recreation center or hospital, that is a small price to pay to sustain the life of this city.

We happen to believe that a mobilization of thousands of New Yorkers just might kindle the sense of community that this rootless, atomized, anonymous city has lacked for so long. Jefferson's "pursuit of happiness" was located as much in the sharing of public work as in the indulging of private pleasures; and for New York, that sharing has become a necessity. It may also provide a missing sense of purpose and exhilaration for many of us.

This mobilization to help save New York will take hard work. The city bureaucracy must forget how to say "no" and, instead, find ways to put willing New Yorkers to work. Municipal labor leaders must put aside their ideologies long enough to realize that in the public sector, we, all of us, are the "bosses."

Whatever it takes, the mobilization must begin. There is work to be done here, to keep New York alive, and there are 8 million of us, most of whom can share some of that work. It's time to start saving ourselves.

VETERANS DAY

Mr. ROBERT C. BYRD. Mr. President, today, November 11, is the date officially celebrated in 44 States as Veterans Day. This observance, honoring all of our veterans, grew out of the celebration of Armistice Day, the commemoration of the end of World War I.

The veterans of that war have continued to contribute to the life of this Nation since their official separation from the armed services. We are privileged to number among the prominent citizens of West Virginia who served in World War I, Mr. Richard Earle Davis of Morgantown.

Not only has Mr. Davis distinguished himself as an attorney, but he also holds the further distinction of being one of the founders of the American Legion. After receiving his B.A. and L.L.B. degrees from West Virginia University, Mr. Davis enlisted in the West Virginia National Guard on June 2, 1917. He rose to the rank of first lieutenant in the Air Service before being discharged on February 15, 1919.

Mr. Davis was one of the delegates to the St. Louis Caucus which laid the foundations and determined the shape of the American Legion on May 8 and 9, 1919. Through the ensuing years, Mr. Davis has played a leading role in the national, State, and local activities of the Legion.

Though he is now 84 years old, Mr. Davis still takes an active interest in the spirit and quality of American life. In honor of Veterans Day, he has written a poem expressing his reverence and appreciation for all those who have given their lives in defense of this Nation.

Mr. President, I ask unanimous consent that the poem by Mr. Richard Earle Davis, entitled "Veterans Day," be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

VETERANS DAY

As they did more than fifty years ago,
In Flanders Field the poppies grow.
While in Arlington the bugles blow
Amid the crosses row on row.
Now one Unknown has grown to three
Where they will rest to eternity.
Their Honor Guard with measured tread
Now protect the bivouac of the dead.
May the example of those Unknown Three
Teach us a greater love of liberty.

—RICHARD EARLE DAVIS,
American Legion Founder.

THE CONCORDE

Mr. CANNON. Mr. President, the Federal Aviation Administration currently is following the procedure required by Congress for consideration of an application for landing rights for the Concorde supersonic aircraft in New York City and Washington, D.C.

As chairman of the Subcommittee on Aviation, I was particularly interested in the recent response by Secretary of Transportation William T. Coleman, Jr., to specific questions asked about the fuel capability of the British-French supersonic aircraft.

The Concorde, which will revolutionize air travel and the world's way of doing business, may be the subject of additional votes in the Senate this year.

Mr. President, because of confusing press reports about this topic, I ask unanimous consent that Secretary Coleman's complete statement be printed in the RECORD.

There being no objection, the statement was ordered to pe printed in the RECORD, as follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., October 8, 1975.

Hon. LESTER L. WOLFF,
House of Representatives,
Washington, D.C.

DEAR MR. WOLFF: I have received your letter of September 2 containing various questions about Concorde fuel reserves and the fuel reserve capability of aircraft being operated today by foreign airlines.

Enclosed are detailed answers to each of your eight questions. If you should require additional information, please contact Mr. Richard P. Skully, Director of the Federal Aviation Administration's Flight Standards Service, at 426-8237.

I would like to reassure you that before we make any decision that would allow Concorde operations in the United States, all safety issues will be fully resolved, and all environmental and public concerns will be fully considered.

Sincerely,

WILLIAM T. COLEMAN, Jr.

Enclosures.

SECRETARY COLEMAN'S STATEMENT

Question 1: If a U.S. flag carrier were to buy the Concorde, would the FAA permit that carrier to operate the plane on the North Atlantic routes with fuel reserves one-third less than the minimum now required? In other words, would the Concorde flights now proposed by the foreign carriers of Britain and France be illegal for safety reasons if they were proposed by U.S. flag carriers?

Answer: We assume your reference to fuel reserves of ". . . one-third less than the minimum now required" refers to the reduction in *en route* contingency from 7% to 5%. It should be pointed out that en route contingency is only part of the total reserve fuel required on any aircraft. Other fuel reserve requirements include fuel to climb out from the destination airport, cruise to an alternate, hold for a time period, and finally land at the alternate. For a typical Concorde flight from Paris to Dulles, the longest route under consideration, approximate pounds of fuel for each of the above criteria are summarized below:

En route contingency	8,000	11,200
Diversion to alternate	9,000	9,000
Holding and land at alternate	13,000	13,000
Total reserve fuel	30,000	33,200

Thus a reduction in en route contingency from 7% to 5% is less than 10% or one-tenth of the total reserve fuel, not 33%, or one-third as you state.

The FAA developed tentative operational requirements for supersonic transports in 1966 in connection with the abandoned U.S. effort to build an SST. The fuel reserve requirement (tentative FAR 121.648) specified an en route contingency reserve of 7% of block fuel, that is, of the fuel required to complete an uneventual flight from engine start-up to shut-down. However, in this tentative standard, the FAA stated that additional information and operation experience may subsequently dictate either reducing or increasing this proposed requirement.

In 1973, the FAA advised the British Aircraft Corporation that, based on a review of the additional data presented on the Concorde, the FAA was proposing to reduce the FAA tentative en route reserve from 7% to 5%. This action was based on the following:

1. The existing U.S. standard of 10% of flight time was promulgated before the advent of the sophisticated navigation systems on today's aircraft, such as the B-747 and Concorde.

2. Ten percent (10%) of flight time is statistically approximately 8% of block fuel for the current fleet of subsonics.

3. Considering the variations in operational parameters, between a subsonic aircraft and supersonic aircraft, (such as en route wind and temperature errors, cruise altitudes and track restrictions, variations in cruise speeds, and variations in flight times), 8% of block fuel in a subsonic aircraft provides a margin of safety statistically equivalent to that provided by 4.7% of block fuel for a supersonic aircraft.

The FAA considered all these facts and decided that there was ample evidence to justify reducing the tentative FAR 121.648 from 7% en route contingency fuel to 5%. This action was contemplated with the understanding that should developments regarding this type of aircraft, including the Concorde proving flights, indicate this reduction in contingency fuel requirements to be unrealistic, we would consider appropriate changes.

The FAA has not determined whether the Concorde could comply with FAR 121.648, since that tentative regulation has not been promulgated as a rule and will not be unless United States air carriers propose to purchase the Concorde and put it into service. If such a proposal is made, the FAA will make the necessary fuel reserve determinations. Except for the minimum requirements of 14 C.F.R. 91.23, applicable to all aircraft, the FAA does not regulate fuel reserves for either subsonic or supersonic aircraft of foreign air carriers. The FAA expects that Concorde would be able to comply with 14 C.F.R. 91.23, but please note that the FAA will take corrective action whenever it determines that any aircraft cannot or does not comply with applicable operating requirements.

Question 2: If the British and French were to make a commercial success of their Concorde flights across the Atlantic, and if U.S. flag carriers were forced to acquire the Concorde in order to compete, would the FAA have any realistic choice but to lower U.S. fuel reserve requirements by one-third, so as to permit U.S. carriers to operate on equal terms with the foreign competitors?

Answer: Existing FAR fuel requirements for U.S. flag air carriers operating subsonic turbojet aircraft do not consider economic factors or foreign competition on a particular route structure. If the FARs are eventually amended to prescribe fuel requirements for supersonic aircraft, competition with foreign operators will not be a consideration.

Question 3: Are there any regularly scheduled flights across the Atlantic, under any flag, which now routinely arrive in the U.S. with fuel reserves one-third less than those required of U.S. carriers? If so, what flights are these, and what is the position of U.S. carriers on this?

Answer: Since regulations applicable to operations by foreign air carriers within the U.S. (FAR 129) do not include fuel requirements, the FAA does not require these air carriers to provide information on the amount of fuel remaining upon arrival in the U.S. The FAA asked its New York office to furnish a list of foreign operators who arrived at JFK International Airport critically low on fuel during the last year. They were not aware of any such instance.

We do know, however, that the British Civil Aeronautics Authority (CAA) and the French Secretary General for Civil Aviation (SGAC) fuel reserve standards for the current fleet of subsonic aircraft require slightly less en route contingency fuel than does the FAA. As pointed out in the answer to question 1, the FAA requires its flag carriers to have an en route contingency fuel of 10% of the flight time, which statistically is 8% of the block fuel. The CAA and SGAC require only 5% of block fuel. All other fuel reserve requirements (divert to alternate, holding, etc.) are nearly identical to the FAAs.

Questions 4 and 5:

4. Does your department consider that an airport operator is legally entitled to impose reasonable minimum fuel reserve requirements on aircraft bound for that airport, in view of the fact that local operators have the right to control take-off noise levels?

5. Does the DOT consider that a state or municipal government is legally entitled, in the exercise of its police power, to impose reasonable minimum fuel reserve standards on aircraft bound for an airport within its borders?

Answer: Title VI of the Federal Aviation Act of 1958 empowers the Administrator of the Federal Aviation Administration (FAA) to establish fuel reserve regulations applicable to aircraft and aircraft operators certificated by the FAA. This authority has been exercised and fuel reserve requirements have been established by various Federal Aviation Regulations, for example, Sections 91.23 and 121.639. Consequently, the FAA has preempted this area of regulation. Airport operators and state and municipal governments are not legally entitled to established or impose minimum fuel reserve requirements on aircraft for aircraft operators. Any right which an airport operator has to control noise does not extend to areas which have been preempted by Federal regulations.

Question 6: Referring once again to the Star article, a British Aircraft spokesman is quoted as saying that while my charges that the range of Concorde as published by the

FAA does not appear to permit a fully loaded aircraft fly the Dulles-Paris route of some 3,800 miles, "the 3,800 figure is only 'approximate' and the plane could actually fly up to 4,000 miles, depending on conditions." Obviously, we need to know just what "conditions" allow the Concorde to exceed its stated range, especially in view of the Report of the International Civil Aviation Organization Technical Panel on Supersonic Operations, Third Meeting (1971) which says, on page 4.2–4, that by "comparison with subsonic jet operations, there will be little margin available for carrying fuel over and above the minimum specified."

Answer: The conditions the British spokesman referred to are en route wind and temperature. All aircraft are affected by these parameters. With a headwind or hotter temperature, the range is less; conversely with a tailwind or colder temperatures, the range is greater.

In addition to en route wind and temperature, range is affected by many other parameters including cruise Mach number (the subsonics can vary cruise Mach number from .75 to about .86, which is a large range, while Concorde's cruise Mach is relatively fixed at 2.0) aircraft weight, route structure, and cruise altitude. All of these parameters are considered in planning a flight to determine how much fuel is required.

The attachment is a "payload range curve" for the Concorde showing how much can be carried a given distance. This includes reserves, i.e., after flying X miles with a given payload, under the en route temperature conditions on the curve, the plane would land with full reserves (for the Concorde, approximately 30,000 pounds of fuel). The range figures shown are for no wind. Please note the range figures are in nautical miles, while the numbers you refer to are statute. To convert, multiply nautical miles by 1.15.

The Concorde is unique when compared to subsonics in that it cruises in the stratosphere where winds are lower and are much more stable and predictable than at lower altitudes where subsonics fly. Between 50,000 to 60,000 feet, the winds average approximately 15 knots in the summertime to 30 knots in the winter from a westerly direction. From 30,000 to 40,000 feet where the subsonics cruise, they range from approximately 45 knots in the summer to 60 knots in the winter, again from the West.

In addition to this, due to high cruise speeds, the effects of wind are less. The total additional distance an aircraft must fly through the wind over a fixed ground distance is merely the product of the time spent flying through the wind times the average wind. Consider a 60 knot headwind for a subsonic and a 30 knot headwind for Concorde and a cruise time from London to Dulles of three hours for the Concorde and seven hours for a subsonic aircraft:

30 knots×3 hours=90 nautical miles
60 knots×7 hours=420 nautical miles

A subsonic aircraft would have to fly 420 additional miles through the wind while the Concorde would only have to fly an additional 90 miles.

The temperature effects are shown on the payload range curve. Normal en route temperature in the stratosphere range from the International Standard Atmosphere (ISA) + 5°C in the summer to ISA + 2°C in the winter.

It is interesting to note that Concorde, with a full payload of 25,000 pounds and full fuel of 203,000 pounds, has an absolute range (takeoff, direct climb to initial supersonic cruise altitude, cruise, and direct descent into destination), of approximately 5,100 statute miles. Of course, it would be out of fuel after landing and is not a realistic case, but it gives an idea of the total range capability.

The statement you quoted from the Third Meeting of the ICAO Technical Panel on Supersonic Operations is true, and is a fact of life for any supersonic transport. This simply means that the operator does not have as much flexibility in carrying payload. The "minimum specified," which you quote, includes adequate reserves.

Question 7: Building on the last question, we must know how this delicate balance between payload and fuel, discussed by the DEIS and other sources, is to be struck so as to conform with the life-safety regulations covered by the fuel reserve requirement.

Answer: The delicate balance between payload and fuel is maintained by design parameters, regulations, good operating procedures, experience, and common sense. Our regulations and the British and French regulations prohibit dispatching a flight without enough fuel to reach its intended destination, plus an adequate reserve to provide for unknowns. Further, no airline would intentionally dispatch an aircraft without enough fuel to reach its destination and alternate. Finally, no knowledgeable crew would fly the aircraft if it wasn't able to reach its destination and provide a margin (reserves).

Referring again to the payload range curve, assume that a Concorde is being dispatched from Paris to Dulles with a forecasted temperature of ISA + 5°C and a headwind component of 20 MPH. In addition, an en route diversion of 100 statute miles is planned for air traffic reasons. The total distance that must be flown is 3,838+1100+60=3,998 statute miles (3,476 nautical miles). Under these conditions, the Concorde would be required to offload payload and would be able to carry approximately 14,000 pounds (70 passengers at the internationally accepted weight of 200 pounds per passenger plus baggage). It would still have the normal reserves.

Question 8: Finally, I have spoken with a number of sources who recall reading at the time that a Concorde flight from Dulles to Paris last year arrived with barely 15 minutes fuel left in its tanks. Needless to say, the facts behind this occurrence must be fully explored, and the answers must be shared with Congress, and the Port Authority of New York and New Jersey, which: is being asked by the U.S. Government to approve Concorde flights.

Answer: Any rumors that the Concorde which flew from Dulles to Paris landed with barely 15 minutes fuel in its tank are false.

We should point out that this aircraft was a preproduction aircraft which did not have the more fuel efficient engines on production aircraft, or the aerodynamic refinements to reduce drag, which also increases the efficiency. In addition, the aircraft was carrying a full production payload of 25,000 pounds.

The following are the facts on the flight:

Takeoff weight: 389,000 lbs.
Fuel at takeoff: 190,100 lbs.
Payload: 25,000 lbs.
Fuel on board at landing: 24,000 lbs.

Twenty-four thousand (24,000) pounds of fuel onboard at landing is sufficient for the aircraft to hold at 1,500 feet for almost one hour, or to hold for one-half hour and still have sufficient fuel to fly to London, Brussels, or Toulouse. Holding at 1,500 feet is extremely critical because of the high rate of fuel burn, and all aircraft normally hold at higher altitudes.

As was pointed out, this was a preproduction aircraft. Production aircraft have an increased fuel capacity of over 10,000 pounds to 203,000 pounds total.

DEFENSE SPENDING IN PERSPECTIVE

Mr. PROXMIRE. Mr. President, the recent impulsive dismissal of James Schlesinger as Secretary of Defense has had several unfortunate effects. For one thing, a man of high integrity, obvious dedication, and unquestioned competence has been summarily removed and no adequate explanation has yet been given to Congress or the public.

THE FIRING OF JAMES SCHLESINGER

The President may have his prerogatives, but the public needs to have some assurance that the Government is being run capably. The public's confidence in its Government, among other institutions, has already been badly shaken and the recent hastily conceived switch of Defense Secretaries does not help matters.

Much as I disagree with Secretary Schlesinger, I am a great admirer of his analytical capabilities and his basic honesty. He was cooperative with Congress and well liked. He will be missed.

Another unfortunate result of Secretary Schlesinger's removal has been to add a further note of irrationality to the debate over the defense budget. The recent furor has tended to obscure the substantive issues.

The question before Congress is whether to increase the defense budget over the amount spent last year, and if so by how much. Embedded in the totals is a host of questions concerning manpower, weapons, construction, and military assistance.

Congress is trying to determine how to maintain the Nation's necessary military strength.

THE QUESTION OF SOVIET MILITARY STRENGTH

One of the arguments concerns Soviet military strength. This question has always been murky. No one knows precisely how much the Soviets spend for defense and much of what we do know about Soviet forces is based on varying margins of error.

The intelligence agencies gather information and make estimates about Soviet military strength, and by and large I think they do a good job. From the evidence I have seen we need to improve our estimating techniques.

HOW TO IMPROVE THE DEBATE

More importantly, we need to establish regular procedures for making estimates of Soviet military strength public.

There has been a tendency for spokesmen for the Pentagon to selectively declassify intelligence estimates and to use them out of context as it suits their purpose.

For example, we often hear that the dollar cost of the Soviet defense budget is higher than the U.S. defense budget. We do not hear so often that the dollar cost estimates are filled with uncertainties and are inherently biased in a way that inflates the Soviet figures.

Nor is it stressed that spending rates and military strength are not the same thing. Inefficient, wasteful spending on military projects does not add to military strength. The fact that the Soviets emphasize missions, such as strategic defense, which are not considered important enough for us to emphasize, does not mean that we are being overtaken.

Hearings which I conducted on the "Allocation of Resources in the Soviet Union and China—1975," containing much information on defense spending in the Soviet Union and China, have recently been released by the Joint Economic Committee. I urge my colleagues to read the testimony provided by the Central Intelligence Agency and the Defense Intelligence Agency and make up your own minds about Soviet military strength.

My own judgment is that the assertions that the balance of power between the United States and the Soviet Union has been reversed or is in danger of being reversed are unsupported by the facts. Indeed, such assertions are contradicted by the facts.

An editorial in the New York Times, November 5, 1975, places some of these issues in perspective.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 5, 1975]

POLICY AT THE PENTAGON

Though both men tried to play it down—as does President Ford—Secretary of State Kissinger and ex-Secretary of Defense Schlesinger worked from opposite precepts in their designs for United States policy toward the Soviet Union.

Mr. Schlesinger believed that this country needed the option of actually fighting a limited nuclear war; Mr. Kissinger seems to harbor growing doubts that limited war could be a viable option—he favors development of sophisticated new weapons systems mainly as "bargaining chips" to help in his negotiations for new arms limitations agreements.

Mr. Schlesinger advocated only those arms agreements that would leave the United States militarily superior. Mr. Kissinger is ready to interpret "superiority" in far broader terms than his Pentagon rival; his aim is to achieve arms limitations to further the atmosphere of détente, while leaving both sides free to do essentially what they want to do anyway.

Such broadbrush characterizations of complex issues may do some injustice to the subtleties of outlook expressed over many months by two highly intellectual antagonists. But they can clarify some of the immediate confusion in this country and abroad about the meaning of President Ford's dramatic overhaul in the foreign policy leadership.

Peking, for instance, is apparently stalling on the preparations for Mr. Ford's scheduled visit late this month, in the belief that a major opponent of Soviet-American détente has been removed. The European allies of the North Atlantic Treaty Organization similarly are viewing Mr. Schlesinger's departure with concern.

The views of the new Defense Secretary, Donald H. Rumsfeld, on the fundamental issues of defense policy will not become apparent for some time, though his lack of warmth toward Mr. Kissinger has already been amply demonstrated in Washington. Meanwhile the immediate debate on the defense budget is likely to proceed on the same basis as before, with the argument centering on the meaning of Soviet military strength.

. . . AND IN CONGRESS

Congressional critics like Senator Proxmire and Representative Mahon do not dispute the Pentagon's arguments that the Soviet Union is engaged upon a major arms buildup. But they are challenging the view pressed by Mr. Schlesinger that this represents a trend that eventually could reverse the balance of power between the Soviet Union and the United States.

The Pentagon believes that the $2.6 billion cuts made by the House in the defense budget were "deep, savage and arbitrary." It can be more persuasively argued that some of the weapons systems which the Pentagon is most anxious to restore are more likely to damage than to enhance national security.

Most dangerous are research and development funds for three strategic offensive nuclear delivery systems: the air-launched cruise missile, the Trident maneuvering reentry vehicle and air-launched and ground-mobile versions of a big new intercontinental ballistic missile known as MX. The $103 million involved in these three appropriations is deceptive; the ultimate cost could mount to tens of billions of dollars if they ever are fully deployed.

For all Secretary Kissinger's arguments about "bargaining chips," the history of such dubious devices is that once developed they are deployed. None of these three weapons is needed now. All would simply spur the arms race and increase strategic instability. That, rather than any philosophical or tactical differences of opinion between individual policymakers, is the crucial defense policy issue.

AMERICA'S FUTURE ROLE IN THE OUTSIDE WORLD

Mr. KENNEDY. Mr. President, the Harvard Law School Forum was honored to have as its speaker the distinguished Senator from Rhode Island (Mr. PELL). His address faced squarely some of the basic questions about America's future role in the outside world—asking who we are, where we stand as a nation; and where we are headed in the future. The Senator argues cogently that on occasion we should step back from the daily issues that fill the press, and take a clear hard look at the truly great challenges facing us as a nation.

Finally, in arguing that this country must understand both the potential and the limits of our power, and develop a coherent national policy based on the rediscovery of our fundamental interests as a nation, the Senator has offered most sound advice. I ask unanimous consent that the full text of Senator PELL's remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR CLAIBORNE PELL BEFORE THE HARVARD LAW SCHOOL FORUM

Our Nation is preparing to celebrate the 200th anniversary of the beginning of a revolution which literally changed the world. But how prepared is Bicentennial America to deal with changes in today's world which are reaching revolutionary proportions?

Just as the Britain of King George III ignored, underestimated or scorned the changes that were occurring in the New World, so modern America seems not to be coming to terms with events in other parts of the world of which we are only too painfully aware but do not completely understand.

It may be that having already undergone a dramatic transformation in our world outlook following World War II we find it difficult to accept the uncomfortable but inevitable need to rise to a new challenge and change our ways once again.

The American achievements of the post-World War II period and the profound changes in outlook required to realize them are well known to all of us. We knew what we had to do and why we were doing it. The threat of Soviet, and later Chinese, expansionism was manifest and unambiguous. So, too, was our response.

That response took on an essentially military character within a rigid—but simple and easily understood—framework of anticommunism. We created a world-wide system of multilateral and bilateral alliances with 44 nations supported by a network of military installations which at its peak totaled over 2000 and involved as many as 1.2 million American soldiers, sailors, and airmen. We intervened openly with military force on four occasions—in Korea, in Lebanon, in the Dominican Republic, and in Indochina. And we intervened covertly more times still. Even the Marshall Plan and our other foreign assistance programs were justified on the basis of their contribution to the military dimension of our security.

The challenge we face today is not the same or as simple as it was in 1946 or 1950 or even in 1961. Nor is the response required of us.

It is not that our world-wide activities in the wake of World War II were wrong. Indeed, it was in my view, the necessary role for the United States for that time in history. But a realistic global mission for the 1950's and even in the early 1960's may well be a fatal prescription in the 1970's.

It has become fashionable these days to debate American foreign policy in terms of the post-Vietnam dilemma. To be sure, the lessons to be learned from Vietnam are critical to fashioning a new American foreign policy consensus to replace the one which that war, more than any other single event, destroyed. But our fixation on that war should not lead us to obscure the fact that events unconnected with Vietnam have been occurring elsewhere in the world that are equally important. Vietnam is only the most dramatic evidence that fundamental changes have been occurring in the world and that we must adapt to them.

I am deeply troubled by the prospect that the war in Indochina might come to be seen in this country as simply an aberration, a momentary distortion that can be corrected, the past focus of policy restored, and the changes required by other events ignored. Unlike the situation confronting Metternich and Castlereagh, there can be no question today of "A World Restored."

As we endeavor to fashion a new foreign policy consensus, our world view must change. Our outlook can no longer be dominated by the concepts of East versus West and democracy versus communism, nor can military power be relied upon so heavily as it has in the past. Increasingly, the outlook of the past three decades has become inadequate. Let me cite some reasons:

More and more differences between East-West are being over-shadowed by a North-South confrontation dominated by economics and by rich versus poor, developed versus developing.

The growth of new centers of power, both military and economic, is eroding the bipolar nature of world politics that dominated the post-war period.

Although only two military superpowers exist, the uses to which their military strength can be put, except to destroy civilization as we know it, are at best questionable.

Diverging long-term interests and internal stresses in several allied countries threaten to alter the nature of the many alliances to which we are part. The Soviets face a similar situation.

These developments are not traceable to what happened in Vietnam or to the crisis of leadership in this country in the wake of Watergate, and even less to any weakening of American moral fiber. They are the result of recovery from war, dynamism and growing self-confidence of other societies, and even the logical outcome of successful policies we have pursued in the past.

Moreover, they are not transitory phenomena; they will shape our future for years to come.

Coming to grips with today's world requires that we view that world realistically. Lord Palmerston once said, "We have no eternal allies, we have no perpetual enemies. Our interests are eternal and perpetual and those interests it is our duty to follow." Our task is not to determine whether the United States should remain involved in the world or withdraw, but rather to take stock of our interests—and the commitments that flow from them—in light of changed conditions.

To do so, however, we must shed the obsolete vocabulary of isolation and internationalism. These terms are increasingly irrelevant. In countless ways, the United States is involved throughout the world and could not—even if it so desired—terminate this involvement. The all-or-nothing choice inherent in these concepts is therefore not a meaningful one.

As a result, I prefer the vocabulary of contraction and expansion—contracting those activities which respond largely to yesterday's challenges, and expanding those activities which are urgently required to meet today's challenges. Our resources are not unlimited, and we must ensure that in planning for the future we direct our financial and intellectual assets where they are most needed.

This imperative can best be understood by examining in turn the four basic ingredients of our foreign policy—the military, diplomatic, economic and ideological.

Overall, I believe that the United States has overextended itself militarily, overestimating the contribution and influence of military power in world affairs. A strong military posture will always be essential to American security, but we must not engage in a futile pursuit of a meaningless superiority in strategic nuclear armaments; nor should we cling to our fixation on developing an increased capability to intervene militarily in every spat that occurs in any nook and cranny of the world.

It is particularly distressing and dangerous in my view to propagate the reckless rhetoric of military intervention to solve our energy problems and of matching every Soviet development in every area of strategic armaments without regard to the overall balance of destructive force.

Our mania for military expansion abroad, most disturbingly exemplified in the Indian Ocean, must be constrained and our overseas base structure pruned back. We must recognize what one writer described as the limits of intervention and devote as much energy and resources to devising means of mutual restraint around the world as we now do to responding to every move by our principal rivals.

Moreover, we must become more committed to pursuing our security interests through arms control—multilateral as well as bilateral. By this I do not mean the garage-sale brand of agreements which have characterized many of our past efforts, but real arms control which forces both the Soviet military establishment and our own to make meaningful and long-lasting cutbacks. In particular, the Mutual and Balanced Force Reductions negotiations in Vienna must deal with armaments as well as manpower in Central Europe, and SALT must halt the technology race in strategic arms as well as limiting the numbers of missiles and bombers.

We must also flesh out the frontiers of detente and press for ever more meaningful evidence that detente is more than atmospherics. Specifically, we should establish as a priority objective in our detente policy the mutual limitation of arms sales and grants to countries in volatile areas. In addition, we should intensify the efforts already underway to halt nuclear proliferation.

Finally, let me dispel one myth about military spending. Dollars spent for military purposes—whether weapons or manpower—are no economic boon. Defense spending is peculiarly inflationary for it pumps money into our economy without producing any consumable product or service. And studies have shown that defense spending has a far lower multiplier effect in producing secondary jobs than do other kinds of government expenditures.

Global military strength acquired at the cost of a weakened economy is no bargain, for it is our economic strength that lies at the very foundation of our international prestige and influence.

Similarly, just as militarily we have overextended ourselves, we are threatening to become overextended diplomatically. We have, I hope, learned that we cannot be the world's policeman; now we must realize that we cannot always be the world's peacemaker and broker.

I applaud Secretary Kissinger's success in negotiating the Sinai agreements, but this country should not fall into the habit of jumping into every dispute and feeling duty-bound to resolve all the world's differences. To do so is to risk being drawn too deeply into the settlement process as an interested party, not an impartial mediator. United States interests will inevitably be involved in many disputes, but we will be better able to maintain our flexibility and bring our influence most effectively to bear if we remain on the fringes of the process as much as is practicable.

Whenever possible, the United States should press for—and even insist—that the United Nations or other international organizations be responsible for peace negotiations.

The prestige of the United Nations and the perceived value of that organization to this country is probably at its lowest ebb today. America's esteem for the United Nations can be restored only if that organization is seen to be playing a vital role in peacemaking as well as peacekeeping. We have an obligation to ensure that the United Nations is prepared to play that role as well as to encourage parties to disputes to look primarily to that organization for mediation.

It is also appropriate for us to review the nature and purpose of the many alliances we are party to. While all of our security treaties date back to the period of military containment; I think it is fair to say that only NATO has a real and viable multilateral military structure. And that is as it should be, for that is the area most highly prized by our greatest potential adversary, the Soviet Union, and where the vital interests of the United States are most heavily engaged.

Elsewhere, however, there is the shadow, but not the substance of a military structure. And that is also as it should be, as that prevents us from being drawn into conflicts where our interests and obligations are not always clearly involved. The pruning of our overseas base structure, as I suggested earlier, will ensure that the dangerous shadow of inadvertent or ill-advised intervention is not transformed into the substance of another Vietnam tragedy.

But, then, what of these alliances other than NATO? What are they, and what should they be? First of all, despite the military rhetoric of East-West confrontation which surrounds them, they are increasingly forums for regional diplomatic consultation and should be more so. Let us now shelve Cold War rhetoric, which is largely irrelevant today, and devote more energy to enlivening these organizations and utilizing them for the resolution of the North-South questions which are even more pressing than those of subversion from within or invasion from outside.

As a first step in this direction, I urge that we look close to home and heal the wounds in our own Hemisphere which have inhibited a cooperative dialogue between us and the peoples of Latin America. Let us normalize relations with Cuba, our second closest Latin neighbor, and invite that nation back into the Organization of American States.

Returning to Europe for a moment, let me express my observation that the NATO Alliance is undergoing a fundamental transformation. The aberration that we considered France's withdrawal from the NATO integrated military structure may turn out to be the rule or at least a growing exception.

The relationship of Greece and Turkey, and perhaps also Portugal, to NATO integrated military structure may turn out to be the rule or at least a growing exception. The relationship of Greece and Turkey, and perhaps also Portugal, to NATO will never be the same; and we should prepare to live creatively with that reality. Let us not be misled into thinking that only by preserving the formal military organizational ties that have characterized NATO in the past can the Alliance and the solidarity of its members be preserved. We are a nation of pragmatists, and a pragmatic solution can be found to NATO's dilemma.

The third area of American global involvement is economic. For too long international economic policy has not been integrated with the other dimensions of foreign policy. Under the pressure of balance of payments deficits, an energy crisis, and the demands of raw material exporters for stable prices, we have come a long way in according a high priority to economic matters, but much remains to be done both in the Executive Branch and the Congress before a coherent international economic policy emerges.

Promising opportunities lie before us to ensure that a spirit of cooperation not confrontation characterizes international economic relations. This country has a wealth of technology, managerial skill, and food and other agricultural products to share on a mutually beneficial basis with the world at large. American business, particularly the multi-national corporations, constitutes an exceptionally effective vehicle for projecting American economic influence abroad. We must, however, make certain that American business conducts itself in a manner that reflects credit on our nation and the private enterprise system. We must not permit the image of American business abroad to become one of bribery, local political involvement, financial manipulation or disregard for local customs.

The leadership role which the United States assumed at the Seventh Special Session of the United Nations on development and international economics marks a significant turning point in United States relations with the developing world which could set the stage for a new era of economic partnership between rich and poor nations. The United States now has the responsibility to carry through in the effort to restructure the world economic system in a manner that will benefit both the developing and developed world. Let us make no mistake about it, this effort will require priority attention by this nation both in terms of ingenuity and financial resources.

The United States must also restore the high priority which the Administration of President Johnson accorded to the development and conservation of the food and mineral resources of the oceans. We are in urgent need of a comprehensive policy to cope with the problems and opportunities associated with this new frontier of economic activity.

Most of all, our government needs the leadership and commitment at the highest levels to accommodate the various international interests involved and to support the research, conservation, legal and environmental efforts required to ensure the peaceful realization of the vast benefits of the sea for rich and poor nations alike.

I spoke earlier of the heavy military/security cast to our economic assistance program. After almost twenty years in the aid business, I believe this country is mature enough to realize that the benefits of economic development and humanitarian assistance are clear and justifiable on their own merits without having to be defended in terms of the presumed political or military return to be expected from our investment in the well being of other societies. An excellent beginning is being made in this year's foreign assistance bill which for the first time treats economic and security assistance separately.

I believe, however, that economic and humanitarian assistance should in the future be expanded and channeled through international institutions such as the World Bank and the International Development Agency with no bilateral strings attached. Strict accountability to the developmental standards of the international agencies involved must, however, be preserved. Through these agencies we can promote our own interests in world stability without the risk and resentment so clearly apparent in our bilateral aid programs.

The economic dimension of detente must also be strengthened. We have much to gain if we plan wisely and do not exaggerate the political benefits that will accrue to us from economic transactions. In this connection, I see considerable promise in the linkage of oil and wheat sales with the Soviet Union which my colleagues, Senators Tunney and Dole, proposed and of which I am proud to be a cosponsor.

Finally, the United States would do well to expand its activity in what might be called the ideological sphere. As a nation we have much to be proud of, including the strength of our democratic institutions, our culture, and the creativity of our people. We have always had an interest in projecting our ideals abroad, and in influencing by example the democratic development of other nations. We must continue to do that while taking care not to substitute posturing for policy.

Ultimately, America's ability to influence others depends more on the respect, confidence, and admiration which we inspire in others as a nation rather than the military prowess which we project. The expansion of ideological scientific, and cultural involvement would also be inexpensive relative to the huge costs of our international military involvement, and I venture to say that the conclusion of a new cultural agreement will be more popular abroad than a new base agreement.

Today, the recently concluded Conference on Security and Cooperation in Europe offers an opportunity and a challenge for America and other Western nations to communicate their ideals to the peoples of the Soviet Union and Eastern Europe and continue the slow-but-sure process of breaking down the barriers that separate East and West.

The so-called Basket III of the Final Act of the Security Conference is dedicated to the facilitation of the exchange of information, people, and ideas among all the 35 participating nations. We must not be content merely to ensure that the Soviets and their allies do not violate their solemn obligations. We must seize the opportunity offered by those obligations to expand our contacts with the closed societies of the East.

Our information and cultural exchange programs throughout the world are much too modest to promote our interests. We are, for example, spending a mere 50 million dollars a year on the exchange of persons program. A tenfold increase, to increase the numbers of students, scholars, scientists and cultural performers in both the East and West, would therefore cost only 500 million dollars! Taking a broader view of our information and cultural programs abroad, we are spending only 200 million dollars when those activities of USIA which are in direct support of other diplomatic activities are factored out. Again, a tenfold increase in that amount would be 2 billion dollars—or the equivalent of two Trident submarines.

In conclusion, I urge that we readjust the balance of our participation in the world community, contracting our military and certain areas of diplomatic involvement and expanding our economic and ideological involvement. Such a readjustment requires that we re-orient our thinking away from the democracy versus communism model and recognize that the world is much more diverse and complex than it was in the 1940's, 50's, and 60's. Our rivalry with the East will long occupy an important place in our foreign policy, but it can no longer be the touchstone of that policy.

If we fail to adjust to the realities of today's world, I fear a situation in which one day we realize that the old tools of foreign policy are inadequate, but are used because they are the only ones available.

Thank you.

NEW EVIDENCE ON CONCORDE

Mr. PROXMIRE. Mr. President, recently Oliphant dispayed a cartoon in which two cavemen are pursued by a pterodactyl-like creature labeled SST. One caveman complains to the other: "I thought those things were supposed to be extinct."

Unlike the real pterodactyl, the question of the SST keeps coming back to life. Currently before us is the problem of whether to relax our environmental and safety standards to allow the Concorde access to John F. Kennedy and Dulles Airports or whether to make it subject to the same standards as new subsonic aircraft.

Actually, Keith Waterhouse of the London Daily Mirror is closer to the mark when he describes the giant aircraft as the "solid gold albatross." The British and French Governments have sunk a tremendous amount of money into the Concorde, and the commercial success of this experimental venture depends upon its use by American markets. I sympathize with the Concorde's plight. But it has become evident that the only way this experiment can succeed is by the lowering or abandonment of U.S. safety and environmental standards. To this suggestion, Mr. President, I say "no."

In the past I have pointed out here on the Senate floor numerous dangers posed by the Concorde: intolerable noise levels, greater vibration, potential ozone damage, and further air pollution. Recently, new evidence has come to light which reinforces my belief that the Concorde—or any other SST—should be banned from entering the country unless it can meet sensible environmental guidelines.

LOUD, LOUDER, LOUDEST

Since this matter last came before the Congress extensive new evidence has been developed to show the effects that Concorde-produced noise has on a large metropolitan area, in this case London. A noise survey conducted by the Greater London Council produced the following information:

On takeoff the Concorde is more than twice as loud as the noisiest aircraft now in operation and up to six times as loud as the newer, quieter jets.

Landing noise is slightly greater than the noisiest aircraft and nearly three times as loud as the newer jets.

The area of land in Greater London affected by noise from the Concorde is nearly three times that of other new long-range aircraft because the proportion of noise emitted to the side is greater than for other aircraft. This means that 12 times more people in Greater London are disturbed by Concorde noise, more than 72,000 in all. We could expect the effects to be as great in the New York and Virginia-D.C. areas.

TRAFFIC JAM

The environmental defense fund has pointed out that the Concorde may well require special air traffic procedures to assure passenger safety. Among the items stressed in an EDF critique of a recent FAA environmental impact statement on the Concorde are the following:

In order to comply with New York City noise standards the Concorde would be limited to takeoff from only one runway, 31L. Because of wind shifts takeoffs from 31L will at certain times be counter to prevailing air traffic, creating a potentially dangerous situation for all airborne passengers. Takeoff from this runway requires a specific maneuver by the aircraft to avoid populated areas, and it has not been satisfactorily proved that the Concorde can even execute the particular maneuver necessary to avoid populated areas and comply with noise regulations.

The Concorde must yet prove to the FAA's satisfaction that it can hold at more than 14,000 feet, as its makers had claimed, to stay clear of other air traffic.

In addition, the Concorde has—according to the Professional Air Traffic Controllers Organization—"a critically low fuel reserve" and would therefore be unable to remain in a holding pattern for any length of time.

PATCO also points out the difficulty in coordinating the Concorde with other, slower aircraft.

There is some question as to whether the Concorde can comply with speed limits set for various altitude levels.

The Concorde requires special attention from air traffic controllers because—again according the PATCO—"perceptual judgments * * * vis-a-vis the radar scope will be increasingly different and difficult."

Finally, in Secretary Coleman's own words, the FAA "requires that a means must be provided for the prevention or suppression of fire or explosion within the fuel tanks. The FAA has not yet determined by what method the Concorde will attempt to comply with the rule or whether that method will be adequate." A U.S. aircraft with the same fuel system would be declared illegal for reasons of safety.

THEIR PROBLEM—AND OURS

British Airways, one of the makers of the Concorde, has noted that any reduction in payload for increased fuel reserves or a safer fuel system would have serious economic consequences for the project. Mr. President, it should be clear to all that without strict operating requirements that Concorde would bring with it severe consequences for our environment and for the safety of our citizens.

For this reason I repeat that it would be a mistake to exempt the Concorde from the reasonable and necessary regulations imposed on our own aircraft.

Mr. President, I ask unanimous consent that my recent correspondence with Secretary of Transportation Coleman be printed in the Record.

There being no objection, the correspondence was ordered to be printed in the Record, as follows:

November 5, 1975.

Hon. William T. Coleman,
Secretary of Transportation,
Washington, D.C.

Dear Mr. Secretary: I am prompted by a report I have received from the Environmental Defense Fund to write to you again about your impending decision on the Concorde.

I understand that the Environmental Defense Fund has sent to you a petition for the recirculation of DOT's revised environmental impact statement on the Concorde. It appears that the environmental impact statement submitted by the FAA in May, 1975, is incomplete and at times misleading on the effects of allowing the Concorde entry to John F. Kennedy and Dulles airports. The EDF has gathered further information which seems most pertinent, and I support this group's request for a second, revised draft.

I trust that you will also take into consideration the recent noise survey conducted by the Greater London Council, which produced most interesting results. It might also be worthwhile to consult the Professional Air Traffic Controllers Organization for its view of how to handle the Concorde.

I believe it is imperative for you to consider all of the adverse environmental and safety effects which the Concorde would bring with it if allowed to circumvent the standards which apply to other aircraft.

With best wishes.

Sincerely,

William Proxmire,
U.S. Senator.

THE POTENTIAL OF SPACE

Mr. ABOUREZK. Mr. President, on October 29, the distinguished chairman of the Committee on Aeronautical and Space Sciences, Mr. Moss, delivered an important address to the First Annual William T. Pecora Memorial Symposium of the American Mining Congress in Sioux Falls, S. Dak.

In outlining some of the direct benefits we on Earth may derive through use of Earth orbiting space laboratories beginning in 1980, the senior Senator from Utah told the geologists and mining engineers that they and other scientists must begin planning now how to make best use of the new environment of space that will soon be available to us.

While I have not been a supporter of the Space Shuttle, I believe that Senator Moss has made a stimulating statement on the variety of potential benefits that could be realized through the routine use of space. I, therefore, ask unanimous consent that the text of his remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks by Senator Frank E. Moss

It is a privilege to be a part of the first annual memorial symposium in honor of William T. Pecora.

Whenever he came before the Senate Interior Committee, the members all felt a warm welcome for Bill. Everyone of us recognized what a dedicated civil servant he was.

It would seem perhaps appropriate to honor his memory with some edifice made of stone, cut from his Nation's quarries and metal drawn from its mines.

But it is altogether fitting that instead he is remembered with an annual symposium such as this one that seeks to promote the most effective development of our interior resources.

In addition to coming here to honor Bill Pecora, I've also come here today to report that there is, if you will permit me to borrow a phrase, a gusher coming in soon. It will go down in history as one of the biggest finds science and engineering have ever seen. The field is virtually unexplored, but this conference here today on Landsat has put you on the edge of that find. The question is—Is the scientific and engineering community ready and willing to bring this gusher into production? If not, our Nation is going to miss a tremendous opportunity. If not, enormous potential benefits will spill over the ground, unused, wasted.

This is not just Senatorial hyperbole.

By mid 1980, the U.S. will have a *routine* access to the environment of space. That fact will prove to be important for many industries, including your own.

Whole new families of satellites, a great many engaged in specialized remote sensing, will be able to coax the earth into revealing the location of her treasures and her threats.

What is more, NASA scientists assert that we will be able to do in space what is impossible to do in any earthbound laboratory—we can dispense with gravity! And we can free experiments from seismic vibrations, we can have ready access to an infinite vacuum, very low temperature, or very high temperature—all in a laboratory called Spacelab.

In short, the Spacelab will be an absolutely unique place for research—including research that will impact the mining industry. For example, without the interference of gravity it is possible, say the scientists, to create entirely new alloys of metals never before seen on earth. If they prove to be economically attractive, the current relative value of different metals may be shifted because of these alloys.

Giant crystals have already been grown in the weightless, vibration-free environment of space on board Skylab and Apollo-Soyuz. No doubt there eventually will be an industry devoted to sending large quantities of small crystals from earth to space to be melted down and grown into large crystals for use by the electronics industry.

Moreover, this research in space will result in a more fundamental understanding of the physical properties of materials. Space-borne research will clear away the masking effects of gravity to reveal characteristics hidden since the beginning of science.

However, for the scientific and engineering resources of this Nation to be ready for the coming routine availability of space, the preparation must begin now. It would be foolhardy to expect NASA to handle all the planning alone. And likewise, it would be unwise for NASA to seek to retain dominion over all the policy planning. They provide the space transportation. Ultimately the payloads are the province of the scientific community.

Consequently, I have written Jim Fletcher, the Administrator of NASA, a letter requesting that NASA develop a plan, a plan to secure the maximum possible involvement of the Nation's scientific and engineering community to determine how the space environment can be used to best meet national priorities to solve problems that plague us here on earth, including the problems of locating mineral resources. We must act now to ensure that future American activities in space will be dedicated to the *service* of mankind and not just to the glory of mankind.

The letter to Dr. Fletcher requests that NASA include a broad spectrum of scientists and engineers from the private sector as well as from universities.

But the engineering and scientific community will do more than just determine *how* we will use the environment of space. They will also be the participants.

One of the further requests in the letter is that NASA's plan should include an identification of the most appropriate engineers and scientists to participate in the investigations which will be conducted in space. This NASA plan should provide these individuals with *funding* for their selected investigations.

Beyond that, some of these scientists and engineers will participate to a much *higher* extent than has been the case in the past. Some of them will be selected as "on-board" researchers. That is, they will ride the shuttle into space and carry out their experiments in the Spacelab.

Now we're not talking about creating some elite corps of scientists-astronauts or about running a manned space program devoted to training people for the rigors of space. It appears that just about anyone in average good health can ride the space shuttle into earth orbit and return home none the worse for wear. Just think of Spacelab as a mobile laboratory.

No doubt several of you in this audience will be going up there within the next decade.

Now obviously, the interests of the mineral exploration industry in the emerging utilization of space are aimed at remote sensing—and in particular at the Landsat program.

So, it is appropriate to limit these remarks to reviewing how the Landsat program got to where it is today and to include a look forward into the future. In particular, it is important to discuss how this plan requested of NASA might affect Landsat and geologists' use of space.

A word of caution is appropriate here. Whenever asked to *predict* the near-term future, it is preferable to be quoted as having "speculated on" rather than having "predicted." But as the requested time horizon is extended out to where we may assume I'll never be called to account for my speculations, you may refer to them as "predictions."

With that in mind, let us proceed with a view of Landsat's recent history.

Looking back one must admire the managers of the Landsat program because they have had a big job on their hands. The whole thing calls to mind attempts to start a *computerized dating service*. You're all familiar with this—you fill out the questionnaire on what you are like and what kind of evening companion you want and the service furnishes you with the vital statistics of a number of selected candidates.

First, to start such a service, one has to find out just what kind of data each user is looking for. While generally the user knows what he wants, sometimes he doesn't know what he really needs.

Second, one has to build a data collection system that can zero in on that most desirable data and exclude everything else. The user doesn't have the time or the money to do the filtering himself on a case by case basis.

Third, and most important, one must maintain a continuity of data. Otherwise, the users will return to their old familiar sources.

Well, we are still plugging away at the first two objectives—determining user needs and building a data system to acquire the information, but so far we have licked this third problem—continuity of data. At least with a little luck we will. Landsat B is up there and Landsat C will fly in 1977. Long-range planning for Landsat D is underway.

As this audience is no doubt aware, Landsat C ran into a little program trouble this year and was almost canceled. There would have been a serious discontinuity in Landsat data had the slash in the program prevailed. However, a unique event occurred, an event which has never happened before. The users of the satellite data wrote to the Congress and to NASA and pleaded to keep Landsat alive. Dr. Margaret Mead of the American Association for the Advancement of Science wrote an unsolicited letter in favor of Landsat. The Governors of 25 states recounted how valuable the Landsat data was to their states.

And so because of this outpouring of support from the users, Landsat C will fly after all. No other space program has hung in the balance this way only to be saved because people throughout the country recognized the value of the direct benefits streaming from that program and demanded their continuation. Senator Abourezk summed it up well when he said Landsat "has been called the space success story of the seventies, the most productive tool now in space and one of the best programs NASA has ever produced."

Right now Landsat is proving to be of growing utility to geologists and to the mining industry. First, it's a source of maps where maps do not now exist, especially in remote areas. Where maps are available, Landsat comes to the aid of map editors who are correcting existing maps for errors that could delay exploration.

But the major contribution of Landsat to geology has been that at last we can clearly see all of earth's visage. As does any other beautiful woman, earth prefers to hide the wrinkles on her face. But Landsat lets us stand back for a better look. Geologists call the wrinkles "linears" and oddly enough, to them the more wrinkles, the more attractive they find her.

These linears are used to refine models of tectonic deformation, to associate earthquakes with their causes, and most important—to search for mineral deposits that often accompany fractures, which many of these linears turn out to be.

In some poorly mapped areas, including parts of the United States, the number of hitherto unknown linears will increase by a factor of 2 to 5 or more—all because of Landsat.

These linears also mark areas of potential hazards to mining and building construction and road construction. Not long ago, roof cave-ins in a coal mine in Indiana were correlated with recently discovered linears in the area. So Landsat may actually improve mine safety. The construction site selection process should benefit as well.

In some ways using Landsat imagery for mineral exploration amounts to not just remote sensing, but remote, remote sensing. Not only do you observe the earth from afar, but the signs of mineral deposits that one searches for are themselves only indirect, remote indications of what lies beneath the surface.

It would serve little purpose to enumerate the technical descriptions of these subtle surface indicators such as "hazy anomalies" and a myriad of other baffling terms. Suffice it to say that the primary value of Landsat to the mining industry will be determined by how clever geologists are in interpreting these clues which Mother Nature plants about the Earth's surface.

There are other more conventional kinds of anomalies that are recognizable by Landsat. This satellite can detect snowslides, landslides, and flood areas.

And finally, new sources of potential geothermal power can be selected from Landsat imagery. So much for the present, now let's get on with a look at the future of Landsat.

Here's where the crystal ball comes in. We probably are headed for specialization of these Landsat satellites. For instance, Landsat D is in the stages of preliminary discussion at NASA. It's not even a new start yet. Assuming the program is eventually approved, the odds are that it will be optimized for agricultural studies, although it will as a consequence be very suitable for water resources and land-use planning. The chance to have a world crop monitoring capability is just too irresistible.

Senator McGovern recently proposed that the United States cooperate with other countries including the Soviet Union to develop a worldwide competence to monitor crops by means of a satellite system. My colleague from South Dakota also added that there is "no reason why with the present technology we have in space and our capacity to transmit that space picture of earth back to scientists here on earth, why we have to operate in the dark when we negotiate a wheat deal with the Soviet Union."

Now of course Landsat D, being more technically advanced, will also be much more useful than current satellites for remote sensing of mnieral resources. But a system optimized for mineral exploration would be different than one tailored to survey crops.

Eventually we may well have a Landsat optimized for mineral exploration. Now that may take a long time. First, a lot of people will have to get over the myth that Landsat is some kind of electronic divining rod for finding oil and ore deposits. Once they understand it's just a targeting device, just another face card, although a high one, in the poker game with Mother Nature, then there's hope for a satellite devoted to mineral exploration. The search for a new oil well is a five to ten year proposition, or so the experts say—Landsat may save several years of preliminary work.

Already Landsat imagery appears suitable for mapping the Continental shelf in areas of shallow water depth. The satellite can see right through the water to depths of 50 or 60 feet if the water is not too turbid. One day we will have a petroleum map of the world to correlate satellite data with known oil deposits. Perhaps a geological model will follow that will zero us in on the areas of likely oil deposits. That would make Landsat an ace in Mother Nature's poker game. Even then, Landsat's contribution will probably be erratic, long term and perhaps undramatic. But just a few oil strikes attributed to Landsat could pay for the whole Landsat program.

The people who will decide when and if we need a specialized satellite will be the scientific and engineering community itself. They must guide NASA in the selection of priorities for the proper utilization of the environment of space. Right now NASA gets guidance for the Landsat program from USGS, the Department of the Interior, the Department of Agriculture, and the Army Corps of Engineers. We need an institutional mechanism that will involve the engineering and scientific community directly in the policy planning. Groups such as those represented here today should have a voice in the planning.

Rubbing the crystal ball again, we can easily foresee that we are moving toward an all digitalized Landset data system. NASA says that means all of the imagery will be transmitted and analyzed as numbers, without converting the numbers to pictures. The Goddard facility will be able to accomplish their function in only one or two days from receipt of the raw data. If the proposed Tracking and Data Relay Satellite System—TDRSS—becomes a reality and it probably will eventually, then we will be able to relay data by satellite from remote receiving stations and cut the overall turn around time to 2 or 3 days. That is, the users will have data in hand in 2 or 3 days. If the user wants it any sooner than that, then he'll have to launch his own satellite.

As a consequence of improving the capabilities of the Landsat satellites and assuming we increase their number, we'll need more computer capability such as what is located here at the EROS Center at Sioux Falls. The computer has become as important a part of the Landsat system as is the satellite itself. It is clear that as the Landsat concept grows, the EROS Center here needs to grow with it.

The routine accessibility to the environment of space is going to have another impact on Landsat besides just expanding and specializing the effort. The Spacelab will provide an opportunity for geologists to conduct experiments in remote sensing while *in orbit*. In fact, one can easily foresee a spacelab devoted entirely to remote sensing. Geologists and other scientists would be able to experiment with tradeoffs between spectral and spatial resolutions, to conduct research with pointable "zoom" lens, different light filters, new kinds of active and passive senors—in other words to discover the proper equipment to build into advanced Landsat satellites.

The trend toward specialized Landsat satellites would be accelerated by Spacelab because user needs could be quickly and accurately determined. For instance, geologists could *optimize* the plans for a Landsat devoted exclusively to remote sensing of mineral resources.

This is not to suggest that this particular Spacelab should be a permanent, operational facility in space. After all, one could get better coverage of the earth by building many unmanned satellites. And besides we won't find many geologists willing to spend their entire sabbatical in space. But for research and development, it would be immensely valuable. There is already a precedent for this in Skylab.

Yet, there is another effect that Spacelab would have on the Landsat program. Suppose the program develops to the point that private companies would decide to launch their own remote sensing satellites? It might be prudent for the private sector to rent workspace on the Spacelab to finalize their design before committing themselves to a permanent operational satellite system.

Now of course one must recognize that there are tremendous questions to be answered concerning the international implications of a *private* eye in space. We must discourage any effort toward such a venture until these questions are resolved. Nevertheless, we can also look forward to the day when a corporation such as Comsat might be organized to manage the Landsat system.

Such a concept is not so farfetched. Comsat itself, it is said, is studying the possibility of extending their operations from communications to remote sensing.

Finally, brief reference has already been made as to how the mining and petroleum industry will be very much affected by Spacelab for reasons unrelated to remote sensing or Landsat. Entirely new metal alloys, gigantic crystals for the electronics industry appear to be only samples of what processing in space may offer.

The total impact of all this on the mineral exploration industry is beyond any Senator's powers of prediction or even speculation.

We all know that change will come and that geologists will have to retrain themselves often to keep up with the pace. In like manner, the academic curriculum for future geologists is going to be altered significantly. Already the geologist needs to know a fair amount of electronics and physics to understand Landsat imagery.

But no matter how important space becomes to the mining and petroleum industry, the motto of the American Mining Congress will remain appropriate—"From the Earth a Better Life." That's what Landsat is all about. And that, too, is what the utilization of the environment of space is all about.

Thank you.

RATIFICATION OF GENOCIDE CONVENTION URGED

Mr. PROXMIRE. Mr. President, the very mention of World War II brings horrors to the minds of myself and most Americans. We abhor the principles on which Hitler stood; we detest the type of aggression which he exerted against innocent people; we dislike the totalitarian form of government which he tried to establish; we feel indignation toward the blood-stained National Socialist regime; we fear the goals this regime hoped to obtain; we could not comprehend the killing of millions of innocent people.

In the late thirties Americans realized that unnecessary use of force as a means of governing is inherently wrong. Because of this strong belief our Nation was compelled to go to war in 1941. All our efforts were turned toward destruction of the Third Reich.

We can once again openly express a moral reprobation of such inhuman actions as genocide. The Senate has the opportunity to ratify the Genocide Convention in the U.N. By ratification the Senate can act as a spokesman for our Nation in a reenunciation of the United States belief in the "inalienable rights" of all men.

Mr. President, the Senate should consider the Genocide Convention and ratify the treaty without further delay.

RECESS UNTIL 2 P.M.

Mr. WILLIAMS. Mr. President, I move that the Senate stand in recess until 2 p.m. today.

The motion was agreed to, and at 1:10 p.m. the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. PACKWOOD).

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The PRESIDING OFFICER. Under the previous order the Senate will now resume consideration of the pending motion to proceed to the consideration of H.R. 5900 which the clerk will state.

The legislative clerk read as follows:

> Motion to proceed to consideration of H.R. 5900, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. HELMS. Mr. President, I yield to the distinguished Senator from Oklahoma (Mr. BARTLETT).

Mr. BARTLETT. Mr. President, I thank the distingiushed Senator from North Carolina.

Mr. President, within a few hours the Senate will be voting on cloture regarding the consideration of H.R. 5900, the secondary boycott or situs picketing bill.

The concept embodied in ths legislation is not new to Congress. It has been kicked around for 25 years and, in my opinion, has been wisely rejected on each occasion. But this year may be different. This year the labor beneficiaries of H.R. 5900 are pushing the legislation with greater determination and are apparently meeting with some success. And there are claims the President may sign the bill should we approve it.

Because the fate of secondary boycott legislation may lie in the hands of the Senate, more so than ever, the circumstances demand of us very cautious deliberation of these questions. Is legislation to legalize secondary boycotts necessary? Is it fair? Is it in the best interests of the Nation?

Proponents of this proposition tell us that trade unions need the power to picket and shut down entire construction projects over a disagreement with any one of the many contractors involved. This power, we are told, is necessary to give construction workers equality with manufacturing workers. But do the facts substantiate this? Is this power necessary? I do not believe so.

Surely there is no question that wage increases are a fair barometer of the capability of trade unions to bargain effectively.

Over the last 10 years, construction workers have enjoyed larger salary increases than those of manufacturing workers. The wages of construction workers have increased 94 percent over the last 10 years. In the same period the wages of manufacturing workers increased only 82 percent. It should be abundantly clear that the trade unions have not been disadvantaged by the law against secondary boycotts. Wages have increased at a significant rate, without common situs picketing. Our conclusion must be that this bill is unnecessary.

Not only is this legislation unnecessary, it is grossly unfair. Under the proposal a trade union involved in a dispute with a subcontractor would be allowed to picket and close down all operations of the general contractor related to the construction project.

This is surely unfair to the general contractor and all other subcontractors and their employees, who have no dispute whatever with the striking union. Yet, under this legislation, these individual employers would be shutdown and their employees forced out of work.

Under present law, construction unions which have a dispute with their contractor can set up a picket line to shut down the work of that contractor until the dispute is settled. One might wonder "who could ask for anything more?" Unfortunately, construction unions are asking for more. They are asking for the power to draw into their own labor problems countless other innocent employers and union members.

If unions involved in a dispute with their employer have the right to picket him, do not other unions, which have no dispute with their own employers, have the right to work? They would not under the proposal and I believe that is grossly unfair.

H.R. 5900 is neither necessary nor fair. For those reasons alone I believe it should be rejected, but another consideration deserves our utmost attention and concern. That is the economic impact this legislation will surely have on the construction industry and ultimately on the entire Nation.

Among the first and most obvious results of legalization of secondary boycotts will be an increase in the number of strikes in the construction industry. Each strike will be much more expensive because unions will be closing down the entire project, not just isolated operations at a construction project.

Unions, wielding their new picketing power, will be demanding larger wage increases, more costly fringe benefits, and new work rules, which, by design, stifle productivity and promote inefficiency.

The severe inflationary impact that major project delays and more expensive labor will have on construction costs will be felt almost immediately. And yet a greater, long term, effect of this legislation may be ever more disastrous: that is the elimination of the hearty competition which has been provided by open shop construction.

Presently, open shop builders account for 80 to 90 percent of the Nation's single family housing construction, and 40 percent of our highway and heavy construction; 50 to 60 percent of total construction in this country is open shop, and the figure is growing. Over the years nonunion construction has continued to thrive, because it is competitive in cost and efficiency.

This competition has been the single factor working against the inflationary trend in construction costs. But, if secondary boycotts are legalized, competition will be reduced.

Union workers will be striking to eliminate nonunion workers from construction sites, pursuing the goal so brazenly stated by a labor spokesman in House hearings: "To see every job in America a union job."

The bill provides the opportunity and the incentive to eliminate nonunion subcontractors from the many projects where both union and nonunion subcontractors would otherwise be employed.

Additionally the legislation will polarize the construction industry by forcing union contractors to hire only open shop subcontractors.

H.R. 5900 will not only mean the elimination of competition and higher construction costs, it will mean the denial of a basic right of working Americans, the right to decide whether or not to join a union. It will subvert the laws of 22 States directly providing for this "right to work."

As an editorial in the Oklahoma City Times, on July 24 states very succintly,

> The bill would give a few union bosses the power to suppress competition in the construction industry, which is the nation's largest enterprise. It employs more than 10 percent of your total labor force and is responsible for about 12 percent of the gross national product.
>
> Urgently needed energy projects—refineries, pipelines, generating plants, for example—could be jeopardized or delayed by a handful of union workers on a multi-trade construction job.

A major undertaking by the Oklahoma Gas and Electric Co. provides a perfect example of what is at stake with the common situs legislation.

In 1973 construction began on two generating plants in Muskogee, Okla. Oklahoma Gas and Electric Co., has recognized the need to reduce the drain on dwindling supplies of natural gas, and these plants will be the first in the State to be fired with low sulphur coal, rather than natural gas. The two power plants are being built at a cost of $235 million. One plant must be completed by the spring of 1977, the other by the spring of 1978, if O.G. & E. is to fulfill its obligations to its customers. The two power plants will supply electricity for 250,000 people. This is clearly a vitally important project. It must be completed on time, at a reasonable cost. How will this project be affected by this proposed legislation?

If the bill becomes law, the general contractor for construction must surely be prepared for new labor problems. If the secondary boycott is legalized, any one of the three unions employed by subcontractors at the site would be able to close down the entire construction project, should a labor dispute develop. The 500 construction workers at the site, union and nonunion, would be off the job.

Labor problems could delay completion of this project months or even years. The general contractor estimates additional construction costs of up to $2 million for every year of delay. To Oklahoma Gas and Electric such a delay would mean lost revenues of $50 million or more. Ultimately, every Oklahoma consumer of electricity would have to share in the costs of secondary boycotts at the Muskogee plants. This represents only one example of the widespread chaotic impact secondary boycotting could have.

With union demands that will accompany strikes, and with total project delays, construction costs, already inflated to extremes, will skyrocket even further.

Higher costs and longer delays mean less construction. The value of construction in America dropped $1 billion in the last fiscal year. Can the industry afford further decline? Can the Nation afford further recession in its largest industry?

With less construction we can logically expect greater unemployment in the construction industry. In the last fiscal year, unemployment in construction increased 100 percent. It stood at more than 20 percent in June, and reached nearly 50 percent in some areas of the country. Can the construction industry afford even more unemployment? Can the Nation afford it?

Surely, at a time when America is struggling to stabilize its economy, we could benefit greatly by a strong, healthy construction industry. Surely, we cannot afford to have our largest industry in the stranglehold of various building trade unions, struggling for its very survival.

In H.R. 5900 we have before us proposed legislation which would confer upon construction unions unnecessary and unfair new power: The power to involve neutral employers and employees in labor disputes not of their own making and beyond their ability to resolve. The power to deny the workers the right to decide whether or not they will join a union. The power to force unreasonably expensive contracts with employers, by closing down entire construction projects which are vital to the Nation. The power to retard the economic recovery of the Nation by further crippling our largest industry.

I believe that H.R. 5900 would distort the relationship between the employer and the employee. A subcontractor at a construction site would no longer be engaged in collective bargaining with his employees exclusively, as he should be. By engaging in secondary boycotts, the union employees could bring outside pressure to bear on the subcontractor. All other employers on the site shut down by secondary boycotts could pressure the subcontractor to accept union demands which he otherwise would reject. This pressure from other employers and employees would distort and subvert the collective bargaining relationship between employer and employee which should be immune from outside, external influence.

In the history of labor law, there has been an effort to balance out the power between an employer and his employees. H.R. 5900 would distort this balance and provide the opportunity and the likelihood of tremendous pressure being brought to bear upon an employer by other employers and their employees if this employer was engaged in a labor dispute with his own union.

These powers are requested in the name of collective bargaining and equality for the trade unions. Mr. President, there is a difference between collective bargaining and coercive bargaining. The difference is precisely defined by H.R. 5900.

Mr. President, I yield the floor.

Mr. GOLDWATER. Mr. President, I compliment my friend, the Senator from Oklahoma, on his remarks.

In my first 12 years in the Senate, I served on the Committee on Labor and Public Welfare. In fact, I was the ranking minority Member on that committee when my service terminated before.

The subject that we were confronted with more than anything else was the incessant demand on the part of the labor union leaders of this country that we destroy the right-to-work legislation that has been passed in this country. It was recognized long ago that Congress, even though it is dominantly controlled by the labor movement, was not and is not about to take that step.

In recent years, they have been laying emphasis on common situs picketing or, as we call it, the secondary boycott.

Mr. President, a strange thing has been happening; or, to put it another way, the union position in this country is not as favorable as unions find themselves in in other countries. I am not sure of the precise percentage of the workingmen in this country who belong to unions, and I do not think anybody can name it in a precise way, but the last figures I saw were something between 30 percent and 35 percent. This is in a country that has the closed shop. In most instances, one cannot get a job unless he is a member of a union. Yet, in the countries that do not require membership in a union in order to get a job, union membership runs as high as 95 percent.

Mr. President, in my State of Arizona we have the right-to-work law. I worked for it. I recall that when it was passed, the union leaders said, "This is the end of the unions in Arizona." We have the same percentage of our work force as members of unions as the national average, and their income has not suffered. In fact, they have benefited, because we are among the highest per capita States in the Nation.

The right to strike is a weapon of the working man, and I will defend the right to strike against any action intended to destroy it. But the right to strike on the part of one individual or one union does not mean that that strike should jeopardize the working conditions or the jobs of other people. This, I believe, works contrary to the intent of our Constitution. This is what the secondary boycott, or the common situs picketing, does. It enables one union, however small it is, to disrupt the jobs of countless other people.

Let us take a situation that we might understand here, which gives an example better than we might find in other parts of the country, because when we build buildings in Washington, we still use a great deal of marble. There are few artisans left who can work in marble, but in some cases they do have unions. There may be only 5 or 10 marble workers engaged on a building the size of a new House of Representatives office building or a new Library of Congress building. There may be as many as 2,000 other people employed in the craft unions and others. Yet, a strike started by 5, 10, or 15 people can stop the work of these other people. It is for that reason, basically, that this body and Congress generally has frowned upon the secondary boycott, even though the pressure has been tremendous on the part of labor leaders in this country to make it legal.

Mr. President, I cannot think of any worse threat to the right to life, liberty, and the pursuit of happiness than denying a man a job when he is perfectly willing to work, perfectly happy with his working conditions, perfectly happy with his pay. Yet, because one other union, whether it is one man, five men, or a thousand men, decides to strike, thereby preventing others from crossing the line, those people who are satisfied in their jobs are deprived of the right to work.

I will follow that by saying that the name "right to work" attached to free working conditions is a misnomer. We do not have the right to work in this country. It is not one of our God-given rights. We have the liberty to pursue work, if we want to, but there is nothing in the Constitution and nothing in the Bill of Rights that gives us the right to work. However, I maintain that there are many things in the Constitution that will prevent one worker from stopping the work of another worker because the first worker is unhappy with something that has no relationship to the job of the man whose job he is jeopardizing.

Mr. President, none of us who opposes this measure is foolish enough to feel that it will not eventually pass this body.

As I have said, time and again, labor practically owns the Congress of the United States. Where it does not have the committed say-so of one man because of his honest misunderstanding of it, terrific pressure will be brought to bear.

I will say that in my years in this body, there has been only one issue before Congress that has caused more mail to come across my desk. That was the Bricker amendment, many years ago. My mail is coming from union people. It is coming from workers. In Arizona, we have one of the highest rates of construction in the whole United States, because we are the second fastest growing State in the Nation and the fastest growing industrial State.

Our workers are happy. They do not want outsiders coming in and causing disruption in the work. Property owners out there, taxpayers out there, the average citizen does not want to see work stoppages caused by complaints that have no validity at all except for the desire to force a man into joining a union or to force a great majority of the workers off of the job in order to coerce the builder and the owner, the financier, whatever we want to call the person, into providing jobs.

Mr. President, we may laugh at the economic situation in this country, but bankruptcies are four times what they have ever been. The national debt, including individual debt, is now up to $2 trillion. There is not much more money than that in the United States. Yet, if we start allowing labor leaders who have no interest at all in their workers, no interest at all in the future of this country, only an interest in their own jobs—and their jobs will be judged by how many union members they force or acquire—then we are playing with very, very dangerous matches. I do not think we should be doing this.

I hope that, for some reason, we can continue this filibuster, although it has not even started, to the end that we might be able to convince some of our Members who are now inclined toward voting for common situs that it is wrong and that, if we have it, it is going to cause more trouble in their own States and across this country.

I was reading, just last night, in a national magazine how other nations are now passing us in productivity, something that, 20 years ago, no American would ever have dreamed of. But we have slipped to about fourth across the world now in the rate of productivity, while our wages have gone to an alltime high. I do not know why it is that union leaders, when they are talking about higher wages and better working conditions, cannot relate that to a higher rate of productivity, so that this Nation could continue to grow, could continue to be the world's leader economically. Instead of that, I am afraid we have some very shortsighted men heading up many of our unions in this country.

I personally look forward to the day when some younger men can rise up in the union movements, men with some knowledge of what takes place in our economic system whenever we try to disrupt the financing of a city like New York or the Federal Government, or to disrupt the productivity of workers by promising them remunerations that they cannot earn from an economic system that cannot afford to pay them.

So, Mr. President, I join others of my brethren in this body in urging, first, that we do not recognize that this bill is now the matter of business and, if it becomes that, that we be allowed to talk until we feel we have had an ample opportunity to change some minds. I shall vose against cloture and shall vote against the passage of this bill if it gets that far.

I yield the floor.

Mr. LAXALT. Will the Senator yield for a question?

Mr. GOLDWATER. Yes.

Mr. LAXALT. The Senator, of course, has been in these halls for many, many years. It is true, is it not, that secondary boycott has been hanging around the halls of Congress for some 25 years?

Mr. GOLDWATER. It has been here as long as I have been here—not quite 25 years on my part, but getting up to 24.

Mr. LAXALT. What, then, is the reason this particular legislation has not surfaced over these many, many years?

Mr. GOLDWATER. It has not surfaced because the average workingman in this country knows what it will mean. He has kept his Senators and Congressmen informed that he wants no part of it. I stated earlier that much of my mail is coming from members of unions who have no compunction about saying, "I belong to a union and I do not want to see common situs become legal in this country."

It has not bubbled up before in such a vigorous way because, until the elections of 1974, the union hold on this body was not quite as firm as it is today.

Mr. LAXALT. Is it not true further that, over the years, the percentage of open shop construction has increased measurably?

Mr. GOLDWATER. Yes, I would say that is true across the country. It has increased more, however, in the fastest growing parts of the United States—the South, the Southwest as we think of Texas, and the Southwest where the Senator and I live, and, to a large extent, in California.

Mr. LAXALT. Would not this legislation, if passed, tend to harm the union people?

Mr. GOLDWATER. It will harm, in my opinion, every workingman, whether he belongs to a union or not. I think the greatest harm that can come through coercion is the use of force to make an American do something he does not want to do. It would be similar to somebody being able to force the Senator to join an organization—not a union, say a political organization—that he completely opposes by threatening his livelihood. This is what this amounts to, pure and simple, and nothing else.

When there is a situation in any job that would cause a union to strike, after having appealed through proper channels to the management, that strike should be settled on its merits with the union striking, and force should not be allowed by causing other workers not to cross the picket line.

Let me give an example of what could happen. Right here in the Nation's Capital, a dispute arose at the Washington Post. I am not notorious as a defender of the Washington Post, but these people, instead of sitting out the efforts made to reach a conclusion, did a million and a half-dollars' worth of damage to presses. I would lay a bet that not one cent of that is ever paid, not one of those people will ever be punished. Yet if the Senator and I were unhappy with the activity of some other Senator and went out and chopped his car up with an axe, we would be in jail in short order. So we are seeing, right in the Nation's Capital, the abuse of power, and this will go on across the Nation if we allow common situs to occur.

Mr. LAXALT. The Senator and I represent "right to work" States. It has been contended here that this legislation does not have any effect upon the right to work. What is the Senator's feeling concerning that?

Mr. GOLDWATER. It may not have any effect on the right to work where there is a factor of intrastate, but try to find a job today that is not interstate.

When that applies, our "right to work" laws do not apply. All they have to do to cause a man to give up on his protection under a "right to work" law in any State is to use interstate arguments, make an interstate job out of it—which can be done. If a nail is made in Ohio and used in Arizona, the job is in interstate commerce. They can literally force a man to join that union, even though he disagrees completely with the management of the union, the members of the union, and their philosophy right down the line.

In other words, his rights under the freedom of assembly right are being abused. This has been one of my chief arguments about the whole union movement in this country. If I am a worker, I think I should want to belong to a union. They may not want me, but for the good of the whole thing, I think I would want to join. But if I did not, or if I were working for a union whose leadership supported politics that I could not condone, I would not want to belong to that union.

Yet, in many places in this country, I would be forced to associate with a philosophy and with ideas, and my money would be used to support those philosophies and ideas, even though they were completely opposite to what I might hold. This, I suggest, is merely another step in the usurpation of the freedom of the American workingman.

Mr. LAXALT. Is it not true in the Senator's State, as well as in mine, there are many situations involving construction on all levels where even though it is a union contract a union general contractor for economic or for other reasons employs nonunion help through a nonunion sub, the so-called mixed job?

Mr. GOLDWATER. It would be difficult in Arizona to find a job that is 100 percent union. We have a shortage generally of workers, and those who do not want to join are hired regardless, even though the efforts on the part of the union organizers are very strong to bring them in as, I think, they should be. I mean, that is the job of the union organizer.

But if a man does not want to belong, I do not believe there is any intimidation in the world that should be allowed to force him to join.

Mr. LAXALT. The net effect of this legislation would be to completely remove those mixed jobs, would it not, Senator?

Mr. GOLDWATER. Yes. Also, I might say, completely remove the idea of the right to work.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

(At this point Mr. WILLIAMS assumed the chair.)

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, will the Senator from Nevada yield for a question?

Mr. LAXALT. Surely.

Mr. PACKWOOD. I was listening to the colloquy between the Senator from Arizona and the Senator from Nevada, but I was in the Chair and not permitted to speak.

I want to make sure there is no misstatement on what the Senator from Nevada is driving at and the answer of the Senator from Arizona, first, with respect to the right to work on interstate commerce jobs; and second, what the point is that the Senator is making in terms of this legislation and the effect it will have on right-to-work States.

Mr. LAXALT. This whole matter, of course, arose out of the Denver Building Trades case. As I am sure the Senator knows, that was a general union contract upon which there was one nonunion subcontractor. A dispute arose concerning the Building Trades Council in which they, in effect, advised the general contractor that that situation was unacceptable. That eventually developed into a strike and a picket situation in which the entire project was eventually picketed. It was thereafter litigated, and out of that situation the Supreme Court of the United States ruled that as to those subcontractors not a party to the dispute it was tantamount to a secondary boycott and, therefore, precluded the union from imposing general picketing.

It is my conclusion, as a practical matter if not a legal matter, as concurred in by the Senator from Arizona, that when you have a bottom line result which precludes a nonunion sub and his nonunion employees from participating in any work even though a general union contract it has right-to-work implications.

Mr. PACKWOOD. Let me correct some misstatements. I think the Senator from Arizona made a misstatement in terms of interstate commerce. If you live in Nevada or Arizona and you are handling products made in Ohio or anyplace else, if they come into your State under a right-to-work law—what is it, 19 States—you cannot, as a condition of employment, be compelled to join a union, period, regardless of where the work started, because your State law controls. It supersedes Federal law, because we specifically said so in section 14(b) of the Taft-Hartley Act, and I would not want there to be a mistaken impression that you lose your right-to-work protection.

Mr. LAXALT. Might I indicate to the Senator, however, that during the course of the hearings on this bill I caused to be offered an amendment which would exempt the right-to-work States from the effect and operation of this legislation, and it was resoundingly defeated.

Mr. PACKWOOD. There are here two different things. When you say exempt the right-to-work States, what you are saying is you want all 20 States to be exempted totally from this legislation.

Mr. LAXALT. I want no misunderstanding if this legislation is passed that it is not going to have any intrastate effect within the various States that have caused in the past to effect and to approve right-to-work legislation.

Mr. PACKWOOD. It is going to have an effect.

Mr. LAXALT. It is going to have a definite effect, in my judgment. It is going to gut the right-to-work States.

Mr. PACKWOOD. No, it is not going to gut the right-to-work States, but it is going to allow common situs picketing in right-to-work States as in nonright-to-work States.

Mr. LAXALT. Precisely.

Mr. PACKWOOD. The Senator wants to exempt those States from common situs picketing.

Mr. LAXALT. That is true.

Mr. PACKWOOD. All right. There has been a mistaken impression, and I heard the statement made twice in the RECORD, if we allow this legislation to pass that in right-to-work States a primary union can put up a picket line and they can force nonunion contractors to make their employees join the union. That is not right. Under the law today it is an unfair labor practice in right-to-work States for a union to demand as a condition of employment joining the union, and under this legislation if any secondary boycott union tries to force a primary employer to make employees join the union that is an unfair labor practice, and this law does not change that.

Mr. LAXALT. But when you have statements made, as they were during the course of the House committee's hearings, to the effect that the purpose and thrust of this legislation is to make every union job totally union, as a practical matter, respectfully, you are going to preclude nonunion subcontractors and nonunion employees from participating on that job.

Mr. PACKWOOD. Not nonunion employees, because in a right-to-work State you cannot force a person to join the union.

Mr. LAXALT. Granted. But if we are going to have a situation where we are going to be able to indulge in mass picketing, and in this particular situation if we are going to have a situation, as was indicated in the House, to preclude nonunion subs from being on a union job, necessarily his employees are going to be precluded from working on that job and, to that extent, they have been deprived of their opportunity to work.

Mr. PACKWOOD. Let me make sure we are talking about the same thing.

Can the Senator define what he means by a boycott for me, and then a secondary boycott?

Mr. LAXALT. The boycott to me means any coercion compelling someone else to do something he does not choose to do.

Mr. PACKWOOD. The Senator says coercion?

Mr. LAXALT. By any type of applied pressure.

Mr. PACKWOOD. All right, when Cesar Shavez stands in front of the Safeway Store saying, "Don't buy Gallo wine or table grapes," that is a boycott, but where is the coercion? They are asking people not to go through the line or not to buy the product.

Mr. LAXALT. That is not the type coercion that would be employed here.

Mr. PACKWOOD. But that is a secondary boycott. The only reason it is allowed is because agriculture is exempt from the Taft-Hartley Act.

Mr. LAXALT. Precisely.

Mr. PACKWOOD. Where is the coercion?

One goes to the store. Do I want to go in Safeway, or not; or do I want to buy Gallo, or whatever they are picketing? Where is the coercion?

Mr. LAXALT. With anyone associated with the union going through that line incurring the wrath of the union, that is the precise type we complain about.

Mr. PACKWOOD. Senator GOLDWATER made reference, the Washington Post is on strike and the guild members are crossing the picket lines. It did not work, but where is the coercion?

Mr. LAXALT. That is an ineffective coercion.

Mr. PACKWOOD. So long as it is ineffective, the Senator does not care?

Mr. LAXALT. No, I disagree in principle, basically, to the concept of boycott. I vigorously disagree with the concept of secondary boycott because in construction particularly we are involving innocent subcontractors, not party to the dispute. We involve them and their employees and that, to me, is improper and unfair.

Mr. PACKWOOD. The Senator disagrees with the concept of boycotts, even primary boycotts?

Mr. LAXALT. To some extent, I do, philosophically, but I recognize under existing law that is a fact of life.

Mr. PACKWOOD. Let us talk about both labor and nonlabor law.

A publication comes out. One regards it as obscene, writes to the producer and the publisher and says, "Please take this off the stands, and if you don't I will try to get some of my neighbors together and ask them to refrain from buying the publication."

That is an attempted boycott.

Mr. LAXALT. True.

Mr. PACKWOOD. The Senator does not like that. The Senator does not think I, as an individual, ought to be able to write and ask my neighbors not to buy it?

Mr. LAXALT. I think one has that right.

Mr. PACKWOOD. Should I have that right?

Mr. LAXALT. But I object to the enforcement——

Mr. PACKWOOD. What?

Mr. LAXALT. I object to the enforcement of the right in that particular fashion.

Mr. PACKWOOD. What does the Senator mean, the enforcement of it?

Mr. LAXALT. Will the Senator restate his question?

Mr. PACKWOOD. I do not like the Aegis Publishing Co., because they are putting out an obscene book, or a movie company because they put out "Deep Throat." I think it is adversely affecting my children's minds. Is it all right to say that I will not go to it or any other movies they put out and I will ask my friends and neighbors to do the same thing?

Mr. LAXALT. All right, really, it can be properly enforced.

Mr. PACKWOOD. All right, and it is all right for me and my neighbors to say, "Let's not see any movies put out by that company, because we don't like 'Deep Throat?' "

Mr. LAXALT. Exactly, because they would do it voluntarily.

Mr. PACKWOOD. Do we have the right to go to the movie theater and to encourage our neighbors not to see the picture or any others put out by that company? Does the Senator support that?

Mr. LAXALT. Do I support their right to do that? Yes.

Mr. PACKWOOD. That is a secondary boycott.

Mr. LAXALT. It is.

Mr. PACKWOOD. And that is all right. It is all right to go to that theater, which is a secondary employer, and say, "We will not patronize you and try to keep others from patronizing you," and we will picket it and say, "Don't go to that theater, because they show 'Deep Throat.' "?

Mr. LAXALT. In this particular situation, I do not see that innocent neutrals would be affected.

Mr. PACKWOOD. What about the movie owner?

Mr. LAXALT. He is not innocent.

Mr. PACKWOOD. But a union that has a dispute with the Aegis Publishing Co. or the Aegis Motion Picture Co. cannot go to the theater with a picket sign, because we do not like what the movie producing company is doing?

Mr. LAXALT. That is the state of the law.

Mr. PACKWOOD. But how does the Senator distinguish between those two? Why can we, and others, as a private citizen, make all the fuss we can and ask third parties not to patronize that movie theater, but a union cannot do the same thing?

Mr. LAXALT. In this particular situation, I do not think the type of matter the Senator is depicting is analogous to what we are considering here in the construction industry.

Mr. PACKWOOD. I am trying first to get the theory of what kind of a boycott it is, and secondary boycotts, the Senator is opposed to.

I will argue at a later time I do not think common situs picketing is a secondary boycott, but we will get to that in due time.

That example I gave about the neighbors picketing the theater is, indeed, a secondary boycott, endeavoring to bring pressure on that theater, and that is all right, the Senator says?

Mr. LAXALT. Yes.

Mr. PACKWOOD. I want to take it a step further. Is it all right for the union that has some kind of a controversy with the movie publishing company to picket that theater and say, "Please don't patronize that theater because we don't like the movie producing company?"

Mr. LAXALT. I think it would be all right. There would be no compulsion upon anybody to observe that line.

Mr. PACKWOOD. So that kind of secondary boycott is all right, even though it is engaged in by a union and they are asking, basically, the patrons not to cross the line?

Mr. LAXALT. Right.

Mr. PACKWOOD. That is identical to Chavez picketing Safeway and saying, "Please don't buy the Gallo grapes."

Mr. LAXALT. Correct.

Mr. PACKWOOD. On the common situs construction, the union puts out a picket sign, the carpenters union, the plumbers union, and says, "Please don't patronize this site, we have a dispute with the plumbing contractor."

Where is the coercion as the other employees come to work, where is the coercion that prohibits them from crossing the line?

Mr. LAXALT. I think it is implicit.

Mr. PACKWOOD. Well, that is it?

Mr. LAXALT. It is the fact that they would not cross that line unless there were very definite sanctions.

Mr. PACKWOOD. Say that again.

Mr. LAXALT. The Senator is speaking of a situation where they are asking union people to walk through a picket line.

Mr. PACKWOOD. It is a voluntary choice, is it not?

Mr. LAXALT. Yes, it is, with quotation marks.

Mr. PACKWOOD. Where is the coercion?

Mr. LAXALT. It is implicit.

Mr. PACKWOOD. I do not understand what it is. What is the implicit coercion?

Mr. LAXALT. It would seem to me, if one has a union chief speaking in terms of walking through a picket line, the ramifications of his walking through that picket line would be rather difficult for him, in any event.

Mr. WILLIAM L. SCOTT. Will the Senator yield?

Mr. PACKWOOD. No, I have the floor and I am not prepared to yield yet.

I started out in this business with an entirely different background and circumstance. When I finished law school I clerked for 1 year on the Oregon Supreme Court. I worked for a large Portland, Oreg. law firm and I was immediately placed in their labor law department.

I had been there only a short period of time—I was low down in the hierarchy—but I was involved in the negotiations for a new contract with various Portland, Oreg. printers unions.

It became obvious in the negotiations that we were going to have a strike. The parties were very far apart. The paper at that time was owned by Samuel Newhouse.

We received instructions that we would be prepared to take the strike and on the day when the strike came and the pickets went out, we had made arrangements, legally, to recruit replacements from all over the country and we brought people in, put them in hotels, kept the paper going.

About 30 perecnt of the union members who had been at the paper previously also came to work, crossed lines.

That strike went on for 7 years. The chief union negotiator went to prison for dynamiting the trucks, the nephew of James Newhouse was shotgunned in his basement. It was never found out who did it. It was a tough, bloody strike.

The upshot is that the Oregonian beat the union and it is now today nonunion.

So I come back again. Where is the coercion that makes it, somehow, absolutely impossible for an employer to operate?

Mr. LAXALT. Of course, the Senator is arguing from the specific and trying to draw a conclusion to the general.

The fact is that historically in this country, particularly from the time that this Congress saw fit to pass the Wagner Act, there was abuse after abuse in connection with the use of secondary boycott, with all kinds of attendant circumstances, including violence, to the point where this Congress saw fit in the Taft-Hartley Act to impose very definite limitations on union activity which, basically, were thrusts at limiting the rights of the secondary boycott.

Mr. PACKWOOD. The Senator, a moment ago, said he had no objection when I used the movie argument, to let the company that had a dispute with the movie company walk up and down and say, "Do not go into the movie."

Mr. LAXALT. There has been no problem with that. But that type of activity under 8(b)4 would be precluded and illegal.

Mr. PACKWOOD. That is correct, but the Senator said he had no objection.

Mr. LAXALT. I have no objection, but that is the state of the law.

Mr. PACKWOOD. But the Senator would be willing to change the law in that respect?

Mr. LAXALT. I might be willing to change the law in that kind of a situation, but I certainly would not apply it to the construction situation. It is entirely different.

Mr. PACKWOOD. Basically, the Senator said he did not mind that kind of conduct because he regarded it as ineffective.

Mr. LAXALT. Yes.

Mr. PACKWOOD. The kind of boycotts the Senator objects to are the effective boycotts, the ones that work. So it is really not a principle that bothers the Senator. It is the effective boycott or ineffective boycotts.

Mr. LAXALT. Do not be stating my principles for me. Principles can be a matter of degree and they are in this situation. When one involves a secondary boycott problem involving the construction industry with the problems that we have had incident to construction unions which caused this Congress to take appropriate corrective action to the Taft-Hartley Act, we have a wholly different situation.

Mr. PACKWOOD. Is this not the only difference: When the union pickets walk up and down in front of the movie theater, admittedly it is not very effective. Maybe a few more people do not go or a few less do go, because they do not like the unions, but the movie goes on.

The Senator's basic objective is, I believe, that most building trades men and women will not cross the picket line of another building trade. It is an effective secondary boycott.

Mr. LAXALT. I think that is partly it.

Mr. PACKWOOD. And yet every one of them has the voluntary choice to cross or not to cross, and there is not one whit of coercive pressure that their union can bring on them, not one, if they cross that picket line, which can cause them to lose their job.

Mr. LAXALT. I do not think one can seriously contend that there is not a bit of coercive pressure involved.

Mr. PACKWOOD. That can cause them to lose their job. They can kick them out of the union, but not cause them to lose their job.

Mr. LAXALT. That is for certain. But I think the mere prospect of being kicked out of the union with the ramifications of that action represents coercion at its worst.

Mr. PACKWOOD. What are the ramifications?

Mr. LAXALT. Of being thrown out of a union?

Mr. PACKWOOD. Yes.

Mr. LAXALT. If they are working in a given area this will have definite ramifications as far as their working within the union community is concerned.

Mr. PACKWOOD. Why? They are still entitled to work for any employer that has union or nonunion employees. They can go to work, even in a State that has a union-shop clause.

Mr. LAXALT. Yes, they can do that, but I think that this type of union person who once makes that commitment and is thereafter removed from the union framework will suffer if he has made that philosophical judgment.

Mr. PACKWOOD. He will suffer how?

Mr. LAXALT. By not being union.

Mr. PACKWOOD. What kind of suffering?

Mr. LAXALT. I would think probably if he made the judgment——

Mr. PACKWOOD. He is denied the pleasure of going to the union meetings. Terrible.

Mr. LAXALT. And I would think he is denied the pleasure of receiving additional compensation over and above the usual nonunion person.

Mr. PACKWOOD. Explain that to me. I do not follow that.

Mr. LAXALT. Our studies indicate during the course of research on this bill that in construction the average union worker receives far greater compensation than does the nonunion worker. That lies at the bottom of much of this legislation as well because it has very distinct economic ramifications.

Mr. PACKWOOD. The Senator is saying this, if I understand what he is saying: A fellow is not union but he goes to work, there is a union contract on the job, and the union painters are paid $8 an hour, but he is likely to be paid $7 because he does not belong to the union.

Mr. LAXALT. Right.

Mr. PACKWOOD. In that case he might join the union again.

Mr. LAXALT. He might, but he would have a tough time in getting back into that union if he walked through a picket line.

Mr. PACKWOOD. They might not let him back into the union, but they cannot keep him off the job. That is the critical thing that we all seem to be talking about. Senator GOLDWATER referred to the liberty to search for a job. That cannot be denied. It cannot be taken away by a union or taken away if they kick a person out of the union.

Mr. LAXALT. It can be, as a practical matter. We get back to the fact that the entire controversy arose out of the Denver Building Trades case. The nature of that was to drive a nonunion sub and his employees off that job. If this does not have right-to-work ramifications, I have never heard of it.

Mr. PACKWOOD. And the Senator would not object to it unless it was effective?

Mr. LAXALT. I object to it in principle in the construction business, generally.

Mr. PACKWOOD. Would the Senator object to it in principle in the construction business if it did not work, if the unions all crossed the picket line?

Mr. LAXALT. I would still object to it. I think it would be harmful. That is academic anyhow, because it simply will not happen.

Mr. PACKWOOD. Mr. President, I yield the floor.

Mr. WILLIAM L. SCOTT addressed the Chair.

The PRESIDING OFFICER (Mr. PACKWOOD). The Senator from Virginia.

Mr. WILLIAM L. SCOTT. Mr. President, I rise in opposition to the consideration of either the House or the Senate bill.

We are certainly interested in the exchange of views between the distinguished Senator from Nevada. The unions have various ways in which they can harass people who do not abide by union rules. I remember a constituent of mine in one of our Government agencies, and I represent a State just across the river, indicated various tricks that had been played on him. This was the Government Printing Office. Human feces was placed in his locker, in his shoes, and among his clothes. All sorts of things were done, because he would not join a union.

I believe the distinguished Senator who is occupying the chair knows that these things are done from time to time. I doubt very much that he would condone any such action as this, but there are things short of losing a job that can be done. This man told me his health was affected. I took it up with the Public Printer. I hope it was helpful. It has been some years ago now. In fact, I think it was while I was serving in the House.

Mr. President, my mail, telephone calls and postal cards received in the office are all heavy in opposition to this measure. As is known, I represent a right-to-work State. I am told that we have received more than 4,000 postal cards, all of them in opposition to the situs picketing bill. We know this has generated mail, but, nevertheless, more than 4,000 Virginians have seen fit to sign their name and send in these printed postal cards within the past 3 weeks, indicating their opposition to the situs picketing bill.

We seldom get this high a number of postal cards, whether it is generated or not.

I am told that over the past several months we have received from 1,000 to 1,500 letters, approximately 10 to 1 in opposition to the situs picketing measures, whether the House or Senate version. Substantially all of our telephone calls—and Virginians can call Washington, those in northern Virginia, without paying a toll charge and frequently do call—are in opposition to the bill.

We know that we are discussing a very controversial measure. The business community is uniformly opposed to this measure.

We know that we have higher unemployment in the construction field than we do in almost any other field of endeavor.

The PRESIDING OFFICER. Will the Senator suspend briefly?

Under the previous order, the hour of 3 p.m. having arrived, the 1 hour provided under rule XXII will now begin, the time to be equally divided between and controlled by the Senator from North Carolina (Mr. HELMS) and the Senator from New Jersey (Mr. WILLIAMS).

Mr. HELMS. Mr. President, I yield the Senator from Virginia such time as he may require.

Mr. WILLIAM L. SCOTT. Mr. President, I am opposed to the common situs picketing bill, either the House version (H.R. 5900) or the Senate version (S. 1479) that is being debated at this time.

Passage of either bill will effectively rewrite the labor law as we presently know it with regard to the construction industry. I am told that this segment of the American economy represents approximately 10 percent of the gross national product. It employs 5 percent of the labor force. And according to recent labor statistics, the industry has one of the highest unemployment rates. The enactment of the bill into law would have a devastating effect upon the construction industry by increasing the likelihood of further unemployment, when whole construction sites can be closed down, because there is difficulty with one of the subcontractors or with the general contractor.

The costs of new buildings and other structures will rise more than they have risen in the future, because of the new uncertainty introduced into an already unstable situation. By allowing construction unions to conduct what amounts to secondary boycotts against employers and workers not involved in primary disputes, we will be giving the sanction of Federal law to union monopoly power in the construction industry. Armed with the power to close entire projects, union officials will be able to dictate what subcontractors, suppliers, and other supporting companies a general contractor can do business with.

The costs in both time and money of such shutdowns will be borne not only by the unions and the contractors involved in the dispute, but by every worker, by every subcontractor, by the ultimate owner of the product, by suppliers, and by other business firms. It is an accepted fact that costs are passed on. They seldom stop with the individual or firm by which they are incurred. So who would be the ultimate loser? The consumer? The taxpayer? The citizen?

Citizens do not earn money when they are on strike or when a project is closed down due to a strike. Therefore, because of our fragile economy, I doubt that this is the time to expand on the opportunity for strikes.

This measures would add another element of uncertainty to the construction business, which already is a high risk business. Each contractor stakes his business, his future security, and his livelihood upon his ability to estimate cost and time requirements, his ability to complete the job according to the developer's specifications or schedule and at the most economical price. The general contractor should be free to choose the subcontractors, the construction methods, the materials which will enable him to achieve these goals, and not be forced to submit to the dictates of union organizations over which he has no direct control or relationship.

This bill would adversely affect the primary purpose of the National Labor Relations Act, to promote "orderly and peaceful procedures for handling labor disputes." Additionally, the Supreme Court decision in *National Labor Relations Board* v. *Denver Building Trades Council,* 341 U.S. 675, would be completely overturned, and more than 25 years of case law negated.

I do not believe the public interest would be served by the adoption of either of these measures. We need more construction. We need more jobs. But these bills would further limit the job market. I urge that the cloture motion be defeated, and that the leadership withdraw these bills from further consideration after the vote on the cloture motion today.

We have many important measures to consider before the end of this session of Congress. Only today I noted the appropriation bill for the military, or a synopsis of it, that came across our desks. There we are talking about a bill involving more than $90 billion. It just seems to me that we should not be taking an undue amount of the time remaining in this session of Congress to argue over something of this nature, that would further restrict the economy and would put more people out of work.

Mr. President, I appreciate the distinguished Senator from North Carolina yielding this time to me in order to present my point of view to the Senate.

Mr. PACKWOOD. Mr. President, will the Senator from New Jersey yield me 5 minutes?

Mr. WILLIAMS. I yield 5 minutes to the Senator from Oregon.

Mr. PACKWOOD. Will the Senator from Virginia yield for questions on our time?

Mr. WILLIAM L. SCOTT. Gladly.

Mr. PACKWOOD. The heavy emphasis in the Senator's comments on the economic impact on construction was on homes and buildings, if this legislation passes, it that correct?

Mr. WILLIAM L. SCOTT. That is one of the things. I will be glad to discuss this matter further with the distinguished Senator.

Mr. PACKWOOD. I have not had a chance to read the Senator's statement, but one of the reasons, I take it——

The PRESIDING OFFICER. Will the Senator from Oregon use his microphone?

Mr. PACKWOOD. One of the reasons that the Senator from Virginia indicated was the economic impact that this measure can have on the construction industry.

Mr. WILLIAM L. SCOTT. There is no question in my mind that it will have an adverse economic impact, yes.

Mr. PACKWOOD. But any strike does.

Mr. WILLIAM L. SCOTT. Yes.

Mr. PACKWOOD. Any shutdown does.

Mr. WILLIAM L. SCOTT. Yes. The Senator is quite correct.

Mr. PACKWOOD. Where do we draw the line on balancing the right to strike versus the economic impact?

Mr. WILLIAM L. SCOTT. My position on this—and the distinguished Senator has every right to disagree with it—is that within the construction industry, and the Senator well knows this, we generally have a general contractor. He may have many subcontractors. He may have an electrical subcontractor, a plumbing subcontractor, a brick subcontractor, and it goes on and on. Various ones do this. There may be a disagreement among the plumbers, and I do not believe that a disagreement among the plumbers should shut down the construction of the whole building under consideration. To me, that is what this bill would permit, contrary to the present law, and I am opposed to this. My constituents are opposed to it. I am going to vote against it.

Mr. PACKWOOD. Let me come back again to my question, if I might, and for the moment let us forgo whether this is primary and secondary and talk about primary strikes, which this bill does not affect. They are legal. However, there are certain circumstances where they can prohibit it. The Taft-Hartley Act can prohibit it for 80 days, if it has an adverse economic effect on the entire Nation.

I am curious why the Senator from Virginia draws the line between the adverse economic consequence of a strike, be it primary or secondary, and the welfare of the Nation in terms of the economy. When do we say no matter what it does to the economy this is where we stop it or draw the line?

Mr. WILLIAM L. SCOTT. We do not have the general right to strike before us today. We are talking about a specific bill that relates to the construction industry.

I say to the distinguished Senator that I sponsored a bill, a national right-to-work bill. It would let people join or not join a union in every State of the Union.

But it is not going anywhere, and we are not talking about that today.

But neither are we talking about the things the distinguished Senator brings up. We are talking about the situs picketing bill that is now before us, and all of these things, that the Senator is talking about, are side issues that really do not relate to the matter under consideration, in my opinion.

Mr. PACKWOOD. It is not really a side issue. If one of the arguments to be raised in objection to this bill is that it has an adverse economic effect on the Nation, and if the followup to that is, therefore, the bill should not be passed, then at some stage we have to think in our minds where do we draw the line? Where do we say the right to strike is more significant than the adverse effect? Where do we say the economic effect is so bad that we are going to prohibit the right to strike?

Mr. WILLIAM L. SCOTT. Please understand, I believe in the right of labor to organize and to bargain collectively. I believe in the right of labor to use the ultimate weapon, which is the strike, but I am saying that to further expand the rights of labor is untimely. This is not the time when the construction industry is suffering as it is.

The PRESIDING OFFICER. The 5 minutes have expired.

Mr. PACKWOOD. Mr. President, could I have 5 more minutes?

Mr. JAVITS. Mr. President, I give the Senator 3 more.

Mr. PACKWOOD. I am sorry. Three more.

The PRESIDING OFFICER. The Senator from Oregon is given 3 additional minutes.

Mr. WILLIAM L. SCOTT. I am not trying to take anything away from labor. But I am only saying that I do not believe this is the time to further restrict an industry that is suffering more than most industries in the Nation.

Mr. PACKWOOD. Mr. President, I will yield back the remainder of my time.

(The following proceedings occurred during the presentation of Mr. WILLIAM L. SCOTT's remarks:)

Mr. BUMPERS. Mr. President, will the Senator yield?

Mr. WILLIAM L. SCOTT. I yield.

Mr. BUMPERS. Mr. President, I have three amendments at the desk, one to S. 1479, one to H.R. 5900, and one to H.R. 5900 as amended by the Senate committee. I ask unanimous consent that all of those amendments be considered as read.

Mr. WILLIAM L. SCOTT. Mr. President, reserving the right to object, and of course I shall not object, will the distinguished Senator from Arkansas agree that this request will not intervene within my presentation?

Mr. BUMPERS. Certainly. I am very happy to make that request. As I recall, we got into a considerable flap not long ago about whether certain amendments had been read or not before cloture was voted.

The PRESIDING OFFICER (Mr. PERCY). Without objection, it is so ordered.

(This concludes the remarks made earlier in the proceedings.)

Mr. JAVITS. Mr. President, we are now considering a carefully and narrowly drawn bill, S. 1479, designed to correct an anomoly in the case law under the National Labor Relations Act concerning the proper distinction to be drawn between strikes permitted by unions against employers with whom they have a lawful dispute, and those strikes prohibited by the act, because they are aimed at forcing "secondary" neutral employers to cease doing business with the primary employer.

We should recognize at the beginning that the subject matter of this bill before us involves the basic rights and responsibilities of labor and management in conducting labor relations as prescribed by the National Labor Relations Act. Fundamental to that policy is the right of labor and management to invoke the use of economic weapons, including the right of a union to strike the employer and the right of the employer to lockout its employees. Although the right to strike is by no means unlimited, the act, in section 13, specifically recognizes and preserves this basic prerogative of workers to withdraw their services. It states:

> Nothing in this Act, except as specifically provided for herein, shall be construed so as either to interfere with or impede or diminish in any way the right to strike, or to affect the limitations or qualifications on that right.

One of the specific limitations on the right to strike is section 8(b)(4), which bans secondary boycotts and affirms the right of employers to be immune from labor pressure when they are not directly involved in the dispute. This section was adopted as part of the 1947 Taft-Hartley amendments to the National Labor Relations Act, and subsequently modified in amendments to the act incorporated in the 1959 Landrum-Griffin Act. Because the distinction between lawful and unlawful activity under section 8(b)(4), and under other provisions of the act, is less than precise, it has been left to the National Labor Relations Board and the courts to make these distinctions which involve the inherent conflict between the right to strike and the right of neutral employers to remain unaffected by a labor dispute.

Just such a distinction between permissible and prohibited activity under section 8(b)(4) has erroneously been drawn by the NLRB and the Federal courts with respect to the picketing rights of labor in the construction industry. The Board, with judicial affirmation, has drawn a line creating an illogical and inequitable distinction concerning these rights which requires congressional modification and correction. Erasing this distinction and overruling the case law creating it is the limited purpose of S. 1479.

I believe that this issue, and the provisions of the legislation, can best be understood by explaining the underlying case law. The principle case is that of *NLRB* v. *Denver Building Trades*, 341 U.S. 675 (1951). Denver Building Trades, which was decided shortly after the enactment of the Taft-Hartley amendments, and subsequent decisions relying on its rational, have in my jdugment produced an unintended and unwarranted result and must be overturned.

In that case the NLRB had ruled in 1949 that picketing to appeal to all of the employees at a construction site was a violation of section 8(b)(4). In protest of the presence of a single nonunion subcontractor at the construction project, the Denver Building Trades Council picketed the entire site, labeling the job as "unfair." All of the union building tradesmen at the job site refused to cross the picket line. Two weeks after this "common situs picketing" commenced, the general contractor terminated the contract of the nonunion electrical subcontractor. That subcontractor charged, and the NLRB agreed, that the picketing by the Denver Building Trades Council constituted unlawful secondary activity under the act.

Although reversed by the U.S. Court of Appeals for the District of Columbia, the Supreme Court upheld the ruling of the Board in a decision which ignored the economic realities of the construction industry with its highly integrated relationship among all contractors and subcontractors at a construction site. The Court held that each of the contractors and subcontractors are separate employers, and therefore picketing in support of a labor dispute with an employer at a construction site cannot enmesh other contractors at that site. All of the other employers at the site must be considered neutral for purposes of section 8(b)(4).

The Denver Building Trades decision, in my judgement, is entirely inconsistent with the legislative history of the NLRA, as well as the economic realities of the construction industry. The secondary boycott provision of section 8(b)(4) cannot be literally construed. They must, for example, be read in light of the right to strike preserved in section 13. Moreover, the true secondary boycott, rightfully prohibited by the act, is against one who is not a party to the labor dispute. The picketing becomes offensive to the act when it causes such a neutral employer to cease doing business with the employer with whom the union has the dispute. The unlawful secondary boycott attempts to bring outside pressure to force an employer to settle with the union on its terms. But this is clearly not the circumstance involved in the Denver Building Trades case and other like situations in the construction industry.

In Denver Building Trades, the picketing was conducted at the common situs of the contractor and his subcontractors. The purpose of the picketing was to create an all-union job site. It should be emphasized that the picketing was not designed to require the nonunion electrical subcontractor to recognize a union, rather it was merely in protest against the presence of nonunion electricians. As Secretary Dunlop stated when he testified in support of this legislation:

> Both sides in the construction industry have long been of the general view that a construction site should have a common labor relations policy regardless of how many separate contracts or contractors, prime or subcontractors, are involved. The mixing of labor policies is not conducive to industrial peace, productivity, or good management.

I agree with this statement and can only conclude that it flies in the face of sound Federal labor relations policy to construe section 8(b)(4) of the act to prohibit common situs picketing at construction projects.

I believe that the highly integrated nature of the construction workplace with various interrelated contractors and their employees is sufficient to establish that the Denver Building Trades case should not finally determine the situs picketing issue. That it has also created an anomoly between picketing rules applicable to workers at industrial facilities, and those applicable to construction tradesmen, is demonstrated by the Supreme Court's subsequent ruling in a 1961 decision, known as the General Electric case, *Local 761 IUE* v. *NLRB* 366 U.S. 667.

In the General Electric case, there was a dispute between General Electric and its employees represented by the IUE at a large industrial site. The IUE, representing a production and maintenance unit, was engaged in a lawful strike. Its picketing in furtherance of that strike included appeals to the employees of an independent contractor at a gate reserved for its building and construction trades employees.

The Supreme Court held that the picketing of independent maintenance contractors is permissible, and does not violate the secondary provisions of section 8(b)(4), where the primary dispute is with the industrial employer—GE—and work done by the independent contractor is related to the normal operations of that industrial employer. The Supreme Court, in this case, thus enunciated the related work doctrine applicable to employees working at industrial sites. Notwithstanding this holding, the Denver Building Trades case is to this day the applicable law at a construction site.

The Supreme Court later amplified its decision in *Steelworkers* v. *NLRB* (Carrier Corporation), 376 U.S. 492 (1964). In Carrier, a plant industrial union failed to reach agreement with the company on a new labor contract and struck in support of its demands. The union picketed all of the entrances to this plant, including a railroad line used for deliveries to Carrier and to other companies in the area. The specific incident involved a train destined for use by Carrier. As it approached the spur, the pickets attempted to prevent the train from entering the gate and picking up Carrier products. The NLRB found that the services of the railroad employees were connected to the normal operations of the struck corporation and thus upheld the picketing as primary, relying upon the rationale of the GE case.

The Supreme Court affirmed the Board's decision, observing that although the activities were literally secondary activities as defined in section 8(b)(4), they are nonetheless within the protected area of primary picketing preserved by Congress. In addition to adopting the work relatedness test of the GE case, the Supreme Court noted that—

> The primary strike, which is protected by Section 8(b)(4) is aimed at applying economic pressure by halting the day-to-day operations of the struck employer . . . Picketing has traditionally been a major weapon to implement the goals of a strike and has characteristically been aimed at all those approaching the situs whose mission is selling, delivering or otherwise contributing to the operations which the strike is endeavoring to halt. In light of this traditional goal of primary pressures, we think Congress intended to preserve the right to picket during a strike a gate reserved for employees of neutral deliverymen furnishing day-to-day service essential to the employer's regular operations.

In sum, the Denver Building Trades case remains an anomaly which has created picketing rules applicable solely and inequitably to the construction industry. Eliminating this disparity is the limited objective of S. 1479.

It should be further understood that this legislation, in reversing the Denver Building Trades case by removing certain restrictions on peaceful picketing over labor disputes at construction sites, also contains a number of safeguards designed to insure that common situs picketing is conducted in a responsible manner.

Before engaging in common situs picketing as provided by this legislation, a labor union must first give at least 10 days advance written notice of its intention to strike to all of the other unions and all of the employers and the general contractor, at the construction site, and to any national or international labor organization with which it is affiliated. A related requirement is that when the union is affiliated with a national or international labor organization, that organization must give its written approval of the common situs picketing before it may occur.

Read together, these requirements will provide a "cooling off" period during which the local parties and the national labor organization will have the opportunity to resolve the dispute without resort to a work stoppage. These legislative provisions incorporate our trust in the mediating influence of the international building trades organizations which will receive these 10-day common situs picketing notices. I expect that during this 10-day "cooling off" period the international unions will take an active role in attempting to resolve the underlying labor disputes peacefully and thereby eliminate the need to engage in a work stoppage through common situs economic activity.

S. 1479 also specifically guarantees that common situs picketing will not be permitted when there is a strike in violation of an existing collective bargaining agreement. Under the terms of an amendment adopted in the Labor Committee, the Federal district courts are authorized to grant injunctions prohibiting strikes or picketing at a construction common situs in breach of a contractual no-strike clause where both labor and management are bound by that contract to arbitrate the dispute. This provision codifies the Supreme Court's holding the case of *Boys Market, Inc.* v. *Retail Clerks Union*, 398 U.S. 235 (1970) with respect to violation of contractual no-strike clauses.

This legislation also recognizes and respects provisions of State law which require contracts on public construction projects to be awarded to separate bidders for specific aspects of the job. No common situs picketing will be permitted among the separate contractors mandated by these State separate-bidding statutes.

It further prohibits picketing with the objective of job discrimination against an employee on the basis of sex, race, creed, color, or national origin, or on the basis of that individual's membership or nonmembership in a union.

It protects independent unions not affiliated with national labor organizations by prohibiting common situs picketing which attempts to force them off the job. In addition, it reaffirms the act's prohibition against recognitional picketing where there is already a lawfully recognized labor organization representing the contractor's employees. And, of course, it does not legalize jurisdictional strikes, which remain barred by section 8(b)(4)(D) of the act.

The bill also contains a provision to insure that, except for the limited and carefully defined authorization to conduct common situs picketing, nothing in S. 1479 is to be construed to legalize any existing conduct constituting an unfair labor practice under the act.

Mr. President, I wish also to call the Senate's attention to the fact that the basic proposals embodied in this bill have a long history of bipartisan support. The need to remove the unfair restriction on the right of construction unions to strike and picket peacefully, established in the Denver Building Trades case, has long been recognized by both Democratic and Republican administrations.

In 1949, the same year as the NLRB's Denver Building Trades decision, President Truman proposed legislation which would have permitted common situs picketing in the construction industry.

In 1954, President Eisenhower asked the Congress to enact similar legislation to modify the NLRA's secondary boycott provisions, stating:

> The prohibitions in the Act against secondary boycotts are designed to protect innocent third parties from being injured in labor disputes that are not their concern. The true secondary boycott is indefensible and must not be permitted. The Act must not, however, prohibit legitimate concerted activities against other than innocent parties. I recommend that the Act be clarified by making it explicit that concerted action

against an employer on a construction project who, together with other employers, is engaged in work on the site of the project, will not be treated as a secondary boycott.

The Eisenhower administration made subsequent attempts to obtain passage of legislation authorizing common situs picketing in 1956, 1958, and 1959.

Secretary of Labor Arthur Goldberg presented the Kennedy administration's position in support of common situs picketing legislation during hearings held by the House in 1961. Secretary Goldberg stated:

> This is a simple bill with a laudable purpose. That purpose is to do equity—to restore to unions in the building and construction industry the right to engage in peaceful activity at a common construction site to protest substandard conditions maintained by any one of the construction contractors working at the very same site.

In 1965 and 1967, Secretary of Labor W. Willard Wirtz presented the Johnson administration's position in support of this legislation. Secretary Wirtz, in his 1967 statement, said:

> Buildings or projects are usually the combined products of many separate contractors working together. The general contractor must weld all these contractors and their workers into one group for fast and efficient performance. But each contractor is a separate legal entity employing his own labor, due to what Mr. Justice Douglas aptly described in the *Denver* case as "fortuitous business arrangements that have no significance so far as the evils of the secondary boycotts are concerned." (341 U.S. 675)
>
> It was pointed out in the dissent in the *Denver* case that:
>
> "The picketing would undoubtedly have been legal if there had been no subcontractor involved—if the general contractor had put nonunion men on the job. The presence of the subcontractor does not alter one whit the realities of the situation: the protest of the union is precisely the same." (341 U.S. 675, 692–693)
>
> In another sense, these "fortuitous" arrangements are no accident. Many considerations govern the choice of a subcontractor before bids are submitted on a construction job, as well as afterwards. One prime consideration is the nature and source of the contractor's labor supply. Consequently, long before contractors move to a job site, they know, or generally have a full opportunity to know, whether union and nonunion men are going to be drawn together and whether trouble will be the product of this "mixed marriage."
>
> No one can be taken by surprise in these situations. No one can claim damage without advanced warning. No one is neutral. No one is an innocent bystander. Everyone is well aware of the probable consequences of his own course of action.
>
> Turning to the situation of the worker and the union in the construction industry, there are fundamental differences between factory and construction work. If, for example, a manufacturing employer should decide to exclude all maintenance men from the benefits of a collective bargaining agreement with an elected union certified for all maintenance and production workers, this would violate Federal law; furthermore, all production and maintenance workers could legally walk out; and a peaceful picket line could be set up to persuade members of other unions to refuse to make pick ups and deliveries at the plant. The National Labor Relations Board could issue an order against such employer conduct.
>
> Yet, this is, in effect, the situation which develops in the construction industry when a general contractor permits a nonunion subcontractor to work his employees at the construction site. The union workers are presently constrained from picketing or striking.
>
> It was aptly stated by Mr. Justice Douglas in his dissent from the *Denver Building Trades* case that:
>
> "Employment of union and nonunion men on the same job is a basic protest in trade union history. That was the protest here. The union was not out to destroy the contractor because of his anti-union attitude. The union was not pursuing the contractor to other jobs. All the union asked was that union men not be compelled to work alongside nonunion men on the same job." (341 U.S. 675, 692)
>
> It should be mentioned that the record of the *Denver* case shows that the electrical contractor paid his electricians at a basic hourly rate exactly 42½ cents less than the union scale. Yet, no union could effectively protest this difference.
>
> As I have indicated, the reasons supporting the adoption of the "secondary boycott" rule are not fairly applicable to the "common situs picketing" situation which arises in the construction industry. It is illuminating to reflect that the record of the Taft-Hartley Act debates 20 years ago discloses that almost every reference to boycotts involved plant and retail situations—one employer handling the products of another. None of the proponents of section 8(b)(4) talked about the construction industry or common situs picketing on construction jobs.

He concluded by stating:

> I urge prompt enactment by the Congress of this legislation. It is long overdue.

In 1969, Secretary of Labor George P. Shultz supported common situs picketing legislation in hearings before the House Special Subcommittee on Labor, with certain amendments which he recommended and which have now been substantially included in S. 1479 before us today.

On none of these occasions was common situs picketing to come to full debate on the floor of either the House or Senate.

That brings us up to this year when Secretary Dunlop, in hearings on this legislation, testified that—

> For my own part, in the words of former Secretary of Labor George P. Shultz, "I am here today to indicate my support for legislation to legalize common situs picketing, if that legislation is carefully designed to incorporate appropriate and essential safeguards."

I can assure my colleagues that the "appropriate and essential safeguards" sought by Secretary Dunlop have been incorporated in this bill, and that the Department is satisfied with the Senate bill in its present form.

In conclusion, I believe that the intense level of debate among interest groups, in the press and in the Congress, is an overreaction to an overdue bill. It simply embodies basic Federal labor policies which rely on the interplay of economic forces to resolve disputes between labor and management over wages and other terms and conditions of employment. This is basic to our system of social and economic justice. S. 1479 merely corrects a misinterpretation of these sound policies and I urge its prompt enactment.

Mr. HELMS. Mr. President, will the Chair state the time situation?

The PRESIDING OFFICER. The Senator From New York has 16 minutes, and the Senator from North Carolina has 21 minutes.

Mr. HELMS. I thank the Chair.

Mr. President, I ask the distinguished Senator from South Carolina how much time he desires.

Mr. THURMOND. Three minutes.

Mr. HELMS. I yield 3 minutes to the distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, I oppose H.R. 5900, known as the common situs picketing bill.

I am interested in the public. I feel that in some of these labor matters we sometimes think about management and labor and forget the public. Who is going to suffer under this bill? Under this measure, if a contractor on a big facility has, say, 2,000 people employed and perhaps he has 20 or 25 subcontractors, if the employees of any one of the subcontractors go on strike and throw up a picket line, even though there are only a dozen employees of that subcontractor, the rest of the employees will not cross the picket line, and 2,000 people will be thrown out of work.

Mr. President, I do not believe that is best for the working people of this country. I do not believe it is right for a handful of people, a dozen people, to close down an entire project and throw 2,000 people out of work.

Furthermore, it means more cost, also. It means that more unemployment compensation has to be paid. It means many other disadvantages that can result not only to the contractor who has the main contract but also the subcontractors and the public.

It may be an important facility. It may be an important Government facility. Yet, as I understand, the entire project could be closed down.

Mr. President, when we act on these labor matters, we have to think about the public. We have to think about the people at large. When things such as this can happen, it is not in the best interest of the public.

I realize that the labor bosses are pushing for this measure, because they want complete control of all the labor in this country. If a man wants to join a union, he has a right to join, and I have no complaint. If he does not want to join a union, I do not think he should be compelled to do so. I do not feel that any man should be forced to join any organization that he is opposed to joining, in order to hold a job and make a living. It has come to the point now that many working people are practically being forced to join a union or some organization in order to get a job. That is not typical of what America stands for. It is not fair to our working people.

I hope the Senate, in its wisdom, will see fit not to pass this bill. I hope the Senate, in its wisdom, will not see fit to apply cloture and cut off debate on an important matter such as this.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. THURMOND. Mr. President, will the Senator yield me 1 additional minute?

Mr. HELMS. I yield.

Mr. THURMOND. This is a paramount issue in this country. We should not shut off debate when we have had practically no debate. I have seen debate go on here for weeks and weeks in matters that were not nearly as important as this matter and they did not involve nearly as much as this does. Yet, we are going to vote now on whether we are going to apply cloture and shut off debate and ram this bill down the throats of the working people and the public of this Nation. I hope the Senate has better judgment than to do that, and I hope that cloture will not be applied and that this bill will be stopped.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. WILLIAMS. Mr. President, it is my hope that the Senate today will agree to undertake consideration of H.R. 5900.

In doing so, the Senate will bring to culmination an extended and thorough evaluation of this legislation.

The bill passed the House of Representatives on July 25, after comprehensive study and full debate of the issue to which this legislation is addressed.

In the Senate, a similar bill, S. 1479, was subjected to 3 days of hearings by the Labor Subcommittee and a day of executive consideration. The subcommittee's reported bill underwent 2 days of careful and thoughtful deliberation by the full committee before we were satisfied that the bill was ready for reporting to the Senate.

Subsequently, the committee addressed many of the concerns which undergird this bill while considering S. 2305, the bill to establish a national framework for collective bargaining in the construction industry.

Throughout the consideration of these measures, Congress has had the able assistance and expert advice of Secretary of Labor John T. Dunlop, whose outstanding work in the complex field of construction industry labor relations is well known to us all.

In his appearance before our subcommittee, Secretary Dunlop made his support for the legislation clear when he said:

> For my own part, in the words of former Secretary of Labor George P. Shultz, "I am here today to indicate my support for legislation to legalize common situs picketing, if that legislation is carefully designed to incorporate appropriate and essential safeguards."

Secretary Dunlop's reference was to the statement of Secretary Shultz, then Labor Secretary in the Nixon administration, in testimony before the House Committee on Education and Labor on April 22, 1969.

In his own testimony on July 10 of this year, Secretary Dunlop went on to say:

> Most of the principles which concerned Secretary Shultz have been met by the present bill, or have been a subject of subsequent developments in case law, or can be dealt with by appropriate legislative history.

I would add to that, Mr. President, that the remainder of Secretary Shultz' concerns have been met with specific language incorporated in the bill as reported to the Senate.

So, Mr. President, the bill has been honed and refined to insure that it is sharply focused to achieve its central purpose—equitable treatment of workers in the building crafts—without changing the fundamental principles of law under which collective bargaining is conducted in this country.

As I stated yesterday in the Senate, the bill is ripe for a decision by this body. The House has passed it. The Secretary of Labor has endorsed it. The President has said he will sign it. All that remains is for the Senate to make its decision, which we cannot do unless we are permitted to bring the bill before us.

From the debate thus far, a casual observer of the Senate might conclude that the Senate is considering the bill. In point of fact, we are not. The question before the Senate is a motion to proceed to its consideration.

Mr. President, some of the opponents of H.R. 5900 have contended that its provisions were considered by Congress in 1959 and rejected. Simply put, that was not the case.

Legislation to overrule the administrative and judicial case law that necessitates this bill was considered by Congress in connection with the Landrum-Griffin amendments to the National Labor Relations Act. But it was not "rejected."

It was instead ruled "not germane" to the provisions of the Landrum-Griffin amendments by the House Parliamentarian. His tentative ruling came while the omnibus measure was under consideration in conference.

Confronted with the prospect of a point of order that would be sustained when the conference report went before the House, the conferees dropped the provisions which are now the substance of H.R. 5900 and the companion bill in this body, S. 1479.

In sum, Mr. President, the provisions were not rejected, but fell in the face of a technicality.

Congress has not made its view known through the process of full, free, and robust debate and a final decision of the merits of this issue. After 25 years, it is time for Congress to make its decision.

Mr. President, contrary to the assertions of the opponents of this bill, the Senate is not being asked to decide whether to legalize secondary boycotts. The Senate is being asked to declare that common situs picketing of a construction project does not constitute illegal secondary activity.

It does not in any other job setting and it is the position of the proponents of the bill that workers in the construction industry should not continue to be singled out and subjected to any unique constraints on their right to use otherwise lawful economic activity in a dispute with their employer.

I want to be emphatic in saying that the bill is not intended to change labor relations laws in any way, other than to permit strikes and picketing in the construction industry against any of several employers "jointly engaged" in the construction work.

It must be kept in mind that a construction project is a single, coordinated and integrated economic enterprise. Contractors and subcontractors are jointly engaged in pursuing the work to be done at the site. The daily tasks of one are closely related to the normal day-to-day operations of all others at the site.

In such circumstances, the employers who are working together at a construction site are not uninvolved neutrals in each other's labor disputes. They should not be treated as such for purposes of the secondary boycott provisions of law.

The bill the Senate is requested to consider states that contractors and subcontractors are to be treated as the integrated enterprise they really are and that, when there is a labor dispute, the union having the dispute is to be allowed to engage in normal, peaceful primary picketing—I repeat, primary picketing, not secondary activity, which the opponents of this bill would have you believe is the crux of the question before us.

We contend very strongly and, as the Senator from Oregon said, we shall be discussing that much more completely and fully once the Senate makes the decision to take up this bill and give it the debate that 25 years of history would suggest the Nation is entitled to.

Mr. HELMS. Mr. President, I yield myself 2 minutes.

Later on in the discussion of this measure, if, as, and when the motion to take up is approved, the Senator from North Carolina intends to discuss at great length the cost that will accrue to the Federal Government if this measure is adopted.

I have particular reference to the General Services Administration, Mr. President. While I have already done my research, I would recommend to the news media that they do a little bit of exploring as to what the cost will be to the taxpayers of the United States as the result of the enactment of this bill.

The General Services Administration, as I understand it, took a position within the agency against this measure, realizing that it would cost the taxpayers billions of dollars literally, and then came the political pressures from inside the administration, I am sorry to say, and it is my understanding that GSA is backing off.

So I urgently recommend to all Senators and to the news media that they conduct a little investigation of their own into what may be the true facts as to this.

As I say, Mr. President, later on during the consideration of this measure or the consideration of the motion to call up this measure the Senator from North Carolina intends to discuss this at some little length.

Along another line, Mr. President, I was very much interested in a news report furnished by the Associated Press published this morning in the Baltimore Sun.

The PRESIDING OFFICER (Mr. Brock). The Senator's 10 minutes are up.

Mr. HELMS. I yield myself 1 more minute.

I think this story will be of interest to a great many people. The headline says, "Labor Cash Flowing to Bill's Supporters."

The first paragraph, Mr. President, reads, with a Washington dateline:

> Washington.—With nearly a year to go before election day, AFL–CIO unions are making tens of thousands of dollars in political donations to supporters of a controversial bill to increase the bargaining power of construction trades unions.

I ask unanimous consent, Mr. President, that the entire article be published at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Baltimore Sun, Nov. 11, 1975]

LABOR CASH FLOWING TO BILL'S SUPPORTERS

Washington.—With nearly a year to go before election day, AFL–CIO unions are making tens of thousands of dollars in political donations to supporters of a controversial bill to increase the bargaining power of construction trades unions.

A sample group of 18 AFL–CIO political committees gave a total of $93,495 to 78 members of the House of Representatives who supported the bill when it passed the House in July, government reports show.

In the Senate, where a filibuster is being waged against the bill, $15,000 from the same groups went to Senator Harrison A. Williams, Jr. (D., N.J.), who is head of the Labor and Public Welfare Committee and a sponsor of the bill.

The pattern of giving seems likely to continue as organized labor gears up its political donations for the 1976 elections.

In the last few days alone the International Brotherhood of Carpenters and Joiners, with $80,000 in its political coffers at last report, filed official notice of intent to donate money to 24 House members who voted for the bill. The union listed no intended donations to opponents of the measure.

The bill would reverse a 25-year-old ruling and allow employees of a single subcontractor who are on strike to picket an entire construction site, even when non-striking employees of other subcontractors are working there. It is called the common situs picketing bill, meaning it would allow picketing of one entire location.

The bill passed the House 230 to 178 July 25.

Mr. HELMS. Mr. President, I now yield 10 minutes to the distinguished Senator from Nebraska.

Mr. CURTIS. Mr. President, I thank my distinguished friend from North Carolina.

This is a proposal to extend picketing; it is a proposal to extend the right to picket; it is a proposal to extend the scope, yes, the duration, of picketing.

When organized labor pickets, it follows naturally, that other workers either refuse or hesitate or are intimidated from crossing the picket line. It means that deliveries, whether they be building materials or anything else necessary at the site, usually stop. If there are going businesses in the immediate area at the site, it means that many customers will not cross the picket line. Other customers who may not be in sympathy with the picketing decline to do so because they do not want trouble or be in a disturbance.

In other words, the right to picket is a very, very potent weapon. It is not surprising that it is against the law to engage in a secondary boycott. What is a secondary boycott? A secondary boycott is a boycott against a third party that is not a party to the dispute. It is just that simple.

What are the proponents asking for? They are asking for the right to strike at an entire construction site if there is a dispute or an alleged dispute with one employer. We might be considering the building of a schoolhouse, a hospital, a powerplant or any other construction. There are many contractors involved. Some of them hire only electricians, some of them painters, some of them steelworkers, some of them carpenters, some of them finishers, and on and on, with the various crafts. You could have a good-sized construction operation and only a handful of a particular craft working there, two, three, or four. If those people have a dispute with their employer, or they have a claim, this would give a right to picket the whole plant, the whole construction site, a right to throw up a barrier and stop the work of every other craft, bricklayers, concrete masons, carpenters, electricians, painters, plumbers, the whole works.

Mr. President, someone would have to be very naive not to realize how this will slow much needed construction. Think how long it takes to build a powerplant now. If you enact this legislation, you will drag it out for years and years. The expense goes on, the inflation goes on, and the people take the added costs, the added delay, and that is why it is so true that this is an act against the public interest.

Now, Mr. President, this legislation is urged by the most powerful vested interests in our whole body politic. Who is it that can get votes with a snap of the finger in both Houses of Congress? Who is it, with apparent immunity, that puts thousands and thousands and thousands of dollars into political campaigns to reward their friends and punish their enemies? Everybody knows who it is. It is the crowd that is here pushing for this legislation.

If we give to them the right to attack, if you please, individuals not engaged in a labor dispute—I say attack them, they prevent them from coming to work, they prevent management from going ahead with their construction, and if that is not an economic attack I do not know how you would have one, but that is the issue here.

Now, it sounds good that we ought to vote cloture here because this is just a motion to bring up. I predict if the opponents win this round in an attempt to invoke cloture, there will immediately be another cloture motion filed on the bill. The proponents cannot stand open and free debate. Those who advocate this bill cannot stand to have all the facts looked into.

Why on earth, if there is a dispute between carpenters and their employer, should construction of a powerplant, taking a good many acres, be picketed, that is the whole thing, and everybody shut out? What is the justice in that? There is not any. This is a proposal to legalize a secondary boycott because, by its very terms, it would remove the legal barriers from picketing in such a way that you are picketing against employers where there is no labor dispute.

Mr. President, this Congress needs to do something about the abuse of those who possess excessive political and economic power. We should not give to anyone the right to say that we are going to drag out the construction of a hospital 2 more years. We are desperately short of electrical energy in this country.

It seems like it takes forever to get clearance from all the Government agencies and to get a job done and to contend with the disputes that normally come up. But if we say that every time one little portion has a dispute we can stop the whole thing, we are inviting a standstill economy, we are inviting unemployment, we are inviting secondary boycotts and the inflictment of punishment on individuals who are not even party to a labor dispute.

That is the issue, Mr. President. If I thought for a moment that those who are advocating this legislation would not proceed with a cloture on the next go-around and that we would have several days to explore this and that what is said and the facts presented here could go out to the country, I would have a far different idea about the cloture now. But I am convinced that those powerful forces, the richest, most vested interest in our political life, are today pushing for the enactment of this bill and that, if they get it considered, their next move will be to shut off debate and get it passed.

I do not think there is any dispute about that.

So if we believe that secondary boycotts are wrong, if we believe that those employers and employees who have no labor dispute should not be interfered with by somebody else's picketing, then we should vote "No" today on the request for cloture.

I thank the Senator.

Mr. WILLIAMS. Mr. President, I yield such time within my time to the majority leader as he needs.

Mr. MANSFIELD. Mr. President, I listened with interest to the remarks made by the distinguished Senator from Nebraska relative to cloture and that is the matter which I wish to discuss at this time.

I do not intend to go into the merits of the bill. It is the procedure under which we are operating at the present time.

If it had been possible, of course, to arrive at some agreement as to when we would vote at a time certain, on a day certain, one or the other, I would have been most receptive and appreciative.

But, Mr. President, today we vote on a cloture motion. The question is whether or not the Senate is ever to end debate on the simple motion to bring a bill up for debate; to proceed to the consideration of a bill—a measure passed by the House of Representatives and reported out by a standing committee of the Senate—I believe by a vote of 14 to 1. Not a crucial question. Not an earthshaking proposition. But that the Senate is forced into this procedure strikes me as being obstructionism of the most blatant character, which will not rebound to the benefit of the Senate.

It should be observed that the leadership was on notice that similar acts of obstructionism—that is taking up of a bill reported out by a committee under the regular procedure—would be employed against at least two other measures now pending on the Senate calendar: one deals with the financing of public broadcasting reported unanimously by a committee, the other deals with the emergency situation in New York City.

Fortunately, that notice appears to have been abrogated and I want to thank those Senators who were considering it for their consideration of the leadership and the Senate as a whole in that respect.

In deference to those Senators in whose wisdom such tactics are employed, let me say that the Senate rules do not grant the leadership any authority in excess of that granted to every Senator in this Chamber. As a practical matter, the Senate rules provide that any bill reported to the Senate Calendar may be called up on the motion of any Member in any order at any time and such motion is subject to debate.

What, therefore, is the function of the leadership? In part, at least, the leadership exists to serve the Members of this institution.

The PRESIDING OFFICER. All time of the Senator has expired.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 or 2 minutes?

Mr. HELMS. Mr. President, I ask unanimous consent that the distinguished majority leader be granted as much time as he needs without it being charged to anyone.

Mr. MANSFIELD. Just 1 minute.

I thank the Senator.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MANSFIELD. It is because of the appreciation of Members of the Senate over the years that chaos bordering on anarchy would occur unless the Senate confers upon the joint leadership the responsibilities of determining the Senate's agenda of business. In my 15 years as majority leader the Senate has never deviated from this tradition of affording the joint leadership this prerogative. To receive notification that the setting up of the agenda in the Senate will generate a filibuster not on the merits of a proposal but merely on a motion to present a proposal to the Senate is an unfortunate and disappointing change in attitude.

When it has come to the great debates in this Chamber on issues or proposals that would change drastically the structure of our society these tactics were expected. To be sure, the power to obstruct is there for every Senator to use as is determined by his own judgment. But to use the power as a pattern to thwart normal legislative processes by blocking simple motions to proceed can adversely impair this institution. Like our other institutions the authority of this body in our scheme of government is derived from the wise and judicious exercise of power can be abused within the rules and by such abuse the Senate as a whole can be hurt by the actions of the very few.

I make this statement at this time, Mr. President, because we have a number of important pieces of legislation confronting us in the days ahead.

We have the defense appropriations bill, which will entail some debate. We have the financial situation affecting New York State and New York City, which likewise will entail considerable debate. We have the debt ceiling to contend with, and other measures.

I would urge the Senate to take my words in the spirit in which they are meant and to give some consideration to the committees which report out legislation so that without too much obstruction they can achieve appropriate consideration.

Mr. HELMS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. HELMS. Four minutes remaining. Mr. President, I yield the remainder of my time to the distinguished Senator from Nevada (Mr. LAXALT).

The PRESIDING OFFICER. The Senator from Nevada.

Mr. LAXALT. Mr. President, as a member of the committee which reported this bill and being the lone dissenting vote, I would like to make a couple of remarks which, hopefully, will straighten out the record during the course of the rather active debate this afternoon.

First of all, there were representations made in connection with the positions of previous Presidents of this country. One was to the effect that President Eisenhower had endorsed secondary boycott. It is true that he did at one time when he first came here as President, but he recanted on that position after he became aware later of the harmful effects of secondary boycott.

There have been statements during the course of this proceeding that President Nixon supported secondary boycott and that he sent George Shultz to Capitol Hill in order to support the bill. It is true that he did, but the conditions imposed by Mr. Shultz in his presentation to the Congress, for all intents and purposes, guttered the bill.

It has also been represented during the last few weeks all over this hill that President Ford is in support of this legislation. I can indicate to the Members of this body that I had occasion, with others, to meet with him this morning. His favoring of the bill is a qualified favoring. He has indicated that if this bill comes with the Dunlop bill as a package, then and only then will he sign common situs with great reservation.

I apologize to the majority leader if he feels we are taking an unnecessary parliamentary step. That we do not feel we are is for the very reasons he stated. We have more important pieces of legislation on this floor to consider at this time. We have just a few days before the final days of this session will have terminated. Instead of that, we have been approaching, on an emergency basis, a piece of legislation that has been kicking around the Halls of Congress for some 25 years. By this piece of legislation, we are repealing a good 25 or 30 years of judicial determinations through the NLRB and through the Supreme Court of the United States. By this legislation we are repealing some 200 years of common law in connection with the legal relationships that subcontractors have to the general contractor.

By this legislation we are going to introduce into an already embattled construction industry a divisive and destructive element that is going to be harmful to all concerned. It is going to be harmful to management, it is going to be harmful to the innocent neutrals who previously have been protected by our law for 200 years, and, yes, it is going to be harmful even to organized labor.

I had no conception, until we started to research this, as to how many mixed jobs we have in this country, a mixed job being a basically union job with a nonunion sub on it. There are thousands and thousands of mixed jobs presently in this country. The force and effect of this legislation, as was testified to in the House, is to completely polarize the construction industry. There will no longer be any mixed jobs. They will either be totally union or they will be totally open shop.

We have also found in our research that the incidence and increase of open shop construction is on the rise in this country, and dramatically so.

I might say to the proponents of this legislation from organized labor that in my estimation the end result of the passage of this legislation would be counterproductive to the union effort.

I think in a situation where a major job is being let by an owner, if he is confronted with the possibility of a general shutdown because of the difficulties with one minor subcontractor, he is going to go to the nonunion open shop contractor.

Throughout the course of this debate we find no real advantages in connection with this legislation. Had there been merit to this legislation, it would have been openly debated on the floors of Congress in the past 25 years. The fact is that it was not and, in my judgment, it should not be considered in this Chamber in view of the other pressing legislation that we have.

Mr. BROCK. Mr. President, as the majority leader has suggested, we are now being asked to limit debate, not on H.R. 5900, but on whether or not we can even take up such legislation at all. The filibuster can properly be used to extend debate on this merit of legislation in order that adequate Senate, and public, consideration be given it. However, I do not believe it a normal or logical device to prevent Senate consideration of an issue.

Thus I shall support the cloture motion. In fairness I must add that I do not favor passage of H.R. 5900, nor can I support efforts to shut off debate on that measure.

Mr. MOSS. Mr. President, I shall vote to invoke cloture on the motion to proceed to debate H.R. 5900, a bill to allow trade unions to picket entire construction sites. The issue arose from a 1949 National Labor Relations Board decision and a 1951 Supreme Court ruling interpreting situs picketing as a secondary boycott, prohibited by the Taft-Hartley Act. Beginning in 1949, six succeeding administrations have urged the Congress to overturn these decisions. Bills have been introduced in nearly every Congress since then and have on at least two occasions reached the floor of the Senate, only to be recommitted to the committee or to die in conference. The present administration has endorsed the legislation now before us; the House has passed it; and the Senate Labor and Public Welfare Committee has favorably reported it. Obviously, this issue will not go away. And so the Senate should not refuse even to debate its merits.

If the Senate invokes cloture on the motion to consider H.R. 5900 and again on general debate, I intend to vote for passage of the common situs picketing bill. I have reached this decision after long study and deliberation. I hesitate to say that it has been an agonizing process, for it seems to me that the merits of the issue, once stripped of the rhetoric surrounding it, are reasonably clear. But it has been extremely difficult to reach the merits. The issue is so long-standing that it has become an ideological battleground where all evil and all virtue reside on one side or the other.

Exaggerated claims and alarmist predictions have come from both sides. Some supporters of the bill argue that it is a question not merely of justice but also of survival for the construction unions. Some opponents assert that this measure would unleash violence and deal a death blow to the construction industry.

I resent both the arrogance of one side and the abusive tactics of the other. The foremost example is a newspaper advertisement financed by a Washington-based pressure group, the National Right To Work Committee. Entitled an "Open Letter to Senator Moss on Beatings, Bombings, Shootings" it boldly implies that a vote for situs picketing is a vote for labor violence and union corruption. In case anyone missed the point of the text, it is surrounded by scare headlines and a figure with clenched fist and club in hand. To suggest that these practices are the rule and that this bill will encourage them is a fraudulent deception. I join my colleague, Senator WEICKER, in deploring such tactics.

In these circumstances, I wish to thank the vast majority of my constituents who have expressed their honest and reasoned concerns about this legislation and who have patiently waited for my reply. They deserve a full explanation of the decision I have reached.

First, what is the national policy with respect to labor-management disputes? Forty years ago the Congress declared in the Wagner Act that it is the "policy of the United States" to promote "the practice and procedure of collective bargaining" and thereby to encourage "the friendly adjustment of industrial disputes arising out of differences as to wages, hours, or other working conditions" by restoring "equality of bargaining powers between employers and employees." This commitment was restated in the 1947 Taft-Hartley Act and again in the 1959 Landrum-Griffin Act. Make no mistake about it. Picketing is an instrument for the peaceful resolution of labor disputes. It is often inconvenient, emotionally charged, and even disruptive; but without it, there would be few controls over labor-management conflict. Without the right to picket there would be no entitlement to work under decent conditions for decent wages.

Second, do unions in the construction trades have the same rights to picket as industrial unions? According to the Denver case decisions, the answer is "no." Contractors and subcontractors are regarded as independent parties with entirely separate interests in a construction project, and so each is protected from a work stoppage arising from a dispute between another employer and his workers. Thus, if the carpenters have a dispute with their employer at a particular job site, they can only picket at a gate set aside for their nonunion replacements.

I am persuaded that the reasoning is a legal fiction, that the separate entrance is artificial, and that neither the rationale nor the requirement conforms to the realities of the construction industry. The general contractor and the various groups of craftsmen cannot be completely neutral with respect to the working conditions and wages of other workers on the same job.

The purpose of the "secondary boycott" prohibition was to protect innocent neutrals from labor disputes, such as that arising at a distant factory manufacturing construction products, with which the neutral party is totally unconcerned. That protection would remain intact if this bill became law.

The practice of subcontracting work on a construction project is analogous to subcontracting in the garment industry. The tasks required to produce clothing are no more integrated than on a construction project. In 1959 Congress exempted the clothing industry from the ban on subcontract picketing. Even the opponents of this bill agree that economic relationships in the two industries are virtually indistinguishable. Similarly, in manufacturing, an independent subcontractor is not immunized from a dispute between the manufacturer and his employees if the work of the subcontractor is integrated into the normal operations of the manufacturer. The Supreme Court in 1961 approved picketing by General Electric employees of a gate reserved for employees of subcontractors engaged in construction and maintenance activities.

Third, is there justification for treating construction trades unions in a manner different from their industrial counterparts? It is said that enactment of this legislation will fuel labor strife, inflation, and unemployment; but these dire predictions remain undocumented. Instead, the bill is quite carefully drafted to contain such consequences while correcting the inequity. It provides for a cooling off period before a picket line can be set up. It does not permit strikes in breach of collective bargaining contracts, nor to drive employees off the job because of their sex, race, color, or national origin. It is restricted to picketing at a single construction site of employers primarily engaged in the construction industry. It does not legalize any other "secondary" or product, boycott. All other duties of unions under law remain unchanged. As the debate proceeds, I shall support further amendments that clarify the limited purpose of the bill.

Finally, what is the opinion of national leaders and experts on this legislation? As I mentioned, Presidents Truman, Eisenhower, Kennedy, Johnson, Nixon, and Ford as well as their Secretaries of Labor have endorsed the principle of common situs picketing. And in session after session, including the present one, their suggestions of clarifications and amendments have been incorporated.

It is for these reasons that I support H.R. 5900.

Mr. TUNNEY. Mr. President, today we vote on limiting debate on a measure of great importance to me. For more than 25 years the construction workers of this Nation have been unfairly denied the elemental picketing rights assured to workers in every other industry. For more than a quarter of a century, the National Labor Relations Board combined with the courts to create a lesser class of worker—to say that four Presidents—Truman, Eisenhower, Kennedy and Johnson—were all wrong when they called for elimination of the double standard for picketing.

Mr. President, I have carefully reviewed the legislative history of the Taft-Hartley Act for any indication that Congress intended the secondary boycott provisions to create a double standard for picketing by construction workers versus picketing by workers at an office or manufacturing site. I studied the testimony of Senator Robert Taft, the Senate author of the bill, to further ascertain the congressional intent. I could find nothing in the record to justify the NLRB misinterpretation of the law. Indeed, Senator Taft testified that he never intended to create the injustice which has been perpetrated on construction workers in the so-called Denver building case.

Mr. President, I regret that certain groups have spread misinformation about the effect of this legislation. This effect is simply to eliminate separate standards of conduct for construction site and nonconstruction site picketing. This legislation does not authorize strikes that are otherwise illegal. It does not legalize jurisdictional disputes or permit breach of any existing collective bargaining contract.

I have cosponsored this bill and will

continue my strong support for efforts to right the wrong caused by the NLRB and the courts. Picketing at construction sites should be governed by the same rules which apply at all other sites. Our free and healthy labor movement was built on the premise that workers should be free to engage in peaceful picketing, as long as such picketing does not have an illegal object. Passage of this legislation will do much to keep this basic freedom strong and to make it considerably more meaningful for millions of construction working men and women. Thank you.

Mr. ROTH. Mr. President, as a matter of principle, I believe that ordinarily the Senate should have the opportunity to consider bills duly reported out of committee. While I have reservations about the merits of both the situs picketing bills reported out by the Labor and Public Welfare Committee—H.R. 5900 and S. 1479—I do feel that we have an obligation to fully debate and hear both sides on this complex issue. Therefore, I intend to vote in favor of the motion to close debate on the motion to proceed to the consideration of H.R. 5900, so that we can proceed to full and extended debate on the merits of this legislation itself.

CLOTURE MOTION

The PRESIDING OFFICER. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate upon the motion to proceed to the consideration of H.R. 5900, an Act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mike Mansfield, John Culver, Claiborne Pell, Robert C. Byrd, John Durkin, Philip A. Hart, Gary Hart, Walter F. Mondale, Thomas F. Eagleton, Mike Gravel, Dick Clark, Gaylord Nelson, John V. Tunney, Jennings Randolph, Henry M. Jackson, William Proxmire, Jacob K. Javits.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 76 Leg.]

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Durkin
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

Mr. ROBERT C. BYRD. I announce that the Senator from Rhode Island (Mr. Pell), the Senator from Virginia (Mr. Harry F. Byrd, Jr.), and the Senator from Michigan (Mr. Philip A. Hart) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson) is necessarily absent.

The PRESIDING OFFICER. A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate upon the motion to proceed to the consideration of H.R. 5900, to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers, shall be brought to a close?

The yeas and nays are mandatory under the rule, and the clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats. The rollcall cannot proceed until the Senate is in order.

The clerk may proceed.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Virginia (Mr. Harry F. Byrd, Jr.), the Senator from Rhode Island (Mr. Pell), and the Senator from Michigan (Mr. Philip A. Hart) are neecssarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pell) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson) is necessarily absent.

The yeas and nays resulted—yeas 66, nays 30, as follows:

[Rollcall Vote No. 476 Leg.]

YEAS—66

Abourezk
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Robert C.
Case
Chiles
Church
Clark
Cranston
Culver
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Tunney
Weicker
Williams

NAYS—30

Allen
Baker
Bartlett
Cannon
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
McClellan
McClure
Morgan
Nunn
Scott,
William L.
Sparkman
Stennis
Talmadge
Thurmond
Tower
Young

NOT VOTING—4

Byrd,
Harry F., Jr.
Hart, Philip A.
Pearson
Pell

The PRESIDING OFFICER. The Senate will be in order.

On this vote, the yeas are 66, the nays are 30. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The PRESIDING OFFICER. Each Senator now has 1 hour for debate of the motion.

Who yields time?

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 5900, an act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mike Mansfield, Robert C. Byrd, Joseph M. Montoya, Warren G. Magnuson, Vance Hartke, John O. Pastore, Harrison A. Williams, Frank Church, John A. Durkin, William Proxmire, Jennings Randolph, Frank E. Moss, Mike Gravel, Hubert H. Humphrey, Patrick J. Leahy, Daniel K. Inouye, Abraham Ribicoff, Stuart Symington, Gaylord Nelson, Joseph R. Biden, Jacob K. Javits.

Mr. McCLURE. Mr. President, a point of order.

Mr. ALLEN. A point of order, Mr. President.

Mr. GRIFFIN. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, is it in order to file a cloture motion on a matter which is not yet pending before the Senate?

The PRESIDING OFFICER. The answer is that it is not in order.

Mr. McCLURE. Mr. President, I make the point of order against the motion.

The PRESIDING OFFICER. The point of order is sustained.

Mr. ROBERT C. BYRD. Mr. President, I was distracted by all the noise. I have retrieved the motion and have it in my pocket.

The PRESIDING OFFICER. The point of order is sustained.

Mr. JAVITS. Mr. President, I yield myself one-half minute to ask unanimous consent that Charles Warren, of my staff, have the privilege of the floor during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BEALL. Mr. President, I yield myself one-half minute to ask unanimous consent that Maurice White, of my staff, be granted the privilege of the floor during the debate on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield myself one-half minute.

AUTHORIZATION TO CONSIDER CONFERENCE REPORT TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, upon the disposition of Senate Resolution 265, on which there is a time limitation and which under the previous order is to come up after morning business tomorrow, Mr. BAYH be recognized to call up his conference report on the transportation appropriation bill; that there be a time limitation thereon of 20 minutes, to be equally divided between Mr. CASE and Mr. BAYH; that upon the expiration of that time, the Senate proceed to vote on the adoption of the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

The PRESIDING OFFICER. The question is on the motion to proceed to the consideration of H.R. 5900. The yeas and nays have been ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GOLDWATER). Without objection, it is so ordered.

BIRTHDAY CONGRATULATIONS TO SENATOR HUGH SCOTT

Mr. MANSFIELD. Mr. President, I call to the attention of the Senate the fact that this is the birthday of the distinguished Republican leader, the senior Senator from Pennsylvania (Mr. HUGH SCOTT).

I extend to him not only my congratulations but also my commendation. I have never had the pleasure or the privilege of working with a better man than the Senator from Pennsylvania, a man who is understanding, who knows his way around, who is an old pro, in the best sense of that word—a man who has represented his State, his country, and his party with distinction and integrity all down through the years.

Mr. GRIFFIN. Will the distinguished majority leader yield to me?

Mr. MANSFIELD. Yes, indeed.

Mr. GRIFFIN. I know that he speaks for not only his side of the aisle, but the Senate as a whole. We certainly join him in wishing the distinguished minority leader many happy returns, as he observes his birthday. I only wish he were on the floor to hear these nice words the majority leader has, once again, said about him.

Mr. MANSFIELD. I am afraid he is off the floor deliberately.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ROBERT C. BYRD. Under the cloture rule, Mr. President, each Senator has 1 hour, making the total 100 hours if all Senators wish to consume the 1 hour allotted to each, before the vote is taken on the motion. I suggest that the Senators stay around, because we only have Wednesday, Thursday, Friday, and Saturday, and Monday and Tuesday and Wednesday and Thursday and Friday and Saturday before the holiday recess. That is counting two Saturdays, which would mean 10 days at best.

We have a defense appropriation bill, we have the extension of the debt limit, we have the New York City problem, we have a continuing resolution, probably. We have the matter that is before us, the motion to proceed. Then we shall have, undoubtedly, to attempt to invoke cloture on the bill itself if this motion carries, which, in the light of the cloture vote, it undoubtedly will. So, if Senators are counting on leaving the Chamber early today, I think we had better disabuse them of that happy thought. I suggest that they stay around, because if a Senator does not ask to be recognized, it is the Chair's duty, under the rules, to put the question.

Mr. HELMS. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

I suggest that the respective cloakrooms alert the Senators that there may possibly be a vote here today. There very possibly could be.

Mr. MOSS. Are we not about to vote on a motion to take up?

Mr. ROBERT C. BYRD. Not until each Senator utilizes his 1 hour, if he wishes to.

JOINT REFERRAL OF H.R. 10230

Mr. MOSS. Mr. President, at the beginning of this Congress, Senator KENNEDY, for himself and 27 other Senators, including myself, reintroduced S. 32, a bill to establish a framework for the formulation of national policy and priorities for science and technology. This is the identical bill to the one that passed the Senate on October 11 of last year, but was not acted on by the House.

Mr. ROBERT C. BYRD. Will the distinguished Senator yield?

Mr. MOSS. I yield briefly.

Mr. ROBERT C. BYRD. Mr. President, I do not intend to object to the Senator's speaking on this subject, but under the rules, I believe the talk has to be germane. I do not intend to object to this, but I want to put Senators on notice that objections will be forthcoming if discussions are not germane after the Senator completes his remarks.

Mr. MOSS. I thank the Senator. As it passed, S. 32 was actually an amalgam of three bills, an earlier version of S. 32, S. 2495, and S. 1686. These measures were extensively studied by the Committee on Aeronautical and Space Sciences, the National Science Foundation Subcommittee of the Committee on Labor and Public Welfare, and the Subcommittee on Science, Technology, and Commerce of the Committee on Commerce. Although there were many differences between the various provisions of these three bills, they all had in common the goal of improving the Nation's capabilities in formulating policy and priorities for science and technology. And so the principal Senators involved agreed to the combined bill which was passed in the Senate without dissent.

By mutual agreement, then, when S. 32 was reintroduced, it was referred jointly to the three above-mentioned committees. Subsequently, after a thorough study and recommendations by an ad hoc group chaired by the Vice President, the President indicated his desire to reestablish an Office of Science and Technology Policy in the Executive Office of the President, the director of which would also be Science Adviser to the President, and transmitted to the Congress draft language to implement this request. On June 20, I, for myself and Senator GOLDWATER, introduced this bill as S. 1987, by request, and it also, by previous agreement, was referred jointly to the three above-mentioned committees.

In the meantime, the House Committee on Science and Technology held a series of hearings on their version of the Science Adviser's bill which has emerged as H.R. 10230. This bill, which has the support of the White House, passed the House on November 6, and has been transmitted to the Senate today.

Mr. President, in accordance with previous agreement, I ask unanimous consent that H.R. 10230 be referred jointly to the three committees that are now considering S. 32 and S. 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ALLEN. Mr. President, I yield myself such time as I may use.

Mr. ROBERT C. BYRD. Mr. President, as I understand, the distinguished Senator is going to speak on a nongermane matter.

Mr. ALLEN. That is correct.

Mr. ROBERT C. BYRD. I will not object, because, as I understand it, various Senators are having discussions at the moment to determine their strategy. So I will not object at this time.

Mr. ALLEN. I thank the distinguished Senator.

I call attention to the fact that rule XXII requires that amendments shall be germane but it says nothing about speeches other than they should be limited to 1 hour.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. ALLEN. Yes.

Mr. ROBERT C. BYRD. I realize there is no precedent on this point, but I happen to differ with my distinguished friend and very able colleague from Alabama on this point and, at such time as I do object, someone will make a point of order and we will have the Senate vote on it and decide once and for all what it wants to do on this matter.

Mr. ALLEN. I thank the distinguished Senator.

MAKING THE UNITED NATIONS SAFE FOR DEMOCRACY

Mr. ALLEN. Mr. President, in action earlier today, the Senate passed Senate Concurrent Resolution 73 which contains the following provision:

> *Resolved*, That the Committee on Foreign Relations and the Committee on International Relations begin hearings immediately to reassess the United States' further participation in the United Nations General Assembly.

On September 19, I introduced Senate Resolution 254 which contained the following provision—not unlike the provision in the concurrent resolution passed by the Senate today:

> Resolved, that (a) there is hereby established a Select Committee of the Senate to investigate the Role of the United States in the United Nations. The purpose of the select committee includes, but is not limited to, a study of the benefits to and burdens on the United States as the result of its participation in that organization together with recommendations as to the future course to be pursued by the United States with respect to the United Nations . . .

Mr. President, the United Nations General Assembly in its action of November 10, has clearly demonstrated that the time has come for our country to take a hard look at the meaning of our membership in the United Nations. Obviously, the proper forum for the reexamination of our role in the organization is the Congress of the United States. While I personally believe the issue is important, nay, critical, enough to require the appointment of a Select Committee, I shall be happy indeed if the appropriate committees of the two Houses will undertake the investigation and hearings as called for in Senate Concurrent Resolution 73.

The General Assembly's "anti-Zionism" resolution passed yesterday seems almost the fulfillment of a prognostication made by Mr. Paul H. Weaver in his article, "Making the U.N. Safe for Democracy," which appeared in the November issue of Fortune magazine. The general thesis of Mr. Weaver's article is that the U.N. actually promotes discord in the world community as opposed to contributing to peace as was envisioned by the idealistic framers of the Charter. The author states at one point, almost as if he were writing the script for yesterday's General Assembly action:

> By providing a first-class propaganda platform, an opportunity to make and mobilize allies, and other resources that are useful in conflict situations, the U.N. allows nations to postpone the day when exhaustion or defeat forces them to resolve their differences.

Now that is a significant statement.

> By providing a first-class propaganda platform, an opportunity to make and mobilize allies, and other resources that are useful in conflict situations, the U.N. allows nations to postpone the day when exhaustion or defeat forces them to resolve their differences. Moreover, by making such resources available to every comer, the U.N. provides scores of impotent and impoverished new nations with the wherewithal to engage in conflicts they would otherwise be unable to afford. Which is why . . . the U.N. is a 'weapon in the armory of nations in conflict. It contributes about as much to peace as a battleship or an atomic bomb'.

Considering now the fact that the Congress and the people of the United States are coming to realize just how harmful the United Nations can be to peace, I suggest that our colleagues reflect on Mr. Weaver's very practical article and that it should be required reading for all citizens who have long held the mistaken belief that the United Nations has been a "force for good" in the world of nations. Mr. Weaver concludes his article with a thoughtful suggestion which I certainly hope the two committees will take under very serious consideration:

> If American dipomacy can't reform the U.N., then we should soberly take counsel with our allies and, with their help, shrink its budget, cut down its status, and, insofar as possible, empty it of its capacity for mischief.

Mr. President, I submit that the United Nations has proved beyond a shadow of doubt, its mischief-making antipeace, role in the community of nations. It is time, past time, that we did something about it.

I ask unanimous consent that the article by Mr. Weaver be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAKING THE U.N. SAFE FOR DEMOCRACY

(By Paul H. Weaver)

On September 16, after a tense weekend of last-minute bargaining, a special session of the United Nations General Assembly voted unanimously for a resolution on some economic issues that have been agitating the U.N. for a decade. The vote was hailed as a significant first step toward what the Third World calls "the new international economic order"—a programmatic mishmash of commodity cartels, preferential tariffs, and other measures designed to redistribute the planet's wealth.

The vote was indeed a significant event, but not for the reason generally given. The rich nations aren't about to hand over their treasure to anyone, and real progress toward economic cooperation will occur in quiet negotiations in serious forums, not under the diplomatic big top on the banks of the East River. The special session was significant because it was the first big test—and success—of a new U.S. campaign to prevent the U.N. from wreaking havoc on global diplomacy and destroying itself in the process. Of late it has seemed bent on doing both.

A RARE NOTE OF SERIOUSNESS

One phase of this campaign, which is being mapped out by Daniel P. Moynihan, the new U.S. Ambassador to the U.N., and Secretary of State Henry Kissinger, is to offer workable alternatives to such propaganda-laden goals as "the new international economic order." For example, by proposing in the special session a plan for stockpiling commodities—provided that the details can be worked out so as not to create cartels—the U.S. gave the Third World as much as was possible without bending basic principles of U.S. economic policy. Though the overall plan wasn't everything the Third World wanted, no one else had a fully developed proposal, and the U.S. working paper became the text for discussion and negotiation. The fact that for the first time in a decade the U.S. took and kept the initiative was one reason why the special session ended on a note of seriousness and compromise—in sharp contrast to previous U.N. meetings.

A second phase of the campaign consists of Moynihan's plan to speak out plainly and vigorously on such issues as human rights, which the U.N. is supposed to promote but frequently points in trampling. Nor will he be bashful about emphasing the connection—so often denied by the socialist Third World—between free markets, economic efficiency, and prosperity.

SLANDERING IN NEW YORK, SOOTHING IN WASHINGTON

The third and perhaps most important phase of the Moynihan-Kissinger campaign is to insist, with all the force available to U.S. diplomacy, that nations stop practicing one policy in their direct bilateral relations with the U.S. and a totally different one in U.N. debates. Many radical leaders of the Third World—Algeria and Mexico come to mind—have fallen into the habit of slandering the U.S. in New York and soothing it in Washington. They pass resolutions urging the expropriation of property without compensation, yet assiduously woo multinational companies at home.

In fact, it is commonplace in the diplomatic community that what is said in public at the U.N. is largely a "myth." The "reality" of a nation's policy, it is understood, is revealed in private bilateral contacts. This gap between the two sets of policies is at the root of the U.N.'s biggest problems, for proceedings that are based on untruths often have perverse effects.

In August, Moynihan gave a preview of his plan to close this gap. That month Cuba and several other nations introduced a resolution that would have effectively declared Puerto Rico a non-self-governing territory—i.e., a colony—even though Puerto Rico, which has an elected government, has voted overwhelmingly to retain its relationship with the U.S. The resolution would also have recognized an unspecified "national liberation movement" as the island's legitimate representative in the U.N., despite the fact that the independentistas got only 4 percent of the vote in 1972.

TURNING THE VOTE AROUND

Initially, the General Assembly's Committee of Twenty-Four—which includes in its ranks only four full-fledged democracies—was expected to put the resolution on the agenda by a substantial majority. Moynihan persuaded Kissinger to send urgent telegrams instructing the U.S. ambassadors in those countries favoring the resolution to pass the word that the U.S. would consider such a vote an "unfriendly act"—strong language in the diplomatic world, meaning that retaliation will follow. Within days after the telegrams went out, six nations had been turned around. The U.S. won the vote, eleven to nine with two abstentions.

The Moynihan-Kissinger campaign comes not a moment too soon. To a growing number of serious persons, including many longtime supporters, the U.N. has begun to look like one of the big mistakes of modern American diplomacy. "It's painful for me to say it, but I've come to the conclusion that the U.N. is not a fruitful institution," says Rita Hauser, who recently served on the U.S. delegation to the U.N. and who is also a governor of the United Nations Association of the U.S.A., a civic group that mobilizes support for the U.N. Most Americans agree with her. Public approval of the U.N., which stood at 87 percent in 1959, has fallen to an all-time low of 34 percent.

This disillusionment reflects the fact that the record of the United Nations is disturbingly at odds with what the U.N. was supposed to do. It was sold to the American people as an instrument of reason and cooperation; in practice, the place has fairly seethed with hostility and rhetorical excess. It was supposed to replace war with the rule of law, yet the decades since its founding have been drenched with blood, the International Court of Justice languishes with a single case, and the General Assembly accords its highest honors and loudest applause to Yasir Arafat, the leader of a terrorist movement that has butchered hundreds. The U.N. was set up to blunt the thrust of nationalism, which is now at flood tide. It was supposed to champion the cause of human rights; today that cause is in retreat around the globe. It was created to help the U.S. end its isolation and enter the mainstream of world affairs; what it has become instead is the world's leading platform for anti-Americanism.

As these illustrations suggest, the current disaffection is not a simple matter of overblown expectations meeting their inevitable disappointment. It also reflects a growing conviction that the United Nations actually does harm. When one looks at the evidence, that turns out to be a pretty reasonable conclusion.

IT'S AS PEACEFUL AS A BATTLESHIP

This evidence indicates that the U.N. encourages conflict. "It's the openness problem," says Harlan Cleveland, a former Assistant Secretary of State. "In public you express yourself more drastically. The U.N. dramatizes conflicts and probably exacerbates them."

Actually, Cleveland understates the matter, as two political scientists, Abraham Yeselson and Anthony Gaglione, found out when they asked: Who brings what issues to the U.N. and why? The answer, reported in a fascinating and widely ignored book, *A Dangerous Place*, is eye-opening. Nations, they discovered, do not take questions to the U.N. when they hope to arrive at a cooperative and mutually advantageous settlement. For that purpose they resort to bilateral diplomacy or to traditional, non-U.N. forums such as NATO, the E.E.C., or the O.A.S. Nations take issues to the U.N. only when they want to attack or embarrass some other nation with which they are in an adversary relationship.

"When we had differences with Japan over Okinawa — a classic U.N. issue — we didn't work through the U.N.," Yeselson points out. "That would have been too hostile an act. We worked it out through normal bilateral channels." By contrast, when the regime of General Omar Torrijos in Panama demanded control of the Panama Canal, it took the issue to the U.N. "Using the U.N. was an expression of Torrijos's militant nationalism and anti-Americanism," says Yeselson.

The fact that the U.N. attracts matters at issue between hostile nations would be both natural and desirable—it's supposed to take up issues that don't settle themselves—were it not for the fact that the U.N. has no power to impose a settlement. Under the U.N. system, settlements occur only when the nations involved voluntarily accept them. So, if the issues nations want to settle cooperatively are kept *out* of the U.N., and if the issues they have no hope or intention of settling cooperatively are the ones they take *to* the U.N., then the presence of the U.N. on the world scene tends to perpetuate conflict.

By providing a first-class propaganda platform, an opportunity to make and mobilize allies, and other resources that are useful in conflict situations, the U.N. allows nations to postpone the day when exhaustion or defeat forces them to resolve their differences. Moreover, by making such resources available to every comer, the U.N. provides scores of impotent and impoverished new nations with the wherewithal to engage in conflicts they would otherwise be unable to afford. Which is why, according to Yeselson and Gaglione, the U.N. is a "weapon in . . . the armory of nations in conflict. It contributes about as much to peace as a battleship or an atomic bomb."

During the Yom Kippur War in 1973, the Arabs gave a masterful demonstration of the tactical uses of this weapon. Backed by the veto of their Soviet ally, they blocked efforts in the Security Council to impose a cease-fire as long as they were winning the war. But once the Israeli Army gained the advantage, crossing the Suez Canal and threatening Cairo, the Arabs reversed course. They began pressing vigorously for a cease-fire, which they got.

Yeselson argues that, one way or another, the Arabs and Israelis would long since have settled their differences had it not been for the existence of this institution, which prevents the Arabs from losing wars but not from starting them. U.N. peacekeeping forces interposed between the combatants have had a similarly perverse effect. "They have been not a bridge but a divisive wall," says Chaim Herzog, Israel's Ambassador to the U.N. "Where no such organization exists and we have had to be close to the Arabs by virtue of the facts of life—for example, in cooperating to control locusts near the border—we have made more of an advance."

Or take the case of the Third World's other arch-enemy, South Africa, which was suspended from membership in the General Assembly last year. This year, South Africa is making no effort to reclaim its seat, and the reason is revealing. South Africa has decided to seek detente with Black Africa. It is beginning to make internal modifications in its system of apartheid. It is lowering its voice and profile. And it wants to escape confrontations with its neighbors to the north. South Africa has evidently decided that keeping out of the General Assembly will enhance the prospects of peace.

Another way in which the U.N. increases the amount of conflict in the world is by drawing uninvolved third parties into the fray and forcing them to take sides. If the U.N. didn't exist, for instance, it is hard to imagine that hostilities in the Mideast would seriously engage more than the great powers, Israel, and its immediate neighbors—in all, maybe a dozen nations. But the U.N. does exist. It has 141 members, and they spend a large fraction of their time at the U.N.—perhaps as much as a quarter—on the Mideast question. By now there is scarcely a handful of countries left in the world that haven't long since chosen up sides in that conflict and acquired something of a stake in its outcome.

A SALAD OF ILLUSIONS

By attracting issues between hostile nations and forcing the whole world to take sides on them, moreover, the U.N. encourages the formation of factions and blocs. In time blocs take on a life of their own, quite apart from the specific issues that gave rise to them, and they tend to politicize matters that would otherwise be unobjectionable. It is a truism that to minimize conflict, issues should be treated separately, questions defined narrowly, and the number of participants kept as small as possible. The U.N. pushes in the opposite direction; it is by nature an exacerbator and spreader of conflict. In this respect, the U.N. incenses even the Soviet Union, which hears itself lambasted daily, and in every possible U.N. forum, by Communist China.

This is a perverse achievement for an organization created to "harmonize the action of nations" in behalf of peace, but there are many perverse things about the U.N., and in one way or another they all come from a single source: utopianism. The framers of the U.N.—most of them Americans—were guided by hopes that had little relation to their experience of the real world. Predictably, the actual operation of the institution they designed has borne an equally modest resemblance to their soaring expectations.

To be sure, there is nothing utopian about international organizations as such. They have performed a useful role that goes back for centuries, and the world would be much the worse off without them. But traditional international organizations—for example, the Universal Postal Union, founded in 1874—are different from the U.N. in a number of important respects. They are voluntary associations of nation-states, created for a specific purpose, limited in jurisdiction, joined only by nations clearly committed to that purpose, with decisions made by consensus or in some way that reflects the power, wealth, or interest of the members. Such organizations have only a limited potential, but that is precisely why they can enlist the cooperation of their members. Most of the specialized agencies of the U.N. today are (or began as) international organizations of this sort, and it's no accident that they are the most respected part of the U.N. system.

But the utopian idea of the U.N.'s architects was to create an international organization that would be like a government rather than a voluntary association. Its jurisdiction would be unlimited, its membership would be universal, its decision making would be by vote, and each state would carry equal weight. The system would deal with the entire range of political questions, from war and peace to economic management and human rights. Yet every state would retain full sovereignty; the U.N. would have no powers of coercion. The scheme was a salad of illusions. In a world violently divided along ideological, religious, racial, class, and regional lines, it would not work as intended—and it hasn't. World government is effective only if there is global sovereignty or global consensus. Neither condition obtains.

FROM A DISAPPOINTMENT TO A DISASTER

Still, during its first fifteen years the U.N. was not the nightmare that it is today. It was, to be sure, a cockpit—and intensifier—of the bitter conflict that raged between the Free World, as it was then called, and the Soviet bloc. This battle infected and politicized almost everything that came up for consideration in the U.N. The U.N. was also a disappointment in other ways. The preeminence it was expected to have in matters of war and peace never materialized. Collective security was moved out of the U.N. and into regional treaty organizations such as NATO and the Warsaw Pact; peacekeeping became an ad hoc activity pursuant only when all parties agreed to it. Other functions—European reconstruction, arms control—were stillborn. The real-life U.N. wasn't anywhere near the imposing institution its architects envisioned.

Yet in this period, when it was dominated by a coalition of Western nations and led by the U.S., the U.N. was at least an instrument of liberal values and a powerful symbol of the aspiration for a liberal world order characterized by law, peace, human rights, democracy, economic growth, and the abatement of nationalism. In this period there were also accomplishments: the drafting of the Universal Declaration of Human Rights, the funding of the World Bank and other development agencies, and the vigorous pursuit of decolonization. The U.N. may have been only a shadow of what it was intended to be, but its commitments were those of the charter and its designers.

A central fact about the U.N. today is that these commitments—and the Free World majority that made and pursued them—have been eclipsed by a new majority with new commitments. The process of decolonization, which members of the Free World bloc supported in the name of liberal values (and under the pressure of political necessity), created in the U.N. a new Third World majority, defined by an animus against the West and committed to an illiberal ethic of militant nationalism and authoritarianism. The accession of this new bloc and new ethic has been an unmitigated disaster for the U.N. and world diplomacy.

To judge from a Third World conference held in Lima, Peru, this August, what members of the Third World have most intensely in common is a shared sense of having escaped from Western colonial domination—and a shared obsession with fighting for their national independence. The "war of national liberation", as they typically call it, is without doubt the Third World's central symbol and aspiration. It is mentioned in every speech. Having fought such a war is a sign of a regime's legitimacy. The loudest applause is reserved for speakers from nations—Cuba, Algeria, Cambodia, North Korea—that have been through the bloodiest wars against the most formidable enemies (particularly the U.S.). The Third World believes that a central function of the U.N. ought to be to encourage and support such wars. The rhetoric is a weird combination of Woodrow Wilson and Mao Tse-tung, and the warlike, nationalistic idea behind it is utterly alien to the liberal, pacific, rationalist vision of the charter.

The Third World is no less obsessed with the opponents of such wars—"colonialist, imperialist, neocolonialist, hegemonious, Zionist oppressors," to cite the standard litany of epithets hurled at the U.S., Japan, and the nations of Western Europe. They are seen as evil personified and are to be resisted without letup. ("There are conspiracies everywhere," said the Foreign Minister of Uganda at the Lima conference. "We have to be ever vigilant.") The developed countries are also seen as a constant threat to the military, political, and economic independence of the Third World, and are considered guilty of numerous sins and crimes against the Third World, for which amends must be made.

YOU'VE GOT IT AND WE WANT IT

The Third World's demand for "the new international economic order" is intended to exact such reparations, and it is grounded in a rejection of the liberal concepts of markets, economic growth, and free trade that once prevailed at the U.N. In making this demand, the Third World is partly after money. Donald Paarlberg, a U.S. Department of Agriculture economist, recalls a conference he attended: "I got ahold of one guy and asked him, 'What do you fellows want?' He said simply, 'We want more.' We voice the old ethic that the way to get more is to work harder, invest more, and respond to technical assistance. And they're saying, 'To hell with it; we want more. You've got it and we want it.' "

But another motivation is that of continuing, by other means, the Third World's war against "oppressors." For this purpose, defeating the enemy politically is more important than increasing the Third World's income. Thus OPEC is a model for the Third World as much because it flexed its mercantilist muscles and stood down the West as because it increased its members' income. "There isn't any particular bill of goods that they lay before us that would satisfy them," says Paarlberg. "If they put up a request and we accede, that doesn't mean that they are satisfied. It only means that we are more vulnerable; we would only be sought for more and more."

The most important characteristic of the Third World, however, is its intensifying commitment to political authoritarianism. When the former colonies achieved independence, it was widely hoped that they would become liberal democracies, and indeed that is how many of them started out. Today, only fifteen of the 105-plus nations of the Third World rate as free on that world map at Freedom House (see page 116); forty-eight are totalitarian, and the rest in between. "The trend is decisively toward the totalitarian end of the spectrum," says Leonard Sussman, executive director of Freedom House.

DESPOTISM GOES TO THE PORK BARREL

As the U.N. falls increasingly under the influence of this new majority, the familiar traits of despotic rule stand out in ever clearer relief on the U.N.'s record. The idea of law recedes before the pressure of expediency and the temptations of power: South Africa is in effect expelled from the U.N. by the General Assembly, even though by law only the Security Council is empowered to do that. The main reason why Israel has not gone the way of South Africa is not any newfound respect for the charter, but the brute fact that the U.S. Senate voted unanimously for a resolution stating the U.S.'s intention to reconsider its U.N. membership if Israel were to be kicked out. Human rights are treated with indifference or contempt: the wanton slaughter of hundreds of thousands in Burundi, Uganda, Biafra, Indonesia, Cambodia, and elsewhere goes all but unnoticed in official proceedings; the U.N. for three years has been unwilling to pass a resolution condemning indiscriminate terrorism; and the Soviet Union's Gulag Archipelago evokes not the slightest protest.

Above all, one sees in the U.N.'s record a commitment to the primacy of the state, the needs of the state, and the prerogatives of the state as against the claims of the individual and the private association. "What is going on," says Moynihan, "is a systematic effort to create an international society in which government is the one and only legitimate institution." The market system, private business, free trade unions, and other private institutions attract precious little support in the U.N.

To some extent these authoritarian tendencies are expressed as doctrinal zealotry—for instance, in the unremitting rhetorical assault on Western business, Western philanthropy, and other elements of the liberal social order prevailing in the West. But for all their crypto-Marxist oratory, the despotisms of the Third World are more traditional than ideological, and the predominant theme in Third World behavior in the U.N. is that of the cynical quest for advantage.

Iran advocates the unrestrained nationalization of foreign-owned property—even though it would not invest in nations that followed this advice—in order to associate itself with the cause of the poorest nations (which are the ones most hurt by oil-price increases), thus giving an ideological cloak to OPEC profiteering. Brazil often joins expertly in Third World campaigns to embarrass the West, hoping thereby to neutralize its left-wing neighbors' hostility toward its right-wing, free-market regime. Arabs vote to suspend South Africa from the General Assembly in hopes of inducing African nations to vote for the suspension of Israel.

The Third World is also a grand alliance to divvy up the U.N. pork barrel, including thousands of the best-paid civil-service jobs in the world, which are filled by a rigid national-quota system. As a result, the U.N. bureaucracy is among the most incompetent and politicized in the world.

The advent of the Third World majority has had a profoundly destructive effect on the U.N. Increasingly serious diplomacy is careful to steer clear of the U.N. system. The State Department says it prefers to move trade questions away from the United Nations Conference on Trade and Development, which is dominated by the Third World, and handle them in the more sensible GATT. In matters ranging from arms control to the Mideast, much the same thing has happened. Thirty years ago, the U.S. offered to transfer its nuclear knowledge and hardware to the U.N. if the Soviet Union would do the same. Today, "it would never *dawn* on us to take SALT issues to the U.N.," says Fred C. Iklé, director of the U.S. Arms Control and Disarmement Agency.

ANGOLA'S TOO TICKLISH

The U.N. has just about given up its old role as world policeman. Particularly since 1967, when U Thant supinely complied with Egypt's request to withdraw the U.N. force from the Sinai—touching off the Six Day War—the U.N.'s peacekeeping capability "has been in some disarray and is not so widely used," says Charles W. Yost, former U.S. Ambassador to the U.N. "Ten years ago, a peacekeeping force would have been sent into Angola by now, as with the Congo in 1960. It's very desirable that it be done. Angolans are killing one another, and Portugal can't do anything. But the Organization of African Unity finds it all too ticklish."

Such peacekeeping and peacemaking as occur in the world these days are done almost entirely outside the U.N.—in various Geneva conferences, and by such officials as Henry Kissinger. According to Israel's Chaim Herzog, "There isn't the chance of a snowball in hell" that Secretary General Kurt Waldheim could have brought off the treaty Kissinger midwifed last September between Israel and Egypt. "He would have had to look over his shoulder to the Secretary Council, with the Arabs, the Soviets, and the Chinese.

He could *never* have put the Americans in as guarantors of the settlement."

And where diplomatic functions haven't been removed from the U.N. orbit, they have become increasingly politicized and distorted. As a result, support for them is waning. This has been particularly true of the specialized agencies, such as UNESCO, that have universal membership on a one-state, one-vote basis. The U.S. has terminated its funding of UNESCO because of the agency's unfriendly actions toward Israel, and recently decided to declare its intention to resign from the International Labor Organization.

The A.F.L.-C.I.O. has already terminated its participation in the I.L.O. because, says a spokesman, the I.L.O.'s governing council has become a "sort of General Assembly," busying itself with political resolutions. As an example, he cites the one, enacted two years ago, singling out Israel for mistreating Arab workers. (In Contrast to this condemnation of Israel, which has had a labor-party government for twenty-seven years, the I.L.O. has never censured forced labor in the U.S.S.R. or slavery in Saudi Arabia.)

Most distressing of all, the U.N. has tended to harm the honorable cause of freedom and human rights. After serving on the U.S. delegation to the U.N. recently, William F. Buckley concluded simply: 'The United Nations is the most concentrated assault on moral reality in the history of free institutions." This assault has had serious consequences. Leonard Sussman of Freedom House says that the human-rights constituency in the U.S. and other Western nations has been demoralized and demobilized. And the level of political morality in most parts of the world has been falling in recent decades as witness the unprecedented level of indiscriminate terrorism.

A DISTORTED IMAGE

The standard defense of the U.N. these days is that what goes on there, good or bad, is simply the world in microcosm. Attacking the U.N. on the ground that it encourages conflict, or corrupts liberal values, or tacitly sanctions terrorism is as irrational, the argument goes, as blaming a mirror for the image it captures.

There's something to this—but not much. Even a casual observer of the U.N. system can't help but notice that the mirror it holds up to the world reflects a grossly distorted image. For one thing, the fact that the U.N. attracts issues between hostile nations means that what is done there makes up a small and unrepresentative sample of all the transactions that take place among the nations of the world.

For example, the day after the U.S. managed to quash the Cuban-sponsored resolution declaring Puerto Rico a non-self-governing territory, the State Department announced that the U.S. was rescinding its long-standing third-party embargo against Cuba, whereby foreign firms doing business with Cuba had been barred from doing business with the U.S. The change of policy was widely interpreted as a step toward a possible resumption of normal diplomatic relations between the U.S. and Cuba.

Which event better reflects the reality of U.S.-Cuban relations—the purely hostile confrontation over Puerto Rico, or the cautious change represented by the embargo decision? Obviously, both are facets of the complex U.S.-Cuban relationship, but just as obviously the bilateral transaction comes closer to reflecting the whole reality.

Not least, there is the purely statistical unrepresentativeness of the U.N. Each nation has one vote, no matter how big or small, whether it is China, with 800 million, or São Tomé and Principe, admitted in September with a population of 80,000. Theoretically, it would be possible to assemble a majority in the General Assembly that would represent as little as 4.7 percent of the world's population, 1.3 percent of gross world product, and an even smaller fraction of the world's military power.

SELF-GRATIFYING FICTIONS

The U.N. is also unrepresentative by virtue of the kind of people who lead its Secretariat. They are all highly Westernized, the prevailing political ethos is socialist and statist, and they think the poor nations have a just claim on the wealth of the West.

Moreover, a deeply cultivated propensity for denying realities and inventing self-gratifying fictions is apparent throughout the U.N. bureaucracy. For example, in an interview with FORTUNE, Secretary General Kurt Waldheim began by stating that the U.N.'s greatest achievement was that of preventing a third world war. "I do not want to say that we alone achieved this," he hastened to add. "Of course, it was achieved with the cooperation of the international community." He went on: "We have been able to terminate, more or less, the East-West confrontation." Later: "It was because of the contribution of the U.N. that today most of Africa is free and independent." On Henry Kissinger's shuttle diplomacy in the Mideast: It is a "sound approach, although I know that this is only one step in the direction of an overall settlement.

"We feel that our quieter approach is perhaps more helpful in achieving positive results." Waldheim also asserted that bilateral efforts to deal with terrorism had been futile (in contrast, presumably, to the record of the U.N.).

The U.N. is an upside-down institution, in which the nations that are dominant in the world—by wealth, power, even population—are a tiny minority, and where the nations that are weak and unimportant are in a position of unassailable superiority. The unreality of the place is summed up in the phenomenon of the Third World, which exists as a political entity only within the context of the U.N. The real world is not a place where militant poor nations bludgeon complaisant wealthy ones into submission. The ultimate danger of the U.N. is that, by the force of its imagery, it will coax the real world into acting out the sordid and destructive fantasy that flourishes on the East River and that has already given the world OPEC, Black September, and Idi Amin, the Ugandan President who is a self-confessed admirer of Hitler for exterminating Jews.

If setting up the U.N. in 1945 was a mistake, then it was an American mistake. American utopianism was responsible for the basic structural flaws that make the U.N. intensify global conflict. American utopianism and sympathy for the Third World have been responsible for the admission of those scores of authoritarian regimes that have so little commitment to the ideals of the charter, for the indifference that allowed the gap between multilateral and bilateral diplomacy to arise, and for permitting the U.N. to become such an unreal and menacing distortion of world realities.

AMERICANS DON'T WANT FREE MARKETS

There are many throughout the West, of course, who think the U.N. is no kind of a mistake, who in fact see in it a large hope for a radically different and better future. They are primarily socialists of one variety or another who dislike the liberal, capitalist, democratic system that prevails in the West and who want to join the Third World's quest for a new international economic and moral order. Their prescription for U.S. policy toward the U.N. is: stay in, shut up, and go along.

Not a few persons in the U.S. State Department advocate this posture. Their attitude can be traced partly to the fact that American diplomats often seem to identify more with the interests of the country to which they're posted than with those of the U.S. Partly they dislike opposing and disputing other diplomats. But partly, too, they want the U.S. to shut up and go along because they agree with the Third World's case. One middle-level American official in an important U.N.-related job confided in an interview with FORTUNE that the Third World nations are right in claiming that they have been denied a "fair price" for their exports—a "fair price" being defined as what's necessary to give a nation a decent standard of living.

And Ambassador Robert O. Blake, Deputy Assistant Secretary of State for International Organization Affairs, observes: "If ever there was a place without a market system, it's the U.S. That's the imagery of what we have. The reality is that they don't have the socialist system they say they do, and we don't have the capitalist system we project. Americans don't want free markets. They want an assured source of raw materials and will pay an awful lot for it." Blake, needless to say, is not an enthusiast of the Moynihan-Kissinger campaign and sees little reason to be worried about what the Third World is doing in the U.N.

The Moynihan position begins with the proposition that the U.S. should be emphasizing the distinctiveness of its liberal, capitalist democracy, rather than muting the ways in which we differ both from Communism and from the authoritarian nationalist-socialist regimes that predominate in the Third World. He contends that the U.S. should vigorously defend its material and ideological interests and that it should advocate its system as one model that other nations might emulate, though he doubts that many will do so. Moynihan sees the true function of the U.N. as that of propagating liberal values, and believes that this function has been corrupted in recent years. His prescription is: stay in, speak out, hang tough, and make it work.

The U.N. clearly can be improved. It would be desirable to weight votes in the General Assembly according to population, or to do away with voting there altogether. The Third World isn't likely to agree, since such reforms would reduce its power. It is possible, though, to make more use of "consensus" proceedings, such as those at the Law of the Sea Conference. They are slow, but they do assure that the interests of the important nations aren't disregarded.

There is a lot the U.S. can do to break up bloc voting and curb Third World's excesses. The nations of the Third World are very different from one another in many ways—wealth, politics, interest, culture—and this creates possibilities for skillful diplomacy. Making countries answersable in bilateral relationships for their multilateral actions is a critical first step, and as part of this campaign Moynihan is installing a computerized system for recording and analyzing U.N. votes.

A PLAN OF LAST RESORT

There is every reason to believe that the Moynihan-Kissinger approach will work on many issues—as it did on the Puerto Rican resolution, and as the Senate's warning stopped the drive to kick out Israel. Victories of this sort may never convert the U.N. into a force for the defense of liberal values, but they will limit the damage it does to world peace.

If that effort fails, the U.S. should not get out unilaterally. Walking out, all alone, would be an act of utopian isolationism. The U.N. would merely move to Vienna and carry on in the dangerous manner to which it has become accustomed. If American diplomacy can't reform the U.N., then we should soberly take counsel with our allies and, with their help, shrink its budget, cut down its status, and, insofar as possible, empty it of its capacity for mischief.

Mr. ALLEN. I reserve the remainder of my time, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 77 Leg.]

Allen
Burdick
Byrd, Robert C.
Culver
Fong
Garn
Goldwater
Griffin
Helms
Javits
Laxalt
Mansfield
McClure
Morgan
Packwood
Percy
Stone
Thurmond
Tower
Williams

The PRESIDING OFFICER. A quorum is not present.

Mr. ROBERT C. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order the following Senators entered the Chamber and answered to their names:

Abourezk
Baker
Bartlett
Beall
Bellmon
Biden
Brooke
Buckley
Bumpers
Cannon
Case
Church
Clark
Cranston
Curtis
Domenici
Durkin
Eagleton
Fannin
Ford
Glenn
Gravel
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Hollings
Hruska
Huddleston
Inouye
Jackson
Johnston
Kennedy
Leahy
Magnuson
Mathias
McClellan
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nunn
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Young

Mr. HELMS. Mr. President——

The PRESIDING OFFICER. A quorum call is in progress. The Senator from North Carolina.

MOTION TO ADJOURN

Mr. HELMS. Mr. President, I move that the Senate adjourn.

I ask unanimous consent that the quorum call be rescinded.

Mr. ROBERT C. BYRD. Mr. President, the unanimous-consent request is not in order. We have a live quorum right now. If the Senator wants to adjourn the Senate, he may move to do so, but that is a privilege usually reserved to the leadership.

The PRESIDING OFFICER. The quorum call cannot be called off because the absence thereof has been established.

The Clerk will continue calling the roll.

Mr. ALLEN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. The Senator from North Carolina moved that we adjourn. That motion is in order.

The PRESIDING OFFICER. In the absence of a quorum, the motion to adjourn would be in order.

Mr. ALLEN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. A motion to adjourn is in order while a live quorum is underway. It can be made at any time. It is one of the three motions that are in order.

The PRESIDING OFFICER. The Chair had stated that a quorum was not present, and therefore a motion to adjourn would be in order.

Mr. ALLEN. Yes.

The PRESIDING OFFICER. Does the Senator renew his motion?

Mr. HELMS. The Senator from West Virginia said it was not in order, not the Chair. Is that correct?

Mr. ROBERT C. BYRD. The Senator from West Virginia did not say that the motion to adjourn was not in order. The Senator made his motion. Then he asked that the quorum call be called off, which could not be done.

Mr. HELMS. Mr. President, I move that the Senate stand in adjournment. I ask for the yeas and nays.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

The question is on the——

Mr. ALLEN. The question is on the motion to adjourn, the Senator from Alabama states to the Chair.

The PRESIDING OFFICER. All those in favor of the motion to adjourn signify by saying "aye."

All those opposed, signify by saying "no."

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to adjourn. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Virginia (Mr. HARRY F. BYRD, Jr.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Louisiana (Mr. LONG), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PASTORE) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Kansas (Mr. DOLE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kansas (Mr. PEARSON), and the Senator from Virginia (Mr. WILLIAM L. SCOTT) are necessarily absent.

The result was announced—yeas 21, nays 57, as follows:

[Rollcall No. 477 Leg.]

YEAS—21

Allen
Baker
Bartlett
Bellmon
Buckley
Curtis
Fannin
Fong
Garn
Griffin
Hansen
Hatfield
Helms
Hruska
Laxalt
McClellan
McClure
Morgan
Percy
Thurmond
Tower

NAYS—57

Abourezk
Beall
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Domenici
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hathaway
Hollings
Huddleston
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nunn
Packwood
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Tunney
Weicker
Williams
Young

NOT VOTING—22

Bayh
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Dole
Eastland
Goldwater
Hart, Philip A.
Humphrey
Long
McGovern
Montoya
Nelson
Pastore
Pearson
Pell
Ribicoff
Scott, William L.
Sparkman
Stennis
Talmadge

So Mr. HELMS' motion was rejected.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

The PRESIDING OFFICER. The presence of a quorum is established.

Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise in opposition to this bill, H.R. 5900.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. THURMOND. Mr. President, I will be pleased to yield on condition that I do not lose my right to the floor and that I may resume as soon as the Senator from Montana has finished.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, the Senator has an hour and he can use it as he sees fit, but I would point out that in rising in opposition to this bill, the bill is not before us at this time, and what we would like to do is get the bill before us so we can discuss it on its merits.

Mr. THURMOND. I can still speak in opposition to it.

Mr. MANSFIELD. It is not pending.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield? I may make a point of order that the Senator would be required under the rules to address his remarks to the matter that is before the Senate, and the matter that is before the Senate is a motion to proceed. The bill is not before the Senate. Consequently, I am ready to make a point of order and ask the Chair for a ruling as to whether or not I am right. The Senator will have to keep his remarks confined to the motion to take up.

The PRESIDING OFFICER. Does the Senator raise the point of order?

Mr. ROBERT C. BYRD. I would like to ask the Senator, I take it from what I heard him say, if he intends to talk on the bill? If I misunderstood him, then, of course, if he intends to talk on the motion to take up, that is a different matter.

Mr. THURMOND. Mr. President, I object to it being taken up. It is a bad bill. I would like to ask the Parliamentarian: Am I limited on the matter of taking up a bill, can I not give my reasons why I object to taking up the bill because it is a bad bill?

The PRESIDING OFFICER. Does the Senator raise a parliamentary inquiry? Will the Senator state the parliamentary inquiry.

Mr. THURMOND. I am not going to raise any inquiry at all but I am raising the point in connection with what the Senator from West Virginia said.

Mr. ROBERT C. BYRD. Mr. President, I make the point of order that under the rule, when cloture has been invoked, each Senator has 1 hour to speak on the measure, motion or matter then pending before the Senate. At this time the bill is not pending before the Senate. At this time pending before the Senate is the motion to proceed. Consequently, any Senator, in my judgment, from my interpretation of the rule—and I realize I may be wrong, but I am going to press the point and we will get a decision—in my opinion, the Senator is confined in his remarks to the matter before the Senate, to wit, the motion to proceed.

Mr. CURTIS. Mr. President, parliamentary inquiry.

Mr. THURMOND addressed the Chair.

Mr. CURTIS. Parliamentary inquiry.

Mr. ROBERT C. BYRD. I make that point of order, Mr. President.

Mr. CURTIS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The point of order having been raised, and cloture having been invoked, the point of order is not debatable, so the Chair will rule on the point of order. Then the Chair——

Mr. CURTIS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Chair will make a statement before he entertains the parliamentary inquiry.

The point of order having been made that once cloture is invoked on a measure, motion, or other matter, debate must thereafter be germane to that measure, motion, or other matter, the Chair wishes to state that although there was an opinion from the Chair in 1965 that debate under cloture must be germane, there is no Senate precedent on the point, based on a point of order.

Once cloture is voted, the rule provides that:

> Thereafter no Senator shall be entitled to speak in all more than 1 hour on the measure, motion, or other matter pending before the Senate, or the unfinished business, the amendments thereto, and motions affecting the same.

Although the present occupant of the Chair fully agrees with the statement made in 1965 by the Presiding Officer at that time, Vice President HUMPHREY, he will submit the question to the Senate ab initio as he may do under rule XX, so that the Senate may set a firm precedent on the matter.

The question is, Is the point of order that cloture having been invoked on this motion, debate must now be germane, well taken?

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays.

Mr. CURTIS. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. CURTIS. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. To what is the point of order directed? What proceedings, speech, or other matter, is determined to be out of order by the point of order?

The PRESIDING OFFICER. The Senator from South Carolina was speaking to the bill as opposed to the motion to take up.

Mr. CURTIS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. To that, the point of order was directed.

Mr. CURTIS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Is it not true, Mr. President, that in speaking on the motion to take up, a Senator might state his reasons for opposition thereto?

The PRESIDING OFFICER. That particular question is not before the Senate, or before the Chair, at this moment.

Mr. CURTIS. What question is before the Chair? What has been stated, Mr. President?

The PRESIDING OFFICER. The point of order that cloture having been invoked on this motion, debate must now be germane, and is that point well taken.

Mr. CURTIS. What has been said that is not germane?

Mr. ROBERT C. BYRD. Mr. President, the statement made by the distinguished Senator from South Carolina when he first sought recognition was to the effect that he was going to address his remarks to the bill.

The PRESIDING OFFICER. The point of order——

Mr. THURMOND. Mr. President, I would like to make this statement.

The PRESIDING OFFICER. The point of order is not debatable. The yeas and nays——

Mr. ROBERT C. BYRD. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The question is on the point of order.

Mr. ALLEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. The Chair has stated that the question is whether debate must be germane. Now, he is not putting the question to the Senate, as the Senator from Alabama understands it: Would it be germane on the motion to proceed to discuss the merits of the bill to determine whether or not we wanted to proceed? So that matter is not being presented to the Senate at this time by the Chair, is it, the second inquiry?

The PRESIDING OFFICER. The Chair declines to answer, as the Chair has a right to do.

The question is on the point of order, the yeas and nays have been ordered——

Mr. ROBERT C. BYRD. Mr. President, the question is on whether or not the point of order is well taken.

The PRESIDING OFFICER. That is correct.

Mr. ROBERT C. BYRD. Mr. President, a vote "aye" would be to support the point of order.

The PRESIDING OFFICER. That is correct.

The clerk will call the roll.

Mr. ALLEN. I move to table the point of order.

Mr. CURTIS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. And now the clerk will call the roll on the motion to lay on the table the point of order.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH, the Senator from Texas (Mr. BENTSEN), the Senator from Virginia (Mr. HARRY F. BYRD, JR.), the Senator from Florida (Mr. CHILES), the Senator from Mississippi (Mr. EASTLAND), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Wisconsin (Mr. NELSON), the Senator from Rhode Island (Mr. PASTORE), the Senator from Rhode Island (Mr. PELL), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Alabama (Mr. SPARKMAN), the Senator from Mississippi (Mr. STENNIS), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Rhode Island (Mr. PASTORE), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Maryland (Mr. BEALL), the Senator from Tennessee (Mr. BROCK), the Senator from Arizona (Mr.

GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Kansas (Mr. PEARSON), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Alaska (Mr. STEVENS), are necessarily absent.

The result was announced—yeas 25, nays 48, as follows:

[Rollcall Vote No. 478 Leg.]

YEAS—25

Allen
Baker
Bartlett
Bellmon
Buckley
Curtis
Dole
Domenici
Fannin
Fong
Garn
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
McClure
Nunn
Roth
Taft
Thurmond
Tower
Young

NAYS—48

Abourezk
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Church
Clark
Cranston
Culver
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hathaway
Huddleston
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Mondale
Morgan
Moss
Muskie
Packwood
Percy
Proxmire
Randolph
Schweiker
Scott, Hugh
Stafford
Stevenson
Stone
Symington
Tunney
Weicker
Williams

NOT VOTING—27

Bayh
Beall
Bentsen
Brock
Byrd, Harry F., Jr.
Chiles
Eastland
Goldwater
Hart, Philip A.
Hatfield
Humphrey
Inouye
Long
McClellan
McGovern
Metcalf
Montoya
Nelson
Pastore
Pearson
Pell
Ribicoff
Scott, William L.
Sparkman
Stennis
Stevens
Talmadge

So the motion to lay on the table was rejected.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, with the hope that we can work our way out of this rhubarb, to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may be permitted to offer a cloture motion on the bill tonight, with the understanding that the vote on the motion to invoke cloture would not occur until Friday.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Mr. President, reserving the right to object, what time on Friday?

Mr. ROBERT C. BYRD. If we come in at 9 o'clock, it would mean we would vote around 10:15.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. MANSFIELD. I think the Senate should be on notice that there is a very strong likelihood of a Saturday session, so Senators' calendars should be adjusted accordingly. There may be a second Saturday session before the recess.

Mr. CASE. What time is the vote on Friday?

Mr. ROBERT C. BYRD. If we would come in at 9 o'clock, under the rule we would vote at about 10:15.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, on the point of order which I raised earlier, on which the yeas and nays were ordered, and on which a vote will occur within the next 10 seconds if there is an objection to this request, that I be permitted to withdraw that point of order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The point of order is withdrawn.

CLOTURE MOTION

Mr. ROBERT C. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. A cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 5900, an act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mike Mansfield, Robert C. Byrd, Joseph M. Montoya, Warren G. Magnuson, Vance Hartke, John O. Pastore, Harrison A. Williams, Frank Church, John A. Durkin, William Proxmire, Jennings Randolph, Frank E. Moss, Mike Gravel, Hubert H. Humphrey, Patrick J. Leahy, Daniel K. Inouye, Abraham Ribicoff, Stuart Symington, Gaylord Nelson, Joseph R. Biden, Jacob K. Javits.

Mr. ROBERT C. BYRD. Mr. President, before Senators leave——

Mr. HELMS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. ROBERT C. BYRD. I call attention to the fact that the motion to take up has not yet been adopted. I take it now that the order has been entered to vote on cloture on the bill on Friday, the Senate will be agreeable to voting on the motion to take up by voice vote.

I ask unanimous consent that the motion to take up be considered as having been agreed to prior to my offering of the cloture motion.

The PRESIDING OFFICER. Is there objection?

Mr. CASE. Mr. President, reserving the right to object, the Senator did not answer my question as to when we are going to vote on Friday.

Mr. ROBERT C. BYRD. Is the Senator smiling when he says that?

Mr. CASE. That depends on the Senator's response. I do not like to be put down on a quickie. If it is to be as early——

Mr. ROBERT C. BYRD. The Senator is not smiling yet.

Mr. CASE. I will smile if the Senator will give me the word.

Mr. ROBERT C. BYRD. The word is that the Senate will come in early. How early does the Senator want to vote, or not vote?

Mr. CASE. I see no reason to vote before noon.

Mr. ROBERT C. BYRD. Mr. President, I cannot accede to this, because we only have Wednesday, Thursday, Friday, and Saturday of this week, and 6 days next week, if Saturday is included, to finish action on this bill, the Defense appropriation bill, the Interior Department appropriation bill, the debt limit, and the New York problem, not to mention the energy conference report.

Mr. CASE. Still reserving the right to object, everyone's convenience, and not only their convenience but everyone's necessities, including the necessity of those trying to do a decent job of maintaining relations with the parliament of a sister republic, monarchy, or whatever you want to call it, should be considered.

There has been a longstanding meeting between parliamentarians of Great Britain and the United States, for many, many years. It was instituted long before I became a member of the Committee on Foreign Relations, and it has resulted in very useful exchanges.

This year, that meeting was set for this summer. It was called off quite abruptly at the last minute by us, because of a vote situation here. It was rescheduled for this late in the year. I do not think we can, with any decency, ask that it be postponed again. Whether it is actually killed or not is really the question the Senator is now recording when he asks that the time for the vote on Friday, which will be right in the middle of this talk, be as early as he suggests.

I do not think it is necessary to do that. The hour-and-a-half or so that would be saved in the consideration of all the problems we have before us could just as easily be saved at another time.

Mr. ROBERT C. BYRD. How about an 11 a.m. vote on cloture?

Mr. CASE. If it is possible to get back then, it is all right. It is all right with me. I do not think it is necessary to vote as early as the Senator suggested.

Mr. JACKSON. Make it 11:30.

Mr. CASE. Make it 11:30. I think that is a quite reasonable thing to do.

Mr. ROBERT C. BYRD. Why 11:30?

Mr. CASE. It will take us a couple of hours to fly here, a half hour to get here. It will take us an hour to get from the hotel to the plane in Bermuda. Why should we have to get up at 6 a.m. in order to get here at 11 a.m.? I do not mind doing it if it is necessary but I do not think it is necessary.

Mr. ROBERT C. BYRD. If the Senator will pause long enough to let me find out from him——

Mr. CASE. If I had not made the noise, we would not have been discussing it. It would be over, done, agreed to, and we would be in a soup.

Mr. ROBERT C. BYRD. Would an 11 a.m. vote be satisfactory?

Mr. CASE. An 11 a.m. vote would mean some inconvenience, but I would not object to it.

Mr. ROBERT C. BYRD. Would the Senator smile?

Mr. CASE. I will smile when we get it.

Sometimes it is necessary in dealing with a strong man to be a little bit unpleasant about things. Sometimes one gets run over if one always is the guy who takes it easy.

ORDER FOR ADJOURNMENT UNTIL 9 A.M., FRIDAY, NOVEMBER 14, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business on Thursday, it stand in adjournment until the hour of 9 a.m. on Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TIME TO COMMENCE RUNNING ON MOTION TO INVOKE CLOTURE

Mr. President, I ask unanimous consent that the 1-hour cloture rule on the motion to invoke cloture on the bill, H.R. 5900, begin running at the hour of 9:45 a.m. on Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the motion to proceed to the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ROBERT C. BYRD. Mr. President, I repeat my previous request, to wit, that the motion to take up H.R. 5900 be considered as having been agreed to by the Senate prior to my having offered the cloture motion on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. I will now smile.

Mr. ROBERT C. BYRD. I thank my friend. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will come to order. Will Senators clear the aisles, please?

Will Senators who wish to converse kindly withdraw to the cloakrooms. Will Senators kindly clear the well.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. Will the Senator withhold a minute and the Chair will get some order?

Will Senators kindly withdraw to the cloakroom for their conversations?

The Senator will proceed. The Senator from West Virginia.

Mr. ROBERT C. BYRD. I yield to the Senator from Alabama.

Mr. ALLEN. I inquire of the distinguished Senator from West Virginia, since agreement has been made that the bill be brought up, it will now be in order, I assume, that the bill be laid before the Senate in order that it will be the unfinished business on tomorrow?

Mr. ROBERT C. BYRD. Yes.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read the bill as follows:

A bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

ORDER TO PROCEED TO CONSIDERATION OF H.R. 5900

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow upon the disposition of the conference report on the transportation appropriations bill, the Senate proceed to the consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

AMENDMENT NO. 1058

Mr. WILLIAMS. Mr. President, I have an amendment at the desk, No. 1058, and ask that it be stated.

The PRESIDING OFFICER. The amendments will be stated.

The legislative clerk read as follows:

The Senator from New Jersey (Mr. WILLIAMS) for himself and Mr. JAVITS, proposes amendment No. 1058 in the nature of a substitute.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That (a) section 8(b)(4) of the National Labor Relations Act, as amended, is amended by inserting before the semicolon at the end thereof ": *Provided further,* That nothing contained in clause (B) of this paragraph (4) shall be construed to prohibit any strike or refusal to perform services or any inducement of any individual employed by any person to strike or refuse to perform services at the site of the construction, alteration, painting, or repair of a building structure, or other work and directed at any of several employers who are in the construction industry and are jointly engaged as joint venturers or in the relationship of contractors and subcontractors in such construction, alteration, painting, or repair at such site, and there is a labor dispute, not unlawful under this Act or in violation of an existing collective-bargaining contract, relating to the wages, hours, or other working conditions of employees employed at such site by any of such employers and the issues in the dispute do not involve a labor organization which is representing the employees of an employer at the site who is not engaged primarily in the construction industry: *Provided further,* Except as provided in the above proviso nothing herein shall be construed to permit any act or conduct which was or may have been an unfair labor practice under this subsection: *Provided further,* That nothing in the above provisos shall be construed to prohibit any act which was not an unfair labor practice under the provisions of this subsection existing prior to the enactment of such provisos: *Provided further,* That nothing in the above provisos shall be construed to authorize picketing, threatening to picket, or causing to be picketed, any employer where an object thereof is the removal or exclusion from the site of any employee on the ground of sex, race, creed, color, or national origin, or because of the membership or nonmembership of any employee in any labor organization: *Provided further,* That nothing in the above proviso shall be construed to permit any attempt by a labor organization to require an employer to recognize or bargain with any labor organization if another labor organization is lawfully recognized as the representative of his employees or to exclude any such labor organization not affiliated with a national or international labor organization which represents employees of an employer of the common site: *Provided further,* That a labor organization before engaging in activity permitted by the above proviso shall provide prior written notice of intent to strike or to refuse to perform services of not less than ten days to all unions and the employers and the general contractor at the site and to any national or international labor organization of which the labor organization involved is an affiliate and to the Construction Industry Collective Bargaining Committee: *Provided further,* That at any time after the expiration of ten days from the transmittal of such notice, the labor organization may engage in activities permitted by the above proviso if the national or international labor organization of which the labor organization involved is an affiliate gives notice in writing authorizing such action: *Provided further,* That authorization of such action by the national or international labor organization shall not render it subject to any criminal or civil liability arising from activities notice of which was given pursuant to the above proviso: *Provided further,* That in the case of any such site which is located at any military facility or installation of the Army, Navy, or Air Force, or which is located at a facility or installation of any other department or agency of the Government if a major purpose of such facility or installation is or will be, the development, production, testing, firing, or launching of munitions, weapons, missiles, or space vehicles, prior written notice of intent to strike or to refuse to perform services, of not less than ten days shall be given by the labor organization involved to the Federal Mediation and Conciliation Service, to any State or territorial agency established to mediate and conciliate disputes within the State or territory where such site is located, to the several employers who are jointly engaged at such site, to the Army, Navy, or Air Force or other department or agency of the Government concerned with the particular facility or installation, and to any national or international labor organization of which the labor organization involved is an affiliate. The notice requirements of the preceding proviso are in addition to, and not in lieu of the notice requirements prescribed by section 8(d) of the Act. In determining whether several employers who are in the construction industry are jointly engaged as joint venturers at any site, ownership or control of such site by a single person shall not be controlling".

(b) Section 8 of such Act is amended by adding at the end thereof the following new subsections:

"(h) Notwithstanding the provisions of this or any other Act, where a State law requires separate bids and direct awards to employers for construction, the various contractors awarded contracts in accordance with such applicable State law shall not, for the purposes of the third proviso at the end of paragraph (4) of subsection (b) of this section, be considered joint venturers or in the relationship of contractors and subcontractors with each other or with the State or local authority awarding such contracts at the common site of the construction.

"(i) Nowithstanding the provisions of this or any other Act, any employer at a common construction site may bring an action or injunctive relief under section 301 of the Labor Management Relations Act (29 U.S.C. 141) to enjoin any strike or picketing at a common situs in breach of a no-strike clause of a collective-bargaining agreement relating to an issue which is subject to final and binding arbitration or other method of final settlement of disputes as provided in the agreement.".

SEC. 2. The amendment made by this Act shall take effect ninety days after the enactment of this Act.

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. Will amendments be in order until the cloture motion that has been laid down is finally voted on on Friday?

The PRESIDING OFFICER. Does the Senator refer to submitting amendments?

Mr. BUMPERS. Submitting amendments. I am sorry. Yes.

The PRESIDING OFFICER. That will be in order.

Mr. BUMPERS. I thank the Chair.

The PRESIDING OFFICER. Any amendments submitted up to the time of the vote could qualify.

Who yields time?

ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9 A.M., THURSDAY, NOVEMBER 13, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on tomorrow, it stand in adjournment until the hour of 9 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 9 A.M., SATURDAY, NOVEMBER 15, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business Friday, it stand in adjournment until the hour of 9 a.m. on Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M., MONDAY, NOVEMBER 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Saturday, it stand in adjournment until the hour of 10 a.m. on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ROBERT C. BYRD. Mr. President, the Senate will come in tomorrow at 12 o'clock meridian. After the two leaders or their designees have been recognized under the standing order, the Senate will proceed to the consideration of——

Mr. HELMS. Mr. President, will the Senator yield 1 minute please before the Senators leave the Chamber?

Mr. ROBERT C. BYRD. Yes.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the pending amendment.

Mr. ROBERT C. BYRD. There is no pending amendment.

Mr. HELMS. I thought he called it up.

Mr. WILLIAMS. Why do we not make it the pending business?

The PRESIDING OFFICER. The amendment of the Senators from New Jersey and New York is pending.

Mr. HELMS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair.

Mr. JAVITS. Mr. President, will the Senator yield for a parliamentary inquiry on that question? Amendments may be in form, as I understand it. I do not know if the Parliamentarian has had an opportunity to look over the substitute. But is it amendable in two degrees the same as original text?

The PRESIDING OFFICER. The first substitute is considered original text and, therefore, will be amendable in two degrees.

Mr. JAVITS. I thank the Chair.

Mr. ALLEN. Mr. President, I have an amendment that I offer.

The PRESIDING OFFICER. Will the Senator withhold? Did the Senator from West Virginia yield the floor?

Mr. ROBERT C. BYRD. No. I have not yielded the floor. I will be glad to yield to the distinguished Senator from Alabama. I am sorry.

I did not understand the Senator from New Jersey to say he was calling up his amendment. I thought he was just introducing it to have it printed.

I yield to the Senator from Alabama.

Mr. ALLEN. Mr. President, I send up an amendment and I ask it be inserted in lieu of the language proposed to be inserted by the amendment of the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator is offering his amendment as a substitute for the substitute?

Mr. ALLEN. That is correct.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment in lieu of the language proposed to be inserted by the amendment No. 1058 by Mr. WILLIAMS, of New Jersey.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLEN. I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated.

Mr. ROBERT C. BYRD. Mr. President, is the Senator going to ask to detain me until the clerk reads that?

Mr. ALLEN. Very well. I will withdraw the request.

Mr. GRIFFIN. Mr. President, I object. I wish to hear what the amendment is

Mr. ROBERT C. BYRD. Mr. President, I have the floor. I only yielded to the Senator to introduce the amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. ROBERT C. BYRD. I yield the floor for that amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

In lieu of the language proposed, insert the following:

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This Act may be cited as the "Voluntary Municipal Reorganization Act of 1975".

(b) The Congress finds that it is in the national interest to prevent the default by State or local governments on their outstanding obligations in a manner consistent with sound fiscal reform, as required under section 5 of this Act, and to establish a temporary program of emergency credit assistance to State or local governments unable to meet the requirements of section 5.

DEFINITIONS

SEC. 2. As used in this Act—

Mr. GRIFFIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the language intended to be proposed by Amendment No. 1058 by Messrs. Williams and Javits, insert the following in the nature of a substitute:

SHORT TITLE AND STATEMENT OF PURPOSE

SECTION 1. (a) This Act may be cited as the "Voluntary Municipal Reorganization Act of 1975".

(b) The Congress finds that it is in the national interest to prevent the default by State or local governments on their outstanding obligations in a manner consistent with sound fiscal reform, as required under section 5 of this Act, and to establish a temporary program of emergency credit assistance to State or local governments unable to meet the requirements of section 5.

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Board" means the Emergency Municipal Fiscal Reform Board;

(2) "assisted municipality" means a city incorporated under the laws of a State and any governmental agency, public authority, or public benefit corporation which receives or may receive moneys directly, indirectly, or contingently (other than moneys received for the sale of goods or the rendering of services or the loan of moneys to the city) from that city;

(3) "State" means the State of the United States which has jurisdiction of the assisted municipality, including an agency of that State; and

(4) "Governor" means the chief executive officer of a State.

ESTABLISHMENT OF THE BOARD

SEC. 3. There is established an Emergency Municipal Fiscal Reform Board composed of the Secretary of the Treasury, as Chairman, the Chairman of the Board of Governors of the Federal Reserve System, and the Secretary of Labor. Decisions of the Board shall be made by majority vote.

AUTHORITY

SEC. 4. The Board, on such terms and conditions as it deems appropriate, is authorized—

(1) to guarantee or make commitments to guarantee the timely payment of principal and interest to holders of obligations to be issued by a State on behalf of an assisted municipality in order to prevent a default and carry out fiscal reform in accordance with section 5; or

(2) in the event of a default or other inability of an issuer to meet its obligations, to provide emergency guarantees of the timely payment of principal and interest to holders of obligations of that issuer or of a trustee or receiver of that issuer or of a State on behalf of an assisted municipality to support the provision by that issuer or assisted municipality of essential services in accordance with section 6.

Such obligations shall, to the extent feasible, be secured by a first lien on all future revenues of State or other issuer.

STANDARDS AND CONDITIONS FOR GUARANTEES TO PREVENT DEFAULT

SEC. 5. (a) No guarantee shall be made by the Board under this section unless—

(1) the Board finds that the obligations to be guaranteed are to be issued by a State for the purpose of financing the credit needs of a municipality subject to its jurisdiction, that the State and the assisted municipality are not able to obtain such credit in the private market, and that the failure to obtain such credit is likely to cause the assisted municipality or State to default on its outstanding obligations;

(2) the assisted municipality submits, with the approval of the Governor of the State, in such detail and in accordance with such accounting principles as the Board may prescribe, a financial plan which in the judgment of the Board will bring the assisted municipality's operating expenses (including debt service) into balance with its recurring revenues beginning with its second full fiscal year following the inital application for assistance. Such financial plan shall provide for reductions in the cost of employee pension plans to the assisted municipality through reductions in the level of benefits, limitations on the amount of overtime pay which can be counted in computing retirement benefits, increases in the amount of employee contributions, or otherwise. Such financial plan shall also provide for the maximum feasible participation by the employee pension funds of the assisted municipality in supplying the credit needs of the assisted municipality. Such financial plan may be revised from time to time with the approval of the Board;

(3) the State demonstrates that it has the authority to control the fiscal affairs of the assisted municipality for the entire period during which the Federal guarantee will be outstanding, including the authority to determine all revenue estimates, set aggregate expenditures limits, disapprove all expenditures not in compliance with the plan required under paragraph (2), approve all borrowing, and authorize all contracts during that period;

(4) the State provides assurances satisfactory to the Board that it will repay any losses the United States Government may sustain as a result of payments made pursuant to a guarantee under this section, and in furtherance of such assurances, the State and assisted municipality agree to waive the right to all payments which they would otherwise be entitled to receive under the State and Local Fiscal Assistance Act of 1972, or other comparable general purpose financial assistance from the Federal Government, at such time and in such amounts as the Board may determine to be necessary to reimburse the United States for any losses sustained as a result of payments made pursuant to a guarantee under this section;

(5) the assisted municipality agrees (i) to make available to the Board, the Comptroller General of the United States, and any certified public accountant designated by the Board all its accounts, books, records, documents, or other information which the Board may request bearing on its financial situation prior to, and during, the entire period in which the Federal guarantee is outstanding; (ii) to follow such generally accepted accounting principles as the Board may prescribe; and (iii) to provide such periodic reports as the Board may require;

(6) the State agrees to pay to the Board such guarantee fee as may be prescribed by the Board but not to exceed 3½ per centum per annum of the total principal amount of guaranteed obligations outstanding, except that such fee shall not exceed 1 per centum if the interest on the obligations is included in gross income for the purpose of the Federal income tax laws;

(7) the State agrees to provide in accordance with this paragraph and at such times as the Board may prescribe a grant to the assisted municipality for each of the municipality's fiscal years during which a guarantee under this section may be outstanding. Such a grant shall—

(A) be in an amount equal to at least one-half of the anticipated operating deficit of the assisted municipality for the fiscal year or portion thereof during which a guarantee under this section is outstanding as determined without regard to the amount of the grant in accordance with accounting principles prescribed by the Board;

(B) be derived from the general tax revenues of the State;

(C) be in addition to all other grant or similar assistance provided to the assisted municipality by the applicant or the State pursuant to programs established or commitments made prior to its initial request for a guarantee under this section;

(D) be provided at such times as the Board may prescribe; and

(E) be used by the assisted municipality to meet its operating expenses in accordance with the financial plan under paragraph (2); and

(8) The State presents voluntary agreements acceptable to the Board by the holders of obligations issued by or on behalf of the assisted municipality to exchange such obligations as prescribed herein. Such agreements may be conditioned upon the approval of guarantee assistance under this section and shall reduce the financial burden on the assisted municipality in such manner and degree as the Board may determine necessary to enable the assisted municipality to meet all its credit needs without further Federal guarantee assistance at the earliest practicable date. Such voluntary agreements shall not be accepted by the Board unless—

(A) the holders representing at least 65 per centum of the aggregate principal amount of the obligations issued by a State agency on behalf of the assisted municipality agree to exchange those obligations for bonds issued by that agency with serial maturities of not less than five years and bearing interest at such rates as the Board may determine are necessary to achieve the purposes of this paragraph, but in no case may a holder receive a bond with an earlier maturity than the obligation exchanged; and

(B) the holders representing at least 40 per centum of the aggregate principal amount of the obligations of the assisted municipality maturing prior to June 30, 1976, agree to exchange those obligations for bonds issued by the municipality with serial maturities of not less than five years and bearing interest at such rates as the Board may determine are necessary to achieve the purposes of this paragraph.

(b)(1) The maturity of any obligations guaranteed under this section may not exceed one year.

(2) The aggregate principal amount of obligations guaranteed by the Board under this section shall not exceed at any time $4,000,000,000 prior to June 30, 1977; $3,500,000,000 during the twelve-month period ending June 30, 1978; $2,500,000,000 during the twelve-month period ending June 30, 1979; and $1,500,000,000 during the twelve-month period ending June 30, 1980.

(3) The Board may not make any commitment to guarantee any obligations under this section during any period when it determines the State or the assisted municipality is not meeting its obligations under this section or that the plan required under paragraph (2) of subsection (a) is not being achieved on schedule.

(4) In approving guarantees under this section subsequent to June 30, 1976, the Board shall require, to the maximum extent feasible, that investors participate in supplying the credit needs of the assisted municipality without Federal guarantee assistance by purchasing bonds issued by the municipality with serial maturities of not less than five years so as to eliminate the need for Federal guarantee assistance at the earliest possible date, but in no event later than June 30, 1979.

STANDARDS AND CONDITIONS FOR GUARANTEE OF OBLIGATIONS OF ISSUERS IN DEFAULT

SEC. 6. (a) The Board may not guarantee obligations under this section unless—

(1) the Board finds that—

(A) assistance under section 5 cannot be provided because of a failure to meet the requirements of that section;

(B) the issuer of the obligations (i) has defaulted on its outstanding obligations, or (ii) has filed a petition under the Bankruptcy Act;

(C) the issuer is unable to obtain credit in the private market; and

(D) a guarantee under this section is necessary to permit the issuer to carry on essential services or programs the interruption of which would endanger the health, safety, or welfare of the residents of the affected area;

(2) the issuer submits a financial plan acceptable to the Board in such detail and in accordance with such accounting principles as the Board may prescribe, for bringing its recurring revenues into balance with its essential cash needs;

(3) the issuer provides assurance satisfactory to the Board that it will repay any losses the United States Government may sustain as a result of payments made pursuant to a guarantee under this section, and in furtherance of such assurances the issuer agrees to waive the right to all payments which such issuer would otherwise be entitled to receive under the State and Local Fiscal Assistance Act of 1972, or other comparable general purpose financial assistance from the Federal Government, at such time and in such amounts as the Board may determine to be necessary to reimburse the United States for any losses sustained as a result of payments made pursuant to a guarantee under this section;

(4) the issuer agrees to—

(A) make available to the Board and the Comptroller General of the United States all its accounts, books, records, documents, transactions, and any other information bearing on its financial situation which the Board may request prior to and during the entire period during which a Federal guarantee is outstanding;

(B) follow such generally accepted accounting principles as the Board may prescribe; and

(C) provide such periodic reports as the Board may require;

(5) the issuer agrees to pay to the Board such guarantee fee as may be prescribed by the Board but not to exceed 3½ per centum per annum of the total principal amount of guaranteed obligations outstanding, except that such fee shall not exceed 1 per centum if the interest on the obligations is included in gross income for the purpose of the Federal income tax laws; and

(6) in the case of an issuer which is a unit of local government, the State in which such issuer is located agrees to provide from its general tax revenues and at such times as the Board may prescribe, a grant to such unit in an amount equal to one-half of its anticipated operating deficit during any period when a Federal guarantee under this section may be outstanding as determined without regard to the amount of such grant in accordance with accounting principles prescribed by the Board. Such grants shall be in addition to all other grants or similar assistance provided to such issuer by the State pursuant to programs established or commitments made prior to the initial request for guarantee assistance under this section.

(b) (1) The maturity of any obligations guaranteed under this section shall not exceed three months.

(2) The aggregate principal amount of obligations guaranteed under this section shall not exceed, at any time, $500,000,000.

(3) For the purpose of this section, the term "issuer" includes any municipality on behalf of which an obligation under this section is issued for the purpose of assisting such municipality in meeting its credit needs.

EMERGENCY MUNICIPAL DEBT GUARANTEE FUND

SEC. 7. (a) There is established in the Treasury an emergency municipal debt guarantee fund (hereinafter referred to as the "fund") to be administered by the Board. The fund shall be used for the payment of the expenses of the Board and for the purpose of fulfilling the Board's obligations under this Act. Moneys in the fund not needed for current operations may be invested in direct obligations of, or obligations that are fully guaranteed as to principal and interest by, the United States or any agency thereof. Moneys in the fund not needed for current operations or for any future obligations shall be covered into the general fund of the Treasury.

(b) Guarantee fees paid under this Act shall be deposited in the fund. Notwithstanding any other provision of law, the Secretary of the Treasury shall deposit in the fund any payment, or portion thereof, which a State government or unit of local government would otherwise be entitled to receive under the State and Local Fiscal Assistance Act of 1972, or any other comparable program of general purpose financial assistance from the Federal Government, and which is waived by such Government pursuant to this Act. Any other sums received by the Board under this Act shall be paid into the fund.

(c) Payments required to be made as a consequence of any guarantee by the Board shall be made from the fund. In the event and to the extent that the moneys in the fund are insufficient to make such payments, the Secretary of the Treasury is authorized and directed to make such payments on behalf of the Board and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include any such payments.

(d) The Federal Financing Bank shall purchase all obligations guaranteed under this Act the interest on which is excluded from gross income for the purposes of the Federal income tax laws.

FEDERAL RESERVE BANKS AS FISCAL AGENTS

SEC. 8. Any Federal Reserve bank which is requested to do so shall act as fiscal agent for the Board. Each such fiscal agent shall be reimbursed by the Board for all expenses and losses incurred by it in acting as agent on behalf of the Board.

PROTECTION OF GOVERNMENT'S INTEREST

SEC. 9. (a) The Attorney General shall take such action as may be appropriate to enforce any right accuring to the United States or any officer or agency thereof as a result of the issuance of guarantees under this Act. Any sums recovered pursuant to this section shall be paid into the fund.

(b) The Board shall be entitled to recover from any issuer of an obligation guaranteed under this Act or any other person liable therefor, the amount of any payments made pursuant to any guarantee made under this Act, and upon making such payments, the Board shall be subrogated to all the rights of the recipient thereof.

REPORTS

SEC. 10. The Board shall submit a quarterly report to the Congress as to its operations under this Act.

TERMINATION

SEC. 11. The authority of the Board to make any guarantee under section 5 terminates on June 30, 1979, and under section 6 on March 31, 1976. Such termination does not affect the carrying out of any contract, guarantee, or other obligation entered into pursuant to this Act prior to that date, or the taking of any action necessary to preserve or protect the interest of the United States in any amounts advanced or paid out in carrying on operations under this Act.

STOCK TRANSFER TAX

SEC. 12. The first sentence of section 28(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(d)) is amended to read as follows: "No state or political subdivision thereof shall impose any tax on any change in beneficial or record ownership of securities effected through the facilities of—

"(1) a registered clearing agency; or

"(2) a registered transfer agent when performing the function described in section 3(a) (25) (E) of this title or, in connection with such function, any functions described in section 3(a) (25) (B) through (D) of this title,

or any nominee thereof or custodian therefor or upon the delivery or transfer of securities to or through or receipt from such agency or agent or any nominee thereof or custodian therefor, unless such change in beneficial or record ownership or such transfer or delivery or receipt would otherwise be taxable by such State or political subdivision if the facilities of such registered clearing agency, registered transfer agent, or any nominee therefor were not physically located in the taxing State or political subdivision.".

ORDER FOR ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, in view of the fact that these amendments are pending, I wonder whether Senators would like to come in earlier and perhaps have some debate and votes on the pending amendments tomorrow. The present order provides for convening at 12 noon. These are very important amendments, and it may be possible to have debate on them and even perhaps some action thereon before any motion to invoke cloture has been adopted.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10:30 tomorrow morning.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow there be a period for the transaction of routine morning business, following the standing order for the recognition of the leaders, of not to exceed 20 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR VOTE ON SENATE RESOLUTION 265

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on Senate Resolution 265 occur at 12 noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, have the yeas and nays been ordered on that resolution?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. ROBERT C. BYRD. It is the desire of Mr. RIBICOFF that there be a rollcall vote on adoption of that resolution. Therefore, on his behalf, I ask unanimous consent that it may be in order at this time to order the yeas and nays on adoption of that resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask for the yeas and nays on the adoption of Senate Resolution 265.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 10:30 tomorrow morning.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business, of not to exceed 20 minutes, with statements therein limited to 5 minutes each.

At the conclusion of routine morning business, the Senate will proceed to the consideration of Senate Resolution 265, a resolution to protect the ability of the United States to trade abroad. There is a 1-hour limitation on that measure, to be equally divided between Mr. CURTIS and Mr. RIBICOFF. It is my understanding that that time may not be utilized fully. In any event, the rollcall vote on that measure will occur at 12 noon.

Upon the disposition of Senate Resolution 265, the Senate will proceed to the consideration of the conference report on the transportation appropriations bill, H.R. 8365. There is a time limit of 20 minutes for discussion of that conference report.

Upon the disposition of the conference report—I have had no indication that it will require a rollcall vote; it very well could be by a voice vote—the Senate will resume its consideration of the unfinished business, H.R. 5900, equal treatment of craft and industrial workers; and the pending question at that time will be on the adoption of the amendment by Mr. ALLEN, which he has offered as a substitute for the substitute offered by Mr. WILLIAMS to H.R. 5900.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. I yield.

Mr. JAVITS. I did not get what the Senator was asking in the unanimous consent request respecting the vote on Mr. ALLEN's amendment.

Mr. ROBERT C. BYRD. I did not ask any consent. I was merely stating the program.

Mr. JAVITS. Mr. President, I wish to be notified respecting any unanimous consent request with respect to Mr. ALLEN's amendment.

Mr. ROBERT C. BYRD. All right, the Senator will be so notified.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ROBERT C. BYRD. Mr. President, does any Senator wish recognition?

Mr. ALLEN. Mr. President, the purpose of my amendment is to put these two issues in a better perspective.

I see no emergency concerning the issue of the situs picketing bill. It has been stated that every President since the 1940's has advocated this. It has not been passed by Congress. On the other hand, the matter of the bailout of New York is a critical issue. The Senator from Alabama does not favor this bailout. He stands for the taxpayers of New York and the people of New York in seeking a solution that will give them a level of the operation of their government that they can live with and support.

However, with the agency that is involved, it seems to the Senator from Alabama that if this substitute is voted in lieu of the substitute offered by the distinguished Senator from New Jersey and the distinguished Senator from New York and then is adopted as the substitute for the bill itself, the situs picketing, so far as the bill pending in the Senate at this time is concerned, would be defeated, and what we would have left would be the New York bailout. That would give the Senate an opportunity to vote up and down on this issue. The vote of the Senator from Alabama would be against that substitute after it had become the bill itself.

The Senator from Alabama feels that in the matter of priorities, the Senate should speak first with respect to the critical condition that exists in New York. The distinguished Chairman of the Federal Reserve Board stated—I was not at the meeting; I read it in the press; I hope I am not misquoting him—that if Congress had said "No" to New York's plea 2 months ago, the matter would have been settled, or would have come nearer to being settled—I will qualify it that way—by the people of New York.

With so many matters pending before the Senate—the debt ceiling, energy, situs picketing, and many other matters that have been enumerated by the assistant majority leader—it does not seem that we would have an up-and-down expression by the Senate before the Thanksgiving recess. However, the substitute offered by the Senator from Alabama would give an answer on this question. It would give an up-and-down vote.

That is the reason that the Senator from Alabama has offered this substitute. He supports the substitute as a substitute for the Williams-Javits substitute and he would support it as a substitute, then, for the bill itself. But on an up-and-down vote on the New York bailout, the Senator from Alabama is constrained to say that he would vote "no" and, at the appropriate time, he will discuss his amendment further.

The theory of the amendment is that the Senate should vote first on the New York bailout, ahead of situs picketing. I would hope that eventually, the vote would be "no," but the Senator from Alabama is not of the opinion that the situs picketing issue should be decided before the New York bailout bill. We can, either on an up-and-down vote or in resistance to a motion to table if one is filed, find on a question of the Senate on this issue.

I have been reading in the paper that the bill is gathering support and it will be passed, and it will be signed by the President. So this substitute by the Senator from Alabama will bring those factors into focus and will allow the Senate to express its will on this subject.

Mr. JAVITS. Mr. President, New York's situation is too serious and its hazard is too great to the country and its whole economy—indeed the economy of the world—to allow its most dug-in opponent to determine when, as, and if, on what conditions and on what terms, it shall be considered by the Senate. I consider it my duty and my privilege to do what I can to see that that does not happen.

Mr. ROBERT C. BYRD. Mr. President, though a motion to table the distinguished Senator's amendment is in order, I shall not make such a motion today. I think it would be well for the Senate to have a discussion of the amendment, but at the appropriate time, if nobody else moves to table this amendment, I shall. I hope someone else does so that I shall not need to do it.

Mr. ALLEN. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. The Senator from Alabama might make that motion. He is interested in getting an expression from the Senate on this issue.

Mr. JAVITS. Mr. President, I must say for myself and, I believe, for many others that a vote on this motion to table—and it will be made—will be no determination, as far as Senators who are interested in saving New York, as to the view of the Senate on this motion. Again, I repeat, the time, the place, the conditions under which New York's fate will be decided—I should hardly be true to my oath as a Senator if I allowed those to be in the hands of the most determined opponent.

Mr. ROBERT C. BYRD. Mr. President, may I say, in explanation of my earlier statement to the effect that I would probably move to table this amendment if no other Senator made such a motion, it was not to indicate my opposition to such a measure. I am remaining open-minded on the New York question—I am not going to commit myself at this point as for or against—but my statement should not be taken as meaning that I oppose the measure. I probably shall support that the bill reported by Mr. PROXMIRE, but I do not think it should be offered as an amendment to the measure on situs picketing that is before the Senate.

ADJOURNMENT TO 10:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:30 tomorrow morning.

The motion was agreed to; and at 7:05 p.m., the Senate adjourned until tomorrow, Wednesday, November 12, 1975, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 11, 1975:

DEPARTMENT OF AGRICULTURE

William H. Walker, III, of Tennessee, to be an Assistant Secretary of Agriculture, vice William W. Erwin, resigned.

DEPARTMENT OF JUSTICE

David L. Russell, of Oklahoma, to be U.S. attorney for the western district of Oklahoma for the term of 4 years, vice William R. Burkett, resigned.

ENVIRONMENTAL PROTECTION AGENCY

Andrew W. Breidenbach, of Ohio, to be an Assistant Administrator of the Environmental Protection Agency, vice James L. Agee, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 11, 1975:

DEPARTMENT OF JUSTICE

Peter R. Taft, of California, to be an Assistant Attorney General.

Milton L. Luger, of New York, to be Assistant Administrator of Law Enforcement Assistance.

DEPARTMENT OF LABOR

Morton Corn, of Pennsylvania, to be an Assistant Secretary of Labor.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

THE JUDICIARY

Eugene E. Siler, Jr., of Kentucky to be U.S. district judge for the eastern and western districts of Kentucky.

HOUSE OF REPRESENTATIVES—*Tuesday, November 11, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

My help cometh from the Lord, who made heaven and Earth.—Psalms 121: 2.

Almighty God, Ruler of nations and Father of all people, we thank Thee for this our country—born in love, nourished by faith, and led by those who sought freedom on these shores. To Thy loving care we commend the leaders of our Nation today—our President, our Speaker, Members of our Congress, and all who guide our governmental agencies. Grant unto them wisdom to know Thy will, courage to do it, and strength to support them in their endeavors for the good of all.

Bless our people that are receptive to Thee and responding to the call for responsible living that they may work to make our Nation great in goodness and good in her greatness.

In the mood of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that Mr. PASTORE was appointed as a conferee, on the part of the Senate, on the bill (H.R. 10029) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 690. An act for the relief of Sheila J. Phelps; and

S. 1494. An act for the relief of Paul W. Williams.

INTEMPERATE REMARKS OF IRS COMMISSIONER CITED

(Mr. MEZVINSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEZVINSKY. Mr. Speaker, in the November 5, 1975, issue of the Los Angeles Times, Donald Alexander, Commissioner of the Internal Revenue Service, referred to members of congressional oversight committees as "faceless liars" and "a small goon squad of congressional investigators." As a member of one of those committees—the Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs—I am personally offended by his intemperate remarks. The Members of Congress have earned better treatment than to be publicly ridiculed for fulfilling their congressional mandate to oversee the agencies they create.

The accusations of Mr. Alexander are in reaction to widespread criticism levied against the Internal Revenue Service and the congressional investigations instituted in response to those allegations. These are serious charges, Mr. Speaker, and I will take additional time this afternoon to speak to them more specifically.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. PEPPER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mr. PEPPER asked and was given permission to address the House for 1 minute.)

Mr. PEPPER. Mr. Speaker, the last address I ever heard from Sir Winston Churchill was in the Guild Hall in London at a dinner of the American Bar Association in, I believe, 1957. Then, that great and wise man said that if the United Nations did not in some way prevent the small nations, who have insignificant populations and power, but the same vote as the great nations with their great power, from continuing to exercise the arbitrary authority they had previously exercised, it was going to lead toward the disruption and perhaps destruction of the United Nations.

There never was a greater vindication of the wisdom of this great man than yesterday, when the United Nations Assembly, under the whip of the Communist and Arab nations, put together the small nations of that body to adopt a monstrous resolution proclaiming the falsehood that Zionism is the equivalent of racism.

We join with Ambassador Moynihan in denouncing that resolution. We hope that the Assembly will purge itself of this perversion and will cease to endanger the survival of that great organization by such monstrous activity.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mr. LEVITAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVITAS. Mr. Speaker, I have in my nostrils this morning the acrid stench of the smokestacks of the crematoria at Auschwitz. I hear in my ears the groans of the martyrs in the Warsaw ghetto, because on yesterday, when the United Nations adopted that odious falsehood that Zionism is equivalent to racism, those odors were smelled and those sounds were heard.

There was an attempt yesterday to give legal, international sanction to the anti-Semitic lie. These little men, these vicious men, shall fail. Where Pharaoh, Nebuchadnezzar, Haman, Torquemada, Hitler, and Stalin have failed, these shameful people shall also fail. By their efforts they have joined the list of those ignoble persecutors whose names fill some of the most sordid pages of history.

I suggest that future U.S. participation in the United Nations must now seriously be reexamined until this immoral lie has been expunged from the annals of the United Nations.

The failure of the United States and other peoples to act to cleanse the United Nations of this corruption would seriously jeopardize the useful continuation of that body. It cannot continue with this taint on its conscience and in its records.

History should have taught us that oppression of peoples, religious hatred, racial discrimination, and national suppression lead only to violence, bloodshed, and war, and, in the final chapter, justice ultimately triumphs in any event because of the efforts of good and decent people.

I trust that this body will promptly initiate those actions necessary to reverse the decision of the U.N. in the name of our basic American ideals for the sake of justice and human decency and international morality.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FASCELL. Mr. Speaker, the U.N. vote equating Zionism with racism is a deplorable act. It sets a dangerous precedent which in the minds of many may call into question the ability of the U.N. to continue to play a constructive role in building world peace. It specifically adds fuels to the flames of prejudice and misunderstanding which have made it so difficult to attain peace in the Middle East and it does so at a time when at long last real progress toward peace had begun to be made.

It is unfortunate that under an apparent threat of blackmail so many nations of the third world have had to discard their good judgment in order to placate the fanaticism of some Arab States. The United States will have to evaluate this U.N. vote along with other disturbing trends in the world organization. While such a review is being made the United States must continue to promote the cause of peace and moderation in the U.N. and elsewhere for what really counts are the actions of other nations and their people and not political rhetoric catering to the least common denominator in world politics.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mrs. HOLT asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. HOLT. Mr. Speaker, yesterday's vote by the United Nations to equate Zionism with racism is another example of the continuing decline of this international organization.

Like the majority of my colleagues, I abhor the passage of this unconscionable resolution and support the position of the United States delegation in vigorously opposing it. In addition to its potential disastrous effects on the delicate Mideast situation, this vote is dramatic and irrefutable evidence of the hypocritical and unprincipled nature of many of the members of the United Nations.

This vote must cause the Congress and the administration to seriously consider the advisability of continued U.S. participation in the United Nations. In October of this year the U.N. celebrated its 30th birthday. I submit that the time has come to review its record over the past three decades and make fundamental decisions as to the consistency of this record with U.S. national interests.

This organization which sprung forth with great promise from the rubble of World War II is, in my opinion, currently grossly deficient in achieving the lofty objectives of its charter. International understanding has been replaced by petty jealousy; a forum for discussion has degenerated into a carnival of recrimination; and dedication to freedom and justice and peace has been supplanted by hostility toward the United States and its allies. Worse yet, the American taxpayer is financing a large portion of the costs of this institution which has turned against us.

Mr. Speaker, the Congress must shoulder the responsibility in the months ahead of evaluating the United Nations and the U.S. future in it.

STATEMENT ON THE GENERAL ASSEMBLY VOTE ON THE "ZIONISM IS A FORM OF RACISM" RESOLUTION

(Mr. COHEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. COHEN. Mr. Speaker, the approval by the General Assembly yesterday of a resolution branding Zionism as a form of "racism and racial discrimination" seriously diminishes the United Nations and its ability to deal with the difficult problems of a complex world. The action not only violates the spirit of the U.N. Charter, it undermines the basis for continuing U.S. support for the global forum.

The distortion of language is the precursor and preconditioner to a debasement of values. In George Orwell's "1984" a new language appeared called newspeak which was developed to accommodate the means and ends of totalitarianism. It taught that "war is peace," "love is hate," "freedom is slavery," and "ignorance is wisdom." And now the United Nations General Assembly would have us believe the invidious assertion that "Zionism is racism."

Let us never accept the tortured and deceitful formula that 2+2=5.

I do not believe that steadfastness in the pursuit of security and survival can be called racism. The State of Israel, sanctioned and brought into being by the U.N. 28 years ago, has a right to survive. Until the Arab States recognize that right, there can be no peace in the Middle East. Furthermore, use of the U.N. organization as a weapon against Israel can only weaken the U.N. and heighten the chance for a renewed Middle East conflict that will serve the best interests of neither side.

U.N. ACTION CONCERNING ISRAEL

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, I, too, join my colleagues in deploring and condemning the action taken in the United Nations last evening concerning Israel. We sent to our Ambassador to the United Nations a resolution cosponsored by 434 Members of this body opposing the resolution equating Zionism with racism.

Mr. Speaker, I would support a hearing in this Congress concerning what future role our Government should play in the United Nations. I fear trouble ahead in the funding of this international organization. We should also discuss the future of the United Nations.

I would hope for no abrupt cancellations until a complete study by the Congress has been made. There have been some organizations within the United Nations which have done a good job—UNICEF, the Economic and Social Council, Human Rights, Technical Assistance, and other organizations.

It is apparent to me that the actions of the third world countries, in conjunction with the Arab world, and in some instances with the Communist world, could cause the United Nations to disintegrate into another League of Nations. It gives one cause to despair how useful the U.N. can continue to be.

U.N. VOTE ON ZIONISM

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, this is not an easy statement for me to make. For almost two decades as a Congressman and a member of the Committee on International Relations, I have supported the United Nations. In 1967 I was privileged to serve as U.S. Ambassador to the 22d General Assembly and had the opportunity to observe firsthand the workings of the organization, its accomplishments, its potential, and its problems.

It is with a heavy heart and mixed emotions that I rise today to suggest that the United Nations, one of the noblest visions of the 20th century, has been seized by a suicidal impulse. In the wake of last night's vote on Zionism, it is difficult to escape the observation that the U.N. has run amok and has virtually destroyed its last vestige of utility to the international community. Continued, conscious abuse of the organization will lead inevitably to its disintegration, mocking the precepts on which it was founded.

A responsible United Nations could, and should, have an important role to play in an increasingly interdependent world. Ideally, the organization should provide all nations with an alternative to confrontation, an arena in which differences can be hammered out before they reach the stage of conflict, a forum in which the international community can search for consensus.

Today we are confronted, instead, with the hideous spectacle of an international organization out of control; we see votes bargained and purchased in favor of meaningless, senseless unenforceable resolutions with no purpose except to embarrass certain member states. The valuable work of the U.N. specialized agencies—WHO and UNESCO are but two examples—have become tainted with partisan political considerations. The organization's accomplishments of the past are dwarfed today by petty bickering, invective, and overbearing arrogance.

Last night's pitiful resolution equating Zionism with racism has no more effect than a resolution stating that the Sun revolves around the Earth. It is significant only to the extent that it bears testimony to the intellectual and moral bankruptcy of the organization, the depths to which the United Nations has fallen.

The time has come, Mr. Speaker, for the United States to reassess its posture toward the United Nations. I seriously question whether it is in our national interest to continue to provide the largest measure of support to an organization that has lost all semblance of relevance and all contact with reality.

Mr. Speaker, I have no specific proposals to make at this time, but it is apparent that the United States is called upon to react to the spectacle in New York. Let us take some time to measure and consider our reaction, but let us insure that it is forceful and effective.

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, NOVEMBER 12, 1975, TO FILE A REPORT ON H.R. 10612

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, November 12, 1975, to file a report along with any additional or dissenting views, on H.R. 10612, a bill to reform the tax laws of the United States, the "Tax Reform Act of 1975."

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERSONAL EXPLANATION

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, I was unable to be present during the Monday, November 10, 1975, session of the House of Representatives because I was asked to speak before the Bicentennial Convention of the Union of American Hebrew Congregations on the critical economic issues facing the country. Had I been present, I would have voted "aye" on H.R. 10035 establishing the District of Columbia Judicial Conference, and on H.R. 4287, providing additional law clerks for the District of Columbia Court of Appeals, and on H.R. 9958 transferring real property from the United States to the District of Columbia Redevelopment Land Agency. However, I would have voted "no" on H.R 10041 which retained the Federal enclave provisions of the Home Rule Act. I also would have voted "aye" on H.R. 6461 providing long-term financing of the Corporation for Public Broadcasting.

SUSPICION OF UNITED NATIONS GROWS

(Mr. FLOWERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLOWERS. Mr. Speaker, I join with my colleagues and condemn with every breath in my body the action of the United Nations yesterday. It seems to me, however, that the actions of that organization should have brought down the wrath of this Congress some time ago.

Some of our colleagues who will speak out most forcefully against this latest in a long series of insults and irresponsible acts were as recently as a few weeks ago urging this House to overturn our policy on Rhodesia because of U.N. sanctions against that country, Mr. Speaker, I do not like this latest resolution any more than the former one. In fact, along with many of my colleagues, I am hard pressed to find a ray of sunshine in the dark and ominous clouds of U.N. activity. In any event, I would say to our new disapproving colleagues, "Welcome to the club" from those of us who have for some time been suspect of the United Nations and our continued participation in it.

Mr. Speaker, I think at a bare minimum this Congress and this Government ought to consider at least our continued role in the United Nations and also whether we should continue to support its headquarters here in the United States.

Mr. DAVIS. Mr. Speaker, will the gentleman yield?

Mr. FLOWERS. I yield to the gentleman from South Carolina.

Mr. DAVIS. Mr. Speaker, I would like to concur with the remarks of the gentleman from Alabama (Mr. FLOWERS). Also, may I say at this point that, with the tremendous foreign aid bill that has been sponsored by the administration, the Committee on International Relations most certainly look at the actions of our friends who voted the way they did yesterday when we begin to dole out the American dollar. I strongly suggest that we delete every penny for every country who either voted in favor of the resolution or abstained. We can no longer remain silent and be pushed around by these tiny upstarts who seek to make a mockery of our way of life while we pay for it.

FOREIGN AID CHRISTMAS LIST

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. Mr. Speaker, I would like to add my voice to those of the Members who have condemned what happened yesterday in the U.N.

I would like to say that with respect to additional foreign aid for those countries who supported that resolution, they should be aware of the feeling in the Congress during this Christmas season. We will be making a list and checking it twice to determine who has been naughty and nice. Mr. Speaker I suggest that those who voted for the U.N. resolution belong in the former category.

QUESTIONING THE PRIVILEGE OF HOSTING UNITED NATIONS

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSSELOT. Mr. Speaker, I, too, am concerned about the actions of the United Nations. Many of us have been concerned about a great number of its actions for many years, primarily because we have serious doubts that the United Nations Charter really protects freedom or provides genuine peace.

So I am pleased that this current U.N. resolution has finally brought out to the House more clearly the necessity for reconsidering our support of "the House that Hiss built."

Maybe it is time to move the United Nations to another country and allow somebody else to have the privilege of having this organization within the bounds of their country. I am delighted to see that many of my colleagues have now seen the light and realize that this is not truly a democratically conceived organization.

Mr. Speaker, the United Nations has not been an instrument of peace. The United Nations has not truly contributed to peace around the world, in fact, the opposite has been the case. I hope we do in fact, terminate our general support of the so-called peacemaking organization, now.

U.N. RESOLUTION CONDEMNED

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, I rise to condemn those countries in the United Nations who voted for the resolution equating Zionism and racism. I was proud that Ambassador Moynihan spoke strongly on behalf of those who espouse the Zionist philosophy and their right to freedom of thought.

Ambassador Moynihan touched on a key point—U.S. financial support of the United Nations.

Though a U.S. withdrawal from the U.N. might at first blush appear attractive, our empty chair would have no voice and no veto on behalf of our friends and our own interests. The security of our 200 American technicians in the Sinai and the current truces between Israel and its neighbors relies on 5,000 U.N. troops, who would, if we withdrew, be beyond our influence.

But we are not without recourse. This year, we have already voted $150 million to meet our assessment as a U.N. member. Though it is too late for Congress to reduce that sum, new appropriations will come before us for fiscal 1977. And we have not yet appropriated our voluntary contributions—which last year totaled $125 million. This year's administration request is for $169 million.

As a Member of the Foreign Operations Appropriations Subcommittee, which votes both bilateral foreign aid and voluntary U.N. contributions, I pledge that every request will be closely examined in light of this vote on Zionism. Those nations voting to equate Zionism with racism should, if it is consistent with our national interests, be cut off from the benefits of our foreign aid and our voluntary contributions.

The United States has too long and too proud a history of generosity and tolerance to start condoning, even by inaction, the demagogery witnessed yesterday at U.N. headquarters.

U.N. SHOULD BECOME INSTRUMENT FOR PEACE

(Mrs. FENWICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. FENWICK. Mr. Speaker, I join with my colleagues in the strongest condemnation of what we have seen in the general assembly of the United Nations, an organization that we had hoped would be an instrument of peace in the world and, more than that, an organization devoted to principle, exerting moral force, rather than physical force, in the affairs of nations.

I think that all of us are bitterly disappointed and outraged at what we have seen, and I only hope that this will not move us 1 inch from our determination to make this organization what it should be—an instrument for peace.

I hope that it will not move us 1 inch from the direction in which we know we have to go, which is forward in an orderly world that exists on principles of justice and law.

Mr. Speaker, that is what I hope this very damaging action of the U.N. will bring about in the hearts and minds of the people of this Nation.

THE UNITED STATES SHOULD CUT ITS CONTRIBUTION TO THE UNITED NATIONS

(Mr. DEVINE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEVINE. Mr. Speaker, we are hearing a lot of moaning and groaning and gnashing of teeth and wringing of hands here today about the U.N.

The majority leader (Mr. O'NEILL) made reference to the letter with 434 Members against the resolution, and I was one of the signators.

I guess it took the Zionist racist resolution to pinpoint the U.N. irresponsibilities and get the attention of the Members. A number of us around here have been talking about this organization for quite a period of time. It has resolved itself into nothing more than an international debating society. It has utterly failed year in and year out in its peacekeeping operation.

Therefore, Mr. Speaker, I would hope that the Members who are up here deploring this action will, when the time comes to vote on the contribution of the United States for this organization, use their heads and reduce the share of the United States, because we have been much too generous over the years.

I do not think that we should necessarily abolish the United Nations, but we should put it in the proper perspective, and not yield so much to all of these pipsqueak nations that have the same vote as we do.

REQUEST FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION, 475, PROVIDING FOR CONDEMNATION OF RESOLUTION OF U.N. GENERAL ASSEMBLY EQUATING ZIONISM WITH RACISM AND PROVIDING FOR HEARINGS TO REASSESS FURTHER U.S. PARTICIPATION IN U.N. GENERAL ASSEMBLY

Mr. O'NEILL. Mr. Speaker, I send to the desk a concurrent resolution (H. Con. Res. 475) and ask unanimous consent for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 475

Concurrent resolution relating to the United Nations and Zionism

Whereas the United States, as a founder of the United Nations Organization has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in Article I of the Charter of the United Nations the stated purpose of the United Nations include:

"To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion;" and

Whereas the General Assembly of the United Nations decided to launch on December 10, 1973, a Decade of Action to Combat Racism and Racial Discrimination and a program of action which the United States supported and in which it desires to participate; and

Whereas the United Nations General Assembly on November 10, 1975 adopted a resolution which describes Zionism as a form of racism thereby identifying it as a target of the Decade for Action to Combat Racism and and Discrimination; and

Whereas the extension of the program of the Decade to include a campaign against Zionism brings the United Nations to a point of encouraging anti-Semitism, one of the oldest and most virulent forms of racism known to human history; now, therefore, be it

Resolved, That the House of Representatives (*the Senate concurring*), sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination, thereby contradicting a fundamental purpose of the United Nations Charter; and be it

Resolved, That the Congress strongly opposes any form of participation by the United States Government in the Decade for Action to Combat Racism and Racial Discrimination so long as that Decade and program remain distorted and compromised by the aforementioned resolution naming Zionism as one of the targets of that struggle; and be it

Resolved, That the Congress calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the aforementioned resolution with a view to removing the subject of Zionism, which is a national but in no way a racist philosophy, from the context of any programs and discussions focusing on racism or racial discrimination; and be it further

Resolved, That the Committee on International Relations and the Committee on Foreign Relations begin hearings immediately to reassess the United States further participation in the United Nations General Assembly.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. RHODES. Mr. Speaker, reserving the right to object, and I certainly shall not object, it is my privilege and my honor to join with the distinguished majority leader in the presentation of this concurrent resolution.

There seems to be no doubt as to the necessity for this resolution. The General Assembly of the United Nations has seen fit to adopt a resolution which states that Zionism is racism. This body has previously adopted a resolution condemning such action.

Certainly this body and this Government can have no part of any such proceeding.

I congratulate the majority leader for offering this resolution and it is my privilege and honor to join with him in sponsoring it.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. KASTENMEIER. Mr. Speaker, reserving my right to object, I would like to ask the majority leader if I heard the reading of the concurrent resolution correctly in that, it calls for a reappraisal of whether this country should be part of the General Assembly? And if that is the import of this concurrent resolution, while I sympathize otherwise with its objectives, I would be constrained to object to the immediate consideration of it.

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I would ask unanimous consent that the last paragraph of the concurrent resolution be reread so that the gentleman from Wisconsin will understand exactly what is contained in the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Resolved, That the Committee on International Relations and the Committee on Foreign Relations begin hearings immediately to reassess the United States further participation in the United Nations General Assembly.

Mr. KASTENMEIER. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

TIME FOR REVIEW OF U.N. FINANCIAL SUPPORT

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, yesterday at the United Nations, the General Assembly voted in favor of resolutions that glorified anti-Semitism and terrorism.

Our U.S. Ambassador correctly described previous such resolutions as "obscene" and yesterday's resolutions as "infamous."

The U.N. is now controlled by essentially nondemocratic states which regularly endorse terrorism as a desirable life style. Therefore, the time has come for this country to review its financial support of all U.N. activities. I urge the administration and the appropriate committees of this Congress to examine our contributions and to make recommendations for general reductions and specific eliminations.

I do not recommend that we resign from the U.N., but I strongly urge that we do not financially endorse the kind of outrageous conduct that is becoming commonplace at the U.N. In addition, I urge the same kind of review of our foreign assistance program, including security assistance, and of our contributions to international development agencies, and of any specialized tariff preferences to developing nations.

I do not urge massive economic retribution against every country which takes a different point of view from our own. However, in view of our very heavy moral and financial commitment to peace in the Mideast, I do not believe we ought to be giving aid and comfort to those countries which are continuously wrecking our efforts to achieve that peace.

Mr. Speaker, I have been a strong supporter of the U.N. and of our financial commitment to the U.N. If, however, the U.N. is to be the international public playpen for nonelected heads of regimes created or sustained by terrorism, then we have no choice other than to show our disapproval as strongly and in as many ways as possible.

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 685]

Addabbo
Ambro
Andrews, N.C.
Andrews, N. Dak.
Ashley
AuCoin
Biaggi
Blanchard
Brown, Mich.
Buchanan
Burton, Phillip
Cederberg
Chappell
Chisholm
Clay
Cleveland
Conyers
Danielson
de la Garza
Dellums
Diggs
Drinan
Early
Esch
Eshleman
Fary
Fraser
Gude
Harrington
Harsha
Hawkins
Hébert
Hefner
Heinz
Hillis
Hinshaw
Holland
Jarman
Karth
Kelly
Kindness
Long, La.
Lott
McCloskey
McEwen
McHugh
McKinney
Mathis
Metcalfe
Michel
Mollohan
Moorhead, Pa.
Mosher
Murphy, Ill.
Nolan
O'Hara
Patman, Tex.
Pike
Quie
Rees
Riegle
Risenhoover
Rosenthal
Ruppe
Schroeder
Stuckey
Traxler
Udall
Van Deerlin
Walsh
Wiggins
Wilson, Bob
Wolff
Young, Fla.

The SPEAKER. On this rollcall 359 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ZIONIST RESOLUTION

(Mr. WOLFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLFF. Mr. Speaker, I take this time to comment on the objection to discussion on the concurrent resolution placed before the House by the distinguished majority and minority leaders. It seems strange to me that the gentleman from Wisconsin objected to our discussion of this resolution.

The entire question of U.S. participation in the General Assembly has been brought to a head by the approval of a resolution equating Zionism with racism. However, I would like to remind my colleagues that this is merely the latest example of irresponsible actions taken by the General Assembly over the past few years. That body has strayed far beyond the scope intended by the U.N. Charter. While I certainly do not support the apartheid policies of the Government of South Africa, I feel that the General Assembly far exceeded its powers in denying that Government representation in the Assembly. Legal opinions handed down by the U.N. legal counsel support this. In addition, the General Assembly, in granting observer status to the PLO, limiting Israel's rights to participate in debate on the Middle East, and in other actions, has turned the Assembly from a body geared to peace and reconciliation of disputes toward being an instrument of unrest.

I strongly feel that there should be no objection to the Congress taking a long, hard look at our participation in the General Assembly. Beyond this, I feel that our Nation should refuse to associate itself with this body as long as it continues in its irresponsible ways. Accordingly, I have introduced a measure suspending U.S. participation in the General Assembly, and withholding that amount of our financial contribution that goes toward its support. My legislation would in no way affect U.S. participation in the Security Council and other organs of the U.N., but would make it clear that the United States will not tolerate, nor participate in, irresponsibility.

STATEMENT BY REPRESENTATIVE BELLA ABZUG ON U.N. VOTE ON ISRAEL

(Ms. ABZUG asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ABZUG. Mr. Speaker, the credibility of the United Nations as a force for world peace has been dealt almost irreparable damage by this outrageous action.

By its vote, the U.N. General Assembly is in effect calling for the destruction of a member state. From peacemaker, it has changed to warmaker, from a forum for world tolerance and understanding, it has changed into an inciter of worldwide anti-Semitism and a renewal of violence against the state of Israel.

Those who have steamrollered this vote cannot have it both ways: They cannot pervert the goal of the United Nations and at the same time expect that the American people will continue to be its financial mainstay. They should be aware that all but one Member of the House of Representatives have stated their opposition to the U.N. action.

It is the ultimate in hypocrisy that the vote branding Zionism as racism should have been pushed by third world nations that themselves are products of the struggle of national liberation to overcome racist colonialism.

They know very well that Zionism is not racism; it is rather the successful national struggle of the Jewish people, who for 2,000 years have been the victims of racism. They have been exiled from their land, ghettoized, repressed, and ultimately massacred. Unlike the single-party Arab states where Jews and dissenters are repressed, jailed, or driven out, Israel is a democracy in which a half million Arabs have the same rights as other citizens, where other religions exist side by side with the Jewish religion.

Those who espouse the anti-Jewish cause choose to ignore the fact today that it was horror at the Nazi annihilation of millions of Jews and others that led to the creation of the United Nations. It is morally repugnant that words culled from the propaganda of Joseph Goebbels should now suddenly be transformed into the ultimate expression of anticolonialist chic. The anti-Israel forces should know that the words they use have a double edge: Tomorrow the same words can be used to justify the murder of Asians, Africans, or Latin Americans.

And therein lies the ultimate danger to world peace. The United Nations resolution sets the precedent for sanctioning the destruction of any nation with powerful enemies. Which national existence is safe, which people secure if a technical majority in the Assembly can approve a hate-filled statement directed at the survival of a tiny nation?

I hope and believe there will be a world outcry against this despicable action. The member states of the U.N. must reconsider and rescind what they have done, or be prepared to accept the consequences. The U.N. has no future if it is to be permanently captured by inciters of violence and anti-Semitism.

CONFERENCE REPORT ON H.R. 8365, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1976

Mr. McFALL. Mr. Speaker, I call up the conference report on the bill (H.R. 8365) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 6, 1975.)

Mr. McFALL (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The gentleman from California (Mr. McFALL) is recognized for 30 minutes.

Mr. McFALL. Mr. Speaker, the conference agreement on the transportation appropriations bill is a good one. In a few instances, after considering all pertinent factors, we are recommending that programs go forward at a faster rate than is proposed in the budget. These few increases, however, are more than offset by reductions in other parts of the bill.

The $3,978,924,775 of new budget authority included in the bill for fiscal year 1976 is $91,070,000 less than the budget request. In addition, appropriations to liquidate contract authorizations have been reduced by $13,238,000. The net effect of these actions on current year expenditures is a reduction of about $86 million below the budget.

The bill is $234,511,000 more than when it left the House. Part of this increase is accounted for by the fact that the Senate considered an additional $105,010,000 of budget estimates which were not considered by the House. The other major increase over the House bill is $90 million for rail transportation improvement and employment.

The House conferees did agree to a $20 million increase in the limitation on obligations for highway safety grants. As stated in the conference report, we believe these additional funds should be used to emphasize high priority safety programs. The effort to reduce drunk driving remains among these high priorities, and is joined now in the States by new opportunities for life saving and a new enforcement challenge raised by the national mandatory 55-mile-per-hour speed limit.

The conference agreement also provides $970,721,939 in new budget authority for the 3-month transition period ending September 30, 1976. This amount is $26,787,000 less than the budget estimates.

There are a couple of other items which are not part of the conference report which I know you are interested in. These items will be voted on separately after the conference report is adopted.

The first major item in technical disagreement is the funding for rail transportation improvement and employment. On this item, I intend to offer a motion to provide $90 million for fiscal year 1976 and $18 million for the transition period to be available only upon the enactment of authorizing legislation.

The other controversial item is Senate amendment No. 50 which limits obligations to be incurred under certain highway programs to $9 billion for the 15-month period ending September 30, 1976. On this item, I intend to offer a motion to concur in the Senate amendment.

As I indicated previously, neither of these two items are part of the conference report. They will be voted on separately after the vote on the conference report.

In summary, I think it is important to point out that this bill is $91 million below the budget.

Mr. Speaker, I urge that the conference report be agreed to. I insert at this point a table in the RECORD giving the conference figures in detail:

	New BA enacted fiscal year 1975	New BA estimates 1976 transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975/enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
TITLE 1									
DEPARTMENT OF TRANSPORTATION									
Office of the Secretary									
Salaries and expenses	$30, 315, 000	$34, 415, 000	$32, 550, 000	$32, 550, 000	$32, 550, 000	+$2, 235, 000	−$1, 865, 000		
Transition period		9, 395, 000	8, 930, 000	8, 930, 000	8, 930, 000		−465, 000		
Transportation planning, research, and development	33, 420, 000	35, 000, 000	27, 000, 000	29, 000, 000	28, 000, 000	−5, 420, 000	−7, 000, 000	+$1, 000, 000	−$1, 000, 000
Transition period		8, 600, 000	6, 750, 000	7, 250, 000	7, 000, 000		−1, 600, 000	+250, 000	−250, 000
Transportation Research Activities Overseas		250, 000	250, 000	250, 000	250, 000	+250, 000			
Transition period									
Grants-in-aid for natural gas pipeline safety	1, 158, 000	1, 800, 000	1, 500, 000	1, 800, 000	1, 650, 000	+492, 000	−150, 000	+150, 000	−150, 000
Transition period									
Total	64, 893, 000	71, 465, 000	61, 300, 000	63, 600, 000	62, 450, 000	−2, 443, 000	−9, 015, 000	+1, 150, 000	−1, 150, 000
Transition period		17, 995, 000	15, 680, 000	16, 180, 000	15, 930, 000		−2, 065, 000	+250, 000	−250, 000
Coast Guard									
Operating expenses	660, 264, 448	723, 907, 000	714, 230, 000	718, 696, 000	718, 341, 000	+58, 076, 552	−5, 566, 000	+4, 111, 000	−355, 000
Transition period		207, 079, 000	204, 660, 000	205, 760, 000	205, 660, 000		−1, 419, 000	+1, 000, 000	−100, 000
Appropriation for debt reduction	−179, 448	−187, 225	−187, 225	−187, 225	−187, 225	−7, 777			
Transition period		−48, 061	−48, 061	−48, 061	−48, 061				
Subtotal	660, 085, 000	723, 719, 775	714, 042, 775	718, 508, 775	718, 153, 775	+58, 068, 775	−5, 566, 000	+4, 111, 000	−355, 000
Transition period		207, 030, 939	204, 611, 939	205, 711, 939	205, 611, 939		−1, 419, 000	+1, 000, 000	−10 , 000
Acquisition, construction, and improvements	108, 376, 000	165, 310, 000	156, 100, 000	164, 568, 000	156, 100, 000	+47, 724, 000	−9, 210, 000		−8, 468, 000
Transition period		19, 000, 000	16, 160, 000	19, 000, 000	16, 160, 000		−2, 840, 000		−2, 840, 000
Alteration of bridges	6, 562, 000	6, 600, 000	6, 500, 000	6, 500, 000	6, 500, 000	−62, 000	−100, 000		
Transition period		2, 050, 000	1, 625, 000	1, 625, 000	1, 625, 000		−425, 000		
Retired pay	105, 000, 000	115, 650, 000	115, 650, 000	115, 650, 000	115, 650, 000	+10, 650, 000			
Transition period		30, 050, 000	30, 050, 000	30, 050, 000	30, 050, 000				
Reserve training	28, 912, 000	31, 350, 000	31, 200, 000	31, 200, 000	31, 200, 000	+2, 228, 000	−150, 000		
Transition period		10, 225, 000	10, 175, 000	10, 175, 000	10, 175, 000		−50, 000		
Research, development, test, and evaluation	16, 887, 000	20, 652, 000	18, 600, 000	18, 600, 000	18, 600, 000	+1, 713, 000	−2, 052, 000		
Transition period		5, 111, 000	4, 650, 000	4, 650, 000	4, 650, 000		−461, 000		
State boating safety assistance	5, 790, 000	6, 000, 000	5, 790, 000	5, 790, 000	5, 790, 000		−210, 000		
Transition period									
Supply fund		2, 000, 000	2, 000, 000	2, 000, 000	2, 000, 000	+2, 000, 000			
Transition period									
Pollution fund		10, 000, 000		10, 000, 000	10, 000, 000	+10, 000, 000		+10, 000, 000	
Transition period									
Total	931, 612, 000	1, 081, 281, 775	1, 049, 882, 775	1, 072, 816, 775	1, 063, 993, 775	+132, 381, 775	−17, 288, 000	+14, 111, 000	−8, 823, 000
Transition period		273, 466, 939	267, 271, 939	271, 211, 939	268, 271, 939		−5, 195, 000	+1, 000, 000	−2, 940, 000

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975/enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
Federal Aviation Administration									
Operations	$1,419,500,000	$1,545,000,000	$1,522,000,000	$1,528,555,000	$1,525,000,000	+$105,500,000	−$20,000,000	+$3,000,000	−$3,555,000
Transition period		399,700,000	395,450,000	396,550,000	396,000,000		−3,700,000	+550,000	−550,000
Facilities, engineering, and development	11,821,000	13,000,000	12,000,000	12,500,000	12,250,000	+429,000	−750,000	+250,000	−250,000
Transition period		3,100,000	2,900,000	2,950,000	2,925,000		−175,000	+25,000	−25,000
Facilities and equipment (Airport and Airway Trust Fund)	227,278,000					−227,278,000			
Transition period									
Research, engineering and development (Airport and Airway Trust Fund)	57,900,000	80,400,000	60,000,000	75,000,000	67,500,000	+9,600,000	−12,900,000	+7,500,000	−7,500,000
Transition period		22,700,000	15,000,000	20,800,000	17,900,000		−4,300,000	+2,900,000	−2,900,000
Grants-in-aid for airports (Airport and Airway Trust Fund): Appropriation to liquidate contract authorization	(280,000,000)	(320,000,000)	(320,000,000)	(320,000,000)	(320,000,000)	(+40,000,000)			
Transition period		(49,500,000)	(49,500,000)	(49,500,000)	(49,500,000)				
Operation and maintenance, National Capital Airports	16,310,000	17,700,000	17,527,000	17,527,000	17,527,000	+1,217,000	−173,000		
Transition period		4,500.000	4,450,000	4,450,000	4,450,000		−50,000		
Construction, National Capital Airports	5,500,000	12,100,000	11,625,000	11,625,000	11,625,000	+6,125,000	−475,000		
Transition period									
Total	1,738,309,000	1,668,200,000	1,623,152,000	1,645,207,000	1,633,902,000	−104,407,000	−34,298,000	+10,750,000	−11,305,000
Transition period		430,000,000	417,800,000	424,750,000	421,275,000		−8,725,000	+3,475,000	−3,475,000
Federal Highway Administration									
Limitation on general operating expenses	(131,200,000)	(145,815,000)	(141,480,000)	(143,480,000)	(142,480,000)	(+11,280,000)	(−3,335,000)	(+1,000,000)	(−1,000,000)
Transition period		(34,716,000)	(33,666,000)	(33,666,000)	(33,666,000)		(−1,050,000)		
Motor carrier safety	6,087,000	6,779,000	6,500,000	6,500,000	6,500,000	+413,000	−279,000		
Transition period		1,695,000	1,625,000	1,625,000	1,625,000		−70,000		
Highway safety research and development	8,685,000	9,135,000	9,000,000	9,000,000	9,000,000	+315,000	−135,000		
Transition period									
Highway beautification:									
Appropriation	999,000	1,031,000	1,000,000	1,000,000	1,000,000	+1,000	−31,000		
Transition period									
Appropriation to liquidate contract authorization	(25,000,000)	(44,200,000)	(30,000,000)	(30,000,000)	(30,000,000)	(+5,000,000)	(−14,200,000)		
Transition period		(10,000,000)	(7,500,000)	(7,500,000)	(7,500,000)		(−2,500,000)		
Highway-related safety grants (appropriation to liquidate contract authorization)	(12,000,000)	(20,838,000)	(15,000,000)	(15,000,000)	(15,000,000)	(+3,000,000)	(−5,838,000)		
Transition period		(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)				
Railroad crossings demonstration projects	2,895,000	6,985,000				−2,895,000	−6,985,000		
Transition period		4,000,000					−4,000,000		
Railroad-highway crossings demonstration projects	360,000	1,400,000	1,400,000	1,400,000	1,400,000	+1,040,000			
Transition period									
By transfer	(11,000,000)		(15,220,000)	(15,220,000)	(15,220,000)	(+4,220,000)	(+15,220,000)		
Transition period									
Rural highway public transportation demonstration program	9,650,000	20,350,000	12,500,000	17,500,000	15,000,000	−5,350,000	+2,500,000	+2,500,000	−2,500,000
Transition period									
Territonal highways (appropriation to liquidate contract authorization)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)				
Transition period		(1,000,000)	(1,000,000)	(8,000,000)	(1,000,000)				
Darian Gap highway	13,510,000	9,900,000	4,900,000	4,900,000	4,900,000	−8,610,000	−5,000,000		
Transition period		3,550,000					−3,550,000		
Alaska Highway	4,825,000	8,000,000				−4,825,000	−8,000,000		
Transition period									
Off-System Roads (Liquidation of Contract Authorization)		(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(+10,000,000)			
Transition period		(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)				
Federal-aid highways (trust fund-appropriation to liquidate contract authorization)	(4,575,840,000)	(5,437,000,000)	(5,432,800,000)	(5,434,800,000)	(5,433,800,000)	(+857,960,000)	(−3,200,000)	(+1,000,000)	(−1,000,000)
Transition period		(1,275,000,000)	(1,273,950,000)	(1,273,950,000)	(1,273,950,000)		(−1,050,000)		
Highway safety construction programs (trust fund-appropriation to liquidate contract authorization)	(110,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(+190,000,000)			
Transition period		(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)				
Right-of-way revolving fund (trust fund-appropriation to liquidate contract authorization)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)				
Transition period		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)				
Forest highways (appropriation to liquidate contract authorization)	(12,450,000)					(−12,450,000)			
Transition period									
Public lands highways (appropriation to liquidate contract authorization)	(8,270,000)					(−8,270,000)			
Transition period									
Baltimore-Washington Parkway	1,544,000	2,500,000				−1,544,000	−2,500,000		
Transition period		625,000					−625,000		
Overseas Highway	500,000		500,000	500,000	500,000		+500,000		
Transition period									
Access to public recreation areas on lakes			10,000,000	10,000,000	10,000,000	+10,000,000	+10,000,000		
Transition period									
Recission of contract authority			−25,000,000	−25,000,000	−25,000,000	−25,000,000	−25,000,000		
Transition period									
Highland Scenic Highway				15,000,000					−15,000,000
Transition period									
Highland Scenic Highway (trust fund-appropriation to liquidate contract authorization)					(15,000,000)	(+15,000,000)	(+15,000,000)	(+15,000,000)	(+15,000,000)
Transition period									

	New BA enacted fiscal year 1975	New BA estimates 1976 transition	New BA House 1976 transition	New BA Senate 1976 transition	New BA conference 1976 transition	Conference compared with fiscal year 1975 enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
Bikeway demonstration program				$10,000,000	6,000,000	+$6,000,000	+$6,000,000	+$6,000,000	−$4,000,000
Transition period									
Total	$49,055,000	$66,080,000	$20,800,000	50,800,000	29,300,000	−19,755,000	−36,780,000	+8,500,000	−21,500,00
Transition period		9,870,000	1,625,000	1,625,000	1,625,000		−8,245,000		
National Highway Traffic Safety Administration									
Traffic and highway safety	70,874,000	72,150,000	66,850,000	67,890,000	66,850,000	−4,024,000	−5,300,000		−1,040,000
Transition period									
State and community highway safety (appropriation to liquidate contract authorization)	(96,000,000)	(76,000,000)	(71,000,000)	(71,000,000	(71,000,000)	(−25,000,000)	(−5,000,000)	( )	( )
Transition period	( )	(21,500,000)	(20,000,000)	(20,000,000)	(20,000,000)	( )	(−1,500,000)	( )	( )
Total	70,874,000	72,150,000	66,850,000	67,890,000	66,850,000	−4,024,000	−5,300,000		−1,040,000
Transition period									
Federal Railroad Administration									
Office of the Administrator	3,782,000	6,700,000	5,900,000	5,900,000	5,900,000	+2,118,000	−800,000		
Transition period		1,600,000	1,400,000	1,400,000	1,400,000		−200,000		
Railroad safety	11,094,000	16,275,000	16,200,000	16,200,000	16,200,000	+5,106,000	−75,000		
Transition period		4,100,000	4,050,000	4,050,000	4,050,000		−50,000		
Grants-in-aid for railroad safety	965,000	3,000,000	1,000,000	2,000,000	1,500,000	+535,000	−1,500,000	+500,000	−500,000
Transition period		750,000	250,000	500,000	375,000		−375,000	+125,000	−125,000
Railroad research and development	48,250,000	66,550,000	53,500,000	74,400,000	61,150,000	+12,900,000	−5,400,000	+7,650,000	−13,250,000
Transition period		17,000,000	13,150,000	14,150,000	13,650,000		−3,350,000	+500,000	−500,000
Interim Operating Assistance	135,200,000	72,000,000		72,000,000	60,000,000	−75,200,000	−12,000,000	+60,000,000	−12,000,000
Transition period									
Rail Service Assistance		45,000,000	14,000,000	45,000,000	25,000,000	+25,000,000	−20,000,000	+11,000,000	−20,000,000
Transition period		15,500,000	7,000,000	15,500,000	8,600,000		−6,900,000	+1,600,000	−6,900,000
Grants to National Railroad Passenger Corporation	276,500,000	460,000,000	433,800,000	441,800,000	440,000,000	+163,500,000	−20,000,000	+1,200,000	−1,800,000
Transition period		130,000,000	124,700,000	124,700,000	124,700,000		−5,300,000		
Rail Transportation Employment and Improvement	5,000,000			200,000,000	90,000,000	+85,000,000	+90,000,000	+90,000,000	−110,000,000
Transition period				40,000,000	18,000,000		+18,000,000	+18,000,000	−22,000,000
Payment to the Alaska railroad revolving fund	6,031,000			10,200,000	9,000,000	+2,969,000	+9,000,000	+9,000,000	−1,200,000
Transition period									
Alaska railroad revolving fund-loan authority	( )	( )	( )	(150,000,00)	( )	( )	( )	( )	(−150,000,000)
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )
Total	486,822,000	669,525,000	529,400,000	867,500,000	708,750,000	+221,928,000	+39,225,000	+179,350,000	−158,750,000
Transition period		168,950,000	150,550,000	200,300,000	170,775,000		+1,825,000	+20,225,000	−29,525,000
Urban Mass Transportation Administration									
Urban Mass Transportation Fund:									
Administrative expenses	5,960,000	12,850,000	10,300,000	10,300,000	10,300,000	+4,340,000	−2,550,000		
Transition period		3,500,000	2,900,000	2,900,000	2,900,000		−600,000		
Research, development, and demonstrations and university research and training	45,050,000	70,250,000	49,000,000	61,000,000	54,000,000	+8,950,000	−16,250,000	+5,000,000	−7,000,000
Transition period		15,000,000	11,000,000	12,000,000	11,500,000		−3,500,000	+500,000	−500,000
Appropriation to liquidate contract authorization	(450,000,000)	(890,300,000)	(890,300,000)	(890,300,000)	(890,300,000)	(+440,300,000)	( )	( )	( )
Transition period	( )	(275,000,000)	(275,000,000)	(275,000,000	(275,000,000)	( )	( )	( )	( )
Total	51,010,000	83,100,000	59,300,000	71,300,000	64,300,000	+13,290,000	−18,800,000	+5,000,000	−7,000,000
Transition period		18,500,000	13,900,000	14,900,000	14,400,000		−4,100,000	+500,000	−500,000
St. Lawrence Seaway Development Corporation									
Limitation on administrative expenses	(886,000)	(943,000)	(923,000)	(923,000)	(923,000)	(+37,000)	(−20,000)	( )	( )
Transition period	( )	(255,000)	(250,000)	(250,000)	(250,000)	( )	(−5,000)	( )	( )
Total, title I	3,332,575,000	3,711,801,775	3,410,684,775	3,839,113,775	3,629,545,775	+236,970,775	−82,256,000	+218,861,000	−209,568,000
Transition period		918,781,939	866,826,939	928,966,939	892,276,939		−26,505,000	+25,450,000	−36,690,000
TITLE II									
RELATED AGENCIES									
National Transportation Safety Board									
Salaries and expenses	9,640,000	10,795,000	11,110,000	11,950,000	11,260,000	+1,620,000	+465,000	+150,000	−690,000
Transition period		2,877,000	3,020,000	3,371,000	3,095,000		+218,000	+75,000	−276,000
Civil Aeronautics Board									
Salaries and expenses	17,610,000	19,700,000	18,995,000	19,295,000	19,295,000	+1,685,000	−405,000	+300,000	
Transition period		4,850,000	4,750,000	4,750,000	4,750,000		−100,000		
Payments to air carriers	67,728,000	60,695,000	60,695,000	60,695,000	60,695,000	−7,033,000			
Transition period		15,150,000	15,150,000	15,150,000	15,150,000				
Total	85,338,000	80,395,000	79,690,000	79,990,000	79,990,000	−5,348,000	−405,000	+300,000	
Transition period		20,000,000	19,900,000	19,900,000	19,900,000		−100,000		
Interstate Commerce Commission									
Salaries and expenses	44,970,000	50,470,000	49,130,000	49,630,000	49,330,000	+4,360,000	−1,140,000	+200,000	−300,000
Transition period		12,500,000	12,290,000	12,290,000	12,290,000		−210,000		
Payment for direct rail service		21,600,000		20,000,000	15,000,000	+15,000,000	−6,600,000	+15,000,000	−5,000,000
Transition period									

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975/enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
The Panama Canal									
Canal Zone Government:									
Operating expenses	$63,641,000	$60,174,000	$59,000,000	$59,800,000	$59,800,000	−$3,841,000	−$374,000		
Transition period		16,000,000	15,900,000	15,900,000	15,900,000		−100,000		
Capital outlay	5,790,000	3,000,000	2,240,000	2,240,000	2,240,000	−3,500,000	−760,000		
Transition period		650,000	560,000	560,000	560,000		−90,000		
Panama Canal Company: Limitation on general and administrative expenses	(26,199,000)	(24,371,000)	(24,371,000)	(24,371,000)	(24,371,000)	(−1,828,000)	( )	( )	( )
Transition period	( )	(6,540,000)	(6,540,000)	(6,540,000)	(6,540,000)	( )	( )	( )	( )
Total	69,431,000	63,174,000	62,040,000	62,040,000	62,040,000	−7,391,000	−1,134,000		
Transition period		16,650,000	16,460,000	16,460,000	16,460,000		−190,000		
United States Railway Association Administrative expenses	12,000,000	10,000,000	10,000,000	10,000,000	10,000,000	−2,000,000			
Transition period									
Washington Metropolitan Area Transit Authority									
Federal contribution:									
Fiscal year 1975	19,400,000					−19,400,000			
Transition period									
Fiscal year 1976	68,024,000	9,500,000	9,500,000	9,500,000	9,500,000	−58,524,000			
Transition period		26,600,000	26,700,000	26,700,000	26,700,000				
Fiscal year 1977		90,058,000	90,059,000	90,059,000	90,059,000	+90,059,000			
Transition period									
Subtotal	87,424,000	99,559,000	99,559,000	99,559,000	99,559,000	+12,135,000			
Transition period		26,700,000	26,700,000	26,700,000	26,700,000				
Interest subsidy	17,129,000	22,200,000	22,200,000	22,200,000	22,200,000	5,071,000			
Transition period									
Total	104,553,000	121,759,000	121,759,000	121,759,000	121,759,000	+17,206,000			
Transition period		26,700,000	26,700,000	26,700,000	26,700,000				
Total, Title II	325,932,000	358,193,000	333,729,000	355,369,000	349,379,000	+23,447,000	−8,814,000	+$15,650,000	−$5,990,000
Transition period		78,727,000	78,970,000	78,721,000	78,445,000		−282,000	+75,000	−276,000
TITLE III									
GENERAL PROVISIONS									
Federal Aviation Administration:									
Grants-in-aid for airport development (limitation on obligations)	(310,000,000)	(350,000,000)	(350,000,000)	(350,000,000)	(350,000,000)	(+40,000,000)	( )	( )	( )
Transition period	( )	(87,500,000)	(87,500,000)	(87,500,000)	(87,500,000)	( )	( )	( )	( )
Federal Highway Administration:									
Highway beautification (limitation on obligations)	(45,000,000)	(56,048,000)	(40,000,000)	(56,000,000)	(40,000,000)	(−5,000,000)	(−16,048,000)	( )	(−16,000,000)
Transition period	( )	(14,012,000)	( )	(14,012,000)	( )	( )	(−14,012,000)	( )	(−14,012,000)
Territorial highways (limitation on obligations)	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	( )	( )	( )	( )
Transition period	( )	(1,150,000)	(1,150,000)	(1,150,000)	(1,150,000)	( )	( )	( )	( )
Federal-aid highways and highway safety construction programs (limitation on obligations)	( )	( )	( )	(9,000,000,000)	(9,000,000,000)	(+9,000,000,000)	(+9,000,000,000)	(+9,000,000,000)	( )
National Highway Traffic Safety Administration: State and community highway safety (limitation on obligations)	(100,000,000)	(108,000,000)	(100,000,000)	(120,000,000)	(120,000,000)	(+20,000,000)	(+12,000,000)	(+20,000,000)	( )
Transition period	( )	(25,750,000)	(25,000,000)	(30,000,000)	(30,000,000)	( )	(+4,250,000)	(+5,000,000)	( )
Urban Mass Transportation Administration: Urban Mass transportation fund (limitation on commitments)	(1,446,750,000)	(1,724,100,000)	(1,800,000,000)	(1,714,150,000)	(1,707,150,000)	(+260,400,000)	(−16,950,000)	(−92,850,000)	(−7,000,000)
Transition period	( )	(400,000,000)	(395,000,000)	(396,200,000)	(395,700,000)	( )	(−4,300,000)	(+700,000)	(−500,000)
Total	(1,906,350,000)	(2,242,748,000)	(2,294,600,000)	(11,244,750,000)	(11,221,750,000)	(+9,315,400,000)	(+8,979,002,000)	(+8,927,150,000)	(−23,000,000)
Transition period	( )	(528,412,000)	(508,650,000)	(528,862,000)	(514,350,000)	( )	(−14,062,000)	(+5,700,000)	(−14,512,000)
Total									
Transition period									
Total, titles I, II, and III, new budget (obligational) authority	3,718,507,000	4,069,994,775	3,744,413,775	4,194,482,775	3,978,924,775	+260,417,775	−91,070,000	+234,511,000	−215,558,000
Transition period		997,508,939	945,196,939	1,007,687,939	970,721,939		−26,787,000	+25,525,000	−36,966,000
Memoranda:									
Appropriations to liquidate contract authorizations	5,599,560,000	7,122,338,000	7,093,100,000	7,095,100,000	7,109,100,000	+1,515,540,000	−13,238,000	+16,000,000	+14,000,000
Transition period		1,717,500,000	1,712,450,000	1,712,450,000	1,712,450,000		−5,050,000		
Appropriations for debt reduction	179,448	187,225	187,225	187,225	187,225	+7,777			
Transition period		48,061	48,061	48,061	48,061				
Grand total	9,312,246,448	11,192,520,000	10,837,701,000	11,289,582,775	11,088,024,775	+1,775,778,327	−104,495,225	+250,323,775	−201,558,000
Transition period		2,715,057,000	2,657,695,000	2,720,137,939	2,683,171,939		−31,885,061	+25,476,939	−36,966,000)

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I thank the gentleman for yielding.

Mr. Speaker, I wish to thank my colleague, the gentleman from California (Mr. McFALL), and other members of the subcommittee for an action that has been taken in the conference.

Funds are provided for FAs Route 909 which serves the Arkabutla Reservoir in Tate County, Miss. This highway goes through a reservoir, where the bridges are some 30 years old and in terrible condition. We have had about 27 wrecks in a period of about 2 years, and 8 or 10 deaths on this road. The highway greatly used by those visiting the reservoir, is used regularly by schoolbuses and local traffic.

I have here pictures of the dangerous

conditions with which the traveling public is faced.

The committee has recognized this condition and provided funds for reconstruction of the bridges and repairs to the highways as authorized by Public Law 93-643, which itself followed the presentation of the facts involved here to our Committee on Public Works, which used this example to justify a new general law to assist in construction of access highways to public recreation areas.

Mr. Speaker, again I wish to thank my friend JOHN MCFALL, chairman of the subcommittee, SILVIO CONTE, ranking member, and the other members of the committee for their action in meeting this problem.

I am glad, too, that they used this authority mentioned to meet similar situations in several other places in the United States.

Mr. McFALL. I wish to express my appreciation to the gentleman from Mississippi (Mr. WHITTEN) for calling this matter to our attention, as did other Members of the House.

This is a new program, a very necessary program. It takes care of a number of problems, such as the gentleman has outlined in his statement to the House, that are very important to the people all over the country.

Mr. Speaker, I wish to express my appreciation to all members of the subcommittee and in particular to the ranking minority member, the gentleman from Massachusetts (Mr. CONTE), for his diligent efforts on behalf of this legislation. All of the subcommittee members worked hard during the hearings and then in conference where we, I think, were able to bring forth a bill which the House can accept.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report to the Department of Transportation and related agencies appropriations bill (H.R. 8365).

I am pleased to note that the amounts contained in this conference report amount to $91 million under the administration's request. In these financially troublesome times, it is most important to tow the line on spending in nonessential areas.

I am satisfied that the conferees have done just that. I would like to note that no essential programs suffered any financial setbacks. Also, I should like to note that the funds provided in this conference report include support for new and much needed programs. I should now like to review those programs that were not included in this bill when I last appeared before the House with this appropriations bill.

First, I should like to start with the Coast Guard. The agency, which is part of the Department of Transportation, in peacetime does a monumental job in the patrolling and safeguarding of our Nation's coastal and inland waterways. They are alone entrusted with the implementation and enforcement of our marine safety programs.

My enthusiastic support for the Coast Guard dates back to my tenure on the Appropriations Subcommittee on Treasury-Post Office-General Government, when it had appropriation jurisdiction over the Coast Guard. Safe passage of vessels through the Gulf of Mexico is no small task, with respect to the many stationary oil rigs and mobile oil rigs which never have fixed positions. Institution of the loran-C communication chain in the Gulf of Mexico is most important to the Coast Guard's task in the gulf. At first, the House was concerned that the Department of Transportation would realize a duplication in functions with loran-C and other FAA communication systems. However, it is clear that no other system than loran-C is suited for the gulf and implementation of the program should begin immediately. I was pleased to support this most necessary program. Incidentally, it should be noted that language mandates that the program begin with existing funds.

Under the Federal Highway Administration, the House conferees agreed to offer a motion that the House approve $6 million for the construction of bikeways in the various States. The Senate amendment provided for $10 million. I should like to point out that money is already available from the States' regular apportionment, but in the last 5 years only $2.7 million has been utilized by the States. It is clear that roadway construction took precedence in their apportionment. As I noted earlier, this $6 million would not be part of the State apportionment. Therefore, we expect enthusiastic participation in this program nationwide.

Under the Federal Railroad Administration, the conferees agreed to support $5.1 million for an intermodal freight demonstration, designed to demonstrate the profitability of an efficient, well-disciplined TOFC service—piggyback service—using control and management techniques. The benefits that will accrue to both the industry and shipping public will be returned 100-fold for the Government's small seed money. I should like to note that the participating railroads will provide 50 percent of the financing and will be responsible under a payback provision to the Federal Government. I enthusiastically support this program and intend to follow its progress closely. Finally, I should like to call your attention to the fact that this is not a Northeast Corridor demonstration program, but will utilize candidate rail line markets from New York City to Los Angeles, Calif.

Because the railroad maintenance-of-way jobs bill (H.R. 8672) is still subject to conference, the managers of the House had to take the appropriation for this bill back in technical disagreement. We will offer an amendment of $90 million to implement the bill for the remainder of fiscal year 1976. The authorization passed with such tremendous support from the House, by a vote of 262 to 129, that I feel sure my colleagues will agree to this amendment. I should like to say that I enthusiastically supported this funding since last April. I attempted on three occasions in the Emergency Employment Act of 1975 (H.R. 4481) and the Second Supplemental Appropriation Act of 1975 (H.R. 5899) to get funding of this type passed. On each occasion, my amendment failed on a "technicality" that authorization had not passed the House. I made a continuing commitment to support the appropriation as soon as authorizing legislation passed the House. H.R. 8672 was passed on October 23, 1975. There are still many programs that can be funded in winter months. Approving this $90 million now would make it available as soon as it is signed into law. The way has been paved for those who objected to the appropriations in the past. This provision represents a positive step in the right direction to rehabilitating our badly deteriorated rights-of-way and improving the unemployment situation in areas with an excess of 6 percent unemployment.

Finally, I should like to review the conferees action on Senate amendment No. 50. This provides for a limitation of $9 billion on obligations for certain highway programs. I should like to advise that currently authorized programs now exceed $11 billion and pending proposals could boost that figure to well over $16 billion. It is clear that this limitation is in order. Coincidentally, I should like to note that the second concurrent resolution on the budget for fiscal year 1976 (H. Con. Res. 466), which is on the calendar today already contains this $9 billion limitation. At last, we are beginning to be consistent with our plan of attack on our Federal spending. This could be the first step toward a truly balanced budget. No other appropriation bill has such a provision that is coordinated to a provision in a budget resolution. I am satisfied that this is a wise measure. It will set future guidelines on spending and help the Congress to put our priorities in perspective.

Finally, I should like to commend all the members of the conference who worked so hard to present the report as it now stands. The funding scheme in this bill is responsive to our changing transportation needs and our research and development, which must be maintained to provide safe, economical and convenient transportation services to all Americans.

Thank you, Mr. Speaker.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Yes, I yield to the gentleman from Minnesota.

Mr. FRENZEL. The gentleman from Massachusetts (Mr. CONTE) will note that on page 13 of the report, amendment number 35 earmarks $7.5 million for transit-related Bicentennial projects in the Washington, D.C., metropolitan area rather than the $5 million provided by the House.

Can the gentleman tell me what these projects might be?

Mr. CONTE. One is the project at the Friendship Airport. The other one is a bus project right here in the District of Columbia.

Mr. FRENZEL. I thank the gentleman for his explanation.

I would like to say that is what I consider to be an already undernourished R. & D. budget was find that 15 percent is simply an extra expenditure to take care of Bicentennial crowds during 1976. In reality, this Conference Report gives us an R.D. & D. budget for UMTA of not $54 million, but some $46½ million, which is considerably less, even than the Coast Guard's R. & D. budget. Therefore, I presume that one may judge that the committee has little respect or confidence in that R. & D. program of the Urban Mass Transit Agency, because it has funded it at such a low level.

Is that a fair assumption?

Mr. CONTE. That is not so because I think the chairman and I both agree that R. & D. is very important, and we are moving along, and I think moving along in the right direction.

As the gentleman and I have had many colloquies on this issue in the past, I know that, unfortunately, some of it was misguided. The Morgantown project in West Virginia was one, and then the proposed Denver project in Colorado was another. However, what we have stated to the Department of Transportation is that we will back them 100 percent on R. & D. once they put their house in order and have their R. & D. projects all in Pueblo, Colo., so that we will not repeat another Morgantown project.

Mr. FRENZEL. I appreciate the gentleman's statement and I hope that is a fact.

Mr. CONTE. I certainly hope that next year, when I come up here, I can say, "See, I told you so, and we have the money here."

In conference, I was not totally happy about that $7.5 million. I think my exact words to Senator Mathias in conference were: "This is not really R. & D. You know what this is: This is subsidization to Maryland and the District of Columbia."

Mr. FRENZEL. It is a Bicentennial subsidy. I do not object to it except that it is incorrectly or falsely advertised.

I thank the gentleman for his discussion.

Mr. McFALL. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon (Mr. Duncan).

Mr. DUNCAN of Oregon. Mr. Speaker, the House will note that in signing this conference report, I have taken exception to amendments Nos. 25 and 26.

I do this with all due respect to the committee, to its superb chairman, and its equally superb staff, all of whom have been very patient and considerate with this new Member as I feel my way through what is to me a new field.

These items involve the Federal Railroad Administration's budget for this year and the transition period, which included a $6 million request to begin an intermodal freight system demonstration program.

This program was discussed briefly by the gentleman from Massachusetts (Mr. Conte). This program will have the Federal Government finance studies, capital improvements and operating means of selected all-piggyback freight trains on various railroads in this Nation.

The House deleted funds for this program. In opposing the funds agreed to in the conference, I simply reaffirmed the position of the House which I believe was and is well taken.

Here is what the report said as we deleted the $6 million request:

> An examination of the justification material reveals that this program does not involve new technology. The Committee has been advised that a major American railroad is actually using a concept similar to the one FRA proposes to demonstrate. Since the concept is currently being used by a major carrier, the Committee believes its continued acceptance constitutes a good demonstration program. If this concept is economically feasible, private industry should be willing to proceed with it.

Mr. Speaker, I do not pretend that this is the only questionable item in this budget nor certainly that this proposition is even the most significant, but the Nation is spending billions of dollars to keep the railroads moving and hopefully to keep them moving in the private sector. Management opposes nationalization and socialization as does the Congress overwhelmingly. This item demonstrates, however, how hazardous is the pathway around the nationalization of the railroads.

Little by little this Government is being called upon to do more and more for more and more. We are told, and with some justification, to cut back on food stamps, welfare and education, and to vote no to the Consumer Protection Agency because the Government cannot do everything for each individual, yet many of those same people from industry want the taxpayers to put up risk capital to develop and demonstrate a concept which one can stand alongside the railroad tracks all over this Nation and see demonstrated daily as the piggyback trains go by on the rails. This is not a new idea. It does not involve new technology.

I am one of the very few Members of this House who opposed the supersonic transport when that program was first presented to the Congress back in the 1960's, and then adopted. I felt that if it was a good idea Boeing would not let us close to it, and if it was a bad idea, the Federal Government should not touch it. Hundreds of millions of dollars later the Congress dropped it. The same situation faces the House today on this issue.

Mr. Speaker, this generally is a good bill and the committee had done a good job but I want the Members and my constituency to be aware of this program and why I question the objectives of it since it illustrates an unnecessary and costly intrusion of the Government into the private sector. Business as well as individuals should be willing to help themselves.

Mr. CONTE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I take this time merely to answer the question of the gentleman who just preceded me on the floor. First, let me say that this is a participating program. The railroads will have to provide 50 percent of the cost and if there is any cost benefit that comes out of the program, then the railroads will have to pay back to the Federal Government any cost benefits.

What has happened here is that the freight industry has failed on this. The Illinois Central Gulf Railroad has had an experiment and that experiment has failed, and that is the reason why the administration for the Federal Railroad Administration is so deeply concerned and so interested in providing this program. The program will be dedicated to these TOFC—piggyback—trains, with no other freight handled, and with no classification yard handling enroute or at the end.

Second, it will include multifrequency train operations serving different levels of service;

Third, it will have complete balancing of loads in and out of each terminal to properly utilize cars and locomotives;

Fourth, it will study the minimum empty equipment on each train limited to 5 to 10 percent empty trailers and no empty cars;

Fifth, it will study the car and trailer control system, a model of the current car control effort;

Sixth, it will study the simplified terminal operations to quickly transfer trailers on and off cars at intermediate points; and

Lastly, it would study the management information system to provide timely costs and performance data required to take appropriate action.

Mr. DUNCAN of Oregon. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I will be glad to yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. I thank the gentleman for yielding.

I would like to say that I believe in this intermodal system, but the gentleman has not in that long impressive list of studies that are to be made, in my judgment, mentioned one that is not the proper function of the railroads themselves.

May I inquire of the gentleman if it is not true that at least 12 large railroad companies are already offering piggyback trains across this country? Is that not true?

Mr. CONTE. Yes; there is no doubt about it. We do not deny that. What we do deny is that they are not making a profit, and there is an area here where there could be some vast improvement. The railroads will make a profit with an improved piggyback service. I think a piggyback service is a great innovation, and I back it 100 percent.

Mr. DUNCAN of Oregon. If the gentleman will yield further, I could not agree more that probably in this particular instance it may not be profitable, but I could give the gentleman a long list of other ventures that the private sector of this economy undertakes day after day, not with the knowledge ahead of time that they are going to be profitable, but simply with the hope and the belief that they are going to be profitable.

The Illinois Central just started another one of these trains from Chicago to New Orleans, and the gentleman told me the other day that they are proposing to abandon that line. I would just like to suggest that if I were president of Gulf Mobile or the Illinois Central, and the Federal Government were standing in the wings threatening to force Federal money on me, I would abandon the project, too, and wait for the Federal Government to put up the money.

Mr. CONTE. What Mr. Hall expects to come up with through this $5 million bare bones demonstration grant over the 3-year program; is to get a 50-percent increase in productivity. If that happens, this will pay for itself 100 times over.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I would be glad to yield to the gentleman from California.

Mr. McFALL. I thank the gentleman for yielding.

It is true that railroads have been offering piggyback service.

Mr. CONTE. Yes.

Mr. McFALL. We have been assured by Mr. Hall, the Administrator of the Federal Railroad Administration, that this is the kind of program that will produce the positive results that the gentleman from Massachusetts has outlined. I share the gentleman's confidence in Mr. Hall. I know that some of the comments made by the gentleman from Oregon are correct. But it is my hope that this program can achieve meaningful and useful results for America's railroads. That is why I supported Mr. Conte in his desire to move this program forward.

Mr. CONTE. I thank the gentleman and concur with him 100 percent.

Mr. Speaker, I yield 5 minutes to my highly respected and esteemed friend, the gentleman from Alabama (Mr. Edwards).

(Mr. EDWARDS of Alabama asked and was given permission to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, I support, by and large, the content of this conference report. The conferees agreed on most issues unanimously, and I think they worked hard and came up with a good conference report.

I have one area that I take exception to, and I think it is the kind of area that needs to be debated on the floor and discussed at some length. That is the amendment No. 25, and the transition amendment No. 26 in the conference report having to do with Federal Railroad Administration Research and Development.

The Senate added on an unbudgeted item of $15 million for what is called intermodal terminals. The conference finally agreed on $5 million, but do not think I am standing here talking about just $5 million. I ask the Members to wait until they have heard the whole story.

What the conferees did was provide, in addition to other small sums, intermodal terminal money for what is called the pilot program which for Boston is $1 million; for Seattle, $1 million; for Indianapolis, $600,000; and for Providence, R.I., $300,000.

Remember, this is unbudgeted.

The Department of Transportation says that as of September 17 of this year 26 cities had filed applications for funding under the intermodal terminals program. The Department estimates that the Boston terminal alone is going to cost $90 million. We put $1 million in for this one, and that sounds pretty cheap if we look at just this bill. But the Seattle terminal will cost $25 million. We do not have any estimates on the Indianapolis or the Providence terminals, but they say that if the average cost of the projects that have been requested is assumed to be $15 million apiece, the total program could cost over $500 million. That is what we are kicking off here today if we go with this $5 million in this conference report for intermodal terminals.

What in the world is an intermodal terminal? These terminals are primarily old railroad stations that are not essential to our transportation needs in this country. The program is primarily designed to take old terminals and rebuild them and make them historic monuments and perhaps run a few buses, and so forth, in there. Then they can be called intermodal terminals.

I think it would be a terrible mistake, Mr. Speaker, if we follow this procedure. We are spending billions of dollars in trying to provide essential services in the Northeast and the Midwest on our railroads. We need all the money we can get for this purpose. Why should we throw railroad money away on this intermodal terminal boondoggle?

Mr. Speaker, it looks very much to me as if we are continuing to try to feather the nests of certain Members in this body and the other body.

The gentleman from Massachusetts (Mr. Conte) and I have joined together, and he mentioned this a moment ago, in trying to stop such projects as the Morgantown project, and get it into Pueblo where it belongs, so it can be tested, and in trying to stop the Denver project, and get it into Pueblo, and to stop efforts at getting Amtrak located so as to serve a certain Member's district or State when it could not be justified.

And then we come right back in this conference report with a provision that is going to start doing the same thing under the guise of research and development. These so-called intermodal terminals are not going to serve any basic national essential transportation service. I think it is time to call a halt. At the proper time I will offer a motion to recommit this bill to conference with instructions to go with the House position on amendments Nos. 25 and 26. If we open this door we will never close it.

Mr. McFALL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. EDWARDS OF ALABAMA

Mr. EDWARDS of Alabama. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. EDWARDS of Alabama. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Edwards of Alabama moves to recommit the conference report (H. Rept. 94–636) to the conference committee with instructions to the House conferees that they insist on the House position with respect to amendments numbered 25 and 26.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that he was in doubt.

Mr. EDWARDS of Alabama. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 158, nays 231, not voting 44, as follows:

[Roll No. 686]

YEAS—158

Abdnor
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bedell
Bennett
Bevill
Blouin
Broomfield
Brown, Mich.
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Carr
Carter
Casey
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Cornell
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Dingell
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Esch
Findley
Fish
Flowers
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Hansen
Harkin
Hastings
Hechler, W. Va.
Henderson
Hightower
Hinshaw
Hughes
Hutchinson
Hyde
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kelly
Kemp
Ketchum
Krueger
Lagomarsino
Latta
Lent
Levitas
Long, Md.
Lujan
McClory
McCollister
McDonald
Madigan
Mann
Mezvinsky
Mikva
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Myers, Pa.
Neal
Nedzi
Nichols
O'Hara
Passman
Poage
Quillen
Railsback
Regula
Reuss
Rhodes
Riegle
Rinaldo
Roberts
Robinson
Rogers
Roncalio
Rousselot
Runnels
Ruppe
Russo
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Stanton, .J William
Steelman
Steiger, Ariz.
Steiger, Wis.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Treen
Vander Jagt
Waggonner
Wampler
Whalen
Wiggins
Wilson, Bob
Wydler
Wylie
Yates
Young, Alaska

NAYS—231

Abzug
Adams
Alexander
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bell
Bergland
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Ohio
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Chisholm
Clay
Collins, Ill.
Conte
Conyers
Corman
Cotter
Coughlin
D'Amours
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dodd
Downey, N.Y.
Drinan
du Pont
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Fisher
Fithian

Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Heckler, Mass.
Helstoski
Hicks
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hungate
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Landrum
Leggett
Lehman
Litton
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McDade
McFall

McKay
Macdonald
Madden
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Morgan
Moss
Murphy, N.Y.
Murtha
Natcher
Nix
Nolan
Nowak
Oberstar
Obey
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Randall
Rangel
Richmond
Rodino
Roe
Rooney
Rose
Rosenthal

Rostenkowski
Roush
Roybal
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Slack
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Vander Veen
Vanik
Vigorito
Waxman
Weaver
White
Whitehurst
Whitten
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—44

Addabbo
Ambro
Andrews, N. Dak.
AuCoin
Biaggi
Buchanan
Cederberg
Chappell
Cleveland
Danielson
de la Garza
Early
Eshleman
Fary

Fraser
Hébert
Hefner
Heinz
Hillis
Holland
Jarman
Kindness
Long, La.
Lott
McCloskey
McEwen
McHugh
McKinney
Mathis

Metcalfe
Michel
Moorhead, Pa.
Mosher
Murphy, Ill.
O'Brien
Patman, Tex.
Quie
Rees
Risenhoover
Udall
Van Deerlin
Walsh
Wilson, C. H.
Young, Fla.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Addabbo against.

Mr. Chappell for, with Mr. Patman against.

Mr. Mathis for, with Mr. Ambro against.

Until further notice:

Mr. Moorhead of Pennsylvania with Mr. Danielson.

Mr. AuCoin with Mr. Fary.

Mr. Biaggi with Mr. Buchanan.

Mr. Hefner with Mr. Cleveland.

Mr. Risenhoover with Mr. Fraser.

Mr. Charles H. Wilson of California with Mr. Early.

Mr. Holland with Mr. Cederberg.

Mr. de la Garza with Mr. Metcalfe.

Mr. Andrews of North Dakota with Mr. Murphy of Illinois.

Mr. Heinz with Mr. Rees.

Mr. Long of Louisiana with Mr. Van Deerlin.

Mr. McHugh with Mr. Lott.

Mr. Jarman with Mr. Kindness.

Mr. Young of Florida with Mr. Udall.

Mr. McCloskey with Mr. McEwen.

Mr. McKinney with Mr. Michel.

Mr. Mosher with Mr. Walsh.

Mr. O'Brien with Mr. Quie.

Mr. MEEDS, Mrs. HOLT, and Messrs. ECKHARDT and NATCHER changed their vote from "yea" to "nay."

Messrs. SANTINI, RUSSO, YATES, GIBBONS, O'HARA, LEVITAS, RIEGLE, RINALDO, and HECHLER of West Virginia changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: Page 19, line 10, insert:

HIGHLAND SCENIC HIGHWAY

For necessary expenses for construction of the Highland Scenic Highway as a parkway in accordance with section 161 of Public Law 93–87 (87 Stat. 279) from its present terminus to U.S. 219, to be derived from the Highway Trust Fund, $15,000,000, to be transferred to the United States Forest Service for the purpose of such construction, and to remain available until expended.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

HIGHLAND SCENIC HIGHWAY (LIQUIDATION OF CONTRACT AUTHORIZATION) (TRUST FUND)

For payment of obligations incurred for construction of the Highland Scenic Highway in accordance with section 161 of P.L. 93–87 (87 Stat. 279), under authority of the provisions of Title 23, United States Code, sections 203 and 207, and section 104(a)(8) of P.L. 93–87, $15,000,000, to be derived from the Highway Trust Fund and to remain available until expended, to be transferred to the Department of Interior for the payment of such obligations.

The motion was agreed to.

The SPEAKER pro tempore. Mr. BOLLING). The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 21: Page 19, line 18, insert:

BIKEWAY PROGRAM

For necessary expenses to carry out the Bikeway Demonstration Program pursuant to section 119 of the Federal Aid Highway Amendments of 1974, $10,400,000, to remain available until expended.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert: "$6,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 31: Page 23, line 16, insert:

RAIL TRANSPORTATION EMPLOYMENT AND IMPROVEMENT

To enable the Secretary of Transportation to make grants for programs aimed at reducing unemployment and at repairing, rehabilitating, or improving essential railroad roadbeds and facilities, $200,000,000 to remain available until December 31, 1976.

For "Rail Transportation Employment and Improvement" for the period July 1, 1976, through September 30, 1976, $40,000,000, to remain available until December 31, 1976.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

RAIL TRANSPORTATION EMPLOYMENT AND IMPROVEMENT

To enable the Secretary of Transportation to make grants for programs aimed at reducing unemployment and at repairing, rehabilitating, or improving essential railroad roadbeds and facilities, $90,000,000 to remain available until December 31, 1976: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-fourth Congress.

For "Rail Transportation Employment and Improvement" for the period July 1, 1976, through September 30, 1976, $18,000,000, to remain available until December 31, 1976: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-fourth Congress.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 32: Page 25, line 3, insert:

PAYMENT TO THE ALASKA RAILROAD REVOLVING FUND

For payment to the Alaska Railroad Revolving Fund for capital replacements, improvements, and maintenance, $10,200,000, to remain available until expended: *Provided*, That the Federal Railroad Administrator is authorized to incur obligations on the behalf of the United States to finance the purchase or lease of equipment, rolling stock, and vessels for the operation of the Alaska Railroad in amounts not to exceed $150,000,000. Such lease or purchase contracts shall not create obligations for the payment of money beyond a term of fifteen years; shall contain such provisions as the Federal Railroad Administrator in his discretion shall determine to be in the best interest of the Government, and shall not be subject to the provisions of the Act of June 30, 1949, as amended, 63 Stat. 378, or the Act of August 2, 1946, as amended, R.S. § 3709: *Provided further*, That employees of the Alaska Railroad Revolving Fund shall be excluded from staffing limitations otherwise applicable.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

PAYMENT TO THE ALASKA RAILROAD REVOLVING FUND

For payment to the Alaska Railroad Revolving Fund for capital replacements, improvements, and maintenance, $9,000,000, to remain available until expended: *Provided*, That the permanent positions authorized under the Alaska Railroad Revolving Fund shall be established at 902 and excluded from staffing limitations otherwise applicable.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 42: Page 31, line 8, insert:

PAYMENTS FOR DIRECTED RAIL SERVICE

To fund payments by the Interstate Commerce Commission to railroads directed to provide emergency rail service over the lines of another carrier in accordance with section 1(16)(b) of the Interstate Commerce Act, $20,000,000: *Provided*, That funds hereby appropriated shall also be available to fund necessary expenses of the Commission incurred in the administration of this Act.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert:

PAYMENTS FOR DIRECTED RAIL SERVICE

For payments for rail service to railroads directed to provide emergency rail service over the properties of other carriers in accordance with 49 U.S.C. 1(16)(b), $15,000,000, to remain available until expended: *Provided*, That not to exceed $750,000 of this appropriation shall be available for necessary independent auditing expenses incurred in the administration of the directed rail service program.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 47, page 36, strike out lines 15 through 20 and insert:

SEC. 306. None of the funds provided in this Act shall be available for administrative expenses in connection with commitments for the Urban Mass Transportation Act of 1964, as amended, aggregating more than $1,714,150,000 in fiscal year 1976 and $396,200,000 in the transition period, except that amounts apportioned pursuant to section 5 of that Act and not committed in the year of apportionment may be committed notwithstanding this limitation.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

SEC. 306. None of the funds provided in this Act shall be available for administrative expenses in connection with commitments for the Urban Mass Transportation Act of 1964, as amended, aggregating more than $1,707,150,000 in fiscal year 1976 and $395,700,000 in the transition period, except that amounts apportioned pursuant to section 5 of that Act and not committed in the year apportionment may be committed notwithstanding this limitation.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreemnt.

The Clerk read as follows:

Senate amendment No. 49: Page 40, line 17, insert:

SEC. 315. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein, except as provided in section 204 of the Supplemental Appropriation Act, 1975 (Public Law 93-554).

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the last amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 50: Page 40, line 22, insert:

SEC. 316. None of the funds provided under or included in this Act shall be available for the planning or execution of programs, the obligations for which are in excess of $9,000,000,000 for "Federal-Aid Highways" and for "Highway Safety Construction Programs" in fiscal year 1976 and for the period July 1, 1976, through September 30, 1976: *Provided*, That this limitation shall not apply to obligations for emergency relief under section 125 of title 23, United States Code; special urban high density traffic program under section 146 of title 23, United States Code, and special bridge replacement program under section 144 of title 23, United States Code.

MOTION OFFERED BY MR. M'FALL

Mr. McFALL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. McFALL moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein.

Mr. McFALL. Mr. Speaker, the gentleman from New Jersey (Mr. HOWARD) would like to debate this motion.

The SPEAKER. The gentleman from California is recognized for 30 minutes.

Mr. McFALL. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. HOWARD).

Mr. HOWARD. Mr. Speaker, I rise in opposition to the motion and would like to stress to this body the problems created for the States if this obligation ceiling is enacted and the political discretionary power that will be placed in the hands of the Secretary of Transportation.

There is currently available as of July 1, 1975, for fiscal year 1976 obligations in a total of $7.8 billion in fiscal year 1976 and prior year authorizations. These funds have, of course, been apportioned to the States over the past 3 years along with the funds which have already been obligated. Thus, at the present time this $7.8 billion represents an availability which varies from State to State in such an extreme manner that some States are completely out of Interstate funds while some other States have obligated none of their 1976 Interstate funds—four States actually lapsed funds in 1975 and have considerably more funds than they can possibly use. The same random pattern holds true of other categories such as the primary, secondary, and urban systems and the safety program.

Under these circumstances, if a $7.2 billion obligation ceiling was placed in effect for fiscal year 1976 with no new apportionments, it is doubtful if half of the $7.2 billion would be obligated. Moreover, the highway program would practically stop in many States. Unless new apportionments are made, States that have exhausted their apportionments will be unable to continue highway improvement.

Under 1975 highway legislation currently being drafted in the Committee on Public Works and Transportation, an additional $3.25 billion would be available for obligation in fiscal year 1976. This is the only way the States could proceed with their highway programs in an orderly manner. The availability of $7.8 billion plus $3.25 billion for a total of $11.05 billion does not mean that much will be obligated. From a practical standpoint it is extremely doubtful if the States could obligate any more than $7.0 to $7.2 billion. There are a number of reasons for this varying from a lack of matching money to court decisions and environmental problems.

From a standpoint of outlays in fiscal year 1976, even if the entire $11.05 billion were obligated as it became available the outlays for fiscal year 1976 would be about $7.1 billion or about $.1 billion over the House Budget Committee projections for the second concurrent resolution. In the much more likely case of a much smaller level of obligation the outlays would be well under $7 billion.

It is important to note that the current problem in the highway program is a direct result of past Presidential impoundment of funds which has caused a complete disruption of the orderly process of the program. This situation cannot be cured in 1 year. Congressional impoundment to a $7.2 billion level would only mean that the Secretary of Transportation would have to control the distribution of funds. Such a practice has been chaotic under administrative impoundment—there is no reason to expect that it would improve under congressional impoundment.

The House Public Works and Transportation Committee has cooperated with the House Budget Committee, as indicated in their report, in structuring its proposed legislation for 1977 such that outlays will be within the second concurrent resolution. This structuring also limits the availability of 1976 obligation authority to $11 billion and prohibits the $16 billion figure claimed by the administration.

It is essential that the control on fiscal year 1977 obligation authority be exercised through authorizations if the highway program is to proceed in an orderly and fiscally responsible manner.

I would like to stress the following three points:

First. The $7.2 limitation proposed by the other body is congressional impoundment;

Second. The mechanics of implementing the program did not foresee this type of congressional impoundment; consequently, there is no firm requirement as to the method of making available this obligational authority. The process is so complex that the Secretary can use methods that can result in totally disproportionate program levels, even to the extent of lowering the contemplated $7.2 billion figure administratively to suit the purpose of the administration; and

Third. Ultimate control of obligation should lie in the authorizing committee as it did successfully before the impoundment procedures began in the administration. Such a process negates the need for Appropriation Committee ceilings.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I thank the gentleman for yielding.

The gentleman from New Jersey points out the amounts that are currently available for obligation under the highway act. Under the provisions of the appropriations bill, if the motion would succeed, it would mean that the distribution of the $7.2 billion obligation limitation for fiscal year 1976 would be left to the discretion of the Secretary, provided that no State exceeds its apportionment based on the authorizing legislation. That would mean that the Congress is abdicating its right to set priorities, and, furthermore, the expectations of the States to receive funds under the authorizing legislation would be lost, which would cause incalculable delay and distress in many States across the country.

Mr. McFALL. Mr. Speaker, would the gentleman yield?

Mr. HOWARD. I yield to the gentleman from California.

Mr. McFALL. I thank the gentleman for yielding.

I would like to have the gentleman tell us, please, the authority for the statement which our good friend, the chairman of the committee, Mr. JONES of Alabama, has made concerning how this limitation, which was put in on the Senate side, which the President says if we do not include, he would veto the bill—how will this provision change the formula by merely putting a limitation on the amount that would be spent under this authority?

This is difficult for me to understand, but the Committee on Public Works and Transportation may have looked at it, and I would like to see their authority for this contention. It would seem that this provision would only limit the amount of money available and would, in no way whatsoever, affect the manner by which the money is used. This provision could not, it seems to me, repeal or negate the statutory regulations regarding the procedures and use of this money. Perhaps I do not fully understand the gentleman's point.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I thank the gentleman for yielding.

I should point out to the gentleman from California that the Public Works and Transportation Committee is moving ahead with authorizing legislation in complete accord with the requirements of the Congressional Budget Committee and the budgeting process. Discipline can be imposed through the interaction of the authorizing legislation and the budgeting process, and the Budget Committee has recognized this fact in their report on the second budget resolution.

As to the second proposition, if the limitation is placed on expenditures, the gentleman knows very well how the administration distorted congressional priorities under the executive practice of impoundment of highway funds. Giving the limitation congressional sanction changes nothing as the gentleman full well knows.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. HOWARD. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, with reference to the statement the gentleman made, we did not do anything more in this bill than the Budget Committee has suggested and the chairman of the Budget Committee is here and I believe he is going to support this limitation. The only thing this will do is to provide an overall limitation, and it is difficult to understand how it is going to change the basic law which authorized the expenditure of these funds. Certainly, if we do not provide a ceiling on obligations in this act, then there would be no limitation on the amount of expenditures for this fiscal year. We are trying to make this new budget process successful.

Mr. HOWARD. I thank the gentleman.

I would say the fact is that there is still something over $7.8 billion in fiscal year 1976 and formerly impounded funds from years which do not bring us up to this year in various States and various categories. With this kind of limitation, the Secretary of Transportation would be the one who would decide on priorities of distribution of funds because he is under that limitation.

Mr. McFALL. Mr. Speaker, as I indicated earlier, this amendment places a ceiling on the level of obligation for certain Federal highway programs during the 15-month period ending September 30, 1976. I have heard the arguments made by the gentleman from New Jersey and I recognize him as one of the important Members of this House and of the Public Works Committee. I was on that committee, and I like very much to cooperate with members of that committee, and that is what this subcommittee is trying to do.

As I understand the argument of the gentleman, the gentleman wants the highway program to be the only program in the Federal Government for which there is no limitation on the spending that might occur.

Now, under existing legislation, total obligations for the highway program could amount to more than $11 billion. With the enactment of a new highway bill, an additional $3 to $5 billion could be added to this amount. Thus, it is possible that $14 to $16 billion of obligational authority could be available for highways during the next 15 months.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from New Jersey.

Mr. HOWARD. I would not want the impression to go on that without that limitation there would be no limitation in what could be obligated or what could be spent, because as the chairman well knows we can only go to the point of authorization and we cannot go beyond that; so certainly there is not a no limit on this, because we have the authorization bill, we have the trust fund. The Secretary of Transportation has the view that that much money will come in and be available, so there are all kinds of limitations.

I am informed by our staff experts that despite what may have come down, which the gentleman may have just read, which is by Mr. Lynn of OMB about this $16 billion, that there is no way this impoundment or future authorization, that anything about $11 billion could possibly be obligated during the next fiscal year, so the $16 billion figure, I am informed, is not accurate at all.

Mr. McFALL. It may be arguable whether $14 billion or $16 billion is the correct figure. I believe that $14 billion was the figure that was provided by Senator RANDOLPH on the Senate floor; but I would point out to the gentleman that what the gentleman wants is no limitation on the highway program. Then, they could go ahead and spend whatever is authorized, and there would be no other congressional limitation on the highway fund.

I would rather have the chairman of the Budget Committee go into this matter further. I would like to finish my statement so I can yield to the gentleman, who is waiting patiently to make a statement.

Mr. Speaker, the limitation proposed in this amendment is $9 billion. This is a level which I believe should be adequate to provide for the orderly and proper development of our highway program. The average level of highway obligations provided for in the Federal Aid Highway Act of 1973 was $6.6 billion. In fiscal year 1975, the States set a new record in highway spending by obligating in excess of $7.8 billion. As the gentleman pointed out, this was due to the big backlog, as there was a big surge, a big hump in spending. They were able to do so only because there was an excess of spending projects which had been delayed or deferred due to previous executive impoundments. It semes clear that with many sources of State tax revenue on the decline, and that is where my State of California finds itself, the States will not be able to continue to meet the matching requirements of the highway program for an extended time period.

This limitation was inserted at the request of the Secretary of Transportation by Senators RANDOLPH and BAKER of the other body. The House Budget Committee has also agreed with this level.

In fact, page 25 of the Budget Committee's report on the second concurrent resolution states:

> Existing highway programs—Administration and Congressional actions have increased the anticipated rate of outlays for the Federal Aid Highway program. The resolution includes an additional $905 million for highway outlays, and is based on the establishment of a $9 billion ceiling on new obligations during the fiscal year 1976 and the transition quarter.

Thus, the Budget Committee's resolution which we are considering today assumes that amendment No. 50 will be approved.

While I believe that $9 billion should be adequate for the full 15-month period, agreeing to this limitation at this time will not preclude the Congress from increasing the level at a later date, if economic conditions would warrant such an increase.

Mr. Speaker, I urge that the motion be agreed to. Pending that, I would like to yield to the gentleman from Washington, the chairman of the Budget Committee, for a statement in this regard.

Mr. ADAMS. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I will be brief. I want to rise in support of the chairman of the subcommittee and simply state to my very good friend from New Jersey, the chairman of the subcommittee, and my good friend, the chairman of the full committee, that all the Budget Committee did in this case was to take the obligation levels that had occurred last year and try to project them into the next year to avoid a great surge going through the program all at one time.

We have not tried, and certainly would not—it is not within our area and we have no intention of doing so—to touch the formula or manner in which the Committee on Public Works decides that they wish to allocate funds. Here is what happened. The Members will see on the chart outside a significant increase in the functional category that involves this area.

In February when the committee was preparing to bring the resolution to the floor, the obligation level before us for highways for this year was $4.6 billion, which is about the obligation level in recent years. After that several events made far more highway funds available in fiscal 1976 including money that was released by the President which had been impounded, a court case, and actions by the Congress.

On the 24th of June of this year, the Federal Highway Administrator told the Congress there would be an obligation rate of $6.9 billion. After the books were closed for the fiscal year on June 30, only a week later, obligations for the year totaled $7.9 billion, a full billion-dollar increase.

So, all that is being proposed here is an attempt to smooth this program out through the next fiscal year and transitional quarter. The Committee on Public Works can recommend in December and during the spring how they want to use this money that is currently backlogged during fiscal year 1977 and 1978. What we are now trying to do is handle fiscal year 1976 problems and the transitional quarter by approving a $9 billion obligation level, which is higher than has ever been spent in a year before.

Then, if the Committee on Public Works says, we want to stay at about a $6 or $7 billion level or go back to a $4 to $5 billion rate, that of course is something that will come before all of us, and the Congress will approve one way or the other.

I am going to insert my remarks in the RECORD, but basically that is what we say. I am in support of the Appropriations Committee position.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, I just want to comment on the fact that the gentleman stated there is $9 billion in this, which is higher than has ever been obligated before. It is true that this is for a 15-month program, and for the regular 12-month program it is $7.2 billion that will be permitted in that period, and that is substantially less than we had in the last fiscal year of $7.9 billion.

I would also like to comment that this great surge did come because of past presidential impoundments. When we finally got the $2 billion released on February 12, and then won the entire impoundment battle, naturally there was a surge to try to catch up with backlog. I would hate to have us in Congress impose congressional impoundment and have things dry up, and then have the courts grant some new release and a new surge upward take place. That would certainly disrupt the Budget Committee's efforts.

Mr. ADAMS. All I am trying to state to the gentleman is that the estimated obligations level was at $6.9 billion. The first budget resolution had estimated about $7.2 billion for fiscal 1976. They got $1 billion more out by the end of the year for a $7.9 billion annual level for fiscal 1975. I agree that they did get from $6.9 to $7.9 billion right while we were in the process of moving from the first to the resolution.

Mr. McFALL. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, I wish to commend the gentleman for the remarkable job he and his Committee on the Budget have been doing to try to make the new Budget Act work. Here, what we have is a surge in expenditures for a highway program, which we are all for, but they have surged up to $7.8 billion. That is a considerable increase. The average level of highway obligation provided for in the Federal Aid Highway Act for 1973 was $6.6 billion. What we have, unless we can get some kind of limitation in this way, is that we have expenditures that can go really uncontrolled, so far as the Congress is concerned. As I understand it, without this limitation there is no effective way of limiting these expenditures by the Budget Act, or otherwise. We can state what we want to in the Budget Act about how much we want to spend for highways, but if we do not have that limitation in this bill there is no effective way of limiting it. Is that correct?

Mr. ADAMS. The gentleman is correct. We would have no idea what will happen next year. As stated by the gentleman from New Jersey, there is this amount of money that has been created by the bulge of impoundments, and all we are trying to do is smooth it out so that we will be able to see how the process is working.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Mr. Speaker, I am a little confused by some of the figures here. I think the gentleman from New Jersey was referring to not only the fiscal year 1976 but to the transitional fiscal period. And I believe the remarks of the gentleman in the well were directed just toward the fiscal year. Am I correct in that? There is a difference of about $3 billion.

Mr. McFALL. If the gentleman will yield, the limitation is $9 billion for the 15-month period.

Mr. GIBBONS. For the 15-month period?

Mr. McFALL. Yes.

Mr. ADAMS. That is correct.

Mr. McFALL. If the gentleman will yield further, it allows a very large amount to be spent.

Mr. ADAMS. Mr. Speaker, I support the conference report and its provision placing a limitation on obligations under the Federal Aid Highways and Highway Safety Construction programs. This limitation, both in amount and in concept, is supportive of the congressional budget process and the specific estimates the Budget Committee has made for fiscal year 1976.

Without such a system, there can be no assurance as to the amount of available contract authority the Department of Transportation will use during any given period of time. The congressional budget does not deal with the issue of obligation rates in areas such as the highway program, yet the estimates it contains for outlays from such programs must be based on assumptions as to the level of activity. These assumptions and estimates are subject to a great deal of variability. For example, the Federal Highway Administrator testified on June 24 of this year that the obligation rate for the fiscal year then drawing to a close would be $6.9 billion. A week later, after the books were closed, he found that his agency had contracted with the States for some $7.9 billion in highway projects. This kind of uncertainty obviously plays havoc with the outlays estimates in the congressional budget resolution. The Appropriations Committee's limitation removes the uncertainty and allows a firm base for setting outlays and computing the ultimate surplus of deficit in the budget. It helps to avert the possible situation where rising expenditures in an uncontrolled program use up the funds that the budget resolution had set aside for later programs the Congress had planned to enact. Such increases would be possible without the enactment of a limitation since there is now available $11 billion in unobligated contract authority, and more may be enacted before the beginning of fiscal 1977.

In supporting this limitation, however, I would not want to leave the impression that the Budget Committee or the Congress is trying to choke off the highway program. To the contrary, our budget resolutions for fiscal 1976 and the actions of the Congress in this session have provided for a major expansion of highway construction, taking advantage of its ability to generate substantial employment activity. With the end of impoundments, the obligation rates achieved during fiscal 1975 and expected for fiscal 1976 and the transition quarter are more than 50 percent above those anticipated by the administration and far exceed those of prior years. Over this time period, nearly $6 billion in additional funds will be put to work in the program. The results to date have been most satisfying. During the quarter immediately following the first release of impounded funds, contract lettings were substantially increased, yet the bid price index of the Federal Highway Administration decreased by 3.9 percent from the previous quarter. This reflected the serious recession in construction activity and the willingness of contractors to reduce bids in order to keep up their activity.

We anticipate that accelerated highway construction will continue to stimulate employment and the economy during 1976. In fact, with Presidential vetoes and delays of many economic stimulus measures originally contained in the first budget resolution, highway construction is one of the main elements in our stimulus program. The proposed level of obligations set by the conference report will permit highway construction to move ahead at the pace needed for the sake of the economy without carrying over an unduly large program of commitments and prospective outlays into 1977, when the economy is expected to be moving ahead strongly.

Enactment of the limitation on obligations will leave a significant balance of unobligated funds available at the end of fiscal 1976 and the transition quarter. This balance is the legacy of past executive impoundments. Until these balances are worked off, continued care will be required in establishing obligation levels for future years. The Budget Committee is ready to work closely with the other committees concerned to provide for the use of these prior funds and new authorizations in a way consistent with congressional budget intentions and our national transportation objectives.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania (Mr. Shuster).

Mr. SHUSTER. Mr. Speaker, the issue here this afternoon I do not believe is whether we are going to spend $7 billion or $9 billion or $11 billion. Rather, the issue is: Are we going to permit congressional impoundment, which indeed is in contravention to the Budget Act?

We are not talking here about general funds. We are talking about dedicated trust funds, trust funds dedicated in fact not only to highways but, I would remind the Members, to mass transit as well.

There are ample safeguards protecting the ceiling and the spending on these funds. The Secretary of Transportation cannot apportion 1 cent more than the Secretary of the Treasury certifies will be available in the trust fund. So this is certainly a limitation on spending. And this is in contravention to the Budget Act, because the Budget Act, I would remind the Members, recognized that the financing of highways and mass transit under the trust fund warranted exclusion from mandatory appropriation ceilings.

I would remind the Members further that the ceiling for this year set by the Budget Committee has been accepted. I would refer the Members to page 25 of the second concurrent budget resolution, which states:

> Because of the unique character of the highway program, financed out of a trust fund, advance apportionment to States is necessary for the orderly development of the program. Many States will exhaust current authorizations by the end of the year. The highway program provides a major share of the employment in the public works field and its continuity is essential. * * * The Public Works and Transportation Committee has proceeded in good faith with its proposed 1977 transportation legislation and is in this regard cooperating with the Committee in staying within the budget authority limitation of $3.3 billion for fiscal year 1976 proposed in the resolution.

So there are several limits which already exist. And for us to proceed today to accept the Senate's position amounts to congressional impoundment of user taxes. But it does not end there, because not only are we faced with congressional impoundment of user taxes, this congressional impoundment would be administered by the OMB.

Mr. Speaker, I would point out that in the past the OMB controlled the rate of release of highway and mass transit funds under the trust fund for making money available on a quarterly basis. I do not think there is any Member in this Chamber who would agree that a long-term capital program of highways and mass transit can be planned for adequately with quarterly release of funds.

This is the history of OMB and, therefore, this is what we can reasonably expect to get from OMB in the future if we accept the Senate position on this item.

Further, if we accept the Senate position on this item, then it would be the OMB which can decide which highway programs to fund, because if the apportionment is more than the ceiling, then somebody must decide where the money is going to come from. The OMB can make that decision, and the OMB, therefore, can decide whether the emphasis should be on the Interstate System or on the primary system or in urban areas or in rural areas, and I do not think this Congress wants to give that kind of power to the OMB.

Therefore, Mr. Speaker, for these reasons I urge that we not accept the Senate version.

Mr. CONTE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the motion to recede and concur with Senate amendment No. 50 to the conference report on the Department of Transportation and Related Agencies Appropriations Act for fiscal year 1976 (H.R. 8365).

This amendment was offered on the floor of the Senate by Senators Randolph and Baker to limit obligations on existing highway programs to $9 billion. I would like to report that the obligation limitation received bipartisan support. Senator Muskie, chairman of the Senate Budget Committee, gave this ceiling his unqualified support.

It is important to note that existing programs already enjoy an authorization ceiling in excess of $11 billion. Current pending proposals could boost that figure beyond $16 billion.

This limitation must be passed. I address my colleagues' attention to page 25 of the report which accompanies the second concurrent resolution on the budget for fiscal year 1976 (H. Con. Res. 466), which is up for consideration today. The following language appears on that page:

> Existing highway programs: Administration and congressional actions have increased the anticipated rate of outlays for the Federal-aid highway program. The resolution includes an additional $905 million for highway outlays, and is based on the establishment of a 9 billion dollar ceiling on new obligations during fiscal year 1976 and the transition quarter.

This is the first time that a provision in an appropriations bill has been interrelated to a provision in a budget resolution. I enthusiastically support its passage. It is the beginning of a new era in our legislative funding process. Why else do we have a Budget Committee? Are they in existence merely to present a bill that is of no consequence and will not be adhered to? Obviously, we must start to adhere to these resolutions. Only in this manner can we ever expect to come out of the year with a balanced budget.

Without adherence to any limitation our appropriations for highway programs could virtually run away from us. This limitation will enable us to place our priorities in perspective and to insure sufficient funding for all our essential highway programs.

Historically, over the last 10 years, obligations for comparable Federal Aid Highway programs averaged $4.9 billion per year. The fiscal year 1975 obligation level is higher due to release of impounded highway funds in that year.

[In billions]

Fiscal year 1966	3.9
Fiscal year 1967	3.8
Fiscal year 1968	4.2
Fiscal year 1969	4.7
Fiscal year 1970	4.8
Fiscal year 1971	4.7
Fiscal year 1972	5.1
Fiscal year 1973	4.3
Fiscal year 1974	5.3
Fiscal year 1975	7.8
Fiscal year 1976 Req	5.2
Fiscal year 1976 Limit	7.2
Trans. Limit	1.8

In other words, the $9 billion obligation level for 15 months is almost twice the average per year for the preceding 10 years.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, the gentleman from Massachusetts has stated that those figures he is including in the Record are figures of lower obligation during the years we were under impoundments imposed by 3 different Presidents, and we did not get to a level which is higher than the 12-month level permitted until we got out from under the impoundment program during the last few months.

I appreciate that the gentleman is including those figures, but I think he will find they are impoundment figures and, therefore, they are really meaningless.

Mr. CONTE. Mr. Speaker, that table is included in the Record.

There is one other thing I would like to cover. The gentleman who spoke in the well, the gentleman from Pennsylvania (Mr. Shuster), was urging Members of the House not to go along with this limitation. Let me advise the Members that one of the things I wish to submit is a letter from James Lynn, the Director of the Office of Management and Budget, which says that he will recommend to the President that he veto this bill unless this limitation goes in. This bill contains money to pay the employees of the Penn Central, and I know the gentleman is interested in that. If we have a veto, the employees are not going to be paid.

Mr. Speaker, the letter I refer to is as follows:

Office of Management and Budget,
Washington, D.C., November 11, 1975.

Hon. John J. Rhodes,
Minority Leader, House of Representatives,
Washington, D.C.

Dear John: The Conference Committee on the Department of Transportation and Related Agencies Appropriation Bill. H.R. 8365, has reported the provision of the Senate bill, which limits highway obligations in 1976 and the transition quarter to $9 billion, in technical disagreement. This limitation exceeds the 1976 Budget Request by $2.5 billion, but the Administration has indicated its support for this effort to control highway program costs.

Without the $9 billion limitation, up to $16 billion of highway authorizations would be available for obligation during this period. Clearly, this is inconsistent with the President's 1977 budgetary goals and the House Budget Committee Report (H.R. 94–608) on the Second Concurrent Resolution.

The Administration strongly urges the House to adopt Amendment 50 to this bill which would recede and concur in the Senate provision establishing a cap on the highway program. If the House fails to adopt such a cap, Secretary Coleman and I will recommend that this bill be vetoed.

With all best wishes.

Sincerely yours,

James T. Lynn.
Director.

Mr. Speaker, I do not think I need to impress upon you the importance of passing this bill with funds for so many programs that have been held up. Also there are funds provided in this bill to cover desperately needed back pay for Penn Central employees retroactive to January 1975. These employees have waited too long to endure the added wait of a Presidential veto.

I urge my colleagues to accept this limitation. Thank you Mr. Speaker.

Mr. HARSHA. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Ohio.

Mr. HARSHA. Mr. Speaker, I thank the gentleman for yielding.

I would just like to point out that I think this is the beginning of the end of the Highway Trust Fund. OMB is determined and bound to dissolve that trust fund and no longer use it for the Federal aid highway system outside of the interstate system. This is the approach we can expect from OMB.

This went over to the Senate. They did not even have hearings, and they stuck this in the bill. There was no opportunity for the House to hold hearings, and there has been no opportunity to explain this limitation and the ramifications of what it means.

Mr. Speaker, if we let OMB pull this over on us, the next time OMB is not going to impound the money; they are simply going to come up here and say, "You, the Congress, impounded the money. You denied yourselves the right to choose the area where the money should be spent."

This is a very clever ploy by the OMB to further enhance their efforts in trying to extinguish and do away with the Highway Trust Fund.

If this method is approved by the House, we might as well do away with the trust fund anyway and go to the general fund. That is all it is going to mean.

Mr. CONTE. Mr. Speaker, let me answer my good friend, the gentleman from Ohio (Mr. Harsha), and he is my good friend. When he says that this is the end of the trust fund, I say not so. I will be with him, standing shoulder to shoulder, when they try to abolish the Highway Trust Fund because I believe in it.

When the gentleman says that there have been no hearings, I would like to bring this to the attention of the gentleman from Washington (Mr. Adams). I say not so because I understand that the gentleman from Washington (Mr. Adams) and the Committee on the Budget held hearings on this $9 billion limitation. Therefore, there have been hearings. It is not a figure that has just been plucked out of the air and put in here.

Mr. HARSHA. If the gentleman will yield further, I would like to apprise my good friend, the gentleman from Massachusetts (Mr. Conte), for whom I have the greatest respect, that the administration has had a bill introduced in the Congress—and we have had hearings on it—to do away with the trust fund for the rest of the year or the rest of the program, outside of the interstate services.

Mr. CONTE. We are not going to pass that bill. The gentleman knows that.

Mr. HARSHA. I am certainly glad to have the gentleman from Massachusetts (Mr. Conte) with me.

Mr. McFALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to point out to the House that if the trust fund is ever dissolved—and I hope that it is not—the legislation would have to come from the Committee on Public Works.

I would suggest to the House that if we are going to back up the Committee on the Budget and have any kind of limitation on expenditures and make the Budget Act work, we have to support this motion.

Mr. Speaker, I move the previous question on the motion.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California (Mr. McFall).

The question was taken; and on a division (demanded by Mr. Conte) there were—ayes 144, noes 34.

Mr. SNYDER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 297, nays 95, not voting 41, as follows:

[Roll No. 687]

YEAS—297

Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bell
Bennett
Biester
Bingham
Blanchard
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carter
Casey
Clawson, Del
Clay
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flowers
Flynt
Foley
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Goldwater
Gonzalez
Goodling
Gradison
Green
Gude
Guyer
Haley
Hall
Hamilton
Hannaford
Harris
Hastings
Heckler, Mass.
Hicks
Hightower
Hinshaw
Holt
Holtzman
Horton
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jordan
Karth
Kasten
Kastenmeier
Kazen

Kelly
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Long, Md.
Lujan
McClory
McCollister
McCormack
McDade
McFall
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mikva
Milford
Miller, Ohio
Mineta
Minish
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Calif.
Morgan
Moss
Mottl
Murphy, N.Y.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
O'Brien
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Pritchard
Railsback
Rangel
Rees
Regula
Reuss
Rhodes
Riegle
Rinaldo
Risenhoover
Robinson
Rodino
Rogers
Rosenthal
Rostenkowski
Rousselot
Roybal
Runnels
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Studds
Symington
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Traxler
Treen
Tsongas
Ullman
Vander Veen
Vanik
Vigorito
Wampler
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Ga.
Zablocki
Zeferetti

NAYS—95

Abdnor
Abzug
Anderson, Calif.
Badillo
Bafalis
Barrett
Baucus
Bedell
Bergland
Bevill
Blouin
Boggs
Bowen
Breaux
Brinkley
Burke, Calif.
Burton, John
Burton, Phillip
Carr
Chisholm
Clancy
Clausen, Don H.
Cochran
Fascell
Fithian
Ford, Mich.
Ginn
Grassley
Hagedorn
Hammerschmidt
Hansen
Harkin
Harrington
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Helstoski
Henderson
Howard
Howe
Hughes
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
LaFalce
Lloyd, Tenn.
McDonald
Mezvinsky
Miller, Calif.
Mills
Mink
Mitchell, Md.
Montgomery
Moore
Murtha
Myers, Ind.
Nolan
Nowak
Oberstar
Obey
O'Hara
Pressler
Price
Quillen
Randall
Richmond
Roberts
Roe
Roncalio
Rooney
Rose
Roush
Ruppe
Satterfield
Shuster
Smith, Iowa
Snyder
Stanton, James V.
Stark
Stephens
Stokes
Sullivan
Symms
Taylor, Mo.
Thornton
Vander Jagt
Waggonner
Waxman
Whitten
Wilson, Bob
Winn
Young, Tex.

NOT VOTING—41

Addabbo
Ambro
Andrews, N. Dak.
Biaggi
Buchanan
Cederberg
Chappell
Cleveland
Danielson
de la Garza
Early
Eshleman
Fary
Fraser
Hanley
Hébert
Hefner
Heinz
Hillis
Holland
Jarman
Kindness
Long, La.
Lott
McCloskey
McEwen
McHugh
Macdonald
Mathis
Metcalfe
Michel
Moorhead, Pa.
Mosher
Murphy, Ill.
Patman, Tex.
Quie
Udall
Van Deerlin
Walsh
Wilson, C. H.
Young, Fla.

The Clerk announced the following pairs:

Mr. Patman with Mr. Hébert.

Mr. Addabbo with Mr. Andrews of North Dakota.

Mr. Moorhead of Pennsylvania with Mr. Chappell.

Mr. Ambro with Mr. Eshleman.

Mr. Metcalfe with Mr. Buchanan.

Mr. Hanley with Mr. Mathis

Mr. Danielson with Mr. de la Garza.

Mr. Macdonald of Massachusetts with Mr. Young of Florida.

Mr. Charles H. Wilson of California with Mr. Cederberg.

Mr. Biaggi with Mr. Heinz.

Mr. Fraser with Mr. Jarman.

Mr. Fary with Mr. Cleveland.

Mr. Hefner with Mr. Hillis.

Mr. Early with Mr. Kindness.

Mr. Van Deerlin with Mr. Long of Lousiana.

Mr. Holland with Mr. McCloskey.

Mr. McHugh with Mr. Michel.

Mr. Murphy of Illinois with Mr. Lott.

Mr. Udall with Mr. McEwen.

Mr. Quie with Mr. Walsh.

Messrs. WHITTEN, MYERS of Indiana, WINN, RONCALIO, HOWARD, PHILLIP BURTON, and BAUCUS changed their vote from "yea" to "nay."

Messrs. RANGEL and KASTEN changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider the votes by which the action was taken on the several motions was laid on the table.

HIGHWAY FUND AMENDMENT

Ms. ABZUG. Mr. Speaker, in today's deliberations on the transportation appropriations conference report, the House receded and concurred in the amendment of the Senate to limit obligations for the Federal-aid highway and related mass transit programs to $9 billion for the fiscal year 1976 and the transition period. In my opinion, the action taken today by this House will have immediate and long-term impact on: First, the stability of Federal-aid highway and related mass transit programs; Second, spending discretion on the part of the Department of Transportation and the Office of Management and Budget; and Third, jobs in the highway and mass transit construction fields.

At a time when the program has yet to recover from past impoundment practices, the States and the construction industry will be subjected to renewed instability, higher costs, and possible loss of employment. We are moving to implement a policy of increased flexibility in the use of transportation funds. It is counterproductive to the promotion of this policy to enact such restrictions as the one that was offered today. The imposition of the obligation limitation on these programs, which I voted against today, was totally unexplored by hearings in either House, at a time when Congress has intensified scrutiny of programs and priorities through the budgeting process. Indeed, it came as a last minute floor amendment in the Senate at the request of the Secretary of Transportation.

The limitation has nothing to do with the Congressional Budget Act which exempted expenditures from the Highway Trust Fund from mandatory appropriation ceilings. Indeed, the Budget Committee in its report on the second budget resolution indicated that the Public Works and Transportation Committee is proceeding in good faith with proposed legislation and was cooperating with the Congressional Budget Committee in staying within the budget authority limitation for fiscal year 1976.

In practice, the obligation limitation device will produce nothing more than the same result from past years of delegating excessive authority to the Department of Transportation and the Office of Management and Budget. Distribution of the $7.2 billion obligation for the fiscal year 1976 will be left to the discretion of the Secretary so long as no State exceeds the authorized amounts apportioned to it. This means in effect that Congress is abdicating its right to set priorities among highway programs, and that the States in toto will be receiving less than the amounts to which they are entitled under law.

I regret that the House has seen fit to take this action.

GENERAL LEAVE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include pertinent extraneous material and tables, on the conference report just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF ADDITIONAL CONFEREE ON H.R. 3474

Mr. PRICE. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to appoint an additional conferee on the bill (H.R. 3474) to authorize appropriations to the Energy Research and Development Administration.

The SPEAKER. Is there objection to the request of the gentleman from Illinois? The Chair hears none and appoints the following conferee: Mr. LUJAN.

PERMISSION FOR COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT TO SIT DURING 5-MINUTE RULE TOMORROW

Mr. FLYNT. Mr. Speaker, I ask unanimous consent that the Committee on Standards of Official Conduct be permitted to sit tomorrow during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4073, APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4073) to extend the Appalachian Regional Development Act of 1965 for an additional 2-fiscal-year period, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none and appoints the following conferees: Messrs. JONES of Alabama, WRIGHT, JOHNSON of California, ROE, HARSHA, and HAMMERSCHMIDT.

APPOINTMENT OF CONFEREES ON H.R. 5247, LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT OF 1975

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5247) to authorize a local public works capital development and investment program, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. JONES of Alabama, WRIGHT, JOHNSON of California, and ROE, Ms. ABZUG, and Messrs. HARSHA and CLEVELAND.

HOUSE RESOLUTION 855, RELATING TO THE UNITED NATIONS AND ZIONISM

Mr. O'NEILL. Mr. Speaker, I offer a resolution (H. Res. 855) relating to the United Nations and Zionism and ask unanimous consent for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I just want to observe that a similar resolution was offered earlier today and objected to by the gentleman from Wisconsin (Mr. KASTENMEIER). That resolution contained a further paragraph which read:

> *Resolved,* That the Committee on International Relations and the Committee on Foreign Relations begin hearings immediately to re-assess the United States further participation in the United Nations General Assembly.

Now, the resolution we just heard read to us condemned the United Nations resolution equating Zionism with racism, as indeed we should.

Then, second, it strongly opposes the so-called Decade for Action and any U.S. participation therein, so long as the resolution remains in tact and, this resolution before us calls for an energetic effort to amend the U.N. resolution.

But the one appropriate thing the House of Representatives could have done was to hold immediate hearings and to drag the U.N. issues out into the open. We should make these thugs and scoundrels in the United Nations account for their actions. Instead we capitulated on this important point and avoid the real issue, the future relationship of this Nation and the United Nations.

This is a significant backdown by the House. I think we should hold hearings whether or not the particular clause remains in this resolution, and this House should take a hard look at our future relations with the United Nations.

Mr. Speaker, I withdraw my reservation of objection.

The Clerk read the resolution as follows:

H. RES. 855

Whereas the United States, as a founder of the United Nations Organization has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in article I of the Charter of the United Nations the stated purpose of the United Nations include:

"To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion;" and

Whereas the General Assembly of the United Nations decided to launch on December 10, 1973, a Decade of Action to Combat Racism and Racial Discrimination and a program of action which the United States supported and in which it desires to participate; and

Whereas the United Nations General Assembly on November 10, 1975, adopted a resolution which describes Zionism as a form of racism thereby identifying it as a target of the Decade for Action to Combat Racism and Discrimination; and

Whereas the extension of the program of the Decade to include a campaign against Zionism brings the United Nations to a point of encouraging anti-Semitism, one of the oldest and most virulent forms of racism known to human history; now, therefore. be it

Resolved, That the House of Representatives sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination, thereby contradicting a fundamental purpose of the United Nations Charter; and be it

Resolved, That the House strongly opposes any form of participation by the United States Government in the Decade for Action to Combat Racism and Racial Discrimination so long as that Decade and program remain distorted and compromised by the aforementioned resolution naming Zionism as one of the targets of that struggle; and be it

Resolved, That the House calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the aforementioned resolution with a view to removing the subject of Zionism, which is a national but in no way a racist philosophy, from the context of any programs and discussions focusing on racism or racial discrimination.

Mr. YATES. Mr. Speaker, for those who support the purposes and principles of the United Nations, yesterday was the saddest day of all. It is hard to believe that any organ of the United Nations would have the shamelessness to do what the General Assembly did last night in approving the indecent resolution which equated Zionism with racism. That vote was so obviously false and malicious, so completely the result of gutter politics, so thoroughly the product of corrupt bargaining, that it is difficult to conceive that the General Assembly will ever again serve any useful purpose, so thoroughly did it discredit itself.

The Washington Post reported this morning the lobbyists who opposed the resolution found responses like the following, and I quote from the Post's article:

> "Everywhere the Europeans went," said one European Ambassador, "we found that the Arabs had been there before us. We get responses such as 'this is what they offered us for our vote—what will you offer?' "
>
> The Libyans said a western source had been particularly active in offering cash for votes. He would not deny that the West might be making counter offers as well.

Mammon, rather than the U.N. Charter, now controls the voting in the General Assembly.

This is one of the General Assembly's most irresponsible moments.

Mr. Speaker, the American Jewish Committee has prepared a study entitled: "Israel: A Pluralistic Democracy" which authoritatively indicates how invalid is the accusation of racism against Israel. I am pleased to attach that study to my remarks:

THE AMERICAN JEWISH COMMITTEE,
INSTITUTE OF HUMAN RELATIONS,
New York, N.Y.

ISRAEL: A PLURALISTIC DEMOCRACY

A BACKGROUND MEMORANDUM ON THE STATUS OF MINORITY GROUPS, INCLUDING ARABS, UNDER ISRAELI RULE

At the United Nations and elsewhere, the Arab nations and some of their allies are tarring Israel with the brush of racism. A resolution declaring Zionism to be a form of racism has been adopted by the "Third Committee" (the Social, Humanitarian and Cultural Committee of the General Assembly of the UN) and awaits a vote by the General Assembly as a whole.

The accusation of racism against Israel is a flagrant example of the Big Lie in action. Israel is the only democracy in the Middle East—a nation where civil liberties prevail, and where equality among citizens of all ethnic and religious backgrounds has been realized, to a degree undreamed of anywhere in the Arab world.

The facts below illustrate the status of Arabs and other minority groups in Israel today, the degree of equality they enjoy and the ongoing efforts being made to reduce their remaining disadvantages. This information may be freely used and quoted without attribution.

Size of population groups. Though constituted as the Jewish homeland and predominantly Jewish in population, Israel is also a pluralistic nation. At the time of the latest census (1972), her 3.2 million population consisted of some 2.7 million Jews (85.1 per cent); some 359,000 Moslems (11.2 per cent), all or nearly all of them Arabs; about 80,000 Christians (2.4 per cent), most of them also Arabs; and about 39,000 Druzes and others (1.3 per cent). Druzes are an Arab group that broke away from Islam in the 10th century.

The Arab community has greatly increased under the State of Israel. In 1949, at the end of the Israeli War of Independence, there were only some 160,000 Arabs. The increase is due partly to natural growth, partly to the readmission of thousands who fled when the Arab states attacked Israel.

Rights and realities. Israel's basic constitutional document, the Proclamation of Independence (1948), provides complete equality of social and political rights for all citizens regardless of creed, race or sex, and guarantees freedom of religion and conscience, as well as of language, education and culture. It specifically invites Arab people dwelling in Israel to help build the State on the basis of full and equal citizenship and due representation in all institutions.

These are not mere paper promises. There is no institutionalized discrimination against Arabs or other minorities. All groups freely exercise all citizen rights, including the right to vote and to run for public office.

Citizenship. Anyone who lived in what is now Israel in 1948, the year the State came into being, and has stayed there since, is an Israeli citizen, no matter what his or her ethnic background or creed. So is anyone born in Israel since 1948 who continues to reside there.

Immigration and naturalization are handled much as in other countries. Persons of any nationality or creed (excluding only known criminals and similar undesirables) may come to Israel to live, and may become citizens after a specified waiting period—three years in most cases. However, as the homeland of the Jewish people, Israel offers an expedited procedure for Jews, known as the Law of Return. Any Jewish immigrant from any country will be admitted, and made a citizen if he or she wishes, without waiting.

Language. As everyone knows who has ever looked at an Israeli postage stamp, the Arabic language has official status along with Hebrew. On the floor of the Knesset (legislature), Arab members speak Arabic; all Knesset proceedings are conducted with simultaneous translation from Hebrew into Arabic or vice versa. Citizens may use Arabic in any court of law or government office.

Cultural autonomy. In keeping with the guarantees in the Proclamation of Independence, Arabs are afforded every opportunity to maintain their own culture and tradition. Arab children attend schools where classes are conducted in Arabic and where Arab history and culture are freely taught.

Of the country's 24 daily papers, four are in Arabic. Numerous Arabic books and some 20 Arabic magazines are published. The radio and TV feature daily programs in Arabic. Israel has no censorship except in matters directly involving military security.

The cultural creativeness of Israeli Arabs in drama, literature and painting, is high and is increasingly fostered by Arab-Jewish cultural centers, usually under private auspices.

Religious communities. In keeping with Middle Eastern tradition, Israel treats religious groups not simply as private associations, the way many Western countries do, but as entities with official standing. Delegated to these communities are such matters of personal status as marriage and divorce. Each group has its own system of courts to deal with these according to its religious law (Rabbinical, Moslem, Druze, Roman Catholic and so on).

The Moslem community, like the others, has far-reaching autonomy, including the power to administer religious endowments. Members of the Moslem clergy (some 200) are paid by the State, like the clergy of other faiths. Regular services are held in some 90 mosques, and Moslem Friday prayers are broadcast on the national radio.

Day of rest. Saturday, the Jewish Sabbath, is the official day of rest in Israel; but Moslems and Christians have the option, under law, to close their places of work instead on Friday or Sunday, respectively.

Public service and public office. The number of Arabs in the civil service has been relatively low to date, but is steadily increasing as an ever-rising percentage of Arabs finish high school. There are about 5,000 Arabs among the nation's civil service employees, who number around 70,000.

Arabs and Druzes serve routinely as magistrates.

Of the 120 members of the present Knesset (legislature), four are Arabs and one is a Druze. The present Deputy Minister of Health, Abdul Aziz Zuabi, is an Arab, as was a former Deputy Speaker of the Knesset, the late Seif Aldin Alzuabi. Jaber Muadi, who recently served as Deputy Minister of Communications, is a Druze.

Police. Bedouin Arabs, Druzes and other minority group members serve in the Israeli Police Force which, besides performing ordinary policy duties, works with the Army in guarding the borders against infiltrators. As of 1973, there were 1,287 Arabs and Druzes in a total force of 13,882 persons.

Armed forces. To avoid conflicts of conscience, the Israeli government has offered blanket exemption from the draft to certain ethnic and religious groups. The Druzes have decided in a body not to avail themselves of this exemption, as have the Circassians, a Moslem sect. Most Arabs, both Moslem and Christian, do make use of the exemption, but individual Arabs are free to volunteer for service, and some do each year.

Political parties. In Israel's highly diversified multiparty system, Arabs are represented in a variety of ways. The large Mapam party and the Communist Party have Arabs on their regular slates of candidates. Others, including the Israel Labour Party, the country's largest, offer special slates ("affiliated lists") of Arab candidates. In addition, there are some exclusively Arab parties. However, in Israel as in the U.S., voters frequently cross ethnic lines where it is to their advantage. Thus, many Arab voters cast their ballots for the Jewish slate of the Labour Party, because they feel it can do more for them than any other.

Local government. Before the State of Israel existed, there was almost no Arab local government; only three towns had local councils. As part of its policy of encouraging local home rule, the Israeli government has actively promoted municipal organization of Arab communities. Two municipalities and 46 local councils are now predominantly Arab or Druze. Another 27 Arab villages have representation in councils with mixed Arab-Jewish membership. Over 82 per cent of Israeli Arabs live in localities that have some form of home rule.

Freedom of travel. All citizens—Jews, Arabs and others—are free to travel in all parts of Israel without licenses or permits. They also are free to leave, and return to, Israel with only routine passport requirements.

Although Arab states do not admit Israelis to their territory, Israel allows citizens of Arab states, even of those hostile to her, to enter for pilgrimages, family visits and other purposes. In 1974, approximately 250,000 persons entered Israel on this basis.

Employment. All workers—Jews, Arabs and others—receive the same wages for the same work. Public employment agencies serve all equally. Social and labor laws apply equally to all.

Some 50,000 Arabs from the West Bank and the other administered territories hold commuter jobs in Israel proper: in agriculture, industry and construction. Thanks to the equal-pay provision, these workers are paid far better than they were when the West Bank was under Jordanian rule, and the Gaza Strip under Egyptian.

Unions. Nearly 100,000 Israeli Arabs—about 65 per cent of all Arabs holding jobs—belong to Histadrut, the Israel General Federation of Labor, which trains them, protects their professional and social rights, and provides them with the same benefits in the area of labor conditions and medical and social services as all other members.

Agriculture. Programs for land reclamation, agricultural training, and improvement of farming and marketing impartially benefit Jewish and Arab localities. Under Israeli rule, total acreage tilled by Arab and Druze farmers has increased from 172,000 to 195,000 acres; irrigated land tilled by them from 2,000 to 15,000 acres; agricultural machinery used by them from 5 to over 1,000 units. As a result, the output of Arab agriculture has grown sixfold in the years of Israeli rule, and the farmers' standard of living has risen accordingly.

Community betterment. Over and above community improvement programs for the population as a whole, the Israel government conducts ongoing special projects to improve living and working conditions in Arab communities. Thus, between 1967 and 1975, two programs totaling IL 200 million supplied Arab towns and villages with roads, drinking water, sanitation, electricity, telephone service, schools, health services, expanded job opportunities and housing near where the jobs are.

Primary and secondary education. For Arab youngsters as for others, education is compulsory; free public schools are provided for them and are financed at the same rate per pupil as are schools for Jewish students. Arab-language public schools currently enroll some 144,000 pupils. Another 14,000 are enrolled in private schools, religious or other. In the public schools, Hebrew is taught as a second language from third grade on. Since Israel does not separate religion and the state as sharply as do many Western nations, Arab children in public schools are taught the Koran or the Christian catechism, depending on their faith, just as Jewish children are taught the Jewish Scriptures—the Old Testament.

Arab public education has greatly increased in the 27 years of Israeli rule: from 46 public schools to 644. Attendance among Arab boys rose from 65 to 96 per cent (1973). Among Arab girls, who traditionally received no formal education at all, it rose from 15 to 85 per cent.

Higher education. Arab students attend all six of Israel's universities and are admitted on the same basis as other students. Because of the traditionally low educational standards of the Middle East, Arabs are still seriously underrepresented among university students—as are Jews who have come to Israel from Middle Eastern countries, rather than from Europe. As of 1975, there were 1,200 Arab students in a total enrollment of 50,000. The trend has been up for a number of years, but the process of bringing culturally disadvantaged groups up to standard educational levels is slowed by the financial drain of defense needs.

Social welfare. Of the country's 180 welfare offices, 40 are in Arab or Druze villages, providing the same services as are offered elsewhere—for example, aid to neglected children, delinquent youth, the retarded and the aged; providing food subsidies for those unable to earn a living wage; adoption services.

Integration. Although Israel remains and will remain a multiethnic, multicultural society, Jews are becoming more conscious of Arab culture and tradition, while Arabs are more receptive to the general cultural atmosphere. Interaction appears to be increasing. Thus, for the last 11 years, a Jewish-Arab summer camp for youth has been held in Akko (Acre). In Haifa there is a Jewish-Arab school, as well as a large center for joint Jewish-Arab sports groups, art groups, meetings and exhibitions.

Nearly all Jewish schools teach at least basic Arabic, and in many of them Arabic is a compulsory subject for several years. The study of Arab history and culture is an integral part of the curriculum in Jewish schools.

Mr. BOLAND. Mr. Speaker, I rise in support of the resolution offered by the distinguished majority and minority leaders.

The action taken yesterday by the General Assembly of the United Nations strikes at the very heart of the United Nations role in achieving international peace and cooperation. It must be obvious to all the world, even in those countries whose partisan votes were cast against Jews and Judaism, that the U.N. vote was predicated, as Secretary Kissinger put it, on "one way morality." The United Nations has surely been greatly diminished as a forum of conciliation and as an agent of political compromise.

The United States can in no way condone the irresponsible attitude of the present bullying majority in the General Assembly. All of us in the Congress condemn it, not only because anti-Semitism is a disease that has killed too many too frequently, but because recent months have seen the first positive steps toward peace in the Middle East in so long. Those 72 countries which voted to condemn Zionism have instead repudiated peace and the not-insubstantial role that the United Nations has played in achieving the present peace agreements.

I believe that this vote, which is so repellent in its philosophy, brings the United Nations to a new low in its usefulness for world peace. If the vote had been to evict Israel from the U.N., as some countries have urged, I might well have urged our Government to consider withdrawing from the United Nations. Despite the evil that has been done, however, the U.N. remains a place where nations can air their views. In this case the majority spoke in the tones greatly reminiscent of the Third Reich, but at least only words were exchanged. As long as nations continue to discuss their problems in however one-sided a fashion, hope remains that they will not settle their problems in other, more terrifying fashion. I believe that this country must unqualifiedly denounce the General Assembly vote of yesterday as racist and irresponsible. I also believe that the place where our denunciations should ring loudest and longest is in the General Assembly of the United Nations. There is no question about the U.S. condemnation of anti-Semitism, nor, I feel, about our hope that this vote can be changed, the tide of political clubism rolled back, and a rejuvenated United Nations restored to its rightful high place in international relations.

Mr. Speaker, the resolution now before the House seeks to reaffirm the purposes for which the United Nations was founded. It seeks to remind some of the member nations of the circumstances and concerns that gave rise to its genesis. World peace cannot be achieved through racist or antireligious rhetoric. It must and can only survive through the guarantee of fundamental human rights and freedoms. I say without hesitation that every member in this chamber stands behind those basic freedoms with which all men are endowed. I urge the swift passage of this resolution.

Mr. RIEGLE. Mr. Speaker, shortly after the U.S. delegates met in San Francisco to sign the United Nations Charter, one of its first acts was to provide for the State of Israel. This unprecedented and symbolic event gave much hope and inspiration to a war weary world. It gave meaning to the adjudication of international disputes peacefully and guaranteed a long suffering people their rightful homeland.

In light of this history it is difficult to believe the events that transpired in the United Nations General Assembly Monday. The adoption of the anti-Zionism resolution by a vote of 72 to 35 resurrects the horrors of Nazism. Truly a "great evil has been loosed upon the world" as Ambassador Moynihan so properly stated.

This is truly a turning point for the United Nations. Sentiment in the United States has been gradually turning against this international body and it was severely damaged by this racist outburst against Israel. Fewer and fewer countries will bring their disputes to the United Nations and we will see its moral and political prestige diminishing. Unless there is a reversal of this vote the United Nations runs the very great risk of becoming another League of Nations.

Mr. AMBRO. Mr. Speaker, it is with a great sense of sadness and anger that I rise today to express my shock, indignation, and also my regret that the United Nations General Assembly voted yesterday to equate and condemn Zionism as a form of racism. In passing this resolution, the United Nations has engaged in another hypocritical act which not only puts that organization on record as a supporter and instigator of anti-Semitism on a grand, international scale, but also tragically destroys the principals of its Charter—the upholding of the ideals of human rights and the peaceful resolution of international disputes.

In a way, the passage of this particular resolution on this particular evening is fraught with irony. It was that night—November 10—37 years ago—in 1938—that Hitler's Nazi storm troopers launched a coordinated attack on the Jewish community in Germany, burned the synagogues in all its cities, destroyed Jewish holy books and attacked Jewish homes. In addition, it leaves an especially bitter taste to think that the international organization that was born out of the struggle against the horrors of Nazism and its anti-Semitic philosophy should now become the crucible for anti-Semitism and anti-Jewish hatred. That is what makes this situation doubly sad.

I am at a loss to surpass the stunning eloquence of our Ambassador to the United Nations, Daniel P. Moynihan, in expressing my anger and disappointment at the passage of this resolution, so I shall just take the liberty of quoting from his statement and echo his sentiment that "a great evil has been loosed upon the world. The abomination of antisemitism has been given the appearance of international sanction—and the vote granted symbolic amnesty, and more, to the murderers of 6 million European Jews" during World War II. I can only express pride and enthusiastic agreement with his declaration that the United States "does not acknowledge, will not abide by, never will acquiesce in this infamous act."

Mr. Speaker, for all the fancy rhetoric on the part of the proponents of this resolution, it must be emphasized that anti-Zionism is merely a euphemism for anti-Semitism, that adherence to a resolution condemning Zionism means adherence to anti-Semitism, and the legitimization of aggression against Israel, the great achievement of Zionism. Another of the great ironies emerging from this situation is that the State of Israel, in its brief, 27-year history has amply demonstrated that it is a society of humanitarian ideals, social justice, and tolerance for all peoples. Inflamatory Arab invective to the contrary, even those Arabs living in territory occupied since the 6-day war in 1967 have been treated humanely, and indeed many residents of the Gaza strip have been given jobs and are presently experiencing the highest standard of living that they have known since they voluntarily became refugees during the first Arab-Israeli War in 1948, when they were persuaded to leave so that they might return as conquering heros. Since 1967, when Israeli troops reunified Jerusalem, this city central to three of the world's major religious faiths has been treated with the respect and reverence due its holy status. All faiths have been allowed free access to their houses of worship and their shrines and all pilgrims have been welcomed. This is a stark reversal of the situation existing during the 21-year tenure of Arab jurisdiction in east Jersusalem when Jews were not only denied access to their holy places but these places were desecrated and otherwise violated in an ugly fashion. This is the picture of a society that is anything but racist!

I can only conclude with a deeply moving quotation from Albert Einstein dating back even before the Nazi holocaust:

> The Source of Zionism is depeer than the motif of Jewish suffering. Zionism is deeply rooted in the Jewish spiritual heritage, the existence and development of which are, for Jews, a source and essence of their continued survival as a community.

Mr. Speaker, I denounce this hideous resolution and suggest that our Government reexamine its relationship to those who were its sponsor, and to the organization which said "Amen."

Mr. EARLY. Mr. Speaker, I returned to Washington this afternoon from Veterans' Day services in the Third Congressional District of Massachusetts too late to cast my vote in favor of House Resolution 855, the resolution unanimously adopted by the House disassociating this body and the American people its Members represent, with the resolution adopted last night by the United Nations General Assembly equating Zionism with racism. I support House Resolution 855 unequivocably.

The action taken by the U.N. is an outrage and a travesty, lending international sanction to anti-Semitism. I must agree with Ambassador Moynihan when he said of yesterday's General Assembly votes, "A great evil has been loosed upon the world. This day will live in infamy."

Mr. Speaker, I also strongly support immediate hearings in the House International Relations Committee and the Senate Foreign Relations Committee to reassess the United States further participation in the United Nations General Assembly.

Mr. KASTEN. Mr. Speaker, last night the General Assembly of the United Nations adopted a resolution identifying Zionism as a form of racism, thereby designating Zionism as a target of the United Nations' Decade of Action To Combat Racism and Racial Discrimination.

Last night's vote was but the most recent example of the escalating attack upon Israel. In their efforts to use every available tool to turn world opinion against Israel, the Third World nations have completely disregarded the consequences of their actions.

Although Zionism is a national philosophy, it is not a racist philisophy. To equate Zionism with racism is contrary to the charter of the United Nations. Article I of the charter includes as a stated purpose the following:

> To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion.

Mr. Speaker, I am joining with the Republican and Democratic leadership in the House today in support of a resolution calling upon the United Nations to reconsider its rash and unwarranted action. Until the United Nations withdraws its resolution, the United States should refuse to participate in the decade for action to combat racism and racial discrimination, for in reality this program has been converted to one which will encourage anti-Semitism.

Although the immediate concern of the Third World nations is centered on Israel, whether they realize it or not, they are destroying the credibility and undermining the support for the United Nations. In their zeal to use the United Nations as a propaganda tool, they are destroying it.

Mr. RINALDO. Mr. Speaker, I would like to express my unequivocal support for House Resolution 855, which was adopted by the House today on a vote of 384 to 0. At the time this vote occurred, I was conducting a meeting in my office on the very subject of the U.N. vote and possible methods to alter U.S. participation in that body. Unfortunately, I arrived on the floor just as time expired and was unable to cast my "yes" vote.

By the unanimous vote of the House, we have made it clear to the world that the U.S. Congress completely rejects the views of the U.N. General Assembly. The U.N. resolution adopted yesterday was insulting to the United States, to Israel, and to every nation that believes in equality of race and creed.

Perhaps most significantly, that resolution symbolizes the end of an era. We must seriously question whether there is any unity left in the United Nations. Let us be honest: the Third World nations, supported by radical Arabs and the Kremlin, have no intention of stamping out racism. In point of fact, their actions have helped to perpetuate one of the most virulent forms of racism known to man: anti-Semitism.

Mr. Speaker, we hear much about the developing nations, but I do not know how developed they are. They evidently are still in the Dark Ages. We should certainly not turn our backs on them outright; but if they expect to be treated like nations, and equals in international relations, they must first demonstrate an ability and willingness to shoulder the responsibilities of statehood. Their actions in the United Nations show how far they yet have to come.

Later this week, I will introduce legislation which suspends further U.S. participation in the General Assembly until such time as the Congress by concurrent resolution approves renewal of our participation. In addition, I am introducing a bill that would limit U.S. financial contributions to the United Nations on the basis of our proportional representation in that body in terms of population. The United States represents only 5.6 percent of the total population of the member nations, has but one vote in the General Assembly, but actually contributes 25 percent of the U.N.'s budget. At the same time, a two-thirds vote in the General Assembly can be garnered from nations representing a meager 10 percent of the total population represented in the U.N.—and which pay only a fraction of the operating costs.

Mr. Speaker, it is time for a change. Thirty years ago, the United Nations represented a hope for the United States, for Israel, and for many nations after the ravages of World War II. But that same organization has now condemned Israel, the only true democracy in the Middle East.

The action yesterday is frighteningly similar to the indifference of the League of Nations in 1937 after the invasion of Ethiopia. That lack of moral character led to the eventual demise of the League; the lack of courage in the United Nations in 1975 demonstrates the lack of moral force in that body. Without such force, the United Nations cannot remain a viable organization.

The Congress has today taken a stand to put the U.N on notice. We must follow through, and we must make good our word. To do less will be to acquiesce in the face of a dangerous and deteriorating situation.

Mr. BIAGGI. Mr. Speaker, I want to voice my unqualified support of House Resolution 855, legislation which places the Congress in clear opposition to yesterday's vote in the United Nations General Assembly on a resolution labeling Zionism as racism. It is urgent that this legislation pass today and this Nation move to the forefront in the condemnation of this brazen and reprehensible action by the U.N.

The reverberations against yesterday's vote in the United Nations have come fast and furious. The fundamental thought which emerges in the reaction of many in this Nation is that yesterday vote casts very serious doubts about the continuing ability of the United Nations to operate in an impartial and responsible manner. The passage of this resolution by the full General Assembly further intensifies the anti-Israel fires which have been raging throughout this year's United Nations' session. It firmly placed the United Nations in the position of blatently discriminating against one of its member nations in direct conflict with its charter. The charter implores U.N. members to "practice tolerance and to live together in peace with one another as good neighbors and to unite our strength to maintain international peace and security.

The passage of the anti-Zionist resolution can only be interpreted as a devisive and inflammatory gesture which can only promote new polarization among U.N. members and more seriously, reignite adversities in the Middle East.

This U.N. resolution is a blatant insult to the millions of Jews both in this Nation and around the world for it serves to characterize Zionism in the most crude and banal fashion slandering one of the proudest and most important social and cultural movements in the history of the world.

This House resolution in addition to condemning the U.N. resolution also expresses the opposition of the House to any form of participation in the Decade for Action To Combat Racism and Racial Discrimination as long as the program remains influenced by the aforementioned resolution on Zionism. It also calls for the repeal of the Zionist resolution.

I congratulate the distinguished majority leader, Mr. O'NEILL, for getting the House to take such prompt action on this important statement of policy. Members of this Congress have been consistent and unyielding in their support of Israel and passage of this resolution today will serve to reiterate this position. In the almost 30 years which the United Nations has been in existence it has been considered a citadel for hope in the quest for world peace and understanding. In recent years, it has become a house of conspiracy and infamy indulging in blatant forms of discrimination against nations.

How can the United Nations come up with a resolution condemning Zionism and ignore the atrocities in the Soviet Union against its Jewish people? How can they consider Zionism evil and yet turn their heads from the murder of innocent civilians by the occupation Turkish troops in Cyprus? How can they condemn a member state for wanting to enjoy the right of self-determination and yet take no action against the denial of self-determination in Northern Ireland?

There is only one way. They are hypocrites. The resolution they passed last night proves it. I am convinced that the Congress should now totally reassess any future commitments to providing funds to the United Nations. It may have outlived its usefulness as an instrument of peace and instead become an instrument of destruction. Certainly it has, by its actions, condemned itself to the sidelines of the path toward world peace.

Mr. BINGHAM. Mr. Speaker, I rise in support of the resolution offered by the distinguished majority leader. I hope it will be adopted unanimously.

The United Nations General Assembly, in voting to equate Zionism with racism, has brought the United Nations to the lowest point in its history. This action creates in most Americans a feeling of anger and of frustration.

It is important that the United States now reassess its relationship with the United Nations itself and with those nations that supported the resolution. We will not forget that our neighbor to the south, Mexico, along with Brazil and Chile, decided that their relationship to the Arab world was more important to them than their relationship with the United States. In our dealings with other nations, let us keep in mind those that acted decently and honorably in this matter and those that, in response to Arab pressure or Arab money, or both, acted to stimulate anti-Semitism, to damage the United Nations, and to set back the cause of peace in the Middle East.

Let there be no mistake about it: those Arab States that have asserted their readiness to accept the permanence of the State of Israel have, by their support of this resolution, given the lie to their own protestations of peaceful intentions. For the State of Israel is the concrete expression of the ideal of Zionism: if the one is an evil to be eradicated, then so is the other. In that sense, the cause of peace has been set back.

As we in the United States consider what actions we should take in response to this shameful resolution, let us be sure that what we do is in our own national interest, as well as in the interest of Israel. Let us also be sure that any punitive action we may take does not punish those who stood with us, as well as those who voted the other way. And let us not act hastily in the heat of our anger; let us instead consider carefully and with due deliberation the course we should take.

Mr. CONTE. Mr. Speaker, I rise in support of the resolution to disapprove the November 10, 1975 United Nations vote on the resolution which equated Zionism with racism (H. Res. 855).

I was proud to cosponsor House Resolution 803 on October 22, 1975, which was designed to urge the United Nations to reject this most undesirable resolution. It is most uncomforting to note that a body formed for purposes which include promoting and encouraging respect for human rights and for fundamental freedoms for all, without distinction as to race, sex, language, or religion should approve of such a resolution.

I should now like to echo the words of the U.S. Ambassador to the United Nations, Daniel P. Moynihan:

> The United States rises to declare before the General Assembly of the United Nations, and before the world, that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

The resolution passed by the United Nations flies in the face of consistency. By equating Zionism with racism, the next obvious inference is that since Nazism is considered to be one of the most extreme forms of racism—Zionism can be equated with Nazism. Does the United Nations now interpret the Nazi annihilation of 6 million Jews a Zionist act?

How totally inconsistent, contradictory, and revolting the equation now becomes. I am so pleased that Ambassador Moynihan addressed himself to that point and labeled that analogy which is now consistent with United Nations precedent an "untruth and an outrage."

I should like to point out to the people of the United States and the nations of the world that the resolution disapproving the then pending infamous resolution was sponsored by 436 Members of the House and received unanimous approval in the Senate.

It is clearly the position of this Congress and the people of these United States that we shall not acknowledge, abide by, or ever acquiesce in this infamous act.

Mr. DERWINSKI. Mr. Speaker, I join the overwhelming majority in supporting this resolution. I am dismayed, although not surprised, at the vote in the United Nations yesterday.

We must recognize that the United Nations faces a major problem wherein a majority of its members seem determined to use it for their immediate purpose and political motivation and are, in effect, destroying the world body as a viable institution. Historically, it was the same kind of irresponsibility that led to the collapse of the League of Nations.

The lack of leadership at the United Nations is directly related to the lack of responsibility of a majority of its member states. The Untied States, under Ambassador Moynihan, is properly labeling these actions for the dangerous and provocative developments that they are, and in this specific series of resolutions which are all anti-Israel, the long-term effect around the world will be to further minimize public support of the United Nations.

Mr. BELL. Mr. Speaker, I rise in strong support of House Resolution 855 condemning the action the General Assembly of the U.N. took yesterday.

The implications of this action by the United Nations and the tactics of the Arab States in ramming it through that body are utterly unconscionable.

The net effect of the General Assembly's action will be to cause the United States to reassess its continued participation in the U.N. and to seriously reevaluate its financial support of that body.

I urge my colleagues to lend this resolution condemning their action the unanimous support that it deserves.

Mr. MORGAN. Mr. Speaker, I would like to make a personal statement in the RECORD. I had to be absent from the floor of the House on official business at the time when House Resolution 855 was being voted upon. I am fully in support of the sentiments expressed by the resolution in forcefully condemning yesterday's action of the United Nations General Assembly in adopting a measure which wrongly associates and equates Zionism with racism and racial discrimination. I join in the sentiments expressed in House Resolution 855 in calling for a reconsideration of that unfortunate action of the U.N. General Assembly. Had I been able to be present on the floor of the House earlier this afternoon, I would have voted for the passage of House Resolution 855.

Mr. ANDERSON of California. Mr. Speaker, I rise in support of House Resolution 855, the resolution proposed by the gentleman from Massachusetts (Mr. O'NEILL) relating to the United Nations and Zionism.

Mr. Speaker, it was with a great sense of sadness that I learned the General Assembly of the United Nations voted to declare Zionism a form of racism. Never before in its long history has the United Nations seemed so far away from the principles on which it was founded.

The resolution calling for this new position was as cynical an act as has ever been considered by a legislative body. Racism is a serious problem, both in our own Nation and abroad. But to turn legitimate concern over this human failing into a political attack on a sovereign nation—with no justification—is contrary to the spirit of any reform the U.N. may attempt.

In declaring Zionism a form of racism, the General Assembly neatly turned its back on anti-Semitism, allowing nations which actively persecute Jews to vote self-righteously against Zionism. Nations like Syria and the Soviet Union are undoubtedly thankful for the opportunity to go on record against Zionism—but whether they are also against racism can best be seen in their policies toward their own Jewish citizens.

For many years, I have felt the United Nations represented a hope for world peace and cooperation. It still may—but it has never been further away from that goal than it was last night.

Thus, Mr. Speaker, I urge an "aye" vote on House Resolution 855.

Mr. ADDABBO. Mr. Speaker, I join my colleagues and people around the world in condemning the United Nations for its actions in passing resolutions equating Zionism with racism. The distinguished majority leader of the House, the Honorable THOMAS O'NEILL, has exercised leadership in this body by authorizing House Resolution 855 condemning the United Nations for its actions and I wholeheartedly support the majority leader and his resolution.

The General Assembly of the United Nations has acted irresponsibly and dangerously by bowing to those nations who would attack the very foundation of the State of Israel. The United Nations' resolutions are not only without merit but they violate basic moral principles and reflect the takeover of the General Assembly by a coalition of smaller nations representing a minute percentage of the world population.

The issues involved in this most recent United Nations' debate must be considered on two separate levels. First the specific charge that Zionism equals racism indicates the strong pro-Arab, anti-Israel feelings of the smaller nations and their willingness to sacrifice the legal basis for the State of Israel established by the U.N. itself. Second, and on a broader level, the U.N. resolution indicates that the General Assembly can no longer function or pretend to exist as a representative world body.

In light of these facts, I support House Resolution 855 and I also suggest to my colleagues in the House that it is time to consider terminating or at least suspending all U.S. financial support for U.N. activities, unless the world body rectifies its biased unconsidered positions and proves its ability to act responsibly and equitably in its role under the original charter.

Such a dramatic move by the United States would serve as a long overdue catalyst for rewriting the U.N. Charter and reevaluating the charge of that body. Earlier this year I introduced several House Resolutions concerning the United Nations. One of those bills, House Concurrent Resolution 233 would direct the President to charge the Secretary of State with developing proposals to modernize and restructure the United Nations in order to improve its ability to function as a world body for peace.

It is truly unfortunate that many smaller nations appear to ignore the fact that their own independence is placed in jeopardy by such irresponsible acts as the Zionism resolution. I certainly hope that this strong expression by Congress will bring about reconsideration of the Zionism resolution within the United Nations.

Ms. HOLTZMAN. Mr. Speaker, yesterday the United Nations General Assembly endorsed a policy of anti-Semitism, as if it were celebrating that night 37 years ago when Hitler's Nazi storm troops launched an attack on Jews throughout Germany.

It is a bitter irony that the United Nations, conceived out of the rubble of a world devastated by a madman, has now embraced the poisonous doctrine of anti-Semitism that inspired Hitler. In condemning Zionism as racism, the United Nations has betrayed the hopes upon which it was founded, the principles for which it claims to stand, and a nation which it created.

Let there be no question about what Zionism is: It is the expression of the nationality of the Jewish people, their 2,000-year-old yearning to return to their homeland. Israel is an inseparable part of the culture, history, and religion of Jews. To condemn Zionism is to deny the legitimate striving of Jews to control their own destiny in their own sovereign state.

The United Nations Charter speaks of "respect for the principle of equal rights and self-determination of peoples." Indeed, the United Nations recognized the right of the Jewish people to self-determination when it established the State of Israel 27 years ago. It is an act of the most contemptible hypocrisy for the General Assembly now to condemn the very principle upon which it acted.

The hypocrisy of the United Nations as an institution in passing the resolution condemning Zionism is matched by the hypocrisy of the nations which took the lead in promoting it. Can those nations, which sought to deny the Jewish people a homeland, say that Jews in their own territory are treated with equality, dignity, and respect? Do countries such as Syria, Iraq, Saudi Arabia, and the Soviet Union, which are inspired to such heights of indignation by Zionism, provide Jews with those "fundamental human rights" guaranteed by the U.N. Charter? The record is clear that they do not.

Finally, in passing this resolution, the General Assembly removed the United Nations as an effective force for peace. How can the United Nations, as its Charter specifics, "bring about by peaceful means, and in conformity with the principles of justice and international law" settlement of the bitter and complex dispute among the Arab countries and Israel, if it denies Israel's very right to exist as a nation?

The United Nations was intended to support fundamental human rights, insure the self-determination of peoples, and provide a peaceful means for resolving international disputes. It is a sad day when the U.N. instead embraces anti-Semitism, denies the Jewish people their own State, and removes itself from the search for peace. I strongly support condemnation by the House of Representatives of the U.N. resolution.

Mr. BUCHANAN. Mr. Speaker, I join with my colleagues, the distinguished majority leader (Mr. O'NEILL) and the distinguished minority leader (Mr. RHODES) in sponsoring this resolution deploring the action of last night by the United Nations General Assembly in equating Zionism with racism and racial discrimination.

However, I deeply regret the deletion in this second resolution, House Resolution 855, of the language contained in our earlier resolution, House Concurrent Resolution 791, which calls for hearings to reassess the U.S. further participation in the United Nations General Assembly.

The action last night by the General Assembly represents a pattern of practice which violates the very purposes of that body as provided in article I of the United Nations Charter. It is but the latest, and the most extreme, in a series of actions on the part of a group of nations, many of them small, all developing countries who have formed a bloc voting pattern in which they impose their will upon the other nations which represent most of the wealth, most of the strength, and a substantial portion of the population of the world.

The United Nations is an organization comprised of the representatives of governments, thus the developing nations and mini states have the votes in the General Assembly to pass such a resolution.

But who, Mr. Speaker, speaks for the peoples of the Earth? Who speaks for human rights? Shall we have a double standard on racism so that we make racist proclamations in the name of combatting racism?

I think it is time for the weight of the United States to be felt in the United Nations or for us to reappraise our participation in that body.

This action also poses a serious threat to the quest for a true and lasting peace in the Middle East. No settlement agreeable to all nations in that troubled portion of the world can be reached so long as divisive wedges continue to be driven between them. The General Assembly action of last night is such a wedge.

There cannot be a true and lasting peace in the Middle East until there is understanding among all nations. This resolution tears down the bridge to that understanding which we have striven so long to build.

Mr. Speaker, as a member of the U.S. delegation to the 28th General Assembly of the United Nations, I was present and supported the U.S. vote for the Decade of Action To Combat Racism and Racial Discrimination.

The vote by 72 nations which described Zionism as a form of racism is a negation of the alleged commitment by those nations to combating racism and racial discrimination. It is fitting, therefore, that the United States not participate in the Decade for Action To Combat Racism and Racial Discrimination so long as the majority of the United Nations General Assembly continues to commit itself to encouraging racism.

It is, therefore, with mixed feelings that I support this second resolution. We have seen a series of increasingly extreme resolutions emanating from the United Nations General Assembly. They are an affront to the quest for peace and for human rights. They violate the charter of the United Nations. Because we as a nation continue to adhere to these tenets, our participation in a body which does not ought be reassessed.

It is my understanding that regardless of the outcome of this resolution, our colleague from Minnesota (Mr. FRASER) intends to hold hearings on the implications of the General Assembly and I commend him for this action.

I would also commend the distinguished U.S. Ambassador to the United Nations, the Honorable Daniel P. Moynihan, for his accurate assessment of the devastating effects of this resolution, and I quote:

> What we have at stake here is not merely the honor and the legitimacy of the State of Israel—although a challenge to the legitimacy of any member nation ought always to arouse the vigilance of all members of the United Nations. For a yet more important matter is at issue, which is the integrity of that whole body of moral and legal precepts which we know as human rights.

Let those members of the United Nations who participated in this hypocrisy be put on notice. They have blatantly violated the Charter of the United Nations. They have contributed to disharmony in the world and they may have contributed to the dissolution of the United Nations itself.

Mr. ADDABBO. Mr. Speaker, on several occasions during the past few weeks I have addresed my colleagues in the House on the subject of Zionism and the unfortunate United Nations resolution on that subject.

At this time I would like to direct the attention of my colleagues to a statement issued by Mary L. Chrichlow, Long Island, New York Director of the National Conference of Christians and Jews. This statement is important because it emphasizes that we must all oppose any "antipeople" feeling within the United Nations or anywhere else.

The U.N. action is deplorable for precisely the reason that it is an antipeople expression and I join with millions throughout the world in condemning that resolution.

I am placing the text of Mary L. Chrichlow's excellent statement in the

RECORD at this point for the benefit of my colleagues:

THE U.N. RESOLUTION ON ZIONISM

(By Mary L. Chrichlow)

The chief American delegate to the United Nations, Daniel P. Moynihan, spoke for the overwhelming majority of Americans when he said in response to the U.N. resolution declaring Zionism as a "form of racism and racial discrimination" that we shall not acknowledge, not abide by and never acquiesce in this infamous act".

Thus we could leave it at that. We were well spoken for. Whatever the representatives of 72 nations declared—it is not binding on us.

Yet the individual conscience remains challenged. Over half of the world's population was engaged on the side of the resolution. Could they be wrong? Can we be so sure that we are right? How can we, you and I as lonely individuals, stem the tide of a now world-wide wave of hatred?

Thirty years after Auschwitz, 30 years after the holocaust, 30 years after anti-Semitic mass murder we cannot but experience a deep sensation of sadness in our hearts. Each and everyone of us is involved in every act of inhumanity. We cannot, each and everyone of us, escape the moral responsibility for Auschwitz and cruelty, intended or not, anywhere in the world.

We must protest—at least from the depth of our individual conscience.

We cannot but profoundly hope that the millions and bilions of people statistically engaged in the U.N. resolution are, if seriously confronted with the human aspects, opposed to the dissemination of anti-Semitism or any other anti-people feelings.

There is one simple act we are called upon to do: we can let our Jewish friends and neighbors know that we shall stand by their side when they feel hurt and lonely.

The resolution may not amount to anything practical anywhere. Let us hope so. I still wish to extend a hand of friendship to each and every Jew here and the world over.

Next year may be the time to extend a helping hand to Blacks or Indians or Arabs.

That politics prevail in the U.N. on human relations issues is tragic to behold. Against such cheap maneuverings we cannot but offer our human solidarity.

Mr. NIX. Mr. Speaker. I am saddened and dismayed by the tragic developments at the United Nations Monday. By a vote of 72 to 35, with 32 abstentions, the General Assembly adopted a slanderous and outrageous resolution which defines Zionism as a form of racism and racial discrimination.

I am afraid that this ignominious act may deal a death blow to the United Nations as we know it. The Arab nations and the majority who support them were determined to push this resolution through the Assembly, knowing in advance that dire consequences would result.

The text of the resolution itself needs little comment. It is pure slander and provocation, without even a pretense of logic or rational purpose. It carries with it the stench of anti-Semitism, prejudice, and blind hatred. How cruel an irony it is that this vicious business was done in the name of combating racism and racial discrimination.

Mr. Speaker, the resolution on Zionism and the accompanying resolutions in support of the international gangsters of the P.L.O. that were adopted Monday by the General Assembly mark a backward step in the search for peace in the Middle East. They also mark what may well be the beginning of the end of the United Nations. An organization founded on the principles of peace, brotherhood, and reason has now officially adopted violence, prejudice, and wild irrationality as its new credo.

I want to acknowledge the fine effort made by Ambassador Moynihan and the entire U.S. delegation to salvage some hope that reason might prevail. Regrettably, their arguments fell on too many deaf ears. It is now up to the Congress, the administration, and most importantly the American people to decide where we go from here.

For the benefit of the Members, I offer for the RECORD the General Assembly rollcall vote on the resolution, and the text of Ambassador Moynihan's remarks in explanation of the vote of the United States:

HOW NATIONS VOTED ON ZIONISM ISSUE

UNITED NATIONS, Nov. 11.—Here is the roll call on the anti-Zionism resolution adopted Monday night by the U.N. General Assembly.

For—72—Afghanistan, Albania, Algeria, Bahrain, Bangladesh, Brazil, Bulgaria, Burundi, Byelorussia, Cambodia, Cameroon, Cape Verde, Chad, China, Congo, Cuba, Cyprus, Czechoslovakia, Dahomey, Egypt, Equatorial Guinea, Gambia, East Germany, Grenada, Guinea, Guinea-Bissau, Guyana, Hungary, India, Indonesia, Iran, Iraq, Jordan, Kuwait, Laos, Lebanon, Libya, Madagascar, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Niger, Nigeria, Oman, Pakistan, Poland, Portugal, Qatar, Rwanda, Sao Tome-Principe, Saudi Arabia, Senegal, Somalia, Sri Lanka, Sudan, Syria, Tunisia, Turkey, Uganda, Ukraine, Soviet Union, United Arab Emirates, Tanzania, North Yemen, South Yemen, Yugoslavia.

Against—35—Australia, Austria, Bahamas, Barbados, Belgium, Canada, Central African Republic, Costa Rica, Denmark, Dominican Republic, El Salvador, Fiji, Finland, France, West Germany, Haiti, Honduras, Iceland, Ireland, Israel, Italy, Ivory Coast, Liberia, Luxembourg, Malawi, Netherlands, New Zealand, Nicaragua, Norway, Panama, Swaziland, Sweden, Britain, United States, Uruguay.

Abstain—32—Argentina, Bhutan, Bolivia, Botswana, Burma, Chile, Colombia, Ecuador, Ethiopia, Gabon, Ghana, Greece, Guatemala, Jamaica, Japan, Kenya, Lesotho, Mauritius, Nepal, Papua New Guinea, Paraguay, Peru, Philippines, Sierra Leone, Singapore, Thailand, Togo, Trinidad and Tobago, Upper Volta, Venezuela, Zaire, Zambia.

Absent—3—Romania, South Africa, Spain.

Statement by Ambassador Daniel P. Moynihan, U.S. Representative to the United Nations, in Plenary, in explanation of vote on the resolution equating Zionism with racism and racial discrimination, November 10, 1975.

The United States rises to declare before the General Assembly of the United Nations and before the world, that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Not three weeks ago, the United States Representative in the Social, Humanitarian, and Cultural Committee pleaded in measured and fully considered terms for the United Nations not to do this thing. It was, he said, "obscene." It is something more today, for the furtiveness with which this obscenity first appeared among us has been replaced by a shameless openness.

There will be time enough to contemplate the harm this act will have done the United Nations. Historians will do that for us, and it is sufficient for the moment only to note one foreboding fact. A great evil has been loosed upon the world. The abomination of anti-semitism—as this year's Nobel Peace Laureate Andrei Sakharov observed in Moscow just a few days ago—the abomination of anti-semitism has been given the appearance of international sanction. The General Assembly today grants symbolic amnesty—and more—to the murderers of the six million European Jews. Evil enough in itself, but more ominous by far is the realization that now presses upon us—the realization that if there were no General Assembly, this could never have happened.

As this day will live in infamy, it behooves those who sought to avert it to declare their thoughts so that historians will know that we fought here, that we were not small in number—not this time—and that while we lost, we fought with full knowledge of what indeed would be lost.

Nor should any historian of the event, nor yet any who have participated in it, suppose that we have fought only as governments, as chancelleries, and on an issue well removed from the concerns of our respective peoples. Others will speak for their nations: I will speak for mine.

In all our postwar history there has not been another issue which has brought forth such unanimity of American opinion. The President of the United States has from the first been explicit: This must not happen. The Congress of the United States, in a measure unanimously adopted in the Senate and sponsored by 436 of 437 Representatives in the House, declared its utter opposition. Following only American Jews themselves, the American trade union movement was first to the fore in denouncing this infamous undertaking. Next, one after another, the great private institutions of American life pronounced anathema on this evil thing—and most particularly, the Christian churches have done so. Reminded that the United Nations was born in the struggle against just such abominations as we are committing today—the wartime alliance of the United Nations dates from 1942—the United Nations Association of the United States has for the first time in its history appealed directly to each of the 141 other delegations in New York not to do this unspeakable thing.

The proposition to be sanctioned by a resolution of the General Assembly of the United Nations is that "Zionism is a form of racism and racial discrimination." Now this is a lie. But as it is a lie which the United Nations has now declared to be a truth, the actual truth must be restated.

The very first point to be made is that the United Nations has declared Zionism to be racism—without ever having defined racism. "Sentence first—verdict afterwards," as the Queen of Hearts said. But this is not wonderland, but a real world, where there are real consequences to folly and to venality. Just on Friday, the President of the General Assembly warned not only of the trouble which would follow from the adoption of this resolution but of its essential irresponsibility—for, he noted, members have wholly different ideas as to what they are condemning. "It seems to me," he said, and to his lasting honor he said it when there was still time, "It seems to me that before a body like this takes a decision they should agree very clearly on what they are approving or condemning, and it takes more time."

Lest I be unclear, the United Nations has in fact on several occasions defined "racial discrimination." The definitions have been loose, but recognizable. It is "racism"—incomparably the more serious charge—which has never been defined. Indeed, the term has only recently appeared in United Nations General Assembly documents. The one occasion on which we know its meaning to have been discussed was the 1644th meeting of the Third Committee on December 16, 1968, in connection with the report of the Secretary-General on the status of the international convention on the elimination of all forms of racial discrimination. On that occasion—to give some feeling for the intellectual precision with which the matter was being treated—the question arose, as to what should be the relative positioning of the terms "racism" and "Nazism" in a number of the "preambular paragraphs." The distinguished delegate from Tunisia argued that "racism" should go first because "Nazism was merely a form of racism. . . ." Not so, said the no less distinguished delegate from the Union of Soviet Socialist Republics. For, he explained, "Nazism contained the main elements of racism within its ambit and should be mentioned first." This is to say that racism was merely a form of Nazism.

The discussion wound to its weary and inconclusive end, and we are left with nothing to guide us, for even this one discussion of "racism" confined itself to word orders in preambular paragraphs, and did not at all touch on the meaning of the words as such. Still, one cannot but ponder the situation we have made for ourselves in the context of the Soviet statement on that not so distant occasion. *If,* as the distinguished delegate declared, racism is a form of Nazism—and *if,* as this resolution declares, Zionism is a form of racism—*then* we have step by step taken ourselves to the point of proclaiming—the United Nations is solemnly proclaiming—that Zionism is a form of Nazism.

What we have here is a lie—a political lie of a variety well known to the twentieth century, and scarcely exceeded in all that annal of untruth and outrage. The lie is that Zionism is a form of racism. The overwhelmingly clear truth is that it is not.

The word "racism" is a creation of the English language, and relatively new to it. It is not, for instance, to be found in the Oxford English Dictionary. The term derives from relatively new doctrines—all of them discredited—concerning the human population of the world, to the effect that there are significant biological differences among clearly identifiable groups, and that these differences establish, in effect, different levels of humanity. Racism, as defined by Webster's Third New International Dictionary, is "The assumption that . . .traits and capacities are determined by biological race and that races differ decisively from one another." It further involves "a belief in the inherent superiority of a particular race and its right to domination over others."

This meaning is clear. It is equally clear that this assumption, this belief, has always been altogether alien to the political and religious movement known as Zionism. As a strictly political movement, Zionism was established only in 1897, although there is a clearly legitimate sense in which its origins are indeed ancient. For example many branches of Christianity have always held that from the standpoint of the biblical prophets, Israel would be reborn one day. But the modern Zionist movement arose in Europe in the context of a general upsurge of national consciousness and aspiration that overtook most other people of Central and Eastern Europe after 1848, and that in time spread to all of Africa and Asia. It was, to those persons of the Jewish religion, a Jewish form of what today is called a national liberation movement. Probably a majority of those persons who became active Zionists and sought to emigrate to Palestine were born within the confines of Czarist Russia, and it was only natural for Soviet Foreign Minister Andrei Gromyko to deplore, as he did in 1948, in the 299th meeting of the Security Council, the act by Israel's neighbors of "sending their troops into Palestine and carrying out military operations aimed"—in Mr. Gromyko's words—"at the suppression of the National Liberation Movement in Palestine."

Now it was the singular nature—if I am not mistaken, it was the unique nature—of this National Liberation Movement that in contrast with the movements that preceded it, those of that time and those that have come since, it defined its members in terms not of birth, but of belief. That is to say, it was not a movement of the Irish to free Ireland, or of the Polish to free Poland, not a movement of Algerians to free Algeria, nor of Indians to free India. It was not a movement of persons connected by historic membership in a genetic pool of the kind that enables us to speak loosely but not meaninglessly, say, of the Chinese people, nor yet of diverse groups occupying the same territory which enables us to speak of the American people with no greater indignity to truth. To the contrary, Zionists defined themselves merely as Jews, and declared to be Jewish anyone born of a Jewish mother or—and this is the absolutely crucial fact—anyone who converted to Judiasm. Which is to say, in the terms of the International Convention on the elimination of all forms of racial discrimination, adopted by the 20th General Assembly, anyone—regardless of "race, colour, descent, or national or ethnic origin. . . ."

The State of Israel, which in time was the creation of the Zionist Movement, has been extraordinary in nothing so much as the range of "racial stocks" from which it has drawn its citizenry. There are black Jews, brown Jews, white Jews, Jews from the Orient and Jews from the West. Most such persons could be said to have been "born" Jews, just as most Presbyterians and most Hindus are "born" to their faith, but there are many Jews who are converts. With a consistency in the matter which surely attests to the importance of this issue to that religious and political culture, Israeli courts have held that a Jew who converts to another religion is no longer a Jew. In the meantime the population of Israel also includes large numbers of non-Jews, among them Arabs of both the Muslim and Christian religions and Christians of other national origins. Many of these persons are citizens of Israel, and those who are not can become citizens by legal procedures very much like those which obtain in a typical nation of Western Europe.

Now I should wish to be understood that I am here making one point, and one point only, which is that whatever else Zionism may be, it is not and cannot be "a form of racism." In logic, the State of Israel could be, or could become, many things, theoretically including many things undesirable, but it could not be and could not become racist unless it ceased to be Zionist.

Indeed, the idea that Jews *are* a "race" was invented not by Jews but by those who hated Jews. The idea of Jews as a race was invented by nineteenth century anti-semites such as Houston Steward Chamberlain and Edouard Drumont, who saw that in an increasingly secular age, which is to say an age which made for fewer distinctions between people, the old religious grounds for anti-semitism were losing force. New justifications were needed for excluding and persecuting Jews, and so the new idea of Jews as a race—rather than as a religion—was born. It was a contemptible idea at the beginning, and no civilized person would be associated with it. To think that it is an idea now endorsed by the United Nations is to reflect on what civilization has come to.

It is precisely a concern for civilization, for civilized values that are or should be precious to all mankind, that arouses us at this moment to such special passion. What we have at stake here is not merely the honor and the legitimacy of the State of Israel—although a challenge to the legitimacy of any member nation ought always to arouse the vigilance of all members of the United Nations. For a yet more important matter is at issue, which is the integrity of that whole body of moral and legal precepts which we know as human rights.

The terrible lie that has been told here today will have terrible consequences. Not only will people begin to say, indeed they have already begun to say, that the United Nations is a place where lies are told. Far more serious, grave and perhaps irreparable harm will be done to the cause of human rights. The harm will arise first because it will strip from racism the precise and abhorrent meaning that it still precariously holds today. How will the peoples of the world feel about racism, and about the need to struggle against it, when they are told that it is an idea so broad as to include the Jewish National Liberation Movement?

As this lie spreads, it will do harm in a second way. Many of the members of the United Nations owe their independence in no small part to the notion of human rights, as it has spread from the domestic sphere to the international sphere and exercised its influence over the old colonial powers. We are now coming into a time when that independence is likely to be threatened again. There will be new forces, some of them arising now, new prophets and new despots, who will justify their actions with the help of just such distortions of words as we have sanctioned here today. Today we have drained the word "racism" of its meaning. Tomorrow, terms like "national self-determination" and "national honor" will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made—as they already have begun to be made—it is the small nations of the world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?

There is this danger, and then a final danger that is the most serious of all. Which is that the damage we now do to the idea of human rights and the language of human rights could well be irreversible. The idea of human rights as we know it today is not an idea which has always existed in human affairs. It is an idea which appeared at a specific time in the world, and under very special circumstances. It appeared when European philosophers of the seventeenth century began to argue that man was a being whose existence was independent from that of the State, that he need join a political community only if he did not lose by that association more than he gained. From this very specific political philosophy stemmed the idea of political rights, of claims that the individual could justly make against the State; it was because the individual was seen as so separate from the State that he could make legitimate demands upon it.

That was the philosophy from which the idea of domestic and international rights sprang. But most of the world does not hold with that philosophy now. Most of the world believes in newer modes of political thought, in philosophies that do not accept the individual as distinct from and prior to the State, in philosophies that therefore do not provide any justification for the idea of human rights and philosophies that have no words by which to explain their value. If we destroy the words that were given to us by past centuries, we will not have words to replace them, for philosophy today has no such words.

But there are those of us who have not forsaken these older words, still so new to much of the world. Not forsaken them now, not here, not anywhere, not ever.

The United States of America declares that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Mr. BADILLO. Mr. Speaker, I must rise to add my voice to those who have expressed outrage and anger at the action of the United Nations in condemning Zionism. It contradicts the very roots of the organization, which was founded to combat the fascism and totalitarianism that spelled the annihilation of millions of Jews during World War II. It puts the entire future of the organization, as an instrument of peace, in jeopardy. It threatens relations between nations, and stirs up fears and hatreds among people.

It is ironic that the resolution condemning Zionism was amended to a document that decries all racism—in any country. It is easy to infer what makes Zionism racist where other forms of nationalism are not. And it is profoundly painful to state that, because it is a Jewish struggle, it is a different struggle from all others for independence and peace. Are we entering a time, when, like the Norwegians in World War II, we must proudly wear armband proclaiming "I am a Zionist," in solidarity with a people striving for nationhood? It is an ugly moment for all those in the world who cherish freedom.

I was somewhat heartened—if such a word can be used in this context—to note that most Latin American countries either voted against the resolution, or at least had enough sense to abstain. However, there was one particularly shocking exception—Mexico.

Last spring, I was a delegate to the Mexico-United States Interparliamentary Conference in Campeche, Mexico. At the conference, a Mexican delegate stated Mexico's view that the United Nations was of paramount importance in striving toward peace. He emphasized the world organization's record on human rights, decolonization and economic development, and concluded by saying that "to build confidence in the United Nations is to reaffirm our faith in the destiny of mankind."

In fact, it was Mexico, under the leadership of President Echiverria, that took the initiative in proposing the Charter of Economic Rights and Duties of States for the U.N., that, if ratified, will truly serve the interests of a new world economic order, and will aid in the development of all countries. It is a concept that has met with enthusiasm in this country, although there was hesitancy on the part of the conservative Nixon administration in approving it.

I must ask our friends in Mexico: Is anti-Semitism part of this new world economic order? Are the divisions between countries to be bridged by jingoistic proclamations of racism? I cannot reconcile Mexico's hope for the United Nations and its acquiescence to those sordid political gestures that may spell its end.

I firmly believe in the good that the United Nations, and particularly its agencies, has done. It cannot be underrated. But that good has not been based on the horror and persecution that underlies its current actions. I hope that Mexico will reconsider its ill-conceived action, and join with those nations enlightened enough to truly understand the meaning of nationalism, and who believe in the right of self-determination for all peoples.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 384, nays 0, not voting 49, as follows:

[Roll No. 688]

YEAS—384

Abdnor
Abzug
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Bevill
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Butler
Byron
Carney
Carr
Carter
Casey
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Helstoski
Henderson
Hicks
Hightower
Hinshaw
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lujan
McClory
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moss
Mottl
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—49

Addabbo
Ambro
Andrews, N. Dak.
Beard, Tenn.
Biaggi
Buchanan
Burton, Phillip
Cederberg
Chappell
Cleveland
Danielson
de la Garza
Early
Erlenborn
Eshleman
Fary
Fraser
Guyer
Hanley
Hastings
Hébert
Hefner
Heinz
Hillis
Holland
Jarman
Johnson, Colo.
Kindness
Long, La.
Lott
McCloskey
McDonald
McEwen
McHugh
Mathis
Metcalfe
Michel
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Patman, Tex.
Quie
Rinaldo
Udall
Van Deerlin
Walsh
Young, Alaska
Young, Fla.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUSE RESOLUTION 791 DENOUNCING UNITED NATION'S RESOLUTION

(Mr. MITCHELL of Maryland asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MITCHELL of Maryland. Mr. Speaker, as you may be aware, a resolution has been introduced in the House of Representatives, House Resolution 791, denouncing the United Nations' resolution equating Zionism with racism. Currently, this legislation is pending consideration by the Subcommittee on International Organizations of the House Committee on International Relations.

I did not hesitate to sign the House resolution that addressed the United Nations action equating Zionism with racism.

Racism is a word used frequently these days. In my opinion, it is unfortunately a word frequently misused, with its meaning distorted to serve the needs of those with ulterior motives.

When I supported African nations, as they attempted to throw off the yoke of colonialism and imperialism, on the premise that Africans had the right to self-government of their land and their people—some people claimed that my position was racist. It was not. I think it would be wrong to condemn Guinea-Bissau's struggle for independence as racist. It is equally wrong to equate Zionism with racism.

Often, when I speak about black unity and black political strength, I am labeled as a racist. Black people are bound together by a common heritage, a shared history, and have a common identification. To recognize this fact is not racist.

Equally true is the fact that Jewish people have a common heritage, a shared history, and a religion which binds them together as a people. If these factors and others require that a State exist for Jews, then so be it. In this sense, Zionism is not a form of racism, rather it is an international movement of the Jews to return to a homeland created by international law.

I believe that to equate "nationhood" or "oneness," based upon physical and cultural homogeneity, with racism is unjust and, I might add, could boomerang against those who advance this proposition.

GENERAL LEAVE

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the resolution just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SECOND CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1976

Mr. ADAMS. Mr. Speaker, pursuant to section 305(a) title III, Public Law 93-344 of the Congressional Budget Act of 1974, and the order of the House of October 31, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action.

POINT OF ORDER

Mr. BAUMAN. Mr. Speaker, I have a point of order.

The SPEAKER. The gentleman will state his point of order.

Mr. BAUMAN. Mr. Speaker, I make a point of order against the present consideration of House Concurrent Resolution 466 because the resolution contains language in paragraph 1, lines 5 through 9, particularly the words directed to the House Committee on Ways and Means requiring that they "shall submit" to the House of Representatives "legislation to decrease Federal revenue by approximately $5,400,000,000."

In the opinion of the gentleman from Maryland this language constitutes a conferral of privileged reporting status on the Committee on Ways and Means, and I raise this point of order if only for clarification since this is the first time a budget reconciliation resolution has come before the House. The direction in this resolution, which directs that "the House Committee on Ways and Means—shall submit" is not in the opinion of the gentleman from Maryland consistent with Public Law 93-344, section 310(a) (2), which in part says that such a resolution may "specify the total amount by which reveunes are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws."

That is a partial quote from the law. It seems to me that to direct the committee to submit specific legislation to the House allows them a privileged reporting status, and nowhere in rule X, clause 4, do I see such a privileged reporting status allowed for the Committee on Ways and Means.

In the past there have been rulings by the Chair that a resolution which in effect allows a committee to report legislation without going through the normal process of seeking a rule and complying with the other House rules is in effect amending the House rules and, therefore, would not be in order.

On these grounds I make a point of order against the present consideration of this resolution.

The SPEAKER. Does the gentleman from Washington wish to be heard on the point of order?

Mr. ADAMS. Briefly, Mr. Speaker, I do. Section 320(a) says that the resolution may "direct the committees having jurisdiction to determine and recommend revenue changes." That is particularly spelled out in clause 2 that the Budget Committee is authorized and in effect by statute directed to specify the total amount by which revenues are to be changed and direct that the committees having jurisdiction to determine and recommend changes in the revenue laws and resolutions to accomplish a change of such total amount.

Then in section 310(c) it says that if only one committee has jurisdiction over a matter, that committee shall report it to the House rather than the Budget Committee.

The resolution seeks to make clear this change is to be reported by the Committee on Ways and Means. It necessarily includes an assumption that the Committee on Ways and Means will first determine and recommend the specific revenue changes before reporting the bill.

Therefore, Mr. Speaker, I would urge that the point of order be overruled.

Mr. BAUMAN. Mr. Speaker, to be heard briefly further, the gentleman from Washington conveniently omitted the exact language of section 310(c) which actually reads: "that committee"—meaning the Committee on Ways and Means—"shall promptly make such determination and recommendations and report to its House a reconciliation bill."

This resolution before us says that the Committee on Ways and Means shall submit an exact figure as named, and the Committee on Ways and Means is given no discretion whatever. In fact, as the gentleman from Maryland objects, it is given a privileged reporting status that amounts to an amendment to the House Rules.

The SPEAKER. The Chair is prepared to rule.

In response to the point of order of the gentleman from Maryland, the Chair has examined the directive contained in House Concurrent Resolution 466 to the Committee on Ways and Means to submit to the House legislation to decrease Federal revenues by approximately $5,400,000,000, as well as the authority contained in section 310(a)(1)(C)(2) of the Congressional Budget Act of 1974 conferred upon the Budget Committee to direct the Committee on Ways and Means to determine and recommend changes in the revenue laws to accomplish a change of such total amount.

Section 310(c)(1) of the Congressional Budget Act also provides that when a committee is directed—as the Committee on Ways and Means would be by the adoption of House Concurrent Resolution 466 by both Houses—to determine and recommend changes, "that committee shall promptly make such determination and recommendations and report to its House a reconciliation bill containing such recommendation."

The Chair does not feel after reading the language of House Concurrent Resolution 466 that the procedures whereby the Committee on Ways and Means is to consider and report a reconciliation bill to the House are in any way changed from those procedures which are outlined in the Congressional Budget Act and in the Rules of the House. For this reason, the Chair feels that House Concurrent Resolution 466 does not contain any matter which could be construed to involve a change in the Rules of the House and that the motion to proceed to the consideration of the concurrent resolution at this time is privileged under section 305 of the Congressional Budget Act and under the special order of the House of September 31, 1975.

The Chair overrules the point of order.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BAUMAN. Mr. Speaker, based on

the Chair's ruling on the point of order, may the House then understand that any resolution which decreases taxes or revenues will have to be submitted to the normal House processes, a rule sought through the Rules Committee, and called up in due course of business?

The SPEAKER. It will have to be called up under the regular procedure.

Mr. BAUMAN. I thank the Chair.

The SPEAKER. The question is on the motion offered by the gentleman from Washington (Mr. ADAMS).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the concurrent resolution (H. Con. Res. 466), with Mr. BOLLING in the chair.

The Clerk read the title of the concurrent resolution.

By unanimous consent, the first reading of the concurrent resolution was dispensed with.

The CHAIRMAN. Pursuant to the provisions of section 305(a), title III, Public Law 93-344, the gentleman from Washington (Mr. ADAMS) will be recognized for 5 hours and the gentleman from Ohio (Mr. LATTA) will be recognized for 5 hours.

The Chair recognizes the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of House Concurrent Resolution 466, the second concurrent resolution on the budget for fiscal year 1976. Its adoption will mark another significant step—perhaps the key step—in affirming congressional control over the Federal budget. The resolution will set firm congressional ceilings on Federal spending for fiscal year 1976 and a firm floor under revenues.

I think Members will agree that the Congress has made great strides in setting its priorities and curbing unnecessary spending since the new budget process was implemented. I want to thank the Members for their support of the process as we adjust to the new demands the Budget Act places on the Congress in the interest of better managing the Nation's finances.

I particularly want to commend the members of the Budget Committee for their diligence in helping to make this process work. The committee has reported a strong resolution that Members of the House can support; one that is fiscally responsible and responsive to the needs of the American people.

Before discussing the basic objectives of this resolution, I will take a few minutes to explain how we got to where we are and what will be the effect of adopting a second budget resolution.

The path to this resolution has been a long and difficult one. The Budget Committee started its review in February with the President's budget, which was subsequently adjusted to take account of official amendments and various reestimates of spending required by laws already on the books. In making these judgments, the committee considered the views and estimates of the various House committees as to spending needs for programs within their jurisdiction. The committee then made specific decisions, both raising and lowering spending proposed in the President's budget, to reflect congressional priorities and to provide for some inevitable budget changes which the committee thought were miscalculated in the President's budget.

The result was House Concurrent Resolution 218, which brought the Budget Committee's recommendations to the floor. These recommendations were adjusted by floor and conference action, and a resolution establishing congressional budget targets for fiscal year 1976 was finally adopted on May 14.

Since then, the Budget Committee has been scorekeeping—comparing what has actually happened in various programs to program funding assumed by the first resolution. For the most part, spending resulting from House action has been consistent with the first resolution. At the same time, however, there has been some unanticipated growth in permanent programs that are sensitive to the condition of the economy.

The second concurrent resolution now before us reflects adjustments in all of the budget aggregates designed to account for changes in the economy, completed congressional spending and revenue action, and spending which is still expected to affect fiscal year 1976.

This resolution sets a floor under revenues and ceilings on budget authority and outlays which will circumscribe future congressional actions. Once the second budget resolution is adopted, any measure which would cause revenues to be lower than the floor or would cause budget authority or outlays to be higher than the ceilings would be subject to a point of order and barred from floor consideration.

Clearly, the ceilings this resolution would impose on the Congress will be as hard to live with as they are necessary. I want everyone to understand that this is not a dry run through the budget process. We are engaged in setting ceilings which will restrict congressional actions on spending and revenues for this fiscal year.

This year, as well as in future years, the floor and ceilings relate to the budget aggregates only—that is total revenues, total budget authority and total outlays. As a result, the Budget Committee will not raise a point of order against spending measures until the aggregate ceiling is exceeded, even though a measure might not be contemplated as part of the ceilings. Rather, the committee's role will be to warn the House that if it passes spending measures not assumed within the ceilings, the aggregates will be reached before Congress completes action on measures which have been taken into account.

If the Congress does not heed these warnings and passes spending legislation exceeding the amounts assumed in the resolution without offseting reductions, points of order will be raised when the ceilings are reached, regardless of the merits of the spending measures then under consideration. Thus, it is extremely important that the aggregate ceilings the Congress adopts be realistic and allow for likely spending actions including those that are inevitable under current law. At the same time, we do not want to overestimate our spending needs and allow room in the ceilings for nonessential Federal spending.

The budget aggregates in this resolution, and the amounts by which they exceed the first resolution are:

Revenues of $301.8 billion, up by $3.6 billion;

Budget authority of $400.5 billion, up by $13.8 billion;

Outlays of $373.8 billion, up by $6.8 billion;

Deficit of $72 billion, up by $3.2 billion; and

Public debt of $620.4 billion, up by $2.8 billion.

It is a source of concern to many Members that the second budget resolution deficit is above the first resolution targets, even though congressional actions since May have been generally consistent with actions anticipated under the first resolution. The Budget Committee shares this concern. We would, of course, much prefer to be able to bring to this House a resolution with a much lower deficit. However, the present state of the economy makes this impossible.

Increases in this resolution result, for the most part, from spending required under existing programs which are particularly sensitive to economic conditions. Revenue estimates, for example, have increased because of the impact of inflation and the beginning of economic recovery. At the same time, persistent joblessness has automatically increased estimated spending for unemployment compensation by $2.1 billion; veterans' benefits by $1.7 billion; medicare and medicaid payments by $1.8 billion and FHA foreclosure costs by $870 million. In addition, interest on the debt is expected to increase by $1.4 billion, the result, in part, of a midsummer tightening of the money supply.

Primarily because so many of these costs are nondiscretionary in this fiscal year, the deficit proposal in the second resolution is essentially the same as the President's current budget deficit for fiscal year 1976. The administration now concedes outlays of over $370 billion and a deficit approaching $72 billion. Adoption of the President's tax reduction proposal would increase the fiscal year deficit by another $5 billion.

The committee resolution does not include budget authority or outlays for the Sinai peace settlement, details of which were submitted to the Congress after this resolution was acted upon by the committee. Thus, an increase for this purpose in accord with the administration request, will raise the budget deficit projected in the resolution as well as the President's projected deficit.

The committee resolution provides for absorption of 50 percent of the 5-percent pay increase for Federal, military, and civilian employees. This would require the various departments and agencies to accommodate the pay costs within presently budgeted amounts. We do not consider this to be beyond reasonable expectations. In prior years it has been the practice of the executive branch and Congress to direct absorption of between 18 and 26 percent of the pay costs which have resulted from cost-of-living increases. The absorption recommendation entails approximately $1 billion in budget authority and in outlays. If absorption cannot be accomplished, it would be necessary to increase the deficit by an additional $1 billion.

The economic objectives of House Concurrent Resolution 466 are identical to those of our first resolution. We seek to strengthen economic recovery and to restore stability to national economic policies. We reject programs that would cause the economy to swing sharply up and down. The budget resolution recommends a tax cut of $6.4 billion for the period January 1-July 1, 1976, which is sufficient to keep withholding rates at their present levels to sustain and strengthen the recovery. The resolution directs the House Ways and Means and Senate Finance Committees to report legislation reducing revenues by a net of $5.4 billion. This represents the amount of the tax cut partially offset by $1 billion in expected tax reform revenues.

In addition to tax cuts, the first resolution provided $10.7 billion for targeted economic stimulus programs designed to create 1.7 million jobs. The committee remains convinced that the economic stimulus package recommended in the spring would produce the best combination of programs to reduce the present high levels of unemployment without aggravating inflation. However, presidential vetoes and delayed congressional actions have resulted in a smaller amount of funding for these stimulus programs to date than the committee had expected. As a result, the committee resolution assumes reduced outlays for these economic stimulus recommendations of $3.2 billion. This reduction is partially offset by the additional $2 billion in stimulative tax reductions necessary to keep withholding rates at current levels. The committee estimates now assume outlays for jobs programs of $7.5 billion which would produce approximately 1 million jobs, a reduction of 700,000 from the first resolution.

I wish to emphasize that while the budget aggregates in this resolution are roughly comparable to projected spending under the President's updated budget, the congressional priorities are quite different from those proposed by the President.

Congress, in its various actions, continues to assign greater value to human resource and economic stimulus programs and less to defense and international relations than the President. In making its recommendations, the committee rejected the substantial reductions in the human resources area in the President's budget proposals and also recognized that excessive defense spending need not be the price for a strong defense.

As the Committee of the Whole considers this measure, I think it important that the Members bear in mind that the priorities debate is essential to the congressional budget process. The Budget Act is not designed to require us to put an arbitrary lid on Government spending. Rather, we must determine spending priorities and set our budget aggregates based on the needs of the total economy.

While this resolution is limited to budget aggregates only, we are nonetheless engaged in a priorities debate. The committee report contains our assumptions by functional categories. While an amendment may merely change one or all of the numbers in the resolution or direct a different reconciliation action, a member may nonetheless explain the underlying priorities changes his or her amendment would entail. As we proceed through the amendment process, Members offering floor amendments should advise the House as to the functional categories in which their spending changes fall. This legislative history will be crucial to the ability of the Budget Committee to advise the House later on as to when a particular spending measure is under or over the amounts assumed in the resolution, thereby enabling us to stay within our overall ceilings for fiscal year 1976.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. Yes, I yield to the gentleman from Maryland.

Mr. BAUMAN. I ask the gentleman from Washington (Mr. ADAMS), Why has the Committee on the Budget not used the functional categories in the second concurrent resolution? It was my understanding that when the first budget resolution was considered, your committee's aim was to use functional categories so that definite amounts for individual programs could be dealt with rather than to depend on the legislative history the gentleman just mentioned.

Mr. ADAMS. With respect to the functional categories in the first resolution, they will be dealt with in the first resolution next year when we have the total locking process take place. By "locking" I mean that the authorization committees will be giving their recommendations by March 15, and no bill can come to the floor that involves spending until after May 15. Then by September, 7 days after Labor Day, the appropriation bills will have been completed, so that at each point we will know what to put in the functional categories.

At this point we have not as yet completed the foreign aid bill. We have one-half of the appropriation bill still pending in the Senate, and the conference has not been completed.

Therefore, we are required, in these functional categories, to allow enough to cover those because we have not locked them in yet, so we were unable this year to know because the fiscal year is already half over, and parts of the spending bills have not been completed. Next year that will have been done.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman.

Mr. LATTA. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as has already been indicated, House Concurrent Resolution 466 is the second budget resolution for fiscal year 1976 under the new budget process.

The purpose of the second resolution is to confirm or modify the first target-setting resolutions in the light of congressional action on spending and revenue legislation, taking into consideration current economic conditions and related factors.

On passage, the aggregate figures in the second budget resolution each year become upper limits on allowable budget authority and outlays and a lower limit on revenues.

The new budget process was created to provide Congress with the machinery capable of producing a congressional budget and controlling Federal spending.

I might say, Mr. Chairman, that I will have a few words to say on how we are controlling Federal spending a little later.

I support fully the basic concepts on which the new budget process are based.

We need such a procedure to stem the flow of Federal spending that has had such a disastrous inflationary impact on our economy over recent years. I cannot, however, in good conscience support this budget resolution as approved by the Budget Committee.

The resolution accepts policies of deficit spending, large and growing transfer payments and more and greater Government involvement in the economy which in my opinion spells nothing but future trouble for our country.

Under House Concurrent Resolution 466, budget authority for fiscal year 1976 would soar to $400.5 billion, $13.8 billion over the first resolution which was approved by this Congress less than 6 months ago.

Let me repeat that because I think we ought to consider what we have done in this Congress since May when we passed the first budget resolution. We have passed legislation which would cause an increase of $13.8 billion—since May.

It calls for Federal spending totaling $373.8 billion which is almost a $7 billion increase over the first budget resolution of last May. Spending could grow significantly higher than that due to such items as Sinai aid costs and increasing costs in a variety of Government spending programs. The Federal deficit would amount to $72 billion, $3.2 billion over the first resolution that we passed in May.

As spending continues, and it will, the deficit will continue to grow. This Congress just recently, after voting for all of these programs, refused to increase the national debt in order to put the Government in a position to pay for them. I just left the Committee on Rules where we are considering that matter again for presentation to this House.

I predict that we will close out our Bicentennial year of 1976 with a whopping debt of $700 billion—$700 billion. Right now we are talking about considerably less, but the size of these figures illustrates the seriousness of the fiscal state of affairs of our Nation and underscores the need for an all-out effort to take corrective steps now.

Furthermore, it is more than just the size of these amounts that give us this concern, it is the type of Federal spending that House Concurrent Resolution 466 would command that is such a serious matter.

In spite of the known drawbacks of

Government public works program such as a potential for fiscal abuse, their unwieldiness and inflationary impact, the resolution reflects a massive $5 billion in budget authority and $1 billion for public works assistance for economic stimulation programs. Public service jobs are funded despite their shortcomings. The resolution would provide an additional $500 million over the $500 million already contained in the first budget resolution for that purpose.

The resolution adds a huge $3.4 billion increase over the first resolution in budget authority and $1.2 billion in outlays in the education, manpower, and social services category.

In the income security function budget authority would move up by $5.7 billion and outlays by $3.1 billion.

Commerce and Transportation show a similar pattern, up $5 billion in budget authority and $1.1 billion in outlays. Budget authority and outlay figures are also up in the areas of health and veterans' benefits.

These increases over the already inflated amounts contained in the first resolution are due to various factors. In some cases they reflect rising costs for existing programs. Others reflect the refusal on the part of Congress to enact legislation necessary to provide achievable cost savings. In some cases the increases come from new congressional spending programs. The net result, counting the first resolution and add-ons, is a completely unacceptable kind and level of deficit spending on the part of the Federal Government.

The frightening rate of increases in Federal spending since the 1960's for the most part has been due to the growth in transfer payments, in the form of direct payments to individuals. This is where the explosion in Federal budgets has occurred. The resolution does little, if anything, to begin placing overall controls on this dangerous spending trend. Instead, the resolution actually accommodates that trend.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank the gentleman for yielding.

The gentleman touched on a subject which the chairman of the Committee on Appropriations has been talking about ever since I have been in Congress. He emphasizes that the size of the deficit is not really the amount of money that the Government is spending in excess of its income. He keeps pointing out that through the transfer payment process, we are spending obligated funds. This year if we are going to have a $72 billion deficit, does the committee have an estimate of the amount of money by which the actual debt is going to be increased? Roughly, the chairman of the Committee on Appropriations has been saying for each of the last 3 years that one year we had a $13 billion deficit but actually, he said, we have gone into debt $20 billion. He points out that it increases by a factor of about 1 to 3, and that by the increase in the debt over the deficit that the deficit figure is actually misleading and that the deficit is not as large as the amount of debt that we are actually incurring.

Do we have a figure that would indicate the amount of the increase of the debt which obviously is much larger than just the deficit?

Mr. LATTA. For fiscal year 1976 which we are talking about today, without any action on the Sinai agreement and related items—and I understand an amendment will be offered by the gentleman from Massachusetts (Mr. O'NEILL), which will increase that amount over $2 billion—it is in the neighborhood of maybe $74 billion.

Personally—and this is my own judgment—I think that the deficit for 1976 could be closer to $80 billion when we round out that fiscal year than it is going to be $72 or $74 billion.

Mr. JOHNSON of Colorado. If the gentleman will yield further, my point is, though, what will the public debt be increased by? It is always a much larger figure than just the amount of the deficit, because we are spending funds which are otherwise obligated. The chairman of the Committee on Appropriations makes this point year after year after year, that the size of the deficit is not really as large as the amount of debt that we are incurring. So what will the public debt be increased by? The deficit will be $72 billion perhaps. The gentleman says $80 billion, but if the chairman of the Committee on Appropriations is correct, we will have a debt increase of perhaps over $100 billion. I am trying to find out if there is an estimate of that figure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LATTA. Mr. Chairman, I yield myself 10 additional minutes.

Hopefully it will not go beyond the $80 billion figure, and I think that is the upper limit for 1976.

But I understand full well what the gentleman is driving at. For example, in the social security fund there are automatic increases in the cost of living, and we have people coming on and going off the rolls. It is very difficult to find out how much money is actually going to be a deficit in that particular fund. And we have other similar funds that operate the same way.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. LATTA. This resolution continues the pattern established by the first resolution of embracing spending for Federal programs, which in turn invite more spending and produce more inflation. Inflation has been the single greatest threat to our economic health since World War II.

It destroys the purchasing power of the consumer's dollar and the investor's dollar, and this leads to recession. There is no way to achieve long-range stability and growth if inflation is not contained, and that lesson must be thoroughly understood by everyone.

Under the banner of promoting employment the resolution contains very ill-advised proposals for stimulative Government spending. Such spending can have no more than short-term gains in the way of attacking unemployment. On the other hand it produces serious inflationary consequences. We should have learned our lesson that we cannot spend our way into prosperity. It simply does not work. It did not work during the time of the Great Depression, and I have emphasized this time and time again, but I cannot emphasize it enough. I just want to point out the figures of unemployment back in the depression days when we were pouring all kinds of Federal money into Federal programs to try to bring down the unemployment rate.

In 1931 we had an unemployment figure of 15.9 percent; in 1932, that unemployment figure, despite the programs, was 23.6 percent; in 1933, 24.9 percent; in 1934, 21.7 percent; in 1935, 20.1 percent; in 1936, 16.9 percent; in 1937, 14.3 percent; in 1938, 19 percent; in 1939, 17.2 percent; and in 1940, 14.6 percent. It took our entry into World War II to bring that unemployment figure down to 9.9 percent in 1941.

So certainly history shows us that by pumping Federal dollars into these public works programs we do not cure unemployment. But still we persist along those lines.

The remedy for unemployment depends on the confidence of the consumer, the workingman, and business, that our Government is willing and able to take steps that are necessary to bring inflation under control, and this budget resolution represents an opportunity to contribute to the growth of this confidence.

Even a 1-percent reduction in the rate of unemployment, for example, would stimulate much job-creating investment and consumption and would not cost the taxpayers a penny.

The recession from which we are just now recovering is a key study in the harm that inflation can do. How many more recessions must we suffer before learning the necessity of curbing excessive Federal spending?

Government cannot continue to expand by leaps and bounds and with increased Government spending as demonstrated in the amounts embraced by the second budget resolution without grievous consequences to our Nation's economic health and the very freedoms that are so precious to all of us. It is high time to get moving on a thorough reexamination of the legislation enacted over the last few decades which has contributed so much to the current state of affairs. The congressional budget process is the method that Congress set up for itself to get the job done by setting proper overall limits and bringing about needed evaluations.

Unfortunately the second budget resolution fails to seize this opportunity and to cause an across-the-board examination of skyrocketing mandatory spending legislation. The American people need to be reassured that Congress has the ability and the will to take those steps that are necessary to put our financial house in order. This resolution does not do that job.

I might say that even the interest on the national debt from the first resolution to the second resolution has increased by a billion dollars, from $35 to over $36 billion, just the interest on the national debt.

Madam Chairman, at the appropriate

time, I will offer an amendment to reduce the budget authority and outlays in this resolution.

This Congress must take a firm stand against the massive Federal overspending that has developed in the past years and this is the time to do it.

Now, how do we get a handle on these inflationary and dangerous spending programs? Well, first of all, we are not going to get it under this new budgetary procedure, unless we change our ways and do so very quickly.

I might say very frankly that I envisioned this budget process to work a little differently than just adding up a lot of figures. To date we have been adding up too many figures and not taking the bull by the horns, so to speak, in cutting down some of the expenditures.

I know we have had these dry runs, but I think it is high time we take some initiative in the Budget Committee and start doing some cutting, because this is what I think the Members of Congress and the country expect us to do, not just total up figures and say this is what it all adds up to.

Second, we do not do it by voting down an increase in the debt ceiling and then going home and pounding ourselves on the back and saying, "Look what we have done. We have voted for economy."

We do not do it just by voting for the budget resolution and saying we are trying to contain expenditures. The only way we can possibly do it, and this was referred to by the gentleman from Washington in his remarks, is that we do it every single day when these spending programs come before this Congress, bit by bit, and reducing them when they need reducing. We should not vote for every spending program that comes along and then say, "Well, now, we didn't get ourselves in this shape." We did. This is why it happens.

I have even heard arguments being made in these Chambers by various Members that we should not even have a debt ceiling. The argument is that it is a useless thing to do; apparently we ought to just go on our merry way of spending without any thought of changing the debt ceiling. Well, I hope that when this budget procedure really gets going, and I wish that it would get going as much as most Members in the committee, but I just hope that we can start making some cuts in a lot of programs. I know they might have political sex appeal, they might get us elected today, but tomorrow they might be hurting the country.

If I read my mail correctly, and I try to do that, and if I listen to my constituents, and I do that, they have been sending me a message that they are sick and tired of deficit financing and they want this Congress to do something about it. I hope that we do something about it before it is too late.

Here is our opportunity, this week, to do something about it. Hopefully, when the time comes for amending this resolution this Congress will act in that direction and start placing some real restraints on itself.

Mr. WRIGHT. Madam Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Madam Chairman, this second concurrent resolution on the budget marks the end of the first year of implementation of the Congressional Budget Impoundment and Control Act. In this year, the American people suffered under the unholy alliance of inflation and unemployment. This year also witnessed the deepest recession since the early 1930's.

The budget process, only partially begun this year, has attempted to meet these economic and social perils which besiege our Nation. We on the Budget Committee, through provisions contained in this resolution and recommendations in our report, have made a concerted and, I believe, successful effort to provide for programs that will put the unemployed back to work, relieve the overburdened middle- and lower-income taxpayers, and protect those on fixed incomes—the retired, the sick, the handicapped—from the devastation wrought by unbridled inflation.

Our effort to set out on a road toward fiscal responsibility and at the same moment to be responsive to all the needs of the American people creates an economic tightrope. Nevertheless, we have walked this tightrope. For the first time since I came to Congress, and indeed in the entire history of Congress, we are able to arrive at decisions that take into account the state of the economy, the size of the deficit, the total—and I emphasize that word "total"—expenditures of the Federal Government, and the estimated revenues.

It is my understanding, Madam Chairman, that the majority leader intends to offer a floor amendment, as suggested by our report, to provide the necessary fiscal flexibility for the implementation of the Sinai agreement. Such an amendment, I understand further, would not bind or commit us to any endorsement of the administration's request prior to action taken by the appropriate committees of this House and the other body. With this in mind, I intend to support such an amendment when offered.

I strongly urge the adoption of this resolution, not because of the process it represents, although that indeed is important, but because it reflects, in my opinion, the collective wisdom of a majority of the Nation's elected representatives.

Mr. WRIGHT. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, on October 6 President Ford appeared on national television and requested Congress to adopt a spending ceiling for fiscal year 1977 in the amount of $395 billion.

On October 31, after many months of very careful deliberation, the budget committee reported to the House this resolution which adopts for the current fiscal year an expenditure ceiling of $373.8 billion.

I think it is very significant that the total expenditure ceiling embodied in this resolution, here and now for the current fiscal period, is some $22 billion less than that recommended to us by the President for the fiscal period which will not even begin until October 1 of next year.

This historic process which we are completing for the current year with this second concurrent budget resolution is perhaps the most significant advance that has been made in the 94th Congress. For the first time, it gives to us, the lawmaking branch, the actual tools with which to carry out that responsibility mandated to us all those years ago by the Constitution, that we should indeed control the purses strings.

Heretofore, Congress has followed the practice of voting piecemeal and in a fragmentary way throughout the year on various authorizations, some 13 different appropriations bills not counting supplementals, and different tax measures, without any capacity to relate them directly to one another.

In that posture, the Congress was very much like a navigator without a compass. We were like a builder without a set of plans. It was almost as though we were hiring 13 carpenters and instructing each to build us one room of a 13-room house without any connection to or relation with what the other 12 carpenters were doing. Now, for the first time, we have the capacity to look at the entire cost of the Government in perspective and to decide what we, as the peoples' representatives, want to do in view of respective priorities.

I recommend to the Members this budget resolution. I think it is a prudent and restrained effort on the part of the representatives of the people to enact legislation that will effectively put Congress in control of expenditures. I urge serious and sympathetic consideration of the resolution, of the amendments that will be offered, and I urge the Members to bear in mind that what we are doing in the adoption of this resolution is much more prudent and more responsible than that which the President has asked that we regularly do.

Rather than opting for a large $28 billion tax cut as called for by the President, we have envisioned a much more modest tax cut so as to avoid further increasing the deficit in this fiscal period. After all, this current fiscal period is the only one we now are considering. This is the only one over which we have control at the present moment, and I suggest to the Members that this resolution does exercise that control, and I believe it exercises it in a prudent manner.

Mr. GRASSLEY. Madam Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Iowa.

Mr. GRASSLEY. Madam Chairman, the gentleman made the statement that this budget resolution is $22 billion less than what the President is suggesting for the next fiscal year, but I did not get the point the gentleman was trying to make. Did he intend to leave an impression with us of what that holds for the future or what is good or what is bad about that $22 billion figure? I did not think the gentleman finished his thought on that point.

Mr. WRIGHT. I tried to suggest the thought that the current fiscal year is the only period over which we have effective control at the moment. I tried to suggest that the fact that we are $22 billion under the ceiling recommended for the coming fiscal year by the President indicates that the Congress is behaving in a fiscally sound and prudent manner.

Mr. GRASSLEY. Madam Chairman, will the gentleman yield further?

Mr. WRIGHT. Yes, I yield to the gentleman.

Mr. GRASSLEY. I thank the gentleman for yielding. Does the gentleman think that it is realistic, in terms of what we are accomplishing this year, that we have the capability of keeping within that $22 billion increase in the coming year?

Mr. WRIGHT. The gentleman asks me what I think is realistic. I do not think it is realistic in any sense for us at this moment to try to peg a ceiling for a future fiscal year that does not even begin for 11 more months.

I think it is realistic for us to deal with the fiscal year that is our present responsibility at this present time. That is precisely what this resolution does.

I do not think I can forecast for the gentleman yet what kind of a budget expenditure ceiling we ought to recommend for a year that will not begin until October 1 of next year. That will be the responsibility of the Congress and it will be the responsibility of the Budget Committee, beginning next spring, to try to make those projections.

I do not think it is realistic, I do not think it is responsible for us to toss figures around glibly today concerning a fiscal period that will not begin for 11 more months.

Were we to follow the President's advice in total, and embrace his precise figure before even looking at the needs that may confront us a year hence, we would be surrendering our responsibility.

That would be a little like a family who says, "Well, we are going to spend $2,800 more this year and increase our deficit by $2,800 this year, but we will just resolve now that next year we are going to cut our expenses by $2,800."

The average family could not make that decision responsibly without having any idea of what prices are going to be next year, without knowing whether one of their children might get sick next year and have to go to the hospital, without knowing whether the car might be in a wreck. Clearly, without first thinking of just how it could economize in the coming year, it would be unrealistic for any family to take that position and to justify upon it a bigger family deficit this year. And that, in essence, is what the President has asked us to do.

Mr. DERRICK. Madam Chairman, will the gentleman yield?

Mr. WRIGHT. I will yield to the gentleman.

Mr. DERRICK. Would the gentleman say it is like the famous quotation of the gentleman's grandmother, "Pretty is as pretty does"?

Mr. WRIGHT. I think that is an appropriate and apt quotation. My grandmother used to say to my little sisters, when anyone tempted them with the thought that they were pretty, "Well, pretty is as pretty does."

It seems to me that what we have facing us now is the responsibility to look to our immediate fiscal year. That is the only one over which we have control today, and I believe that is what this budget resolution properly does. That is all I am suggesting. And before we make roseate promises for next year, we first had better look to our performance for this year. To that extent, my grandmother's advice is good. "Pretty is as pretty does."

Mr. GRASSLEY. If the gentleman will yield further, I thank the gentleman for amplifying his position. I am not sure I agree that we should restrict ourselves just to this year. There have been suggestions that these budget resolutions and planning for expenditures involve periods of 3, 4, or 5 years, because the programs we are suggesting now do have long-range impact, and for that reason I think we ought to look further in the future.

Mr. WRIGHT. I cannot argue with that. Certainly that ought to be one of our budget activities. It is one that is contemplated in our enabling legislation. It is a difficult and imprecise task at best, however.

I would remind the gentleman that since the beginning of this year and the convening of this Congress the President has come to us with supplemental requests, asking more money than was included in his initial budget for a variety of projects. I am not blaming him for that. I am simply pointing out that unforeseen contingencies arise which make it necessary for the President to request the Congress to up its sights and spend more money.

One of those things that occurred involved what was happening in Vietnam. Another of them we are presently awaiting involves the Sinai agreement. We could not have foreseen those needs at the beginning of the previous fiscal year.

What I am simply suggesting to the gentleman is that prudence and sound judgment dictate that we look to our immediate responsibilities and that we do our very best to have a prudent and realistic budget ceiling for this fiscal year. That is our responsibility. And I would just suggest further that anybody who embraces the President's idea of a $395 billion ceiling for the next fiscal year, which will not even begin until October of 1976, and does not support the $373.8 billion ceiling which we are adopting for this fiscal year, is not being very consistent.

Mr. WRIGHT. Madam Chairman, I yield 7 minutes to the gentleman from Florida (Mr. GIBBONS), a member of the committee.

Mr. GIBBONS. Madam Chairman, I thank the acting committee chairman, the gentleman from Texas, for yielding this time to me.

Madam Chairman, I rise in strong support of House Concurrent Resolution 466, the second congressional budget resolution for fiscal year 1976.

The resolution is, perhaps, the most crucial step to date in the new congressional budget process, for it will set congressional ceilings on spending and a floor under revenues for the balance of this fiscal year.

House Concurrent Resolution 466 is the result of months of continuous work by the Budget Committee and, most particularly, its chairman, the gentleman from Washington.

In May, the Congress adopted Federal budget targets. Those targets demanded spending restraint, even though the deficit target agreed to was extremely high. They confronted reality squarely. Distasteful as the deficit figure was to many of us, a majority agreed it was all but inevitable in this year of severe recession and extensive joblessness.

Since May, the Budget Committee has been unflagging in its support for the new budget process. We have consulted with many committees of the House to discourage action on spending measures not contemplated in our budget targets. The chairman of our committee has appeared before the Rules Committee to oppose bills that would slip Federal funds through the "backdoor."

We have opposed on the floor of the House actions that would do violence to the congressional budget policies and priorities agreed to in May.

Thanks to these efforts and to the cooperation of members who have supported the congressional budget targets, House Concurrent Resolution 466 continues to reflect the responsible budget policies and priorities adopted by Congress in May.

On the spending side, it is a no-frills budget. The proposed $373 billion ceiling provides for aid to those who are suffering on account of the recession and for a few, carefully targeted job-creating programs designed to speed economic recovery. Beyond this, there is no room for new spending initiatives in the balance of the fiscal year.

The deficit remains high, to be sure: But it is an unfortunate fact of life in this fiscal year. The deficit is occurring even though Congress has not enacted major, new spending legislation this year: Even though defense spending has been held down: Even though other appropriations are in line with spending targets adopted in May. It is occurring because the recession has decreased production and employment and has eroded our revenue base, and because persistently high unemployment has automatically increased the number of citizens eligible to receive subsistence-level Federal aid. Short of reneging on previous commitments to these recession victims, or to the elderly, or to the poor, there is no way to significantly reduce the deficit in this fiscal year.

The second budget resolution aims to reduce the deficit in subsequent fiscal years by maintaining and strengthening the economic recovery that now appears to be underway. In addition to a limited number of job-creating expenditures, the resolution would direct the House Ways and Means Committee and the Senate Finance Committee to report legislation that provides for a net $5.4 billion in stimulative tax cuts in the last 6 months of the fiscal year. The Budget Committee recommends the Tax Reduction Act of 1975 be extended and broadened to keep witholding rates at the same level they have been at since April of this year. In addition, the committee recommends that total revenues be raised by $1 billion through tax reform.

Insofar as the tax cut extension is concerned, these recommendations are consistent with Ways and Means Committee action to date. Gaining a billion in reform revenues from a tax expenditure budget of almost $100 billion has proven more difficult for the Committee on Ways and Means. I am convinced we will not have real tax reform until the Congress in a resolution such as this one, demands it. Once a decision is made to have real reform, there will be no shortage of loopholes from which to choose.

In any event, Members may have a chance to consider tax reform for themselves next week, when the Ways and Means tax bill is debated in the House. Action consistent with the resolution would have not only a salutary effect on the deficit, but would also help set the foundation for creating a more equitable tax structure in years to come.

This, it seems to me, is the purpose of House Concurrent Resolution 466 and the new budget process in general: To move us in directions that are desirable and responsible. The resolution cannot reform the tax code: It cannot slice every ounce of fat from Federal programs. It can say, at long last: "There are limits in this fiscal year beyond which we cannot go." House Concurrent Resolution 466 does this in the most responsible manner possible, and it deserves strong support.

Madam Chairman, as we examine where we are going, we had perhaps better look at where we started. As we recall, the Budget Committee legislation just passed this Congress about a year ago, and in a desperate effort to get it going, it started to be implemented about a year ago. Most of the members of the Committee on the Budget were not even named until February of this year. Then a staff had to be acquired, a congressional budget office had to be set up, and the implementation of a very difficult process had to be begun.

At about the same time the President submitted his budget for fiscal year 1976. At that time he estimated that outlays for fiscal year 1976 would amount to $349 billion. I think we all remember that he drew the line on the chart at something like $350 billion, and he said that beyond this figure he would not go.

I sympathize with the problem of the President and with the problem of the members of the Committee on the Budget. I would like to see our outlays limited, I would like to see our taxes go down, and I would like to see everybody employed and nobody hungry and things of that sort. But that is just not in the cards for today.

Where are we today? We must remember that the President started off with his own outlay budget of $349 billion. I have a book here in my hand that just came into our office yesterday. I would recommend this to all the Members. It was embargoed for release yesterday. It is entitled, "Current Services Estimate for Fiscal Year 1977, as Required by the Budget Impoundment and Control Act." It is submitted by the present Office of Management and Budget, and it is dated Monday, November 10, 1975.

From this book we get the President's most current estimate as to where his budget stands today. This is a most interesting document, and I would commend it to each Member to study. It is manageable in size, its prose is good, and its figures are fairly simple.

On page 22 of this document it is shown that from a budget of $349 billion in outlays for 1977 the President's budget has gone up about $20 billion in outlays for fiscal year 1977 to approximately $368.5 billion. So that is how badly budgets can go askew even when people are doing their best to keep them under control.

In studying this document, I think that we should also look again on page 22 to this presentation of the problems we face. I would call attention to this bar graph chart we see over here by the picture of George Washington to your left front in the House Chamber and to two long red and blue lines, one at the top and one about two-thirds of the way down. The one at the top, covers national defense, and the one about two-thirds of the way down covers income security. These are the two biggest items in the budget.

They far dwarf every other figure in the entire budget. In fact, the total of income security is 34 percent of the entire budget, and it covers such programs as social security, the black lung benefits, railroad retirement benefits, the Federal employee disability program, food stamps, and other benefits like housing subsidies and child nutrition programs, and then there is assistance for the poor, like AFDC, and supplemental security.

Then there is that skyrocketing figure, unemployment assistance or unemployment insurance. Those figures have just skyrocketed. We look on page 22 of the current services budget. We see that the President estimates that this program of income security will amount to $130 billion for fiscal year 1976, and that it will grow to $146 billion or increase by over $16 billion in just 1 year.

It has increased more than that this year because of the tremendous increase in unemployment compensation. Unemployment compensation, I think, used to run in the neighborhood of about $2 to $3 billion a year. It is now running to $19.9 billion because of very high unemployment.

I say all this to point to the problem that we are having. To back up what the gentleman from Texas (Mr. WRIGHT) has said, it is not easy to turn down a spending ceiling, as well intended as I am sure the President means it.

If the Members take this document that I have in my hand, this current services budget, they will see that his most conservative projection is that we will have a budget deficit of about $31 billion next year. The one that he relies upon in this budget document—and it is not a budget, but it is a budget document—is around $42 billion.

If we have that kind of assumption and the same kind of assumptions that he makes, we will find that the outlays for fiscal year 1977, the year that he has suggested we put a $395 billion ceiling on, under his figures we come to $414.5 billion versus $395 billion.

In other words, we have to cut the current services by about $20 billion to reach the ceiling that he has suggested.

If the Members will just look at that bar graph over there and decide where and how we can pull $20 billion out of it, then it would be very easy to set that ceiling. Unfortunately, however, we cannot do it at this time. We should stick to the program of budget control work that we now have and try to work it out.

Madam Chairman, I hope that tomorrow, when we get to voting on all of this, that we will all realize that we are in a very serious situation. If we fail to adopt this resolution—and most of us can disagree with it in part in one place or another—we will have set back the best hope that the House has had and the Congress has had in a long time to make sense out of the budget process. Therefore, I hope that we will bury our differences and move forward to adopt what I think is a realistic budget resolution for fiscal year 1976. After we get this work done then we can begin working on the fiscal year 1977 budget. It is at that time we will seriously consider the President's request for a spending ceiling.

Mr. LATTA. Madam Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. Madam Chairman, I thank the gentleman for yielding.

I take this time to pose a question to the acting chairman of the committee, the gentleman from Texas (Mr. WRIGHT).

Madam Chairman, there are two elements in the budget, and one is certainly more easily controlled than the other. When it comes time to arrive at a figure for projected revenues, certain estimates have to be made.

I am wondering on just what the projected revenues were based for the present fiscal year.

I am referring to the projected level of gross national product, national income, personal income, corporate profits, and so forth. Does the gentleman have any figures for this?

Mr. WRIGHT. Madam Chairman, will the gentleman yield?

Mr. WHALEN. I yield to the gentleman from Texas.

Mr. WRIGHT. Madam Chairman, in response to the question asked by my colleague, the gentleman from Ohio, the assumptions upon which we have predicated our projected revenues are that the gross national product would be approximately $1,472 billion during calendar 1975 and approximately $1,675 billion during calendar 1976.

We have further projected the probability based upon the most reliable data that we could secure that personal income during calendar 1975 would grow from $1,241 billion in aggregate in calendar 1976 to $1,390 billion.

We have assumed that wages and salaries would total in calendar year 1975 approximately $787 billion and in calendar 1976 approximately $890 billion.

Beyond that we have assumed for purposes of estimating tax receipts that corporate profits during calendar 1975 would come to $119 billion and during calendar 1976 $163 billion.

Mr. WHALEN. Madam Chairman, I would ask one other question if the gentleman would respond. I noticed in the first target resolution revenues were projected at $298.2 billion. In the current resolution before us the projection is $301.8 billion. Is this $3.6 billion increase in revenues due to the increased economic activity?

Mr. WRIGHT. To some degree it is. There has been, as the gentleman is aware, an increase in the gross national product. This of course does reflect itself in additional income. There is a further change in assumptions which has been made for the purpose of getting the Congress and the administration on all fours. In our projection of revenues to be derived from the sale of offshore leases I believe in the first budget resolution we had been projecting approximately $4 billion while the administration had been estimating that some $8 billion would be received. In order that we could be talking about the same thing we visited with the Office of Management and Budget and made an effort to arrive at some mutual figure and that figure came out at $6 billion so this accounts for $2 billion more in reducing the deficit.

Mr. WHALEN. I thank the gentleman for his response.

Mr. WRIGHT. Madam Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. MITCHELL), a member of the committee.

Mr. MITCHELL of Maryland. Madam Chairman, I regret that the chairman of the committee is not on the floor. If he were, I would tell him that it has not been a pleasure working with him, nor with the other members of the committee, in the sense that it is such a hard working committee that we have had to neglect many of our other duties in order to bring this budget resolution, the second concurrent resolution, before the Members. I have no hesitancy in stating to the Members that generally I am supportive of the second concurrent resolution. However, as we debate it tomorrow, I would beg of my colleagues that they take certain facts into account.

There are 8 million known unemployed in this country. If we look at those who are not counted, we are talking about maybe 16 million people out of work. We are dealing with a percentage figure of 8.4 percent approximately. All that we intend to deal with under this second concurrent resolution is to maybe—and I say maybe—reduce that by one-half of 1 percent in 6 months. I say that the failure to significantly attack unemployment constitutes a very grave danger to our country.

Let me just spell out very briefly one aspect of the danger in sustaining these high rates of unemployment. The unemployment compensation program is no longer a self-supporting entity, and the financial structure of this system at both the State and the Federal levels is seriously threatened. So far, 11 States have depleted their unemployment compensation funds and are borrowing from the Federal Government. It is expected that by the end of the calendar year 1976 more than 25 States will be forced to borrow Federal funds in order to continue their unemployment compensation programs.

I suggest to the Members, Madam Chairman, that there is something bordering on insanity when we permit a high rate of unemployment to persist and at the same time allow 25 States who exhaust unemployment compensaton benefits to come in and borrow from the Federal Government, thus making our whole economic situation more precarious.

According to the Department of Labor, if this trend continues, the Federal and States unemployment compensation programs will have a combined deficit of $22.7 billion by 1978. Presently the law requires that the States repay any Federal loan within a 3-year period.

Can the Members just imagine under this system what 25 States are going to be confronted with when they have to start paying back the borrowed money within 3 years? I know it is impossible for the Budget Committee or the President or this House, or the entire Congress, to solve the problem of unemployment overnight.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. WRIGHT. Madam Chairman, I yield 1 additional minute to the gentleman from Maryland.

Mr. MITCHELL of Maryland. It is impossible for us to somehow or another wave a magic wand and put 8 million people to work tomorrow morning. That is not going to happen. The Members know it and I know it. But I do hope that when we consider the second concurrent resolution tomorrow we will consider the efficacy of an amendment which will hopefully stimulate the economy in terms of jobs and thereby send a ray of hope, some message of hope, to literally millions of people who are out there unemployed, literally millions of people who have abandoned any desire to look for work, millions of people who contribute to the corrosive influence of unemployment on our economic system.

I beg of the Members to bear this in mind tomorrow as we start amending the second concurrent resolution.

Madam Chairman, I yield back the remainder of my time.

Mr. WRIGHT. Madam Chairman, I yield 5 minutes to the gentleman from Michigan, (Mr. O'HARA), a member of the committee.

Mr. O'HARA. Madam Chairman, I rise to support the resolution as reported from the committee, and I rise to associate myself with the remarks of the gentleman from Maryland (Mr. MITCHELL). The gentleman from Maryland is perfectly correct. This resolution does not really come to grips with the severe economic problems that our country now faces.

So we might say if that is the case, why am I supporting the resolution I would say I think it is the best resolution we could have gotten out of the committee and it is a far better budget proposal than that offered by the President and by the administration.

I think, however, it needs improvement and I intend to support an amendment that I understand will be offered tomorrow by the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL). That amendment moves us a little bit further in the direction I think we ought to be heading.

We in the Congress have been terribly timid and we have been willing to accept a great many economic shibboleths that I think are not really applicable. We talk as if there is a direct trade off between unemployment and inflation. In other words, if we were to do something to reduce unemployment by 1 or 2 percentage points, that would have a tremendous impact on our price structure.

I think it is ridiculous to talk in those terms at a time when we have got 8.6 percent unemployed, and when we have got over 8 million people who are looking for jobs and cannot find them. We are not going to create labor shortages and a tight labor market by putting a few of them back to work.

By the same token it does not make any sense to talk about increasing prices by increasing consumer purchasing power at a time when our industrial capacity is being utilized at only about three-quarters of capacity. With all that slack in the economic system there is a great deal more room for economic stimulus without creating undue pressures on either material or labor that would cause price increases.

I just do not think we have attacked this problem nearly aggressively enough. Given the circumstances in which we find ourselves and given the need of the committee and of the country, I think it is a pretty good resolution. I think the O'Neill amendment will make it a much better resolution than it is. All in all though, even with the O'Neill amendment, I do not think we can look upon our work and say we have done what the country needs. because we have not.

The country needs a great deal more than this and I hope somehow or other it does not take a lightning bolt knocking us off our horses, but somehow I hope we can understand unemployment is more than just a statistic. To the people who are without jobs it means the loss of their homes, it means the loss of their self-respect, and it means the loss of their dreams.

We need to have a great deal more urgency about this problem than we have shown in this resolution or elsewhere in the Congress, although we have shown more than they have shown downtown.

Mr. SHRIVER. Madam Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Madam Chairman, I take this time only to observe, because this is a very historic afternoon, that the first reconciliation resolution under the Budget Control Act is being considered, and that throughout the entire debate I have not observed more than 30 Members on the floor, and of that number 10 perhaps have been members of the committee. I think this is very regrettable because, as the gentleman from Michigan (Mr. O'HARA) has just commented, this is a time when Congress should show the greatest sense of urgency in economic matters. The resolution pending before us covers every economic aspect of our lives as citizens and certainly the lack of interest among Members reflects badly on the Congress that presently sits in Washington supposedly representing the American people.

I am not about to lecture my colleagues or to seek quorum calls this afternoon, but it is a sad commentary on our legislative process that neither the Congress is interested enough, after the members of the Budget Committee have worked so many long hours on this matter, nor is the press interested enough to be here to observe what is going on.

Mr. SHRIVER. Madam Chairman, I rise in opposition to the resolution.

As a member of the House Budget Committee, I voted against the first concurrent resolution on the budget for fiscal year 1976 because it endorsed a Federal budget deficit of some $68.8 billion. The second resolution being considered today raises this deficit to just under $72 billion.

I intend to vote against this resolution. The spending level of $374 billion—more than $1 billion a day—is irresponsible and will have serious inflationary impact on our economy. This inflation affects all Americans, regardless of income. This inflation could well negate recent improvement in our economy. Indeed, as consumer confidence is undermined by ever-increasing prices, the upturn could be only temporary.

I would remind you that the deficit called for in this resolution is probably understated. The committee has chosen to ignore the impact of subsequent congressional action on the administration's Middle East supporting assistance proposals, which could add billions of dollars to spending levels. The resolution assumes increased revenues from impending tax legislation when the outlook for so-called loophole-closing provisions is doubtful.

When the President proposed to the American people that Federal spending be cut back so that take-home pay for all workers could be increased, he struck a very responsive chord. Most of the criticism of this plan from majority party members in the Congress attacks it as being too "political." In other words, the President has proposed something the voters—and taxpayers—like. What is wrong with that?

There has been more valid criticism of the plan based on the fact that tax cuts would begin 8 months before spending cuts would be imposed. It is obvious that there would be serious inflationary problems with that arrangement.

If the majority of our committee is concerned about that, why then did they not impose more stringent spending cuts in this resolution? Why wait for the fiscal year 1977 resolution? And if the temporary increase in deficit spending inherent in the President's plan is inflationary, why is not this $72 billion deficit recommended in the resolution just as harmful?

A sizable majority of my constituents—and I believe of all Americans—want the administration and the Congress to show some fiscal discipline and to exercise restraint in Federal spending. It will not be easy nor in all cases politically popular. Built-in increases in certain "uncontrollable" spending programs will have to be controlled.

I also serve on the Appropriations Committee and on the Labor-Health, Education, and Welfare Subcommittee. I am well aware of the pressures and genuine needs in the human resources and income security sectors of the Federal budget. In a time of high unemployment due to a sluggish economy, these needs must receive top priority.

But while we are straining the Federal Treasury in providing basic human needs to families of unemployed Americans, surely other less critical programs can be postponed or canceled. Just as we could not provide both guns and butter during the war in Vietnam, we cannot now provide both butter and champagne. Cut out the nonessentials, cut out the champagne, until we can better afford it.

No one likes to itemize proposals for cutbacks in popular-sounding programs, neither the administration nor the Congress. So far, we have received no details on how the administration would cut $28 billion from the Federal budget.

We are missing a great opportunity to use this new congressional budget machinery—and staff—to propose specific alternatives to cut spending. My understanding of this new committee when I became a member was that it would provide a forum or mechanism whereby Federal revenues and spending could be coordinated—and controlled. So far, about all the committee is doing is observing revenues and spending, and that is not enough.

Why not use this growing staff of the House and Senate Budget Committees and the Congresional Budget Office to come up with plans with which Congress could exercise a commitment to halt the rise in Federal spending? But first, Congress must make that commitment.

The past record of Congress to accept the fiscal responsibility for its spending actions is not encouraging. In October of 1974 the House with virtually no debate accepted an amendment to its rules calling for all committee reports on bills which entailed spending provisions to include "a detailed and analytical statement" on the potential inflationary impact of the bills.

I recently asked the Congressional Research Service of the Library of Congress to review committee reports issued since this requirement was imposed. A representative survey of such reports showed that only 1 out of 55 reports admitted to any inflationary impact, and 1 other report indicated there might be some impact. The vast majority, while including the required statement, either denied any inflationary impact or asserted that any such impact would be minimal.

In adding the requirement for this statement to its rules, the House was supposedly acknowledging the potential inflationary impact of its actions. However, in practice the statement has been meaningless. I believe the American people are fed up with lipservice legislating. Put the blame for inflation where it belongs.

Madam Chairman, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Madam Chairman, I thank the gentleman for yielding.

I would like to direct a question to some members of the committee who wish to respond. We have had a good deal of discussion in the past that the reason we needed as much deficit spending as we have is because it helps generate employment and stimulate the economy.

I wonder if the committee has had a chance to really look at the effective nature of Federal expenditures and actually pinpoint those exact areas where those expenditures do or do not actually generate employment.

Mr. DERRICK. Madam Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from South Carolina.

Mr. DERRICK. I will say to the gentleman from California (Mr. ROUSSELOT), this is the way to put it. When we had a tax cut last year and the money went back in the form of checks of $100 and $200 back to the citizens and our constituents, they took them down to the store and they spent them with the local merchant and the local merchant's stock became depleted and because of that he had to order from the mill and when he ordered from the mill the inventory in the mill became depleted, and because of that the industrialist had to start rehiring and as he rehired and people went back to work, that put more money in the economy and that went back to the merchants and it started a cycle.

It is my considered opinion that this had a great deal to do with the recovery that we are now enjoying.

I might add that we would probably be enjoying a greater recovery had the Chairman of the Federal Reserve System not taken it upon himself to substitute his judgment for the judgment of Congress in his monetary policies to offset that which the Congress had done.

Mr. ROUSSELOT. I appreciate my colleague's response. I understand the effect which is produced by a reduction in the imposition of a tax on people and how that is beneficial.

Mr. DERRICK. Of course, this generates additional revenue.

Mr. ROUSSELOT. And the people who benefit by those reductions tend to respond by maybe spending that in other ways, primarily in the private market system or maybe by saving; so I clearly understand that point.

Of course, the gentleman may or may not know, we have to take another look at the entire range of personal income tax laws. I would prefer to repeal it entirely. Not many agree with me, but I have seen changes in this House before, so hope springs eternally.

The CHAIRMAN pro tempore. (Miss JORDAN). The time of the gentleman from California has expired.

Mr. SHRIVER. Madam Chairman, I yield the gentleman from California an additional 3 minutes.

Mr. ROUSSELOT. Madam Chairman, I am fully aware that a reduction in taxes provides a very beneficial result. I clearly do not argue with that point at all and will support such cuts, assuming there is also an actual attempt to reduce expenditures.

The question I am asking is how much time the committee had to look into the issue of whether, in fact, Federal expenditures in one area or another actually generates employment.

Mr. DERRICK. Madam Chairman, we had substantial testimony before the committee on this as to the jobs program and the Federal works program. I think it was generally concluded that it does, yes, from the comments there.

Mr. ROUSSELOT. Was there any special determination to find where Federal expenditures have had the biggest impact in producing real long-range jobs?

Mr. DERRICK. I am not positive about this, but it was probably the jobs program and the tax cut and the public works program, in that order.

Mr. ROUSSELOT. Was there no specifics about job creation in the field of defense?

Mr. DERRICK. Yes, of course, they do create jobs. The gentleman's colleague just suggested that is how we got out of the Depression in the 1930's was through defense contracts, so obviously that works.

Mr. ROUSSELOT. I think my colleague, the gentleman from Ohio (Mr. LATTA) said it was clear in that time frame of the 1930's the thing that took us out from under the heavy level of high unemployment was, in fact, the gearing up for the war of 1940. The point was that at no time during the 1930's until we got into the war in the 1940's had the high levels of deficit financing really reduced the high levels of unemployment. The facts and figures in that period of history will support that statement by Mr. LATTA.

My point was that I wondered if the committee—because one of the main proclamations of the committee report by the majority, not necessarily the minority, is that heavy levels of Federal expenditures in given areas tend to produce or generate more jobs than in others. I wondered if the committee gave any kind of priority study to that subject in its deliberations.

Mr. DERRICK. Let me say that I do not think as a practical matter the Federal Government had the tools to work with in the thirties that it does now.

Mr. MITCHELL of Maryland. Madam Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Madam Chairman, I know of the gentleman's desire to be comprehensive in obtaining knowledge, and I certainly do not want to give him piecemeal information here today. Let me assure him that I called for a staff study which was reviewed by other members of the Budget Committee, which dealt specifically with this question of the triggering effect on creating jobs. I would like to submit that to the gentleman tomorrow rather than deal with it piecemeal, if that would be satisfactory.

What I would do today would be merely to give the gentleman pieces from recoltion, but I think he deserves a full, comprehensive report on what we consider to be the triggering impact of Federal jobs, and I will be delighted to submit it to his office later on today.

Mr. ROUSSELOT. I appreciate my colleague's comment. The reason I asked the question is because much of the emphasis on the "need for deficit financing by the Federal Government" when we debated this resolution in May was because of the importance of the Federal Government placing its resources where such expenditures will result in job creation situation. Now, my suggestion has been on the basis of current experience that heavy amounts of deficit financing do not produce that many permanent jobs.

Mr. MITCHELL of Maryland. I am totally sympathetic with my colleague's concern. I merely want to reemphasize that tomorrow, during the course of the markup of the bill, prior to that time I personally would like to submit that report to the gentleman.

Mr. ROUSSELOT. I appreciate my colleague's comment. Did the committee as a whole, referring to the staff study the gentleman requested, was it submitted to the entire committee?

Mr. MITCHELL of Maryland. The entire membership of the House Budget Committee had the benefit of analysis of that staff report.

Mr. ROUSSELOT. I thank my colleague.

Mr. GIBBONS. Madam Chairman, I yield 10 minutes to the gentleman from Illinois (Mr. PRICE), chairman of the Committee on Armed Services.

Mr. PRICE. Madam Chairman, as chairman of the Armed Services Committee, I believe it important that I make a few observations concerning this concurrent resolution on the budget for fiscal year 1976 and the implications it may have in respect to our national security.

At the outset, let me emphasize that my remarks and observations are not intended to be critical of the Budget Committee, its chairman, or any of its distinguished members. They have labored long and diligently on a problem more complex than most people realize. No one questions the need for a congressional reconciliation of our total budgetary process as it applies to the Federal Government. It is something that has been long overdue and needs to be done. However, in the process of developing this procedure for the Congress we may have inadvertently created problems that need correction.

Pages 16 and 17 of House Report 94–608, on House Concurrent Resolution 466, deals with national defense. That subject, involving approximately $100 billion in budget authority and $91 billion in budget outlays for fiscal year 1976, is discussed in less than 2 pages of the committee report.

The report points out that the Budget Committee has recommended a second concurrent resolution which incorporates a further reduction in budget authority for the Department of Defense for fiscal year 1976 in excess of $1 billion and an increase in outlays in excess of one-half billion dollars. This change is in addition to that recommended in the first target resolution. The total reduction in Defense functions in budget authority—BA—is in excess of $8.2 billion, by my calculations. However, despite this substantial net reduction in the Department's spending authority, there is no genuinely comprehensive explanation of how this figure was arrived at and what rationale was used to achieve it.

For example, in this second resolution, the committee has assessed a new reduction of $1.657 billion in budget authority and $1.628 billion in budget outlays against the pay increase supplemental. Briefly, in explanation, the committee states that the first budget resolution recommended by the committee included $2.9 billion in budget authority and $2.9 billion in outlays to fund an 8.66 percent pay raise for civilian and military employees of the Department of Defense. Therefore, with the imposition of the 5-percent pay ceiling these amounts in the first budget resolution could be reduced by $857 million in budget authority and $866 million in outlays without presumably adversely affecting the Department. Furthermore, the committee recommends that 50 percent of the balance of the pay increase for fiscal year 1976 can be absorbed by the Department through "improved productivity and better management practices." This action would then have the further effect of reducing the amounts in the first budget resolution by $800 million in budget authority and $762 million in outlays. The result of this single change is a reduction of $1.7 billion in budget authority and $1.6 billion in outlays from the first resolution.

Now, I do not intend to challenge the committee on the original assumptions it may have made in the first budget resolution regarding the spending totals it recommended for the Department of Defense despite the fact that I seriously question the propriety and accuracy of some of these assumptions. I can not question these assumptions, because there was no detailed explanation in the report on the first resolution as to where these reductions were made and how they were reached. However, these circumstances do cause me to reflect for a moment when I now read that the first resolution included the total amount for the pay increase and therefore, on the basis of the rationale just discussed, this item can now be reduced by almost $1.7 billion.

Let us for a moment consider the impact of this massive reduction in budget authority and outlays in this single item. Let us also assume for purposes of discussion that $857 million of this reduction can in fact be saved by virtue of the 5-percent pay ceiling. Nonetheless, the Department of Defense is confronted with the prospect of absorbing the balance of this massive reduction, $762 million in outlays in the next 7 months remaining in this fiscal year.

The Department can achieve these reductions in outlays by either reducing spending in its contracts or by reducing its payroll.

I am advised by DOD that this reduction in outlays cannot realistically be taken out of contracts since the spending impact would only be 10 or 20 cents for each dollar cutback in contracts. Therefore, the reduction must in fact be made in payroll costs where the outlay figure is almost identical with the budget authority reduction.

I will not attempt to outline the drastic reductions in enlistments or civilian employment that would be required by the Department in the next 7 months to achieve this payroll saving of approximately $800 million. However, the Department has advised that if recruiting were entirely frozen on December 1, 1975, we would have 378,000 less people on the rolls next June 30 and we would save about $2,100 in pay and allowances for each of these people. Thus, a total freeze on recruiting would mean a drop of 378,000 in defense employment, military and civil service, by June 30, 1976, and it would then amount to the budget saving now recommended in the second budget resolution.

Presumably, this concern would be answered by the proponents of this reduction in budget authority by pointing out that the committee recommends that 50 percent of the pay increase be absorbed "through improved productivity and better management practices." This, as charitably as I can say it, is wishful thinking of the highest order. The Department advises me that despite statements to the contrary, it cannot realistically absorb more than 15 percent of this proposed pay increase without either taking drastic action to reduce the number of personnel on the Department's payrolls, or in the alternative, request a supplemental appropriation to meet the budget requirement.

You know, and I know, what this means. Since it is inconceivable that we would stop recruiting—the alternative is a requirement for a budget supplement not included in this resolution.

I know that in the past the Department has played games with the Congress in respect to budget figures. This certainly has reduced the credibility of the executive branch proposed budget, but I think it equally questionable when we in the Congress in an effort to establish a proposed congressional budget recommendation also engage in questionable practices in respect to our budget recommendations.

In my view, we must be like Caesar's wife in setting forth our budget recommendations. We must make them both understandable and persuasive for if we do not, our budget recommendation will be viewed as nothing more than political gamesmanship, and the credibility of our effort in the Congress to provide an honest and forthright budget allocation of our national resources will have been destroyed.

In summary, I urge that the budget resolution recommendation of the Budget Committee next year identify the manner in which the total figure for Defense functions had been obtained. It will then permit both the opponents and supporters of defense to discuss the proposed congressional ceiling with understanding and awareness of the implications of our actions on national security.

I would also hope that whatever action is taken by this body will not preclude the Budget Committee from accepting some increases in the defense function recommended by the Senate despite the apparent inflexibility of the budget figure now recommended in this resolution.

In the interest of attempting to give the Members of this body a better understanding of the total defense budget, and the actions recommended by the Budget Committee, I will include appropriate tables reflecting Armed Services Committee staff efforts to understand the actions recommended by the Budget Committee.

NATIONAL DEFENSE BUDGET AUTHORITY, FISCAL YEAR 1976

[In millions of dollars]

	Request, as amended	Pay and receipt changes	Request after-pay and receipt changes	Potential reductions	Potentia total
DOD Appropriation Act[1]	$97,695		$97,695	−$7,476	$90,219
Military construction/family housing	4,109		4,109	−590	3,519
Civil defense	88		88	−3	85
Military assistance	1,380		1,380	−667	713
Oct. 1, 1975, pay raise (5 percent)	1,170	−$37	1,133	−807	806
Fiscal year 1976 wage boards	62	+418	480		
Retired pay CPI's		+470	470		470
Inventory replenishment fund	300		300	−300	
Naval petroleum reserves	122		122	−122	
Other legislation	142		142	−133	9
Total, contingencies	1,796	+851	2,647	−1,362	1,285
Total, DOD/MAP congressional	105,068	+851	105,919	−10,098	95,281
Petroleum reserve receipts	−469	+469			
Trust funds and other receipts, net	−115		−115		−115
DOD trust funds and receipts, net	−584	+469	−115		−115

	Request, as amended	Pay and receipt changes	Request after-pay and receipt changes	Potential reductions	Potential total
Military sales trust fund	$2,131		$2,131		$2,131
MAP offsetting receipts	−213		−213		−213
Net DOD/MAP concepts	1,334	+$469	1,803		1,803
Total, DOD/MAP	106,401	+1,320	107,721	−$10,098	97,623
ERDA, etc., congressional	2,021		2,021	−61	1,960
Stockpile sales	−620	+620			
Other receipts	−3		−3		−3
Net, ERDA and other	1,398	+620	2,018	−61	1,957
Total, National defense	[2] 107,799	+1,940	109,739	−10,159	99,580

[1] House Appropriation Report also addresses $163,000,000 to liquidate obligations pursuant to prior contract authority, which is not budget authority.

[2] Includes $60,000,000 for Strike Cruiser, and $39,000,000 for Public Works (ERDA).

Mr. ADAMS. Madam Chairman, I yield 5 minutes to the gentleman from South Carolina (Mr. DERRICK), a member of the committee.

Mr. DERRICK. Madam Chairman, this document before us is not a perfect document, but it does do one important thing: It presents us with a perfect opportunity to do what we think we should. The Congress of these United States during our 200-year history has made a number of attempts toward getting a handle on Government spending. One of the most serious attempts was made in, I think, about 1912, and another important attempt was made some 30 years ago. I do not wish to overstate my position, but I think this could well be one of the most important votes in this session, because this is going to give the Congress an opportunity once and for all to have an overview and to get a handle on congressional spending.

It is a very difficult job. It comes at a very difficult time, a time in which we have a substantial budget, coupled with poor economic circumstances, but I believe that the Congress is up to it.

I hear Members talk about the deficit and that we ought to balance the budget. I am certainly for balancing the budget, and I am sure that every Member of this body is for balancing the budget.

However, we had the distinguished Secretary of the Treasury before our committee some time ago, and he made a presentation very similar to that which the gentleman from Ohio (Mr. LATTA) made, an excellent presentation about balancing the budget and rearranging priorities.

When he was through, I said, "Mr. Secretary, would you give me a shopping list of some $80 billion that it would take to balance this budget?"

He said to me, "Mr. Derrick, it cannot be done, because once you start that, you get pressure here and you get pressure there."

I said to him, "Mr. Secretary, what is the alternative?"

He said, "Cut it across the board."

I say to the Secretary and I say to the gentleman from Ohio (Mr. LATTA) that I know they do not mean to cut the Defense Department 20 percent, and we could go on down the line.

Therefore, this is an opportunity to take an affirmative step. The answer to balancing the budget and the answer to getting this country back on the financial road is to get our industry humming. That industry is now at 65 or 75 percent of its capacity. We should get it humming again to get people back to work.

Every time the unemployment rate rises by 1 percentage point, the Federal Government loses some $13.5 billion in revenue, and must increase expenditures on programs such as unemployment compensation by about $2.5 billion.

This is the answer to balancing the budget. We have **before us an** opportunity, I think, that no Congress has had before, and that is to have a congressional budget that means something and that this Congress can live with in years to come.

Yes, I think that maybe one of these days we can achieve a balanced budget, but the important thing to the people of this country should be that there is a committee and a very distinguished chairman that are working so very hard to once again get a handle on Federal spending.

As all of us know, some 71 percent of the budget falls into the area of uncontrollables, not strictly uncontrollables, but uncontrollables in the statutory sense. Now, therefore, we have our opportunity. It is an opportunity that is unique.

As much as I detest a $72 or $73 billion budget deficit, I do not think that we can allow this deficit to trip us up.

Madam Chairman, I do not think that we can allow this deficit and these other considerations of an imperfect document that does not stimulate the economy as much as some would wish and does more than others would wish, to trip us up so that we will forget about what the Budget Act was originally created for, and that is to bring soundness and sensibility and long-range planning to the fiscal policies of this Government.

Mr. ROUSSELOT. Madam Chairman, will the gentleman yield?

Mr. DERRICK. Yes, I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding.

Part of the problem is that we constantly tell ourselves, over and over again, that certain items are, in fact, uncontrollable, and, therefore, we cannot really "look at those" because we have appropriated, say, for things like social security. I clearly understand that, but are we not really approaching the kind of situation that New York City is facing now because they refused to address themselves to the constant problem of spending more than they had, and have not really attacked those so-called uncontrollable expenses?

Mr. DERRICK. Of course, let me say that New York City should serve as a caution light to the Federal Government. I agree with the gentleman, but, let me say this: I think that the Budget Committee is doing exactly what the gentleman is advocating, they are addressing themselves to the situation. But what we must remember is that we cannot turn the situation around in a matter of a few months or even a year or two. It is going to take some time or certainly the shock would be more than our Nation could stand.

Mr. LEVITAS. Madam Chairman, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Georgia.

Mr. LEVITAS. Madam Chairman, the gentleman from South Carolina has referred to the uncontrollables in the budget and I think the gentleman used a figure of about 70 percent. The gentleman from California has pointed out that this is really the heart of the problem. How does the gentleman from South Carolina, a distinguished member of the Committee on the Budget feel about the concept and the proposition that this Congress needs to go to a system of a zero-based budget in the future where each program will be evaluated and determined on an annual basis or a biannual basis to determine the need of the program and whether the funds established for it are needed?

Mr. DERRICK. Madam Chairman, let me say to my colleague the gentleman from Georgia that insofar as the matter of uncontrollables are concerned, that the Congress can undo anything that it has done and regain control. I think a zero-based budget is certainly an admirable goal but I think as a practical matter that there will have to be an extensive reorganization of this body and the apportionment of its resources and its time before a zero-based budget could in fact become a practical reality just as a matter of time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADAMS. Madam Chairman, I yield 3 minutes to the gentleman from California (Mr. LEGGETT).

Mr. LEGGETT. The first budget resolution provided $3.9 billion in BA to finance an 8.66-percent pay increase for Federal military and civilian employees. It did not assume any savings resulting from increases in productivity and more effective management.

Subsequently, the Congress limited the pay increase to 5 percent for salaried workers and military personnel. As a result of this action, funds needed to finance the pay increase were reduced from $3.9 to $2.7 billion in BA.

The second resolution further reduces these funds by $1.1 billion in BA to reflect a savings of 50 percent of the cost-of-living increase for all Federal employees to be achieved through increased productivity and better management practices. In 1974, approximately 18 percent of increased pay costs were absorbed in this manner; in 1975, 26 percent.

The 50-percent absorption is another way of stating that 2½ percent of all Federal salaries and wages can be absorbed through better management. This belief is supported by a recent GAO study covering 48 agencies and 65 percent of all civilian workers for the last 7 years. The study indicates that productivity in civilian agencies has on the average increased by 2.3 percent a year. The resolution assumes little more than a continuation of this progress.

The second resolution provides $1.6 billion in BA to finance the 5-percent cost-of-living increase.

Madam Chairman, I believe the statement made by the chairman of the full Committee on Armed Services the gentleman from Illinois (Mr. PRICE) requires some reply. The gentleman has laid down a rather formidable challenge to the Budget Committee on how we could provide for a viable national defense. The gentleman has taken supplementing and waiving points of order in the picture, and still accomplish this 50 percent absorption and essentially the statement that I have prepared here explains the theory of the Budget Committee in this regard.

Mr. PRICE. Madam Chairman, will the gentleman yield?

Mr. LEGGETT. Certainly.

Mr. PRICE. Madam Chairman, in the first place the gentleman from Illinois laid down no such challenge. The gentleman from Illinois mainly stated his observation about the matter of budgeting for the Department of Defense.

The gentleman from Illinois has been a supporter of the Budget Committee ever since it was thought of, has supported it completely and will continue to do so, but he believes they would have extreme difficulty in the area of national security.

Mr. LEGGETT. Madam Chairman, I appreciate the gentleman's restatement of my statement of his position and I am concerned as to how we absorb 50 percent in our department. It was the target of the chairman of the full commitee that maybe we ought to target for 100 percent absorption. Many of us thought this was an idealistic approach. But I think we have to recognize that we have had some success in the program of absorption in the past.

I would particularly point up that in 1974 we did not absorb in all Federal employees and in military 50 percent, but at the urging of the OMB and of the Committee on Appropriations, we absorbed 18 percent. In 1975, again at the urging of the Committee on Appropriations and the OMB, 26 percent was absorbed. So we are getting better.

It was the idea, I believe, in setting up this Budget Committee that we should attempt to try to improve our efficiency as time went on.

In addition, the committee is cognizant of a study made by the GAO where they recently studied the actions of some 48 agencies, and 65 percent of all civilian workers for the past 7 years, and the study revealed that approximately 2.3 percent per year was gained on the average in efficiency. Unfortunately, that was all eaten up, as I understand it, by inflation. But it does show that we can be more productive as time goes by.

If we do reach that millennium where we can again move ahead with the 2½-percent increase in efficiency and productivity, 2½ percent efficient in productivity equals about the $1.1 billion that we are attempting to save in this budget resolution, so I think this is all within the realm of the possible. If it is not, certainly those of us who are on the Budget Committee who are conscious of the need for a viable national defense are prepared to amend the numbers and seek whatever exceptions are necessary to accomplish the desired objectives.

It seems a little bit idealistic. I think that the formal statement that I have that I will submit in lieu of my extemporaneous presentation will more particularly set forth what I have in mind.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. JOHNSON of Colorado. Madam Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. WYLIE).

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. I thank the gentleman for yielding.

Madam Chairman, I want to commend the Budget Committee for the tireless efforts in a difficult arena and the work it has done in attempting to establish spending ceiling limit. I would say on the positive side that there are indications that for the first time in years Congress is finally trying to get a firm grip on a fiscal policy and review it in a logical manner. I applaud the fixing of the ceiling, but at the same time I think it is too high.

Additionally, I would like, for one, to see us adopt a formal categorical limitations budget so that each Member of this body could express his own will and so the body as a whole could express its will on specific programs through the budget process. I, for one, felt that was the original intent of Congress when legislation was passed establishing a Budget Committee. It would take time, but it seems to me as if it would be worth it. Instead of working on an 18-line resolution, I think we should consider the entire budget as a package and pick and choose our priorities. Only by that process will we, it seems to me, make some sense out of the entire budget process.

I thank the gentleman for yielding to me.

Mr. JOHNSON of Colorado. Madam Chairman, I yield myself 5 minutes.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Colorado for 5 minutes.

Mr. JOHNSON of Colorado. Madam Chairman, I take this time because I would like to get into the RECORD some figures from the chairman of the committee, if I might, if he has them, because I think the consequences of this continuous process of enormous deficits must be faced. We keep talking of the problems of trying to find places to cut. When we do that, we do not face up, perhaps, to the consequences of not making these kinds of decisions.

So I would like to ask the gentleman is it not true that although the deficit is projected to be $72 billion, the actual increase in the amount of debt that will be incurred is approximately $87 billion for fiscal year 1976?

Mr. ADAMS. I am sorry, but would the gentleman repeat that?

Mr. JOHNSON of Colorado. I say actually is not the amount of the debt that will be incurred in the United States going to be approximately $87 billion? Are we not going to have about $14 or $15 billion debt that will be incurred in addition to the deficit?

Mr. ADAMS. If the gentleman is referring to the off-budget agencies, that is correct. The $620 billion debt figure that we have included in the resolution accounts for the deficits increase from last year's debt figure plus the amount of off-budget agency debt that has been incurred or will be incurred this year.

Mr. JOHNSON of Colorado. I understand that, but we are talking about nearly $87 billion rather than $72 billion if we are talking about any other kind of accounting system other than the Federal Government's. That is what I am informed by members of the gentleman's staff and also by the Committee on Appropriations and staff, so I just wanted to get that into the RECORD.

Mr. ADAMS. Yes. The gentleman is talking about debt increases this year.

Mr. JOHNSON of Colorado. Yes.

Mr. ADAMS. That is correct. The budget is increased by that much.

Mr. JOHNSON of Colorado. Can the gentleman say how much the budget increase is which will be incurred for 1976 plus the transition period, in other words from the first of July of this year through the first of October 1976? Will it not approximate, just to ease the gentleman's problem, $120 billion?

Mr. ADAMS. That figure is not correct. The reason I am hesitating is that we are dealing only with the fiscal year 1976 and have not focused on the transitional period.

Mr. JOHNSON of Colorado. I see. Will not the total figure of the debt increase from the first of July 1975 through the first of October 1976 approximate $120 billion? We are going to have $87 billion for fiscal year 1976 and then an additional 3 months at approximately the same rate, so we are talking about approximately $120 billion during that 15-month period.

Mr. ADAMS. We have not analyzed it but the current services budget indicates there would be an increase of about one-quarter through the transition period. The correct figure would be about $100 billion.

Mr. JOHNSON of Colorado. All right. Will the gentleman tell me how much of that $100 billion, which the Government has to raise some place, how much traditionally has been raised through Treasury borrowing and how much through expansion of the money supply, on traditional percentage figures?

Mr. ADAMS. It all comes through Treasury borrowing. The growth in the money supply simply makes it easier to accommodate that borrowing by making greater reserves available to banks and through them to individuals who lend to the Government. The total amount of the borrowing is the debt figure.

Mr. JOHNSON of Colorado. I am informed traditionally we have financed our deficit, our debt, by about 60 percent borrowing through the Treasury and then approximately 40 percent of the debt is financed through the Federal Reserve operations.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. JOHNSON of Colorado. Madam Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman from Colorado will be recognized for 2 additional minutes.

Mr. ADAMS. The Federal Reserve System held, at the end of 1974, about 16 percent of the debt. In recent years the debt has not been monetized directly by the Fed.

Mr. JOHNSON of Colorado. I understand that. It is not borrowing from the public.

Mr. ADAMS. That is correct.

Mr. JOHNSON of Colorado. How much of the monetizing that the gentleman is referring to comes from general operations of the Fed rather than borrowing?

Mr. ADAMS. It depends upon what the Federal Reserve does in any particular year. Last year, for example, our figures indicate that about 9 percent of the increase in total debt was purchased by the Fed.

Mr. JOHNSON of Colorado. And the year before, does the gentleman know?

Mr. ADAMS. About 40 percent.

Mr. JOHNSON of Colorado. Is there any projection how much of this $100 to $120 billion of the debt increase will be financed by the Treasury or how much by the Federal Reserve Board?

Mr. ADAMS. There are no official projections available from the Fed or the Treasury.

Mr. JOHNSON of Colorado. Is there any relation between the inflation rate and the amount of money that is generated through the Federal Reserve Board's operation?

Mr. ADAMS. If we have a growth in the money supply substantially greater than the demand for goods, we can then have inflation occurring simply because there are more dollars than there is output. That generally has not been the case in the United States in recent years.

On the other hand, if the money supply is too tight, the demand for money will be greater than the amount available, and interest rates will rise. We are not, as I think the gentleman is implying, running the printing presses as was done in the Weimar Republic in Germany in the 1920's. The rate of growth of the money supply this year is going to be between 5½ and 7 percent, which is not matching the growth in GNP that many economists project.

The CHAIRMAN pro tempore (Miss JORDAN). The time of the gentleman from Colorado has expired.

Mr. JOHNSON of Colorado. Madam Chairman, I yield myself 2 additional minutes.

The CHAIRMAN pro tempore. The gentleman from Colorado is recognized for 2 additional minutes.

Mr. JOHNSON of Colorado. Madam Chairman, my understanding is that generally the economists relate the expansion of money supply directly to the inflation rate. Does the gentleman accept that?

Mr. ADAMS. No. I do not accept that theory. If the increase in the money supply is far beyond the needs of the economy, then inflation will result. But that has not been true in the United States in recent years.

Mr. JOHNSON of Colorado. The gentleman says on page 3—not the gentleman, but the committee, in paragraph 2:

> (2) inflation must not return to high levels, dampening the consumer and business confidence essential to continued recovery;
>
> (3) monetary policy must ease sufficiently to accommodate the continued expansion;

It seems to me those are two inconsistent premises. It seems to me also that we are not facing up to the problem of raising this $100 to $120 billion over this 15-month period and the committee has not addressed itself to the consequences of doing this. I would hope that some time during the course of debate the members of the committee would address themselves to this particular problem, because that is really what is concerning those of us who recognize the problem of unemployment and who recognize the problem of making the cuts.

But is the consequence of raising this additional money going to be worse than facing up to the real problem of trying to find places to make our cuts?

Mr. ADAMS. We discussed this with Treasury representatives, particularly Treasury Secretary Simon, and a number a independent economists recently. They were of the opinion that a deficit figure in the range of $70 to $75 billion could be accommodated in the private market without crowding out the private borrowers, because of the slack in demand in the private market due to recession.

Then in recent testimony before the Senate Budget Committee, there was some indication that the Treasury and the Office of Management and Budget supported an additional tax cut, which would add about $5 billion to the deficit, and also a $100 billion energy development program, both of which it was said could be accommodated.

The CHAIRMAN pro tempore. The time of the gentleman for Colorado has again expired.

Mr. JOHNSON of Colorado. Madam Chairman, I yield myself 1 additional minute.

The CHAIRMAN pro tempore. The gentleman from Colorado is recognized for an additional 1 minute.

Mr. JOHNSON of Colorado. Madam Chairman, the gentleman from Washington has not yet given us an idea as to the gentleman's estimate of the contingency items that may well be in this.

Mr. ADAMS. The contingency items are contained in an amendment to be offered tomorrow. These will involve about $2.1 billion in budget authority for Sinai; $5 billion for TVA loans; and approximately $1.433 billion in budget authority to cover jobs and education programs.

The largest contingency, of course, is the Sinai agreement.

The CHAIRMAN. The time of the gentleman from Colorado has again expired.

Mr. JOHNSON of Colorado. Madam Chairman, I yield myself 1 additional minute.

The CHAIRMAN. The gentleman from Colorado is recognized for 1 additional minute.

Mr. JOHNSON of Colorado. What about New York?

Mr. ADAMS. There is nothing in this resolution for New York.

Mr. JOHNSON of Colorado. So, we have the $87 billion we talked about, the $5 billion, the $2 billion, and $1 billion would be the total amount of the debt increase we are talking about for 1976?

Mr. ADAMS. This is the maximum possible. Much of it will not be spent this year. For example, TVA borrowing is over several years.

Mr. JOHNSON of Colorado. I thank the gentleman.

Mr. ADAMS. Madam Chairman, I yield 5 minutes to the gentleman from Georgia (Mr. LEVITAS).

Mr. LEVITAS. Madam Chairman, I thank the distinguished chairman of the Budget Committee for yielding time to me. Since I am not a member of the committee, I would first of all like to say how much I and most other Members of this body appreciate the hard effort, the prodigious work which the chairman and the members of his committee have put in, in bringing to the floor this truly remarkable and historic document. As the gentleman from South Carolina earlier pointed out in his remarks, the ultimate significance of this document is the fact that it is a definite effort on the part of the Congress to regain control over the spending processes of our Government and to establish—I want to reemphasize this—to establish limits in advance on how much we spend and how deeply we permit this country to go into debt, and to attempt to reverse the traditional process in which debt was incurred and spending was made without limit and without regard to previous spending actions, so that no priorities could be assigned within pre-set, strict limits on Federal spending.

Madam Chairman, on the first concurrent resolution which came before us, I found myself constrained to vote against it in the last analysis because I felt that the spending and deficit levels were too high at that time. I shall spend the day tomorrow listening to the amendments and to the rest of this debate in order to find it possible, if I can, to vote for this resolution, because I think it would be a failure of massive significance if the Congress is unable to adopt a budget resolution that is a meaningful and good budget resolution and live within those constraints.

For the first time in our history, the Congress is finally meeting head-on one of the most fundamental and most important responsibilities conferred on it under the Constitution—the power to control the Nation's budget.

Although it is a power which has a visible and tangible impact on the lives of all Americans, Congress has, for too long exercised this power with blinders, seeing only what could be done with the money spent, and never facing the unpleasant specter of what money was actually available. There is no limit to the number of socially beneficial programs a generous heart can find. But there is a definite limit to what money is available to fund these programs. When the former exceeds the latter, you have a deficit, a debt created for us, our children, and our children's children.

In fairness, it must be said that under the old budgetary process, it was not difficult to ignore realities and create and fund programs without ever being made aware of the consequences. Indeed, the whole process militated against anyone having a general overview of what was being taken in and being spent. The Federal budget has customarily been dealt with in a fragmentary and piecemeal way. Numerous spending authorizations, major appropriation bills, supplemental appropriation bills, and various tax measures were passed at different times throughout the year. No one knew what was being done in the aggregate until it had been done. If anyone wanted to escape responsibility or what he had done, the process made it easy. Over the years, the Congress spent trillions of dollars, creating programs and passing appropriation bills without regard for the total impact of those actions until the end of the year. The result was a deficit, whose amount was unforeseen, and the necessity to borrow, adding to the national debt.

Last year we brought sanity and reasonableness to this process with the passage of the Anti-Impoundment and Budget Control Act, perhaps one of the single most important changes in the operation of the Congress in this century. We have adopted the obvious, but previously untried approach of establishing Budget Committees in each house of Congress and charging them with the responsibility of determining what the Government predictable income will be and recommending a specific limit to be placed on total spending in view of this expected income. The entire budget is then divided into 16 separate categories, with limits set on precisely how much should be spent in each governmental function.

The result is that, for the first time, the Congress has the equipment to do the job it has never managed to do ef-policy. Because of these procedural retional priorities and controling fiscal policy. Because of these procedural reforms, the Congress can justifiably say that it has taken the steps necessary to put our government on the path to fiscal responsibility.

There can be little question that we have put our feet on this path just in time. If there are any doubters, they have only to look at the tragic and sobering object lesson presented by New York City as an indication of what happens when a government spends and spends with little or no concern for what resources were and are available. New York officials provided services, pensions, and other benefits that the treasuries could not afford and the public would not support, were they forced to. The result: imminent bankruptcy.

But merely having the means to do the job is not doing the job. When we establish the present budgetary procedures we use for the first time this Congress, we were, in fact, creating a lot of hard and difficult decisions, not ending them. Many of us have already made some of these decisions. I know I have. For example, I have opposed an amendment to the highway trust fund, and in so doing opposed the chairman of my committee, because the funding would have exceeded the budget ceiling. I faced and made a similar difficult decision with the Postal Service bill. Similarly, when the first budget resolution (H. Con. Res. 218), setting initial spending targets, was adopted in the spring, I voted against that resolution because I felt Congress could and should adopt budget ceilings which were less inflationary and damaging to the economy.

We cannot and must not damage the intention and purpose of the new budget control procedures by adopting limits which are so high as to be an invitation to fiscal irresponsibility instead of a mechanism to achieve just the opposite. Since that first resolution, we have seen hard, and painful cuts in some areas, but we have also seen an increase in spending estimates by the administration for unemployment compensation, veterans benefits, interest on the public debt, and other Federal spending sensitive to economic conditions. These increases, together with the realization that every 1 percent increase in unemployment increases the Federal deficit by $16 billion, makes it apparent that we must put millions of Americans back to work, not only for their own economic well-being, but for the economic well-being of the Nation.

We must also recognize that it is a self-defeating argument to say that over 71 percent of the fiscal year 1976 budget is uncontrollable. I refuse to accept the premise that there are items beyond congressional scrutiny and revision. As long as Congress has the power to initiate spending programs, Congress has the authority and the responsibility to cut needless funding in all areas.

With these considerations in mind, I want to express my hope that the diligent and exhaustive work which went into the document before us today represents just the beginning of the making of those painful and difficult decisions which are the only way we can insure the financial health and stability of our Nation.

Finally, I would like to take just a moment to go beyond that point, Madam Chairman, and commend the Budget Committee for doing more than talking about the budget and adopting a budget resolution. The budget resolution is nothing more than a piece of paper unless life is breathed into it. I have watched with great interest during the last several months the actions of the members of the Budget Committee, and particularly the distinguished chairman of the Budget Committee, who has taken the well of this House on occasion after occasion, on bill after bill, and has pointed out in each instance whether the authorization level or the appropriation level of the measure before us has exceeded or fallen below the budget target. I can state that many Members of this House have followed the leadership of the distinguished chairman of the Budget Committee and of the committee members in voting against those proposals, however attractive, when we were advised by the chairman of our Budget Committee that it has exceeded the target. I think that has been one of the greatest changes and reforms that this Congress has seen in many, many years.

I think that not only the Members of this House but the citizens and taxpayers of the United States owe a great vote of thanks and gratitude, not just for the budget resolution and budget process, but for the courage and determination of the members of the Budget Committee to make it work. I hope that we will be able to adopt a budget resolution tomorrow which is sound and sensible; that does not permit crowding out of private sector borrowing with resultant inflationary impact, but also a budget resolution that we can all say does the job. In any event, I think the most important and significant factor about this budget resoltuion is that it will say, "This is a limit. This is a ceiling. We know of that limit in advance. We are going to live within that limit and we are going to make the budget process work to regain control of our spending for the American people."

For that, I think the people of America will be grateful to the members of the Budget Committee under the leadership of its distinguished chairman.

Mr. ADAMS. Madam Chairman, I yield 10 minutes to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Madam Chairman, I hope that I will not add too jarring a note following the encomiums of the speaker who just preceded me, but I do want to say a few words on a matter that is very much in my heart and something that troubles me very deeply with regard to this resolution. I feel an obligation to try to bring it to the attention of the House, and I do so with some reluctance because I was one of the earlier supporters of this type of budget control legislation.

I think the gentleman from Washington (Mr. ADAMS) and his committee have in many respects done an outstanding job. We needed to bring the budget under control and we needed to exercise controls of this kind. All controls are painful.

But the thing that concerned many of us, when this resolution first came before the Congress, was the feeling that unless we were very careful with the selection of the committee, what was going to happen, in this antimilitary milieu and with these antimilitary sentiments in both the House and the Senate, was that the budget resolution would end up cutting defense whenever there was a need to increase any other items in the budget.

And if we take a look at this resolution and take a look at the resolutions that came out earlier, that is exactly what has happened. Almost every single item has been increased, with the single exception of the defense budget, which has been cut by $8 billion, almost 10 percent of the total figure originally presented by the President. That budget, when it was presented, was, in terms of our gross national product, the smallest budget for defense that we have had since before Pearl Harbor. In fact, the committee makes no bones about this approach. It says, on page 13 of the report, that this was the basic thrust of the committee: to increase all of the items in human resources and to decrease national defense.

And then on top of this rather massive cut in defense, the chairman of the Committee on Armed Services (Mr. PRICE) pointed out a few moments ago—and I am not sure that many Members really caught the thrust of what he was saying, although the gentleman from California (Mr. LEGGETT) was obviously aware of it—we are asking the Defense Department to bear an additional $762 million cut for the purpose of absorbing 50 percent of the impact of the 5 percent pay cap.

Although the House itself was initially unwilling to go along with a 5-percent cap, it was recommended by our Committee on the Armed Services, and ultimately prevailed. So we prevented an 8.66 increase, yet Defense has to absorb a staggering portion of a 5-percent increase.

In the past, we have absorbed 18 percent of this increase and 26 percent of the pay increase in another year, but now we are being asked in the Defense Department, which has taken the only massive cut in the whole budget, to absorb 50 percent. As the gentleman from Illinois (Mr. PRICE) pointed out, this just cannot be done without a massive reduction in our troop strength or massive lay-offs of civilian employees in the various arsenals and installations which many Members of this House were expressing great concern about just a few weeks ago when we were considering the Defense Appropriations bill.

So what is going to happen, as the gentleman from Illinois pointed out, is that we are probably going to be playing games once again; and we are going to come in with a supplemental budget next year or later on in this year, and then the question is whether we are really being any more honest with our handling of these budget matters under these new procedures than has been the case in the past.

But in addition to that, Madam Chairman, it seems to me that we are taking a very desperate gamble with our national security, and this is a matter that the committee has not even bothered to address itself to.

The distinguished military correspondent of the New York Times, Mr. Drew Middleton, recently published a book about the next war, and the conclusion of that book is that it is very unlikely that the United States could win the next war against the power of the Soviet Union.

This country has been in an upheaval in the last few days over the firing of Secretary Schlesinger, and Members, including this Member, have risen on the floor of this Chamber to express their grave concern about the impact of this firing on our defense posture and our foreign relations.

What was the reason that Secretary Schlesinger was fired? Because he not only objected rather strenuously to the $8 or $9 billion cut in the budget inflicted by the House on the recommendation of the Committee on Appropriations but, in addition to that, when the President called him down to the White House on the Saturday before the Sunday Night Massacre and asked him to support another $7 billion cut in the fiscal year 1977 defense budget, the Secretary refused.

That was supposed to be part of the $28 billion tax cut—spending cut package that the President had proposed. The Secretary had the courage to say, no, he could not in all conscience support that kind of a defense reduction. It would jeopardize our security. And as a result he was fired.

We all deplore that what the President did to Jim Schlesinger, and Members have been rising in both bodies to point out what this is going to do to our relations with China and with our so-called détente with the Soviet Union. Yet in this budget document before us today, we are being asked to ratify and sanctify an $8 billion cut.

I think we ought to recognize just what we are doing. There has been no explanation of it; there has been nothing published along those lines. I have searched the committee report to try to find any justification for this cut. There is nothing there at all. Not even the identification of where it should come from.

It can, of course, be said that, well, this is the figure that the Committee on Appropriations came up with. That is true, but the committee was looking over its shoulder because they knew the ceiling figure that the Budget Committee had decided on and they recognized that they had to cut their figure to the Budget Committee's figure.

This is the thing I think is most disturbing of all, the fact that we have no recognition of where these cuts are going to be made or why. The figure was taken out of the air somewhere. Everything else has been discussed in detail in the committee report. But not defense. It seems to me that if this budget is going to work, we need some members on this committee who would be genuinely concerned about the stability of our national defense.

We cannot continue to reduce year after year after year, while the Soviets keep on going up year after year after year, or else suddenly one day we will wake up and wonder why we no longer have any credible deterrent power. I think this is something the House must consider very seriously on tomorrow when the House acts on this resolution.

After all, an amendment will be offered by a committee member to increase the budget authority by $8 billion. And apparently it will pass without any trouble. Yet even an increase of $2.6 billion, as Secretary Schlesinger wanted, will destroy the country we are told.

Some Members may wonder why I bother to make these comments at all, because they are not likely of course to be popular in this House. I think perhaps the best answer to give is the one Secretary Schlesinger gave when somebody asked him why he was fighting so hard against the massive reductions being made by the Committees on Appropriations. He said:

> Well, some day somebody will ask why we were not warned about what the full impact of these steady, consistent, year-after-year reductions in defense would mean to our country. And when that comes, I want to be able to say, "Indeed you were warned."

Mr. ADAMS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, this debate is indeed a historic occasion for the House of Representatives and for the Congress and the country.

For the first time in memory, the Congress of the United States is debating the defense budget in the context of all the other needs of the Nation.

I do not agree with the gentleman from New York (Mr. STRATTON), despite the eloquence and forcefulness of his remarks, that the defense budget is being unduly cut in this proposed resolution.

I do not believe there is a Member in this House who wants to cut programs that are absolutely essential for our national security. Yet, the Defense Department, like the Congress, has to face the economic facts of life. Certainly it is hard to conceive that $91 billion of outlays and $100 billion of budget authority is an inadequate defense budget.

I am sure that the distinguished chairman of the Committee on the Budget, the gentleman from Washington (Mr. ADAMS), and other members of his committee consulted with the chairman of the Committee on Armed Services, as indeed they are required to do, in preparing this resolution.

One of the interesting features of this debate today has been the frequent reference to inflation and how we must get inflation under control. Obviously, we must, and this budget process is the way we are going to get it under control if we ever do.

Unquestionably, deficit spending by Government is a primary cause of inflation. But it is not only the amount of spending that has aggravated our inflation—it is also what we have spent our money on. Since World War II, we have spent well over a trillion dollars in military expenditures. It is now beginning to come through to us that this is one of the most inflationary types of expenditure. It is also one of the least efficient types of expenditure in terms of solving the unemployment problem.

On pages 83 and 84 of the committee's report, in the minority views, there is a tabulation of price changes during the last six recessions. I note that the last two of these occurred during our involvement in the Vietnam war and that there has been a progressive acceleration of the rate of inflation in both of these periods. One of the main arguments put forth in recent years to sustain high defense budgets has been the claim that military spending is good for the economy. This myth is probably based on the fact, just cited a few minutes ago, that the massive unemployment of the 1930's was not ended until after Pearl Harbor.

Of course, it can also be pointed out that each war kicked off a huge new round of inflation. Furthermore it is now becoming clear that massive defense spending in peacetime not only has a powerful effect in fueling inflation but that it increases unemployment.

A major study, by Prof. Bruce Russett of Yale, on the impact of military expenditures on the rest of the economy from 1939 to 1968, reveals that other sectors of the economy pay a heavy price for high defense spending. Professor Russett's work has shown that when expenditures on military goods went up, expenditures on consumer-oriented goods went down by certain definite percentages, and although the few States with large military installations or major defense contractors benefited from high defense spending, States like Ohio were deprived of jobs by defense spending.

Based on Professor Russett's work, it has been estimated that a defense budget of $100 billion causes a net loss to our economy of 1,055,000 jobs.

Just as a double check on these formulae, let us also look at the results of another study that was made a couple of years by the gentleman from Wisconsin (Mr. ASPIN). He surveyed a number of Federal agencies to determine how many jobs would be created by the expenditure of an additional $1 billion by some of the major agencies of our Government.

The survey showed that the Defense Department generated fewer jobs per billion dollars spent than any other agency except NASA. Let me give you the figures:

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADAMS. I yield 2 additional minutes to the gentleman from Ohio.

Mr. SEIBERLING. Thank you. The study indicated that the Job Corps would generate 151,000 jobs per billion dollars spent for that department.

On education—teachers, 100,000 jobs.

Health, manpower, and nurses training, 77,000 jobs.

Public housing, 76,000 jobs.

Sewer construction, 76,000 jobs.

School construction, 50,000 jobs.

Defense, 48,000 jobs.

And NASA, 10,000 jobs.

I believe that the American people and this Congress want a strong national defense but they are also aware that there are many other important needs in our Nation and that we must strike a balance.

I think the committee has made an excellent start toward striking such a balance.

As the public becomes familiar with our new congressional budget procedures, I believe we will see an even greater assertion in Congress of the kinds of priorities the people want. This budget resolution, however, makes an important start in that direction, and I intend to support it.

Mr. ADAMS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, it is with some hesitation that I again approach this very important and prestigious Committee to express reservations. I do so, as the Chairman knows, without in any way questioning the motives of the members of this committee and recognize the difficult challenges they have had to confront. But it seems to me that the Second Budget Resolution is not confronting the real economic and social problems that we ought to in this budget. I would just like to ask the chairman, the gentleman from Washington (Mr. ADAMS), if it is correct that this budget resolution, if implemented, would, in effect, legitimate an unemployment rate of 7½ percent through fiscal year 1976?

Mr. ADAMS. I will state to the gentleman from Michigan that by the end of calendar year 1976 we project an unemployment rate of 7 percent. By the end of the fiscal year we project 7.5 percent, which is the middle of next year.

Mr. CONYERS. Do I understand, then, that the chairman finds this rate acceptable, or does he feel, as I do, that this is an unconscionable rate of unemployment for this Congress to legislate?

Mr. ADAMS. I think that it is much too high a rate of unemployment. One of the basic problems is in the manner in which Congress approaches the unemployment problem. As you know, the stimulus programs we suggested early this year were not enacted. We are hopeful that the entire stimulus package proposed in this resolution will help bring the economy out of the recession. I am not completely confident that it will. I think we should do a great deal more in terms of meeting the structural unemployment problems we have in the United States today.

Mr. CONYERS. I appreciate that.

Am I to assume, then, Mr. Chairman, that if all of the objectives are not realized, that the rate can exceed 7 percent in midyear and exceed 7.5 percent by the end of 1976?

Mr. ADAMS. The gentleman is correct. If the recovery underway does not maintain its momentum, we could not achieve even these modest targets.

Mr. CONYERS. Then, Mr. Chairman, if we agree that this rate of unemployment that is projected is intolerable, why do we have to fix it into this budget so rigidly? This would make it impossible for legislation such as H.R. 50 which calls for a full employment policy, as well as other measures which attempt to alleviate the distress of more than 13 million people who are out of work today, to be enacted. Must the urgent needs of millions continue to be sacrificed to the sacred cow of military spending and to the drive for profit and power at all cost by conglomerates and multinationals? What can we in good conscience do to make the congressional budget meet the needs and priorities of the great majority of Americans whose needless suffering has been callously disregarded by the administration and who look to the Congress for relief? Surely we can reduce this scandalous amount of unemployment forecast in the budget.

Mr. ADAMS. The fundamental changes in law that are required to produce a full employment economy must come from those committees of the House and Senate that have the right to change those laws, to change incentives from welfare to job opportunities. There is nothing in this budget that prevents the movement toward such legislation. It did move this year. We do not see such movement now. We hope that such legislation will move next year in time for our first budget resolution for fiscal year 1977. But to say that those programs are going to move when the record shows they have not would be to mislead the American public and the Budget Committee will not do that.

Mr. CONYERS. Of course. Let me ask you this: If H.R. 50 moves from the subcommittee chaired by the gentleman from California and author of the bill, Mr. HAWKINS, to the full committee of the Committee on Education and Labor, and is passed before the end of the 94th session of Congress, would it be contrary to the budget limitations mandated in this resolution?

Mr. ADAMS. We are estimating as well as we can what programs are coming into existence. If the O'Neill amendment that was printed in the RECORD last night is adopted, there will be additional funds available for jobs and education.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ADAMS. I yield one additional minute to the gentleman from Michigan.

Mr. CONYERS. What amount is contemplated in this amendment?

Mr. ADAMS. Approximately $1.4 billion in budget authority. In addition, the resolution also contains $1 billion in outlays for either countercyclical assistance or public works projects pursuant to a bill now in conference.

Mr. CONYERS. I thank the gentleman. It is my view that the Budget Committee besides collecting projections of committee chairmen must move beyond to determine what the order of priorities is for this House. Is this not the essential matter?

For example, if it is determined we are going to reduce unemployment, if not eliminate it, would we not have to act on this in the context of the work of the gentleman's committee? Is this not so?

Mr. ADAMS. This is correct. You recall the debate we had this spring over what size the budget resolution should be and where the money should be spent. We have now acted on many of those specific programs and failed to pass some of them.

Mr. CONYERS. I do remember the debate in the spring. I voted against the first budget resolution on the grounds that it reflected no fundamental changes in priorities to meet pressing human and social needs at home. The purpose of the congressional budget is to enable the Congress to develop more humane and responsible public policy by means of prudent fiscal management. Congress stated a national priority when it passed the Emergency Jobs Act earlier this session. The President vetoed it. But it now appears that the Budget Committee, instead of reaffirming fully that employment priority, is backing off and merely reflecting the President's mistaken priorities.

I approach the gentleman on this subject because it seems to me if we have decided not to deal with unemployment any more seriously than this, the responsibility must jointly be shared by the gentleman's committee and the appropriate authorizing committee that should have produced jobs legislation in the first place. Once we vote favorably on this resolution, we are precluding the committee dealing with full employment legislation from remedying unemployment.

Mr. ADAMS. Until the next resolution is presented and prepared.

Mr. CONYERS. It is my judgment, given the continuing economic crisis and the gathering fiscal crisis in our cities that we have reached the point when we have to ponder what and who it is, in the final analysis, that the Government should be supporting—aid to the poor and unprivileged or foreign aid to dubious projects of regimes of questionable legitimacy and wasteful military spending; insolvent military corporations or insolvent cities. Should we as a nation meet the just demands of the unprivileged many or perpetuate the priviliges enjoyed by the few? What is so tragic about fiscal policy is that it is clearly divorced from a framework of ethical purposes which Government ought to accomplish. As a consequence, entrenched centers of power walk off with a disproportionate slice of the fiscal pie against all claims of social need, constitutional principles and of norms of fairness. Is it not time for us to think clearly about what are the legitimate ends of Government? This I had hoped would be the accomplishment of the congressional budget. It has not yet come to pass, but I am still hoping.

I thank the gentleman.

Mr. ADAMS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I thank my good friend and colleague, the chairman of the Budget Committee for making this opportunity available to me to address the House on a matter which I regard as important.

Mr. Chairman, I call to the attention of the Committee the last paragraph on page 22 of the report, House Report No. 94–608, on the House Concurrent Resolution 466, which reads as follows, and on this matter I particularly ask the attention of the chairman of the committee and the senior minority member on the committee:

> Loan Guarantee Program for Synthetic Fuels Development—The resolution assumes that pending legislation involving commercial development of synthetic fuels will include loan guarantee financing having no budget authority or outlay impact in Fiscal Year 1976.

The "pending legislation" is, of course, H.R. 3474 which is now in conference. It contains a section 103 which provides a giant loan guarantee handout for the benefit of a few favored joint ventures composed of oil and natural gas companies and the big banks and lending institutions at the expense of the taxpayers.

Section 103 of the Energy Research and Development Administration's authorization bill for fiscal year 1976 was added on July 31, 1975 by the Senate with little floor debate. Its origin is S. 2066 which was introduced on July 8 to authorize up to $5 billion in Federal loan guarantees for coal gasification plants. S. 2066 was referred to the Senate Banking Committee. Despite that, the Senate Interior Committee took it, broadened it to authorize loan guarantees to build commercial sized demonstration plants to convert both coal and oil shale to synthetic fuels and to generate power or heat in commercial quantities using renewable resources, such as solar energy; expanded the dollar limit to $6 billion and earmarked up to $2.5 billion for high Btu gas plants; and reported it to the Senate on July 24. There were no Senate hearings on either S. 2066 or section 103. The House has not yet considered such a proposal, let alone vote on it.

Section 103 is now in conference. We may be forced to accept this monstrous giveaway to corporate interests, unless we vote down the entire conference report on H.R. 3474, which I strongly urge or unless the House conferees reject section 103. The latter possibility does not, at the moment, seem likely, as the majority of the conferees appear to support some form of this Federal form of welfare for these corporate interests who are as follows:

Pacific Lighting Corp. and Texas Eastern Transmission Corp. who want to build a coal gasification plant on the Navajo Indian Reservation in New Mexico. The Wall Street Journal reports that Texas Eastern had a heavy hand in writing the section.

American Natural Gas System sponsors a coal gasification project in North Dakota.

Another possible beneficiary is El Paso Natural Gas.

In the oil shale area, the Colony group composed of ARCO, Ashland Oil, Inc., Shell Oil Co., and TOSCO want to build a plant in Colorado. TOSCO also had a heavy hand in the legislation.

Another possible Shale beneficiary is the Paraho Oil Shale Project whose participants are ARCO, Carter Oil (Exxon), Chevron Research (Standard of California), Cleveland-Cliffs Iron, Gulf Oil, Arthur G. McKee, Mobil Research, Phillips Petroleum, Shell Development, Soho Petroleum, So. Calif. Edison, Standard Oil Co. (Ind.), Sun Oil, Texaco, Webb-Chambers-Gary-McLoraine Group.

To his credit, the President has not publicly spoken out in favor of this proposal. He proposed on September 22 the $100 billion Energy Independence Authority. That legislation will be thoroughly considered by the Congress.

But ERDA, which is an agency still wet behind the ears, has embraced this special interest legislation. In fact, Mr. Chairman, upon passage of section 103, ERDA, according to an October 16, 1975, memorandum by its Deputy General Counsel, which I hold here in my hand, is going to recommend an amendment in the Senate to H.R. 8773—the appropriations bill for Interior and Related Agencies which passed the House on July 23—authorizing ERDA "to borrow from the Treasury" $1.5 billion in fiscal year 1976, plus additional sums in a later supplemental for price supports and construction grants. I hope that the House conferees on H.R. 8773 reject that amendment.

Thus, it appears that the statement in the committee's report on page 22 that this $6 billion loan guarantee will have "no budget authority or outlay impact in fiscal year 1976" is correct as far as it goes. But it does not go far enough because it fails to mention that there will be a request from ERDA for "borrowing authority" which will impact on the budget.

I think that request should be made as a part of House Concurrent Resolution 466 so that we can consider the potential impact of this $6 billion taxpayer gift to the oil and natural gas industry in the Treasury.

The Congress is spending many long hours and days trying to find solutions for New York City, including $7 billion in loan guarantees. But there seems to be a willingness on the part of some to pass, with only a few hours or minutes of consideration by one body of the Congress, this $6 billion gift. I find that situation to be repulsive. We must consider it first in the normal legislative way and second as part of its impact on the Treasury in connection with House Concurrent Resolution 466. Thus, an amendment to House Concurrent Resolution 466 is in order as follows:

1. On page 1, line 11, strike "$400,492,000,000" and insert in lieu thereof the following: "$406,492,000,000"; and

2. On page 2, line 2, strike "$373,768,000,000" and insert in lieu thereof the following: "$375,268,000,000."

This amendment would provide $6 billion in new budget authority and $1.5 billion in outlays for fiscal year 1976 for these energy suppliers to build these synthetic fuel plants on Indian and Federal lands. It would, in essence, give the House stamp of approval to opening the Treasury doors to these giants of the energy world.

At this point in the RECORD, I insert the Deputy General Counsel's letter and two information sheets obtained through the Energy Study Conference:

OCTOBER 16, 1975.

KEN GLOZER:

The following language is suggested:

(1) To be added to the current appropriation bill—H.R. 8773

SYNTHETIC FUELS LOAN GUARANTEE PROGRAM

In accordance with section 103(k)(4) of the ERDA Authorization Act for Fiscal Year 1976 (P.L. ———), the Administrator is authorized to borrow from the Treasury to discharge his responsibilities under guarantees made under section 103 of P.L. ——— $1,500,000,000.00, to remain available until expended.

(2) For the Supplemental Appropriations Act

SYNTHETIC FUELS PRICE GUARANTEES

In accordance with section —— P.L. ———, the Administrator is authorized to borrow from the Treasury to carry out the price guarantee provisions of section —— of P.L. ——— $1,000,000,000 to remain available until expended.

CONSTRUCTION GRANTS

For construction grants to carry out the synthetic fuels commercialization program as authorized by section —— of P.L. ——— $600,000,000 to remain available until expended.

LEONARD RAWICZ,
Deputy General Counsel, ERDA.

FACT SHEET RE: $6 BILLION LOAN GUARANTEES

Background. The $6 billion loan guarantee section (103) was added to the ERDA Authorization bill on July 31, 1975, by the Senate after having been introduced by Senators Randolph and Jackson on July 8, 1975 (S. 2066). There were no Senate hearings on Section 103 or S. 2066. When introduced, S. 2066 covered only coal gasification plants and was limited to $5 million in loan guarantees. The Senate Interior Committee expanded the provision to include oil shale and facilities to generate power or heat in commercial quantities using solar, wind, ocean thermal gradient, bioconversion, or geothermal resources. That Committee also increased the limit to $6 billion and earmarked up to $2.5 billion for high Btu gasification.

PRINCIPAL BENEFICIARIES

Coal Gasification. WESCO Coal Gasification Project to be located on Navajo Indian Reservation in New Mexico. Parent companies are: Pacific Lighting Corp. and Texas Eastern Transmission Corp.

American Natural Gas System sponsor of coal gasification project in North Dakota.

OIL SHALE

1. The Colony Development Operation, a joint venture betwen Atlantic Richfield Co., Ashland Oil, Inc., Shell Oil Co., and TOSCO.

2. Union Oil Co.

3. Paraho Oil Shale Project—the participants are: Atlantic Richfield, Carter Oil (Exxon), Chevron Research (Standard of California), Cleveland-Cliffs Iron, Gulf Oil, Arthur G. McKee, Mobil Research, Phillips Petroleum, Shell Development, Sohio Petroleum, Southern California Edison, Standard Oil Company (Indiana), Sun Oil, Texaco, Webb-Chambers-Gary-McLoraine Group.

4. Other oil shale companies are possible participants, but have indicated they are not ready to go commercial size.

HISTORY OF SECTION 103

1. On August 1, Rep. Ken Hechler asked ERDA for its view on Section 103. ERDA replied on September 9, saying it supported Section 103 but had serious problems with it. In addition, ERDA recommended that Section 103 not apply to renewable resources.

2. On September 22, the President proposed a new $100 billion Government corporation—the Energy Independence Authority—to finance the building of energy supply facilities. The bill was transmitted to Congress on October 17, 1975. There is no mention in that bill of the relationship of that program to the $6 billion synthetic fuels program.

3. On September 25, ERDA submitted to the House Science and Technology Committee a rewritten version of Section 103 and promised that additional legislation would be transmitted on price supports and construction grants.

4. On October 2, ERDA withdrew its opposition to loan guarantees for renewable resources.

5. On October 23, ERDA proposed a revision of section 103 which, among other things, would authorize loan guarantees to local communities if:

Interest on bonds will be subject to Federal Income Tax.

Municipality(s) agree to earmark sufficient direct tax revenues received from plant (property or other) to amortize debt.

Term of debt is limited to 20 years and must be fully amortized within 20 years by equal installment payments.

Debt is issued within five years of award of ERDA contract to plant developer.

The ERDA cost estimate of this is $410 million.

6. On October 30, ERDA submitted to the Congress new legislation to authorize ERDA to:

Make price supports of up to $4.5 billion for the products of these synthetic fuels demonstration plants; and

Make up to $600 million in grants for the construction of synthetic fuels demonstration plants.

7. House Energy Subcommittee held hearings on September 29, October 7, 8, 9, 20, 21, 22, and 23 in Washington, D.C. and on October 25 and 27, 1975, in Rifle and Boulder, Colorado. The witnesses included representatives of ERDA, OMB, Treasury, Federal Power Commission, EPA, CEQ, Department of Agriculture, Navy, the Governors of Vermont, Wyoming, North Dakota, and Colorado, representatives of local government, industry, agriculture, financial houses, environmental organizations, and individuals. In all, there were more than 75 witnesses.

SOME PROBLEMS WITH SECTION 103

1. ERDA already has broad authority to build synthetic fuels demonstration plants that are entirely financed by ERDA, jointly financed by ERDA and industry, or financed by loans.

2. Section 103 is being considered in a piecemeal fashion when it is only a part of a total incentive package of more than $11 billion (loan guarantees, $6 billion; price supports, $4.5 billion; construction grants for regulated utilities, $600 million).

3. It gives ERDA a blank check to build as many as 3 high Btu gas plants, 2 oil shale plants, 2 utility/industrial (unregulated) fuel plants, and 5 biomass plants and no meaningful congressional review of these commercial sized plants.

4. In reality it provides no money for renewable resources like solar or for energy conservation.

5. Term renewable resources could be interpreted as allowing loan guarantees in nuclear area, according to ERDA section 103 substitute.

6. No provision for State participation in program planning.

7. No provision for providing adequate financial assistance to States and local communities impacted by the plants. (Hearings show that loan guarantees for communities will be insufficient.)

8. House Judiciary Committee Chairman Peter W. Rodino, Jr., wrote on October 23 that section 103 fails:

To deal with questions of ownership of patents arising during course of projects;

To provide for Federal ownership of patents and knowhow in case of default; and

To deal with problem of competitive impact.

9. No provision that Federal and State environmental, land use, water, and health and safety laws be complied with.

10. It allows loan guarantees for commercial sized plants for oil shale (50,000 bpd) when testimony clearly showed that only modular sized plants (5,000–10,000 bpd) should be tried.

11. No provision for EPA monitoring.

12. Allows up to 100 percent loan guarantee during construction.

13. Allows foreign export of products of plants.

14. ERDA proposal provides that in case of default Government would not have recourse to parent corporation but only to project assets.

SYNTHETIC NATURAL GAS FROM COAL: SUMMARY OF REQUIREMENTS AND IMPACTS[1]

NOVEMBER 10, 1975.

To illustrate the requirements of a full sized commercial coal gasification plant—a typical plant proposed using Lurgi technology and sited in on the Navajo Indian Reservation in New Mexico at a large strip mine is used (WESCO).

The plants are designed to produce 250 million cubic feet per day of SNG from 25,000–30,000 tons per day of coal or roughly 10 million tons of coal per year. They require about 25,000 tons per day of water and steam which is 8,300 acre feet of water per year (5,100 gallons per minute).[2]

WESCO has an overall plan to build 4 plants to provide the equivalent of 1,000 million cubic feet per day of SNG. The draft environmental impact statement is directed "toward two levels of development," the 250 MMCFD and ultimate production capacity of 1,000 MMCFD.

WATER

The WESCO plant will use water rights owned by Utah International, allocated to the proposed project from the Navajo Reservoir through a water service contract with the Bureau of Reclamation. The water would be taken from the San Juan river and piped 25 miles to the plant site. To serve the 4 plants the collection facilities and pumping station would require about 45 acres. There will be no discharge of effluent waste water.

Water which is not converted in the processs or evaporated is to be buried as wet ash or sludge in the strip mine pits as they are filled and graded. The water is used as follows:

	Percent
Process consumption	10
Return to atmosphere; evaporation and up the stack	70
Disposal to mine	8
Others	12

Retained in slurry pond.

Mine uses.

MINING IMPACT FOR THE SEVERAL AREA FACILITIES

The strip mining of about 10 million tons of coal per plant per year is a very sizable undertaking, and four plants are projected by WESCO.

The power plant at Four Corners consists of five units which can consume about the same amount of coal as one gasification plant—about 28,000 tons of coal daily.

El Paso plans to build a complex about 15 miles from WESCO which would ultimately have a capacity of 785 million cubic feet per day—requiring about 85,000 tons of coal per day.

LAND DISTURBANCE

Each gasification plant would require extraction of coal from roughly 375 acres per year. The land would be reclaimed at approximately the same rate, leaving enormous acreage ungraded and disturbed at any given time. Many years would be required to attempt to return the land to its previous productivity.

The surface of the land would be lowered. The land quality is poor—one animal requires 126 acres.

The impact of discharge of contaminated water in the mine is probably adverse.

HUMAN IMPACT

Any change in economic conditions in this area will have a profound effect on the Indian population, since it is projected that the employed Indian work force would be increased by approximately 1,400 for one plant. The urban economic infrastructure must be expanded, public facilities are needed, mobile homes are growing in number.[3] Peak WESCO needs are projected at 4,300. Many would come from outside and place heavy demands on services, institutions and facilities.

ADVERSE PHYSICAL ENVIRONMENTAL IMPACTS

1. Atmosphere

—oxygen consumption would be 6,190 tons per day per gasification plant. The power plant would also consume a similar amount. This consumption would generate about 1.3 tons of CO_2 per ton of oxygen. Such a concentration of CO_2 may be adverse.

Visibility will be affected by particulate emission from boiler stacks.

Heat from the stacks of temperatures from 260° to 600°F may be adverse.

Sulphur dioxide from one plant is approximately 1.68 tons per day.

Trace elements will be emitted to the atmosphere.

2. Water

The diverted water cannot be used for any other purposes. The quality of the ground water may be affected by leeching of water in the solid waste disposal areas. The damaging of the San Juan River affects the ecosystem of the basin, the stream flow (3–10 percent), and increases salinity downstream.

Construction and use of synthetic fuel processing plants can cause reduction in water quality resulting from increased erosion, sedimentation, overtaxed sewage facilities, release of toxic waste to streams, and return of production water to stream channels. Even with controls, some releases would occur.

3. Noise

Noise levels would increase markedly above ambient levels. This is because of the steam turbines and other machinery—the projected noise radius ranges from 1–4 miles.

4. Odor

The materials reviewed fail to mention odor—an obvious problem and potentially rather widespread. The coal preparation facility for crushing, blending and delivering the appropriately sized coal will occupy 230 acres.

Now, I particularly would like the attention of my good friend and colleague, the chairman of the committee, the gentleman from Washington, who has been most gracious to me in yielding time and that is to inquire, it appears in the statement in the committee's report on page 22 that this $6 billion loan guarantee will have no budget authority or outlay impact in fiscal year 1976. My question is, is that correct, according to the budget resolution which has been submitted here to us, or, in fact, is there a proposed attempt by somebody in or outside of Congress to have a budgetary effect and impact regardless of the actions of the budgetary committee and regardless of the actions of my good friend and colleague, the chairman of the committee, who submits to us now legislation relating to the matter which I have just discussed? Can my good friend and colleague tell us what the situation is?

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am happy to yield to the gentleman.

Mr. ADAMS. The best information we at the Budget Committee have is that there will be no budget authority or outlay impact in fiscal year 1976 for this program.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, the gentleman is asking about the loan guarantee. I would like to refer the gentleman to section 3 of the Budget Act:

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[1] WESCO Draft Impact Statement; Task Force Report; EPA Report on Process and Environmental Technology for Producing SNG and Liquid Fuels.

[2] The water requirement is directly related to the type of coal used and the plant design. Under some conditions it might be twice as great as the figures used for WESCO.

[3] WESCO Draft Environmental Impact Statement, 2–159; "there is a growing number of mobile home parks . . . with minimal land use regulations."

> The term "Budget authority" means authority provided by law to enter into obligations which will result in immediate or future outlays involving Government funds, except that such term does not include authority to insure or guarantee the repayment of the indebtedness incurred by another person or by the Government.

That explains why it is not in there.

Mr. DINGELL. Except that the traditions and bylaws of the House are that where we appear to be undertaking a contingent liability, particularly a large contract, that we invariably will say in the appropriation bills of that kind to meet that particular kind of contingency.

For that reason, I am giving very serious thought tomorrow to offering an amendment to increase the amount so the House can reject that at that time and then perhaps make it plain to the House conferees where the sentiments in this body are so to rolling over and playing dead for the other body to insert vast liabilities by the taxpayers of the United States, without having the matter referred on the House floor, without having legislation enacted and without any further consideration.

I thank my good friends and colleagues for yielding me this time.

Mr. LEGGETT. Mr. Chairman, I rise in support of the House Budget Committee's second concurrent budget resolution. Actions taken by our committee, I believe, are necessary and are, indeed, imperative if we are going to move ahead on the road to economic recovery. There is absolutely no justification for the hopes and aspirations of the American people to be smashed against barriers created either by the President or the Congress.

Several features of our recommendations, I think, merit comment. First, the committee has recommended an extension of the Tax Reduction Act of 1975, and added an additional $2 billion in reductions to insure that withholding rates will remain at 1975 levels. The Senate Budget Committee has taken a similar action. This reduction is a key factor in our effort to bring about immediate relief to our middle and lower income taxpayers. Our resolution directs the Ways and Means Committee and the Senate Finance Committee to take the appropriate actions.

Second, the economic stimulus package in this resolution, although far short of what is really necessary, in my opinion, at least, represents an effort in the right direction. We have added over our first resolution one-half billion dollars for public service jobs; we have included an additional one-half billion dollars for summer youth jobs. We have assumed in this resolution that the Congress will enact in the very near future measures that will provide at least a $1 billion in badly needed moneys for immediate and direct economic assistance to our State and local governments and accelerated public works projects.

We have added more than $900 million over our first resolution for highway construction, and we have provided the necessary budget authority to insure funding in the next academic year for basic opportunity higher educational fellowships and college work study programs.

Third, in the area of national defense, our committee's actions are consistent with decisions made by the appropriate committees of the House of Representatives. We have curtailed spending which we considered unnecessary and unwise, without jeopardizing our national security programs. This committee has been deeply concerned with the long-term implications of Federal spending, particularly within the defense area.

To those who say the deficit is too high, I say why is it too high? The answer is not difficult; recession-induced expenditures for such programs as unemployment compensation provide the answer. A vigorous economy does not produce deficits.

Despite the accomplishments of our committee, I believe that we have failed to come to grips with the persistent and gnawing problem of unemployment. We can have no economic recovery as long as 9 to 10 million people are idle. We can have no economic recovery as long as 25 percent of our plant capacity remains unutilized. We can have no economic recovery as long as the Wholesale Price Index continues to rise as it did in October of this year. We can have no economic recovery as long as the housewife returns from the marketplace discouraged and despondent over the high price of food for her family.

Too many people have been duped by this administration into thinking that there is a trade-off between unemployment and inflation. No such trade-off exists. As I indicated in my supplemental views:

> We must rid ourselves of the simplistic notion that while government expenditures in excess of receipts may produce jobs and economic growth, it also leads to inflation. True, this does happen in a booming economy, a full-capacity economy, or a mismanaged economy. But it is equally true that unemployment and recession in themselves lead to inflation because they decrease tax revenues.

The threat that paralyzes needed action today is monopolistic power over prices and wages. We need to take immediate and direct action to control those who would raise prices without regard to cost or demand. We need to adopt policies that will prevent excessive wage increases unaccompanied by increases in productivity. Our economy needs to be restructured through the adoption of wage/price controls, controls which have the force of the law and economic justice behind them. If we had such a policy today, I firmly believe this Congress could initiate programs that would return us to full employment without inflation. Any income policy, however, must come from the President and must relate to all areas of our economy.

I conclude that our committee has done as much as we could do reasonably in fiscal year 1976. If the modest economic growth contemplated in this resolution is accompanied by responsive monetary policy on the part of the Federal Reserve, we can at least get back on the gentle slopes of recovery.

With these caveats in mind, I urge the Members of this body to support this resolution.

Mr. Chairman, permit me to raise one final matter concerning this resolution. Our committee did not have sufficient information on the President's recent proposals for security assistance in time to incorporate them into our budgetary totals. These proposals must be acted upon without the careful scrutiny our committee has given other areas of the Federal budget.

I understand the distinguished majority leader intends to offer an amendment which would add the full amounts by which the security assistance requests exceed our targets in these areas, as well as additional funds for economic stimulus and borrowing by the Tennessee Valley Authority. Since the amendment does not constitute an endorsement of these requests, and because I believe further economic stimulus is necessary, I intend to support this amendment, but with reservations.

The increases in security assistance over the original President's budget represent, of course, the funds sought by the administration to finance the Sinai accord. Our committee said in its report that we would accommodate such a request in a floor amendment to the resolution. Many of us are concerned, however.

All of us want to do everything we can in the cause of peace in the Middle East. Yet I for one am apprehensive about starting on so large a venture with no examination of the evidence. Funds for this purpose should not be sacrosanct and should compete with other sectors of the Federal budget.

As an example, the request includes $1.5 billion of Security Supporting Assistance for Israel and Egypt alone. These funds would represent a straight cash transfer over which we would have essentially no control. Perhaps an outlay of this magnitude is fully justified, but I would be happier if I had the facts in support of it.

This is the sort of question I am confident our International Relations and Appropriations Committees will be asking when they examine these requests. At a time of such huge budgetary deficits, we cannot afford to rubberstamp any spending request, no matter how attractive.

I urge my colleagues to support this resolution with these caveats in mind.

At this point I would like to include in the RECORD tables showing the budgetary add-ons for security assistance in the President's Message of October 30 and the distribution of these requests by category and country:

BUDGET ADD-ONS IN PRESIDENT'S MESSAGE OF OCT. 30, 1975 (SECURITY ASSISTANCE, MIDDLE-EAST PROGRAMS)

[In millions of dollars]

	Fiscal year 1975	Budget authority: President's budget	Budget authority: 1st and 2d budget resolution	Budget authority: President's message of Oct. 30	Budget authority: Change from resolution
050—National defense: [1]					
Grant military assistance	$550	$790.0	$383.0	$394.5	+$11.5
Foreign military		30.0	30.0	30.0	
Foreign military credit sales	300	560.0	300.0	1,065.0	+765.0
Subtotal (050)	850	1,380.0	713.0	1,489.5	+776.5
150—International affairs: [2]					
Security supporting assistance	$660	$580.4	$580.4	$1,858.3	+$1,277.9
Middle East special requirements fund	100	25.0	25.0	50.0	+25.0
Subtotal (150)	760	605.4	605.4	1,908.3	+1,302.9
Total BA	1,610	1,985.4	1,318.4	3,397.8	+2,079.4
Outlays: [3]					
050—National defense	802	1,434.0	850.0	1,211.4	+361.4
150—International affairs	400	410.0	643.0	1,169.4	+526.2
Total outlays	1,202	1,844.0	1,493.0	2,380.8	887.6

[1] The credit sales BA would support a worldwide sales program of $2,400,000,000 of which $1,500,000,000 is for Israel. Israel would be "forgiven" $750,000,000 of the credit and the balance of $750,000,000 would be funded by loans guaranteed by this account.

[2] Total amendment in BA required for President's program.

[3] Total amendment for outlays for President's program.

SUMMARY TABLES—SECURITY ASSISTANCE PROGRAM LEVELS

[In millions of dollars]

	Fiscal year 1976: Grant MAP [1]	Fiscal year 1976: Training	Fiscal year 1976: FMS credit
EA	$142.2	$8.0	$298.2
Republic of China	.9	.5	80.0
Indonesia	19.4	2.0	23.1
Korea	74.0	2.5	126.0
Malaysia		.3	15.0
Philippines	19.6	.6	17.4
Thailand	28.3	1.7	36.7
Training only [3]		.4	
NEA	101.7	3.5	1,625.0
Israel			1,500.0
Jordan	100.0	.8	75.0
Lebanon		.2	5.0
Morocco		.8	30.0
Tunisia	[2] .2	.4	15.0
Yemen	1.5	.5	
Training only [3]		.8	
EUR	125.3	3.7	240.0
Greece	50.0	.8	110.0
Portugal	.3	1.0	
Turkey	75.0	1.8	130.0
Training only [3]		.1	
AF	11.7	2.5	31.5
Ethiopia	11.7	.9	10.0
Kenya		1.0	2.0
Liberia		.1	.5
Zaire		.4	19.0
Training only [3]		.1	
ARA	4.6	11.4	180.0
Argentina		.9	34.0
Bolivia	2.2	.7	6.0
Brazil		1.1	60.0
Colombia		.8	16.0
Dominican Republic	.2	.7	1.0
Ecuador		1.0	10.0
El Salvador	.3	.8	2.5
Guatemala	.2	.4	1.5
Honduras	.3	.8	2.5
Mexico		.1	5.0
Nicaragua	.2	.8	2.5
Panama	.2	.4	
Paraguay	.4	.4	.5
Peru		.9	20.0
Uruguay	.6	.5	2.5
Venezuela		.8	16.0
Training only [3]		.2	
General costs	37.1	.2	
Total program	422.6	29.3	2,374.7
Financing	—28.3		—1,534.7
Budget authority	394.3	29.3	840.0
Drawdown payback	323.9		
Appropriation	718.2	29.3	840.0

[1] MAP figures include supply operations costs.

[2] Indicates FY 1976 MAP programs consisting of supply operations costs only.

[3] Training-only programs (Individual country pages omitted from following text):

Fiscal year 1976:

Afghanistan	0.200
India	.200
Nepal	.035
Pakistan	.350
Sri Lanka	.015
Austria	.025
Finland	.025
Ghana	.100
Senegal	.035
Haiti	.200

Security Supporting Assistance

(In millions of dollars)

FISCAL YEAR 1976

Bahrain		$0.6
Cyprus		25.0
Egypt		750.0
Greece		65.0
Israel		740.0
Jordan		77.5
Malta		9.5
Portugal		55.0
Syria		90.0
Zaire		22.75
UNFICYP		9.6
Operating expenses		22.6
Totals		1867.55
Middle East special requirements fund		50.0
U.S. Sinai support mission	20.0	
Grants to West Bank PVOs	2.0	
Egyptian early warning system	13.0	
Other special requirements	15.0	

The threat that paralyzes needed action today is monopolistic power over prices and wages. We need to take immediate and direct action to control those who would raise prices without regard to cost or demand. We need to adopt policies that will prevent excessive wage increases unaccompanied by increases in productivity. Our economy needs to be restructured through the adoption of wage/price controls, controls which have the force of the law and economic justice behind them. If we had such a policy today, I firmly believe this Congress could initiate programs that would return us to full employment without inflation.

I conclude that this committee has done as much as it could do reasonably in fiscal year 1976. If the modest economic growth contemplated in this resolution is accompanied by responsive monetary policy on the part of the Federal Reserve, we can at least get back on the gentle slopes of recovery.

Mr. GONZALEZ. Mr. Chairman, I appreciate the complexity of the task that confronts the Budget Committee. I am grateful for the serious approach that the committee has taken, and for its earnest efforts to apply the principles of the Budget Control Act.

Yet I do not believe that we have the information available to us that would enable any Member to reach a rational decision on the resolution. I do not believe that there is adequate understanding of what the consequences of our decision will be. Even if there is adequate understanding, I do not believe that we have the information we need to pass judgment on the spending aggregates that are proposed.

Since we are supposed to be aware of the consequences of our action on this resolution, although we do not know exactly how the necessary decisions will be made, I will not dwell on that point. Let me speak instead to the problem of the indigestible lump that we have been presented with.

The beginnings of any budget lie in economic assumptions. Since economics is an inexact science, the broad question of how big the budget is depends on educated guesses about how the economy is going to perform. This guess leads to decisions about whether stimulus or restraint is needed. The assumptions on economic performance establish the basis for forecasting revenues, and certain uncontrollable expenditures. Through the whole exercise, everyone knows that only about one-fourth of the budget is controllable, at least in the short run. The bulk of it is predetermined by mandatory expenditures for pay and pensions, for benefits and relief, and for myriad items that fall under the general heading of entitlement programs—of which general revenue sharing is a good example.

Although there is a great deal of

scientific talk and bureaucratic push and pull, the truth is that the President's budget has a kind of life of its own. He may curse and wrangle, but in the end the total is pretty much what everybody expected it to be. For all his computers and bureaucrats, and for all the charts, the President's budget guess is generally not far from the estimates that my friend and colleague, the chairman of the Committee on Appropriations, gives out from his own long experience and deep knowledge of how things work.

But Congress has been stung by the charge that it lacks organization and support; it cannot control its own budget. So we have created our own Congressional Budget Office, and we have hired a respected budgeteer to run it. As it turns out, our budget estimates are about the same as those of the President, and almost exactly the same as our unscientific appropriations system projected. We have gained a layer of bureaucracy, and we have added another series of legislative tasks to the calendar, but it seems not to make much difference in the way things turn out.

It may be that this will change, and that our budget office will prepare a much more detailed economic forecast and budgetary resolution. But if it does that, then what need will there be of the Office of Management and Budget? Who should we have an uptown and a downtown budget office? If we really want detailed control over the construction of the budget request, we would essentially be doing the job of the OMB.

But perhaps I misunderstand the function of our budget office. Maybe the function is to only give us a broad overview of the budget. But we already have the budget in brief, prepared and presented by the President. Our own resolution looks about the same, except that it is a lot less flashy. We might get a good overview simply by basing our resolution on the budget in brief. It contains about as little in the way of useful information as our own resolution does.

The problem is of course not the budget, and not the resolution, but the numbers behind these things. What we do not know when we vote on an aggregate number for this or that function is just what that number consists of.

For every aggregate number, there are underlying assumptions. But we are not told in this resolution, nor in the report, just what those assumptions are. An aggregate for international affairs may contain a cut of a specific program, but we are not told of this. Therefore we are forced to vote blindfolded. Many of us might object, and in fact a majority might object, if we knew what lay under a particular aggregate number.

But we are told that we can make decisions and judgments within a particular aggregate. Any informed and experienced member knows that there are precious few things in the budget that can be changed by a very significant amount. Therefore, when we talk glibly of some aggregate that calls for a billion-dollar cut in defense, we should be forewarned that this would require large cuts in manpower or equipment purchases, or base closings, or all three. The people who put the aggregate together know these things, and know what the possible cuts are, but we do not.

Here we have arrived at the heart of the problem. For if the budget resolution spells out too clearly what specific actions the resolution is based on, then the Budget Committee will have undercut the authority of every other committee in the Congress. The committee must direct the rest of us in a certain way, but leave sufficient room for the committees of jurisdiction to exercise a reasonable degree of responsibility. If the resolution permits too much room, we have erected a budget control system that is meaningless and useless. If it permits too little room, we might as well go out of business after passing two resolutions a year.

We would have a far more useful idea of the import and consequence of our budget resolution if there were more information available in the report about controllability of expenditures. It means almost nothing to have a large number headed health, or one headed income security, if you do not know how much of that is a controllable expenditure. After all, when you are talking about reductions, the meat of the matter is not what the aggregate is, but what part of it can be controlled. Even if we did not know the specific parts of the aggregate that the committee thinks might be cut, we would at least be able to gauge whether the aggregate is realistic or not, in terms of the pluses and minuses that the committee produces.

If Members as a whole have little idea of what the impact of this resolution is going to be, I cannot help but wonder if the committee, itself, knows. For all its staff, for all its seriousness, its hard work, and high sense of purpose, I wonder if the committee truly understands the impact of its directive that the Department of Defense swallow $762 million in outlays for pay increases. Is this on top of the 23,000 person reduction in civilian employment? We are merely told that the absorption is to be achieved by better management. Does the committee know what it is mandating here? What is the basis for the assumption that this can, in fact, be done without seriously impairing the Department's efforts. The fact is that draconian cuts can induce inefficiency and losses to the Government. Does the committee know, or have any assurance, that its edict is prudent? All we have is its declaration that it shall be done.

Here is one of the very few specific things that we know would flow from this resolution. If the mind is open to doubt as to the committee's own competence to make this kind of demand, what doubts would we have if we knew all the other assumptions that this resolution is made of?

Doubts might be soothed and troubled minds put to rest by the assurance that this resolution is only a big pie, and it can still be sliced as we see fit. But the slices are already made. What we do not know is how the knife got wielded. The pie is being cut from the bottom, and we will not know exactly how the slices will look until the knife emerges into plain sight. Then it will be too late.

Our process is elaborate. It is based on a fine principle. It is being carried out by people of high conscience. But the resolution we have provides too little information for an intelligent decision. In terms of knowing what we are actually doing, the resolution provides no help at all. We are given a picture of a barn. We have no idea what is inside, if anything, or even if the barn is real.

Mr. LEVITAS. Mr. Chairman, we have reached a deplorable state of fiscal affairs in our country. With almost reckless abandon, over the years we have spent ourselves into a situation whereby just to continue already existing programs without any change would require over $368 billion for 1976. The budget resolution before us today expects Federal Government expenditures to surpass $372 billion with revenues of only $300 billion for the current year, thus creating a deficit of $72 billion. This latter figure sadly enough is one of the few things that Congress and the President agree on. Something constructive and effective needs to be done.

I have advocated and will continue to support an amendment to the Constitution requiring Congress to adopt a balanced budget each year. Such a permanent commitment to fiscal responsibility is needed.

Further, I have joined over 60 of my colleagues in cosponsoring a bill designed to address the useless continuation of programs which should be streamlined or abolished. Entitled "The Truth in Budgeting Act of 1975," this legislation would require that all Federal programs be evaluated from top to bottom every 2 years. Based on the principal of zero-based budgeting which has been successfully utilized in the State of Georgia for 4 years, this procedure would avoid the common practice of adding on each year to a previous appropriation without adequate justification. I commend this legislation to all Members.

Also, I am told that over 71 percent of the fiscal year 1976 budget is uncontrollable which I assume to mean that Congress has no say-so over the great majority of outlays it is required to consider—euphemistically referred to as permanent appropriations, prior authority and entitlements. I do not accept the premise that these items are beyond congressional scrutiny and revision. Congress has the power to initiate spending programs and I believe Congress has the authority, indeed the responsibility, to cut needless funding in all areas.

With some reluctance, I intend to vote against the second concurrent resolution of the fiscal year 1976 budget (H. Con. Res. 466) before us today. I have listened to the debate, studied the proposal and, most importantly, read my constituent mail and I am convinced the House Concurrent Resolution 466 as reported by the House Budget Committee is an important, albeit small step toward a sound, rational fiscal system. It sets a top limit or ceiling on federal spending in advance for the first time in history.

However, the authorization, outlay and deficit figures disturb me deeply and I cannot vote for the high levels of spending and debt which this resolution would authorize. I hope in the next fiscal year the levels of debt and spending will be at a level I can support because I so firmly believe in the budget law process.

We have seen the process work. Since the first budget resolution last May, House action is $2.3 billion below the expenditure targets. This means the new budget system can work and lead us to the day of the balanced budget.

I realize that a part of the Federal budget, such as unemployment compensation, is sensitive to and fluctuates with the state of the economy. However, I have supported and will continue to work for necessary reform in such areas as social security, health programs, food stamps, and regulatory agencies to alleviate the impact on the budget of such economic fluctuations.

The O'Neill amendment to House Concurrent Resolution 466 would create a higher level of budget authority and outlays resulting in an increased public debt. I do not feel this amendment is necessary. The purpose of House Concurrent Resolution 466 is to establish overall maximum spending levels without getting bogged down in specific programs or functional categories, thus allowing Congress in the future to allocate funds within limits to priority programs and categories. Simply increasing the maximum spending figures in House Concurrent Resolution 466 as the O'Neill amendment would do will not guarantee that the increased level of funding will go to any particular program. I support many of the objectives which the majority leader says he hopes his amendment will accommodate. However, the O'Neill amendment is not a guaranteed source of funding for these items; it is simply an increase in an already inflated budget.

We must have a balanced budget, but it cannot be done in midstream for this fiscal year. The proposer of the balanced budget amendment himself acknowledged that it would possibly send us deeper into recession with 10 percent unemployment. Such a move at this late date with no indication of where cuts would be made would require a $72 billion reduction in outlays and would come out of all programs from defense to social security to unemployment compensation. In the very near future, a balance between revenues and expenditures can be reached after a thorough study of where cuts should be made.

I believe this budget resolution as reported by the Budget Committee exemplifies a process at work which will soon prove that this Congress is serious about saving and prudently spending the public's money.

Mr. ADAMS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the concurrent resolution.

The Clerk read the concurrent resolution as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress hereby determines and declares, pursuant to section 310(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on July 1, 1975—

(1) the recommended level of Federal revenues is $301,800,000,000, and the House Committee on Ways and Means and the Senate Committee on Finance shall submit to their respective Houses legislation to decrease Federal revenues by approximately $5,400,000,000;

(2) the appropriate level of total new budget authority is $400,492,000,000;

(3) the appropriate level of total budget outlays is $373,768,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $71,968,000,000; and

(5) the appropriate level of the public debt is $620,400,000,000.

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: Strike out line 10 on page 1 and all that follows down through line 7 on page 2, and insert in lieu thereof the following:

(2) the appropriate level of total new budget authority is $409,004,000,000;

(3) the appropriate level of total budget outlays is $374,891,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $73,091,000,000; and

(5) the appropriate level of the public debt is $621,500,000,000.

Mr. ADAMS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action, had come to no resolution thereon.

GENERAL LEAVE

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that all Members be permitted to revise and extend their remarks, and to include extraneous material, in the consideration of House Concurrent Resolution 466.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection?

PERMISSION FOR COMMITTEE ON WAYS AND MEANS TO HAVE UNTIL MIDNIGHT, NOVEMBER 13, 1975, TO FILE REPORT ON TITLE II OF H.R. 10481, INTERGOVERNMENTAL EMERGENCY ASSISTANT ACT

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight, Thursday night, November 13, 1975, to file a report on H.R. 10481 along with any minority, additional or separate views.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

STATEMENT OF CHAIRMAN AL ULLMAN WITH RESPECT TO THE RULE TO BE REQUESTED FOR CONSIDERATION OF TITLE II OF H.R. 10481

(Mr. ULLMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ULLMAN. Mr. Speaker, on November 11, 1975, the Committee on Ways and Means favorably acted on a substitute for title II of H.R. 10481, as reported by the Committee on Banking, Currency and Housing and which has been sequentially referred to the Committee on Ways and Means.

I take this occasion to advise my Democratic colleagues in the House as to the type of rule which I will request for consideration of title II of H.R. 10481 on the floor of the House.

The committee instructed me to request the Committee on Rules to grant a closed rule for the consideration of title II of H.R. 10481 which would only provide for committee amendments—which would not be subject to amendment.

We intend to file the committee report on title II of H.R. 10481 by midnight, Thursday night, November 13, 1975. It is our intention to request a hearing before the Committee on Rules concurrently with the Committee on Banking Currency and Housing.

RESIGNATION AS A MANAGER OF H.R. 3474

The SPEAKER laid before the House the following resignation as a manager of H.R. 3474:

WASHINGTON, D.C.,
November 11, 1975.

HON. CARL ALBERT,
The Speaker,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Please accept this as my resignation from your designation as a manager of H.R. 3474.

I shall set forth my reasons for resigning in a statement on the floor of the House today.

Respectfully,

TENO RONCALIO,
Congressman for Wyoming.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

RESIGNATION AS MANAGER OF H.R. 3474

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I was appointed by you on September 5, 1975, to serve as a manager on the part of the House for the conference committee considering the Energy Research and Development Administration authorization for fiscal year 1976.

Today, the conferees met for the first time and elected a chairman for the conference, Mr. TEAGUE. The conferees then agreed to a motion by Mr. MCCORMACK to separate the conferees into nuclear and nonnuclear groups each considering these respective parts of the bill. I was in opposition to this motion.

Mr. Speaker, the subject matter of this legislation is not divided by title into nuclear and nonnuclear matters. It provides funding for all ERDA energy programs. Nor were we named specifically by you to act as managers and conferees on specific titles or subject areas of the legislation. There were no restrictions at the time of appointment.

Mr. Speaker, I have spent the last 3 years in the House almost totally absorbed in energy matters, both nuclear and nonnuclear. The entire bill has matters in it of great importance to the people of my State and to me as their Representative. I could not agree with the McCormack motion which would have prohibited me from voting on coal and other fossil fuel R. & D. funding and other items of vital interest to my State. I, therefore, have no alternative but to respectfully resign this conference.

PERSONAL EXPLANATION

Mr. BRECKINRIDGE. Mr. Speaker, I was present and voted "yea" on roll No. 644, H.R. 10339, a bill encouraging the direct marketing of agricultural commodities from farmers to consumers and immediately upon casting my "yea" vote on this bill, which I cosponsored, I phoned my staff concerning its passage. My vote was not recorded due, evidently, to a malfunction in the electronic voting equipment.

DISILLUSIONMENT WITH THE UNITED NATIONS

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I cannot in 1 minute say the things I want to say, so I have asked for permission to revise and extend my remarks.

My disillusionment with the United Nations started with the Korean conflict, on through the Vietnamese conflict, and it culminated, I think, in the situation where we found ourselves fighting practically singlehanded to try to maintain the two Chinas position in the U.N. No other episode in the U.N. records will go down in its history as more disgraceful than the denial of membership to an independent nation that has been an industrious, self-sustaining independent member of that body.

Mr. Speaker, the incident of last night must mark a new phase in our thinking as to how much longer we can participate in international affairs alone and singlehanded. The duties and the prescriptions that were contained in the birth of the U.N. have been completely disregarded. For many years now the United States has had to go it alone in trying to protect our principles and a moral climate of this world.

The world must not continue any longer in its disregard of the liberality in time, money, and effort for world understanding, moral obligation, and peace promotion efforts of the United States and its citizens.

There must be an end to the ingratitude shown so often by the beneficiaries of the U.S. efforts.

First, Taiwan was forced out of the U.N. Second, Rhodesia met the same fate. Now, Israel feels the sting of Soviet and Third World arrogance.

World peace is not nearer, its further away than ever.

World peace rests on understanding, good will, and good institutions.

Find these ingredients and world peace will be achieved, with or without the U.N.

Last night's action causes many thoughts to come to the front.

Time wont all but a few pertinent points to be explored.

I want to call your attention to the action of the U.N. in the three key votes accepted by the General Assembly last night, equating Zionism with racism and the two Palestinian resolutions, giving the PLO the right to be included on its own terms as an equal partner in the Middle East peace talks and establishing a 20-nation U.N. committee on the exercise of the inalienable rights of the Palestinian peoples.

This is adding insult to injury when the PLO spokesman thanked the delegation and voted to continue its struggle by political, economic, and military means.

If one had any doubts as to what was going to happen with the passage of this resolution, the statement of the PLO spokesman which emphasized military means of implementing the U.N. resolution ought to be a warning to all of us.

Earlier I expressed my doubts against the U.N.'s efficacy as a peace-keeping force started in the Korean conflict and come on through since including the disastrous venture in Vietnam and the exclusion from the U.N. of the nonoffending, industrious, progressive, and peaceful nation of Taiwan for the doubtful admission of Red China, the results of which are not yet in.

The United States has borne the major part of all the costs of the U.N. since its creation and its influence is equalled in the General Assembly by the vote of the smallest nation's membership. The American people have generously given billions of dollars and too much of its time and effort to the emancipation and independence of the Third World nations to be treated as one would treat an unwanted child.

Congress had the courage a few weeks ago to deny funds for the U.S. participation in the ILO, headquartered in Geneva. The reason was plain and clear—not one constructive result has come from the many problems and the high aims that issued from the ILO. One can look with the same end results to the U.N. if this type of irresponsibility on the part of the U.N. majority membership continues. There have been some good and meaningful programs advanced by the U.N. Of late U.N. actions may jeopardize all programs.

While the U.N. is supposed to be the instrument of all the nations and carry the burden of resolving the seeming eternal problems by the various nations, it has been the American taxpayers that have paid the bill.

It is no secret that the entire national debt of the United States plus many billions more have been spent on economic and military aid in greater or lesser sums to every nation in the world. In fact, we could not even wait until the independence of Angola was declared yesterday before we started giving foreign aid to Angola as if it were an independent nation rather than a Portuguese colony.

In this instance it might be good to realize how far we have dropped in recognizing our own obligations to our own member States and our own people in general. When we have the administration adamantly opposed to any kind of aid for the beleaguered city of New York, while at the same time asking $4,700,000,000 for the Mideast and $400,000,000 for foreign aid to other nations. In the same breath. A total of $7,100,000,000 in a time of greater needs at home.

International interest and regard is important for the United States and all nations but it never should have become the primary interest of the American Nation through its various administrations. It is my opinion that if the people knew to what extent internationalism has taken over the priorities in this Nation, there would be a revolt by the peoples that would be disastrous to our Nation. Reason would be disregarded and the good would fall with the bad.

It is a little known fact that if we were producing all the goods and products consumed by the citizens of this country, we would have full employment and still would import enough goods and products that would give a substantial economic assist to all the trading nations.

No nation can survive economically in the free trade world when the basis of trade is greed and not need.

Add to the methods of U.N. irresponsibility those of economic boycott and sanctions, it becomes hard for the American people to live with, and harder for the Congress to support.

We have reached the point where the spoiled, indulged children rise up to spank the permissive parent.

The U.N. has become a forum for the vituperation of the emerging nations, to be couched in resolutions and foisted upon the world as enlightened foreign relations. We have been passive for too long in the charade that is the U.N. today. Unless we can regain the major part of our influence and prestige in this organization it will remain as a potent force against all that the United States has come to represent.

THE U.N. RESOLUTION ON ZIONISM

(Mr. SCHEUER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, I wish to join my colleagues in expressing shock and horror at the infamous resolution, passed yesterday by the United Nations, in which Zionism was equated with racism.

Mr. Speaker, it may be that my colleague, the gentleman from Florida (Mr. FASCELL), is correct when he calls this resolution a cheap shot. If it is nothing more than a cheap shot and if it is not really meant to be taken seriously, then it ought to be erased from the books as soon as possible.

However, if it is meant to be more than a cheap shot, meant to have substance and reality, then it is going to make our work with the U.N. very difficult—if not impossible. And the tragedy is that our support has been given not only to the

General Assembly and the Security Council and its peacekeeping functions but also to the specialized agencies of the U.N. which have had much more positive, although less publicized, results. It may soon become virtually impossible to justify any further support to these productive and humanitarian organizations.

Thus, we are witnessing an international Gresham's law at work—with the evil driving out the good, and poisoning, demeaning, and perverting the meaning and purposes of the United Nations, once viewed by many of us as mankind's best hope for peace and friendship among the nations of the world.

Mr. Speaker, there are other considerations which we would do well to remember. Thirty years ago the Nazi assault on humanity in general and their genocidal drive against the Jewish people came to an end.

Thirty years later—November 10, 1975—we have come full circle to an unprecedented display of venomous anti-Semitism by 72 nations unmatched since Hitler's death.

Mr. Speaker, I am a very proud Zionist. So are my parents and so are my children. We have asked for the right of our coreligionists who have been driven all across the face of the Earth to live a peaceful, productive life in a land which the Jewish people have inhabited for thousands of years. There has been no more noble, altruistic or peaceful national movement in human history than Zionism.

Today, Mr. Speaker, 72 nations, calling themselves the United Nations, have unleashed a furious assault on me and my family, on the Jewish people and, indeed, on human decency.

Standing here in this great country, and in this Chamber where the hopes and aspirations of mankind have focused for 200 years, and in which I have long supported the development of the United Nations as a hope for world peace, I must say that it is no longer true that the General Assembly is our last hope or any hope at all for peace and friendship among nations.

Mr. Speaker, 72 nations have turned the United Nations in to a forum to propagate anti-Semitism. It is no longer tolerable.

If there is not a swift and positive resolution to this problem, then I call for the United States to cease its participation in and contributions to the General Assembly of the United Nations; furthermore, I call on the President and the Congress to consider the removal of the General Assembly from within the territory of the United States.

I would regret any action which would impede the efforts of the United Nations' specialized agencies, including the World Health Organization in Geneva, the U.N. Industrial Development Organization in Vienna, the Food and Agricultural Organization in Rome, and the International Civil Aviation Organization in Montreal. These organizations each have benefited mankind in unique ways, such as aiding in stemming the international flow of narcotic and psychotropic drugs by the U.N. International Narcotic Control Board of Geneva. However, the infamous and inherently evil resolution against Zionism runs directly counter to our own Nation's tradition and fundamental principles of morality and decency.

Accordingly, I can see no way in which the United States can continue to involve itself in any further association with the General Assembly, unless there is a prompt resolution of this matter. And if the lopsided majority in the General Assembly makes any effort to put the evil precepts of this resolution into practice, I would favor the prompt expulsion of the United Nations in its entirety from within U.S. territory.

Mr. Speaker, I consider it especially ironic that the nations of Egypt and Jordan voted in support of this vicious resolution because they profess to be acting in the interests of the Palestinians. If Egypt and Jordan are truly concerned with the welfare of the Palestinians, then why did they not act in their behalf when they had the opportunity to do so?

In the 19 years between 1948 and 1967, the Egyptian and Jordanian Governments had ample opportunity to establish a Palestinian State in the Gaza Strip, then controlled by the Egyptians, and on the West Bank, then controlled by the Jordanians. Instead of helping their brethren, they forced them to live in dirty, overcrowded refugee camps. On several occasions, I visited those camps. The dilapidated, sleazy physical conditions and the pervasive despair of the residents were totally degrading.

There was almost no effort made to help these people then; in fact, there was a concentrated effort made to prevent them from being integrated with the rest of their Arab neighbors. The Palestinians, once a thorn in the side of the Arabs, have now become their cause celebre. What is the reason for this? Is it that the Arabs intend to use the Palestinians as a means of continuing the strife between the Arab world and Israel?

The United Nations have used this resolution to make the primary role of the U.N. Security Council much more difficult. As long as this wretched resolution—which is a harbinger of war and not of peace—remains as a stain on the record of the U.N., a cold war stands in the way of peace.

Mr. Speaker, Chaim Herzog, the Israeli Ambassador to the United Nations, said:

> This was the night—November 10, 1938—when Hitler's Nazi storm troops launched a coordinated attack on the Jewish community in Germany, burned the synagogues in all its cities, destroyed Jewish holy books and attacked Jewish homes.

Mr. Speaker, we can do no less than bring to bear all of the resolution of the American people to assure that the events unleashed on November 10, 1938, will not be repeated by Nazi Germany's 72 heirs on November 10, 1975.

I know that the American people stand with us against the new nazism of 1976.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BELL), is recognized for 5 minutes.

Mr. BELL. Mr. Speaker, I wish to make just a brief report on my personal finances in connection with a vote soon to come before us on one of my committees.

I have an interest in a number of oil shale leases of varying potential in Piceanae Creek Basin in western Colorado. These leases were obtained almost a quarter of a century ago, long before I entered elective politics.

At various times in the past, we have attempted to sell these leases, but have never reached an agreement with prospective buyers. One reason for this is that our leases are scattered and not located in a compact block of land.

I make this declaration because I serve on the Fossil Fuels Subcommittee of the Science and Technology Committee and intend to cast a vote in favor of an amendment that would eliminate Federal financing of shale oil in Colorado, which I strongly support on its merits.

I will clearly be voting contrary to my own economic interest. But because I have chosen to be recorded on this vote, I felt I have a moral obligation to my colleagues to report my personal involvement in this area.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RINALDO) is recognized for 5 minutes.

Mr. RINALDO. Mr. Speaker, unfortunately, I was absent for yesterday's session of the House due to a previous engagement. I supported the four district bills up for approval yesterday and, had I been present, I would have voted in favor of their adoption.

On Monday, I attended the convention of the National Association of Mutual Insurance Agents, where I was presented their "Federal Man of the Year" award. It was a great honor for me personally, and I will long remember that occasion.

I would also like to commend my colleagues for adopting H.R. 6461, which provides long-range funding for the Corporation for Public Broadcasting. As a member of the Interstate and Foreign Commerce Committee, I supported this legislation and hope it will soon be enacted into law.

MODEL SECONDARY SCHOOL FOR THE DEAF AT GALLAUDET COLLEGE MAKES SIGNIFICANT IMPRINT IN EDUCATION OF HANDICAPPED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SHRIVER), is recognized for 5 minutes.

Mr. SHRIVER. Mr. Speaker, as a member of the House Labor-HEW Appropriations Subcommittee, I have supported and observed the achievement of a necessary objective in the education of the handicapped by Gallaudet College, here in Washington.

There is a unique complex now under construction which represents a successful partnership between the Federal Government and Gallaudet in pioneering new techniques and refinements in education of the deaf.

This partnership, created through an act of Congress by Public Law 89–694 in 1966, was intended to establish a national model for secondary education of the deaf. The school's concept included the generation and national dissemination of new educational techniques as well as the education of high school students with innovative hearing equipment to prepare them for college and advanced study.

As I recall, the Congress felt strongly that a model school with sufficiently large student population could be the incubator for new techniques and refinements in the education of the deaf.

This model school was initiated in the 1969 academic year with 10 students, teachers, and staff in a temporary building. In July 1969, the architectural/engineering firm of Hudgins, Thompson, Ball & Associates was selected to design the school's permanent facilities, and to fulfill our congressional mandate for innovative designs and excellence of architecture.

These facilities are nearing completion, and without much of the usual undue delays and costs that are often experienced in the Washington area.

The school, in the meantime, has expanded its enrollment to over 100 students and trained its staff and faculty so that visiting educators are already receiving important benefits from the model secondary school's program. The school also is developing and distributing throughout the Nation program data that is improving the quality of education for the young deaf.

All of us who are concerned with progress on a national level in techniques and meaningful education of the handicapped can take pride in the accomplishments of Gallaudet and its model secondary school for the deaf. I congratulate the administration, faculty and staff, along with all others who have participated in the realization of this goal.

CONGRESSIONAL OVERSIGHT OF THE INTERNAL REVENUE SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 30 minutes.

Mr. MEZVINSKY. Mr. Speaker, in the November 5, 1975, issue of the Los Angeles Times, Donald Alexander, Commissioner of the Internal Revenue Service, referred to members of congressional oversight committees as "faceless liars" and "a small goon squad of congressional investigators." As a member of one of those committees—the Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs—I am personally offended by his intemperate remarks. The Members of Congress have earned better treatment than to be publicly ridiculed for fulfilling their congressional mandate to oversee the agencies they create. Mr. Alexander's ill-founded and malicious statements, instead of extinguishing the charges against his agency, have only served to fire the investigation.

The Internal Revenue Service, like other agencies that maintain confidential files, has led a charmed life above reproach—above reproach not because they have been perfect, but above reproach because Congress has not been able to properly exercise its oversight responsibilities. Oversight committees, such as the Commerce, Consumer, and Monetary Affairs Subcommittee, are looking at agency practices and expecting answers to proper questions. We can no longer accept evasive answers and empty assurances. We are tired of reading in the paper on Thursday that testimony given on Capitol Hill on Monday was in error, or incomplete, or, in some cases, deliberately misleading.

Government agencies should welcome oversight, not shrink from it. Thoroughly scrutinizing an agency established by Congress to make sure that it functions within its mandate and the law is the role of our committee. If an agency, or its administrator, is not up to standards, then it is the Congress' obligation to challenge its work and legislatively correct the defects. In pursuing our investigations, we are not "liars" or a "goon squad of congressional investigators," and should not be subject to such charges.

The need for more oversight, instead of less, is clear. The unwillingness of the IRS to subject itself to scrutiny does not dispel the doubts surrounding the agency, but rather adds to them.

During our investigation, Commissioner Alexander has appeared before our subcommittee numerous times and at each meeting a new undercover operation or coded project or covert activity of the IRS was revealed. At every meeting we hear that the latest shocking revelation will be the last. At every meeting we hear pledges to correct the unchecked and unauthorized practices of agents across the Nation. But none of us feel that we are less likely to hear of another improper IRS activity because of the promises we have received, but rather wait for a new shock wave of accusations and denials.

The first questionable practice called to the attention of our subcommittee was that of Operation Leprechaun, an undercover operation in the Miami area that exceeded its legitimate bounds and resulted in snooping into the sex and drinking habits of well known public figures, many of whom were not even tangentially connected with alleged tax evasion.

Although administrative steps were taken to remedy the excessively broad information-gathering practices, there is still widespread dissent both in and out of the IRS regarding the efficacy of those measures.

Another area which raised the concern of the subcommittee was the failure of IRS to follow up on the tax-related information revealed during the Watergate hearings in the Senate and the impeachment hearings in the House. While the IRS agrees that illegal campaign contributions have tax consequences, the agency does not appear to be diligently pursuing them to their logical conclusion. Testimony before the subcommittee revealed that the Senate Select Committee on Campaign Activities, the House Judiciary Committee, and the Special Prosecutor's Office turned over campaign contribution information to the IRS. That information was all fed into a computer for retention and analysis, but the IRS subsequently rendered the computer and all the information programed into it virtually useless.

The most recent IRS-related matter before the committee was Commissioner Alexander's decision to suspend Project Haven, a massive investigation geared toward the prosecution of tax evaders who were using foreign tax shelters to escape taxation. After almost 10 years of IRS work, Alexander halted the investigation due to a questionable act on the part of one IRS informant more than 2 years ago. The act precipitating the suspension was the removal from the briefcase of a bank employee of names and account numbers of persons holding accounts in the Castle Bank & Trust. Castle Trust is located in the Bahamas and the owner of the briefcase was a British citizen. Because of Bahamian law, these numbered accounts are not subject to disclosure. Testimony before the committee revealed that there were over 300 names involving organized crime figures, prominent businessmen, and other very well-known taxpayers. Working with the information, IRS agents were on the verge of breaking one of the largest tax evasion schemes in recent history. Successful completion of Project Haven could possibly bring in hundreds of millions of dollars in delinquent tax revenues and result in the conviction of many who are the most flagrant abusers of our tax system.

As if the magnitude of Project Haven and the tacit agreement that the briefcase incident violated no law were not enough to place the suspension decision into doubt, other charges of Alexander's impropriety have been made in relation to this project. For example, news reports state that Mr. Alexander's former law firm was mentioned in some Castle Trust records. Although the relevancy of this is unclear, Mr. Alexander has neither resolved the problem nor turned it over in a timely fashion to an independent branch.

The information regarding Project Haven is not complete. I, for one, am convinced that we have seen only the tip of the iceberg. Instead of making accusations about committee integrity and purpose, Mr. Alexander would be better advised to cooperate with the committee and help to repair the damage done to IRS image in the past few years.

One thing is clear from Mr. Alexander's remarks and those of others; the IRS is in turmoil. Agents have complained, and rightly so, that their work is fruitless. They meticulously build cases like Project Haven that could bring in millions of back tax dollars only to see them bottled up in Washington. Admittedly, the Commissioner has resumed the work on Project Haven, but the agent in charge of developing the case has been shuffled off to routine chores.

In testimony before our subcommittee, Mr. Alexander and others from the IRS concur that hundreds of millions of dollars could have been funneled into overseas tax shelters. These funds come from enterprises that cut across the fabric of our society—both legitimate and illegitimate business practices. Although all agree that foreign bank accounts serve to shelter income earned in the United States from income taxes, grossly inadequate resources are allocated by the IRS for investigation of these matters. The IRS's lack of pursuit in these classes of tax matters only serves to protect these tax evaders from the law. Failure to prosecute those who would avail themselves of these illegal foreign tax shelters only helps the superrich and, by releasing them from their tax liabilities, increases the burden on the middle-income taxpayer who dutifully reports all his income.

Tied to the issue of foreign trusts are the allegations made during Watergate that illegal campaign contributions were siphoned into foreign accounts, but thus far, no cases have been brought. Understanding that the Special Prosecutor may have some role in these cases, it should still be within the good-faith efforts of the agency to maintain the information for easy retrieval should the tax matters fall back into their agency's jurisdiction.

We all know that a great deal of IRS investigatory work is conducted by informants, persons who believe that it is wrong for certain individuals to avoid taxes. These persons, too, are being stifled and discouraged by Alexander's actions. In developing Project Haven, the IRS relied on just such an informer, a man with connections to Castle Trust, the key to Project Haven. When the decision was made to suspend the project, another decision—a callous one—was made concerning the informant who had fed information to IRS for years. In his press conference announcing Haven's suspension, Alexander gave a great many details about the informant's life. Anyone involved with Project Haven would be able to easily identify the informant. In my mind, this was a needless sacrifice of an individual. The informant, referred to as TW–24, has every reason to be afraid now. Some of the names he gave to IRS are allegedly connected with organized crime. Alexander has turned TW–24 from a respectable citizen into a marked man who must fear for his life.

The task of the Internal Revenue Service is to be the tax collector for the Nation. As such, it traditionally has not, and indeed cannot, become embroiled in politics. Our voluntary tax system is based on the IRS' mandate to collect taxes fairly and evenhandedly. But in recent times, charges of IRS' nonpolitical nature have been raised. In the previous administration it was shown that enemies of the administration were harassed and friends were given special treatment.

No matter what Mr. Alexander says, how often he protests, how vicious his attacks become, we in the Congress and on the subcommittee will perform our jobs. The sooner he recognizes that fundamental fact of our conviction, the sooner we can clear the reputation of the Internal Revenue Service and restore the faith of the American public by insuring that one of its most basic institutions enforces the law as it is written.

THE VIETNAM VETERAN CONGRESSIONAL INTERN PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, most of the country will celebrate Veterans Day today, paying tribute to the men and women who served and fought to preserve our independence and security. While we can never wholly repay the debt we owe to the Nation's veterans, we can, and must, show by our words and actions that their heavy sacrifice did not go unheeded.

Unfortunately, Mr. Speaker, there are veterans today who rightfully have begun to question whether the Nation truly appreciates or understands the service which they rendered, or the sacrifices which they made. I speak particularly of the Vietnam veteran. The unpopularity of the Vietnam war and the divisiveness it created in the American community has tainted the country's attitude toward those who served in Vietnam. The Vietnam veteran must contend with the ambivalent, and sometimes hostile, attitude of many Americans while at the same time trying to cope with the readjustment to civilian life. He came home at a time when the country was trying to push Vietnam far back in the past, at a time when the economy was on a downswing and unemployment was on the rise. In too many cases, the obstacles he encountered far outweighed the assistance he received. Thus, we have an unemployment rate for Vietnam veterans that consistently hovers above the national average; 25 percent of young vets, age 20 to 24, are out of work. Veterans in about half the States cannot afford the tuition costs at public colleges and universities, and legislation to give them a greater degree of assistance and flexibility in the use of their benefits remains opposed by the administration and tied up in committee.

It is small wonder that so many young veterans are disillusioned. They, and in many cases their families, feel alienated from the American mainstream and disenchanted with their Government.

Then, too, there are the families of those who did not come home, the families of the missing in action. They must wage a constant battle with the administration and carry on persistent efforts within the Congress so that their missing will not be forgotten. I wonder how many Americans realize that there are over 800 men missing in action in Southeast Asia. In our haste to leave behind the tragedy of the Vietnam era, let us not forget these men, or the 55,000 who gave their lives, or those who fought by their sides who did return home. The debt we owe to the Vietnam veteran is distinct and separate from whatever feelings we have toward the Vietnam war. It was we the American people who thrust upon him the responsibility for fighting in Vietnam, and it is we who must now repay him for his service to the country.

Mr. Speaker, today the distinguished chairman of the newly created Select Committee for Missing Persons in Southeast Asia (Mr. MONTGOMERY) and I are introducing a resolution that is intended both to honor those who served in Vietnam and to act as a constant reminder of those who are missing in Southeast Asia. The resolution would establish within the House of Representatives a Vietnam veteran congressional intern program, in tribute to members of the armed services who served in Southeast Asia and in special commemoration of those who are missing in action in Southeast Asia. The measure would allow each Member of the House to hire a Vietnam veteran, for a 6-month internship, and would provide each Member with an allowance of $3,000 to be payable to the intern at a rate not to exceed $500 per month.

We believe that the creation of a Vietnam veteran intern program is an important and practical idea for a number of reasons. Too little recognition has been accorded the Vietnam veteran. By creating a program within the Congress specifically in recognition of the service performed by the Vietnam veteran on behalf of the country, we can show our appreciation to him by more than lip service. We can provide him with a unique job opportunity that will reinvolve him in the workings of government on a firsthand basis. We can perhaps begin to counter the disillusionment and feeling of alienation experienced by so many of our young vets. Many of them know the American political system only as it affected them during their tenure in Vietnam, and in too many cases, this experience unfortunately undermined their belief in the system. We know that our system, although not without its faults, does work, and we are hopeful that a Vietnam veteran intern program can serve to show many of our young people that the system is responsive and that they can be a part of it. In turn, we should recognize that the Vietnam veteran has a unique contribution to make in his own right. He has had experiences that most of his contemporaries have not had, and we can benefit from his insights.

We will be seeking cosponsors on this resolution and hope that many of our colleagues will join us in our effort to create a Vietnam veteran congressional intern program.

FINANCIAL ASSISTANCE AVAILABLE TO STUDENTS FOR HIGHER EDUCATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 60 minutes.

Mr. VANIK. Mr. Speaker, once again the time is upon us when millions of young people will be applying for admission to vocational schools and colleges. However, the hard economic times we have been through, coupled with rising educational costs, have left these institutions out of reach for many families, for whom educational expenses are an impossible burden.

Mr. Speaker, the strength of our Nation has in the past laid upon the skills and knowledge of the people, in both a technical and intellectual sense. The foundations of our democracy are grounded in an informed electorate, capable of making a critical choice. Education must be seen as the necessary insurer for all of our futures.

In a continuing effort to provide the latest information on available types of educational aids, it is my hope that the following information will be helpful:

MAJOR EDUCATIONAL AID PROGRAMS

FEDERAL PROGRAMS

Basic educational opportunity grant program

Who is eligible for consideration: Persons who are enrolled or intend to be enrolled as full-time undergraduate students in eligible post-secondary institutions.

How much aid is available: $1,400 minus the expected family contribution which is determined by an evaluation of the family's financial resources.

How is the grant used: To pay tuition and fees.

Is the grant repayable: No.

How to apply: Basic Grant applications may be obtained from the office of the high school counselor, the college financial aid officer or by writing to BEOG, Box 2468, Washington, D.C. 20013.

Supplemental educational opportunity grant program

Who is eligible for consideration: Students who are enrolled or intend to be enrolled in eligible post-secondary institutions for at least half-time undergraduate study.

How much aid is available: Up to $1,500 per year. Grants are based on financial need.

How is the grant used: To pay tuition and fees.

Is the grant repayable: No.

How to apply: Students and their parents must complete a Parents Confidential Statement (PCS) or a Family Financial Statement (FFS). These forms are available from the office of the high school counselor or the college financial aid officer.

Social security educational aid benefits

Who is eligible for consideration: Dependent, unmarried students between the ages of 18 and 22, whose parents have become eligible for social security benefits.

How much aid is available: Depends upon the separate income, if any, of the eligible student. Benefits not available for on-the-job training or to students studying part-time.

How to apply: Write to the appropriate District Office of the Social Security Administration, or to the Office of Public Affairs, Social Security Administration, U.S. Department of Health Education, and Welfare, Baltimore, Maryland 21235.

College work study program

Who is eligible for consideration: Students who are enrolled or intend to be enrolled for at least half-time study as undergraduates or graduates in approved post-secondary institutions.

How much aid is available: Up to 40 hours of work per week. The amount of work will be based on the student's financial need and his or her course load.

How is this income used: At the student's discretion to pay college related expenses.

How to apply: The Parents Confidential Statement or the Family Financial Statement serve as applications for this program.

National Direct Student Loan Program (NDSL)

Who is eligible for consideration: Students who are enrolled or intend to be enrolled as undergraduates for at least half-time study in participating post-secondary institutions.

How much aid is available: Up to $2,500 for the first two years of study; up to $5,000 for all undergraduate study.

How is the loan used: To pay tuition and fees.

How much time to repay: Repayment begins nine months after the student leaves school or graduates. The student may have up to ten years to repay the loan. The interest rate is 3%.

How to apply: The Parents Confidential Statement or the Family Financial Statement serve as applications for this program.

There are other sources of financial aid which students should explore. Among these are national and institutional scholarships, social security benefits, veterans benefits, ROTC benefits and special loans for students in some vocational programs. Students who feel that they may be eligible for social security or veterans benefits should contact their local Veterans Administration or Social Security Office.

For information on other programs, students should talk with a college financial aid officer.

OHIO AID PROGRAMS

Ohio Instructional Grants Program-Ohio Board of Regents

Who is eligible for consideration: Any Ohio resident who:

1. is or intends to be enrolled as a full-time undergraduate student in an eligible Ohio institution of post-secondary education;

2. is or will be making appropriate progress towards an associate or bachelor's degree, and

3. is not or will not be enrolled in a course of study leading to a degree in religion or theology or other field of preparation for a religious profession.

How much aid is available: The amount of each award is determined in accordance with a Table of Grants which is written into law each year by the Ohio General Assembly. Grants range from $90 to $600 for students attending public-assisted Ohio institutions and from $150 to $1,500 for students attending private, non-profit colleges.

How is the grant used: To pay instructional and general college fees only. A student may receive aid for a maximum of five years of study. Grants are not used for summer study.

Is the grant repayable: No.

How to apply: Obtain an Ohio Instructional Grant application from the office of the high school counselor, the college financial aid officer, or from the Ohio Board of Regents, Student Assistant Office, 30 East Broad Street, 36th Floor, Columbus, Ohio 43215.

After a student submits an application for an Ohio instructional Grant, he or she will receive a notification from the Ohio Board of Regents. If the student is eligible for funds he or she must take this notification to the college financial aid office where the exact amount of the award will be determined.

War orphans scholarship program for children of disabled or deceased war veterans

Who is eligible for consideration: Students between the ages of 16 and not over 21-years-old at the time of application, who are enrolled or intend to be enrolled for full-time study in eligible Ohio public-supported post-secondary institutions, and who have resided in Ohio for twelve months prior to the time of application. A student's parent must have:

1. served in the Armed Forces of the United States and have been killed during a period when the United States was at war, (including the Vietnam conflict); or if disabled, the parent must have a 60% or greater service-connected disability or must be receiving benefits for permanent and total non-service-connected disability as determined by the Veterans Administration of the United States; and

2. entered the Armed Forces as a resident of Ohio.

These scholarships are limited in number; therefore, every applicant will not necessarily receive an award. If an applicant is not awarded a scholarship, his or her name will be placed on a roster as an alternate to fulfill a possible future vacancy.

How is the scholarship used: To pay instructional and general fees at eligible post-secondary institutions. Students may receive funds for a maximum of four years, or a total of 12 academic quarters. The scholarship may be used for summer school.

Is the scholarship repayable: No.

How to apply: Obtain an application from the Ohio Board of Regents, Student Assistance Office, 30 East Broad Street, 36th Floor, Columbus, Ohio 43215.

War Orphans Scholarship Program for Children of Prisoners of War and Missing in Action in Vietnam

The War Orphans Scholarship Program also provides scholarships for students whose parents are or were declared to be prisoners of war or missing in action in Southeast Asia on or after January 1, 1960. For more information about this program, students should contact the Ohio Board of Regents.

Ohio Student Loan Program

Who is eligible for consideration: Ohio residents who are enrolled or intend to be enrolled for at least half-time, graduate or undergraduate study in eligible post-secondary institutions.

How much aid is available: Up to $2,500 per academic year. The maximum outstanding debt is $7,500 for undergraduates, and $10,000 for graduate and professional students, including undergraduate loans.

How is the loan used: To pay instructional and general fees and other college expenses.

How much time to repay: Repayment begins after the student graduates or leaves school. The maximum repayment period is ten years.

How to apply: Applications are available at local banks and other lending institutions that participate in the program. For more information, contact the Ohio Loan Commission, 34 North High Street, Columbus, Ohio 43215.

There are other state-supported financial aid programs which give assistance to Ohio's students. For more information on these programs students should contact their high school counselors or college financial aid officers.

SIMON ERRS IN DERIDING IMPACT OF NEW YORK BANKRUPTCY ON OTHER CITIES' BONDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. Reuss) is recognizing for 10 minutes.

Mr. REUSS. Mr. Speaker, Treasury Secretary William E. Simon says that a New York City bankruptcy will have little effect on the borrowing power of other communities.

It may be true, as Secretary Simon says, that top-rated securities are still attractive to investors. But what he fails to recognize is the serious implications that New York's troubles hold for many other States and cities throughout the Nation.

Not only are they paying higher borrowing costs already, but some of their offerings are being shut out of the market altogether because of the anticipated New York default. Actual bankruptcy seems certain to have even more serious effects.

The conclusions are based on a survey of bond market experts and city and State finance officers made by the House Banking, Currency, and Housing Committee staff, following Secretary Simon's testimony to the Subcommittee on Economic Stabilization on October 30, that stated: "I cannot conclude that a default will materially impair" the ability of other public entities to borrow.

This assertion is contradicted by the opinions of State and municipal finance officers queried by the Banking Committee. The consensus among these finance officers is that: First, New York City's pending default has forced them to pay a penalty on recent borrowings; second, States and cities in some cases have had to reject bids as too high, or have had to cancel offerings; and third, actual bankruptcy, if and when it occurs next month, will make matters worse.

One measure of the market erosion caused by the prospective New York City bankruptcy is the increasing yield on outstanding city and State issues traded in the secondary, or wholesale, market. A rising yield signifies a decline in value of an outstanding issue. J. J. Kenny Co., Inc., municipal bond brokers, conducted a special study that shows that, for the period May 1 to October 1, yields increased—and values declined—for a broad range of city and State issues. "This means new offerings by any of these public entities would have to pay a higher price today than last spring. The cause of the market erosion is the New York crisis," says a Kenny Co. spokesman.

Another special study, by Moody's Investors Service, Inc., matched borrowing costs paid by public entities over the past year or so against the average interest rate rise for the period. This study concluded that many borrowers were paying an added cost because of New York's problems.

Some examples: Salt River project, Arizona, paid 7.7 percent to sell bonds in April, and 8.17 percent to sell similar bonds in September; Boston Metropolitan District paid 5.86 percent to sell bonds in November 1974, and rejected as too high a bid of 8.24 percent on similar bonds offered this month; State of Pennsylvania paid 6.44 percent to sell bonds in April, and 6.78 percent to sell similar bonds in August; Syracuse, N.Y., paid 5.37 percent to sell bonds in May, and 6.8 percent to sell similar bonds in October.

Inquiries to city and State finance officers produced these responses:

DETROIT

Three times the city tried to sell $30 million of bonds but failed because the legal limit on interest that could be paid was 8 percent. After the interest ceiling was raised to 10 percent the city sold the bond issue at 9.81 percent in June. In August, it sold another $20 million package at 9.91 percent, just shy of the new limit. "The direct cost to the city of Detroit of the New York City situation has been between $10 million and $11 million," says a spokesman.

ATLANTA

On September 30, the city rejected as "unacceptable" a lone bid offered for an issue of water-sewer revenue bonds. A month later the issue was sold at 7.35 percent, a price which Charles Davis, Commissioner of Finance, attributes to "uncertain conditions caused by New York City."

CONNECTICUT

In June the State sold 20-year bonds at 5.6 percent, and 3 months later it sold similar bonds at 6.16 percent. The additional cost to Connecticut taxpayers over the life of the September issue is estimated at $1.7 million. "The only conclusion that can be drawn is that the higher interest is the result of the imminent New York City default," says Henry Parker, the State treasurer.

JERSEY CITY

In May the city sold bonds at 8.7 percent; in September it sold bonds at 10.375 percent, the highest rate in the city's history. "If New York defaults," says James McCarthy, budget director, "all municipalities throughout the country will have difficulty."

MASSACHUSETTS

The Massachusetts Housing Finance Agency sold long-term bonds at 5.89 percent in July, had to cancel a September sale because of market conditions, and sold only $12 million of a $30 million offering in October at 9.2 percent, the highest rate in history. "All of this trouble is directly attributable to the New York situation," says William White, the executive director. "If the trend continues, we'll have to go out of business and our public purpose will be subverted."

CLEVELAND

In August the city sold notes at 6.73 percent, and paid 7.7 percent on similar notes sold in September. "Obviously, New York has had an effect on the interest we're paying," says Warren D. Riebe, the city finance director. Ohio has an 8-percent interest ceiling. "If the market continues to deteriorate," Mr. Riebe warns, "we'll have to ask the State to increase the ceiling" or the city will be shut out of the market.

NEWARK

The city already is shut out of the market for its own issues. In March the city rejected as too high the lone bid of 9.25 percent for $22 million of bonds. In June the city rejected a single bid of 9.6 percent for half the issue. The city still has not sold these bonds. "Quite clearly, we've been affected by the New York situation," says Dennis Sullivan, the finance director. "In recent offerings we have encountered the phenomenon of single bids. If New York defaults, we're concerned that we won't receive any bids."

WEST VIRGINIA

In late October, the State sold bonds at 6.48 percent, which officials believe included a penalty of between one-half and 1 percentage point. "The municipal bond market is in one of the most unstable periods in its history because of the impending New York default," comments Ron Pierson, State treasurer.

Mr. Speaker, in addition to the survey by the Banking Committee staff, a major survey has been conducted by the Municipal Finance Officers Association.

This report also documents the impact of the New York fiscal crisis on the municipal bond market, putting to rest much of the debate about whether the bond market has been adversely affected. The answer clearly is "Yes," it has.

The report estimates that the long-term impact of higher interest rates outside of New York will cost taxpayers between $800 million and $1.5 billion.

A summary of the major findings of the 40-page report follows:

MAJOR FINDINGS

1. Recent erosion of credit confidence in State and local government bonds has increased borrowing costs on average for all State and local governmental borrowers. For State and local long-term debt sold the first 9 months of this year, credit concerns have added an additional $100 million a year in interest costs. This will accumulate to about $1 billion in added interest cost over the life of these bonds that have been already sold.

2. Looking ahead for the year period starting in the third quarter of 1975 and noting the present deteriorated condition of investor confidence, it is estimated that annual interest costs on State and local bonds will be increased by $80 to $130 million for borrowers *other* than the New York Municipal Assistance Corporation. If MAC is included, the total annual increase would swell to between $130 and $180 million. Furthermore, it is estimated that the increased lifetime debt costs for borrowers other than New York State and MAC will amount to between $800 million and $1.5 billion. Addition of the MAC borrowings increases these lifetime costs to a total of $1.1 to $1.8 billion.

3. Borrowing costs have risen for all gov-

ernments, but not uniformly throughout the nation. Since July, the estimated added cost due to credit concerns have increased municipal bond interest rates from a relatively small .08 percentage points in North Central states to .55 in the Middle Atlantic region. Based on recent borrowing levels, the resulting average increase in annual interest payments by states range from $8.2 million in Pennsylvania to $25 thousand in North Dakota.

4. Other research results indicate that the cost of short-term borrowing has also risen since July of 1975. These increases, most dramatic in the lower grades of municipal securities and concentrated in the Northeastern United States, have further inflated annual borrowing costs by $200 to $300 million. This is in addition to the increases in bond interest costs reported above.

WORKERS' ILLNESS DUE TO PCB's

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey, (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, another tragic story of workers being deprived of their basic right to a safe and healthful workplace is unfolding in New York State this fall, as the State Department of Environmental Conservation investigates the problem of contamination due to polychlorinated biphenyls—PCB's.

The New York Times today reported that at least 65 of the employees of the General Electric Co. at Fort Edward and Hudson Falls have suffered illness due to exposure to PCB's over a 15-year period. These GE plants make capacitors, and in the course of manufacturing, workers are exposed to PCB's. I am including the Times article for the information of my colleagues.

According to the Environmental Protection Agency, in testimony before the Senate Commerce Committee on October 24, 1975:

> We have known for some time that PCB's are a group of chemicals which at certain levels can cause serious toxic effects on man and can adversely affect our ecological resources.

The Subcommittee on Manpower, Compensation, and Health and Safety, which I chair, has jurisdiction over the Occupational Safety and Health Act, and my staff is currently investigating the problem of worker exposure to PCB's. The toxic effects of this dangerous chemical group affect the worker as well as the general environment. I intend to thoroughly investigate the problem and report to my colleagues on my findings.

The article follows:

[From the New York Times, Nov. 11, 1975]

GE ADMITS 65 GOT SICK FROM EXPOSURE TO PCB

(By Richard Severo)

ALBANY, November 10.—The General Electric Company conceded today that at least 65 of its employes had become ill over a 15-year period under conditions that "may have been caused by or aggravated by exposure to P.C.B.'s" or polychlorinated biphenyls.

G.E. made the response in testimony that became public here during a hearing called by the State Department of Environmental Conservation, which has filed a complaint against General Electric.

The complaint alleges that the company violated water-quality standards of New York by dumping PCB's from two of its plants north of here into the Hudson River.

PCB's are used by General Electric in the manufacture of capacitors at Fort Edward and Hudson Falls.

The company said that 49 of about 1,800 employees working in areas exposed to PCB's had reported to its dispensaries "complaining of allergic dermatitis," and added that 16 more had reported nausea, dizziness, eye irritation, nasal irritation, asthmatic bronchitis and fungus.

The testimony was in apparent contradiction to testimony given by Dr. Edward L. Simons, a G.E. official in charge of environmental problems, who testified in May of 1974 that "the only medical effects that had been reported during the four decades we were in this business have been occasional cases of chloracne or other minor skin irritations of a nonchronic nature which disappeared upon the transfer of the employee to some other operation."

Dr. Simon's testimony was given in a hearing conducted by the Federal Environmental Protection Agency.

In today's testimony—which was prepared in advance and represented the company's official position—General Electric refused a request from Philip H. Gitlen, assistant counsel for the Department of Environmental Conservation, to disclose the names of employees who had become ill.

N. Earle Evans Jr., an attorney for G.E., said he thought that such a disclosure would violate the confidential nature of relationship between physician and patient. Mr. Gitlen argued that such information would be vital in determining the effect of PCB's on humans.

The chemical in various forms has had a documented toxic effect on laboratory animals, causing liver damage, cancer and massive reproductive failures.

Last August state researchers reported they had found PCB's in dangerously high levels in fish taken from the Hudson River, with the result that Commissioner Ogden R. Reid of the Department of Environmental Conservation warned consumers to be wary of the fish, especially striped bass.

LET US TAKE A HARD LOOK AT THE BUDGET PROCESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CHARLES H. WILSON) is recognized for 10 minutes.

Mr. CHARLES H. WILSON of California. Mr. Speaker, as the House considers House Concurrent Resolution 466, the second budget resolution for fiscal year 1976, it is time to take a hard look at the whole budget process adopted when we passed the Congressional Budget and Impoundment Control Act last year.

A careful examination of this measure reveals the clear possibility for great overlaps in the work of the Budget Committees and the method by which legislation is authorized and appropriated. There is the potential for extensive policy discretion on the part of the members of the two Budget Committees and the staff of the Congressional Budget Office.

While the authorizing committees of each house must submit recommendations to their respective budget panels, these latter bodies are under no statutory obligation to accept, or even seriously consider, their estimates. The Budget Committees may, instead, compete for the same information and attempt to develop expertise on each and every program coming before Congress to be funded. This will not only duplicate the work done by the long-established authorization and appropriation committees—it may in fact supersede them.

The Budget Committees have already exhibited definite tendencies in this direction. This summer the chairman of the Senate Budget Committee played his hand and tremendously influenced the course of the defense authorization bill. At his insistence $250 million of previously authorized funds were cut and projects such as nuclear strike cruisers deleted. Some of my colleagues may tolerate this situation when it is defense appropriations which are being reduced, but I urge you to imagine a future budget chairman with a similar dislike for the school lunch program or medicare.

While my distinguished colleague chairing the House Budget Committee should be congratulated for his efforts to work closely with the regular committees, we must, again, look to the future. Another combination of personalities and the House may, too, see the work of their authorization and appropriation committees fall victim to an all-powerful Budget Committee.

The House budget panel has already established seven "task forces" to scrutinize specific programs already authorized through regular channels. To require members of the Cabinet and other top agency officials to appear before the Budget Committees is an unnecessary duplication in light of the present requirements that they testify before the regular committees which have the specific jurisdiction in that particular field.

As a result of this sophisticated subcommittee structure, eleven amendments were offered during the Budget Committee markup of the second concurrent resolution. Most of these were aimed at a level of detail historically reserved for authorization and appropriation measures.

This is certainly not what I envisioned when I voted for the original bill, and I fear larger abuses of the process in the future. Without really thinking, we seem to have created two omnipotent committees, which might, alone, hold the purse strings of an entire Nation.

In addition, as well as reproducing work done by the regular appropriation and authorization committees, the 340 employees staffing the two committees and the Budget Office represent a bureaucracy in the legislative branch. It is not necessary for Congress to increase its own institutional authorization in this case, and the expense will prove difficult to justify to constituents faced with the personal hardship of double-digit inflation.

Finally, the floor tactics allowed by the Budget Act for consideration of the biannual resolutions make amendments extremely difficult and recommittal impossible. The House is expected to debate and establish national spending priorities and tax reform goals in two days; a process which normally takes thousands of committee hours to determine. Given this whirlwind technique precluding proper time for a full review, Congress may unwittingly do irreparable harm to our fragile economy.

While I recognize the need for Congress to reestablish the fiscal control intended by the Constitution, I, for one, have confidence in our Appropriations Committees. They have the capacity to deal effectively with the country's financial limitations and, with guidance from the rest of Congress, can rise to the task of setting Federal fiscal goals. Combined with controls on budget administration, Congress can retrieve the power of the purse through processes already proven.

In sum, I submit that the Budget Act was too hastily conceived by a defensive Congress. The law provides few restraints and the newly created institutions are attempting to extend their influence to areas not contemplated by the legislative history of the Act. There are alternatives, and it is imperative that we stop now and consider them. I have taken a first step today by introducing a bill to repeal titles I through IX of the Congressional Budget Act of 1974. The measure would retain title X as a necessary legislative weapon in dealing with illegal executive impoundments. Passage of this legislation would provide Congress the opportunity to rethink and revise the new budgeting system before this course becomes rigid and the organs immovable.

Thank you for your kind attention to my views on this issue.

THIRD CONGRESSIONAL DISTRICT QUESTIONNAIRE, SACRAMENTO, CALIF.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Moss) is recognized for 5 minutes.

Mr. MOSS. Mr. Speaker, this is one of the few fully tabulated questionnaires sent by any Member of either body.

It is a very accurate indicator of the views of a diverse group of people in a congressional district that traditionally shows great independence in voting habits.

I commend it to my colleagues as worthy of their attention:

JOHN E. MOSS, MEMBER OF CONGRESS, 3D CONGRESSIONAL DISTRICT QUESTIONNAIRE—SACRAMENTO, CALIF., 1975 (PROCESSED BY TEVCO, INC.)

	His		Hers		Total	
	Number	Percent	Number	Percent	Number	Percent
Number of persons responding, total	14,276	100.0	13,922	100.0	28,198	100.0
Number of questionnaire cards processed, total	16,091	100.0	16,091	100.0	16,091	100.0
1. Of the following issues, which do you consider to be the most important?						
(A) Cost of living	11,069	77.5	10,915	78.4	21,984	78.0
(B) Health care	3,825	26.8	4,798	34.5	8,623	30.6
(C) Unemployment	7,463	52.3	7,806	56.1	15,269	54.1
(D) Federal tax reform	7,814	54.7	6,957	50.0	14,771	52.4
(E) Environmental protection	3,739	26.2	4,110	29.5	7,849	27.8
(F) Consumer protection	4,008	28.1	4,744	34.1	8,752	31.0
(G) Formation of a firm energy program	6,851	48.0	5,474	39.3	12,325	43.7
(H) Mass transportation	2,742	19.2	2,539	18.2	5,281	18.7
(I) Crime	8,484	59.4	8,886	63.8	17,370	61.6
Total	14,276	100.0	13,922	100.0	28,198	100.0
2. How do you rate the work of the 94th Congress thus far?						
(A) Good	626	4.7	593	4.6	1,219	4.6
(B) Average	4,771	35.5	5,276	40.7	10,047	38.0
(C) Poor	8,051	59.9	7,088	54.7	15,139	57.3
Total	13,448	100.0	12,957	100.0	26,405	100.0
3. How do you rate the leadership of President Ford?						
On foreign affairs:						
(A) Effective	3,964	29.1	3,108	23.5	7,072	26.3
(B) Not effective	6,193	45.5	5,753	43.4	11,946	44.5
(C) Undecided	3,461	25.4	4,386	33.1	7,847	29.2
Total	13,618	100.0	13,247	100.0	26,865	100.0
On domestic affairs:						
(A) Effective	2,426	18.0	2,107	16.2	4,533	17.1
(B) Not effective	8,914	66.3	8,274	63.5	17,188	64.9
(C) Undecided	2,113	15.7	2,656	20.4	4,769	18.0
Total	13,453	100.0	13,037	100.0	26,490	100.0
4. To conserve oil, do you most favor:						
(A) Gasoline rationing	5,869	50.5	5,829	51.8	11,698	51.1
(B) Increasing gas taxes	1,768	15.2	1,452	12.9	3,220	14.1
(C) Increasing import taxes on oil	3,993	34.3	3,975	35.3	7,968	34.8
Total	11,630	100.0	11,256	100.0	22,886	100.0
5. Should the United States continue to supply arms (by sale or otherwise) to:						
(A) Israel?	1,669	19.9	1,520	18.9	3,189	19.4
(B) Other Middle East countries?	339	4.0	275	3.4	614	3.7
(C) Countries to which we are allied by treaties	6,364	76.0	6,242	77.7	12,606	76.8
Total	8,372	100.0	8,037	100.0	16,409	100.0
6. Should stricter gun control be imposed?						
Yes	6,698	49.2	7,536	57.3	14,234	53.2
No	6,216	45.7	4,671	35.5	10,887	40.7
Undecided	697	5.1	943	7.2	1,640	6.1
Total	13,611	100.0	13,150	100.0	26,761	100.0
7. (A) Since the U.S. Postal Service became a quasi-private corporation 4 years ago, do you believe postal service has improved?						
Yes	975	7.8	865	7.1	1,840	7.5
No	10,667	85.6	10,572	86.9	21,239	86.2
Undecided	820	6.6	727	6.0	1,547	6.3
Total	12,462	100.0	12,164	100.0	24,626	100.0
(B) Become worse?						
Yes	7,192	67.2	7,237	68.2	14,429	67.7
No	2,821	26.3	26,91	25.3	5,512	25.9
Undecided	693	6.5	689	6.5	1,382	6.5
Total	10,706	100.0	10,617	100.0	21,323	100.0
(C) Stayed the same?						
Yes	3,649	42.9	3,391	41.5	7,040	42.2
No	4,235	49.8	4,115	50.3	8,350	50.1
Undecided	614	7.2	673	8.2	1,287	7.7
Total	8,498	100.0	8,179	100.0	16,677	100.0
8. Should public works be increased to stimulate employment?						
Yes	8,384	64.2	8,463	66.5	16,847	65.3
No	3,719	28.5	2,999	23.6	6,718	26.1
Undecided	960	7.3	1,261	9.9	2,221	8.6
Total	13,063	100.0	12,723	100.0	25,786	100.0
9. Should the United States reestablish formal relations with Cuba?						
Yes	7,829	59.7	6,493	51.0	14,322	55.4
No	3,803	29.0	4,009	31.5	7,812	30.2
Undecided	1,474	11.2	2,230	17.5	3,704	14.3
Total	13,106	100.0	12,732	100.0	25,838	100.0
10. Do you approve the national 55 mile-an-hour highway speed limit?						
Yes	9,170	68.8	9,755	74.6	18,925	71.6
No	3,955	29.7	3,079	23.5	7,034	26.6
Undecided	212	1.6	246	1.9	458	1.7
Total	13,337	100.0	13,080	100.0	26,417	100.0
11. Should across-the-board wage, price, rent, profit, and interest rate controls be imposed?						
Yes	5,711	43.5	5,466	43.1	11,177	43.3
No	6,081	46.3	5,445	43.0	11,526	44.7
Undecided	1,333	10.2	1,764	13.9	3,097	12.0
Total	13,125	100.0	12,675	100.0	25,800	100.0
12. Do you think Congress should exercise control over grain sales to foreign countries?						
Yes	9,795	74.8	9,679	75.7	19,474	75.2
No	2,611	19.9	2,109	16.5	4,720	18.2
Undecided	696	5.3	1,003	7.8	1,699	6.6
Total	13,102	100.0	12,791	100.0	25,893	100.0

	His		Hers		Total	
	Number	Percent	Number	Percent	Number	Percent
13. (A) When you buy your next car will it be full size?						
Yes	2,017	17.9	1,740	16.1	3,757	17.0
No	8,128	72.0	7,898	73.1	16,026	72.5
Undecided	1,148	10.2	1,166	10.8	2,314	10.5
Total	11,293	100.0	10,804	100.0	22,097	100.0
(B) Intermediate?						
Yes	4,025	42.0	3,814	41.3	7,839	41.7
No	4,197	43.8	4,071	44.1	8,268	44.0
Undecided	1,359	14.2	1,340	14.5	2,699	14.4
Total	9,581	100.0	9,225	100.0	18,806	100.0
(C) Small?						
Yes	5,413	56.0	5,252	56.4	10,665	56.2
No	2,945	30.4	2,843	30.5	5,788	30.5
Undecided	1,314	13.6	1,218	13.1	2,532	13.3
Total	9,672	100.0	9,313	100.0	18,985	100.0
14. Do you consider further space exploration advisable at this time?						
Yes	5,031	38.8	3,817	30.1	8,848	34.5
No	6,893	53.2	7,582	59.9	14,475	56.5
Undecided	1,029	7.9	1,269	10.0	2,298	9.0
Total	12,953	100.0	12,668	100.0	25,621	100.0

WHY EMBARGO VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 10 minutes.

Mr. BINGHAM. Mr. Speaker, the Defense Department must have neglected to tell the State Department that the Vietnam war is over. State, on behalf of us all, is still fighting—not a military war, but an economic one. The weapon of our economic war against Vietnam is a total embargo.

The U.S. embargo of Vietnam which, at State Department direction, the Treasury and Commerce Departments imposed in April and May, consists of two elements: A freeze on all Vietnamese assets held by American banks or other commercial institutions subject to American law, and a ban on all U.S. exports to Vietnam. The asset freeze is based upon the Trading With the Enemy Act, and the export controls upon the Export Administration Act of 1969. Both of those statutes give broad latitude to the President to impose embargoes.

But why an embargo on Vietnam? Why an embargo now that the fighting is over and we want from Vietnam only an accounting for our MIA's and compensation for U.S. private investments left behind in Vietnam? Is an embargo the way to achieve those ends?

The administration says the embargo is a "wait-and-see" policy—wait-and-see how the new government and its policies shape up. "No policy," the administration told the Subcommittee on International Trade and Commerce which I chair and which held hearings on the embargo shortly after it was imposed, "is irreversible."

While they may not be irreversible, policies develop strong inertia. The justifications of those who formulate and defend them become the cliches that perpetuate them. And no instrument of U.S. foreign policy is supported more by cliches and unexamined assumptions than embargoes.

It is generally assumed, for example, that economic embargoes impose real hardship on the embargoed nation. That may have been true when the United States was virtually the sole world source of many goods and commodities. Today, however, there are few things available from the United States—even in the area of sophisticated technology—that are not also commercially available from one or more other nations. So the hardship imposed by an embargo is considerably less than we assume.

Nevertheless, embargoes can impose some hardship, particularly when a country's essential services—like power and transportation—are provided by American equipment that requires American spare parts and supplies.

But who in Vietnam are we trying to punish, and why? If it were appropriate for us to be punishing anyone in Vietnam, it would presumably be the North Vietnamese who took control of the South by force of arms. But it is in fact South Vietnam rather than North Vietnam that is heavily dependent for power and other essentials upon American-built equipment. So it is the people of the South who will suffer most from the effects of a U.S. economic embargo. Have these people changed so much since being overtaken by the forces of North Vietnam that they now deserve sanctions from the United States while only a few months ago we were laying down American lives for them?

Another impression—perhaps misimpression—about embargoes is that they are a good way to assure payment for expropriated American property. That myth undoubtedly stems from our use of embargoes against Cuba and Communist China. It is just that—a myth. We have never reached a successful settlement of claims with any country while we imposed an embargo on them. On the contrary, in every instance where we have obtained claims settlements, it has been under circumstances where we had never resorted to an embargo, or had removed it. Interestingly, in the case of Cuba, Western European countries that refrained from embargoing Cuba have been able to reach claims settlements with the Castro government, while U.S. claimants, supposedly strengthened by an embargo, have achieved nothing in the way of repayments.

A common assumption about total economic embargoes is that they cut off the embargoed nation from the benefits of American products. But often when relations are so strained that an embargo is contemplated, no trade would occur under any circumstances. That is almost certainly the case with Vietnam. The Vietnamese have little hard currency—the only basis on which any American firms would agree to supply them. Given uncertainties about the domestic policies of the Government of Vietnam, no American company would risk investing there. So trade possibilities are limited regardless of the embargo, except perhaps for a few items the Vietnamese would consider important enough to allocate hard currency to obtain.

A case can be made for holding onto Vietnamese assets which are under American control. Those assets could be used to help pay for American investment losses in the event no claims settlement is reached. In the case of Vietnam, some estimates are that Vietnamese assets held by the United States are nearly sufficient to compensate American firms fully for their losses. But export controls offer no such advantage.

If the embargo, then, has little real importance for trade, what does it do? At the moment, its main impact is on goods donated by private Americans and American organizations to the Vietnamese. The way the embargo is administered, it applies even to private gifts offered in a spirit of charity by Americans to Vietnamese. Licenses are required under the embargo rules for such private humanitarian assistance, and such licenses continue to be denied for all but immediately consumable foods and medicines. So rather than cutting off Vietnam from vital commercial trade, our embargo is actually preventing acts of charity and assistance to the suffering people of Vietnam whom we so long defended. Simple rototillers, fishnets, and tools donated by private Americans are among the casualties of the embargo so far.

Many segments of the American business community recognize the folly of the embargo and favor lifting it even though American businesses would probably reap no immediate gain from such an action. I recently received a most interesting communication from the Governor of the American Chamber of Commerce in Hong Kong, Mr. Louis E. Saubolle, indicating his belief that the embargo should be lifted and informing me of his plans to present a resolution at the November meeting of the Asian-Pacific Council of American Chambers of Commerce in Seoul relating to trade with Vietnam. Mr. Saubolle's letter, draft resolutions relating to Vietnam, and a position paper entitled "The Establishment of Commercial Relations With All Indochina States" follow this statement.

I have received a similar communication from Mr. K. J. Adalbert, chairman of the American Business Council of Singapore in support of H.R. 9503, a bill I have introduced that would lift the embargo.

Finally, Mr. Speaker, I have received a letter from Amtraco Corp., indicating that company's support for removal of the embargo. The Amtraco letter is particularly noteworthy in that Amtraco holds contracts with the Vietnamese government for which it is now unable to receive payment in the face of the embargo—a situation which other U.S. companies undoubtedly find themselves in and which, in Amtraco's case, threatens the company's very existence.

Mr. Speaker, I submit the documents to which I have referred for inclusion in the RECORD at this point.

BANK OF AMERICA,
October 24, 1975.

Congressman JONATHAN BINGHAM,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN BINGHAM: I have noted with great interest that you have recently introduced legislation designed to lift the U.S. trade embargo on both North and South Vietnam.

As you may be aware, I am the only American banker to have visited Hanoi since the founding of the DRV. During my talks with senior Vietnamese trade and banking officials in Hanoi this July, they made it clear to me they were interested in establishing trade ties with U.S. corporations. The only stumbling block, as they see it, is the trade embargo imposed by Washington.

In this light, I was repeatedly assured in Hanoi, and by North and South Vietnamese representatives in Hong Kong, that trade relations between our countries can develop independently of diplomatic relations.

As a Governor of the American Chamber of Commerce in Hong Kong (AmCham) I have been involved in the preparation of a resolution for the Asian-Pacific Council of American Chambers of Commerce (APCAC) meeting in Seoul next month, in regard to the questions you have raised independently in Washington. For your information, I enclose *drafts* of this resolution and of an accompanying position paper.

I would appreciate a copy of your proposed legislation and any other material which you feel would be relevant.

Please do not hesitate to contact me if I can be of any service to you in this matter.

Sincerely yours,

LOUIS E. SAUBOLLE.

THE APCAC ANNUAL MEETING, SEOUL, KOREA, NOVEMBER 7–10, 1975

THE ESTABLISHMENT OF COMMERCIAL RELATIONS WITH ALL INDOCHINA STATES

(Prepared by: Louis E. Saubolle and William A. Rosenthal)

Recent events in Indochina, and the dramatic speed with which they took place, have necessitated an urgent re-appraisal of the new situation by all foreign corporations involved in this area.

For no group is this more true than for American businessmen, who must look not only at the developments in Indochina, but also at their effect on the whole Southeast Asian region; and in particular, on their effect on the viability of continued investment and economic participation in Southeast Asia.

Since the changes of government in Saigon and Phnom Penh, it has become apparent that Hanoi is the dominant force in the region, and that the path chosen by Hanoi is having, and will continue to have, far reaching consequences for economic conditions in Southeast Asia.

Leaders in such formerly anti-communist countries as Thailand, Malaysia and the Philippines have been quick to comprehend the new realities, and the urgent thrust of their foreign policies is to adapt to these realities as they see them. An important aspect of this process of adaptation has been a move towards accommodation with Peking and Hanoi.

American corporations, particularly those with large investments in Thailand and Malaysia, are only too well aware of this new trend, and its potential effects on the domestic policies of these countries.

It is therefore because of what we perceive to be the new economic and commercial realities of the region that we seek the ability to open business relations with the Democratic Republic of Vietnam (DRVN).

North Vietnamese officials have said they are willing to establish business contacts with American corporations, in line with their stated belief that political and economic relations can develop separately, and do not necessarily depend on one another.

One of several stumbling blocks at present to the development of such economic relations is the U.S. trade embargo imposed by the Treasury Department's Office of Foreign Assets Control. In this regard, both North and South Vietnam officials have said they would like to see some sign of goodwill from the U.S. Government. Washington, on the other hand, says they are waiting for such a sign from Hanoi.

We take note, without prejudice, of manifestations of the position of the US Govt:— It is our understanding that the United States Government has expressed support for a "wait and see" policy and is prepared to look to the future; the US Government attitude towards the Indochinese countries will be influenced by their conduct towards the US. The current attitude in Washington is that they see little sign that the countries of Indochina have done anything which appears as a forward movement in the direction of better relations with the United States.

Our understanding of the US Government's view is that the basic issues are: (1) US service men missing in action (MIA); (2) US civilians detained in Vietnam; and (3) frozen assets. Washington feels that a move for any US relaxation should wait until the US can see clearly what Vietnam intends to do in their future relations with the US and the countries in the area. The relaxation of restrictions envisaged would not be taken as a unilateral act by the US, but would be done in return for what Washington would regard as positive moves on the part of Vietnom or Cambodia. The US Government takes the view that trade relations can be useful as a bargaining tool.

There are those who urge that Hanoi needs Washington and trade with the US much more than the US needs trade with Vietnam. This may be true—in the short-term. But in the long-term, the United States has a chance to exert a moderating influence on events in this area by maintaining a dialogue with Hanoi, and we firmly believe US-Vietnam relations to be crucial to the future of the whole region.

Vietnam is now in the arduous process of turning the economy from a wartime to a peacetime footing. The North was ravaged by years of fighting and the North Vietnamese freely admit that the economy has not progressed since 1965. In order to rebuild the economy, they will need imports of technology and equipment.

Closer relations between the United States and Vietnam are therefore feasible and essential for a number of political and economic reasons. Hanoi has long pursued policies designed to guarantee independence for Vietnam while maintaining good relations with its various socialist allies. She has made it clear that she does not wish to be dominated by anyone, and improved relations with Washington would permit the Vietnamese to pursue this independent course.

The new, positive role that can be played in this region by the United States, an important part of which would include trade relations, has been outlined recently by Senator Jacob Javits. In a speech following his visit to China and Japan, Sen. Javits called for a new US policy in Asia based on a "positive premise—the national interests of the United States, interests keyed to peace, industrial and commercial development and the preservation of human rights, in place of the old negative premise of opposition to communism."

Sen. Javits continued: "The reality today is that the United States has opened the door to a working relationship—normalization—with China . . ."

Finally, it should be pointed out that trade embargoes, such as those now in effect vis-a-vis Vietnam and Cambodia, have rarely proved effective. It therefore does not appear advantageous to maintain an embargo that is virtually unenforceable.

PROPOSED RESOLUTION: NORMALIZATION OF U.S. COMMERCIAL RELATIONS IN INDOCHINA

The Asia-Pacific Council of American Chambers feels that a key condition for the development of a strong, independent and peaceful Asia is a direct and open dialogue, accompanied by normalized relations, between the United States and all countries of the region. Furthermore, APCAC feels that commercial and political interchange would materially contribute to regional political and economic stability.

To this end, the US Government and the governments of the Indochina States should move to assure a smooth and rapid developments of relations with each other. Particularly, and in view of the express willingness of Vietnam to establish business relations with US corporations, the US government should take appropriate steps, in return for positive moves by Vietnam or Cambodia, to permit US trade with the countries of Indochina under terms at least as favourable as those in effect with the People's Republic of China.

THE AMERICAN CHAMBER OF
COMMERCE IN JAPAN,
September 11, 1975.

ACCJ DRAFT RESOLUTION ON UNITED STATES-VIETNAM RELATIONS

To bolster both the United States image and U.S. business relations in South East Asia, and to carry forward the long established American objective of helping create an economically viable, independent Vietnam, APCAC urges a U.S. Government supported, private sector economic mission be dispatched promptly to Saigon and Hanoi, led by a senior American business figure.

Precedent exists in the U.S. trade mission to the Peoples' Republic of China, November 1973, in support of an ongoing economic relationship, leading to eventual adjustment in diplomatic ties.

Experience shows clearly that American long term, stabilizing international objectives are not achieved through boycott and the ending of all dialogue. Therefore we urge a United States initiative to re-open the economic relationship with Vietnam.

AMERICAN BUSINESS COUNCIL,
SINGAPORE, *October 24, 1975.*

Re: H.R. 9503, U.S. Embargo of Trade with South Vietnam & Cambodia.

SPECIAL COMMITTEE INTERNATIONAL TRADE AND COMMERCE,
House International Affairs Committee,
Washington, D.C.

GENTLEMEN: The American Business Council of Singapore comprised of 250 U.S. companies whose basic aim is to promote international commerce, particularly in Southeast Asia, strongly supports lifting the Administration's trade embargo on all but security related materials. We also commend the Bill for avoiding any reference to U.S. government aid.

We feel the embargo is now counter productive. From our experience in the area, we believe that most of the goods and services required by Vietnam and Cambodia are readily available from sources other than the U.S. Lifting the embargo to re-establish commercial relations with U.S. firms would follow our country's tradition of reconciliation with former enemies, while simultaneously allowing the economic and commercial benefits to accrue to U.S. firms.

Sincerely,

K. J. ADALBERT,
Chairman.

SHAW, PITTMAN, POTTS & TROWBRIDGE,
Washington, D.C., October 24, 1975.

Re: H.R. 10236, Vietnamese Embargo.

Hon. JONATHAN B. BINGHAM,
House of Representatives,
Washington, D.C.

DEAR JACK: I want to congratulate you personally on the introduction of your bill, H.R. 10236, requiring the Administration to abandon its embargo of North and South Vietnam. In addition, as counsel for the Amtraco Corporation in New York City, your attention is respectfully called to an incidental but important justification for priority consideration of your bill: it would relieve the unintended damage which is currently being done to U.S. manufacturers and exporters unable to fulfill contracts with South Vietnam importers because of the sudden and overly zealous use of wartime powers to cut off all transactions with South Vietnam, without notice and without relief for pending commitments.

The tendency of our Government to accumulate war and emergency powers with each war without termination has made possible the odd spectacle of the U.S. hurting its own citizens by the abruptness with which it implements a questionable postwar attitude towards North and South Vietnam.

It seems to me that your bill is a necessary step towards curtailing the apparent immorality of the broad powers of the Trading with the Enemy Act and that it should be urgently scheduled for hearings in view of the daily damage being unnecessarily done to U.S. manufacturers and exporters. I feel confident that those affected would provide useful information at such hearings.

With kindest personal regards,

STEUART L. PITTMAN.

AMTRACO CORP.,
New York, N.Y., October 28, 1975.

Hon. JONATHAN BINGHAM,
House of Representatives,
Washington, D.C.

DEAR MR. BINGHAM: We have been informed by our mutual friend, Steuart Pittman, that you have introduced a bill (H.R. 10236) last week in the House together with a group of New York and California congressmen, which would repeal the embargo on trade with North and South Vietnam. We are particularly interested in this legislation as we have ordered and had made approximately a million dollars worth of electrical equipment which the embargo made impossible to ship to our customer, the Vietnam Power Company. The inability to ship this equipment continues to threaten the very existence of this 118 year old American exporter.

A more general reason to favor repealing the embargo is the fact that South Vietnam is largely equipped with American machinery, power generation and delivery, and motor vehicles. Continuation of the embargo makes it impossible for the owners to maintain this equipment properly and can only force them to seek other suppliers. Timely lifting of the embargo would open immediately a market for American spare parts exports and give us the opportunity to maintain South Vietnam as an American oriented market, and, hopefully, spread that orientation to North Vietnam.

We would very much appreciate your arranging that we be kept informed of progress on this bill, and, if there is anything we can do in support of it, that you let us know. To this end we have brought your bill to the attention of the World Trade Committee of the New York Chamber of Commerce and Industry and the National Association of Export Management Companies and hope to enlist their support.

Very truly yours,

MCWILLIAMS V. BOLLMAN,
Vice President.

RHODESIAN "INDEPENDENCE"

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, today marks 10 years since the Unilateral Declaration of Independence—UDI—from Great Britain by minority white settlers in Rhodesia.

The minority regime of Ian Smith has, during this period, instituted a number of measures designed to assure its control over the 95-percent African majority which lacks even basic freedoms and equal rights, and consequently, over mineral-rich Rhodesia.

For example, freedom of movement is restricted and Africans are required to have a valid travel document at all times. The Africans' basic right to vote is severely restricted by voting requirements based on income, property, and education levels, which have resulted in only thirteen one-hundredths of 1 percent of the African population being allowed to vote. Education for whites is free and compulsory, but Africans must pay for their education which is noncompulsory, with the result that, in 1974, 35,000 Africans and 25,000 whites were in secondary school—hardly reflective of a 20-to-1 population ratio. Moreover, the most productive farmland and all the cities are designated as belonging to the 5-percent minority, while Africans are restricted to the 50 percent of the land which is the poorest and least productive.

Those who protest this discrimination are subject to severe, often brutal, repression, and the options open to the majority to change the system are virtually nonexistent, since it is a crime for anyone in Rhodesia to criticize the racial policies of the Smith regime. As a result, arbitrary detentions, arrests, torture, and executions of Africans continue with more than 200 political prisoners still in jail.

Despite these severe measures, today's Rhodesia is in an increasingly precarious position. In fact, following the April 25, 1974, coup in Portugal, progress toward independence and majority rule in Southern Africa has been so swift that the question is no longer if, but when, Rhodesia will have a majority-ruled government. This realization stems from a host of increasing pressures—both external and internal—upon the regime. First of all, Rhodesia can no longer be assured of the continued support of South Africa, which is concerned with its own problems of international pressure, growing internal resistance, and securing its border with Mozambique. In fact, South Africa has withdrawn its policy from Rhodesia and has publicly indicated interest in the achievement of a settlement in Rhodesia.

In addition, Rhodesia can no longer rely upon the very valuable military intelligence provided by the Portuguese Army in Mozambique and helpful to the conduct of Rhodesia's own civil war.

Economically, international sanctions have played an important role in Rhodesia's continuing shortage of industrial spare parts and foreign exchange which appear to have particularly worsened over the past year.

Finally, the implications for Rhodesia of having a Frelimo-run government in Mozambique are, in themselves, far-reaching. The Smith regime, with its limited manpower, now has a 765-mile border with recently independent Mozambique to defend, and must face the uncertainty of continued access to the Ports of Beira and Lourenco Marques of Mozambique. In fact, there have been a number of recent reports of skirmishes across the Rhodesian borders with Mozambique, Botswana, and Zambia. These factors point to a weakening of the regime and the inevitability of majority rule there, despite Mr. Smith's efforts to the contrary.

COLLINS CONDEMNS U.N. RESOLUTION

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Mrs. COLLINS) is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, last night the United Nations, in a display of contempt for world peace and decency, passed a resolution condemning Zionism as a form of racism. This act has been viewed by most observers as being offensive, spiteful and futile.

It is sad to think that the United Nations, which was created in an attempt to maintain world peace and human rights should now—30 years later—betray the spirit of humanism in which it was created. As Chaim Herzog, Israel's chief delegate, reminded the United Nations last night:

> This was the night—on November 10, 1939—when Hitler's Nazi storm troopers launched a coordinated attack on the Jewish community in Germany, burned the synagogues in all its cities, destroyed Jewish holy books, and attacked Jewish homes.

The irony is not lost on those of us who have strongly supported the United Nations in the past. The epitaph for the United Nations might well have been sealed last night.

Last night's unfortunate vote could result in further erosion of U.S. support for that world body—if, in fact, it is still a "world" body. The United Nations plays a very important role because it is the only place where the community of nations can gather and debate critical world concerns. However, if a majority of the world of nations is willing to proclaim Zionism to be a form of racism, then that same majority may be willing to proclaim nationalism, Catholicism, and blackness as forms of racism, too, for all of these concepts are states of mind—philosophies which help specific communities to survive.

The further irony of last night's actions can be seen in the General Assembly's approval of a resolution allowing the Palestine Liberation Organization to participate in a peace settlement in the Middle East. This, on the one hand, seems to condone the actions of the terrorist organization while, on the other hand, condemn the spirit of Zionism.

Mr. Speaker, I denounce the actions taken last night by the United Nations and hope that the majority of that body will reverse themselves.

SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT ANNOUNCES HEARINGS ON NATIONAL HEALTH INSURANCE PROGRAM

The SPEAKER pro tempore. Under a provision order of the House, the gentleman from Florida (Mr. ROGERS) is recognized for 5 minutes.

Mr. ROGERS. Mr. Speaker, I am announcing today the opening of public hearings before the Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee on the subject of national health insurance. Hearings will begin the week of December 8, 1975, with testimony from the congressional and organizational sponsor of the major health insurance bills introduced in this session. They will resume the middle of January 1976, with a focus on specific issues. The hearings will serve to continue the very informative set of hearings that were held before the subcommittee on the same subject.

Over the past several years, the Subcommittee on Health and the Environment of the Interstate and Foreign Commerce Committee has systematically produced legislation in a number of health areas that are part and parcel of a national health care program. We have dealt with issues of planning and health resources and facilities, question of manpower supply and distribution, and issues surrounding the development of organizational choices in the health care delivery system like health maintenance organizations—HMO's.

These areas have been addressed to improve, streamline, and make our existing system more effective. Additionally, we must consider what new demands will be made on manpower, facilities, and resources if we create a truly national program of health care, no matter what form this new program takes.

Current discussion has centered on the financing mechanism. But it would be a hollow accomplishment to devise a financing mechanism if we did not have the proper supply of manpower, facilities, and resources to make the system work. We cannot afford to simply overlap a financial payment plan on the existing system. We must prepare the basic elements of the health system in order that they can respond to the new demands which an enlargement of the system will make.

We believe that the time is right for our subcommittee to turn its attention to a national health program.

It is widely recognized in the Congress and in the country that access to high quality health care is vital for our citizens. We have one of the most highly developed medical care systems in the world. And yet too many persons find they do not have access to care when they need it, too many persons face financial ruin each year because of catastrophic illnesses, too many of our children fail to get the proper health care they need in the early years of their life to make them as healthy and productive throughout their lives as they could be. It is estimated we will spend over $118 billion as a nation for our health care this fiscal year, yet these problems remain with us.

Additionally, medical care costs keep rising at an alarming rate—the inflation factor was in excess of 13 percent in the last year—and the costs of both our public medical care coverage programs and the costs of private insurance continue to increase rapidly as a result. What more pertinent reminder can we have of this than the recent news of the 35-percent average increase in premiums in the Federal employees' health benefits program. We need to find better ways to assure that the dollars we spend on health care buy more necessary services and better quality services, and that they are not simply eaten up by inflation or worse, contribute to inflation.

Further, the intimate relationship between the delivery of medical care and its financing makes it important that we find ways to make these systems work to complement each other. The major issues of health care delivery and health insurance must be considered together and solved together if we are to truly make progress in providing better health care to all Americans.

It had been my hope that my subcommittee and the Health Subcommittee of the Ways and Means Committee, both of which have claim to jurisdiction in the area of national health insurance, could find a way to expedite this legislation by holding joint hearings. Unfortunately, this could not be worked out. Apparently the Ways and Means Committee's jurisdiction is centered on questions relating to payroll tax financing of a health insurance program; our role is considerably broader, encompassing not only traditional health issues—health planning and manpower issues, preventive and public health care questions, aspects of the organization of health care delivery—but also all general revenue financing questions, coverage of the poor, and benefit and reimbursement issues.

But if we cannot have joint hearings, the Commerce Committee's broad responsibilities in the health insurance area requires us to pursue the subject on our own. I would hope that we can structure our hearings to cooperate with the Ways and Means sessions. We hope that both sets of hearings will add to the understanding of the complex problems of our health care system, and that we can work toward formulation of a strong and viable national health insurance plan in this Congress.

The hearings before the Commerce Health Subcommittee will provide a review of the major issues involved in formulating a national health program. We will examine issues related to appropriate reimbursement systems, regulation of health care, necessary structural changes in the delivery system that must precede and be part of a national health program, the relationship of existing publicly financed, direct service programs to a health financing plan, and the long-range economic consequences of any national health care system. We approach these hearings with a focus on those issues which we will need to deal with when legislation is formulated. For legislation in this Congress is our goal.

CRYSTAL NACHT, NOVEMBER 10, 1975

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, yesterday is a day that will go down in the annals of history as a day when one of the grossest outrages was committed. As Israeli Delegate Chaim Herzog to the United Nations said:

> Hitler would have felt at home in that body.

Not only did the anti-Semitism embraced by Hitler reign in that body—but the resolution passed on the very anniversary of the infamous Crystal Nacht of November 10, 1938. That was the night when, as Ambassador Herzog recalled:

> Hitler's Nazi storm troopers launched a coordinated attack on the Jewish community in Germany, burned the synagogues in all its cities, destroyed Jewish holy books and attacked Jewish homes.

Those countries that yesterday approved the resolution classifying Zionism as "a form of racism and racial discrimination" are countries that do not know the meaning of morality. They are led by the Arabs and the Soviets and are for the most part totalitarian and with rare exception do not know the democratic processes. To be charitable, one could note that some were pulled along out of fear of being deprived of oil or money from Arab States. But, I must say, Mr. Speaker, that I am not moved to accept such pusillanimity as an excuse. If the wrath of God is ultimately to fall upon those who engaged in this abomination, it will fall upon all of them. And the tacit acquiescence of the 32 states that abstained makes them guilty too of this foul deed.

We in the United States must be proud again of our delegate, Patrick Moynihan, who rose and said:

> The United States does not acknowledge, will not abide by, will never acquiesce in this infamous act. . . . This day will live in infamy.

The question now is what the United States should do. We must make clear our willingness to allow the United Nations to continue as a forum in which such bias reigns and outrages are committed. We must reconsider—as painful as it is—our membership in this forum. For while we protest and oppose its infamous acts, as a matter of morality, our membership and support of a vehicle of such heinous acts eventually taints us too. I would urge, therefore, that we should forthwith end all financial support to the United Nations and all of its affiliated organizations. The rules of that organization provide that at the end of 2 years of nonpayment of dues, voting privileges in the General Assembly are canceled. In my judgment if in that same period the United Nations does not reverse its position on this matter and a whole host of others, then we should allow that membership to lapse. To those who say we must work quietly and behind the scenes, I say that there were similar voices raised in Germany by those who joined the Nazi government to "work from within." Mr. Speaker, one cannot work within totalitarian organizations and change them by joining them; indeed, Mr. Speaker, it is just the other way. By continuing with such organizations it is we who will be corrupted to become like them. And that must never happen.

CHICAGOANS SAY YES TO GUN CONTROL

(Mr. ROSTENKOWSKI asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. ROSTENKOWSKI. Mr. Speaker, the Chicago Tribune has recently conducted a poll in the Chicago area on the issue of gun control. It is one of the most exhaustive research efforts on this important subject ever conducted by a single newspaper. The results of the poll were released in connection with a four-part series of articles which began a week ago Sunday. The results show dramatically that the residents of Metropolitan Chicago, gun owners as well as nongun owners, favor much stronger Federal gun control laws. In fact, 86 percent of those polled were in favor of the strict control of handguns.

In a separate poll conducted last spring by 6 different Chicago area organizations 83 percent of the 21,000 respondents were in favor of the legislation that Abner Mikva and I have introduced again this year. Our bill would ban the manufacture, sale, importation, distribution, or transfer of handguns.

In the recent Rostenkowski Eighth District questionnaire, 72.2 percent of those responding said that they were in favor of handgun control legislation and 65.8 percent said that they would support more stringent gun control than proposed by the Mikva-Rostenkowski bill.

I hope that soon we will finally be debating this issue here on the floor of the House and I hope that we will pass out of this body a strong piece of legislation that will help to rid our streets of guns.

Most of my colleagues are well aware that I have never been one to place lengthy pieces in the Congressional Record. However, Mr. Speaker, the Chicago Tribune has provided a great service to the Nation in its thorough investigation and analysis of attitudes about guns and gun control. I have been informed by the Government printers that the estimated cost of reprinting the Tribune series in the Congressional Record would be $1,215.50. This is a small price to pay for such valuable information to be made readily available to all Members of Congress. I include the materials in the Congressional Record:

Chicagoans Say "Yes" to Gun Control

(By Wesley Hartzell)

Two persons have tried to shoot President Ford and failed.

Only one tried to shoot Joe Habron, a Northwest Side youth. The gunman succeeded, and then killed himself.

Joe's tragedy came to light in a Chicago Tribune survey that has uncovered sweeping support for laws to control guns, even among the vast number of persons who have guns.

Joe Habron is a false name but a real case in point.

Joe's father is one of 509 metropolitan Chicagoans called when a survey computer coughed out their telephone numbers in selecting a random sample of residents of the six-county metropolitan area. Like nearly all those interviewed, he is very much in favor of tightening gun laws.

"I have a good reason," he said. "I lost a son by a gun fired by someone who was off his rocker. And as a result of that, I lost my wife later." At that point he broke down, and could say no more.

The gun that killed Habron is one of 573,000 registered in Chicago since registration began in 1968. Enough guns, says Francis P. Kane, Mayor Daley's special assistant for gun registration, to arm 30 Army divisions. An additional 30,000 are registered each year, 52 percent of them handguns.

Nationally, it is estimated that at least 90 million and as many as 135 million firearms are in the hands of private citizens, including no less than 40 million handguns. Each year, about 2.1 million more handguns are manufactured in the United States.

If, as has been said many times, Americans are married to their cars, then there is ample evidence that guns are their paramours.

No one knows exactly how many guns there are in the six-county area outside Chicago where guns do not have to be registered. The Tribune survey indicates that at least one of every five city households contains guns and that twice as many suburban households—two of every five—possess guns. And the majority of those who admit they own guns also admit to owning two or more.

Whether gun owners or not, the survey found, the vast majority of citizens of metropolitan Chicago favor strict controls on guns, and especially handguns.

To measure these attitudes, those in the survey were asked to approve or disapprove five measures, ranging from a broad, general proposal for "strict control and regulation" of handguns to a stringent and specific proposal that all private ownership of handguns be outlawed.

The responses ranged from an overwhelming 88 per cent in favor of Congress requiring registration of all handguns to a surprisingly narrow 50 to 45 per cent rejection of a tough law to ban private handgun ownership.

Supported as widely as national handgun registration is a proposal to license the owners of all the nation's guns; 87 per cent said they would support the Congress in passing such a law.

An 82 per cent majority said they support what essentially would be a community-level gun control measure: That a police permit be required to "buy any kind of a gun."

Even the small group of respondents who said their households include a member of the National Rifle Association [NRA] support the police-permit proposal by a 4-to-1 margin.

Respondents in those homes also support the general proposition that there should be "strict control and registration of handguns in this country" by the same 4-to-1 margin—not far behind the 86 per cent support for the proposal form all respondents. In light of the NRA's well-publicized opposition to many control schemes, this finding was somewhat surprising.

Support for gun controls in metropolitan Chicago is broad and impressive, with only minor differences in how intensely city and suburban residents view four of the survey's proposals, as the accompanying chart shows.

But the two areas separate sharply and significantly over the most far-reaching proposal: To outlaw private handgun ownership.

In the suburbs, a clear 58 to 37 per cent majority oppose the scheme, while in the city a 53 to 40 per cent majority approve the idea. The experiences and attitudes behind this split will be explored in succeeding stories.

The response of Chicago-area citizens to these key questions confirms and strengthens national trends in survey findings extending over the last 37 years. Surveys by George Gallup and more recently by Louis Harris have shown repeatedly during this period that solid majorities of the general public—including gun owners—favor controls.

One of the first scientific polls ever conducted, by Gallup in 1938, found that 79 per cent of the public agreed "all owners of pistols and revolvers should be required to register with the government." When the question was adapted for the Tribune survey, it won approval by 87 per cent.

In 1972, Public Opinion Quarterly examined the results of 34 years of surveys on gun control and reported that "never have fewer than two-thirds of the U.S. electorate wanted access to guns to come under some kind of official supervision. . . ."

Looking at data before and after the bloody period that began with the assassination of President Kennedy and ended with the murders of Martin Luther King Jr. and Robert Kennedy, the journal also noted, "There is no evidence that the last decade of violence, assassination, and attacks with guns has done anything to swell the public demand for regulation of weapons."

The Tribune survey found similar evidence that attitudes about gun control are so well fixed that they are not much affected by singular events. When respondents were asked if "the two recent attempts to kill President Ford changed your views on gun control," less than 1 in 10 said yes.

And most of those who answered "yes" said the only aspect of their opinions that had really changed was a realization that something should be done soon, a conclusion Joe Habron's father already had reached.

QUESTIONS, ANSWERS ON GUN CONTROL

[In percent]

	All respondents	Residence		Race			Sex	
		City	Suburbs	Whites	City whites	Blacks	Men	Women
Do you personally feel there should or should not be strict control and registration of handguns in this country?								
Should be strict control	86	93	80	86	96	87	80	91
Should not	11	5	17	12	3	9	16	7
No opinion	3	3	3	2	1	4	4	2
Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?								
Favor	82	86	78	81	88	86	76	88
Oppose	15	11	17	15	9	14	21	9
No opinion	4	3	4	4	3	-------	4	4
Would you support or oppose Congress passing a law that requires the licensing of all gun owners?								
Support	87	91	84	87	93	86	80	93
Oppose	11	8	14	11	7	13	17	6
No opinion	2	1	3	2	-------	1	3	1
Would you support or oppose Congress passing a law 'hat requires registration of all handguns?								
Support	88	92	85	89	94	89	84	93
Oppose	10	6	14	10	5	11	14	6
No opinion	2	2	1	1	1	-------	2	1
Still speaking of pistols and revolvers, should there or should there not be a law to forbid the possession of this kind of gun by all except the police and other authorized persons?								
Should be a law	45	53	37	46	60	37	37	52
Should not	50	40	58	49	34	56	59	40
No opinion	6	7	5	5	6	7	4	8

Note: Columns may not add up to 100 percent due to rounding.

HOW SURVEY WAS TAKEN

The findings in the Tribune survey came from the responses of 509 men and women whose households were selected randomly to provide a crosssection of households in the six-county metropolitan Chicago area.

The respondents were located by computer-directed random digit dialing and interviewed by telephone. The sample was drawn and field work and data processing provided for the survey by Marke-Trends, Inc., a Deerfield market research firm.

The margin of error in surveys of this type and size generally is calculated at less than 4 per cent.

Prof. James Wright of the University of Massachusetts pollster George Gallup, and the National Opinion Research Center at the University of Chicago provided assistance in the development of the survey questionnaire.

The project was directed by Michael Smith of The Tribune.

EXCLUSIVE INTERVIEW: DALEY—COMMON SENSE PLEA ON GUNS

(By Jeff Lyon)

Mayor Daley this week said he strongly favors a complete ban on the manufacture and sale of handguns and blamed congressional fear of the National Rifle Association and firearms makers for the lack of tough federal legislation.

In an exclusive interview with The Tribune in his City Hall office, Daley was the practical politician as always. He recognized that Congress is not yet ready for the full controls he advocates and instead sees strict curbs coming in phases—with registration of the nation's sidearms as the first step.

Making a common sense plea for action by lawmakers, he said he would follow new federal laws with an "educational" program to convince Americans that handguns possession is folly.

Daley led the Chicago City Council effort to pass a firearms registration ordinance in January, 1968, which is regarded as tougher than those of most cities, and his opposition to guns has not flagged.

In the interview, the mayor indicated he was not surprised at the results of a Tribune survey showing that Chicago-area residents overwhelmingly favor strong federal gun controls.

His own arguments for control lean heavily on his belief that handguns ownership actually places the owner and his family in more jeopardy, rather than in a position of safety.

Here is the interview:

Q—Mr. Mayor, you've seen the Tribune survey findings and the results of a recent Harris poll, both showing the public wants strict gun laws at the federal level. There have been many bills before Congress in the past, and they've largely failed. What chance does meaningful legislation have this time around?

A—With the figures that have been stated in the Harris poll as well as in yours, I don't think the Congress can long neglect what the people are talking about and what the people feel. I think we will get some legislation out of Congress, and I think we should.

Q—What sort of legislation?

A—The first legislation that I think the men and women who are experts in this field call for is the registration of all handguns and the identification of the handgun with the owner, not just the registration of the gun alone.

That's why our [Chicago's] law is better than the state's. We identify the individual with the gun. But the Congress should have a national law which ties up the gun with the owner.

We realize that in itself won't get the job done. We'll need an advertising campaign in the newspapers, radio, and television to point out what a serious problem it is to have a handgun in your home and point out the number of accidents that occur—husband shooting wife, boy shooting parents mistaking them for invaders.

And then, if these figures are true, and they are true, that 40 to 45 per cent of murders are committed in the heat of passion when a gun is available, then the education starts to proceed—that if you have a gun in your home, it's a dangerous weapon for everyone: husband and wife, parent and child.

This is what we see everyday. The police blotters are just loaded with this kind of crime. If we can put on the same kind of campaign nationally as we do in warning people of the dangers of cigaret smoking, I think that's when we'll see change.

Q—Our survey findings show the public already senses need for control. Why do congressmen fail to comply with the public's desires?

A—Because they're afraid of the rifle association [the National Rifle Association].

Q—Why?

A—You'll have to ask them.

Q—Do you believe it's just the rifle association, or is it the manufacturers of weapons?

A—I think it's a combination of both. It's big business. One billion, or $500 million in guns in our country. Lot of money.

[A pause, then the mayor continued.]

I don't think you can do this, getting everything you want in legislation from a democracy at this time. You've got to do it in phases, and the big push should come on the registration on the national level of the guns. You hit that.

Then the next step, and you wouldn't sell it now, is to stop the manufacturers of the guns. Why keep manufacturing handguns if everyone says they're so dangerous to our people and they're killing some of our people? There's no need for manufacture.

And then the next phase is to try and convince people not to have the gun.

Q—Please explain further.

A—I think the handgun problem in itself is principally education and enlightenment on the facts of what a handgun means in the home.

How many times in a burglary does a fella have an opportunity to get up and get to his gun and come back and confront the fella without being killed himself? Because when you are awakened, unless you are a light sleeper, you're awakened under a flashlight in your eyes.

The security that the gun gives you—that idea has to be dispelled because it doesn't give you security. It gives you danger, and it lurks every time you have that gun in your house.

I'll tell you an incident. A fella came in and told me of an experience. He had come downstairs and he saw something moving, and he had his .45 that he had as a Marine officer, and he said, "I was going to shoot, and something came over me and I hollered."

And it was his wife. She was behind the curtain coming out of the kitchen. He thought it was someone in the house. He could have killed her.

He said, "So I took the goddamn thing and I went out to the steel mills, and I threw it in one of those furnaces. I don't want a gun in my house."

You see, we have the impression, and it's historical, that the frontier people all had guns, the people in the West all had guns. They had to.

What did the fella say? Smith & Wesson makes all fellas equal. But those times are over. Then the hunters say you're taking their rifle away. You don't hunt with a handgun.

Q. Sen. Percy said he doesn't believe a gun in his house would have prevented the murder of his daughter Valerie. Is this what you're saying about the value of guns?

A—You see, many people have the gun thinking it gives them security. And this is the educational part—we have to change their thinking. It doesn't give you security. It endangers you and your family.

Now, fellas in the store with guns available—they have one under the counter or in the closet. Someone comes in, and they've defended themselves. We have to dispel that idea. Fifty per cent of the time the guy defending himself gets killed. What the hell good is the gun? When he goes to draw it, he gets killed.

Q—Mr. Mayor, Chicago has had many of

these strict laws for a long time [1968], and yet it hasn't cut the crime rates. Why?

A—You have to have the full cooperation of the prosecutors, the state's attorney. And we haven't had it. They look at fellas in a holdup with a gun, and they're talking about robbery, they're talking about armed robbery and burglary, and they never book them for the failure to have gun registration.

Q—What about laxity by judges in gun cases?

A—When there's not an aggressive prosecution, the judges have nothing to prosecute.

We have set up a special court, hoping to have a special assistant from the state to the corporation counsel, because the state's attorney's office says they're too busy, they can't prosecute. They are busy fighting major crime. So we have a new court set up and an assistant corporation counsel trying to prosecute instead of a state's attorney.

Q—How's it worked out?

A—Well, they haven't had enough time. It was just set up.

Q—(from Tribune City Hall reporter Edward Schreiber) I've heard that sometimes a policeman stops a suspicious character, believing he might be a burglar, and finds a gun. The courts throw that out.

A—Well, the prosecutor's afraid to prosecute these cases. We're bringing them now under city law, because [State's Atty. Bernard] Carey won't handle them.

Q—Carey won't handle them?

A—Well, he's made some statements about the law being unconstitutional or something else, as I recall.

Q—How about constitutionality? The U.S. Supreme Court has indicated it feels the 2d Amendment was a collective right, pertaining to militias, and doesn't give us the right to sit with guns.

A—Well, if all of us have a right to sit and hold guns under the Constitution, we're in pretty bad shape as a society. Undoubtedly. Because the right to bear arms was the right to have a militia, and the militia was a representative of the various states. And I don't think it said in there that every individual citizen of our country should be walking around with a shotgun or a pistol in his holster.

Q—One reason for the current activity in Congress on the gun question is two recent attempts on President Ford's life. Do you ever find yourself, like some others in public life, worrying about assassination?

A—No, no. I don't worry about anything. Why worry about it?

Q—Do you think. . . .

A—What about the assassination of John Kennedy and those of Robert Kennedy and Martin Luther King? Everyone thought that the death of our late President Kennedy would shock any Congress into passing some kind of legislation to regulate handguns, and the whole idea of guns. And when his brother was assassinated, we thought that would bring it.

Q—Well, you say that the politicians are afraid of. . .

A—I didn't say that. You said that. I said you have to ask them. I don't know what their fear is.

Q—Do you ever find yourself, like some others of us, speculating that there not only is a lobby effort but maybe some under-the-table efforts to . . .

A—No, no, I don't think in that direction.

Q—But that wouldn't . . .

A—No, I think every fella decides with his own conscience what he thinks.

Q—So there's no bribery effort?

A—No.

Q—You've been called a high astute politician, an expert in getting legislation passed. How would you get legislators to respond?

A—First I'd convince the executive.

Q—Do you think President Ford has been lax?

A—Well, you answer that yourself.

Q—What would you do after that?

A—Well, you'd find out whether the executive will support it or not and then take it to Congress with executive support, and then the Congress would have some direction. And that's our constitutional form of government.

Q—Our survey found many legislators themselves own gun. Sen. Stevenson, for instance, owns nine. Congressman George Shipley has one. Congressman Henry Hyde has one.

A—What kind of guns?

Q—Oh, pistols and rifles and shotguns. Some say for recreation, others say for protection.

A—Many pick them up for collections. But you'd have to talk to them about that. I can't answer.

Q—Have you ever owned any guns?

A—Have I?

Q—Yes.

A—A handgun?

Q—Yes.

A—No. And that's the end of our interview. If you don't mind [laughingly], I've got some people out there.

Guns Have Few Friends Among Old, Poor, Women

"The other day a girl down the street got shot by a gun her father had in the house. There are too many accidents with guns."—A Chicago woman in her early 20s.

"My fear is the man that has the handgun. They should be in the hands of only the police." A Chicago man of limited income, in his 50s.

"If they could control the sale of guns, it would be safer to walk the streets."—A black Chicagoan in his 40s.

"Guns are dangerous to have around the house. They seem to be getting in the hands of the wrong people."—A young Chicago woman, a high school drop-out.

If the voices of central city residents, of poorer citizens, of the elderly, of blacks and women were heard clearly in the hall of Congress and the General Assembly, they might get something they support even more forcefully than does the general populace: Strict controls on gun ownership.

A Chicago Tribune survey has found that gun controls have broad, solid-majority support throughout the six-county Chicago metropolitan area, but some control proposals win nearly unanimous support from those segments of the community.

Among older citizens especially, guns have few friends. Some of their responses to survey questions indicate that many feel themselves to be helpless prey for criminals, a feeling intensified by the frequent use of guns in crimes.

A woman over 65 told a survey interviewer she had been beaten by armed muggers several times on the street near her home. "I was so afraid to go out anymore, I quit my job. Without guns out there, I wouldn't be as afraid to go out."

It was no suprise that she was among the 55 per cent majority of survey respondents 65 and older who said they would support a law to outlaw all private ownership of handguns—a proposition rejected by half of the area's general population but approved by at least pluralities of senior citizens, central city whites, the poor, the less educated, and women.

Those giving the most resounding vote for abolishing handgun ownership are whites who live in the city: 60 per cent favor a handgun ban. But Chicago blacks reject the outlawing of private ownership of handguns by 53 per cent.

Pierre de Vise, the University of Illinois Circle Campus urbanologist, observed that their rejection of the proposal demonstrates that "the blacks are more concerned with having a gun for protection than whites. They undoubtedly feel that a law doing away with handguns would be a disadvantage to them, because they apparently believe the criminals would have guns, law or no law."

Blacks, however, join women, central whites, the poor, and the less educated in giving each of the survey's four other proposals to control guns heavier support than shown by the general population. Discussed in the first article in this series and each supported by at least 8 of every 10 area residents, the four proposals are:

That there should "be strict control and registration of handguns in this country," that a law should require a person to obtain "a police permit before he or she could buy a gun," and that Congress should pass laws requiring "the licensing of all gun owners" and the "registration of all handguns."

Those most concerned about gun controls tend to evidence greater fear and concern about crime and safety than others in the metropolitan area.

When all 509 respondents were asked if there are areas around their communities where they are "afraid to walk alone at night," nearly 67 per cent said "yes." But 89 per cent of Chicago blacks and 79 per cent of Chicago whites said "yes," as did 73 per cent of all women and 75 per cent of those over 50 years old.

In contrast, 60 per cent of the men and 54 percent of all those living outside Chicago said there are areas near their homes where they are afraid to walk alone at night.

There is little to wonder about in the fears of some groups, especially blacks. According to De Vise, blacks living in the city are 20 times as likely to be killed or hurt than are whites. The murder rate for blacks in Chicago is 10 times that for whites.

"This is a daily concern with blacks," said De Vise. "This is why a majority feel they need a handgun for protection."

Young black males, 18 to 24, are the least safe, and the murder rates for 25- to 34-year-old black males are not far behind.

The city residents least often the victims of murder, said De Vise, are white boys and girls 5 to 14 years old and white females 15 to 24 years old. Survey respondents concerned most about their safety and about outlawing guns also tend to be surer that gun controls "would cut down on accidental deaths and crimes of passion." While nearly 8 of every 10 surveyed—77 per cent—agree with this, 86 per cent of all women, 85 per cent of those over 50, and 84 per cent of the city's blacks and whites feel that way.

In contrast, again, are men—68 percent believe controls will reduce deaths—and residents outside Chicago, of whom 72 percent link controls to fewer accidental gun deaths.

Similarly, the strongest supporters of gun controls also are the strongest believers that controls "would cut down on street crime," a somewhat controversial claim that even some outspoken gun-control advocates dispute. Nonetheless, 77 percent of all those interviewed agree that gun controls would cut down street crimes.

Even more confident are women [82 per cent], those 50 and older [86 per cent], Chicago residents [82 per cent], the poorer, and less educated that gun controls would reduce street crime.

These same groups also tend to agree more than others that "anyone who commits a crime with a gun should be given double the regular sentence," a proposal accepted by only a slight, 53 per cent majority of all the respondents.

Nearly 7 of every 10 of those over 50 and nearly 6 of every 10 city dwellers support double sentences for gun-toting criminals. Women generally are decidedly more in favor of the idea than men, with 55 per cent of women but a bare 50 per cent of men agreeing.

Chicago blacks are not as strongly in favor of double sentencing as Chicago whites, a difference De Vise said may be due to a fear that blacks would be victims of this law in some instances.

"If they owned a handgun and made defensive use of it as, for example, in a quarrel with friends, they could be victimized by double sentencing," said De Vise.

"This is not be interpreted that blacks are more lawless than whites," he said. "They are probably more sensitive to the danger of the gun."

The National Rifle Association [NRA] traditionally has supported higher sentences for criminals who use guns, and the Tribune survey found that 58 per cent of those respondents in the Chicago area involved in the NRA agree with that view.

Franklin E. Zimring, University of Chicago law professor and co-author of a report on guns for the National Commission on the Causes and Prevention of Violence, has devoted considerable attention to proposals for extra sentences for gun criminals.

"Do we want to make the punishment for gun robbery so high that the extra punishment risked if the robber kills his victim seems relatively small?" Zimring asked.

"It may be that the only way to make the distinction important is to reduce the punishment for nongun robbery. . . . The punishment for robbery is already quite severe, at least on the books. How much more potential deterrence do we have left in the system?"

A reduction of sentences for unarmed robbery "could produce more unarmed robbery for every gun robbery prevented," Zimring conceded, but he suggested the tradeoff might save lives.

Blacks split farthest from gun-control advocates on the question of whether individuals have a constitutional right to own a handgun. While city whites reject the idea 50 to 39 percent, blacks said hand gun ownership is a right by a solid 65 to 25 per cent margin.

Interestingly, that attitude places blacks squarely with gun owners and suburbanites—groups that don't share the intensity of blacks' concern for gun controls short of a total ban on privately held handguns.

Blacks' feelings about their constitutional right to own handguns may be a reflection of other pressures, such as the fear shown when nearly 9 of every 10 blacks surveyed said there are areas near their homes where they are afraid to walk alone at night.

Among those groups of metropolitan Chicagoans who favor gun controls by the widest margins, only those 65 years and older solidly deny [58 per cent] the proposition that handgun owning is a constitutional right.

Perhaps the elderly were among the few listening to the United States Supreme Court when, in various cases, it ruled that the Constitution's 2nd Amendment, affirming the right "of the people to keep and bear arms," pertains only to the states' right to maintain a militia and is a collective right, not an individual one.

QUESTIONS, ANSWERS ON GUN CONTROL

[In percent]

	All respondents	Residence		Race			Sex		Age group		
		City	Suburb	Whites	City whites	Blacks	Men	Women	18–34	35–49	50+
We've talked to a lot of people about their feelings on gun control. I am going to read you some of the things people have told us. Some people agree with these statements, while others disagree. We're just interested in your opinions on them. Do you agree or disagree with that statement?											
There are areas right around here where I would be afraid to walk alone at night:											
Agree	67	81	54	62	79	87	60	73	64	62	75
Disagree	32	17	44	37	20	13	39	24	34	37	24
Not sure	2	2	2	2	1	----------	1	3	2	1	1
Control of guns would cut down on accidental deaths and crimes of of passion:											
Agree	77	83	72	76	84	83	68	86	70	78	85
Disagree	19	12	24	19	11	14	26	11	25	17	11
Not sure	5	5	4	5	5	3	6	4	5	5	4
Owning a handgun is my constitutional right:											
Agree	53	49	56	51	39	65	60	45	56	55	45
Disagree	39	40	38	42	50	25	34	44	35	37	47
Not sure	8	11	6	8	11	10	6	11	9	8	8
Anyone who commits a crime with a gun should be given double the regular sentence:											
Agree	53	59	48	53	63	54	50	55	39	60	66
Disagree	35	28	41	36	26	31	38	33	47	29	24
Not sure	12	13	12	11	11	15	12	12	14	11	11
Control of guns would cut down on street crime:											
Agree	77	82	72	76	82	79	72	82	71	76	86
Disagree	21	15	26	22	16	18	27	16	26	23	13
Not sure	2	3	2	2	3	3	2	2	3	1	1

Note: Columns may not add up to 100 percent due to rounding.

SECURITY, RIGHTS ARE IMPORTANT TO GUN OWNERS

(By Wesley Hartzell)

"I love guns. I clean and polish them. I would like to bring down an animal with one. I admire them. I have owned guns, and I feel secure that I have them. I feel it's my right to own them."

That's the voice of a suburban homeowner, about 40 years old, with a comfortable family income of more than $20,000 a year—characteristics of the most common group of gun owners found in the Chicago Tribune's survey of metropolitan Chicago's attitudes toward guns and controls.

Like 6 of every 10 gun owners surveyed, he owns more than one [a pistol and two rifles], and like most other gun owners he is for more stringent controls on gun ownership "but within limits." The limits he sets are the ones also set by most gun owners surveyed:

He would give support for "strict control and registration of handguns," for requiring a police permit to buy a gun, for "licensing of all gun owners" and "registration of all flatly reject a proposal a majority of those who do not own gun approve: Outlawing private ownership of handguns.
handguns," but he and other gun owners

Three of every 10 of those surveyed by The Tribune said there are guns in their homes. The heaviest ownership is in the suburbs of the six-county metropolitan area: 4 of every 10 households said they own guns. In the city, 2 of every 10 admitted to owning a gun.

Other surveys across the country have found similar patterns of ownership in the suburbs of major cities, but some have found more city dwellers admitting to ownership of guns—typically about 3 of 10. It is possible some Chicago respondents declined to admit owning guns because they have not registered them, a requirement in the city but not in the suburbs.

The Tribune survey's 509 respondents were selected randomly to provide a cross-section of the six-county area's 2,367,000 households and their 7,153,800 residents. If 30 per cent of these households have guns, as the survey indicates, then it can be estimated that 710,370 homes in the Chicago area are armed, 488,488 in the suburbs and at least 221,882 in the city.

Since more than 6 of every 10 of the gun-owning households were found to own at least two guns, it can be assumed that the number of guns in the hands of private citizens in the metropolitan area easily reaches into the millions.

Gun owners were asked if they keep guns for recreational uses such as hunting, collecting, and target shooting or for protection, or for both reasons. In the city, nearly 6 of every 10 said their guns are for protection, while in the suburbs more than 6 of every 10 said their guns are for recreation.

James D. Wright, a University of Massachusetts sociologist who is studying previous surveys on gun controls and ownership, has estimated from the data that about 60 million adult Americans live in homes that hold firearms. About 47 per cent of all households surveyed were armed—including a majority of 59 per cent of homes in the South. Among gun owners, says Wright, less than half—42 per cent—own handguns.

The Tribune survey found that more than half of the gun-owning households in metropolitan Chicago have handguns—or about 12 per cent of all Chicago households and 21 per cent of all suburban households.

The persons who have handguns don't keep them for the fun of it—nearly 9 of every 10 surveyed said their pistols are for protection. Less than 1 of every 10 rifle and shotgun owners said their weapon's principal purpose is protection.

The handgun poses a special problem for gun control, according to Franklin E. Zimring, a University of Chicago law professor and co-author of a 1969 report, Firearms and Violence in American Life, prepared for the National Commission on the Causes and Prevention of Violence.

Zimring estimates that while only one of every four privately owned firearms is a handgun, three of every four gun killings involve a handgun.

As reported Monday, women are significantly more opposed to gun ownership than men. Thirty-nine per cent of the households represented by men in the survey have guns, but only 22 per cent of the households reported by women have guns. One question this raises is whether some men, sensitive to the criticism and concern, simply don't tell women that there are guns in the household.

Five per cent of all those surveyed said that at least one member of their households is a member of the National Rifle Association [NRA], the powerful and vocal organization of gun owners frequently cited as the most influential lobbyist against stringent federal controls on gun ownership.

Although their number is too small to allow meaningful examination of their attitudes, the Chicago-area NRA households surveyed are firmly behind four of the five gun controls proposed, although not as strongly as other citizens. On the fifth proposal—outlawing private ownership of handguns—they are united in their opposition, in sharp contrast to those who do not own guns, who support the proposal, and the general public, who divide 50 per cent against to 45 per cent for.

Among the handful of gun owners whose attitudes mirror those of most persons without guns are some whose gun ownership is not by choice—the gun had been left behind, was a gift or war souvenir, or, as in the case of one Chicago woman, was her husband's passing fancy.

"I wouldn't know how to use it," she said, "and it's dangerous to have around the house. I don't even want a gun."

Her husband, a truck driver, had bought the gun, a rifle, but then lost interest. He has never used it. But it's still there, "way up on a shelf, out of sight."

QUESTIONS, ANSWERS ON GUN CONTROL

[In percent]

	All respondents	City	Suburbs	Nongun owners	Gun owners	Own for recreation	Own for protection
Do you personally feel there should or should not be strict control and registration of handguns in this country?							
Should be strict control	86	93	80	89	79	78	88
Should not	11	5	17	7	20	20	12
No opinion	3	3	3	4	1	2	--------
Would you favor or oppose a law which would require a person to obtain a police permit before he or she could buy a gun?							
Favor	82	86	78	87	71	72	79
Oppose	15	11	17	10	23	23	21
No opinion	4	3	4	3	5	5	--------
Would you support or oppose Congress passing a law that requires the licensing of all programs?							
Support	87	91	84	91	79	77	88
Oppose	11	8	14	8	19	20	12
No opinion	2	1	3	1	3	4	--------
Would you support or oppose Congress passing a law that requires registration of all handguns?							
Support	88	92	85	90	83	83	88
Oppose	10	6	14	8	15	15	12
No opinion	2	2	1	1	2	2	--------
Still speaking of pistols and revolvers, should there or should there not be a law to forbid the possession of this kind of gun by all except the police and other authorized persons?							
Should be a law	45	53	37	55	23	22	27
Should not	50	40	58	40	72	71	70
No opinion	6	7	5	6	5	7	3

Note: Columns may not add up to 100 percent due to rounding.

POWERFUL NRA LOBBY REPRESENTS 1.1 MILLION

The National Rifle Association, main opponent of gun-control laws in Congress and State legislatures, has a dues-paying membership of 1.1 million.

More than 40,000 of its members live in Illinois, where a current drive is said by NRA spokesman to be netting 100 new members a day.

The highly respected association, which has assets of $19 million according to one estimate and an annual budget of almost $8 million, supports not only one of the strongest lobbying programs in the country but also an extensive and useful educational program on how to use and care for guns safely.

Chief executive of the organization, which has extensive and luxurious offices in Washington, D.C., is Gen. Maxwell Rich [Utah National Guard, Ret.], holder of the Silver Star, Bronze Star, and Croix de Guerre.

The NRA believes, according to Rich, that gun-control advocates must never "get a foot in the door." By giving ground on a seemingly minor gun-control issue, he says, the NRA might allow its opponents to gain the momentum to pass a bill confiscating all weapons.

To keep that foot out of the door, the NRA has five full time lobbyists and a 20-member staff to support them. In addition, Rich said, his organization has hired a consulting firm to help in the buttonholing of congressmen.

"We don't know if it's going to be this fall, or next year, or even three years from now, but the gun debate certainly is coming to a head, and we are going to be ready," Rich said.

The NRA also propagandizes its cause through its monthly American Rifleman magazine, which goes to each member carrying frequent exhortations to "write your congressman" to protect gun laws.

The magazine is much more than a propaganda sheet, however. It is considered one of the best gun journals in the business.

CONGRESSMEN, VOTERS DIFFER ON OWNING, CONTROLLING GUNS

(By Wesley Hartzell)

When the talk moves to gun controls, the tone of congressmen is conspicuously off key from the voices of voters in six-county metropolitan Chicago area.

The views of Chicago-area and Illinois congressional delegations do not harmonize with the attitudes toward controls of residents in the Chicago area, as uncovered in a Chicago Tribune survey.

The 24 Illinois members of the House of Representatives and both senators were asked their views of a range of gun-control schemes also proposed to 509 persons selected as a cross section of metropolitan residents. The senators and 22 of the representatives responded. Their views make interesting comparisons with the opinions of constituents to whom they must answer.

For example, while 88 per cent of the metropolitan Chicagoans surveyed said they would support a federal law requiring registration of all handguns, 63 per cent of the Chicago-area congressmen support it and only 48 per cent of all Illinois congressmen do so. Both of these groups include the state's two senators.

When a Federal law to license gun owners was proposed, 87 per cent of the survey's respondents said they favor it, but only 63 per cent of Chicago-area and 57 per cent of all Illinois congressmen do.

Asked if police permits should be required before purchasing a gun, 82 per cent of the survey respondents said "yes," versus 63 per cent of Chicago-area and 65 percent of all Illinois congressmen.

The volunteered comments of some of the congressmen about this proposal indicate strong sentiment to allow local officials to institute gun controls through such means as police permits, rather than relying on federal laws.

On the survey's thorniest proposal—whether possession of handguns by private citizens should be outlawed—the Chicago-area congressmen were close in tune with their constituents; 45 per cent of the voters accept the idea, while 44 percent of area congressmen approved it. Among all Illinois congressmen surveyed, only 30 per cent approve the idea.

The mismatch of congressional opinions with those of a majority of the people may explain why 79 percent of survey respondents said they believe Congress is doing too little to control guns.

Interestingly, 14 of the 24 members of Congress surveyed agree that Congress has done "too little" to control guns. Several of them, however, are involved in proposed legislation that goes beyond what President Ford has suggested is needed for gun control.

In 1968 Congress passed what is known as the Gun Control Act of 1968. It includes a ban on importation of cheap handguns, but loopholes permit gun parts to be shipped to the U.S. and assembled. It also requires all gun dealers to hold federal licenses. The licenses cost $10 a year and are held by 160,000 dealers, a number which has been all but impossible to police effectively.

The gun controls of the 1968 act led Franklin E. Zimring, University of Chicago law professor and co-author of a 1969 report, Firearms and Violence in American Life, for the National Commission on the Causes and Prevention of Violence, to observe in a recent article in The Journal of Legal Studies:

"If Congress is supposed to be the policy-setting institution, the Gun Control Act of 1968 may stand as an example of the blind leading the halt."

More than 130 gun proposals are before Congress. Ford's bill, which would ban sales of cheap "Saturday Night Specials" and require mandatory sentences for anyone using a gun ina crime, is considered the softest and least likely to provoke the gun lobby to wrath.

Strictest is a bill offered by Rep. John Conyers [D., Mich.] which would ban civilian possession of handguns, a proposal included in the Tribune survey. Conyers admits it's not likely to pass—just as it does not with Illinois congressmen or metropolitan Chicagoans.

Illinois lawmakers involved in some of the bills between the extremes of the Ford and Conyers proposals include Sen. Stevenson [D., Ill.], Sen Percy [R. Ill.] Rep. Robert McClory [R., Joliet] and Rep. Thomas F. Railsback [R., Moline].

Stevenson [who reported in the survey that there are nine guns in his household, all for recreation] said he is proposing, with Sen. Edward Kennedy [D., Mass.], a bill to require a federal license before an individual could acquire a handgun.

The license would not be issued if the individual were not entitled to own a handgun under the laws of his state or locality. A similar proposal in the Tribune survey won heavy support from Chicago-area respondents and a congressional majority.

"This bill is a compromise," Stevenson said, "between those who propose to outlaw all handguns and those who resist any effort to control the possession and ownership of any guns.

"It will be said, as it always is, that only the law-abiding will register their guns. But that is the point of the bill. Those unable or unwilling to register will be subject to prosecution. They can be disarmed."

Percy is cosponsoring a bill with Sen. Jacob K. Javits [R., N.Y.] that would bar residents of major cities with high crime rates—such as Chicago—from acquiring handguns.

Anyone owning pistols outside high crime areas would have to furnish the U.S. attorney general with his name, address, Social Security number, and the gun's serial number. The manufacture, sale, or possession of Saturday Night Specials also would be prohibited.

In his response to the questionnaire, Percy said: "It would be naive not to expect powerful lobbying against these bills. But the time may have arrived when Congress will demonstrate that the gun lobby is not running the government."

McClory has introduced a bill which, like the President's, would ban cheap Saturday Night Special handguns, but also would require the registration of every gun and licensing of every gun owner. Congressional observers rate the McClory bill as the strongest control bill with a chance to pass.

Proposed in the Tribune survey, the registration and licensing provisions of the McClory bill won solid support.

Railsback said he could not answer the survey's five questions on possible gun control legislation because he is a member of the House committee that must consider each of the measures and then make recommendations to the full House.

Observers of the gun-control controversy usually credit a well-organized and well-heeled gun lobby, centered around the National Rifle Association, with successively blocking stricter legislation.

James Wright, a University of Massachusetts sociologist who has studied public views on guns extensively, wrote in The Nation on Sept. 20 that "NRA cadres are readily mobilized when pro-control legislation is being considered." He added, "The appearance of massive popular sentiment can be easily created by mobilizing a tiny fraction" of the 60 million adults in American households that hold firearms.

Nelson Turner Shields III, a Du Pont Co. executive who took a leave of absence from his job to battle for more control over guns after his son was killed by a sniper in San Francisco, says:

"Even though 70 per cent of the American people favor stronger gun controls, the issue itself is not No. 1 on the public's list of priorities. The state of the economy, for example, is far more pressing.

"But for those who oppose control, it is the single most important issue—and they will go to the wall on it. That's why a liberal like Sen. Frank Church (D., Idaho) always votes against gun controls.

"Most elections in this country are decided by less than 10 per cent of the electorate, and no politician wants to risk alienating that deciding vote."

The NRA is said to have 1.1 million members. Five per cent of the respondents in the Tribune survey's sample, randomly drawn to be a cross section of the 2,367,000 households in the six-county metropolitan Chicago area, said their households include at least one NRA member, indicating that as many as 118,395 area homes may have members active in the association. This, obviously, could be a political force with which to be reckoned.

To say, however, that congressmen who vote against gun laws do so only out of fear of the NRA or a newer, more militant group, the Citizens Committee for the Right to Keep and Bear Arms, is to say that the lawmakers can't think for themselves, which is extreme.

Some congressmen responding to the survey who oppose its proposals to register, license, or issue permits for guns gave thoughtful reasons for their stands.

Rep. George O'Brien [R., Joliet], one of the four Illinois congressmen who oppose each of five-gun control proposals in the survey, said:

"The idea of a list, somewhere, of all gun owners bothers me. It's another security item that you can't keep secure. A criminal would be able to get the list if he really wants to and will know which homes are not protected [by guns]."

Rep. Philip M. Crane [R., Mt. Prospect], one of the hardliners against controls, said:

"I take the citizen's right to keep and bear arms literally. There is no way to restrict a criminal's access to guns, so all you would be doing is potentially jeopardizing the security of innocent people. You are going to make lawbreakers out of otherwise law-abiding citizens."

QUESTIONS, ANSWERS ON GUN CONTROL—HOW YOUR CONGRESSMEN RESPONDED

	For strict control and registration of handguns	For requiring police permit to buy a gun	For Congress passing a law to require licensing of all gun owners	For Congress passing a law to require registration of all handguns	For a law forbidding possession of handguns by all except police, etc.	Congress is doing too little on gun control	Illinois General Assembly is doing too little on gun control	There are guns in our household
All respondents (percent)	86	82	87	88	45	79	69	30.
Chicago (percent)	93	86	91	92	53	86	74	20.
Suburbs (percent)	80	78	84	85	37	74	65	40.
Congressmen[1] (23) (percent)	65	65	57	48	30	58	42	54.
Metrocongressmen[2] (16) (percent)	81	63	63	63	44	63	50	50.
ANTICONTROLS								
George O'Brien (Republican, 17th District)	No	No	No	No	No	OK	Don't know	Yes.
Philip Crane (Republican, 12th District)	No	No	No	No	No	Too much	Don't know	No.
Paul Findley (Republican, 20th District)	No	No	No	No	No	Too little	Don't know	Yes.
Tim Hall (Democrat, 15th District)	No	No	No	No	No	OK	OK	Yes.
John Erlenborn (Republican, 14th District)	No	Yes	No	No	No	OK	Too little	Yes.
Robert Michel (Republican, 18th District)	No	Yes	No	No	No	Too little	Too little	Yes.
George Shipley (Democrat, 22d District)	No	Yes	No	No	No	Too much	OK	Yes.
PROCONTROLS								
Sidney Yates (Democrat, 9th District)	Yes	Yes	Yes	Yes	Yes	Too little	Too little	No.
Morgan Murphy (Democrat, 2d District)	Yes	Yes	Yes	Yes	Yes	Too little	Don't know	Yes.
Cardiss Collins (Democrat, 7th District)	Yes	Yes	Yes	Yes	Yes	Too little	Too little	No.
Frank Annunzio (Democrat, 11th District)	Yes	Yes	Yes	Yes	Yes	Too little	Don't know	No.
Ralph Metcalfe (Democrat, 1st District)	Yes	Yes	Yes	Yes	Yes	Too little	Too little	Yes.
Dan Rostenkowski (Democrat, 18th District)	Yes	Yes	Yes	Yes	Don't know	Too little	Don't know	No.
Melvin Price (Democrat, 23d District)	Yes	Yes	Yes	Yes	Don't know	Don't know	Don't know	No.
Robert McClory (Republican, 13th District)	Yes	Yes	Yes	Yes	No	Too little	Too little	No.
Abner Mikva (Democrat, 10th District)	Yes	Yes	Yes	No	Yes	Too little	Too little	No.
John B. Anderson (Republican, 16th District)	Yes	Yes	Yes	No	No	Too little	Too little	No.
Henry Hyde (Republican, 6th District)	Yes	No	Yes	Yes	No	OK	OK	Yes.
Senator Charles Percy (Republican)	Yes	No	Yes	Yes	No	Too little	Too little	Yes.
Martin Russo (Democrat, 3d District)	Yes	No	No	No	Yes	OK	OK	No.
Senator Adlai Stevenson (Democrat)	Yes	No	No	Yes	No	Too little	Too little	Yes.
Edward Derwinski (Republican, 4th District)	Yes	Yes	No	No	No	OK	Don't know	Yes.
Edward Madigan (Republican, 21st District)	No	Yes	Yes	No	No	Too little	Don't know	Yes.
Thomas Railsback (Republican, 19th District)						OK	Don't know	No.

	Is it a pistol, shotgun, a rifle or what?	How many total guns do you and family members have in all?	Are the guns used for recreational purposes, such as hunting, target shooting and collecting, or are they something to keep around for protection, or both?	We've talked to a lot of people about their feelings on gun control. I am going to read you some of the things people have told us. Some people agree with these statements, while others disagree. We're just interested in your opinions on them. Do you agree or disagree with that statement?				
				There are areas around here where I would be afraid to walk alone at night.	Control of guns would cut down on accidental deaths and crimes of passion	Owning a handgun is my constitutional right	Anyone who commits a crime with a gun should be given double the regular sentence	Control of guns would cut down on street crime
ANTI CONTROLS								
George O'Brien (Republican, 17th District)	Pistol	1	Recreation	Agree	Agree	Agree	Agree	Disagree.
Philip Crane (Republican 12th District)				Agree	Don't know	Agree	Agree	Disagree.
Paul Findley (Republican 20th District)	Rifle	1	Recreation	Disagree	Agree	Disagree	Agree	Disagree.
Tim Hall, (Democrat, 15th District)	Pistol	1	Recreation	Agree	Don't know	Agree	Agree	Disagree.
John Erlenborn (Republican, 14th District)	S.R.	3	Recreation	Disagree	Agree	Don't know	No answer	Agree.
Robert Michel (Republican 18th District)	Pistol	1	Protection	Agree	Don't know	Agree	No answer	Don't know.
George Shipley (Democrat, 22d District)	P.S.R	6	Both	Agree	Disagree	Agree	Agree	Disagree.
PRO CONTROLS								
Sidney Yates (Democratic, 9th District)				Disagree	Agree	Disagree	Disagree	Agree.
Morgan Murphy (Democrat, 2d District)	Pistol	1	Protection	Disagree	Agree	Disagree	Agree	Agree.
Cardiss Collins (Democrat, 7th District)				Agree	Agree	Don't know	Disagree	Agree.
Frank Annunzio (Democrat, 11th District)				Agree	Agree	Disagree	No answer	Agree.
Ralph Metcalfe (Democrat, 1st District)	Pistol	Refused	Protection	Agree	Agree	Disagree	Agree	Agree.
Dan Rostenkowski (Democrat, 18th District)				Disagree	Agree	Disagree	Disagree	Agree.
Melvin Price (Democrat, 23d District)				Disagree	Agree	Agree	No answer	Agree.
Robert McClory (Repuclican, 13th District)				Agree	Agree	Disagree	Agree	Agree.
Abner Mikva (Democrat, 10th District)				Disagree	Agree	Disagree	Agree	Agree.
John B. Anderson (Republican, 16th District)				Agree	Agree	Disagree	Agree	Agree.
Henry Hyde (Republican, 6th District)	Pistol	1	Protection	Agree	Don't know	Agree	Agree	Don't know.
Sen. Charles Percy (Republican)	Shotgun	1	Recreation	Agree	Agree	Disagree	No answer	Agree.
Martin Russo (Democrat, 3d District)				Agree	Agree	Disagree	Agree	Agree.
Sen. Adlai Stevenson (Democrat)	P.S.R	9	Recreation	Agree	Agree	Disagree	Disagree	Agree.
Edward Derwinski (Republican, 4th District)	Rifle	1	Recreation	Agree	Agree	Disagree	Not sure	Agree.
Edward Madigan (Republican, 21st District)	P.S.R	4	Both	Disagree	Agree	Disagree	Disagree	Agree.
Thomas Railsback (Republican 19th District)				Agree	Agree	Disagree	Disagree	Agree.

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[1] Includes both Senators and all Illinois Congressmen except John Fary (Democrat, 5th) and Paul Simon (Democrat 24th), who declined to participate in the survey, and Tom Railsback (Republican 19th), who will not answer the 1st 5 questions because his committee is currently hearing bills incorporating all or some of these proposals.

[2] Includes both Senators and 14 House Members whose districts in anyway are within the 6-county Chicago metropolitan area.

Note: P.S.R.—Pistol, shotgun, rifle.

LAWMAKERS MORE LIKELY THAN VOTERS TO OWN GUNS

Illinois Congressmen apparently feel the need for protection more than do their constituents.

The number of lawmakers who told a Tribune survey that they own guns is proportionately almost twice as high as the other respondents.

Fifty-four per cent of the lawmakers said they own firearms, compared with 30 per cent of the general citizens responding to the survey.

And of the congressmen who said they own guns, 31 per cent said they have them exclusively for protection, compared with only 21 per cent for others in the poll.

Furthermore, the lawmakers own more pistols (69 per cent of the congressional gun owners) than ordinary folk (56 per cent).

Champion gun owner among the lawmakers is Democratic Sen. Adlai Stevenson, who said he owns nine firearms, including pistols, shotguns, and rifles which he listed as used for recreation only.

His Republican counterpart, Sen. Charles Percy, said he has one weapon, a shotgun, which he also uses exclusively for recreation.

Owners of more than one gun, besides Stevenson, are Rep. George E. Shipley (D. Olney) who owns six guns including rifle, shotgun, and pistol for both protection and recreation; Rep. Edward Madigan (R. Lincoln), four guns divided among pistol, shotgun, rifle, also for both; and Rep. John Erlenborn (R., Elmhurst), three firearms including a shotgun and rifle for recreation.

Congressmen owning single weapons are Rep. George O'Brien (R., Joliet), pistol for recreation; Rep. Paul Findley (R., Pittsfield), rifle for recreation; Rep. Tim L. Hall (D., Dwight), pistol for recreation; Rep. Robert Michel (R., Peoria), pistol for protection; Rep. Morgan Murphy (D., Chicago), pistol for protection.

Also, Rep. Henry Hyde (R., Park Ridge), pistol for protection, and Rep. Edward Derwinski (R., Flossmoor), rifle for recreation.

Rep. Ralph Metcalfe (D., Chicago), said he owns a pistol or pistols but refused to say how many.

Rep. Paul Simms (D., Carbondale) did not respond to the questionnaire but in a letter to The Tribune said he does not own a gun. Rep. John Fary (D., Chicago), did not respond to the survey in any manner.

PERSONAL EXPLANATION

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, I take this time to indicate my position on several rollcall votes that I, because of a speech in New York State and legislative hearings there, missed on Friday, November 7, and Monday, November 10, 1975.

The rollcalls are as follows:

On rollcall No. 677, final passage of H.R. 6346, Rural Development Act Amendments, the vote was 323 to 11. Had I been present, I would have voted for the bill.

On rollcall No. 680, final passage of H.R. 10035, to establish the Judicial Conference of the District of Columbia, the vote was 337 to 0. Had I been present, I would have voted for the bill.

On rollcall No. 681, final passage of H.R. 4287, to provide for additional law clerks for the judges of the District of Columbia Court of Appeals, the vote was 310 to 21. Had I been present, I would have voted for the bill.

On rollcall No. 682, final passage of H.R. 9958, to transfer certain real property of the United States to the District of Columbia Redevelopment and Land Agency, the vote was 341 to 0. Had I been present, I would have voted for the bill.

On rollcall No. 683, final passage of H.R. 10041, to amend section 739 of Public Law 93-198, the vote was 201 to 150. Had I been present, I would have voted against it.

NATIONAL HEALTH INSURANCE

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, last week I had the opportunity to submit testimony in connection with the Ways and Means Committee's hearings on national health insurance.

Because of the importance of this issue and its implications for all Americans at a time when medical care costs are rising drastically, I would like to insert into the RECORD at this time the text of my statement:

TESTIMONY OF HON. RICHARD L. OTTINGER OF NEW YORK

NATIONAL HEALTH INSURANCE

Mr. Chairman, surely adoption of a comprehensive national health insurance plan should be one of the highest priorities of the 94th Congress. There has been widespread public interest in this subject for a period of several years, and in recent months, as a sagging economy has made it increasingly difficult for Americans to meet rising medical costs and dissatisfaction with health care service has reached an all-time high, we have witnessed a growing momentum toward adoption of some form of assistance.

The principal reasons for the current dissatisfaction with our country's health system are: (1) sharply escalating medical care costs; (2) private health insurance that often provides inadequate compensation for medical expenses and fails to cover many of these; (3) the disastrous financial consequences of catastrophic illness or disease; and (4) the uneven distribution of health resources and services around the country.

According to the Social Security Administration, in 1974 total expenditures in the U.S. for health care amounted to 7.7 percent of our gross national product, or $104.2 billion. This translates into $485 for every man, woman and child in the country. The rise in our national health bill has been so dramatic that it is now nearly double what it was six years ago. Over the past fourteen years it has more than quadrupled and increased almost nine-fold since 1950.

Prior to the advent of the Medicare and Medicaid programs in the mid 60's, health care expenses in the United States had been traditionally financed through private insurance plans. These two programs represented the beginning of a rising trend toward public financing of health care. Whereas in 1966 federal, state and local government sources paid only about one-fourth of our national health bill, these same sources now finance about two-fifths of the total amount.

The incredible rise in the cost of living which has taken place in this country since expiration of the Economic Stabilization Program in April of 1974 has hit particularly hard in the area of health care. The Department of Labor reports that in the first six months after the ESP expired the rate of inflation for all goods and services measured by the Consumer Price Index was 13.2 percent. In contrast, the rate of inflation applied only to the medical care component of the CPI was 15.2 percent. The composite hospital services charges index rose at an annually adjusted rate of 18.3 percent and physicians' fees at 16.4 percent.

Social Security Administration statistics show that while private health insurance has experienced extensive growth over the years, many Americans still have no form of protection against unexpected illness or injury. Most of those who do have private coverage find that it usually falls far short of providing adequate assistance. In 1972, although about 77 percent of the population had at least limited protection for inpatient hospital care, less than half of our citizens had coverage for physicians' services rendered in the home or office. About 53.7 percent of all Americans were covered for drugs and medications, but only 8.6 percent had any form of dental insurance. Private health insurance premiums accounted for 41.7 percent of consumer expenditures for health care during that same year. In cases where hospitalization was required, private insurance met 78.1 percent of the total cost to consumers; less than half of the cost of physicians' care was covered, and only about 6.7 percent of other health service expenditures were met by private plans.

Expenses connected with catastrophic illness are perhaps the most discouraging aspect of the entire health insurance field. Most private plans do have limitations on the amount that can be paid during a single illness and do not take into account the need for lengthy hospitalization and exotic forms of treatment normally associated with this type of situation. Thus sophisticated new techniques such as open-heart surgery and kidney dialysis that save many lives each year, can also bring financial ruin to the patients affected.

The situation of the uneven distribution of health resources throughout the U.S. creates additional problems for the American consumer. In many communities there are no hospital facilities at all, while in other places there may be a surplus of beds and equipment. There are 133 counties in the country with a combined population of nearly half a million people that do not have a single practicing doctor. As is usually the case, those persons who have the greatest need are the ones with fewest resources. Poverty pockets in our central cities attract few physicians; the rural areas often have no medical facilities and residents have to travel many miles to the nearest doctor. The poorer States have less than the wealthier ones to offer their residents in terms of physician services, medical facilities and equipment. Add to these factors the failure of the medical community to plan well and distribute fairly their services and you find a situation where the Federal Government simply must step in and insure that the needs of all are met.

Mr. Chairman, I am a co-sponsor of H.R. 21, a bill that is popularly known as the Kennedy-Corman plan but more formally entitled the National Health Security Act of 1975. Among the various proposals for a national health insurance plan that have been put forth thus far in the 94th Congress, I believe this to be the best. Some of the advantages of H.R. 21 are:

1. It is the only legislation to stress preventive care by allowing benefits for such practitioner services as physical check-ups, immunizations, well-child care and family planning services;

2. It is the only plan that does not include the costly and highly inequitable requirement for some form of deductible or copayment and does not involve cutoff dates or waiting periods;

3. A five-member Health Security Board (assisted by a National Health Security Advisory Council), appointed by the President and subject to Senate confirmation, would be responsible for insuring cost-effectiveness and control of expenditures in operation of the program;

4. The problem of health resources distribution would be addressed by certain incentives to encourage an increase in the availability of services in regions where they are lacking;

5. Quality control over medical services covered would be maintained by a Commission on the Quality of Health Care consisting of seven representatives of health care providers and four consumers;

6. Protection under the plan would be available to all who choose to participate.

In the best of all worlds, the Kennedy-Corman plan might be able to do even more for the American people than what its authors suggest. It could, for example, provide more comprehensive dental coverage from the start. The system of financing could allow for a more progressive form of taxation and elimination of the maximum taxable wage base. I am glad to see that the first $5,000 of unearned income of persons over age 60 would be exempted from taxation and believe that we should make similar provisions for the working poor. I think it is also wise to continue the Medicaid program in those situations where it would provide greater coverage for the recipient, as H.R. 21 proposes to do.

The truth is, Mr. Chairman, we do *not* live in the best of all worlds. We are experiencing an era of intense economic crisis, a time in which low and middle income Americans are having considerable difficulty coping with even the most routine form of medical care cost. The Federal budget, already bursting at the seams, cannot tolerate some of the expenses that might be entailed in making this program more comprehensive. Initially, we may not be able to accomplish all that is needed in the way of national health insurance. Still, the time has come when we must at least lay the foundation.

In this country, where the concept of equal opportunity for all is supposed to form the basis of our national philosophy, no one should have the state of his or her health dependent upon the ability to pay. Likewise, no one in any part of the country should have the unavailability of quality facilities and personnel control physical and mental well-being. H.R. 21 would establish the basic right of every American to quality medical care without adverse economic consequences. Since participation is voluntary, no one should feel coerced into joining a plan that might not be in his or her best interests. I believe that the Kennedy-Corman bill provides the most realistic way of solving our national health problems. Therefore, I enthusiastically support it and urge that the Congress move quickly toward its adoption.

PERSONAL EXPLANATION REGARDING ABSENCE AND VOTES

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, for the past 3 days I have joined with three of my colleagues from New York—NED PATTISON, PETER PEYSER, and BEN GILMAN—in traveling over 11,000 miles to seven major cities throughout the United States to build support for legislation to guarantee New York City's municipal bonds and securities. During our journey we sought to clarify the misunderstanding which exists in some quarters over the exact situation in New York and the provisions of the legislation to be considered by the Congress. I must say that the results of the trip were very encouraging and the average American realizes the grave consequences of a default or bankruptcy by New York City and the disastrous economic repercussions which would follow.

Because of this trip I unfortunately had to miss a number of votes in the House. Had I been present on Thursday, Friday and Monday, I would have voted as follows:

THURSDAY, NOVEMBER 6

Roll No. 670—McCloskey amendment to H.R. 7575, requiring the transfer to the Agency for Consumer Protection the programs, operations, and activities of each Federal agency which would be duplicative of or performed more appropriately by the ACP—"Yea."

Roll No. 671—Fuqua amendment to H.R. 7575, seeking to delete language prohibiting the ACP from intervening in labor disputes or agreements—"Yea."

Roll No. 672—Final passage of H.R. 7575, establishing an Agency for Consumer Protection—"Yea."

Roll No. 673—Final passage of H.R. 10230, National Science and Technology Policy and Organization Act of 1975—"Yea."

Roll No. 674—Final passage of House Resolution 836, providing for the consideration of H.R. 6346, making permanent authorizations of appropriations for carrying out title V of the Rural Development Act of 1972—"Yea."

FRIDAY, NOVEMBER 7

Roll No. 675—Motion for the House to resolve itself into the Committee of the Whole to consider H.R. 9019, Health Maintenance Organization Amendments of 1975—"Yea."

Roll No. 676—Final passage of H.R. 9019—"Yea."

Roll No. 677—Final passage of H.R. 1753, Tabulations of Population for State Legislative Apportionment or Districting—"Yea."

Roll No. 678—Final passage of H.R. 6346, Rural Development Act Amendments—"Yea."

MONDAY, NOVEMBER 10

Roll No. 680—Final passage of H.R. 10035, to establish the Judicial Conference of the District of Columbia—"Yea."

Roll No. 681—Final passage of H.R. 4287, providing for additional Law Clerks for the Judges of the D.C. Court of Appeals—"Yea."

Roll No. 682—Final passage of H.R. 9958, transferring certain real property of the U.S. to the D.C. Redevelopment Land Agency—"Yea."

Roll No. 683—Ketchum substitute to H.R. 10041, retaining Federal enclave and permitting President authority to appoint an official from within the Federal Government to serve as Director of National Capital Service Area—"Nay."

Roll No. 684—Final passage of H.R. 6461, Public Broadcasting Financing Act of 1975—"Yea."

THE UNITED NATIONS' DARKEST HOUR

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I rise to express my very deepest disappointment and concern over the unconscionable action by the United Nations in approving an Arab-inspired resolution which classifies Zionism as "a form of racism." There can be no question that this ill-conceived move not only brings great discredit to the U.N. but that it will also seriously jeopardize the U.N.'s future activities in a wide variety of endeavors—cultural, scientific, peacekeeping, educational, and technical.

It should come as a surprise to no one that the Arab-instigated move to condemn Zionism found support among many countries—such as the Soviet Union, Cuba, the People's Republic of China, Spain, and states of Eastern Europe—in which there is no freedom of speech, press or dissension, and where many of the basic rights guaranteed by international agreements are suppressed. It is surprising that such a resolution underlining the future of the U.N. should be suggested by the underdeveloped nations of the third world to which the U.N. means so much.

The United Nations had its birth during the era in which the world's nations were actively engaged in a struggle against the forces of world dictatorships, tyranny, and repression. It is most curious, therefore, that this body should now go on record in support of a doctrine very similar to those of the Nazi regime it was created to oppose. Resolutions such as those enacted by the United Nations yesterday are nothing more than whetstones upon which further anti-Semitic acts are honed and shaped.

On October 20, in a speech in the Knesset, Israeli Foreign Minister Allon very aptly noted that the U.N. resolution "cannot possibly damage Zionism as an idea, as a movement, as the modern expression of the ancient Jewish heritage." Surely the Zionist movement and, later, the State of Israel have both prevailed against adversity and, in the process, have been strengthened.

Yesterday's U.N. vote, however, will certainly damage the very fabric of the world organization and disrupt many of the fine programs it sponsors—some for over three decades.

The enactment of the U.N. resolution is as much an attack against the United Nations itself as it is against Israel. It represents just one more facet of a well-orchestrated plan by Arab and Communist states to destroy the one world agency which can effectively aid peoples seeking their own destinies. By striking out against Israel—the only stable parliamentary democracy in the Middle East—the Arabs are simultaneously working to destroy any opportunity for a meaningful peace in that strife-torn area of the world and a just and equitable resolution of the age-old disputes separating Israel and her neighbors.

The passage of the Zionism resolution will evoke retaliatory action by the United States against both the U.N. and the majority of those nations who supported the measure. As the New York Times editorially observed this morning, the U.N. "is an essential element in world diplomacy." Nevertheless, I believe that the administration should promptly and thoroughly review the nature and extent of our present commitment to the U.N., its various specialized agencies and programs. It should also review our assistance programs in those nations which chose to support the Arab measure.

We can neither ignore nor condone the narrow interests which are disrupting the more critical tasks to be undertaken by the U.N. and which are only seeking to advance their own ends at the expense of others. The world community must be put on notice that the United States will simply not tolerate efforts to destroy Israel or to again subject Jews throughout the world to political, economic, social, cultural or, in some instances, physical genocide.

This is, indeed, the darkest hour in the U.N.'s 30-year history and the members of that body must take affirmative steps to correct the gross inequity which has besmirched its reputation and effectiveness.

SUPPORT OF H.R. 10481, TO ENABLE A STATE POLITICAL SUBDIVISION TO PROVIDE PUBLIC SERVICES

(Mr. MITCHELL of Maryland asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MITCHELL of Maryland. Mr. Speaker, as the Representative of Maryland's Seventh Congressional District and a member of the Congressional Black Caucus, I am expressing my support for Mr. ASHLEY's bill, H.R. 10481, to authorize emergency guarantees of obligations of State and political subdivisions thereof; to amend the Internal Revenue Code of 1954 to provide that income from certain obligations guaranteed by the United States shall be subject to taxation; to amend the Bankruptcy Act; and for other purposes.

The purpose of H.R. 10481 is to create a Board that will enable a political subdivision of a State to continue to provide essential public services and facilities to its citizens. This proposal would also prevent the effects of default in the payment of obligations which could have adverse macro economic effects. The essence of the bill is to initiate a monitoring device for fiscal management, much like the capital adequacy provisions of the Federal Reserve Act. In fact, it is readily accepted that the members of the massive financial society who relinquish their funds for usury should be protected against the perils of recession and mismanagement. However, it is utterly appalling not to protect the members of an economic society whose livelihood or existence depends on the fiscal responsibility of the municipality.

The fact of poor fiscal management is generally well known of New York City. What is less adequately appreciated is that the national factors also have contributed materially to the budget problems of the State and local government of New York.

As a member of the Banking, Currency and Housing Committee, I am well aware of the prevailing economic conditions that render disastrous financial markets. Because of the recession of the 1970's, as documented by the Federal Reserve's Flow of Funds Date, New York City was unable to sell their long-term bond issues. The commercial banks who were traditionally the major purchasers of tax exempt securities have curtailed their purchases because of loan losses. The recession had given them another vehicle to use as a tax instrument. The essence of my argument is that the recession victimized the New York municipality and forced New York to revert to the short-term market. The result of New York's participation in the short-term market was a 56 percent increase in the interest as a percentage of debt from 1967–73.

In assessing the economic situation, it is not fair, nor is it logical to place the blame on New York. If an indictment is necessary, let me be the first to indict the administration for allowing these economic conditions to prevail.

As a member of the Budget Committee and chairman of the Human Resources Task Force, I am fully aware of the mammoth increase in human resources outlays that are recessionary oriented. Unemployment compensation, veterans' educational assistance, and food stamps are valid indications of the cyclical trough that dominates the economy. We cannot, under any situation, allow the human services to be curtailed because of economic downturn. In the same sense I cannot allow New York City to be victimized by that same economic downturn.

Legislation has been provided to those individuals who directly suffer from the wrath of recession. I am proposing that H.R. 10481 be implemented as a provision against the default of New York City.

The services provided by New York City include subsistence level welfare payments, educational programs and a sundry of programs and expenditures that allow the citizens of New York to function on a daily basis and compete in the American society. There is no valid logic that will justify the curtailing of these services because of the state of the economy. Oversight of the economy and the financial market are largely administrative functions of the President. Yet because of miscalculations and errors in the economic realm, the administration would victimize the citizens of the city of New York.

I, in good conscience and moral fortitude, support Congressman Ashley's proposal for rescuing the city of New York. If we desire to avert the financial collapse of New York City, and subsequently, the collapse of the financial world, this act must be imposed

HUMAN RIGHTS IN BRAZIL

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, the Miami Herald on October 30, 1975, carried an eloquent editorial on continuing political repression in Brazil which I commend to the attention to all Members of the House:

Rights Cry Out From Brazil Prisons

Freedom of the press is a concept easy to embrace and comfortable to live with in places such as the United States where it gets due respect in both word and deed. It is a branch of a broader freedom which also is enjoyed in this country to the point that the people sometimes become complacent about it. But not for long, for the news constantly is bringing harsh reminders of the fettered conditions of so many fellow human beings.

There is something particularly horrifying in the fate suffered in Brazil this week by Vladimir Herzog, a well known journalist with a good reputation. Official reports of the incident do not coincide with justifiable suspicion, but whatever the facts, an indisputable one is that Mr. Herzog is dead and that he died in prison after voluntarily turning himself in for interrogation.

He was found in his prison cell hanged by a strip of cloth. Prison officials say he was supposed to be writing a confession. A confession of what? Belonging to a group attempting to overthrow the government.

Who is to say he did or did not belong. There is no proof. There was no trial, no charges drawn, no defense lawyer in attendance. He had been working for a TV station that is the official organ of the state and already had been checked and cleared by Brazil's top intelligence agency.

Is this how a prosperous industrial giant such as Brazil must act to protect itself from overthrow by outside influences? Certainly the government is not about to collapse, the military having such a firm grip on it and the masses apparently resigned if not willing to live with it. Knowledgeable visitors find Sao Paulo so bustling and its people so busy that they say it is difficult to believe the reports coming from behind prison walls.

But the reports are too numerous and ominous to ignore. Mr. Herzog's death was the third in recent weeks. He was among more than 200 persons arrested and held incommunicado in a little more than a week—students, doctors, lawyers, professors, union leaders and 11 journalists.

Some were leaders of the government's opposition party. Does opposition bring with it the threat of imprisonment and even death? In too many parts of the world, indeed, it does.

THE LATIN AMERICAN TEACHING FELLOWSHIP PROGRAM

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, for the past 5 years I have served as a member of the National Advisory Board of the Latin American Teaching Fellowship program of the Fletcher School of Law and Diplomacy at Tufts University. The LATF program sends young professors to Latin America to teach for periods of from 2 to 4 years in Latin American universities. The program is supported by the Agency for International Development, but what strikes me as particularly interesting is how a small amount of Government funds has been used as seed money to generate a much larger program. In fiscal year 1976, for example, AID is providing $50,000 in administrative support to LATF. LATF's cash flow, however, is approaching $3 million. Thus by providing $50,000 in administrative support, which represents approximately 2 percent of LATF's cash flow, AID is triggering a process that has developed a $3 million program. The leverage achieved by the Agency for International Development with this type of imaginative and innovative programing is to be highly commended.

I am particularly interested in the LATF program not only because it has really stretched AID's resources, but because it has done it in a way, to quote from an editorial from the Daily Journal, that "satisfies real needs, and at the same time promotes the kind of personal contacts that brings understanding and friendship between peoples of two cultures."

LATF currently has 155 professors teaching throughout the hemisphere with the great bulk of the financial support for LATF coming from Latin America. The Daily Journal, Venezuela's outstanding English language newspaper, commented on the LATF program in the June 28 issue. It is a thoughtful and revealing editorial that speaks volumes about the fundamental usefulness of programs such as the Latin American Teaching Fellowships.

The editorial follows:

Quiet Diplomacy

The Fletcher School of Law and Diplomacy, well known here for its role in hosting the recent symposium in Boston between U.S. and Venezuelan government officials, has been active in another less publicized, but equally important effort in increasing communications and cooperation between our two countries.

We refer to the Latin American Teaching Fellowship, a program which has been bringing skilled professionals from the United States since 1966 to teach in universities in Latin America in fields as wide ranging as astronomy and zoology. Program representatives are stationed throughout Latin America and work closely with local universities to determine what their additional teacher requirements are, before lining up qualified professionals to fill the available teaching spaces.

In Venezuela, where the boom growth in the student population is exerting severe stress on the entire educational establishment, the fellowship program provides a highly valuable support to the local universities. There are 18 teaching fellows in universities around the country, taking up slack in otherwise overburdened faculties. These teaching fellows remain here two or three years on the average, and when there is no longer any need for them they are replaced by Venezuelan professionals.

However, this is not all. Another part of the Fletcher School program is aimed at providing similar support to the Venezuelan business community. The program places skilled professionals with businesses requiring their particular talent. They work on a part-time basis with the business, while at the same time teaching courses at local universities. Here again, the emphasis is on bringing in professional expertise which is not available locally. The fellow trains Venezuelans to replace him, and within two or three years his assignment is concluded.

As diplomacy, the Fletcher School program is excellent. It satisfies real needs, and at the same time promotes the kind of personal contacts that brings understanding and friendship between peoples of two cultures.

MILITARY MANPOWER STRENGTH ASSESSMENT AND RECRUITING RESULTS FOR QUARTER ENDING SEPTEMBER 30, 1975

(Mr. DAN DANIEL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DAN DANIEL. Mr. Speaker, preliminary results show that the total active strength of the four military services at the end of the first quarter of fiscal year 1976 was 2,105,000. This was 99.5 percent of the September objective of 2,116,000. Actual strengths and service objectives for September are shown below:

ACTIVE MILITARY STRENGTH, END OF SEPTEMBER 1975 (PRELIMINARY)

[In thousands]

	Objective	Actua	Percent of objective
Army	782	775	99
Navy	530	532	100
Marine Corps	197	196	99
Air Force	607	602	99
DOD total	2,116	2,105	99

The services recruited 40,300 men and women in September or 97 percent of the services' objective of 41,500. Army's recruiting improved in September as its recruiters gained experience with the weekly quota system initiated in August. In September, Army achieved 95 percent of its objective. Indications are that Army is continuing to improve its recruiting performance and should exceed its objective in October. The Navy achieved 96 percent of its September objective. Both the Marine Corps and Air Force exceeded their September recruiting objectives.

During the quarter ending September 30, 1975, the military services recruited 117,200 men and women or 97 percent of the total objective of 121,000. The recruiting total was equal to 28 percent of the objective for the fiscal year:

ENLISTED ACCESSIONS (ALL SOURCES)

Service	July to September			Percent of fiscal year 1976 objective
	Objective	Actual	Percent	
Army	51,400	47,600	93	26
Navy	32,700	32,200	98	30
Marine Corps	16,100	16,400	102	31
Air Force	20,800	21,100	101	27
DOD total	121,000	117,200	97	28

Eighty-four percent of all nonprior-service enlistees between July 1 and September 30 were high school graduates and 95 percent were in mental categories I–III which are the average and above average mental groups. Each service registered an increase in the proportion of high school graduates over the corresponding quarter of fiscal year 1975.

High school graduate and mental category I–III enlistees for the quarter ending September 30 along with percentages for the first quarter of fiscal year 1975 and fiscal year 1976 are shown below:

HIGH SCHOOL GRADUATES AND MENTAL GROUPINGS (NON-PRIOR-SERVICE MEN AND WOMEN)

	High school graduates			Mental groups I–III		
	Quarter ending Sept. 30	July to September (percent)		Quarter ending Sept. 30	July to September (percent)	
	Number	Fiscal year 1975	Fiscal year 1976	Number	Fiscal year 1975	Fiscal year 1967
Army	36,300	61	79	42,900	83	93
Navy	26,100	70	88	28,100	94	95
Marine Corps	12,100	61	76	15,500	94	98
Air Force	19,500	91	95	20,500	+99	+99
Total DOD	94,000	68	84	107,000	90	95

Statistics show that the black proportion of new enlistees more closely matched the population proportion in the first quarter of fiscal year 1976 than in the corresponding period last year. Women continued to account for about 8 percent of all nonprior-service accessions:

BLACKS AND WOMEN AS A PERCENT OF NON-PRIOR-SERVICE ACCESSIONS, 1ST QUARTER

	Nonprior service (fiscal year)			
	Blacks		Women	
	1975	1976	1975	1976
Army	28	24	11	9
Navy	14	8	6	5
Marine Corps	20	16	2	2
Air Force	18	11	14	12
DOD total	22	16	9	8

The total selected Reserve strengths at the end of August were essentially unchanged from the July totals:

SELECTED RESERVE STRENGTHS

[In thousands]

	End strength, August 1975 (preliminary)	Average strength (fiscal year)	
		1976 through August	1976 authorized man-year
Army National Guard	392.5	392.0	400.0
Army Reserve	223.5	223.9	219.0
Navy Reserve	98.7	98.5	106.0
Marine Corps Reserve	31.2	31.4	32.5
Air National Guard	94.0	94.2	94.9
Air Force Reserve	50.7	50.7	51.8
Total DOD	890.6	890.7	904.1

GIBBONS' PROPOSAL NOT A "FREE LUNCH"

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, as a member of the Ways and Means Committee who supported Mr. GIBBONS' proposals, I would like to bring to my colleagues' attention an editorial appearing in the November 10 editions of the Wall Street Journal. Although entitled "Sam Gibbons Buys Lunch," Mr. GIBBONS would be the first to point out that what he proposed was not a "free" lunch, but an equal serving of a "tax reform lunch" for all taxpayers. Rather than distribute tax breaks to a vested minority through complicated tax loopholes, Mr. GIBBONS would spread the tax reductions among all taxpayers.

Clearly, this is an issue which should unite both conservatives and liberals. Unfortunately, during the committee's lengthy hearings and markup sessions, Mr. GIBBONS was one of the few members who persisted in reminding his committee colleagues that the purpose of our tax laws is to raise revenues, not to cut the economic pie in differing portions.

Mr. Speaker, at this point, I insert the Journal editorial:

SAM GIBBONS BUYS LUNCH

The House Ways and Means Committee has been laboring for months that seem like years to design a tax bill suitable for presentation to the Congress, and what it has so far produced is barely worth careful scrutiny. It may be hard to believe, but in our view the only important proposals made, and rejected, in the committee were advanced by a small band of liberal Democrats led by Rep. Sam Gibbons of Florida.

Mr. Gibbons is in the middle of two equally stubborn blocs that can stymie any significant legislation. On the one hand there are conservatives, mostly Republicans, who are not only fighting to defend existing tax loopholes but want to build new ones into the system, all in the name of encouraging investment and creating jobs. On the other hand there are the liberals, mostly Democrats who want to knock out existing tax loopholes in order to raise revenues to pay for social programs.

The two groups are at a standoff, with unfortunate results for the American economy. The only sensible approach surfacing in the committee has been Mr. Gibbons'; he proposes converting existing loopholes, otherwise known as tax preferences, into generalized tax reductions. He proposes elimination of the Domestic International Sales Corporations, which are mechanisms for pure export subsidies, translating the revenue gain into a 2-point reduction in the corporate tax rate. He proposes elimination of the investment tax credit by 1977, translating the revenue gain into a 5½-point cut in the corporate tax rate. Only a half-dozen Democrats voted with him.

Ways and Means Republicans, in palpable demonstration of why the GOP is becoming an endangered species on Capitol Hill, unanimously opposed these perfectly lovely reforms, on the grounds that they are "politically unrealistic." What this means is that the folks who would lose the narrow loopholes are politically noisier and more effective than the folks who would benefit from the generalized tax cuts. Yet if the GOP had supported Mr. Gibbons, Chairman Al Ullman might have been tempted to go along and bring other Democrats with him, and there would be the makings of a monumentally important tax bill.

As our readers know, we are often tempted to believe the only reason the U.S. economy has been able to limp along in recent years has been the existence of "loopholes" that offer narrow incentives to production in an economy that is generally choked by disincentives. But it is grossly inefficient to keep an economy running by letting the butcher, baker and candlestickmaker breathe through loopholes so they can pull everyone else along.

The only "bad" thing about the Gibbons approach is that battalions of high-priced lawyers and accountants would have to find productive employment. But the "special interests" themselves would not lose. Companies that now avail themselves of export subsidies for the investment tax credit no doubt believe they would be damaged if these tax references were wiped off the books. But the effect of the Gibbons approach is to distribute the incentives equally through the economy and optimize resource allocation. The economic growth that would occur would, we believe, more than make up for any putative profit losses that individual firms imagine.

At the same time, the resulting economic growth would increase revenues to the government, providing the liberals with the wherewithal for social spending.

Unlike much of what Ways and Means has been haggling about, the Gibbons approach also has the potential for enactment. Without a plan to cash out loopholes, all the deliberations of Ways and Means will wind up being scrubbed either on the House or Senate floor or through a presidential veto. If only the conservatives would loose their grip on loopholes and the liberals relax on lower business taxes, even Milton Friedman would agree that the entire country would benefit in a close approximation of a free lunch.

OPPOSITION TO H.R. 8617, PARTISAN POLITICAL ACTIVITY BY CIVIL SERVANTS

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, I have consistently opposed H.R. 8617, a measure to undo—with few exceptions—the present prohibitions on partisan political activity by civil servants.

I have objected to this measure on the grounds that civil servants themselves want to see these prohibitions retained in order to prevent embarrassing situations in which political contributions may be expected of them by their own colleagues.

I would like to share one of the most articulate discussions on the subject of coercion and how it works which appeared in the Washington Star's "Federal Column," on November 10:

POTENTIAL FLAW SHOWN IN HATCH PROPOSAL

(By John Cramer)

A persuasive argument against House-approved legislation that would gut the Hatch Act, with its long-standing restrictions on partisan political activity by federal employes, came the other day in testimony to the Senate Civil Service Committee by Carl F. Goodman, Civil Service Commission general counsel.

Goodman pointed out that the House bill theoretically protects U.S. workers against political "coercion" by their superiors. Then he cited three examples to demonstrate the virtual impossibility of writing into law truly protective language:

"A 'superior' is known to be actively campaigning for candidate X. One of his subordinates, who is generally known to be personally close to the superior, or who is known to be the superior's 'right-hand man,' but is not actually superior to the employes, approaches other employes in front of the building, or in the parking lot, or at their residences, (note: the House bill prohibits fund solicitations in federal buildings) and solicits contributions for candidate X.

"The solicited employes must decide if it is expedient for them to contribute or decline to contribute, being aware of the possibility that the superior may learn whether or not a contribution was made.

"They would also be aware that it would be extremely difficult, if not for all practical purposes impossible, to prove that any particular employe is promoted or passed over for promotion, because he made a political contribution or failed to.

"There is no evidence to indicate that the superior instructed or even suggested to the subordinate that contributions should be solicited . . . unlikely that such evidence could be obtained."

"An employe is aware of a vacancy which would be a promotion for him. He also is aware that the person who will make the selection is actively supporting a particular candidate. Add to that the fact that another employe who will be in competition for the vacancy is also working actively on behalf of the same candidate.

"Our first employe must now make a decision with respect to his own activity. Can he really afford not to also campaign for that candidate? Or can he afford to exercise his 'right' of choice by actively campaigning for the opposition?

"What is at play here is internal coercion—the employe is caught between the proverbial rock and the hard place.

"Today he need not be concerned about making this no-win choice—he is hatched; he is protected."

"How about the employe engaged in political management who suddenly finds that the opposition candidate is his boss; or worse yet that the candidate he just successfully helped defeat now is boss and is responsible for his promotions, work assignments, leave, etc.?

"Are all political activists of such pure heart that they can and will completely overlook the fact that subordinates deprived them of elective offices they worked so hard to obtain?"

SOLAR ELECTRICITY

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, a recent article in the Washington Post points out clearly the tremendous potential the development of photovoltaics has for our national energy policy and the difficulties solar cell manufacturers have had thus far with government bureaucracy and our unwillingness to look at fresh approaches to energy supply. One of the major manufacturers of photovoltaic cells in the country, Solarex, is located in my district, and a recent visit there convinced me of the viability of the product. The problem of further reductions in cost is now closely related to the problem of mass production which, especially for a small business such as Solarex, will inevitably depend on Government policy. Unfortunately, Government progress to date has been unimpressive. I hope that growing awareness of the solar potential—which articles like this do much to stimulate—will persuade the Government to move more aggressively. The article follows:

SOLAR CELL ENERGY

(By David Morris)

For over 20 years the United States has had the technology to use sunlight for the production of electricity. There is increasing evidence that within a decade such devices will cost no more than other means of generating electric power and that they could produce significant quantities. Yet government policy seems indifferent.

The devices are called solar cells. Most solar cells are made from silicon which is made of ordinary sand. The cell is wafer thin and produces electricity when sunlight hits it. Developed primarily for the space program, these "power plants" were very costly in the 1960's. Early in the 1970's, however, one small manufacturer began making solar cells for use on earth. Within two years the price had dropped by a factor of five. Although the price is still too high for widespread use (it is now about 17 times the cost of traditionally generated electricity), these cells are being sold, at a profit, for such uses as medical auxiliary stations, radio repeater units, highway warning lights, and weather monitoring stations. They are used in places where it would be more expensive to install electric lines and are supplemented with storage batteries for cloudy days.

Government reports, expert testimony and the manufacturers of solar cells agree that the technology works. In contrast to nuclear fusion or the breeder reactor we have increasing experience with its reliability. The only obstacle to the widespread use of solar cells is their high cost.

Everyone admits that the cost can only be reduced by creating a market large enough to permit the automated production of solar cells. More research and development funds are of no help at all.

At present, the foremost cost component is labor. Yet, solar cells are semiconductor devices that are easier to manufacture than integrated circuits and that lend themselves readily to automation. Several manufacturers as well as independent consultants have come up with remarkably similar charts that show how prices would drop as sales increased and production methods improved. The conclusion is that if the amount of solar cell produced electricity were tripled each year, the price would drop low enough for residential use within a decade and meet one percent of the nation's electricity. In 25 years they could meet anywhere from 30 percent to 100 percent of the country's need, depending on factors that have nothing to do with the cost or production of cells. The most important of these factors is experienced personnel.

These production tables are not based on romantic visions, but on experience in related industries.

In the early 1950's, the Defense Department was faced with a similar situation with respect to transistor development. The transistor was expensive—some 20 to 100 times more expensive than the vacuum tube. The Defense Department, however, thought it important to develop the transistor for military reasons. With its help the price dropped by a factor of almost 100 within ten years.

Unfortunately there is at present no such commitment on the part of the Defense Department to do the same with solar cells. One would think that national security arguments are even more persuasive in this instance. Increased solar cell use would decrease our reliance on foreign fuels. Solar cell devices can be built efficiently in small power units (as opposed to nuclear reactors which require large market areas) making our power supply less vulnerable to enemy attack. Quite possibly, too, they might halt the proliferation of nuclear plants with their potential for making weapons. Would it not be better to supply foreign countries with solar cells than nuclear reactors?

Why doesn't the Defense Department consider the case for solar cells comparable to that of transistors? Why such lukewarm support?

Last June the Energy Research and Development Agency elevated solar energy to the same status as nuclear fusion and the breeder reactor. Yet funding for the coming year shows a gross disparity among the three. Equal priority is meaningless if solar energy gets only a fraction of the money the others get, if the chief energy official, Frank Zarb, publicly urges that nuclear energy be pushed aggressively, if the government is still intent on building one nuclear reactor a month for the next fifteen years and if the Federal Energy Administration sets up a special office to lobby for nuclear energy within the government.

Yet, the production versus cost tables show that the government could develop solar cells at minimal cost.

The first thing needed is a survey to find existing federal facilities where the use of solar cells would be economically feasible. Coast Guard officials agree, for example, that reliable solar cells could save them money on their 12,000 minor lighting systems and buoys. Their purchase alone would almost double the production of the infant industry and almost surely lead to cost reductions.

The trouble is that big government and big business do not yet know how to deal with the new device. Government reports consistently note that solar cell electricity will first become cost competitive for household and community use. Yet government officials insist that the cell must be proven successful as compared with existing utility words systems.

It also seems clear that the government does not like to deal with small business. Yet it is the small manufacturers who entered the field when the big boys were not interested, who have reduced the cost of solar electric power, who have gained experience and who have demonstrated that solar power is not just a dream.

It therefore makes little sense that recent research and development contracts in the solar cell field have gone to large corporations, such as General Electric and Westinghouse, which have no experience and enough capital of their own to enter the field without government assistance. These contracts are of much greater help to small manufacturers who lack capital but have invested years of effort.

First of all, a bewildered public needs a great deal more honest information about the potential of solar generated electricity as an alternative to nuclear power.

FEARS OF UNILATERAL ACTION REALIZED

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, during debate on H.R. 200 to establish a 200-mile fisheries jurisdiction, I opposed the bill on the grounds that any unilateral action by the United States which leapfrogs current U.N. Law of the Sea negotiations would lead to more extreme jurisdictional claims by other nations acting to promote and protect their national interests. Mexico's announcement on November 5 claiming exclusive economic rights within 200 miles of its shore and closing off the Gulf of California provides disturbing proof of my point. While H.R. 200 only proposes to extend U.S. control over fishing within the 200-mile zone, Mexico intends to control all living and nonliving resources within the area.

Although both the United States and Mexico's claims do not exceed the agreement which is expected to come from the Law of the Sea negotiations, a unilateral claim by an influential country like the United States, which in the past has opposed all such unilateral extensions, triggers a chain reaction which inevitably will result in other countries staking claims which do transgress the hard-won international consensus on the limits of national territorial and economic jurisdiction.

When the United States unilaterally extended its jurisdiction over the contiguous Continental Shelf in 1945, Peru and Ecuador followed by claiming a 200-mile territorial sea. These two countries are part of a small group of South American countries called the "territorialists" which are strongly arguing for a 200-mile territorial sea at the U.N. Law of the Sea Conference. However, they comprise only a small minority of the conference members, and their claim to a broad territorial sea can be controlled by the votes of the majority of the nations and by trading their interest in extending their territorial jurisdiction for other interests which are subject to conference negotiations.

There are no such checks and balances to protect varying interests of the many nations party to this conference, including our own, if claims of national jurisdiction are made unilaterally rather than in the context of a comprehensive treaty which covers both national and international territory. The U.S. interests only suffer from unilateral action. Peru and Ecuador have seized our fishing boats "trespassing" within their claimed territorial waters, and Mexico's claim will affect our shrimp and tuna fishermen who have traditionally fished along Mexico's coast and our oil companies which are conducting tests from seismographic ships within 200 miles of Mexico's coast. Furthermore, our fisheries problem is being solved at the bargaining table where international agreements now in force are being renegotiated under terms which restrict all fishing to an allowable catch such that present stocks off the U.S. coast will not be further depleted, and which significantly increase the U.S. portion of the allowable catch, and which protect U.S. fishing interests off the coasts of other nations.

By passing H.R. 200, opponents fears are being realized. We have undermined existing protective fishery agreements, jeopardized future treaty negotiations, and led the way to further unilateral claims by other nations.

The article from November 6 Washington Post on Mexico's claim follows:

Mexican Sea Rights Set at 200 Miles

(By Marlise Simons)

Mexico City, November 6.—Mexico announced Wednesday the extension of its jurisdiction offshore from 12 to 200 miles, claiming exclusive economic rights over the area and closing off the Gulf of California.

These measures restrict foreign exploitation of fishing grounds or any other natural resource within the 200-mile zone. Unlike other major Latin American nations, Mexico, did not claim territorial rights over the area. Free passage of vessels, submarines, aircraft or underwater cables will therefore not be affected.

Foreign Minister Emilio Rabasa gave the announcement, made at a press conference, a strong political emphasis. He called the measure one of the most important events in Mexican history and "a vindication of the large loss of Mexican territory in the past." With this measure, Rabasa said, Mexico regained an economic zone larger than the national territory itself.

A number of major U.S. oil companies, including Exxon, Mobil and Gulf, have been conducting tests from seismographic ships inside the new 200-mile zone but beyond Mexico's continental shelf. It does not extend the full 200 miles at any point.

Part of the area that the oil companies are interested in is presumably subject to negotiation because any U.S. claim of a 200-mile zone would create overlapping Mexican-American areas.

New offshore oil finds are expected. Mexico is also exploring for oil in the Gulf and it already has 35 offshore wells producing 30,000 barrels a day—5 per cent of the country's total oil production.

Although the bill was only signed by Mexican President Luis Echeverria Wednesday and requires a constitutional amendment, it is certain to be passed by the Mexican legislature in the next few weeks.

The Mexican claim will seriously affect fishermen from the United States, Japan, and Cuba who traditionally fish for shrimp and tuna along Mexico's 6,250-mile coast. Trawlers from California, Texas, Louisiana and Florida are frequently seen at Mexico's offshore fishing grounds.

Mexican fishermen have often complained that faster, more modern boats from other nations get the larger share of fish and shrimp just outside and even within Mexican territorial waters. In 1970, the United States caught 250,000 tons of tuna in Mexico's vicinity, and Japan caught as much as 350,000 tons, surpassing Mexico's own national tuna-fishing fleet.

Mexican Marine Secretary, Adm. Luis Bravo said that Mexico's fishing grounds would be patrolled in the future from air and sea and intruders within the 200-mile zone would be asked to leave. At present Mexico has about 100 patrol boats and a small number of planes, but the marine secretary said "We are now elaborating a complete system of vigilance."

Mexico announced, however, that it would sell commercial fishing licenses for species which it presently is unable to harvest completely itself. This would imply that foreign tuna fishermen would be able to fish for tuna inside the 200-mile zone, but Mexico would not be likely to give licenses for shrimp fishing. Shrimp makes up 85 per cent of Mexico's seafood exports and is Mexico's fourth most valuable single export.

The Gulf of California, 223 miles wide at its mouth, will now cease to be international water.

GENERAL LEAVE

Mr. MINETA. Mr. Speaker, I ask unanimous consent that all Members may be permitted to include extraneous material in their remarks on House Resolution 855 relating to the United Nations and Zionism which was agreed to earlier today.

The SPEAKER pro tempore (Mr. Sharp). Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Gilman, for November 10, 1975, on account of cross-country tour by a bipartisan delegation of New York Congressmen to gain support for legislation for New York City.

Mr. Eshleman (at the request of Mr. Rhodes), for today and the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Lagomarsino) to revise and extend their remarks and include extraneous material:)

Mr. KEMP, for 15 minutes, today.

Mr. BELL, for 5 minutes, today.

Mr. RINALDO, for 5 minutes, today.

Mr. SHRIVER, for 5 minutes, today.

(The following Members (at the request of Mr. MINETA) to revise and extend their remarks and include extraneous material:)

Mr. MEZVINSKY, for 30 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. WOLFF, for 5 minutes, today.

Mr. BRADEMAS, for 5 minutes, today.

Mr. VANIK, for 60 minutes, today.

Mr. REUSS, for 10 minutes, today.

Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. CHARLES H. WILSON of California, for 10 minutes, today.

Mr. MOSS, for 5 minutes, today.

Ms. HOLTZMAN, for 10 minutes, today.

Ms. ABZUG, for 10 minutes, today.

Mr. BINGHAM, for 10 minutes, today.

Mr. DIGGS, for 5 minutes, today.

Mrs. COLLINS of Illinois, for 5 minutes today.

Mr. ROGERS, for 5 minutes, today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ROSTENKOWSKI, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,215.50.

Mr. BRADEMAS, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $1,001.

Mr. NEDZI in two instances and include extraneous matter.

Ms. ABZUG, after the last vote on the conference report.

Mr. O'NEILL to revise and extend his remarks and include extraneous matter following the reading of H. Res. 855 today.

Mr. MITCHELL of Maryland following the vote on House Resolution 855 today.

(The following Members (at the request of Mr. LAGOMARSINO) and to include extraneous matter:)

Mr. BUCHANAN.

Mr. KEMP in three instances.

Mr. CRANE.

Mr. SEBELIUS.

Mr. KASTEN in two instances.

Mr. FRENZEL in two instances.

Mr. BURKE of Florida.

Mr. DERWINSKI in three instances.

Mr. LENT.

Mr. RINALDO.

Mr. BELL.

Mr. LAGOMARSINO in two instances.

(The following Members (at the request of Mr. MINETA) and to include extraneous matter:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. DIGGS.

Mr. MATSUNAGA.

Mr. MAZZOLI in two instances.

Mr. MILLER of California in two instances.

Mr. JONES of Oklahoma.

Mr. CORNELL.

Mr. ROSE.

Mr. VANIK in two instances.

Mr. STARK.

Mr. ROYBAL.

Mr. DRINAN in 10 instances.

Mr. EILBERG in 10 instances.

Mr. OBEY in 10 instances.

Mr. STOKES in two instances.

Mr. WON PAT in two instances.

Mr. JOHN L. BURTON.

Mr. CONYERS.

Mr. BLANCHARD in three instances.

Mr. ROSENTHAL in 10 instances.

Mr. RANGEL in two instances.

Mr. SIMON in two instances.

Mr. MINISH in two instances.

Mr. RIEGLE in two instances.

Mr. TRAXER.

Mr. FORD of Michigan.

Mr. KOCH in five instances.

Mr. SCHEUER.

Mr. BOLAND.

Mr. OTTINGER.

Mr. LLOYD of California.

Mr. YOUNG of Georgia.

Mr. BINGHAM.

Mrs. SPELLMAN.

Mr. OBERSTAR.

Mr. MINETA.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 690. An act for the relief of Sheila J. Phelps; to the Committee on the Judiciary.

S. 1494. An act for the relief of Paul W. Williams; to the Committee on the Judiciary.

ADJOURNMENT

Mr. MEZVINSKY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 32 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 12, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2030. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the cumulative report on rescissions and deferrals for November 1975, pursuant to Executive Order 11845 and section 1014(e) of the Congressional Budget and Impoundment Control Act of 1974 (H. Doc. No. 94–304); to the Committee on Appropriations and ordered to be printed.

2031. A letter from the President of the United States, transmitting notice of his intention to designate additional beneficiary developing countries and territories for purposes of the Generalized System of Preference provided for in title V of the Trade Act of 1974, pursuant to section 502(a)(1) of the act (H. Doc. 94–305); to the Committee on Ways and Means and ordered to be printed.

2032. A letter from the Secretary of Agriculture, transmitting a report of a violation of the Antideficiency Act by the Forest Service, pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 665); to the Committee on Appropriations.

2033. A letter from the Assistant Secretary of Defense, transmitting a report on the value of property, supplies, and commodities provided by the Berlin Magistrate, and under the German offset Agreement for the quarter July 1, 1975 through September 30, 1975, pursuant to section 819 of Public Law 93–437; to the Committee on Appropriations.

2034. A letter from the Secretary of the Army, transmitting the annual report of the U.S. Soldiers' and Airmen's Home for fiscal year 1974 and a copy of the report of the Annual General Inspection of the Home, 1975, by the Inspector General of the Army, pursuant to the act approved March 3, 1883, as amended [24 U.S.C. 59, 60]; to the Committee on Armed Services.

2035. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting the current services estimates for fiscal year 1977, pursuant to the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344) (H. Doc. No. 94–306); to the Committee on the Budget and ordered to be printed with illustrations.

2036. A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed final regulations relating to libraries, learning resources, educational innovation, and support (title IV of the Elementary and Secondary Education Act of 1965), pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2037. A letter from the Deputy Assistant Secretary of the Interior, transmitting a copy of a proposed contract with Massachusetts Institute of Technology, Francis Bitter National Magnet Laboratory, Cambridge, Mass., for a research project entitled "Magnetite Recovery in Coal Washing by High Gradient Magnetic Separation," pursuant to section 1(d) of Public Law 89–672; to the Committee on Interior and Insular Affairs.

2038. A letter from the Vice President of Government Affairs, National Railroad Passenger Corporation, transmitting the financial reports of the Corporation for the months of June and July 1975, pursuant to section 308(a)(1) of the Rail Passenger Service Act of 1970, as amended; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAYS of Ohio: Committee on House Administration S. 95. An act to guarantee the constitutional right to vote and to provide uniform procedures for absentee voting in Federal elections in the case of citizens outside the United States; with amendment (Rept. No. 94–649). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 859. Resolution providing for the consideration of H.R. 7863. A bill to amend the Farm Credit Act of 1971 to authorize the Federal Farm Credit Board to fix the compensation of the Governor and Deputy Governors of the Farm Credit Administration (Rept. No. 94–650). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 860. Resolution providing for the consideration of H.R. 10031. A bill to amend the Defense Production Act of 1950 (Rept. No. 94–651). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 861. Resolution providing for the consideration of H.R. 10585.

A bill to increase the temporary debt limitation until March 15, 1976 (Rept. No. 94–652). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 10667. A bill to reduce payments to the United Nations and its affiliated agencies; to the Committee on International Relations.

By Mr. BEARD of Rhode Island:

H.R. 10668. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year from $2,520 per year to $6,000 per year without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. BENITEZ (for himself, Mr. Badillo, Mr. Moorhead of Pennsylvania, Mr. Emery, Mr. Rodino, Mr. de Lugo, Mr. Price, Mr. Ottinger, Mr. de la Garza, Mr. Nix, Mr. Melcher, Mr. Roe, Mr. Thompson, Mr. Rangel, Mr. Vander Veen, Mr. Derwinski, Mrs. Chisholm, Mr. Harrington, Mrs. Burke of California, Mr. Horton, Mr. LaFalce, Mr. Hawkins, and Mr. Won Pat):

H.R. 10669. A bill to provide Federal assistance to the Commonwealth of Puerto Rico for the construction of a youth recreation center in honor of Roberto Clemente; jointly to the Committees on Interior and Insular Affairs, and Government Operations.

By Mr. BOWEN:

H.R. 10670. A bill to amend X section 216 of the Flood Control Act of 1950; to the Committee on Public Works and Transportation.

By Mr. PHILLIP BURTON:

H.R. 10671. A bill to amend the Immigration and Nationality Act to permit more persons to immigrate from colonies of foreign states; to the Committee on the Judiciary.

By Mr. CORNELL (for himself, Mr. Baucus, Mr. Bedell, Mr. Brodhead, Mr. Edgar, Mr. LaFalce, Mr. McHugh, Mr. Ottinger, Mr. Simon, Mr. Tsongas, and Mr. Wirth):

H.R. 10672. A bill to provide public financing of primary and general elections for the Senate and the House of Representatives; to the Committee on House Administration.

By Mr. DUNCAN of Tennessee:

H.R. 10673. A bill to amend the provisions of the Social Security Act to consolidate the wages by employers for income tax withholding and old-age, survivors, and disability insurance purposes and for other purposes; to the Committee on Ways and Means.

By Mr. HANSEN:

H.R. 10674. A bill to revise the Renegotiation Act of 1951; to the Committee on Banking, Currency and Housing.

By Mr. HARRIS (for himself, Mr. Oberstar, Mr. Charles H. Wilson of California, and Mr. Young of Alaska):

H.R. 10675. A bill to amend title 5, United States Code, to eliminate the President's authority to submit to the Congress alternative comparability pay plans for Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HARRIS (for himself, Mr. Blanchard, Mr. Riegle, and Mr. Oberstar):

H.R. 10676. A bill to provide that the rates of pay for Members of Congress shall be the rates in effect on September 30, 1975, until such time as they are fixed otherwise by law, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HOWARD:

H.R. 10677. A bill to amend the Internal Revenue Code of 1954 to exempt nonprofit volunteer firefighting or rescue organizations from the Federal excise taxes on gasoline, diesel fuel, and certain other articles and services; to the Committee on Ways and Means.

By Mr. LEHMAN (for himself, Mr. Simon, Mr. White, Mr. Dominick V. Daniels, Mr. Harris, Mrs. Spellman, Mr. Mineta, Mr. Jenrette, and Mr. Udall):

H.R. 10678. A bill to provide for the reinstatement of civil service retirement survivor annuities for certain widows and widowers whose remarriages occurred before July 18, 1966, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA (for himself, Mr. D'Amours, and Mr. Cleveland):

H.R. 10679. A bill to provide for the exclusion of industrially funded personnel in computing the total number of civilian personnel authorized by law for the Department of Defense in any fiscal year; to the Committee on Armed Services.

By Mr. MINISH (for himself, Mr. Mitchell of Maryland, Mr. Derrick, Mr. Hayes of Indiana, Mr. Gonzalez, Mr. St Germain, Mr. Evans of Indiana, Mr. McKinney, Mr. John L. Burton, Mr. Brooks, and Mr. Reuss):

H.R. 10680. A bill to revise and extend the Renegotiation Act of 1951; to the Committee on Banking, Currency and Housing.

By Mr. MOTTL (for himself and Mr. Emery):

H.R. 10681. A bill to amend the Internal Revenue Code of 1954 to deny the charitable deduction for contributions of certain governmental publications by treating such publications as not being capital assets; to the Committee on Ways and Means.

By Mr. NOWAK (for himself, Mr. Badillo, Mr. Harrington, Mr. Kemp, Mr. LaFalce, Mr. McHugh, Mr. Ottinger, and Mr. Rinaldo):

H.R. 10682. A bill to amend the Bankruptcy Act to provide emergency relief under certain circumstances to political subdivisions who are creditors of railroads; to the Committee on the Judiciary.

By Mr. OTTINGER:

H.R. 10683. A bill to provide that meetings of Government agencies shall be open to the public, and for other purposes; to the Committee on Government Operations.

By Mr. PRESSLER:

H.R. 10684. A bill to provide primarily for the reduction of soil blowing; and to control snow deposition and conserve moisture; to protect crops, orchards, and livestock; to provide food and cover for wildlife; to conserve energy; to increase the natural beauty of the landscape; and for other purposes; to the Committee on Agriculture.

By Mr. ROE:

H.R. 10685. A bill to amend the Internal Revenue Code of 1954 to provide an additional personal exemption of $750 for individuals serving in certain volunteer organizations providing firefighting, ambulance, or rescue services; to the Committee on Ways and Means.

By Mr. SIMON (for himself and Mr. McKay):

H.R. 10686. A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes; to the Committee on Post Office and Civil Service.

By Mr. SLACK:

H.R. 10687. A bill to provide authority to institute emergency measures to minimize the adverse effects of natural gas shortages, to provide authority to allocate propane, to regulate commerce to assure increased supplies of natural gas at reasonable prices for consumers, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STOKES (for himself, Mr. Gaydos, Mr. Melcher, Mr. Moakley, Mr. Railsback, and Ms. Schroeder):

H.R. 10688. A bill to require that discharge certificates issued to members of the armed forces not indicate the conditions or reasons for discharge, to limit the separation of enlisted members under conditions other than honorable, and to improve the procedures for the review of discharges and dismissals; to the Committee on Armed Services.

By Mr. WAGGONNER:

H.R. 10689. A bill to amend the Tariff Schedules of the United States with respect to jewelry; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON of California:

H.R. 10690. A bill to repeal the Congressional Budget Act of 1974; to the Committee on Rules.

By Mr. HEINZ (for himself, Mr. Badillo, Mr. Brodhead, Mr. Cohen, Mr. du Pont, Mr. Eilberg, Mr. Gude, Mr. Harrington, Mr. Mottl, Mr. Neal, Mr. Russo, Mr. Stark, Mr. Thone, Mr. Treen, and Mr. Whitehurst):

H.R. 10691. A bill to amend title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. HEINZ (for himself, Mr. Bedell, Mr. Bevill, Mr. Brown of California, Mr. Carr, Mr. Cornell, Mr. Duncan of Oregon, Mr. Edgar, Mr. Ford of Tennessee, Mr. Frenzel, Mr. Gradison, Mr. LaFalce, Mr. Pattison of New York, and Mr. Rees):

H.R. 10692. A bill to amend title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. HORTON:

H.R. 10693. A bill to amend section 141 of title 10, United States Code, to require that the Secretaries of the military departments be kept fully and currently informed regarding all matters considered and acted upon by the Joint Chiefs of Staff; to the Committee on Armed Services.

By Mr. RINALDO (for himself and Mr. Florio):

H.R. 10694. A bill to amend the Regional Rail Reorganization Act of 1973 in order to authorize and direct the Secretary of Transportation to make certain State and local tax payments on behalf of railroads in reorganization; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN:

H.R. 10695. A bill to provide for loans for the establishment and/or construction of municipal, low-cost, nonprofit clinics for the spaying and neutering of dogs and cats, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (by request):

H.R. 10696. A bill to provide for the preservation of existing patterns of service by railroads and of existing railroad trackage in areas in which fossil fuel natural resources are located; to the Committee on Interstate and Foreign Commerce.

H.R. 10697. A bill to amend the Regional Rail Reorganization Act of 1973 to provide for a more flexible capital structure for the Consolidated Rail Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 10698. A bill to amend the Regional

Rail Reorganization Act of 1973 to provide for the purchase of securities of the Consolidated Rail Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STOKES:

H.R. 10699. A bill to prohibit psychosurgery in federally connected health care facilities; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. O'NEILL (for himself, Mr. RHODES, and Mr. BUCHANAN):

H. Con. Res. 475. Concurrent resolution relating to the United Nations and Zionism; jointly to the Committees on International Relations, and Rules.

By Mr. PRESSLER:

H. Con. Res. 476. Concurrent resolution expressing the sense of Congress that vocational education shall be treated equally with other education; jointly to the Committees on Education and Labor, and Veterans' Affairs.

By Mr. ROSENTHAL:

H. Con. Res. 477. Concurrent resolution relating to the United Nations and Zionism; to the Committee on International Relations.

By Mr. ROUSSELOT:

H. Con. Res. 478. Concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action; to the Committee on the Budget.

By Mr. GILMAN (for himself, Mr. LITTON, Mr. ROSENTHAL, Mr. McDADE, Mr. KASTEN, Mr. MAZZOLI, Mrs. SCHROEDER, Mr. EDGAR, Mr. SOLARZ, Mr. McHUGH, Mr. WALSH, Mr. KETCHUM, Mr. PATTISON of New York, Mr. MACDONALD of Massachusetts, Mr. ARCHER, Mr. HUGHES, Mr. BEDELL, Mr. LENT, Mr. HANNAFORD, Mr. CHARLES H. WILSON of California, Mr. COHEN, Mr. ICHORD, Mr. SARBANES, and Mrs. HOLT):

H. Res. 856. Resolution to express the sense of the House of Representatives that the President should, upon visiting the People's Republic of China, request that appropriate Chinese officials use their good offices to obtain a full and complete accounting of members of the U.S. Armed Forces missing in action and confined as prisoners of war in Southeast Asia and of all American civilian personnel who are listed as missing in Southeast Asia and should, upon his return to the United States, report back to the Congress on the results of his request; to the Committee on International Relations.

By Mr. STARK:

H. Res. 857. Resolution expressing the sense of the House of Representatives relative to limiting arms sales; to the Committee on International Relations.

By Mr. WOLFF (for himself and Mr. MONTGOMERY):

H. Res. 858. Resolution to establish the Vietnam veteran congressional intern program in the House of Representatives; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

275. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to voting representation in the U.S. House of Representatives; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Ms. ABZUG introduced a bill (H.R. 10700) for the relief of Antoni B. Wojcicki; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H. RES. 861

By Mr. ANDERSON of Illinois:

An amendment in the nature of a substitute to House Resolution 861 (providing for the consideration of the bill H.R. 10585):

Resolved, That upon the adoption of this resolution it shall be in order to move, Rule XI, clause 2(1)(6) to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976, and all points of order against said bill for failure to comply with the provisions of clause 5, Rule XXI, are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider without the intervention of any point of order the following amendment if offered as a new section at the end of the bill H.R. 10585: "Sec. 3. Maximum outlays under the Budget of the United States Government for the fiscal year beginning October 1, 1976, shall not exceed $395,000,000,000, provided, that nothing in this section shall be construed as to preclude an adjustment in this outlay ceiling under procedures established by the Congressional Budget and Impoundment Control Act of 1974 (31 U.S.C. 1301), should changed economic conditions warrant such an adjustment.", but said amendment shall not be subject to amendment. At the conclusion of the consideration of H.R. 10585 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

H. CON. RES. 466

By Mr. ROUSSELOT:

Strike all after the resolving clause and insert the following:

That the Congress hereby determines and declares, pursuant to section 310(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on July 1, 1975—

(1) the recommended level of Federal revenues is $301,800,000,000, and the House Committee on Ways and Means and the Senate Committee on Finance are directed to determine and recommend changes in laws, bills, or resolutions to decrease Federal revenues by approximately $5,400,000,000;

(2) the appropriate level of total new budget authority is $328,500,000,000, and the House Committee on Appropriations and the Senate Committee on Appropriations are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget authority by approximately $60,000,000,000; and the House Committee on Ways and Means and the Senate Committee on Finance are directed to determine and recommend changes in laws, bills, or resolutions to decrease total new budget authority by approximately $12,000,000,000;

(3) the appropriate level of total budget outlays is $301,800,000,000, and the House Committee on Appropriations and the Senate Committee on Appropriations are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget outlays by approximately $60,000,000,000; and the House Committee on Ways and Means and the Senate Committee on Finance are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget outlays by approximately $12,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $0; and

(5) the appropriate level of the public debt is $548,400,000,000.

EXTENSIONS OF REMARKS

CENSUS RECORDS BILL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. SIMON. Mr. Speaker, the bill I am introducing today will settle a growing controversy over the future disposition and use of population census records—a controversy which threatens to make them inaccessible for legitimate research.

Presently the National Archives has in its custody the census records through 1950. In accordance with a written agreement between the Director of the Bureau of the Census and the Archivist of the United States in 1952, the Archivist has been permitting qualified genealogists, historians and researchers to examine these census records 72 years after the enumeration date.

This has allowed medical research into such areas as genetic diseases and the hereditary traits of cancer. It has enabled historians to trace the history of immigrant families; the movement of Americans to exploit economic opportunities; the correlation between economy, social and ethnic groups and political preferences; and many other important factors of our early history. And the Archivist's discretion in making these records available has given genealogists an irreplaceable tool in their search for ancestors, while insuring that the integrity of the information was not abused.

I believe it is important that these invaluable tools for research continue to be made available under the careful and responsible eye of the Archivist of the United States.

That availability has been threatened recently, however, by the sensitivity of the Bureau of the Census to the growing issue of privacy. The release of the 1910 records was delayed by Census Bureau objections until the Attorney General ruled that the release was valid, and since then the Census Bureau has encouraged legislative efforts to end the informal arrangement with the Archivist which has existed for the past 33 years.

I share the concern of the Bureau of Census that personal rights not be violated by the release of personal information. But I believe that restricted access after a great number of years—the practice followed by the Archivist today—both protects individual rights and provides for the overriding public good of making research tools accessible. In all of the years of use of the records—and the use has been intensive—the Archivist has received not one complaint from a respondent or heir of a respondent. This should be the best witness that there has been no invasion of privacy under the existing policy and that it makes good sense to continue it. I urge support for this measure.

The text of the bill follows:

H.R. 10686

A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter I of chapter 1 of title 13, United States Code, relating to general provisions for census administration, is amended by inserting immediately after section 9 the following new section:

"§ 10. Transfer to Archives; availability for genealogical and other purposes

"(a) Not later than 50 years after the census date of any census conducted under the authority of subchapter II of chapter 5 of this title, the Secretary shall transfer to the Administrator of General Services for deposit with the National Archives of the United States all schedules and related indices pertaining to such census. The Administrator shall provide for the preservation of all census material which is deposited with the National Archives.

"(b) All schedules and related indices deposited in the National Archives which pertain to a census conducted under the authority of subchapter II of chapter 5 (or similar provisions of prior law) shall be made available 75 years after the census date and thereafter to persons whom the Archivist of the United States determines will utilize access to such material for genealogical or other proper purposes."

SEC. 2. The table of sections of chapter 1 of title 13, United States Code, is amended by striking out the item relating to section 10 and inserting in lieu thereof the following:

"10. Transfer to Archives; availability for genealogical and other purposes."

UNITED NATIONS RESOLUTIONS A DISAPPOINTMENT

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. LLOYD of California. Mr. Speaker, it is with deep regret, disappointment and anger that I comment on the United Nations resolution calling Zionism a form of racism. I condemn this action in the strongest possible sense, and I would propose that this Nation consider withdrawing its financial support of the United Nations if actions such as this are continued.

Israel has proven itself to be a strong friend and ally of the United States, not just in the Middle East, but throughout the world. As codemocracies, Israel and America will continue their friendship. This indefensible action by the United Nations will not serve as a wedge to drive us apart, but has a bond to bring us closer together.

I applaud the American Ambassador to the United Nations, Daniel P. Moynihan, who denounced the move and said the United States would not abide or acknowledge the resolution, or, "acquiesce in this infamous act."

It is with this same spirit that I urge my colleagues in the Congress to denounce this action by the United Nations and to affirm support for Israel.

AN OUTSTANDING CONTRA COSTA COUNTY CITIZEN, ROSCOE O. HUNTER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MILLER of California. Mr. Speaker, on November 21, 1975, many of my constituents and I will be honoring a dedicated citizen, Roscoe O. Hunter. The fact that his testimonial dinner is sponsored jointly by the Davis Chapel of the Christian Methodist Episcopal Church in Richmond, Calif., and the members of the Contra Costa County Central Labor Council unions attests to Roscoe Hunter's extensive activity and Christian concern on behalf of his fellow man.

The following resolution authored by Assemblyman John T. Knox, and passed by the Assembly of the State of California honoring Mr. Hunter describes briefly his efforts and achievements:

MEMBER'S RESOLUTION

(By the Honorable John T. Knox)

Relative to commending
Mr. Roscoe O. Hunter

Whereas, The pastor and congregation of the Davis Chapel of the Christian Methodist Episcopal Church in Richmond and the members of the Central Labor Council are hosting a testimonial banquet for an outstanding Contra Costa County citizen, Mr. Roscoe O. Hunter, on Friday, November 21, 1975, at the Cerrito City Club in El Cerrito; and

Whereas, Mr. Hunter, who has been a member of the General Construction Labor Union Local 324 for 31 years, is a devoted churchman and chairman of Steward Board, No. 1, a class leader, finance chairman, and a member of the trustee board; and he was named the Davis Chapel's "Man of the Year" on November 7, 1974; and

Whereas, For the past nine years, he has served as secretary-treasurer of Local 324, a member of the Contra Costa County Labor Council Executive Board, and chairman of the Trustee Central Labor Council; and

Whereas, A well-liked and respected member of his community, Mr. Hunter has earned the respect of all who have worked with him and is held in high esteem by all who know him and all who have been associated with him; and now therefore, be it

Resolved by Assemblyman John T. Knox, That Mr. Roscoe O. Hunter be commended for his outstanding record of dedicated and highly effective service on behalf of the Davis Chapel of the Christian Methodist Episcopal Church of Richmond and the Central Labor Council Unions and congratulated upon the recognition being extended him by his church and union associates; and be it further

Resolved, That a suitably prepared copy of this resolution be transmitted to Mr. Roscoe O. Hunter.

H.R. 66 COSPONSORS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ANDERSON of California. Mr. Speaker, at this time I would like to provide for the RECORD a list of colleagues who have cosponsored H.R. 66, a bill I originally introduced which would discourage the use of painful devices in the trapping of animals and birds:

Patterson of California.
Schroeder of Colorado.
Dellums of California.
Frenzel of Minnesota.
Murphy of New York.
Ashley of Ohio.
Keys of Kansas.
Stark of California.
Symington of Missouri.
Sarasin of Connecticut.
Whitehurst of Virginia.
Boggs of Louisiana.
Studds of Massachusetts.
McClory of Illinois.
Zeferetti of New York.
Jacobs of Indiana.
Wilson of Texas.
Brown of California.
Van Deerlin of California.
Edwards of California.
Moss of California.
Koch of New York.
Maguire of New Jersey.
Fascell of Florida.
Biester of Pennsylvania.
Carney of Ohio.
Drinan of Massachusetts.
Mikva of Illinois.
Ottinger of New York.
Cotter of Connecticut.
Downey of New York.
Horton of New York.
McHugh of Maryland.
Chisholm of New York.
Rinaldo of New Jersey.
Edgar of Pennsylvania.
Coughlin of Pennsylvania.
McCloskey of California.
Harrington of Massachusetts.
Young of Florida.
Winn of Kansas.
Brodhead of Michigan.
Sarbanes of Maryland.
Beard of Rhode Island.
Bob Wilson of California.
Helstoski of New Jersey.
Steelman of Texas.
Eilberg of Pennsylvania.
Gibbons of Florida.
Pritchard of Washington.
Russo of Illinois.
Tsongas of Massachusetts.
De Lugo of Virgin Islands.
Holtzman of New York.

Burgener of California.
Hannaford of California.
Talcott of California.
Bell of California.
Yates of Illinois.
Hechler of West Virginia.
Biaggi of New York.
J. Herbert Burke of Florida.
Rodino of New Jersey.
Nowak of New York.
Mosher of Ohio.
Badillo of New York.
Wolff of New York.
D'Amours of Rhode Island.
Buchanan of Alabama.
Mitchell of Maryland.
Meyner of New Jersey.
Pepper of Florida.
Ryan of California.

There is still time remaining to cosponsor H.R. 66 before the November 17 and 18 hearings on the legislation. A summary of H.R. 66 can be found in the October 28 edition of the Congressional Record.

I will reintroduce H.R. 66 once more on November 14. I urge my colleagues to join us in an effort to halt the needless slaughter of millions of wild and domestic animals annually.

THE VETERANS' ADVISORY COMMITTEE FOR THE SEVENTH DISTRICT OF CALIFORNIA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MILLER of California. Mr. Speaker, today, November 11, millions of Americans will pause to remember the contributions and sacrifices made in the last 200 years by members of this country's armed forces. Our veterans deserve our respect and our gratitude. I believe it fitting, therefore, to bring to the attention of the House a most interesting and successful endeavor undertaken by the veterans of my district.

Early this year at my request, a Veterans' Congressional Advisory Committee was organized to advise me so that I could better understand and serve the needs of veterans. The members of the committee have been chosen by veterans themselves, one from each established veterans' organization in Contra Costa County, others from local colleges and from agencies designed to aid veterans. The committee members are in constant contact with my district office. It meets monthly to discuss and evaluate legislation upon which I am then advised, to develop efforts to deal with various problems concerning the Veterans' Administration, and to help the congressional office provide assistance in efforts to improve employment opportunities for veterans.

I have found my Congressional Veterans' Advisory Committee an invaluable aid in educating me and my staff of the needs of veterans and in maximizing the ability of my office to help the veterans of my district. I feel that I am most fortunate to have such dedicated assistance. The following people have my sincere gratitude and thanks for their efforts in the establishment and continual operation of the Congressional Veterans' Advisory Committee for the Seventh District of California:

Guy Alberigo, Diablo Valley College Veterans' representative.

Ron Bean, Diablo Valley College Veterans' representative.

Olan C. Belton, U.S. Department of Labor Veterans' Employment Service.

Hugh Berdan, Veterans of Foreign Wars.

Dale Bosley, American Legion.

Waymond Bradley, Contra Costa College Veterans' representative.

Shaffe T. Courey, Military Order of Purple Heart.

Jim Friedl, Fleet Reserve Association.

Ryland Freeman, Fleet Reserve Association.

LOW POINT FOR THE UNITED NATIONS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. LENT. Mr. Speaker, I rise to protest and condemn the action yesterday of the United Nations General Assembly in approving a resolution classifying Zionism as "a form of racism."

Israel's chief U.N. delegate, Chaim Herzog, put the question succinctly when he stated that the issue "is not Israel or Zionism, but "the continued existence of this organization—United Nations—which has been dragged to its lowest point of discredit by a coalition of despotisms and racists."

Mr. Speaker, the debate in the U.N. cannot claim any higher dignity than a monstrous attempt to legitimize anti-Semitism.

Adlai Stevenson once called the United Nations mankind's "last, best hope." I am glad he was spared the vision of what happened at the General Assembly yesterday. For when that resolution passed, the breakdown of law began, the destruction of all those ethics, principles, and ideals of the Judeo-Christian heritage that divide civilized nations from the barbarians. The fact that the resolution was proposed under the guise of further defining human rights is a blasphemous fraud, which no honest citizen of the world can fail to perceive as an invitation to brutal lawlessness, and loathe it with all his soul.

Mr. Speaker, at a public meeting sponsored by the United Jewish Council of Long Beach and affiliated Councils of Nassau County to protest this resolution held at Congregation Beth Sholom, Long Beach, N.Y., on November 9, I stated to the people of Long Island that if it passed the General Assembly, "the United States should undertake a full reevaluation of our present financial and political commitments to the United Nations." I rise today to say to my colleagues that the time has come to serve notice on the authoritarian regimes which overwhelmingly outnumber true democracies in the U.N. that they have gone too far. I shall support any measure to substantially reduce the American financial support of the United Nations.

I deeply regret that House Resolution 855, which was adopted unanimously by the House today, fails to call for immediate hearings to consider this situation. We should make it abundantly clear that Israel does not stand alone. Her cause is the cause of freedom, the cause of history, the cause of civilization. The Arab sponsors of this anti-Zionism resolution and those who supported it have sown the wind; they shall reap the whirlwind.

STATEMENT SUPPORTING NEW YORK CITY RELIEF LEGISLATION BY CONGRESSMAN WON PAT

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. WON PAT. Mr. Speaker, it is imperative for this Congress to prevent a financial default by the city of New York and for this reason, I rise to support legislation which seeks to provide some relief not only to New York's hard-pressed citizens, but to those Americans whose economic well-being are tied to that city.

As you know, the House Committee on Banking and Currency recently approved legislation to provide Federal loan guarantees that would bring freshly borrowed funds to the beleagured city, allowing it to redeem old debts and avoid default. Included in the measure are stringent requirements for fiscal reform by the city.

The House Committee on the Judiciary has also reported out legislation to amend the bankruptcy laws as they apply to cities to permit these localities to provide needed social services despite bankruptcy.

Both of these measures are desperately needed to stave off the threat of wholesale economic collapse of a number of metropolitan areas. I urge that they be joined together into one measure which should be then promptly sent to the other side for their deliberation.

It has been said that "as New York goes, so goes the Nation." Perhaps that is stretching things a bit, but the fact is that New York's plight with the banks is rapidly being shared by a host of other local governments, including my own island of Guam. We must be prepared to deal with these crises before they become fact. We must act now to insure that metropolitan governments who are foundering in the depths of economic quagmires receive the support they deserve from the Federal Government.

Mr. Speaker, it would be a tragic moment in our history if this government could provide billions of dollars to support corrupt foreign governments, including our adversaries, yet would not lend a penny to 8 million of its own citizens. Our democratic system of government is not meant to be efficient, at least not as efficient as Hitler's Germany or Russia of the Stalin era. Thus, we can expect some deficiencies in the conduct and management of our governmental institutions but we must not overlook the raison d'etre of government; namely, to serve the people and not vice versa.

I believe the handwriting for many economically pressed communities is already on the wall, including our small island of Guam, for example, is short some millions in anticipated revenues this fiscal year and primarily because of tax rebates, and so forth. The administration of Guam's Gov. Ricardo J. Bordallo is going to be hard pressed to slash the government's budget in a fashion which will not play havoc to needed education and other essential public services or result in wholesale layoffs of government employees.

Similar choices must be faced, I know, by other U.S. communities who are wondering whether they can make it through the end of the fiscal year without some form of Federal assistance.

For this reason, I welcome these two measures before us today. If agreed to by the Congress and approved by the President, the loan guarantee program for New York City could well provide the basis for similar efforts for other U.S. areas should the need arise.

Equally welcomed are the excellent efforts of the House Judiciary Committee who have proposed changes in the U.S. bankruptcy laws to keep funds from being tied up by lawsuits which could cripple local efforts to provide effective government while paying off their debts at the same time.

I know the eyes of America will be carefully watching us today. I trust that we will not let them down in their time of need.

HARRIS SURVEY SHOWS CAMPAIGN REFORM CLEARLY NEEDED

HON. ROBERT J. CORNELL

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. CORNELL. Mr. Speaker, Congressman Baucus and I have reintroduced our Congressional Election Financing Act of 1975 today with Representatives Bedell, Brodhead, Edgar, LaFalce, McHugh, Ottinger, Simon, Tsongas, and Wirth as cosponsors. I am very pleased that these Members of Congress have joined the ever-increasing list of those supporting reform of our current system of raising funds for congressional campaigns.

In August of this year the respected Harris Survey conducted a poll on the American public's view of campaign financing. The results emphasized the need for reform in this area since a majority of those interviewed expressed skepticism over the legitimacy of campaign financing as it now exists. Let me note for the Record some of the Harris Survey's findings:

Eighty-three percent believe big businesses are a major source of funds for campaigns and 66 percent think they are a "bad influence."

Seventy percent believe labor unions are a major source also, and a 55- to 23-percent majority consider their contributions have a bad influence.

Fifty-three percent believe that organized crime is another major source for campaign contributions.

Forty-nine percent believe that a substantial amount of contributions come from "people seeking political jobs." A 56- to 20-percent majority considers these contributions to be a bad influence.

It is clear from the results of this poll that our current system of privately financing elections does not have the public's confidence. The Cornell-Baucus bill extends the provisions of the Federal Election Campaign Act Amendments of 1974 to congressional races—both primary and general elections. We believe that by enacting this legislation and thus diminishing the dependence of candidates on special interest groups, we will restore some of the public's trust in our electoral system.

OUR REAL VETERANS DAY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. DERWINSKI. Mr. Speaker, today is the real Veterans Day, as the Members certainly are aware. I take the floor to again emphasize my support for reinstating November 11 as Veterans Day, which the Nation will do beginning in 1978 in accordance with the bill passed by the Congress and signed into law by the President.

This subject is very appropriately addressed by the Suburban Life, published in Cook County, Ill., in its lead editorial of Thursday, November 6, since November 11 is already the legal Veterans Day holiday in the State of Illinois.

The editorial follows:

OUR REAL VETERANS DAY

Next Tuesday Illinois and a few other states that refused to go along with the federal holiday changes several years ago will celebrate Veterans Day. The federal observance was 10 days ago, the fourth Monday in October.

The day commemorates the courage and patriotism of all the men and women who have served in this country's armed services.

In 1919 President Woodrow Wilson proclaimed November 11 as Armistice Day to remind Americans of the tragedies of war. It would serve as an annual reminder of November 11, 1918, when fighting ended in World War I.

The war, which was to end all wars, is merely another chapter in the history books for most of us. World War II, the Korean conflict and the bloody Vietnam War stand more devastating in our eyes, with the loss of loved ones still a heartache for many American families.

A law adopted in 1938 made Armistice Day a federal holiday. It is still observed as such in Great Britain, France and some other countries. In 1954 Congress changed the name to Veterans Day to honor all veterans.

Earlier this year Congress enacted legislation returning the Veterans Day observance to November 11, effective in 1977. We're glad Veterans Day celebrations throughout the nation soon will be unified again.

November 11 has real meaning to most Americans, much like December 25, the fourth Thursday in November or the first Monday in September. These are not changeable events, Christmas, Thanksgiving or Labor Day, and neither is Veterans Day.

Illinois can be proud it is one among few that stood firm on this holiday. We'll be glad to have the rest of the nation join us in 1977 to restore true meaning to an unforgettable date.

U.S. OIL COMPANIES—ACCOMPLICES OF OPEC?

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BLANCHARD. Mr. Speaker, I recently had the opportunity to testify before two subcommittees of the House Committee on Agriculture, regarding legislation to give our Federal Government power to control grain exports.

As I understand it, most of the testimony before the subcommittees discussed the agricultural impact of this legislation. I chose, however, to examine a different aspect—its impact on our foreign policy, and our relations with the Organization of Petroleum Exporting Countries.

Mr. Speaker, we have spent months in Congress trying to deal with the problems of inflation, economic stability, and energy. These are very complicated problems, and our debate has been long and difficult.

Unfortunately, the very complexity of our discussion, it seems to me, has obscured one of the single most important causes of our problems—we are facing blackmail by OPEC, blackmail on a scale never before attempted in history.

Today's Washington Post carried a most interesting story about our country's oil policy and the role of American companies in the OPEC price manipulations.

I would like to bring it to the attention of my colleagues, because I believe this whole area of our foreign relations, and of our Government's relationship with big business, must be subject to the closest scrutiny in the months ahead:

[From the Washington Post, Nov. 11, 1975]

U.S. OIL COMPANIES: ACCOMPLICES OF OPEC?

(By Anthony Sampson)

How seriously should we take the current frenzy of hostility to the big oil companies?

On the face of it, at least to a European student of oil politics, the situation is baffling. On the one hand Congress appears to be on the warpath more ferociously than at any time since the late nineteenth century. The Senate has come near to voting to break up the big companies, with 45 senators committed to it. All likely Democratic candidates are opposed to Big Oil except (surprise!) Lloyd Bentsen of Texas. The popular distrust of the companies seems to be even greater than at the time of the embargo two years ago.

On the other hand, any practical plan to limit the powers of the giant companies seems a long way off. The proposals for setting up a federal oil corporation—whether from Senator Stevenson or President Ford—seem unlikely to bear fruit, or to achieve great popular support. The present distrust of bureaucracy, and of regulatory agencies does not encourage the setting up of a further state body, and anyone looking at the government's own oil policies over the past few years must admit that they have been scarcely more creditable than the companies' own performance.

The argument that breaking up the companies within the United States will in itself bring down prices is not very convincing. Nor is it clear that it is in the long-term interests of the United States to bring down the price, unless consumption can be cut down by some other controls. Many politicians, while publicly campaigning for a roll-back, have really come to terms with the high price, in which case the important question is whether the companies should be allowed to retain the extra profits for investment in other energy sources. But this question too has become bogged down in the general skepticism about Federal bodies.

Is the current mood then simply an extreme manifestation of the familiar ambivalence in attitudes to big oil? Ever since Rockefeller oil has generated a popular fury at the power of the corporations over men's lives, followed by an eventual resignation to the lack of any practical alternative. Much of that hatred was directed not so much against the price of oil, as to the whole concept of giant corporations, summed up in that terrifying dictum of Rockefeller: "The day of combination is here to stay. Individualism has gone, never to return." With Exxon now the biggest corporation in the world, as its grandfather Standard Oil was in the last century, the concern for individualism still remains a potent political force.

But there is also, I believe, a very powerful rational argument, as opposed to the emotional reaction, against the power of the giant oil corporations, and particularly against the "Seven Sisters" who still dominate the world oil market, as they have for the past fifty years. The argument does not concern their internal position within the United States, so much as their global role, and particularly their relationship with OPEC. And the political distrust of the Seven Sisters is more than a revival of the familiar hatred of the trusts and combinations; it is also a rational reaction to the extension of corporate power to the world scale.

The most serious case against the companies, I believe, rests on their inability or reluctance to do anything to disrupt the OPEC cartel, and their willingness to serve as the instruments of allocation and prorationing by the OPEC countries to maintain their high price. It is one thing for the United States (like Britain) to decide that the present high price may be advisable. It is quite another thing to accept that the price should continue to be fixed by thirteen countries. And it is very difficult indeed to accept that the thirteen countries should use the seven sisters—five of them American-based—as the agents of their cartel, without any apparent attempts to disrupt it.

It is odd to look back on the development, or non-development, of American ideas about OPEC since the oil crisis first broke two years ago. First there were confident predictions, by William Simon at the Treasury and the prophets of free enterprise, that the market mechanism would show itself as the shortage disappeared. Then there were hopeful stories of the sheikdoms having to cut their prices. Then there were thinly veiled threats from State and Pentagon about landings and sanctions. And then, a month ago, OPEC pushed up thir price again.

In such mystery-stories, as Sherlock Holmes would advise, it is important to look at the negative clues: the dogs that did not bark. When the OPEC price went up again, there was one group that was very noticeably silent in the general hubbub of protest—the oil companies. They said nothing, because they could not risk offending the countries which had in effect become their closest partners in their concessions. Sheikh Yamani in fact had achieved what he had set out to do, seven years ago, to forge an "indissoluble marriage" between the companies and the countries.

It is this marriage which now constitutes the most awkward problem and obstacle in the way of a convincing American oil policy. There are at last signs that Dr. Kissinger, as well as his advisors, are coming to realize that the big companies are serving to underpin OPEC, as Senator Church warned in the report of his multinationals subcommittee last January. The attempts to break up OPEC have totally failed, and the boasts of Thomas Enders have been counterproductive, serving to unify OPEC against an outside threat. But if OPEC cannot be broken, at least some of its props can be removed, and an effective oil foreign policy is now directly linked to an effective policy to limit the power of the companies, either through anti-trust or (more effectively) through legislation to separate them from their concessions.

It would be absurd to oversimplify the problem. If the Aramco partners (who constitute four of the five American sisters) were to be broken up tomorrow, there would not be an immediate glut of Saudi oil. If the Iranian consortium, which includes all seven of the sisters, were disbanded, the Shah would still have the means to regulate his oil supplies, and for a time at least might avoid a clash with the Saudis. But the underlying smooth working of OPEC, as the Shah has plainly admitted to me, depends on the machinery of the Sisters, who for decades have been accustomed to neatly balancing the world's oil production to prevent glut and overpopulation. By weakening this machinery, the West would certainly make OPEC more vulnerable.

And in terms of United States politics, the association between OPEC and the Sisters is likely to become increasingly intolerable. For the oil companies have been given all their privileges of tax-avoidance and diplomatic support on the assumption that they were acting on behalf of the American consumer, or the national security. Now that they cannot be observed to be defending either, on the global stage, their behavior must be constantly suspect; and a government which has promised and failed to split open the OPEC cartel will be compelled to look more closely at the supports behind it.

Thus the current revolt against Big Oil is not simply a helpless protest against giant companies and profits, which will fizzle out at the end of the Presidential election. It represents a very legitimate objection to a global alliance against the consumer. To break up the Seven Sisters, or to force them to pull out of their concessions, will be at least as difficult as the breaking-up of the Rockefeller monopoly sixty years ago, and like that break-up it would leave many problems unsolved. But there are some indications that the popular feeling today is as strong as the populist mood of the 1890s; as then, the world has very suddenly changed, and government has not caught up with big business. There may be a good deal of froth and hypocrisy on the surface but there are very solid grounds for concern at the bottom.

ALCOHOLIC BEVERAGE LABELING HEARINGS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ROSENTHAL. Mr. Speaker, I was very disappointed to learn today that the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms—ATF—has decided not to require ingredient labeling of alcoholic beverages.

The extensive use of additives and chemicals in alcoholic beverages and the basic right of consumers to know what is in the food and drink they consume, raise serious questions about the propriety and soundness of the ATF decision.

In an effort to fully understand this decision and to look closely at the information and influences that went into it, the House Government Operations Subcomittee on Commerce, Consumer and Monetary Affairs, which I chair, will hold hearings on the subject beginning next week.

In preparation for these hearings I have today asked ATF for the following information:

First. All original data and analyses submitted by industry or developed in the Bureau regarding the alleged costs of ingredient labeling;

Second. A listing of the names and affiliation of all persons representing the alcoholic beverage industry who were in contact with Treasury/ATF on this matter, and

Third. Information on the role of the State Department and foreign producers in ATF's decision.

It is essential that the Congress have this information as it evaluates the ATF action and its decisionmaking process.

OLD SOUTH AND BORDER STATES HOLD TRIPLE AAA BOND RATINGS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the municipal bond department of Riviere Securities Corp. of Washington, D.C., in a recent report pointed out that while the bond ratings of most States in the northeastern part of the United States have declined the ratings of all States of the Old South including Tennessee and other border States have consistently received high "triple AAA" and "double AA" ratings.

Because of the interest of my colleagues and the American people in this matter I place an excerpt from this report in the Record herewith.

The excerpt follows:

EXCERPTS FROM RIVIERE SECURITIES CORP.

It seems interesting to note that for the past several decades, while the ultraliberal, enlightened, industrialized "North" looked down their long, liberal diplomas at their insensitive, unenlightened, poor cousins in the "South," every State credit in the Northeast with the exception of New Hampshire and Rhode Island has been downgraded at least once, and in some instances more than once. At the same time the southern States have had their credit ratings continually raised, to the point where we have the "Old South" being solid "AAA"—Virginia, North and South Carolina, Tennessee and Georgia. Florida, Mississippi, Louisiana and Kentucky are all "AA" rated. Arkansas has no debt and is therefore not rated and Alabama with a nominal bonded debt is "A1". The old chestnut, "that the south has no fiscal responsibility or credit worthiness," certainly does not fit the facts. In fact, we should be looking more closely at these fine credits that have suffered through years of abuse and misunderstanding by the investing public. We heartily encourage our readers to examine and consider this orphaned sector of the nation for their investment portfolios.

DRUG EPIDEMIC CAN AFFECT ENTIRE NATION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. RANGEL. Mr. Speaker, the first portion of Martin Kasindorf's article entitled "By the Time It Gets to Phoenix," appeared in the RECORD yesterday. The concluding section, which discusses how this city is dealing with illicit drug trafficking problem brought on by the Mexican connection follows:

DRUG TRAFFICKING PROBLEM

Nobody starts into heroin with the intention of becoming hooked. The self-delusional "I can handle it" is as prevalent in Phoenix as anywhere else. The user is most often introduced to the narcotic by a well-meaning friend at a party—not by a pusher. The friend may be a needle-using weekend "mainliner" who evangelizes about the painless pleasures of heroin. It is only those mainliners who realize they are getting "strung out," or hooked—usually after a year of proselytizing—who stop promoting their habit.

In the darkened North Side restaurant, Gary reminisces: "When you start out as a weekender, you do one balloon ($25 worth of heroin, enough for three or four fixes) Friday night, one Saturday and one Sunday. That feels so good that the next weekend you'll do two balloons, then three. More commonly, you'll do dope on Sunday but not on Monday. But on Tuesday a balloon pops up in front of you and you don't turn it down."

There is a minority of weekend chippers—perhaps 20 percent, say Terros workers—who really can handle heroin without getting addicted, in addition to thrill-seeking "snorters" and the "skin-poppers" who inject the heroin solution subcutaneously, not into a vein. (They obtain heroin's euphoria but miss the crashing "rush" which gave rise to the name "smack".) "Heroin definitely has a recreational use," reports Vic Pollack. "We find people using it on weekends for eight and 10 years who never become addicts. This is leading us to believe that a whole revision of the image is possible."

Among those addicts who manage to feed their monkeys without resorting to crime, some are spoiled "trust funders" like Gary. The rest, incredibly enough, are highly paid men and women who have kept their habits on a budget—for the time being, at any rate—and who work hard and honestly for the cash to pay their connections until they lose control, if they ever do.

One prominent lawyer, traumatized by his divorce, conducted himself blamelessly in court during a year of addiction, a judge reports, before he entered a private California institution to cure himself. In Scottsdale, one of the poshest enclaves in the metropolitan area, there is a $60,000-a-year general practitioner who has handled his heroin usage so well for five years, he says, that "no patient has ever noticed."

Such motivation is not confined to professionals with comfortable savings accounts. A 25-year-old carpet layer who makes up to $1,500 a month and spends 90 per cent of it on dope finds working in an opiatic euphoria positively invigorating. "When I'm loaded at work," he says, "I don't sit there and nod off. When I do heroin, it stimulates me like speed would. I fly through a job. When I nick my finger on the tack strip, I don't feel it. My only problem is cotton mouth. You don't have any saliva. When you drink water, you throw up. So I put nails in my mouth to start the saliva, and I shut up." (However, in spite of the advantages he has found in working while high, he has decided he has had enough and is about to check into a methadone program.)

Dr. DuPont of the National Institute for Drug Abuse sees nothing odd in such accounts. "That's quite common," Dr. DuPont says. "Between 20 and 30 per cent of the people entering treatment centers have jobs when they come in." Clayton Price, who runs The New Arizona Family center, says "People in the middle class can function better on a dope habit than working-class people, even on their jobs. We've had some people function for 20 years in the community without being detected."

This phenomenon, raised by the relatively prosperous nature of Phoenix, also raises a troubling question. Is narcotic addiction itself debilitating, or are only the poor debilitated by what they have to go through to pay for it?

There is evidence pointing each way. Methadone maintenance is a form of narcotic addiction, if a widely approved one, which enables some motivated users to live productive lives. (Tino de Anda, director of the Valle del Sol methadone-maintenance center, has put the "cure" rate there at only 12 per cent. Methadone is no panacea.) Most of the American GI's who got themselves hooked on cheap heroin in Vietnam have stayed completely off the drug back home and have suffered no ill effects, judging from preliminary results of a study conducted by researcher Lee Robins of the Washington University School of Medicine in St. Louis. And even long-time junkies are able to scheme for money. "How debilitating can heroin be if a junkie can pull a burglary and run down an alley with a color TV?" ask Don Peyton, who was an addict in Vietnam.

Physiologically, of course, the vast majority of addicts find themselves unable to hold their heroin intake at any given level. Some put themselves through the agonies of periodic lonely withdrawals to lower their needs; others have eventually miscalculated their bodies' ever-building tolerance and have taken fatal overdoses. In any event, heroin's effects on most people make addiction incompatible with normal job-holding. "The addict has to take the stuff five or six times a day," says Dr. DuPont, "and is constantly going back and forth between withdrawal and a nodding-out kind of euphoria. It can't be easy for anybody."

For those who do turn to serious crime, Mexico's proximity can make crime pay. In Sonoran border towns like Nogales and San Luis, cars and guns stolen in Phoenix are often traded for dope. Hot items these days are automatic weapons and four-wheel-drive vehicles, which find their way to dissident guerrilla bands in the Mexican interior. The price of an ounce of heroin 60 to 80 per cent pure is $500 in the Mexican streets, $1,000 just across the border and $1,200 up the road in Phoenix. Each succeeding buyer cuts, or dilutes, the heroin to increase his profits on the resale. Phoenix law-enforcement efforts are frustrated by the ease with which small-time users cut off from their normal supply by the arrest of a dealer can get single fixes in the "shooting galleries" of nearby Mexican towns, or pool their cash with friends and pick up a 25 per cent pure ounce of heroin in the towns' grubby cantinas. Back home, they may cut it once or twice and become small-scale sellers themselves.

How available is heroin on the streets of Phoenix? Police have identified 22 "retail outlets," popular connection places that include bowling alleys and package stores in the colossal, antiseptic shopping centers that embody Phoenix's shiny character. Junkies learning of the ease with which chiva can be had are moving into town from other states, habits and all. "I moved from West Phoenix to Sunnyslope to South Phoenix to Tempe, fooling myself that I was going to quit," says a 22-year-old college dropout from Iowa. "Every time, I had a next-door neighbor who was doing dope, too."

It is the wholesale traffic, however, which most marks Phoenix's place in the post-1972 patterns of international heroin trafficking. According to Philip Jordan, 32, a beefy Chicano ex-football player in charge of the 15 agents in the local district office of the U.S. Drug Enforcement Administration, "The Mexican Connection means anybody capable of coming across a 1,933-mile border with one, two or three pounds of heroin." Arizona has 400 of the international border's loneliest desert miles. Phoenix, with a population big enough to offer a smuggler the shelter of anonymity, is an obvious distribution point. It has excellent transit facilities and a large user population to soak up the leftovers. An unknown but certainly large amount of contraband is overlooked at Sky Harbor International Airport, where no single city, county or Federal agency has broken through a jurisdictional maze to organize a search-and-seizure program. A few airline baggage handlers voluntarily feel around for drugs whenever they have the time. "We got a lucky half pound of heroin on that basis in 1974," says Phoenix police detective Samuel Gonzales. The underfunded police are now applying for Federal money to buy a drug-sniffing dog.

Fundamentally, most respectable Phoenix citizens are still unwilling to face the bizarre reality in their midst. "Heroin is such a scary thought here," says Robert Arthur, head of the Scottsdale police narcotics unit, "that people don't believe you even when you show them the crime statistics." The Phoenix police have been shortchanged on money to make undercover narcotics buys. "This is a town of low police pressure, low political pressure and low public awareness," says the Do It Now Foundation's Vic Pollack.

Brown heroin may soon have competition in view of Turkey's decision to let her farmers cultivate the opium poppy once more. The first fresh 150-ton poppy crop since 1972 came to harvest all across Anatolia in June. The white Turkish heroin is due for a comeback on the streets of Eastern cities. But Dr. DuPont thinks the new brown heroin from the Southwest will manage to coexist in most of the new markets it has gained "There is still a substantial unmet demand," he says, "and there will be consumers for both products. It could be quite ominous."

On a hot Friday afternoon after a wearying week in Phoenix's Federal courthouse, the chief assistant United States Attorney, Thomas Crowe, leaned back in an office chair, put his arms behind his head and, only half in jest, proposed a solution not unlike Britain's controversial policy. Old-line, proven British addicts are allowed heroin by National Health Service prescription, although all new cases—80 per cent of British junkies—are placed on methadone maintenance. The optimistic idea of cutting the social costs of heroin by legalizing it retains a clean kind of appeal in this country among those who despair of any other possible answer.

"For 10 per cent of what we spend now," said Crowe, "on property losses, detox programs and police efforts, we could have banks of fix machines, like a row of bank-teller windows. The addict sticks his arm in, the machine goes 'Ding! Ding!' and it's all over very quickly."

PASSENGERS AND CARGO—FIRST CLASS FOR BOTH ON PRUDENTIAL LINES

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ANDERSON of California. Mr. Speaker, while the Russians, Swedes, Dutch, and Greeks have found it worthwhile to take American passengers—and American money—across the Atlantic in all-passenger luxury ships, the last great United States-owned trans-Atlantic luxury liner, the *United States*, lies in mothballs in Norfolk, awaiting sale.

However, contrary to some impressions, American luxury liners have not died. Prudential Lines, Inc., has found a need—and is filling it well and profitably.

Prudential's four gracious ships sail a regular schedule between Los Angeles, San Francisco, Vancouver, and completely around South America, through the Panama Canal and the Strait of Magellan on a 64-day run. These efficiently run ships carry cargo and 100 passengers every 16 days; and passengers can disembark in 15 South American ports while cargo is being exchanged. Surely this example of service, economy and vision can be followed by others who wish to maintain the U.S. leadership in commerce.

Mr. Speaker, I insert in the Record an article from the Los Angeles Times of October 28, which describes the successful service provided by Prudential Lines for this market on the west coast:

Dual Duty Ships Put Profit Back in U.S. Cruise Fleet

(By Charles Hillinger)

San Francisco.—Each fortnight one of four combination luxury liner-cargo ships sails from the West Coast to Mexico, Central and South America.

It's the largest fleet of American passenger vessels sailing the seven seas.

The sleek ships sail through the Panama Canal and completely circumnavigate South America making the passage through the Strait of Magellan.

The 547-foot vessels are Prudential Lines' "four Ms"—the Santa Maria, Santa Mariana, Santa Mercedes and Santa Magdalena.

And the most heartening feature of the vessels, in service on the Latin American run since June, 1972, is that they are making money—$40 million gross last year and more than $4 million in profits.

American flag passenger ships since World War II have been notorious money losers.

Not long ago the American passenger liner industry was seemingly gasping its last breath. Only two American flag passenger ships still were operating, the Pacific Far East Lines' Monterey and Mariposa from the West Coast to Hawaii and the South Pacific.

Then along came Spyros S. Skouras, president of Prudential Lines. Skouras took a long shot and started the first new passenger service flying the American flag in years.

He recommissioned Prudential's "four M" ships which had been laid up after unsuccessful East Coast-to-Caribbean runs and put them back in service three years ago to inaugurate the West Coast-South American run.

Shippers had been calling the American passenger liner industry a national disgrace. More people traveling on pleasure cruises than ever before and most of those traveling are Americans. Yet they're sailing on foreign flag ships from a dozen or more nations.

Millions of American dollars are flowing to other maritime nations each year as more and more foreign flag cruise ships call at American ports. Russia is the latest nation to get into the luxury liner act.

Three Russian ships—the Mikahil Lermontov, Alexandr Pushkin, and Maxim Gorki—now call on East Coast ports to carry Americans to the Caribbean.

The Russians are negotiating to purchase more passenger liners from France and Italy. And the Soviets are looking to open new service out of Los Angeles and San Francisco.

Passenger liners include any ship carrying more than 12 passengers. Such ships must carry a doctor and conform to many regulations not demanded of a pure freighter.

But there are advantages. In port passenger ships are given berthing preference over freighters.

"That means each of our passenger liner-cargo vessels go right up to the dock as soon as they arrive in port," explained Albert B. Wenzell, general manager of Prudential's San Francisco-based Pacific Division.

"Freighters wait their turn and that can mean a wait of 10 days to two weeks before discharging or loading cargo.

"With our combination service we are able to maintain precise schedules. Shippers know that every two weeks one of our vessels will be in each port we serve in both hemispheres."

The Prudential liner-cargo ships carry 100 passengers in as elegant staterooms as found on any cruise ship afloat. The ships feature swimming pools, deck games, dancing nightly, entertainment, gourmet meals in lavish dining rooms.

Sixty percent of the passengers stay aboard for the full cruise—52 days round trip from Los Angeles; 55 days from San Francisco; 64 days from Vancouver (the complete 20,000 mile circuit.)

The rest come aboard at one port and leave at another, making any leg of the trip desired.

Sometimes the cargo can be as fascinating as the trip itself. Canadian malt is carried to South American ports from Vancouver. Lumber, pulp and fresh fruits make up much of the cargo from the state of Washington ports.

From California canned goods, heavy machinery, mining equipment and much more is regularly loaded aboard for export to Latin America.

A whole observatory was shipped from Southern California to Chile. A San Francisco brewery was dismantled and shipped to Nicaragua.

There are numerous combinations for passengers including 1-day voyages from San Francisco to Los Angeles or Los Angeles to San Francisco; 5-day one-way trips Los Angeles to Vancouver; 4-day one-way passages Los Angeles to Manzanillo, Mexico.

Minimum passenger fares on longer runs average $60 a day including lodging, meals and entertainment.

Passengers account for 25% of revenues and freight 75%. A 35% to 40% increase in profit is expected this year over 1974 and last year's earnings were 40% over that of 1973, the first year of operation.

Gross revenues totaled $16 million in 1972 (from two freighters and the four M ships. That increased to $25 million in 1973 and $40 million 1974. Projections for this year are between $50 and $55 million. Profits this year are expected to exceed $5 million.

"What cannot be emphasized too much," said Wengell, "is the cooperation of the maritime unions. In past years ships sailed with full crews regardless of how many passengers were aboard. Now, crews are hired according to need. The unions are as enthused and eager to see these ships succeed as are the owners."

"We are demonstrating that the U.S. passenger liner business has not given up the ghost," said Skouras.

The ships are all built in America (at Sparrows Point, Md.), are served by 100% American crews and maintained and serviced in American ports.

"We are showing the American Flag and showing it well to the people of Latin America," noted John A. Traina Jr., head of passenger service for Prudential Lines.

"If foreign nations are capable of making money in the passenger liner business it is obvious the United States, the world's most powerful nation, should be able to do so as well."

H.R. 8618—LONG OVERDUE

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. PRESSLER. Mr. Speaker, a long needed reform of the Occupational Safety and Health Act of 1970 might soon become a reality.

H.R. 8618, a bill to amend the Occupational Safety and Health Act of 1970 to provide on-site consultation to businessmen and women has recently been reported from the Education and Labor Committee, on which I am privileged to serve.

This legislation is long overdue. The cry for this reform has been heard from small businessmen across the Nation since the passage of the act in 1970. I am sure my colleagues can readily understand why small businesses feel the need for legislation like H.R. 8618.The initial OSHA regulations were assembled from codes used within various industries for many years. Unfortunately, no attempt was made to account for industry-by-industry variances of tool usage. However, the Occupational Safety and Health Administration is working hard to correct this situation, and their efforts are to be applauded. Yet most small businesses have had to cope with the same set of regulations that large corporations must also comply with.

Unlike large corporations, small businesses do not have lawyers and safety engineers devoted to the task of assuring compliance with OSHA regulations. Most large corporations have instances where they believe it would be deleterious to their operations to correct what OSHA believes is a violation. As a result, the corporation is willing to pay one or two thousand dollars a month in fines just to have things their way. Small businesses, needless to say, cannot afford this luxury.

I am confident H.R. 8618 will provide much needed assistance to small businesses. Many of my constituents in the First District of South Dakota have written me about OSHA citations and penalties. On several occasions, *individuals* were fined for violations they were totally unaware of existing. I have visited many of these shops and plants, and

I can assure you that the violations were totally unintentional, as I am sure most violations are. However, the overwhelming reaction of these businessmen and women was the lack of fair play on the part of the Government. They questioned why they must pay a fine when there is the good faith to correct the violations. And, I think the consultative help these small businesses could receive by the passage of H.R. 8618 would fairly demonstrate the Government's commitment to the goal of on-the-job safety in a positive, rather than punitive, manner.

Therefore, I urge my colleagues to favorably consider the passage of H.R. 8618, for the sake of safer working conditions for employees and employers. My colleagues on the Education and Labor Committee, recognizing the virtues of this legislation, reported it by a 23 to 10 vote. I hope a similar majority of the whole House will act in a like manner.

CONDEMNING THE UNITED NATIONS RESOLUTION

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BLANCHARD. Mr. Speaker, I was deeply disturbed and outraged when I learned of the events that took place in the General Assembly of the United Nations yesterday. I am also deeply saddened.

At one time, the United Nations was an organization which helped promote peace by encouraging constructive dialog between nations. It symbolized brotherhood and the universality of man. The passage of the resolution, equating Zionism with racism is evidence that the goals and aims of this once noble world body have become dangerously perverted and distorted.

In passing this resolution, the United Nations has itself become guilty of discrimination. It has taken steps to legitimize anti-Semitism by denouncing Judaic beliefs and by calling for the end of Israel as a Jewish homeland. No moral person can condone this action.

For years, the United States has contributed more than its share of financial aid and expertise to the U.N. in the spirit of peace and brotherhood. This spirit has been violated. We cannot continue to support an organization which fosters hatred, suspicion and distrust. We cannot continue to support an organization where votes are won by bribery, blackmail, and threats.

Mr. Speaker, I believe the time has come for us to reassess our commitment to the U.N. It is obvious that the purpose for which these nations united has been compromised. We cannot and should not support a useless United Nations.

We have made it clear that the United States will not abide by this contemptible resolution. For today, the House of Representatives voted unanimously to condemn this act of the United Nations. I am sure that the American people and all other people with a sense of decency join with the House in denouncing this reprehensible act.

Let us make it clear to the nations of the world that we stand firm in our support for Israel and let us continue to raise our voice in the name of justice.

APPROVAL BY CONGRESS SHOULD BE REQUIRED FOR RENEGOTIATED DEBTS OWED BY FOREIGN NATIONS

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. KASTEN. Mr. Speaker, on November 4, the Senate passed an amendment introduced by Senator HARRY F. BYRD, Jr., of Virginia, dealing with the settlement of debts owed by the United States, to the International Development and Food Assistance Act, by a vote of 85 to 5. In essence, the amendment states that "no debt owed to the United States by any foreign country may be settled in an amount less than full value of such debt unless the Congress by concurrent resolution approves of such settlement."

I want to urge the House members of the conference committee discussing the full bill to accept this Senate amendment. I have cosponsored identical legislation, H.R. 6554, because I endorse the principle that Congress should have veto power over a negotiated settlement of a debt, if in its judgment the resultant payment terms are such as not to reflect adequate compensation for the lawful debt. Any negotiated settlement should be able to be substantiated by adequate and defensible reasons, and after due consideration by a fair and reasonable Congress, it could be supported by a concurrent resolution.

The issue of Presidential right to negotiate debt settlements is not in question here. After all, the President's authority to renegotiate the terms of loans and credits to foreign governments varies with the enabling legislation.

According to the Attorney General of the United States, the executive branch has authority to renegotiate terms of loan to countries without congressional review or approval. This is in sharp contrast to the restrictions imposed by law on executive branch authority to negotiate new loans, including statutory limitations on minimum lending terms, sources of procurement, and loans to countries in default.

In testimony given on July 24, 1973, before the House Government Operations Subcommittee on Foreign Operations and Government Information, Sidney Weintraub, Acting Assistant Secretary for Economic and Business Affairs of the Department of State asserted:

> The Department of State is of the opinion, and other agencies have indicated that they agree, that the President does have authority in appropriate circumstances to settle claims against foreign governments where, for example, it is established that the debts are uncollectable.

The purpose of the Byrd amendment is not the abrogation of Presidential authority to renegotiate loans or the terms of loans, but the establishment of an oversight provision in law whereby a concurrent congressional resolution is required before the settlement of a debt is finalized.

By and large Congress has been in the forefront in establishing enabling legislation for all grants and loans to foreign governments. As examples, there are the Liberty Bond Acts for post-World War I relief, lend-lease, increased Eximbank credits, Marshall plan aid, mutual security assistance, Public Law 480 food, Peace Corps aid, emergency relief, guarantees on foreign investments and exports, sales of military paraphernalia, and, specialized emergency aid to certain countries such as Israel, Bangladesh, and the Sahel region.

Surely, it is not unreasonable, therefore, that Congress be apprised of negotiations to settle old debts, and if terms are at all reasonable, to give concurrent approval. On the other hand, Congress should reserve the right of questioning whether a few State Department and Treasury officials, who have no responsibility to constituents, are keeping the taxpayers' interests ever in the foreground when negotiating debts totaling billions of dollars.

What concerns me is the fact that during the last 3 years debts amounting to over $5.17 billion have been settled for $148 million, or scarcely 3 cents per dollar owned: I think of the Russian lend-lease of $2.6 billion with a Soviet pledge to pay $48 million and a further $674 million if they get most-favored-nation status; I think of the $2.2 billion credits given to India for Public Law 480 food and now written off; I think also of the French NATO settlement of $100 million for our claims of $370 million after moving our military headquarters.

What also concerns me now is the World War I debt amounting to $23.7 billion as of June 30, 1974, of which a total of $19.6 billion is delinquent. The German World War I debt now amounts to $1.8 billion, of which a total of $1.6 billion is delinquent.

Post-World War II debts amounted to $32.1 billion as of June 30, 1974. The balance of lend-lease and surplus property agreements alone amount to $6.1 billion, of which total is $1.7 billion are outstanding.

All in all, today there are about $60 billion owed to us by 110 nations. In the light of our current responsibilities to both the industrialized and underindustrialized world, I feel it is important that we in Congress have a say in as important a matter as the settlement of a national debt. In fact, I think we owe it to ourselves to be completely informed about the economic status of a nation with whom we are negotiating.

It is imperative that the Byrd amendment be included in the conference report.

DEDICATION OF FLETCHER BOWRON SQUARE, LOS ANGELES

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ROYBAL. Mr. Speaker, on November 14, 1975, Fletcher Bowron Square will be dedicated in Los Angeles. This represents a tangible memorial from the city to one of the great mayors in the history of Los Angeles.

During my first term on the Los Angeles City Council, I had the privilege to serve with Mayor Fletcher Bowron. Mr. Bowron was first elected to the office of major in 1937 as an anticorruption candidate. He was subsequently reelected to three additional 4-year terms. During his tenure in office, the city of Los Angeles expanded into one of the largest cities in the country and initiated programs which were pioneers in their field.

For instance, Mayor Bowron recommended the modernization of an obsolete building code. The new code that resulted from this recommendation was viewed as a model construction guide throughout the Nation.

Los Angeles was the first large city to modernize its zoning ordinance. Under Mayor Bowron's direction, the city planning department prepared a master plan for highways, schools, parks, beaches, and branch administrative centers. Also, the civic center authority developed a master plan for the civil center which, at that time, was the largest grouping of public buildings in any city other than Washington, D.C.

Under Mayor Bowron, Los Angeles expanded its health care centers into neighborhoods that were medically underserved. The result was a dramatic decline in the spread of many diseases and an increase in the general level of health care among the people served by these centers.

At the same time, there were far-reaching changes in the operation of city government. The mayor centralized the collection of all taxes in the city clerk's office. This greatly reduced the unit cost of collecting the various city taxes. Mayor Bowron helped establish the position of city administrative officer. This position helped simplify departmental activities, improve work standards and practices, and eliminate unnecessary expenditures.

Finally, there were vast improvements made to the facilities at the Los Angeles Harbor and Los Angeles International Airport. Also, the morale and competence of the fire and police departments increased under Mayor Bowron's tenure.

Following is a brief biographical sketch of Mayor Fletcher Bowron:

"Mayor Bowron was born at Poway, in San Diego County, August 13, 1887. As a boy, he helped work his father's farm and was educated in California public schools. His father sold his farm and moved to Los Angeles when the young Bowron was old enough to attend high school, in order to afford his son better educational opportunities.

Fletcher Bowron thereafter attended Los Angeles High School, the University of California at Berkeley, and the University of Southern California and various night law schools. In order to finance his legal education, he worked for almost 5 years as a reporter on the Los Angeles Record and the Los Angeles Examiner.

In 1917, he finally realized his ambition to practice law and was admitted to the California Bar in April of that year. His practice was, however, interrupted by military service in World War I with the 144th Field Artillery, and with general staff military intelligence.

After the war, Mr. Bowron practiced law in Los Angeles until 1923, when he was appointed deputy corporations commissioner. In 1925, he was selected to be the executive secretary to Governor Richardson.

A year later, in 1926, Bowron was appointed a superior court judge in Los Angeles County, and was reelected both in 1928 and 1934. He was presiding judge of the criminal department at the impanelment of the locally historic grand jury of 1934, which was called to investigate charges of widespread corruption in city government.

In 1936, Mr. Bowron was elected presiding judge of the superior court, where he sponsored procedural reforms designed to expedite justice for litigants. Less than 2 years later, the League of Civic Betterment selected him as its candidate to run against Frank Shaw, then mayor, who was being challenged in a recall election instituted as a result of the grand jury investigation of civil corruption. Bowron was elected by a decisive vote.

The forthrightness and honesty which Mayor Bowron brought to the city government resulted in his reelection by substantial majorities in 1941, 1945, and 1949.

Like the mayors of most large cities, Bowron received numerous awards and decorations from other governments. But in the case of Mayor Bowron, they resulted from his sincere efforts to promote trade and cultural relations between Los Angeles and the various States and people with whom Los Angeles citizens dealt.

Among the honors given him by foreign countries are: "the Order of Merit" from the Government of Chile, in recognition of the mayor's Pan American efforts and the helpful interest received by Chile at the mayor's office; the "Diploma of Honor" from the Associacion Consular Latino-Americano; decoration of the "Mexican Order of the Aztec Eagle" in recognition of his promotion of understanding with that country; and similar awards from France, Holland, Norway, Italy, and Luxembourg.

Among his national activities, Mayor Bowron served as president of the American Municipal Association and as a trustee for the U.S. Conference of Mayors. He also served as president of the League of California Cities. His personal associations included the American Legion, Delta Chi Fraternity, Masons, Native Sons of the Golden West, and the Jonathan and Kiwanis Clubs.

BREAD PRICES AND WHEAT EXPORTS

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. SEBELIUS. Mr. Speaker, in the last few months there has been considerable debate regarding wheat exports and bread prices. I feel that these discussions have too often reflected the emotion of the moment rather than the facts. Robert L. Coopersmith, extension economist from New Mexico State University and a former Kansas State University Economist, has prepared a very succinct and well documented report to set the record straight entitled "Bread Prices and Wheat Exports."

I would like to specifically point out that according to a 1973 USDA study, labor is the major cost involved in producing bread. The labor cost of moving one loaf of bread from the bakery to the retail store was greater than the cost of the wheat required to make the bread. I think this fact is most signnificant since we have heard a great deal from organized labor in terms of protecting the consumer through export controls.

I commend this article to my colleagues so that we can proceed in a responsible way to chart a farm and trade policy that will benefit producers, workers, consumers and our Nation's economy.

The article follows:

BREAD PRICES AND WHEAT EXPORT

(By Robert L. Coppersmith)

Recent events and statements by some U.S. labor and political leaders indicate that much confusion reigns regarding causes and effects of increasing bread prices and wheat exports. Amidst tumult and shouting, they seem to adopt the attitude that dogmatic and economically untrue statements will become true "if only enough people will shout them loud enough for a long enough time.

Thus, we hear the leader of the International Longshoremen's Union calling on his members to refuse to load grain for Russia. The reasoning behind his actions supposedly are:

Export sales of wheat to Russia will unduly raise the price of bread.

Failure to use more American ships for the grain to Russia deprives American sailors of jobs.

Exports to Russia are more damaging to U.S. consumers than are exports to other countries.

These reasons are fallacious. Here are some facts about bread prices and wheat exports:

Labor is the major cost involved in producing bread. A 1973 USDA study showed that the labor cost of moving one loaf of bread from the bakery to the retail store was greater than the cost of the wheat required to make the bread. In a 1-pound loaf, selling for about 28 cents, the wheat used cost 4.1 cents while labor required to move the loaf from the bakery to the retail store was 4.5 cents. The total labor involved in a loaf amounted to 10.75 cents.

A 25 percent increase in the price of wheat would add less to the cost of a loaf of bread than a 4 percent increase in the processing and distribution costs. Farm wheat prices would have to more than double to add as much to the cost of a loaf of bread as last year's 24 percent increase in processing and distribution costs. Based on 1973 prices, an increase of $1 per bushel in the price of wheat would increase the ingredients in a 1-pound loaf by only 1.2 cents.

Here is a breakdown of the costs involved in producing and distributing a 1-pound loaf of bread in 1973.

COSTS FOR A 1-POUND LOAF OF WHITE BREAD

Item:	*Cents*	*Percent*
Farm value of wheat	4.10	14.85
Labor	10.75	38.95
Profit	1.34	4.86
Advertising	1.23	4.46
Packaging	1.14	4.14
Depreciation	0.62	2.23
Transportation	0.51	1.84
Business taxes	0.33	1.19
Rent	0.22	0.80
Energy	0.21	0.76
Repairs	0.17	0.60
Interest	0.15	0.53
Other	6.80	24.63

In June 1972, the month before the much-publicized sale of wheat to the Soviet Union, bread prices averaged 24.7 cents for a 1-pound loaf and the farm value of wheat in a loaf was 2.6 cents. In June 1975, a 1-pound loaf of white bread averaged 35.6 cents and the cost of wheat in the loaf was 3.6 cents. In short, the cost of the wheat increased 1 cent, but the price of bread went up 10.9 cents!

The leader of the International Longshoremen's Union advocates that more of the Soviet grain shipments move in American ships to provide more jobs for American sailors and increase business for American shipping companies. Currently, about one-third of these grain shipments move in American flag vessels.

Wages, salaries, and fringe benefits paid to American seamen have, to a large extent, effectively priced American flag vessels out of the competitive shipping market. To prevent deterioration of the U.S. Shipping fleet, as a national defense measure, government subsidies are paid to American flag vessels to enable them to compete with foreign merchant ships. Foreign nations with their own merchant fleets are not interested in providing American seamen with highly paid jobs. They see little reason to agree to move more grain in American flag vessels when their own ships provide jobs to their own people and move grain at a cost cheaper than can be provided by American companies.

The idea that grain exports, particularly to Russia, is bad for consumers is a fallacy. Grain crops, particularly wheat, are international commodities with prices determined by world supply and demand factors. The purchase or sale of wheat by any nation, especially in large quantities, affects U.S. wheat prices. During a year of a production shortfall due to drought, flood, freezes, etc., a country may make large wheat purchases to make up for domestic reduced production.

The United States, Canada, and the Soviet Union are the world's leading wheat producers. A large sale or purchase by any one of these three affects wheat prices in the other two as well as prices in the rest of the world. Thus, U.S. exports of wheat to Russia have no more effect on U.S. wheat prices than would large volume exports to any other country or countries.

Any concern that wheat exports in 1975/76 will unduly raise bread prices is not realistic. The U.S. has for many years exported more wheat annually than U.S. consumers annually use for food. From 1962 to 1974, annual use of wheat for food in the U.S. consistently ranged from 500 to about 528 million bushels. Though U.S. human population grew rapidly during these years, total domestic consumption of wheat remained fairly stable.

The amount of 1975/76 wheat exports is not nearly as large as in 1972/73. In 1972/73 Russia imported about 11.8 metric tons of U.S. wheat. In 1975/76 sales have so far been only 4.5 metric tons.

The tumult amidst the shouting about bread prices and wheat exports to Russia are good examples of a high degree of economic illiteracy among the American consuming public. The capitulation of the U.S. President to demands of the International Longshoremen's Union, by agreeing to suspend further sales to Russia, is a good example of allowing political expediency to override economic common sense.

The agricultural sector of our economy accounted for about $21.5 billion in exports in 1975/76. Agricultural imports accounts for about $9.3 billion. Our favorable balance of agricultural trade was about $12 billion.

"Bin-busting" crops, along with ready domestic and export markets, should be good news to consumers. Such crops mean jobs in the industry to harvest, store, transport, mill, bake, package, and retail. Large exports mean protection for the dollar at home and abroad.

Restrictions on wheat exports to Russia or any nation have a negative effect. There will be fewer jobs available in the agricultural industry. The American farmer cannot continue to produce abundantly and efficiently if exports are restricted by the political and emotional needs of longshoremen and politicians.

The foreign trade policy of the U.S. must be made by the Congress and the President. Our foreign policy must never become subservient to the International Longshoremen's Union. Economically, there is no "free lunch." The time is rapidly approaching when labor leaders, politicians, consumers, and farmers must all face this simple economic truth.

U.S. WHEAT PRODUCTION AND UTILIZATION BY MARKET YEARS (JULY 1-JUNE 30)

[In thousands of bushels]

	Average 1965–69	1972–73	1973–74	1974–75	1975–76 [1]
Annual production	1,426.0	1,545.0	1,705.0	1,793.0	2,136.0
Food	515.0	528.0	528.0	525.0	525.0
Exports	705.0	1,186.0	1,148.0	1,039.0	1,050.0
Ending carryover	640.0	438.0	228.0	319.0	823.0
Food use as percent of total annual production	36.1	34.2	30.9	29.2	24.6
Exports as percent of total annual production	49.0	76.7	67.3	57.9	49.1
Carryover as percent of total annual production	43.9	55.8	25.6	13.9	24.5

[1] Data for 1975–76 estimated.

CAPITALISM: DEFINITION, ORIGINS, DYNAMICS

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BURKE of Florida. Mr. Speaker, probably few aspects of our national life are as persistently misrepresented and misunderstood as is the true meaning of our economic system of capitalism. It is tragic indeed that, thanks to wrongheaded and constant propaganda over a period of several generations, especially in economics textbooks used in most of our schools, capitalism has become almost a dirty word in the opinion of many people. And yet, if they truly understood the bases of capitalism and their profound implications for human freedom and material well-being, most people would probably demand that we sharply curtail the power of government and let capitalism work for the benefit of all, just as our Founding Fathers intended.

As we observe our Nation's 200th anniversary, it is time to reflect on our first principles and to recall that capitalism, to the extent that it has been allowed to operate, has been the primary factor in our country's economic growth.

I have seen this basic proposition nowhere better argued than in an article entitled "Capitalism: Definition—Origins—Dynamics," written by Prof. V. Orval Watts and published in the October 1975 issue of the Foundation for Economic Education's magazine the Freeman. This article manages to be both scholarly and lucid at the same time, and I am pleased to insert it into the RECORD at this point for the information of my colleagues:

[From the Freeman magazine, October 1975]

CAPITALISM: DEFINITION—ORIGINS—DYNAMICS

(By V. Orval Watts)

DEFINITION

Capitalism, according to the dictionaries, commonly means *private ownership* of the means of production.

Private ownership means that individuals *control* their own persons, their own energies, and the products of their energies. It prevails to the extent that individuals do not restrain or interfere with one another as they use, exchange (sell) or give away what they find unclaimed or abandoned, what they make, and what they get from other persons by gift or exchange (purchase).

ORIGINS

Capitalism has its origins, therefore, in individual *freedom* and in all of the ideas, sentiments and modes of conduct that establish this freedom.

Freedom implies that individuals do not coerce, intimidate or cheat one another. This means that they do not use violence or fraud to injure one another or to deprive one another of possessions obtained by peaceful means, and that they do not threaten to injure one another in their persons or properties.

This freedom develops as individuals learn that, over a period of time, they gain more from cooperation motivated by hope of reward than they do from services performed under threat of violence. In other words, they gain more in the long run by production and exchange of goods and services than they can get by stealing, fraud, banditry or other forms of predation.

In short, capitalism arises as individuals (a) learn the advantages of division of labor and voluntary exchange, and (b) discover and live by the moral laws (rules of conduct) necessary for peaceful relations, one with another.

This progress requires growing understanding of the nature of man and the meaning of justice, together with appreciation for honor, truth, and goodwill toward more and more of their fellow humans.

The elements of moral law are set forth in what Judeo-Christians refer to as the "Ten Commandments" and the "Golden Rule."

The negative form of the Golden Rule expresses the first principle: "Do not do unto others what you would not have them do unto you." This restrains and casts out forced sharing, which is a form of enslavement.

A later corollary and supplement of earlier statements—"Whatsoever ye would that men should do unto you, do ye also unto them"—arose out of recognition that we benefit, not merely by avoiding injury to others and the ensuing conflicts, but by voluntary exchange of services and by developing habits of mutual aid and neighborliness. (Cf., the neighborly barnraisings and other forms of mutual aid in pioneer days, and the parable of the Good Samaritan.)

Insofar as individuals cease to steal from one another, cease to cheat (lie), cease to coerce or intimidate one another, and keep their agreements (including those establishing the monogamous family), they gain freedom.

But this freedom develops only gradually with increasing understanding and self-restraint. No "man on a white horse," no dictator or government can give it to us. Individuals must learn to understand it, accept its responsibilities, and teach it to oncoming generations.

DYNAMICS

A. Production and exchange

In such absence of coercion, more and more persons attain prosperity, which Frederic Le Play defined as a "multitude of good acts." They let one another keep or exchange or give away what each produces or gets by voluntary exchange or gift. They then produce more, accumulate more, trade more, and give more to others.

They give more to their customers and fellow workers in exchange for what they get; and they give more to their offspring, their friends, their neighbors, and victims of misfortune. (Note that the early Plymouth and Jamestown colonists were more charitable toward their neighbors, as well as more industrious, after they abandoned forced sharing.)

Free persons invent and adopt ways of mutual aid that are beyond the devising or imagination of slave masters and political planners. Therefore, they prosper.

B. Individuation—Competitive cooperation—Large-scale organization

(1) In freedom, humans show increasing variability in capacities and responses. Therefore, capitalistic (free) enterprises develop an increasingly great range of changing occupations, commodities, services, and opportunities for self-development and satisfaction of individual wants.

(2) Because of the enormous advantages of cooperation, more and more individual members of a capitalistic society show increasing regard for the interests, desires, tastes and opinions of other persons, increasing sensitivity, sympathy, and fellow-feeling (empathy), along with increasing individuation in ways of expressing these attitudes.

Some individuals go to extremes in trying to please everybody and consequently truly please nobody. ("The surest road to failure—try to please everybody.")

Others use or abuse their freedom by displaying (or pretending to display) an exaggerated indifference to prevailing (popular) customs, sentiments, and manners, and a lack of concern for the opinions of other persons.

In freedom, however, individuals cooperate more readily with such peaceable persons as have more or less similar standards in morals, manners, and tastes, but with complementary (rather than identical) interests and abilities in work. The word "complementary," or "supplemental," deserves emphasis, because many or most forms of cooperation arise out of differences in abilities and interests rather than out of similarities (e.g., farmers and manufacturers, merchants and bankers, truckers and mechanics).

(3) The many similarities of abilities and tastes, however, make a free society highly competitive as well as cooperative. Competing individuals and competing groups offer similar (though seldom identical) services to consumers, and similar (but not identical) jobs to wage earners (e.g., coal miners and oil producers, savings banks and stock brokers, or manufacturers of different sizes and makes of cars).

Among free and peaceful persons (i.e., in a completely capitalistic, or free-market, voluntaristic society), this competition consists in trying to offer more satisfactions in order to induce cooperation rather than in threatening others with injury in order to compel submission and obedience.[1]

(4) In freedom—in the absence of coercion—individuals keep and control without coercive interference what they acquire in peaceful ways. That is, they may keep, control, consume, give away or trade what they find in nature, what they make or invent, what they get by gift (as from parents), and what they get by voluntary exchange, including the temporary uses of things for which they pay rent or interest.

The rights of private ownership are the rights to enjoy and use wealth and the services of free persons without physical interference or threat of interference from other persons. These are rights of adverse possession, that is, the rights of exclusive use and disposal (along with the responsibilities of control and care).

Therefore, capitalism (private ownership) is individualistic. That is, what one person owns, no one else may own. He has exclusive control of it. But he also has exclusive responsibility for it: to care for it, and to see to it that use of it does not interfere with the freedom (property rights) of other persons.[2]

The indescribably complex agreements as to property rights (protected by law, morals, customs and manners) constitute freedom. That is, freedom means agreements, implicit or explicit (i.e., tacitly accepted or formally stated) among members of a society, agreement that individuals shall have undisturbed control of their persons and the fruits of their energies, skills, thrift and enterprise in trade.

C. Equity versus equality

In freedom, there is equity (justice), not equality of rewards for effort. When individuals are free to choose with whom they trade and how much they offer in exchange, some individuals and groups acquire greater aggregations of wealth than do other individuals and groups. A particularly productive group of producers (e.g., a business firm), then, may become so industrious, inventive, cooperative and efficient that they supply most of certain commodities or services for a large proportion of a given community or nation. So concerns like Ford Motor Company grow to giant size; or a group of firms, like those making up the General Motors Corporation, cooperate in some respects (e.g., in obtaining capital) while competing in others (e.g., sales).

But, in appraising these giant concerns, we should keep in mind that:

(1) They get and hold their economic power only to the extent that they serve a correspondingly large number of their fellow humans. No company becomes great in free markets by catering to a few rich capitalists. They grow to giant size only as they help raise levels of living for thousands or millions of other producers and their dependents—unless they are favored by anti-capitalistic policies of government engaged in war, currency inflation or suppressing would-be competitors (as, for example, the United States Government suppresses competitors of the Post Office).

(2) Increasing abundance and diversity of goods make the demand and supply of every product more and more elastic. Buyers find a growing diversity of goods competing for their patronage. Wage earners find a growing number of employers with capital seeking to employ them. Capital owners are besieged by inventors and promoters seeking backing for new ways of satisfying wants or ways of satisfying wants of which consumers are as yet scarcely aware.

The most inelastic factor in a free society of responsible individuals is likely to be in the supply of wage earners (job seekers). Therefore, they benefit most from the competition of capital seeking investment, and they get an increasing share of the total product.

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[1] Socialists confuse inducement or persuasion with coercion. They fail to see that freedom to cooperate exists only insofar as there is freedom not to cooperate, along with freedom to communicate without harassment.

[2] Socialists commonly confuse this exclusive control by property owners with the very different type of monopoly which may be obtained by restricting the freedom of would-be competitors in use of their own energies and properties. For example, the United States Post Office maintains its monopoly of distributing first-class mail by using the police powers of government to suppress competition. Coercive interventions by government or immoral and illegal private violence, or both, are necessary to maintain such monopolies. This is not freedom. It is not laissez-faire capitalism. It is curtailment of free enterprise. It is a negation of the rights of private owners.

Wages and wage rates tend to rise, therefore, while rates of interest fall.[3]

D. Progress: Rising levels of understanding, morality, prosperity, vision

Individuals in freedom prosper as they win the freely given cooperation of their fellows.

Therefore, their self-interest and family interests provide strong incentives to develop habits and concern for the qualities that other persons want in their co-workers and suppliers. These are such qualities as industriousness, courtesy, and sensitivity to the interests of other humans.

As a result, free persons tend to buy goods (commodities and services) which contribute to their efficiency as producers and enable them to discharge their countless responsibilities.

For this reason, the output of "industry" in freedom tends to become more wholesome; the health and vigor of the population improve; life expectancies tend to lengthen; and tastes in art, drama, music and literature rise.

Accustomed to these rewards of progress, members of a free society tend more and more to expect and strive for improvement in the lives of their neighbors as well as in their immediate circle of family and friends.

At this point, a dangerous ideology may become fashionable. It has been well named, "the Utopian Heresy." Impatience with the real or fancied shortcomings of other persons may prompt efforts to hasten improvement by use of a little legal coercion—on a few at first, and on more and more of their supposedly backward fellows as time passes.

In this way, free and prosperous individuals may combine to infringe the freedom of their neighbors while intending only to do them good. And, as they set precedents by such coercive "reforms," others use the same arguments for more and more infringements for similar "good" ends. Thus, freedom declines.

This loss of freedom deprives individuals of opportunities and responsibilities. Therefore, it gives rise to worse conditions, which the confirmed ideologists attribute to what freedom remains. Long ago, a now-forgotten philosopher observed that "Mankind is a race which binds itself in chains—and calls each fresh link progress."

A wealthy society—prosperous because of a longer period of freedom—can afford more waste (idleness, paternalism, wars, parasitism and socialism) than a society that is poor because its people have had little freedom.

But for any community or nation, a continuing decline of freedom must at last bring on a collapse in bankruptcy, chaos, revolution and/or subjection to political tyranny.

Prosperity has its perils, not least of which is the peril of forgetting how it was achieved.

HATCH ACT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. DERWINSKI. Mr. Speaker, one of the more knowledgeable media observers of the congressional scene is Joe McCaffrey, whose news commentary on the Congress is heard regularly over WMAL in Washington, D.C.

In his weekend broadcast of Sunday, November 9, Mr. McCaffrey discussed the recent action in the House adversely affecting the Hatch Act. Since this measure is now in the Senate awaiting contemplation by that august body and since many of the Members may have been in their districts over the weekend and missed the broadcast, I am inserting the basic text in the RECORD:

COMMENTARY BY JOE McCAFFREY

President Ford may have a popular veto coming up soon.

Many of his vetoes have not won wide acclaim, but when he vetoes the modifications of the Hatch Act, he may find he has ended up on the popular side.

Some House Members who voted to slide government workers into partisan politics tell me they are now having second thoughts about that legislation.

One of them said, I'm getting worried now that I relate partisan party activity by government workers to the power of public service unions. Diluting the Hatch Act could jet propel us all into a situation where the government employees will become the most powerful group in the country. I keep looking at New York City and seeing how labor unions strangled that city—and I secretly hope the President bounces the bill back to us.

POST OFFICE DETERIORATING STEADILY

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. PRESSLER. Mr. Speaker, my reason for voting against the Postal Reorganization Act amendments of 1975 was a "no confidence vote" in our present postal system and the direction it is going. Mr. Speaker, the high officials of the post office talk of closing the post office in Humbolt, S.D., my home town, and other small South Dakota towns, within the next 18 months. At least that is one of their efficiency proposals. Mr. Speaker, let us remember that the most important contact that most people have with Government is mail service. Under this bill Congress is—could be—asked to cough up $3.8 billion, essentially approve a 12 cent stamp, and continue to give the stamp of approval to postal salaries of high level postal administrators that are more than what Congressmen earn and in some instances exceed what our largest corporate executives are paid—see attachment. Mr. Speaker, these high salaries would be justified if additional efficiencies resulted. But the fact of the matter is that our postal service has been deteriorating steadily since the conversion to the quasi-corporation.

Mr. Speaker, I strongly stand for putting the post office back under the Government so that we Congressmen will be responsible for it. At present, constituents complain that we can do little more than send a letter of suggestion over to the post office. If we are to be held responsible for the post office then we should have control of it. My no vote on this bill indicates my vote of "no confidence" in the present postal organizational structure:

SALARIES OF HIGH LEVEL POSTAL ADMINISTRATORS

1. Post Master General—$60,000.
2. Deputy Post Master General—$48,000 to $58,900.
3. Senior Assistant Post Master General for Operations—$46,500 to $57,800.
4. Senior Assistant Post Master General for Manpower and Cost Control—$45,000 to $57,800.
5. Senior Assistant Post Master General for Finance—$45,000 to $57,800.
6. Senior Assistant Post Master General for Administration—$45,000 to $57,800.
7. Senior Assistant Post Master General for Employee and Labor Relations—$43,500 to $57,200.
8. General Counsel—$42,000 to $56,700.
9. Regional Post Master General for Central Region (includes South Dakota)—$43,500 to $57,200.
10. Assistant Post Master General for Bulk Mail—$42,000 to $56,000.

THE FORD ADMINISTRATION'S DEFAULT WITH REGARD TO AMERICAN CITIES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. CONYERS. Mr. Speaker, following his October 29 address on New York City's financial crisis, President Ford was asked what is the difference between the Federal Government's bailing out Lockheed and bailing out New York City. "Well in retrospect we may have made a mistake in bailing out Lockheed," Mr. Ford replied. This response illuminates far more about this and past administrations' misguided policies and lopsided priorities than all of Mr. Ford's preceding remarks on his approach to New York City.

A "mistake" suggests an error of judgment, a unique case. It would be more appropriate to label the Government's bailing out Lockheed as ideology mixed with a large measure of necessity, given the existing political-economic structure. Increasingly, Government is at the mercy of the corporate world. The loan to Lockheed was not an isolated "mistake." Many other corporations have been bailed out in the past and, I suspect, barring fundamental changes in our economy and Government, they will be in the future. The Lockheed bailout was part of a larger pattern of official policy whereby the Government protects and enhances the fortunes of the wealthy and of leading corporations at the expense of the needs of less advantaged groups and business institutions. Rarely are the giant corporations that are recipients of Federal Government largesse required to demonstrate their managerial competence. If they were, most defense contractors with their gross overruns and questionable financial practices at home and abroad would reveal themselves to be far more mismanaged than New York City.

Mr. Ford's statement on New York City makes it quite clear what the Federal

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[3] The rise in interest rates during the past 60 years has been due to the anti-capitalistic policies of governments—wars, inflation of currencies, waste of resources, and forced redistribution of wealth and income.

The rise in certain land values has been aggravated by socialistic policies, which tend to concentrate populations in favored cities, thus retarding the development of less densely populated areas, whose small populations lack political power. Most of the world's land area is still sparsely populated and is cultivated only by extensive methods.

Government's priorities are. Like his predecessors who brought us the American war in Indochina, Mr. Ford does not appear particularly concerned about the $150 billion and more spent on that war—and its ruinous effect on the economy—or especially reflective on the good that might have been accomplished if that money had been spent on economic projects at home. Also like his predecessors who casually disregard waste in military spending but who are outraged by the relatively fewer and less costly instances of waste in social spending, Mr. Ford does not seem particularly sensitive to the needs of unprivileged Americans for assistance which they are entitled to.

The Federal Government routinely underwrites billions of dollars worth of business transactions abroad and long-term, low-interest loans to adversaries, yet denies relief to its own cities and low-interest loans to its own citizens. In the final days of the Saigon regime Mr. Ford urgently requested funds to stave off the collapse of Saigon. It is ironic in this connection that the thrust of American foreign policy has been to assist urban-based regimes in Saigon, Phnom Penh, and other client states, attaching great importance to the economic viability of foreign cities, and at the same time dismissing the significance of economic crisis in American cities.

What accounts for these kinds of priorities, these inconsistencies in official policy? During the past three decades Americans became inured to the notion that the mainsprings of their security and well-being resided somewhere out there in the world. Acquiescing to a peculiarly distorted definition of national security foisted upon them by the so-called national security managers, Americans have become alienated from their own-felt needs and real-life dilemmas, all for the sake of abstract power goals, distant actions, and indeterminant and deferred promises. The floodgates Americans were called upon to erect against communism turned out, tragically, to become their straitjackets, preventing them from creating in their own land common projects for themselves and their fellow men that would have been far more useful to their liberty, economic welfare, and safety.

The priority of interventionism and militarism drained away vast resources that could have been used for the social and economic reconstruction of America's cities. New York City and other cities have had to make up the difference at a time when popular demands for social services and economic security increased greatly. National health insurance, and particularly a full employment policy would have averted New York City's insolvency.

It is rather incongruous that the Ford administration, on the one hand, declares its support for a more creative federalism and greater local control that would devolve more responsibility upon local units of government and, on the other hand, denies localities the resources they need to be responsible. If Mr. Ford and others were really serious about greater local control, they should consider the disparity between New York City's Federal tax burden and the funds it receives from the Federal Government in the form of goods and services. The Library of Congress estimates that in 1975 New Yorkers will pay into the Federal Treasury $21.8 billion. OEO estimated that in 1974 New York City received in grants and direct payments to its citizens $8.5 billion. New Yorkers, therefore, have been dutifully financing the Pentagon—and its extravagances—yet the administration cannot comprehend the just claims of New York City for Federal assistance. One solution within the context of federalism and revenue sharing is to enable New Yorkers to finance their own projects by returning to them a greater portion of their tax payments.

The President's response to New York City's financial crisis brings us to the point when we have to ponder what and who it is, in the final analysis, that the Government should be supporting—insolvent military corporations or insolvent cities; aid to the poor and disadvantaged or foreign aid to dubious projects of regimes of questionable legitimacy and wasteful aid to the Pentagon. Should we as a nation meet the just demands of the unprivileged many or perpetuate the privileges enjoyed by the few?

What is so tragic about public policy is that it is clearly divorced from a framework of ethical purposes which Government ought to accomplish. As a consequence entrenched centers of power walk off with a disproportionate slice of the fiscal pie against all claims of social need, constitutional principles and of fairness. Is it not time for us to think clearly about what are the legitimate ends of Government?

TRIBUTE TO PROF. ROLLIN PERKINS

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. JOHN L. BURTON. Mr. Speaker, Prof. Rollin Perkins, without doubt our Nation's leading authority on criminal law, is retiring from the faculty of the University of California, Hastings College of the Law.

I had the privilege of being one of Professor Perkins' students during my freshman year at Hastings. I am sure that the Members would like to join in this special tribute to one of the giants of jurisprudence. The following tribute to Professor Perkins was prepared by some of his students, and at their request I am inserting it into the CONGRESSIONAL RECORD:

PROF. ROLLIN PERKINS

The people of the United States offer a tribute and appreciation to Professor Rollin M. Perkins for his outstanding contributions in the field of juridical science and the legal profession. Professor Perkins, one of America's great criminal law scholars and teachers has devoted a half century as a legal academician and scholar, and commenced his teaching career as assistant professor of law at the State University of Iowa in 1916.

Professor Rollin Perkins joined the University of California, Hastings College of the Law, as a member of its distinguished Sixty-Five Club Faculty in the Fall of 1957. For nineteen years he has taught and inspired literally thousands of Hastings students who have received their Juris Doctor degrees and have assumed positions of leadership in the legal profession as practicing attorneys, judges, legislators and legal educators.

Prior to coming to Hastings, Professor Perkins was a professor of law at the University of Iowa and also held permanent academic positions at Vanderbilt University and the University of California at Los Angeles.

Professor Perkins is a product of educational institutions that might be described as nationwide. A graduate of the University of Kansas he received his Juris Doctor degree from Stanford University and his S.J.D. degree from Harvard University.

Professor Perkins' career can be described as a career of superb service. A legion of distinguished members of the legal profession can attest to the quality of his superb teaching, his keen scholarship, and his qualities as a gracious and warm human being; a teacher who combines probing analytical questions with warmth and a well-honed wit.

Professor Perkins has national and international stature as one of the leading authorities in the field of criminal law; his creative work has brought about lasting advances in the substantive case law in that field. His treatise, Perkins on Criminal Law, has been quoted in numerous judicial decisions.

He is the author of fifteen books and numerous articles. He has written for the Hastings Law Journal, the Harvard Law Review, the University of Illinois Law Review, the University of Pennsylvania Law Review and a host of other publications.

He is a teacher without parallel. In 1973 he was awarded, by student consensus, the "Outstanding Teacher Award". Many of his students have become nationally renowned lawyers and academicians. Included in this group are two professors at Hastings College of the Law, namely Professor Harold Verrall and Professor Charles Nutting. Dr. Virgil Hancher, former President of the University of Iowa, a former President of the American Bar Association, several Senators including Senator Tom Martin, a former Senator from Iowa, two former members of the Iowa Supreme Court, Judges Garfield and Larsen, a former attorney general of the State of Iowa, Assemblyman Willie Brown of the California Legislature and a legion of other lower court judges have been the beneficiaries of his teaching.

Professor Rollin Perkins is truly one of the select "giants of this earth" in legal education and his contribution to the legal profession and our society is without parallel. It can be said without challenge that he rightfully belongs with those select few jurors, advocates and academicians, who have formed a cornerstone upon which modern criminal law has been structured.

The law will always be grateful for the presence and the influence of this quiet, modest, brilliant scholar of the law.

CITY OF SPRINGFIELD SALUTES MARINES ON 200TH ANNIVERSARY

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BOLAND. Mr. Speaker, November 10, 1975 marked a great anniversary for one of America's toughest, and finest service forces. On that day the U.S. Marine Corps celebrated their Bicentennial. For these proud men it has been 200 years of service, 200 years of bravery, 200 years of pride and 200 years of defending America wherever they were needed. I congratulate the men of the U.S. Marines on their anniversary.

The city of Springfield, Mass., marked this anniversary with a ceremony and military gun salute at Court Square. Attending the ceremony were Mayor William C. Sullivan, Lt. Col. Stoeber of the Marine Corps Reserve, Director Jerry Healy of the Springfield Civic Center, City Councilman Daniel Walsh, Lt. William C. Smith, commander of Springfield's "C" Company, and my representative, Ms. Gale Farrell. The ceremony was highlighted by the delivery of a plaque from Maj. Gen. M. P. Ryan, Director of the Marine Corps Reserve. The plaque was delivered by runner after a 300-mile relay run from Philadelphia, indicative of the great strength of the men of the U.S. Marines.

For the RECORD, I have enclosed Mayor Sullivan's proclamation of "U.S. Marine Corps Week," the message from Major General Ryan and a New York Times service article on the Marines that appeared in the November 10 issue of the Springfield Union.

Again, I salute the proud Marines on 200 years of patriotic, and often heroic, service to America.

The material follows:

[From the New York Times, Nov. 10, 1975]

Sense of Pride and Patriotism Stands Out in Corps

(By Deirdre Carmody)

From the halls of Montezuma to the shores of Tripoli, Guantanamo Bay, Manila Bay, St. Nazaire, Guadalcanal, Tarawa, Guam, Iwo Jima, Inchon and the beaches of Da Nang, the United States Marines for the last 200 years have fought, died and inspired the nation.

Today, marines will stand at attention around the world to mark their bicentennial.

President Ford will lead the country's tribute and place a wreath at the foot of the Marine Corps War Memorial at Arlington.

The Marine Band will play. Twenty-one guns will pound out their volleys. And a bugler will send the slow, mournful notes of taps out over the gray tombstones as marines in dress blues at the entrances of American embassies abroad and marines in long lines of green in camps across the country will join in observances of the day.

The 200 years that they will look back on have been filled with bloody, wartime episodes of glory; controversial expeditions; debates on the floor of Congress about the very existence of the corps, and bitter criticism of its strenuous and, in the eyes of their critics, inhumane training practices.

But what stands out over the years is the sense of pride and patriotism that the Marine Corps has infused, especially in the dim days of wartime, as word of gallant and often costly expeditions have lifted the nation's spirit and reinforced its zeal.

The Marine Corps was formed on Nov. 10, 1775, by an act of the Continental Congress, which provided for two battalions of marines to be raised and to be composed of "good seamen or so acquainted with maritime affairs as to be able to serve with advantage by sea when required." They were to be called the First and Second Battalions of American Marines.

There is nothing to indicate that anything near two battalions was ever raised, although marine guard detachments were recruited and assigned aboard ships of the new Navy almost as fast as they were put into commission. By the end of the Revolutionary War approximately 130 officers held marine commissions, and the number of enlisted men and noncommissioned officers was somewhere in the range of 2,000.

The marines wore green and white uniforms with leather stocks buckled under their collars that forced them to hold their heads high. It gave them the designation of "leathernecks."

FOUNDED IN 1775

On Nov. 28, 1775, 18 days after the Continental Marines were founded, a well-known Philadelphia clubman named Samuel Nicholas was commissioned as captain of the marines. Later he was promoted to major and served in what was the equivalent of the modern commandant.

Under his command, a detachment of 230 marines boarded ships and set out for the island of New Providence in the Bahamas. On March 3, 1776, Captain Nicholas led the first marine landing party in United States history in a surprise attack on the capital, Old Nassau, in an attempt to capture stores of British arms and amunition that were believed to be in the city's two forts.

The marines succeeded in capturing Fort Montagu, but they did not find the cache of arms and ammunition they were seeking. It was late in the day, so they put off the attack on Fort Nassau until the next day. This delay turned out to be costly because it allowed Gov. Montfort Browne to remove 150 casks of gunpowder, sneak them out through the unguarded channel and get them safely to the coast of Florida. It was not an auspicious beginning for the marines.

But the men distinguished themselves in a number of other battles during the Revolution, including engagements in Canada, at Trenton, at Princeton, N.J., and at sea. The men were dismissed after the war in 1783 and for the next 15 years the marines ceased to exist.

On July 11, 1789, Congress passed an act establishing the United States Marine Corps. It consisted of one major, four captains, 28 lieutenants and 848 enlisted men, including 32 fifers and drummers. It would be years before the corps' strength would exceed 1,000, and there were peacetime years when its strength fell to 500.

THE SHIP IS SINKING

During the 19th century the marines fought in the Atlantic against the French, in Florida against the Indians, in the Banana Wars in Latin America and with Commodore Matthew C. Perry in the Far East, they made their first landing on Okinawa.

Twenty-eight marines died when the battleship Maine was blown up in Havana harbor and another of them, Pvt. William Anthony, made history when he collided with his captain in the smoke-filled companionway moments after the blast, apologized, clicked his heels and said, "Sir, I beg to report that the captain's ship is sinking."

However, two of the battles that will forever be part of Marine Corps history because they have been immortalized in the first line of the stirring Marine Corps Hymn by its unknown author were fought with relatively few marines.

They were the so-called battle of Tripoli against Barbary pirates in which 16 marines fought and the war against Mexico, in which the Marine Corps played no major part. It was the marines' participation in the battle of Mexico City, the Halls of Montezuma, under Gen. Winfield Scott, known as "Old Fuss and Feathers," that inspired the words in the hymn.

AT BELLEAU WOOD

The bloodiest marine battles, however, were fought in the major wars of this century. In the bush-covered terrain at the battle of Belleau Wood during World War I, the marines suffered 55 percent casualties, with 1,062 men killed and 3,615 wounded.

It was during that action that Gunnery Sgt. Dan Daly, the "quiet man" who had won two Medals of Honor, leaped out of the trenches and shouted to his men, "Come on you sons of bitches, do you want to live forever?"

The reports of daring marine invasions on the beaches and the jungles of the Pacific during World War I kept the people of this country, their ears glued to their radios, in a state of high tension.

Although the Marines played major roles in the wars in Korea and South Vietnam—the battles of Inchon in Korea and Khesanh in South Vietnam have been compared to those of Guadalcanal and Tarawa—it is Iwo Jima that has become the symbol of the Marine Corps.

Indeed, it is the scene of the triumphant raising of the Stars and Stripes by marines over Mount Suribachi after the battle that the Marine Corps chose as the subject for its giant memorial at Arlington, where ceremonies are being held today.

Proclamation of Mayor William C. Sullivan on the 200th Anniversary of the Marine Corps, November 10, 1975

UNITED STATES MARINE CORPS WEEK

Whereas, Since the 10th of November 1775 when two Battalions of Continental Marines were formed in Philadelphia, Pennsylvania the Marines have continued to be the "First to Fight" when their country called; always serving with distinction and honor; and

Whereas, The United States Marine Corps has proudly carried and defended the colors of the United States in every clime and place for the past 200 years, building a glorious tradition of blood, sweat, and tears; and

Whereas, The City of Springfield and this community have given freely of their sons and daughters to the service of their country in the United States Marine Corps

It is fitting and proper that our citizens join the rest of the nation to pause and reflect on this proud tradition of service to our country as the Marine Corps observes its Bicentennial

I urge the citizens of the City and community to join in tribute to the members of the United States Marine Corps, past or present, active or reserve, and their families, all who have contributed so much to the preservation of freedom in the United States.

Message From Maj. Gen. M. P. Ryan, Director, U.S. Marine Corps Reserve

To: City of Springfield, Massachusetts and surrounding communities.

On this two hundredth anniversary of the United States Marine Corps a group of young men from Springfield's Reserve unit, Company C (-), First Battalion, Twenty-Fifth Marine Regiment, Fourth Marine Division, United States Marine Corps Reserve have completed an arduous relay run from Tun Tavern in Philadelphia, the birthplace of the Marine Corps, to Springfield in celebration of our Bicentennial. Such an energetic undertaking is indicative of the manner in which your community has supported the entire Marine Corps program throughout our history.

As Director, Marine Corps Reserve and on behalf of the Marine Corps, I take this opportunity to congratulate you and thank you for your interest in our Marine Corps and for your sons and daughters who have served so proudly. The Marine Corps eagerly accepts the challenge of serving you, your State, and our great Nation for the next two hundred years.

Semper Fidelis.

ANTI-SEMITISM AT THE UNITED NATIONS

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. EILBERG. Mr. Speaker, the three votes last night by the United Nations General Assembly culminating with the approval of the resolution equating Zionism with racism represent the almost total loss of morality in that institution.

If the U.N. was ineffective in most areas it was supposed to be the place where the world's problems could be discussed rationally. Instead, it has become a forum for racism, anti-Semitism, and an apologist for and an advocator of terrorism and murder.

What the result of these votes will be internationally is not hard to predict. Terrorist organizations such as the Palestine Liberation Organization and others will interpret these votes as approval for their past murders and those planned for the future.

Additionally, there are many nations, especially in the Middle East, where Jewish minorities are subject to restrictions and persecution which rival the worst practices carried out during the Middle Ages. We can expect these countries to intensify their anti-Semitic policies and to use the votes in the General Assembly to justify these actions.

What the U.N. has done, in fact, is to legitimize bigotry, terrorism and murder on an international scale in a way the world has not seen since Nazi Germany was crushed in 1945.

Because our Nation cannot condone such actions and because verbal criticism will carry no weight at all, the Congress and the administration must act quickly to show our displeasure.

The most immediate step should be taken in the area of our financial support of the United Nations and the countries which supported the resolutions.

First, our contribution to the general operating fund of the U.N. should be substantially reduced from its present level of about 25 percent. We should also take a close look at our support levels for specific U.N. programs. We may find that efforts such as peace keeping forces deserve a full share of U.S. aid, but if other programs are being administered on a discriminatory basis there is no reason why the American people should pay for them.

Second, the countries which voted for these resolutions did so with the full knowledge of our complete opposition to them. During the current period of economic trouble in our Nation and pragmatism in our foreign policy, it is time that we stopped treating our enemies as friends and our friends as enemies.

The countries which voted in favor of the resolutions should have their aid cut off or, at the very least, have it reduced by meaningful amounts. Many of the nations which campaigned in favor of the Palestinian terrorists and against Israel claim to be the giants and powers of the "new world economic order." Fine, let them take up their share of the burden of helping those countries which support their international goals.

Finally, Mr. Speaker, I must state that the votes taken in the General Assembly last night have left me feeling very depressed and very old and tired.

They are a step backward to the depravity and animalism many of us hoped had been eliminated from the relations between nations and civilized people.

One can only hope anew that this will be only a quickly passing phase for the United Nations and the world at large and that civilized, intelligent, and honest leaders will soon regain control of that institution so that it may continue its original purpose of promoting peace.

MASS TRANSIT RESEARCH

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. FRENZEL. Mr. Speaker, today the House will consider the conference report to accompany H.R. 8365, the Department of Transportation appropriations for 1976. I am pleased to see that the House conferees under the leadership of the gentleman from California (Mr. McFALL) have agreed to recommend $3 million for the continued development of high performance personal rapid transit. Although this modest level of funding will still leave us several years behind the level of personal rapid transit development in Germany, France, and Japan, it will help keep our industrial development teams together. Hopefully we will soon begin to provide the level of funding necessary to make American transit technology competitive with foreign systems.

An article appearing in a recent issue of the Catalyst for Environmental Quality magazine provides a good short description of PRT's promise for solving some of our urban transportation problems. The author, Dr. Jack Irving, vice president and general manager of Aerospace Corp.'s Environment and Urban Division, is a leading advocate for this type of innovative transit system. The article which follows is provided for the benefit of those Members who want a good capsule summary of what PRT is all about:

ON THE HORIZON, PERSONAL RAPID TRANSIT

(By Dr. Jack Irving)

Imagine you are going to work—your office being located somewhere within the city where you live. You walk out the door, past your parked car, and down two blocks to a small elevated station. Alongside it is a very slim monorail guideway on which small cars glide silently by. A siding runs into the station. On it are several empty cars, waiting. You take the elevator up to the station, pull a credit card out of your pocket, insert it into a machine and indicate your destination by punching buttons. (You will be billed for the modest fare at the end of the month). Then you remove the card and walk to a gate on the boarding platform. You dip your card into a slot next to the gate. The gate slides open and so does the car door. Once you are seated the doors close and you are silently whisked across town as you read the morning paper. At the end of your non-stop trip you arrive at your destination station, perhaps a block from your place of work, relaxed and read for the day's activities.

This is not a fantasy. It's a system called personal rapid transit (PRT) which is under development today in the United States, West Germany, Japan and France.

A NEEDED COMPETITORS TO AUTOS

There is no other form of public transit that's a serious competitor to the private automobile. And it is clear that the automobile needs competition. The petroleum shortage and environmental pollution are urgent reasons to get people to use public transportation.

According to the last census, trains, buses, and streetcars accounted for less than 10 per cent of all urban trips in the United States and only about five per cent of the urban trip miles. During the decade 1960–1970 urban automobile use increased 74 per cent in miles travelled. Bus mileage dropped 26 per cent and rail 8½ per cent. Only the taxicab, which offers a service comparable to that of the private automobile, increased in use—by 31 per cent. By 1970 taxis served almost half as many trips as were served by urban trains.

With the exception of the taxi, today's public transportation systems cost taxpayers enormous amounts of money in subsidies. In 1972 in New York City there was an operating deficit of eight cents per passenger trip on the subway. Boston's trains lost 51 cents per passenger trip. Costs continue to go up.

PRT offers a practical solution to many cities' public transit dilemmas.

First, it would offer an attractive, convenient service. These features in turn would attract enough patrons so that PRT wouldn't require any operating subsidy.

A user of today's public transit is very likely a "transit captive"; either too young, too old, or too poor to drive a car. To add additional patrons to public transit, one must offer automobile-like convenience and speed—and that is the promise of PRT.

HOW PRT WORKS

Think of it as thousands of automatic taxi cabs—a system of four to six-passenger vehicles for the private use of the traveler and his traveling companions. (PRT cars will not be shared with strangers unless they choose to travel together.)

The vehicles are automatically controlled and move on a network of slim guideways, taking the traveler *non-stop* to anywhere within a broad urban area, for less than he can drive and often faster. In a large urban area there could be more than a thousand stations on a PRT network, all on sidings so that a car stopping to pick up or discharge passengers will not interfere with the flow of traffic on main lines. Ramps interconnect crossing lines so that a vehicle may be automatically switched from line to line and routed to its destination.

Although most lines will be elevated over city streets—because that is the least expensive means of building them—some might be underground and some at ground level.

We think of travel lines in residential neighborhoods as being only on the main commercial streets. PRT lines and stations will be spaced about one-half mile apart so that the maximum walk for anyone served by the system will be only two or three city blocks. Of course, in central business districts or other activity centers, the lines and stations will be much closer together to accommodate the peak-hour influx into or out of these areas.

In most cases the network will be a one-way system in which any particular arterial street will carry a line of PRT cars traveling in one direction, say north, and the next parallel line would be running south. This minimizes the investment per street and the visual impact of the system, and allows broader coverage of the urban area for a given capital investment.

The stations are small. Those serving residential areas need be only 20 feet long to handle the demand. The stations in work centers and central business districts will be somewhat larger because more people would be arriving and departing at the same time. But not a lot. An 80-foot-long station could handle more than 1,000 cars an hour.

At first blush it may not seem possible for a system of privately assigned cars to be able to provide the high volume needed by a public transit system. The way it is accomplished is to operate the cars very close together. The system would be capable of handling two or three cars a second by any given point. This makes each line able to handle traffic volume equivalent to three to six lanes of freeway.

SAFER THAN THE AUTO

As a result of tests conducted on a 1/10 scale model PRT test track, we at The Aerospace Corporation are convinced that these high line capacities can be achieved without sacrificing safety. This is done by having a very rapid automatic response to any sort of failure and by designing into the cars the ability to accelerate and brake independent of the condition of the guideway, wet or icy, or of the tire tread. We have designed a linear electrical motor with no moving parts which interacts with permanent magnets on the guideway to propel the car, or, reversing the current, to act as brakes. We have analyzed many of the possible failure modes in a PRT system and are convinced that there are practical means of making the system extremely safe; certainly very much safer than the automobile.

COST LESS

The single problem of construction costs has just about ruled out the possibility of many more heavy rail public transit systems being built in U.S. cities. Last year it cost more than $50 million a mile to build a subway system. By contrast, PRT is and will remain affordable. In the period 1972–1973 we carried out a very detailed cost study and found that overall system costs for an elevated network would range from $2.5 to $5 million per one-way mile, using 1973 dollars.

The exact price depends on the number of vehicles per mile of guideway needed to handle the patronage in a given city, and the number of stations per mile. Cost is also affected by the total market. Mass production techniques used to fill large orders bring per unit costs down significantly.

Land acquisition costs and site preparation are not included in the $2.5 to $5 million figures. But they will be a very small part of the PRT system cost. Most of the installation can be on present publicly owned right-of-way, such as curbs, street dividers and the center of freeways.

ENVIRONMENTAL BENEFITS

There are many environmental benefits of PRT. The system is all electric, and therefore pollution free. Granted, the electricity has to be generated somewhere, but that can be outside the city. PRT is also a conserver of energy. The small, lightweight vehicle, cruising nonstop from a passenger's origin to his destination station, uses only about half the energy that would be used in making the corresponding trip by auto. More important, the fuel does not have to be petroleum.

PRT is also silent. Each car is supported by wheels which roll free and its electric motor makes no noise. PRT is also a graceful way to get rid of power and phone lines, street light standards, and the other things presently hung from poles on streets, much of which can be incorporated into the system's guideway structure.

NOT FAR OFF

When can PRT be available? During the past ten years there have been many developmental activities on automated vehicle systems. The systems developed tend to be of two types. The first, which I will call "group rapid transit" are neither personal nor rapid, though some are called personal rapid transit by their manufacturers. The group rapid transit systems are more like automated bus systems. They are primarily designed as circulation systems for shopping centers and airports. While the group rapid transit systems are fine for those uses, they cannot provide broad coverage of an urban area because of the diversity of travel patterns in our contemporary society. Group rapid transit systems depend upon the aggregation of many traveling parties aboard a given vehicle. To operate the vehicles with reasonable loadings would necessitate making many stops to pick up and deliver passengers just as today's manned buses do. These stops, and the detours associated with making them, make significant increases in trip times—the service would no longer be competitive with the automobile and those who had the option of driving would probably do so.

The second type of system and the main subject of this article is "*personal* rapid transit". Some of the systems developed within the United States are basically personal rapid transit systems, but the contemporary versions of these require that the vehicles be operated at separations of many seconds. They do not have the line capacities necessary to handle a significant fraction of the peak-hour urban traffic.

The full potential of area-wide personal rapid transit seems to have been recognized abroad. In three countries—West Germany, Japan, and France—full scale prototype systems are currently undergoing tests on engineering test tracks. In all three cases the vehicles are capable of operating at separations of one second or less.

The work being conducted abroad on personal rapid transit, as well as that accomplished by the Aerospace Corporation, seem to be capturing increasing interest within the United States. Perhaps as soon as the early 1980s we will see the dawning of a new era in public transportation for United States cities through personal rapid transit.

ADDISON MUELLER FESTSCHRIFT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. STARK. Mr. Speaker, Festchrift is a derivation of two German words—festival and writing. The word most especially is defined as a volume of writings by different authors presented as a tribute or memorial particularly to a scholar. I am pleased to bring to the attention of my colleagues a Festchrift in honor of Addison Mueller, a distinguished law teacher and expert in the contract-commercial law field. In the summer issue of the UCLA Law Review, Professor Mueller was honored and extolled by a distinguished collection of fellow law professors from his days at Yale and UCLA. His accomplishments are many and his contribution to law, to his schools, and most profoundly to his students is respectfully and affectionately recorded in these essays. The tributes are too long to record fully in the Record, but I would like to enter the "Prologue to the Festschrift" as a sample of Addison Mueller's commitment and his reward. I would also be remiss if I did not add that Addison Mueller carried the burden of having me as one of of his two nephews. He had the chance to say "I told you so," at every wrong turn I made—and never did. He should have had much credit for stimulating the few achievements in my career—and really never did. I want to share my pride in this great human being with my colleagues today.

The article follows:

Prologue to the Festschrift

(By Murray L. Schwart*)

It is hard to imagine a more fitting tribute to Addison Mueller than this Festchrift, consisting as it does of contributions by those whose academic performance he improved with his colleagues and whose lives he enriched with his friendship. I salute the UCLA Law Review for both the conception and the consummation of this issue.

I fall, I trust, in the category of friend as well as colleague. Ad Mueller and I joined the UCLA Law Faculty together in 1958. He was then, as he is now, more experienced and wiser than I, and for more than one of those early years of law teaching, I relied heavily upon his counsel and support over the inevitable rough moments. (And I am advised by my younger colleagues that he continues to provide the same wise counsel and support.)

Although he and I have had many discussions of legal issues and problems, my intellectual lessons were learned early in our relationship when he and I decided to take on what we regarded as a pernicious doctrine of constitutional law—the doctrine of neutral principles—which had apparently reached its apogee in Professor Herbert Wechsler's Oliver Wendell Holmes Lecture at the Harvard Law School.[1] If I take pride in our rejoinder (published in the pages of this Law Review [2]), it is only in part because of its quality (an assessment with which reasonable men and women might conceivably disagree). It is more perhaps because of my recollection of the discussions and exchanges we had during that joint effort. For it is my distinct recollection (with which he may disagree) that I held my own almost as often as he held his. And that for me was and is an accomplishment. It was an exciting intellectual experience, and it has since been a source of regret that our academic interests, as well as diverging administrative responsibilites, prevented us from collaborating again.

What I can add to the comments about him that appear in these pages is to expand briefly a dimension to which Dean-Designate Warren adverts—Ad's participation as a Faculty member in the governance of the University.[3] Dean Warren recalls his eloquent valedictory delivered to the University of California Board of Regents, as he was leaving his post as Chairman of the Academic Council of the overall University, and as such the one University Faculty member who regularly represented the Faculty to the Board of Regents. It was not accidental that his selection to that position took place during a period when relations between the Governor, the Board of Regents, and the Faculty were at a nadir. For it was those qualities of humanity, judgment, intelligence, and integrity that brought the appointment about—those very qualities that are emphasized throughout these pages.

In reflecting upon his contributions to the University, I am struck by a consistent pattern: his selection to represent the Faculty in its relations with the Administration. Thus in the Law School he was a member of the Faculty-elected Advisory Committee and chairman of various Law School committees. On the campus at large he was a member of the powerful Budget Committee and of various emergency committees that were created during the strenuous days of the late 1960's. Within the University at large he was Chairman of the Academic Council and of the Academic Assembly. I can think of no greater compliment to a member of the University community than to be selected so consistently by his peers to be their representative to the Administration and the Governing Board.

If there was a "mission impossible" to be assigned, Addison Mueller was the one who received the telephone call. Insofar as I am aware, there was no assignment that he declined, no matter what his other personal commitments were, and no matter how arduous and unrewarding the assignment appeared to be.

It will come as no surprise that during his last year at UCLA—a period when it is not uncommon for Faculty members to be relieved or to relieve themselves of as many responsibilities as is possible—he has served as Chairman of the UCLA Senate's Faculty Charges Committee, a new Committee which he is nurturing during its infancy and for which he was both parent and midwife. It is a committee charged with the inordinately difficult responsibility of considering and reporting on charges made against Faculty members of the University. And, lest it be thought that this is not sufficient, he has been serving this final quarter as de facto Associate Dean of the Law School during John Bauman's sabbatical leave.

The recitation of committee assignments may seem a particularly unexciting way of praising a colleague. As an administrator, I perhaps am overly impressed with the difficulties of administration and the concomitant difficulties of finding faculty members who are both willing and able to take on those tasks that are the *raison d'etre* of Faculty participation in the governance of the University. If Addison Mueller's contribution to the Law School and the University had been limited to these roles, he would have amply discharged his obligations. But, as the pages that follow make clear, this was but one part of his contributions.

Scholar, teacher, colleague, friend—in all roles nonpareil. Addison Mueller fully merits the tributes that appear in this issue of the *UCLA Law Review*

FOOTNOTES

* Dean and Professor of Law, University of California at Los Angels.

[1] Wechsler, *Toward Neutral Principles of Constitutional Law,* 73 HARV. L. REV. 1 (1959).

[2] Mueller & Schwartz, *The Principle of Neutral Principles,* 7 UCLA L. REV. 571 (1960).

[3] Warren, *Addison Mueller in Context: An Appreciation,* 22 UCLA L. REV. 1017 (1975).

COMPUTERIZED MONEY: A POST PREVIEW

HON. CHARLES ROSE III

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ROSE. Mr. Speaker, the November 7 Washington Post editorial about "instant money" has captured my attention, and I want to insert it in the RECORD for my colleagues to see.

The availability of computerized financial transactions called electronic funds transfer—EFT—is here today. But there are problems with this new use of computer technology which need to be examined and questions which require attention before wholesale distribution of this service is made.

The Post suggests that Congress will eventually have to make some decisions in this matter, and I hope we will heed the recommendation that Americans should not pick up new tools without asking about the costs. There clearly will be some, and we will need to weigh the advantages against them.

The text of the editorial follows:

THE IMPORT OF INSTANT MONEY

For years some seers have been predicting the advent of the cashless, checkless society, a world in which most financial transactions will be made electronically, without using much paper or much time. The revolution has not reached the corner grocery store, but electronic funds transfer (EFT) systems are being used in more and more areas of business and finance, from Federal Reserve clearinghouses to the automatic cash dispensers offered by many banks. Around the country, a number of retailers and financial institutions are experimenting with various EFT systems that allow cardholding customers to pay for such purchases by having their funds transferred instantaneously to the store's account. If such systems take hold nationwide consumers may eventually be able to do nearly all of their banking, buying and bill-paying at one handy computer terminal—or by a phone hookup from home.

Obviously EFT is more than just another way of moving money from hand to hand. It is a technological advance whose economic and social impact could be as great as that of the internal combustion engine or broadcasting. For instance, nationwide EFT systems could virtually eliminate the $1-billion-per-year problem of bad checks. But they could also greatly reduce, if not abolish, the "float"—the time between the incurring and the actual paying of a debt. This would make life much easier for creditors, but would greatly alter the operating habits of every family and business that now relies on having some leeway about when to pay which bills.

The tension between automation and personal flexibility is only one of the policy problems posed by EFT. In a study just released by the Office of Telecommunications Policy, Prof. James B. Rule of the State University of New York at Stony Brook outlines many large questions that ought to be addressed. For instance, how would various EFT systems affect consumers' rights? If payment is made at the point of sale, what recourse would a buyer have against defective goods? How would bookkeeping errors be dealt with? What kind of credit-checking networks might be required? Who ought to operate or oversee nationwide EFT systems—retailers, financial institutions or the government? Should government agencies use automatic EFT not only to pay benefits to people, but also to enforce child support decrees or to collect taxes and traffic fines? And what about the wealth of detail on individuals' lives and finances that any large EFT system will collect? Could that data be used for advertising and marketing campaigns? For government surveillance? For locating fugitives from justice? What recourse would be available for a citizen who doesn't like computers and wants to go on doing business by cash or check?

As Prof. Rule asserts, these are public policy problems involving conflicts among several important values—personal freedom, commercial efficiency, governmental simplification and control. The choices should not be left to technicians, the business community or federal financial regulatory agencies. Moreover, basic national policies ought to be set before too many EFT systems have been put in place.

The most logical vehicle for exploring the whole subject and making recommendations to Congress is a national commission on EFT that was authorized last year but has just come into being this month. Unfortunately, the commission's membership is weighted heavily toward commercial and financial interests. That does not mean their work should be discounted in advance; it does impose a special obligation on the panel to look beyond the narrow technical and economic aspects of EFT and address the broader implications of this new technology. Clearly, this is a case in which Americans should not pick up new tools without asking about the costs.

A SOLUTION FOR THE DAY CARE STAFFING DILEMMA

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. JONES of Oklahoma. Mr. Speaker, in an effort to preserve State control of child day care staffing standards, I have introduced legislation which would allow the States to upgrade day care supervision and retain State staffing standard variations. My bill is H.R. 10492.

My bill would permit the States to determine staffing standards, while requiring each State to increase its existing standards by 25 percent. Day care operators would have at least until mid-1976 to accomplish this 25 percent increase. The increase would be based on each State's licensing requirements as of September 15, 1975.

To relieve the adverse economic impact on day care operators and working parents, this bill will provide reimbursement to most day care operators of up to 80 percent of the salaries paid to welfare recipients or low income persons hired to fill the new staff positions.

I want to point out that this will not result in any new Federal spending, as it will only channel current funds in this direction. This will be an incentive for the hiring of welfare recipients and will help get these people back to work.

This reimbursement mechanism will relieve the financial burden on day care operators, and in turn, can go far toward holding down the per day costs across the board. This will mean that the costs to the parents of nonsubsidized children will not become extreme or prohibitive.

My bill will also redirect the HEW study of day care standards which was authorized in the Social Security Act amendments passed last year.

Rather than have HEW examine the staffing ratios they have already recommended, I believe HEW should evaluate day care in various States to determine the relationship between quality care and staffing standards. The revised study would also review the economic impact of stricter regulations and the practical problems in providing quality day care at a reasonable cost.

An alternative approach has been proposed in the Senate by Senators LONG and MONDALE. Their bill would provide $500 million in additional funding to cover the staffing costs incurred by the now-delayed HEW regulations.

I believe additional funding of $500 million is fiscally irresponsible and highly inflationary. In view of our overwhelming budget deficit, I do not believe we can afford this additional spending.

The real problem is that the HEW regulations are excessive and unnecessary, and providing additional funding will not eliminate these outrageous regulations.

Furthermore, additional funding would cover the increased costs only for subsidized children. Self-supporting parents would have no relief from drastically increased costs under the Long-Mondale bill. The result would be socio-economic segregation with centers becoming either totally private or totally subsidized.

During the 4-month delay in implementation of the HEW regulations, the House Subcommittee on Public Assistance and the Senate Finance Committee plan to hold additional hearings on this issue.

I will continue to work for careful committee consideration of this serious issue. Determining responsible, workable day care standards will continue to be one of my highest priorities. I urge my colleagues to join my efforts to enact responsible day care center staffing regulations.

"911" HOT LINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ROUSH. Mr. Speaker, today I am adding three States to the list of towns and cities currently using the "911" emergency telephone number or scheduled to adopt it in the next few years. The spread of the adoption of this single emergency number throughout the United States can often be traced to the interest of a single person or group who take the leadership to introduce the idea to the community and then help make sure that it is implemented. I am State by State, including in the CONGRESSIONAL RECORD all the communities operating on or scheduled for the "911" emergency number so that the Members of Congress from these States will know where it exists and where it has not been established as yet. Many people do not know that such a simple emergency number can be adopted in their community. I hope through these articles to make that information known:

AMERICAN TELEPHONE & TELEGRAPH

Systems location	Date		Population served (thousands)
	In service	Scheduled	
Arizona:			
Ajo	August 1974		7.9
Catalina	June 1974		1.0
Greenway	June 1974		6.4
Robles-Coronado	July 1974		2.1
Sierra Vista	October 1969		45.0
Silverbell	June 1974		1.2
Tucson		July 1975	400.0
Vail	July 1974		3.2
Arkansas:			
Jonesboro	November 1969		29.0
West Memphis	July 1972		27.6
Colorado:			
Adams County		October 1975	160.0
Arapahoe County		October 1975	190.0
Boulder	April 1971		70.0
Denver	May 1971		600.0
Estes Park	August 1973		9.0
Greely	November 1974		40.0
Jefferson County		October 1975	250.0
Longmont	May 1972		30.0
Loveland-Berthoud	February 1971		17.0
Montrose		March 1977	10.0
Pueblo		September 1975	115.0

57TH ANNIVERSARY OF THE INDEPENDENCE OF POLAND

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ANNUNZIO. Mr. Speaker, on November 11, 1918, the courageous people of Poland received their independence and with it the long-sought privilege of determining their own fate as a people and of developing and enriching their own social and cultural institutions in accord with their distinguished traditions and national will without the interference of foreign powers. This important date in the history of all freedom-loving peoples marked the end of over a century of political darkness and intellectual repression, in addition to periodic and heroic rebellion by the Polish people against their oppressors.

Late in the 18th century, one of the first democratic constitutions known to the world was established in Poland, but shortly thereafter, this unfortunate people saw their country invaded and divided by Russia, Prussia, and Austria-Hungary. These nations proceeded to exploit and brutalize the newly-conquered Polish territories until 1918, and reacted with terrible repression when the Polish people made efforts, as they often did, to achieve some measure of self-government, freedom, and cultural integrity.

After the Polish Declaration of Independence in 1918, the Treaty of Versailles, as signed by the United States and the major European powers, recognized the new national state the following summer. The conquerors of the noble people of Poland were themselves conquered and with the signing of the Treaty of Versailles set forth by Woodrow Wilson enabled the Poles to reassert their own national destiny and develop their national, religious, and cultural institution in liberty and without foreign interference.

Sadly, however, the glorious revival of freedom lasted only for one generation. In 1939, Poland became a victim of Nazi aggression and her people were subjected not only to another foreign occupation, but also to the most extreme savagery, racial, persecution, and brutal enslavement. Unfortunately, though 1945 marked the end of Nazi dominance in Europe, the Polish people were forced to submit to new tyranny in the form of communism imposed with force by the Red army. That domination continues to this day and the entire world continues to face the threat of Communist totalitarianism.

We find ourselves in continuing confrontation with the Communists for the minds of the people of the world, and although no one would disagree that all efforts should be made to stop the nuclear arms race, the spiritual struggle between freedom and communism can never cease. Current "détente" policies have meant a weakening of determination on the part of the United States and its allies in this spiritual struggle, and because this contest will eventually decide the fate of the world, far more emphasis should be placed by the United States on strengthening the will to resist. For if we lose this struggle for the minds of men and women everywhere, our weaponry will not prevail.

Mr. Speaker, I feel that our commitment to freedom compels us to dedicate ourselves to the cause of freedom and to support the continuing efforts of the Polish people to win the rights of self-determination and liberty. This 57th anniversary of Polish Independence Day is a most appropriate occasion to proclaim our precious heritage and remain firm in our sympathy for the aspirations of the Polish people in their struggle to resist this vicious system.

CIVIL LIBERTIES IN THE BICENTENNIAL

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. SIMON. Mr. Speaker, in an attempt to stimulate a discussion on the fundamental problems facing this Nation I have used the Extensions of Remarks of the RECORD to discuss certain basic issues, and have invited distinguished Americans to join in these discussions. In the field of civil liberties, Mr. Irving Dilliard, former editor of the editorial page of the St. Louis Post-Dispatch and a man who has followed the civil liberties scene as carefully as anyone I know, has written me a letter which I call to the attention of my colleagues and readers of the RECORD.

Irving Dilliard is a person for whom I have great respect. His scholarship on the Supreme Court's decisions, his leadership in the field of journalism, and most of all his sensitivity to what really constitutes the greatness of this Nation, make his voice one we should listen to carefully:

OCTOBER 30, 1975.

Hon. PAUL SIMON,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR PAUL: Thank you very much for asking me to prepare a statemnt for your inquiry concerning civil liberties in the Unit- States as we move into the Bicentennial of our Nation. I am glad to do this because I believe that beyond any question our Constitution's Bill of Rights is far and away the most precious part of the American people's heritage.

Nothing is more important to us than its well-being and security.

Let me say at once that I know of no place in the civilized world where the individual is more free from crippling restraints than in the United States. Roger Baldwin, who has been defending human freedom for most of his 91 plus years, said in an interview in the St. Louis Post-Dispatch, Oct. 12 that "in the United States today no persons are being held in jail because of their opinions," that "civil rights and freedom of the press are in healthy condition," and that "public opinion is more tolerant than it once was."

It is profoundly encouraging to have so veteran a battler for personal freedom as the founder of the American Civil Liberties Union reassured by the general condition of liberty in the United States today. Yet Roger Baldwin would be the first to agree that liberty survives only through continuous vigilance. If freedom's protectors let down for even a short time we can be sure that its underminers will be quick to move against us. Actually they are never quiet. Witness the repressive, anti-free press provisions of Senate Bill No. 1 as introduced in the 1975–76 Congress.

For bright as the record since the Declaration of Independence has been on the whole, there are countless ugly sections. Consider what happened to the three constitutional Amendments that came out of the travail and tragedy of the Civil War. They were duly approved and submitted by the required congressional majorities. They were ratified by the required number of States. They were the Thirteenth Amendment which prohibited slavery, the Fourteenth which made the former slaves citizens, and the Fifteenth which guaranteed them the right to vote. The crucial words of the pioneering Fourteenth Amendment declared as plainly as possible that no State shall "deprive any person of life, liberty or property without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

These words are clear and direct, unmistakable in their meaning and intent. Yet for decades they were ignored, denied, undercut, distorted. Early judicial interpretations, including vital rulings by the Supreme Court, held in effect that the words of the Fourteenth Amendment did not mean what they said. It was not until 1925—more than a half century after the Fourteenth Amendment became a part of the Constitution—that the Supreme Court at long last held that the historic First Amendment freedoms of speech and press "are among the fundamental personal rights and liberties protected by the due process clause of the Fourteenth Amendment from impairment by the States."

A second half century of frustrations and defeats would pass before the completion of the incorporation process by the Supreme Court—that is, the joining one by one of the other Bill of Rights freedoms and protections to those of free speech and free press as secure from trespass by heedless State action. It was a long, hard, slow road that had to be traveled and along the way innumerable American citizens spent their lives without being accorded the constitutionally promised due process of law or its pledge of equal protection.

How long, how hard and how slow that road was is told with a wealth of factual documentation by Howard N. Meyer of New York, former special assistant to the United States Attorney General, in his new and valuable book, "The Amendment That Refused To Die," published by the Chilton Book Co., Radnor, Pennsylvania. Howard Meyer's narrative of the persistence of the defenders and appliers of freedom over a century of our national life is precisely the kind of discussion of American liberties and their history that deserves widespread attention 200 years after 1776. For not by any means have all the struggles for liberty been on the battlefield.

The unfortunate truth is that not everybody in the United States appreciates the unique benefits of constitutional freedom. Too many people are uninformed. Too many are indifferent. Too many are given over to small concerns. More than 20 years ago I pronounced a dark judgment with respect to a dangerous disinterest in the Bill of Rights among our citizens. I fear that this unhappy judgment holds today. Delivering the second annual Elijah Parish Lovejoy Memorial Lecture at Colby College, Waterville, Maine, on Nov. 5, 1953, I said, and I did so most reluctantly, that I did not believe that the Bill of Rights would be adopted if it were proposed and submitted for ratification, as it was in 1789 by the First Congress.

I based this conclusion on the fact that no amendment to the Constitution can be ratified without a strong campaign and in 1953 and again in 1975 I do not find the press fighting for the causes that the Bill of Rights embodies. If the press is not alert when the liberties of the people are eroded away, if it does not fight to protect the Bill of Rights which it now has, I see no reason to think that the press would lead a national campaign to adopt the Bill of Rights were its protections and guaranties introduced in Congress in 1975.

American citizens cannot repeat too often the historic words of the First Amendment: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

To say these words is to remind ourselves that many newspapers never speak up for the separation of church and state. Many come to the defense of freedom of speech only if it is speech that they agree with. Many keep silent when police break up demonstrations of dissenters and protestors for whose causes they have no sympathy. For many the right peaceably to assemble is limited to restrictions that for good reason never got written into the Constitution by our wise Founding Fathers.

The brutal mistreatment of all too many accused persons in the Old World in order to wring confessions from prisoners led the framers of our Bill of Rights to include explicit protections for defendants who might be guilty but then in the light of the true facts might be totally innocent. Thus the Constitution properly contains a declaration of the right of the people to be secure in their houses and their papers against unreasonable searches and seizures. It contains the guarantee that no warrants shall issue except upon probable cause, supported by an oath or an affirmation that describes the place to be searched and the person or things to be seized. Yet many newspapers find it possible to be uninterested when violations of these and other crucial rights occur.

Fortunately we do not need to propose the Bill of Rights in Congress. We do not need to obtain approval by the required majorities of the Senate and the House of Representatives. We do not need to achieve ratification by three-fourths of the State Legislatures. For were that procedure necessary we would soon find that far too many of our elected representatives and officials would be listening to self-serving special interest groups. Support for the Bill of Rights would be far from unanimous among our political leaders just as it would be lacking in sections of the press.

This is not speculation. Think back over the recent record. Think how slow our press and our political leaders were to wake up to the enormity of the wrongness of our military destruction of so much of Indochina and its people. Think how even the most trustworthy newspapers were unimpressed by the My Lai massacre when one courageous free lance reporter began to bring the disgraceful facts to light through that military censorship. Think how long two Washington Post reporters had to persist in following the Watergate break in trail that the press as a whole could hardly have been less interested in. Remember as partial explanation that in 1972 some 93 percent of the declaring newspapers had indorsed the Watergate Administration for a second term.

The excesses against individual rights practiced by the Central Intelligence Agency and the Federal Bureau of Investigation did not take form over night. Some violations had been the rule for years. Yet neither our national leaders, charged with oversight, nor the press, professionally the guardian of the liberties of us all, exercised the vigilance that was their responsibility. The C.I.A. in particular was accorded a status above the law of accountability that applied to all the rest of us.

In summary these basic conclusions present themselves:

First, we, the American people, are uniquely fortunate to have had a specific Bill of Rights in our written Constitution during nearly the whole of our national life.

Second, the presence of our Bill of Rights, ignored though at times, has been the means for protecting our liberties against trespass times without number in our history.

Third, experience shows that there can be no relaxation in vigilance by the defenders of individual freedoms if we are to keep the Bill of Rights intact for our children and their descendants.

Fourth, our public officials and the information media, especially the press, bear the major responsibility for this vigilance, but the strength and effectiveness of their concern will depend upon the extent to which we, the American people, are devoted to the preservation of our precious, irreplaceable heritage.

JOHN SIMONDS ASSUMES EDITORSHIP

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. WON PAT. Mr. Speaker, the Gannett News Service which owns and operates leading daily newspapers in Guam, Hawaii, and many other U.S. areas, has just named one of their most outstanding Washington bureau reporters, John Simonds, to be the new managing editor of the Honolulu Star-Bulletin.

John's departure from Washington

will leave a vacuum for those of us in the Congress who have had the privilege of working with him. John Simonds always can be counted on to report events in a fair and unbiased manner. This characteristic and his sharp wit will be sorely missed by his many friends and associates.

During his career in Washington with Gannett, John Simonds has, I believe, established a proud and remarkable record of accurate journalistic reporting and sincere dedication to the high principles of his craft. Although John's relentless pursuit of a story has occasionally made me and my staff doublecheck our facts, working with him has always left the distinct impression of absolute professionalism.

As a result of his work with Members of Congress from Guam and Hawaii, John has become one of the most knowledgeable persons in journalism about Pacific affairs. His deep understanding of the many problems and intricacies of that part of the globe will stand him in good stead as managing editor of the Honolulu Star-Bulletin. While I regret his departure from the Nation's Capital, John's presence at the rudder of one of Hawaii's best daily newspapers will certainly enhance that publication's journalistic excellence.

I wish John and his beautiful wife, Kitty, the best of good fortunes as they move from the cold Potomac to sunny Hawaii.

The following information excerpted from a November 1, 1975 story in the Star-Bulletin provides a partial view of John Simonds career to date:

JOHN SIMONDS ASSUMES EDITORSHIP

John E. Simonds, a Washington bureau staffer with the Gannett News Service since 1966 and its specialist on news of Hawaii and the Pacific areas, was named managing editor with responsibility for news operations.

In becoming managing editor, Simonds returns to the newsroom where he served for eight months in 1972 on temporary assignment from the Gannett News Service's Washington Bureau.

Simonds, 40, has spent 18 years in the newspaper business, beginning as a reporter with Seymour, Indiana Daily Tribune and has worked for the United Press International in Columbus, Ohio; the Providence, Rhode Island Journal-Bulletin and the Washington Evening Star where he was an assistant city editor before joining Gannett's Washington bureau.

A native of Boston, Simonds grew up in Nyack, New York, is a graduate of Bowdon College, Brunswick, Maine, and served as a lieutenant in the Army.

His personal interest in Hawaii predates Gannett's purchase of the Star-Bulletin. He is married to Kitty Muller Simonds, a native of Maui, who has been a member of the staff of Hawaii Senator Hiram L. Fong for 11 years.

HITLER WOULD HAVE BEEN PROUD

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ROSENTHAL. Mr. Speaker, the United Nations, which was founded to combat the fascism and nazism of World War II, has now apparently become an instrument of those venal causes. As history's supreme racist and the engineer of the slaughter of 6 million Jews, Hitler would have been proud of those 72 delegates to the General Assembly who voted last night to condemn Zionism.

A vote for that resolution was a vote against everything the United Nations purports to stand for. The sound emanating from supporters following the vote was not a cheer for victory but quite possibly a death knell for the United Nations.

The time has come for a total reassessment by the United States of its role in the United Nations and its financial and other support for the world body. Accordingly, I am today joining my colleague from Alabama, Mr. BUCHANAN, in introducing a concurrent resolution condemning the U.N. action and calling for hearings on further U.S. participation in the General Assembly to be held by the House International Relations Committee, on which I serve, and the Senate Foreign Relations Committee. An identical resolution is being submitted in the other body by Senators HUMPHREY and HUGH SCOTT.

The General Assembly vote is in violation of the United Nations charter, which encourages respect for human rights and for freedom of religion. It is a moral outrage of the first magnitude.

The attack on Zionism wreaks havoc on the concept of peaceful resolution of international disputes and undermines the effectiveness of the United Nations by raising significant questions about the sincerity of the resolution's proponents in the search for a just and lasting peace in the Middle East.

The bitter irony of the General Assembly vote was pointed out by the Israeli delegate when he noted that it came on the anniversary of the 1938 Nazi assault on Jewish communities throughout Germany in which synagogues in all the cities were burned, Jewish holy books were destroyed and Jewish homes attacked.

Anti-Semitism is one of the oldest and most virulent forms of racism in history. It was partially as a response to such attacks that the philosophy of a Jewish national homeland—Zionism—evolved. To equate that philosophy with racism is to equate day with night. Zionism is the antithesis of racism.

The resolution follows:

H. CON. RES. 477

Concurrent resolution relating to the United Nations and Zionism

Whereas the United States, as a founder of the United Nations Organization has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in Article I of the Charter of the United Nations the stated purpose of the United Nations include:

"To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion;" and

Whereas the General Assembly of the United Nations decided to launch on December 10, 1973, a Decade of Action to Combat Racism and Racial Discrimination and a program of action which the United States supported and in which it desires to participate; and

Whereas the United Nations General Assembly on November 10, 1975 adopted a resolution which describes Zionism as a form of racism thereby identifying it as a target of the Decade for Action to Combat Racism and and Discrimination; and

Whereas the extension of the program of the Decade to include a campaign against Zionism brings the United Nations to a point of encouraging anti-Semitism, one of the oldest and most virulent forms of racism known to human history;

Now, therefore, be it

Resolved, That the House of Representatives (the Senate concurring), sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination, thereby contradicting a fundamental purpose of the United Nations Charter; and be it

Resolved, That the Congress strongly opposes any form of participation by the United States Government in the Decade for Action to Combat Racism and Racial Discrimination so long as that Decade and program remain distorted and compromised by the aforementioned resolution naming Zionism as one of the targets of that struggle; and be it

Resolved, That the Congress calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the aforementioned resolution with a view to removing the subject of Zionism, which is a national but in no way a racist philosophy, from the context of any programs and discussions focusing on racism or racial discrimination; and be it further

Resolved, That the Committee on International Relations and the Committee on Foreign Relations begin hearings immediately to re-assess the United States further participation in the United Nations General Assembly.

NORMALIZING RELATIONS WITH CHINA MIGHT NOT HELP THINGS

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. DERWINSKI. Mr. Speaker, one of the members of the Washington press corps uniquely qualified to analyze the complex triangle involving the United States, Red China and the Soviet Union is Frank Starr of the Chicago Tribune, who served as that publication's bureau chief for many years in Moscow.

Thus, in his article published in the Tribune on November 7, he analyzes the situation President Ford may face when traveling to China. I believe overall that his comments are very much to the point.

The article follows:

NORMALIZING RELATIONS WITH CHINA MIGHT NOT HELP THINGS

(By Frank Starr)

WASHINGTON.—Some last minute confusion erupted in planning President Ford's trip to China, and perhaps it's just as well. If the trip were shelved for a while, no damage would be done.

The only issue currently outstanding is one which the United States would do well to avoid. Beyond that, there's no purpose to be served by a Presidential visit to China except the care and feeding of what is essentially a static but still delicate new Asian relationship. Were it not for the bruise of a postponed trip, that job, being largely propagandistic, could be done as well by long distance.

So what is the issue? It is normalization of relations, an issue that few in this country understand the meaning of but one which some nonetheless periodically agitate to resolve.

Technically it means closing the United States Embassy on Taiwan, ending the American security commitment to Taiwan, removing troops stationed there, and upgrading the mission in Peking to embassy status.

There was a time right after the rebirth of U.S.-Chinese relations when Peking insisted it was in no hurry to "normalize," and U.S. officials echoed that sentiment. But since the latter part of 1973 a change has occurred among the Chinese, who now bring pressure.

They have begun to support Puerto Rican separatists, equating Puerto Rico with Taiwan, and the message China experts read from Secretary Kissinger's recent trip there was that Peking is prepared to leave everything static until Taiwan is cashiered.

But the debate seems to have begun in the U.S. government during the summer over whether to move. Thanks largely to pressure from President Ford's political right, such a move is now more difficult.

The argument in favor of pursuing normalization is best put by A. Doak Barnett, a leading student of Chinese affairs.

There is continuing in China, he says, a policy issue over the advisability of improving relations with the U.S. in their current status, those relations could retrogress more easily than if they were sealed by the exchange of ambassadors.

Additionally, he argues, Peking is not prepared to discuss the things the U.S. would like to pursue—trade, extended exchanges, and peace and security in Asia—until normalization.

Further, the argument goes, Chairman Mao Tse-tung is alive now. Delay would put the issue beyond the election year and into 1977 when China will probably be engaged in the uncertainties of succession, and opposition could then arise in China.

If Mao's successors adopted an attitude of limited detente towards Moscow and our relationship with China had not moved, that would make it more difficult.

The opposite argument [which, for what it's worth, I favor] notes that the mere existence of diplomatic ties has never prevented a worsening of relations. The current lines of communication are no better or worse than an embassy would provide.

The issues the United States wants to pursue are not urgent enough to warrant the spectacle of our dropping an ally because Peking wants us to. When Peking finds it in its interest to deal with such questions, it will find a way to deal with them.

Current contacts and exchanges, experts confirm, are not affected by the absence of full diplomatic relations. In fact, some countries which have such relations have less satisfactory exchanges than we.

As for the uncertainty of a Moscow-Peking detente, short of tandem policy coordination, which no one expects, that might improve rather than worsen U.S. contacts.

But for the moment the credibility of U.S. security guarantees in Taiwan is very much in question in any case, so discussing it in Peking can do no one any good.

Further, the firing of Defense Secretary James Schlesinger—whom the Chinese favored as a balance against what they saw as a U.S. bias toward Moscow—cannot create a favorable atmosphere for a Ford visit to Peking.

I BELIEVE JUSTICE DOUGLAS SHOULD RESIGN

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MAZZOLI. Mr. Speaker, it is with sadness that I must announce my belief that Mr. Justice William O. Douglas should resign his seat on the Supreme Court.

I have had more than a few reservations about the wisdom, propriety, and correctness of Justice Douglas' return to the Bench following his stroke last December 31.

But, because of his demonstrated ability over the years to conquer illness and adversity which would lay low a much younger man—and because he has served on the Court for a record number of years—I decided to withhold judgment until he had had an opportunity to resume his judicial and administrative duties on the Court.

Mr. Speaker, it is now quite obvious to all that Mr. Justice Douglas can no longer discharge his sworn responsibilities. His continued presence on the Court impedes it in the disposition of its workload.

Furthermore, Mr. Speaker, I must mention here—notwithstanding my personal discomfort in so doing—the widespread speculation that Mr. Justice Douglas is clinging to his seat, and postponing a retirement even he knows to be advisable, until after the 1976 Presidential elections.

At that time, the speculation goes, a Democrat might be in the position to appoint Mr. Douglas' successor.

These speculations gain additional currency in view of then-Congressman Ford's abortive effort to secure Justice Douglas' impeachment for certain off-Bench activities some years back. Obviously, there can be no love lost between these men.

While I hope all these speculations are groundless and fanciful, unfortunately the harm is done.

Mr. Justice Douglas is already assured of a vaunted—perhaps peerless—place in American jurisprudence.

Mr. Douglas will correctly be gauged as one of the titans of the Supreme Court. He has left an indelible imprint on the law, on his country, and on his fellow man. His scholarship, tenure, and impact may never be equalled in the full history of our Nation.

But his retirement now will earn him an even more coveted tribute. He would be remembered as a man who, in the acid test, placed his country's well-being above his own.

I insert at the conclusion of my remarks a news article from the Washington Post of November 6 detailing the most recent instance of Justice Douglas' inability to perform his burdensome duties:

[From the Washington Post, Nov. 6, 1975]

CASE DELAYED 2 HOURS AFTER DOUGLAS LEAVES

(By John P. MacKenzie)

A Supreme Court argument in a major military justice case was delayed for two hours yesterday when Justice William O. Douglas suddenly left the bench and went to his chambers.

Chief Justice Warren E. Burger promptly called up another case for the morning argument and postponed the military case until Douglas returned to the bench after the noon recess.

Douglas, the victim of a stroke last Dec. 31, left the bench because he felt "discomfort," according to Barrett McGurn, the court's information officer. McGurn said no futher explanation would be made public.

The episode underscored the pivotal role of the 77-year-old justice in the military case and several others that were heard last term but held over for re-agument.

Court sources have indicated that a majority of the justices voted to have the cases, including a challenge to the constitutionality of the death penalty, re-argued because of unwillingness to have them decided by one vote when Douglas' health was in question. Such a 5-to-4 decision might have been subject to challenge.

The justices again appeared to be closely divided yesterday when the military justice case was heard.

At issue is whether a serviceman is entitled to counsel when he is tried before a summary court-martial at which the military judge has the power to imprison a convicted defendant for a maximum of six months.

The U.S. Court of Military Appeals already has held that the Sixth Amendment right to counsel applies to summary courts-martial, but the Defense Department, in a case that started in the federal courts in California, asked the high court to disapprove the military court's ruling.

Justice Department attorney Harvey M. Stone said legal counsel, which the armed services are permitting pending final word from the high court, have slowed down disciplinary procedures for minor infractions to the detriment of service morale and fighting readiness.

Nathan R. Zahm, representing three Marine enlisted men who were convicted without counsel, denied that the counsel requirement would harm military efficiency.

All the justices asked questions during the one-hour hearing except Douglas, who spoke up in court only rarely before his illness and has said nothing from the bench since the court's term opened last month.

Douglas, whose 35½ years as a justice is a Supreme Court record, has been on the bench for only part of each day's sessions this week.

Friends say his mental powers are unimpaired, but express concern about his physical strength. Douglas spent last weekend in Walter Reed hospital because of what was termed a "slight fever."

SECRETARY SCHLESINGER'S DEPARTURE AND THE FUTURE OF U.S. DEFENSE POLICY

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. CRANE. Mr. Speaker, the firing of Secretary of Defense James Schlesinger has been viewed with concern by all friends of a strong United States throughout the world.

In West Germany, Defense Minister Georg Leber was described as "quite stricken" by the removal of his hard-line colleague. In Norway, the major newspaper, Aftenposten, editorialized:

> The Communist leaders in Moscow must be very happy about the removal of a secretary whom they accuse of using all means to try to close the road towards closer cooperation between the Soviet Union and the United States.

In announcing his decision, President Ford said that the removal of Dr. Schlesinger had no policy implications but was simply an effort to surround himself with men of his own choosing.

The American people, and our friends elsewhere in the world, will find out very quickly if this is truly the case. The Wall Street Journal noted that:

> If in the face of explicit presidential denials the shake-up does prove to have the obvious policy implications, then what is called into question is not only the President's judgment but his candor.

Will the United States back down in the SALT II negotiations, as Dr. Kissinger apparently has been urging, or will we maintain the strong line advocated by Dr. Schlesinger? If we do back down, it will become clear that the President's action was for reasons other than those he saw fit to share with the American people.

Instead of openly debating the question of defense policy, the Wall Street Journal states:

> President Ford . . . has dismissed the Secretary amid professions that he is in no hurry to conclude an arms agreement, that no one in the Government has been more vigilant about a strong national defense than he and Secretary Kissinger, that he only wants his guys. We would prefer to believe that's the whole story, but it will be far more difficult to do so if the shake-up . . . is in fact followed by a sell-out of the cruise missile.

Those in the Congress and in the Nation at large who are concerned about our faltering national defense will be carefully following the decisions which the administration makes in this field.

I wish to share with my colleagues the editorial, "The Test," as it appeared in the November 7, 1975, issue of the Wall Street Journal and insert it into the RECORD at this time:

THE TEST

In the wake of President Ford's Cabinet shake-up, the air is filled with floating alternatives to the obvious interpretation that the President has thrown in his lot completely with Secretary Kissinger's agree-now-worry-later approach to detente. We will know whether these alternatives are substance or chaff when we learn the fate of the strategic arms talks in general and the cruise missile in particular.

The gist of the ascending alternative is that the President has never liked the set of James Schlesinger's jaw, and that therefore the former Defense Secretary's dismissal was only a matter of timing. This explanation's only virtue is that it jibes with the President's own attitude at the press conference announcing the changes. His explanation was that he wanted "my guys," and further probing was rebuffed. Speculation and/or leaks flesh out the point by saying the President could never make small-talk with the former Secretary, and that Mr. Schlesinger has similar problems with the President's old cronies in Congress.

This explanation is bad enough, ultimately coming down to the conclusion that Mr. Schlesinger was too good a man for Washington, or at least for this administration. We should have thought that Watergate was warning enough about surrounding yourself with yes-men. And if the President is sincerely worried about Mr. Schlesinger's losses in congressional battles over the Pentagon budget one must ask, during these battles where was the President?

But at least the "my guys" explanation is not sinister. If in the face of explicit presidential denials the shake-up does prove to have the obvious policy implications, then what is called into question is not only the President's judgment but his candor. In this case, a deeply serious national issue will have been decided not by open debate but by bureaucratic intrigue, and in the process the American electorate will have been profoundly misled.

It's widely known, after all, that there have been long-standing differences on SALT and detente between Mr. Schlesinger and Mr. Kissinger. And clearly these differences have been heating up in the past six weeks or so because of the deadlock in the negotiations over "details" of the arms agreement supposedly settled in principle at Vladivostok.

The issues are of course complex, but the most important is the cruise missile, a new American development that is in essence a pilotless airplane with super-accurate guidance. It could offset Soviet advantages in both strategic and conventional war. While its sea-launched version was clearly not included in the Vladivostok accords and its air-launched version at best ambiguously so, the Soviets are now demanding the weapon be limited as the agreement is formalized.

Mr. Kissinger is receptive to this demand, at least if he can get Soviet concessions on other dangling "details" and thus tie up an agreement. Mr. Schlesinger has been resisting, on the excellent grounds that, first, such an agreement would be an enormous American concession, and second, there is no realistic way to detect cheating, or in arms-control parlance "verify," a cruise-missile limitation. In short, such an agreement is likely to mean the Russians eventually get the weapon while we don't.

Now of course, the President has not only the right but the responsibility to decide such disputes within his administration. If a President believed we can rely on Soviet good faith rather than verification, if he believed that we are threatened not by the Russians but by "technology," if he believed the West is declining and had best take whatever agreement it can get, then it is perfectly reasonable that he should dismiss from his administration high officials who find such views revolting. In such a case the President's only obligation would be to take the American people into his confidence, so that they could pass informed judgment on his conclusions.

This President Ford has not done. He has dismissed the Secretary amid professions that he is in no hurry to conclude an arms agreement, that no one in the government has been more vigilant about a strong national defense than he and Secretary Kissinger, that he only wants his own guys. We would prefer to believe that's the whole story, but it will be far more difficult to do so if the shake-up of the Cabinet is in fact followed by a sellout of the cruise missile.

BARBAROUS PRACTICE OF TRAPPING ANIMALS BY USE OF STEEL JAW AND LEGHOLD TRAPS MUST BE STOPPED

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. DRINAN. Mr. Speaker, the barbarous practice of trapping animals by use of steel-jaw, leghold traps must be ended. We can delay no longer in enacting legislation which by prohibiting the use of brutal devices in trapping would insure the humane treatment of animals.

I am a cosponsor of legislation which would discourage the use of inhumane devices in the trapping of animals and birds. My colleague from California, Mr. GLENN ANDERSON, introduced H.R. 66, to end the use of these traps. This bill now has over 70 cosponsors in the House. The Subcommittee on Fisheries and Wildlife Conservation of the House Merchant Marine and Fisheries Committee has recently scheduled 2 days of hearings—November 17 and 18—on this legislation. I commend both my colleague, Mr. ANDERSON, on his introduction of H.R. 66, and the Fisheries and Wildlife Conservation Subcommittee on its recognition of the need for consideration of the fundamental issue of humane treatment of animals.

The practice of trapping fur-bearing animals in order to obtain pelts for the luxury fur market has long been a part of American culture. The history of this enterprise has been detailed in an article by Mr. J. George Butler in the Christian Century of July 9–16, 1975. This excellent article is entitled, "The Jaws of Hell: Cruelties of the Leghold Trap," and I would like to share it with my colleagues. A copy of the article follows:

THE JAWS OF HELL: CRUELTIES OF THE LEGHOLD TRAP

(By J. George Butler)

"An animal caught in a steel-jaw trap may endure weeks of suffering before death releases it.

The early European explorers in America were disappointed not to find a northwest passage to the riches of the Spice Isles and Cathay. But America too had its riches: fur-bearing animals in an abundance beyond the Europeans' wildest dreams. Clearly, there were fortunes to be made in the fur trade.

At first, trappers used primitive, centuries-old methods of trapping brought from the Old World—snares of all kinds, deadfalls and pitfalls. By 1840, John Jacob Astor had become the richest man in America by organizing the extermination of the beaver more successfully than any other entrepreneur. That any beaver survive today is due not to a change of heart or pangs of remorse on Astor's part, contends Stewart Udall in his book *The Quiet Crisis*, but simply to the whim of fashion: men's beaver hats went out of style.

I

While Astor was amassing his fortune, Sewall Newhouse, a young blacksmith, gunsmith and trapper on the edge of the wilderness in upstate New York, was inventing a new kind of trap—the steel-jaw leghold trap. He made it in half a dozen sizes to take animals from the smallest mink to the largest bear. It would work in all kinds of weather, under water as well as on land. Its mass introduction to the fur trade, however, was happenstance. Newhouse was converted to Christianity by John Humphrey Noyes, founder and patron saint of the Oneida Community, in 1849—the year after Noyes and his followers had been expelled from Putney, Vermont, and had settled on the shores of Oneida Creek.

Noyes, while a theological student at Yale University, became a Christian Perfectionist. He had a vision that he himself was without sin. To live a sinless life, one must abolish selfishness, and this Noyes sought to do, exhorting his followers to follow the New Testament model of the early church. Eloquent and dynamic, he quickly won a large band of followers to his views. The Oneida Community became the most successful experiment in communal living in 19th century America.

At Oneida, Noyes and his community initially tried to support themselves through agriculture, as they had done at Putney, but it furnished only a bleak subsistence. When Sewall Newhouse joined the community, Noyes saw in the Newhouse trap the economic salvation of his people. They would earn their bread by making traps. Noyes, had a practical nature and the skills of a good mechanic. Along with Newhouse, he devised machinery to mass-produce this "perfect trap." Together they set up a trap shop, with a power punch, a rolling apparatus to swage the jaws of the traps, and machinery for fashioning springs from iron bars. Oneida Creek supplied the waterpower for the enterprise.

With such facilities for manufacture, trapmaking quickly became the financial backbone of the community, and continued as a profitable enterprise long after the break-up of the community in 1880 into a joint stock company and well into the 20th century, when the present corporate organization, Oneida Ltd., was formed. In the 1930s, Oneida sold the trap business. In response to a query the current president of Oneida Ltd., a grandson of John Humphrey Noyes, explained to me that the trap shop was sold because Oneida preferred to focus on the manufacture of tableware.

But, I asked him, were there not also moral or ethical reasons for the sale? No, it was purely a business deal, he replied.

So long as the Oneida Community practiced its brand of Christian Perfectionism, there never was any question raised about the morality of the trap business. It was, after all, a profitable business enterprise. Every boy, as part of his contribution to communal living, had to do a daily stint in the trap shop, making 100 anchor chains, each 14 inches long, before being allowed out to play. When the boys were freed from their labors, they took to the woods and fields to use the traps they had helped make. One of them later wrote: "We trapped muskrats along the Creek and skunks in Spring Grove. Skunk trapping had its advantages of frequent expulsion from school on account of malodorous clothing."

Under Noyes's guidance, the Oneida Newhouse trap became the standard trap throughout the world. Professional trappers would accept no other. For nearly 70 years all the steel traps used by the Hudson Bay Company were made at Oneida. Noyes's business principles were to sell for cash, at as low a price as possible, and to sell everything—except one's soul. Oneida Newhouse traps were sold in Russia to trap sable and ermine, in Australia for rabbits, and along the Rivers Parana and Uruguay in South America for nutria.

In 1866 the community sold nearly 200,000 traps, and in 1867 more than 300,000. When U.S. Secretary of State William H. Seward negotiated the purchase of Alaska from Russia, John Humphrey Noyes mused that he didn't think Mr. Seward had any special consideration for the welfare of the Oneida Community in his annexation of Russian America. Nonetheless the community sent Seward a highly finished trap in consideration of the new market he had opened up for its hardware.

II

But if the Christian Perfectionists of Oneida had no qualms about the pain and suffering their traps caused, neither did anyone else. Animals were commodities to be bought and sold; they were merely another crop to be harvested. People needed furs to keep warm, and America had a greater abundance of fur than any other region in the world. Even Henry Bergh, the greatest humanitarian in 19th century America, wore furs. Bergh, who in 1865 organized the nation's first humane society, a New York group called the American Society for the Prevention of Cruelty to Animals, saw no incongruity in prosecuting a person for cruelty to a horse or dog while he himself dressed from head to toe in fur—Russian fur hat, fur coat, fur-lined boots—and his wife wore a magnificent full-length ermine coronation robe made from the skins of 300 animals.

It was not until 1925 that the first large-scale protest was organized against the cruelties of the steel-jaw trap. Edward Breck of Washington, D.C., who organized the National Anti-Steel Trap League, had in 1925 visited Nova Scotia, where he saw the lingering death of a black bear, held for days between the spiked jaws of such a trap. At first Breck had neither funds nor followers. His most effective weapon was poetry. Cleveland Amory's recent book *Man Kind?* quotes one of Breck's verses:

> All night long, gnaw and gnaw,
> Come with me Lady, see what I saw.
> Only a beaver suffering pain.
> God, take that sound out of my brain.

Breck and his followers appealed to the indifference of the Christian community with a verse that gained wide circulation:

> 'Tis strange how women kneel in church
>   and pray to God above,
> Confess small sins and chant a praise and
>   sing that He is love;
> While coats of softly furred things upon
>   their shoulders lie—
> Of timid things, of tortured things, that
>   "take so long to die."
> 'Tis strange to hear the organ peal—"Have
>   mercy on me, Lord,"
> The benediction—peace to all—they bow
>   with one accord
> While from stained windows fall the lights
>   on furs so softly warm,
> Of timid things, of little things, that died
>   in cold and storm.

III

It was not until Frank Conibear started writing, however, that people began to see the enormity of the crimes committed by trappers. Conibear, himself a trapper, had for more than three decades tended traplines up to 200 miles in length in Canada's wilds; during this time he kept careful records on the numbers and kinds of animals taken and the length of time it took each species to die. His pamphlet "Testimony of a Trapper" notes that a lynx lives longer than any other animal caught in a leg-hold trap:

> I have known two [lynx] to lie for three weeks in traps and be alive when I got there, but they were very thin. The feet of the lynx are so large that unless it steps fairly in the middle of the trap, it is caught by one or two toes and, as the days go by, the jaws of the trap squeeze tighter till they separate the joints of the bone. Sometimes the sudden jerks of the lynx break the last shreds and it is free. By that time, the whole of the caught foot is usually frozen, so the lynx must died from rotten foot. Of all the deaths caused by trapping, I think that from a foot thawing out and rotting out is the most awful.

Of small animals such as mink, marten, muskrat, fox and fisher, Conibear wrote:

> The foot is lacerated, swollen and covered with blood. The stump of the leg above the trap is swollen four times its natural size, and frozen. The shoulder, too, is all swollen. When we skin it, we will find that all that area will be a mass of blood-colored, sickly gelatin-like substance, indicating the terrible suffering it has gone through before death released it.

Conibear set out to design a trap that would kill humanely. The Canadian Association for Humane Trapping today offers to exchange one Conibear trap free for each leghold trap turned in. But many states in this country have outlawed the Conibear because it kills very quickly (generally it grabs an animal behind the ears and cuts off respiration) and, like any trap, cannot distinguish between a target, furbearing animal and, say, the family dog. For every target, furbearing animal taken, two nontarget, "trash animals," as trappers call them, find their way into traps.

Last year Senator Birch Bayh of Indiana and Representative Glenn Anderson of California introduced bills in Congress to ban the leghold trap from public lands and to exclude pelts so taken from shipment in interstate commerce. The bills died in committee with the adjournment of the 93rd Congress.

Surprisingly, the acting head of the Department of Interior's Fish and Wildlife Service, Bureau of Sports Fisheries and Wildlife, opposed them: "Although we agree with the basic intent of the proposed bills, to reduce inhumane treatment of captured wild animals, we oppose the proposed federal regulation which would ban the use of steel traps."

Ward B. Stone, chief of wildlife pathology of the New York state Department of Conservation, amplified these views in "The Case for Trapping" in the New York state magazine *Conservation* (February-March issue, 1974). In essence. Dr. Stone said that we need the leghold trap to rid the public of the menace of rabies in wild animals.

Dr. Stone also pointed to the damage that beavers do. In three counties alone, he said, there had been 91 beaver complaints. New York state spent $11,000 to trap them live and to transport them to remote areas. How much better, he said, it would be to "harvest" these animals with the steel-jaw trap and use them as a "crop." Besides, the fur trade employs 30,000 people in New York. What he did *not* say is that much of the economic value of the fur trade derives from ranch-grown mink and chinchilla, and that a ban on the use of the leghold trap—a device which he believes produces but a "minor trauma" in animals—would affect the industry but little.

IV

The Department of Interior's Fish and Wildlife Service publishes a pamphlet titled "Conservation Note 16: Trapping Tips for Young Trappers." On the cover is a nostalgic sketch of a study frontiersman in wilderness dress, paddling his birch-bark canoe along a swift-flowing mountain stream. Trapping, it says, "is a healthy outdoor recreation, steeped in American tradition." It says nothing of the agony animals endure from the crushing, often serrated jaws of the steel traps it recommends. It doesn't tell how animals gnaw their legs and paws off, how animals die from loss of blood, or gangrene, or infection, or how legs are many times broken by the force of the spring snapping shut. It doesn't tell how animals that manage to escape by gnawing a leg off become ready prey to predators because of their reduced mobility. It does not tell how trapped animals, exposed to rain, snow and cold (for trapping is most profitable when pelts are prime in winter), are apt to freeze their tongues on the cold steel as they frantically lick their wounds, or break their teeth as they gnaw futilely at the steel paws of this "management tool."

"Conservation Note 16" recalls the incredible riches in fur early Americans found in the forests, and it glamorizes the ghastly business as if this were still 1775, not 1975: "Those early fur trappers were a hardy breed. They endured great hardships uncomplainingly. The rich stores of valuable furs the 'mountain men' brought back from their treks into the mountains and the incredible tales they told of their exploits stirred the imagination of many a frontier boy."

Youngsters are told how to conceal traps under leaves along well-worn animal trails, how to hide them under water (it takes 20 minutes for a trapped beaver to drown), how to place them near fallen trees. They are instructed how to bait them with sex lures and other enticing smells, made from the scent glands of muskrat, mink, weasel, skunk, otter and beaver ("A good biology book will help you locate these glands in the various animals"). Says the pamphlet: "Trapping ... furbearing animals for wholesome outdoor recreation and as a source of additional income for farm youngsters has been popular since the founding of our country." And: "Trapping as a means of removing a surplus is not unlike hunting—a deep-seated American tradition." Of course, lip service is paid to humane feelings: "Trapping should be conducted humanely ... the expert trapper develops a 'feel' for the animal—a sympathetic understanding."

V

Though trapping apologists write ardently in its defense, the days of the steel-jaw leghold trap are numbered, even in America. It has been outlawed in 14 foreign countries and in three of our states: Florida, Hawaii and Massachusetts. Unfortunately, the Massachusetts Department of Environmental Conservation is fighting to have the ban in that state rescinded.

The New York Times recently published an editorial captioned with the title of Cleveland Amory's book Man Kind? Commending the volume as "must" reading for every state legislator, congressman and senator, the Times added:

In today's crowded urban society the hunter and the trapper have become vestigial figures. Almost no one any longer hunts or traps animals to get essential food for himself and his family. Instead, the hunter has become a weekend or seasonal player acting out fantasies of manliness. The trapper, meanwhile, plies a cruel and obsolete trade in a period when most fur-bearing animals can be ranched and manmade furs are readily available.

Most Americans have never . . . seen a live animal caught in a leg trap. What the great majority of the country fails to realize is that they dwell in a sea of unimaginable—and totally unnecessary—suffering inflicted on . . . small animals which may writhe in their death agonies for days after being caught in a neglected trap . . .

Trapping is even praised as a "manly" sport. Its abolition in every state is a first priority in the long-overdue effort to stop "civilized" man's gratuitous and insensate cruelty to animals.

It is not difficult to see why those 19th century Christian Perfectionists of the Oneida community were not troubled by the enormity of the crimes against nature their traps perpetrated. At that time there were no manmade furs, and it could be argued that one had to wear natural fur to keep warm. Now, manmade furs look and feel like the real thing. In many respects they are better: they are mothproof, they need no cold storage in summer, they do not crack with age. Sensitive women, alert to the suffering behind natural fur, refuse to wear it. Posh New York stores advertise fake fur, because it is both good business and good ecology.

Apologists for natural fur may insist that much of it is ranch-grown. Yet there is no federal humane slaughter statute even for ranch-grown furbearers, and the manner in which they are presently killed leaves much to be desired.

Whatever the future of ranch-grown fur, or wild furbearers taken in humane or "tender" traps, the time has come for the people of America to ban the "jaws of hell."

NOVEMBER 11—VETERANS DAY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. ANDERSON of California. Mr. Speaker, despite the fact that a 1968 law changed most holidays to Mondays, and Veterans Day has officially been celebrated on the fourth Monday in October since 1971, millions of Americans still celebrate this day, November 11, as the true date for the holiday.

Historical significance and tradition cannot be changed by acts of law. Realizing this, Congress acted this year to provide that November 11 will once again be celebrated as a national holiday beginning in 1978.

Originally designated as Armistice Day by President Woodrow Wilson, November 11 is the anniversary of the end of the first great conflict of this century—World War I, the "war to end all wars."

In the years following Wilson's declaration, celebrations were held to celebrate the end of the battles, and to commemorate those who had given their lives for their country. Congress soon proclaimed Armistice Day a national holiday.

Unfortunately, the "war to end all wars" proved to be an inaccurate description. World War II shattered the peace that had followed the first great war with an even greater cost of human life. And once more, American fighting men turned the tide of history by sacrificing their lives.

Since that time, our military has fought in other conflicts in foreign lands—Korea and Indochina—until today we live in another era of peace. By evolution, Armistice Day became Veterans Day, honoring those who fought and died so that this Nation could remain free.

In these days of peace, it is important that we remember the sacrifices many have given throughout our Nation's history. More than 39 million men and women have served our country in the military in times of war. Today, we remember—and offer our thanks—to those who have fought for this Nation's survival, many of whom made sacrifices that can never be repaid.

THE END OF AN EMPIRE

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. YOUNG of Georgia. Mr. Speaker, during debate on the foreign aid bill in the House of July, 1973, I rose to offer an amendment which gave the President of the United States authority to shut off military or economic aid used by Portugal to support its military operations in its colonized African territories.

It was an amendment offered out of my long personal interest especially in Angola, where my home church had supported a missionary station, and out of my growing conviction that U.S. arms to Portugal had over a period of years brought about untold violence and misery to those people who opposed Portugal's oppressive rule in her colonies. It was also my view then that U.S. funds going to Portugal would eventually drag this country into extended military involvement in southern Africa as a whole.

On purely humanitarian grounds too, our assistance to Portugal seemed an affront. For despite the movement for political independence on the African continent, only Portugal clung stubbornly to colonialism under which it cloaked its policy of terror, torture and violence. The liberation forces of Guinée-Bissau, Mozambique and Angola waged an unparalleled struggle against the military savagery of Portugal's armed columns. And when the government of Salazar collapsed, so did the forces of continued colonial hegemony.

Now after some 500 years of intervention and colonial rule on the continent of Africa, Portugal finally has bowed out, leaving chaos and underdevelopment as her legacy. As of today, November 11, 1975, she has relinquished her role as a relic of imperial power though her crimes against the African people of her former colonies will not soon be erased from the collective memory of mankind.

Five hundred years of exploitation and brutality cannot be forgotten overnight. It is perhaps naive to expect that the people of Angola can quickly resolve problems generated by centuries of political, economic, and social domination by a foreign power. As the elders say, I counsel patience and forbearance as Angolans of all persuasions work out their future heritage. It is wrong I fear to jump to judgment when the injustices of the past have shaped the indignities of the present. And while external powers of East and West continue to exacerbate the divisions of the past. Let Angolans decide for Angola what path lies to a beneficial destiny and no one else.

Mr. Speaker, the birthpangs of nationhood are never easy. As we face the advent of our own celebration of this Republic's 200 years, let us remember the sufferings of Angola's people in their long struggle for freedom from the colonial rule of Portugal. As a nation committed to the end of colonial subjugation around the world, we should encourage that the continuing internal strife Angola faces be resolved through the good offices of other African nations as members of the Organization for African Unity. Let us hope that the major powers will desist from their intervention in this conflict. Let us pray that the liberation groups of Angola will see that it is in their best interests to come to terms around their mutual affairs, the running of a nation.

All three liberation groups fought valiantly against Portugal's colonial system. Now all three share the responsibility of forming a government which best expresses the aspirations of the people of Angola. And this has to be done before a rich land is destroyed and total bloodshed prevails. Many nations, such as our own, arose out of armed warfare with its colonial power and went on to build governments which can endure. Let us hope that Angola's future will allow for this kind of political self-determination and exercise of sovereign will.

VETERANS DAY, 1975

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mrs. SPELLMAN. Mr. Speaker, I have just returned from the town of Capitol Heights, Md., located within the shadow of our Nation's Capitol, where I had the honor of participating in ceremonies on this Veterans Day of 1975. As they have for decades, the residents of Capitol Heights continue to pay tribute to those who have died or who have been wounded in the pursuit of peace. It is therefore fitting and my pleasure to share with my colleagues the remarks given today by the mayor of Capitol Heights, the Honorable Leo P. Forami. The mayor's eloquent words express the awareness and concern he and the people of his community hold for our Nation's well-being and preservation of peace throughout the world:

VETERANS DAY, 1975

Representative Spellman, members of the town council, Gold Star Mothers and fellow citizens. I thank you for taking the time to attend today's ceremonies in honor of our veterans.

Although the United States is not at war now, like it was for years in Vietnam, I don't think our country is doing as much as it could be for world peace. As a matter of fact, I believe that as long as we sell guns or any other armaments to other nations then we are working against world peace.

We may say that we are supplying guns to some other nation so that it won't go Communist, but isn't that the same reasoning we used when U.S. servicemen were fighting for years in South Vietnam? And what was the result? Thousands of our boys were killed and we wasted billions of dollars on weapons of war. Was it worth it? Were we helping the cause of world peace? I doubt it. I think our nation's leaders should stop kidding themselves and us by thinking we can achieve peace with fire power.

I believe that as a fitting tribute to our nation's 200th birthday, we should adapt a new motto for the Bicentennial year: Give food, not guns. Two hundred years ago there was a Spirit of 1776, which summed up our Founding Fathers fight for **freedom**. I think the Spirit of 1976 should be the Spirit of Giving—not guns, but food.

SCHLESINGER OUSTER

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BELL. Mr. Speaker, I believe that congressional confirmation of the President's new Cabinet appointees will proceed quickly, but there is one aspect of this shakeup within the administration which certainly ought to concern Americans.

Mr. Schlesinger, as Secretary of Defense, was gravely concerned about Russia's continuing military buildup. He was, thus, very skeptical about détente—and he was right to be skeptical.

In recent years, we have made too many concessions to the Soviets in the name of détente.

I would like to believe that there was at least one man in the Ford innercircle who felt and voiced this skepticism about Russia, but given these recent changes, I do not know who that will be in the future.

In this connection, Mr. Speaker, I wish to call to the attention of my colleagues an excellent editorial by John J. O'Malley that appeared recently in the San Diego Union, the complete text of which follows:

CONGRESS MAY REACT TO SCHLESINGER OUSTER

(By John J. O'Malley)

The simplistic explanation of the "Sunday night massacre" which saw a major change in the status of the Secretary of Defense and the director of the Central Intelligence Agency is that 1976 will be a politcal year.

Politics, however, do not explain the story adequately. It goes far deeper, into a basic disagreement between Secretary of Defense James R. Schlesinger and Henry Kissinger, secretary of state, as to the how and why of our foreign policy.

Kissinger believes in the personalized and secret practice of foreign affairs. He believes in the virtue of a detente concept that sees us placing confidence in the credibility of the Soviet Union and he believes in the effectiveness of our disarmament negotiations with the Soviets up to this time.

Schlesinger believes just about the precise reverse; that diplomacy should not be personalized, but should respond to the guidance of the legitimate organs of government, that detente with the Soviet Union is a futile undertaking, being founded on confidence in the word of a government renowned for its unreliability, and that our gestures at disarmament have been idle, placing us in a position of perilous inferiority to the Russians.

Against this backdrop of massive disagreement between two of President Ford's principal ministers, there had to be a blow up, sooner or later.

It has come sooner because of the hard line attitude Schlesinger has recently taken in defense of what he characterizes as a bare bones 1976 military budget. His spirited—almost emotional—exhanges with Rep. George H. Mahon and Sen. William Proxmire, and his open disagreement with others in the executive branch on the necessary level of defense spending, caused members of the President's kitchen cabinet to advise him that Schlesinger was becoming a political liability.

This tipped the scale, and Schlesinger is out.

The concurrent departure from the scene of William Colby of CIA, and Nelson Rockefeller as a potential vice presidential candidate in 1976, simply responds to the theory that it is best to get all the bad news out in the open at the same time.

Colby was going, in any case—a fine professional, but a sacrifice on the altar of congressional criticism of the past behavior of his agency.

Rockefeller, clearly generating a growing crescendo of antagonism among conservative Republicans, was destined to go, too. This was just as good a time as any.

Removal of Kissinger from the office of the head of the National Security Council is, even to the most uninitiated, clearly a cosmetic step. Air Force Lt. Gen. Brent Scowcroft, who succeeds to the appointment, has been Kissinger's assistant and horse-holder for almost three years. There is no reason to assume that he will not remain Mr. Kissinger wired for sound.

In this sense, Kissinger, having abated the challenge of Schlesinger's antagonistic views, comes out a far more influential, far stronger foreign policy representative than ever before.

The only miscalculation in the whole formula may well be in the advice that Schlesinger had become a political liability. It would not be surprising to see a backlash in the Congress where, although Schlesinger has no great reservoir of affection, he has a tremendous reservoir of respect.

Many congressmen, on both sides of the aisle, are apprehensive about detente. And many more are determined that the United States shall not find itself permanently in the unhappy position of number two in the military world.

NEW YORK CITY'S FISCAL PROBLEMS — THE FUNDAMENTAL QUESTION

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MINETA. Mr. Speaker, I would like to share with my colleagues a letter I recently received from a San Jose, Calif., high school student concerning New York City's financial problems. This letter, written by Earl Swanson, goes beyond the rhetoric to the basic reason why we must act to provide a Federal loan guarantee to the Nation's largest city. It gets to the basis of our Federal system of government by simply and forthrightly asking the fundamental question—a question I hope my colleagues will ask themselves:

DEAR CONGRESSMAN MINETA: I am writing this letter to ask a question I hope you can answer. The question is concerning the situation in New York. President Ford says, if the government helps New York out they would have to help other states out. That probably would be true, but isn't that what our government is for, to help the people?

I was reading the paper last night and President Ford wants to increase foreign aid $4.7 billion. Don't you think that is ridiculous? One would think he would want to help our own country before helping others.

I think issues such as this one should be placed above all others. We should keep our country together through these trying times.

Concerned,

EARL SWANSON.

HEBREW UNIVERSITY OF JERUSALEM HAS 50TH ANNIVERSARY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. BINGHAM. Mr. Speaker, our colleague from Arizona, Mr. UDALL addressed the American Friends of the Hebrew University last month in New York City. Mr. UDALL's remarks were in conjunction with the 50th anniversary of the Hebrew University of Jerusalem and include a comprehensive review and thoughtful analysis of American foreign policy in the Middle East.

Congressman UDALL's remarks follow:

SPEECH TO THE AMERICAN FRIENDS OF THE HEBREW UNIVERSITY

(By Congressman MORRIS K. UDALL)

OCTOBER 21, 1975.

We are gathered tonight to celebrate the 50th anniversary of the Hebrew University of Jerusalem—a very happy event. But without resorting to any mathematical tricks, we might gather again five years from now—in 1980—to celebrate the 100th birthday of the founding—at least the spiritual founding—of this great institution.

For it was in 1880 that Dr. Leon Mandelstamm, the first Jew ever to graduate from a Russian university, published a volume of his verse whose title page read: "The proceeds from the sale of this book are dedicated to a Hebrew University in Jerusalem." Mandelstamm was only a dreamer, but his dream was given substance through the work of others who followed swiftly on his heels: Schapira, Herzl, Weizmann, Buber and others. They also dared to dream greatly, and it is a happy thing that we can join here tonight to honor the living fulfillment of their wildest hopes; a great University, an international center of both learning and research, and the intellectual heart of a nation.

The school we are honoring is truly a unique institution. It is the only university I know of whose first faculty members couldn't speak the official language of instruction, and the only one that has endured war, earthquake, and twenty years in exile from its own students. Surely no other university has ever had a board of trustees as distinguished as its first board of governors, which included Sigmund Freud, Albert Einstein, Martin Buber, and many others. How many other schools have held special lectures just behind the front lines of battle, and how many others have played a major part in breathing new life into an ancient language? And how many other schools have the good fortune to be situated in the holiest and most beautiful city in the world?

I visited the University this past summer on my first trip to Israel. It was an exciting and moving experience. As a non-Jew I had some limited knowledge of the history of the Jewish people, and the State of Israel. But until this trip I never really understood the personal commitment the Israeli people have made toward their land and toward their nation.

I was strongly reminded in Israel of the small settlement in the barren and arid area of Northern Arizona where I grew up. And I was reminded also of the persecutions of my own Mormon ancestors who were driven to Arizona from other parts of this nation.

I was thinking in Israel of the old story that they tell of Senator Ashhurst, who was Arizona's first United States Senator, when we became a State—he was kind of the Everett Dirksen of his day. He would never use two or three one-syllable words if a half dozen four-syllable words would perform the same function—and he told about giving his maiden speech in the United States Senate and saying, "Oh, Mr. President, this great new State of Arizona has every potential, this great new State of Arizona could become a veritable paradise—we only need two things. We need water and lots of good people." And an old Senator from Vermont interrupted him and said, "Forgive me for saying so, but that's all they need in hell."

WORK AT THE UNIVERSITY

In Congress I have struggled for more than a decade with environmental issues. I worked for five years on a strip mining bill which went down to two Presidential vetoes, and in the course of that work I visited Appalachia and learned just how hard it is to reclaim ruined land. And so in Israel, I knew when I saw forested hillsides next to rocky ones and green fields next to deserts, the amount of dedication and hard work, the money and the love, that have made Israel what it is today.

I also saw it at the University. I was shown pictures of students building classrooms while guards stood over them, of teachers traveling in armoured convoys to the Scopus campus, of books and manuscripts painstakingly collected from around the world, being delivered by donkey, and catalogued by volunteers. And of course I saw those pictures which record the sad ruin of the Scopus campus as it was found in 1967. It was difficult to match these things with the realities of the buildings I walked through and the work that is going on today.

As an Arizonan who grew up on an irrigated farm, I was particularly interested in the research work that is being carried out on irrigation techniques. I have lived all my life with water shortages and irrigation problems, and I can tell you with some personal knowledge that the development of drip irrigation by the Hebrew University's School of Agriculture amounted to a Blue Revolution of even greater consequence than the Green one we hear so much about. The use of this new technique has greatly boosted American agricultural production. In fact the United States is now the world's largest user of drip irrigation.

The American west still faces serious water shortages, and the development of many of the new energy sources we need will depend on more and more efficient use of what water is available. Chronic water shortages are also a worsening problem in many other nations. Through future advances, Israeli researchers and technicians, as leading experts in this field, are in a position to make a truly momentous contribution to the welfare of the entire planet.

ISRAEL'S FOREIGN AID

The University's involvement in these fields—in desert agriculture and irrigation, in tropical medicines, in reforestation and others—made it possible for Israel, herself still a struggling nation, to undertake a remarkable program of foreign aid in the early 1960's to countries of the developing world.

I regret to say that in recent months and years these efforts of Israel to aid nations in Africa and other parts of the undeveloped world have been victims of the kind of polarization that followed the oil embargo two years ago. I hope this polarization is fading, and I think there are signs that relations between Israel and Asian and African nations are beginning to improve once again.

But notwithstanding these temporary setbacks, Israel's initiative anticipated what I believe will be a global movement within the next decade. For every one of the world's nations is going to find itself more and more dependent on all the others for its economic and social growth and for its very survival. Pollution of air and water, damages inflicted on the oceans, commodity and resource shortages, and dangers from the proliferation of poorly safeguarded nuclear reactors, are only a few of the problems ahead.

None of these problems stop at national boundaries. None can be handled on a national basis. A successful solution will demand new and powerful international organizations. More specifically, I believe that the shrinking margin of error in the management and use of global resources will require that the nations of the developing world be drawn as full-fledged partners into the community of industrialized nations.

The research and foreign aid projects undertaken by the Hebrew University and the Israeli government, represent a very small but significant first step towards this kind of international cooperative effort. The inspiration can, I think, be traced all the way back to the University's first chancellor, Judah Magnes. Magnes was convinced that because of Jerusalem's unique geographical location—in the heart of the land bridge linking Europe, Asia and Africa—that the University had a special destiny to fulfill. I hope that we will soon be able to appreciate the full truth of his vision.

Let me turn for a few moments to the broader questions of current concern in the Middle East. My visit to Israel began early in August about two weeks before Dr. Kissinger's shuttle negotiations resumed. While there, I talked to Prime Minister Rabin and several members of his cabinet, with officers in the Army, with professors and journalists and with ordinary citizens. I came away with some of my preconceptions reinforced and with some new insights, that I might share briefly tonight.

CURRENT EVENTS IN THE MIDDLE EAST

The most basic one I think is this: that Secretary Kissinger made an error when he initiated the step-by-step negotiating process after the Yom Kippur War. Had he attempted to direct the full force of American influence toward achieving face-to-face negotiations between the Israelis and the Egyptians, instead of inserting the United States between the two principals, the Middle Eastern situation might well be much improved today. 20-20 hindsight is all too common, and I say this with some caution, knowing that face-to-face negotiations are a very tall order, but my impression is that they could have been achieved.

It seems to me that this is one of the major mistakes that Secretary Kissinger made in connection with the Helsinki meeting. It was clear that Brezhnev wanted Helsinki very badly. We were prepared to give him the agreements he wanted there, but I think one of the things we could have extracted in exchange was some Soviet pressure to get the Egyptians to sit down in connection with the Sinai agreement face-to-face with Israel as other nations do around the globe.

Having once begun the step-by-step process however, one has to stick with it, and that means acceptance of the current step in the Sinai. My judgment is that the Sinai Agreement is only marginally a good thing for Israel. Israelis are being asked to give up land that has been conquered three times over, at terrible human cost, for some minor concessions and some important, but uncertain, promises. Promises must turn into commitments, the kind of commitments that can guarantee peace. The agreement involves great risks, but on balance there are probably greater risks without it.

As for the United States' role, I totally reject the argument that the presence of American technicians is in any way analogous to the early stages of the Vietnam involvement. In Vietnam we put in advisors and then military troops on one side of a Civil War to try to win it. In the Sinai we are sending American personnel in an attempt—at the request of both sides—to enforce an agreement aimed at peace. On these same grounds, I cannot accept the argument that the United States' peacekeeping force establishes a dangerous precedent for a Russian presence. Again, the key factor is the joint request for that presence by both sides in the negotiations.

As for the next step, I have no firm answers, but my thoughts are these. First, I think there should be some breathing space—perhaps one year—before further negotiations are undertaken on other fronts, even though this would make President Sadat even more vulnerable than he is now to pressures from other Arab states. Israelis are rightfully concerned over the risks that the Sinai Agreement entails, and the Arab nations need some time to evaluate its implications and results.

FUTURE PROGRESS

As to future options, I am not too optimistic about any arrangement with Syria. It has become an awful cliche to say that you cannot understand the problem of the Golan Heights without standing on them, but I certainly found it to be true. I had lunch at a kibbutz directly underneath one of the old Syrian mortar emplacements and then we went up on the hill—just a 10 minute drive—and from that position looked back onto the buildings and fields we had just left. It was obvious that you wouldn't even need binoculars to take dead aim. Clearly, anything other than very minor territorial changes in this are are going to be terribly difficult and so I would conclude that negotiations with Syria do not offer a very promising prospect.

However, I do see some real hope for progress in the West Bank. The enormous success of the Open Bridges policy and the careful administration of the occupied territories, has created a situation where time seems to be working on the side of the Israelis. As Arab crossings over the Allenby Bridge increase by leaps and bounds every year, and as the relative tranquility and prosperity of the West Bank's inhabitants become more widely known, it will be harder and harder to spread the kind of vicious propaganda that turns men into terrorists.

I believe that some kind of a confederated state involving Israel, Jordan, and the West Bank is a possible solution to the Palestinian problem. This would require first, the election of a government that would truly represent the people of the West Bank and then complicated negotiations to work out the varying kinds of economic and political ties among the three participants. This will be an immensely difficult task, no doubt—but that is only business as usual in the Middle East.

The key element will be face-to-face negotiations among the three participants: Israel, Jordan and the elected Palestinian representatives.

THE CONVENTIONAL ARMS RACE

But without question, the most serious issue in the Middle East today is the exploding conventional arms race. Just since the Yom Kippur War, the Arab nations have bought $12 billion worth of arms. And in the developing world as a whole, despite all its aching social needs, expenditures for arms are rising twice as fast as economic growth.

Once armament reaches a certain level, arms begin to shape policy instead of being its tool. And we are fast approaching that threshold in the Middle East. King Hussein recently explained to us that he needed the Hawk missile batteries for reasons of national prestige—not security. We absolutely must not accept such a justification, or the world-wide appetite for new and more sophisticated weapons will never be satisfied.

Last year the total international arms trade amounted to $18 billion, and this peace-loving country of which you and I are citizens, contributed $12 billion of that $18 billion. In the past few years, many nations besides ourselves have increasingly depended on arms sales revenues to offset the balance of payments drain caused by rising oil costs. If this dependence is not to grow stronger some means must be found reasonably soon to control the arms race. I believe that an international conference to address this urgent issue should be convened at the earliest possible date.

SOVIET JEWRY

In good conscience tonight I cannot speak only of Israel's boundaries or its preparedness, or its universities without some mention of her people.

There are those now in Israel who have come from all corners of the world, from the refugees from Hitler to those who have emigrated from the Soviet Union and other European nations. But there are also those who would like to emigrate to Israel and cannot. I want to say a word about Soviet Jewry.

In July of this year the Soviet government announced that a new 30 percent tax on money from abroad would be instituted effective next January—just three months from now. They already deduct 35%, and with an additional 30%, a total of 65% of incoming funds and gifts to Soviet citizens will be deducted by the Soviet government. There is no other country on earth that imposes an equivalent tax. In fact this new tax is just another form of the old ransom tax that the Soviets say they have abandoned, and the United States government ought to protest it. It is clearly a punitive measure aimed at Soviet Jews who cannot leave the Soviet Union because of that nation's policy but yet are caught in a strange limbo. Because they have applied for emigration, they are prevented from earning a living—and what a cruel limbo it is to force them to live off the charity of relatives and friends abroad and then to take two-thirds out of the dollars that come in.

Although our last effort to increase Jewish emigration from the Soviet Union failed, let us not give up. In the interest of freedom, and those human rights we cherish, we must try everything within our power to urge, persuade, encourage—we cannot force—the Soviets to allow freedom of emigration for all Soviet citizens.

RACISM AT THE UNITED NATIONS

Now let me touch just quickly on two more subjects and then I will be done. On Friday, here in New York at the United Nations committee, equating Zionism with racial discrimination. Every people who have ever existed on the face of this earth have wanted a homeland, and yet when the Jews get one and build it as they have, this becomes, according to this United Nations committee, some kind of racist act. Such disturbing and negative trends at the U.N. must be resisted. The United States must exert every bit of leverage it possesses—and we possess a great deal, both political and economic—to prevent the United Nations from becoming a vehicle for the exercise of hatred or discrimination against any nation.

THE ARAB BOYCOTT

And finally, I want to share some thoughts with you on a subject that troubles me very deeply—the Arab boycott against companies doing business with Israel or employing high-ranking Jewish executives, and the Ford Administration's dealings with this issue.

Nearly a year ago President Ford told us that discrimination against institutions or individuals on religious or ethnic grounds is "totally contrary to the American tradition and repugnant to American principles. It has no place in the free practice of commerce as it has flourished in this country." He might have added that it has no place at all in the community of free nations, but nonetheless, his words were strong and seemed unequivocal. But he has taken absolutely no action to put a stop to it.

Even worse, when Congress tried to act we immediately ran into strong Administration resistance.

Under the Export Administration Act, all U.S. firms receiving requests for compliance with the Arab boycott are required to report this fact to the Department of Commerce. But when Subcommittee Chairman John Moss requested copies of all filed reports, Secretary of Commerce Morton refused to comply. The Committee then issued a subpoena for the material, and this is where the matter now stands.

The importance of securing these reports can hardly be questioned. A recent news story described the contents of a boycott list prepared in Lebanon. The catalogue of blacklisted U.S. companies—including CBS, NBC, Ford Motor Co., Coca-Cola and nearly 2,000 others—is breathtaking in its sweep. Clearly, Congress must have these American reports in order to learn which companies have been requested to comply with the boycott, what their responses were, and how far the boycott has spread before appropriate legislation action can be taken.

Further hearings are being held this week in an attempt to break the impasse. I believe Congress will act, but I find it almost incomprehensible that we should be facing Administration opposition on an issue of such profound importance to one of our most cherished Constitutional protections, the freedom of religion.

Seventy-five years ago, the United States Government was informed by the government of the Austro-Hungarian Empire, that the proposed appointment of an American Ambassador was unacceptable because the man in question was married to a Jewish woman. Our Secretary of State dispatched the following reply:

"It is not within the power of the President, nor the Congress, nor any judicial tribunal of the United States to take or even hear testimony in any mode, or to inquire into or decide upon the religious belief of any official, and the proposition to allow this to be done by any foreign government is necessarily inadmissible . . . to suffer an infraction of this essential principle would lead to disenfranchisement of our citizens because of their religious belief, and thus impair or destroy the most important end which our Constitution of Government was intended to secure."

Today's situation calls for an equally determined response, and instead we have a President who looks the other way, and appears to put the interests of a few company presidents above the interests of the nation. I am sickened by this state of affairs. If I should have the honor to become your next President, it would be one of my first concerns to end this practice and pass whatever laws are required to insure that it never happens again.

CONCLUSIONS

Let me leave you tonight with this thought. The United States has a deep commitment to the security and integrity of Israel. That commitment is soundly based, I believe, on an objective assessment of our own national self-interest: Israel is the only functioning democracy and fully dependable ally of the United States in one of the most crucial, and unstable regions of the globe. Above and beyond that, we have a strong moral tie with Israel that extends all the way back to our role in her establishment in 1948. It is in our own political and ethical interest to strengthen and nourish that tie in the years ahead.

Let me finally offer you my congratulations on the great school you have helped to build. In his very first public speech, Abraham Lincoln said:

"Upon the subject of education, not presuming to dictate, any plan or system respecting it, I can only say that I view it as the most important subject which we, as a people, can be engaged in."

One hundred and fifty years later, those words are as true for Israel as they are for America. I hope you will continue your good work. Thank you.

COMPANIES THROUGHOUT THE NATION TO BE ADVERSELY AFFECTED IF NEW YORK CITY DEFAULTS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. OTTINGER. Mr. Speaker, my colleagues Congressmen GILMAN, PATTISON, and PEYSER and I have just completed an 11,000-mile trip around the country to advocate legislation authorizing a Federal loan guarantee for New York City and to sample public opinion on this proposal.

We were extremely heartened to find that more than three-quarters of the people we informally interviewed expressed support for New York and for legislation to avoid that great city's default. In our visits to Chicago, Los Angeles, Denver, Cleveland, Grand Rapids, Milwaukee, and Des Moines, people in the streets, taxi drivers, people we met in hotels and at airports, were overwhelmingly favorable to backing up New York.

America is very closely interrelated. You cannot have catastrophe in one major center without it affecting the rest of the country. This is well illustrated by information we obtained over the weekend from the office of New York City's Comptroller, Harrison J. Goldin, about possible adverse effects on the Nation's businesses if New York City were to be allowed to default. In a partial listing for the seven States we visited, the city of New York has 47 contracts with nearly as many companies for everything from furnace stokers to tires to subway cars to seats for a renovated Yankee Stadium. The total amount for those contracts is $263,580,940.29, and a whopping $176,388,601.62 remains to be paid by the city.

Although the information is incomplete, I believe it will be of interest to our colleagues and I insert it herewith for inclusion in the RECORD. Comptroller Goldin is expected to release additional information in a day or two.

The material follows:

STATISTICS ON NEW YORK CITY CONTRACTS WITH BUSINESSES IN CALIFORNIA, COLORADO, ILLINOIS, IOWA, MICHIGAN, OHIO, AND WISCONSIN

State and city	Business	Contract	Amount owed
California:			
Pomona	EMC Corp. for power sweeper	$1,400,000.00	$782,248.00
Burlingame	Marathon Electronics for furnace stoker.	125,000.00	Unknown
El Monte	El Monte Rubber for safety surfaces for playgrounds.	56,300.00	56,300.00
Cooperstino	4-phase system for computer	1,760,744.00	920,474.00
Colorado: Fort Collins	State University for research	85,000.00	85,000.00
Illinois:			
Chicago	Pullman Corp. for mass transit	208,541,827.00	145,267,181.65
Danville	Hyster for fork lifts	29,743.00	Unknown
Do	Illinois Stoker for furnace stokers.	732,000.00	Unknown
Chicago	Chicago Blower for ducts etc	80,000.00	Unknown
Do	do	100,000.00	Unknown
Do	Chicago Blower (Glendale Heights plant).	80,000.00	Unknown
Do	Chicago Blower (Glendale Heights plant).	116,000.00	Unknown
Do	M. H. Detrick refractory	100,000.00	Unknown
Do	Medicus data processing	53,000.00	30,559.75
Do	Greeley & Hansen engineers	1,330,000.00	1,110,361.33
Schaumburg	Motorola, for communications equipment.	349,846.00	349,846.00
Joliet	Biddle Purchasing	120,332.00	Unknown
Iowa: Dubuque	A. Y. McDonald Manufacturing for valves, sleeves.	75,000.00	75,000.00
Michigan:			
Grand Rapids	American Seat Co., subway seats.	3,244,035.00	3,061,209.00
Do	American Seat Co., Yankee Stadium seats.	1,766,824.40	758,321.00
Pontiac	Plymouth Auto Division, Chrysler Corporation.	3,244,629.00	1,630,909.00
Detroit	Dodge Division, Chrysler for cars.	66,155.89	66,155.89
Do	Buick Division, GM	60,724.00	10,232.00
Do	GMC, Trucks	126,225.00	94,540.00
Do	Ford, trucks	$51,895.00	$51,895.00
Do	Ford, tractors	151,534.00	151,534.00
Do	Detroit Overall for work pants	35,100.00	Unknown
Ann Arbor	Bendix Corp., for subway control panels.	1,189,020.00	705,432.00
Do	Bronson Manufacturing, for fiberglass forms for subways.	1,139,015.00	971,983.00
Romeo	Ford tractors	138,520.00	138,520.00
Southfield	Sundberg & Ferar construction design.	72,000.00	Unknown
Inkster	Michigan Pipe Cleaning for sewers.	70,800.00	70,800.00
Ohio:			
Cleveland	Consumer Service Corp., municipal garage management.	816,078.00	Unknown
Do	Airport Parking Co., municipal garage management.	118,000.00	Unknown
Loudonville	The Flexible Co., for buses	32,796,972.00	[1] 21,000,000.00
Akron	Tire Supply Co., tires	845,000.00	Unknown
Do	B. F. Goodrich	241,022.58	Unknown
Columbus	J. T. Edwards Steel Co., for structural steel.	750,000.00	Unknown
Canton	Union Metal Manufacturing, for fabricated steel.	167,620.00	Unknown
Galion	Galion Manufacturing, for asphalt rollers.	151,766.00	Unknown
Girard	Syro Steel Co., for fabricated steel.	141,929.00	Unknown
Toledo	Lily Cup Co., for cups	81,207.50	Unknown
Youngstown	General Fireproof	75,500.00	Unknown
Bluffton	Triplett Electric Co., for parking meters.	48,478.76	Unknown
Hamilton	Lishner Co., for cleaning materials.	36,000.00	Unknown
Wisconsin:			
Milwaukee	Heil, for garbage truck equipment.	300,000.00	Unknown
Do	P. & H. Harnischfeger	110,000.00	Unknown

[1] Approximate.

Source: The above information was provided by the office of Hon. Harrison J. Goldin, comptroller, thecity of New York.

DISMAY AT THE U.N. RESOLUTION

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MINISH. Mr. Speaker, I rise to express my personal dismay at the resolution passed by the General Assembly of the United Nations last night which attempts to link Zionism and racism. This action has brought shame and disgrace upon a world body originally established to foster world peace and understanding among all men.

As the resolution passed unanimously by the House today states:

> The House of Representatives sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination, thereby contradicting a fundamental purpose of the United Nations Charter.

It is ironic, to say the least, that the United Nations, which was founded in the wake of a great war against racism, may have ended its days as a useful and constructive organization by passing a resolution which actually endorses discrimination and prejudice.

The U.N. vote equating Zionism and racism sets an extremely dangerous precedent which calls into question the ability of the United Nations to continue to play a constructive role in building world peace. On the contrary, rather than promoting peace, this vote likely will increase passions and misunderstandings which have made it so difficult to achieve lasting stability in the world.

At this point, Mr. Speaker, it is incumbent upon the President and the Congress to reevaluate the commitment of our Government to the United Nations. It is contradictory for the United States to provide the primary financial support for an organization which repudiates our most basic democratic ideals.

NONAPPROPRIATED FUND EMPLOYEES

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. FORD of Michigan. Mr. Speaker, I recently introduced H.R. 10419 to grant nonappropriated fund employees, who do the same work as appropriated fund employees, full parity both in wages as well as fringe benefits.

While on active duty in the U.S. Navy and later in the U.S. Air Force Reserve, I saw the work of these dedicated nonappropriated fund employees, and have never forgotten it.

While there are only a small number of nonappropriated fund employees in my congressional district, there are approximately 140,000 throughout the United States, and another 3,000 to 4,000 working abroad.

The last two decades have been positive strides made in our country in eliminating discriminatory barriers. The Congress, executive branch and our courts have all played a part in making America truly a country where all its citizens are afforded equal opportunity, equality under the law and generally equal pay for equal work.

The unfair distinction drawn between nonappropriated fund employees and their counterparts, appropriated fund employees, must be erased now. Both these groups perform the same range of services and yet the nonappropriated fund employees are treated inequitably. For example, in my district, nonappropriated fund employees doing the same work receive 30 to 60 percent less in hourly wages than appropriated fund employees.

In 1972, Congress granted partial relief to some nonappropriated fund employees by enacting Public Law 92–392—Wage Grade Act. However, this partial reform has failed to remove significant disparity in pay.

Hopefully, the Nation has learned from this experience that partial remedies never result in equitable solution of serious problems. We now have the opportunity to resolve this matter as it should have been done at the outset.

THE O'NEILL AMENDMENT TO PROVIDE ECONOMIC STIMULUS FOR THE AMERICAN ECONOMY

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. STOKES. Mr. Speaker, recent unemployment statistics have revealed a rise in the number of idle American workers. I am concerned that we are accepting this situation without a complete realization of the structural consequences of unemployment. The O'Neill amendment recognizes the structural inefficiencies and provides a moderate stimulus to negate their diffusive effects.

From the very beginning of human history, it has been through work that man has provided himself with the necessities of life. So closely is work tied in with the social and psychological development of man that it is impossible to think of being human without thinking of work. The nucleus of work and employment is not new or unique in our industrial economy. What does seem to be new and unique, however, is the nucleus of nonwork and unemployment.

Mr. Speaker, in our economy unemployment has a pervasive effect. Dr. Liebow of the Mental Health Study Center asserts that it "strikes the individual by making the victim live with failure by lowering his life goals and initiating a lifestyle of underachievement." It can turn him into a caricature of himself, giving him the appearance of being stupid and lazy with no concern for the future. It thrusts its tentacles into his family, his community, and the entire society. There exists a social cost that society must absorb because of unemployment.

The budget provisions for an additional 15,000 annualized jobs by no means negate our dues. Currently 7.9 million workers are actively seeking employment opportunities while another 3.2 million discouraged workers have stopped looking for employment. We, the representatives of the United States, cannot allow the prevailing attitude of victimized underachievement and discouraged job search to permeate our society. We have proposed a budget authority increase of $750 million and an outlay of $125 million for CETA title VI public service employment so that we might control the infectious wrath of unemployment.

Unemployment is extremely selective and directional. It functions like a hungry fox eating a porcupine. The only vulnerable spot is the soft underbelly which the fox devours leaving only the sharp, erectible bristles. Unemployment strikes in the same fashion. It stalks the unskilled and semiskilled laborer. It devours those participants of the secondary labor market who work at the minimum wage and it attacks at the trainee level. Only those who possess the special training skills that categorize them managers, professionals and technicians remain. The stiff bristle of the porcupine left untouched but someday destined to the humus of the earth simply because of a vulnerable underbelly. The additional $250 million in budget authority and $100 million in outlays for CETA Title I will make the underbelly less appetizing to the fox. We refuse to feed the fat fox unemployment and we are offering this stimulus amendment as reward for his capture.

Mr. Speaker, additional funding will sustain the level of manpower training and employment programs supervised by the State and local prime sponsors. It will also prevent cutbacks in the minimum wage work experience jobs and would increase on-the-job and institutional training positions. Current funding will not support existing program levels after the January rise in the minimum wage. These funds are necessary if these important activities are to continue.

The amendment also provides an additional $433 million in budget authority and $10 million in outlays for various education programs. Of this total, $200 million is for the educationally deprived children under title I of the Elementary and Secondary Education Act. The impact aid hold harmless requirement accounts for an additional $90 million in budget authority while the remainder is for vocational, adult, higher and other education programs for which initial appropriations were inadequate.

The education provisions are essential for the growth and development of the American economy. The effect of the increased budget authority in education will give the porcupine a fighting chance against the fox. This increase will serve as a stimulus in arousing the porcupine to defend himself against the hungry fox. It touches the emotional base of survival and initiates the spirit of competition. American education has long performed that same function. We cannot allow ourselves to deviate from the base of economic survival that education provides for the American economy.

Mr. Speaker, I am urging my colleagues to support the O'Neill amendment to House Concurrent Resolution 466, the second concurrent budget resolution, because of its fundamental concern with the nucleus of the American economy.

ANALYSIS OF NEW YORK CITY'S FINANCIAL PROBLEMS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the attached article by, Mr. Peter J. Eichler, entitled: "Brother, Can You Spare . . .". I am sure many of my colleagues will agree with Mr. Eichler's analysis of New York City's financial problems:

"BROTHER, CAN YOU SPARE . . .?"

Perhaps the last thing we need is more copy on New York City's financial problems. The Wall Street Journal, Vermont Royster, and Arthur Schlesinger, Jr., have all covered the subject this week and all made excellent reading, I suppose, due to our morbid curiosity. I am sure there would be no articles if they posted a $5 billion surplus.

Mr. Schlesinger took the point of view that there was a plot on Main Street to punish the city fellas, and he went back to our colonial days to try to prove his point. The Wall Street Journal took the position that New York's problems were brought upon themselves, and Royster commented on a New York Magazine article which specifically pointed out that there were at least 20 critical decisions that ultimately broke the City

May I add a few observations of my own? The City has been bankrupt for some time, and it has been paying its debts and borrowing more. Steps taken thus far to correct inflow and outflow have been insufficient. A decision to subsidize New York would lessen the pressure for reform and underwrite the proposition that social services and civil workers can be subsidized by some other section or other group of people—as somebody else put it . . . taxing J. C. Penney, an efficient operator, to bail out W. T. Grant.

The whole picture of the New York banks, New York politicians, and New York union leaders insisting that the rest of the country come to their aid has a terribly hollow ring. It would appear that their special case is that they are in need, and it is not their responsibility to make up for past follies—"if only the Government would do something." At least in the parable of the prodigal son, the son came home. In this parable, the prodigal son wants the money wired to him. The question seems even more intriguing because, at present, investors all over the country are, indeed, subsidizing New York through stock and bond transfer taxes which have been raised in the past and were surcharged 25 percent this year.

It is also interesting that in our system of Federal government we might question why one group of citizens should be treated differently than others or why the workers of this country should be taxed to pay inflated costs of a city or the workers of that city. The politicians judge that the constituents might object to this redistribution; and then, too, you might ask who is going to be damaged by a default of New York City. First, the holders of those obligations. However, I wonder, after all, when an individual buys an 11% tax-free bond when Treasuries are going at 8% fully taxed, who is kidding whom. Or, would they indeed buy them under the presumption that if something went wrong "good ol' Uncle Sam", you and I, are going to make it all right so that Chase Bank does not have to write off any of this marvelous, acronymical Big Mac. Isn't it poetic that larceny, fraud, deceit, and manipulation have finally come to what must eventually happen in all such scenarios.

You might ask is there a happy ending to this story? I believe the answer is "yes". The similarities between Great Britain and New York are striking. If we cannot learn our lesson from the United Kingdom, we can learn it from New York. We can make a commitment that municipal employees are not going to gain wage increases at twice those of other less fortunate citizens. We can make a commitment that our municipalities do not have any right to spend other than their own money. We can set up an object lesson to every city whose determination is that they will provide a level of care and services to its people which is unfinanced. Perhaps we can lose the notion that planned urban development on terms and conditions which are demeaning to even those who get free or economical rent do nothing but destroy the fabric of a vital city. New York will survive, but it will survive not because of money from Troy to save Sparta, but because it continues to be a vital financial center. To be sure, the Japanese may not understand it, the Europeans may not understand it, the New York banks won't understand it ... but if we tax the efficient and reward the inefficient, we will all end up inefficient!

The stock market may react negatively to the eventual default, but having defaulted, New York may take those steps to make it once again the powerful city/state that it was.—PETER J. EICHLER.

NEW JOBS—OR CONTINUED HIGH UNEMPLOYMENT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. KASTEN. Mr. Speaker, I have cosponsored legislation, the Jobs Creation Act, to provide tax incentives to encourage capital formation, which is vital to the Nation's economic well-being. The United States has fallen behind other nations in the world in the rate of capital investment. On Monday, November 10, the Wall Street Journal published an article documenting the fact that new capital investments have fallen off to the detriment of increased productivity.

Mr. Speaker, what we are really talking about here is the ability of our economy to create new jobs. I insert the article at this point in the RECORD in order to bring it to the attention of my colleagues:

FIRMS ARE STILL WARY IN PLANNING SPENDING ON PLANT, EQUIPMENT

ONE DANGER: FEW NEW JOBS

(By Ralph E. Winter)

Crown Zellerbach Corp. expects to spend about $125 million next year on paper mills, box plants, sawmills and other production facilities. That sizable outlay will follow investments estimated at $110 million to $115 million this year.

At first glance, such major spending by the San Francisco-based paper and wood-products company would appear to promise gleaming new plants, work for hundreds of construction workers, new jobs for many mill hands and an enlarged market for loggers. But it doesn't.

The huge outlay will just keep Crown Zellerbach's present plants running. "We will continue with mandatory spending to meet environmental requirements at our plants, and to handle normal maintenance and equipment replacement, but we won't begin any big new projects," a company official says.

Crown Zellerbach is typical of major corporations these days. With many factories running far below capacity, interest rates remaining high and the economic outlook still cloudy, companies are budgeting 1976 capital spending cautiously. They are completing expansions already begun and making necessary replacements. But they are planning relatively few brand-new facilities or major expansions.

DECEPTIVE STATISTICS

This caution will be masked in the many year-end capital spending provisions by government and private economists, however. In fact, such estimates generally will show 1975 and 1976 corporate capital spending at record levels. The latest Commerce Department projection for 1975 puts total outlays at $113.51 billion, up 1% from the record $112.4 billion last year.

Spending next year may again rise a bit, with higher investment by electric and telephone companies offsetting a slight reduction by manufacturers. Some more-optimistic forecasts envision a second half rise in manufacturers' outlays producing an overall increase of 10%or more for the entire year. The annual fall survey of McGraw-Hill Inc., for example, projects a 9% boost in 1976 outlays, but it also concludes that price rises would result in no gain in physical investment.

Interviews with economists and executives indicate, however, that the physical amount of expanded or improved productive capacity to be installed next year will be far below the 1974 level. For one thing, new year. Also, companies must spend more each year. Aso, companies must spend more to satisfy government pollution-control and employee health and safety rules. Finally, it costs more each year just to replace existing facilities, partly because of inflation but also because there is more plant to maintain.

SIGNIFICANT DECLINE

This decline in actual additions of plants and better machinery is highly significant. Only new or expanded facilities create new industrial jobs and provide the capacity needed to avert shortages in the next economic boom. Also, the long-term rate of gain in productivity—the rise in output per man-hour—depends on the amount of more-efficient facilities actually installed, not on the total dollars spent. And rising productivity is essential to a higher standard of living and to keeping U.S. products competitive in world markets.

A two-year decline in actual additions to or improvements in productive facilities doesn't necessarily mean the U.S. is stagnating, of course. Historically, capital spending has lagged economic trends; it continues at high levels for a while after the economy turns down, and during a recovery it rises months after consumer purchasing, industrial production and other economic activities have begun improving. But if executives' caution about adding plan and equipment continues, it will slow future expansion of the economy.

Evidence of that caution abounds. Executive after executive talks about increasing return on investment, generally by minimizing capital outlays and making existing capital work harder. Ford Motor Co., for example, cut 1975 spending below initial projections by deferring or eliminating some projects. The company now estimates 1975 spending at about $700 million, down from $800 million projected in January and $832 million actually invested in 1974.

SURVEY OF BIG FIRMS

The nation's 1,000 largest manufacturers plan to spend $45.2 billion on plant and equipment in 1976, down from $46.1 billion this year, according to a survey by the Conference Board, a New York economic research organization. Appropriations for future spending by the companies this year will drop to about $44.7 billion, 21% below 1974's $56.9 billion, the Conference Board adds. As of July, only 57% of the companies said they will expand facilities; in January 1974, 79% were planning expansion.

As a result of this caution, suppliers of capital goods have seen orders plunge. Producers of machine tools, the machines used to shape practically all parts made of metal, report a 61% decline in orders for the first nine months of this year. Companies making other capital goods ranging from heavy trucks to textile machinery also note slack orders.

"Industrial plants are running at low capacity, working back from consumer industries all the way to the basic industries such as steel," says George Ramsden, vice president, sales, for Jervis B. Webb Co., Detroit producer of industrial conveyor or systems. "As a result, they aren't spending for expansion."

And because of slow business, companies have less cash to invest. Sun Oil Co., St. Davids, Pa., sees 1975 spending "at the very bottom" of the $600 million to $750 million range set last January. That's down from $834 million in 1974. The sag reflects in addition to a drop in purchases of federal oil leases, a 60% plunge in first half earnings because of lower product demand and a surge in domestic and foreign taxes.

Companies also say they are conserving capital because they expect it to be scarcer in the next decade.

"Cash generation for expansion has become our No. 1 priority," says Richard E. Heckert, senior vice president of Du Pont Co. "In selecting new investments, we face increasingly difficult choices because of cash limitations. New investments are being judged not just on their individual merits, but are also being weighed against alternatives." The chemical giant expects to keep capital spending about level at about $1 billion a year from 1974 through 1977.

Likewise, TRW Inc., Cleveland-based producer of automotive, electronic, industrial and aerospace products, plans to hold 1976 spending at approximately this year's levels because TRW doesn't want any more debt. The 1975 spending will be $10 million to $15 million below last year's $128 million, officials say.

Companies holding 1976 capital spending to 1974 levels, of course, will get fewer new buildings and machines. The Commerce Department figures that this year's projected 1% increase in current-dollar spending represents an 11.5% drop from 1974 in real capital outlays. Price increases on plant and equipment are likely to be smaller in 1976 but still substantial, probably exceeding 8%.

IMPACT ON A UTILITY

To evaluate inflation's impact on individual companies, consider Commonwealth Edison Co. The Chicago utility is spending about $928 million on a nuclear power station scheduled to start up in 1978. A similar 2.2-million-kilowatt plant that began producing power in 1973 cost about $618 million. "The cost has gone up just about 50% over the five years," G. R. Corey, vice chairman, says.

Inflation has similarly ballooned prices of replacement equipment, and companies, even when spending cautiously, can't avoid replacing worn-out gear. One new roll for a steel rolling mill now costs $13,964, more than 50% above the $9,153 in 1972, and rolls are due to go up another 8% soon, says Armco Steel Corp., Middletown, Ohio. Armco will spend $80 million to $85 million on replacement facilities this year, and the total continues to climb.

Complicating analysis of such costs, however, is the generally higher quality of new equipment; it is usually difficult to separate spending for replacement from that for better efficiency, pollution abatement and employe safety. An auto parts maker might buy a small furnace for melting steel for castings to replace an aging one. But the new equipment probably will be more efficient than the old furnace, produce less smoke and have additional safety features.

Nevertheless, the proliferation of new laws and administrative rulings on safety and pollution control requires sharply increased spending for equipment that doesn't appreciably augment capacity or productivity. The Commerce Department estimates that industry will spend $6.29 billion for pollution-abatement equipment in 1975, up 12% from $5.62 billion in 1974. However, some other surveys indicate much higher totals. McGraw-Hill, for example, estimates 1975 corporate capital outlays just for air and water pollution control at $8.35 billion, up 20% from 1974 and more than triple the $2.5 billion spent on such facilities in 1970.

PROBLEMS OF ANALYSIS

"The utility industry's investment in facilities for environmental control is a very difficult thing to segregate," says Commonwealth Edison's Mr. Corey, who headed a task force that studied the outlook for electric utilities. "Our projection was that (electric utility industry) spending for environmental equipment in the 15 years from 1975 through 1989 would be $30 billion to $60 billion. My own estimate is $60 billion, about 10% of total facilities investment." About the same percentage applies at Commonwealth Edison, he says, with about $70 million of the $700 million to be invested in both 1975 and 1976 going for pollution controls.

Steel industry pollution-control expenditures take an even higher percentage of capital investment. At U.S. Steel Corp., for instance, they amounted to about 15% last year. And next year Armco Steel and Republic Steel Corp. face a far heavier burden in overhauling their jointly owned taconite ore processing plant at Silver Bay, Minn. Of the planned $252 million outlay, only about $30 million will buy productive equipment; the rest will be spent to end the dumping of waste rock into Lake Superior and to reduce dust emissions into the air.

So far there aren't any outlays of that magnitude for employee health and safety, but such costs also are mounting. For instance, B. F. Goodrich Co., Akron, is spending $42 million over a four-year period to reduce employee exposure to vinyl chloride; the gas, used to make plastic resins, is believed to cause liver cancer. And on a much smaller scale, a trucker buying a $40,000 highway tractor this year is paying about $2,000 for additional braking gear to meet new federal requirements for nonskid stops, says White Motor Corp., a Cleveland truck producer.

LONG-RANGE IMPACT HAZY

It's too early to say whether the combination of corporate investment caution and increased spending for essentially nonproductive equipment will permanently slow down economic growth. Some economists and executives think so.

Others think companies will resume investing aggressively after a few quarters of rising sales and profits. The Conference Board figures the 1,000 largest manufacturers will raise their capital appropriations next year and their spending in 1977. However, there are many factors, ranging from interest rates and profit levels to tax laws and government regulations, that will determine whether companies do begin to spend aggressively enough to increase their physical additions of new and more-efficient capacity.

"Without improvement in our price-cost relationship, we cannot consider any additional investment in steel-producing facilities," William Verity, Armco Steel's chairman, says. Complaining about "government meddling with pricing policies and inaction on an energy policy," he adds, "Prudent management dictates a moratorium on any new expansion in steelmaking capacity." The company, however, says it will continue construction of the 1.2 million tons of capacity begun last year.

FIRMS' 1976 CAPITAL OUTLAYS SEEN RISING ONLY SLIGHTLY

NEW YORK.—Major U.S. corporations plan to increase spending on new plants and equipment only slightly in 1976, according to a survey by the economics department of McGraw-Hill Publications Co., a unit of McGraw-Hill Inc.

The survey projected total capital spending of $123.45 billion next year, a 9% increase from this year's estimated level. But Douglas Greenwald, McGraw-Hill chief economist, stressed that higher prices account for almost all of the rise, so that little fancy gain in physical volume is expected.

Durable goods producers forecast only a 1% increase in dollar spending next year. The largest increases by manufacturers are expected in the nondurables area, with chemicals up 23%, textiles up 29% and petroleum up 13%. Outside manufacturing, substantial spending increases are projected for mining and electric and gas utilities.

THE CITING OF ROGERS C. B. MORTON FOR CONTEMPT

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. SCHEUER. Mr. Speaker, today an event of unprecedented importance occurred. For the first time in history, a congressional subcommittee has recommended, pursuant to a resolution I offered, to cite a Cabinet officer, Secretary of Commerce, Rogers C. B. Morton, for contempt of Congress.

This resolution was offered in the Interstate and Foreign Commerce Subcommittee on Oversight and Investigations, after many months of deliberations and despite a deep reluctance to force such a confrontation. In March, I wrote Chairman Moss of the Subcommittee on Oversight and Investigations expressing my concern over repeated reports of "Arab boycotts and economic discrimination against Jewish and other members of the U.S. business community both at home and abroad." After several months of investigation, in which the subcommittee unearthed growing evidence of American export firms being forced to comply with anti-Semitic boycott requests by the Arabs, this subcommittee turned to the Commerce Department's Export Administration for more extensive information.

Under the terms of the Export Administration Act of 1965, it has been the duty of the Export Administration to require American exporters to report receipt of any boycott requests aimed against nations friendly to the United States. The subcommittee has been trying to ascertain the effects on American commerce of forcing U.S. exporters to comply with such boycott requests as: not trading with Israel, or not trading with companies which do trade with Israel, or not trading with companies which have Jewish employees. On July 10, the subcommittee wrote to the Director of the Office of Export Administration, Mr. Rauer Meyer, of the Department of Commerce, requesting reports of boycott requests which have been filed with the Department pursuant to the Export Administration Act.

Secretary of Commerce Morton, declined to produce the reports, citing section 7(c) of the act as the basis for his refusal. The subcommittee responded in writing, and when Mr. Morton still refused to produce the requested material, we duly subpenaed Secretary Morton to appear on September 25.

At that time, he again refused to provide the subcommittee with the needed material.

On October 21 and 22, we invited three distinguished constitutional lawyers, Professor Berger, Professor Dorsen, and Professor Kurland to testify on the right of Congress to obtain such information. They were all in agreement that section 7(c) was not a bar to congressional access.

Professor Berger was the most emphatic on the right of Congress to obtain such material, explaining the fundamental precept that the oversight function is essential to any legislative body. He argued that it was absurd for this body to have created a Federal agency and then be barred from investigating its own creation and responsibility. In fact, he went on to say that Congress does not bar itself from such information unless it expressly so states—in enabling legislation—which it had not done in this case.

This morning we called Mr. Morton back and after reminding him of the subcommittee's jurisdiction, and the obligations which accompany that jurisdiction, and the opinions of Professors Berger, Dorsen, and Kurland, we asked him if he would reconsider and deliver the requested material to the subcommittee.

Upon his refusal, I offered the following resolution which was passed by a vote of 10 to 2:

> Subcommittee Resolution and Order
>
> *Resolved*, That the Subcommittee finds that none of the excuses of defenses offered by Rogers C. B. Morton, Secretary, United States Department of Commerce, constitutes any valid reason not to comply with the subpoena ordered by the Subcommittee and dated July 28, 1975, and that it is
>
> *Ordered*, That Secretary Morton do comply with that subpoena.

Following this resolution, I offered a subsequent resolution which for the first time held a Cabinet member in contempt of Congress. The motion reads as follows:

> Subcommittee Resolution
>
> *Resolved*, That the Subcommittee finds Rogers C. B. Morton, Secretary, United States Department of Commerce, in contempt for failure to comply with the subpoena ordered by the Subcommittee and dated July 28, 1975, and that the facts of this failure be reported by the Chairman of the Subcommittee on Oversight and Investigations to the Committee on Interstate and Foreign Commerce for such action as that Committee deems appropriate.
>
> Date: November 11, 1975

Despite my reluctance to force this confrontation, I moved these motions because if this body is to become coequal and not remain a body subservient to the executive branch, we must have access to information which will enable us to make reasoned judgments on the effect of legislation which we have passed, and to mold future legislation. Without such information, Congress might as well close up shop and go home. We cannot be spoon fed by the executive branch and leave to their discretion what information is pertinent and what is not. I urge all of my colleagues to join this subcommittee to establish Congress unchallengeable right to the greatest source of power of them all: information.

DATA IN SUPPORT OF THE DEVELOPMENT OF LONG-TERM GRAIN AGREEMENTS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. VANIK. Mr. Speaker, as required by the Trade Reform Act of 1974, the U.S. International Trade Commission—the old Tariff Commission—has submitted its latest quarterly report on "Developments in Trade between the United States and the Non-Market for Economies." The tables in this report reveal, once and for all, the enormity of the distortions created in world agricultural trade by the secret Soviet wheat and grain purchases of 1972. The "savings" achieved by the Soviets because of their massive secret purchases of that year and the "cost" of those purchases to our regular trading partners were staggering.

The following are unit values, f.o.b., of U.S. wheat and feed grain exports in 1973, 1974, and the first half of 1975:

UNIT VALUES OF U.S. WHEAT AND FEED GRAIN EXPORTS IN 1973, 1974, AND THE 1ST HALF OF 1975 [1]

[U.S. dollars per metric ton]

Product/country	1973	1974	January to June 1975
Wheat:			
U.S.S.R	63.67	116.77	207.67
Peoples Republic of China	104.84	122.84	
Rest-of-world	125.22	184.02	177.95
Feed grains:			
U.S.S.R	56.86	70.30	164.91
Peoples Republic of China	95.04	112.02	
Rest-of-world	88.34	128.90	139.08

[1] Based on value and quantity data given in the U.S. Department of Agriculture publication, "Foreign Agricultural Trade of the United States."

The following figures list the total cereal purchases of the Soviet Union and the total U.S. cereal exports to the world for the same years. It should be noted that cereal statistics are not identical to wheat and grain figures, since wheat and grain comprise only about 90 percent of the cereal category:

U.S. EXPORTS OF CEREAL AND CEREAL PREPARATIONS TO NONMARKET ECONOMIES AND TO THE WORLD IN 1973, 1974, AND THE 1ST HALF OF 1975 [1]

[Thousands of U.S. dollars]

Country	1973	1974	1st half 1975	2d quarter 1975
Bulgaria		$9,964	$14,780	$7,429
Czechoslovakia	$7,150			
German Democratic Republic	10,226	12,556		
Hungary	1,595			
Peoples Republic of China	410,084	329,686		
Poland	134,967	103,097	78,337	27,507
Romania	8,084	67,765	61,924	28,909
U.S.S.R	836,692	281,934	245,970	97,120
Yugoslavia	45,055	30,620		

Country	1973	1974	1st half 1975	2d quarter 1975
Total U.S. cereal exports to the nonmarket countries	$1,453,835	$835,622	$401,011	$160,965
Total U.S. cereal exports to the world	8,495,124	10,330,855	5,696,894	2,338,962
U.S. exports of cereals to nonmarket economies as a percent of total cereal exports	17.1	8.1	7.0	6.9

[1] Based on schedule B, division 04.

Source: U.S. Department of Commerce publication FT455 and the Bureau of East-West Trade, U.S. Department of Commerce.

Using these figures for 1973–74, however, one finds that the Soviets were able to save approximately $750 million than if they had bought the same amount of wheat and grain at the world price—assuming, for the sake of the example, the same quantities purchased. Conversely, our "regular" trading partners paid $6.1 billion more than if they had bought the same quantities at the contract prices obtain by the Soviets in 1973 and 1974.

The situation was reversed in the first half of 1975 with the Soviets caught in contract prices—although for relatively small amounts—higher than the f.o.b. shipping price to the rest of the world. This "cost" the Soviets approximately $33 million in the first half of 1975. The International Trade Commission report comments on some of these gyrations:

> The large discrepancies in the unit values are partially explainable by differences in quality and content of the respective groupings of wheat and feed grains. Most of the discrepancies, however, are the result of the purchase of the grain. The wheat exported to the U.S.S.R. in 1973 and 1974, for example, was purchased in 1972 before wheat prices tripled. The wheat exported to the U.S.S.R. in 1975, on the other hand, was probably purchased early in 1974 before wheat prices fell.
>
> The cereal grain exports for the first six months of 1975 do not include any of the large purchases of wheat which have been made recently by the U.S.S.R. These purchases will not begin appearing in the export figures until later this year and during 1976.

This is all grain through the mill. What is to be learned from it is the tremendous danger of one large purchaser creating enormous disruptions in the world marketplace and taking unfair advantage of other nations whose poorer economies may most desperately need a stable price on wheat and grain. In addition, the fact that the Soviet Union found itself paying more than the world price in early 1975 should be a lesson to the Soviets that the best course of action is a long-term stable grain and wheat purchase agreement. Finally, of course, such a regular system of purchases will protect the American consumer and American farmer from the boom-and-bust high-price-and-scarcity cycle of unpredictable, erratic, and massive purchases of agricultural commodities.

TACONITE'S SECOND DECADE

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. OBERSTAR. Mr. Speaker, Minnesota's Mesabi Iron Range, an island of depression during the prosperous 1960's, is now equally an island of booming economic prosperity in a nationwide sea of recession, as taconite, a low-grade iron ore, enters its second decade of development, to the tune of a second billion dollars of investment.

The fabled Mesabi Iron Range virtually exhausted its stores of rich direct-shipping iron ore soon after the Second World War.

From then on, it was downhill; businesses folded, young people left, those remaining struggled along on their social security payments.

But back in the late thirties, two men, Dr. E. W. Davis, and soon-to-be Congressman John A. Blatnik, had the wisdom to foresee that this rich lode would be exhausted, and that a substitute would have to be found.

Dr. Davis, a mining engineer, developed a process for refining taconite—which contains roughly only 30 percent iron, not high-grade iron pellets. Blatnik, then a State senator, led the fight for passage of legislation which allowed the taconite process to be treated, for tax purposes, as a manufacturing rather than mining industry, thereby encouraging the heavy financial investment required by this complex process.

By the late 1950's, two companies had undertaken construction of major taconite plants, creating nearly 6,000 jobs. The State of Minnesota carried the Blatnik-Davis wisdom a step further in 1964, incorporating the taconite tax law into the State constitution. This offered stability and further inducement to industry for the massive investments of venture capital that make jobs, payrolls and prosperity possible.

The Taconite amendment sparked an immediate surge of investment in the late 1960's, with over a third of a billion dollars committed to four new plants and another 2,000 jobs. A third wave of investment followed in the early 1970's, bringing the total investment to almost $2 billion, which will create an estimated 15,000 jobs, a payroll of over $215 million annually, and boost taconite production from 41 million tons to a projected 65 million tons annually.

The challenge to Mesabi Range people is how to cope with the community pressures this expansion has generated, and how best to capitalize on the opportunity for spin-off development and keep the economic momentum going.

Mr. Speaker, the following article, which appeared in the November 2 issue of the St. Paul Pioneer Press, admirably tells the story of today's Mesabi Iron Range—its triumphs, its future, and potential troubles.

I would like to share it with my colleagues:

IRON RANGE READIES FOR "TACONITE'S SECOND DECADE"

(By Les Layton)

HIBBING.—A bus filled with curious visitors slowed to a crawl, winding its way through Hibbing's nicest residential area.

"It's hard to believe, but this was once an iron ore pit and rock dump," explained the city's chamber of commerce president Dick Paull, pointing out the comfortable homes that have appreciated almost 50 per cent in the last few years due to one of the largest business expansions in Minnesota's history.

"Does Hibbing have much crime or any slums?" asked one of the visitors.

"Not much to speak of," replied Paull. "What we have the most of in this town are bars and churches. Thirty-seven bars and 27 churches."

Hibbing is the hub of a $950 million Minnesota Iron Range expansion scheduled to increase annual taconite production from 41.2 to more than 64.7 million tons. The new development will add more than 3,000 permanent jobs to the approximately $48.5 million annually in taconite taxes to the state.

The latest recession never found its way to this cold mining town of 18,500 residents, but the entire Range suffered a depression of its own in the early 1960's when natural ore shipments declined rapidly and taconite growth was disappointing.

The Taconite Amendment in 1964, however, reduced taxes and encouraged $400 million in capital investments that almost doubled the state's taconite production. The area was hit by more economic hardships, though, just before the current expansion was announced in 1974.

But people here are not talking much about Sen. Hubert Humphrey's "economic misery index" even though demand for steel has dropped 27 per cent this year and the Minnesota legislature angered the steel and iron ore industries by more than doubling the taconite tax.

"Sure, we're concerned about the declining demand for steel," said Paull, manager of public and government relations for Hanna Mining Co. "When the steel industry cuts back, it's just a matter of time before the taconite and iron ore industries have to cut back.

"Right now, though, nobody around here is thinking about cutbacks. The Iron Range had been stagnant. Population was declining. Now, for the first time our kids can get a degree and come back to a good job.

"With all the excitement of the construction going on we're kind of in a world of our own. People aren't saying things are tough. You can't find a parking place or a motel room and you have to stand in line to get into a restaurant."

Additions of $200 million each to the Eveleth Taconite Co. and U.S. Steel's Minntac Plant and construction of the $300 million Hibbing Taconite Co. by Bethelehem Steel Corp., Pickands Mather & Co. and Steelco are the three largest projects in the expansion.

The Eveleth company proudly says its blast control of explosives in the mines has prevented even a broken window in the contiguous Virginia and Eveleth communities. The company's expansion will increase its annual payroll from $550,000 to $900,000 and its annual capacity from 2.4 to six million tons.

The Minntac Plant near Mountain Iron is the largest in the nation. A group of Russians who visited it recently say the USSR has a similar facility, however. Besides the current expansion that will bring Minntac's annual capacity to more than 18.5 million tons, U.S. Steel is planning another $300 million addition for the near future.

The current expansion is described as "Taconite's second decade" even though University of Minnesota engineer Edward W. Davis began experimenting with the tough, magnetic taconite in 1913, almost 65 years after iron ore was discovered in Minnesota.

Taconite is a low-grade ore containing only about 30 per cent iron that must be mined, crushed, ground, separated from waste material and formed into heat-hardened pellets half the size of marbles. After the expensive process, the pellets contain about 60 per cent iron, or slightly higher than natural "red" ore. The pellets, however, are more adaptable to steel company's blast furnaces and unlike the nature ore with high moisture content can be mined even during severe winter months.

The first major taconite plants were built in 1957 by Reserve Mining and Erie Mining Co. and employed less people than currently are working on the $950 million expansion. More than 4,000 new families have moved into Hibbing alone despite winters that produce high temperatures of 10 below zero on a normal day. One steel company executive said he bought a new summer suit when he moved to the Range 15 years ago and it's still just like new. He's worn it three times.

Residents here seem to agree that Reserve Mining should stop dumping taconite tailings into Lake Superior, but they don't bite the hand that feeds them. They appreciate the fact unemployment is almost unheard of locally and that people knock on their doors asking to buy their houses.

"A lot of people in the state are against the mining industry for ripping apart the land," says Hibbing bus driver John Woodraff. "But the people up here realize these towns wouldn't be here if it weren't for the mining industry. There's nothing else up here.

"I've found the steel people pretty decent. Kind of surprised me. They've done a lot for these towns. The only bad part is that they get away with anything they want. If they think you have iron ore on your land, you won't own it long. They usually give you a pretty fair price, though."

Estimates on how long Minnesota's iron ore and taconite supply will last vary at different sites from 40 to 200 years. The steel industry hopes future technology will make non-magnetic taconite usable and says that is why they aren't filling in more of those big holes they have been digging.

Non-magnetic taconite is more expensive to separate from waste rock, however, and creates additional environmental problems for the steel industry which already says it needs $1.5 billion for pollution control investments.

Minnesota supplied more than two-thirds the nation's iron ore for more than 50 years, but shipments dwindled from 65 to 20 million tons in the last 20 years after wars and American business demands depleted most of the natural ore. Ore mined today in Canada, Venezuela, Peru, Chile, Brazil, Russia, Liberia, Africa, Australia and India now is finding its way into U.S. blast furnaces.

"Major steel companies on the East Coast are using foreign steel almost exclusively because of the transportation costs," says E. J. Mapes of Picklands Mather & Co. "There's plenty of iron ore around, but transportation costs make the final buying decision. It costs $3.20 a ton to ship ore from Duluth to Cleveland which is 820 miles away, but it costs $4 a ton to ship ore 64 miles from Cleveland to Youngstown. It doesn't make sense."

The average size ship hauling ore from the Minnesota Iron Range to Chicago and Ohio steel centers carries 24,000 tons, according to steel spokesman and lobbyist Al France. The largest ship the Great Lakes system can handle is 50,000 tons, but ore is imported to this country by ships that carry 250,000 tons and greatly reduce transportation costs. France says Japan has ships on the drawing boards that will haul 350,000 tons.

Another problem threatening the Minnesota Iron Range is the increase in the taconite tax from 36 to 75 cents per ton.

"Minnesota did a great job of selling itself," said one steel company executive visiting the Range, "but they couldn't have done it if the industry had known a 39-cent tax increase were coming. As soon as we got the concrete poured for these new plants they stuck it to us. And it was wrong.

"They broke their faith and went exactly against their word. Had we known the increase was coming the steel industry would have looked elsewhere for iron ore."

ISLAND STATE SADDENED BY PASSING OF FORMER MAYOR NEAL S. BLAISDELL

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. MATSUNAGA. Mr. Speaker, all Hawaii was saddened by the sudden death, last Wednesday, of Neal Shaw Blaisdell, former mayor of the city and county of Honolulu.

Beloved and popularly known in Hawaii as "Rusty," Mayor Blaisdell served as the chief executive officer of the city and county of Honolulu from 1954 to 1968, a longer consecutive term than any other local elected official in Hawaii. Working closely with Hawaii Gov. John A. Burns, he presided over Honolulu's transformation from a small town prior to statehood to a major metropolis following Hawaii's admission to the Union. An independent Republican who counted among his friends a host of Democrats, he was honored by Presidents John F. Kennedy and Lyndon B. Johnson, who appointed him to serve as a member of the Advisory Commission on Intergovernmental Relations and the Advisory Committee on Community Relations.

A man who conquered tuberculosis, Neal was a natural athlete who remained a physical fitness buff until he died, just one day before his 73d birthday. While he could have had an outstanding career in professional baseball or in the business world, he chose to enter local politics because of his deep love for his native State and his desire to make a lasting contribution to the city and county of Honolulu.

His popularity, earned by his effervescent aloha spirit, was not confined to his home and county, for he was elected president of the U.S. Conference of Mayors for multiple terms—one of a very few to be so honored.

Even in politics, Neal was a true sportsman. He fought hard, but clean. He never hit anyone below the belt. In fact, even though he was the Republican candidate for the U.S. House of Representatives against me in 1968, I gained greater respect for him and developed a closer friendship with him after the battle, because he proved himself a gentleman fighter all the way through.

As his longtime personal friend, I will sorely miss Neal "Rusty" Blaisdell. I join all of his friends in extending heartfelt sympathy to his wife, Lucy, and his bereaved family. Knowing that my colleagues share the sadness of the people of Hawaii, I am submitting for inclusion in the RECORD editorials from the Honolulu Advertiser and the Honolulu Star-Bulletin outlining Neal's long and distinguished career:

NEAL BLAISDELL

At the peak of his long career, as Mayor of Honolulu in the first part of the 1960's, Neal Shaw Blaisdell sometimes seemed to symbolize both the friendly intentions and turmoil of the Island scene.

An editorial then noted his part-Hawaiian heritage, his vigor, social charm, fine family, ability to do "a left-handed hula," and his more serious attributes. It concluded:

"He looks and acts like the Mayor of Honolulu should look and act in his role as salesman for a community that wants to keep its old charm while moving into a vigorous, booming new era."

There is, of course, much more about Neal Blaisdell, who died yesterday—a day short of his 73rd birthday.

As mayor for 14 years, from 1954 to 1968, he was a figure bred in an older Hawaii who found himself presiding in a period of major change that meant both progress and problems.

He was the last of our kamaaina mayors, in the best old sense of those words, and a man who kept his spirit and charm to the end.

Blaisdell's early years and political career are outlined elsewhere—his boyhood in Palama, athletic achievements, local and Mainland education, experience in business and as a territorial legislator, and his bout with tuberculosis.

They helped shape the man who presided longer than anyone at City Hall in a sometimes turbulent period that spanned statehood, the coming of the jet age, and the tourism, development and population booms on Oahu.

There were some epic fights, including one in the beginning between the Republican Mayor and the Democratic City Council. The result was a kind of consensus built on cooperation and what critics felt was cronyism. It usually got things done, although not to everyone's liking.

Blaisdell's personal integrity was always considered high, but at times he was not tough enough with friends and officials of lesser motives. One judgment of his administration's final years was that the challenge of change and development on Oahu had swept ahead of City Hall.

Yet two years before his last term as mayor ended, Blaisdell in 1966 probably could have been elected governor had he chosen to run against Democratic incumbent Jack Burns.

Moreover, Blaisdell's accomplishments as mayor should not be minimized in relation to the challenges the City faced.

His activity in national and international municipal organizations put Honolulu on the map as a modern city and won us many friends.

He was capable of growth and change, which is why The Advertiser supported him for reelection several times after periods of strong disagreement.

He was for the realignment of Kalakaua Avenue. He pushed park development, which is again a popular issue. His annual bus "safaris" with other City officials around Oahu were a good old-new mixture of keeping in touch with the people.

In his last years in office, Blaisdell became an advocate of a rapid transit system, providing a kind of needed leadership. In keeping with his athletic background, he championed the new Aloha Stadium.

In the end, memories of Neal Blaisdell have to be the best ones. If his temper flared at times in very human ways, his later forgiveness and good spirits were a reminder that bitterness was not his style.

Like his intentions and his essential integrity, his warmth of heart in a Hawaii he loved was never in doubt.

NEAL BLAISDELL—EFFECTIVE LEADER

It is almost seven years since Neal Shaw Blaisdell walked out of the Mayor's office at City Hall to a very comfortable, relaxed and happy retirement.

His death yesterday, just one day short of his 73rd birthday, brings him back into the news in a major way for the first time since that date.

It is a shocking event to his family and friends since he had remained in superb health and condition until his stroke while gardening on Tuesday.

For the community at large, his passing will be a reminder of a kind of political leadership some people think never existed—warm, devoted, honest and effective.

For 14 years, 1955 through 1968, Blaisdell was "Mr. Mayor" and those were the years of booming growth that markedly transformed this city.

No mayor has served more consecutive years as Mayor of Honolulu, though his predecessor, John H. Wilson, was Mayor for nearly 17 years in the 35-year period from 1920 through 1954.

Some questioned the background that propelled Blaisdell to his first political successes—athletics.

A college football star at Bucknell, he later was known and admired in a sports-happy town for successive stints as an athletic director or coach at McKinley, Punahou, Roosevelt and St. Louis Schools.

But he also had a business executive background with Bishop Trust and Hawaiian Pineapple companies, and he grew from an uncertain, sometimes fumbling stump speaker in his first campaigns for the Territorial Legislature in 1944 and 1946 to one of the most polished public personalities in the State.

At his choice, he could wow a crowd with either a speech or a hula, or both. Being part-Hawaiian, the hula with him was wholly natural and extremely sophisticated.

As it turned out, he also could sit in a room with his cabinet, or the City Council, or one of his many boards and commissions, and use his coaching talents to bring them together and inspire them with his own enthuiasm.

A member of the old Board of Supervisors that preceded the City Council created by the 1959 Charter recalls how the Democratic Board of Supervisors began 1955 sparring and suspicious of the new Republican Mayor.

The issue that divided them was the cave-in that had occurred in the construction of the Wilson Tunnel in Kalihi Valley with loss of life, and heavy damage claims, and a Board fear that the new Mayor might somehow be more interested in helping out the contractor (a leading Republican) than in protecting the City's interest.

Before this fight was over, Blaisdell had earned the Board's respect and trust and they went on to work cooperatively together on a list of accomplishments that included:

Building the Honolulu International Center. (Blaisdell foresightedly fought for a bigger arena than Council would fund.)

Adoption of the first City Charter.

Adoption of the City's first General Plan.

Installation of centralized computerized data system that preceded the State's, and is considered more effective.

Laying the groundwork studies for an Oahu mass transit system.

Redeveloping the Kapahulu areas and all of Palolo Valley with curbs, paved streets and sidewalks and undertaking major redevelopment in Kalihi as well.

Moving into environmental protection with the adoption of a sign ordinance strongly urged by Outdoor Circle.

Initiating planning for the redevelopment of Chinatown.

Blaisdell also made a mark nationally and internationally. He became president of the U.S. Conference of Mayors, one of the few to serve multiple terms, and attracted the conference to meet in Hawaii for the first time.

He also was a founder of the Japan-America Conference of Mayors and Chamber of Commerce Presidents, and an instigator of sister city relationship between Honolulu and Hiroshima, Japan; Naha, Okinawa; and Kaohsiung, Taiwan.

While this led to much international travel, he also loaded his cabinet members and City Council into a bus one or more times each year to circle Oahu and give voters at every stop a chance to present their problems first-hand and on-the-spot so that officials could see what was at issue.

As Mayor, he also suffered reversals and frustrations. Early in his administration, he and the Board of Supervisors won legislative support for a plan to realign Kalakaua Avenue one block back from Kuhio Beach in Waikiki in order to provide public open space and protect the view of Diamond Head. But they were frustrated when Congress, which had to approve all bond issues by the Territory of Hawaii, denied approval for the expenditure, apparently responding to pressures from Waikiki property owners.

Creating that space in 1955 would have cost only $5 million. Today it would cost hundreds of millions to buy and remove the buildings that block the area.

Blaisdell was frustrated, too, in his plans to get a new Honolulu Stadium under construction at the end of his administration.

Preliminary work had already been done by Architect Charles Luckman, who was prodded and inspired by Blaisdell to develop the moveable stand concept. Council was ready to appropriate $200,000 more for architectural and engineering design work, but Mayor-elect Frank Fasi announced he would not authorize spending of the funds even if appropriated. Eventually the stadium project was taken over by the State and Aloha Stadium opened this year.

The City-to-State play on the stadium reflected another aspect of Blaisdell's administration—his closeness to many Democratic leaders, such as Gov. John A. Burns.

Burns shared the belief that Honolulu needed a new stadium, no matter who built it, and was ready to have the State move in if the City wouldn't act.

Though Blaisdell wanted to be governor, he never was willing to run against Burns, even though his advisers assured him he could win. His reluctance seemed to reflect both a respect for Burns and a concern for what he would do to his supporters, many of whom supported both him and Burns.

Blaisdell was a consistent Republican election winner at a time when elected GOP leaders in Hawaii were very rare, and he managed in part by keeping an independent stance and keeping his lines open to opposition leaders he respected.

They recall how his hot temper led to heated arguments with them that always ended with a shake of hands, or a convivial drink, and no grudges.

In retrospect, the years when Blaisdell was in charge at City Hall were extremely stable ones. He steered through a time of great change with considerable equanimity.

In part, this paralleled the Burns years as head of the State government, and helped Hawaii make a major transition with a minimum of social destructiveness.

Both men seemed to share common equalities of high personal integrity and strongly inner-directed moral codes that kept them steadfast no matter what storms beat around them.

If Burns was "Mr. Democrat" of the 1950's and 1960's, Blaisdell was "Mr. Republican."

Both ought to be studied and restudied as examples of some of the best in politics.

Yesterday death took the ex-Mayor seven months to the day after it claimed the ex-Governor.

AN UNFORTUNATE ACTION BY THE U.N.

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. RANGEL. Mr. Speaker, on Monday of this week, the United Nations General Assembly adopted a resolution which describes Zionism as a form of racism and racial discrimination. I believe that this action which the General Assembly took on this resolution will lead to further exacerbate tensions between the feuding parties in the Middle East and on a larger scale serve to accelerate the already tenuous stature of the United Nations as a peace-keeping forum.

Over the recent few years we have been witnessing the emergence of the developing nations as a powerful bloc within the United Nations. I think that it is a very healthy thing for these newly independent nations to begin to exercise their sovereignty. It is indeed encouraging to see these nations take an active role in international affairs at the United Nations. However, just as in any other case, some of these nations are overzealous and thereby engage in actions that are ill conceived and thus very harmful. The action which was taken last night at the United Nations was one very vivid illustration of this.

If the United Nations is to serve as a forum through which all nations can come and engage in constructive debate on issues that divide them, then it does not serve this end to have resolutions which tend to alienate one member or a group of members from the United Nations. Confrontation is what the United Nations seeks to avoid and place in its stead compromise and conciliation. Lest the newly independent nations forget, it was in the spirit of confrontation that most of them gained their independence.

Do these same nations who were born in the spirit of bloodshed seek now to close down the one forum through which future violent conflict can possibly be avoided? I would hope not, but it is becoming increasingly more difficult for me to speak out in support of this vital body here in Congress, when the very people that it seeks to help engage in actions abhorrent to the very principles upon which the United Nations was formed.

There is much talk in this body advocating our withdrawal from this world body. Many of the critics of the United Nations have long awaited an opportunity to seize upon an issue with which they could argue that our involvement in the United Nations is no longer needed. They argue that the U.N. has become a tool of the newly developing nations to engage in precisely this type of rhetoric and thus we should not be a part of this body. Although I disagree with the action of the General Assembly, I firmly support our remaining a member of this important body.

It is our responsibility in the United States to assist these new nations as they seek to become participating members of the world community. We cannot do this from the sidelines. Granted, we may not like some of the decisions the U.N. makes, but it is up to us to stand firm in our convictions and attempt to persuade others to see the wisdom of restraint. Last night we saw what course the U.N. can take when restraint is not used. I urge my colleagues not to repeat the same mistake by calling for our withdrawal from this body, which when we think about it is really our only chance left for peaceful resolution of world confrontations.

GOOD BALANCE IN REFORM PLAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 11, 1975

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the excellent Oxnard Press Courier editorial "Good Balance in Reform Plan." As the editorial states, there is waste and abuse in the food stamp program, and the responsibility for reform lies with the Congress:

GOOD BALANCE IN REFORM PLAN

The food stamp reform plan sent to Congress by President Ford has an appealing balance to it.

Under the plan's proposed revision of eligibility standards and formulas, about one million families whose incomes exceed a reasonable definition of poverty would be trimmed from the food stamp list. As a result, about 1.4 million families truly poverty-stricken would have their food stamp benefits increased. For about half the individuals and families now receiving the food subsidy, benefits would remain substantially the same.

The net result would be to reduce by $1.2 billion the annual cost of a program now heading toward $6 billion a year.

This is the kind of balancing that the food stamp program and other welfare programs need—chopping off abuses and excesses at the upper end of the scale and applying part of the savings at the lower end.

The principle that taxpayers will help support the genuinely needy in their communities is not at issue, and it shouldn't be. The issue is that the intricacies of defining need and eligibility for assistance programs like food stamps have obliterated the concept of charity that brought them into being.

Six per cent of the households receiving food stamps have incomes above $9,000, according to Department of Agriculture studies. Another 11 per cent have incomes between $6,200 and $9,000. It is this 17 per cent that would forego food stamps under the Ford proposals.

In Congress, those who would defend the present eligibility requirements should accept the burden of justifying a government food subsidy to the 17 per cent in those income brackets.

It should be difficult for Congress to argue with the President's proposal that college students be ineligible for food stamps unless their families meet the eligibility requirements, and that food stamps be provided to strikers only if they are seeking other jobs. Those changes are aimed at two of the most visible abuses of the food stamp program.

For all the Ford reform plan's balance, however, it is difficult to anticipate the response from Congress.

Waste and abuse in the food stamp program have become so notorious that it is hard to see how Congress can face the voters next year without offering some reform. On the other hand, it is hardly cynical to observe that the 18.8 million Americans now relying to a major or minor degree on food stamps represent a constituency of which Congress is aware.

The extent to which Congress will go in curtailing the food stamp program may be a primary question for 1976, but a more basic question won't be answered until 1977.

That year, the issue is the existence of the program itself, which has grown up outside the welfare system where it clearly belongs. Food stamps cannot be separated from the bigger picture of welfare reform, which both Congress and the Ford administration continue to avoid confronting.

SENATE—*Wednesday, November 12, 1975*

The Senate met at 10:30 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, before whom the generations rise and pass away, make sacred to us the memory of Thy servant, Clinton P. Anderson. Deal graciously, O Lord, with those who mourn, that casting every care on Thee they may know the consolation of Thy love, the healing of Thy grace, and the companionship of Thy presence.

O Thou, who art the strength of our lives, and the disposer of our destiny, we know not what a day or an hour may bring—what concealed evil may suddenly spring itself upon us, or what surprising turn of providence may bring blessing and good fortune. Only this we know, that we live and move and have our being in Thee, for Thou hast made us for Thyself, and we are at peace only in Thee. We ask no miracle to deliver us from difficult problems and hard decisions but rather that we may be good workmen for Thy coming kingdom. Show us what is pure and true and just. And may Thy presence be the answer to every prayer.

Through Him who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 12, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 11, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will go into executive session to consider nominations on the calendar.

FEDERAL MARITIME COMMISSION

The second assistant legislative clerk read the nomination of Karl E. Bakke, of Virginia, to be a Federal Maritime Commissioner for the term expiring June 30, 1980.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations of Blair A. Griffith, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania for the term of 4 years; and Paul R. Thomson, Jr., of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that they be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the two nominees will be considered en bloc and, without objection, the nominations are confirmed.

Mr. MANSFIELD. Mr. President, I request that the President be notified.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will return to legislative session.

TRANSFER OF PEANUT ALLOTMENTS BECAUSE OF DISASTERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 437, S. 1545.

The bill (S. 1545) to amend the Agricultural Adjustment Act of 1938 with respect to peanuts, was read by title, considered by unanimous consent, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 358 of the Agricultural Adjustment Act of 1938 be amended by adding a new subsection (j) to read as follows:

"(j) Notwithstanding any other provision of this Act, if the Secretary determines for 1975 or a subsequent year that because of a natural disaster a portion of the farm peanut acreage allotments in a county cannot be timely planted or replanted in such year, he may authorize for such year the transfer of all or a part of the peanut acreage allotments for any farm in the county so affected to another farm in the county or in an adjoining county in the same or an adjoining State on which one or more of the producers on the farm from which the transfer is to be made will be engaged in the production of peanuts and will share in the proceeds thereof, in accordance with such regulations as the Secretary may prescribe. Any farm allotment transferred under this subsection shall be deemed to be released acreage for the purpose of acreage history credits under subsection (g) of this section and section 377 of this Act: *Provided,* That notwithstanding the provisions of subsection (g) of this section, the transfer of any farm allotment under this subsection shall operate to make the farm from which the allotment was transferred eligible for an allotment as hving peanuts planted thereon during the three-year base period.".

SENATE RESOLUTION 300—RESOLUTION ON THE DEATH OF HON. CLINTON P. ANDERSON, FORMERLY A SENATOR FROM NEW MEXICO

Mr. MANSFIELD. Mr. President, I send to the desk a resolution on behalf of the distinguished Republican leader and myself and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The resolution will be stated.

The legislative clerk read as follows:

S. RES. 300

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Hon. Clinton P. Anderson, who served in the United States Senate from the State of New Mexico from 1949 until 1973.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 300) was agreed to.

Mr. MANSFIELD. Mr. President, for many years I had the privilege and the opportunity to serve in both the House and the Senate with our late colleague Clinton P. Anderson. It was with great regret that I marked his voluntary retirement from this body, but it is with fond remembrance that I recall our friendship down through the years.

Senator Anderson has left his mark upon the Department of Agriculture, where he served as Secretary; in the House where he was a leader in all things agriculture; and in the Senate where, among other things, he was noted for the imprint he made on the Joint Committee on Atomic Energy.

He was a good man; he has gone to his reward. May his soul rest in peace.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. CURTIS. Mr. President, one of the best memories I have is that of the privilege I have had to serve with Clinton Anderson. We came to the House of Representatives about the same time. For many years we served on the Committee on Ways and Means. He left that committee and served as Secretary of Agriculture. American agriculture will always be indebted for his services, his dedication, and his insight in that important post.

Later on we both found ourselves in the Senate, and there again I served for years with Clinton Anderson on the Committee on Finance as well as both serving on the Joint Committee on Atomic Energy and the Committee on Aeronautical and Space Sciences.

It happens that, perhaps, our paths crossed in committee work more than I have had that opportunity with any other individual.

He was an outstanding public servant. I regret his passing, and I express my sympathy and condolences to his loved ones.

Mr. HUGH SCOTT. Mr. President, I served in the House and in the Senate with our late colleague, Clinton P. Anderson. Our associations were always of the most pleasant. Even when we differed, we differed amiably, and there was a mutual respect for those differences. We were often, however, in agreement, and I found him an able, conscientious legislator.

We will miss him, and I extend my sincere condolences to his family and to his many friends.

Mr. LONG. Mr. President, it is with a special sadness that we learn today of the death last night of our former colleague from New Mexico, Clinton P. Anderson, a month after his 80th birthday.

Seldom has anyone in this Chamber discharged his duties as a U.S. Senator as diligently and competently as did Clinton Anderson. Even in his final years of service, when he was suffering painfully from the ravages of Parkinson's disease, Senator Anderson unfailingly attended Finance Committee meetings and contributed so much with his knowledge. No one had a better attendance record on the committee.

Mr. President, it was Clinton Anderson who literally was the "father of medicare" in the Senate. His understanding of the plight of the aged, blind and disabled for adequate medical care led to his proposing Federal help for these needy persons in the early 1960's. The passage into law of the Medicare Act in 1965 can be directly traced to his persistence.

But he was not satisfied simply with that success. He followed through to make sure medicare was properly administered and headed a special oversight subcommittee for the Finance Committee in that area.

Clinton Anderson also had a special interest in other areas of the social security program, continually pushing for adequate financing and funds for recipients. He was a man of great sympathy for the Nation's needy and in his 17 years of service on the Finance Committee contributed enormously to shape those programs.

Mr. President, we are aware of the other major contributions in public service by Clinton Anderson as a former Secretary of Agriculture and during four terms in the Senate for his development of atomic energy for peaceful uses.

However, the "father of medicare" should also be remembered for his successful efforts to shape the programs which have eased the financial burdens of medical help and retirement income for the Nation's poor and aged and disabled.

Mrs. Long joins me in expressing our deepest sympathies to Mrs. Anderson and the family.

CLINTON P. ANDERSON

Mr. JACKSON. Mr. President, last evening, America lost one of its greatest political leaders of the 20th century. Former Senator Clinton P. Anderson died at his home in Albuquerque, N.M., where he had been living in retirement for the past 3 years.

It was my great and good fortune to know Clint Anderson throughout his public service career in the Nation's capital. Senator Anderson and I were elected to the House of Representatives in the same year. A warm and personal friendship developed from the beginning of our congressional service throughout the rest of his life. Senator Anderson gave up his seat in the House of Representatives at the request of President Truman to serve as Secretary of Agriculture during one of the most critical periods in American history—the aftermath of World War II. Our allies in Europe were starving and his role as Secretary of Agriculture was expanded to meet the food and fiber requirements of our friends abroad, as well as our domestic needs.

After service with great distinction in that important post, Senator Anderson was elected to the Senate from New Mexico in 1948, where he served until January 1973. His advice and counsel on important issues were always sought by his colleagues.

To list the historic legislation which bears his name would require a recital of almost all the major legislative achievements in the Congress of the United States from the time he entered until his retirement. His outstanding accomplishments ranged from the conservation and proper development of our Nation's natural resources to the enactment of the medicare program which provided a beacon of hope for our elder citizens as they faced the staggering cost of medical care in their declining years.

He was the father of the Wilderness Act, which gave statutory protection to portions of our Nation's wild areas for future generations. His contribution to his own State and region will provide a lasting monument to his public service. The development of the resources of the Colorado River Basin was one of his primary goals when he sought election to the Senate in 1948. He played a major role in enactment of the Upper Colorado River Basin Storage Act. The implementation of that resource project has become a milestone in the development of our Nation's natural resources.

The peaceful uses of atomic energy was another of the major goals that he sought in his career. He served as chairman of the Joint Committee on Atomic Energy, and he preceded me as chairman of the Committee on Interior and Insular Affairs.

His last years in the Senate were devoted to the successful operation of the Nation's space program. He served as the chairman of the Senate Committee on Aeronautical and Space Sciences from 1963 until his retirement in 1973, during the decade of America's greatest achievements in space.

He was a man who was afflicted most of his adult life with numerous illnesses but overcame them to live a long and useful life. His great spirit, energy, and knowledge enabled him, in my judgment, to be a great legislator and a great statesman, one of the finest ever to serve in the Congress.

He leaves his lovely wife, Henrietta, and a son, Sherb, and daughter, Nancy, and grandchildren. Our heart goes out to them in their hour of sorrow.

I have lost a great friend; the Nation has lost a great statesman.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period of 14 days for the purpose of compiling the eulogies on the part of Senators on the passing of our late deceased and beloved colleague, Senator Clinton P. Anderson, of New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask unanimous consent that on the resolution introduced by the joint leadership, the names of the Senators from New Mexico (Mr. MONTOYA and Mr. DOMENICI) and the name of Senator JACKSON, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, there will be a period for the transaction of routine morning business limited to not to exceed 20 minutes, with speeches by Senators limited to 5 minutes each.

Is there morning business to be transacted at this time?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 12:45 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of the reading clerks, announced that the Speaker had signed the enrolled bill (H.R. 8365) making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The enrolled bill was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals, November 1975 (with an accompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture and Forestry, the Committee on Labor and Public Welfare, the Committee on Interior and Insular Affairs, the Committee on Commerce, the Committee on Public Works, the Committee on Armed Services, the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, the Committee on the Judiciary, and the Committee on Foreign Relations, jointly, pursuant to the order of January 30, 1975.

REPORT OF CURRENT SERVICES ESTIMATES FOR FISCAL YEAR 1977

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report of current services estimates for fiscal year 1977 (with an accompanying report); to the Committee on Appropriations and the Committee on the Budget, jointly, pursuant to the order of January 30, 1975.

REPORT OF PROPERTY, SUPPLIES AND COMMODITIES PROVIDED UNDER THE GERMAN OFFSET AGREEMENT

A letter from the Assistant Secretary of Defense, reporting, pursuant to law, on property, supplies, and commodities provided by the Berlin Magistrate, and under German Offset Agreement for the quarter July 1, 1975 through September 30, 1975; to the Committee on Appropriations.

PROPOSED TRANSFER AUTHORITY FOR THE GENERAL SERVICES ADMINISTRATION

A communication from the President of the United States proposing transfer authority for the fiscal year 1976 in the amount of $554,000 and for the transition quarter in the amount of $131,000 for the General Services Administration (with accompanying papers; to the Committee on Appropriations, and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE GENERAL SERVICES ADMINISTRATION

A communication from the President of the United States proposing supplemental appropriation for the fiscal year 1976 in the amount of $1,000,000 for the General Services Administration (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MUSKIE, from the Committee on the Budget, without amendment:

S. Con. Res. 76. An original concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1976, directing certain reconciliation action, and providing for the transition quarter (together with additional, supplemental and minority views) (Rept. No. 94–453).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HARTKE:

S. 2656. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual may elect to have any employment or self-employment performed by him after attaining age 65 excluded (for both tax and benefit purposes) from coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

By Mr. PELL:

S. 2657. A bill to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. BAKER (for himself, Mr. BROCK, Mr. FORD, and Mr. HUDDLESTON):

S. 2658. A bill to amend the authorization for the West Tennessee Tributaries project. Referred to the Committee on Public Works.

By Mr. HATHAWAY:

S. 2659. A bill to amend the Department of Defense Appropriation Act, 1975, to authorize labor surplus area and small business set-aside programs, and for other purposes. Referred to the Committee on Government Operations.

By Mr. BAKER (for himself and Mr. BROCK):

S. 2660. A bill to make the film "Wilma Rudolph Olympic Champion", which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic Games. Referred to the Committee on Foreign Relations.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2661. A bill to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes. Referred to the Committee on Commerce.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HARTKE:

S. 2656. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to provide that an individual may elect to have any employment or self-employment performed by him after attaining age 65 excluded (for both tax and benefit purposes) from coverage under the old-age, survivors, and disability insurance system. Referred to the Committee on Finance.

Mr. HARTKE. Mr. President, there are many inequities and problems in the present social security system. Earlier this session of Congress I introduced a bill S. 2055 to revitalize the social security finance structure by reducing the regressive social security tax and partially financing benefits from general revenues. Today I am introducing a bill to correct a serious inequity in the system: The requirement that workers over 65 who remain in the work force must continue to pay the social security tax even though they may be receiving social security benefits.

This bill would allow each person who reaches the age of 65 to elect to have further employment excluded from social security coverage, both for tax and benefit purposes. The Social Security Administration claims those over 65 who remain in the work force receive higher benefits, so the requirement that such individuals continue to contribute to the social security trust fund is justifiable. However, the facts show the increase in benefits for such persons is minimal, averaging only about $6 per month. Thus, while some people may reap a net benefit by continuing to pay the social security tax beyond the age of 65, most people obviously do not. This bill would allow those workers over 65 who would benefit from continued social security coverage to remain within the system. However, nearly 3½ million older Americans would benefit from my proposal allowing them to opt out of further social security tax payments.

The bill establishes a simple procedure to qualify for exclusion from paying the social security tax. An individual who reaches age 65 may apply for a certificate which may be used to exclude any or all employment from the tax. Similar provisions apply to self-employed persons.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2656

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 210 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Service Performed After Attaining Age 65

"(p) Notwithstanding any other provision of this section, the term employment shall not include any service performed by an individual who has attained age 65 if such individual is the holder of a certificate issued under section 3221 (s) (2) of the Internal Revenue Code of 1954 and has elected to make such certificate applicable to such service as provided in section 3121 (s) (3) of such Code"

(b) Section 3121 of the Internal Revenue Code of 1954 (definitions applicable to tax under Federal Insurance Contributions Act) is amended by adding at the end thereof the following new subsection:

"(s) SERVICE PERFORMED AFTER ATTAINING AGE SIXTY-FIVE.

"(1) EXCLUSION OF SERVICE FROM EMPLOYMENT.—Notwithstanding any other provision of this section, the term 'employment' shall not for purposes of this chapter include any service performed by an individual who has attained age 65 if such individual is the holder of a certificate issued under paragraph (2) and has elected to make such certificate applicable to such service as provided in paragraph (3).

"(2) CERTIFICATE.—Any individual who has attained age 65 shall, upon application made to the Secretary or his delegate (in such manner and from as may be prescribed by regulations under this chapter), be issued a certificate entitling him at his election to have any or all service performed by him or employers excluded from 'employment' for purposes of this chapter and title II of the Social Security Act. Application for such certificate may be filed at any time on or after the day on which such individual attains age 65.

"(3) APPLICATION OF CERTIFICATE TO SPECIFIC SERVICE.—An individual holding a certificate issued under paragraph (2) may at any time, by filing such certificate or a certified copy thereof with his employer, elect to have all service performed by him for such employer excluded from 'employment' for purposes of this chapter and title II of Social Security Act; and such election shall be effective with respect to all service performed by such individual for that employer on and after the date on which it is made and until terminated or revoked. An election made under this paragraph with respect to service performed for any employer shall terminate if such individual ceases to perform service for that employer on a continuous or regular basis, and may at any time be revoked by such individual by notifying the employer and withdrawing the certificate or copy thereof which was filed with the employer at the time of election, but any such revocation shall not be effective until the close of the calendar month in which it is made.

"(4) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations (including regulations providing for the interchange of information between him and the Secretary of Health, Education, and Welfare) as he deems necessary or appropriate to carry out this subsection."

SEC. 2. (a) Section 211 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Income Derived After Attaining Age Sixty-Five

"(h) Notwithstanding any other provision of this section, the term 'net earnings from self-employment' shall not include any income derived by an individual from a trade or business in any taxable year if (1) at the close of such year such individual has attained age 65, and (2) such individual elects as provided in section 1302(j) (2) of the Internal Revenue Code of 1954 to have such income exempted from the tax imposed by section 1401 of such Code."

(b) Section 1402 of the Internal Revenue Code of 1954 (definitions applicable to tax under Self-Employment Contributions Act of 1954) is amended by adding at the end thereof the following new subsection:

"(j) INCOME DERIVED AFTER ATTAINING AGE SIXTY-FIVE.—

"(1) EXLUSION FROM NET EARNINGS.—Notwithstanding any other provision of this section, the term 'net earnings from self-employment' shall not for purposes of this chapter include any income derived by an individual from a trade or business in any taxable year if (A) at the close of such year such individual has attained age 65, and (B) such individual elects as provided in paragraph (2) to have such income exempted from the tax imposed by section 1401.

"(2) ELECTION.—Any individual who at the close of a taxable year has attained age 65, and during such year has derived any income from a trade or business carried on by him, may by including a statement to that effect in self-employment income tax return for such year elect to have such income exempted from the tax imposed by section 1401. Any such election shall be effective only for the taxtable year with respect to which it is made, and shall apply to all of the individual's income derived during such year from a trade or business, or (if he carries on more than one) from the trades or businesses, carried on by him.

"(3) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations (including regulations providing for appropriate refunds of any payments of estimated self-employment tax which may have been made during the taxable year with respect to income exempted from tax by an election made under paragraph (2), and for the interchange of information between him and the Secretary of Health, Education, and Welfare) as he deems necessary or appropriate to carry out this subsection."

SEC. 3. The amendments made by the first section of this Act shall apply only with respect to service performed on or after the first day of the month following the month in which this Act is enacted. The amendments made by section 2 of this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

By Mr. PELL:

S. 2657. A bill to extend the Higher Education Act of 1965, to extend and revise the Vocational Education Act of 1963, and for other purposes. Referred to the Committee on Labor and Public Welfare.

EDUCATION AMENDMENTS OF 1975

Mr. PELL. Mr. President, today I am introducing the Education Amendments of 1975. This bill extends and amends all education legislation which would otherwise expire at the end of this fiscal year. It includes higher education, vocational education, and the authorizing language for the National Institute of Education.

In the area of higher education, the legislation proposes extension of existing law, basically unchanged, through fiscal year 1982. The bill reflects no major changes in philosophy from the approach adopted by the Congress in 1972. It was in that year that we engaged in a major debate concerning the most appropriate vehicle for Federal aid to higher education. It was decided that Federal funds should be directed to the student, allowing him to choose his postsecondary institution, rather than direct aid to the institution itself. My bill contains this basic approach.

In the area of student assistance, I propose raising the ceiling on basic grants from $1,400 to $1,800, reflecting increases both in the cost of living and in tuition. The bill retains the limitation contained in existing law that a basic grant cannot exceed half the cost of a student's education. This provision allows students to attend higher-cost private institutions, as well as lower-cost 2- and 4-year public institutions.

With regard to the guaranteed student loan program, the bill seeks to cut the appalling default rate we are currently experiencing. Witnesses before the subcommittee variously estimated the projected default rate at 18 percent to as high as 24 percent. It is my understanding that this is three times the rate of regular consumer loans. This cannot continue.

My bill provides that a student cannot discharge his loan obligation by claiming bankruptcy for 5 years after his graduation. It suspends the authority of a postsecondary educational institution to serve as a lender when more than 10 percent of that institution's loans are in default. In addition, it prohibits the use of commissioned salesmen to peddle loans as they attempt to sign up students.

My bill proposes repeal of the Education Professions Development Act, with the exception of the Teacher Corps. Newspaper accounts tell us that one out of every two teachers just coming out of college is unable to find a job. In light of such statistics, it seemed to me inappropriate for the Federal Government to continue to support teacher-training programs.

Here I want to add a personal note. As we studied higher education legislation, we realized how complicated the law has become. Thoreau wrote:

> Our life is frittered away by detail. Simplify, simplify.

I think that the complexity with which provisions and amendments have been stated is often unnecessary. In my bill, we are holding the maxim that "simplest is best." Rather than rewrite every piece of legislation, we are authorizing straight extensions and reducing the amount of language wherever possible. We believe that this will allow educators the time to work out the problems they have with various aspects of the law. Also, this will allow relatively new provisions to take effect in an orderly manner.

In the area of vocational education, my bill proposes to rewrite the Vocational Education Act of 1963 in order to simplify its provisions and to improve its administration. The General Accounting Office undertook a study of existing vocational education programs and was highly critical of what it found. My proposal represents an attempt to reduce the suggestions of this report, as well as the suggestions of other witnesses before the subcommittee, to legislative language.

One of the major controversies in the field of vocational education this year is the proper role of postsecondary vocational education and methods of assuring that institutions of postsecondary education receive a fair share of Federal funds. Some witnesses advocated a mandatory split of the money between secondary and postsecondary education. Others recommended increasing the minimum allocation contained in current law. To my mind, neither of these solutions is satisfactory, since each means that the Federal Government would arbitrarily tell each State how it should conduct its vocational system. In addition, such an arbitrary split could threaten the concept that a single State agency should be accountable for the expenditure of vocational education funds in order to avoid overlap and duplication of efforts.

My proposal retains the concept that there should be a single State board for vocational education. However, it goes into more detail than existing law as to the composition of this board. In general, it requires that all agencies in the State—the chief State school officer, representatives of community college boards or boards of regents, adult educators, manpower administrators, and the public—must be involved in the planning of vocational education programs in the State. This involvement of all interested parties should assure meaningful plannining and should allow each State to develop a plan which meets its own unique needs.

It is my hope that this proposal will substantially cut down on the paperwork which is now involved in the administration of vocational education programs. Much of the "boilerplate" requirements which now must be submitted annually will only be submitted once and will remain on file with the commissioner. The annual plan which a State must submit will be far shorter than that required under current law. This will allow Federal and State officials concerned with administering vocational education programs to spend more time on the monitoring of program progress and less time on meaningless paperwork.

The remainder of my vocational education program retains the various categorical programs contained in existing law but seeks to simplify their provisions. I have included a new section on vocational guidance and counseling, because I believe that this very important element has too often been overlooked in the past. Unless youths and adults are aware of job opportunities, they cannot be expected to make wise decisions about vocational choices.

I am proposing to incorporate training of vocational educators to the Vocational Education Act. This authority is currently contained in the Education Professions Development Act, which my bill would repeal. However, although there is an overall teacher glut, this is not true in vocational education. Therefore, the Federal Government should continue its activities in this field.

Vocational education designed to meet today's manpower needs in new and emerging occupations requires up-to-date facilities and equipment. Many of our cities are attempting to provide vocational education in antiquated buildings and with obsolete equipment. Many rural areas lack sufficient funds to modernize existing facilities. Therefore, I am proposing an emergency program of assistance for remodeling and renovation for the neediest of our school districts across the country. Only if such assistance is available will these districts be able to offer programs which give reasonable promise of leading to employment.

Title IV of my bill deals with the administration of all education programs. I propose to reorganize the Education Division to assure that, as has been traditional, the Commissioner of Education is the chief education officer in the United States. Day-to-day operation of the Office of Education would be the responsibility of a newly created Executive Deputy Commissioner. He and the Director of the National Institute of Education would report directly to the newly constituted Commissioner.

With regard to the National Institute of Education, I am proposing to reorganize it into a series of institutes, all reporting to the Director of the National Institute of Education. An Institute of Elementary and Secondary Education would be charged with primary authority for research in that area. Similarly, an Institute of Postsecondary Education would conduct postsecondary research, including those activities now supported by the Fund for the Improvement of Postsecondary Education, which would be folded into the new institute. A third Institute of Vocational Education would be responsible for all vocational education research, including that now carried on by the Office of Education. It is my hope in creating these institutes to broaden the base of support for the National Institute of Education by creating individual Institutes to which the educational community can relate and which they can hold accountable.

I realize that the legislation I am proposing is long and complex. I am introducing it in order to focus attention on educational issues which we must resolve within this fiscal year. I will welcome suggestions and comments both from my colleagues and from the educational community on my proposals.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2657

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Education Amendments of 1975".

TITLE I—HIGHER EDUCATION

PART A—COMMUNITY SERVICES AND CONTINUING EDUCATION

EXTENSION OF AUTHORIZATION

SEC. 101. (a) (1) Section 101 of the Higher Education Act of 1965 (hereafter in this title referred to as "the Act") is amended by inserting after "title" the following: "(other than grants authorized by section 110)".

(2) Such section is further amended by striking out all that follows "authorized to be appropriated" and inserting in lieu thereof "$50,000,000 for the fiscal year 1976 and each of the succeeding fiscal years ending prior to October 1, 1982."

(b) Section 110(b) of the Act is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1982".

(c) Section 111(f) of the Act is amended by striking out "through June 30, 1975" and inserting in lieu thereof "during the period for which appropriations are authorized under this title".

ADMINISTRATIVE EXPENSES

SEC. 102. Section 107(a) of the Act is amended by striking out "$25,000" and inserting in lieu thereof "$40,000".

RELATION TO OTHER PROGRAMS

SEC. 103. The text of section 112 of the Act is amended to read as follows: "Nothing in this section shall modify any authority under the Act of May 8, 1914 (Smith-Lever Act), as amended (7 U.S.C. 341–348).".

PART B—COLLEGE LIBRARY ASSISTANCE AND LIBRARY TRAINING AND RESEARCH

EXTENSION OF AUTHORIZATION

SEC. 106. (a) The first sentence of section 201(b) of the Act is amended by striking out all that follows "authorized to be appropriated" and inserting in lieu thereof "$100,000,000 for each fiscal year ending prior to October 1, 1982.".

(b) Section 231 of the Act is amended by striking out all that follows "authorized to be appropriated" through "June 30, 1975" and inserting in lieu thereof "$9,000,000 for each fiscal year ending prior to October 1, 1982".

PART C—STRENGTHENING DEVELOPING INSTITUTIONS

EXTENSION OF AUTHORIZATION

SEC. 111. Section 301(b) of the Higher Education Act of 1965 is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

PART D—STUDENT ASSISTANCE

BASIC EDUCATIONAL OPPORTUNITY GRANTS

SEC. 121. (a) Section 411(a) (1) of the Act is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1982".

(b) (1) Section 411(a) (2) (A) (i) of the Act is amended by striking out "$1,400 and inserting in lieu thereof "$1,800".

(2) The amendment made by paragraph (1) of this subsection shall be effective for academic year 1977–1978 and thereafter.

(c) Division (iv) of section 411 (a) (3) (B) of the Act is amended to read as follows:

"(iv) In determining the expected family contribution with respect to any student, any amount paid under the Social Security Act to, or on account of, the student which would not be paid if he were not a student, shall be considered as effective family income and one-half of any amount paid the student under chapters 34 and 35 of title 38, United States Code, shall be considered as effective income for such student.".

(d) Section 411 (b) (3) (B) of the Act is amended by redesignating divisions (iv) and (v), and all references thereto as divisions (v) and (vi) and by inserting after division (iii) the following new division:

"(iv) If, at the end of any fiscal year, funds available for making payments under this subpart have not been obligated, such funds shall remain available for making such payments for three months after the end of such fiscal year but payments may be made under this division only with respect to entitlements established for that fiscal year.".

(e) Section 411 (b) (4) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

(f) Section 411 (b) (3) (C) of the Act is repealed.

(g) Section 411 of the Act is amended by adding at the end thereof the following new subsection:

"(c) In addition to payments made with respect to entitlements under this subpart, each institution of higher education shall be eligible to receive from the Commissioner the payment of $15 per academic year for each student enrolled in that institution who is receiving a basic grant under this subpart for that year.".

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

SEC. 122. (a) Section 413A (b) (1) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

(b) Section 413C(b) (4) of the Act is amended by striking out "464" and inserting in lieu thereof "494".

STATE STUDENT INCENTIVES GRANTS

SEC. 123. (a) Section 415A (b) (1) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

(b) Section 415C (b) of the Act is amended by redesignating clauses (4) and (5) of such section, and all references thereto, as clauses (6) and (7), respectively, and by inserting after clause (3) thereof the following new clauses:

"(4) provides that, effective with respect to fiscal years beginning after September 30, 1976, in awarding student grants, there shall be no differentiation between students based on whether the student pursues his study within the State, or outside the State;

"(5) provides that, effective with respect to fiscal years beginning after September 30, 1976, all non-profit institutions of higher education in the State are eligible to participate in the State program;".

SPECIAL PROGRAMS FOR STUDENTS FROM DISADVANTAGED BACKGROUNDS

SEC. 124. (a) Section 417A (b) of the Act is amended by striking out "July 1, 1975" and by inserting in lieu thereof "October 1, 1982".

(b) Section 417B(a) of the Act is amended by striking out "417 (a)" and by inserting in lieu thereof "417A (a)".

VETERANS COST-OF-INSTRUCTION PAYMENTS

SEC. 125. Section 420 of the Act is amended by striking out "June 30, 1975" and by inserting in lieu thereof "September 30, 1982".

FEDERAL LOAN INSURANCE PROGRAM

SEC. 126. (a) (1) The first sentence of section 424 (a) of the Act is amended by inserting after "1975" a comma and the following: "and each succeeding fiscal year ending prior to October 1, 1982".

(2) The second sentence of such section 424 (a) is amended by striking out "June 30, 1979" and inserting in lieu thereof "September 30, 1986".

(b) (1) Section 427 (a) (2) (C) of the Act is amended by striking out "or" before "(iv)" and by striking out "title VIII of the Economic Opportunity Act of 1964" and inserting in lieu thereof "the Domestic Volunteer Service Act of 1973, or (v) not in excess of one year during which the borrower is unemployer".

(2) Section 428 (b) (1) (L) of the Act is amended by striking out "or" before "(iv)" and by striking out "title VIII of the Economic Opportunity Act of 1964" and inserting in lieu thereof "the Domestic Volunteer Service Act of 1973, or (v) not in excess of one year during which the borrower is unemployed".

(c) Section 428 of the Act is amended by adding at the end thereof the following new subsection:

"(e) Each eligible institution shall be eligible to receive from the Commissioner the payment of $10 per academic year for each student enrolled in that institution who is in receipt of a loan, described in paragraph (1) of subsection (a) of this section, for that year.".

(d) Section 435 (a) of the Act is amended by inserting before the period a comma and the following: "except that such term does not include any such institution or school which employs or uses commissioned salesmen to promote the availability of any loan program described in section 421 (a) (1) at that institution or school".

(e) Section 435 (g) of the Act is amended by inserting before the period a comma and the following: "except that such term does not include any eligible institution in any fiscal year immediately after the fiscal year in which the Commissioner determines that 10 per centum or more of the amount of the loans described in section 428 (a) (1) made with respect to students at that institution and repayable in that year is in default, as defined in section 430 (e) (2)".

(f) Section 438 (a) of the Act is amended—

(1) by inserting "(A)" after "(1)";

(2) by redesignating clause (2) as subclause (B); and

(3) by inserting after subclause (B) (as redesignated by this subsection) the following new clause:

"(2) the establishment of a reasonable information program for prospective students at an eligible institution including information concerning the academic or training programs at that institution and in the case of an institution preparing students for a particular vocation or trade, information concerning the employment of the graduates of that institution; and".

WORK STUDY PROGRAM

SEC. 127. (a) Section 441 (b) of the Act is amended by inserting before the period a comma and the following: "and for each of the succeeding fiscal years ending prior to October 1, 1982".

(b) Section 447 (b) of the Act is amended by inserting "for" before the word "each" and by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

COOPERATIVE EDUCATION

SEC. 128. (a) Section 451 (a) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

(b) Section 451 (b) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

DIRECT LOAN PROGRAM

SEC. 129. (a) Section 461 (b) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

(b) Section 461 (b) (2) of the Act is amended by striking out "June 30, 1976" and inserting in lieu thereof "September 30, 1983", and by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

IMPROVED COLLECTION FOR INSURED LOAN PROGRAM

SEC. 130. (a) Title IV of the Act is amended by inserting immediately after section 498 the following new sections:

"FIVE YEAR NONDISCHARGEABILITY OF CERTAIN LOAN DEBTS

"SEC. 498A. A debt which is a loan insured or guaranteed under the authority of part B of this title may be released by a discharge in bankruptcy under the Bankruptcy Act only if such discharge is granted after the five year period (exclusive of any applicable suspension of the repayment period) beginning on the date of commencement of the repayment period of such loan.".

(b) The amendment made by subsection (a) of this section shall be effective with respect to any proceedings begun under the Bankruptcy Act 30 days after the date of enactment of this Act.

FISCAL RESPONSIBILITY

SEC. 131. Such title IV is further amended by adding after section 498A (as added by section 130) the following new section:

"FISCAL ELIGIBILITY OF INSTITUTIONS

"SEC. 498B. (a) Notwithstanding any other provision of this title, the Commissioner is authorized to prescribe such regulations as may be necessary to provide for—

"(1) a fiscal audit of any—

"(A) institution of higher education at which a student is enrolled who is receiving a basic grant under subpart 1 of part A of this title;

"(B) eligible institution having an agreement with the Commissioner under section 444 to provide assistance for the operation of work study programs under part C of this title; and

"(C) institution of higher education having an agreement with the Commissioner under section 463 for the payment of Federal contributions for direct student loans under part E of this title;

"(2) the establishment of reasonable standards of financial responsibility and appropriate institutional capability for the administration by an institution of higher education in the case of programs described in clause (A) and clause (C) of the preceding paragraph or by an eligible institution in the case of a program described in clause (B) of the preceding paragraph of student financial aid with respect to funds obtained under this title:

"(3) the limitation, suspension, or termination, of any payment made under such subpart 1, part C, or part E, with respect to any institution of higher education, or eligible institution, as the case may be whenever the Commissioner has determined, after notice and affording an opportunity for a hearing, that such an institution has violated or failed to carry out any regulation prescribed under this section.

"(b) The Commissioner shall, for the purpose of carrying out the provisions of this section with respect to subpart 1 of part A of this title, enter into special arrangements with institutions of higher education at which students receiving basic grants under that subpart are enrolled. The Commissioner shall include special provisions designed to carry out the provisions of this section in agreements with eligible institutions under section 444 and in agreements with institutions of higher education under section 463.".

PART E—EDUCATION PROFESSIONS DEVELOPMENT

EXTENSION AND REVISION OF TITLE V

SEC. 151. (a)(1) The heading of title V of the Act is amended to read as follows:

"TITLE V—TEACHER CORPS"

(2) Part A of such title is repealed.

(3) Title V of the Act is amended—

(A) by striking out

"PART B—ATTRACTING AND QUALIFYING TEACHERS",

and

(B) by striking out

"SUBPART 1—TEACHERS CORPS".

(4) Subpart 2 of Part B of such title, and Parts C, D, E and F are repealed.

(b) The amendments made by subsection (a) shall take effect on September 30, 1976.

AUTHORIZATION OF APPROPRIATIONS FOR THE TEACHER CORPS

SEC. 152. Section 511 of the Act is amended by inserting "(a)" after the section designation and by adding at the end thereof the following:

"(b) For the purpose of carrying out the provisions of this title, there are authorized to be appropriated $37,500,000 for the fiscal year ending September 30, 1977, and for each of the fiscal years ending prior to October 1, 1982.".

Part F—Financial Assistance for the Improvement of Undergraduate Instruction

EXTENSION OF AUTHORIZATION

Sec. 156. (a) Section 601(b) of the Act is amended by striking out that part of the text thereof which precedes "to enable" and inserting in lieu thereof the following: "There are authorized to be appropriated $60,000,000 for each of the fiscal years ending prior to October 1, 1982,".

(b) Section 601(c) of the Act is amended by striking out that part of the text thereof which precedes "to enable" and inserting in lieu thereof the following: "There are authorized to be appropriated $10,000,000 for each of the fiscal years ending prior to October 1, 1982,".

Part G—Construction of Academic Facilities

EXTENSION OF AUTHORIZATION

Sec. 161. (a) Section 701(b) of the Act is amended by striking out all that follows "authorized to be appropriated" and inserting in lieu thereof the following: "$300,000,000 for each of the fiscal years ending prior to October 1, 1982.".

(b) Section 721(b) of the Act is amended by striking out all that follows "authorized to be appropriated" and inserting in lieu thereof the following: "$80,000,000 for each fiscal year ending prior to October 1, 1982.".

(c) The first sentence of section 741(b) of the Act is amended by striking out all that follows "authorized to be appropriated" and inserting in lieu thereof the following "$200,000,000 for each fiscal year ending prior to October 1, 1982.".

(d) Section 745(c)(2) of the Act is amended by striking out "four" and inserting in lieu thereof "six", and by inserting before the period at the end thereof a comma and the following "and October 1, 1977 and on October 1 of each of the four succeeding fiscal years".

(e)(1) Section 762(a) of the Act is amended by striking out "Office of Emergency Planning" and inserting in lieu thereof "Office of Emergency Preparedness".

(2) Such subsection is further amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

Part H—Networks for Knowledge

EXTENSION OF AUTHORIZATION

Sec. 166. Section 802 of the Act is amended by striking out all that follows "this title" and inserting in lieu thereof the following: "$15,000,000 for each of the fiscal years ending prior to October 1, 1982.".

Part I—Graduate Programs

EXTENSION OF GRADUATE FELLOWSHIPS AND ASSISTANCE AND LAW SCHOOL PROGRAMS

Sec. 171. (a)(1) Section 901(c) of the Act is amended to read as follows:

"(c) There are authorized to be appropriated $50,000,000 for each of the fiscal years ending prior to October 1, 1982, for the purposes of this part.".

(2) Section 922(a) of the Act is amended by striking out "two" and by inserting after "fiscal years" the following: "ending prior to October 1, 1982".

(3) Section 941(a) of the Act is amended by striking out "two" and by inserting after "fiscal years" the following: "ending prior to October 1, 1982".

(4) Section 961(b)(1) of the Act is amended by striking out "two" and by inserting after "fiscal years" the following: "ending prior to October 1, 1982".

(5) Section 981(a) of the Act is amended by striking out "June 30, 1975" and inserting in lieu thereof "September 30, 1982".

(b) Section 1103 of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

Part J—Community Colleges and State Postsecondary Planning

EXTENSION AND REVISION OF TITLE X

Sec. 176.(a)(1) The heading of title X of the Act is amended to read as follows:

"TITLE X—ESTABLISHMENT AND EXPANSION OF COMMUNITY COLLEGES"

(2) Such title is amended by striking out "Part A—Establishment and Expansion of Community Colleges

"Subpart 1—Statewide Plans"

and inserting in lieu thereof:

"Part A—Statewide Plans".

(3) Section 1001 (a) of the Act is amended by striking out "subpart" and inserting in lieu thereof "part".

(4) Section 1001(b) (1) of the Act is amended to read as follows:

"(b)(1) There are authorized to be appropriated $15,700,000 for each of the fiscal years ending prior to October 1, 1982, to carry out the provisions of this section.".

(b)(1) Such title is further amended by striking out "Subpart 2" in the heading following section 1001 and inserting in lieu thereof "Part B".

(2)(A) Section 1011(a) of the Act is amended by striking out "subpart" and inserting in lieu thereof "part".

(B) Section 1011(b) of the Act is amended to read as follows:

"(b) For the purpose of carrying out this part, there are authorized to be appropriated $150,000,000 for each of the fiscal years ending prior to October 1, 1982.".

(3) Section 1012(b) of the Act is amended by striking out "subpart" and inserting in lieu thereof "part".

(c)(1) Part B of title X of the Act is repealed.

(2) Part C of such title is redesignated as part B.

(d)(1) Section 1071(a) of the Act is amended by striking out "including parts C and I thereof,".

(2) Section 1071(a) is further amended by adding at the end thereof the following new sentence: "There shall be within the Bureau an Office of Continuing Education.".

(e) The amendments made by paragraphs (1), (2), (3) of subsection (a), paragraphs (1), 2(A), (3) of subsection (b), and paragraph (1) of this subsection shall take effect on September 30, 1977.

AUTHORIZATION FOR STATEWIDE PLANNING

Sec. 177. Section 1203(c) of the Act is amended to read as follows:

"(c) There are authorized to be appropriated $4,000,000 for each fiscal year ending prior to October 1, 1982, to carry out the provisions of this section.".

TITLE II—VOCATIONAL EDUCATION

EXTENSION OF CERTAIN VOCATIONAL EDUCATION PROGRAMS

Sec. 201. (a)(1) The first sentence of section 102(b) of the Vocational Education Act of 1963 (hereafter in this title referred to as "the Act") is amended to read as follows: "There are authorized to be appropriated $60,000,000 for each of the fiscal years 1976 and 1977, for the purposes of section 122(a)(4)(A).".

(2) The first sentence of section 102(c) of the Act is amended to read as follows: "There are authorized to be appropriated $17,500,000 for each of the fiscal years 1976 and 1977, for the purposes of section 122(a)(4)(C).".

(3) Section 102(d) of the Act is amended by striking out "for each fiscal year" and inserting in lieu thereof, "for each of the fiscal years 1976 and 1977,".

(4)(A) Section 104(a)(4) of the Act is amended by striking out "five" and inserting in lieu thereof "seven."

(B) Section 104(a)(5) of the Act is amended by striking out "July 1, 1976" and inserting in lieu thereof "October 1, 1977".

(b) Section 142(a) of the Act is amended by striking out "five" and inserting in lieu thereof "seven".

(c)(1) Section 151(b) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977".

(2) Section 152(a)(1) of the Act is amended by striking out "July 1, 1975," and inserting in lieu thereof "October 1, 1977".

(3) Section 153(d)(2) of the Act is amended by striking out that part thereof which follows "not to exceed $5,000,000" and inserting in lieu thereof the following: "for fiscal year 1976, which amount shall be increased by $5,000,000 on October 1 of the succeeding fiscal year.".

(d)(1) The first sentence of section 161 (a)(1) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977".

(2) The first sentence of section 161(c) of the Act is amended by striking out "five" and inserting in lieu thereof "seven".

(e) Section 172(a) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977".

(f) Section 181(a) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977".

(g) Section 189(b) of the Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1977".

REVISION OF THE VOCATIONAL EDUCATION ACT OF 1963

Sec. 202. Effective for fiscal year 1978 and thereafter, the Vocational Education Act of 1963 (title I of the Act of December 18, 1963, Public Law 88-210, as amended, 20 U.S.C. 1241) is amended to read as follows:

"TITLE I—VOCATIONAL EDUCATION

"Part A—State Vocational Education Programs

"DECLARATION OF PURPOSE

"Sec. 101. It is the purpose of this part to assist States in improving planning in the use of all resources available to them for vocational education and manpower training in order to achieve an equitable distribution of funds among secondary, postsecondary, and adult vocational education programs within the State, through the involvement in the development of vocational education policy and programs of a wide range of agencies and individuals concerned with education and training within the State, represented on a State board for vocational education. It is also the purpose of this part to authorize Federal grants to States to carry out such planning and to assist them to extend, improve, and, where necessary, maintain existing programs of vocational education, so that individuals of all ages will have ready access to vocational training or retraining which is of a high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

"AUTHORIZATION OF APPROPRIATIONS; USES OF FUNDS

"Sec. 102. (a) There are authorized to be appropriated $650,000,000 for fiscal year 1978, $750,000,000 for fiscal year 1979, $850,000,000 for fiscal year 1980, $950,000,000 for fiscal year 1981, and $1,000,000,000 for fiscal year 1982, for the purpose of carrying out this part.

"(b) There are also authorized to be appropriated $70,000,000 for fiscal year 1978, $80,000,000 for fiscal year 1979, $90,000,000 for fiscal year 1980, and $100,000,000 for each of the fiscal years 1981 and 1982, for the purpose of carrying out section 110(c).

"(c) There are further authorized to be appropriated for fiscal year 1978 and for each of the four succeeding fiscal years, such sums as may be necessary to pay one-half of the cost of the administration of State annual program plans.

"(d) Grants to States under this Act may be used for any programs and projects for vocational education described in the general application, including the construction of area. vocational education school facilities.

"ALLOTMENTS AMONG STATES

"SEC. 103. (a) (1) From the sums appropriated pursuant to section 102 (a), the Commissioner shall reserve and transfer to the Secretary of Labor (upon terms and conditions as the Commissioner and the Secretary of Labor agree upon) an amount, not to exceed $5,000,000 in any fiscal year, for the conduct of national, regional, State, and local studies and projections of manpower needs, upon the request of Federal, State, and local education officials and of advisory councils having responsibilities under this title.

"(2) From the remainder of the sums appropriated pursuant to section 102 (a), and from all of the sums appropriated pursuant to section 102 (b), the Commissioner shall allot to each State for each fiscal year—

"(A) an amount which bears the same ratio to 50 percent of the sums being allotted as the product of the population aged fifteen to nineteen, inclusive, in the State in the fiscal year preceding the fiscal year for which the determination is made and the State's allotment ration bears to the sum of the corresponding products for all the States;

"(B) an amount which bears the same ratio to 20 percent of the sums being alloted as the product of the population aged twenty to twenty-four, inclusive, in the State in the preceding fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States;

"(C) an amount which bears the same ratio to 15 percent of the sums being allotted as the product of the population aged twenty-five to sixty-five, inclusive, in the State in the preceding fiscal year preceding the fiscal year for which the determination is made and the State's allotment ratio bears to the sum of the corresponding products for all the States; and

"(D) an amount which bears the same ratio to 15 percent of the sums being allotted as the sum of the amounts allotted to the State under subparagraphs (A), (B), and (C) for such year bears to the sum of the amounts allotted to all the States under paragraphs (A), (B), and (C) for such year.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program for which such amount has been allotted shall be available, from time to time, for reallotment, on such dates during such year as the Commissioner shall fix, on the basis of criteria established by regulation, among other States, except that funds appropriated under section 102 (b) may only be reallotted for the use set forth in section 110 (c). Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

"(c) (1) The allotment ratio for any State shall be 1.00 less the product of—

"(A) 0.50; and

"(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

"(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between October 1 and December 31 of the fiscal year preceding the fiscal year for which the determination is made. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

"(3) The term 'per capita income' means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

"(4) For the purposes of this section, population shall be determined by the Commissioner on the basis of the latest estimates available to him.

"STATE BOARD FOR VOCATIONAL EDUCATION

"SEC. 104. (a) Any State desiring to participate in the programs authorized by this Act shall, in accordance with State law, designate or establish a State Board for Vocational Education or agency which will be the sole State agency responsible for development of policy with respect to such programs, preparation and submission to the Commissioner of comprehensive Statewide long-range plans and annual programs plans, and consultation with the State Advisory Council for Vocational Education and other appropriate State planning agencies. The State board may delegate any of its other responsibilities involving administration, operation, and supervision of vocational education programs, in whole or in part, to one or more appropriate State agencies or officials.

"(b) (1) The membership of the State board designated or established pursuant to subsection (a) shall include—

"(A) the head of the State educational agency or his representative, who shall not be directly involved in the supervision or administration of vocational education programs;

"(B) the State official primarily responsible for supervision and administration of vocational education programs within the State, or his representative;

"(C) a representative of the State agency, if any, having responsibility for community and junior colleges;

"(D) a representative of the State agency, if any, having responsibility for institutions of higher education in the State;

"(E) a representative of the State agency, if any, having responsibility for adult education programs;

"(F) a representative of the State Manpower Services Council appointed pursuant to section 107(a) (2) (A) (i) of tne Comprehensive Employment and Training Act of 1973; and

"(G) one representative each of business, industry, labor, agriculture, and the general public.

"(2) The Chairman shall be selected by the members of the State board from among the members.

"(c) Each State board shall certify to the Commissioner any delegation of its responsibilities for administration, operation, or supervision of vocational education programs under this Act to other appropriate State agencies or officials, setting forth the specific responsibilities delegated and the specific agency or official involved.

"(d) (1) Each State board is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this Act and to contract for such services as may be necessary to enable them to carry out their evaluation functions described in section 111.

"(2) There are authorized to be appropriated for fiscal year 1977 and each of the succeeding four fiscal years such sums as may be necessary to pay one-half the cost of the planning activities of the State board.

"STATE ADVISORY COUNCILS ON VOCATIONAL EDUCATION

"SEC. 105. (a) Any State which desires to participate in programs under this Act for any fiscal year shall establish a State advisory council, which shall be appointed by the Governor or, in the case of States in which the members of the State board of education are elected (including election by the State legislature), by such board. Each State advisory council shall include as members one or more individuals who—

"(1) are representatives of, and familiar with, the vocational needs and problems of management in the State;

"(2) are representative of, and familiar with, the vocational needs and problems of labor in the State;

"(3) represent State industrial and economic development agencies;

"(4) are representative of community and junior colleges;

"(5) are representative of other institutions of higher education, area vocational schools, technical institutes, and postsecondary agencies or institutions which provide programs of vocational or technical education and training;

"(6) have special knowledge, experience, or qualifications with respect to vocational education but not involved in the administration of State or local vocational education programs;

"(7) are representative of, and familiar with, public programs of vocational education in comprehensive secondary schools;

"(8) are representative of, and familiar with, private programs of vocational education;

"(9) are representative of, and familiar with, vocational guidance and counseling services;

"(10) are representative of State correctional institutions;

"(11) are representative of local education agencies;

"(12) are representative of a State or local public manpower agency;

"(13) represent school systems with large concentrations of persons who have special academic, bilingual, social, economical, and cultural needs;

"(14) have special knowledge, experience, or qualifications, with respect to the special educational needs of physically or mentally handicapped persons;

"(15) are representative of the general public, including a person or persons representative of and knowledgeable about the poor and disadvantaged; and

"(16) are representative of vocational education students who are not qualified for membership under any of the preceding clauses of this paragraph.

Members of the State advisory council may not represent more than one of the above-specified categories. In appointing the State advisory council the Governor or the State board of education, as the case may be, shall insure that there is appropriate representation of both sexes, racial and ethnic minorities, and the various geographic regions of the State.

"(b) Not less than ninety days prior to the beginning of any fiscal year in which a State desires to receive a grant under this Act, the State shall certify the establishment of, and membership of, its State advisory council to the Commissioner.

"(c) Each State advisory council shall meet within thirty days after certification has been accepted by the Commissioner and shall select from among its membership a Chairman. The time, place, and manner of meeting shall be as provided by the rules of the State advisory council, except that such rules must provide for not less than one public meeting each year at which the public is given an opportunity to express views concerning the vocational education program of the State.

"(d) (1) Each State advisory council shall advise the State board in the development of the comprehensive Statewide long-range plan and the annual program plan for vocational education and shall advise the State board on policy matters arising out of the administration of programs under such plans.

"(2) The State advisory council shall also evaluate vocational education programs, services, and activities assisted under this Act, and publish and distribute the results thereof.

"(3) The State advisory council shall prepare and submit to the Commissioner and to the National Advisory Council created under section 172, through the State board, an annual evaluation report, accompanied by such additional comments of the State board as the State board deems appropriate, which (A) evaluates the effectiveness of vocational education programs, services, and activities as may be warranted by the evaluations.

"(e) Each State advisory council is authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to carry out their evaluation functions.

"(f) (1) From the sums appropriated pursuant to this section for any fiscal year, the Commissioner is authorized (in accordance with regulations) to pay to each State advisory council an amount equal to the reasonable amount expended by it in carrying out its functions under this Act in such fiscal year, except that the amount available for such purpose for any State for any fiscal year shall not exceed one per centum of the amount allotted to such State under section 104, but such amount shall not exceed $150,000 and shall not be less than $50,000.

"(2) There are authorized to be appropriated for fiscal year 1978 and each of the four succeeding fiscal years, $8,000,000 for the purpose of carrying out this section.

"COMPREHENSIVE STATEWIDE LONG-RANGE PLANS

"SEC. 106. (a) Each State board shall develop and submit to the Commissioner a comprehensive Statewide long-range plan for vocational education within the State, covering a period of not less than four years nor more than six years. Such plan shall set forth the overall manpower and vocational education goals which the State board intends to achieve during such period, together with specific descriptions of the planned use of Federal, State, and local vocational education funds for each such year, in order to achieve the stated goals.

"(b) In developing such a comprehensive Statewide long-range plan, the State board shall—

"(1) assess the needs, both actual and projected, of the State and, where relevant, the region and the nation, for trained manpower, in various occupations and at various levels, together with the actual and projected enrollments in vocational education programs and other training programs within the State;

"(2) assess the existing capabilities and facilities for provision of vocational education, together with existing and projected needs for such education in all parts of the State;

"(3) give thorough consideration to the most effective means of utilizing all existing institutions within the State capable of carrying out or supervising the kinds of programs assisted under this Act, including secondary schools, public and private community and junior colleges, area vocational schools, proprietary schools, technical institutes, manpower skill centers, institutions of higher education, and branches thereof;

"(4) develop administrative procedures which provide reasonable promise for resolving differences between vocational educators at the secondary level, community and junior college educators, college and university educators, elementary and secondary educators, and other interested groups with respect to the administration of programs authorized by this Act; and

"(5) develop procedures to assure continuous planning and evaluation, including the regular collection of data which would be available to the State board, State administering agencies, the State Advisory Council on Vocational Education, and other interested agencies, institutions, and individuals.

"GENERAL APPLICATION

"SEC. 107. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this Act shall, through its State board, submit to, and maintain on file with, the Commissioner a general application providing assurances—

"(1) that the State will provide for such methods of administration as are necessary for the proper and efficient administration of the Act;

"(2) that the State will make provision for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under the Act;

"(3) that Federal funds made available under this Act will be so used as to supplement, and to the extent practical, increase the amount of State and local funds that would, in the absence of Federal funds, be made available for vocational education programs authorized by this Act, and in no case supplant such State or local funds;

"(4) that the State will make provision for making such reports as the Commissioner may reasonably require to carry out his functions;

"(5) that funds will be distributed to eligible recipients on the basis of annual applications which—

"(A) have been developed in consultation with representatives of the educational and training resources available to the area to be served by the applicant,

"(B) describe the vocational education needs of potential students in the area or community served by the applicant and indicate how, and to what extent, the program proposed in the application will meet such needs,

"(C) describe how the activities proposed in the application relate to manpower programs conducted in the area by a prime sponsor established under the Comprehensive Employment and Training Act of 1973, if any, to assure a coordinated approach to meeting the vocational education and training needs of the area or community, and

"(D) describe the relationship between vocational education programs proposed to be conducted with funds under this Act and other programs in the area or community which are supported by State and local funds;

"(6) that priority in approval of applications from eligible recipients shall be given to applicants which—

"(A) propose programs for persons with special needs for vocational education, including persons with academic, socioeconomic, mental, and physical handicaps which require additional services to enable them to succeed in regular vocational educational programs,

"(B) are located in economically depressed areas and areas with high rates of unemployment, and are unable to provide the resources necessary to meet the vocational education needs of the areas without Federal assistance, and

"(C) propose programs which are new to the area to be served and which are designed to meet new and emerging manpower needs and job opportunities in the area and, where relevant, in the State and the nation;

"(7) that funds will not be distributed on the basis of per capita enrollment or through matching of local expenditures on a percentage basis, and that no eligible recipient will be denied Federal funds for the establishment of new vocational education programs solely because of its inability to pay the non-Federal share of the cost of such programs;

"(8) that any eligible recipient dissatisfied with final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing; and

"(9) that funds received under this Act will not be used for any program of vocational education (except personnel training programs under subpart 2 of part B, renovation programs under part E, and homemaking programs under part F) which cannot be demonstrated to prepare students for employment, be necessary to prepare individuals for successful completion of such a program, or be of significant assistance to individuals enrolled in making an informed and meaningful occupational choice.

"(b) The Commissioner shall approve any general application of a State board, or any modification thereof, which meets the requirements of subsection (a). The Commissioner shall not finally disapprove a general application, or modification thereof, except after reasonable notice and an opportunity for a hearing to the State board.

"ANNUAL PROGRAM PLAN

"SEC. 108. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year shall submit to the Commissioner, through the State board, an annual program plan for expenditure of funds received under this Act, at such time, in such detail, and containing such information as the Commissioner deems necessary. The Commissioner shall approve a plan submitted by a State if he determines that the plan submitted for that year—

"(1) was prepared in consultation with the State advisory council for that State, which council has been actively involved in all stages of development of the annual program plan;

"(2) reflects coordination of manpower activities within the State, through consultation with the State Manpower Services Council created under section 107 of the Comprehensive Employment and Training Act;

"(3) sets forth in detail the proposed distribution of Federal funds received under this Act for that fiscal year among eligible recipients, together with an analysis of the relationship of such expenditures to the comprehensive Statewide long-range plan submitted pursuant to section 106;

"(4) contains a report concerning the distribution among eligible recipients of Federal funds received under this Act for the preceding fiscal year, together with an analysis of the extent to which such distribution conformed to the pattern proposed in the annual program plan for that fiscal year;

"(5) updates the comprehensive Statewide long-range plan through amendment or revision of its actual and projected manpower needs and planned vocational education programs to meet such needs; and

"(6) has been submitted only after the State board (A) has given reasonable notice and afforded a reasonable opportunity for a public hearing on the annual program plan, and (B) has implemented policies and procedures to insure that copies of the State's comprehensive Statewide long-range plan and annual program plan, and all statements of general policies, rules, regulations, and procedures issued by the State board and by State agencies and officials to which any responsibility is delegated will be made reasonably available to the public.

"(b) The Commissioner shall approve a State's annual program plan only after he has made specific findings, in writing, as to the compliance of such plan with the provisions of the Act and he is satisfied that adequate procedures are set forth to insure that the assurances submitted pursuant to subsection (a) of section 107 and the provisions of the annual program plan submitted pursuant to this section are being carried out and that the annual program plan shows progress in achieving the goals set forth in the comprehensive Statewide long-range plan.

"WITHHOLDING AND JUDICIAL REVIEW

"SEC. 109. (a) (1) The Commissioner shall not finally disapprove any plan submitted under section 108, or any modification thereof, without first affording the State board submitting the plan reasonable notice and opportunity for a hearing.

"(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State board administering a State plan approved under section 108, finds that—

"(A) the State plan has been so changed that it no longer complies with the provisions of section 108, or

"(B) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State board that no further payments will be made to the State under this Act (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under this Act (or shall limit payments to programs under or portions of the State plan no affected by such failure).

"(3) A State board which is dissatisfied with a final action of the Commissioner under this subsection or subsection 108(b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court of the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole on in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

"(b) (1) If any local educational agency is dissatisfied with the final action of the State board with respect to approval of an application by such local agency for a grant pursuant to this Act, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State board. The State board thereupon shall file in the court the record of the proceedings on which the State board based its action as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the State board, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the State board to take further evidence, and the State board may thereupon make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

"(3) The court shall have jurisdiction to affirm the action of the State board or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"PERSONS WITH SPECIAL NEEDS

"SEC. 110. (a) For any fiscal year, at least 10 per centum of each State's allotment under section 103(a) (2) shall be used to pay 60 per centum of the cost of vocational education for handicapped persons, who, because of their handicapping condition, cannot succeed in the regular vocational education program without special educational assistance or who require a modified vocational education program.

"(b) For any fiscal year, at least 15 per centum of each State's allotment under section 103(a) (2) shall be used to pay 60 per centum of the cost of vocational education for persons (other than handicapped persons defined in section 171(6)) who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education program.

"(c) (1) For any fiscal year, funds appropriated under section 102(b) and allotted under section 103(a) (2) shall be allocated within the State to areas of high concentration of youth unemployment and school dropouts, and shall be used to pay the full cost of vocational education for persons (other than handicapped persons defined in section 171(6)) who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education program.

"(2) Such funds may be granted to eligible recipients only if (A) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students, and (B) effective policies and procedures have been adopted which assure that Federal funds made available under this subsection to accommodate students in nonprofit private schools will not be commingled with State or local funds.

"PAYMENTS TO STATES

"SEC. 111. (a) (1) The Commissioner shall pay, from the amount available to each State for grants under this part to eligible recipients an amount equal to—

"(A) 50 percent of the cost of carrying out its annual program plan as approved pursuant to section 108, other than programs and activities for persons described in section 110,

"(B) 60 percent of the cost of vocational education programs for persons with special needs described in section 110(a) and section 110(b), except that in the case of the Trust Territory of the Pacific Islands and American Samoa, such amount shall be equal to 100 per centum of such expenditures; and

"(C) 100 per cent of the cost of vocational education programs for persons with special needs described in section 110(c).

"(2) In addition, the Commissioner shall pay, from the amount available to each State for administration of State plans appropriated under section 102(c), an amount equal to 50 per centum of the cost of administration of such plan.

"(b) No payments shall be made in any fiscal year under this Act to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of vocational education by that agency for the fiscal year preceding the fiscal year for which the determination was made was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for vocational education in that State for the fiscal year preceding the fiscal year for which the determination was made was not less than such fiscal effort for vocational education for the second preceding fiscal year; except that the Commissioner may waive so much of the requirement of this subsection as he determines is equitable to reflect the reduction in available tax resources to the relevant local education agency or the State, or both. The Commissioner shall prepare and establish objective criteria of general applicability to carry out the waiver authority contained in this subsection.

"PART B—ANCILLARY SERVICES

"SUBPART 1—VOCATIONAL GUIDANCE AND COUNSELING

"PURPOSE

"SEC. 121. It is the purpose of this subpart to provide Federal assistance to States to enable them to develop and conduct vocational guidance and counseling programs and activities for individuals of all ages, and to improve existing programs and activities, in order to improve the understanding of educational and occupational opportunities among individuals served and to facilitate vocational development throughout the lifetimes of such individuals.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 122. (a) There are authorized to be appropriated for the purpose of this subpart $25,000,000 for fiscal year 1978, $35,000,000 for fiscal year 1979, $45,000,000 for fiscal year 1980, $55,000,000 for fiscal year 1981, and $75,000,000 for fiscal year 1982.

"(b) (1) From the sums appropriated pursuant to this subpart, the Commissioner shall reserve such amount, not to exceed 3 percent thereof, as he may determine necessary and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, according to their relative need for assistance under this subpart.

"(2) From the remainder of the sums appropriated, the Commissioner shall allot to each State an amount which bears the same ratio to sums for such year as the population of the State bears to the population of all the States.

"USES OF FUNDS

"SEC. 123. Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this subpart shall set forth, in its annual program plan approved pursuant to section 108, its proposed allotment of funds among eligible recipients for vocational development guidance and counseling programs and services, including—

"(1) initiation, implementation, and improvement of high quality vocational guidance and counseling programs and activities;

"(2) vocational counseling for children, youth, and adults, leading to a greater understanding of educational and vocational options;

"(3) provision of educational and job placement services, including follow-up;

"(4) vocational and educational counseling for youth offenders and adults in correctional institutions; and

"(5) establishment of vocational resource centers to meet the special needs of out-of-school individuals, including individuals seeking second careers, individuals entering the job market late in life, handicapped individuals, individuals from economically-depressed communities or areas, and early retirees.

"COOPERATIVE ARRANGEMENTS

"SEC. 124. Applications for funds under this subpart from eligible recipients shall set forth cooperative arrangements with such community groups and agencies as the public employment service, vocational rehabilitation service, community mental health agencies, and other community resources concerned with vocational development guidance and counseling, in order to avoid unnecessary duplication in the provision of services in the community or area to be served.

"SUBPART 2—VOCATIONAL EDUCATION PERSONNEL TRAINING

"PURPOSE

"SEC. 126. It is the purpose of this subpart to provide training and retraining opportunities for persons serving or preparing to serve in vocational education programs, and to provide opportunities for potential leaders in vocational education to enroll in advanced study programs.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 127. There are authorized to be appropriated $10,000,000 for fiscal year 1978, $15,000,000 for fiscal year 1979, $20,000,000 for fiscal year 1980, $25,000,000 for fiscal year 1981, and $30,000,000 for fiscal year 1982, for the purpose of this subpart.

"TRAINING PROGRAMS

"SEC. 128. (a) The Commissioner is authorized to make grants to, or enter into contracts with, institutions of higher education, State educational agencies, State boards for vocational education, and, after consultation with the State board, to local educational agencies, for the purpose of carrying out programs or projects designed to improve the qualifications of persons serving or preparing to serve in vocational education programs, including teachers, administrators, supervisors, and vocational guidance and counseling personnel.

"(b) Grants or contracts under this section may be used for programs or projects—

"(1) to train or retrain teachers, or supervisors or trainers of teachers, in vocational education in new and emerging occupations;

"(2) providing in-service training for vocational education teachers and other staff members, to improve the quality of instruction, supervision, and administration of vocational education programs;

"(3) to train or retrain counseling and guidance personnel in the field of vocational guidance, including in-service training of such personnel designed to increase their awareness of vocational education opportunities at the secondary and postsecondary levels;

"(4) providing for exchange of vocational education teachers and other personnel with skilled workers or supervisors in business, industry, and agriculture (including mutual arrangements for preserving employment and retirement status and other employment benefits during the period of exchange), and the development and operation of cooperative programs involving periods of teaching in schools providing vocational education and of experience in commercial, industrial, or other public or private employment related to the subject matter taught in such school;

"(5) to prepare journeymen in the skilled trades or occupations for teaching positions; and

"(6) providing short-term or regular-session institutes designed to improve the qualifications of persons entering or reentering the field of vocational education in new and emerging occupational areas in which there is a need for such personnel.

"(c) The Commissioner may include in the terms of any grant or contract under this section provisions authorizing the payment, to persons participating in the training programs supported under this section, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine, consistent with prevailing practices under comparable Federally supported programs.

"LEADERSHIP DEVELOPMENT AWARDS

"SEC. 129. (a) In order to meet the needs of the States for qualified vocational education personnel, the Commissioner is authorized to make leadership development awards to—

"(1) personnel who have had at least two years of experience in vocational education, in industrial training, or in military technical training or, in the case of persons involved in vocational education research, experience in social science research which is applicable to vocational education;

"(2) personnel currently employed in vocational education programs or those with reasonable assurance of such employment, who have successfully completed at least a baccalaureate degree program; and

"(3) personnel recommended by employers or other qualified individual as having leadership potential in the field of vocational education.

"(b)(1) The Commissioner shall pay to personnel selected for leadership development awards such stipends (including such allowances for subsistence and other expenses for such person and his dependents) as he may determine to be consistent with prevailing practices under comparable Federally supported programs.

"(2) The Commissioner shall also pay to the institution of higher education at which such person is pursuing a course of study such amount as the Commissioner may determine to be consistent with the prevailing practices under comparable Federally supported programs, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to the institution of higher education under this subsection.

"(c) Persons receiving leadership development awards under this section shall continue to receive such awards only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

"(d) The Commissioner shall seek to achieve an equitable distribution of leadership development awards among the States, taking into account such factors as the State's enrollments in vocational education programs and the incidence of youth unemployment and school dropouts in the State.

"PART C—INNOVATION

"SUBPART 1—EXEMPLARY PROGRAMS AND PROJECTS

"PURPOSE

"SEC. 131. It is the purpose of this subpart to authorize the Commissioner to make grants to, and enter into contracts with, States, local educational agencies, institutions of higher education, and other public and private agencies and organizations in order to develop, demonstrate, and disseminate the results of exemplary and innovative programs and projects designed to assist students in secondary school, youth who have left school, and students in postsecondary educational institutions in making occupational choices and acquiring necessary skills and understanding for career success.

"AUTHORIZATION OF GRANTS AND CONTRACTS

"SEC. 132. (a) There are authorized to be appropriated $20,000,000 for fiscal year 1978, $30,000,000 for fiscal year 1979, $40,000,000 for fiscal year 1980, $50,000,000 for fiscal year 1981, and $75,000,000 for fiscal year 1982, to enable the Commissioner to carry out the provisions of this subpart.

"(b)(1) From the sums appropriated pursuant to this subpart, the Commissioner shall reserve such amount, not to exceed 3 percent thereof, as he may determine necessary and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, according to their relative need for assistance under this subpart.

"(2) From the remainder, the Commissioner shall reserve 50 percent which he shall use to make grants to, or enter into contracts with, States, local educational agencies, institutions of higher education, and other public and private agencies and organizations for programs and projects meeting national needs and priorities, pursuant to section 133 (a).

"(3) From sums not otherwise reserved, the Commissioner shall first allot $200,000 to each State (except for those for which sums are reserved in paragraph (1)), and he shall then allot to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States. Such sums shall be used by the State for grants to, or contracts with, local educational agencies, institutions of higher education, and other public and private agencies and organizations for programs and projects set forth in its annual program plan approved under section 108 which meet the requirements of section 133 (b).

"USES OF FUNDS

"SEC. 133. (a) Grants of contracts made by the Commissioner may be used to pay all or part of the cost of programs and projects directed toward meeting one or more critical national needs or high national priorities for vocational education, which he has identified, by regulation. Such needs and priorities shall include—

"(1) the development of high quality vocational education programs for urban centers with high concentrations of economically disadvantaged individuals, unskilled workers, and unemployed individuals;

"(2) the development of training opportunities for persons in sparsely populated rural areas and for individuals migrating from farms to urban areas;

"(3) the establishment of guidance and placement centers to meet the training, counseling, and placement needs of unemployed youth and adults; and

"(4) the establishment of cooperative arrangements between public education and manpower agencies, designed to correlate vocational education opportunities with current and projected needs of the labor market.

"(b) Grants and contracts made by the State may be used to pay all or part of the cost of programs and projects—

"(1) designed to meet the national needs and priorities identified by the Commissioner under subsection (a);

"(2) designed to broaden occupational aspirations and opportunities for youth, with special emphasis given to youth who have academic, socioeconomic, or other handicaps, including—

"(A) programs and projects designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisite for careers in such occupations;

"(B) programs and projects for students which provide educational experiences through work during the school year or in the summer;

"(C) programs and projects for intensive occupational guidance and counseling during the last years of secondary school and in postsecondary vocational education, and for initial job placement;

"(D) programs and projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and

"(E) programs and projects to facilitate the participation of employers and labor organizations in postsecondary vocational education.

"CONDITIONS OF GRANTS AND CONTRACTS

"SEC. 134. (a) A grant or contract pursuant to this subpart may be made or entered into by the Commissioner, under section 133(a), or by the State, under section 133(b), only upon a determination—

"(1) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of such grant or contract with the State plan approved under section 108 and with other public and private programs, including manpower programs, having the same or a similar purpose; and

"(2) that to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students, and that effective policies and procedures will be adopted which assume that Federal funds made available under this subpart will not be commingled with State or local funds.

"(b)(1) Financial assistance under this subpart may not be given to any program or project for a period exceeding three years, except that a program or project of national significance funded under section 133(a) may be supported for a fourth year if the Commissioner determines that its continuation for an additional year would serve to carry out the purposes of this subpart.

"(2) The State board shall set forth in the annual program plan submitted pursuant to section 108 the expected grants and contracts to be made under section 133(b), together with the expected amount and duration of Federal financial participation in such programs and projects. The annual program plan covering the final year of financial support for any such program or project shall indicate the proposed disposition of the program or project following the cessation of Federal support and the means by which successful or promising programs or projects will be continued and expanded within the State.

"PAYMENTS

"SEC. 135. (a) From the amount available for grants and contracts under this subpart pursuant to section 132(b)(2), the Commissioner shall pay to each applicant an amount equal to the amount expended by such applicant in accordance with the approved application. Such payment may be made on such terms as are approved in such application. Payment pursuant to grants under this subpart may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

"(b) Notwithstanding any other provision of law, unless hereafter enacted expressly in limitation of the provisions of this subsection, funds available to the Commissioner pursuant to section 132(b)(2) shall remain available until expended.

"SUBPART 2—CURRICULUM DEVELOPMENT

"PURPOSE

"SEC. 136. It is the purpose of this subpart to provide Federal assistance for the development and dissemination of curriculums for new and changing occupations.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 137. There are authorized to be appropriated $10,000,000 for fiscal year 1978 and for each of the succeeding four fiscal years, for the purposes of this subpart.

"USES OF FUNDS

"SEC. 138. The Commissioner shall, after consultation with the National Advisory Council on Vocational Education and appropriate State boards, make grants to, or enter into contracts with, institutions of higher education, States, and other public and nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

"(1) to develop and disseminate vocational education curriculum materials for new and changing occupational fields;

"(2) to survey, coordinate, and evaluate curriculum materials produced by agencies of the Federal Government, States, local educational agencies, and other agencies and organizations, and to disseminate the results of such effort; and

"(3) to train personnel in curriculum development and in the use of curriculums developed pursuant to this subpart.

"PART D—STUDENT PROGRAMS

"SUBPART 1—WORK-STUDY PROGRAMS FOR VOCATIONAL EDUCATION STUDENTS

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 141. There are authorized to be appropriated $45,000,000 for fiscal year 1978, $50,000,000 for fiscal year 1979, $55,000,000 for fiscal year 1980, and $60,000,000 for each of the fiscal years 1981 and 1982, for the purpose of carrying out this subpart.

"ALLOTMENT AMONG STATES

"SEC. 142. (a) From the sums appropriated under section 141 for each fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to such sums for such year as the population aged fifteen to twenty, inclusive, of the State in the fiscal year preceding the fiscal year for which the determination is made bears to the population aged fifteen to twenty, inclusive, of all the States in such preceding year.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out work-study programs under this subpart shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, the other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year, and the total of such reductions shall be similarly reallotted among the States not suffering such a reduction. Any amount reallotted to a State under this subsection during such year shall be deemed part of its allotment for such year.

"WORK-STUDY PROGRAMS

"SEC. 143. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this subpart shall set forth, in its annual program plan approved pursuant to section 108, its proposed allotment of funds among local educational agencies for work-study programs for vocational education students, which allotment shall give priority to applications from local educational agencies serving communities having substantial numbers of youths who have dropped out of school or are unemployed. Such work-study programs shall—

"(1) provide that employment shall be furnished only to a student who (A) has been accepted for enrollment as a full-time student in a vocational education program which meets the standards prescribed by the State board and the local educational agency for vocational education programs assisted under this Act or, in the case of a student already enrolled in such program, is in good standing and in full-time attendance, (B) is in need of the earnings from such employment to commence or continue his vocational education program, and (C) is at least fifteen years of age and less than twenty-one years of age at the commencement of his employment, and is capable, in the opinion of the appropriate school authorities, of maintaining good standing in his vocational education program while employed under the work-study program;

"(2) provide that employment under such work-study program shall be for the local educational agency or for some other public agency or institution and shall, to the extent practicable, be related to the vocational education program in which the student is enrolled; and

"(3) provide that, in each fiscal year during which such program remains in effect, such agency shall expend, from sources other than payments from Federal funds under this subpart, for the employment of its students (whether or not in employment eligible for assistance under this subpart) an amount that is not less than its average annual expenditure for work-study programs of a similar character during the three fiscal years preceding the fiscal year in which its work-study program under this section is approved.

"(b) Students employed in work-study programs under this subpart shall not by reason of such employment be deemed employees of the United States, or their service Federal service, for any purpose.

"PAYMENTS

"SEC. 144. (a) From a State's allotment under section 142 for any fiscal year, the Commissioner shall pay to such State an amount equal to 80 per centum of the amount expended for the compensation of students employed in work-study programs approved as part of the State's annual program plan pursuant to section 108.

"(b) In addition, the Commissioner shall pay, from such allotment, an amount, not to exceed 1 per centum of such allotment or $10,000, whichever is the greater, for the development of the work-study portion of the annual program plan and for administration of the program set forth in such plan.

"SUBPART 2—COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

"PURPOSE

"SEC. 146. It is the purpose of this subpart to enable the Commissioner to make grants to States for the establishment and expansion of programs of cooperative vocational education, involving alternate academic and vocational study and public or private employment, that will not only afford students the opportunity to earn through employment funds which can assist them in continuing and completing their education, but also will, so far as practicable, give them work experience related to their vocational education and occupational objectives.

"AUTHORIZATION

"SEC. 147. There are authorized to be appropriated $25,000,000 for fiscal year 1978, $30,000,000 for fiscal year 1979, $35,000,000 for fiscal year 1980, $40,000,000 for fiscal year 1981, and $50,000,000 for fiscal year 1982, for the purpose of carrying out this subpart.

"ALLOTMENT AMONG STATES

"SEC. 148. (a) From the sums appropriated pursuant to this subpart for each fiscal year, the Commissioner shall reserve such amount, not to exceed 3 percent thereof, as he may determine necessary and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, according to their relative need for assistance under this subpart.

"(b) From the remainder, the Commissioner shall first allot $20,000 to each State (except those for which sums are reserved in subsection (a)), and he shall then allot to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States. The population of particular age groups of a State and of all the States shall be determined by the Commissioner on the basis of the latest available estimates furnished by the Department of Commerce.

"(c) The amount of any State's allotment under this section for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out programs authorized by this subpart shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of criteria established by regulation, among other States. Any amount reallotted to a State under this subsection during such year shall be deemed part of its allotment for such year.

"COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

"SEC. 149. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this subpart shall set forth, in its annual program plan approved pursuant to section 108, its proposed allotment of funds among local educational agencies for the establishment and expansion of cooperative vocational education programs in which public and private employers participate, which allotment shall give priority to applications from local educational agencies in areas that have high rates of school dropouts and youth unemployment. Such cooperative vocational education programs shall—

"(1) provide training opportunities that may not otherwise be available and which are designed to serve individuals who can benefit from such programs;

"(2) be established in cooperation with employment agencies, labor groups, employers, and other community agencies;

"(3) provide for reimbursement of added costs to employers for on-the-job training of students enrolled in cooperative programs, if such on-the-job training is related to existing career opportunities susceptible of promotion and advancement and does not displace other workers who perform such work;

"(4) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served, whose educational needs are of the type which the program involved is to meet, provide for the participation of such students; and

"(5) provide such accounting, evaluation, and follow-up procedures as the Commissioner deems necessary, including effective policies and procedures to assure that Federal funds made available under this subpart will not be commingled with State or local funds.

"(b) Funds allotted under this subpart may be used to pay all or part of the costs of establishment and expansion of cooperative vocational education programs.

"PART E—EMERGENCY ASSISTANCE FOR REMODELING AND RENOVATION OF VOCATIONAL EDUCATION FACILITIES

"PURPOSE

"SEC. 151. It is the purpose of this part to provide emergency assistance, for a limited period of time, to local educational agencies in urban and rural areas which are unable to provide vocational education designed to meet today's manpower needs due to the age of their vocational education facilities or the obsolete nature of the equipment used for vocational training, in order to assist such agencies in the modernization of facilities and equipment necessary to assure that they will be able to offer vocational education programs which give reasonable promise of employment.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 152. There are authorized to be appropriated $25,000,000 for fiscal year 1977, $50,000,000 for fiscal year 1978, $75,000,000 for fiscal year 1979, and $100,000,000 for fiscal year 1980, to carry out the purpose of this part.

"APPLICATIONS

"SEC. 153. (a) Any local educational agency desiring to receive assistance under this part shall submit to the Commissioner, through its State board, an application therefor, which application shall set forth—

"(1) a description of the facility to be remodeled or renovated, including the date of construction of such facility and the extent of reconstruction necessary to enable such facility to provide a modern program of vocational education;

"(2) a description of the equipment to be replaced or modernized with the assistance of funds made available under this part;

"(3) a description of the extent to which the modernization of facilities and equipment, if assisted with funds made available under this part, would be consistent with, and further the goals of, the comprehensive Statewide long-range plan developed pursuant to section 106;

"(4) the financial ability of the local educational agency to undertake such modernization without Federal assistance;

"(5) the extent of State and local funds available to match Federal funds made available under this part, together with the sources and amounts of such funds; and

"(6) such other information as the Commissioner may require by regulation.

"(b) In approving applications submitted under this part, the Commission shall apply only the following criteria:

"(1) The need for such assistance, taking into account such factors as—

"(A) the age and obsolescence of the facilities and equipment for which emergency modernization assistance is sought,

"(B) the rate of youth unemployment in the labor market area served by the local educational agency,

"(C) the number of youth aged 17–21 residing in the labor market area served by the local educational agency who are unemployed, and

"(D) the percentage such youth represent, as compared with the vocational education enrollment in the local educational agency, and

"(2) The degree to which the modernization of facilities and equipment proposed in the application affords promise of achieving the goals set forth in the comprehensive statewide long-range plan developed pursuant to section 106.

"(c) The Commissioner shall rank all approved applications according to their relative need for assistance and, except as provided in subsection (d), shall pay, from sums appropriated for this part, 75 percent of the cost of such approved applications, until such appropriation shall be exhausted.

"(d) Upon a finding, in writing, that a local educational agency with an approved application is suffering from extreme financial need and would not, because of the limitation of Federal financial assistance to 75 percent of the cost of the approved project, be able to participate in the program authorized by this part, the Commissioner may waive such limitation and may pay the full cost of the approved project.

"PAYMENTS

"SEC. 154. (a) Upon his approval of an application for assistance under this part, the Commissioner shall reserve from the appropriation available therefor the amount required for the payment of the Federal share of the cost of such application as determined under subsection (c) or (d) of section 153.

"(b) The Commissioner shall pay to the applicant such reserved amount, in advance or by way of reimbursement, and in such installments consistent with established practice, as he may determine.

"PART F—CONSUMER AND HOMEMAKING EDUCATION

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 161. There are authorized to be appropriated $50,000,000 for fiscal year 1978, $60,000,000 for fiscal year 1979, $70,000,000 for fiscal year 1980, $75,000,000 for fiscal year 1981, and $80,000,000 for fiscal year 1982, for the purpose of Federal assistance for consumer and homemaking education programs.

"ALLOTMENT

"SEC. 162. (a) From the sums appropriated pursuant to section 161, the Commissioner shall allot to each State an amount which shall be computed in the same manner as allotments to States under section 103.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program authorized under this part shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines equitable and reasonable, to other States which he determines to be able to use such reallotted funds. Any amounts reallotted to a State under this subsection during such year shall be deemed part of its allotment for such year.

"USES OF FUNDS

"SEC. 163. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this part shall set forth, in its annual program plan approved pursuant to section 108, its proposed allotment of funds among local educational agencies for educational programs which—

"(1) encourage home economics to give greater consideration to social and cultural conditions and needs, especially in economically depressed areas;

"(2) encourage preparation for professional leadership;

"(3) are designed to prepare youths and adults in the dual role of homemaker and wage earner;

"(4) include consumer education programs, including promotion of nutritional knowledge and food use and the understanding of the economic aspects of food use and purchase; and

"(5) are designed for persons who have entered, or are preparing to enter, the work of the home.

"(b) At least one-third of the funds made available to each State under this part shall be expended in economically depressed areas or areas with high rates of unemployment for programs designed to assist consumers and to help improve home environments and the quality of family life.

"PAYMENTS

"SEC. 164. From a State's allotment under section 162 for each fiscal year, the Commissioner shall pay to such State an amount equal to 50 per centum of the amount expended for the purposes set forth in section 163(a), except that for each fiscal year the Commissioner shall pay an amount equal to 90 per centum of the amount used in areas described in section 163(b).

"PART G—GENERAL PROVISIONS

"DEFINITIONS

"SEC. 171. As used in this Act—

"(1) The term 'area vocational education school' means—

"(A) a specialized high school used exclusively or principally for the provision of vocational education to persons who are available for study in preparation for entering the labor market, or

"(B) the department of a high school exclusively or principally used for providing vocational education in no less than five different occupational fields to persons who are available for study in preparation for entering the labor market, or

"(C) a technical or vocational school used exclusively or principally for the provision of vocational education to persons who have completed or left high school and who are available for study in preparation for entering the labor market, or

"(D) the department or division of a junior college or community college or university which provides vocational education in no less than five different occupational fields, under the supervision of the State Board, leading to immediate employment but not necessarily leading to a baccalaureate degree, if it is available to all residents of the State or an area of the State designated and approved by the State Board, and if, in the case of a school, department, or division described in (C) or (D), if it admits as regular students both persons who have completed high school and persons who have left high school.

"(2) The term 'school facilities' means classrooms and related facilities (including initial equipment) and interests in lands on which such facilities are constructed. Such term shall not include any facility intended primarily for events for which admission is to be charged to the general public.

"(3) The term 'construction' includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and includes site grading and improvement and architect fees.

"(4) The term 'Commissioner' means the Commissioner of Education,

"(5) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(6) The term 'handicapped', when applied to persons, means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled or other health impaired persons who by reason thereof require special education and related services.

"(7) The term 'State' includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(8) The term 'State board' means a State board designated or created pursuant to section 104 of this Act.

"(9) The term 'local educational agency' means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program.

"(10) The term 'State educational agency' means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

"(11) The term 'postsecondary educational institution' means a nonprofit institution legally authorized to provide postsecondary education within a State for persons sixteen years of age or older, who have graduated from or left elementary or secondary school.

"(12) The term 'National Advisory Council' means the National Advisory Council on Vocational Education continued under section 172.

"NATIONAL ADVISORY COUNCIL ON VOCATIONAL EDUCATION

"SEC. 172. (a) The National Advisory Council on Vocational Education, established pursuant to section 104(a) of the Vocational Education Act of 1963, shall continue to exist during the period for which appropriations are authorized under this Act. Individuals who are members of the Council on the date of the enactment of this Act may continue to serve for the terms for which they were appointed. Members appointed to succeed such individuals shall be appointed by the President for terms of three years. The Council shall consist of twenty-one members, each of whom shall be designated as representing one of the categories set forth in the following sentence. The National Advisory Council shall include individuals—

"(1) representative of labor and management, including persons who have knowledge of semiskilled, skilled, and technical employment;

"(2) representative of new and emerging occupational fields;

"(3) knowledgeable in the field of vocational guidance and counseling;

"(4) familiar with manpower programs and administration of manpower programs;

"(5) knowledgeable about the administration of State and local vocational education programs, including members of school boards and private institutions;

"(6) experienced in the education and training of handicapped persons and of persons of limited English-speaking ability (as defined in section 703(a) of the Elementary and Secondary Education Act of 1965);

"(7) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds;

"(8) having special knowledge of postsecondary and adult vocational education programs;

"(9) representing the National Commission for Manpower Policy created pursuant to title V of the Comprehensive Employment and Training Act of 1973;

"(10) familiar with the special problems of individuals in correctional institutions; and

"(11) representatve of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (1) through (10), and who shall constitute not less than one-third of the total membership. In appointing the National Advisory Council, the President shall insure that there is appropriate representation of both sexes, racial and ethnic minorities, and the various geographic regions of the country. The President shall select the chairman. The National Advisory Council shall meet at the call of the Chairman, but not less than four times a year.

"(1) advise the President, Congress, Secretary, and Commissioner concerning the administration of, preparation of general regulations and budget requests for, and operation of, vocational education programs supported with assistance under this Act;

"(2) review the administration and operation of vocational education programs under this Act, and other pertinent laws affecting vocational education and manpower training (including the effectiveness of such programs in meeting the purposes for which they are established and operated), make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this Act and such other pertinent laws) to the President, Congress, Secretary, and Commissioner;

"(3) make such other reports or recommendations to the President, Congress, Secretary, Commissioner, or head of any other Federal department or agency as it may deem desirable;

"(4) identify, after consultation with the National Commission for Manpower Policy, the vocational education and manpower needs of the nation and assess the extent to which vocational education, manpower training, vocational rehabilitation, and other programs under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs;

"(5) conduct such studies, hearings, or other activities as it deems necessary to enable it to formulate appropriate recommendations.

"(6) conduct independent evaluations of programs carried out under this Act and publish and distribute the results thereof; and

"(7) provide technical assistance to State advisory councils established pursuant to section 105, in order to assist them in carrying out their responsibilities under this Act.

"(c) There are authorized to be appropriated $250,000 for fiscal year 1978 and each of the four succeeding years, to carry out the purposes of this section."

TITLE III—EXTENSIONS OF OTHER RELATED EDUCATION PROGRAMS

EXTENSION OF THE EMERGENCY INSURED STUDENT LOAN ACT OF 1969

SEC. 301. Section 2(a)(7) of each Act is amended by striking out "July 1, 1975" and inserting in lieu thereof "October 1, 1982".

EXTENSION OF TITLE III OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 302. (a) The first sentence of section 301 of the National Defense Education Act of 1958 is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

(b) The second sentence of such section is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1978".

EXTENSION OF TITLE VI OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 303. Section 60 of the National Defense Education Act of 1958 is amended to read as follows:

"SEC. 603. There are authorized $75,000,000 for the fiscal year ending June 30, 1976 and for each of the succeeding fiscal years ending prior to October 1, 1982, to carry out the provisions of this title.".

EXTENSION OF THE INTERNATIONAL EDUCATION ACT OF 1966

SEC. 304. Section 105(a) of the International Education Act of 1966 is amended to read as follows:

"SEC. 105. (a) There are authorized to be appropriated $40,000,000 for the fiscal year 1976, $20,000,000 for fiscal year 1977, $30,000,000 for fiscal year 1978, and $4,000,000 for each of the succeeding fiscal years ending prior to October 1, 1982, for the purpose of carrying out the provisions of this title.".

EXTENSION OF THE ALLEN J. ELLENDER FELLOWSHIP PROGRAM

SEC. 305. Section 5 of the Joint Resolution approved October 19, 1972 (relating to the Extension of the Allen J. Ellender Fellowship Program) is amended by striking out "two" and by inserting after "years" the following: "ending prior to October 1, 1982".

TITLE IV—EDUCATION ADMINISTRATION

REORGANIZATION OF THE EDUCATION DIVISION

SEC. 401. (a) (1) Section 400(c) (1) of the General Education Provisions Act is amended by striking out clause (C) thereof and redesignating clauses (D), (E), and (F) as clauses (C), (D), and (E), respectively.

(2) Section 400(e) (1) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(3) (A) Section 401(a) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner."

(B) Section 401(b) (2) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(4) Section 402 of such Act is amended to read as follows:

"COMMISSIONER OF EDUCATION

"SEC. 402. (a) There shall be in the Department of Health, Education, and Welfare a Commissioner of Education, who shall be appointed by the President by and with the advice and consent of the Senate. The Commissioner shall be compensated at the rate specified for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(b) The Commissioner shall be the principal officer in the Department with responsibility for education programs and for the direction and supervision of the Education Division.".

(5) (A) Subsection 403(b) of such Act is amended to read as follows:

"(b) (1) The Office shall be headed by the Commissioner. There shall be in the Office an Executive Deputy Commissioner of Education, who shall be appointed by the President by and with the advice and consent of the Senate. The Executive Deputy Commissioner shall be compensated at the rate specified for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(2) Subject to the general supervision and direction of the Commissioner, the Executive Deputy Commissioner shall be responsible for the daily operation of the Office and shall perform such functions as the Commissioner shall prescribe.".

(B) Section 403(c) (2) (A) is amended by striking out ", after consultation with the Assistant Secretary,".

(6) (A) Section 405(c) (3) of such Act is amended by striking out "Assistant Secretary" each time the term appears in such section and inserting in lieu thereof "Commissioner".

(B) Section 405(d) (1) of such Act is amended by striking out "Assistant Secretary" each time the term appears in such section and inserting in lieu thereof "Commissioner".

(7) (A) Section 406(a) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(B) Section 406(c) (4) of such Act is amended to read as follows:

"(4) The Commissioner shall serve as the presiding officer of the Council."

(C) Section 406(d) (1) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(D) Section 406(e) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(E) Section 406(f) (1) (A) of such Act is amended by striking out "Assistant Secretary" each time the term occurs and inserting in lieu thereof "Commissioner".

(F) Section (g) (2) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(8) Section 408(c) of such Act is amended by striking out the second sentence thereof.

(9) Section 418(a) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(10) Section 424 of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(11) (A) Section 434(a) (1) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(B) Section 434(a) (2) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(12) (A) Section 445(b) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner" and by striking out "and Assistant Secretary's".

(B) Section 445(c) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(C) Section 445(d) (3) of such Act is amended by striking out "Assistant Secretary" and inserting in lieu thereof "Commissioner".

(b) (1) Section 716(a) (2) of the Emergency School Aid Act is amended by striking out "Assistant Secretary's" and inserting in lieu thereof "Commissioner's".

(2) Section 717(a) of such Act is repealed.

(3) Section 720(1) of such Act is amended to read as follows:

"(1) The term 'Commissioner' means the Commissioner of Education."

(4) The Emergency School Aid is amended by striking out "Assistant Secretary" each time it appears in that Act (other than sections amended by the preceding paragraphs of this subsection) and inserting in lieu thereof "Commissioner".

(c) (1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(62) Commissioner of Education, Department of Health, Education, and Welfare."

(2) Section 5315 of such title is amended by adding at the end thereof the following new paragraphs:

"(105) Executive Deputy Commissioner of Education, Department of Health, Education, and Welfare.

"(106) Director, National Institute of Education, Department of Health, Education, and Welfare."

(3) Section 5316 of such title is amended by adding at the end thereof the following new paragraphs:

"(137) Director, Institute of Elementary and Secondary Education, Department of Health, Education, and Welfare.

"(138) Director, Institute of Postsecondary Education, Department of Health, Education, and Welfare.

"(139) Director, Institute of Vocational Education, Department of Health, Education, and Welfare."

(4) Paragraph (41) of section 5316 of title 5, United States Code, is repealed.

INSTITUTES ESTABLISHED

SEC. 402. (a) Section 405(b) (1) of the General Education Provisions Act is amended to read as follows:

"(b) (1) In order to carry out the policies set forth in subsection (a), there is established the National Institute of Education which shall consist of—

"(A) an Institute of Elementary and Secondary Education,

"(B) an Institute of Postsecondary Education,

"(C) an Institute of Vocational Education,

"(D) a National Council on Educational Research, and

"(E) a Director of the Institute.

The Institute shall have only the authority set forth in this section.".

(b) Section 405(d) of such Act is amended—

(1) by striking out "(1)",

(2) by striking out all of paragraph (2),

(3) by striking out "V" and inserting in lieu thereof "IV", and

(4) by striking out "5316" and inserting in lieu thereof "5315".

(c) Section 405(g) of such Act is amended by striking out "(g)" and inserting in lieu thereof "(4)".

(d) (1) Section 405 is amended by redesignating subsection (h) as subsection (i), and by inserting after paragraph (4) of subsection (e) (as redesignated by the previous subsection) the following new subsections:

"(f) (1) There is established in the Institute of Education, an Institute of Elementary and Secondary Education. In order to improve elementary and secondary education, the Institute established under this subsection is authorized to—

"(A) encourage the reform, innovation, and improvement of education, and provide equal education and opportunity for all;

"(B) encourage research designed to improve the basic skills of students including reading, writing, computation, and problem solving;

"(C) encourage and assist elementary and secondary schools in carrying out changes in internal structure and operations designed to clarify institutional priorities and purposes;

"(D) encourage, develop, and assist in the design and introduction of cost effective methods of instruction and operation;

"(E) encourage the development, production, and transmission of radio and television programs for classroom and other educational use;

"(F) encourage the development of special instruction and equipment for students interested in advanced studies which are not taught in the schools or which can be provided more effectively on a concentrated basis, or for handicapped or preschool students;

"(G) encourage remedial instruction, health instruction, physical education, recreation, psychological, social work, and other services designed to enhance the education of elementary and secondary school students;

"(H) encourage special programs which hold promise of making a substantial contribution to the solution of critical educational problems common to all or several States.

"(2) The Institute established under this subsection shall be headed by a Director, appointed by the President, by and with the advice and consent of the Senate. The Director shall be compensated at the rate prescribed for a level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(3) (A) The Director of the Institute established under this subsection is authorized to make grants to and to enter into contracts with, institutions of higher education (including combinations of such institutions) State and local educational agencies and other public and private educational institutions and agencies, except that no grant may be made to an educational institution or agency other than a non-profit institution or agency.

"(B) No grant shall be made or contract entered into under this subsection for a program or a project with any local educational agency unless it has been submitted to the appropriate State educational agency, and an opportunity afforded such agency to submit its comments and recommendations to the Director of the Institute established under this subsection.

"(g) (1) There is established in the National Institute of Education an Institute for Postsecondary Education. In order to improve postsecondary education, the Institute established under this subsection is authorized to—

"(A) encourage the reform, innovation, and improvement of postsecondary education, and provide equal education opportunity for all;

"(B) encourage the creation of institutions and programs involving new paths to career and professional training, and new combinations of academic and experimental learning;

"(C) encourage the establishment of institutions and programs based on the technology of communication;

"(D) encourage and assist in the carrying out in postsecondary educational institutions of changes in internal structure and operations designed to clarify institutional priorities and purposes;

"(E) encourage, develop and assist in the design and introduction of cost effective methods of instruction and operation;

"(F) encourage and assist in the introduction of institutional reforms designed to expand individual opportunities for entering and reentering institutions and pursuing programs of study tailored to individual needs;

(G) encourage and assist in the introduction of reforms and graduate education in the structure of academic, professions, and in the recruitment and retention of facilities; and

"(H) encourage the creation of new institutions and programs for examining and awarding credentials to individuals and the introduction of reforms and current institutional practices relating thereto.

"(2) The Institute established under this subsection shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(3) (A) The Director of the Institute established under this subsection is authorized to make grants to and to enter into contracts with, institutions of postsecondary education (including combinations of such institutions) and other public and private educational institutions and agencies, except that no grant may be made to an educational institution or agency other than a nonprofit institution or agency.

"(B) No grant shall be made or contract entered into under this subsection for a program or a project with any institution of postsecondary education unless it has been submitted to each appropriate State Commission established under section 1202 of the Higher Education Act of 1965, and an opportunity afforded such Commission to submit its comments and recommendations to the Director of the Institute established under this subsection.

"(h) (1) There is established in the National Institute of Education an Institute for Vocational Education. In order to improve vocational education, the Institute established under this subsection is authorized to—

"(A) conduct research in vocational education;

"(B) encourage training programs designed to familiarize personnel involved in vocational education with new research and successful pilot and demonstration projects in vocational education;

"(C) encourage experimental, developmental and pilot programs and projects designed to test the effectiveness of research;

"(D) assist demonstration and dissemination projects which show promise of strengthening vocational education, particularly the development of new employment opportunities;

"(E) encourage the development of new vocational education curriculums; and

"(F) assist projects for the development of new careers and occupations such as—

"(i) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring less training than professional positions and to delineate within such careers roles with the potential for advancement from one level to another;

"(ii) training and development projects designed to demonstrate improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors designed to achieve greater coordination and more effective implementation of programs for the employment of individuals in the fields described in clause (i), including programs to prepare professionals (including administrators) to work effectively with aides; and

"(iii) projects to evaluate the operation of programs for the training, development, and utilization of public service aides, particularly their effectiveness in providing satisfactory work experiences and in meeting public needs.

"(2) The Institute established under this subsection shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be compensated at the rate provided for level V of the Executive Schedule under section 5316 of title 5, United States Code.

"(3) The Director is authorized to make grants to and contracts with institutions of higher education, public and private agencies, State boards in vocational education, and with the approval of the appropriate State board of vocational education, make grants to or enter into contracts with local educational agencies in that State, for the purposes set forth in this subsection, except that no grant may be made other than to a non-profit agency or institution."

(2) Section 405(e) (2) of such Act is amended to read as follows:

"(2) Not more than 75 percent of the funds appropriated pursuant to subsection (i) in any fiscal year shall be available for expenditure by the institutes established under subsections (f), (g), and (h). Not less than 90 percent of the remainder of the funds appropriated pursuant to subsection (i) for any fiscal year shall be expended to carry out paragraph (2) of this section though grants or contracts with qualified public or private agencies and individuals.".

(e) Section 405(i) of such Act (as designated by subsection (d) of this section) is amended by striking out "$550,000,000 in the aggregate for the period beginning July 1, 1972 and ending June 30, 1975" and inserting in lieu thereof "$260,000,000 for each of the fiscal years ending prior to October 1, 1982".

(f) Section 405 of such Act is further amended by adding at the end thereof the following new subsection:

"(j) As used in this section, unless the context otherwise requires, the term—

"(1) 'Council' means the National Council on Educational Research,

"(2) 'Director' means the Director of the National Institute of Education, and

"(3) 'Institute' means the National Institute of Education.".

(g) (1) Section 404 of such Act is repealed.

(2) Section 431(f) of such Act is amended by striking out "404".

REGULATIONS

SEC. 403. (a) (1) Section 431 of the General Education Provisions Act is amended by inserting immediately after the section designation the following:

"SEC. 431. (a) (1) For the purpose of this section the term 'regulation' means any rules, regulations, guidelines, interpretations, orders, or requirements of general applicability prescribed by the Commissioner.".

(2) Section 431 of such Act is further amended by striking out "Sec. 431. (a)" and inserting in lieu thereof "(2)".

(3) (A) Section 431(a) of such Act is amended by striking out "Rules, regulations, guidelines, or other published interpretations or orders" and inserting in lieu thereof "Regulations".

(B) Such section 431(a) is further amended by striking out "rules, regulations, guidelines, interpretations, or orders" and inserting in lieu thereof "regulations".

(b) (1) Section 431(b) (1) of such Act is amended by striking out "standard, rule, regulation, or requirement of general applicability" and inserting in lieu thereof "proposed regulation".

(2) Section 431(b) (2) (A) of such Act is amended by striking out "standard, rule, regulation, or general requirement" and inserting in lieu thereof "regulation".

(c) Section 431(c) of such Act is amended by striking out "rules, regulations, guidelines, interpretations, or orders" and inserting in lieu thereof "regulations".

(d) (1) Section 431(d) (1) of such Act is amended by striking out "standard, rule, regulation, or requirement of general applicability" and inserting in lieu thereof "final regulation".

(2) Section 431(d) (1) of such Act is further amended by striking out "standard, rule, regulation or requirement" each time it appears and inserting in lieu thereof "final regulation".

(3) Section 431(d) (2) of such Act is amended by striking out "proposed standard, rule, regulation, or requirement" and inserting in lieu thereof "final regulation".

(4) Section 431(d) (2) of such Act is further amended by striking out "standard, rule, regulation, or requirement" each time it appears in such section and inserting in lieu thereof "final regulation".

(e) (1) Section 431(e) of such Act is amended by striking out "standard, rule, regulation, or requirement" and inserting in lieu thereof "regulation".

(2) Section 431(e) of such Act is further amended by striking out "proposed standard, rule, regulation, or requirement of general applicability" and inserting in lieu thereof "final regulation".

(f) Section 431(g) of such Act is amended by striking out "rules, regulations, and guidelines" each time it appears in such section and inserting in lieu thereof "final regulations".

(g) The heading of such section is amended to read as follows:

"REGULATIONS: REQUIREMENTS AND ENFORCEMENT"

By Mr. BAKER (for himself, Mr. BROCK, Mr. FORD, and Mr. HUDDLESTON):

S. 2658. A bill to amend the authorization for the west Tennessee tributaries project. Referred to the Committee on Public Works.

WEST TENNESSEE TRIBUTARIES PROJECT AUTHORIZATION

Mr. BAKER. Mr. President, I am today introducing legislation that will authorize flood protection for the communities of Fulton, Ky., and South Fulton, Tenn. The bill approves this Harris Fork Creek project in accordance with the recommendations of the Chief of Engineers in House Document No. 94–221, except that all highway bridge relocation and alterations necesary for the project will be undertaken at the expense of the U.S. Army Corps of Engineers.

I am very pleased to have as cosponsors of this bill my distinguished colleague (Mr. BROCK), as well as the Senators from Kentucky (Mr. HUDDLESTON and Mr. FORD).

The citizens of Fulton, Ky., and South Fulton, Tenn., have endured a major flooding problem for many years. But the rate and severity of this flooding has increased in recent years. For example, floods have occurred 11 times in the past 30 years, including floods in each of the past 5 years. The flood of March 12 of this year was the most devastating on record—damaging homes and businesses, displacing hundreds of urban and rural families, and affecting important public facilities and utilities. The damage was so severe that the President declared the area as a major disaster area. That March flood was followed by another serious flood in July.

A project to control this flooding has been under development by the Corps of Engineers for several years. Following the March flooding, members of the Tennessee and Kentucky delegations obtained from the Chief of Engineers, the Secretary of the Army, and the Office of Management and Budget expedited consideration of this important project. It was submitted for approval last July.

The proposal of the Chief of Engineers recommends construction of approximately a mile of concrete-lined channel on Harris Fork Creek and South Fulton Branch in the cities of Fulton, Ky., and South Fulton, Tenn., plus about 10 miles of channel enlargement downstream to the junction with the North Fork of the Obion River. The estimated total cost of the project is $4,608,000, giving it a positive benefit-cost ratio of 1.6 to 1.

However, a last minute change, unrevealed to the local sponsors until last spring, had a devastating impact on the ability of the two small communities to meet their obligations for the project. As originally contemplated and as included in the 1971 interim report on the Harris Fork Creek project, the cost-sharing agreement was modeled upon the West Tennessee Tributaries project, of which Harris Fork Creek is a part. Under that project, the Federal Government pays the cost of bridge relocations and alterations.

However, the final corps report last summer amended that approach, in line with a conflicting standards of local participation from the 1936 Flood Control Act. The corps assigned the responsibility for the necessary relocations and alterations of highways and highway bridges to the local communities.

This is no small item. Specifically, this change raised the local share from $610,000 to about $1.5 million. Included in the additional charge was the relocation or alteration of three bridges in Obion County, Tenn., four bridges in the city of South Fulton, Tenn., and two bridges in Fulton, Ky.

Mr. President, last July 25, the Senate Public Works Committee held a hearing on this proposal. Local officials—including Mayor K. M. Winston of South Fulton, Mayor L. C. Bone of Fulton, and the city managers of both communities—testified that the cost of relocating the bridges was completely outside the means of the two small towns, whose combined annual property tax income totals $130,000. The committee was told that the two towns—with a combined population of about 6,500—could never raise this requirement for the single purpose of relocating nine bridges.

This inability to meet the revised local cost-share requirements, complicated further by the bi-State nature of the project, has stalled the project. In view of the history of the frequent and serious flooding, and the years of delay already experienced, I believe that the Harris Fork Creek project must be authorized now, and that it is only fair that the bridge relocation costs be assigned as a Federal responsibiltiy, since it was when the interim report was developed.

Mr. President, I believe that this is a sound project, and I believe that it is essential that it be approved soon by the Congress so that work can go forward as soon as possible.

To further explain the project, Mr. President, I ask unanimous consent that a table—showing the estimated non-Federal costs for each of the local jurisdictions as recommended in 1971 and as increased by the Chief of Engineers in April, 1975—be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NON-FEDERAL COSTS, HARRIS FORK CREEK, TENN. AND KY. (JULY 1974 PRICES)

Item	Obion County, Tenn.	South Fulton, Tenn.	Fulton, Ky.	Total
Lands and damages	$146, 500	$35, 600	$137, 400	$319, 500
Relocations—utilities	32, 100	83, 200	60, 200	175, 500
E. & D. S. & A	41, 400	27, 700	45, 900	115, 000
Recommended by MRC October 1971	220, 000	146, 500	243, 500	610, 000
Relocations—bridges	457, 100	228, 900	51, 400	737, 400
E. & D. S. & A	105, 600	51, 800	11, 700	169, 100
Increase recommended by Chief of Engineers Apr. 21, 1975	+562, 700	+280, 700	+63, 100	+906, 500
Total	782, 700	427, 200	306, 600	1, 516, 500

By Mr. HATHAWAY:

S. 2659. A bill to amend the Department of Defense Appropriation Act, 1975, to authorize labor surplus area and small business set-aside programs, and for other purposes. Referred to the Committee on Government Operations.

Mr. HATHAWAY. Mr. President, the bill I introduce today would strike from the Defense Appropriation Act of 1975 a provision that has impeded the Federal Government's efforts to provide jobs to workers in labor-distressed areas.

As all of my colleagues are aware, the unemployment rate in this country was 8.3 percent in September of this year. There are currently 795 areas of the country which the Labor Department has designated as having substantial or persistent unemployment.

A primary responsibility of the Congress ought to be to find ways to make more jobs available in these high-impact areas. I wish to strike the Maybank amendment which has impeded Congress pursuit of this responsibility. It states that—

> No funds shall be used for the payment of a price differential on contracts made for the purpose of relieving economic dislocations.

This language has been interpreted by the General Accounting Office to mean that defense procurements cannot be totally set aside for award to firms located in labor surplus areas, and its effect has been to severely limit the Government's program of aiding areas of high unemployment.

The labor surplus area program was initiated in 1952 to encourage full utilization of existing production facilities and workers. By channeling Government contracts into areas of high unemployment, the program helps preserve management and employee skills, maintains productive facilities, improves utilization of the Nation's total manpower, and helps assure timely delivery of required goods and services.

Under the program, certain Government contracts are set aside for bidding solely by firms in labor surplus areas. The Maybank amendment, however, requires that any contract awarded as a result of preference procedures to firms qualifying for labor surplus area assistance be awarded at the lowest possible price.

To meet this requirement of the lowest possible price, every procurement set-aside for labor surplus area firms must be split, under the GAO's interpretation of the Maybank amendment. One part of the procurement is open for unlimited competitive bidding by any firms. The other part is set aside for exclusive award to labor surplus area firms.

Once the price has been established for the part of the procurement that is open to competitive bidding throughout the country, that is the highest price the Government will pay for the remaining part of the procurement made available to firms in labor surplus areas.

This complicated procedure greatly inhibits the intent of the labor-surplus area program by making only partial set-asides, rather than total set-asides, available to labor surplus area firms. The GAO criterion that a procurement be divisible into two or more economic production runs greatly reduces the number of procurements that can be placed in a partial set-aside program.

The procedure of restricting competition for Government contracts to certain categories of business is not unique to the labor surplus area program. The Small Business Act, enacted in 1952, recognizes the desirability of the maintenance of large numbers of small, independently owned enterprises. That act makes provision for a small business set-aside program, under which $3.1 billion was awarded to small contractors during fiscal year 1975. The set-aside procedure is widely recognized as a necessary device to help small firms compete with larger firms for a share of the Government's multimillion dollar annual purchases.

It is no less important to our economy that we attempt to mitigate some of the disparities in employment throughout our country. When the labor surplus area program was first instituted in 1952, unemployment was 3 percent compared to the 8.3 percent we are facing today. Removal of the Maybank amendment would unshackle a very worthwhile program, the purpose of which is to use an existing need, the procurement of goods and services for the operation of the Federal Government, to meet another need, jobs for people in areas which have been particularly hard-hit by unemployment.

It is unfortunate that the Maybank amendment has been used to curtail the labor surplus area program. The amendment was introduced by Senator Burnet R. Maybank in 1953. At that time the New England textile industry was moving south, and in an effort to ameliorate the economic impact on New England, the Defense Department at times awarded contracts at higher prices to New England mills than to southern mills. The Maybank amendment was intended to prevent this.

Since many of the textile mills have now moved south and labor costs have become more constant nationwide, the problem to which the Maybank amendment was addressed is no longer significant. A new problem of localized high unemployment has taken its place.

There are currently 795 areas in this country which qualify as labor-surplus areas, and under a revitalized total labor surplus area set-aside program, thousands of small and large firms located in these areas would be able to compete with each other for Government contracts. This active competition would not result in the Government's paying higher prices for goods and services purchased under a total labor surplus area program than it might otherwise be forced to pay.

During consideration of the annual appropriations bill during the last session of the 93d Congress, Senator PASTORE and I offered an amendment to delete the Maybank provision, which the Senate accepted. Unfortunately, the amendment was not accepted in conference. Further, my amendment would rearrange the current order in which small business and labor surplus area set-asides are used for Government purchases. I feel this reordering is necessary to prevent a reduction in contract awards to small business firms. At present partial labor surplus area set-asides take precedence over total small business set-asides. Should a total labor surplus area set-aside program become authorized under the present order of precedence, the total small business set-aside program would receive only those contracts that could not be performed in labor surplus areas by a combination of large and small firms. Heretofore, the partial labor surplus area program has not siphoned off many contracts from the small business program, since not many contracts meet the requirement of being divisible into two or more economic production runs.

Under my proposal, a contracting officer would instead first consider setting aside an entire procurement for small firms located in labor surplus areas. Should there not exist adequate competition for a set-aside of this type, the contracting officer would then consider placing the procurement into a total small business set-aside. Here again, should the criterion of competition not be met, the procurement—if capable of being split into two economic production runs—would then be placed into a partial set-aside for small business. If this procedure is not feasible, the procurement would then be placed in a total set-aside for all firms located in labor surplus areas.

This reordering of precedence would not alter the existing policy whereby all procurements capable of being performed by small business and for which adequate competition exists are set aside for small business participation. The major change resulting from this reordering would be that firms, large and small, that are located in labor surplus areas would receive first consideration in the awarding of Government contracts.

Increasing the amount of Government contract dollars going to firms located in labor distressed areas would greatly assist those communities in which unemployment is severe. We should not let any existing tool for revitalizing areas of heavy employment go unused. The labor surplus area program holds out promise for relief of our current unemployment problem. I urge my colleagues to join with me in striking from the defense appropriations bill the language which has encumbered this program.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2659

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second proviso to section 823 of the Department of Defense Appropriation Act, 1975 is repealed.

(b) In carrying out labor surplus area and small business set-aside programs, departments, agencies, and instrumentalities of the executive branch shall award contracts, and encourage the placement of subcontracts, for procurement to the following in the manner and in the order stated:

(1) Concerns which are located in labor surplus areas, and which are also small business concerns, on the basis of a total set-aside.

(2) Concerns which are small business concerns, on the basis of a total set-aside.

(3) Concerns which are small business concerns, on the basis of a partial set-aside.

(4) Concerns which are located in labor surplus areas, on the basis of a total set-aside.

By Mr. BAKER (for himself and Mr. BROCK):

S. 2660. A bill to make the film "Wilma Rudolph, Olympic Champion," which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic games. Referred to the Committee on Foreign Relations.

Mr. BAKER. Mr. President, for myself and Senator BROCK, I introduce a bill to make the film "Wilma Rudolph, Olympic Champion," which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic games. A corresponding bill, H.R. 6949, has been introduced in the House of Representatives.

The film was made in 1960 to commemorate one of the greatest women athletes ever to represent the United States in Olympic competition. It was made following Miss Rudolph's triumphant return from the Olympic games in Rome, during which she won three gold medals. It is a film that depicts her training with teammates and coaches at Tennessee State University, the victory parade following the Olympics, and her reception at the White House by President John Kennedy.

The passage of this bill will allow the release of this film to Cappy Productions of New York, N.Y., which is producing eight 1-hour specials to be shown worldwide in promotion of the 1976 Olympic games. One of these specials will be devoted to women gold-medal winners and features five of the greatest women athletes of all time. Naturally, Miss Rudolph is one of the five. This particular film is required for the special, because it is the only film available showing Miss Rudolph in circumstances other than actual competition.

Passage of the bill is necessary because the law prohibits the showing of any USIA-produced film in the United States; however, I should emphasize that this historical film of a courageous athlete in no way violates the intent or purpose of the prohibition.

I would hope, Mr. President, that this bill might receive the early consideration of the Senate. By the passage of this bill, we will not only be contributing to the successful promotion of the 1976 Olympics, but we will also be honoring a great woman athlete, of whom her native State of Tennessee and the entire country are justly proud.

By Mr. MAGNUSON (for himself and Mr. PEARSON) (by request):

S. 2661. A bill to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Independent Safety Board Act of 1974 to authorize additional appropriations and for other purposes, and I ask unanimous consent that the letter of transmittal and statement of justification be printed in the RECORD together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2661

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Independent Safety Board Act Amendments of 1975."

SEC. 2. Section 306(b) of the Independent Safety Board Act of 1974 (49 U.S.C. 1905) is amended by redesignating said section as subsection 306(b)(1) and adding a new subsection 306(b)(2) to read as follows:

"Sec. 306(b)(2). Notwithstanding section 552 of Title V, United States Code, relating to freedom of information, the Board shall prohibit the disclosure of all information obtained from an aircraft accident or incident investigation conducted by a foreign state, in accordance with the Chicago Convention (61 Stat. 1180), and Annex 13 issued thereunder, and in the possession of the Board, personnel thereof designated as a U.S. accredited representative, and advisors to such accredited representatives; *Provided,* That public disclosure may be made of such information when the state which conducted the investigation has notified the Board in writing that it has no objection to such disclosure. All such information shall be immune to legal process prior to public disclosure by the Board."

SEC. 3. Section 309 of the Independent Safety Board Act of 1974 (49 U.S.C. 1907) is amended by adding at the end thereof the following new sentence:

"There are authorized to be appropriated for the purpose of this Act not to exceed $17,300,000 for the fiscal year ending September 30, 1977, and $18,500,000 for the fiscal year ending September 30, 1978, such sums to remain available until expended."

NATIONAL TRANSPORTATION
SAFETY BOARD,
October 24, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The National Transportation Safety Board submits for your consideration and appropriate reference a Statement of Justification and a draft Bill, "The Independent Safety Board Act Amendments of 1975."

This Bill would make one amendment to the Independent Safety Board Act, which is Title III of the Transportation Safety Act of 1974 (P.L. 93–633) and would provide an authorization for FY 1977 and FY 1978 for programs of the National Transportation Safety Board.

Section 306(b) of the Act would be amended by the Bill to provide the Safety Board with statutory authority to withhold from public disclosure, notwithstanding section 552 of Title V of the United States Code relative to freedom of information, and render immune from legal process information obtained by the Board from an aircraft accident investigation conducted by a foreign state, until that states notifies the Board that it has no objection to such disclosure. It has been the practice of the Safety Board, and the Civil Aeronautics Board before it, to limit public disclosure of the aforementioned accident information, and provision therefor has been contained in the regulations of the Safety Board. However, the provisions of the Freedom of Information Act, court decisions thereunder, and a recent court decision made during discovery proceedings in aviation litigation have made it clear that our regulation cannot be sustained.

If the Safety Board cannot maintain the confidentiality of accident information obtained in the course of participation in foreign accident investigations, the Safety Board will be seriously hindered in its ability to initiate and support efforts to prevent future accidents.

Section 309 of the Act provides appropriation authority of $12,000,000 for FY 1975 and FY 1976. The Board's responsibilities with respect to this Act, however, are continuing, in addition to having been expended, and this Bill would provide an appropriation authorization of $17,300,000 for FY 1977 and $18,500,000 for FY 1978. The appropriation authorization requested in FY 1977 is needed to (1) annualize on a full-year basis the new programs requested in the FY 1976 budget; (2) cover the cost increases in the current Safety Board programs resulting from salary increases, workload growth, and inflation; (3) fund the new programs proposed by the Safety Board for FY 1977; (4) provide the resources necessary for the Board to relocate its headquarters outside of Department of Transportation buildings; and (5) provide for the full-year cost of the October 1975 pay raise. The appropriation authorization requested in FY 1978 is needed to annualize on a full-year basis the new programs proposed for FY 1977 and to cover the cost increases, workload growth, and inflation on the previously approved programs.

The appropriation authorization request for FY 1977 and FY 1978 is the minimum level of effort necessary of the Safety Board to adequately fulfill the intent of the Congress as mandated by the Independent Safety Board Act of 1974.

The Safety Board has determined that this proposed legislation will have no adverse impact on the environment or any inflationary impact on the economy.

We urge the prompt introduction and early enactment of this legislation.

Sincerely yours,

JOHN H. REED,
Chairman.

STATEMENT OF JUSTIFICATION

Section 306(b). This proposed amendment would prohibit disclosure by the Safety Board of information obtained by the Board, its personnel when designated U.S. accredited representatives, and advisors to such representatives, from an aircraft accident conducted by a foreign state, until that state notifies the Board, in writing, that it has no objection to such disclosure.

Information obtained by the Safety Board from foreign accident investigations is sensitive and requires protection from public disclosure prior to approval being given by the foreign state. Under the Chicago Convention (61 Stat. 1180) to which the United States is a signator, and Annex 13 issued thereunder, the state in which the accident occurs has the responsibility for the investigation of an accident. The states of registry and manufacturer are accorded the privilege of participating in such investigations. Under present practices we are provided accident information by the foreign government with the proviso that such information not be released until that state has completed its investigation and indicates no objection to public disclosure.

The United States, as the world's major aircraft producing company, must be an active participant in accident investigations being conducted around the world involving U.S. registered and manufactured aircraft. The ability to preserve the confidentiality of information obtained from foreign investigations until such investigations are completed is vital to such participation. Without the ability to honor requests for confidentiality by foreign states, the participation by Safety Board personnel as accredited U.S. representatives and advisors in foreign accident investigations may be seriously compromised, or in the alternative, it may become impossible for our representatives to be furnished documents needed by the Safety Board in fulfilling its responsibility to seek action to prevent future accidents, based on information obtained from investigations conducted by foreign states.

Section 309. The Independent Safety Board Act of 1974 provided the Safety Board with expanded new authorities and responsibilities. This new Act also placed an appropriation authorization on the Safety Board of $12,000,000 for FY 1975 and FY 1976. To adequately accomplish its authorities and responsibilities under the new Act the Board will require $17,300,000 for FY 1977 and $18,500,000 for FY 1978.

The requested increase, of $5,300,000, in appropriation authorization in FY 1977, is needed for:

1. Annualization of FY 1976 Budget Programs. The Safety Board requested 118 additional positions in the FY 1976 budget and budget amendment at a cost of $1,800,000 for salaries and associated expenses. Funding for these positions in the FY 1976 budgets was requested on a half-year basis only. Accordingly, after eliminating one-time only purchases, an additional $1,400,000 in authorization authority will be needed to fund the requested FY 1976 positions for the other half-year.

2. Salary, Workload, and Inflationary Increases in Current Programs. The Safety Board will require an additional $600,000 in authorization authority in FY 1977 for maintaining the currently authorized programs as follows: annualizing pay and within-grade increases, funding promotions and new within-grade increases and an additional day's pay, financing additional costs of an approximate 5 percent growth in Safety Board workload, and funding the increased cost of purchasing necessary goods and services due to inflation.

3. New FY 1977 Programs. In FY 1977 the Safety Board is requesting an increase in its current programs, primarily in the aviation area, to adequately accomplish the intent of the Congress as stated in the Independent Safety Board Act of 1974. In the FY 1976 budget amendment the Safety Board could only request the resources necessary to accomplish the expanded surface accident investigation responsibilities as mandated in the new Act, due to the constraints of a $12,000,000 authorization. Accordingly, in FY 1977, the Safety Board is requesting the additional resources necessary to accomplish the Safety Board's other responsibilities as intended by the Congress.

In the surface area the additional programs proposed for FY 1977 are: improved evaluation and follow-up on Safety Board recommendations; publication of accident investigation guidance; and analyzing crash injury problems to minimize human injuries from transportation accidents.

In the aviation area the additional programs proposed for FY 1977 are: withdrawal of the request for accident investigation by the FAA to provide for more thorough investigations and analyses of aviation accident causation; increased emphasis on general aviation accidents where most of the accidents and fatalities are occurring; expanded review and analysis of the rulemaking activities of the FAA; and increased participation in the foreign aviation accident investigations of U.S. products and operations as a result of new rules issued by the International Civil Aviation Organization. These new FY 1977 programs will require an additional $2,000,000 in authorization authority in FY 1977.

4. Relocation of Washington Headquarters. The Washington headquarters is currently housed in two separate DOT buildings and further separation of the Safety Board staff will be necessary if the staffing requested in FY 1976 and proposed for FY 1977 are approved. To improve the management efficiency of the Safety Board, all headquarters

personnel should be housed in one location, particularly because of the Safety Board's relatively small size. In addition, housing the Safety Board in DOT buildings gives the appearance to the public that the Safety Board is not in fact independent. The DOT now provides the Safety Board with certain support services which will be terminated when the Safety Board moves out of DOT managed buildings. Most of these terminated services will be contracted from commercial services or other government agencies; however, additional equipment will be needed to provide support that would be impractical to obtain through contract. Accordingly, an additional $700,000 in authorization authority is needed in FY 1977 for moving, space renovation, equipment, and additional support services.

5. FY 1976 Pay Raise. A pay raise of 5 percent is effective in October 1975 for all government employees. This pay raise will substantially increase the FY 1977 requirements of the Safety Board since more than 70 percent of the Safety Board's resources are devoted to salaries and benefits. Accordingly, $600,000 in additional authorization authority will be needed in FY 1977 as a result of the FY 1975 pay raise.

The requested increase, of $1,200,000, in appropriation authorization in FY 1978, is needed for:

1. Annualization of FY 1977 Proposed Programs. The Safety Board's proposed budget for FY 1977 includes a request for 111 additional positions at a cost of $2,000,000 for salaries and associated expenses. Funding for the additional positions will be requested on a half-year basis in FY 1977. Accordingly after eliminating one-time-only purchases, an additional $1,300,000 in authorization authority will be needed to fund the proposed FY 1977 positions for the other half-year.

2. Salary, Workload, and Inflationary Increases In Current Programs. The Safety Board will require a additional $600,000 in authorization authority in FY 1978 for maintaining the currently authorized programs as follows: annualizing pay and within-grade increases, funding promotions and new within-grade increases, financing additional costs of an approximate 5 percent growth in Safety Board workload, and funding the increased cost of purchasing necessary goods and services due to inflation.

The above two increase items totaling $1,900,000 will be offset by a decrease of $700,000 for the one-time-only moving, space renovation, and equipment costs associated with the relocation of the Washington headquarters in FY 1977.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1173

At the request of Mr. CURTIS, the Senator from South Carolina (Mr. THURMOND) and the Senator from Oklahoma (Mr. BARTLETT) were added as cosponsors of the bill (S. 1173) to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes.

S. 2386

At the request of Mr. TAFT, the Senator from Florida (Mr. CHILES) was added as a cosponsor of the bill (S. 2386) to deny Members of Congress any increase in pay under any law passed, or plan or recommendation received, during a Congress unless such increase is to take effect not earlier than the first day of the next Congress.

S. 2426

At the request of Mr. DOLE, the Senator from Iowa (Mr. CLARK) and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors of the bill (S. 2426) to establish a reduced rate of postage for letters sealed against inspection mailed by private citizens.

S. 2607

At the request of Mr. HATFIELD, the Senator from Iowa (Mr. CLARK) was added as a cosponsor of the bill (S. 2607) lifting current trade restrictions against North and South Vietnam.

S. RES. 144

At the request of Mr. BURDICK, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of the resolution (S. Res. 144) to urge the restoration of the status of amateur athlete for the late Jim Thorpe, and for other purposes.

SENATE RESOLUTION 251

At the request of Mr. BIDEN, the Senator from California (Mr. CRANSTON) was added as a cosponsor of the resolution (S. Res. 251) relating to the President's trip to China and American POW's and MIA's.

SENATE JOINT RESOLUTION 76

At the request of Mr. DOLE, the Senator from Alaska (Mr. STEVENS), the Senators from Arizona (Mr. FANNIN and Mr. GOLDWATER), the Senator from Colorado (Mr. HASKELL), the Senator from Florida (Mr. STONE), the Senators from Idaho (Mr. CHURCH and Mr. MCCLURE), the Senator from Iowa (Mr. CLARK), the Senator from Minnesota (Mr. MONDALE), the Senators from Montana (Mr. MANSFIELD and Mr. METCALF), the Senator from Nevada (Mr. CANNON), the Senator from New Jersey (Mr. CASE), the Senator from New Mexico (Mr. DOMENICI), the Senator from North Dakota (Mr. BURDICK), the Senator from Oregon (Mr. HATFIELD), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Tennessee (Mr. BROCK), the Senator from Washington (Mr. MAGNUSON), and the Senators from Wyoming (Mr. MCGEE and Mr. HANSEN) were added as cosponsors of the joint resolution (S.J. Res. 76) to designate a "National Beta Sigma Phi Week."

SENATE CONCURRENT RESOLUTION 73

At the request of Mr. HUGH SCOTT, the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Texas (Mr. TOWER) and the Senator from Kansas (Mr. DOLE) were added as cosponsors of the concurrent resolution (S. Con. Res. 73) relating to the United Nations and Zionism.

AMENDMENTS SUBMITTED FOR PRINTING

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1975—H.R. 9861

AMENDMENT NO. 1067

(Ordered to be printed and to lie on the table.)

THE CRUISE MISSILE

Mr. MCGOVERN. Mr. President, I submit today an amendent to H.R. 9861, the Defense appropriations bill, which would require a delay in the flight testing of long-range cruise missiles by the Department of Defense.

The purpose of my amendment is twofold. First, I believe that the Congress must have an opportunity to assess fully the political and military implications of the deployment of long-range cruise missiles before the opportunity to control that deployment is lost. My amendment would allow this time for assessment. Second, my amendment would delay commitment to the deployment of long-range cruise missiles until it is seen whether or not the United States and the Soviet Union can agree to meaningful and comprehensive controls of cruise missiles.

Specifically, the amendment would prohibit the spending of any funds appropriated "prior to September 30, 1976, to flight-test any cruise missile—other than cruise missiles in operational status and deployed at the time of the enactment of this section—designed to deliver a conventional or nuclear warhead and to have an operational range in excess of 200 kilometers."

I understand that the Department of Defense intends to begin testing cruise missiles around next March. My amendment would delay that flight testing only about 6 months. Since the missiles would not be deployed in any number until the 1980's and since the need is not clear now, I do not believe that a delay of several months constitutes any strategic risk.

The amendment does not in any way restrict the continued proof testing of missiles already in the inventory, such as the Hound Dog air-to-surface missile. Nor does it restrict the testing or deployment of such missiles as the Air Force's short-range attack missile, SRAM, or the Navy's Harpoon missile in its various forms.

Senators know now that the cruise missile issue is pivotal in the current SALT negotiations. Agreement to restrict cruise missiles will be very difficult to achieve. The main reason for the difficulty in reaching agreement is that both sides realize the incredible implications of cruise missile deployment for the strategic arsenals of both sides and the arms control problems that cruise missiles may pose.

Both we and the Russians can deploy cruise missiles by the thousands. The air-launched cruise missile, ALCM, could be loaded on penetration bombers or standoff aircraft and delivered and directed with high accuracy against targets in the Soviet Union. The Navy version could be launched from surface ships and submarines. Essentially, every 21-inch torpedo tube in the Navy could pose a strategic threat to the Soviet Union.

The Soviet Union could, if it wishes, similarly deploy a myriad number of cruise missiles from air, land, and sea against the United States.

The ability to verify deployments in strategic arms has been a key factor in achieving strategic arms agreements. No other strategic weapons system poses the same sort of verification problems as the cruise missile. It is possible to stand several feet from a cruise missile and not know without looking inside whether it has a conventional warhead and can travel 500 kilometers or whether it has a nuclear warhead and can travel 3,000 kilometers.

Once a cruise missile which will fit a 21-inch torpedo tube or a rack inside of a large aircraft has been developed, there is no way the other side can know how many cruise missiles have been deployed to fit those torpedo tubes and those airplane racks.

Since cruise missiles are a key issue in the current strategic arms limitation negotiations, it makes sense to hold off on flight testing until we see how the negotiation turns out. If meaningful controls are applied to cruise missiles by both sides, the presently planned program will be curtailed.

If meaningful controls are not applied to cruise missiles and other strategic systems, Congress will have to face some critically important questions: In the absence of good controls, is it in the national interest of the United States to go ahead with cruise missiles? Are there better alternatives in weapons which do not pose the same threat to strategic stability? How much would a full-scale deployment of cruise missiles cost, and can the United States afford that cost? What would be the effect on other nations of a decision by the United States and the Soviet Union to deploy large cruise missile forces?

There are, of course, other questions which must be resolved before the United States embarks on the development of long-range cruise missiles. Unless these questions are addressed before the United States is irrevocably committed to the development and deployment of cruise missiles, we will face a situation in which military hardware is the decisive factor in determining our national security policy.

As Members of the Congress are aware, there is a turning point in the development of strategic weaponry—the flight test program. Before flight tests are conducted there is the possibility of workable controls on deployment by ourselves and by others. After flight testing, such controls are difficult and sometimes impossible. I believe that situation pertains in the case of the long-range cruise missiles.

Consequently, I am calling for a modest delay in the cruise missile program to allow adequate time for the critical decisions which must be faced. I hope that between now and next September the cruise missile programs will be assessed in detail before the Appropriations and Armed Services Committee and the arms control implications of this program will be thoroughly reviewed by the Committee on Foreign Relations.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the RECORD, together with a letter I am sending to my fellow Senators.

There being no objection, the amendment and letter were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1067

At the end of the bill add the following new section:

SEC. . Notwithstanding any other provision of law, no funds appropriated herein may be used prior to September 30, 1976, to flight test any cruise missile (other than cruise missiles in operational status and deployed at the time of the enactment of this section) designed to deliver a conventional or nuclear warhead and to have an operational range in excess of 200 kilometers.

DEAR COLLEAGUE: When H.R. 9861, the DOD appropriations bill, is considered in the Senate, I intend to call up the attached amendment to postpone flight tests of the cruise missile beyond the current fiscal year and transition period.

I understand that the present development schedule calls for cruise missile flight testing beginning next March. Therefore the effect of my amendment would be a minimum delay of six months in this aspect of the program. In the meantime the appropriate committees of the Congress would have a chance to measure the military importance of this program against its very serious arms control implications.

I think most of us would agree that those problems have received far less attention than they deserve. Cruise missiles are essentially pilotless aircraft which could deliver nuclear missiles over long distances with high accuracy. They could be launched from submarines, aircraft, or surface ships. Hence they have a literally boundless capacity for upsetting the confidence in unilateral verification which we have found is so essential if any arms control agreement is to be made or observed.

Here again, as was the case with multiple independently-targetable reentry vehicles, or MIRVs, flight testing is the fateful arms control decision. Once cruise missiles have been tested, the other party must assume they have been deployed. An assumption that they have been deployed anywhere automatically becomes an assumption that they have been deployed everywhere—thousands of new delivery vehicles which would be largely invisible and almost wholly outside the existing Triad of nuclear force.

We have not done well controlling the Triad. How will we do with a centipede?

In the case of MIRV we moved ahead unilaterally with flight tests and deployment even though we knew the Soviet Union was years behind in MIRV technology. Now that decision has come back to haunt us in SALT and in MIRVs on heavy Soviet missiles. The plea of my amendment is that we at least take the time to comprehend the full consequences before we plunge ahead on a still more profligate system.

My own view is that if we move ahead with this new cruise missile technology we may as well forget about the hope of meaningful negotiated limits on strategic arms. Obviously my amendment does not go so far as to implement that judgment. It seeks only a brief pause, so we can make a fully informed decision in next year's military authorization and appropriations bills.

I hope you will support this modest proposal. If you have questions or would like to cosponsor, please contact John Holum of my staff on extension 4–8414.

With best regards, I am

Sincerely,

GEORGE MCGOVERN.

VOLUNTARY MUNICIPAL REORGANIZATION ACT OF 1975—S. 2615

AMENDMENT NO. 1068

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment intended to be proposed by him to the bill (S. 2615) to provide for a voluntary reorganization of municipal debt under conditions of fiscal reform, and for other purposes.

AMENDMENT NO. 1069

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON (for himself and Mr. TAFT) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 2615), supra.

NOTICE OF NOMINATION HEARING

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Labor and Public Welfare has scheduled a hearing on the nomination of Ronald J. James, of Illinois, to be Administrator of the Wage and Hour Division, Department of Labor, on Thursday, November 13, 1975 at 9:30 a.m. in room 4232, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

THE LORD'S DAY ALLIANCE

Mr. TALMADGE. Mr. President, on November 1, Dr. James P. Wesberry, of Atlanta, Ga., assumed the duties of executive director of the Lord's Day Alliance.

Dr. Wesberry, pastor emeritus of Atlanta's Morningside Baptist Church, was Acting Chaplain of the U.S. House of Representatives in 1949 and he has a splendid record of leadership and service in the Baptist Church in Georgia and throughout the United States.

The Lord's Day Alliance was organized in 1888 in Washington, D.C. with representatives of six major denominations. It now has representatives of 13 denominations, and its purpose is to promote the first day of the week, the Lord's day, as the Christian day of renewal.

On being elected executive director of the Alliance in October, Dr. Wesberry delivered an outstanding acceptance address, which I commend to the attention of the Senate.

I ask unanimous consent that Dr. Wesberry's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE BOLD ADVANCE OF THE LORD'S DAY ALLIANCE OF THE UNITED STATES DURING OUR NATION'S BICENTENNIAL

(Dr. James P. Wesberry)

Please let me very humbly express my appreciation for the great confidence expressed in me in my election to be the Executive Director of The Lord's Day Alliance of the United States.

Some months ago as I sat in one of our meetings here in Nashville I was simply overwhelmed with surprise when my good friend, Dr. Charles Platt, our beloved President, whispered in my ear and asked if I would consider serving the Alliance. While I was literally shocked at being asked, I told him at that time that if it were God's will, I should be happy to serve in any way I could to carry on the work. He told me that I would hear from him at a later date.

God opened many doors to me and I have been so busy that I thought perhaps this would never come to pass, but it has and it has come about in a miraculous manner. It came without my seeking or even thinking of it. It is the hand of God! His Spirit has acted. I am as sure that the Holy Spirit has led in this matter as I can be. Everything that has happened looked as if God put one key after another into a keyhole and opened the doors for me. I am most deeply conscious of His guidance and thank Him and you with all of my heart.

I am thrilled to accept what I consider to be the greatest challenge of my life. I accept it as a call from God—a clear and real call. It comes at the greatest time in history. If I could have chosen my time in history to live, I could not have chosen a more interesting or demanding time. We are on the threshold of our great Bicentennial celebration in the United States, celebrating our 200th birthday as a nation on July 4, 1976. Almost everything everywhere across the nation is geared to this celebration.

I thank God for the 88 years of glorious contribution the Lord's Day Alliance soon will have had in helping to preserve the Lord's Day for all Americans. The Lord's Day helped make our nation the great nation it is. I was reading about our nation's Sesquicentennial celebration some days ago and ran across a cartoon that attracted me. There was our wonderful Uncle Sam with his striped pants, big hard hat, holding in his hands a cake with 150 candles burning brightly. I said to myself, "What a picture! I like this." And then I began to visualize Uncle Sam standing with another cake with 200 candles burning brightly representing 200 years of the growth and development, the struggles and progress of our nation, and I saw Uncle Sam standing on a foundation. What would you call it? Some might call it God, or the Bible, or Jesus Christ, or the church, or prayer, or all of these, but I could not help but think of Uncle Sam standing on the Sabbath Day as the Rock of Gilbralter which has meant so much in the developing of each of our states and of the union itself, as fifty states have become united under the stars and the stripes.

As I sat in a meeting in our state capitol building some weeks ago listening to the joint Senate-House Study Committee on the Sabbath or a Common Day of Rest discuss how difficult it is for them to draw up a bill on the Sabbath that will stand the test of constitutionality in reference to Georgia's State Constitution, I thought here we are about to celebrate our 200th birthday as a nation and where would our nation be if it had not been for the Lord's Day. What has happened to America? Are we slipping? Is somebody tampering with America's soul? Am I not correct in stating unequivocally that one of our nation's greatest needs as we come to our bicentennial is to get back to the Fourth Commandment and once again "Remember the Sabbath Day, to keep it holy?" Where will we be 200 years from now if the present trend regarding this Day keeps up?

I was talking to one of America's most outstanding theologians, a great and distinguished preacher and one of the greatest of all Seminary presidents, about the city we both love and had worked together in across the years for Christ. I asked that great man, Dr. McDowell Richards, who served 39 years as President of Columbia Seminary, "What are some ways in which Atlanta has improved during the past ten or twenty years?" We both were lamenting the fact that in many ways Atlanta had not improved. After saying that he thought we had improved in race relations, he said one way in which we have not improved is in regard to Sabbath observance. Being deeply interested in my becoming the Executive Director of the Lord's Day Alliance, he added, "Jim, I do not know a greater challenge than the one you will have as Executive Director of the Lord's Day Alliance." And, I agreed. It's a big job and it covers a large territory. It is not the LDA of Georgia, Tennessee, or New York, or any group of our states but of the United States. The bigness of the task and the territory in which we are to perform that task is staggering.

I should like to express my deepest appreciation to my long time, highly esteemed and cherished friend, Dr. McDowell Richards, to each member of the Nominating Committee, each member of the Executive Committee and each of you.

I want to promise you today that I will give every ounce of my strength and the very best I have by way of leadership to promoting this noble and thrilling cause for the glory of God. It challenges all that is within me.

I am deeply mindful that I will be following some very wonderful men in this high office. No man could be more gracious than Dr. Marion Bradwell. I have read with deep interest his reports for many years and, having been a close friend and a member of this Board, I have followed him with deepest interest, love, and prayers and have tried my best to always support him. I have greatly admired and appreciated him from the beginning. He has wrought a great work and has continued to lay a strong foundation on which with God's help and yours I hope to build. I will welcome his prayers and wise counsel.

It has been a great joy to work closely with Dr. Charles Platt. Never have I met a more gracious spirit. He is the perfect essence of a saint and Christian gentleman. He loves the Lord's Day Alliance, knows what it is all about, works hard at it, has a large vision of what we should do, and gives of his time, thought, prayers, and love generously day and night to its promotion. His attitude has been most beautiful. I have found him to be a genuine and true friend and companion in the work. We have shared our views in reference to the future and are of one accord in our desire to see the program go forward. He writes like this: "These details are simply for your information, and to assure you that I will be standing with you, and behind you, as you prepare to assume your new duties as our Director. The future looks bright, and the challenge is 'full steam ahead!' Praise the Lord!" I cannot tell you how much Dr. Platt has inspired me. I want to adopt his words as my motto while in office as I attempt to launch "A Bold Advance of The Lord's Day Alliance in the United States in our Nation's Bicentennial"—"Full Steam Ahead!"

As we face this challenge of "full steam ahead" may I humbly ask you to pray for me. I believe with all of my being in the power of prayer and I want to ask you to please pray for me each day and I in turn promise to pray for you each day.

Will you also please feel perfectly free to make any suggestion to me that you will? I will be most grateful for your wise counsel and helpful suggestions. Please do not hesitate to tell me how I may serve the most effectively and efficiently.

And, in turn, as Dr. Bradwell has done, I am sure, I will be leaning heavily upon each of you and depending on you doing all you can to help promote this work in your locality and denomination. I do hope as soon as possible to visit you and will deeply appreciate your helping me get before denominational gatherings and paving the way for me to talk to heads of any denomination with which you may have contact. When and if it can be arranged, I will be glad to visit and preach in your church or come for any worthwhile service where I can promote the Lord's Day Alliance.

One of my assignments is to raise our budget. I am going to do my best, but I will need your help and advice. I will welcome your personal gifts and if you will share with me where you think there are resources that I can help to tap for the Lord's Day Alliance, please be sure and tell me. I will try not to leave anything undone. An organization to operate as it should must be properly financed. It must not be handicapped for lack of funds. I definitely plan a bold advance—full steam ahead—along these lines.

Last July I was in London, and while riding through the city on a sightseeing bus I saw a great, big sign over the entrances to a building which said, "The Lord's Day Observance Society of England." As quickly as I could I got to a phone, called the office, got the address, caught a taxi and went there to be warmly greeted by a gracious, warmhearted man who had been General Secretary for over 40 years, H. J. W. Legerton. I told him of my interest in the Lord's Day Alliance of the United States and that I'd like to know something of their work in England. He told me that they had 22 staff members altogether. He keeps a close eye on Parliament and knows where each member stands in reference to the Sabbath. He knows their voting records. One-third of them are in sympathy with what his organization stands for, one-third out of sympathy, and one-third on the fence, he said. His Society was organized in 1831 and his present headquarters in downtown London was dedicated June 9, 1949. In waging war for His Day we are witnessing for the Faith and preserving the Day which is a God-ordained testimony to that Faith. He said they have been greatly blessed in their labors. Publications circulated to a grand total of 400,000, including some 10,000 books and booklets, 110,000 leaflets and tracts, 55,000 Happy Day Diaries, 115,000 Young People's publications. Their magazine is "Joy and Light." There was a particularly fruitful ministry among children as well as a wide contact among adults, most of whom are non-church goers. The Society has seven young people's workers and has 7,418 members of Young Life Guards under 17 years of age, by means of a Junior magazine and personal contacts with workers. There are thousands of prayer partners who give of their means to this cause.

Dr. Legerton told me of branches of this Society in Holland, South Australia, Nigeria, and in Canada. I have written to each of these for full information and have ordered a copy of all the literature published by the Lord's Day Observance Society of England. I plan to keep in touch with all of these and gain all the ideas I can for a bold advancement of the preservation of these ideals regarding the Lord's Day in the 50 states of the United States. It is my earnest hope that someday I may be able to arrange to have Dr. Legerton come to one of our meetings and spend some time telling us of the wonderful work he is doing in our mother country. This work also extends into Scotland and Ireland.

Dr. Legerton advertises in Christian papers to some extent and, although it does not pay for itself, he says it does keep their name before the Christian public and, of course, there is a return in the long run.

The status of the Sabbath situation has deteriorated fast during the past few years, Dr. Legerton says. We still have Acts of Parliament which help to control commercial activity on Sundays, but even they have been watered down to some extent. Nevertheless it is still illegal to trade in shops on Sunday with certain exceptions and also certain forms of Sunday entertainment are illegal, such as variety, public dancing, boxing, wrestling, etc. Unfortunately, the attitude of the Churches in general has changed for the worse and so many feel now that it is not worth bothering to resist encroachments upon the Sabbath and that all we need to do is to preach the Gospel. A large number of churches have drifted away from Scriptural principles so that in consequence they themselves support many forms of Sabbath profanation. "This is not a very rosy picture," Dr. Legerton said, "but we feel that we must carry on with our witness notwithstanding all that is against us and, of course, we have tremendous support on the part of many Christians who still care."

Dr. Legerton says that it cannot be said too often that the L.D.O.S. is more than an organization. It is a fellowship of the Lord's people who love His Day because they love Him, and they desire to preserve it, to promote its proper use and to proclaim the truth associated with it.

This is what the Lord's Day Alliance is—a great and wonderful fellowship of the Lord's people who love the Lord's Day because they love Him, and who greatly desire to preserve it, promote its proper use and proclaim all the truths associated with it.

To this end and aim I completely dedicate myself. To the fulfillment of the purpose for which our Alliance was incorporated by the State of New York and for which it was organized in Washington, D.C. in 1888 as stated in our bylaws, with all that is within me, I dedicate myself: "To promote the first day of the week, the Lord's Day, as the Christian day of renewal and worship according to the Scriptures; and for that purpose to gather and diffuse information, to publish documents, to use the press, to cause public addresses to be made and use other means as shall be expedient and proper to the end that the blessings of the Lord's Day shall be secured for all people."

When we speak of a bold advance, let me make it crystal clear that we do not mean to imply that advance has not already been made. It certainly has. Dr. Bradwell, Dr. Platt, and their predecessors have held the torch high. Ours is a great heritage. Someday I'd love to write the history of the Lord's Day Alliance of the U.S.

What a history we have had! How anxious I am to read every word I can find about the past! How grateful I am for everyone who has contributed to these 87 glorious years of service. But, as great and glorious as the past is, it is but prologue. There remains the unfinished task! There are yet other lands to be possessed.

The bold challenge is well outlined for me in our contract. I congratulate my good friend and wonderful Christian layman of the LDA, John Nix, and others who prepared it. They, too, join me in a great dream for the future.

I accept the challenge to promote the Lord's Day Alliance by preaching wherever I have the opportunity, by teaching, writing, and talking. It is a great honor for me to shout from the housetops and wherever I go and whatever I do that Sunday is the Lord's Day and a time for rest, worship, Christian education, and spiritual renewal.

I shall deem it a great pleasure indeed to maintain to the best of my ability contact with all of the Board of Managers and especially those whose denominations have selected them to serve on our Board.

I look forward with delight to visiting the representatives of each denomination that have official connections with the Alliance. I also want to keep in close touch with all of our affiliated organizations, to help them in any way I can and to receive their help.

I will gladly edit the magazine "Sunday". And, it will be a great joy to supervise the day-to-day work of the Alliance, including the employees of the Alliance, and the Semi-Annual and Annual Meetings, Executive Committee and other committee meetings, etc.

As I take over this office, I am having 5000 golden Bicentennial Medallions arranged, one side of which is dedicated entirely to the promotion of the work of the Lord's Day Alliance. I plan to distribute these medallions and probably order more during my first year in office. This is being done at my own expense which I am happy to contribute as an initial gift to the work I am so proudly promoting for Christ.

I am highly pleased that we will move the offices to the Georgia Baptist Center on Flowers Road, South, Atlanta, adjacent to the campus of Atlanta Mercer University, where we will have brand new adequate space, with new, lovely planned offices, every imaginable convenience including conference rooms for our meetings and dining facilities. I am hoping to have our February meeting at the new Baptist Center. I fully expect at the dedication of the Baptist Center and throughout the first year to introduce and make the LDA known to multiplied thousands of people in Georgia and from all over the nation who have never heard of it. We expect to have hundreds of them visit our offices. We will arrange a tea, or several of them, and have as many friends as possible visit us, give them literature, and tell them of our work and try to enlist their prayers and support. I hope to multiply the list of "sustaining members" and the number of participating denominations.

It is our intention to launch a new bold advance of promotion showing the contribution the LDA has made to the Bicentennial and trying to get as many pastors and churches as possible to give recognition to the important place the Sabbath has in the bicentennial. We will encourage as many churches as possible to promote special Bicentennial Services.

With the advance in promotion, contacting people for financial support, denominations, churches, and other organizations, and in adding to the list of those to whom the "Sunday" magazine will be sent, hopefully increasing our subscribers many fold, it will be necessary to add extra help in the office. This I have arranged for.

I plan to advance the whole idea of promotion to help get the Lord's Day Alliance known as far as possible in every nook and corner of our nation. By doing this we hope to focus attention on the Fourth Commandment and help preserve the Lord's Day.

It is our purpose to expand our membership to representatives of other denominations who share our views regarding the Sabbath. We will work at this the best we know how and are already studying the new Handbook of Religions in the United States, trying to secure the names of prospective denominations and the names and addresses of their leaders to contact. Again, I earnestly solicit your suggestions and help.

I will certainly wish to visit as many different denominational meetings and churches as I can. I will also be contacting all of the individuals I can to interest them in this cause. I will also be addressing every other organization I can in Public Relations for this great cause.

There will be some new pamphlets to be printed; some will have to be revised.

We hope to find the money to have the Norman Vincent Peale tapes made for radio promotion as soon as we can and will continue to do all we can to promote communications.

You will expect me as a new Editor to make some changes in "Sunday" magazine, which I plan to do.

I hope to promote a good bibliography on the Lord's Day and also to encourage more books being written along this line.

I already have engagements at churches, Civic Clubs, and other organizations in which I will be promoting the LDA.

I will also be writing magazine articles and sending them to many of the religious papers as well as others. We will get all the newspaper publicity, radio and television publicity we can. We will get our story in the *Congressional Record*.

I will continue to be on the alert about what is going on in Congress and in state assemblies regarding Sabbath or a Common Day of Rest Laws and will be glad to render whatever service I can along this line.

I plan also to investigate foundations and to continue to promote the idea of having the LDA put in bequests. Thank you for your suggestions!

I will do all in my power to put great emphasis on the fourth commandment and to keep this before the people I speak to and talk to. I plan definitely to have the Fourth Commandment and the Ten Commandments available on large wall charts.

I want to have the pamphlet "What is the Lord's Day Alliance?" revised as soon as possible and enough copies printed to give to thousands of people during the coming year. It is a great document.

I should like very much, if we can afford it, to have a small pamphlet prepared on "The Sabbath and the Bicentennial," showing something of our 88 years' contribution and the part the Sabbath has played in the building of our Nation.

We will continue to emphasize the wide use and distributon of decals. Give us your suggestions.

All of this is only a part of my dream for the Bold Advance of the program of the LDA during our Bicentennial year and as we face our second 200 years. Perhaps this advance is not bold enough or maybe it is too bold. What we do depends on you. I want to be your leader but if we are to boldly advance, we must do it together. Therefore, I humbly ask for your lcve, prayers, understanding, and your help. I will be calling on you personally, but now I ask you for Jesus' sake, for the sake of the Sabbath, and the sake of man who needs the Sabbath, to join me enthusiastically and prayerfully in "Full Steam Ahead" for a bold program of advancement as we go into our Bicentennial year and out of it into the beginning of another 200 years of history. Let's remember "The Sabbath Day Helped Make America Great"—"Help Us Keep It!" Let us give nothing less than our best in boosting the work of the Lord's Day Alliance!

DOWNING THE HATCH ACT

Mr. FONG. Mr. President, a timely and helpful warning is contained in an editorial captioned "Downing the Hatch Act," which appeared recently in the Washington Star. The editorial refers to the bill in question (H.R. 8617) as an effort by union leaders "who feel that the Hatch Act hampers their efforts to turn the Federal bureaucracy into a giant union, and who want to use the Federal work force to further the political aims of union leadership."

Proponents of H.R. 8617, who pushed the bill through the House of Representatives on October 21, are now preparing to speed its passage through the Senate Post Office and Civil Service Committee.

I ask unanimous consent to have the Washington Star editorial of October 23, 1975, printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOWNING THE HATCH ACT

To hear some congressmen and union leaders tell it, there is great wailing and gnashing of teeth among federal employes over the constraints of the Hatch Act. Unfortunately, a majority of the House has bought the argument that these downtrodden workers must be liberated.

Before this thing goes further, we wish a referendum could be taken among the some

2.5 million federal workers on how they really feel about the Hatch Act. We have no doubt that an overwhelming majority would tell their would-be "liberators" to leave them and the Hatch Act alone.

The Hatch Act was enacted in 1939 to protect federal workers from political coercion and to prevent the federal service from becoming a political machine. Besides making it illegal to use "official authority or influence to coerce the political action" of federal employes, it bars the employes from soliciting campaign funds from other federal workers, from using their offices for political purposes, from taking an active part in partisan campaign management and from running for office on a partisan ticket.

The Supreme Court upheld the constitutionality of the act in 1973. The court said it agreed with Congress "that the rapidly expanding government work force should not be employed to build a powerful, invincible and perhaps corrupt political machine."

"The 1936 and 1938 campaigns convinced Congress," the court said, "that these dangers were sufficiently real that substantial barriers should be raised against the party in power—or the party out of power, for that matter—using the thousands or hundreds of thousands of federal employes, paid for at public expense, to man its political structure and political campaigns." Since then the thousands of federal employes have become millions and the effect of turning such a multitude into a political machine would be even more far reaching.

Who is behind this plan to un-Hatch the federal workers? No doubt some of its sponsors in Congress truly feel that public employes are "second-class" citizens being denied the opportunity to participate more fully in the political process. But the main thrust is coming from union leaders, who feel that the Hatch Act hampers their efforts to turn the federal bureaucracy into a giant union, and who want to use the federal work force to further the political aims of union leadership.

Removing Hatch Act restrictions against political activity is a major goal of the AFL-CIO, whose lobbyists were buttonholing representatives outside the chamber the other day before the House voted 288–119 for a wholesale watering down of the act.

We hope the Senate will see the folly of returning the federal service to a "spoils" system. Surely members of Congress are aware that there is no groundswell among federal workers to get rid of the protection the Hatch Act provides them.

TRIBUTE TO THE LATE SENATOR CLINTON P. ANDERSON

Mr. MONTOYA. Mr. President, the people of New Mexico and the people of the United States have lost a great statesman with the death yesterday of Senator Clinton P. Anderson, who served in the Chamber from 1948 until he retired in January of 1973. Those of us who served with Clint in this body share the special loss of a colleague who served ably.

Clinton P. Anderson served the people of New Mexico as State treasurer, administrator of the New Mexico Relief Administration, field representative for the Federal Emergency Relief Administration, and chairman of the Unemployment Compensation Commission. In 1940, he was elected to serve as a Congressman from New Mexico and continued his service to the people in the other body until 1945 when he resigned to serve as Secretary of Agriculture.

When many men would have considered their obligation to serve the public fulfilled, Clinton Anderson was elected to serve in the U.S. Senate.

In the Senate, Clinton Anderson was a leader in the areas of science and technology. He always considered his greatest achievement the development of atomic energy for peaceful purposes. His only regret in this area was that the Federal effort was not greater. The extensive research programs in nuclear power generation, laser fusion, and nuclear medicine stand as living monuments to Clinton Anderson's leadership and dedication in this field.,

Leadership in the field of nuclear energy is only one of the areas where Clinton P. Anderson's leadership in the Senate surfaced. His colleagues in the Senate also remember his leadership as chairman of the Aeronautics and Space Committee, and as a ranking member of the Senate Interior Committee. All Americans will remember his work on the King-Anderson bill, which most people now know as medicare. This bill and Clinton Anderson's leadership in getting it enacted are further evidence of his dedication to the betterment of all the people.

Clinton Anderson ended his service to the Nation as a U.S. Senator on January 3, 1973. We have missed his participation in the debates of this body since he left and now we will miss his availability for advice and consultation on the important issues which confront the Congress. I feel the loss of a personal friend and a fellow New Mexican.

Mr. President, Clinton P. Anderson will be remembered as one of that select group of patriots who served America with honor and courage. I am sure my colleagues join with me in expressing to the Senator's widow and his family our deepest sympathies.

THE U.N. VOTE ON A RESOLUTION DETERMINING THAT ZIONISM IS A FORM OF RACIAL DISCRIMINATION

Mr. CASE. Mr. President, the vote by the United Nations condemning Zionism as a form of racial discrimination is an irresponsible action. It blunts the affirmative progress made by Israel and Egypt in the recent Sinai settlement. It weakens respect for the United Nations system and limits its chance to act effectively within the framework of its charter.

It is sad indeed that the member nations of the United Nations have permitted this unfortunate resolution to pass. Most of those states, I am sure, did not consider that matter on its merits but, instead, responded to the threat of oil blackmail as they have done on earlier occasions in the specialized agencies of the United Nations.

The U.N. vote Monday night is a victory for no one; it can only set back efforts for a peaceful settlement in the Middle East.

TELEVISION'S FAMILY VIEWING HOUR

Mr. NUNN. Mr. President, for a long time, I have been a strong supporter of efforts to improve the programing presented each evening to millions of Americans over network television. Thus, I have read with considerable regret that the major guilds representing television writers, producers, and directors have filed a lawsuit complaining that the new family viewing concept violates the first amendment guarantee of free expression. The suit has been filed against the three major networks, the FCC, and the National Association of Broadcasters.

Earlier this year, the National Association of Broadcasters amended the Television Code by adopting language which set aside the first 2 hours of evening prime time television for family viewing. The NAB also adopted language which requires the broadcasting of warnings prior to the showing of certain programs in order that parents can exercise discretion when they feel questionable material is about to be aired.

The new code language reads in part:

> Entertainment programs inappropriate for viewing by a general family audience should not be broadcast during the first hour of network entertainment programing in prime time and in the immediately preceding hour. In the occasional case when an entertainment program in this time period is deemed to be inappropriate for such an audience, advisories should be used to alert viewers. Advisories should also be used when programs in later prime time periods contain material that might be disturbing to significant segments of the audience.

Mr. President, I support this language and I believe it should be given a chance to work. Hardly a day goes by that I do not hear from at least one of my constituents urging me to do something to reverse the trend in television programing which seems to offer ever increasing amounts of obscene and violent material.

The Hollywood writers are arguing that the family viewing concept stifles their creativity. I do not believe these writers have allowed their creative juices to be challenged by this change in programing policy. There are successful programs suitable for general audiences currently being aired. More are being created. Americans will not suffer culturally by being deprived of tales of murder, mayhem, extortion, and rape during the 7 to 9 p.m. time slot.

Most people recognize that television, of all the media, has the strongest impact on our Nation's youth. Its influence is greater and more lasting. What lasting values are our children going to adopt from a medium that bombards them with vivid depictions of drug and alcohol use and abuse, violence, and sex.

The decision by the three major networks to set aside the first hour of prime time viewing each evening is a responsible first step by the industry to set aside a specific time each evening when families can view television together without feeling uncomfortable.

Arthur Taylor, president of CBS, demonstrated leadership in this area by urging the NAB Review Board to make the changes in the existing code which I have mentioned. It is his belief—and mine—that these changes are in the public interest. Mr. Taylor and other network officials who refuse to compromise the principles embodied in family viewing are deserving of high praise by Members of Congress and should be encouraged in their endeavors by every American who supports the family viewing concept and hopes to see it expanded.

THE U.S. MARINES

Mr. BELLMON. Mr. President, 200 years ago the U.S. Marine Corps was born. During the two centuries of its life, the Marine Corps has distinguished itself in all parts of the world and in every conceivable combat situation. As the Nation's elite military organization, they have met every kind of military responsibility with vigor and have discharged every assignment with valor.

Mr. President, the Marines, perhaps more than any other military organization, provide a barometer of the qualities of our American youth. Made up, as it has been through most of its history, by volunteers, the Marines have attracted those from among our young people who most acutely sense the need for patriotism and who feel most deeply the need to serve their Nation in time of peril. It is little wonder that a military organization made up of such individuals and led by officers who share the same high principles have throughout the 200-year history of the Marine Corps built a record of military accomplishment unparalleled in the annals of modern military history.

During the recent past when public pressure has dictated a relaxation of disciplinary standards by other military organizations, the Marine Corps has kept its standards high. The same principles which have proven successful in building character and in instilling the will to face and overcome danger remain in force throughout the Marine Corps today.

Mr. President, a nation as great and strong as the United States can and should support one elite military organization which maintains a high state of readiness and maximum versatility. Throughout its 200-year history the Marines have fulfilled this role. The Nation's security requirements during the next 100 years clearly demand the same high state of readiness and the same high degree of dedication. The U.S. Marines are prepared to meet the challenge of the future with the same dedication they have shown in meeting the tests of the past 200 years.

CONSERVATION: THE ONLY SHORT-TERM ENERGY ANSWER

Mr. GRAVEL. Mr. President, Prof. Lewis D. Conta, the dean of the college of engineering at the University of Rhode Island, has written an excellent article that was published last August in the Mechanical Engineering magazine.

Professor Conta points out that exponential growth of energy in the United States simply cannot and will not continue. In electrical generation, the constraints of capital, cooling water, and manpower will not allow a continued doubling of electricity supply every 10 years. We are already seeing a slowdown in demand, and utility companies across the country now recognize that they will not need as much new generating capacity as they had predicted a few years ago.

Professor Conta points out, however, that there is an energy supply in this country which can be developed without recourse to the vast sums of capital that would be required, for example, to build the hundreds of nuclear power plants proposed by the administration. This energy supply, which is truly enormous, is the energy we already produce—and waste.

Most Americans now recognize the importance of energy conservation—that is, using the energy we produce more efficiently. But it still remains to translate this concern into real energy savings. As Professor Conta states:

> It seems clear that conservation efforts far more vigorous than any now proposed are our only hope. Furthermore, conservation with a goal of reduced total energy consumption must be accompanied by vigorous action to substitute other forms of energy for coal, oil, gas and to reduce, rather than augment, our dependence on electricity generated in giant central power stations.

Mr. President, I believe Professor Conta's article would be of great interest to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

COMING: THE REAL ENERGY CRISIS

(By Lewis D. Conta) [1]

(If we don't get off the exponential growth curve, the year 2000 could unfold on a U.S. landscape dotted with 3000 1000-MW fossil and nuclear power plants. A grievous price will have been paid: capital cost—$2 trillion; water for condenser cooling—more than two thirds the total runoff of our major rivers; and the ecological impact—a possible disastrous climatological effect resulting from the massive heat flux. A far more vigorous conservation effort is needed until solar energy, sea thermal, or another self-renewing system—virtually pollution-free of heat, gaseous, and particulate matter—becomes commercially feasible.)

Most of the attention given to the energy crisis thus far has been concentrated on the relatively short-range fuel supply. The literature abounds with wide-ranging estimates of the supply of fossil and nuclear fuels, their expected exhaustion dates, the dollar and ecological costs of increasing the supply, and the serious consequences of the balance of payment problem.

Many authors, however, in giving estimates of fossil or nuclear fuel reserves, fail to define what they mean by reserves. As a result their estimates range from a life of a very few years, based on proven reserves and current costs and technology, to many decades, or in the case of coal, even centuries, based on estimates of the total fuel that will be discovered over the whole surface of the earth and which is recoverable at substantially increased costs, using technologies not yet available.

In addition, these estimates for the most part are muddled by the confusion surrounding the question of current versus future rates of consumption. At present rates we have sufficient coal in the U.S. to last perhaps a thousand years. But if we should, as some suggest, generate most of our electrical energy from coal, and if the rate of electrical energy consumption continues to double every 10 yr, then a 1000-yr supply of coal would be exhausted in about 60 yr. And if we should work very hard at exploration and recovery and develop a 2000-yr supply, this would only carry us an additional 10 yr.

In spite of these differences, most workers in the energy supply area agree that the fossil fuel era will come to an end, and in the case of oil and gas this end is not far off. The general feeling seems to be, however, that if these fuels can carry us to the day when the breeder or fusion reactor is commercially available, or until some technological miracle makes a new energy source available, we will be out of the woods and can continue down our current fat and happy path. I should like, in this article, to postulate a miracle that would solve forever the problem of fuel supply—perhaps the invention of a pill that turns water into oil—and explore whether this would, in fact, solve our energy problem.

Coal, oil, and uranium themselves are of little use to man. He needs thermal energy, easily derivable from fossil fuels, to heat his homes and buildings and for industrial processing. But over half of his energy needs are in the form of a rotating shaft, or as electrical energy. Since these are mutually interconvertible through the motor and generator, either one will do. A rotating shaft is produced from the common energy sources by means of a heat engine—typically a steam turbine to produce electrical energy and an internal combustion engine for transportation. In this discussion, we shall limit our attention to the large central steam power plant, using either fossil or nuclear fuel, which produces our electrical energy. These plants currently account for about 25 percent of our total energy consumption, and the percentage grows each year.

For most of this century we have been on a growth curve that called for the doubling of our electric generating plant capacity every 8 to 10 yr. For the past several years it has been at substantially higher than a 10-yr doubling rate, yet the recent brownouts and voltage reductions demonstrate that we have not been building capacity beyond our needs. In order to remain on this historic curve for another 25 yr, until the year 2000, we will need to have added to our generating capacity, between 1970 and 2000, an average of 50 1000-MW power plants in each of the continental states. A 1000-MW plant is a very large plant. There are very few that large now, although most future stations will be at least this size. In the state of Rhode Island we have been trying for over 5 yr to find an acceptable site for a single nuclear power plant, thus far without success. After we have succeeded in this search, where will we build the others? Where will any state find sites for 50 major power plants?

But perhaps remaining on the historic growth curve is unrealistic. Do we really need this much electric energy? Some people, Phil Ross of Westinghouse among them, have been making a very strong case for the proposal that we will need more than this number. They point out, very properly, that we will soon be approaching the end of the petroleum age, and that the remaining supplies will need to be reserved for uses for which there are no adequate substitutes: The production of synthetic materials, pesticides, and fertilizers are some examples.

NORTH SLOPE: A 2-YEAR SUPPLY

The problem of finding a continuing oil supply may be demonstrated by considering the Prudhoe Bay field on Alaska's north slope. This strike, the largest in a long time in the U.S., was made several years ago, and it will be some time yet before the first oil flows through the pipeline, now finally under construction at the current estimated cost of $6 billion. Yet this field has an estimated capacity that would supply total current U.S. needs for only 2 yr. Thus, to maintain independence in petroleum supplies we would need to make a Prudhoe Bay strike, or its equivalent in lesser fields, every 2 yr. And at current growth rates this interval would be reduced to every year by 1990, and about every 6 months by 2000. Since discoveries of this magnitude are inconceivable on a continuing basis, Phil Ross and others propose that we should move as rapidly as possible toward an all-electric economy, since it is only through the electrical path that nuclear energy can supply many of our energy needs. Based on this proposal, Ross projects a need for about 60 1000-MW plants in each state by the year 2000.

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[1] Dean, College of Engineering. Mem. ASME.

But what about conservation? Can we reduce the projected rate of growth of consumption enough to solve the problem? Perhaps we can, but only by a far greater awareness of the problem and a far greater national dedication to conservation than anything we are likely to see. The most intensive current study of this problem is that carried out by the Ford Foundation Energy Policy Project. The final report of this project, entitled "A Time to Choose," suggests a scenario that would reduce the rate of growth of energy consumption to half the historic rate. Since the projection is based on total energy consumption and since the fraction that is in the form of electric energy has been increasing steadily, and will continue to increase, this scenario would not cut the number of projected power plants needed by one half, but might result in a reduction to 30 to 35 per state, still a formidable number. The trouble with such scenarios is our tendency to read the headlines and neglect the fine print. We learn that it is possible to cut the growth rate in half, and then relax and assume that it will be done—without reading on to learn what is required. The fine print in the EP Report tells us that we must improve drastically the construction of all buildings to reduce heat flow and infiltration, turn to more efficient systems such as heat pumps for space conditioning, reduce lighting intensities, make extensive use of solar heating and cooling and of onsite total power plants, build smaller, lighter cars with diesel engines or other efficient drives, etc.

I fail to see any real drive to take any of these required actions. Big, overpowered, air-conditioned cars, still actively promoted by the industry, have started to make a comeback now that the gasoline shortage is over—at least temporarily. Since the average life of an automobile is approximately 10 yr, an inefficient car built now will continue to be a burden for the next decade. The situation in the construction industry is even more serious, for here we are looking at a turnaround time of at least 50 yr; yet I fail to see any drastic change in buildings now under construction or planned—even in New England, where air conditioning is not a necessity and where the energy pinch is most severe. Furthermore, it is unlikely that drastic changes will occur until codes or standards are adopted to mandate the necessary changes. Unfortunately these are likely to be very slow in coming.

We should be careful, too, not to take too much comfort from the sometimes impressive savings that resulted from conservation methods adopted during and following the oil embargo. It was not too difficult during this period to turn thermostats down to 68° F (20° C), turn out lights not in use, and turn off TV sets when no one was watching. To go farther, however, will require that we shiver in the dark—and we are not going to do that—at least not yet. Furthermore, as many economists have pointed out, the energy content of each unit of gross national product has been nearly constant for many years, and during 1974 the GNP decreased; this decrease probably accounted for a greater reduction than our conscious efforts to conserve. Presumably the GNP will begin to rise again, and, unless we change our ways, energy consumption will rise with it.

THREE MAJOR DETERRENTS

There are powerful voices, too, urging that we increase the fraction of our total energy consumption that is in the form of electric energy. Ross has already been cited in this regard. The Jan. 1975 issue of *Fortune* carried a position paper, "Nuclear Energy and the Future," by John W. Simpson, in which the author makes a plea for the use of "more electricity in the years to come, not less," and suggests that we "substitute electricity for direct combustion of oil and gas wherever technically and economically feasible." Even more ominously the Blueprint for Project Independence of the Federal Energy Administration suggests that we stimulate electrical use rather than oil and gas in the residential and commercial sectors, and insist that all new buildings be heated and cooled by electricity.

Whenever we push conservation and achieve the technical fix of the Ford Project, or follow the all-electric route proposed by the proponents of nuclear power, we are talking about the need for an average of 30 to 60 1000-MW power plants in each state in the union by the year 2000. In further support of these numbers, the Federal Power Commission, in a news release dated Sept. 24, 1974, projected a need for 1.677 million MW of capacity in the contiguous United States by 1993, or an average of 35 1000-MW plants per state. Continuing their projection to the year 2000 would indicate a need for more than 50 such plants per state by that date. Can we have these plants in operation by that time? I believe the answer is clearly no, for at least three important reasons:

The first problem is that of locating acceptable sites, the major criterion being the availability of enormous quantities of cooling water. Although the best fossil fuel plants can reach an efficiency of 40 percent, the large number of older plants, and the growing number of less efficient nuclear and gas turbine plants in the total mix results in a national overall average efficiency below 35 percent. At this figure a 1000-MW station will reject about 6.3×10^9 Btu/hr (1.86×10^6/kW), and will require. for a reasonable temperature rise through the condenser, a cooling water flow of nearly a million gallons per minute (63,000 l/s). The undesirable environmental effect of this massive heat flux is well known, but I fear that when the crunch comes, ecological problems will be forgotten and only the availability of cooling water will be considered. We saw last winter what the public will put up with in cost and inconvenience in order to get gasoline, and electrical energy is even more vital to our comfort and health. However, even if ecological effects are ignored, we simply do not have enough sites with the required quantities of water available. A long-range study made for the AEC at the Hanford Engineering Development Laboratory indicates that our rivers and streams will fall far short of providing cooling water for steam power plants in 1990 for once-through cooling. One proposal to cope with this problem is the establishment of nuclear parks containing five or more 1000-MW plants on a single site. While this would reduce the total number of sites required, it would increase the water requirement per site to 5 or more million gpm (315,500 l/s), thus eliminating all but very large rivers and lakes, or the open ocean as possible sites.

Many proposals for easing this problem have been made, but none appear likely to solve the problem. The most attractive is to use the waste heat for some useful purpose. However, how many uses can one find for a million gallons per minute of lukewarm water? Even if the temperature were high enough to make the water useful for space heating, and this would only be made possible by a substantial reduction in plant efficiency with a consequent increase in the amount of fuel consumed and waste heat produced, the amount of energy available would be enough to heat the houses of nearly a million people—and we do not propose to locate nuclear power plants in the middle of major cities. Even if we were willing to accept this risk, we do not have an average of 30 to 60 population centers of this size in each state. Other uses such as aquaculture have been proposed, but handling and usefully employing warm water at the rate of a million gallons per minute pose problems that have thus far made all proposed applications impractical.

A more reasonable proposal is the use of wet cooling towers. However, the cooling towers for a 1000-MW plant will evaporate approximately 10 to 20 thousand gallons of water per minute (630–1260 l/s), and a 5000-MW park would evaporate about 100,000 gpm (6200 l/s). A study of the plant siting problem in Rhode Island has indicated that there is not a single island site in the state with enough expendable water to handle the requirements of a single 1000-MW plant. A salt water cooling tower would need to be larger and more expensive than one using fresh water, and would present the additional problems of corrosion and salt contamination of the land near the plant. The climatic effect of the evaporation of massive amounts of water is another matter of serious concern, particularly in coastal regions which already suffer from fog and humidity problems. A nuclear park, unless it were located on the open ocean, would find itself engulfed in a fog-enshrouded rain forest.

Dry cooling towers are another possibility, but they too would be much larger and more expensive than wet towers, and would cause a substantial degradation in plant efficiency and an increase in plant size and cost. No dry cooling tower of the size required for a major power plant has yet been built.

Undoubtedly a combination of these schemes, and perhaps others yet to be explored, will be used, and perhaps the combination will permit the siting of the plants that will be necesary in the year 2000. However, the world will not end in 25 yr, and to remain on the historic growth curve will require the addition of another 30 to 50 plants per state in the following decade—a challenge that is, in my estimation, completely impossible to meet.

A second major deterrent to the construction of the projected power plants is the enormous capital sums that must be raised. Fifty power plants per state plus the required transformer and transmission systems would cost between 1.5 and 2 trillion 1974 dollars. To this must be added the vast sums called for in Project Independence to locate and open new coal and uranium mines and petroleum fields; build shale oil and tar sand conversion plants, and coal gasification, liquifaction, and desulfurization plants; build fleets of supertankers, and supertanker ports, and finally pay the Arabs for the oil to fill the supertankers. It seems clear that if these needs are met it will be at the expense of nearly all other demands for capital funds outside of the energy industries. Anyone who reads the financial pages of the daily newspapers is aware of the difficulties that the utilities are already having with the problem, and of the fact that major construction projects have already been delayed for this reason. Edison Electric Institute figures indicate that by last October, $16.1 billion of the $88 billion projected to be spent on construction between 1975 and 1978 had been cancelled or postponed. These data included cancellation or deferment of 41 percent of the nuclear projects planned.

A third deterrent to the construction of the projected power plants and the concomitant increase in energy supplies is the lack of trained manpower. A study carried out by the National Planning Association for the National Science Foundation indicates a need in seven selected energy-related sectors for an increase between 1970 and 1985 from the current 101,000 to 224,600 engineers and from 141,400 to 307,300 scientists—mostly physicists, chemists, and mathematicians. These do not include manpower needs in the second-tier sectors, i.e., those supplying the primary energy industries. Making reasonable assumptions concerning attrition and drop-outs from the profession, the annual need for new engineers by 1985 will equal approximately half of the current output of the nation's engineering colleges. Since these industries currently employ only about 10 percent of the total engineering pool, the probability of meeting expected manpower needs is small. The problem is actually worse than these numbers indicate, since the most dramatic growth will, unless we change our path drastically, come after 1985. A recently released forecast of the AEC indicates that skilled manpower needs for power plants alone will increase from a current 150,000 to over a million by 2000, a greater than sixfold increase. The probability that these trained manpower needs can be met is small indeed.

The fact that we are already experiencing brownouts and voltage reductions, difficulties in finding acceptable plant sites, problems with raising the capital sums needed, and shortages of technically trained manpower should indicate that the vast projects associated with Project Independence and with the construction of 30 to 60 giant power plants in each state in the union will not be possible. The problem, of course, is that we have been living for most of this century on an exponential growth curve of electrical energy consumption, and we are approaching the end of our ability to stay on this curve. The fact that we have had a long history of following such a curve does not guarantee a long future.

THE BEND IN THE CURVE

Reactions to such pessimistic predictions seem to fall into two major categories. The first suggests that the growth curve will ultimately bend, that is, we will get off the exponential curve. This is certainly true, but it does not explain how or why we will change course. Faced with the fact that we are on a curve leading to an unattainable destination, a surprisingly large number of people react by saying that, since we obviously can't get there, then the curve will change; hence we can relax and let nature take its course. Nature, unfortunately, has cruel ways of producing change. It would clearly be better to realize that we must change course, and take action to produce the change in ways which will result in the least possible distortions in our lives. Ideally we should change course gradually toward an attainable goal—one with which we can live, although it might not be as desirable as the original. If the change cannot be as smooth as the ideal, it should at least take the form of a series of small perturbations, rather than a delayed major upheaval. Unfortunately it is man's nature to resist as long as possible, and to follow the historic path until a major correction is required. The Arab embargo was the most recent and strongest impetus toward a new course, but unfortunately many of us, including ordinary citizens as well as spokesmen for the energy industries, are choosing to ignore the warning and are trying to stay as close to the historic growth curve as possible. This can do nothing but guarantee a much more difficult adjustment sometime in the future.

The second type of reaction to my pessimistic statements is to accuse me of ignoring coming changes in technology, of assuming that we will have the same kinds of power plants in the year 2000 as we have now. My response is of two kinds. First I believe we will in fact be depending in 2000 on the types of power plants we are now building. It currently takes about 10 yr. from the first decision to build a nuclear power plant until the plant in on line producing electrical energy. Part of this time is spent in obtaining site approval and various licenses, but these procedures cannot even start until the nature of the plant is fixed and its major features established. Thus, if we are to have a substantial number of new types of plants in operation by 2000, they must be started in 1990. But we won't start a large number of radically new plants in 1990 unless a few prototypes have demonstrated feasibility. These prototypes must, therefore, be started in 1980. Does anyone seriously suggest that we will be ready in 5 yr to build anything radically different from our current fossil or nuclear plants?

My second response is to say that even if we could build radically different plants that early, the major arguments remain. Breeder reactors will have the same siting problems as current plants, and will cost a great deal more. Geothermal plants will also share the same problems. Central solar energy plants following the Meinel scheme will have even greater cooling water requirements, and will require, furthermore, that the water be piped from the ocean across mountains to the desert, and then returned to the seas. The orbiting solar energy satellite proposed by Glaser would have no water requirement, but, in common with the Meinel concept, presupposes substantial breakthroughs in technology and in cost—breakthroughs that demand manpower and dollars that are not being made available. Sea thermal power plants are probably feasible now, and by their nature take care of the waste heat problem. They would, however, require a large input of technical manpower to solve many problems—not the least of which is that of energy transmissions to load centers. They would, furthermore, involve very high capital costs. Thus any new technology now in sight will run into at least two of the three major constraints—waste heat disposal, capital costs, and trained manpower requirements. Clearly our most serious shortage is time, and we have frittered this away by not appreciating and facing the problem early enough.

WHAT ARE THE ALTERNATIVES?

If these arguments are sound and we cannot build power plants to meet our projected needs, what are the alternatives? It seems clear that conservation efforts far more vigorous than any now proposed are our only hope. Furthermore, conservation with a goal of reduced total energy consumption must be accompanied by vigorous action to substitute other forms of energy for coal, oil, and gas and to reduce, rather than augment, our dependence on electricity generated in giant central power stations. Methods of conserving energy in general have been widely publicized over the past year, and dramatic results achieved whenever a serious effort was made. Methods are also available to reduce our dependence on electric energy, and to improve the overall efficiency of generation.

Approximately 25 percent of our total energy consumption is used for space heating and cooling and for hot water. Most of the cooling, and a growing percentage of the space and water heating, are now accomplished using electricity. Clearly if we are to reduce the escalating need for central power plants, we should not be using resistance heaters to heat air and water. Gas or oil can accomplish the same end with a much smaller energy input, and the use of heat pumps would produce an even greater saving in total energy. It makes little sense to start with thermal energy from combustion, convert it to electrical energy in a very expensive plant with a resultant loss of two thirds as waste energy—which becomes thermal pollution and an environmental hazard—and then reconvert the remaining valuable third from high-quality electrical energy back to low-temperature thermal energy to heat a room to 70°F (21°C) or water to 120° F (49°C). It doesn't even make sense to use thermal energy from combustion at 3000°F (1650°C) to heat air or water to a very modest temperature with a very large increase in entropy and loss in availability. We should be using waste heat or solar energy for these low-temperature needs. Even in New England at least half of the energy for heating and cooling could be replaced by solar energy—particularly in new construction. The technology is essentially ready, and all we need is the determination, and perhaps some changes in financing arrangements. A major push to utilize solar energy as much and as soon as possible is the most effective single procedure we can use to reduce the growth of electrical load, and thus reduce the need for an unattainable expansion of generating capacity. When energy spokesmen state that solar energy cannot contribute to our energy needs before 1990 or 2000, they are generally referring to the sun as a source of electrical energy. For use as a simple low-temperature heat source the technology is simple and only large-scale commercial application is missing.

ONSITE POWER

The use of waste heat for space heating and cooling and for hot water is also possible immediately. Attempts to find practical uses for the waste heat from large central steam power plants are frustrated by the enormous quantity and low temperature of the rejected energy. Diesel engines and gas turbines, on the other hand, are, unlike steam power plants, efficient in small sizes, and discharge waste heat at temperatures high enough to be useful for heating or cooling. By making use of the rejected heat in this fashion, overall plant efficiencies as high as 60 or 70 percent are attainable; this is roughly double the efficiency of central power plants. Furthermore, the greatly reduced quantity of waste heat is discharged directly to the atmosphere, rather than to cooling water, and in this way the major problem associated with the plant siting is eliminated. Onsite plants which provide electrical energy, space heating, hot water, and air conditioning for apartment complexes, commercial buildings, and shopping centers are an economical and practical way to reduce the demand for expansion of central power stations, and their use would result in substantial savings in total energy. They do, of course, depend on gas or oil for fuels, but their high overall efficiency would extend the life of these fuels, and thus buy the time needed to develop alternate energy sources. They also enjoy a substantially lower capital cost per kilowatt than central power stations—particularly nuclear plants—and can be placed in operation in months rather than years.

This concept of onsite power with waste heat recovery, known as total energy, has been in use for many years, and its use will undoubtedly grow. Some of the problems associated with it, such as seasonal changes in relative electrical and thermal energy needs, and the need for operators and maintenance people, can be minimized by expanding the concept to cover large and more varied groups of customers and adding new loads—and possibly energy sources—such as water and sewage treatment and solid waste disposal. This concept, called a modular integrated utility system, or MIUS, is under serious investigation by HUD with the support of ERDA, EPA, NBS, and NASA. Full-scale demonstration plants are being planned.

Total energy and MIUS systems recover waste heat as a by-product of the generation of electrical energy. The converse scheme is also possible, but little used, i.e., the generation of electrical energy as a by-product of the process steam used in industrial operations. By passing the steam through back pressure turbines before it enters the processing operation, low-cost electrical energy can be generated, and the overall efficiency of the process substantially increased. Again first costs are low, the environmental problems minimal, and the technology is well-developed and available.

Exhaust steam from turbines, either industrial or utility, can also be used for space heating in district heating systems. Such systems have been in use for many years in central areas of a few U.S. cities, and their use is growing, particularly in some foreign countries. A recent *Wall Street Journal* article described plans to develop a national central-heating system in West Germany which would use exhaust steam from turbines and would serve all towns with over 40,000 people. To get around the problem of the low temperature of the waste heat, proposals to use this energy as the heat source for domestic heat pumps have also been made.

Since the purpose of this article is to urge the necessity for vigorous conservation and the reduction in demand for electrical energy, rather than to detail the methods for accomplishing it, these examples will suffice. Recent literature abounds with excellent advice on conservation procedures. The Ford Foundation Energy Policy Project publications—the *Final Report* and the back-up publications—are particularly good sources.

LONG VIEW VERSUS "PROFITABLE" SHORT VIEW

If this description of the coming crisis in energy is real, why has it been ignored for so long, and why are intelligent and knowledgeable people proposing that we move in the opposite direction, i.e., toward an expanding dependence on electrical energy? I believe the answer lies in our tendency to look at problems from a relatively parochial point of view and over a relatively short time span. Most of our decisions are based on economic factors and too often on poor economics or on economic analyses limited to a selected part of the complete problem. A builder or developer of housing or commercial space, for example, is behaving in a perfectly rational manner when he puts great stress on first cost, and little or none on total life costs—including operating costs. Immediate capital is difficult to raise, and expensive, and he is interested in keeping the selling price as low as possible. As a result, electrical resistance heating, based on its low initial and installation costs, may be a rational choice. He is not much concerned with the lifetime cost of the installation which may be very high, or with the fact that roughly twice as much oil must be burned to furnish the electricity as would be needed for direct firing in a good furnace.

The builder also neglects a factor which will, I believe, be of overriding importance from now on. The decision to choose a low first-cost system in order to reduce the necessity to raise capital, simply shifts this task to a utility. The addition of a 20-kW load to a house in order to save a few thousand dollars on the first cost of the heating and air conditioning systems, either oil-fired or solar, will require that a utility invest approximately $10,000 in additional plant capacity to ensure the availability of the extra 20 kW. In the past, utilities have been willing and anxious to do this, but it is extremely unlikely that they will be able or willing to meet projected demands. As a result, the future owner of the house may find himself in a very difficult position. Similarly, the builder of a large commercial building may decide against a total energy plant on the basis of first cost, without considering that a utility will have to make a substantially larger investment in order to supply the new peak load.

The utilities, too, must of necessity look at the problem from a one-sided point of view. They are in a highly capital intensive business, and in order to pay dividends on this investment, they strive to keep the machinery running as many hours a year as possible. Thus they are willing to offer special inducements to build off-peak load even though the oil the plant consumes at night has just as disastrous an effect on our balance of payments, and on our growing dependence on foreign supplies as day-time oil.

We must realize, too, that the oil import problem can only get worse. We are now importing crude oil, a relatively cheap unrefined material. The oil producing nations, however, have already begun to invest some of their surplus capital in refineries and other processing facilities for converting crude oil into finished products. The time is coming, therefore, when we will be forced to burn our own crude oil, and import fertilizers, plastics, gasoline, and other finished products from the countries that control the raw material. When this happens the balance of payments problem will be far worse than we now anticipate.

The problem of oil imports is so important that the Federal Energy Administration, as mentioned earlier, has proposed requiring that future homes and buildings be heated electrically—to enable the load to be shifted from oil to nuclear-electric energy. This is another example of a short-range solution which will lead to a long-range disaster, since all-electric structures built now will still be around 50 yr from now, 25 yr past the magical 2000, the year when we should have built the 50 power plants per state.

Since it is extremely unlikely that utilities will be able to continue to raise the capital needed for expansion, government agencies, federal or state, will be increasingly forced to step in and help. This has already happened in New York State. It would be far better for government support to be directed toward helping individual citizens, builders, or industry pay for energy-saving equipment and methods than to invest in new power plants. Subsidies for solar heating panels, for example, would cost far less than the power plants they replace, and would reduce fuel oil consumption much faster and more effectively. Furthermore, since the experimental breeder reactor now under construction will not be operating before 1983, breeders, even if they prove to be safe and practical, will not be carrying much load before 2000. Thus the proposed all-electric, nuclear economy will require a major expansion of current reactor types. These plants will, long before the breeders are taking over the load, exhaust our domestic supplies of U235, and we may be as dependent on foreign sources for uranium as we are now for petroleum. A combination of mandated conservation measures and financial inducements, properly selected and administered, would reduce our dependence on foreign energy sources far faster than the development of a breeder reactor-electric economy.

Another factor which has not been a problem in the past, but which may soon become more important than economics in governing our decisions, is simple availability. Although a solar heating system for a house in New England may not appear to be a good economic choice at the present time (although it may be if lifetime costs are considered), when an oil dealer tells his customers, as most of them did last winter, that he could only supply 80 percent of their previous year's oil consumption, the question of economics may become less important than simple comfort; and if in some future year the allotment becomes 70 or 60 percent, then surely the solar energy system will look very good indeed, regardless of economic justification.

CONCLUSION

It seems clear that we cannot meet the projected needs for electric energy in the year 2000, and continuing to build buildings and buy equipment and systems based on the assumption that we can will only create exceedingly difficult problems for the years ahead. We can reduce dramatically our need for total energy as well as for electrical energy, but only if we make conservation a new ethic, a new way of life. This will not be a life of privation, but one in which growth is in intellectual and human values, in recreation, and in the enjoyment of a clean and less harried world, rather than in the proliferation of material things which become all too soon a disposal problem. We have been committed for many years to a maximization of the gross national product by an ever increasing flow of materials and energy through the economic system, with little regard for the resulting quality of life. It will not be easy to change, but change we must if we are to leave to our descendants any hope for a good life.

The major deterrent to change lies in the fact that the political and economic forces which determine our decisions and actions are controlled by short-range influences of the economic marketplace. Our institutions seem unable to respond to long-range problems and needs. The business executive, whether in the automobile industry or the electric utility business, is expected to provide dividends for the stockholders this year, not to solve problems of the year 2000. Political leaders to whom we look for solutions to the very difficult problems we face, must be concerned with the next election, and we have, as a people, a long history of electing candidates who tell us how good it will be during their administrations, and of turning away from leaders who tell us the hard truths about our situation. Our society has never been reluctant to pass the hard problems on to the next generation. Given the choice of guns or butter, we elect both, pay for the butter, and pass the bill for the guns to our children. We are now running out of time, and the energy problem will not wait for our children or grandchildren. If you are under 40, this problem will be on your doorstep before you retire. If my generation doesn't begin to take the drastic steps necessary to bring it under control, you had better start making waves.

ANOTHER GREAT GRAIN ROBBERY?

Mr. CASE. Mr. President, after the United States-Soviet grain agreement was announced on October 20, I made a statement urging the administration to submit the agreement to the Senate for examination as a treaty.

Agriculture Secretary Earl Butz, in a Senate Foreign Relations Committee hearing that week, acknowledged that the agreement was more than just a trade matter.

For those who are interested in the subject, I ask unanimous consent to have printed in the Record an article from the November 15 issue of the New Republic.

There being no objection, the article was ordered to be printed in the Record, as follows:

Lifting the Phony Embargo—Another Great Grain Robbery?

(By Joel Solkoff)

Friday, October 17 was a boring day at the Chicago Board of Trade. Grain prices were slightly down, and trading was described as "lethargic." *The New York Times* explained, "[T]raders . . . were concerned about the lack of news of a Soviet-United States grain deal and a lifting of the grain sales moratorium." After the exchanges had closed on Monday, October 20, Ron Nessen, the White House press secretary, announced that an agreement had been reached, the moratorium had been lifted and Americans were now free to sell wheat and corn to the Soviet Union. On Tuesday the price of wheat fell 17 cents and the price of corn dropped almost eight cents. The *Times* explained, "The professionals generally follow the rule of "Buy on the rumor, sell on the news.' "

The Monday afternoon that Nessen made his announcement was a dull day in the briefing room at the White House. One might have expected to see a victorious President, announcing that he had forced the truculent Russians to stop disrupting our grain market with their disorderly buying habits, that he had got them to agree to sell us oil and to consider selling it at cut-rate prices, that he had subordinated an independent Earl Butz to administration policy, and that he had made peace with George Meany. That is the sort of drama we've come to expect from announcements of this putative magnitude. Lyndon Johnson and Richard Nixon would not have passed up such an event; Gerald Ford was upstairs in his bedroom wearing tan pajamas with brown piping, recovering from a sinus infection and a cold.

This appears to mark another success for Secretary of State Henry Kissinger, who apparently has convinced Ford that food policy is too important to be left to the Secretary of Agriculture. Secretary Butz has not tried very hard to hide his private displeasure, first, about the moratorium and, now, about the agreement. The deal was negotiated by a seven-man team led by an official in Kissinger's State Department, and including only one USDA member. Starting October 1, 1976 the Soviets will buy a minimum of six million and a maximum of eight million metric tons of wheat and corn each year for five years.

Kissinger has also been successful in furthering his diplomatic notion of linkage. By linking grain with oil, he hopes to drive a wedge between the Russians and the Arabs. On the same day that the grain agreement was signed, the signatories released a letter of intent stating that once a price is agreed to, the Soviet Union will sell to the US 10 million tons of oil a year for five years. While that represents a relatively insignificant percentage of our need (the figure translates to 200,000 barrels a day; American daily consumption is nearly 17 million barrels) were the Russians willing to sell us the oil at less than Arab cartel prices, it would appear to be a diplomatic breakthrough.

Kissinger, however, was too busy in China being warned not to get too close to the Russians. Nor, was Charles W. Robinson, Under Secretary of State for Economic Affairs and the man who negotiated and signed the agreement, around to add drama to the event. AFL–CIO President George Meany, whose boycott of ships loading grain to the Soviet Union convinced the administration that an agreement was necessary, was uncharacteristically silent. Meany had won a major victory. He had succeeded in his primary goal of protecting American flag ships—which are being driven off the seas by cut-rate foreign competitors—and he was content merely to send out a statement expressing satisfaction.

The White House press conference that followed the President's statement was a low-key affair, and—except for Butz—the principals were absent. Frank Zarb, head of the Federal Energy Administration, said in essence that the oil deal was not very important, "However, I certainly support discussions with any new sources around the world, so long as we are an importer." Robert Blackwell, head of the Maritime Administration, talked about freight rates. The grain agreement reiterates that the maritime agreement continues in effect. One third of the goods shipped to Russia must—by law—sail on American flag vessels. One of the sticking points has been the freight rates for those vessels. That was resolved (at least until December 31, 1976) by an agreement signed nearly a month before the grain deal. Blackwell explained, "We concluded a rate agreement with the Soviet Union on September 19, effective September 22, and in that one month 31 US ships have been fixed to carry over 1.2 million tons of grain to the Soviet Union, and the job creation factor has been about 1400 jobs."

Perhaps the reason for the rather sluggish reaction by the victors is that the lifting of the embargo does not seem to have made much difference. The embargo was imposed as a result of purchases of 10.3 million tons of grain in July to make up a shortfall in the Soviet crop estimated by the CIA to be as high as 50 million tons. (Now, the estimate of Soviet deficit is 55 million tons.) People remembered 1972 when the Soviets—in what is popularly known as "The Great Grain Robbery"—made what was until this year, the largest grain deal in history, buying 19 million tons of wheat, corn and soybeans. The Soviets emptied those legendary American storage bins, plunging the US into a cycle of agricultural shortages after decades of abundance. The cost of food nearly doubled, and because the Russians were buying American grain to insure the meat production of their livestock, the cost of animal feed skyrocketed. Americans' diet consists largely of meat and animal products—the items that went up the most.

Earl Butz seized the occasion to get the government out of agriculture. He boasted that he was lifting acreage controls on one-sixth of the nation's crop land. No longer would farmers be paid not to produce. According to *The Economic Report of the President*, "When these acres were released in 1973 and 1974, however, it became clear that many of them were unprofitable to bring back into production, even at higher prices. Crop acreage rose by only 37 million acres between 1972 and 1974, even though about 60 million acres were released from acreage controls. Thus, the actual excess capacity from this source was not nearly as large as the data suggests." He vigorously opposed building up the country's reserves, so that our farm policy requires that each year we are totally dependent on what we grow. He has pursued a policy of encouraging cash grain exports as a way of providing foreign exchange and dominating world grain markets. The resultingly high feed costs for the dairy, livestock and poultry branches of farming continues to mean dangerously low food supplies. Meanwhile he has been forcing all farmers to be at the mercy of the marketplace by making support prices and loans so low as to be punitive.

In the summer of 1973, the USDA discovered that it is possible to sell too much. Too much meant more grain than the United States had, and so an 11th-hour soybean embargo was imposed. Butz had to run around the world reneging on contracts. Farmers, who had been required by the Secretary of Agriculture to export, were furious over what they saw as a betrayal. The Japanese, who were particularly hard hit by the embargo, were terrified. Thomas O. Enders, who is currently in the midst of a State Department shuffle, said that there is such little storage space in Japan that if two grain tankers fail to arrive "it can literally mean disaster." The absence of a consistent food policy in the United States wreaked havoc on the farm policy.

Since 1972, the Department of Agriculture has been telling farmers to rely on market forces. As recently as September, Earl Butz read to members of the House Agriculture Committee the future prices of wheat, corn and soybeans, saying, farmers "can't fail to read that signal. They respond primarily to the price situation." This experience is not new to our history. In a short story published in 1902, Frank Norris described what can happen when farmers must rely on the futures market: "The farmer—he who raised the wheat—was ruined upon one hand; the workingman—he who consumed it—was ruined upon the other. But between the two, the great operators, who never saw the wheat they traded in, bought and sold the world's food, gambled in the nourishment of entire nations, practiced their tricks, their chicanery and oblique shifty 'deals,' were reconciled in their differences, and went on through their appointed way, jovial, contented, enthroned, and unassailable."

In 1973, as a result of the soybean embargo, one futures contract went from $3.31 to $12.90 and then down to seven dollars. At one point, four traders nearly cornered the market, controlling over 90 percent of the contracts. The situation became so desperate that finally the Exchange suspended trading. Later, Frank E. Denholm, then a member of Congress from South Dakota, commented: "[B]ecause the embargo was discontinued when the new crop was harvested for the market. . . . the consumers felt the economic pinch while the producers lost the advantage of the upturn in cash market sales. . . ."

Earl Butz vowed that he would never impose an embargo again. In 1974, bumper crops were predicted, but in fact American crop production suffered the worst setback in 40 years. According to *The Economic Report of the President*, "[T]he summer's dry and hot weather was the major setback. Preliminary official estimates of the feed grain crop fell from 234 million (short) tons in March to 215 million tons in July, and then to 175 million tons in August. . . ." So, despite reports that this year would be the largest wheat and corn crop in history and the second largest soybean crop, when news of large sales in July to the Soviet Union came in tandem with news of a drought in Iowa and elsewhere in the corn belt, there was cause for concern. Treasury Secretary William Simon and Federal Reserve Board Chairman Arthur Burns reacted to news of the sales by echoing consumer fears of new price rises. Then George Meany took advantage of the situation to work for the salvation of the merchant marine. Butz let it be known that he was being forced into declaring an embargo against his wishes.

Rep. Neal Smith (D, Iowa) called it an "illegal embargo." *Time* said, "The Administration has no statutory authority to order such a suspension, but grain-export companies obey Washington's wishes." At USDA, the General Counsel, James D. Keast was so new that his name was not in the agency phone book and he said that he had not had time to read through all the complicated laws. (Considering Butz's complaints of "instant" agricultural experts, the greenness of many of the new and shifted personnel in his department is noteworthy.) Keast referred me to John A. Harris, director of the Commodity Programs Division of the General Counsel's Office, who said, "There is no statutory authority other than the Export

Administration Act. . . ." Under the act, the authority to impose export controls is in the hands of the Secretary of Commerce and controls can only be imposed if a short supply threatens the nation's security. The embargo meant simply that Secretary Butz asked the private grain trading companies to please stop selling. Since the sale of grain abroad can only be done by the private sector, since six multinational firms control over 90 percent of the grain trade, and since only the largest firms are capable of handling the quantities the Soviet Union buys, wheat and corn farmers found themselves the victims of a conspiracy among the United States government, the private grain trading companies and the Soviet Union to keep their prices artificially low. Farmers had watched December wheat jump from a low of $3.07 to a high of $5.23 a bushel. The grain companies had been able to take advantage of the surprise purchases in July by buying much of the grain at relatively low prices. The embargo hit the market just when it seemed to farmers that this year they could make some money. Many, hopeful that the embargo would be lifted shortly, held onto their grain hoping to take advantage of the high price, only to watch prices steadily drop.

Meanwhile the grain trading companies were selling wheat and corn to the Soviet Union. On September 22, Commodity News Service ran the following wire story: "Although US grain export firm representatives recently have been shuttling in and out of Moscow, none has notified the Agriculture Department of serious negotiating for the sale of more US grain to the USSR. Assistant Agriculture Secretary Richard Bell said at the weekend that he is aware that a number of export representatives visited Moscow recently and may be there now, but indicated he is confident none is trying to sell US grain to the USSR while such sales are prohibited. Bell pointed out that the exporters can arrange contracts for Soviet purchase of grain from other origins. But contracts made now for any origin excluding US could be changed eventually to let American grain fill those orders agricultural officials pointed out last week."

During the embargo, the newspapers reported heavy buying by such large grain companies as Continental, Cargill and Cook, taking advantage of the lower prices. In 1972 there were rumors that the Soviet Union was trading on the American futures market, and there is no law prohibiting it from doing so today.

By Friday October 24, the Department of Agriculture announced that the Russians had purchased a total of 25 million metric tons of grain in the world market. There are reports that they are in the market for an additional seven million tons of American wheat and corn and that—because of a worse sunflower crop than had been expected—they will be in the soybean market. However some observers point out that the ability of Soviet ports and transportation to handle their purchases is becoming severely taxed, and the Soviets may take a breather soon and wait for prices to go down.

American farmers are furious. As in 1972, the grain the Russians have purchased is straining America's inadequate transportation system. There is a shortage of rail cars and barges. The Gulf ports are jammed. Farmers, who held onto their bumper crops, are discovering that even though they've expanded their storage capacity, grain is being stored out in the fields and in streets. The transportation problems mean that farmers who have to move their grain to Chicago and other delivery points in order to receive the gate price will be paying more to get their goods to market, and you can imagine the effect on consumer food prices.

While the agreement—which begins in October of next year—does nothing to help the American farmer and consumer this year, its potential provides some hope. While the Soviet Union is not the largest customer of American grain, it has certainly been the most unpredictable, and by agreeing to minimum and maximum yearly purchases, the Russians will no longer be able to cause great fluctuations on American markets. Since the sale of grain is a private enterprise, the agreement means that the U.S. recognizes that regulating the sale of grain is in the best interest of the country. Such an agreement is contrary to Butz's latest goal to "keep" the government out of agriculture. The agreement raises the possibility of offending our best customer—the Japanese—who would dearly love a document like we signed with the Russians. Right now the United States has given the Soviets priority over all our customers in the world, and if an embargo must be imposed, they would be the first to get supplies. Meanwhile, Sen. Clifford P. Case (R, NJ), the ranking minority member of the Senate Foreign Relations Committee, insists that the agreement is a treaty and should be submitted to the Senate for ratification. While logic appears to be with Case, the State Department says the document is an executive agreement and that Congress cannot interfere with the President's power to make foreign policy.

In the absence of a consistent farm policy, food policy and foreign policy, the Ford administration was dependent upon its negotiations in Moscow to come up with an agreement that would make everything better. When the agreement arrived, like a god from a machine (promising to do even more than could be hoped), the speculators in Chicago—who know reality when they see it—were disappointed. Too much had been promised too late and the pessimists made money. When pessimists make money at the announcement of "good" news, something must be wrong.

THE GENERAL ASSEMBLY'S IRRELEVANCE

Mr. McGEE. Mr. President, Monday's vote by the United Nations General Assembly in support of the anti-Zionist resolution was a very shocking development.

However, I hope and urge that cooler heads would prevail in the Congress and that we would accord ourselves the time to assess the situation so that the interests of both the United States and the State of Israel are adequately protected.

As H. L. Mencken once observed:

> For every difficult and complex problem, there is an obvious solution that is simple, easy and wrong.

Undoubtedly, there will be many easy and simple solutions offered by my colleagues in response to the anti-Zionist vote in the U.N. However, I fear these solutions will also be wrong—solutions which will be detrimental to Israel and devastating for the United States.

In a recent column which appeared in the Christian Science Monitor, former U.S. Ambassador to the United Nations, Charles Yost, made some very important observations concerning the U.N. He noted:

> For many years after the establishment of the U.N. its debates reflected the cold war between East and West. Since a majority of members at that time came from Western Europe and Latin America, allies of the United States, most controversial resolutions adopted in those days were 'victories' of the West over East. The Soviets bitterly complained of these 'artificial majorities' and, to protect themselves and their friends, used their veto in the Security Council more than a hundred times.
>
> Over the past 15 years both the state of the world and the membership of the United Nations have radically changed. The cold war has at least been muted and the confrontation which U.N. debates now chiefly reflect is that between the rich countries and the 'third world,' the latter now constituting about two thirds of the membership.
>
> To blame this debate, and resolutions adopted in the course of it, on the United Nations, is to make the mistake Hammerskjold warned against, to confuse shadow and substance.

The United Nations system is much larger and significant in scope than the much-publicized arena of the General Assembly. Despite the adoption by the General Assembly of the anti-Zionist resolution, the practical fact of life is that nothing is going to happen to Israel in the United Nations because the United States still retains the veto power in the Security Council. It is in the Security Council where the real power rests, and it is in the interest of both Israel and the United States that we retain this power.

As insulting and infamous as this resolution is, and no matter how much it offends our sensibilities, we cannot allow it to provoke us into an irrational act of our own. Therefore, I beseech members of Congress and the administration to maintain their sense of perspective and take the long view of this matter.

Even though the United States remains the greatest economic and military power in the world, and even though we are beset by problems of our own, the United Nations offers the best hope we have in resolving tensions in many areas of the world. The last thing we can afford is to let a group of immature and irresponsible voices destroy the United Nations by provoking this country into withdrawing from the institution or cutting back our financial support for the many ongoing programs from which we derive significant benefit.

As Ambassador Yost noted in his article:

> The Assembly may be a reflection of the world, often not an inspiring one, but its resolutions are for the most part only recommendations, not binding on anyone. The real work of the U.N. is done in the Security Council, which for example has just renewed the mandate of the peacekeeping force in the Sinai, and in the whole range of economic agencies from the World Bank and the International Monetary Fund to the world health and food organizations and the environmental and population programs.
>
> To refuse to pay our dues for the regular expenses of the U.N. would be to do exactly what we indignantly charged the Soviets with doing in 1964–65—to violate our solemn treaty obligations. To reduce our voluntary contributions to such programs as those mentioned above would be to cut off our nose to spite our face, and to undermine the North-South dialogue we are trying to promote.
>
> As to debates and resolutions in the Assembly, let us by all means condemn and oppose those which are outrageous or senseless—such as one equating Zionism with racism. But let us not, in hitting at reflections in a mirror, weaken an essential institution in which so many of our hopes for all mankind for a safer and better future still so substantially rest.

Precipitous and ill-conceived action on the part of the administration or Congress to either withdraw from participation in the United Nations General Assembly or to reduce our financial support for the U.N., would be as immature and irresponsible as the actions of those countries supporting the anti-Zionist resolution.

I need only remind my colleagues that the mandate for the United Nations Disengagement Observer Force—UNDOF—on the Israeli-Syrian border comes up for renewal by the Security Council at the end of November. It would behoove us all to consider seriously the alternative to a U.N. presence in this potentially explosive area. What is the alternative offered by Members of Congress who would want to strike back at the United Nations? Is it war? Is it a direct introduction of U.S. troops on the border to replace the U.N. contingent as a buffer between the Syrians and the Israelis? I warn my colleagues that the American people would not support either alternative to UNDOF.

Mr. President, an editorial appearing in this morning's Washington Post places the entire incident in its proper perspective.

As the editorial writer noted:

> Some citizens and legislators now wish to take punitive action against countries which voted with the majority. Egypt, for whom the administration seeks substantial sums in foreign aid, is a prime target. We regard this effort as understandable but entirely wrongheaded. Egypt is embarked on a bold experiment in peaceseeking. For the United States to pull the rug out from under the Egyptians, for a vote which, though objectionable, is a secondary diversion from the main line of Egyptian policy, could jeopardize the whole search for a Mideast settlement. The Israelis could end up being the major sufferers.

In light of the potential serious ramifications of a precipitous and ill-conceived action on the part of our Government in response to the anti-Zionist resolution, I commend the President for his statement of restraint in this manner. As reported in the Washington Post this morning, President Ford, while condemning the resolution, focused on the much broader issue of the United Nations in urging that we neither withdraw from the institution, nor reduce our financial support for its operations. I applaud the President's sound reasoning and the leadership he is exercising in this regard.

I ask unanimous consent the Washington Post editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The General Assembly's Irrelevance

The United Nations General Assembly vote to equate Zionism, the movement for a Jewish homeland, with "racism" is in fact an "infamous act" which gives a coloration of legitimacy and international sanction to primitive anti-Semitism, as the American ambassador to the United Nations declared. The vote is as well, in the words of the Secretary of State, "an example of the bloc-voting, of the one-way morality, that has weakened public support in the United States for the United Nations." Both the substance of the decision and its likely political effect must be thoroughly deplored.

But the practical results of the "racism" vote, and of the Assembly's two other votes on Palestine issues, must be carefully scrutinized. What the three votes mostly show is that the General Assembly, as presently constituted, is a hopelessly uncongenial place for the interests and values which most Americans and their friends hold dear. This does not mean that the United Nations as a whole is of no value to Americans. Indeed, on Middle East matters in particular, very little of the United Nations' involvement is invested in the Assembly.

It is the Security Council, where, of course, the United States has the veto power, in which American interests are most directly expressed. Security Council resolutions control the broad political principles on which a Mideast settlement is being sought; they control, too, the peacekeeping forces now, and still, in place. Neither the racism resolution, nor the resolution establishing a "Committee on the Exercise of the Inalienable Rights of the Palestinian People," nor a third resolution to seat the Palestine Liberation Organization at Geneva forthwith, are in the slightest binding. They are malicious and mischievous but, in the last analysis, irrelevant.

Our point is that the General Assembly's irresponsible acts cannot be allowed to divert the nations most concerned from continuing their efforts to reach a settlement. That these acts have inflamed Israelis, and provided new fodder to those elements on the Israeli right which resist compromise, is true and unfortunate. At the same time, however, the warm American response, joined by many others in the West, should help convince Israelis that their friends have not deserted them: quite the contrary.

Some citizens and legislators now wish to take punitive action against countries which voted with the majority. Egypt, for whom the administration seeks substantial sums in foreign aid is a prime target. We regard this effort as understandable but entirely wrong-headed. Egypt is embarked on a bold experiment in peace-seeking. For the United States to pull the rug out from under the Egyptians, for a vote which, though objectionable, is a secondary diversion from the main line of Egyptian policy, could jeopardize the whole search for a Mideast settlement. The Israelis could end up being the major sufferers.

As for the Palestinians, sooner or later it is bound to occur to the more level-headed among them that paper resolutions promoting confrontation in the Mideast are no substitute for real political steps toward a homeland of their own. The Palestine Liberation Organization shows not its effectiveness but its bankruptcy in settling for inflammatory pronouncements which are regarded with great cynicism even by many who support them and which make it more difficult for responsible countries, like the United States, to get behind the legitimate cause of Palestinian nationalism. If those Israelis who do not wish to recognize any Palestinian entity at all had been shaping PLO policy in the last few years, they would have produced just the policy—rhetorical, polarizing, based on illusions—that the PLO has produced on its own.

MIGRATORY BIRD CONSERVATION COMMISSION

Mr. BELLMON. Mr. President, even though its work attracts little publicity, the contribution by the Migratory Bird Conservation Commission to the public interest is of considerable significance. The members of the Commission and the representatives of the agencies who conduct the business of the Commission are rendering a public service which is of immense benefit not only to the Nation's present population, but to the generations to follow.

The distinguished junior Senator from Montana, Lee Metcalf, has long served as a member of the Migratory Bird Conservation Commission but has now retired.

In recognition of the outstanding service which Senator Metcalf has rendered, the Commission, in its meeting on Tuesday, November 11, adopted a resolution honorng Senator Metcalf for his efforts.

I ask unanimous consent that it be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution of the Migratory Bird Conservation Commission Honoring Senator Lee Metcalf

Whereas, the Migratory Bird Conservation Commission was created by law to pass upon areas and to fix prices for lands proposed to be acquired under authority of the Migratory Bird Conservation Act, and

Whereas, the Migratory Bird Conservation Commission guides and influences a program of acquiring habitat of invaluable importance to the migratory bird resource of this and neighboring countries, and

Whereas, Senator Lee Metcalf of Montana has served with distinction and devotion continuously on this Commission from 1961 to 1975, except for a temporary absence of a year, and

Whereas, Senator Metcalf established the unparalleled record of having attended without exception each of the 50 meetings held during his membership, and

Whereas, Senator Metcalf's membership coincided with a major, accelerated land acquisition program to preserve fast disappearing waterfowl habitat, and

Whereas, during Senator Metcalf's membership the Commission decided on the purchase of 525,000 acres of land and creation of 43 new waterfowl refuges, plus additions to many others, and

Whereas, Senator Metcalf's thoughtful advice and counsel contributed strong and sage guidance in carrying out the Commission's work, and

Whereas, through his deep interest and dedication to the Commission, Senator Metcalf established himself as a true benefactor to the nation's wildlife and to all who enjoy these irreplaceable treasures, and now, therefore, be it

Resolved, that this Commission on its own behalf and on behalf of all the Nation's people, extend to Senator Metcalf profound appreciation for his service, and be it further

Resolved, that this resolution be made a permanent part of the Commission record.

LEADERSHIP GEORGIA

Mr. TALMADGE. Mr. President, I had an opportunity last week to attend and participate in a Leadership Georgia program at Savannah, and I am very impressed by progress and success of this program since its inception in 1972.

Leadership Georgia is sponsored by the Georgia State Chamber of Commerce as a dynamic program to bring together youthful leadership in the State and recognized leaders in various communities for seminars and working sessions designed to prepare them for a more active leadership role in the governmental, business and social affairs of Georgia. At last Friday's session, an outstanding address was given by William R. Bowdoin, Sr., chairman of the Trust Company of Georgia Associates, and one of the State's leading business and civic figures.

Mr. Bowdoin's address is a very thoughtful commentary on issues important not only to the State of Georgia, but to our Nation as well. I commend his message to my colleagues in the Senate, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY WILLIAM R. BOWDOIN

In reading the initial goals of Leadership Georgia and what you have accomplished thur far reflects great credit on your generation and presents with dignity and a spirit of cooperation a challenge to my generation to form an enduring partnership to further enrich the future of the great state in which we are privileged to live. I accept the challenge, and I am sure others of my generation share this same feeling for it is not sufficient that we just preserve the great heritage that is ours, but we should so nurture and improve upon it that we leave it to future generations richer in advantages and opportunities and freedom than have been ours to receive.

My highest commendations to you young gentlemen who have so successfully implemented the Leadership Georgia programs.

There are those who say we must look forward and never backward. I don't agree fully with this philosophy. Just as we use the rear view mirror of our automobiles as an instrument of safety, so should we occasionally review the records of the past that on many occasions have provided protection in building for the future. Proceeding on this premise, if my remarks today would warrant a title it would be "Georgia Yesterday, Today and Tomorrow."

From the time General James Oglethorpe and his band of stalwarts landed at Yamacraw Bluff in 1733, near where the City Hall of Savannah now stands, and not far from where we meet today, and made peace with the compassionate Indian leader, Chief Tomachichi, Georgia has amassed a history of accomplishments which stimulate pride in all who are privileged to live within her boundaries.

One of the oldest of these United States, Georgia still possesses the vigor and boldness of youth. She is bravely colorful and wonderfully independent, asking no favors except patience; wanting only to solve her problems through voluntary and progressive and evolutionary means.

Georgians have the kind of tolerance that springs from deep convictions that have won universal admiration and respect in a world where some unfortunately seem to believe less and less in anything. This is a source of great strength and this strength lies in our people. Indeed in the people of similar strength and beliefs throughout the free world.

There was a time when Georgia was depicted by author and songster alike as a land of romance, beautiful homes and rolling fields, strumming banjoes, inspiring and stimulating Negro spirituals. The land they pictured was rich in history and tradition, but poor in the elements of industry; whose sons fought with courage and valor for a cause that failed.

We still cherish the memory and accomplishments of those who fought for the Confederacy. Georgia is still a land of romance, but today it is industrial and agricultural romance of a different kind.

Standing squarely in the heart of the Southland, Georgia is at the hub of the Southeast—the gateway to marketing, manufacturing and distribution. Every community of our state is or probably can be geared to the needs of expanding industry and business and lend assistance to plants that have, and those we hope will decide to locate in our midst.

We have long since recognized the inadequacies of our economy and other shortcomings from an industrial and agricultural point of view, and have taken the necessary steps to correct these deficiencies. Through sound expansion and balanced trade relationships both foreign and domestic, we no longer ship the bulk of our raw materials elsewhere to be processed and sold back to us at much higher prices. Today we process these raw materials in the great manufacturing plants of Georgia and ship the completely finished products to market throughout the nation and abroad.

One of the greatest contributors to this success in foreign trade has been development of the Georgia Ports Authority properties which were purchased during the administration of then Governor, now Senator, Herman Talmadge. The rapid growth and development of these facilities today provide access to foreign markets for every geographical area of our state. Last year revenues accruing to Georgia businesses, including transportation and affiliated port services, totalled more than one and a quarter billion dollars. Firms engaged in import-export trade employed more than 30,000 people with a total payroll of over $325 million.

Manufacturing in Georgia has grown to the point where it encompasses the entire spectrum from the smallest machine pin to the largest airplane ever built.

We have seen the value of these manufacturing products from Georgia mills rise to more than thirty billion dollars annually.

The development of our agricultural resources has not fallen behind in the parade of progress. Realizing the fallacy of a one-crop system, the farmers of our state are now engaged in a fully diversified production program which includes crops of many kinds, cattle, other livestock, and forest products.

Under the leadership of our state Department of Agriculture, the University of Georgia System, Vocational Education and other agencies, the total cash farm income of Georgia today is more than two billion dollars annually. This agricultural revolution over the years has seen the red rolling uplands, once scarred by the plow and ravages of erosion, now bound by the grass of countless pastures—the limitless loamy flatlands of our state, accentuated by the pine trees and the angular lines of the cattle and tobacco barns.

I am proud to say that the financial institutions of our state, knowing full well the necessity of adequate expansion capital, have not failed in the discharge of their responsibility. At the turn of the century the commercial banks of Georgia had capital funds of $20,596,000 and total resources of $64,190,000. At the beginning of 1975, total capital structure of the banks in Georgia has risen to $1,192,600,000 and resources to fifteen billion.

Georgia is both rich and poor.

Often generous, sometimes otherwise.

She is proud, often turbulent.

Changing patterns in agriculture and industry have brought new leaders to meet new challenges and change Georgia's face for the better.

But Georgians are not always quick to change, even though there have been times when it took change to survive. Never before in our great history have times been good enough long enough for the fight to be bred out of us. I pray we never lose this will to fight, but it is being pressured today as never before. If the fight is properly directed, we will continue a program of progress that will further entrench us in the position of leadership among the other states of this nation—a position we have every ability to occupy.

But yesterday is recollection.

Today and tomorrow is what we make of it.

As we ponder Georgia's future, we must be mindful that we cannot analyze our own position without at the same time considering the entire nation. Georgia is an integral part of our national well-being, even though there are still some from afar who question this. We must continue to demonstrate our willingness to assume more and more of the responsibility as a citizen of the whole country for I believe the rest of the nation in accepting us for what we are on a fair and equal basis—loyal, conscientious American citizens living in a wonderful section of a great country.

Progress means change and change usually brings resentment from those who would have us hold to all of the past while we reach for the future. This is a noble ambition but cannot be realized. We can and we must however retain from the past all that is sound, good and just, adapt it to the present and use it properly in building for the future.

We must reject those who continue to sow the seeds of animosity with the hope of reaping a harvest of dissention between the so-called rural and urban areas of our state.

We must reject those whose doctrine is division and the product of whose loathesome activities is discord, strife and open violence and conflict, looking toward personal gain.

We must stop talking about color of a man's skin, and talk about the ability and qualifications of the individual. Color per se does not qualify anybody for anything.

The pendulum of progress must swing in an arc of understanding of the problems and correct solutions as we encounter them.

Regardless of our personal preference or opinions, we must live in the present within the law, with the same dignity and pride which has been the mark of our people from the very beginning.

We must be strong and courageous in our plans for the future, never permitting the shadows of hate and prejudice to darken the road ahead. We must remember that men may honestly differ and yet respect each other. That we can disagree without being disagreeable.

We must not allow a reckless abuse of freedom to turn this freedom into a mockery. Fair debate and honest opposition are foundation stones of our democracy that must not be supplanted with vilification and bigotry.

Ability and accomplishments must be recognized and rewarded, regardless of race, creed or color, but recognition must not be solely on the basis of race, creed or color.

Industry and enterprises of all types are spending billions of dollars today modernizing their organizations and procedures to develop greater efficiency. You and I as individual citizens must wage a vigorous campaign toward the same goal of greater efficiency and economy in the various echelons of our government.

That is why, no matter where we may reside, we must place the very best qualified individuals we have in positions of governmental responsibility. If we fail to enlist the best representation, then this failure will spell much difficulty for our state and nation in the years ahead. We cannot afford to let this happen.

We cannot grow under the spectre of pork barrelling by petty politicians.

Unmanageable debt.

Wild legislation, either local, state or federal.

Special privileges and the inevitable bankruptcy which comes from such policy if imposed upon our people. A most glaring example of that today is the City of New York.

This can be avoided. How?

First, we must cast off the strife and divisive forces of the past.

We must forget the essentially small differences that have divided our people.

To build our state and nation, to better the opportunity both afford, to insure a secure future—these demand the best that we can give—the best that is in each of us.

The achievement of this goal of preservation and expansion comes down to the individual and our willingness to give generously of our time and talents toward the goal we seek.

The key words in our whole American system are "individual" and "opportunity." These words can never be translated to mean mobs and demands. Individual opportunity can never be truthfully transposed to read group guarantees. America is based upon the concept of the individual whose personality is inviolate because he is created in the image of God. The unit of our society and our government is the individual.

Every person in this room is in a position of leadership, to one degree or another. If you weren't, you wouldn't be here because business today embodies not just the financial aspects of successful and profitable operations, but also participation and solution to the moral, social and governmental problems that confront us. Therefore, it is your business and mine to preserve, protect and properly expand the basic fundamental principles that have made this state and this nation great.

We may be aware of difficulties, but awareness without courage for proper corrective action only compounds the felony of indifference.

George Bernard Shaw said, "All that man ever learns from history is that he never learns anything." I hope we can prove him wrong, but our future, whatever it may be, will be the product of our individual interest, action and contribution.

In the time of the greatest affluence our country has ever experienced, we hear more about poverty than at any time in our history. Honest poverty deserves the prayerful attention of all who are privileged to live a better life. God grant that we never become insensitive to the needs of others, but professional poverty now reaching into the third generation through Federal hand-outs has destroyed the incentive of too many people and their concept of decency and ambition. The great Marth Berry, founder of The Berry Schools, said, "The pursuit of easy things makes us weak. The pursuit of the difficult makes us strong."

Yet, the greatest anti-poverty program the world has ever known, the American system of private enterprise, is under constant attack from every angle by the pathetic creeps who would like to see it destroyed. Governmental bureaucracy is their ally. In the past six years alone, more than twelve million new jobs have been created by this great system. New jobs that afford a living wage for our people in an atmosphere of dignity that generates ambition despite the regrettable and hopefully temporary economic repercussions we are experiencing today.

We of the business community are to blame to a large measure for the attitude today toward the private enterprise system. For one reason or another, we have not depicted the glamor, the challenge or the contribution made to the sound growth and development of America by this system. We have been too reticent to talk about the virtues of private enterprise and by our action vigorously refute the erroneous charges made against it.

This is a business nation and has been from the very beginning. Georgia is a very integral part of it. Revenues generated by our business and professional enterprises provide jobs and tax dollars that finance various echelons of government. We are all in busines, hopefully to make a profit, and there is nothing evil about profit. It is unfortunate that too many profit dollars through the process of taxation reach the hands of the loquacious wonders who would kill the goose that lays the golden egg that finances their indolence and destructive tactics.

It didn't just happen that we in America, representing no more than 6% of the world's population have been able to accumulate more of man's needs than the other 94% combined. With this 6% of the population we account for 33% of the world's total production. As a result of this accomplishment, based upon the American system of private enterprise, our purchasing power today is greater than all of the people of Asia, Africa and Latin America combined.

We have done a better job in distributing wealth than any other country in the world. We have the shortest working hours and highest rate of pay of any nation in the world.

In light of these few examples, it never ceases to amaze me that in a day and age when we supposedly have greater educational opportunities than ever before, we encounter such ignorance and criticism of the system that in reality is the keystone of all that we possess and all that we enjoy.

We must not forget that all of this has been accomplished through the years under the great banner of freedom. But we should also remember the privileges we enjoy as free people do not necessarily in time become our inalienable rights.

A democracy is not a self-perpetuating form of government, but depends upon the character and ability and contribution of each individual in every generation for its survival and expansion.

That is why it is so important that you and I who occupy positions of leadership in our respective communities must stop using tolerance as an excuse instead of the virtue it is.

You and I as individual citizens must revive the philosophy of Abraham Lincoln when he stated well over 100 years ago, "You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by destroying the rich. You cannot keep out of trouble by spending more than you earn. You cannot build character and courage by taking away man's incentive and independence. You cannot help men permanently by doing for them what they could and should do for themselves." These words are just as true and applicable today as when spoken by this great man.

One of the former heroes of France, Marshal Petain, after France's fall in World War II, said "Our spirit of enjoyment was stronger than our spirit of sacrifice. We wanted to have more than we wanted to give. We spared effort and met disaster." I pray this will never be said of Georgia and America.

Many centuries ago the Great Wall of China was built at tremendous cost of life and money. It was thought to be the ultimate in security for those who lived within it, and yet within a relatively short period of time the wall was breached three times. Do you remember how? Not by scaling it. Not by crumbling it, but by bribing the gatekeeper. What collapsed was not the physical structure, but the character of those guarding the entrance.

Edmund Burke said, "For evil to triumph, good men have but to do nothing." Unfortunately too many of our people are doing just that today—nothing. Our poor voting record will bear this out.

In the 1974 General Election with 140,000,000 qualified to register and vote, for one reason or another, 64,000,000 failed to exercise this great privilege. We didn't have exactly a massive uprising on the part of the electorate this past November. With nearly 145 million Americans of voting age, only about 55 million voted, or roughly 38%.

Government by the people is the foundation of our system of self-government. The people govern through their votes. This means that in 1974 two out of three in our nation abdicated their privilege of self-government. In other words, in a year of intense national issues, political scandals, inflation that is running unleashed, the general slackening in business, 6 out of every 10 Americans acted as though they could care less.

Unfortunately, the figures are no better in Georgia. This is the American tragedy of our time.

I am tired of hearing people say, "Well, I am just one person and there is little I can do." I remind you of the old philosophy that it is better to light one candle than to curse the darkness.

A one-man cheering section in a 50,000 seat capacity stadium is muted by the vastness of the structure, but add that one voice to 50,000 others and you have your answer. Our destiny in the final analysis rests with the acts of individual citizen because the unit of our society, as I have said before, is the individual.

That is why I urge you to develop strong and meaningful convictions. Be enthusiastic and energetic about your convictions, and stand for something worthwhile. Don't just sit idly by while the flames of misunderstanding and strife and discord envelop you. That is one of the many areas where you and the other representatives of your fine organization can bring great strength toward insuring Georgia's future.

Make it your business to be informed. Know what is going on in the community, in the state, and in the nation. Get the facts. Communicate your opinions to those in whom you entrust the management of your government and community affairs. You ask the impossible of these representatives when you don't give them the benefit of your opinion and let them know where you stand. When our time is too occupied to permit going to the polls and casting an intelligent ballot for the candidate of our choice, we forfeit the right to criticize the result.

Even though our problems, both in Georgia and the nation, are many and our burdens are heavy, I have great confidence in the future because I have confidence in the vast majority of our people. Confidence that they will awaken to the responsibilities of good citizenship that they must discharge. That is why, in my opinion, we can face the future with eager anticipation of a better day.

Do we know the future? Of course we do. The real problem is whether we are willing to meet its test. Will we let greed and selfishness and misunderstanding flourish where we know there must be generosity and understanding? Will we default on the obligations and responsibilities of citizenship which our conscience and the pages of history tell us to fulfill? My faith says we will not.

Yes, we know the future. Not in all of its details, but in broad concept. We know it because we know the past and we know the present and human knowledge does not parish. It lives on under the inspiration of a divine being whose reminders of what truth and courage really are come to us every moment of our lives.

That is why with all of our problems I have unbounded faith and pride in Georgia and America. That is why I believe in all sincerity that with the help of almighty God and guided by the lamps of integrity, opportunity, courage, sound judgment, pride in our accomplishments, and an unselfish devotion to those ideals and principles of service and cooperation that benefit all of our people, we will face the challenge of the future courageously and unafraid, and travel together down a road that leads to an even better tomorrow for Georgia, and for the great nation in which we are privileged to live.

Thank you for the honor of being with you, and again, congratulations to you who have made Leadership Georgia so successful.

SALARIES PAID TO EMPLOYEES OF COPE

Mr. GOLDWATER. Mr. President, the growing power of the union movement in the control of politics in this country is in no better way indicated than a partial list of the salaries paid to the employees of COPE the political arm of the AFL–CIO. I have not heard Common Cause or any other do-good outfit say anything at all about the nearly one-half million dollars that we can trace as being spent by the labor movement in direct involvement in politics. Imagine what hue and cry there would be if it was discovered that any large corporation or group of corporations in America paid political activists nearly one-half million dollars a year and if these salaries and expenses are charged to the unions and not reported in the COPE reports to the Federal Elections Commission.

I ask unanimous consent that this partial list be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

AFL–CIO, COPE

(7/1/74–6/30/75)

As an indication of the growing power of organized labor on the political scene note the paid AFL–CIO, COPE employees ($10,000 or more) for the year 1974/1975.

Al Barkan, Director	$39,375.00	$5,189.73
Joseph Rourke, Deputy Director	30,610.00	1,106.00
John Perkins, Assistant Director	30,212.00	2,357.91
Clitis Albert, Publicity Director	27,775.00	0
Walter Bartkin, Staff Representative	24,874.40	205.56
Margaret Cronin, Assistant Research Director	24,874.40	0
Richard Fallow, Area Director	24,874.40	8,276.16
Frank McGrath, Area Director	24,874.40	0
Fannie Neal, Minorities	24,874.40	8,655.29
A. C. Young, National Field Director	24,419.30	8,620.07
Clement Dowler, Area Director	24,000.10	7,990.46
Severiano Marino, Field Representative	24,000.10	7,361.55
Peter Pesole, Area Director	24,000.10	5,183.08
Raymond Alvarez, Area Director	23,984.60	7,698.94
Richard Drennan, Coordinator	22,071.30	797.42
Joan Acosta, Researcher	16,932.75	0
Margaret Laddhush, Staff	14,732.50	0
Joe Smith, Special Assistant	13,568.10	1,630.48
Beatrice Lapp, Staff	12,880.70	0
Madeline Matchko, Area Director	11,668.40	0
Total	464,601.50	65,072.65

THE 200-MILE-LIMIT BILL IS ENFORCEABLE

Mr. STEVENS. Mr. President, I wish to speak today on behalf of the Magnuson Fisheries Management and Conservation Act. The Magnuson act is a conservation bill designed to protect U.S. coastal species from depletion through overfishing. The bill gives the United States exclusive management jurisdiction over all species within 200 miles of our coast, and over anadromous species throughout the full range of their migration. Opponents of this legislation claim that it is unenforceable.

The Commandant of the U.S. Coast Guard, Admiral Siler, has stated that the 200-mile-limit bill is enforceable.

It is recognized internationally that coastal nations have the exclusive right to harvest or mine, as is the case, the resources of its Continental Shelf out to 200 miles. This includes both the living and nonliving resources of the shelf. The living resources of our Continental Shelf include many commercial shelf fish species. The U.S. Coast Guard already patrols out to the 200-mile limit to protect U.S. interests in these valuable living resources. Extending our fisheries zone to 200 miles would mean only that the Coast Guard need increase the quantity of its existing aircraft and surface fleet.

During the last few years, a significant amount of data regarding foreign fishing activities off our coast has been compiled. This data indicates a pattern of fishing activity on the part of foreigners. By concentrating enforcement activities in areas of significant foreign fishing activity, the Coast Guard can economically enforce the 200-mile-limit bill. Of course, the Coast Guard, through the use of medium-range aircraft, would on a less-intense basis police the entire 200-mile extended fisheries zone to look for changes in the pattern of foreign fishing activities.

With respect to anadromous species, in particular the salmon of the Pacific Northwest and Alaska, the U.S. Coast Guard has the capability, through the use of medium-range surveillance aircraft, to patrol that portion of the migratory range in which salmon are commercially harvestable. At the present time Japan is the only foreign nation commercially harvesting Alaskan salmon. The Japanese have a large and efficient salmon fleet; however, in comparison to its worldwide fleet, their salmon catch represents only 1 percent of their total fish take. In comparison, 15 percent of the fish taken by Japan are pollack found off the coast of Alaska. The Japanese will realize that they must abide by our management regulations for anadromous species if they wish to participate in fishing activities within our 200-mile extended fisheries zone.

The State of Alaska supports S. 961, the Magnuson Fisheries Management and Conservation Act. Gov. Jay Hammond realizes that enforcement is an integral part of any viable management scheme. In an address to the State Department Advisory Committee on Fisheries given October 20, 1975, Governor Hammond emphasized the need for strict enforcement. Mr. President, I ask unanimous consent that the pertinent parts of Governor Hammond's October 20 statement dealing with 200-mile-limit management and enforcement be printed in the RECORD immediately following my remarks.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SPEECH OF GOV. JAY HAMMOND

ENFORCEMENT OF MANAGEMENT REGULATIONS, IN ALL PHASES, SHOULD IN GENERAL FOLLOW MANAGEMENT JURISDICTION

Comment: No amount of wisdom and rationality in the promulgation of fishery regulations can lead to effective management without effective enforcement of the regulations. If management provisions are not adequately enforced, they might as well not exist.

Enforcement of fishery rules involves these familiar phases: (1) surveillance and detection of violations; (2) apprehension and arrest of violators; (3) trial and punishment. Enforcement under international fisheries agreements to date has denied at least the final phase to any nation-party other than the nation whose flag the apprehended vessel flies; the other enforcement phases are also often left to the flag nation to pursue. The result has been at best a lack of credibility that effective enforcement actually occurs and, at worst, no enforcement at all.

The main obstacle to effective enforcement of fisheries regulations on the high seas has, however, been the same obstacle to high seas fisheries management in general; the lack of adequate and recognized jurisdiction in any management entity. The jurisdiction to promulgate rules and the jurisdiction to enforce those rules must, we believe, go hand in hand primarily to the coastal nation if proper management is to be the result. The reasons for this marriage are simple and obvious: the coastal nation—the promulgating entity—will have the most incentive to enforce, the highest stake in the success of the management system, and usually the most developed knowledge of the geographical, meteorological and biological factors necessary to effective management.

In those exceptional cases where management rules are, under the Alaska position, to be promulgated by the coordinated effort of more than one nation, we still believe the coastal nation should be given the primary enforcement role. Thus, where rules have been adopted by adjacent or opposite nations for the regulation of a fish stock common to each nation's economic zone, each nation should be charged with enforcing the rules as to fishing activities occurring in its zone. Again, the same reasons apply. Where, however, the management regulations have been adopted through international agreement of one or more coastal nations and one or more distant-water nations fishing for highly migratory species, enforcement cannot rest entirely with the coastal country.

For such species, promulgation and enforcement by an international organization would be most appropriate. Absent or prior to the existence of an international organization with such powers, however, enforcement should be by each coastal nation as to violations occurring within its economic zone and, as to violations occurring outside any economic zone, by the flag nation or nation of nationality.

"Enforcement," as the term is used in this discussion, means all phases, from surveillance and detection through trial and punishment. Nevertheless, we feel that the LOS treaty ought to include certain safeguards to counter the potential for abuses of enforcement jurisdiction inherent in the widely varying legal systems that will be operating within 200-mile zones around the globe. We agree, as is currently provided in the Informal Single Negotiating Text, that penalties for violation of fisheries-management rules should not include imprisonment and that arrested vessels and crews should be released upon the posting of adequate security.

The Alaska proposal that high seas capture of anadromous species be prohibited raises an especially difficult enforcement problem. Primary enforcement jurisdiction should, of course, lie with the nation of origin. The source nation should have the power and principal responsibility to detect and punish violations of the prohibition wherever the violations occur. But because high sea salmon fishing can be conducted in vast ocean areas, far beyond 200 miles, we suggest that secondary enforcement jurisdiction be given to nationality and flag nations, to nations where illegal catches are landed, and to any other nation within whose economic zone illegal capture occurs.

To sum up, Alaska proposes that enforcement jurisdiction follow promulgation jurisdiction, except where this is inappropriate from a management standpoint or not feasible.

THE LAW OF THE SEA TREATY SHOULD REQUIRE COMPULSORY SETTLEMENT OF INTERNATIONAL DISPUTES CONCERNING FISHERIES-MANAGEMENT ISSUES

Comment: Central to effective fisheries management is avoidance of disputes or arguments between nation-states. Thus the core of the Alaska position is that coastal nations be granted exclusive management jurisdiction within their respective economic zones and that source nations be given exclusive jurisdiction over anadromous species. For the most part, non-management and management by negotiation of mutual rights could thereby be replaced by a responsive and flexible system of rules promulgated by the coastal nation solely on the basis of management needs.

Because the Alaska position would, however, necessarily maintain recognition of certain interests of the international community and other nations in the coastal or source nation's management responsibility, the potential for international disputes over fisheries management, though substantially limited, will continue. It is imperative, for management reasons, that the LOS treaty require compulsory settlement of these disagreements.

For example, the LOS treaty, under the Alaska view, would recognize an international-community interest in optimization of the yield of ocean food resources. If this interest is to have meaning, an affected nation or appropriate international organization ought to be allowed to challenge a coastal or source nation's regulation scheme on the ground that the optimization responsibility is being ignored.

Nevertheless, in the interests of management, the treaty should make it very clear that the coastal or source nation's regulations will continue to apply pending settlement of the dispute. Further, in light of the extremely subjective nature of the determination of optimum yield or utilization, there should be a heavy burden of proof on the challenger in any such dispute.

It is also essential that the treaty provide some ultimate method of promulgating management rules for migratory stocks in the hopefully rare case where the concerned nations fail to agree on a management system. Similar settlement mechanisms should be adopted for all categories of non-anadromous migratory stocks: those that exist within one or more economic zones; those that exist within and in an area adjacent to an exclusive economic zone, in which case the management rules would apply to the adjacent area; and the highly migratory species, in which case the rules would apply throughout the range of the species. The settlement of these issues must be made on the basis of management principles, with optimum sustainable yield as the management goal

It is of course impossible for us to foresee and list all the possible types of fisheries related disputes that could arise under the LOS treaty, as proposed by Alaska. Nor is it feasible for us to devise, in the limited time available, a compulsory-settlement mechanism for the just resolution of these disputes. We do suggest, however, that the treaty provide for settlement of fisheries disputes by a tribunal of impartial persons familiar with fisheries management. To ensure this expertise, we further recommend that the tribunal membership be selected with the participation of those agencies actively involved in fisheries management within each nation.

Domestic implications of Alaska position on fisheries

In the domestic context, there are both advantages and, it can be admitted, disadvantages to the Alaska position on fisheries management. The advantages are, however, management oriented and therefore consistent with the primary Alaska concern. The disadvantages relate to the political necessity of putting together a United States fisheries position acceptable to all concerned national elements.

The positive aspects have been alluded to throughout our preceding statement, and they need only some elaboration at this point. The advantages of the Alaska position stem from the potential it provides for each coastal nation, including the United States, to provide effective, rational management of living marine resources. It is important to note that Alaska does not suggest that good management be legislated in detail by a general international treaty; we are convinced that any attempt to so legislate is bound to fail and, in fact, will impede rational management. In our opinion, the self-interest of exclusive coastal-nation and anadromous source-nation managers, together with a general international obligation to optimize sustainable yield, will lead to better fisheries management than will any attempted system of international rules for conservation and allocation of the resources.

The fisheries concerns and trends within the United States provide a convenient example of the management potential of the Alaska position. There are several rich fishing grounds within 200 miles of the U.S. shoreline, and consequently much fishing, by both domestic and foreign fishermen, occurs off U.S. coasts. Except for the U.S. three-mile territorial sea, management within the 200-mile area depends on a complex and clumsy system of treaties and other international agreements. Besides the lack of flexibility and responsiveness inherent in this pattern, the international-agreement system often results in the negotiation of different rules for foreign fishermen of different nations and, perhaps more importantly, sometimes seemingly discriminatory treatment of U.S. fishermen. Even if the U.S. were to adopt a detailed management plan for its entire 12-mile fisheries zone, fish migration patterns and other biological facts would thwart the effectiveness of such a plan. With the exception of the few migratory and anadromous species, however, a 200-mile zone would blanket virtually all fishing-activity areas adjacent to the United States coasts. If U.S. rights in and management jurisdiction over living resources in the 200-mile zone is exclusive the following desirable management components can be realized:

(1) The necessity to negotiate the terms of foreign access to offshore fisheries can be avoided. Preferably, foreign fishermen will be required by the management bodies to apply in the same manner as domestic fishermen for access to U.S. fisheries. Good management principles would not prevent a rule of priority for domestic fishermen, or higher license fees for foreign fishermen, but once access has been granted to non-domestic fishermen, they can and should be required to abide by the management system promulgated by the U.S. Where appropriate, the same regulations could apply to both. If considered necessary, the President or the State Department could be allowed to veto entry by fishermen of particular countries. However, management rules—such as seasons, quotas, gear restrictions, etc.—should definitely not be allowed to continue on a bilaterally or multilaterally negotiated basis. Any LOS-treaty recognized right of foreign fishing would mean a continuance of the rigidities and time-consuming demands of the current system of international agreements; a 200-mile zone would add little but minor bargaining strength to the coastal nation.

(2) There is an apparent, though controversial, effort within the United States by some interest groups to limit the entry of vessels or fishermen as a means of attaining the goals of conservation and maximum economc benefit. We do not endorse the concept of a Federally-operated limited entry system, but we believe that if one is imposed, it should apply to foreign nationals as well, to the extent they are fishing for stocks subject to U.S. jurisdiction. This will not be possible unless the coastal state has exclusive rights in and management jurisdiction over living resources in the 200-mile zone.

The Alaska proposal on anadromous species would lead to a similar potential for effective management. In fact, because all foreign fishing for anadromous specials would be eliminated by the general prohibition of anadromous fishing beyond twelve miles, the management advantages noted would be considerably enhanced in the case of anadromous species.

Only in the cases of a few boundary-crossing fisheries will the U.S. be required under the Alaska position to coordinate or negotiate management rules with its neighbors and certain distant-water fishing countries.

(3) Should the United States distant-water fishing fleet raise any objection to the Alaska position, we would point out that highly migratory species would not be subject to the exclusive jurisdiction of any coastal nation under the Alaska position. Coastal nations would be required to negotiate management rules with distant-water nations and, in cases of non-agreement, submit to dispute-settlement procedures. Therefore, if the Alaska position were to be adopted, U.S. distant-water tuna fishermen should not be affected by otherwise exclusive coastal-nation jurisdiction.

To others in the U.S. who remain opposed to exclusive management of coastal and anadromous species by coastal nations—for example, those who see such control as a threat to the U.S. national security or those who in general abhor the trend toward "national lakes" in the ocean—we must note the inevitability of the 200-mile zone. In an ideal world, living resources of the sea would be managed rationally and effectively by regional or global ocean entities established by international cooperation and granted exclusive management control and enforcement jurisdiction. All who have closely followed the LOS Conference proceedings, however, must now concede that living marine resources will be managed primarily by coastal nations within 200-mile economic zones. The Alaska position simply urges that, in light of that necessary assumption, the most effective and rational management will occur only if coastal nations, the inevitable management entities, are granted exclusive control.

THE 30TH ANNIVERSARY OF NUCLEAR WAR

Mr. HATFIELD. Mr. President, the Senate will take up the defense appropriations bill in the near future. Before we do, I would like to call the attention of my colleagues to two articles from the November issue of the Atlantic Monthly. The two "Reunion at Los Alamos," by Richard Rhodes and "The Hiroshima Connection," by Robert Jay Lifton, should jar awake in us a memory that we have tried to suppress for 30 years—the specter of nuclear war.

As horrible as that memory is, Mr. President, we cannot let it die. As Mr.

Lifton says, we must maintain "the Hiroshima connection" the terrible fear and pain of nuclear war. Nuclear war is thinkable only in cool, softly lit rooms where strategic war games are played among military analysts and computer programers. Nuclear war is not thinkable in the real world of incinerated bodies, radiation deaths, deformed bodies, and the anomie the people of Hiroshima call munashi. In the world of human beings, nuclear war cannot be limited or sanitized.

Mr. President, I was among the first groups of U.S. military personnel allowed into Hiroshima after the first nuclear bomb had killed 78,000 Japanese and destroyed the city. The stench had left the air, most of the bodies had been carted away, and the screams of the burned were muffled behind hospital walls, but I cannot forget the horror.

I ask unanimous consent that "Reunion at Los Alamos" and "The Hiroshima Connection" be printed in the RECORD. I hope that my colleagues will read them both before we begin to deliberate upon buying even more weapons to destroy us all.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

REUNION AT LOS ALAMOS

(By Richard Rhodes)

On a recent day in late June, a warm day under clear, deep-blue skies, the city of Los Alamos, New Mexico, "The Atomic City," hung its banners out. Red, white, and blue, blown by the high mesa wind, they waved across Trinity Avenue, the city's main thoroughfare, named for the site of the first atomic explosion, the site most of us call Alamagordo; they waved at the east gate, where a Mexican restaurant now occupies the gatehouse that formerly controlled the secret comings and goings of famous men; they waved from the county municipal building that has replaced with stylish glass and stone the jerry-built, pale-green barracks of Main Tech, where the bomb was dreamed and designed. Thirty years after the beginning of the Atomic Age, thirty years after a few thousand men and women, working in secrecy against a deadline they measured not in dollars but in lives, changed the history of the world, Los Alamos was welcoming what the banners called its "veterans and pioneers" home for reunion.

The 30th Reunion of Los Alamos Veterans and Pioneers received little national attention. The President of the United States wasn't there, nor the Secretary of Defense, nor even New Mexico's two senators, though both wired messages of congratulations. The Canadian Broadcasting Corporation and the BBC sent commentators and camera crews, but ABC, NBC, and CBS passed the occasion by. Veterans and pioneers came anyway, nearly a thousand of them, cooks and scientists, MPs and lab technicians and engineers, men and women who remembered their years at Los Alamos as the most significant years of their lives and wanted to recall them again.

To the politicians and media who stayed away, the reunion must have seemed as private a celebration of nostalgia and longevity as a local assembly of the Veterans of Foreign Wars, but it was much more. At Los Alamos in late June of 1975, not for the first time but possibly for the last, the men and women of World War II laid markers on the grave of a more heroic age. In that spirit of innocence, or in Disneyesque imitation, Los Alamos was named a National Bicentennial Community, a distinction it shares with the early cities of the American Revolution. Like the Declaration of Independence and the Liberty Bell, the atomic bomb thus took its place as a patriotic artifact.

The bomb that shriveled the scorpions and tarantulas on New Mexico's Journada del Muerto—the desert of the *conquistadores'* "Journey of Death"; the bomb that vaporized the 100-foot steel tower at Trinity site, the site that J. Robert Oppenheimer named in allusion to one of John Donne's holy sonnets, in the hope that upon it the three-personed God would batter our hearts free of the evil of war; the bomb that, in his ignorance, a rancher on the other side of the mountains took to be an early and extra and miraculous dawn, was a crude, primitive machine. Fat Man, it was called. It contained two hemispheres of plutonium surrounded by shaped charges of high explosive. Its joints were firmed with Kleenex and its charges tightened with Scotch tape. It weighed, in its spherical steel casing, 10,000 pounds, but only one gram of its eighty-four pounds of plutonium completely fissioned to produce its nuclear explosion: one gram, m, times the square of the speed of light, c^2, equals E, 20,000 tons of TNT equivalent. So a few grams of heavy metal marked the end of a long and destructive war. We live in a time, Soren Kierkegaard wrote in *Either/Or*, when the smallest causes produce the most immense effects, and large causes produce hardly any effect at all.

Those who count the atomic casualties and forget the dead of Normandy and Bataan, of Bergen-Belsen and Guadalcanal, count by a system different from that of the people of the reunion. The people of the reunion count back, not forward; for them, the outcome of their three years of work was an end, not a beginning, which is why they could gather in good conscience to commemorate it. "I think it's grotesque," said the CBC's Mike Maclear of the reunion, and to the extent that the people gathered there had the blood of Hiroshima and Nagasaki on their hands, it was, but they didn't see it that way, and perhaps they had reason.

"It was a war," said the widow of a veteran, "that you took personally, because you had brothers or a husband or friends who were off fighting it, risking their lives." It was also a war gone fetid with the stink and the fear of death, a war of death marches and final solutions, of black headlines in the morning paper and gold stars in the windows down the block, of seemingly endless lines of Panzers and of Japanese soldiers who preferred, rather than surrender, to fold themselves over grenades. "Soon after firing ceases," a Japanese wrote before a banzai charge on the Aleutians in 1943, "birds are singing and flying around about the quiet and frozen ground. I will become a deity with a smile in this heavy fog. I am only waiting for the day of death."

After three years of such a war, the atomic bomb seemed to those who devised it not a weapon of doomsday, but a weapon of deliverance. That it would burden mankind with the knowledge of the possibility of its annihilation they can be forgiven for not having known. Only a few seem to have been granted that vision before the fact, the subtle and melancholy Oppenheimer first among them: he named the test site Trinity as a code, so that we would know he knew.

The veterans and pioneers of the 30th Reunion remembered, as they gathered together again, another war. "You hear a lot of talk about World War II as a kind of holy war," said one of the most perspicacious among them, "but you know, most of us, most Americans, had spent the previous ten years, the Depression, bored out of our minds, and one of the things the war was was something to *do*." That statement was the most candid, or perhaps the most realistic, I heard; the people I talked to at the reunion were unanimous in their evaluation of their war work: it was necessary, they said, and important, and good. If we hadn't built the bomb, they said, the Germans would have. "We only did our duty," one man, an engineer, told me, echoing them all.

Some people attend reunions, others stay away. Few of the men whom Los Alamos made famous attended the reunion. Many were dead—Oppenheimer, his ashes scattered on the ocean east of the Virgin Islands; Enrico Fermi, a cancer victim; Louis Slotin, the first to go, killed in a radiation accident in 1946—but most of those still living had long ago left their Los Alamos years behind. Edward Teller, out in California, announced his retirement a few weeks after the reunion, but he had left Los Alamos decades before to found his own weapons laboratory under government sponsorship at Livermore, east of Berkeley, over the hills; embittered, some say, at Oppenheimer's stand against the development of the hydrogen bomb of which Teller was the leading theoretician, convinced that the workers at Los Alamos were dragging their feet.

It was the hydrogen bomb more than the atomic bomb that had divided the men who worked in such enthusiastic concert during the years of the Manhattan Project. Before President Harry Truman announced the decision to go ahead with its development in 1950, twelve leading scientists, including a number of Los Alamos men, had issued a declaration against such a terrible weapon: "This bomb is no longer a weapon of war," the declaration had said, "but a means of extermination of whole populations."

Prominent among the names on the declaration was that of Hans Bethe, the physicist who had been responsible for the design of Fat Man's plutonium core. Bethe visited Los Alamos during the days of the reunion, but he attended few of the ceremonies. "It was disturbing to see the atomic bomb celebrated quite so patriotically," he told me. "Even during the war, I would say the majority of us had regrets. We felt we would be much happier if this had not succeeded, if we could have proved it could not be done. But I no longer have any regrets, because there was a chance that the Germans could do it. They were actually ahead of us in the early years of the war, and then they lost their lead through mismanagement. So our fear was justified. Fission, after all, is a force of nature." After his initial hesitation, Bethe found similar reasons for working on the hydrogen bomb. "I originally decided not to work on thermonuclear weapons," he says today. "The main point that made me change my mind was Teller's discovery of a method that could make it work. I realized that if we could do so, then the Russians could do so, and I didn't like that."

One sensed, among the people of the reunion, their feeling of survivorship, the common coin of reunions, but behind that, one sensed their feeling of privilege, privilege not only to have participated in one of history's most significant events, but also, by doing so, to have been spared more direct contact with the ravages of war. They did not fight on the front lines of World War II; they fought on a mountain-surrounded mesa of the high New Mexican desert, the alpenglow putting on a show every night as it turned the Sangre de Cristo Mountains, across the Rio Grande Valley to the east, the blood-red of their Spanish name, "Blood of Christ"; the snow a fine powder through the cold winter days on their homemade ski run, Sawyer Hill; steak one night a week at Fuller Lodge and first-run movies at the two theaters that doubled as halls for square dancing and chapels for Sunday morning worship. The siren, "Oppie's whistle," sounded six mornings a week at 7 a.m., and they worked long, hard days, but there were weekend excursions with extra gasoline coupons that General Leslie R. Groves, who commanded the Manhattan Project, insisted be set aside for them. When Oppenheimer traveled the United States in late 1942 to recruit the country's best young scientists, he told them the war would end the day their work was done: they came to the dusty mesa of Los Alamos, where the Corps of Engineers was still hammering up its rickety labs and apartments, with that high a sense of purpose. Physicists before World War II were as undervalued and poorly financed as astronomers are today, and built their experiments out of home-soldered copper tubing and sealing wax; at Los Alamos they would have the best that money could buy, as befitted the importance of their work. So also would those who supported them.

The MPs at the Trinity base camp might prove their isolation by winning the Army's award in 1945 for the lowest VD rate of any company in the world; the secret city on the mesa might carry on its activities surrounded by cyclone fences and barbed wire; but live the men and women did, dating and dancing, marrying, producing so many babies that Groves asked Oppenheimer to call a halt (a responsibility that the mesa's scientific director wryly declined), riding horses up the Jemez Mountains to the broad meadows of the Valle Grande, the volcanic caldera below which Los Alamos was built and the largest extinct volcano in the world, fishing, hiking, working out their tensions in tennis and baseball and football and volleyball and soccer games. And partying, drinking whiskey brought up on booze runs from Santa Fe and the Army's Greisedick beer, the bachelors invading the WAC quarters, the married couples taking turns at progressive dinners while Edward Teller sat in the corner reading to the children from *Alice in Wonderland* and Klaus Fuchs did his somber best at "Murder" and charades.

The water supply was never adequate, and toward the end they brushed their teeth with Coca-Cola; the coal furnaces filled the apartments and the barracks with soot; a polio scare temporarily closed the schools and frightened the mothers, who wondered if they would be allowed to take their children and leave if an epidemic broke out; their mail was censored; they could not visit relatives, nor could their children away at school visit them: but the difficulties only keened their appreciation of the privileges, and many of them came away saying that the Los Alamos years had been the best years of their lives.

"There's old Greasy Groves," said a veteran at the slide show the reunion committee had put together, and in a dozen scenes of wartime far behind the lines, General Groves clicked past, the man who built the Pentagon, the man who shepherded the building of the bomb. And Oppenheimer, looking boyish and almost cachectically thin, looking not at all like the fiercely tragic figure he would later become, and Norris Bradbury, who became the Lab's postwar director, who guided it through the years of nuclear buildup and who was that day in Washington, unable to attend the show. And GIs posed together in groups, draped over jeeps or grinning together in civvies on leave in Albuquerque in 1945, and WACs in hairstyles that made the women laugh, and physicist I. I. Rabi, "the rainmaker from Hoboken," conferring with Ernest Lawrence, the inventor of the cyclotron, and Enrico Fermi in his ubiquitous windbreaker; but nowhere in the slide show was there a photograph of the bomb.

The Army's grocery store, where wilted lettuce was shipped from Texas when it might have come up fresh from the truck gardens in the valley below; the drugstore where, over chocolate sodas, dates were arranged; but not the black desert tower and not the bomb. The unctuously cheerful narrator, a voice on a reel of tape, chattered on—"Hey, guys, remember this? Whooee, didn't we have fun?"—but failed to mention the purpose for which the fun was compensation and from which the fun was relief, and perhaps it is asking too much that he should have. The bomb that the veterans and pioneers of Los Alamos built is today an antique; the Lab moved on long ago to other work.

George Kistiakowsky, who was responsible for Fat Man's revolutionary implosion mechanism—the shaped charges of high explosive that squeezed its plutonium to critical mass—and who later became Lyndon Johnson's chief science adviser, remembers being surprised by the development of Los Alamos after the war. "I didn't go eagerly to Los Alamos," he says. "I went hesitantly, because I didn't think the work could be finished in time. But I had no moral scruples then, because we were at war, and anything that could shorten the war made sense. I knew the implosion mechanism would work, but I was less confident of the nuclear reaction. That's why I stood on top of the control bunker when the Trinity bomb went off, which wasn't a very wise thing to have done. I regretted very much our dropping the bomb, but I was very influenced by Naval Intelligence estimates that the Japanese would fight on for six months or more and that invasion would be necessary. I know now that wasn't so, that Intelligence had argued the worst possible case. We shouldn't have dropped the bomb over populated centers.

"I didn't anticipate nuclear proliferation," Kistiakowsky recalls, "partly because I didn't believe that nuclear power reactors would ever be economically feasible. I thought they were something exotic. I declined involvement in the thermonuclear. Disillusionment had set in by then. I don't trust statesmen, specifically including Kissinger, to have good judgment. The arms race horrifies me. With tens of thousands of nukes in our hands, in Soviet hands, and in other hands, miscalculation or accident is practically certain to happen. Let me remind you of the worldwide alert in 1973 that Schlesinger and Kissinger cooked up on the flimsiest of evidence."

I've talked to many of the Lab's leaders during my visits there. Two of them—Norris Bradbury, now retired, and Louis Rosen, a graduate student during the war who worked on implosion and is now director of the Los Alamos Meson Physics Laboratory—have described the changing fortunes of Los Alamos to me.

"When I took over as director," Bradbury says, "the place was certainly in disarray. After all, there was a certain amount of argument that the place should be abandoned. Crimes against humanity. Even then the argument was going around that this should not have been done and Los Alamos should be left as a monument to man's inhumanity to man. They were difficult times. Science was in the ascendancy. Lots of people here hadn't finished their formal education. We were losing our senior staff, and there were a great many people just standing around waiting for the best job offer from somewhere else. Nobody was being mean, they were just being human.

"One has to be very proud," Bradbury continues. "Things that seemed quite impossible in 1945 had become very possible by 1950. The success of the hydrogen bomb itself was a major triumph. Getting that thing from whatever it was, twenty-one tons, down to some usable device was an occupation of the next half-dozen years, which people carried out with enormous dedication. We added other fields to weapons research. We managed to have a laboratory that earned for itself the reputation of a major scientific installation. The nuclear physics that was done here was as well done as it was anywhere. The nuclear chemistry was beautiful. The publication record of the laboratory is, I think, extraordinary.

"I would hope that someday the whole world would get out of weapons research," Bradbury concluded. "I'm surprised that it's gone on so long, thirty years, and nothing's happened. Thank God. I felt very strongly and still feel very strongly that the weapons business has to go on until we find something better. I don't know that today you're getting the same technical results for your dollar that you were getting in 1943–1944, when we changed the whole course of history for a relatively few million dollars. You certainly did something like that in '51 and '52. You've not done anything like that in the last twenty years. And of course you've got enough. The emphasis is much more on the improving of systems. Delivery systems. But eventually the world has got to get out of it."

Louis Rosen sheds light on the question of how Bradbury turned Los Alamos from a war project to a permanent installation. "After the war," he says, "this place started to fold, to fall apart. Fortunately, Bradbury reversed the downhill trend on the rationale that this war's over, but things are not calm in the world by a long shot, and we could all see, looming on the horizon, a tremendous confrontation between the two political ideologies in the world.

"It became obvious that the USSR had embarked on a tremendous effort to develop thermonuclear weapons. Well, we'd done some of that during the war, and when it became obvious that they were actively pursuing it, quite a few of us became concerned that we not be placed in a situation where we could be blackmailed. Now, we were in a position where we could have blackmailed anybody, but it was not in our moral code to do so. We were not at all sure that it was not within the moral code of other nations, had they been and were they to get into our position, to do what we felt we should not. And so we began a rather intensive effort to see whether it was possible to produce weaponry using the fusion reaction rather than the fission reaction."

Rosen implies that even fusion weapons, hydrogen weapons, are developed today to the point where they are more a matter of engineering than of physics. "More recently," he says, "we began to think and talk about evolving beyond the weapons work. We felt that if we wanted to serve society, we'd better start paying some attention to things other than nuclear weapons. Because we were getting into a very powerful position as far as weapons were concerned. Hardly anybody in their right mind would dare to risk the destruction that would befall them if they fell upon us. And so, in the decade between the sixties and the seventies, were born many other initiatives. The Meson Physics Laboratory, the nuclear rocket program, the high-temperature reactors, the program for geothermal energy. I think in some respects, that was the golden era of conception. The golden era of accomplishment we haven't achieved yet." Rosen is largely out of weapons work today, and has been for a decade or more, but the Lab is not.

The work of unlocking nature to create categorically new weapons of war came to an end long ago; in a sense, the veterans and pioneers at their 30th Reunion, men and women of middle and late-middle age, were gathered to memorialize that end and to celebrate their part in it. More precisely, the work of unlocking nature came to an end sometime after 1952, after the United States exploded the first hydrogen bomb at Eniwetok and subsequently learned how to build a "dry" hydrogen bomb to replace the twenty-one-ton monstrosity, complete with its own cryogenic cooling system, that so frightened the Eniwetok observers that Norris Bradbury considered keeping its explosive yield a secret from the very scientists who had designed it.

The test of Mike I at Eniwetok was reminiscent, in the surprise of its violence, of the test at Trinity. In both cases, as if protectively, the scientists who built the weapons underestimated their destructive force.

Oppenheimer thought Fat Man would yield only 3000 tons of TNT equivalent, and Bradbury thought Mike I would yield a million tons, and both men were wrong by an order of magnitude: Fat Man yielded nearly 20,000, and Mike I more than 10 million. Men who observed both tests expressed their sense of terror in identical words: "I thought the fireball would never stop expanding," one of them said on each occasion. "I thought it would keep on going until it destroyed the world."

The effort that has continued since those early days has been a work more of refinement than of breakthrough. New bombs are still being designed, but they are new adaptations, not new types. At the Sandria Atomic Museum in Albuquerque, a place few Americans bother to visit and a display as stilling as anything offered at Madame Tussaud's, one can see the subtleties of packaging our designers have achieved. The two original bombs, Fat Man and Little Boy, are dwarfed by the first hydrogen weapon, a bomb nearly as big as a railroad tank car, painted a dark, gloomy green. One walks down a row of atomic and hydrogen bomb casings watching them magically shrink in size and diversify in purpose, first bombs only slightly smaller than the behemoth hydrogen weapon of 1952, then the much smaller "dry" bombs, their shapes increasingly aerodynamic, then rockets, torpedoes, anti-aircraft missiles, modest cannon shells.

The later bombs are painted white; they look almost cheerful. There is even, in a case the size of a steamer trunk, a device intended for military demolition rather than military slaughter: it can be carried by two men, and would fit in the back of a jeep. Theodore B. Taylor, the former bomb designer whom John McPhee chronicled in his book *The Curve of Binding Energy*, once designed a bomb, never built, that would have weighed only twenty pounds, far less than even the plutonium core of Fat Man. Pointedly, the Sandia display is not duplicated at Los Alamos; the science museum there devotes most of its rooms to demonstrations of safety systems and the peaceful uses of the atom.

We hardly need new breakthroughs in weaponry, and today the design of delivery systems takes precedence over basic research. Today our designers of war, or forestallers of war, work to increase the accuracy of our delivery systems, accuracy of delivery allowing, as it does, for weapons of smaller yield, weapons more portable and harder to track.

The latest of their visions, revealed recently by Secretary of Defense James Schlesinger, is the cruise missile, a device no larger than an ordinary torpedo, which can travel 2500 miles and find its target within an accuracy of thirty feet. Hans Bethe, for one, finds the cruise missile disturbing: "We don't need it. We have plenty of weapons as it is, and the idea of a far more accurate missile is very alarming, because it destroys our land-based missiles as a deterrent." Nevertheless, the cruise missile could be, and probably will be, deployed throughout the world by 1980. It will confirm to certainty that ours is an age of missiles more than a nuclear age, because to control the proliferation of cruise missiles, we will have to negotiate new treaties, not banning atmospheric or underground nuclear testing—those treaties are already at hand—but limiting or banning the testing of missiles, a proposal that George Kistiakowsky, among others, made several years ago. "The arms race," Kistiakowsky says, "cannot even be slowed down without restrictions on research and development, specifically restrictions on the field testing of missiles. All missile firings should be reduced by a gradual, programmed reduction over the next five years or so, reduced to a minimum consistent with maintaining existing systems. That will take out the most dangerous element of the arms race, the fear of the unknown, the fear of what the other guy's going to do." But the nuclear nations have not yet even begun examining such a proposal. When they do, the SALT talks will have to begin all over again.

A Yankee people first and last, we celebrate breakthroughs more than sophistications, and the increasing sophistication of our missile systems is a change in the fortunes of war that we have largely overlooked, dangerous and threatening though it has now become. How to keep those missiles out of the air is the central problem of the last quarter of the twentieth century, as certainly as unlocking and then restraining the destructive force of the atom has been the central problem of the middle half of the twentieth century. It is as if, confronted by the truly irrational, confronted by the power to use forces of nature so destructive that they can hardly be imagined, we have concluded that the only way to control them is to shape them to as many diverse purposes as we can conceive, seeming thereby to give them order and organization. So we confine the irrational, keep the fear at bay, by rationalizing: these are not what they seem, much thought has been given to their purpose and their design, these are merely more efficient weapons, these are merely counters we reserve in the game of international affairs, and because we have them we will never have to use them.

But they are what they seem, our tens of thousands of nuclear weapons, for all their increasing sophistication, as the men and women of Los Alamos who built the first crude models knew. They are fire and death and the end of the human world, and they brood in their dark silos and tubes and racks and bays in a silence so shrill it has almost deafened us. Unless momentarily roused by crisis or threatening alert, who among us thinks of nuclear war or threatening alert, who among us thinks of nuclear war any more? The bomb shelters are dismantled, the survival biscuits shipped off to feed starving Africans, and even at Los Alamos the civil defense signs have been taken down. No people can live eternally threatened by doom, but whether we think about it or not, we still feel the threat, down at the bottom of our nightmares, and in subtle ways it has changed us. We are not the same people we were in 1944; we cherish less hope for the future; our patriotism sours; at times of tragedy and in times of conflict our mouths go dry, because we have fashioned at last the means of our suicide, and having fashioned them, must look at the wicked things there on the table before us, must remember the thoughts we have thought about them and the fears we have left, forevermore. "I am become Death, the Shatterer of worlds," Oppenheimer thought he heard Fat Man say; now death is everywhere, death is manufactured in quantity and shipped around the earth.

Somewhere in a museum is preserved a sealed jar that, legend has it, contains a portion of the original darkness that Jehovah visited as a plague upon Egypt to force the freeing of the Israelites. The jar cannot be opened, or the darkness would escape. In each of our nuclear weapons, similarly sealed, is a portion of death itself. Style them as we may, rationalize them as we will, we only seem to forget: we know, and never forget.

The veterans and pioneers of Los Alamos met, the second day of their reunion, for a barbecue at the city's Knights of Columbus Hall, and drank Coors beer and talked of old times. Then, at seven in the evening, the sun still shining over the Jemez Mountains to the west, they walked in couples and small groups to the green park around Ashley Pond, the pond that the masters of the prep school that originally occupied the mesa had comically named for the school's founder, a man named Ashley Pond. The pond is completely walled with masonry now, another historical artifact, and through the evening's ceremonies ducks worked its waters, chasing down popcorn that the children threw in.

Above the pond, on the plaza before the community building, a band made up of Los Alamos students began a medley of patriotic tunes, faltered, and then struck up with enthusiasm "The Way We Were," Hollywood's nostalgic tribute to World War II.

The people of the reunion settled on the lawn on cushions and blankets, some of them dressed casually in pantsuits, slacks, Hawaiian shirts, some of them dressed in suits and floor-length gowns for the dance that would follow the evening program. I heard the group seated nearest me talking of retirement. People still sought each other out, waiting for the program to begin; they shook hands and filled in the missing years. There had been bus tours of Los Alamos during the day, and they spoke to each other of buildings torn down and events now become history. It should not seem curious that most of them remembered the scientists with whom they worked as celebrities more than as men, celebrities with interesting quirks and possessed of great authority: they were as susceptible to the postwar fame of Los Alamos, across the gulf of thirty years, as the rest of us have been. The price of meat and the ordeals of flower gardening occupied them more than the consequences of their war work, as they occupy us all. Even living, we forget what Lionel Trilling once called "the great hum and buzz of implication" that surrounds our lives.

A team of teen-aged boys played basketball against the side of the community building. Several hundred resident Los Alamos families had turned out for the program; they sat with their young children on the north side of the pond, the reunion people on the south. Civil Air Patrol students kept the sidewalk that circled the pond clear. Three hawks soared overhead on their last hunt of the day; the children ran lithe and healthy through the grass; the band played "God Bless America"; and then a costumed trio, the patriots of the American Revolution with fife and drum and flag and bloodied bandages, marched around Ashley Pond, cutting across the lawn to pass between the comfortable groupings of people, and as the thirteen-star flag went by, a number of the reunion men almost involuntarily stood to attention, still remembering that reflex from three years of war thirty years ago. "The contributions made by our community to the nation are considerable," said the chairman of the county council. The understatement seemed both ironic and extreme.

The Lieutenant Governor of New Mexico presented the city with a state flag, and he had hardly begun to speak when one of the boys on the basketball court set off a powerful firecracker that startled and even frightened the crowd. The police chased the boys off, and after that the Lieutenant Governor spoke to silence.

He talked about the privilege of freedom and the work we would have to do in the future to keep that privilege. "In my own opinion," he said, "I think that our enemies are doing everything they can, day and night, to destroy our system of government." It was remarkable to hear Cold War rhetoric at Los Alamos, where most are liberal in politics despite the military nature of their chosen work.

At fourteen minutes before eight the sun touched a peak of the Jemez Mountains and the air began to chill, but by then Los Alamos had been presented with three flags, and the Boy Scouts of Los Alamos raised them on their flagpole in front of the municipal building while we stood and sang, timidly, the national anthem.

By such ceremonies Los Alamos became a National Bicentennial Community, although before April of 1943 it did not even exist. The regional director of the Bicentennial Administration said the Bicentennial was "giving Americans a chance to take a new look at America, to look at the things that have made us grow to the strongest, most powerful, most envied nation in the world." He didn't say he meant the bomb—centrally important though it has been, when we are being spiritual we don't mention our nuclear arms—but what else could he have meant in that city on that day? And playing on the sidewalk in front of me I saw a small blond boy, slim and tanned, wearing a T-shirt with the words "Endangered Species" printed across the front.

The reunion program that followed was perfunctory. The air turned cold and people drifted away to their cars and their homes. Harold Agnew, the third and present director of the Lab, a hard-line weapons man, talked about improvements he hoped to make, but the most he came up with was a meeting place for visiting scientists that would have to be built with contributed funds, whereupon he proceeded to ask for contributions. Agnew also said that the Lab was supported today 55 percent by nondefense spending and only 45 percent by defense spending, implying that Los Alamos is getting out of the weapons business; and in a sense it is, but only because it and the other weapons labs have already polished off most or all of the weapons we presently believe we need.

Los Alamos is not what it was, is no longer what Oppenheimer called "the finest laboratory in the world." "Los Amos," says Kistiakowsky contemptuously "is a rather pathetic, isolated community, a strange never-never land." Nobel prizewinners, though they visit it from time to time as consultants, choose not to live and work there, nor are they needed there anymore. The labs have been moved from Los Alamos mesa to mesas farther south, the better to guard them, and by a transformation so commonplace in the United States as to seem almost banal, the town has become a typical American community, with band concerts and patriotic speeches and songs—as typical, at least, as a community of weapons designers and scientists can be.

But during its days of reunion, when the people who made its name feared throughout the world returned to remember the living they had done, Los Alamos was recalled to what it had been, the American prelude to Hiroshima. The two cities, Los Alamos and Hiroshima, exemplify the extremes of the Atomic Age, extremes of brilliant technology on the one hand and terrible suffering on the other. Significantly, both peoples believe themselves chosen, chosen to bring a message of the brute necessity of peace to the world.

THE HIROSHIMA CONNECTION

(By Robert Jay Lifton)

The night before leaving Tokyo for Hiroshima, where I was to spend most of the month of May collaborating on a BBC film based on my book *Death in Life*, I had a vivid and disturbing dream. I was the head of a team of doctors about to examine a desperately ill child. We knew that the little boy would die, but our examination seemed important for some obscure humanitarian purpose. The child's father, also a doctor, stood protectively at the bedside as I approached, introduced myself and my colleagues, and reassured the little boy that I would not hurt him. Beginning the examination, I observed a large sweling that protruded from around his eye, and asked: "Does your eye feel as though it is swollen?" Before the child could answer, his father responded in a pained, angry voice: "Of course it feels as though it is swollen—you can see that!" I felt upset by the father's answer and very uneasy toward both father and son as the dream faded away.

The dream expressed, among other things, my own painful uncertainties about approaching Hiroshima once more. After all, we *know* that people died in the tens or hundreds of thousands, suffered from grotesque immediate radiation effects and are still suffering from deadly effects, and that survivors' psychological suffering, compounded of fear and taint, reflects their uniquely intense, many-layered, and above all, *unending* encounter with death. As the father of the little boy in the dream—the other doctor, Hiroshima's own spokesman—said to me, in effect, the distortion and death are fully visible to anyone. Additional examinations—more questions—these only humiliate further.

At the heart of the dream is my inner question about the "humane purpose" justifying the examination—or, in more general terms, the possible connection between Hiroshima and humanity.

I was aware of considerable uneasiness at returning to Hiroshima, eight years since my last visit, and thirteen since my original six-month study. The images in the dream reflected conscious anxieties about again approaching survivors, or *hibakusha* ("explosion-affected persons"); about spending my energies going "backward" rather than "forward" in time, while wondering whether *I* had anything more to say about Hiroshima; about the vicissitudes of historical memory—in them, me, and everyone else.

How could I not question this further pursuit of a thirty-year-old memory—of what Elie Wiesel has called "a memory of a memory."

Arriving in Hiroshima, I found that there, too, the "don't look back" impulse was strong. The dynamism of the rebuilding process had been clear enough during my two earlier stays, but now the city seemed to have "taken off" into the post-modern future—high-rise, automated buildings everywhere; frantic vehicle and human traffic; a glittering consumerism propagated by the large department-store chains; and a greatly enlarged amusement section, with attractive bars and restaurants and gaudily beckoning nightclubs, strip shows, and sex stores featuring "toys for adults." All this may not be the "real Hiroshima," but when one looks at it together with its business-industrial underpinnings, one can begin to understand how the atomic bomb experience can (and for many in the city has) come to be viewed as an embarrassment, best ignored. As for the survivors themselves, they are, as a group, aging, dying off, becoming an increasingly small minority (90,000 in a city of 500,000) whose special history must begin to fade even where it is not actively swept away.

I felt the strangeness of my meetings with survivors—thirteen years of silence between two intense encounters. It was like stepping out of a time machine—young men projected into balding middle age, teen-aged girls into settled housewives and mothers. Part of that time-machine effect was the dramatic change in economic status that at least some had experienced. One man, who had shown unusual dedication in helping people at the time of the bomb, and whom I had known as a middle-aged laborer, is now an old man in a very comfortable sitting room lined with the golf trophies of his son, an independent businessman in whose house the laborer lives out his retirement. Another, with injuries affecting the use of one hand and extensive keloid scars, whom I had known as a street vendor of postcards and atomic bomb mementos, now demonstrates his small, aesthetically pleasing, and well-stocked bar. Like many *hibakusha* I talked to, they told me of having focused for some time upon everyday existence—being comfortable, earning a living, getting on. While not without resentment toward the Hiroshima majority who had never known their pain, they nonetheless felt their own need to let go of the past—or at least to concentrate sufficiently on the present to try to make up for what they had lost. One woman, also still carrying a keloid scar, but proud of all she had done to reconstitute her life, expressed a general sentiment when she said, "I would like my mind and spirit to be the equal of yours."

None of this is surprising. One could hardly expect people to wish to remain fixed in time for thirty years around an event that signifies only pain in the extreme. The change, over the thirteen-year period of my particular time machine, was exemplified by a survivor who, as a young clerk during my first stay in Hiroshima, spoke disapprovingly of the children that he observed swimming in a nearby river: "Those who went through the bomb would never swim there. I remember passing that spot and seeing dead bodies floating on the water—burned and black dead bodies. Whenever I see that part of the river, I recall that scene." Now, however, "My thinking has changed. I have three children myself, and I often go to the Peace Park with them, where we play together with the pigeons." The symbolic shift is from the survivor's indelible image to a state in which pleasure and play become permissible on the very ground of the holocaust.

Yet something more nags at each of them—something having to do with the meaning of their experience and the possibility of connecting it with a world outside (and yet not outside) of that experience. Even those most adamant about leaving the memory behind would always express qualifications. One woman spoke bitterly of her disappointments and missed opportunities for marriage because of her keloid scars, and insisted, "I don't want to touch the past." But a little later she said, sadly and softly, "And yet, having stayed alive for thirty years, I would somehow like to make use of my experience. I would like to leave something behind me, some trace."

We all, of course, have similar desires. The need to leave a trace is part of the universal aspiration toward continuity and connectedness, toward what I think of as symbolic immortality. But for Hiroshima survivors, the trace one seeks to leave behind—the means of achieving what I am calling the Hiroshima connection—becomes mostly the story of one's exposure to nuclear annihilation. That story, or rendition of the human actuality of the atomic bomb experience, is precisely the rare commodity they possess. They and others sense the universal value of that commodity, but for hibakusha its potential for human connectedness (even recognition) is inseparable from something close to ultimate pain. The very combination, as a survivor explained to me some time ago, creates an added source of humiliation: "I always say, if anyone looks at me because I received the Nobel Prize, that's okay, but if my only virtue is that I was a thousand meters from the atomic bomb center and I am still alive, I don't want to be famous for that." To the perils of this double-edged historical memory and its double humiliation must be added that of repetition and "performance" in the telling of the story. The human actuality so desperately sought (and avoided) turns out to be as difficult to recreate as it is invaluable. The whole process is maintained by the survivor's profound need to find meaning in his death immersion on the one hand and the world's need for the Hiroshima story on the other—the latter always expressed ambivalently, fearfully, and very often aversively. Has there ever been a historical memory so complex and difficult in its relationship to "leaving a trace"?

There are, of course, certain survivors who give considerable energy and substance to that "trace." For me, one of the most memorable experiences in Hiroshima was a visit to an orphanage headed by a *hibakusha* social worker. His preoccupation with helping abandoned children stemmed directly from an indelible image of a dying child with its dead mother, both almost totally burned, and of his own failure to rescue the child. Next to a small shrine he called "the sacred place of the orphanage," mother and child were represented by an exquisitely simple sculpture consisting of two rounded pieces of stone, next to which was a third, somewhat more elongated stone, representing a dying man to whose plea for water the survivor had not responded. Part of his daily ritual consisted of pouring water over each of the three stones, as if to offer now what he had been unable to offer then. One has the impression that this ritual helped energize his "survivor mission," his "Hiroshima connection" with the needs of the people of that city.

Others sought active connection beyond their city. An elderly poet, whose young son died in the bomb, told me how, thirty years later, "the dead still live in my mind." In one poem he described how "the blood of men and women has soaked into . . . every grain of sand." He sees himself as a witness whose mission is to make it possible for others to "feel close to these [atomic bomb] experiences." He sought to make his poetry available to Hiroshima schoolchildren, as well as for translation into other languages, and one could feel his frustration—the survivor's built upon the writer's—at the limitations he encountered in dissemination and response.

Another man (whom I had previously described as a "zealot-saint") has been conducting, for the full thirty years, an uninterrupted one-man campaign (following the death of a twelve-year-old girl from leukemia) against the bomb and its evil—organizing and leading a children's group devoted to peace and to helping survivors; initiating a campaign that resulted in a monument to children killed by the atomic bomb, now standing in the Peace Park; writing letters to world leaders; and distributing paper cranes (symbolizing peace and long life) to Hiroshima visitors and correspondents. All this he did in his spare time, required as he was to gain his livelihood by working as a janitor in a school. Though undoubtedly a force in the city, his efforts were somewhat scattered and always desperate. Now, he told me, he was busy collecting atomic bomb accounts of the most neglected group of survivors, the Koreans, long victims of severe discrimination at the hands of the Japanese.

A visit to his tiny apartment told everything: a mountainous clutter of A–bomb memorabilia—newspaper stories, pictures, albums, books, boxes with unspecified content, and, above all, hundreds of thousands of paper cranes. Clearly he would never relent, and one wondered at what point the absolute requirements of his kind of atomic bomb connection would literally crowd him out of his living space, just as it had already excluded everything else from his psychic space.

And then there was the retired professor of ethics who has become an almost legendary figure in Hiroshima, conducting his "sitting protest"—cross-legged, straight-backed, silent—whenever any country is revealed to have made a test explosion of a nuclear weapon. Concerning memory, he commented with the utmost simplicity: "I remember because I can't forget." His Hiroshima connection also begins with and remains grounded in the dead on whose behalf he sees himself sitting. But it must be hard for him to sustain his faith in the forward-looking purpose of his protest, that of initiating what he calls "a chain reaction of spiritual atoms to overcome the chain reaction of material atoms." While neither international politics nor contemporary physics provide much hope for the realization of that purpose, the sitting protest nonetheless disseminates its own human currents.

One Hiroshima journalist made the metaphorical distinction between "masculine" and "feminine" *hibakusha* styles (whatever one's actual sex): the masculine style, that of actively joining in with the economic boom and looking ahead toward renewal; the feminine style, that of remaining preoccupied with the bomb and with helping those in any way wounded by it. However dubious the metaphor, most survivors experienced considerable conflict about where and how to sustain their connection with the world. A truck driver with keloid scars, whose feelings of humiliation and extreme sensitivities had resulted in frequent job changes and considerable personal instability, put it this way: "There are two ways to think about the problem of remembering. One is to appeal to people in some form of peace movement. The other is to be silent and just go on living." But in one breath, he said that, despite indelible images that will never disappear, "I must be a forward-looking man—I can't always go back to the past," and in another, he expressed a considerable resentment at the fact that "people tend to forget."

A professor of sociology was critical of "exaggerations" concerning the bomb, and suggested that the Hiroshima connection ought to emphasize "a brighter perspective . . . that so many people can recover from total destruction, can rebuild from ashes . . . which says something about the human capacity for recovery."

Yet, over the course of our talk, a different sense emerged. Not only did he characterize the atomic bomb as "a weapon of massacre," but his own lingering fears underminded the "brighter perspective" he advocated. He is married to another *hibakusha*, and those fears seemed to extend endlessly over the generations: "I have always worried about aftereffects in my children. Up till now there have been none. Our first daughter married and had a baby . . . both her husband's parents are *hibakusha* . . . just a normal baby. Everything is okay, I think. But I do worry a bit."

These conflicts find bodily expression in ways that pose particularly poignant dilemmas for Hiroshima physicians. On the one hand, they have witnessed the most grievous kinds of suffering in their patients, beginning with the grotesque burns and acute radiation effects during the early post-bomb period, and extending to the subsequent increase in incidence of leukemia and more recent increase in many forms of cancer (for which the latency period is greater, so that further increases can be expected). They have observed, also, the death-hunted psychological state, induced by these increases and by possible genetic effects on future generations (though here, studies have so far shown negative results). Many doctors, therefore, support ever more comprehensive government programs of medical and other benefits for *hibakusha*. Yet the same doctors cannot help but become aware of the vicious circle of dependency that results. For instance, one doctor, recently retired from the directorship of a leading medical center and known for his compassion for *hibakusha*, told me: "For some *hibakusha*, especially older ones, the only purpose in life is going early in the morning to a hospital, waiting around for several hours, and spending the whole day in that way, with no other activity or goal." To be sure, this sort of degrading medical immersion can occur under many kinds of conditions, but in relation to the atomic bomb it suggests a pathetic effort to achieve the Hiroshima connection through recognition of bodily impairment, through confirmation as a member of a death-tainted group.

No wonder people in Hiroshima constantly spoke of *"munashi,"* or "emptiness." Used in Hiroshima, the word suggests that nothing has meaning; nothing connects. A professor of English expressed a similar sentiment when he said that, as a result of the bomb, "This is not soil in which things take root. Things do not grow well here." He was referring to every aspect of cultural experience, including the capacity to evolve ideas and images that could connect with the outside. It was as if the original post-bomb that, for seventy-five years or perhaps forever, no trees, plants, grass, or flowers could grow in Hiroshima—were proving to be metaphorically true for the vegetation of culture.

There is probably no *hibakusha* without a considerable element of *munashi* (nor is it totally absent in the rest of us), even if it is combined with pride in recovery and self-assertion. One woman, who reflected all of these feelings, went on to articulate the bodily taint surrounding the Hiroshima connection in its most bitter extreme: "I have no choice but to accept the fact that I am a *hibakusha*. But when I begin to face the idea of death, at least there I want to be spared from A-bomb disease . . . The thought of dying of an ordinary disease is a consolation to me."

Another contradiction around the Hiroshima connection is expressed by the angry frustration of many *hibakusha* at the "festival atmosphere" of the annual August 6 commemoration of the bomb, which seems to them to mock their suffering and "insult the dead." A semiretired professor of history suggested an alternative form of commemoration: "On that day, all the doors in the city should be closed. People who visited the city would say, 'I went to Hiroshima on that day. All the stores were shut. No one was to be seen.' Hiroshima should be made into a city of the dead."

But the most intense individual experience of *munashi* that I encountered was in a man I had met thirteen years before as a vibrant and original young writer (not himself a *hibakusha* but, through death and suffering in his family, very close to the experience), and who now appeared before me in despairing, stagnant middle age. He told me that over that thirteen-year period he had written almost nothing, and had spent his time instead "mostly getting drunk." He explained that, until the early sixties, he found the human struggles revolving around disintegration and renewal in Hiroshima important and interesting to write about. But after that, the economic boom and the slogans of "doubling personal income and doubling productivity" were considerably less inspiring, and, in fact, something close to sacrilegious: "When we consider those who died, we should not permit ourselves to eat good food, to take sexual pleasure so freely. We should eat sparsely and be celibate. We should not permit ourselves happiness."

Whatever the contribution of pre-bomb psychological conflicts to his present state, we can say that his death guilt, which had in the past been animating, had provided energy for his writing, had now become static and immobilizing. He went on to speak of the futility in continuing to document the horrors of the bomb because, in his judgment, such efforts were taken advantage of by the United States and the Soviet Union in justifying their own continuing world domination through a nuclear monopoly.

And he condemned the inauthenticity of most versions of the Hiroshima connection because they supressed an unpleasant dimension of the city's experience—the stealing, murder, the criminality and moral degradation of every kind that took place during the months and years after the atomic bomb was dropped. As his parting shot, an ironic expression of *munashi*, he compared the relatively orderly behavior of survivors at the moment of the bomb with the absolute panic three decades later of the Hiroshima people—now turned "clerks and salaried men"—in response to the recent gasoline shortage. He seemed to be saying that Hiroshima's story was more tainted than generally realized, and that neither he nor the city, in this case, had anything sufficiently heroic to convey to the world.

Yet this same man, after his long silence, was preparing to start writing again. He told me he was beginning to organize his thoughts for a story about a man obsessed with the "arrogance"—by implication, hubris—of surviving; and for other stories about what becoming a survivor does to human decency. He was, in other words, still struggling with a form of literary expression of the Hiroshima connection.

For the entire city, in fact, the other side of *munashi* was a sense of a new stage in Hiroshima's relationship to the world. That sense was epitomized by a concerted effort being made by Hiroshima University to establish an Institute for Peace Sciences. I talked at length with the president of the university, who strongly supports the plan and likens the city's situation after the bomb to that of the world after the death of Jesus Christ. He was saying that, with a cataclysmic event, everything depends upon the way it is experienced and the way the story is told. I took the comment as a suggestion less of precise historical analogy than of sensitivity to the issue of collective survivor mission following an ultimate death encounter.

This atmosphere emboldened me to bring up a subject so sensitive that it had, in one way or another, virtually been suppressed.

I mentioned that students of the late Yoshio Nishina, the great Japanese physicist at the time of World War II, had recently published a valuable study of radiation effects as both a memorial to their teacher and an expression of their and his post-World War II commitment to peace. The study mentioned Nishina's horror at what he found upon arriving in Hiroshima, two days after the bomb, as part of an official investigating team. But there was no mention, I said, of the fact that Nishina, at the request of the Japanese military, had himself earlier headed a team of physicists in a serious but unsuccessful effort to produce a Japanese atomic bomb. My Hiroshima academic colleagues readily understood my point—the universal impulse toward weaponry of ultimate destruction. Several of them, in fact, said they welcomed this kind of discussion because it helped Japanese to overcome their preoccupation with "victim consciousness." And they went on to talk about exchanges, already initiated, between Hiroshima and Auschwitz. In a number of other discussions, I heard hibakusha make sensitive connections between Hiroshima and such events as the Vietnam War, India's acquisition of nuclear weapons, the dangers of plutonium reactors for nuclear energy, and major international threats to the physical environment.

A distinguished historian, deeply involved in the Hiroshima experience although not himself a hibakusha, told me that the problem sometimes requires a "third person" (by which he meant someone who is neither a hibakusha nor a non-hibakusha), someone like himself, who did not originally experience the bomb, but took on the experience nonetheless. Such a "third person," he implied, could combine detachment and concern. In my terms, that would be a survivor by proxy, a once-removed "witness," which, in a way, I myself have tried to become. In a similar vein, the historian observed: "Just as the hibakusha are themselves disappearing, this is the time we must make their full story available to all of humankind."

Is the Hiroshima connection being made? Not adequately. Yet in that city, as in Nagasaki, there exist our only collectivities of survivors of ultimate holocaust. Their "memory of a memory" is our own, bound up with our destiny no less than with theirs.

RESOLUTION RELATING TO THE UNITED NATIONS AND ZIONISM

Mr. RIBICOFF. Mr. President, the Senate yesterday voted overwhelmingly to approve Senate Congressional Resolution 73, a resolution that sharply condemns the recent vote in the General Assembly of the United Nations equating Zionism with racism. The Senate resolution also calls for a needed reexamination of the relationship between the United States and the United Nations.

In connection with both the resolution acted on in the Senate yesterday and with the reevaluation that still lies ahead, I commend the sensible and eloquent comments of our own representative, Ambassador Daniel P. Moynihan, and Ambassador Chaim Herzog, the Israeli representative at the United Nations.

Mr. President, I ask unanimous consent that their remarks before the General Assembly be printed in full in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY AMBASSADOR DANIEL P. MOYNIHAN

Lehalan statement by Ambassador Daniel P. Moynihan, United States representative to the United Nations, in plenary, in explanation of vote on the resolution equating Zionism with racism and racial discrimination, November 10, 1975:

The United States rises to declare before the General Assembly of the United Nations, and before the world, that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

Not three weeks ago, the United States representative in the social, humanitarian, and cultural committee pleaded in measured and fully considered terms for the United Nations not to do this thing. It was, he said, "obscene." It is something more today, for the furtiveness with which this obscenity first appeared among us has been replaced by a shameless openness.

There will be time enough to contemplate the harm this act will have done the United Nations. Historians will do that for us, and it is sufficient for the moment only to note one foreboding fact. A great evil has been loosed upon the world. The abomination of anti-seminism—as this year's Nobel Peace Laureate Andrei Sakharov observed in Moscow just a few days ago—the abomination of anti-semitism has been given the appearance of international sanction. The General Assembly today grants symbolic amnesty—and more—to the murderers of the six million European Jews. Evil enough in itself, but more ominous by far is the realization that now presses upon us—the realization that if there were no General Assembly, this could never have happened.

As this day will live in infamy, it behooves those who sought to avert it to declare their thoughts so that historians will know that we fought here, that we were not small in number—not this time—and that while we lost, we fought with full knowledge of what indeed would be lost.

Nor should any historian of the event, nor yet any who have participated in it, suppose that we have fought only as governments, as chancelleries, and on an issue well removed from the concerns of our respective peoples. Others will speak for their nations: I will speak for mine.

In all our postwar history there has not been another issue which has brought forth such unanimity of American opinion. The President of the United States has from the first been explicit: This must not happen. The Congress of the United States, in a measure unanimously adopted in the Senate and sponsored by 436 of 437 Representatives in the House, declared its utter opposition. Following only American Jews themselves, the American trade union movement was first to the fore in denouncing this infamous undertaking. Next, one after another, the great private institutions of American life pronounced anathema on this evil thing—and that the United Nations was born in the struggle against just such abominations as we are committing today—the wartime alliance of the United Nations dates from 1942—the United Nations Association of the United States has for the first time in its history appealed directly to each of the 141 other delegations in New York not to do this unspeakable thing.

The proposition to be sanctioned by a resolution of the General Assembly of the United Nations is that "Zionism is a form of racism and racial discrimination." Now this is a lie. But as it is a lie which the United Nations has now declared to be a truth, actual truth must be restated.

The very first point to be made is that the United Nations has declared Zionism to be racism—without every having defined racism. "Sentence first—verdict afterwards," as the Queen of Hearts said. But this is not wonderland, but a real world, where there are real consequences to folly and to venality. Just on Friday, the President of the General Assembly warned not only of the trouble which would follow from the adoption of this resolution but of its essential irresponsibility—for, he noted, members have wholly different ideas as to what they are condemning "it seems to me," he said, and to his lasting honor he said it when there was still time, "it seems to me that before a body like this takes a decision they should agree very clearly on what they approving or condemning, and it takes more time."

Lest I be unclear, the United Nations has in fact on several occasions defined "racial discrimination." The definitions have been loose, but recognizable. It is "racism"—incomparably the term has only recently appeared in United Nations General Assembly documents. The one occasion on which we know its meaning to have been discussed was the 1,644th meeting of the Third Committee on December 16, 1968, in connection with the report of the Secretary-General on the status of the international convention on the elimination of all forms of racial discrimination. On that occasion—to give some feeling for the intellectual precision with which the matter was being treated—the question arose, as to what should be the relative positioning of the terms "racism" and "Nazism" in a number of the "preambular paragraphs." The distinguished delegate from Tunisia argued that "racism" should go first because "Nazism was merely a form of racism . . ." Not so, said the no less distinguished delegate from the Union of Soviet Socialist Republics. For, he explained "Nazism contained the main elements of racism within its ambit and should be mentioned first." This is to say that racism was merely a form of Nazism.

The discussion wound to its weary and inconclusive end, and we are left with nothing to guide us, for even this one discussion of "racism" confined itself to word orders in preambular paragraphs, and did not at all touch on the meaning of the words as such. Still, one cannot but ponder the situation we have made for ourselves in the context of the Soviet statement on that not so distant occasion. If, as the distinguished delegate declared, racism is a form of Nazism—and if, as this resolution declares, Zionism is a form of racism—then we have step by step taken ourselves to the point of proclaiming—the United Nations is solemnly proclaiming—that Zionism is a form of Nazism.

What we have here is a lie—a political lie of a variety well known to the twentieth century, and scarcely exceeded in all that annal of untruth and outrage. The lie is that Zionism is a form of racism. The overwhelmingly clear truth is that it is not.

The word "racism" is a creation of the English language and relatively new to it. It is not, for instance, to be found in the Oxford English dictionary. Term derives from relatively new doctrines—all of them discredited—concerning the human population of the world, to the effect that there are significant biological differences among clearly identifiable groups, and that these differences establish, in effect, different levels of humanity. Racism, as defined by Webster's Third New International Dictionary, is "the assumption that . . . traits capacities are determined by biological race and that races differ decisively from one another." It further involves "a belief in the inherent superiority of a particular race and its right to domination over others."

This meaning is clear. It is equally clear that this assumption this belief, has always been altogether alien to the political and religious movement known as Zionism. As a strictly political movement, Zionism was established only in 1897, although there is a clearly legitimate sense in which its origins are indeed ancient. For example many branches of christianity have always held that from the standpoint of the biblical prophets, Israel would be reborn one day. But the modern Zionist movement arose in Europe in the context of a general upsurge of national consciousness and aspiration that overtook most other people of Central and Eastern Europe after 1848, and that in time spread to all of Africa and Asia. It was, to those persons of the Jewish religion, a Jewish form of what today is called a National Liberation Movement. Probably a majority of those persons who became active Zionists and sought to emigrate to Palestine were born with the confines of Czarist Russia, and it was only natural for Soviet Foreign Minister Andrei Gromyko to deplore as he did in 1948, in the 299th meeting of the Security Council, the act by Israel's neighbors of "sending their troops into Palestine and carrying out military operations aimed"—in Mr. Gromyko's words—"at the suppression of the national liberation movement in Palestine."

Now it was the singular nature—if I am not mistaken, it was the unique nature—of this national liberation movement that in contrast with movements that preceded it, those of that time and those that have come since, it defined its members in terms not of birth, but of belief. That is to say, it was not a movement of the Irish to free Ireland, or of the Polish to free Poland, not a movement of Algerians to free Algeria, nor of Indians to free India. It was not a movement of persons connected by historic membership in a genetic pool of the kind that enables us to speak loosely but not meaninglessly, say of the Chinese people, nor yet of diverse groups occupying the same territory which enables us to speak of the American people with no greater indignity to truth. To the contrary, zionists defined themselves merely as Jews, and declared to be Jewish anyone born of a Jewish mother or—and this is the absolutely crucial fact—anyone who converted to Judaism. Which is to say, in the terms of the international convention on the elimination of all forms or racial discrimination, adopted by the 20th "race, colour, descent, or national or ethnic origin. . . ."

The State of Israel, which in time was the creation of the Zionist movement, has been extraordinary in nothing so much as the range of "racial stocks" from which it has drawn its citizenry. There are black Jews, brown Jews, white Jews, Jews from the orient and Jews from the West. Most such persons could be said to have been "born" Jews, just as most Presbyterians and most Hindus are "born" to their faith, but there are many Jews who are converts. With a consistency in the matter which surely attests to the importance of this issue to that religious and political culture, Israeli courts have held that a Jew who converts to another religion is no longer a Jew. In the meantime the population of Israel also includes large numbers of non-Jews, among them Arabs of both the Muslim and Christian religions and Christians of other national origins. Many of these persons are citizens of Israel, and those who are not can become citizens by legal procedures very much like those which obtain in a typical nation of Western Europe.

Now I should wish to be understood that I am here making one point, and one point only, which is that whatever else Zionism may be, it is not and cannot be "a form of racism." In logic, the State of Israel could be, or could become, many things, theoretically including many things undesirable, but it could not be and could not become racist unless it ceased to be Zionist.

Indeed, the idea that Jews are a "race" was invented not by Jews but by those who hated Jews. The idea of Jews as a race was invented by nineteenth century anti-Semites such as Houston steward Chamberlain and Deouard Drumont, who saw that in an increasingly secular age, which is to say an age which made for fewer distinctions between people, the old religious grounds for anti-Semitism were losing force. New justifications were needed for excluding and persecuting Jews, and so the new idea of Jews as a race—rather than as a religion—was born.

It was a contemptible idea at the beginning, and no civilized person would be associated with it. To think that it is an idea now endorsed by the United Nations is to reflect on what civilization has come to.

It is precisely a concern for civilization, for civilized values that are or should be precious to all mankind, that arouses us at this moment to such special passion. What we have at stake here is not merely the honor and the legitimacy of the State of Israel—although a challenge to the legitimacy of any member nation ought always to arouse the vigilance of all members of the United Nations. For a yet more important matter is at issue. Is the integrity of that whole body of moral and legal precepts which we know as human rights.

The terrible lie that has been told here today will have terrible consequences. Not only will people begin to say, indeed they have already begun to say, that the United Nations is a place where lies are told. Far more serious, grave and perhaps irreparable harm will be done to the cause of human rights. The harm will arise first because it will strip from racism the precise and abhorrent meaning that it still precariously holds today. How will the peoples of the world feel about racism, and about the need to struggle against it, when they are told that it is an idea so broad as to include the Jewish National Liberation Movement?

As this lie spreads, it will do harm in a second way. Many of the members of the United Nations owe their independence in no small part to the notion of human rights, as it has spread from the domestic sphere to the international sphere and exercised its influence over the old colonial powers. We are now coming into a time when that independence is likely to be threatened again. There will be new forces, some of them arising now, new prophets and new despots, who will justify their actions with the help of just such distortions of words as we have sanctioned here today. Today we have drained the word "racism" of its meaning. Tomorrow, terms like "national self-determination" and "national honor" will be perverted in the same way to serve the purposes of conquest and exploitation. And when these claims begin to be made—as they already have begun to be made—it is the small nations of the world whose integrity will suffer. And how will the small nations of the world defend themselves, on what grounds will others be moved to defend and protect them, when the language of human rights, the only language by which the small can be defended, is no longer believed and no longer has a power of its own?

There is this danger, and then a final danger that is the most serious of all. Which is that the damage we now do to the idea of human rights and the language of human rights could well be irreversible. The idea of human rights as we know it today is not an idea which has always existed in human affairs. It is an idea which appeared at a specific time in the world, and under very special circumstances. It appeared when European philosophers of the seventeenth century began to argue that man was a being whose existence was independent from that of the state, that he need join a political community only if he did not lose by that association more than he gained. From this very specific political philosophy stemmed the idea of political rights, of claims that the individual could justly make against state, it was because the individual was seen as so separate from the state that he could make legitimate demands upon it.

That was the philosophy from which the idea of domestic and international rights sprang. But most of the world does not hold with that philosophy now. Most of the world believes in newer modes of political thought, in philosophies that do not accept the individual as distinct from and prior to the state, in philosophies that therefore do not provide any justification for the idea of human rights and philosophies that have no words by which to explain their value. If we destroy the words that were given to us by past centuries, we will not have words to replace them, for philosophy today has no such words.

But there are those of us who have not forsaken these older words, still so new to much of the world. Not forsaken them now, not here, not anywhere, not ever.

The United States of America declares that it does not acknowledge, it will not abide by, it will never acquiesce in this infamous act.

STATEMENT BY AMBASSADOR CHAIM HERZOG TO THE GENERAL ASSEMBLY, NOVEMBER 10, 1975

Mr. President, it is symbolic that this debate, which may well prove to be a turning point in the fortunes of the United Nations and a decisive factor as to the possible continued existence of this organizations, should take place on November 10th. Tonight thirty seven years ago has gone down in history as Kristallnacht or the night of the crystals. This was the night on 10 November 1938, when Hitler's Nazi storm troopers launched a coordinated attack on the Jewish community in Germany, burnt the synagogues in all its cities and made bonfires in the street of the Holy Books and The Scrolls of the Holy Law and Bible. It was the night when Jewish homes were attacked and heads of families taken away, many of them never to return. It was the night when the windows of all Jewish businesses and stores were smashed, covering the streets in the cities of Germany with a film of broken glass which disolved into millions of crystals giving that night the name, Kristallnacht, the night of the crystals. It was the night which led eventually to the crematoria and the gas chambers, Auschwitz, Birkenau, Dachau, Buchenwald, Theresienstadt and others. It was the night which led to the most terrifying holocaust in the history of man.

It is indeed befitting, Mr. President, that this debate, conceived in the desire to deflect the Middle East from its moves toward peace and born of a deep pervading feeling of anti-semitism, should come up for debate on this day, which recalls one of the tragic days in one of the darkest periods of history. It is indeed befitting, Mr. President, that the United Nations, which began its life on an anti-Nazi alliance should thirty years later find itself on its way to becoming the world center of Anti-Semitism. Hitler would have felt at home on a number of occasions during the past year, listening to the proceedings in this forum, and above all to the proceedings during the debate on Zionism.

Mr. President, it is a sobering reflection indeed to consider to what this body has been dragged down if we are obliged today to contemplate an attack on Zionism. For this attack constitutes not only an Anti-Semitic attack of the foulest type, but also an attack in this world body on Judaism, one of the oldest established religions in the world. A religion which has given the world the human values of the Bible, a religion from which two other great religions, Christianity and Islam sprang. It is not tragic to consider that we here at this meeting in the year 1975 are contemplating what is a scurrilous attack on a great and established religion which has given to the world the Bible with its Ten Commandments, the Great Prophets of old, Moses, Isaiah, Amos, the great thinkers of history, Maimonides, Spinoza, Marx, Einstein, many of the masters of the arts and as height a percentage of the Nobel prize winners in the world, in the sciences in the arts and in the humanities as has been achieved by any people on earth.

One can but wonder and ponder at the prospect of countries which consider themselves to be part of the civilized world joining in this first organized attack on an established religion since the middle ages. Yes my friends, to these depths we are being dragged down by those who propose this resolution—to the middle ages.

The resolution before the Third Committee was originally a resolution condemning racism and colonialism, a subject in which consensus could have been achieved, a consensus which is of great importance to all of us and to our African colleagues in particular. However, instead of this being permitted to happen, a group of countries, drunk with the feeling of power inherent in the automatic majority and without regard to the importance of achieving a consensus on this issue railroaded the committee in a contemptuous maneuver by the use of the automatic majority into bracketing Zionism with the subject under discussion. Indeed it is difficult to speak of this base move with any measure of restraint.

Mr. President, I do not come to this rostrum to defend the moral and historical values of the Jewish people. They do not need to be defended. They speak for themselves. They have given to mankind much of what is great and eternal. They have done for the spirit of man more than can readily be appreciated by a forum such as this one.

I come here to denounce the two great evils which menace society in general and a society of nations in particular. These two evils are hatred and ignorance. These two evils are the motivating force behind the proponents of this resolution and their supporters. These two evils characterize those who would drag this world organization, the idea of which was first conceived by the prophets of Israel, to the depths of which it has been dragged today.

The key to understanding Zionism is in its name. In the Bible, the easternmost of the two hills of ancient Jerusalem was called Zion. The period was the 10th century B.C. (II Sam. 5 6–9). In fact, the name Zion appears 152 times in the Old Testament referring to Jerusalem. The name is overwhelmingly a poetic and prophetic designation. The religious and emotional qualities of the name arise from the importance of Jerusalem as the royal city and the city of the temple. "Mt. Zion" is the place where God dwells (Isa. 1:18, Psalms 74:20.). Jerusalem or Zion, is a place where the Lord is King (Isa. 24:23), and where He has installed His King, David (Psalm 2:6).

King David made Jerusalem the capital of Israel almost 3,000 years ago and Jerusalem has remained the capital ever since. During the centuries the term "Zion" grew and expanded to mean the whole of Israel. The Israelites in exile could not forget Zion (Psalm 137).

The Hebrew Psalmist sat by the waters of Babylon and swore "If I forget thee O Jerusalem, may my right hand forget its cunning." This oath has been repeated for thousands of years by Jews throughout the world. It is an oath which was made over 700 years before the advent of Christianity and over 1,200 years before the Advent of Islam.

Bearing all these connotations in mind, Zion came to mean the Jewish homeland, symbolic of Judaism of Jewish national aspiration.

Every Jew, while praying to his God, wherever he is in the world, faces towards Jerusalem, these prayers have expressed for over 2,000 years of exile the yearning of the Jewish people to return to their ancient homeland, Israel. In fact, a continuous Jewish presence, in larger or smaller numbers, has been maintained in the country over the centuries.

Zionism is the name of the national movement of the Jewish people and is the modern expression of the ancient Jewish heritage. The Zionist ideal, as set out in the Bible, has been and is, an integral part of the Jewish religion.

Zionism is to the Jewish people, what the liberation movements of Africa and Asia have been to their own people. Zionism is one of the most stirring and constructive national movements in human history. Historically, it is based on a unique and unbroken connection, extending some four thousand years, between the people of the Book and the the land of the Bible.

In modern times, in the later 19th century, spurred by the twin forces of anti-Semitic persecution and of nationalism, the Jewish people organized the Zionist movement in order to transform their dream into reality. Zionism as a political movement was the revolt of an oppressed nation against the depredation and wicked discrimination and oppression of the countries in which anti-Semitism flourished. It is indeed no coincidence at all and not surprising that the cosponsors and supporters of this resolution include countries who are guilty of the horrible crime of anti-Semitism and discrimination to this very day.

Support for the aim of Zionism was written into the League of Nations mandate for Palestine, and was again endorsed by the United Nations in 1947, when the General Assembly voted by overwhelming majority for the restoration of Jewish independence of our ancient land.

The re-establishment of Jewish independence in Israel, after centuries of struggle to overcome foreign conquest and exile, is a vindication of the fundamental concepts of the equality of nations and of self-determination. To question the Jewish people's right to national existence and freedom is not only to deny to the Jewish people the right accorded to every other people on the globe, but it is also to deny the central precepts of the United Nations.

For Zionism is nothing more—but also nothing less—than the Jewish people's sense of origin and destination in the land linked eternally with its name. It is also the instrument whereby the Jewish Nation seeks an authentic fulfillment of itself. And the drama is enacted in the region in which the Arab Nation has eralized its sovereignty in twenty states comprising a hundred million people in 4½ million square miles, with vast resources. The issue therefore is not whether the world will come to terms with Arab Nationalism. The question is at what point Arab Nationalism, with its prodigious glut of advantage, wealth and opportunity, will come to terms with the modest but equal rights of another Middle Eastern nation to pursue its life in security and peace.

The vicious diatribes on Zionism voiced here by Arab delegates may give this Assembly the wrong impression that while the rest of the world supported the Jewish National Liberation Movement the Arab world was always hostile to Zionism. The case: Arab leaders, cognizant of the rights of the Jewish people, fully endorsed the virtues of Zionism. Sherrif Hussein, the leader of the Arab world during the First World War, welcomed the return of the Jews to Palestine.

His son, Emir Feisal, who represented the Arab world in the Paris peace conference, had this to say about Zionism on March 3, 1919:

"We Arabs, especially the educated among us, look with deepest sympathy on the Zionist Movement . . . we will wish the Jews a hearty welcome home . . . we are working together for a reformed and revised Near East, and our two movements complement one another. The movement is national and not imperialistic. There is room in Syria for us both. Indeed, I think that neither can be a success without the other."

It is perhaps pertinent at this point to recall that in 1947, when the question of Palestine was being debated in the United Nations the Soviet Union strongly supported the Jewish independence struggle.

It is particularly relevant to recall some of Mr. Andrei Gromyko's remarks on May 14, 1974:

"As we know, the aspirations of a considerable part of the Jewish people are linked with the problem of Palestine and of its future administration. This fact scarcely requires proof. . . . during the last war, the Jewish people underwent exceptional sorrow and suffering. Without any exaggeration, this sorrow and suffering are indescribable. It is difficult to express them in dry statistics on the Jewish victims of the Fascist aggressors. The Jews in the territories where the Hitlerites held sway were subjected to almost complete physical annhilation. The total number of Jews who perished at the hands of the Nazi executioners is estimated at approximately six million.

The United Nations cannot and must not regard this situation with indifference, since this would be incompatible with the high principles proclaimed in its charter, which provides for the defense of human rights, irrespective of race, religion or sex.

The fact that no Western European State has been able to ensure the defence of the elementary rights of the Jewish people and to safeguard it against the violence of the Fascist executioners explains the aspirations of the Jews to establish their own state. It would be unjust not to take this into consideration and to deny the right of the Jewish people to realize this aspiration." (General Assembly session, 14 May 1947).

How sad it is to see here a group of nations, many of whom have but recently freed themselves of colonial rule, deriding one of the most noble liberation movements of this century, a movement which not only gave an example of encouragement and determination to the peoples struggling for independence, but also actively aided many of them during the period of preparation for their independence or immediately thereafter.

Here you have a movement which is the embodiment of a unique pioneering spirit, of the dignity of labor, and of enduring human values, a movement which has presented to the world and example of social equality and open democracy being associated in this resolution with abhorrent political concepts.

We in Israel have endeavored to create a society which strives to implement the highest ideals of society—political, social, and cultural—for all the inhabitants of Israel, irrespective of religious belief, race or sex.

Show me another pluralistic society in this world in which despite all the difficult problems, Jew and Arab live together with such a degree of harmony, in which the dignity and rights of man are observed before the law, in which no death sentence is applied, in which freedom of speech, of movement, of thought, of expression are guaranteed in which even movements which are opposed to our national aims are represented in our parliament.

The Arab delegate talk of racism. What has happened to the 800,000 Jews who lived for over 2,000 years in the Arab lands who formed some of the most ancient communities long before the advent of Islam. Where are those communities? What happened to the people and what happened to their property?

The Jews were once one of the important communities in the countries of the Middle East, the leaders of thought, of commerce, of medical sicence. Where are they in Arab society today? You dare talk of racism when I can point with pride to the Arab ministers who have served in my government, to the Arab deputy speaker of my parliament, to Arab officers and men serving of their own volition in our defence border and police forces, frequently commanding Jewish troops, to the hundreds of thousands of Arabs from all over the Middle East crowding the cities of Israel every year, to the thousands of Arabs from all over the Middle East coming for medical treatment to Israel. To peaceful co-existence which has developed. To the fact that Arabic is an official language in Israel on a par with Hebrew. To the fact that it is as natural for an Arab to serve in public office in Israel as it is incongruous to think of a Jew serving in any public office in an Arab country, indeed being admitted to many of them. Is that racism? It is not. That, Mr. President is Zionism.

It is our attempt to build a society, imperfect though it may be, and what society is perfect—in which visions of the prophets of Israel will be realized. I know that we have problems. I know that many disagree with our government's policies. Many in Israel too disagree from time to time with the government's policies . . . and are free to do so because Zionism has created the first and only real democratic state in a part of the world that never really knew democracy and freedom of speech.

This malicious resolution, designed to divert us from its true purpose, is part of a dangerous anti-semitic idiom which is being insinuated into every public debate by those who have sworn to blick the current move towards accommodation and ultimately towards peace in the Middle East. This, together with similar moves, is designed to sabotage the efforts of the Geneva conference for peace in the Middle East and to deflect those who are moving along the road towards peace, based on compromise.

Mr. President, we are seeing here today but another manifestation of the bitter anti-semitic, anti-Jewish hatred which animates Arab society. Who would have believed that in this year, 1975, the malicious falsehoods of the elders of Zion would be distributed officially by Arab governments? Who would have believed that we would today contemplate an Arab society which teaches the vilest anti-Jewish hate in the kindergartens. Who would have believed that an Arab head of state would feel obliged to indulge publicly in anti-Semitism of the cheapest nature when visiting a friendly nation. We are being attacked by a society which is motivated by the most extreme form of racism known in the world today. This is the racism which was expressed so succintly in the words of the leader of the PLO, Yassir Arafat in his opening address at a symposium in Tripoli, Libya:

"There will be no presence in the region except for the Arab presence."

In other words, in the Middle East from the Atlantic Ocean to the Persian Gulf only one presence is allowed, and that is Arab presence. No other people, regardless of how deep are its roots in the region, is to be permitted to enjoy its right to self-determination.

Look at the tragic fate of the Kurds of Iraq. Look what happened to the Black population in southern Sudan. Look at the dire peril in which an entire community of Christians finds itself in Lebanon. Look at the avowed policy of the PLO which calls in its Palestine covenant for the destruction of the state of Israel, which denies any form of compromise on the Palestine issue and which, in the words of this representative only the other day in this building considers Tel-Aviv to be occupied territory. Look at all this and you see before you the root cause of the pernicious resolution brought before this assembly. You see the twin evils of this world at work, the blind hatred of the Arab proponents of this resolution and the abysmal ignorance and wickedness of those who support them.

Mr. President, the issue before this assembly is not Israel and not Zionism. The issue is the fate of this organization. Conceived in the spirit of the prophets of Israel, born out of an anti-Nazi alliance after the tragedy of World War II, it has degenerated into a forum which was this last week described by one of the leading writers in a foremost organ of social and liberal thought in the west as "rapidly becoming one of the most corrupt and corrupting creations in the whole history of human institutions . . . almost without exception those in the majority came from states notable for racist oppression of every conceivable hue . . ."

He goes on to explain the phenomenon of this debate. "Israel is a social democracy, the nearest approach to a free socialist state in the world, its people and government have a profound respect for human life, so passionate indeed that, despite every conceivable provocation, they have refused for a quarter of a century to execute a single captured terrorist. They also have an ancient but vigorous culture, and a flourishing technology. The combination of national qualities they have assembled in their brief existence as a state is a perpetual and embittering reproach to most of the new countries whose representatives swagger about the U.N. building. So Israel is envied and hated, and efforts are made to destroy her. The extermination of the Israelis has long been the prime objective of the terrorist international, they calculate that if they can break Israel, then all the rest of civilization is vulnerable to their assaults".

The melancholy truth, I fear, is that the candles of civilization are burning low. The world is increasingly governed not so much by capitalism, or communism, or social democracy, or even tribal barbarism, as by a false lexicon of political cliches, accumulated over half a century and now assuming a kind of degenerate sacerdotal authority . . . we all know what they are . . ."

Mr. President, over the centuries it has fallen to the lot of my people to be the testing agent of human decency, the touchstone of civilization, the crucible in which enduring human values are to be tested. A nation's level of humanity could invariably be judged by its behavior towards its Jewish population. It always began with the Jews but never ended with them.

The anti-Jewish programs in Czarist Russia were but the tip of the iceberg which revealed the inherent rottenness of the regime which was soon to disappear in the storm of revolution. The anti-Semitic excesses of the Nazis merely foreshadowed the catastrophe which was to befall mankind in Europe.

This wicked resolution must sound the alarm for all decent people in this world. The Jewish people as a testing agent has unfortunately never erred. The implications inherent in this shameful move are terrifying indeed.

Mr. President, on this issue, the world has divided itself into good and bad, decent and evil, human and debase. We the Jewish people will recall in history our gratitude to those nations who stood up and were counted and who refused to support this wicked proposition. I know that this episode will have strengthened the forces of freedom and decency in this world and will have fortified them in their resolve to strengthen the ideals they so value. I know that this episode will have strengthened Zionism as it has weakened the United Nations.

Mr. President, as I stand on this rostrum, the long and proud history of my people unravels itself before my inward eye. I see the oppressors of our people over the ages as they pass one another in evil procession into oblivion. I stand here before you as the representative of a strong and flourishing people which has survived them all, and which will survive this shameful exhibition and the proponents of this resolution.

The great moments of Jewish history come to mind as I face you, once again outnumbered and the would-be victim of hate, ignorance and evil. I look back on those great moments. I recall the greatness of a nation which I have the honour to represent in this forum. I am mindful at this moment of the Jewish people throughout the world wherever they may be, be it in freedom or in slavery, whose prayers and thoughts are with me at this moment.

Mr. President, I stand not here as a supplicant. Vote as your moral conscience dictates to you. For the issue is not Israel or Zionism. The issue is the continued existence of this organization which has been dragged to its lowest point of discredit by a coalition of despotisms and racists.

The vote of each delegation will record in history its country's stand on anti-Semitic racism and anti-Judaism. You yourselves bear the responsibility for your stand before history, for as such will you be viewed in history. We the Jewish people will not forget.

For us the Jewish people, this is but a passing episode in a rich and an event-filled history. We put our trust in our providence, in our faith and beliefs, in our time-hallowed tradition, in our striving for social advance and human values and in our people wherever they may be. For us, the Jewish people, this resolution, based on hatred, falsehood and arrogance, is devoid of any moral or legal value.

SUPPORT FOR J. P. STEVENS' WORKERS

Mr. BAYH. Mr. President, J. P. Stevens is the second largest textile business in the country. It has 89 plants and 46,000 workers. For the last 12 years, the Textile Workers Union of America and the Industrial Union Department of the AFL–CIO have been attempting to organize J. P. Stevens' workers. The company has responded by marshaling its considerable resources to beat back the union drive, and the battle between J. P. Stevens and the unions has become the principal symbol of the effort by big business to prevent unionization in the South. Much of the textile industry moved South 50 years ago to avoid unionization, and today only 10 percent of the 600,000 workers in the southern textile mills are unionized. Not one J. P. Stevens' plant is unionized.

The struggle between Stevens and the unions has been long and ugly. Hundreds of workers have been fired for union activity and scores of charges of unfair labor practices have been filed with the National Labor Relations Board. At each stage of the administrative proceedings—during the Board's investigation of the charges, after the administrative law judges' consideration of the Board's formal complaints against the company, and after the Board's review of the judges' findings—the company has been found to have committed repeated violations of the National Labor Relations Act. In 13 different cases involving large numbers of workers, the company has appealed the decisions of the administrative law judges, and each time the National Labor Relations Board has found J. P. Stevens guilty of illegal efforts to thwart union organizing.

Then, after further appeals by the company, the decisions of the Board have been upheld eight times by various U.S. courts of appeals and three times by the U.S. Supreme Court. J. P. Stevens has paid under court orders more than $1.25 million to workers wronged by violations of their right to organize, but has steadfastly refused to bargain with the Textile Workers as required by law.

Both the second circuit and the fifth circuit have found J. P. Stevens in contempt of court orders to comply with the Labor Relations Act. Following the fifth circuit's findings of contempt, the company closed its plant in Statesboro, Ga., rather than deal with the union.

Perhaps most symbolic of the lengths to which J. P. Stevens has gone to obstruct the union effort was the revelation that during a 1973 union campaign the company had bugged the motel room of two organizers in Wallace, S.C. In January 1975, J. P. Stevens paid $50,000 to settle a suit brought by the Textile Workers and the AFL–CIO because of the wiretapping.

The latest chapter in the fight is being played out in Roanoke Rapids, N.C. In August 1974, the Textile Workers won an election which established them as the collective bargaining agent at the seven Roanoke Rapids plants operated by J. P. Stevens. But in the 15 months since the election, the company has refused to agree to any economic improvement sought by the union, and once again the union has filed a charge of refusal to bargain with the National Labor Relations Board. The seemingly endless struggle goes on.

Mr. President, in 1947, Congress enacted the Taft-Hartley Act, which states:

> The denial by some employers of the right of employees to organize and the refusal by some employers to accept the procedure of collective bargaining lead to strikes and other forms of industrial strife or unrest, which have the intent or the necessary effect of burdening or obstructing commerce. . . .
>
> * * * * *
>
> It is declared to be the policy of the United States to eliminate the cause of certain substantial obstructions to the free flow of commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and by protecting the exercise by workers of full freedom of association, self-organization, and designation of representatives of their own choosing, for the purpose of negotiating the terms and conditions of their employment or other mutual aid or protection. (29 U.S.C. § 151.)

The act goes on to define unfair labor practices and to provide a remedy for violations through the National Labor Relations Board. But the endless struggle between J. P. Stevens and the Textile Workers and the IUD testifies to the fact that when big business chooses to obstruct the process of unionization, the present law of this country may be inadequate to compel business to the bargaining table.

And even more to the point, Mr. President, what I want to ask today is why, in view of the law of this land and the history of violations of the law by J. P. Stevens, does the Federal Government continue to be the company's biggest customer? In fiscal 1975, the Department of Defense alone had contracts with J. P. Stevens totaling more than $16 million.

It is my opinion, Mr. President, that if big businesses are going to continue to be able to circumvent the labor law of this country as J. P. Stevens has, we must consider legislation to deal with the situation. There are presently pending in the House a series of bills introduced by the Representative from New Jersey (Mr. THOMPSON), the ranking member of the Subcommittee on Labor Management Relations, which are designed to respond to the problem.

H.R. 8110 and H.R. 8408 would speed up the processing of complaints by the Board and enforcement of the Board's orders by the courts. And most importantly, H.R. 8409 would strengthen the remedial provisions of the National Labor Relations Act against repeated or flagrant transgressors by forbidding for 3 years award of Government contracts to businesses which have been found by the Board to have engaged in willful and flagrant unfair labor practices and/or a pattern or practice of unfair labor practices.

H.R. 8409 would establish an enforcement mechanism for violations of the labor laws similar to that which already exists for violations of the civil rights laws. Under Executive Order 11246, the Office of Federal Contract Compliance can terminate Government contracts with companies which have been found to discriminate in employment.

In fact, the threat of termination of contracts rarely results in actual cancellation, but it does effectively compel negotiation about equal employment problems.

Mr. President, the workers at J. P. Stevens & Co., have waited too long for industrial democracy and for the chance to bargain for better pay and conditions. If we can amend the labor laws to make them more effective, we should do so.

I ask unanimous consent that an article on this situation from the November 11 issue of the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FIGHT IS JUST BEGINNING AT J. P. STEVENS A YEAR AFTER WORKERS VOTE TO JOIN UNION

(By Karen Rothmyer)

ROANOKE RAPIDS, N.C.—It has been more than 14 months since the TV cameras and the reporters congregated here to record a milestone event: Workers at seven J. P. Stevens & Co. plants, by a narrow margin, voted to join the Textile Workers Union of America (TWUA).

It was not just another labor election. Stevens, the second biggest in the textile business with 40,000 workers in 85 plants, was the union's No. 1 target because it had been the No. 1 holdout over the years. The union had been trying for 11 years to crack Stevens; finally, it appeared that victory was theirs.

But now, well over a year later, little has changed. The 3,000 workers at the complex of plants here still work at the same jobs under the same working conditions. They still have the same complaints about pay and, when their careers end, they still leave with the same meager retirement benefits.

LITTLE PROGRESS

The reason is simple: The company has refused to sign a contract with the union. Currently, contract talks continue, but there has been no agreement on any major issue.

Despite an atmosphere of little happening and nobody much caring, the outcome of the dispute will have impact far beyond this old mill town set among the peanut and tobacco farms of northeastern North Carolina. The TWUA has been fighting for 20 years to tip the scales in Dixie textile organizing, but so far only 10% of some 600,000 workers are union. A final victory against Stevens here would spur efforts elsewhere, while a prolonged stalemate could have a distinctly chilling effect.

The National Labor Relations Board is currently investigating union charges that Stevens is refusing to bargain in good faith, but the company apparently is not unduly upset. The board has cited Stevens a dozen times in the past, here and elsewhere, for unfair labor practices and a federal court has found it guilty of contempt, with little noticeable impact. "The law just is not designed to handle situations like Stevens," says an NLRB lawyer. "They've just smiled and put the knife to their employes all along."

Stevens refuses to discuss the Roanoke Rapids dispute, or other disputes involving the union. Its 1974 annual report noted the outcome of the union election here, then added, "Stevens historically has enjoyed excellent relations with its employes. It continues to place a high value on its human resources, and to be optimistic about the continuity and dependability of its labor supply." No Stevens plant is unionized.

The company stance that everything is all right is reflected on the sun-baked autumn streets of the quiet town of 15,000, where citizens are fanned by sulphur-scented breezes which blow from the paper mill down by the swift-running Roanoke River. It's not surprising that the town's leadership agrees with the Stevens position. The company's 3,000 workers here make it by far the largest employer. The next largest, the paper mill, employs 500.

Neither city leaders nor folks on the street see the labor squabble at Stevens as a compelling topic of talk. Rather, interest centers on new highways and progress and plans for a new community center that citizens hope will encourage both the arts and a bit of convention business for the town. At the county health center there is concern over a study which showed that 16.5% of the county's citizens over 21 have an alcohol problem, compared with 5% nationally. They are counseling people and trying to figure out why they drink so much.

Feelings about the Stevens dispute are summed up by Giles Hopkins, executive vice president of the Roanoke Valley Chamber of Commerce: "People look on a man's business as his own, and generally they're not going to tell him how to run it."

At the mills themselves, it is business as usual. Inside a cotton terry weaving room, workers move busily among their machines, some wearing earplugs to shut out the deafening noise, and some festooned with bits of cotton lint which settle lazily in shafts of sunlight. In a cavernous room piled high with mountains of yellow and orange and pink towels, women strive to reduce the piles to small, folded squares for the bathrooms of America.

Down at the First Baptist Church, the largest in town, life goes on as usual, too. The Rev. Marvin Faile, busy with expansion plans for the church's private school, says he's never been asked nor felt compelled to speak out about the union dispute.

"If there is a moral issue involved, I believe it is incumbent for a man of God to speak out," he says. "I spoke out on Vietnam," he recalls. "I was very much disappointed in our country that it let those people down." But Stevens is another matter: "I know of no situation where people were treated unfairly. I have not heard any people complain."

But Rev. Faile has not talked with Joseph Williams, another man of the cloth who worked at a Stevens cloth plant until he got fired in 1973. The year before, he was one of the first to sign a union card and to start recruiting other workers, buttonholing them in the lunchroom or passing out leaflets at the gates after he left work.

FIRED AS DOFFER

He was fired from his job as a doffer (a person who refills yarn spindles), he says, for refusing to perform work which had nothing to do with his job. The NLRB has since filed a civil contempt suit in federal court claiming, among other things, that he and others were really fired as part of a company harassment campaign. The suit seeks their reinstatement with back pay.

Winning would mean a sizable sum to Mr. Williams, who was jobless about seven months and was so broke last winter he had to turn to food stamps to feed his wife and three sons. Rummaging through cupboards in the trailer the family lives in on a dirt road 15 miles from town, he reads over some legal papers concerning his dispute with the company, chuckling now and then at his cheekiness. He tries to explain why he did it.

"My uncle who's a minister says that as long as we have God, we don't need a union," says Mr. Williams, himself an assistant minister of a Holiness Pentecostal Church. "But I do believe it is God's will to help the poor people. A lot of times I felt like giving up, but I asked God to give me courage.

"I knew if the union came it would be more money," he adds, recalling that he brought home $130 a week for six days on the job at Stevens, compared to about $80 he earns now at a small apparel plant.

Mr. Williams feels that while whatever happens at Stevens may not help him, it may help his three boys. "Even though they did discharge me, it will be a great help for the children," he reflects.

Ethel Woodruff might be surprised at such talk. A widow who raised three children, she worked as a weaver for 36 years, first for Simmons Co., then for Stevens, which bought the plants in 1956. One of her biggest satisfactions in life now is that her children don't work there.

But when her son got out of high school, that's just what he said he intended to do. "I said, 'Son, please don't go in there. I've had to do this all my life, but I don't want you to.' He worked at Stevens two nights. Then he came home and said, 'I'll beg bread first.' " He has since joined the service.

HOPED FOR CHANGE

Mrs. Woodruff says she signed up with the union hoping conditions would change, but they haven't yet. "I was tired of being shoved around," she says. "Some days I was so tired when I got to the door that I thought my heart would stop. You didn't get paid when your machines were stopped," she remembers. So instead of taking time off for lunch, "You'd just pick up your sandwich and lay it down while you were working. Most of the time it would get so much lint on it, it would end up in the trash can." For a 40-hour week of work under such conditions, one of her last paychecks shows, she was paid $137.

Mrs. Woodruff doesn't dwell on the fact that had the company signed a contract without haggling, her retirement might be far more rewarding. Sitting in her small living room, a wedding picture of her daughter on the mantle and a bouquet of plastic flowers on the coffee table, she quietly displays the stub showing her reward for her 36 years of service: $1,153. It is her lump-sum share of the Stevens profit-sharing plan.

The smallness of the check came as no surprise to her. "I told them when I left I didn't want any party," she says evenly, "I said, 'I came here with nothing, and I'm leaving with nothing.' "

MONEY NOT DISCUSSED

The union wants both better retirement and higher pay from Stevens, but Scott Hoyman, the chief negotiator, says the "crucial issues" which have bogged down negotiations so far "are not economic." He says money hasn't been discussed yet, while the two sides argue over such basics as arbitration of grievances in exchange for a binding no-strike clause. The company won't comment.

Mr. Hoyman says the company doesn't seem to regard a no-strike provision as particularly important at this time. "They take the point of view that if you don't like something, you can strike," he says. "If it's just one person with a small grievance, that's kind of ridiculous. They propose this because they think by refusing to settle *any* grievance, we'll have to strike or be rendered impotent." Again, the company declines comment.

During the course of the long fight against Stevens, the union has won some skirmishes, and it continues to fire salvos. Not long ago the NLRB ruled for the union on a charge that management at a Stevens plant asked an employe to inform on union sympathizers. The company says it is negotiating with the NLRB on the outcome of its order and is reserving the right to appeal. Stevens also paid the union $50,000 to settle out of court a suit claiming the company wiretapped a motel room union negotiators were using in Wallace, S.C.

But the union has so far failed to come out the ultimate victor in any major battles. It looked like they had won in Statesboro, Ga., where Stevens employed 500 workers in a textile plant. After a long struggle, the NLRB stepped in and declared the TWUA the official bargaining agent after determining that a fair union election was impossible. It seemed a clear victory.

But the company was not ready to throw in the the towel. It closed the plant.

NEW YORK CITY

Mr. RIBICOFF. Mr. President, the Senate will soon begin consideration of legislation aimed at avoiding a default by New York City. I believe that such legislation has a better chance of passing now than ever before, because the Nation is awakening to the awful potential consequences of a New York default.

A shift in national sentiment was indicated last week by several polls of national opinion. I detect a similar shift of sentiment in this body, and I believe that it will continue. For I am convinced that consensus is building for legislation that would avert default.

I recently stated my reasons for believing that a New York default would be a national disaster in a speech to the Committee in the Public Interest, on November 7, 1975, in New York City. I ask unanimous consent that this speech be printed in the RECORD, along with an article by Lewis H. Young in Business Week, November 10, 1975, entitled "Ford Miscalculations on New York City," showing how President Ford's position on this issue is wrong.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR ABE RIBICOFF

The debate over New York City goes on. The American people are deeply divided, our national leadership is uncertain, and those who live in this great city are anxious. America is having a hard time realizing that it is the sum of its parts, and that New York is a vital part of our nation. But many Americans have come to realize that the fate of this city will affect the future of our nation.

It's ironic that many of those who first perceived the broad significance of New York's crisis were not Americans at all, but those abroad who keep a watchful eye trained on America because they know the fate of our nation and that of the world are related. While our own national leaders have been preoccupied with punishing America's largest city for its problems, those abroad have repeatedly warned of the impact the fall of New York will have on our national economy and on economies around the world.

The reason New York faces bankruptcy today is because of negligence and mismanagement. But poor management didn't create the problems of this city, it has only forced us to face those problems now instead of later. New York, the financial and cultural center of our nation and of the world, our largest and most famous city, is suffering today from problems that threaten the lives of all our cities. Americans must share in the problems of New York, just as New York has had to assume the problems of America.

During the last decade, the people who have come to live in New York increasingly are the poor, the elderly, the sick, the uneducated, the unemployed and the non-English speaking. These are the people who most depend on the services only a city can provide; and as their numbers have increased, the city has been forced to increase those services to meet their needs. This city has over a million people on welfare, more than 12.4 percent of its population. New York has become a national service center forced to bear the burden of caring for those who have come here in need.

New York didn't invite these people. In fact, the State of New York went to court to defend its requirement that welfare recipients have lived in the city for a reasonable period of time before receiving the city's money. But that requirement was struck down by the Supreme Court, and today New York City bears one-quarter of the total welfare bill. New York City is one of the few cities in this country that is required to pick up a major portion of the welfare tab.

Like many other cities, New York has been hit hard by the recession. Unemployment has gone from under 5% in 1970 to over 11% this past August. Meanwhile, the city's municipal workers, like those of other cities, have successfully fought for more pay and greater fringe benefits.

This and other cities have tried to meet these increasing burdens and obligations by raising taxes. But tax increases are only stopgap measures. If continued, they would threaten to permanently destroy the city's economic foundations by driving more industry and more of the middle class from New York and from our other large urban centers. Rising taxes combined with the high prices of inflation have cost New York an estimated $1.5 billion during the last six years. And the loss of industry has meant a loss of jobs, some 501,800 during the same period of time.

In New York City it is no longer possible to raise new revenue locally without driving out more industry, losing more jobs, losing more of the middle class and further eroding the tax base.

Therefore, the immediate task at the local level must be to control expenditures rather than to raise revenues. Getting control of a budget that has been mishandled and neglected for so long is going to be a tough job. It's going to mean taking a long hard look at every expenditure, a re-evaluation of past objectives and a careful evaluation of new ones. There must be a total re-assessment of priorities, beginning with the assumption that New York's budget should be zero, and building from there. We must decide what we need most, and what we can best afford to sacrifice. I am pleased that Governor Carey has already adopted this approach in trying to eliminate duplication in programs offered by both the City and the State. Why should the City University, for example, be separate from the State University? Merging these two institutions would enable them to better use their resources by sharing facilities and staff. We need to look with an open mind at any and all possible ways of controlling expenditures.

Because of the threat posed to special interests and constituencies, there has been a general reluctance to begin this kind of serious program evaluation. For the sake of New York City and New York State, we must eliminate programs that don't work or that have a low priority.

New York City is going to change, either through action, or through inaction. I hope the people of this city understand that. Change is always accompanied by uncertainty, and this will be the price of the austerity that all cities, not just New York, must now face. New York will have to find the courage to live with the fears aroused by that uncertainty. Otherwise constructive action will be impossible, and the change that will take place during the years ahead will be for the worse, not for the better. Let us adopt change willingly and work together to solve the problems of this city so that its future can be as bright as its past.

This approach is positive, not punitive. Eliminating waste in the public sector is essential to restoring the health of the private sector.

New York is still a kind of model city. It is a model of the American city in crisis. And what New York does to solve its problems will become a model for all of our cities to follow. Austerity will not ensure prosperity for this or any other city. There must be imagination and innovation as well. New York must find new ways to keep its middle class from leaving, and it must provide positive incentives for industry to locate in the city.

If our cities are to survive, the change on the municipal level must be accompanied by change on the federal level. The federal government bears a large part of the blame for the crisis now facing our cities. We have failed to develop a national urban policy, and today our cities are suffering the high costs of that failure.

During the Johnson years our cities basked in Federal largesse by accepting a wide range of matching grant programs. During the Nixon years those programs were cut back. Our cities had to decide whether to abandon programs to which they had become committed or to make up the federal share by themselves. Many followed this latter course. Today, the cost of that decision is coming due.

The federal government must reshape its programs into a national urban policy. The reform must be consistent, and it must be lasting. There are three broad areas of reform that must be welded into this new national policy: welfare, revenue sharing, and grant and assistance programs.

Our present welfare policy is not a policy at all. It is a series of missed opportunities and broken promises. We must develop a welfare system that promotes family stability, not family disintegration. It must offer incentives for work, and training to those who want to work, and day-care services to those with children. And most of all, it must have a job for everyone willing and able to work.

The present welfare system must be changed so that the Federal government, not the states and the cities, bears the financial burden. Federalization of welfare costs is absolutely essential. Had we done it in 1971, as I advocated then, we could have saved New York State and this city $1 billion apiece each year. The total savings would have more than equalled New York City's accumulated deficit during the last five years.

At present, the share of the welfare bill paid by the Federal government ranges from 50% in this State to over 81% in Mississippi. Few cities in America are required to pay their own welfare costs. Usually, the state picks up the welfare tab for its cities. Until welfare is federalized, New York State should cover New York City's welfare bill, as my own State of Connecticut and other states around the country have done for their cities.

Revenue sharing is another area that needs major federal reform. Under our present revenue sharing program, the formulas used to distribute money contain built-in biases against our cities! They must be rewritten to give the cities a bigger share of the funds. They fail to equitably take into account the critical factors of unemployment, poverty, and urbanization.

And, once the money is divided among the states, the states themselves are limited by the amounts they are allowed to give to their cities, even though the cities are frequently where the greatest need is.

Federal grant and assistance programs exhibit the same antiurban bias as Revenue Sharing does. Half of this nation's total addict population lives in New York City. But New York received only 6.5% of the amount the Federal government spent on all of its drug abuse programs.

The people who live in the New York Metropolitan area, not counting corporations, paid an estimated $22.3 billion in taxes during fiscal year 1974. But the federal government returned only $16.3 billion to the people of New York during the same period of time, including the amount spent on defense contracts.

The hard reality is that federal funds are divided up with the most consummate cynicism according to political clout, and not according to need. Half of the nation's total population is crowded into only nine of our fifty states. In the Senate, that means that only eighteen votes represent our largest states. Today, it is the people of New York City who suffer from this inequity. It is a political reality that cannot be ignored; but that must be confronted and corrected. We have a tough job of educating to do: all Americans must come to realize that they have a share in the well-being of our urban centers. People in rural America must come to see that if our cities die, the entire country suffers. No longer can America be blinded to the fact that it must maintain the well-being of all its parts, including this city and all our other ailing urban centers.

These ideas are a beginning: critical evaluation of priorities and programs on the local level; the development of a national urban policy by reforming welfare, revenue sharing and grant and assistant programs on the federal level. They are not new ideas, and they will not provide final solutions to the problems that plague our cities. But they are realistic, necessary first steps towards the goal of protecting our cities from the crisis that threatens to strangle them. Now, we must begin creating a political climate that will make it possible for these ideas to become realities.

The focus of attention today is on New York. The outcome of this city's fight for survival will affect countless other cities, the nation, and the world.

[From Business Week, Nov. 10, 1975]

FORD'S MISCALCULATION ON NEW YORK CITY

(By Lewis H. Young)

President Ford's plan to help New York City after it defaults was drawn up by the same economic advisers who a year ago drafted a bill to increase taxes just as the economy was heading into the worst recession since the 1930s. Fortunately, Congress was wise enough to give that proposal a quiet burial, but the plan for New York stems from the same kind of error.

Under Ford's proposal, a federal court would make sure—after the city defaulted—that essential public services would continue. Payrolls of police, fire, sanitation, and health workers would take priority over the interests of holders of city bonds and notes. Presumably, any shortfall in wages would be met through short-term debt the court would authorize the city to issue. But the terms of aid are still vague.

In the past, Ford's advisers have repeatedly insisted that the city has enough money if it would take stern measures to restructure its debts. They have been asking the city to default but to call it something else: a moratorium on interest payments, a stretchout of maturities, and a voluntary—or involuntary—rollover of notes. Now Ford is forcing default, but his program rests on false assumptions.

The President does not understand that even if the city pays no interest or debt service, it will be at least $1 billion short of meeting its payroll and welfare payments in December, January, and February. And once it has defaulted, it is questionable whether anyone will buy New York City issues, including the court's authorized notes, because the city has no way to repay them. New York State's fiscal condition is at least as bad as the city's.

LACK OF FACTS

In any case, the city's cash projections are not very good because it still lacks modern management and accounting systems. It will not even be able to tell for sure how many people are on its payroll until after a new system is installed in July, 1976. Over and over again since the city's crisis started, anticipated receipts have been overstated and expenses understated.

Furthermore, the President and his advisers seem to think that a few banks hold most of the city's debt and that a restructuring is possible simply by sitting down with them. Actually, the banks hold less than one-third of the debt. The rest is in the hands of small investors who need the money.

Finally, the city's pension funds are protected by the state constitution, which prohibits reducing the benefits. But the full extent of the city's pension liability is unknown: The actuarial assumptions have not been revised since 1908. Since then, average life expectancy has increased about 16 years and rendered the city's calculations hopelessly out of date.

WEAK ECONOMICS

There is a long tradition that American Presidents are weak on economics. But even in the tradition Gerald Ford makes some of the others look like savants. Aside from his own lack of grounding in the subject, many of his key economic advisers misread the data, and the White House staff is inept in a field that is increasingly crucial to policymaking.

In a private interview two weeks ago, Treasury Secretary William E. Simon claimed that New York City's cash flow for the current fiscal year was not so bad. Challenged for details, he confessed that he had not studied the month-to-month figures; he was too busy testifying before Congress to read anything but the briefing sheets prepared by his staff. Another key adviser pointed out that the issue was less economics than politics. Any rescue effort, he said, would benefit the banks and give the Democrats an election-year issue that the White House would prefer to avoid. Still another adviser complained that the public was not hearing about all the careful study the New York problem was getting in Washington because the White House staff was unable to articulate it, and power struggles among advisers prompted some to leak misleading information.

REPERCUSSIONS

Perhaps worst of all for the future, default will almost certainly lead to a flood of litigation. First to sue might be the investors who were persuaded by banks and Wall Street houses to buy the last notes issued by the city on its own last spring. There might also be suits by the city and state pension funds that have bought Municipal Assistance Corp. bonds. Such litigation could persuade a federal appeals court to invalidate the President's whole program, and serious social upheaval could ensue in the city.

Citicorp Chairman Walter Wriston, for example, worries that if sanitation workers in Bedford-Stuyvesant do not get paid, they will drive their trucks right into the Citibank branch in that deteriorated neighborhood. And the police, without paychecks themselves, would not stop them.

THE UNITED NATIONS AND ZIONISM

Mr. STEVENSON. Mr. President, I am deeply disturbed by the U.N. General Assembly resolution condemning Zionism. To call "racist" a movement which has its origins in the legitimate aspirations of an oppressed people is a contradiction in terms which defies rational explanation.

I have been increasingly concerned over the growing tendency in the United Nations to pass resolutions which fly in the face of both political realism and justice. It would be tragic if the U.N. continues this trend. It is unworthy of an organization which, for over 20 years, has performed services that have benefited the United States as well as other nations. It has been and must be a forum in which nations can talk about their differences instead of fight over them.

I hope that those who voted in support of this disgraceful resolution will soon come to realize the folly of their action. The U.N. is, after all, the creature of its members. We must make of it an instrument of peace and prosperity. We shall only succeed if its members show restraint in their dealings with one another. I realize that the Zionism resolution was born out of the frustration of those members who had attempted to have Israel removed from the General Assembly altogether. Having failed in that unworthy endeavor, which was properly rejected by a majority of the world's nonalined nations, they stooped to this loathsome display of name calling. It is not Israel which suffers from this resolution—nor is it those individuals worldwide who have recognized the spiritual values of Zionism. It is those who joined the stampede to vote for it.

We must not permit this episode to deter our efforts to make of the United Nations the principal instrument of world peace. There is none to replace it.

A FEDERAL LOOK AT OUR GIFTED YOUNGSTERS

Mr. SPARKMAN. Mr. President, more and more of our Federal education programs are being targeted toward assisting our educationally disadvantaged and handicapped children. Yet, there is a group of our young who have not yet received their full due—from legislation or from our attention. These are our gifted children.

Our gifted young persons are, indeed, a minority that has not received appropriate aid from our educational system. These children are not bound by race, socio-economic background, ethnic origin or impaired facilities. In fact, the only thing they all have in common is an unusual endowment of talent. It may be intellectual, it may be esthetic, it may be in a scientific way or even in a way that society or the schools do not yet understand. But whatever their talent, from their ranks will come the future Beethovens, Einsteins, and Churchills.

Einstein, the greatest scientist of the century, found grammar school incredibly boring. Winston Churchill was last in his class at Harrow. And Edgar Allan Poe was expelled from West Point. These are some of the few that have made it to greatness; it is safe to say for every gifted child we discover there may be a dozen whom we never find or reach.

It is sad but true, in a typical learning situation, which is geared to the abilities of the majority, a gifted child typically takes on a different tack. He might drift into a state of lethargy and apathy. Or, completely misunderstanding his own frustration, he might become a discipline problem. There are some authorities who consider that teachers or administrators may be a bit hostile to a gifted child, or at least uncaring.

The lack of attention to the gifted and the absence of trained teachers, plus the inability to identify them, only compound the problem. In 1970, the U.S. Office of Education surveyed a cross section of our schools, and a whopping 57.2 percent reported that they had no gifted students. Yet one State found that a significant percentage of its school dropouts had IQ's of 120 or higher.

Experts estimate that as many as 5 percent of school population can be termed "gifted and talented children." And after a long history of neglect, the needs of these children are beginning to receive some attention. The Office of the Gifted and Talented was created and placed within the Office of the Associate Commissioner of Education for the Handicapped in March 1972. It is headed by Dr. Harold C. Lyon, Jr. A main communicating vehicle, this Office has been working through the National State Leadership Training Institute for the Gifted and Talented. They are also putting out a periodic newsletter to help those concerned and committed to the plight of gifted children around the country find a way to join forces.

This Office of Gifted and Talented has received a boost by the passage of the Education Amendments of 1974, Public Law 93–380, which continues to be the main vehicle of Federal aid for the education of our children. Section 404 of the act mandates the Commisioner of Education to establish a national clearinghouse to obtain and disseminate information to the public pertaining to our gifted children and their education. Grants are also to be made available to State education agencies and local education agencies in order to assist them in planning development, operation and improvement of their programs to meet the needs of the gifted children. $12.5 million is authorized under this legislation to carry out provisions of this section, and $2,560,000 has been appropriated for fiscal year 1976 under Public Law 94–94.

Finding and helping our gifted children should be a first priority of our citizens. A united effort is a surer way of getting relevant programs for our gifted young. After all, what we can do for our gifted children today can only make our lives better tomorrow. I hope we find new ways of unlocking the doors that keep these special youngsters from finding themselves.

PRESERVATION OF THE PRIVATE ENTERPRISE SYSTEM

Mr. LONG. Mr. President, recently my colleague on the Senate Finance Committee, the distinguished Senator from Delaware (Mr. ROTH) presented an extremely interesting and thoughtful speech to the Chemical Forum of the Manufacturing Chemists Association regarding the role of government, business, and labor in preserving the private enterprise system.

In his speech, Senator ROTH described the pressures that democracy and the private enterprise system are under today, and urged the consideration of a number of steps to tie together the legitimate needs of business for capital expansion with the legitimate concerns of workers for greater job security.

Senator ROTH recognizes that the goal of encouraging "capital formation" must be combined with measures to increase job security. Let me quote what I consider to be a meritorious suggestion from Senator ROTH:

> There have been a variety of profit-sharing plans and employee stock ownership plans advanced over a period of many years. But neither management nor labor has shown much enthusiasm for them and none has been very widely employed.
>
> There are no simple solutions, but let me offer a proposal that I believe may be a step in the right direction. Nearly every business organization in the country has urged Congress to enact new tax measures to stimulate private investment. The President has just proposed a reduction in the corporate tax rate from 48 percent to 46 percent.
>
> I don't think these proposals will receive serious consideration in the Congress as long as a majority of the public perceives them as tax loopholes for business. I would like to see business ask Congress to structure any additional tax concessions in such a way that a significant proportion, perhaps as high as 50 percent, of the reduction go into an employee stock plan or a trust fund to provide job security in some form for employees.

I ask unanimous consent that the full text of Senator ROTH's speech be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY U.S. SENATOR WILLIAM V. ROTH, JR.

I believe very deeply in our economic and political systems—in our private enterprise system and our democratic form of government. Because of them we enjoy more freedom and higher living standards than any other major nation in the history of mankind. But Western democracy and the private enterprise system are both under great pressure today, and I believe we must recognize this, because they are related, and do everything we can do to strengthen them.

I am active in several non-governmental organizations interested in international relations. One of these is the Trilateral Commission, which works to strengthen relations among the advanced industrial nations of the free world. It is made up of government officials, business and labor leaders, and distinguished academicians from Europe, Japan and the United States.

Its conferences and the studies it has commissioned show wide agreement that the democracies of Western Europe are in serious trouble today. Many thoughtful observers question whether they have the capacity to cope with rapid social and economic changes; whether they have the ability to make the hard decisions necessary to deal with such problems as inflation, unemployment, and energy shortages; whether they can persuade their peoples to make the sacrifices which are necessary.

Great Britain, the very cradle of so many of our democratic processes, is the most notable example. It seems unable today to cope with growing financial and economic problems, labor militance, and social unrest. Italy, Denmark, and several other countries are struggling with equally difficult problems. The crucial question is whether their democratic governments can be made to work well enough to solve these problems.

The danger, of course, is that the people of these countries will become so impatient with their governments that they will give up the cumbersome checks and balances of democracy and embrace some simpler, more primitive system, one that can restore order and achieve results. Before stepping down as Chancellor of West Germany, Willy Brandt warned that it was only a matter of time, perhaps as little as twenty years, before the Western European democracies would slide into the sea of dictatorships around them.

In the United States we have far greater resources than any of the European countries, but the capacity of our system also is being severely tested. In the past fifteen years the Federal Government has expanded enormously, spreading out in all directions, at approximately the speed of light, in the naive belief it could quickly solve any and every problem. But it has become clear that many problems refuse to yield to the massive infusion of Federal funds; that as the growth of the Federal budget has spun out of control it has posed grave new problems; and that in a very real sense we are less able to come to grips with crucial national problems today than in years past.

Public confidence and trust in the Federal Government are at a low point today. They are low not only because of Watergate or our experience in Vietnam, but also because too many politicians have promised more than the Government can deliver; because too many costly Government programs have failed to produce the results promised; and because the ability of our political leaders to deal effectively with pocketbook issues like inflation and unemployment is obviously very limited.

The difficulty in obtaining effective action in Washington is particularly acute at this time. The authority of the Executive Branch has been seriously weakened and the Congress is controlled by those who insist the Government can solve every problem but are reluctant to force the public to make the sacrifices that sound policy requires. One of the most flagrant examples is the Congress inaction on a national energy program. Another is its increasing dependence, in good times and bad, on inflationary budget deficits to finance irresponsible increases in Government spending.

The problems of democratic government, and the directions these governments go, have an important bearing on the future of the private enterprise system. In Europe, there is a considerable tendency toward socialism, and nationalization of industries is becoming an issue over there once again. In the United States, the sheer growth of government is something which I believe threatens the free, competitive economic system that has served this country so well. Twenty years ago, spending by government at all levels accounted for 27 percent of our Gross National Product. It has risen to 37 percent today, and at the present rate of increase, will exceed 50 percent in another twenty years. There are, of course, many persons in this country who question whether privately-owned business, especially large corporations, serve the public interest as well as publicly-owned organizations do. John Kenneth Galbraith, for example, is now advocating public ownership of some of our very largest corporations, companies such as General Motors, Exxon, and General Electric, on the ground that the management of these corporations has usurped all power from the stockholders.

What can be done about all this? How do we halt the snowballing momentum of Big Government? How do we increase public support for the private enterprise system?

Let me offer a few thoughts—what I believe must be done by those in government and by those in business and industry.

In government, I think we must challenge the notion that no problem is too big for us to solve overnight because we have unlimited revenues. It's simply not true. It is a myth that this country can no longer abide.

I am frequently asked by reporters about legislation I have supported to create jobs for those thrown out of work by the recession. Invariably, they are thinking about government make-work programs. I have supported some, and opposed others which I thought were ill-advised and inflationary. But the most important job-creation legislation enacted has been legislation to stimulate more business activity, because it is the private sector that creates most of the good employment opportunities in our society. And those of us in government must recognize this, and make certain the folks back home understand it, because this country was built by private, not government, initiative.

We must fight harder than ever for responsible fiscal policies. The President recognizes this, and the budgetary reforms in the Congress are an important first step in the right direction, but of course our policies are nowhere near what they ought to be. If nothing else, the plight of New York City today should be a sobering lesson for us all.

A top priority in the Federal Government, in my opinion, must be to improve the efficiency and effectiveness of the government bureaucracy. This includes pruning the present crazy quilt of Federal agencies and programs to eliminate duplication and waste. When I undertook to catalog all of them several years ago, nobody even knew how many there were. Now the Government provides a 1000 page catalog every year, but it has not embarrassed anybody enough to affect the rate at which programs multiply. It's like fighting a brush fire. Stamp out one and two others appear in its place.

My efforts led to the establishment of the Ash committee a few years ago. It recommended sweeping changes, a drastic reorganization of the Executive Branch. But the Democratic Congress was unwilling to accept a major reorganization plan generated by a Republican Administration.

What we need at this point is a new Hoover Commission to make a thorough study of the Federal bureaucracy. Even a number of liberal politicians are beginning to realize that what we really need is better, not bigger, government. I believe such a study, jointly undertaken with the Congress, should be made a matter of the highest priority by the next Administration, whether it is Democratic or, as I fully expect, Republican.

It is important that such a commission be structured so that the Administration and the Congress are able to work together on this problem. If a reorganization is to succeed, we must involve Republicans and Democrats, liberals and conservatives, directly to the process. If we have a Republican Administration, as I believe we shall, the Commission should be headed by a Humphrey, Muskie or other leading Democrat. This is the only way we will achieve any kind of consensus. I believe a new Hoover Commission is our best hope for regaining control of the sprawling Government bureaucracy, for reducing excessive and costly regulation by the Government, and for limiting the Government's intrusion into our daily lives.

What measures can business take to shore up the cause of private enterprise?

In the first place I believe business must put its own house in order. The large number of major companies identified as having made illegal political contributions in the country or having paid bribes in other countries to obtain special favors is dismaying. It is as damaging to the reputation of American business as Watergate has been to American government. I know it can be argued that under-the-table political contributions and bribes are standard practices in many other countries, but the same can be said of the Watergate crimes which toppled the Nixon Administration, which forced the resignation of an American President. It will not wash with the American public.

These incidents cast a cloud over the character and credibility of corporations which can only be removed by forthright actions to insure that they do not recur.

It is gratifying that so few chemical companies have been implicated in untoward activities. Some of you are now going well beyond legal requirements to reduce either the possibility or the appearance of wrongdoing in the future. I applaud these efforts.

It is extremely difficult to establish an effective cost of behavior or international regulatory mechanism for multinational business operations. But American corporations are the pacesetters in the world marketplace and it is not asking too much to expect them, by their example and leadership, to be a powerful force in raising the standards of business conduct around the world.

I believe business and industry must take a much broader view of their own self-interest. You must have broad public support to survive. Ultimately, you are as answerable to the American public as I am. The public, through its elected representatives, has the power to greatly restrict your freedom, and as you know all too well, it has not hesitated to use that power.

I can assure you that were you to view our problems today from the perspective of government, the world would take on a new aspect.

If the private enterprise system is going to survive, we must make the average American feel he is part of it, that he has an important stake in the system.

To do this, I believe we must broaden the ownership and control of our business organizations and convince the American worker that his best interests are served by our system of free enterprise.

The American worker is paid better than his counterparts in other industrialized countries but has considerably less job security. The problem is not only the great loss of jobs in recessions but the fact that in many industries every dip in the economy precipitates large-scale layoffs. This is the source of considerable anti-business sentiment in this country, and it is a situation that does not exist to anywhere near the same degree in government employment, which accounts for one of every six jobs today and is growing rapidly. I recall very clearly when, a few years ago, railroad workers told me they were in favor of nationalizing the railroads. They felt it would mean greater job security.

I think business and industry must seriously address this problem. I think you must investigate very thoroughly every alternative and determine whether there isn't some better way to handle work force reductions.

In West Germany, layoffs must be announced before they become effective. Work Councils, which are independent of labor unions, oversee programs to retrain, transfer, and provide financial assistance to displaced workers. Some labor-management contracts grant workers lifetime jobs. This is a well-known feature of the management-employee relationship in Japan, where a worker is guaranteed a job until he reaches retirement age.

The European Common Market has establishd special funds to raise the level of unemployment benefits for special groups of workers. They resemble the Supplementary Unemployment Benefits plans of the automobile and steel industries in this country.

In Delaware, I might point out, these SUB funds not only greatly benefited auto workers during recent plant shutdowns but also were a stabilizing influence in the local economy.

I am not saying that such approaches are necessarily the best solution, but I believe they should be carefully examined.

Broadening the ownership of our companies is equally important. Consider for a moment our capital investment needs today. These needs are genuine and tremendously important. The oil companies have told the Government they will need billions of dollars in the years ahead to meet our energy needs. But how can elected officials support measures to provide assistance when the public believes this would be a rip-off, when a case can be made that such assistance would chiefly benefit a relative handful of stockholders?

This is a very real problem today. How do we make capital investment a proposition that is acceptable to the public?

There have been a variety of profit-sharing plans and employee stock ownership plans advanced over a period of many years. But neither management nor labor has shown much enthusiasm for them and none has been very widely employed.

There are no simple solutions, but let me offer a proposal that I believe may be a step in the right direction. Nearly every business organization in the country has urged Congress to enact new tax measures to stimulate private investment. The President has just proposed a reduction in the corporate tax rate from 48 percent to 46 percent.

I don't think these proposals will receive serious consideration in the Congress as long as a majority of the public perceives them as tax loopholes for business. I would like to see business ask Congress to structure any additional tax concessions in such a way that a significant proportion, perhaps as high as 50 percent, of the reduction go into an employee stock plan or a trust fund to provide job security in some form for employees.

For example, the equivalent of the automobile industry's sub-payments might be used as a basis for providing further work opportunities within a company or perhaps the time has come when business and labor should seriously consider the redirecting of the work week to 36 or less hours. The shorter work week would play a significant role in reducing unemployment. Tax incentives might be used to encourage such a share-the-work plan. In other words, I would like to see you tie together the legitimate needs of business for capital expansion with the legitimate concerns of workers for greater job security.

I do not say that this or any of the other approaches I have mentioned is the whole, or even the right, answer. What I do say is that it is imperative in my judgment that in reducing the problems of capital formation, we also address the problems of job security, and wider ownership of business organizations.

I am confident that if top management would give top priority to these serious problems facing private enterprise, your brightest, most creative thinkers could come up with imaginative and innovative solutions. If private enterprise is to not only survive but to grow and prosper, you all must be willing to put aside old prejudices and break new ground for the world of today.

I am sometimes asked, "Are you pro-business or pro-labor?" Or, "Are you pro-agriculture or pro-consumer?"

My answer is, "Yes, I certainly am."

Because it's true. I am for all of these groups, and there is really nothing contradictory about that, if you think about it.

I believe the interests of business and labor coincide in many more ways than they differ. Labor and management have come a long way since the Thirties. Both have learned a great deal from experience. I believe that we all have benefited, that our country has benefited, as business and labor have come to view each other not as adversaries, but as partners in a common enterprise.

As I said at the outset, democracy is being sorely tested here in the United States as well as in other parts of the world. Many question whether or not we have the capacity to cope with rapid social and economic changes and problems. Public trust and confidence in most of our established institutions is very low. Government seems to be stymied and business seems to be creating as many problems as it solves. But does it have to be this way?

The answer is obvious. I have great faith in our democracy and its business and labor leaders. We will surmount the problems confronting us. But in order to do so we must—all of us—on this, the eve of our 200th anniversary, rededicate ourselves to those things that made this country what it is today—honesty, hard work, creativity, fair play, fearlessness, a desire to help our fellow man, and above all, our God Given desire to make this earth a better place for those who inhabit it. Business, Labor, and Government can, and must provide the strength and leadership to pull us through this crisis—But to do so we must start today.

JOHN SIMONDS OF GANNETT

Mr. CHURCH. Mr. President, it is with mixed feelings that I call the attention of my colleagues to the recent announcement that John Simonds of the Gannett News Service will soon be leaving the press gallery to become managing editor of the Honolulu Star-Bulletin.

As a reporter for Gannett, Mr. Simonds has been my frequent shadow, covering my work and that of others in the Idaho delegation for my hometown newspaper, the Idaho Statesman of Boise.

In my nearly 19 years in this body, I have been covered by the very best that the newspaper profession has stationed in Washington. Yet I can truthfully say that I have never encountered a reporter who is more consistently accurate and fair than John Simonds. He is a professional and he is a gentleman.

I shall miss his wry and penetrating questions, as well as his articulate and thoughtful articles. But I wish him well in his new assignment, not only because the best deserve the best, but because a good editor is also a leader and teacher. And though I regret his leaving us, I look forward to the product of his new work, which I expect to be many reporters in his mold. And that, Mr. President, is a distinctive mold, indeed.

GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, recent events in the United Nations have been a cause of concern to many people. Various resolutions have been adopted that might be considered adverse to our national interests. As a result, some have urged a reevaluation of our membership in that body, even to the point of pulling out.

Regardless of our reactions to the political activities of the United Nations, there are some matters which are above politics. One of these is the commitment of mankind to the humane treatment of people of all political, racial, religious, and ethnic persuasions, as found in the Genocide Convention. Atrocities of the kind which occurred during World War II are intolerable and our sense of outrage should have motivated us to accept the Genocide Convention long ago. Nevertheless, it is not too late to commit ourselves fully to the principles of minimal decency upheld by the convention.

We must set aside our differences with other countries and our possible distaste for the apparent rejections of United States influence within the United Nations, in order that we may reaffirm the position of moral leadership in the world which we all desire for our country. We cannot tie such a huge responsibility to controversies in the political world. I strongly urge that the Senate immediately take action to ratify the Genocide Convention.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

U.S. TRADE ABROAD

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Senate will proceed to the consideration of Senate Resolution 265, which the clerk will state by title.

The legislative clerk read as follows:

A resolution (S. Res. 265) to protect the ability of the United States to trade abroad.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on Finance with an amendment, and an amendment to the preamble.

The ACTING PRESIDENT pro tempore. Debate on this measure is limited to 1 hour by unanimous consent, and under the previous order debate on amendments is limited to 30 minutes, debate on debatable motions or appeals or points of order is limited to 20 minutes, with all time to be equally divided between the distinguished Senator from Connecticut (Mr. RIBICOFF) and the distinguished Senator from Nebraska (Mr. CURTIS).

Who yields time?

Mr. RIBICOFF. Mr. President, I yield myself 10 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I move the adoption of the committee amendment as a substitute.

The ACTING PRESIDENT pro tempore. Do the Senators yield back their time on the committee amendment inasmuch as time is allotted to the amendment?

Mr. RIBICOFF. I yield back my time.

Mr. CURTIS. I yield back my time.

The ACTING PRESIDENT pro tempore. All time is yielded back. The question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the following Senators be added as cosponsors to Senate Resolution 265: Senators TALMADGE, HARTKE, NELSON, MONDALE, GRAVEL, BENTSEN, HATHAWAY, HASKELL, CURTIS, FANNIN, HANSEN, PACKWOOD, and ROTH.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, American corporations have been pilloried by the practices of bribery and unethical political contributions. There have been extensive committee hearings before committees of Congress setting forth many incidents involving American corporations.

But it is apparent that corporations around the world continue to engage in these reprehensible activities. So merely stopping American corporations from making payments or by forcing strict and accurate disclosure will not end what is an international, worldwide problem.

So long as foreign companies are willing to make secret payments, and so long as foreign governments accept, and frequently require bribery, unethical political contributions and the like, strict disclosure laws will only tie the hands of American corporations and prevent them from competing effectively for their fair share of foreign markets, without solving the basic problem.

What is at stake is the ability of the United States to trade abroad. And this Congress must act to protect American companies, American trade, and American interests.

I have been disturbed by the weakness of the administration's support of this resolution. Officials of the Departments of State and Treasury, and the President's Special Representative for Trade Negotiations have said they go along, but they have raised questions about the real need for international efforts to end these corrupt practices internationally.

Executive branch officials have suggested that the OECD can do the job, and they have referred to guidelines for multinationals that are being developed by a subcommittee of the OECD. They suggest that these efforts might mitigate the need for the more basic approach of Senate Resolution 265.

Since the hearings in Senate Resolution 265, I have carefully gone into what is going on in the OECD. Frankly, very little is going on. The guidelines being discussed have no sanctions to force compliance. They are voluntary, not compulsory. The code refers to the need to adhere to local practice. But that is the problem. The OECD guidelines were initiated by foreign countries, not the United States, and for different reasons. Their goal is to give their own multinational corporations a face-lift that would smoothe over problems, not solve them. But corruption in corporations around the world is a real problem, not a cosmetic one. At the threat that the continuation of these disreputable practices by other nations poses to the trade of the United States cannot be dealt with by enhancing the image of foreign corporations.

I am deeply concerned by the reluctance of our American trade negotiators to tackle tough problems and protect American interests. Their weak support of Senate Resolution 265 has been predictable because it typifies the traditional approach of American negotiators. Too often, American negotiators echo the arguments of those with whom they are negotiating. The inclination is to avoid complications and to avoid issues that might rock the boat with others.

No agreement can have value if it fails to reflect the interests and objectives of all who are party to it. However great America's need for trade is, the need of others to trade with the United States is far greater. We have leverage.

Neither our companies nor our Nation can afford to have the problem of corrupt business practices continue. It is the responsibility of this Congress to do all in its power to end this threat to our trade and our economy. But the problem requires international action. New domestic laws or new domestic congressional hearings are not sufficient to do the job.

We added to the original resolution the request of the administration to go beyond requiring this activity to be the responsibility at the negotiations, but it would be the responsiblity to undertake these disclosures and these corrections in all international organizations.

The distinguished Senator from Nebraska also made a constructive suggestion that we include the Department of Agriculture, which was very wise because, basically, such a large part of our trade is done in the agricultural field.

This proposal had the unanimous approval of the Finance Committee. Mr. President, I therefore urge swift passage of Senate Resolution 265 as an important first step in working toward this goal of fair international trade practices.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Nebraska.

Mr. CURTIS. Mr. President, I yield myself such time as I might need.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, I want to commend the distinguished Senator from Connecticut for the leadership that he has provided in this instance. It has been a production that has met with the unanimous approval of the Committee on Finance.

I also wish to mention the distinguished Senator from Arizona, who is the ranking minority member on the subcommittee dealing with foreign trade, for his interest in this matter. He could not be in the Chamber at this moment because the conference on the energy bill was still in progress.

Mr. President, as the ranking minority member of the Committee on Finance, I support Senate Resolution 265. Like my colleagues on the committee, I view this measure as a constructive step toward the goal of preserving and improving the ability of American business to compete effectively in the world marketplace.

The basic thrust of the resolution is to express the resolve of the Senate that appropriate officials in the executive branch undertake to negotiate an international code of conduct to eliminate bribing, indirect payments, kickbacks, and other unethical or questionable practices which burden international trade.

No one can condone the practices the disclosure of which prompt this resolution. Yet we must realize that such practices have long been encouraged or at least tolerated in some parts of the world. We must also realize that such practices do not simply raise moral or ethical questions, but are in fact wholly at odds with the basic concepts of free enterprise and trade upon which this Nation was founded and has prospered.

Despite these seemingly obvious facts, past debate on this issue has all too frequently consisted largely of condemnations of American business together with demands for unilateral action by the United States aimed only at American business. I submit, Mr. President, that we are confronted here with an international problem requiring an international solution. As the committee's report so clearly states, it will not serve our trading interests to enact domestic laws to outlaw such practices which neglecting to deal with the practices of foreign governments and corporations which compete against our businesses in world markets.

I support the pending resolution because it recognizes explicitly the international character of this problem and provides a mechanism whereby such practices may hopefully be curtailed in a manner that will enhance the ability of our corporations to trade abroad. In this connection, Mr. President, I consider it self-evident that, when our corporations are unable to compete effectively abroad, our own citizens suffer the consequences in lost employment opportunities.

As my colleagues are aware, Mr. President, a principal focus of the pending resolution is upon the current multilateral trade negotiations now being conducted in Geneva. I believe this focus is proper. In its deliberations on the resolution, the committee recognized, however, that this problem is of such dimensions that the search for an international solution could not and should not be artificially limited to a single international forum. The committee thus amended the resolution to cover all appropriate international forums. In my view, the committee's decision to include all possible forums within the scope of the resolution is essential to any effort to solve the problems at which the resolution is directed. However fruitful our efforts in the Geneva trade negotiations may be, we cannot ignore the opportunities that may present themselves in the Organization of Economic Cooperation and Development, the United Nations, and various regional economic organizations.

In closing, Mr. President, let me say again that I support this resolution and am hopeful that, when it is adopted by the Senate, we will then be willing to give the process of international negotiations sufficient time to prove its effectiveness.

Mr. LONG. Mr. President, I wish to commend the senior Senator from Connecticut who has served diligently as the chairman of the Subcommittee on International Trade of the Committee on Finance. Senate Resolution 265 has the foresight of seeking an international solution to an international problem. If we are going to tie our own businessmen's hands as we should, in preventing bribes, kickbacks, illegal payments, and so forth, on domestic Government practices, we certainly should establish an international code of ethics so that foreign companies are not able to get all the business that American multinational corporations must bid for.

The General Agreement on Tariffs and Trade is the principal appropriate forum for the negotiation of a code of good conduct on this issue. These negotiations are currently trying to define illegal subsidies and establish open and fair rules on Government procurement policies. The kind of ban on illegal payments that Senator RIBICOFF and all the other cosponsors of this resolution are seeking could and should become a part of these trade agreements.

The resolution has the broad support of the American business community and even those corporations who have been subject to intensive scrutiny for their under-the-table payments. Therefore, in conclusion, I wish to again commend the Senator from Connecticut for his initiative and say that this resolution has my wholehearted support.

Mr. TALMADGE. Mr. President, I would like to join the chairman of the Finance Committee and the chairman of our Subcommittee on International Trade in support of Senate Resolution 265. The merit of this resolution in my judgment is that it recognizes that as long as foreign companies are willing to make secret payments and so long as foreign governments tolerate and frequently require bribery—I repeat, tolerate and frequently require bribery, unethical political contributions, and the like, we need to negotiate an international agreement, rather than simply pass laws which tie the hands of American companies engaged in international business, while their competitors go unchecked in search of business deals.

This resolution would give American corporations the opportunity to compete fairly in the international market while at the same time put a stop to such disreputable business activities. I therefore stand with Senators RIBICOFF and LONG in my support of a prompt passage of this resolution.

Mr. FANNIN. Mr. President, as the ranking minority member of the Finance Committee's Subcommittee on International Trade, I support the pending resolution.

This resolution had its genesis in recent disclosures of highly questionable payments and practices in connection with the efforts of American businesses to compete effectively in the world marketplace. I deplore the practices and want to see them eliminated. In all candor, however, we must recognize that we are faced with an international problem that we cannot realistically hope to resolve by hastily taken unilateral action. The pending resolution recognizes the essentially international scope of the problem and calls upon the executive branch of our Government to undertake prompt and hopefully decisive initiatives to negotiate a code of conduct prohibiting such practices. Thus, what we have here is not merely a condemnation of American business, but instead a constructive effort to enhance the ability of American business to trade abroad. For this reason, I fully support the resolution.

As others of my colleagues on the committee have pointed out, the hearings conducted by our Trade Subcommittee disclosed a broad base of support for the approach embodied in the pending resolution. In response to suggestions made at the hearing, the committee broadened the original resolution to call for action in all appropriate international forums. Certainly, the effect of these practices on our trading position makes the current Geneva negotiations a most important arena for our efforts. As the resolution recognizes, however, the dimensions of this problem are such that we must not let the use of one forum detract from our efforts in all appropriate international forums. What we seek here is a solution, not merely isolated negotiations in a single forum.

Mr. President, the preservation of the ability of American business to trade abroad is essential to a full employment domestic economy. To the extent that American business is coerced, however subtle the coercion may be, into practices such as those with which we are concerned here, free enterprise is subverted. The problem is a real one and unilateral action by the United States will not eliminate it. The problem is an international one and must be solved on an international basis. While we in the United States cannot solve the problem alone, what we can do is to leave no avenue unexplored in the search for an international solution. The resolution calls for such decisive international action. For these reasons, Mr. President, I join with my colleagues on the committee in urging adoption of the pending resolution.

Mr. CHURCH. Mr. President, as a cosponsor of Senate Resolution 265, I wish to reaffirm my support for pursuit of an international agreement to curb the practice of internatonal businesses paying bribes and kickbacks in order to promote exports. As chairman of the Subcommittee on Multinational Corporations, which has held extensive hearings on the matter of political contributions and agents' fees paid by U.S. corporations to promote sales abroad, I can assure my colleagues that strong legislation will be introduced regarding illegal practices of U.S. firms operating abroad. But this legislation will be most effective only if U.S. firms are convinced that their competition is operating under similar constraints. I am, therefore, pleased to cosponsor Senate Resolution 265, and I supported its adoption in testimony before the Senate Committee on Finance. That testimony presents my views in detail, and I ask unanimous consent that it appear at this point in the Record.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

Testimony by Senator Frank Church

I welcome the opportunity to testify before this Committee in support of Senate Res. 265, urging the President to seek an international agreement to curb the widespread practice in international business of paying bribes and kickbacks as a means of promoting exports.

As you know, the Subcommittee on Multinational Corporations has held extensive hearings on the subject of political contributions and agents' fees paid by U.S. Corporations to promote sales abroad. The hearings have convinced me that a solution to this problem must be sought on both the national and on the international levels. The Subcommittee will soon introduce strong legislation to curb the illegal practices of U.S. firms operating abroad. But that legislation will be effective only if American companies can be convinced that their competition in other countries are operating under similar constraints. Therefore I am cosponsoring Resolution 265 in the hope that such an expression from the Congress will convince the Administration to take the lead in seeking an international agreement to end these destructive practices.

It has been a sorry, sordid tale that the Subcommittee had heard—a tale of kickbacks and shakedowns, of bribery and corruption in the very highest military and governmental circles abroad, and the condoning of secret slush funds, false bookkeeping, Swiss bank accounts and "fake" subsidiaries by the top executives of some of America's leading firms.

Corporate representatives tell us that corruption is an integral part of doing business abroad, that paying bribes is a common and accepted practice or "a way of life," as so many of them put it. They say they have no choice but to go along with the system of payoffs in order to compete with European and Japanese firms; and in the end this benefits the U.S. economy and does little harm abroad.

But let us be clear that we are not just talking about a little "baksheesh" to grease the palm of some petty clerk in order to speed needed documents on their way through the bureaucratic labyrinth. What we are talking about is a concerted effort by the petroleum industry to buy favorable tax and energy legislation in a European country, in which one U.S. company alone made over $50 million in "contributions" to the government parties and members of the cabinet over a nine year period: what we are talking about is an arms industry campaign to flood the Middle East with weapons, in which a U.S. aircraft company paid over $100 million in agents' fees in one country to sell an airplane which has no competitor. A large part of that $100 million is known to have ended up in the Swiss bank accounts of high military and civilian defense officials of the purchasing country. I could go on with other examples, but it suffices to say that what is at issue here is a massive and widespread perversion of the free enterprise system.

There is no doubt that these practices are common and that they are used by foreign and American firms alike. The blame for this situation probably rests equally with those who pay the bribes and those who accept them: with sums of this magnitude it is impossible to say where the shakedown ends and bribery begins.

However, while such methods may be common practice abroad, I am skeptical of the argument that it is perfectly alright because everyone does it. I know of *NO* country where bribes and kickbacks are either legal or publicly "accepted." And the fact that the corporations, by their own admission, go to such lengths to disguise these practices, through the use of double bookkeeping, numbered Swiss bank accounts and a system of code names that would do credit to the CIA, puts the lie to the argument that it is "accepted practice".

However, morality in the international business community is not our responsibility, nor is enforcing the law in other lands. What this government and this Congress must concern itself with are the very real and serious political and economic consequences that spreading corruption can have for U.S. interests both at home and abroad.

Perhaps of most immediate concern is the role of corporate agents' fees, and through them, bribes to government officials, in fueling a new arms race in the Middle East and other parts of the world. Documents and public testimony before the Multinational Subcommittee show that military procurement decisions which are supposed to be made on the basis of fundamental national security considerations, instead all too often are based on the size of payoffs made to key people in the military and civilian defense establishments. As these bribes are usually a fixed percent of the cost of a particular weapon being sold, the more weapons sold, the bigger the kickback for the purchaser. The incentive is therefore great to buy the most expensive weapons and in greater quantities than are really needed. One country's unnecessarily bloated defense budget then immediately becomes the rationale for its neighbors or potential adversaries to acquire more weapons just to keep up. And so it goes in a vicious and never-ending cycle.

Unfortunately, the U.S. Government, and particularly the Departments of State and Defense which often oversee our participation in overseas arms sales, has failed to establish clear guidelines for industry on the use of agents' fees. Instead, it has given some companies the impression that it is willing to tolerate the use and misuse of agents' fees so long as growing arms exports continue to contribute to a more favorable balance of payments for the U.S. For lack of any comprehensive policy to deal with the real root of the problem, the high price of OPEC oil, this Administration is depending heavily on the export of sophisticated and expensive weapons to soak up some of the oil money and return it to the U.S. economy. Thus, ironically, as the U.S. commitment and direct involvement in maintaining peace in the Middle East is growing, so is its willingness to provide all sides in that conflict with the instruments of another war.

Arms exports do provide jobs and do help the U.S. balance of payments situation. But to make this country's financial and economic wellbeing dependent on building up an arms race in a politically volatile area such as the Persian Gulf is pure folly. The arms sales policy of this country and, one would hope, the arms purchasing policy of other countries should be based exclusively on an assessment of legitimate defense needs. Some other means of providing full employment and a balanced flow of trade for this country must be found. I personally can see no justification for the use of commercial sales agents in what is still primarily a government-to-government transaction. I will recommend that agents' fees on arms sales no longer be considered a justifiable cost of FMS contracts or a deductible business expense for tax purposes.

There is also little doubt that widespread corruption serves to undermine those moderate democratic and pro-free enterprise governments which the U.S. has traditionally sought to foster and support. Several oil companies testified before the Subcommittee that they had made huge political contributions in Italy and Korea, for example. They claimed to be supporting the democratic forces who are friendly to foreign capital in those countries. But in fact, they were subverting the basic democratic processes of those two countries by making illegal contributions and were, at the same time, providing the radical left with its strongest election issue. The large and steady gains made by the Italian Communist Party in recent elections are due, in no small part, to the fact that it is believed to be the only non-corrupt political force in the country, while the other parties are seen as the handmaidens of foreign and domestic big business interests.

So that while bribes and kickbacks may bolster sales in the short run, the open participation of American firms in such practices can, in the long run, only serve to discredit them and the United States. Ultimately, they create the conditions which bring to power political forces that are no friends of ours, whether a Quaddafi in Libya or Communists in Italy.

I have focused on the foreign policy aspects of this issue because that is the chief concern of my Subcommittee. But corrupt practices also have an impact here at home. As was revealed by the Watergate investigation, the same techniques used by the corporations to make surreptitious payments abroad were also used to make illegal political contributions in the U.S. The slush funds and secret bank accounts from which money was drawn to pay foreign politicians also provided the means of disguising corporate contributions to American politicians. And as most of the foreign contributions and payoffs are deducted as legitimate business expense from U.S. taxes owed by the corporations, they also constitute a considerable loss of revenue for the U.S. Government. Finally, smaller firms who cannot afford to maintain a worldwide network of highly paid agents, are put at a distinct disadvantage when competing for foreign markets against the large multinationals.

The business community itself is beginning to recognize that corruption is not in its best long-term interest. Robert Dorsey, Chairman of the Board for Gulf Corporation, who admitted in public testimony to having made illegal contributions in Korea, told the Subcommittee that "you can help us and many other multinational companies which are confronted with this problem by enacting legislation which would outlaw any foreign contribution by an American company. Such a statute on our books would make it easier to resist the very intense pressures which are placed upon us from time to time." Richard Millar and Thomas Jones of the Northrop Corporation testified as well that these are pernicious practices but that the corporations themselves cannot correct them and that they await legislative guidelines. Thus, it is clear that the business community engaged in international sales and the executives of important multinational corporations expect that the Congress of the U.S. will provide leadership with respect to U.S.G. policy. That leadership has certainly not been forthcoming from the Executive Branch.

For these reasons, I feel strongly that some form of national legislation with regard to bribes and payoffs in foreign commerce is in the best domestic and foreign policy interests of this country. The Subcommittee on Multinational Corporations is, at the present time, considering several proposals ranging from an absolute ban on political contributions in foreign countries and the use of agents in arms sales, to more stringent public disclosure of agent and consultant fees paid abroad. Full public disclosure would allow for the legitimate use agents and consultants while making it very difficult for corporations to disguise payoffs to government officials.

However, as Senate Res. 265 points out, this is not just an American problem but an international one. Neither I nor my colleagues on the Subcommittee have any desire to unfairly penalize U.S. companies in the competition for foreign markets. Therefore, some form of international agreement is a necessary corollary to any national legislation. The fact that the largest trading nation in the world, and the home of most of the leading multinational firms, has demonstrated its good faith on this issue by moving unilaterally will, I believe, greatly enhance the acceptability of such an agreement to other governments.

I, therefore, hope that Congress will adopt this resolution and that the President will then take the necessary steps to initiate international negotiations in this vital area as soon as possible.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. RIBICOFF. Mr. President, I have no further requests for time.

Mr. CURTIS. Mr. President, I have no further requests. I am ready to yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I am willing to yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. All time has been yielded back. However, under the order, the vote is not to take place until 12 noon.

The consideration of the conference report on H.R. 8365 is conditioned upon the disposition of Senate Resolution 265.

Mr. CURTIS. A parliamentary inquiry, Mr. President.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. CURTIS. Have the yeas and nays been requested?

The ACTING PRESIDENT pro tempore. Yes.

Mr. RIBICOFF. Mr. President, before closing, I ask unanimous consent that two letters from the Aerospace Industries Association of America and Crouse-Hinds Co., of Syracuse, N.Y., in support of the resolution be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AEROSPACE INDUSTRIES ASSOCIATION
OF AMERICA, INC.,
Washington, D.C., October 29, 1975.

Hon. ABRAHAM A. RIBICOFF,
Chairman, Subcommittee on International Trade, Committee on Finance, U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: On behalf of the nation's leading manufactures of aircraft, spacecraft, missiles and related components, the Aerospace Industries Association wishes to thank the Subcommittee on International Trade for its consideration of the difficult problems faced by U.S. corporations selling abroad, and to express our support for the objectives outlined in the proposed S. Res. 265.

The recent hearings in both Senate and House have highlighted these problems. However, unilateral action by the United States cannot solve a problem which is international in scope and practice. If unilateral steps were taken, U.S. business would find itself in a disadvantageous position when it tried to compete abroad with foreign firms which had no such constraints placed upon them.

S. Res. 265 takes into account these realities of the situation by encouraging the negotiation of an international code of conduct through the GATT multilateral trade negotiations. The AIA endorses this plan.

We would go further in supporting the proposal of S. Res. 265 by suggesting that the forum for negotiation of the code not be limited to the MTN, but be broadened to include all the resources at the disposal of the U.S. Government. While multilateral discussions are to be recommended, we suggest that bilateral talks with other nations concerned in this matter not be excluded as another means of airing the problems.

As we are certain you and the other members of the Subcommittee are aware, the negotiation of this code—and its subsequent enforcement—will not be an easy task. Other nations whose governments and value systems are different from ours may not be eager to view this problem as seriously as we do. There is also the practical question of what concessions the United States might be asked to make in exchange for cooperation by other nations on this matter.

In view of the obvious complexity of the problem and the time which will be required to negotiate a fair and non-discriminatory solution, we feel that unilateral action, such as that contemplated by the State Department in its proposed amendments to ITAR regulations on disclosure of agents' fees, should not be rushed into. The time and careful consideration required to negotiate a solution in the international arena should also be taken in developing a well-balanced national policy, if the competitive position of U.S. trade is not to be sacrificed. We therefore respectfully urge that the adoption of S. Res. 265, or other legislation of similar thrust, be accompanied by an expression of legislative intent by the Senate that the Department of State should postpone indefinitely any changes in the present regulations governing disclosure of foreign consultants' fees.

By providing leadership in this complex and difficult matter, the United States will be acting in the best interests of American business and of the U.S. economy, which receives major benefits from the jobs and revenue provided by foreign exports and trade. The AIA is pleased to endorse the proposal contained in S. Res. 265 as a viable first step towards the resolution of a serious problem.

Yours very truly,

KARL G. HARR, JR.

CROUSE-HINDS CO.,
Syracuse, N.Y., November 3, 1975.

Hon. RUSSELL B. LONG,
U.S. Senate, Russell Senate Office Building, Washington, D.C.

DEAR SENATOR LONG: Senate Resolution 265, in hearings before the Senate Finance Committee's Subcommittee on International Trade, is intended to protect the ability of the United States to trade abroad. This resolution directs the Special Representative for Trade Negotiations and appropriate officials of the Departments of State, Commerce, Treasury and Justice, in consultation with the Congress, to initiate at once negotiations within the framework of the current Multilateral Trade Negotiations being conducted in Geneva, and in other negotiations pursuant to the Trade Act of 1974. The intent of these negotiations is to develop an appropriate code of conduct among governments concerning such matters as bribery, indirect payments, kickbacks, unethical political contributions and similar disreputable activities.

Stricter laws are needed to force complete and accurate disclosure by our corporations. But disclosure is only one aspect of the problem. So long as foreign companies are willing to make these secret payments, and so long as other governments tolerate and frequently require bribery, unethical political contributions and the like, strict disclosure laws will only tie the hands of American corporations competing for a share of foreign markets. It is not enough to restrict our own companies without making any effort to end the basic problem internationally. American companies cannot compete fairly with companies of other nations who remain free to continue past abuses.

The practice of making such payments to foreign sales representatives is a normal and entirely ethical part of the sales effort of a great number of United States companies. In view of competitive and other considerations, divulgence of highly confidential agent fee information almost certainly would have an adverse effort on export sales of United States companies.

We, therefore, support Senate Resolution 265, with suggested modifications which would permit negotiations on the issues of "disreputable" business practices on a bilateral basis and in international forums other than the Multilateral Trade Negotiations, and *urge its prompt passage*. We also recommend that the Senate couple passage of Senate Resoltuion 265 with an expression of its intent that the Department of State defer implementation of its proposed rules until a coherent national policy balancing trade interests with those of disclosure has been formulated.

Sincerely,

A. O. HALSTEAD.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Senate Resolution 265 may be set aside temporarily until the hour of 12 noon today, and that it be in order to bring up the conference report on transportation appropriations, H.R. 8365, at this time rather than following the disposition of Senate Resolution 265.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESUMPTION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief resumption of the period for the transaction of routine morning business, with a time limitation on statements therein of 5 minutes each, the period not to exceed 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEATH OF FORMER SENATOR CLINTON P. ANDERSON

Mr. DOMENICI. Mr. President, I thank the distinguished majority whip.

I rise today somewhat saddened by the death last night of a distinguished American and an equally distinguished former U.S. Senator from the State of New Mexico, Clinton P. Anderson.

Clinton Anderson was a great New Mexican, and a great American. His vision of a better society took form in legislation that will live as a legacy to us all. It was his pioneering work that brought the Nation its wilderness system. It was Clinton Anderson who forged the way for a better life for American senior citizens with his medicare legislation. It was this New Mexican who worked the long hours needed to get the Navajo Indian irrigation project, the San Juan Chama transmountain diversion project, and other economic development programs approved for his home State's benefit.

As important, perhaps, as any of these landmarks was Clinton Anderson's diligence in transforming the nuclear power of this Nation from merely military matters to peaceful uses. The Clinton P. Anderson Facility at Los Alamos Scientific Laboratories symbolizes this great work, which holds so much promise for the Nation's future health needs and which shows the atom can be a constructive tool. That Clinton Anderson was able to take his vision and, through the complex legislative process, make it a reality stands at a tribute unique in our State's history.

It remains for those of us who now follow him not only to protect his legacy, but to expand upon it. If anyone would not have been satisfied with merely reflecting serenely on the past, it would have been Clint. I know that he would join with me in saying let us celebrate his initiatives not as goals in themselves, but as the basis for more progress for America's future.

I extend my deepest sympathies to his widow, Henrietta, and their two children, and the rest of the Anderson family. We often forget the sacrifice these people had to make so that Clinton Anderson could pursue his work. It was their willingness to give up their time with him that was an important factor in his success and their loving devotion should not be overlooked.

As the man who was elected to Senator Anderson's seat upon his retirement in 1972, I feel a special obligation to continue the innovative tradition that he brought to the Senate. I will continue to view his deeds as a guiding light for my own actions as a New Mexico Senator.

I have written the Governor of my State, Governor Jerry Apodaca, asking him to request a special appropriation from the State legislature to pay for costs of designing, forging, and erecting a statue in Senator Anderson's honor in the Capitol.

Under law, each State is allowed two such tributes to legislators of outstanding public service. One of our statues is that of the late Senator Dennis Chavez. I believe that it is most appropriate that the second such statue be that of Senator Clinton Anderson.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

At this time, in accordance with the previous order, the Senator from Indiana (Mr. BAYH) is recognized for the purpose of calling up the conference report on H.R. 8365.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS, 1976—CONFERENCE REPORT

Mr. BAYH. Mr. President, I submit a report of the committee of conference on H.R. 8365, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore (Mr. ALLEN). The report will be stated by title.

The second assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8365) making appropriations for the Department of Transportation and Related Agencies for the fiscal year ending June 30, 1976, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The ACTING PRESIDENT pro tempore. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of November 6, 1975, at p. 35418.

The ACTING PRESIDENT pro tempore. Debate on the report is limited to 20 minutes, to be divided between the distinguished Senator from Indiana (Mr. BAYH) and the distinguished Senator from New Jersey (Mr. CASE).

Who yields time?

Mr. BAYH. Mr. President, I yield myself such time as might be necessary.

The ACTING PRESIDENT pro tempore. The Sentor from Indiana.

Mr. BAYH. Mr. President, the pending conference report recommends $3,978,924,775 in new budget authority for fiscal 1976 and $970,721,939 for the transition period. For fiscal 1976, this represents an increase of $260,417,775 over last year's appropriation; a reduction of $91,070,000 below the budget requests for fiscal 1976; an increase of $234,511,000 over the House version of the bill; and a reduction of $215,558,000 below the Senate version. For the transition period, the conference bill is $26,787,000 below the budget estimates, $25,525,000 over the House, and $36,966,000 below the Senate bill.

So it was a pretty good compromise, Mr. President.

Mr. President, the conference on the bill was a lengthy and detailed one. The chairman of the House Subcommittee, Mr. JOHN McFALL, is highly knowledgeable in the field of transportation, as is the ranking minority member, Mr. SILVIO CONTE.

It is most appropriate at this time as the leader of the Senate conferees to express deep appreciation to Mr. McFALL and his very learned staff for the amount of study and the spirit of cooperation that they brought to this bill. Without that spirit we could not have succeeded and, although we did not agree to all the aspects that the House presented, they did not agree with us, and that is what the conference is all about.

I also express deep appreciation to Mr. Jim English, our chief counsel on the Senate side, who worked long hours and was as responsible, if not more so, than anyone else putting together the information and creating the climate in which the conference could succeed.

The House leaders and other House conferees carefully scrutinized all the Senate amendments. I hasten to add, however, that the House conferees were both fair and reasonable throughout the conference and I believe that we have resolved the differences in such a way that the Senate can be largely satisfied with the results. Mr. President, the conference report and the statement of the managers was printed in the CONGRESSIONAL RECORD of November 6, 1975, on pages 35418–35421. A complete discussion of the various amendments and how they were resolved is contained there as well as in the conference report, 94–636. I do not intend to get into any further detailed discussion at this time.

I recommend to our colleagues in the Senate that I think this is an excellent bill, a result of compromising differences between the House of Representatives, and I recommend strongly that we adopt this conference report.

There are some items in the bill, however, that I feel are of particular interest to my colleagues, which I would like to point out.

First. For the Coast Guard, the conference agreement was that the Coast Guard should proceed immediately with deployment of its loran-C radionavigation program in the Gulf of Mexico and along the Atlantic coast. We agreed that the Coast Guard can accomplish this within existing funds without substantially disrupting other programs or procurements.

Second. Sufficient funds were included in the bill for the Federal Aviation Administration to continue research in their microwave landing system and discrete address beacon system programs. Also, the full budget request for the Aerosat program has been included in the conference bill.

Third. For the Federal Highway Administration, the bill contains $6,000,000 for a bikeway demonstration program. In addition, the $9 billion obligation limitation on the Federal-aid highway program remains in the bill.

Fourth. For the National Highway Traffic Safety Administration, the conferees agreed to the $12 million increase over the budget in the obligation limit for State and community highway safety and highway-related safety grants. Conference report language directs NHTSA to make this $12 million available to the States for use in their highest payoff programs, such as alcohol countermeasures, in addition to their regular apportionments contained in the $108 million budgeted program.

Fifth. For the Federal Railroad Administration, there are several important items in the conference bill:

First, for grants-in-aid for railroad safety, the bill contains $1,500,000 for fiscal 1976 and $375,000 for the transition. This represents a split between the House and Senate bills;

For railroad research and development, many of the Senate items remain in the bill including $5.1 million for a freight system demonstration which the Federal Railroad Administrator, Mr. Asaph Hall, feels will be a most useful project, $2,000,000 for freight car management, and $5,000,000 for intermodal terminals;

For rail service assistance, the conference bill contains $60,000,000 of the $72,000,000 budget request for "interim operating assistance" and $25,000,000 of the $45,000,000 request for "rail service continuation subsidies." The $60,000,000 amount will be paid to the Penn Central and other railroads in reorganization under the Regional Rail Reorganization Act for use in meeting their operating expenses and can be used to cover the back pay for railroad workers. I am advised by DOT sources that a supplemental budget request may be necessary for these items. If that turns out to be the case, we on the committee will give prompt consideration to such a request.

For the so-called "rail jobs" portion of the bill, the conferees settled on a figure of $90 million for fiscal 1976 and $18 million for the transition period, contingent on passage of authorizing legislation. Both Houses of Congress have passed authorizations, but a conference between the two Houses has not yet been scheduled. I know there are many other important matters now before both the committees having jurisdiction in rail matters, but I strongly urge them to make every effort to quickly resolve the differences between the two "jobs" bills so that we can send an authorization to the President and hopefully put thousands of furloughed railroad workers back to work. The appropriations contained in this bill are sufficient to fund such a program for several months and further appropriations will be considered in supplemental appropriations bills to continue the program once it is authorized.

Sixth. Mr. President, for the Urban Mass Transportation Administration, I am particularly pleased with the conference action, in that the conferees from the other body, after much discussion and thoughtful consideration in the conference, agreed to virtually every principle contained in the Senate version of the bill. Some of the appropriations were reduced, but all the principles remain. I am confident that the direction provided in the conference bill will go a long way toward getting the Urban Mass Transportation Administration "on track" in its research programs. We want to see them produce technology that can be readily implemented in the Nation's urban environments and that will be acceptable to and used by our citizens.

Mr. President, I believe I have touched on the highlights of the bill. I shall be happy to respond to any questions that members may have.

I express my appreciation to my colleagues on the Appropriations Committee and particularly those on the subcommittee who have been so helpful throughout the proceedings on the bill. Senator CLIFFORD CASE, the ranking Republican member of the subcommittee, is always very thoughtful and helpful, and I greatly appreciate his assistance. Senators EAGLETON and STEVENS conducted some of the hearings and I am deeply grateful for their efforts. And of course, the Chairman of the Appropriations Committee, Mr. McCLELLAN, is always a very helpful and understanding leader.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. On whose time?

Mr. ROBERT C. BYRD. To be equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CASE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CASE. Mr. President, the able efforts of our subcommittee chairman, the distinguished Senator from Indiana (Mr. BAYH) were evident throughout the deliberations of our subcommittee and the committee, and the conference.

I compliment also the committee staff for their fine work.

Additionally, the efforts of the ranking chairman of the subcommittee in the House (Mr. McFALL), and the ranking member of the subcommittee (Mr. CONTE) are evidence of their concern for the transportation needs of our country.

As to the substance of the bill, the conference report, I mention only a few items that represent long-standing concerns of mine and I think they are of national importance.

First, the appropriations bill reflects

a strong concern with the environment. For example, it provides full funding of the Federal Aviation Administration noise control program. This very significant program is devoted to lessening the noise levels generated by aircraft during landing and takeoff. Literally tens of millions of Americans are affected by aircraft noise.

The bill also includes additional funds for controlling oil spills at sea. The Coast Guard is responsible for monitoring the coastal water and for preventing and containing oil spills. In the past spills from oil tankers have had serious ecological and economic consequences.

Several of the items deal with energy considerations. In particular, the bill supports the use of rail transport as an energy efficient means of providing freight and passenger service. I am glad to say that the current appropriations bill provides research funds for developing more efficient rail service. One area specifically deals with freight car management. Currently for example, freight cars spend 62 percent of their total time sitting in freight yards waiting to be loaded or unloaded. At the same time the railroads indicate that they have a shortage of freight cars. If we can increase the efficient use of these cars by only 15 percent it would be equivalent to adding about 250,000 cars to the fleet.

In the area of mass transit research I believe the conference arrived at a balanced program. A good mass transit system can significantly reduce air pollution and energy consumption. It is interesting to note that currently the mass transit share of energy in the United States is very low—in fact, it represents only about 1 percent of the energy consumed in transportation. Automobiles alone consume 98 percent of the transportation fuel used in our urban areas. So the potential of mass transit for conserving energy is great.

I am particularly pleased that the conference adopted the Senate's approach to the development of new mass transportation systems. The approach requires the Urban Mass Transportation Administration to study the social and economic impact of new transit systems before they are installed.

An important part of this study effort involves determining the public response to these new systems. That is, what is important to the potential users and will the system be financially successful? I would particularly like to congratulate the Office of Technology Assessment for its analysis of automated guideway transit technology and its study on energy, the economy and mass transit. Both of these assessments were extremely useful resources to the Congress and both were instrumental in the development of the position adopted by the Senate Appropriations Committee and ultimately accepted by the conference.

The current bill also provides operating assistance for those rail lines that would not be included in the new Northeast Rail Corporation—ConRail. I believe that many of these railroad lines provide vital service to local communities and, as such, must be treated as a resource worth maintaining. These funds will permit the Northeast and Midwest States to continue the operations of their light density lines with 70 to 30 matching funds.

Mr. President, I yield back the remainder of the time allotted on this side.

Mr. RANDOLPH. Mr. President, the conference report before the Senate is a comprehensive measure providing funds for transportation activities of the Federal Government. The able Senator from Indiana (Mr. BAYH) has my commendation for his work in guiding the development of this measure. As chairman of the Appropriations Subcommittee on Transportation and as the Senate manager of the conference report, he has worked diligently to bring to this body a measure that is consistent with both national transportation and fiscal policy.

Mr. President, I call attention to one provision of the conference report that is somewhat unique. I refer to the language establishing a ceiling for the obligation of Federal aid highway funds during fiscal year 1976 and the transition quarter that follows. I offered this provision as an amendment to the Senate bill when it was considered on July 25. It was accepted by the Senate and by the conferees on this measure. My amendment provides that a maximum of $9 billion can be obligated for apportioned highway funds under title 23, United States Code.

This amount was determined at conferences with the Secretary of Transportation and other responsible officials in his Department. It was our belief that $7.2 billion is an adequate amount for the highway program during fiscal year 1976 and that a limitation of $1.8 billion would carry the program through the transition quarter.

This obligation limitation applies to those funds apportioned by formula to the States. These are the largest share of highway funds and include the following programs: Interstate System, rural primary system, rural secondary system, urban extensions, urban system, priority primary system, metropolitan planning, railroad-highway grade crossings, elimination of high hazard locations, elimination of roadside obstacles, forest highways and the safe roads system.

It is not applicable to those programs for which funds are allocated to States on the basis of meeting certain national objectives. These programs include highway safety research and development, highway beautification, highway-related safety grants, rural highway public transportation demonstration program, territorial highways, Darien Gap highway, off-system roads, overseas highway, access roads to public recreation areas, and the Highland scenic highway.

It is not intended that the limitations provided in the amendment apply to funds for emergency relief, urban high density highways, and the special bridge replacement program.

Mr. President, to insure the orderly execution of the Federal aid highway program, the States must have the freedom to establish their own priorities. The normal functioning of the programs permits the States to develop projects and submit them for Federal approval and funding. The obligation limitation contained in this conference report is intended to be a one-time ceiling. It is being established because it is entirely conceivable that as much as $14 billion could be available for obligation during this fiscal year. That amount is in excess of all estimates of State ability to utilize funds. The adoption of the obligation ceiling should be taken as an expression of congressional intent that these funds be available to the States on a first-come, first-serve basis. This does not authorize the executive branch to establish its own priorities for the types of work for which funds will be available and should not be so interpreted. This occurred once previously with respect to the release of impounded highway funds and was clearly contrary to the law and to the traditional functioning of the Federal-aid program. On a first-come, first-serve basis, the States, of course, are still limited to the amounts of their individual apportionments.

The adoption of the Congressional Budget Act is creating new procedures in the Senate. By this time next year, we will have adjusted to these procedures, and obligational ceilings, such as that in this bill, will no longer be needed.

Another section of this legislation appropriates $15 million for additional construction on the Highland scenic highway in West Virginia. These funds will permit construction of the highway from its present northern terminus in the Monongahela National Forest to a connection with U.S. 219. Engineering for this segment of the highway has been completed and the right-of-way acquired. Construction, therefore, can begin in the near future.

The $15 million for this project is appropriated to the Department of the Interior because of the highway's designation as a parkway. It is intended that these funds be transferred to the West Virginia Department of Highways as the contracting agency for the construction. This practice was followed in the past when the Highland scenic highway was being developed as a public lands highway prior to its designation as a parkway. There should be no delay in this transfer so that development of this important link in the highway can be expedited.

Mr. BENTSEN. I note that on page 13 of the conference report there is a total of $54,000,000 appropriated for research, development, and demonstration programs performed by the Urban Mass Transit Administration. In my own State of Texas, we have a highly innovative program now in operation at the Dallas-Ft. Worth Airport. I refer to the automated guideway transit project known popularly as Air-Trans. This system, as the chairman knows, runs on a fixed rail, has operating costs generally lower than that of rail and bus transit operations.

It is easier to construct and less expensive and less disruptive than major subway systems. It has successfully traveled over 5 million miles, carrying over 4.8 million revenue passengers. It is completely automated.

I have become convinced that the Air-Trans system deserves wider applicability. I believe it could be adapted successfully to downtown urban use as a feasible transit alternative which would provide greater flexibility in urban transit.

In my view, a research and demonstration project involving Air-Trans would have great value nationwide. Is it the view of the chairman that the funds under UMTA research and development could be used to support a demonstration program to determine Air-Trans capability in urban areas?

Mr. BAYH. Yes, I believe a project such as the one the Senator described could be funded out of research, development, and demonstration funds in this bill. We have some $1,000,000 earmarked for a feasibility analysis of shuttle and loop transit. In addition, we have $1,000,000 earmarked for social and economic research in automated guideway transit, which would relate directly to the project the Senator described. In total, there are some $43,900,000 in research and demonstration funds in the bill that would be potentially available for the kind of study required to expand the capability of the Air-Trans system. So I would say in summary that sufficient funds for this kind of project would be available in the bill to fund a project of this nature. I would point out, however, that both the House and Senate reports contain itemized lists of the programs contained in the budget and the funding levels for each. Such a demonstration would have to fit into one of the categories.

Mr. BENTSEN. I thank the Senator, and I am going to be in contact with officials at UMTA to urge favorable consideration of a request for a proposal to expand the possibilities of the Air-Trans system.

TRANSPORTATION APPROPRIATIONS CONFERENCE REPORT

Mr. MATHIAS. Mr. President, I would like to urge my colleagues to approve the conference report on H.R. 8365, the transportation appropriations bill for fiscal year 1976. I am very pleased that the House and Senate conferees were able to reach agreement on the funding levels for the many different transportation programs that are essential to the efficient movement of people and products across our vast Nation.

The chairman of the Transportation Appropriations Subcommittee deserves special commendation for his leadership in our efforts to uphold the Senate's position on funding for many vital programs. Although we did not prevail on every item, I feel that the conference was able to reach a number of compromises that represented a reasonable balancing of public needs in the transportation sector with the need to restrain spending in an era of inflationary pressures.

Our work on the Transportation Appropriations Subcommittee has required a number of decisions about priorities in spending for improvements in transportation systems and maintenance of essential services. I think we all recognize the special need to consider improvements in energy efficient modes. especially urban mass transit and railroads, as top priorities at this time. Funding for improved transportation planning, and research and development efforts on new energy saving transit technologies is also important to our long range plans to conserve our limited petroleum resources. Support for rail service maintenance and improvement can be a key element in our efforts to provide meaningful employment opportunities while working to promote economic development in many areas of the Nation.

Along with many of my colleagues on the Transportation Appropriations Subcommittee, I have observed in the course of our work that we do not have an overall policy for transportation. The absence of a coherent transportation policy makes our decisions on spending priorities extremely difficult. Our decisions with respect to funding for each of the transportation modes can have a significant impact on the level of competition in the private sector and the level of service provided to the public. Without a clear policy framework, our spending decisions cannot be adequately focused on the total transportation needs of the country.

I am pleased that efforts to establish a clear national transportation policy are underway. I have been reviewing, with great interest, the statement of national transportation policy, prepared by Secretary Coleman. I believe that the efforts underway by the Congress and the administration to articulate a clear national transportation policy will help the members of the Appropriations Committee in our responsibilities to decide on spending priorities among the competing demands in the transportation field.

COMMENTS ON NATIONAL TRANSPORTATION POLICY

In 1966 the Congress established the Department of Transportation to assure the coordinated and effective administration of Federal transportation programs. The Department of Transportation Act of 1966 also called for the development of national transportation policies and programs to provide fast, safe, efficient, and convenient low cost transportation to meet the nation's needs. Now, more than 9 years after the creation of the Department of Transportation, a comprehensive statement of national transportation policy has been prepared. The document, released by Transportation Secretary Coleman on September 17, 1975, represents the culmination of many years of thought about the problem of transportation policy formulation.

The problem is quite simply that we do not have a national transportation policy that could be clearly articulated. Instead we have developed a national transportation system in a piecemeal jungle of legislative attempts to deal with specific problems. In the past the problems that we have sought to solve through federal financial assistance have often been the inability of the private desired by well organized interest groups. Rather than develop a transportation system designed to serve the needs of the nation as efficiently as possible, we have enthusiastically supported one mode and then another in response to changes in the political winds. By concentrating on the individual modes of transportation and the interest groups associated with them, we have failed to develop a system that is based on any rational allocation of resources.

The fact that our transportation system falls short of an ideal is not a new revelation. The system may be the finest in the world and its shortcomings the inevitable results of the political process. Nevertheless, we currently face an enormous task in attempting to correct the mistakes of the past. The demise of the Nation's railroads and the resulting demands for Federal financial assistance provide a vivid reminder of the need for vigilance in maintaining a healthy transportation system in the private as well as the public sector.

Secretary Coleman's statement of transportation policy provides a basis for discussion that is badly needed. The transportation sector approaches 20 percent of the gross national product, but in the absence of a clear policy we have no basis for evaluating Federal spending priorities and proposals for regulatory reform. Federal investment in transportation facilities that serve private rather than public needs can be minimized when investment decisions are reviewed in the context of a clearly articulated policy. Regulatory reforms to provide more efficient service and lower prices for the American consumer can be undertaken on a well reasoned basis within the guidelines of a national policy.

Suggestions for change in the regulatory system to promote a dynamic, competitive, and efficient private transport sector will be the subject of close scrutiny by the Congress as we review the proposals for regulatory reform that have been transmitted by the President. Estimates that the deleterious effects of regulation of transportation cost the American consumer as much as $10 billion per year lend substantial support to the sense of urgency in the need to reform obsolete regulatory constraints. Nevertheless, we must take care to protect the public purposes that were at the foundation of the present regulatory system. Economic regulation that was designed to encourage transportation services on inherently unprofitable lines cannot be simply eliminated without provision for some method to insure that services will continue. If deregulation will result in a more efficient operation of the total transportation system, we must be certain that the benefits will be distributed equitably.

The free market can be relied upon to solve many of the Nation's problems with respect to proper allocation of resources in the transportation sector only if certain conditions exist. If transportation were thoroughly competitive in its entirety and investment in transportation could be made completely competitive, the market would operate freely. However, in the real world the economist's ideal free market does not exist.

Proposals for changes in current regulations must recognize that for competition to work in the public interest, public policy must balance the legislative and financial support given to specific transport modes. Secretary Coleman's suggestions that we equalize the public subsidies to different modes represents a significant step toward creating a transportation market situation that will be conducive to healthy competition. Equalization of tax burdens, user charges, and subsidies will be necessary to provide a truly competitive environment for the transportation industries.

While equalization of public assistance to different transport modes may be helpful in promoting an efficient allocation of resources in the transportation sector, we must be aware of the potential impacts in other sectors of the economy. It has been suggested that current subsidies be eliminated and user charges be imposed on modes that have historically been provided with free right of way through Federal public works. Such a change in policy may succeed in promoting competition only to achieve a higher net cost for transportation—a cost that will ultimately be borne by the American consumer.

Secretary Coleman's policy statement goes far beyond previous views of the transportation system in relation to other national objectives. In the past our transportation planning process has too often proceeded to promote the construction of new facilities for their own purposes rather than in the service of other objectives. Although transportation is well recognized as an intermediate good, we have often constructed roads, canals, airports, and even rail lines without a clear understanding of what they are intended to serve. Secretary Coleman's statement makes some significant progress in outlining the immediate impacts of transportation systems with respect to issues of environmental quality, energy conservation, safety, and civil rights. However, the fundamental relationship between the transportation system and economic development has not been fully treated in this outline of issues crosscutting national concerns.

In the past we have built transportation facilities to meet projected demand for transportation services. Transportation policy has not been seen as a tool for shaping economic development and population distribution. Instead our transportation programs have often operated at cross purposes with other Federal efforts to improve the quality of American life. The classic example is the construction of interstate highways that disrupted neighborhoods and improved accessibility of suburban areas to downtown at a time when urban renewal programs were seeking to attract people back into the city.

We certainly must work to provide transportation services that will meet the need of the American public. However, we can use our investments in transportation facilities as a positive force to encourage economic development in areas of special concern. We can use our transportation policy in metropolitan regions to influence the type and location of development that will occur. Transportation policy can and should be made consistent with our housing, environmental, and energy policies.

Transportation problems most often command the attention of the public and the interest of Congress in the urban context. In urban areas the most significant conflicts between transportation and other goals most often take place. The congestion and pollution products of urban transportation are frequently seen as the most important problems because they are the most visible.

There is good cause for our public policy to attempt to reduce the visible problems of urban transportation, especially the adverse impacts of pollution and congestion on the economic welfare of the city and the physical health of its residents. Nevertheless, on a national scale, the invisible problems of transportation may be more deserving of our attention. It is the lack of transportation services in some areas that causes economic decline or stagnation. In rural areas, the absence of any form of public transportation continues the isolation of the poor from education, employment, and adequate health care. In urban areas as well, the inadequacy of existing public transit contributes to the difficulty experienced by the poor in finding a job, getting to school, and reaching health care facilities. The social impact of our transportation system in the lives of people must not be neglected in efforts to achieve a more efficient allocation of resources in the transportation sector.

In my work as a member of the Transportation Appropriations Subcommittee, I will be following the efforts to establish a coherent transportation policy very closely. I look forward to having a set of useful guidelines to help in making decisions on spending priorities. I do not believe that we can afford to continue the present system of funding the different transportation modes without a broader overview of total national needs. Secretary Coleman's statement on transportation policy should be seen as an important milestone in an evolutionary process.

I hope that the public, Congress, and the administration can join in a cooperative effort to develop a clear statement of national policy that will recognize the role of transportation as a positive force in our efforts to achieve social, economic, and environmental goals.

Mr. BAYH. I have nothing further, Mr. President, and I move the adoption of the conference report.

The ACTING PRESIDENT pro tempore. Is all time yielded back on the conference report?

Mr. BAYH. I yield back all my time.

The ACTING PRESIDENT pro tempore. Is all time yielded back? Does the Senator from New Jersey yield back the time on the conference report.

Mr. CASE. Yes, indeed. I thought I had already.

The ACTING PRESIDENT pro tempore. All time is yielded back on the conference report.

The question is on the adoption of the conference report.

The conference report was agreed to.

Mr. BAYH. Mr. President, I ask the Chair to lay before the Senate certain amendments which are in disagreement on the conference.

The ACTING PRESIDENT pro tempore. The clerk will state the amendments in disagreement.

The second assistant legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20, to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

HIGHLAND SCENIC HIGHWAY (LIQUIDATION OF CONTRACT AUTHORIZATION) (TRUST FUND)

For payment of obligations incurred for construction of the Highland Scenic Highway in accordance with section 161 of P.L. 93–87 (87 Stat. 279), under authority of the provisions of Title 23, United States Code, sections 203 and 207, and section 104(a)(8) of P.L. 93–87, $15,000,000, to be derived from the Highway Trust Fund and to remain available until expended, to be transferred to the Department of Interior for the payment of such obligations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 21, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert: $6,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

RAIL TRANSPORTATION EMPLOYMENT AND IMPROVEMENT

To enable the Secretary of Transportation to make grants for programs aimed at reducing unemployment and at repairing, rehabilitating, or improving essential railroad roadbeds and facilities, $90,000,000 to remain available until December 31, 1976: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-fourth Congress.

For "Rail Transportation Employment and Improvement" for the period July 1, 1976, through September 30, 1976, $18,000,000, to remain available until December 31, 1976: *Provided*, That this appropriation shall be available only upon the enactment into law of authorizing legislation by the Ninety-fourth Congress.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

PAYMENT TO THE ALASKA RAILROAD REVOLVING FUND

For payment to the Alaska Railroad Revolving Fund for capital replacements, improvements, and maintenance, $9,000,000, to remain available until expended: *Provided*, That the permanent positions authorized under the Alaska Railroad Revolving Fund shall be established at 902 and excluded from staffing limitations otherwise applicable.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

PAYMENTS FOR DIRECTED RAIL SERVICE

For payments for rail service to railroads directed to provide emergency rail service over the properties of other carriers in accordance with 49 U.S.C. 1 (16) (b), $15,000,000, to remain available until expended: *Provided*, That not to exceed $750,000 of this appropriation shall be available for necessary independent auditing expenses incurred in the administration of the directed rail service program.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47, to the aforesaid bill, and concur therein with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 306. None of the funds provided in this Act shall be available for administrative expenses in connection with commitments for the Urban Mass Transportation Act of 1964, as amended, aggregating more than $1,707,150,000 in fiscal year 1976 and $395,700,000 in the transition period, except that amounts apportioned pursuant to section 5 of that Act and not committed in the year of apportionment may be committed notwithstanding this limitation.

Mr. BAYH. Mr. President, I move the Senate concur in the amendments of the House to the amendments of the Senate numbered 20, 21, 31, 32, 42, and 47.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Indiana.

The motion was agreed to.

Mr. BAYH. Mr. President, I ask unanimous consent that a table showing the conference totals be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975 enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
TITLE I									
DEPARTMENT OF TRANSPORTATION									
Office of the Secretary									
Salaries and expenses	$30,315,000	$34,415,000	$32,550,000	$32,550,000	$32,550,000	+$2,235,000	−$1,865,000		
Transition period		9,395,000	8,930,000	8,930,000	8,930,000		−465,000		
Transportation, planning, research, and development	33,420,000	35,000,000	27,000,000	29,000,000	28,000,000	−5,420,000	−7,000,000	+$1,000,000	−$1,000,000
Transition period		8,600,000	6,750,000	7,250,000	7,000,000		−1,600,000	+250,000	−250,000
Transportation Research Activities Overseas		250,000	250,000	250,000	250,000	+250,000			
Transition period									
Grants-in-aid for natural gas pipeline safety	1,158,000	1,800,000	1,500,000	1,800,000	1,650,000	+492,000	−150,000	+150,000	−150,000
Transition period									
Total	64,893,000	71,465,000	61,300,000	63,600,000	62,450,000	−2,443,000	−9,015,000	+1,150,000	−1,150,000
Transition period		17,995,000	15,680,000	16,180,000	15,930,000		−2,065,000	+250,000	−250,000
Coast Guard									
Operating expenses	660,264,448	723,907,000	714,230,000	718,696,000	718,341,000	+58,076,552	−5,566,000	+4,111,000	−355,000
Transition period		207,079,000	204,660,000	205,760,000	205,660,000		−1,419,000	+1,000,000	−100,000
Appropriation for debt reduction	−179,448	−187,225	−187,225	−187,225	−187,225	−7,777			
Transition period		−48,061	−48,061	−48,061	−48,061				
Subtotal	660,085,000	723,719,775	714,042,775	718,508,775	718,153,775	+58,068,775	−5,566,000	+4,111,000	−355,000
Transition period		207,030,939	204,611,939	205,711,939	205,611,939		−1,419,000	+1,000,000	−100,000
Acquisition, construction, and improvements	108,376,000	165,310,000	156,100,000	164,568,000	156,100,000	+47,724,000	−9,210,000		−8,468,000
Transition period		19,000,000	16,160,000	19,000,000	16,160,000		−2,840,000		−2,840,000
Alteration of bridges	6,562,000	6,600,000	6,500,000	6,500,000	6,500,000	−62,000	−100,000		
Transition period		2,050,000	1,625,000	1,625,000	1,625,000		−425,000		
Retired pay	105,000,000	115,650,000	115,650,000	115,650,000	115,650,000	+10,650,000			
Transition period		30,050,000	30,050,000	30,050,000	30,050,000				
Reserve training	28,912,000	31,350,000	31,200,000	31,200,000	31,200,000	+2,288,000	−150,000		
Transition period		10,225,000	10,175,000	10,175,000	10,175,000		−50,000		
Research, development, test, and evaluation	16,887,000	20,652,000	18,600,000	18,600,000	18,600,000	+1,713,000	−2,052,000		
Transition period		5,111,000	4,650,000	4,650,000	4,650,000		−461,000		
State boating safety assistance	5,790,000	6,000,000	5,790,000	5,790,000	5,790,000		−210,000		
Transition period									
Supply fund		2,000,000	2,000,000	2,000,000	2,000,000	+2,000,000			
Transition period									
Pollution fund		10,000,000		10,000,000	10,000,000	+10,000,000		+10,000,000	
Transition period									
Total	931,612,000	1,081,281,775	1,049,882,775	1,072,816,775	1,063,993,775	+132,381,775	−17,288,000	+14,111,000	−8,823,000
Transition period		273,466,939	267,271,939	271,211,939	268,271,939		−5,195,000	+1,000,000	−2,940,000
Federal Aviation Administration									
Operations	1,419,500,000	1,545,000,000	1,522,000,000	1,528,555,000	1,525,000,000	+ 105,500,000	− 20,000,000	+ 3,000,000	− 3,555,000
Transition period		399,700,000	395,450,000	396,550,000	396,000,000		−3,700,000	+550,000	−550,000
Facilities, engineering, and development	11,821,000	13,000,000	12,000,000	12,500,000	12,250,000	+429,000	−750,000	+250,000	−250,000
Transition period		3,100,000	2,900,000	2,950,000	2,925,000		−175,000	+25,000	−25,000
Facilities and equipment (Airport and Airway Trust Fund)	227,278,000					−227,278,000			
Transition period									

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975 enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
TITLE I—Continued									
DEPARTMENT OF TRANSPORTATION—Continued									
Research, engineering and development (Airport and Airway Trust Fund)	57,900,000	80,400,000	60,000,000	75,000,000	67,500,000	+9,600,000	-12,900,000	+7,500,000	-7,500,000
Transition period		22,700,000	15,000,000	20,800,000	17,900,000		-4,800,000	+2,900,000	-2,900,000
Grants-in-aid for airports (Airport and Airway Trust Fund): Appropriation to liquidate contract authorization	(280,000,000)	(320,000,000)	(320,000,000)	(320,000,000)	(320,000,000)	(+40,000,000)	( )	( )	( )
Transition period	( )	(49,500,000)	(49,500,000)	(49,500,000)	(49,500,000)	( )	( )	( )	( )
Operation and maintenance, National Capital Airports	16,310,000	17,700,000	17,527,000	17,527,000	17,527,000	+1,217,000	-173,000		
Transition period		4,500,000	4,450,000	4,450,000	4,450,000		-50,000		
Construction, National Capital Airports	5,500,000	12,100,000	11,625,000	11,625,000	11,625,000	+6,125,000	-475,000		
Transition period									
Total	1,738,309,000	1,668,200,000	1,623,152,000	1,645,207,000	1,633,902,000	-104,407,000	-34,298,000	+10,750,000	-11,305,000
Transition period		430,000,000	417,800,000	424,750,000	421,275,000		-8,725,000	+3,475,000	-3,475,000
Federal Highway Administration									
Limitation on general operating expenses	(131,200,000)	(145,815,000)	(141,480,000)	(143,480,000)	(142,480,000)	(+11,280,000)	(-3,335,000)	(+1,000,000)	(-1,000,000)
Transition period	( )	(34,716,000)	(33,666,000)	(33,666,000)	(33,666,000)	( )	(-1,050,000)	( )	( )
Motor carrier safety	6,087,000	6,779,000	6,500,000	6,500,000	6,500,000	+413,000	-279,000		
Transition period		1,695,000	1,625,000	1,625,000	1,625,000		-70,000		
Highway safety research and development	8,685,000	9,135,000	9,000,000	9,000,000	9,000,000	+315,000	-135,000		
Transition period									
Highway beautification: Appropriation	999,000	1,031,000	1,000,000	1,000,000	1,000,000	+1,000	-31,000		
Transition period									
Appropriation to liquidate contract authorization	(25,000,000)	(44,200,000)	(30,000,000)	(30,000,000)	(30,000,000)	(+5,000,000)	(-14,200,000)	( )	( )
Transition period	( )	(10,000,000)	(7,500,000)	(7,500,000)	(7,500,000)	( )	(-2,500,000)	( )	( )
Highway-related safety grants (appropriation to liquidate contract authorization)	(12,000,000)	(20,838,000)	(15,000,000)	(15,000,000)	(15,000,000)	(+3,000,000)	(-5,838,000)	( )	( )
Transition period	( )	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	( )	( )	( )	( )
Railroad crossings demonstration projects	2,895,000	6,985,000				-2,895,000	-6,985,000		
Transition period		4,000,000					-4,000,000		
Railroad-highway crossings demonstration projects	360,000	1,400,000	1,400,000	1,400,000	1,400,000	+1,040,000			
Transition period									
By transfer	(11,000,000)	( )	(15,220,000)	(15,220,000)	(15,220,000)	(+4,220,000)	(+15,220,000)	( )	( )
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )
Rural highway public transpotation demonstration programm	9,650,000	20,350,000	12,500,000	17,500,000	15,000,000	+5,350,000	-5,350,000	+2,500,000	-2,500,000
Transition period									
Territorial highways (appropriation to liquidate contract authorization)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	( )	( )	( )	( )
Transition period	( )	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	( )	( )	( )	( )
Darian Gap highway	13,510,0000	9,900,000	4,900,000	4,900,000	4,900,000	-8,610,000	-5,000,000		
Transition period		3,550,000					-3,550,000		
Alaska Highway	4,825,000	8,000,000				-4,825,000	-8,000,000		
Transition period									
Off-System Roads (Liquidation of Contract Authorization)	( )	(10,000,000)	(10,000,000)	(10,000,000)	(10,000,000)	(+10,000,000)	( )	( )	( )
Transition period	( )	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	( )	( )	( )	( )
Federal-aid highways (trust fund-appropriation to liquidate contract authorization)	(4,575,840,000)	(5,437,000,000)	(5,432,800,000)	(5,434,800,000)	(5,433,800,000)	(+857,960,000)	(-3,200,000)	(+1,000,000)	(-1,000,000)
Transition period	( )	(1,275,000,000)	(1,273,950,000)	(1,273,950,000)	(1,273,950,000)	( )	(-1,050,000)	( )	( )
Highway safety construction programs (trust fund-appropriation to liquidate contract authorization)	(110,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(300,000,000)	(+190,000,000)	( )	( )	( )
Transition period	( )	(75,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	( )	( )	( )	( )
Right-of-way revolving fund (trust fund-appropriation to liquidate contract authorization)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	(20,000,000)	( )	( )	( )	( )
Transition period	( )	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	( )	( )	( )	( )
Forest highways (appropriation to liquidate contract authorization)	(12,450,000)	( )	( )	( )	( )	(-12,450,000)	( )	( )	( )
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )
Public lands highways (appropriation to liquidate contract authorization)	(8,270,000)	( )	( )	( )	( )	(-8,270,000)	( )	( )	( )
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )
Baltimore-Washington Parkway	1,544,000	2,500,000				-1,544,000	-2,500,000		
Transition period		625,000					-625,000		
Overseas Highway	500,000		500,000	500,000	500,000		+500,000		
Transition period									
Access to public recreation areas on lakes			10,000,000	10,000,000	10,000,000	+10,000,000	+10,000,000		
Transition period									
Recission of contract authority			-25,000,000	-25,000,000	-25,000,000	-25,000,000	-25,000,000		
Transition period									
Highland Scenic Highway				15,000,000					-15,000,000
Transition period									
Highland Scenic Highway (trust fund-appropriation to liquidate contract authorization)	( )	( )	( )	( )	(15,000,000)	(+15,000,000)	(+15,000,000)	(+15,000,000)	(+15,000,000)
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975 enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
Bikeway demonstration program				$10,000,000	+$6,000,000	+$6,000,000	+$6,000,000	+$6,000,000	−$4,000,000
Transition period									
Total	$49,055,000	$66,080,000	$20,800,000	50,800,000	+29,300,000	−19,755,000	−36,780,000	+8,500,000	−21,500,000
Transition period		9,870,000	1,625,000	1,625,000	+1,625,000		−8,245,000		
National Highway Traffic Safety Administration									
Traffic and highway safety	70,874,000	72,150,000	66,850,000	67,890,000	66,850,000	−4,024,000	−5,300,000		−1,040,000
Transition period									
State and community highway safety (appropriation to liquidate contract authorization)	(96,000,000)	(76,000,000)	(71,000,000)	(71,000,000)	(71,000,000)	(−25,000,000)	(−5,000,000)		
Transition period		(21,500,000)	(20,000,000)	(20,000,000)	(20,000,000)		(−1,500,000)		
Total	70,874,000	72,150,000	66,850,000	67,890,000	66,850,000	−4,024,000	−5,300,000		−1,040,000
Transition period									
Federal Railroad Administration									
Office of the Administrator	3,782,000	6,700,000	5,900,000	5,900,000	5,900,000	+2,118,000	−800,000		
Transition period		1,600,000	1,400,000	1,400,000	1,400,000		−200,000		
Railroad safety	11,094,000	16,275,000	16,200,000	16,200,000	16,200,000	+5,106,000	−75,000		
Transition period		4,100,000	4,050,000	4,050,000	4,050,000		−50,000		
Grants-in-aid for railroad safety	965,000	3,000,000	1,000,000	2,000,000	1,500,000	+535,000	−1,500,000	+500,000	−500,000
Transition period		750,000	250,000	500,000	375,000		−375,000	+125,000	−125,000
Railroad research and development	48,250,000	66,550,000	53,500,000	74,400,000	61,150,000	+12,900,000	−5,400,000	+7,650,000	−13,250,000
Transition period		17,000,000	13,150,000	14,150,000	13,650,000		−3,350,000	+500,000	−500,000
Interim Operating Assistance	135,200,000	72,000,000		72,000,000	60,000,000	−75,200,000	−12,000,000	+60,000,000	−12,000,000
Transition period									
Rail Service Assistance		45,000,000	14,000,000	45,000,000	25,000,000	+25,000,000	−20,000,000	+11,000,000	−20,000,000
Transition period		15,500,000	7,000,000	15,500,000	8,600,000		−6,900,000	+1,600,000	−6,900,000
Grants to National Railroad Passenger Corporation	276,500,000	460,000,000	438,800,000	441,800,000	440,000,000	+163,500,000	−20,000,000	+1,200,000	−1,800,000
Transition period		130,000,000	124,700,000	124,700,000	124,700,000		−5,300,000		
Rail Transportation Improvement and Employment	5,000,000			200,000,000	90,000,000	+85,000,000	90,000,000	+90,000,000	−110,000,000
Transition period				40,000,000	18,000,000		18,000,000	+18,000,000	−22,000,000
Payment to the Alaska railroad revolving fund	6,031,000			10,200,000	9,000,000	+2,969,000	9,000,000	+9,000,000	−1,200,000
Transition period									
Alaska railroad revolving fund-loan authority				(150,000,000)					(−150,000,000)
Transition period									
Total	486,822,000	669,525,000	529,400,000	867,500,000	708,750,000	+221,928,000	+39,225,000	+179,350,000	−158,750,000
Transition period		168,950,000	150,550,000	200,300,000	170,775,000		+1,825,000	+20,225,000	−29,525,000
Urban Mass Transportation Administration									
Urban Mass Transportation Fund:									
Administrative expenses	5,960,000	12,850,000	10,300,000	10,300,000	10,300,000	+4,340,000	−2,550,000		
Transition period		3,500,000	2,900,000	2,900,000	2,900,000		−600,000		
Research, development, and demonstrations and university research and training	45,050,000	70,250,000	49,000,000	61,000,000	54,000,000	+8,950,000	−16,250,000	+5,000,000	−7,000,000
Transition period		15,000,000	11,000,000	12,000,000	11,500,000		−3,500,000	+500,000	−500,000
Appropriation to liquidate contract authorization	(450,000,000)	(890,300,000)	(890,300,000)	(890,300,000)	(890,300,000)	(+440,300,000)			
Transition period		(275,000,000)	(274,000,000)	(275,000,000)	(275,000,000)				
Total	51,010,000	83,100,000	59,300,000	71,300,000	64,300,000	+13,290,000	−18,800,000	+5,000,000	−7,000,000
Transition period		18,500,000	13,900,000	14,900,000	14,400,000		−4,100,000	+500,000	−500,000
St. Lawrence Seaway Development Corporation									
Limitation on administrative expenses	(886,000)	(943,000)	(923,000)	(923,000)	(923,000)	(+37,000)	(−20,000)		
Transition period		(255,000)	(250,000)	(250,000)	(250,000)		(−5,000)		
Total, title I	3,392,575,000	3,711,801,775	3,410,684,775	3,839,113,775	3,629,545,775	+236,970,775	−82,256,000	+218,861,000	−209,568,000
Transition period		918,781,939	866,826,939	928,966,939	892,276,939		−26,505,000	+25,450,000	−36,690,000
TITLE II									
RELATED AGENCIES									
National Transportation Safety Board									
Salaries and expenses	9,640,000	10,795,000	11,110,000	11,950,000	11,260,000	+1,620,000	+465,000	+150,000	−690,000
Transition period		2,877,000	3,020,000	3,371,000	3,095,000		+218,000	+75,000	−276,000
Civil Aeronautics Board									
Salaries and expenses	17,610,000	19,700,000	18,995,000	19,295,000	19,295,000	+1,685,000	−405,000	+300,000	
Transition period		4,850,000	4,750,000	4,750,000	4,750,000		−100,000		
Payments to air carriers	67,728,000	60,695,000	60,695,000	60,695,000	60,695,000	−7,033,000			
Transition period		15,150,000	15,150,000	15,150,000	15,150,000				
Total	85,338,000	80,395,000	79,690,000	79,990,000	79,990,000	−5,348,000	−405,000	+300,000	
Transition period		20,000,000	19,900,000	19,900,000	19,900,000		−100,000		
Interstate Commerce Commission									
Salaries and expenses	44,970,000	50,470,000	49,130,000	49,630,000	49,330,000	+4,360,000	−1,140,000	+200,000	−300,000
Transition period		12,500,000	12,290,000	12,290,000	12,290,000		−210,000		
Payment for directed rail service		21,600,000		20,000,000	15,000,000	+15,000,000	−6,600,000	+15,000,000	−5,000,000
Transition period									

	New BA enacted fiscal year 1975	New BA estimates 1976/transition	New BA House 1976/transition	New BA Senate 1976/transition	New BA conference 1976/transition	Conference compared with fiscal year 1975 enacted	Conference compared with new BA estimate	Conference compared with House bill	Conference compared with Senate bill
TITLE II—Continued									
RELATED AGENCIES—Con.									
The Panama Canal									
Canal Zone Government:									
Operating expenses	$63,641,000	$60,174,000	$59,800,000	$59,800,000	$59,800,000	—$3,841,000	—$374,000		
Transition period		16,000,000	15,900,000	15,900,000	15,900,000		—100,000		
Capital outlay	5,790,000	3,000,000	2,240,000	2,240,000	2,240,000	—3,550,000	—760,000		
Transition period		650,000	560,000	560,000	560,000		—90,000		
Panama Canal Company: Limitation on general and administrative expenses	(26,199,000)	(24,371,000)	(24,371,000)	(24,371,000)	(24,371,000)	(—1,828,000)	( )	( )	( )
Transition period	( )	(6,540,000)	(6,540,000)	(6,540,000)	(6,540,000)	( )	( )	( )	( )
Total	69,431,000	63,174,000	62,040,000	62,040,000	62,040,000	—7,391,000	—1,134,000		
Transition period		16,650,000	16,460,000	16,460,000	16,460,000		—190,000		
United States Railway Association									
Administrative expenses	12,000,000	10,000,000	10,000,000	10,000,000	10,000,000	—2,000,000			
Transition period									
Washington Metropolitan Area Transit Authority									
Federal contribution:									
Fiscal year 1975	19,400,000					—19,400,000			
Transition period									
Fiscal year 1976	68,024,000	9,500,000	9,500,000	9,500,000	9,500,000	—58,524,000			
Transition period		26,700,000	26,700,000	26,700,000	26,700,000				
Fiscal year 1977		90,059,000	90,059,000	90,059,000	90,059,000	+90,059,000			
Transition period									
Subtotal	87,424,000	99,559,000	99,559,000	99,559,000	99,559,000	+12,135,000			
Transition period		26,700,000	26,700,000	26,700,000	26,700,000				
Interest subsidy	17,129,000	22,200,000	22,200,000	22,200,000	22,200,000	+5,071,000			
Transition period									
Total	104,553,000	121,759,000	121,759,000	121,759,000	121,759,000	+17,206,000			
Transition period		26,700,000	26,700,000	26,700,000	26,700,000				
Total, Title II	325,932,000	358,193,000	333,729,000	355,369,000	349,379,000	+23,447,000	—8,814,000	+$15,650,000	—$5,990,000
Transition period		78,727,000	78,370,000	78,721,000	78,445,000		—282,000	+75,000	—276,000
TITLE III									
GENERAL PROVISIONS									
Federal Aviation Administration: Grants-in-aid for airport development (limitation on obligations)	(310,000,000)	(350,000,000)	(350,000,000)	(350,000,000)	(350,000,000)	(+40,000,000)	( )	( )	( )
Transition period	( )	(87,500,000)	(87,500,000)	(87,500,000)	(87,500,000)	( )	( )	( )	( )
Federal Highway Administration:									
Highway beautification (limitation on obligations)	(45,000,000)	(56,048,000)	(40,000,000)	(56,000,000)	(40,000,000)	(—5,000,000)	(—16,048,000)	( )	(—16,000,000)
Transition period	( )	(14,012,000)	( )	(14,012,000)	( )	( )	(—14,012,000)	( )	(—14,012,000)
Territorial highways (limitation on obligations)	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	( )	( )	( )	( )
Transition period	( )	(1,150,000)	(1,150,000)	(1,150,000)	(1,150,000)	( )	( )	( )	( )
Federal-aid highways and highway safety construction programs (limitation on obligations)	( )	( )	( )	(9,000,000,000)	(9,000,000,000)	(+9,000,000,000)	(+9,000,000,000)	(+9,000,000,000)	( )
Transition period	( )	( )	( )	( )	( )	( )	( )	( )	( )
National Highway Traffic Safety Administration: State and community highway safety (limitation on obligations)	(100,000,000)	(108,000,000)	(100,000,000)	(120,000,000)	(120,000,000)	(+20,000,000)	(+12,000,000)	(+20,000,000)	( )
Transition period	( )	(25,750,000)	(25,000,000)	(30,000,000)	(30,000,000)	( )	(+4,250,000)	(+5,000,000)	( )
Urban Mass Transportation Administration: Urban Mass transportation fund (limitation on commitments)	(1,446,750,000)	(1,724,100,000)	(1,800,000,000)	(1,714,150,000)	(1,707,150,000)	(+260,400,000)	(—16,950,000)	(—92,850,000)	(—7,000,000)
Transition period	( )	(400,000,000)	(395,000,000)	(396,200,000)	(395,700,000)	( )	(+4,300,000)	(+700,000)	(—500,000)
Total	(1,906,350,000)	(2,242,748,000)	(2,294,600,000)	(11,244,750,000)	(11,221,750,000)	(+9,315,400,000)	(+8,979,002,000)	(+8,927,150,000)	(—23,000,000)
Transition period	( )	(528,412,000)	(508,650,000)	(528,862,000)	(514,350,000)	( )	(—14,062,000)	(+5,700,000)	(—14,512,000)
Total									
Transition period									
Total, titles I, II, and III, new budget (obligational) authority	3,718,507,000	4,069,994,775	3,744,413,775	4,194,482,775	3,978,924,775	+260,417,775	—91,070,000	+234,511,000	—215,558,000
Transition period		997,508,939	945,196,939	1,007,687,939	970,721,939		—26,787,000	+25,525,000	—36,966,000
Memoranda:									
Appropriations to liquidate contract authorizations	5,593,560,000	7,122,338,000	7,093,100,000	7,095,100,000	7,109,100,000	+1,515,540,000	—13,238,000	+16,000,000	+14,000,000
Transition period		1,717,500,000	1,712,450,000	1,712,450,000	1,712,450,000		—5,050,000		
Appropriations for debt reduction	179,448	187,225	187,225			—179,448	—187,225	—187,225	
Transition period		48,061	48,061				—48,061	—48,061	
Grand total	9,312,246,448	11,192,520,000	10,837,701,000	11,289,582,775	11,088,024,775	+1,775,778,327	—104,495,225	+250,323,775	—201,558,000
Transition period		2,715,057,000	2,657,695,000	2,720,137,939	2,683,171,939		—31,885,061	+25,476,939	—36,966,000

Mr. BAYH. Mr. President, I thank our distinguished Presiding Officer and our distinguished leader from West Virginia (Mr. ROBERT C. BYRD).

Mr. ROBERT C. BYRD. Mr. President, I thank the distinguished Senator from Indiana for the excellent job he has done on this bill and the conference report. Along with those things, I express the same appreciation to the distinguished ranking member (Mr. CASE) on the other side of the aisle, and I note my friend is smiling this morning.

Mr. CASE. Mr. President, the Senator from West Virginia never has any trouble as long as he is reasonable.

ORDER FOR RESUMPTION OF CONSIDERATION OF SENATE RESOLUTION 265 AT 12 NOON AND ORDER FOR RECOGNITION OF SENATOR JAVITS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at 11:55 a.m. the Senate resume consideration of Senate Resolution 265 and that at that time Mr. JAVITS be recognized for 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECESS UNTIL 11:50 A.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes.

The motion was agreed to, and at 11:20 a.m., the Senate recessed until 11:50 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. CLARK).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. TRADE ABROAD

The Senate continued with the consideration of the resolution (S. Res. 265) to protect the ability of the United States to trade abroad.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Senator ROTH be added as a cosponsor of Senate Resolution 265.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. JAVITS. Mr. President, I would also like to ask the Senator from Connecticut—if I could have his attention—to add me as a cosponsor to this particular resolution.

Mr. President, the reason for my speaking is only to call attention to this resolution which I think has, unfortunately, had much too little attention and should have a great deal more. I believe it is a very interesting and a very important way to deal with a very subtle proposition and a very trying proposition. That is, that many businessmen claim that they simply cannot do business except in conformance with "local conditions" and yet these local conditions are absolutely unacceptable to us as a nation and as a people on moral grounds.

The parallel is rather interesting with the work of the committee of eminent persons on which I serve, the committee of 20 appointed by the United Nations for the purpose of dealing with this very problem and comparable problems of multinational corporations.

We came to a conclusion, and, indeed, there is a continuing commission which is functioning in that regard right now, that only a code of ethical conduct for multinational corporations could solve the problem and maintain some element of morality and of competition among these corporations, half of whom are American, similarly by this giving recognition to a very serious danger to American private enterprise throughout the world.

I like very much the approach which is used and I simply wish to add my voice with all others which will be heard by the vote, which I hope will be unanimous, urging immediately the negotiations, as an element of GATT, and any other trade negotiations, to codify this conduct.

If we give corporate representatives the ability to point to an obligation which has been undertaken, which makes it impossible to engage in these nefarious practices, it will be of enormous helpfulness in gradually seeing them eliminated. If we do not, we will simply sterilize great parts of American business in a very unfair way and because of economic necessity, because many people who would not dream of engaging in immoral or illegal activities would be stigmatized simply because they are businessmen operating abroad.

So I simply add my voice to that of Senator RIBICOFF, Senator LONG, and others who have spoken, pointing out from my own experience in the United Nations the absolutely insoluble quality of this dilemma unless it is done by international agreement.

I hope that our country will take with the utmost seriousness the points which are made in this resolution.

I yield the floor.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that Senator PERCY and Senator JAVITS be added as cosponsors of Senate Resolution 265.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I yield to my colleague.

Mr. PERCY. Mr. President, I should like simply to add my voice to those who serve on the Committee on Finance, to Senator LONG, and to Senator RIBICOFF, for their leadership in this field.

Senator CASE and I have served as the two Republicans on the Subcommittee on Multinational Corporations of the Committee on Foreign Relations, and we have had the unhappy task of conducting hearings in this area to expose and bring to the light of day kickbacks, payoffs, extortions, bribes, and all the sordid, seamy type of activity that has been engaged in over a period of years.

It is deeply regrettable that the sunshine that has been directed at this matter by the Congress of the United States does not focus on international companies and on foreign companies which have been engaging in these practices long before the United States was a nation and long before American corporations were engaging in business abroad.

I made the point, and can reinforce it with some 25 years in business experience, that the number of companies dealing with these activities is minor indeed. A vast, overwhelming majority of international business by American corporations is done without anything other than the price, quality of goods sold, and service being offered, being taken into account; these cases that have been brought to light are the exception, certainly not the rule.

Mr. President, I ask unanimous consent that correspondence I have had with Treasury Secretary William E. Simon—my letter to him of October 6, 1975 and his reply to me of October 29, 1975—be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OCTOBER 6, 1975.

Hon. WILLIAM E. SIMON,
Secretary,
Department of the Treasury,
Washington, D.C.

DEAR BILL: During the course of our hearings of the Multinational Subcommittee of the Foreign Relations Committee, I announced my intention of making every attempt to make the payment of bribes to foreign officials, the making of political contributions to political parties abroad, and the extortion of payments from corporations to political officials or parties an illegal international act.

It is my feeling that we can best move on this area through multinational means rather than just assuming we can correct the mores, habits and customs of world trade that were well-entrenched long before we became a nation.

I would appreciate the Treasury Department drawing up legislation, working with my staff and myself in this area, that can be presented to the appropriate international forum.

Warmest personal regards,

CHARLES H. PERCY.

SECRETARY OF THE TREASURY,
Washington, D.C., Oct. 29, 1975.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, D.C.

DEAR CHUCK: Your letter of October 6 refers to a subject about which I also have strong feelings. Bribery of government officials from whatever source, solicitation of bribes by government officials and solicitation of illicit political contributions are reprehensible. I also agree that it is time this matter is raised in the appropriate international forum. Accordingly, I have already taken steps which I believe accord with the objectives expressed in your letter.

As you may know, last month at the IMF Annual Meeting I raised the issue of bribery and illicit political contributions with the Secretary General of the Organization for

Economic Cooperation and Development, Emile Van Lennep. He was sympathetic to the addition of a provision on bribery and illicit political contributions in the international agreement between OECD member governments on the Guidelines for Multinational Enterprises, which is being negotiated in the OECD. I also spoke with the Finance Ministers of Germany, France, Canada, Japan, and the U.K. about the same idea, and they generally were agreeable to seeing the subject raised in an OECD context.

Accordingly, on October 1, the U.S. delegation to the OECD proposed language on bribery and illicit political contributions for inclusion in the Guidelines for Multinational Enterprises. This met strong resistance from the other participants and a very weak provision was offered in its place by certain other member governments. However, we intend to press for a stronger provision.

This issue is also likely to arise in negotiations on a code of conduct for transnational enterprises this fall under the auspices of the United Nations Commission on Transnational Enterprises.

I believe that it is particularly appropriate to seek agreement on this subject in the OECD. Eighty percent of all multinational enterprises are headquartered in OECD countries. The OECD provides a suitably small, manageable forum in which to discuss issues affecting them. Furthermore, it is primarily the Europeans who have been pushing for a set of guidelines for multinational enterprises. They may therefore be amenable to including in the Guidelines the kind of language we want on bribery and illicit political contributions.

Treasury would be happy to discuss with you or your staff the bribery and illicit political contribution problem, and I have asked my General Counsel, Dick Albrecht, to have an appropriate person on his staff contact your staff on this.

With best regards,

Sincerely yours,

William E. Simon.

Mr. PERCY. Mr. President, that indicates clearly that the Secretary of the Treasury stands foursquare behind having a sound policy in this regard and that he will use the good offices of the Secretary to see that we work to achieve it in international forums.

The PRESIDING OFFICER. The hour of 12 noon having arrived, pursuant to a previous order, the Senate will now proceed to vote on Senate Resolution 265.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Morgan). Without objection, it is so ordered.

Mr. ROTH. I ask unanimous consent that Lloyd Feldman, of my staff, be granted the privilege of the floor during the consideration of legislation on situs picketing.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I may proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 10585

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as the bill H.R. 10585, dealing with the debt limit extension comes over from the other body, it be held at the desk; that the leadership be authorized to call it up at any time; that there be a time limitation on it of 4 hours to be equally divided between Mr. Long and Mr. Curtis, and that the agreement be in the usual form.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. And, Mr. President, that there be a time limitation on any amendment thereto of 30 minutes, with a time limitation on each of three amendments by Mr. Curtis of 40 minutes, to be equally divided in accordance with the usual form; that there be a time limitation on any debatable motion or appeal of 20 minutes, a time limitation on any point of order if submitted to the Senate for discussion of 10 minutes, and that such time agreements be in the usual form.

Mr. CURTIS. My amendments can be limited to 20 minutes instead of 40 minutes.

Mr. ROBERT C. BYRD. And with the whole agreement in the usual form.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the unanimous-consent agreement is as follows:

Ordered, That it be in order at any time for the leadership to call up H.R. 10585, an act to temporarily increase the public debt limit until March 15, 1976, and that when the Senate proceeds to its consideration, debate on any amendment (except 3 amendments to be offered by the Senator from Nebraska (Mr. Curtis), on which there shall be 40 minutes each) shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any point of order which is submitted or on which the Chair entertains debate shall be limited to 10 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That in the event the manager of the bill is in favor of any such amendment, motion, or point of order, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said resolution shall be received.

Order further, That on the question of the final passage of the said bill, debate shall be limited to 4 hours, to be equally divided and controlled, respectively, by the Senator from Louisiana (Mr. Long) and the Senator from Nebraska (Mr. Curtis): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

U.S. TRADE ABROAD

The Senate continued with the consideration of the resolution (S. Res. 265) to protect the ability of the United States to trade abroad.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Minnesota (Mr. Humphrey), the Senator from Minnesota (Mr. Mondale), and the Senator from New Mexico (Mr. Montoya) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. Huddleston) is absent on official business.

I also announce that the Senator from Michigan (Mr. Hart) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Kansas (Mr. Pearson), and the Senator from South Carolina (Mr Thurmond) are necessarily absent.

I further announce that if present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "yea."

The result was announced—yeas 93 nays 0, as follows:

[Rollcall Vote No. 479 Leg.]

YEAS—93

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Curtis
Dole
Domenici
Durkin
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—7

Hart, Philip A.
Huddleston
Humphrey
Mondale
Montoya
Pearson
Thurmond

So the resolution (S. Res. 265), as amended, was agreed to.

The committee amendment to the preamble was agreed to.

The preamble, as amended, was agreed to.

The resolution, with its preamble, as amended, is as follows:

Whereas recent statements of American corporations before the Congress and recent disclosures of the Securities and Exchange Commission have revealed that policies and practices in foreign nations necessitate the use of special and unusual payments through middlemen, and the use of direct and indirect payments to foreign government officials, to compete reasonably and effectively in those markets;

Whereas public disclosure by American corporations and by the Securities and Exchange Commission have revealed direct and indirect involvements by the governments of other nations in unreasonably and unjustifiably restricting and limiting trade and commerce with its agencies and offices by requiring or inducing political contributions to compete reasonably and effectively in those markets;

Whereas the practices of bribery, indirect payments, kickbacks, unethical political contributions, and other such similar disreputable activities have been found to be widespread internationally and are a significant influence on the conduct of trade and commerce, and may otherwise continue on the part of other governments and business enterprises in other nations, which would give rise to unfair, unjust, and unreasonable conditions of competition in world trade and commerce;

Whereas it is the intent of Congress that American companies be able to compete fairly without participating or being required, coerced, or otherwise induced to participate in such improper practices;

Whereas the Trade Act of 1974 stipulates that the overall objective of the United States in negotiating trade agreements is to obtain more open and equitable market access and the harmonization, reduction, or elimination of devices which distort trade or commerce and stipulates as a major purpose of that Act that trade agreements should assure substantially equivalent competitive opportunities for United States commerce, and provides the President with appropriate negotiating powers toward these ends;

Whereas section 301 of the Trade Act of 1974 requires that "Whenever the President determines that a foreign country or instrumentality . . . (2) engages in discriminatory or other acts or polices which are unjustifiable or unreasonable and which burden or restrict United States commerce, . . . the President shall take all appropriate and feasible steps within his power to obtain the elimination of such restrictions or subsidies . . ."; and

Whereas the Trade Act of 1974 provides that the Committee on Finance shall provide oversight and that the chairman of the Committee on Finance shall appoint congressional delegates to serve as official advisors to conferences, meetings, and negotiating sessions relating to agreements pursuant to the Trade Act of 1974: Now, therefore, be it

Resolved, That the Special Representative for Trade Negotiations, the United States Representative to the United Nations, and appropriate officials of the Departments of State, Commerce, the Treasury, Defense, Agriculture, and Justice, in consultation with the chairman of the Committee on Finance and the congressional delegates for trade agreements initiate at once negotiations within the framework of the current multilateral trade negotiations in Geneva, in other negotiations of trade agreements pursuant to the Trade Act of 1974, and in other appropriate international forums with the intent of developing an appropriate code of conduct and specific trading obligations among governments, together with suitable procedures for the settlement of disputes, which would result in elimination of such practices on an international, multilateral basis, including suitable sanctions to cope with problems posed by nonparticipating nations, such codes and written obligations to become part of the international system of rules and obligations within the framework of the General Agreement on Tariffs and Trade, and other appropriate international trade agreements pursuant to the provisions and intent of the Trade Act of 1974.

SEC. 2. It is the sense of the Senate that the President should include, in the annual reports to the Congress required under section 163 of the Trade Act of 1974, reports on progress made in negotiations with respect to the development and implementation of the international code of conduct referred to in this resolution.

Mr. RIBICOFF. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. CURTIS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, H.R. 5900, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ROBERT C. BYRD. Mr. President, the pending question is on agreeing to the substitute amendment offered by Mr. ALLEN to the substitute amendment offered by Mr. WILLIAMS. The substitute amendment offered by Mr. ALLEN is, in essence, the amendment reported from the committee chaired by Mr. PROXMIRE, the measure dealing with the New York question.

Mr. President, I feel that there will probably come a time when the Senate will wish to face up to this New York question. However, the House of Representatives is, as I understand it, anticipating some action within the next few days. In the meantime, the Senate leadership hopes that the Committee on the Judiciary will be able to report a bill implementing the President's wishes in connection with changes in the Bankruptcy Act.

I feel that the Senate ought not be utilizing its time at this point in discussing the New York situation, and I believe that there is another time and place for that. I do not believe that it should be insinuated into the situs picketing deliberations.

Therefore, I am prepared to move to table the Allen substitute. I do not wish to do that, however, if the distinguished Senator from Alabama would wish to discuss this substitute for a while. I would be very glad to yield to him for that purpose, with an understanding that I would then be given the floor back and move to table his amendment. If the distinguished Senator from Alabama does not wish to discuss his substitute at this time, it would be my intention to move to table the amendment.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. NELSON. Mr. President, will the Senator yield for a unanimous consent request?

Mr. ROBERT C. BYRD. I have the floor. I am glad to yield to the distinguished Senator from Wisconsin for that purpose.

Mr. NELSON. Mr. President, I ask unanimous consent that Jeffrey Nedelman and Judith Robinson, of my staff, have the privilege of the floor during the course of all the proceedings this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Alabama for the purpose of his making a response to my statement.

Mr. ALLEN. I thank the distinguished Senator from West Virginia for yielding to me.

Mr. President, I believe that the substitute I have offered would set a proper priority as between these two measures—the situs picketing and action by the Senate with respect to the New York bailout.

I do not favor the enactment of the bill which is made the basis of the substitute which I have offered. But I do believe that the Senate should be given an opportunity at this time, when we hear that every day is important, to vote up or down on this issue, or at least say "Yes" or "No."

The distinguished Chairman of the Federal Reserve Board stated, in testimony before one of the committees, or made this statement prior to that, that if Congress had said "No" with respect to the bailout request, a proper accommodation would have been made by now locally in New York City and New York State. So I hope that the answer of the Senate on this matter will be a "No."

There is absolutely no urgency with respect to the situs picketing bill. We have heard in debate on the floor of the Senate that this measure, or this concept, has had the support of every President since the 1940's. Yet, it is not now the law; and, according to my observation, there is no lack of ability under the present law to bring a construction project to a halt. So why should the situs picketing bill be given priority over Senate action or a Senate expression with respect to the New York bailout?

Mr. President, if this substitute were adopted, it would merely take the place of the substitute of the distinguished Senator from New York and the distinguished Senator from New Jersey. It would not yet become the bill. It would take still another vote to make it part of the bill.

Mr. BAYH. Mr. President, will the Senator yield for 30 seconds?

Mr. ALLEN. With the understanding that the Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. I am glad to yield to the Senator from Indiana.

Mr. BAYH. I apologize for interrupting the Senator.

Mr. President, I ask unanimous consent that Barbara Dixon, of my staff, have the privilege of the floor during the consideration of and votes on the situs picketing and collective bargaining bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, before I yield further to the distinguished Senator from Alabama, can the Senator give me some idea—I have no problem with a reasonable amount of time—as to how long he may take?

Mr. ALLEN. Not in excess of 15 minutes; probably not that long.

Mr. ROBERT C. BYRD. Mr. President, I yield to the distinguished Senator from Alabama for not to exceed 30 minutes, with the understanding that it not be for the purpose of making any motion or taking action in relation to the pending amendment, and that when the distinguished Senator completes his response to my earlier statement or says whatever he wishes to say, I then be recognized again for the purpose of making a motion to table.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from Alabama is recognized.

Mr. ALLEN. Mr. President, if the substitute I have offered is accepted in lieu of the substitute of the distinguished Senator from New York and the distinguished Senator from New Jersey, it then will become the pending substitute. If no other amendments are offered—no amendments could be offered to this particular one—if no other amendments should be offered to the bill and it should be approved by the Senate, it would then go to the House. The House would have the option of accepting the New York bailout or going to conference. It would be my judgment that they could come up with a bill that would embody both the House bill and the Senate bill.

However, I welcome the tabling motion. As I stated yesterday, I might be inclined to offer a tabling motion, myself, because I do not favor the final enactment of the bailout plan. But we hear so much about possibly extending discussion on this issue and so much about obstructionism, that here is an opportunity to vote up or down on this question and find out how the Senate feels about it.

We read in the newspapers about polls taken of Senators. We read about the bailout bill gathering momentum. Let us see where the Senate stands. Let us vote on this substitute. If the Senate expresses itself by being opposed to the concept of a bailout, let us let the Senate express itself.

A motion would have been in order to proceed to the consideration of the bailout bill. It is on the calendar. But custom has given the prerogative of deciding what measure shall be considered, what bill shall be considered, the priority of deciding when to move to something, to the leadership. So it would not have been in accordance with custom to move to proceed to the bailout bill. Yet, an amendment is in order, under any stretch of the imagination as to custom or procedure, to substitute the bailout bill, under the vehicle of H.R. 5900. That is what the substitute would do.

Let us get an expression of the Senate on this issue. Those who favor the bailout would have an opportunity to so vote. Those who would like to kill the bailout would have an opportunity to so vote. The issue would not be so clear on the motion to table, which the distinguished Senator from West Virginia says he is going to make as soon as I conclude my remarks.

The substitute is offered in good faith. It would be an effort on the part of the Senator from Alabama to put before the Senate a matter that all would concede is a matter of top priority, as against an issue that has been kicking around, Mr. President, for over 30 years, so why should that issue be placed ahead of an issue where they say every hour counts and every day counts?

I have no doubt that the leadership can get a tabling vote passed in the Senate with regard to this substitute, but still, it will give Senators an opportunity to express themselves on this most important issue. If the Senator from Alabama votes against tabling his amendment, it would not be because he favors the concept of a bailout of New York City, because he thinks that is not in the public interest. It would be because he feels that this issue should have top priority over an issue about which there is no hurry, about which there is no crisis, about which there is no emergency.

Mr. President, I have nothing further to say. If the motion to table is made, I shall call for the yeas and nays, but I do not care to address myself further to the subject.

Mr. ROBERT C. BYRD addressed the Chair.

Mr. JAVITS. Mr. President, will the Senator yield to me for just a minute?

Mr. ROBERT C. BYRD. I yield to the distinguished Senator from New York for the purpose of his making a statement on this subject.

Mr. JAVITS. Mr. President, I think the best answer to my colleague from Alabama is simply that the Senate is not ready to deal with or act upon this issue. The anomaly is clearly demonstrated by the fact that he made the motion. He is probably the most dedicated opponent in this Chamber to the concept. I am goin to vote to table it and I am probably the most dedicated advocate of the concept in this Chamber. It therefore defies the laws of nature not to move to table it. I hope the Senator from West Virginia, as one of our leaders, will so move.

Mr. ROBERT C. BYRD. Mr. President, my motion to table, when I have made the motion, is not to be taken as an indication that I oppose the concept of a Federal loan guarantee to New York, as is envisioned in the bill reported out by the committee chaired by the distinguished Senator from Wisconsin (Mr. PROXMIRE). I have not reached a final conclusion on that matter as to where I must stand once there is adequate debate on the measure and it reaches a final vote.

The leadership is not prepared to dispose of this question today on its merits. The other body will probably act, the first of next week, on a somewhat similar bill. The leadership on this side of the Capitol has decided to await action by the other body. At least, that is the present plan of the leadership here.

The Committee on the Judiciary, as I have already indicated, met last week to consider legislation to change the bankruptcy laws so as to allow the city of New York to petition the court under the laws, and the committee exercised its rights under the 7-day rule. This would mean that the Committee on the Judiciary will probably be back on this matter by tomorrow. The leadership also, in view of that action, wishes to await that action before proceeding with the New York question. Consequently, it really serves no useful purpose to have this amendment up at this time. It is certainly in order for the distinguished Senator from Alabama to have offered the amendment, but it is unreal in that whatever action is taken on that amendment, even if there were a vote on the amendment itself up or down, would not be a true reflection of where the Senate stands on the question. So I am reluctant. I do not often move to table amendments by other Members, but in this instance, I think it is as important that the leadership itself move to table so that no misinterpretation can be read into the outcome of the vote. It is purely a leadership preference, and with substantial justification, that this matter not be voted on up or down in connection with the situs picketing bill, but that it wait until such time as it can be taken up and decided purely on its own merits.

Mr. President, I move to table the amendment of the Senator from Alabama.

Mr. ALLEN. I call for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia to lay on the table the amendment of the Senator from Alabama.

The clerk will call the roll.

The legislative clerk called the roll.

(At this point Mr. FORD assumed the chair.)

Mr. ROBERT C. BYRD. I announce that the Senator from Minnesota (Mr. HUMPHREY), the Senator from Minnesota (Mr. MONDALE), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Kentucky (Mr. HUDDLESTON) is absent on official business.

I also announce that the Senator from Michigan (Mr. HART) is absent because of illness.

I further anounce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Michigan (Mr. GRIFFIN), the Senator from Kansas (Mr. PEARSON), and the Senator from South

Carolina (Mr. THURMOND) are necessarily absent.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 73, nays 19, as follows:

[Rollcall Vote No. 480 Leg.]

YEAS—73

Abourezk
Baker
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Fong
Ford
Garn
Glenn
Gravel
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Hollings
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Taft
Tunney
Weicker
Williams
Young

NAYS—19

Allen
Bartlett
Curtis
Eastland
Fannin
Goldwater
Hansen
Helms
Hruska
Johnston
Laxalt
Long
McClellan
McClure
Metcalf
Scott, William L.
Stennis
Talmadge
Tower

NOT VOTING—8

Griffin
Hart, Philip A.
Huddleston
Humphrey
Mondale
Montoya
Pearson
Thurmond

So the motion to lay on the table Mr. ALLEN's amendment (No. 1066) was agreed to.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. ALLEN. I yield.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, the Librarian of Congress will be sworn in this afternoon. I have been asked by certain Senators who wish to attend that swearing in if we could get an agreement that between 2 and 2:30 p.m. today there will be rollcall votes.

I so ask unanimous consent.

Mr. ALLEN. What is the time?

Mr. ROBERT C. BYRD. Between the time of 2 and 2:30 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. ALLEN. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

Amend amendment No. 1058 by adding a new subsection as follows:

Between lines 21 and 22 on page 5 add the following:

(j) Any State may by legislative act provide that the common situs picketing herein authorized shall not be authorized or permitted in such State, and that the same shall be illegal.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I shall be brief.

This is a provision that is contained in labor-management relations legislation now the law of the land.

Section 14(b) of the Taft-Hartley Act provides that States may, in their jurisdiction, pass right-to-work laws. Many States have done this.

Efforts have been made from time to time to repeal section 14(b), doing away with the rights and powers of the States to enact legislation in this field. But those efforts have never been successful because Congress has recognized the right of States to legislate in this field.

The Congress can pass legislation taking that power away from the States. Conversely, they can pass legislation that becomes the general law of the land but allow the States, in their discretion, to go a different route. This is exactly the same situation. It is a most important departure—that is, the pending legislation, the situs picketing concept, is a departure—from the existing law. But the Congress has the perfect right, as it has done in the case of right-to-work laws, to authorize the States to put in laws that the State legislatures feel their people want.

That is all it does.

Until such time as the States act, common situs picketing would be permitted throughout the length and breadth of the land. But if the legislature of the State of New Jersey, North Carolina, Louisiana, California, or Alabama want to outlaw it or make it illegal, if they want to continue the present law of the land, they would have the right to do so by affirmative action.

This is merely in compliance and in following the precedent that exists right now under the Taft-Hartley law.

Mr. President, this approach by the Senator from Alabama is by no means novel. It would, in effect, provide for a 14(b) type relationship on this important piece of labor legislation, and their legislatures, to continue the present law in this field.

I have no intention of discussing the matter at length. I am willing to leave it to the good judgment of the Members of the Senate. It would be hard for me to see how Members of the Senate and Members of the House could support the concept of section 14(b) of Taft-Hartley without being for exactly the same pattern with respect to common situs picketing.

Mr. President, I call for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WILLIAMS. Mr. President, I rise in opposition to the proposed amendment. This amendment in the nature of a substitute that is before us, and indeed the House bill, have nothing at all to do with State right to work laws. That was made quite clear, it seemed to this Senator, in yesterday's debate, in the colloquy between the Senator from Oregon and the Senator from Nevada.

Mr. NELSON. Mr. President, will the Senator from New Jersey yield for a unanimous consent request?

Mr. WILLIAMS. I yield.

Mr. NELSON. I ask unanimous consent that Warren Sawall, of my staff, be accorded the privilege of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. To be very brief, Mr. President, there is no justification whatsoever for having a different rule from State to State concerning what is primary and what is secondary activity. The entire focus of the legislation before us is to achieve an understanding of what is primary and what is secondary activity; and it extends the opportunities to the construction industry that now prevail in manufacturing generally. It does not make unlawful what is lawful. It is now lawful for States to enact State right to work laws, and this legislation does not disturb that at all. I thought that was made very clear.

As I understand it, this amendment would be an extension to States of a new authority to deal with just the subject matter of this legislation, and say that notwithstanding what is done here in Congress at the national level on a definition of primary and secondary activity, the State can find a new definition of primary and secondary activity.

It seems to me that if we have a National Labor Relations Act and we have basic amendments to it which are national in scope, the one exception, of course, being section 14(b), which permits States to override on one specific, that is, union security agreements between labor and management, I do not think that we should not also have a national policy dealing with something as central to our national life and our economy as labor-management relations.

If we should go to this amendment and open a new door to greater fragmentation, believe me, the efforts that are being made to find new, better, and more harmonious relationships between labor and management would be defeated to some extent.

I strongly oppose the amendment. I have nothing further to say. I ask unanimous consent to have printed in the RECORD some case documentation supporting the position I have taken.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CASE DOCUMENTATION

The basic policy of the National Labor Relations Act is one of national uniformity as the Supreme Court has repeatedly recognized, e.g., *San Diego Unions* v. *Garmon*, 359 U.S. 236; *Iron Workers* v. *Perko*, 373 U.S. 701; *Teamsters Union* v. *Morton*, 377 U.S. 252; *Bus Employees* v. *Lockridge*, 403 U.S. 217. § 14(B) is a limited exception to the NLRA's policy of national uniformity, and was adopted by Congress in 1947 as part of a compromise on the whole union security problem.

That compromise provided that workers could be required to be members of the union, that is, to tender to the union full initiation fees and periodic dues payable by members, provided that there was an agreement with the employer to that effect and that such obligation would not become effective until a prescribed period thereafter.

In reaching that compromise, the House-Senate conferees in 1947 adopted the House proposal to leave intact the constitutional provisions and statutes of some States which outlawed union security arrangements. It was understood at the time to be a narrow and limited exception to the general policy of uniformity and it has been so construed by the Supreme Court.

See House Report No. 245 on H.R. 3020, P. 44, House Conf. Report No. 510 on H.R. 3020, p. 60; these provisions are quoted in *Retail Clerks* v. *Schermerhorn*, 375 U.S. 96, 101, notes 8 and 9.

The principle of national uniformity has been interpreted by the Supreme Court to mean that picketing to obtain an agreement which would violate a State right-to-work law is a subject of Federal, not State law.

As the court held in *Schermerhorn*:

"On the other hand, picketing in order to get an employer to execute an agreement to hire all-union labor in violation of a State union-security statute lies exclusively in the federal domain (*Local Union 429* v. *Farnsworth & Chambers Co.* 353 U.S., 969, and *Local No. 438* v. *Curry*, 371 U.S. 524), because State power, recognized by § 14(B), begins *only with actual negotiation and execution of the type of agreement described by § 14 (B)*.

"Absent such an agreement, conduct arguably an unfair labor practice would be a matter for the National Labor Relations Board."

The Supreme Court's limitation of State power in *Schermerhorn* was necessary, to prevent the undermining of statutory policy preserving the right to strike and Congress' determination that the National Labor Relations Act was to be the sole vehicle for enforcing limitations on that right.

There is no reason whatsoever to depart from this long-settled congressional policy with respect to the subject matter of this bill.

Mr. ALLEN. Mr. President, the remarks of the distinguished Senator from New Jersey have certainly failed to show why there would be no need for this amendment, because under the present law situs picketing is not permitted in any State. After this bill is passed—and the indications are that it will be—situs picketing will be permitted throughout the land; but if the amendment of the Senator from Alabama is adopted, it would allow States to vary the situation as regards their particular States. We do not have situs picketing anywhere now. If this bill is passed, we would have it in all States initially; but that would be subject to being changed in those States that change it. So there would be some forward movement toward situs picketing.

The situation is exactly the same as regards right-to-work laws. Under the National Labor Relations Act, the right-to-work principle is not respected; but States are permitted to establish such right if they enact legislation to that effect—exactly a parallel situation. So if they can have a different field of operation with respect to right-to-work laws, and the right-to-work principle not respected under national legislation but permitted under national legislation to States that adopt that principle, that is an exact parallel to the situation that will exist if this amendment is agreed to: situs picketing permitted throughout the country, but the States having a right to say under their jurisdictions situs picketing will not be permitted.

At this point, we have no right at all to have situs picketing. So why would the amendment of the Senator from Alabama infringe on the rights of organized labor, which does not have the right anywhere to have situs picketing now, whereas if the bill is passed with the amendment of the Senator from Alabama, they will have situs picketing throughout the Nation except in those areas where the State legislature of a particular State says, "No, thanks"?

Just as we want a right-to-work law, we do not want to accept the principle of situs picketing.

So, Mr. President, this is entirely consistent and in line with section 14(b). It does allow the States to set up a different procedure from what is set up under the National Labor Relations law.

I believe it is a sound amendment. It is an amendment that recognizes the principle of States rights. If Congress is unwilling to wipe out the right of States to have right-to-work laws, they are not willing to force on the States a concept that does not permit right-to-work laws, why, then, should they not be willing to pass the situs picketing law by giving the States the right to provide that that concept shall not be applicable in that particular State?

I have no further comments to make with respect to the amendment. It is not a question that I feel that the situs picketing law will interfere with right-to-work laws. Of course, everyone knows they are not going to interfere with that. But that does not answer the question.

Should the States be permitted to provide that this concept of situs picketing should not be the law in that particular State if the legislature should outlaw situs picketing in that State?

I believe it is a good amendment. I believe it would provide a whole lot better feeling on the part of the people throughout the country. I think it would make the law easier to accept where the State legislature has the right to follow a different route.

I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alabama. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Minnesota (Mr. MONDALE), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Rhode Island (Mr. PELL), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER) and the Senator from Kentucky (Mr. HUDDLESTON) are absent on official business.

I also announce that the Senator from Michigan (Mr. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Rhode Island (Mr. PELL) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Kansas (Mr. PEARSON), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. HUGH SCOTT) would vote "nay."

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from New Jersey (Mr. CASE). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from New Jersey would vote "nay."

The result was announced—yeas 35, nays 54, as follows:

[Rollcall Vote No. 481 Leg.]

YEAS—35

Allen
Baker
Bartlett
Bentsen
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Cannon
Chiles
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Garn
Goldwater
Hansen
Helms
Hollings
Hruska
Johnston
Laxalt
McClellan
McClure
Morgan
Nunn
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Tower
Young

NAYS—54

Abourezk
Bayh
Beall
Bellmon
Biden
Brooke
Burdick
Byrd, Robert C.
Church
Clark
Cranston
Durkin
Eagleton
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Inouye
Jackson
Javits
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Montoya
Moss
Muskie
Nelson
Packwood
Pastore
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NOT VOTING—11

Case
Culver
Hart, Philip A.
Huddleston
Humphrey
Kennedy
Mondale
Pearson
Pell
Scott, Hugh
Thurmond

So Mr. ALLEN's amendment was rejected.

Mr. WILLIAMS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, in recent months I have given detailed attention with respect to congressional efforts toward enacting legislation to allow building trade unions the right to extend picket lines to an entire construction site. As my colleagues are aware, the bill under consideration, S. 1479, would void a 1951 Supreme Court decision, NLRB against Denver Building and Construction Trades Council, which, by application, imposed limitations on the extent to which strike activities by unions can occur on a general construction site.

This is an issue of vital significance to both union and management alike. Implementation of the provision of S. 1479 may well have a significant economic impact on the $135 billion construction industry, it will have a long-term effect on the costs of building construction to the public at large, and it will fundamentally alter the present balance of power in labor-management negotiations.

Given these and other important considerations, I believed that it was essential to give exacting and thorough review to both the legal and practical ratifications of S. 1479, to weigh my belief in the right of unions to picket against the right of innocent parties to be exempt from certain coercion and force as guaranteed by the Constitution. I have studied these matters carefully, and I intend to oppose passage of this bill.

For nearly a quarter-century, the building trades unions have been attempting to overturn, through the legislative process, the picketing limitations imposed by the Denver Building Trades decision. The decision held that contractors and subcontractors on a construction site are separate legal entities for the purpose of what constitutes, under the Taft-Hartley and Landrum-Griffin amendments to the National Labor Relations Act, an illegal secondary boycott. Such secondary activities by unions have long been highly restricted, or prohibited outright, because of their economic impact on innocent or neutral third parties by unfairly involving the third party in a labor dispute that is not of his making, and that is beyond his power to control.

The potentially damaging effects of widespread secondary boycotts were given particular emphasis in the years following World War II, when, in 1947, Congress reacted to a wave of post-war strikes and lost man hours by writing a prohibition against secondary boycotts into the Taft-Hartley Act.

The secondary boycott provision of the 1947 act—now section 8(b)(4)(B)—prohibits union conduct which induces employees to engage in strikes or concerted refusals to work where the objective is to force an employer to cease doing business with any other person. The act provides for mandatory injunctive relief and permitted money damages in the event of such activity.

Central to the questions surrounding S. 1479 is the unique relationship between labor and management characteristic of a construction project, whereon employees from a number of separate firms, including the general contractor and selected subcontractors, are working at a common site. This situation is in contrast to operations at a manufacturing or textile plant, for example, where workers representing a number of different unions work and negotiate with a single firm. On a construction project, with many different employees involved, the situation often exists wherein union and nonunion firms can be working at the same job site. This may lead to efforts by unions to organize the nonunion employees on the site, and to put pressure on the union employers to cease doing business with the nonunion firm.

Under existing law, as interpreted by the Denver Building Trades decision, any effort by a union to place a picket around the entire job site, thus incorporating both union and nonunion contractor into an isolated dispute, constitutes a secondary union activity and is, therefore, prohibited.

S. 1479 is designed to overturn the Denver building trades decision. Proponents of this legislation argue that the relationship of employers on a construction site is, for all intents and purposes, identical with a manufacturing site. They claim the "fiction" that each contractor and subcontractor of a building site is a separate, independent employer should be ended, and that the right to picket all employers, even if some have fully complied with union demands, should be extended to trade unions.

Against this assumption, and for the time being laying aside economic considerations and the rights of nonunion workers or members of independent unions, examination must be given to a situation, which can arise under provisions of S. 1479, which will unfairly involve a truly innocent employer in a labor dispute. It is consideration of the rights of this specific employer, exclusive of all other potential impacts under this bill, which leads me to oppose this legislation. The situation is as follows:

A general contractor has negotiated successfully a long-term agreement with the six trade unions with which he generally deals. These include the cement masons, operating engineers, laborers, carpenters, ironworkers, and teamsters.

The general contractor has met all union demands with respect to wages, working conditions, et cetera. He has operated in good faith. In the course of trying to establish a bid for a 10-story hospital complex badly needed by the community, the general contractor seeks and receives an estimate for the installation of electrical wiring from a union subcontractor. With full knowledge that, under provision of the law Congress is now considering, the entire hospital site might be struck should he hire a nonunion subcontractor, the general contractor seeks only to hire an electrical subcontractor who has also met union demands. However, the general contractor has no control over negotiations between the electricians' union and the subcontractor. These negotiations are held outside the general contractor's purview and not in conjunction with the agreement he reached with his six unions. Although the general contractor has sought only to hire a union subcontractor, he cannot anticipate a future grievance which may be brought against the subcontractor by the union when the contract expires.

The general contractor succeeds in his efforts to receive the bid for the hospital and construction on the 2-year project begins.

Nine months into construction, the electricians are laying "seams" in each of the bottom stories of the building for future electrical work when all 10 stories are complete.

Two months later, the agreement between the electricians' union and the subcontractor expires. New demands are then made upon the employer by the union which he feels are excessive and unjustified. He refuses to meet these demands and subsequent efforts at negotiating differences fail.

The electrical contractor is struck. In order to publicize their demands, and under the power granted to them in S. 1479, the electricians' union pickets the entire hospital site. The six unions, with which the general contractor has established a long-term contract, refuse to cross that picket line and the entire operation is shut down. The job stands idle for weeks while the grievance of the electricians' union remains unresolved. The general contractor, who under existing law has the option to continue construction in the hope that the strike will be resolved, is, under common situs provisions, without options.

My concern then is with the general contractor who has made concerted efforts to meet union demands, who has refused to hire nonunion subcontractors, who, in short, has complied in total to the letter and expectations of S. 1479, and yet may face economic loss of the most serious nature. The right of the generator contractor, as well as other subcontractors in a like situation, to pursue economic gain must be acknowledged and affirmed if this bill is to have a fundamental basis in constitutional guarantees agaist unfair and unnecessary coercion. As now written, this legislation, as applied under the above-mentioned criteria, critically abridges those rights.

Congress must recognize that, in an effort to extend "equal rights" to the many, it might well vitiate the rights of the few. I therefore urge my colleagues to consider this matter carefully. Beyond the dire economic claims, justified or unjustified, and beyond the decades-old legal questions surrounding the relationship of contractors on a job site following the Denver Building Trades decision, there lies the ongoing, fundamental commitment of a democratic government to protect the innocent against political and economic power beyond his power to control. Such protection is lost to the provisions of the legislation and I cannot therefore with clear conscience support it.

EXTENSION OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate proceed to consider calendar No. 438, H.R. 8841.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes.

The PRESIDING OFFICER. Is there objection to present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments as follows:

On page 5, in line 9, strike "Secretary."." and insert "Secretary.";

On page 5, beginning with line 10, insert the following:

"(D) PUBLICATION IN THE FEDERAL REGISTER.—The Administrator shall, simultaneously with any notification to the Secretary of Agriculture under this paragraph prior to the issuance of any proposed or final regulation, publish such notification in the Federal Register.".

On page 5, in line 22, strike "is" and insert "are";

On page 6, in line 1, after "$47,868,000" insert a comma and "and for the period beginning October 1, 1976, and ending September 30, 1977, the sum of $47,200,000.".";

On page 6, in line 25, strike "shall" and insert "may";

On page 7, in line 7, strike "take" and insert "pass";

On page 8, in line 21, after the period, insert "The Administrator may require such information from the nominees to the advisory panel as he deems necessary, and he shall publish in the Federal Register the name, address, and professional affiliations of each nominee.";

On page 9, in line 8, after the period, insert "In order to assure the objectivity of the advisory panel, the Administrator shall promulgate regulations regarding conflicts of interest with respect to the members of the panel.".";

On page 11, in line 11, after the word "request", insert "in accordance with the provisions of section 23(c) of this act,";

On page 11, beginning with line 18, insert the following:

SEC. 12. Section 3(c)(1)(D) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, is amended to read as follows:

"(D) if requested by the Administrator, a full description of the tests made and the results thereof upon which the claims are based, except that data submitted on or after October 21, 1972, in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration unless such other applicant shall have first offered to pay reasonable compensation for producing the test data to be relied upon and such data is not protected from disclosure by section 10(b). This provision with regard to compensation for producing the test data to be relied upon shall apply with respect to all applications for registration submitted on or after October 21, 1972. If the parties cannot agree on the amount and method of payment, the Administrator shall make such determination and may fix such other terms and conditions as may be reasonable under the circumstances. The Administrator's determination shall be made on the record after notice and opportunity for hearing. If either party does not agree with said determination, he may, within thirty days, take an appeal to the Federal district court for the district in which he resides with respect to either the amount of the payment or the terms of payment, or both. Registration shall not be delayed pending the determination of reasonable compensation between the applicants, by the Administrator or by the court.".

On page 13, beginning with line 1, insert the following:

SEC. 13. Section 16(b) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, is amended by inserting after "public hearing" in the first sentence thereof the following: "pursuant to section 6 of this Act".

Mr. GLENN. Mr. President, I ask unanimous consent that staff member Reginald Gilliam of my staff be granted floor privileges during the consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that the following staff members of the Committee on Agriculture and Forestry be permitted to be present on the floor during consideration of H.R. 8841, including all rollcall votes thereon: Michael R. McLeod, Carl P. Rose, Dale L. Stansbury, William A. Taggart, and Forest W. Reece.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask unanimous consent that the amendments of the Committee on Agriculture and Forestry be agreed to en bloc and that the bill as thereby amended be treated as original text for further amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Alabama? The Chair hears none, and it is so ordered.

Mr. ALLEN. Mr. President, the bill before the Senate, H.R. 8841, would extend for 2 years the authorization for appropriations for the Environmental Protection Agency to carry out the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act. It would also amend the law in several important respects.

This legislation is important because it responds to several problems which have developed since the passage of the Federal Environmental Pesticide Control Act of 1972.

Passage of FEPCA in 1972 marked a significant change in the regulation of pesticides. First, it provided for the regulation of the use of pesticides as distinguished from their labeling and interstate distribution. Second, it extended pesticide regulation to intrastate commerce.

In addition to these basic changes, the Federal Environmental Pesticide Control Act of 1972 made several other important changes in the law. It gave EPA strong, new enforcement authorities. It authorized EPA to cancel or suspend the registration of any pesticide that it found to have unreasonable adverse effects on the environment. It authorized EPA to classify pesticides for general use or for restricted use by qualified applicators, depending on the hazards.

In short, the 1972 act gave to a newly created agency—the Environmental Protection Agency—both the direction and the tools to adequately protect the environment from unacceptable hazards in the use of pesticides.

As a new Agency, EPA has had a great deal of difficulty in administering the law. This is demonstrated by the great regularity with which suits have been brought against EPA over its administration of the Federal Insecticide, Fungicide, and Rodenticide Act.

The Agency has been sued frequently, both by those who contend that the Agency has gone too far, and by those who contend that it has not gone far enough in protecting the environment.

H.R. 8841, the bill that is now before the Senate, basically reflects the view that, in its difficult task of protecting the environment, EPA has not given adequate attention and concern to the impact of its actions on the American farmer, our food production capacity, and the price that consumers must pay for food at retail markets.

Congress provided for 3-year appropriation authority for the Federal Environmental Pesticide Control Act because it felt that legislative oversight might be needed. The hearings that have been held this year by both the House and Senate Agriculture Committees bear out the wisdom of this decision.

When the committee held hearings in May on the extension of the funding authorization, it was made acutely aware of the widespread dissatisfaction in the way that FIFRA was being administered. Witnesses representing the Environmental Protection Agency, the Department of Agriculture, environmental groups, representatives of several State departments of agriculture, farm organizations, and industry representatives, were in general agreement that the basic law was sound and appropriate. However, there was quite a difference of opinion with regard to EPA's administration and implementation of this law.

This diversity of opinion is understandable when the controversial nature of pesticide control is considered. Every decision must necessarily balance the cost and benefits of the proposed action to be taken. In all decisions there are tradeoffs between the often conflicting objectives of environmental protection and the economic advantages of pesticide uses.

To provide adequate time to consider fully the conflicting views, certain provisions of law, EPA's implementation of the law, and to consider and assess possible solutions, Congress twice passed interim extensions of funding.

Further hearings, analysis, and consideration occurred in the interim, and the House passed H.R. 8841, which provided several amendments to FIFRA that address the principal questions regarding the intent of the act, as well as its implementation.

The Senate Committee on Agriculture and Forestry has considered the House bill and has made additional changes that are deemed necessary to assure balance, continuity, and realization of the basic intent of the law.

Nearly all of the changes that H.R. 8841 would make in the basic law represent compromise positions necessary to make the law workable and to assure responsiveness in the administrating agency.

The committee has made additional refinements in H.R. 8841 in an effort to accommodate the various concerns expressed about the bill during 2 days of hearings held on October 28 and 29.

During the past 3 years, unforeseen difficulties and administrative bottlenecks have seriously delayed implementation. The amendments included in H.R. 8841 should solve a large share of these problems. The extension of the authorization of appropriations for 2 years rather than 1 should also facilitate continuity in the implementation of the law in order that the industry and agriculture can get on with their regular responsibilities while assuring the well-being of the environment and health of our people.

Mr. President, I ask unanimous consent that a summary of the principal provisions of H.R. 8841, as amended by the Committee on Agriculture and Forestry, be included in the RECORD at this point in my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF PRINCIPAL PROVISIONS OF H.R. 8841, AS AMENDED BY THE COMMITTEE ON AGRICULTURE AND FORESTRY

H.R. 8841, as amended by the Committee, extends and amends the Federal Insecticide, Fungicide, and Rodenticide Act. The major provisions of the bill would—

(1) Extend for two years the appropriations authorization for the Environmental Protection Agency to carry out the provisions of FIFRA. The bill authorizes to be appropriated $47,868,000 for the period October 1, 1975, through September 30, 1976, and $47,200,000 for the period October 1, 1976, through September 30, 1977.

(2) Require the Administrator of EPA to provide the Secretary of Agriculture with copies of proposed changes in pesticide classification or cancellation actions 60 days prior to publication. The Secretary would have 30 days in which to comment. The proposed action, the Secretary's response, and EPA's reply to the Secretary's response are to be published together in the Federal Register. Such procedures do not apply in the case of suspension actions when an imminent hazard to public health has been determined. (The time requirements may be waived or modified to the extent agreed upon by the Administrator and the Secretary.)

Basically, the same procedure would apply with respect to proposed regulations and final regulations, except that the periods for notice and comment for final regulations would be 30 days and 15 days, respectively. However, public notice in the Federal Register is to be made with respect to advance notification to the Secretary of any proposed or final regulation.

(3) Require the EPA to provide the House and Senate Agriculture Committees with advance copies of proposed regulations and final regulations.

(4) Authorize the Administrator of EPA to consider the completion of a certification form as fulfillment of the private applicator certification provision. The Administrator may require an affirmation on the form that the applicator has completed an EPA approved training program, and that pesticide dealers are licensed under an approved State program. The Administrator may not require an applicator to pass an examination.

(5) Amend the provision in the Act requiring that an applicant for registration of a pesticide pay reasonable compensation if he relies on the test data submitted by another applicant. The amendment provides that only data submitted on or after October 21, 1972, is compensable; the data compensation provision applies to all applications for registration submitted on or after October 21, 1972; both parties to a dispute on compensation of data are given the same rights in the courts; and registration of a pesticide is not to be delayed pending the determination of a dispute on reasonable compensation.

(6) Require the EPA to assess the impact of proposed changes in classification or cancellations on production and prices of agricultural commodities, retail food prices, or other effects on the agricultural economy. The impact statement is to be submitted to the Secretary of Agriculture and published in the Federal Register.

(7) Establish a scientific advisory panel consisting of 7 members appointed by the Administrator from a list of 12 nominees from the National Institute of Health and the National Science Foundation. The EPA is required to submit proposed changes in classification, cancellations, and regulations to the panel for comment as to the impact on health and environment of the action proposed. In addition, the panel's comments and the Administrator's response are to be published in the Federal Register.

(8) Require the EPA—in exempting any Federal or State agency from any provision of FIFRA because of emergency conditions—to consult (at their request) the Secretary of Agriculture and the Governor of any State concerned in determining whether emergency conditions exist.

(9) Add a new provision requiring the EPA and States to develop materials on integrated pest management techniques and advise interested individuals of their availability.

(10) Provide that experimental use permits may be issued to agricultural research institutions for cancelled pesticides.

(11) Extend for an additional year the time for implementation of certain provisions of FIFRA.

Mr. ALLEN. Mr. President, I believe that the bill reported by the Committee on Agriculture and Forestry will be good for the American farmer and the American consumer, as well as for the environment. It provides a framework in which agricultural interests will receive proper consideration in the decisionmaking processes of the Environmental Protection Agency.

I wish to thank the senior Senator from Michigan (Mr. PHILIP A. HART), the chairman of the Subcommittee on the Environment of the Senate Commerce Committee, for his cooperation in the expeditious consideration of H.R. 8841. He has submitted many helpful ideas to the Committee on Agriculture and Forestry and some of these are reflected in the bill as reported by the committee. Also the junior Senator from Wisconsin (Mr. NELSON) has been quite helpful in the consideration of this legislation.

I hope that the Senate will approve the committee bill without substantial change and that we may quickly proceed to resolve the differences between the House and Senate bills in conference. The authorization for the Federal Insecticide, Fungicide, and Rodenticide Act expires on November 15, and it is imperative that we act quickly.

I am hopeful that there will be a minimum number of amendments and that no controversial amendments or amendments producing a great deal of controversy will be offered on the floor in order that we will be able to conclude this matter with the House conferees at an early date.

Mr. DOLE. Mr. President, the Senator from Alabama has outlined the provisions of H.R. 8841 as reported by the Committee on Agriculture and Forestry. I would like to call the attention of the Senate to three provisions of the bill.

I. CERTIFICATION STANDARDS FOR PRIVATE APPLICATORS

The 1972 FIFRA amendments required that all applicators of restricted use pesticides meet certain standards to be determined by each State. As the States begin to formulate their certification plans, it is the intent of the committee to indicate with the amendment contained in H.R. 8841 that EPA not require the States to overburden farmers with red tape. Farmers are well acquainted with the dangers of pesticides and it will benefit no one to require farmers to complete burdensome testing requirements in order to occasionally use a pesticide.

II. ECONOMIC IMPACT STATEMENT

I wholeheartedly subscribe to the provision of H.R. 8841 requiring the Administrator of EPA to prepare an economic impact statement with regard to the effect upon agricultural production and prices and retail food prices of any proposed action with regard to pesticides. The Senator from Michigan (Mr. PHILIP H. HART), who was active in drafting the 1972 amendments, has indicated in a letter to the Committee on Agriculture and Forestry that—

> The Secretary should prepare the economic impact statement because substantial litigation may arise from the requirement that EPA publish what amounts to an agricultural impact statement. Judicial review of the statement on procedural grounds, separate and apart from review of the substance of a final EPA action, could seriously hamper efforts to deal promptly with cancellations or changes of classification.

The economic impact of proposed regulatory actions must be fully considered as part of the decisionmaking process in order to properly determine whether or not the benefits of use of a pesticide equal or outweigh the risks associated with the use of a particular pesticide. Accordingly, the agency responsible for making this decision should prepare the economic impact statement, EPA in this case, rather than the Department of Agriculture. We have provided in this bill for comment by the Secretary of Agriculture on proposed EPA actions and certainly the USDA view of the economic impact will be a part of those comments.

The fundamental purpose of an economic impact statement is to require the proponent of a proposed action to thoroughly assess the economic consequences of such action prior to institution. The primary purpose of the economic impact statement as required in H.R. 8841 is to assure that EPA, the regulator, has adequately considered the economic consequences of contemplated regulatory action. In these circumstances, it would be entirely inappropriate for the Department of Agriculture to be responsible for the preparation of the economic impact statement.

Moreover, the proposed agricultural impact statement covers much more than the direct impact on U.S. agriculture. Any impact on U.S. agriculture is shared by the entire population and has ramifications that apply to the entire economy of the Nation. USDA does, of course, possess the most abundant expertise on the economics associated with agricultural productivity. In view of this fact, it would seem reasonable to believe that EPA and USDA can, and should, mutually work out a system of gathering information that would permit an orderly approach to the problem.

III. TEST DATA COMPENSATION

Probably one of the most controversial provisions of the 1972 FIFRA amendments was a provision prohibiting the Administrator of EPA from using test data submitted in support of one registration application from using the same data in support of a subsequent application without compensation being paid by the second applicant to the first applicant for the use of such data.

Mr. President, I supported this provision in the 1972 act because I believe it unfair for subsequent applicants to "get a free ride" on test data generated at great expense by an original applicant. However, the Congress clearly did not anticipate a number of questions when simply adding the language—

> Except that data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration unless such other applicant shall have first offered to pay reasonable compensation for producing the test data. . . .

This section 3(c)(1)(D) amendment has tied EPA up in numerous court suits with regard to whether or not this language applies to test data submitted before October 21, 1972, when this provision was signed into law.

On November 19, 1973, EPA issued an interim policy statement advising that registration applications submitted after November 18, 1973, would be required to contain an express offer to pay reasonable compensation for the use of test data submitted by other applicants for the first time on or after October 21, 1972.

Registrants who had developed test data have objected to the November 19 statement because in their view section 2(c)(1)(D) by its terms was applicable to all data no matter when submitted.

Formulators, those who do not make the basic ingredients but formulate the end product for use, argue that compensation should not be paid retroactively by formulators who had obtained registrations based upon previously established use patterns, but that compensation should only be required on data submitted after enactment of the pending bill.

That Administator of EPA testified that applying the compensation provision to data submitted prior to October 21, 1972, would create a substantial administrative problem. Other witnesses pointed out that in many instances registration prior to 1972 without supporting test data was based upon nonproprietary data in the public domain or data used with the permission of another registrant.

In order to try to solve this dilemma and make certain that farmers and other users of pesticides have all the available tools necessary to provide an abundant supply of food and fiber and to protect the public health, the committee adopted my amendment which will hopefully break the current deadlock. This amendment makes it clear that only data submitted after October 21, 1972, shall be compensable.

Mr. President, I believe the committee has taken a fair and reasonable position on this matter, and I am hopeful that this will clear away any remaining major problems with regard to data compensation.

In closing, let me commend the distinguished Senator from Alabama for his diligent efforts with regard to making the 1972 act and these amendments work for the benefit of all Americans.

Mr. ALLEN. Mr. President, I will yield the floor at this time because I know the distinguished Senator from Wisconsin (Mr. NELSON) has an amendment he wishes to call up.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. NELSON. Mr. President, the Committee on Agriculture and Forestry is to be commended for addressing a number of the concerns that have been raised about substantive changes to the reauthorization of the Federal Insecticide, Fungicide, and Rodenticide Act. The bill as reported by the committee contains substantial improvements in the House-passed bill. The committee's recommendation to extend the law for an additional 2 years rather than 1 year, as the House-passed bill provided, deserves the Senate's support, and we commend the committee's action in inserting language to assure objectivity of membership on scientific advisory panels set up by the Environmental Protection Agency.

However, there are still two problems that could be handled rather easily by amendment. On behalf of Senator PHILIP A. HART, chairman of the Commerce Subcommittee on the Environment, and myself, I intend to offer two amendments to the bill as reported by the committee.

Both amendments deal with that section of the bill which requires EPA to give the Department of Agriculture 60 days' advance notice of any proposed action to cancel or change the classification of pesticide registrations.

Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The second assistant legislative clerk read as follows:

The Senator from Wisconsin (Mr. NELSON) proposes an amendment:

> On page 2, line 24, strike out "to human health".

Mr. NELSON. Mr. President, this amendment speaks to the definition of imminent hazard as used in connection with a suspension procedure.

The existing pesticides law authorizes the EPA to immediately suspend the registration of a pesticide when imminent hazard to human health and the environment exist without having to wait for administrative procedures to be completed.

Human health is covered by the law as follows: Section 2(j) defines "environment" to include:

> water, air, land, and all plants and man and other animals living therein, and the interrelationships which exist among these.

Furthermore, "imminent hazard" is defined in the law to mean:

> a situation which exists when the continued use of a pesticide during the time required for cancellation proceeding would be likely to result in unreasonable adverse effects on the environment or will involve unreasonable hazard to the survival of a species declared endangered by the Secretary of Interior under Public Law 91-135. (Section 2(1)).

The bill, H.R. 8841, as passed by the House and reported by the Committee on Agriculture and Forestry, allows a waiver of the 60-day mandatory notification and consultation requirements with the Department of Agriculture only when the immediate suspension is based on "an imminent hazard to human health."

The bill does not allow a waiver of the 60-day notification and consultation period when imminent hazards exist to endangered species of wildlife, rare ecosystems, or important fish or game resources. The Congress was wise to provide for this kind of emergency authority. Many endangered species of wildlife, like peregrine falcons and southern bald eagles are extremely susceptible to pesticide buildups. Fresh water shellfish and crustaceans likewise can become damaged very easily through pesticide contamination of the aquatic habitat. For example, if a pesticide were found to be contaminating gulf coast shrimp—a commercial food—EPA could not suspend use of the pesticide for 60 days, pending notification to the USDA for comment.

The imminent destruction of the environment is a legitimate basis for EPA to take immediate action with respect to a pesticide suspension. But, by requiring 60-day advance notification to USDA, the suspension authority of EPA under existing law is seriously weakened.

The amendment would conform the bill to existing law by allowing a waiver of the 60-day period in each case where EPA proposes to take a suspension action based on any imminent hazard, not just those related to human health.

I urge the adoption of the amendment.

Mr. President, this amendment conforms to the bill's definition of "imminent hazard" to the definition contained in the statute.

The existing law authorizes the EPA to immediately suspend the registration of a pesticide when an imminent hazard to human health, the environment, and to an endangered species exists, without having to wait for administrative procedures to be completed. The striking of the words "to human health" leaves the law intact, so that a decision to suspend a registration will involve the question of imminent hazard to human health, the environment, and the threat to endangered species.

Mr. ALLEN. Mr. President, H.R. 8841, as passed by the House of Representatives and reported by the Committee of Agriculture and Forestry, provides that the 60-day advance notification to the Secretary of Agriculture and consultation with him of EPA notices of intent with respect to the cancellation of a pesticide registration or a change in its classification are not applicable in the event the Administrator determines that "suspension of a pesticide registration is necessary to prevent an imminent hazard to human health."

The pending amendment would strike the words "to human health" and thus permit a waiver of the advance notification and consultation requirements in the case of any "imminent hazard."

The requirements in H.R. 8841 for advance notification to the Secretary and consultation with him on the proposals to cancel or reclassify pesticides grew out of a concern that EPA has not been taking sufficient account of the impact of its decisions on the agricultural economy.

The bill meets this concern by involving the Department of Agriculture in the decisionmaking process and tightening the degree of cooperation between the two agencies. The bill assures that EPA take cognizance of its actions on the agricultural economy at virtually every step in the decisionmaking process and induces agreement between the two agencies by providing for the Department of Agriculture's comments and EPA's response to be published in the Federal Register.

The bill, as reported by the Committee on Agriculture to the House of Representatives, contained no express provision for waiving the requirement of notice to and consultation with the Secretary of Agriculture.

The waiver provision for imminent hazards to human health was added as an amendment on the House floor and met the concern of the Honorable Russell E. Train, Administrator of EPA. In his letter of September 19, 1975, to Chairman Foley commenting on the bill as reported by the House Committee on Agriculture, Mr. Train stated, in pertinent part, as follows:

> I am gravely concerned that this section may preclude suspension of a registration involving emergency threats to public health until the 60 day notice requirement has been satisfied. Though apparently not intended, this result would seem to be the effect of the language. The plain language of section 6(c)(1), which is unchanged by the Committee bill, reads as follows:
>
> "No order of suspension may be issued unless the Administrator has issued or at the same time issues notice of his intention to cancel the registration or change the classification of the pesticide."
>
> If a safety hazard came to our attention which required immediate action to protect against serious human hazards, the bill would require adherence to the 60-day notification procedures of section 1 and may prohibit emergency action to avert the hazard.

The amendment adopted by the House and included in the bill as reported by the Committee on Agriculture and Forestry will enable EPA to take immediate action to protect the public from imminent hazards to human health.

The House debate makes it clear that the waiver was purposely drawn to cover only imminent hazards to human health and was accepted by the House on that basis.

Mr. Train, in his testimony before the Committee on Agriculture and Forestry, stated that the House-passed bill was workable. There are other provisions in the bill under which the time requirements in the consultation requirements could be modified to the extent agreed upon by the Administrator and the Secretary. Expeditious action by EPA could, therefore, be taken with respect to any imminent hazard. However, the Senator from Wisconsin (Mr. Nelson) does not feel that the Administrator would have sufficient flexibility to protect the environment and certain bird and animal life under the committee bill.

Speaking for the committee, both the majority and the minority on the committee, we are prepared to accept the amendment and take the amendment to conference for action by the conferees.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, I ask unanimous consent that Sunny Nixon, of my staff, be granted privilege of the floor during consideration of this bill and any votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I have had a chance to talk with the Senator from Kansas (Mr. Dole), the ranking Republican on the committee having jurisdiction over this bill, and he has assured me that the distinguished Senator from Alabama, the chairman, does speak for him in respect to the amendment that is pending, and also to several other amendments that will be pending, and suggested that we go ahead.

Mr. ALLEN. I thank the Senator.

Mr. JAVITS addressed the Chair.

The PRESIDING OFICER. The Senator from New York.

Mr. JAVITS. Mr. President, if it is agreeable to the Senator from Alabama, I will send an amendment to the desk.

The PRESIDING OFFICER. The Chair informs the Senator that there is a pending amendment.

The question is on agreeing to the amendment of the Senator from Wisconsin (Mr. Nelson).

The amendment was agreed to.

Mr. NELSON. Mr. President, I wonder if the Senator from New York will allow me to present one more amendment which I understand the manager of the bill is prepared to accept. If he is not, I would put it down.

Mr. JAVITS. I have the same problem.

Mr. NELSON. All right.

Mr. JAVITS. If I take more than 2 minutes, I shall withdraw it, I promise. I have a meeting waiting, so just 2 minutes.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk read as follows:

> On page 13, strike all on line 4 after the words "the following" and add the following: "for which there is a reviewable record.".

Mr. JAVITS. Mr. President, I understand that the real reason for section 13 in the bill is the fact that if a matter is to go to the circuit court of appeals, there should not only be a public hearing, but there should also be a reviewable record, and this seems legally quite sound.

The Senator from Michigan (Mr. Philip A. Hart) is deeply interested and asked me to look into it and to espouse the amendment I submit if I thought it deserving. I do.

I hope the manager may see fit to take it.

Mr. ALLEN. I thank the distinguished Senator from New York.

This matter has been discussed with the committee, with the leadership, and the staff of the committee has discussed it with the staff of the distinguished Senator from New York.

I believe that it does carry out the intent of the Senate amendment, which was to see that a full adjudicatory hearing was provided in these matters before the appeal was taken on the record. The amendment does not do violence to that concept, as the Senator from Alabama understands it.

Speaking for the committee, we are willing to accept the amendment and I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York (Mr. Javits).

The amendment was agreed to.

Mr. JAVITS. Mr. President, I thank Senator Nelson.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. NELSON. As I understand it, the preparation of the analysis of the impact of cancellation and change in classification orders on the various agricultural factors, and its publication in the Federal Register is meant to require the Administrator to weigh these factors and to bring the manner in which they are weighed to public attention when he takes final action. Is this correct?

Mr. ALLEN. That is correct.

Mr. NELSON. In the event the courts are asked to review final orders with respect to cancellations and changes in classification, do I understand correctly that the courts must determine whether EPA considered all of the factors necessary to arrive at a decision, including the effects on health and the environment and other factors, as well as the effect on agriculture, in accordance with the requirements of the act and under the judicial review provisions of section 16. Is this correct?

Mr. ALLEN. That is correct.

Mr. NELSON. Is my understanding also correct that any judicial review that might occur on the agricultural impact would be considered at the same time the final order with respect to cancellation or change in classification is reviewed. Is my understanding also correct that the authority of the courts to review agency action would be provided for environmental and public health factors to the same extent and on the same basis as the agricultural factors?

Mr. ALLEN. The Senator is correct.

Mr. NELSON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The second assistant legislative clerk proceeded to read the amendment.

Mr. NELSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 4 strike the quotation marks and insert in lieu thereof the following: "The Administrator shall, simultaneously with any notification to the Secretary of Agriculture required under this subsection, publish such notification in the Federal Register."

Mr. MANSFIELD. Mr. President, if the Senator will yield briefly, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. I thank the Senator.

Mr. NELSON. Mr. President, this amendment simply provides that the Administrator shall, simultaneously with any notification to the Secretary of Agriculture required under this subsection, publish such notification in the Federal Register.

PUBLIC NOTICE OF 60-DAY USDA COMMENT

This amendment simply provides that at such time as the EPA sends notice to the USDA that it has under consideration a proposal for cancellation or change in classification under section 6 of the act, it shall publish such notice in the Federal Register.

This requirement would be consistent with the other provisions in the committee bill which do require publication of notices sent to USDA concerning other proposed regulations under the act. It may very well be that this omission was an oversight or that the committee considered the requirement of publication unimportant in this instance.

As a substantive matter, it may very well be of small consequence in all but rare instances.

Furthermore, there is an important principle involved here. That principle revolves around the question of whether Congress, interested parties, and the general public, are entitled to notice of proceedings that have been initiated by public agencies that involve the public interest.

If the Administrator of the Environmental Protection Agency decides to send notice to the Secretary of Agriculture that he is proposing a cancellation or modification, he shall publish such notice in the Federal Register at the time the Secretary of Agriculture is formally contacted so that the Congress, interested parties, and the public can participate as equals in the decisionmaking process.

Mr. ALLEN. Mr. President, the pending amendment would amend the procedure in H.R. 8841 for advance notification to the Secretary of Agriculture and the Scientific Advisory Panel in regard to proposed cancellation or reclassification actions—section 6(b) of FIFRA—by requiring simultaneous public notice of such notification.

This is similar to the committee amendment to the advance notification procedure for proposed regulations—section 25(a) of FIFRA. However, there are significant differences in the impact of public notice on these two provisions of the law.

In section 25(a) the notice deals with regulations and is not usually specific as to a product or firm. The extended period of public scrutiny and comment might slow down the process of issuance of regulations, but would also assure full consideration and equitable treatment of all positions.

Under 6(b), a proposed classification change or a cancellation action would impact upon a single product or upon a single producer.

The provision in the committee bill for consultation among EPA, USDA, and the Scientific Advisory Panel in regard to possible cancellations or reclassification actions is appropriate because it will not cause unnecessary market uncertainty or adverse publicity for the affected registrant.

Once such consultation has been achieved, EPA could proceed with its desired action in the prescribed manner.

Current law calls for the notification of the registrant and also simultaneous public notice of the cancellation action or reclassification.

Advance public notice without notifying the registrant could be unfair and result in economic uncertainty. This in turn could result in unnecessary economic burdens for the registrant, including negative publicity that could be unduly harmful to the registrant. In addition, such uncertainty could result in disruptions of supply that could have serious impacts upon pesticide users.

It is the intent of the committee bill to provide for consultation between the Secretary of Agriculture, the Administrator of EPA, and the Scientific Advisory Panel at the initial decisionmaking process. To require that notice be given on proposed cancellation or changes in classification at the same time that the Secretary and the Scientific Advisory Panel are notified might impair these provisions of the bill. The adoption of this amendment would put the Secretary of Agriculture and the Scientific Advisory Panel on the same basis as every other party who might wish to comment on a proposed cancellation or change in classification.

Under existing law and procedures, the public should have an opportunity to comment on any cancellation or change in classification.

However, I can understand the desire of the Senator from Wisconsin (Mr. NELSON) to have full public participation at each step of a cancellation proceeding.

Mr. President, we are prepared to accept the amendment, and I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. GRIFFIN. Mr. President, with the indulgence of the chairman, let me state that the Senator from Hawaii (Mr. FONG) is on his way over and does have an amendment to offer, so pending his arrival I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. FONG) proposes an amendment:

On page 8, line 8 of H.R. 8841 as reported by the Senate Committee on Agriculture and Forestry, after the word "sections.", and before the word "The", insert the following:

"At the request of a registrant who is a party to any proceeding under section 6(b), which commenced after June 30, 1974, the Administrator shall submit to an advisory panel for comment issues as to the impact of the action proposed under section 6(b) on health and the environment, including the benefits conferred by the use of the pesticide involved in the proceeding. The report of the panel shall be made public and shall be considered as part of the hearing record. This submission may not be waived under section 1 of this bill."

Mr. FONG. Mr. President, I shall explain the purpose and intent of my amendment to the pending measure, H.R. 8841, to extend the Federal Insecticide, Fungicide, and Rodenticide Act.

In H.R. 8841, as reported to the Senate by our Agriculture and Forestry Committee, Congress would require that, prior to issuance of a notice of cancellation, the Environmental Protection Agency Administrator have the comments of a Scientific Advisory Panel. Section 7 of the bill creates that panel, defines its mandate, and provides the Administrator with important input.

I fully agree with this provision of the bill and the judgment which it represents. I believe, however, that creation of this panel may work a gross discrimination on some.

I speak, in particular, about ongoing proceedings in the EPA, which affect my State of Hawaii. The EPA has issued cancellation notices for several pesticides. The hearings on these cancellation notices, or suspension notices on these pesticides, are currently taking place.

The registrants who are involved in these proceedings—and the Administrator who must make the ultimate decision on cancellation—should have the comments of the Section 7 Advisory Panel.

Unfortunately, because these proceedings were begun some months before the enactment of the amendments to FIFRA proposed in the pending bill, H.R. 8841, the Administrator will be denied this important input.

Any proceeding begun after the date of enactment of H.R. 8841, however, would be covered by the new Scientific Advisory Panel provisions of the bill.

My amendment would cover only two ongoing proceedings: the heptachlor-chlordane and the mange medicine proceedings.

In the heptachlor-chlordane proceeding, the EPA contemplates canceling a registration which is vital to the pineapple growers of Hawaii. Without my amendment, this may be done without the valuable input of a Section 1 Scientific Advisory Panel.

Therefore, Mr. President, my amendment would require the Administrator to submit to the Scientific Advisory Panel issues as to the impact of ongoing cancellation proceedings begun after June 30, 1974, on health and environment, including the benefits conferred by the use of the pesticide involved in the proceeding.

CURRENT LAW

Under the Federal Insecticide, Fungicide, and Rodenticide Act—FIFRA—the Administrator may issue a notice of cancellation and/or suspension without consultation with the scientific community. As testimony of the House and Senate hearings reveals, the mere issuance of a notice may have profound effects on business, agriculture, and the American consumer.

Although FIFRA provides a mechanism whereby scientific input may be obtained during a cancellation proceeding, see section 6(d), such input is discretionary with the Administrator or hearing examiner and comes too late to have any effect on the issuance of the notice.

H.R. 8841 AS REPORTED TO THE SENATE

Section 7 of H.R. 8841 as reported to the Senate seeks to remedy this problem. It is similar to the language of the House-approved version of this bill. In the words of the Senate committee report, it "is intended to further assure balance and objectivity in EPA actions * * * [and] to assure that the EPA obtains unbiased objective scientific opinion in making its decisions."

The bill provides for the appointment, prior to the issuance of the notice of cancellation, of a Scientific Advisory Panel.

The panel will comment "as to the impact on health and the environment of the action proposed in notices of intent issued under section 6(b) and of the proposed and final form of regulations issued under section 25(a) within the same time periods as provided for the comments of the Secretary of Agriculture under such sections."

The Administrator will select the 7-member panel from a field of 12 nominees, 6 to be submitted by the National Science Foundation and 6 by the National Institutes of Health. The panel will receive for comment notices for proposed rulemaking, final regulations, and notices of intent to cancel or change registration at the same time these are provided to the Department of Agriculture under sections 1 and 2 of the bill.

In the words of the House report:

> (T)he purpose of this provision is to involve persons nominated by the bona fide scientific community in a consultative capacity at the time when it is most meaningful so that we might benefit from their experience and insight. The amendment will tap a tremendous reservoir of talent where there is the best expertise on problems of health and the environment. By adding the scientific and medical input, it should strengthen the impact of scientific personnel at EPA.

In the words of the Senate committee report:

> The creation of a Scientific Advisory Panel and notification of this panel of proposed cancellation or suspension actions and any proposed regulations are intended to further assure balance and objectivity in EPA actions. The purpose of this provision is to assure that the EPA obtains unbiased objective scientific opinion in making its decisions.
>
> The Committee considers this to be a desirable provision. To ensure against possible bias or conflicts of interest, the Committee amended this section to authorize the Administrator to require such information as necessary from nominees to the panel, to publish the name, address, and professional affiliation of the nominees in the Federal Register, and to promulgate regulations regarding conflicts of interest for panel members.

FONG AMENDMENT

If the scientific input provided under section 7 of the bill is important—and I believe it is—this input is important in all cases. The American public should not be denied the benefits of this input in ongoing proceedings.

To remedy the denial of this benefit to the Administrator, registrants, and the American public, my amendment would submit issues as to the impact of ongoing cancellation proceedings on health and the environment including the benefits conferred by the use of the pesticide involved in the proceeding.

Under my amendment, the report of the panel will be made public and will be considered as part of the hearing record. The Administrator must submit these issues to the panel; he may not waive the submission.

The Administrator will have the valuable input described above in ongoing, as well as future, cancellation hearings.

The current provision for discretionary referral does not cure the problem. The Administrator and his hearing examiners have refused to exercise this power in some cases, denying the parties a third-party opinion on important issues.

Recognizing that certain ongoing proceedings have reached late stages where this input is no longer needed and recognizing the difficulty of consideration of this input at a late stage in the proceeding, I have limited the effect of this amendment to proceedings begun after June 30, 1974.

As a result of this limitation, my amendment will only affect two ongoing proceedings: the heptachlor-chlordane and the mange medicine proceedings. It should be noted that the amendment applies to ongoing proceedings in the cancellation phase, in the suspension phase, and proceedings held in abeyance.

Because the Scientific Advisory Panel will be considering its issues simultaneously with EPA consideration, this amendment will not delay Agency action under FIFRA.

Mr. President, earlier in my statement I referred to the vital concern of the pineapple industry in Hawaii in the heptachlor-chlordane proceedings now pending before an administrative law judge of the Environmental Protection Agency.

Pineapple is our second largest agriculture industry, having a value of approximately $124 million in 1974. It employees 3,700 workers year-round in Hawaii and, in addition, approximately 7,000 seasonal workers during the heavy harvest and canning season. Pineapple is one of the principal employers on four of our six largest islands.

Only two pesticides—heptachlor and mirex—have been effective and environmentally acceptable in controlling mealybug wilt in pineapple. To control this insect pest, it is necessary to control the ants which carry the mealybug from pineapple plant to pineapple plant.

Without effective control of the ant and mealybug wilt disease, production of pineapple cannot be sustained in Hawaii on a commercial scale. This is not a matter of opinion but of fact proved of costly experience prior to the development of effective controls.

Continued formulation of mirex beyond the coming year is highly uncertain. If heptachlor is canceled, the pineapple growers in Hawaii and the employees who depend on pineapple for their livelihood face disaster. It is estimated that the entire pineapple industry in Hawaii could be wiped out within 10 years if mirex and heptachlor are not available to control the ants and mealybug wilt.

Five years ago, on October 22, 1970, the Pineapple Research Institute of Hawaii petitioned the U.S. Department of Agriculture expressing industry concern for the continuance of the registrations of chlordane, lindane, and heptachlor.

Four years ago, on November 17, 1971, the director of the Pineapple Research

Institute appeared before the Mirex Advisory Commission in Washington, seeking exemption from the notice of cancellation of all registration of mirex pesticides issued March 17, 1971.

Yet despite 5 years of petitions, hearings, field monitoring in Hawaii by agreed-upon third party—University of Hawaii—and many other steps, the threat of complete loss of all presently known effective pesticides for mealybug and ant control now looms more imminent than ever before.

The pineapple growers in Hawaii are well aware of the chemical properties of the pesticides they use. They have been extremely cautious in their applications. They have complied with any conditions EPA has invoked so far on the use of these pesticides, and they have been monitored by the State of Hawaii and EPA. So the growers have demonstrated they are responsible users of mirex and heptachlor.

Inasmuch as the pineapple industry of Hawaii faces disaster if both mirex and heptachlor are denied them, I am hopeful the manager of this bill, the Senator from Alabama, Mr. ALLEN, would accept my amendment so that the heptachlor proceeding, which is so vital to Hawaii's pineapple industry, will be subject to the Scientific Advisory Panel proceeding.

Of course, the amendment does not mean the EPA Administrator is required to accede to the views of the Scientific Advisory Panel. It just means that the Environmental Protection Agency would have the comments and input of the Scientific Advisory Panel in connection with EPA proceedings on suspension or cancellation of pesticides.

With this explanation of the purpose and intent of my amendment, I would hope the manager would be agreeable to accepting my amendment and taking it to conference with the House.

Mr. ALLEN. Mr. President, I am sympathetic with the position of the distinguished Senator from Hawaii. I do feel that the EPA has abused its discretionary authority to ask the scientific advisory panels for their input as to cancellation or the advisability of cancellation, and for that reason the committee bill does make it a requisite that the administrator obtain the scientific advice of a scientific advisory panel on cancellation matters in the future. But it does not seek to make that mandatory requirement retroactive, which the distinguished Senator, by his amendment, would do.

Section 7 of the bill does establish a scientific advisory panel, and the administrator of the EPA is required to submit to the advisory panel for comment as to their impact on health and the environment actions proposed in EPA notices of intent to cancel the registration of a pesticide or change its classification, and of the proposed and final form of regulations issued to carry out FIFRA.

The pending amendment would require referral to the advisory panel of any pesticide cancellation or reclassification action which commenced after June 30, 1974, at the request of the registrant who is a party to the proceeding.

Mr. President, the establishment of the advisory panel is designed to strengthen the input of the scientific community into the decision-making processes of EPA. As reported by the Committee on Agriculture and Forestry the provision is prospective. It would apply to notices, intent, and regulations issued after the enactment of H.R. 8841.

The pending amendment would seek to make the provision operate retroactively and with respect to ongoing actions to cancel or reclassify pesticides.

Mr. President, as laudable as it is to strengthen the impact of the scientific community on EPA decisions, I fear that the amendment offered by the distinguished Senator from Hawaii could adversely affect the administration of FIFRA.

With time being so important on the final enactment of this authorization, to inject this controversial feature into the legislation at this time, meritorious as the concept would be, I fear might delay the final passage of the legislation.

I am hopeful the Senator will not insist on the amendment. I have conferred with the other members of the committee, both the majority leadership and the minority leadership, and they authorized me to state that the committee's position is that, as laudable as the concept of the amendment is, at this time it would not be advisable to add it to the bill.

Mr. FONG. Mr. President, I am only asking for the amendment to deal with just two ongoing proceedings, the mange medicine and chlordane heptachlor.

These proceedings are before the administrative law judge. He has not yet rendered an opinion on the whole matter. If this is good for prospective cases, why should it not be good for ongoing cases?

The matter is so vital to my State of Hawaii. It is vital because it means the survival of the pineapple industry, for it is estimated that, without the use of heptachlor or Mirex, our industry will vanish in 10 years. So, this is a very vital insecticide for the State of Hawaii. All I am asking here is to have the input of the scientific community to the administrative law judge, so that that information may be before the judge when he submits the report to the EPA Administrator.

Whether I accomplish this by an amendment or a directive in the conference committee report to ask that the law judge consider a scientific advisory group for that input—would the distinguished Senator from Alabama agree to that, to have some language in the report so that we could have the scientific community input on the question of heptachlor? This is the only insecticide that I am very interested in, the heptachlor hearing.

Mr. ALLEN. I state to the distinguished Senator from Hawaii, first as to the existing law, it unfortunately gives the Environmental Protection Agency the discretionary right as to whether he shall obtain this advice from the scientific panel. The committee feels that this should be mandatory and has made it mandatory for the future. But this panel has yet to be set up, and there are nominees that are submitted by various groups, and that is going to take time. It would take weeks and months, and this proceeding would be held up as a result of that delay.

As to the Senator's request that this be called to the attention of the conferees and the position of the distinguished Senator from Hawaii made known to the conferees, of course, the Senator from Alabama, who will be one of the conferees, would see that the Senator's views and requests are made known to the conferees. What might result from that giving of the information to the conferees, the Senator from Alabama could not guarantee. But as to affirmative legislation, the committee does wish to adopt the position that it does not want to make this requirement retroactive under the circumstances.

Mr. FONG. Mr. President, there are now six ongoing hearings relative to pesticides and insecticides. One started in March 1972, and that yet has not been settled. Another dealing, with mercury, was started on March 22, 1972. That is over 3 years ago, and that has not been settled. Aldrin and dieldrin started on December 7, 1972, almost 3 years ago, and that has not yet been settled. Mirex started on April 2, 1973, over 2 years ago, and that has not been settled. The mange medicine started on November 23, 1974, and chlordane and heptachlor started November 19, 1974, just 1 year ago.

Here we have six ongoing programs, with three of them over 3 years ongoing, and nothing has resulted. Here is chlordane and heplachlor just started a year ago.

I am quite sure that this advisory panel program could be started within 6 months, and to have this input of the scientific community to help the Administrator in deciding what he should do will be beneficial to all the parties around. I think that this is not too much to be asking the Administrator to do, to have the input of a scientific community.

Mr. ALLEN. It is the law now that the Environmental Protection Agency has the discretionary right. No one anticipated that the Agency would not submit important matters that required or deserved scientific input to a panel. But the Agency has exercised its discretion of not doing so. That is the purpose of the bill, to require in the future that he do that.

Let me call to the attention of the distinguished Senator from Hawaii the provision of the present law where a matter is before a hearing examiner. This is section 6(d) of the Federal Insecticide, Fungicide, and Rodenticide Act.

> Upon the request of any party to a public hearing and when in the hearing examiner's judgment it is necessary or desirable, the hearing examiner shall at any time before the hearing record is closed refer to a committee of the National Academy of Sciences the relevant questions of scientific fact involved in the public hearing.

So the hearing examiner has the authority now to submit this matter, not to this upcoming panel, but to the National Academy of Sciences for input of scientific advice and information.

Mr. FONG. Will the distinguished Senator be willing to have language in the report that, as heptachlor is so vital to the existence of the pineapple industry in Hawaii, it is hoped that the administrative law judge will have some scientific input into this matter?

Mr. ALLEN. Speaking for myself—I have not had an opportunity to confer with other Members as to the Senator's specific request—I would see no objection to that expression of an opinion on the part of the conference committee. I assure the distinguished Senator that, speaking for myself and as floor manager of the bill, in conference I will make known the views of the distinguished Senator from Hawaii and his request, and I will express the opinion that I think the request is reasonable.

Mr. FONG. Mr. President, with that assurance, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. ALLEN. I thank the distinguished Senator from Hawaii.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

I further announce that the Senator from Vermont (Mr. LEAHY), the Senator from Iowa (Mr. CULVER), and the Senator from Kentucky (Mr. HUDDLESTON) are absent on official business.

I also announce that the Senator from Michigan (Mr. PHILIP A. HART) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Vermont (Mr. LEAHY) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Kansas (Mr. PEARSON), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CASE), the Senator from Pennsylvania (Mr. HUGH SCOTT), and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[Rollcall Vote No. 482 Leg.]

YEAS—89

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Durkin
Eagleton
Eastland
Fannin
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Hruska
Inouye
Jackson
Javits
Johnston
Kennedy
Laxalt
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Montoya
Morgan
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Talmadge
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—11

Case
Culver
Goldwater
Hart, Philip A.
Huddleston
Humphrey
Leahy
Mondale
Pearson
Scott, Hugh
Thurmond

So the bill (H.R. 8841), as amended, was passed.

Mr. ALLEN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes between the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. HATFIELD) appointed Mr. TALMADGE, Mr. MCGOVERN, Mr. ALLEN, Mr. CLARK, Mr. LEAHY, Mr. DOLE, Mr. BELLMON, and Mr. HELMS conferees on the part of the Senate.

Mr. ALLEN. Mr. President, I ask unanimous consent that H.R. 8841 be printed as passed by the Senate; and the Secretary of the Senate be authorized to make the necessary technical and clerical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The PRESIDING OFFICER. The Senate will return to the unfinished business. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. WILLIAMS. Mr. President, the amendment, introduced by the Senator from New York (Mr. JAVITS) and me, is an amendment in the nature of a substitute for the provisions of the House-passed bill.

Amendment numbered 1058 contains the provisions in their entirety of S. 1479, which was reported by the Committee on Labor and Public Welfare as a companion to H.R. 5900.

In the period since H.R. 5900 was passed by the House of Representatives on July 25, our committee has had the opportunity to further refine and streamline the focus of this legislation.

The committee's refinements are contained in S. 1479 and in the pending amendment. It is to bring them before the Senate for consideration that we offer them in the form of a substitute for the provisions of H.R. 5900.

I would emphasize, Mr. President, that the committee's substitute was reported to the Senate by a vote of 13 to 1.

By adopting amendment 1058, the Senate will have adopted the committee's recommendation—nothing more and nothing less.

Mr. President, the Senate has before it for consideration a bill that can open the door to a new era of labor peace in a highly complex and volatile national industry—the construction industry.

Pursuing the goal of labor peace is vital in these times. The construction industry is basic to the economic fabric of the Nation. The recession that has engulfed us all has reached its peak of distress in this industry, which is suffering unemployment rates that exceed 30 percent in some areas of the Nation.

To a great extent, the current problems of the industry can be laid to rising costs, high interest rates, and shrinking capital which have all overtaken the industry in recent years. These impediments proliferated at the same time that billions of dollars of Federal funds were impounded, and while the industry was being whipsawed by on-off wage and price controls that imposed uncertainty as the controlling factor in every minute of the day.

But even in better times, the problems of the construction industry are rife. It is a highly fragmented industry, comprising nearly a half-million contractors spread all across the Nation and about 100,000 union locals who represent some 2½ million construction tradesmen. In New York alone, 720 local unions representing 21 different trades bargain with 160 different employer associations.

Local or area collective bargaining agreements are the rule, rather than the exception, and the bargaining occurs in the absence of any significant amount of national coordination or exchange of information. The result is a haphazard, uneven pattern of wage and fringe-benefit packages.

While fragmentation is a part of the nature of the industry as a whole, quite the opposite is true with respect to individual construction projects. In most cases, a construction project is a single, coordination, and integrated economic enterprise. Contractors and subcontractors are jointly engaged in a common venture. The daily tasks of one are closely related to the normal, day-to-day operations of all the others at the project site.

All of those involved—the general contractor, the architect, and the subcontractors—must work together in careful coordination. They must know and fully understand the manner in which each traditionally performs his work and the nature and efficiency of their workers. As a matter of practical reality, they must know whether the other employers on the project have a collective bargaining agreement with a building trades union, which can make the difference between harmonious and stormy industrial relations during the course of construction.

Against this background, it seems obvious that our national policy on labor-management relations should recognize and accept the integrated nature of a construction project and, at the same time, pursue a course that can promote greater uniformity and coordination among the elements of the industry across the Nation.

The committee's version of the bill before us is addressed toward both of these goals.

It is a well known fact, Mr. President, that under standing administrative and judicial case law each employer at a construction site is regarded as a separate business and is, therefore, treated as a neutral with respect to any other's labor controversies. Accordingly, a union having a controversy with one subcontractor cannot picket the other contractors and subcontractors without engaging in a secondary boycott.

In a manufacturing setting or at the site of any other business pursuit, no such difficulties exist. Picketing the manufacturing site at any and all entrances and exits is permissible, primary activity. If another employer is making deliveries or performing maintenance work at the site, appeals to their employees not to cross the picket line are permissible.

In 1949, however, the National Labor Relations Board drew sharp distinction between lawful primary picketing on a construction site and on any other site. Much more restrictive standards were applied to the construction site, and construction workers were thereby denied a right enjoyed by workers in all other job pursuits to picket effectively in support of lawful goals in a labor dispute.

The committee substitute is a sharply focused legislative effort to redress the inequity and remove one source of the antagonism that has contributed to disharmony in labor-management relations in the construction industry.

The central issue involved is the proper application of established legal principles under which members of labor organizations engaged in construction activities will be able to strike or picket in seeking resolution of labor disputes.

This legislation is the culmination of 25 years of effort to restore fully the right of construction workers to engage in peaceful, legitimate picketing at construction sites. It is needed to correct a series of NLRB and Supreme Court decisions, dating from 1949, which have construed the secondary boycott provisions of the Taft-Hartley Act in a fashion that contravenes the original intent of that act.

The NLRB and the Supreme Court, pursuant to a decision (*NLRB* v. *Denver Building Trades Council*, 341 US 645, 1951), have held that contractors and subcontractors on a common construction site are separate legal entities for the purposes of what constitutes illegal secondary activities under the Taft-Hartley and Landrum-Griffin amendments to the National Labor Relations Act.

The effect of the ruling in the Denver Building Trades case has been to prohibit common situs picketing at a construction site when more than one employer is engaged in work at the site.

The present law ignores the economic reality that contractors and subcontractors in construction are a single enterprise for the purpose of any given project and imposes restrictions on the rights of concerted action by employees of such contractors and subcontractors that are greater than in other industries. In fact, the employers who are working together at a construction site are not the uninvolved "neutrals" in each other's labor disputes that the secondary boycott provisions of Taft-Hartley amendments were designed to protect; they should not be treated as such for purposes of the secondary boycott provisions.

The central purposes of the committee substitute therefore, is to bring the law into conformity with reality. In essence, all that the bill does is to state that contractors and subcontractors are to be treated as the integrated enterprise they really are and that, when there is a labor dispute, the union having the dispute is to be allowed to engage in normal, peaceful primary picketing afforded other employee organizations in similar situations.

Thus, where there is a labor dispute with a general contractor at a construction site, unions would not be prohibited from directing lawful strike activity, including picketing, at the general contractor and at all the jointly engaged subcontractors at that site as well.

Similarly, where there is a labor dispute with a subcontractor at a construction site, unions could direct lawful strike activity, including picketing, not only against that subcontractor, but against the general contractor and the other subcontractors.

We have to understand that in our system of labor relations the primary strike, which is protected by the Taft-Hartley Act, is aimed at applying economic pressure to halt day-to-day operations of the struck employer. We must understand that picketing has traditionally been an accepted economic tool to implement the goals of a strike and characteristically has been aimed at all those approaching the site whose mission is selling, delivering, or otherwise contributing to the operations that the strike is endeavoring to halt.

In supporting this legislation, however, we have to be mindful that there are instances in which common situs picketing needs to be carefully circumscribed. Accordingly, in addition to the overall amendment to the Taft-Hartley Act to permit situs picketing, this legislation also includes a number of preconditions and restrictions with respect to its use. I shall describe these conditions in detail shortly.

This bill is a legislative clarification of the original intent of the primary-secondary dichotomy in the Taft-Hartley Act which was misconstrued by the Supreme Court in the Denver Building Trades case. The Court's failure to apply the primary-secondary distinction properly in the construction industry was due to the Court's refusal to acknowledge the economic unity of contractors and subcontractors at most construction sites.

The characterization of every subcontractor as a "neutral" party for purposes of a labor dispute meant that any union attempting to picket a construction site would be exerting pressure on neutral employers, thereby violating the secondary boycott provisions of the act.

As I stated earlier in my remarks, the committee substitute has built into it a series of preconditions and restrictions designed to make sure that the use of this situs picketing right is sharply focused to promote harmonious resolution of a dispute that arises at a job site.

First, the substitute amendment adds a proviso which establishes special notice requirements, with respect to strikes or picketing arising under the terms of the bill, that recognize the role that national or international unions can play in the process.

The amendment requires that, not less than 10 days prior to engaging in any common situs picketing, a labor organization must file a notice to the unions, employers and international labor organizations with which it is affiliated, and to the National Construction Industry Collective Bargaining Committee.

The amendment requires further, in order for the picketing to be undertaken, that the national or international union with which the local union is affiliated must give notice, in writing, approving the proposed action by the local.

Thus, in order for strike activity which is presently forbidden under the Denver decision to be lawful, the union engaging in that activity must both provide written notice as outlined above and, if the union is affiliated with a national or international union, receive authorization in writing.

These provisions, which were added at the request of the administration, are designed to enhance the possibility of settling disputes without a work stoppage. The requirement for authorization by the union's parent organization is to bring into play the mediating influence of the parent and to prevent strike activity entirely if the parent organization disapproves.

The committee substitute contains an additional proviso which establishes further special conditions regarding construction which takes place on a military facility. That is, when a site of construction is located on any military facility or any other facility which has as its major purpose the development, production, testing, firing or launching of munitions, weapons, missiles or space vehicles, the amendment establishes special conditions which must be met by a labor organization undertaking the situs activity. These conditions require a prior notice of an intended strike of not less than 10 days to all relevant parties and to the Federal Mediation Service.

Thus, in order for strike activity forbidden by the Denver decision to be lawful, at a military installation or missile site, the union engaging in that activity must comply with written notice requirements set up in the specific section of the bill.

In order to reemphasize that the bill cannot be construed to permit activity that is presently unlawful, the committee has written into it four provisos to make it clear that enactment of the bill does not authorize, that is, make lawful, any conduct which previously would have been regarded as unlawful under the National Labor Relations Act.

The amendment states that it does not authorize picketing, threatening to picket, or causing picketing of any employer where the object would be to exclude from the site any employee on the ground of sex, race, creed, color, or national origin or because of membership in any labor organization. This is a restatement of the existing law which precludes picketing activities for these purposes.

Second, as general proposition, a proviso is added to make clear that, except for the authorization of situs picketing, nothing shall be construed to permit any other act or conduct which was or may have been an unfair labor practice.

There is also a proviso added to make clear that this bill does not create any additional unfair labor practices that did not exist prior to the enactment of the provision.

The restrictive provisos also make clear that the situs picketing authorization is not to be construed to permit an attempt by one labor organization to require an employer to recognize or bargain with any other labor organization, if that secondary union is lawfully recognized as the representative of the employees, or to permit the exclusion of such union on the ground that it is not affiliated—that is, an independent union.

This measure in detailed analysis has rather specific interpretation of how situs picketing provisions are to work at a particular job site. Accordingly, I ask unanimous consent to insert at this point in the RECORD excerpts from the committee report which contain a section-by-section legal analysis of the effects of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

3. The Effect of S. 1479

A. Section-by-Section Legal Analysis.—In order to facilitate a complete understanding of the effect that the main proviso added a section 8(b)(4)(B) by 1479 will have in permitting picketing and strike activity at the common situs of a construction project, it is helpful to examine the clauses of that proviso independently. The entire proviso states:

"*Provided further*, That nothing contained in clause (B) of this paragraph (4) shall be construed to prohibit any strike or refusal to perform services or any inducement of any individual employed by any person to strike or refuse to perform services at the site of the construction, alteration, painting, or repair of a building, structure, or other work and directed at any of several employers who are in the construction industry and are jointly engaged as joint venturers or in the relationship of contractors and subcontractors in such construction, alternation, painting, or repair at such site, and there is a labor dispute, not unlawful under this Act or in violation of an existing collective bargaining contract, relating to the wages, hours, or other working conditions of employees employed at such site by any of such employers and the issues in the dispute do not involve a labor organization which is representing the employees of an employer at the site who is not engaged primarily in the construction industry."

(a) The phrase "*Provided further*, That nothing contained in clause (B) of this paragraph (4) shall be construed to prohibit any strike or refusal to perform services or any inducement of any individual employed by any person to strike or refuse to perform services" is intended to reach all the means set forth in §§ 8(b)(4) (i) and (ii) of the Act.

(b) The phrase "at the site of the construction, alteration, painting, or repair of building, structure, or other work and directed at any of several employers" adopts the language used in the construction proviso to section 8(e) of the Act which was added in 1959. Here, as there, this language is used only to distinguish work at construction sites from all other types of work, as for example, at an industrial plant. The language does not confine the activity permitted by the bill to a particular construction situs or require picketing on a situs-to-situs basis; in that sense too it is identical to what was intended by the construction proviso to section 8(e). The limitation of common situs picketing to the particular construction situs at which the dispute arises is created by other language, discussed in paragraph 3(d) of this analysis and is not present in the construction industry proviso.

(e) The phrase "and directed at any of several employers who are in the construction industry and are jointly engaged as joint venturers or in the relationship of contractors and subcontractors in such construction, alteration, painting, or repair at such site" describes those who will be treated as a single person at such site" describes those who will be treated as a single person by virtue of the bill.

The phrase "in the construction industry" is also adopted from the construction industry proviso to section 8(e). The remainder of this clause makes clear that it is those who are jointly engaged as "joint venturers" or as "contractors and subcontractors" in the construction, etc., at such site, who are to be treated as a single person. Where the construction site is at an industrial plant (for example, an addition to a manufacturing facility), the owner of the plant will not be treated as a single person with the general contractor who is engaged to perform such construction work, or any of that general contractor's joint venturers or subcontractors. In that situation, when the dispute is with the owner of the plant and the owner establishes a separate gate for the construction workers, picketing in support of that dispute against the owner of the facility can be conducted at that gate if and only if the contractors and their employees are engaged in tasks which aid the owner's every day operations. See the General Electric case, supra, 366 U.S. at 681. Likewise, if the dispute is with the general contractor or one of the subcontractors, the owner of the industrial facility may, by establishing a separate gate for the construction employees confine the picketing to that gate and thereby insulate his own employees from that picketing.

A special problem of application will arise in situations involving the development of a large, multi-faceted construction project such as a shopping center complex, an urban renewal project or a government facility such as Cape Canaveral which includes both NASA's Kennedy Space Center and Patrick Air Force Base. In these situations it is not unusual for several general contractors, each using one of several subcontractors, to be employed in closely related work and in the same general location. Each of these contractors, however, may be engaged in building a totally separate facility within the parameters of the entire project.

If more than one general contractor is working on a multifaceted development involving distinct and unrelated projects then common situs picketing is not permitted under S. 1479 except with respect to the single general contractor involved in the dispute and all of its subcontractors. If, however, separate general contractors are responsible for completion of an interrelated structure and the site can be considered one project then common situs picketing is permitted by S. 1479 with respect to all general contractors and their subcontractors.

Pursuant to the provisions of S. 1479, picketing may not be used to close down the entire site or project merely on the basis of a labor dispute with one of the contractors or subcontractors. The applicable test to determine whether the entire site may be closed down pursuant to the principles under S. 1479 is to identify whether the contractors or several employers in the construction industry art "jointly engaged" at the "site of construction, alteration, painting, or repair of a building, structure, or other work". In addition, the bill provides that "in determining" whether or not several employers are in fact "jointly engaged" at any site, "ownership or control of such site by a single person shall not be controlling."

Employers are engaged as joint venturers when the work each contracts to perform is related to the work contracted for by the other as part of an integrated building, structure, or other work; and the employees of one perform work related to the other. The "site" of any such work is at the geographical physical location where several employers are jointly engaged in the construction, alteration, painting or repair of a building, structure, or other work at such location, and where the employees of such employers, contractors, and subcontractors are engaged in interrelated work toward a common objective in geographical proximity to each other. This is in accord with the settled principle that the situs of a dispute with an employer is wherever he performs his day-to-day operations, be it an industrial plant, a fleet of trucks or one or more construction sites.

S. 1479 recognizes the economic reality that construction work on one part of a building, structure or other work is interrelated to work on other parts of a building, structure or other work. It therefore permits the union representing employees in one phase of the work to strike or picket at the construction site against several employers at that site who are jointly engaged as joint venturers or in the relationship of contractor and subcontractor when the strike arises over wages, hours, and other working conditions.

(d) In the phrase "and there is a labor dispute, not unlawful under this Act or in violation of an existing collective bargaining contract, relating to the wages, hours or other working conditions of employees employed at such site by any of such employers" the starting point in the term "labor dispute", which was deliberately chosen to track the broad language of section 2(9) of the Act,[1] which in turn was adopted from section 13 of the Norris-LaGuardia Act, 29 U.S.C. section 113, and covers all disputes "relating to the wages, hours, or other working conditions."

The qualifying phrase "not unlawful under this Act or in violation of an existing collective bargaining contract," is included to assure that the bill is not construed to permit conduct which is presently unlawful under other subsections of section 8(b) or section 301(a) of the Act.

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[1] A labor dispute, as defined by section 2 (9) of the Act includes: "any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment, regardless of whether the disputants stand in the proximate relationship of employer and employee."

The second qualifying phrase is "of employees employed at such site by any of such employers". It is intended to preserve the Denver rule in a single narrow situation: where there is a dispute with a subcontractor which relates only to a single site, the union will not be permitted to treat that subcontractor as the same person as the general contractor and the other subcontractors at other sites. For example, if a subcontractor is under contract with the union at several sites, but fails at one site to pay the wages due the workers, or fails at that site to adhere to some other provision of the contract, the union may engage in common situs picketing only at the site. At other sites, the subcontractor will be treated as a different person from the general contractor and the other subcontractors and Denver Building Trades will continue to apply.

The subcontractor will still be subject to strikes and picketing at the other sites which was lawful even under Denver Building Trades, for example, picketing which complies with the standards declared in Sailor's Union of the Pacific, 92 NLRB 547 (Moore Dry Dock). But for this phrase the bill would have granted the right normally enjoyed by all unions to apply economic pressure against an employer with whom they have a dispute wherever he may be found, in order to halt his day-to-day operations. However, it was decided to restrict that right to engage in a primary strike as just described. Since section 13 declares that the Act shall not be construed "to interfere with or impede or diminish in any way" the right to strike as it was understood in 1947 "except as specifically provided" this limitation is stated explicitly. This decision represents a compromise designed to confine the picketing permitted in the bill to the situs at which the labor dispute arises in the one narrow situation in which it can be said that the dispute has a specific point of origin. Earlier provisions of the Act have taken account of the special conditions in the construction industry (see sections 8(e) and (f)). This is the first in which the protections granted are limited in any way to a particular job site.

As its language should make clear, the qualification contained in the phrase "of employees employed at such site by any of such employers," of course, does not affect the right granted in the bill to picket at all job sites at which a struck employer may be found where the origintals of the dispute are not so confined. Thus, where there is a dispute between a union or group of unions and a general contractor over an agreement to apply at more than one site or on future jobs it will be lawful to treat that general contractor and his subcontractors as a single person wherever they are engaged in construction activity. The same rule will apply where there is such a dispute with a subcontractor.

(e) The phrase in the proviso "and the issues in the dispute do not involve a labor organization which is representing the employees of an employer at the site who is not engaged primarily in the construction industry" is to exclude from the protection of S. 1479 those disputes which involve a union which represents employees of an employer at the site who is not engaged primarily in the construction industry but who is engaged in construction in furtherance of his main business, such as the building of an addition to an industrial facility.

Here again the purpose is to write into S. 1479 a narrow restriction on the basic right to engage in primary picketing. And, in this instance as the prior one, the sponsors of the bill have agreed to a compromise designed to give recognition to a carefully defined competing interest. The logic of the overruling of Denver Building Trades would allow picketing to appeal to organized industrial employees at or approaching a construction site. However, in promoting the stability of established collective bargaining relationships with industrial employers and protecting the integrity of the "no-raiding" agreements that have been entered into by many unions, the most encompassing of which is contained in Article XX of the AFL–CIO Constitution, the Committee, with the support of the labor movement, determined not to write the bill in a manner that extends common situs picketing to its full extent.

Two examples will describe both the function and the limitations of this phrase: if an employer is engaged by a contractor to install some specialized equipment as part of the construction project (for example, electrical or refrigeration equipment) and that employer utilizes his own regular employees who are represented by a labor organization for this installation, S. 1479 would permit the use of a separate gate for those employees that the construction union could not picket. Similarly, if a manufacturer decides to expand its facility and utilizes its own regular employees who are represented by a labor organization for these purposes, the picketing by the building trades unions of a separate gate reserved for industrial employees would not be permitted.

Of course if that same employer, however retains a general contractor who is "primarily engaged in the construction industry" for the job, picketing would be allowed under the General Electric principles described supra. The employer could, thereby, set up a separate gate for the construction workers and isolate his own employees from picketing.

In sum, subject to the foregoing limitations, where the employer is engaged in the construction industry, and in another industry, and the union has a dispute with him at the site where he is performing construction work, he would be considered to be "engaged primarily in the construction industry" at the site. S. 1479 would apply to permit common situs picketing at the site. On the other hand, where the employer is not engaged in the construction industry at all and an industrial union has a dispute with him at his facility, where separate gates are established, S. 1479 would not permit the industrial unions to picket the construction contractors performing work at the site.

Rather, the traditional concepts of General Electric would apply to such picketing. And, as explained earlier, where the industrial employer is not acting as a construction contractor and a construction union has a dispute with one of several construction employers performing work at the site, as, for example, an expansion of the plant facility, S. 1479 would permit picketing of all of the construction contractors and subcontractors but not the industrial employer.

Finally, where an industrial employer is acting as its own general contractor on a project for itself, is subcontracting out all of the construction work, and is retaining some minimum control over the construction process (e.g. through its own construction foreman), such an employer is "engaged in the construction industry" but is not "primarily engaged in the construction industry." Accordingly, under the bill, if the union has a dispute with one of the subcontractors (who is "primarily engaged in the construction industry") the union could picket all of the subcontractors and the industrial employer at the site of construction since the industrial employer is "engaged in the construction industry" at the site. However, if the industrial employer is not acting as its own general contractor and is not otherwise involved in the construction processes, he would not be "engaged in the construction industry" and S. 1479 would not apply to picketing of him.

(f) Four of the other provisos added by S. 1479 can be usefully discussed together because of their close relationship to each other:

"*Provided further*, Except as provided in the above proviso nothing herein shall be construed to permit any act or conduct which was or may have been an unfair labor practice under this subsection: ***Provided further***, That nothing in the above provisos shall be construed to prohibit any act which was not an unfair labor practice under the provisions of this subsection existing prior to the enactment of such provisos: ***Provided further***, That nothing in the above provisos shall be construed to authorize picketing, threatening to picket, or causing to be picketed, any employer where an object thereof is the removal or exclusion from the site of any employee on the ground of sex, race, creed, color, or national origin, or because of the membership of any employee in any labor organization." ***Provided further***, That nothing in the above proviso shall be construed to permit any attempt by a labor organization to require an employer to recognize or bargain with any labor organization if another labor organization is lawfully recognized as the representative of his employees or to permit the exclusion of any such labor organization on the ground that such labor organization is not affiliated with a national or international labor organization which represents employees of an employer at the common site.

As Mr. Justice Frankfurter observed in connection with the Taft-Hartley Act, labor-management legislation is "the result of conflict and compromise between strong contending forces and deeply held views on the role of organized labor in the free economic life of the nation and the appropriate balance to be struck between the uncontrolled power of management and labor to further their respective interests." *Carpenters' Union* v. *Labor Board*, 357 U.S. 93, 99–100 (1958).

Consequently, three of these four provisos have been inserted to assure that the enactment of the bill does not "authorize" or "permit", that is, make lawful, conduct which previously would have been regarded as unlawful under this Act but for the principles of *Denver Building Trades*.

That such provisos add nothing to the law and are in that sense redundant was understood during the House consideration of identical legislation in H.R. 5900. In urging the adoption of a similar amendment he had proposed, Mr. Esch, said:

"Mr. Chairman, I will say, if the gentleman from Michigan will yield, that it is because of the inherent sloppiness of the method of developing legislation, that I think this amendment, even though some may think it is redundant will help clarify it so that H.R. 5900 very clearly states that in no way does it go beyond the intent of sections 8(a)(3) and 8(b)(2) and thus protect the individual employee in this regard."

This amendment, which was agreed to, added the following:

"*Provided further*, That nothing in the above provisos shall be construed to authorize picketing, threatening to picket or causing to be picketed any employer where an object thereof is to cause or attempt to cause an employer to discriminate against any employee, or to discriminate against an employee with respect to whom membership in a labor organization has been denied or terminated on some ground other than his failure to tender the periodic dues and the initiation fees informally required as a condition of acquiring or retaining membership."

The third of the provisos in S. 1749 is a stylistic revision of the Esch amendment, in which that amendment is shortened and combined with another related proviso which was in both the House bill and

S. 1479 as introduced. To join these terms grammatically is appropriate because the function of this proviso is to state that nothing in the bill will authorize or legitimatize picketing (or a threat to picket) an employer in order to remove or exclude an employee on a ground forbidden by another provision of law. Because this proviso preserves those present laws intact, it was thought unnecessary to spell out the details of section 8(a)(3) and 8(b)(2).

The purpose of the first portion of the fourth proviso is to make clear that the bill does not relieve unions of the limitations which section 8(b)(7) places on recognitional and organizational (as opposed to "area standards") picketing. (See *Dallas Building Trades* v. *NLRB*, 396 F. 2d 677, 682 (1968).) The second portion of that proviso dealing with unaffiliated local labor organizations is related. It is designed to assure that the bill does not legitimatize any otherwise unlawful exclusion of an unaffiliated labor organization *because* ("on the ground that") it is unaffiliated.

Finally, the representatives of labor were concerned lest the reform to be accomplished by this bill be transferred by some process of negative implication into a prohibition of some conduct which has previously been regarded as lawful. That is the reason for the second of the provisos discussed in this paragraph of the analysis.

(g) *Special Notice Requirements and the Role of National Unions*

S. 1479 also adds a further proviso which establishes special notice provisions with respect to strikes or picketing arising under the terms of this bill, and to the role that national or international unions will play in this process:

"*Provided further*, That a labor organization before engaging in activity permitted by the above proviso shall provide prior written notice of intent to strike or to refuse to perform services of not less than ten days to all unions and the employers and the general contractor at the site and to any national or international labor organization of which the labor organization involved is an affiliate and to the Collective Bargaining Committee in Construction: *Provided further*, That at any time after the expiration of ten days from the transmittal of such notice, the labor organization may engage in activities permitted by the above provisos if the national or international labor organization of which the labor organization involved is an affiliate gives notce in writing authorizing such action: *Provided further*, That authorization of such action by the national or international labor organization shall not render it subject to any criminal or civil liability arising from activities notice of which was given pursuant to the above proviso."

S. 1479 requires that not less than ten days prior to engaging in any primary activity as contemplated under the bill, the labor organization which seeks to engage in a strike, or a concerted refusal to perform services, must file a notice thereof before undertaking the activity to the following persons:

(1) to all unions representing employees employed at the site;

(2) to all employers engaged at the site and the general contractor at the site;

(3) to any national or international labor organization with which the movant union is affiliated; and

(4) to the Construction Industry Collective Bargaining Committee.

S. 1479 requires further that in order for the picketing to be undertaken, the national or international union with which the local union is affiliated must give notice, in writing, approving the proposed action by the local. Thus, in order for strike activity which is presently forbidden by the *Denver* ruling to be lawful, the union engaging in that activity must both provide written notice as outlined above and, if the union is affiliated with a national or international union, receive authorization in writing.

These provisions are designed to enhance the possibility of settling the dispute without a work stoppage. The requirement for authorization by the union's parent organization is to bring into play the mediating influence of the parent and to prevent strike activity entirely if the parent organization disapproves. There is also included a proviso which safeguards the parent union against civil or criminal liability for granting such authorization to assure that it will not be held liable for exercising a function which the national labor policy regards as desirable. It furthers the principle of section 2(13) and section 301(e) of the Act that a labor organization—like an employer—is subject to liability for illegal activity which it has not committed only if that action is authorized or ratified according to the common law doctrine of agency, and recognizes that an affiliated local union is not an agent of its parent union by virtue of that relationship or the parent's reservation of control over the activities of the local. See, e.g. *Franklin Electric Co.*, 121 NLRB 143 (1958). While the proviso is phrased in terms of immunity from liability because the parent has authorized the strike activity by the local, it is not to be inferred that it is subject to liability where it does not authorize such activity. To allow a local union or its members to sue the international for withholding approval of a strike on some extension of the duty of fair representation or the international's obligations to its locals under their constitution or on any other basis would defeat the objective of requiring notice to an approval by the international.

In sum, this proviso limits civil and criminal liability of national and international construction labor organizations which might be imputed to them by way of their authorization of common situs picketing. It is the intent of this provision that civil and criminal liability should not be imposed on these organizations because, as contemplated by the Act, they have authorized or refused to authorize common situs picketing.

It is intended that the notice provisions contained in this proviso are in addition to the other notice provisions contained in the Act.

(h) *Special Provisions Governing Primary Activity at certain military facilities.* S. 1479 contains an additional proviso which establishes special provisions for construction which takes place on a military facility:

"*Provided further*, That in the case of any such site which is located at any military facility or installation of the Army, Navy, or Air Force, or which is located at a facility or installation of any other department or a agency of the Government if a major purpose of such facilty or installation is or will be, the development, production, testing, firing, or launching of munitions, weapons, missiles, or space vehicles, prior written notice of intent to strike or to refuse to perform services, of not less than ten days shall be given by the labor organization involved to the Federal Mediation and Conciliation Service, to any State or territorial agency established to mediate and conciliate disputes within the State or territory where such site is located, to the several employers who are jointly engaged at such site, to the Army, Navy, or Air Force or other department or agency of the Government concerned with the particular facility or installation, and to any national or international labor organization involved is an affiliate. The notice requirements of the preceding proviso are in addition to, and not in lieu of the notice requirements prescribed by section 8(d) of the Act. In determining whether several employers who are in the construction industry are jointly engaged as joint venturers at any site, ownership or control of such site by a single person shall not be controlling."

When a site of construction is located on any military facility of any other facility which has as a major purpose—present or future—the development, production, testing, firing, or launching of munitions, weapons, missiles, or space vehicles S. 1479 establishes special conditions which must be met by any labor organization which undertakes primary activity under this amendment. These conditions require:

(1) prior written notice of intent to strike of not less than 10 days;

(2) prior written notice of intent to refuse to perform services of not less than 10 days.

The written notice of intent to undertake primary activity at any such site or installation must be given to all the parties enumerated in the proviso. In addition all the requirements for notice in section 8(d) of the Act, as amended, governing parties to a collective bargaining agreement in situations involving termination or modification of an existing collective bargaining agreement must be met. Section 8(d) provides that a party seeking to terminate or modify the agreement must serve: (1) 60 days written notice of proposed termination or modification, or 60 days notice prior to the contract termination; (2) offers to meet to discuss modification of a new contract; (3) notice to the Federal Mediation and Conciliation Service and simultaneously to any state or territorial agency established to mediate disputes 30 days after serving notice to the parties if no agreement has been reached by that time; (4) the contract must continue in full force and effect until it expires or until 60 days after notice to parties is served without resort to strikes or lockouts.

Thus, in order for strike activity at a military installation or missile site, now forbidden by the *Denver* decision, to be lawful, the union engaging in that activity must comply with written notice requirements set out above.

Since it is the theory of S. 1479 that the relationship between the general contractor and subcontractor in construction is primary, the "military facility" proviso does add specific limits on the right to engage in a primary strike at this particular type of site. This, nevertheless, reflects a proper exercise by the Congress of its role to declare a national labor policy to achieve the most effective labor relations. The Supreme Court has recognized the Congressional role in this regard in *Labor Board* v. *Erie Resistor Corp.*, 373 U.S. 221, 234 (1963):

"While Congress has from time to time revamped and redirected national labor policy, its concern for the integrity of the strike weapon has remained constant. Thus, when Congress chose to qualify the use of the strike it did so by prescribing the limits and conditions of the abridgement in exacting detail, e.g. 338(b)(4), 8(d), by indicating the precise procedures to be followed in effecting the interference, e.g. section 10(j), (K), (l); sections 206–210, Labor Management Relations Act, and by preserving the positive command of section 13 that the right to strike is to be given a generous interpretation within the scope of the Labor Act."

To the extent that the right to engage in the strike activity is restricted in specified situations under S. 1479, the bill represents a continuation of congressional policies of setting only narrow qualifications on the use of the strike.

4. New Sections 8(h) & (i)

(a) Special Rules Governing Contracts Under State "Separate-Bid" Statutes.—S. 1479 adds a new subsection (h) to section 8 of the

National Labor Relations Act providing for special procedures for determining contractor and subcontractor relationships under those State Laws containing "separate-bid" requirements. Section 8(h) provides:

"(h) Notwithstanding the provisions of this or any other Act, where a State law requires separate bids and direct awards to employers for construction, the various contractors awarded contracts in accordance with such applicable State law shall not, for the purposes of the third proviso at the end of paragraph (4) of subsection (b) of this section, be considered joint venturers or in the relationship of contractors with each other or with the State or local authority awarding such contracts at the common site of the construction."

The laws of eight states[2] require separate bids to be let to the lowest responsive bidders for certain categories of work on public construction jobs as follows: (1) for general construction; (2) for heating, ventilating and air conditioning; (3) for plumbing work; and (4) for electrical work.

S. 1479 provides that when construction jobs are contracted under authority of such laws those contractors shall not be considered as joint venturers or in the relationship of contractor and subcontractor. Additionally, S. 1479 provides that the state or local subdivision shall not be viewed as a joint venturer or contractor for the purposes of this Act. This is also supported by the requirement that such employers must be in the construction industry.

The sole effect of Section 8(h) is to continue the rule of the Denver Building Trades case to govern picketing at a construction situs, where the employers have been awarded separate contracts pursuant to the requirements of State bidding laws. However, picketing which was lawful even under Denver for-example, as picketing which satisfies the standards set forth in Sailors Union of the Pacific (Moore Dry Dock), 92 NLRB 547, will remain lawful.

This narrow retention of the Denver rule was added by the Committee as an accommodation to state procurement policies. Eight states require separate bidding and direct awards by the general and subcontractors to guarantee the integrity of the expenditure of public moneys. These laws have nothing to do with labor-management relations, and make it impossible for the contractors "by design or otherwise" (Carrier, supra, 376 U.S. at 501) to arrange their affairs so as to insulate themselves from disputes in which they are economically concerned. State laws which have a labor management relations objective or which permit such manipulation are not within section 8(h). For, it is not intended to destroy uniformity in the national labor policy which favors the use of peaceful primary economic weapons as part and parcel of the process of collective bargaing (Labor Board v. Insurance Agents, 361 U.S. 477, or to permit employers to arrange their affairs so as to define or limit the scope of primary activity; see also, Carrier, 376 U.S. at 501.).

(b) Special Provision Governing Labor Injunctions.—S. 1479 adds a new subsection (i) to section 8 of the National Labor Relations Act. The new subsection 8(i) provides as follows:

"(i) Notwithstanding the provisions of this or any other Act, any employer at a common construction site may bring an action for injunctive relief under section 301 of the Labor-Management Relations Act (29 U.S.C. 141) to enjoin any strike or picketing at a common situs in breach of a no-strike clause of a collective bargaining agreement relating to an issue which is subject to final and binding arbitration or other method of final settlement of disputes as provided in the agreement."

The purpose of this provisions is to codify with respect to strikes and picketing at a common situs the accommodation established in *The Boys Markets, Inc.* v. *Retail Clerks Union*, 398 U.S. 235 (1970) between the Norris-LaGuardia Act, 29 U.S.C. 101, *et seq.* and sections 203(d) and 301 of the Labor Management Relations Act (29 U.S.C. 141, *et seq.*). Here again, the placement of this section should not be construed to create a new unfair labor practice.

Thus where the parties to a collective bargaining agreement have provided for a method of "final adjustment" for the settlement of grievance disputes arising thereunder as to the application or interpretation of an existing collective bargaining agreement (See section 203(d)), the Courts may, notwithstanding the provisions of section 4 of the Norris-Laguardia Act, in a suit under section 301 issue an injunction enjoining a work stoppage at a common situs. Such injunctive relief is available only where the stoppage is over a grievance which "both parties are contractually bound to arbitrate and provided also that the other conditions declared in *Boys Markets* are satisfied, and provided further that the procedural and equitable requirements of the Norris-LaGuardia Act are satisfied. See *Boys Market*, 398 U.S. at 253–254 and *Emery Air Freight Corporation* v. *Local Union 295*, 449 F. 2d, 586, 588–589 (2d Cir. 1971).

Mr. WILLIAMS. Mr. President, there is one aspect of these restrictions which has generated a certain amount of concern in the industrial community and accordingly, I would like to address specific attention to that situation.

During our hearings, the committee received extensive comment about the issue of construction at an industrial site and the extent to which an industrial employer would be affected by situs picketing in such circumstances. The committee substitute contains a specific proviso which makes clear that situs picketing is not authorized, if the issues in the dispute do not involve labor organizations which are representing the employees of an employer at the site who is not engaged primarily in the construction industry. The explanation of this provision found on pages 21–23 of the committee report is a comprehensive analysis of the way in which the industrial employer would be protected.

The logic of overruling Denver Building Trades would argue for allowing picketing for the purpose of appealing to organized industrial employees anywhere near the construction site. However, in promoting the stability of established collective bargaining relationships with industrial employers, we drafted our bill in a manner that limited the situs picketing which would otherwise have been allowed. The committee report contains several examples, and I would like to discuss two of them at this point.

First, if an employer is engaged by a contractor to install some specialized equipment as part of a construction project, such as electrical or refrigeration equipment and that employer uses his own regular employees who are represented by a labor organization for this installation, the committee substitute would permit them to use a separate gate that the construction union could not picket.

Second, similarly, if a manufacturer decided to expand his facility and utilize his own regular employees who are represented by a labor organization for these purposes, the picketing by the building trades or unions of a separate gate reserved for industrial employees would not be permitted.

On the other hand, if the manufacturer became his own general contractor for the job, picketing would be allowed at each gate.

Mr. President, we believe that the committee substitute is a legitimate balancing of interests and a necessary adjunct to our labor relations policy. It is a long overdue correction of an erroneous interpretation of the National Labor Relations Act.

It is regrettable that circumstances have delayed passage for nearly 25 years.

That fact, however, should not diminish its importance in bringing greater stability to our labor relations policy. Accordingly, I urge the Senate to adopt the committee substitute and the pending bill.

Mr. President, Senators are not unaware of the fact that action on the pending bill will be followed by consideration of S. 2305, a bill to establish a national framework for collective bargaining in the construction industry.

While H.R. 5900 would enhance prospects for harmonious resolution of labor disputes in the industry by requiring a 10-day cooling-off period and authorization by a parent labor organization prior to engaging in common situs picketing, S. 2305 would provide additional resources and procedures for stabilizing and improving the fragmented and often chaotic conditions of collective bargaining in the construction industry.

I shall not take the time of the Senate now to discuss S. 2305, except to say that I regard it as vitally needed legislation which deserves the same favorable consideration by the Senate as H.R. 5900 is receiving.

ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 9 a.m. Am I correct?

The PRESIDING OFFICER. That is the order.

Mr. ROBERT C. BYRD. I thank the Chair.

ORDER FOR THE RECOGNITION OF VARIOUS SENATORS ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of the two leaders or their designees under the standing order, Mr. STONE, Mr. McCLURE, Mr. BROCK, Mr. BUCKLEY, Mr. CHILES, and Mr. GARN each be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I had earlier been notified by Mr. STONE that he wanted orders entered which would permit him and five other Senators to speak on the subject of Cuba.

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[2] Florida, Illinois, New Jersey, New York, North Carolina, Ohio, Pennsylvania, and Wisconsin.

ORDER FOR A PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS ON TOMORROW; AND FOR THE CONSIDERATION OF THE DEBT LIMIT BILL OR H.R. 9861

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the remarks of the Senators for whom special orders have been granted, there be a period for the transaction of routine morning business tomorrow of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the distinguished majority leader or his designee be authorized to call up either the extension of the debt limit bill or the defense appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Now, there was an order previously entered which authorized the leadership to call up the debt limit matter at any time, and that request is not vitiated by virtue of the order that we have just entered. May I have that understanding, Mr. President?

The PRESIDING OFFICER. That is absolutely correct.

Mr. ROBERT C. BYRD. I thank the Chair.

H.R. 5900—1 HOUR UNDER CLOTURE RULE TO BEGIN RUNNING ON FRIDAY AT 9:10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the 1 hour under the cloture rule begin running on Friday on the motion to invoke cloture on the bill H.R. 5900 at the hour of 9:10 a.m.

May I say before the Chair puts my request that Senator Moss inquired as to whether or not it would be possible to have the cloture vote occur at 10:30 on Friday morning so as to allow him to keep an appointment out of town.

I suggested that he clear this with Senator CASE who had raised objection on yesterday afternoon to a vote earlier than 11 o'clock. Mr. Moss reported back that it was agreeable with Mr. CASE that the vote on cloture begin at 10:30, so this request I have now propounded would allow a vote to begin at 10:30 a.m.

The PRESIDING OFFICER. The hour for debate to start at 9:10 a.m.?

Mr. ROBERT C. BYRD. The 1 hour would start at 9:10.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR THE BUDGET COMMITTEE TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Budget Committee be authorized to have until midnight tonight to file reports.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 9 o'clock tomorrow morning. After the two leaders or their designees have been recognized under the standing order, Mr. STONE will be recognized, Mr. MCCLURE will be recognized, Mr. BROCK will be recognized, Mr. BUCKLEY will be recognized, Mr. CHILES will be recognized, and Mr. GARN will be recognized, each for not to exceed 15 minutes and in that order, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes with statements limited therein to 5 minutes each.

At the conclusion of routine morning business, the distinguished majority leader or his undistinguished assistant will be authorized to call up either the debt limit measure or the defense appropriations bill, whichever seems to be ready under the circumstances at that time.

If the debt limit measure is called up at that time, there is a time agreement thereon, and rollcall votes would occur on amendments thereto and on final passage, and the defense appropriations bill would follow the consideration of the debt limit bill.

If, in the alternative, the defense appropriation bill is called up, there is no agreement on that bill, but rollcall votes will occur on amendments thereto and on final passage, and if the debt limit bill is then ready and the time would permit, that debt limit measure would then follow on tomorrow.

ORDER FOR ROUTINE MORNING BUSINESS ON FRIDAY

In any event, on Friday morning, the Senate will come in at the hour of 9 a.m. and, after the two leaders have been recognized, and until no later than 9:10 a.m. there will be a period for morning business, by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF UNFINISHED BUSINESS ON FRIDAY

Mr. ROBERT C. BYRD. In any event, at no later than the hour of 9:10 a.m. on Friday, Mr. President, the Senate will resume consideration of the unfinished business, by unanimous consent.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. The 1 hour under the rule will begin running at the hour of 9:10, and I ask unanimous consent that that time be equally divided between Mr. WILLIAMS and Mr. HELMS or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. At 10:10 a.m. the Chair will have the clerk proceed with an automatic quorum call and upon establishment of that quorum, or at about 10:30 a.m., the Senate will vote by automatic rollcall on the motion to invoke cloture on the bill, H.R. 5900.

Then, Mr. President, what happens after that vote depends upon the outcome of that vote.

Assuming that cloture is invoked, then the Senate would be required to continue action on that bill until it is disposed of.

So Senators are already aware that there will be rollcall votes on Friday. They are aware that the Senate will be coming in Saturday.

ORDER OF PROCEDURE ON SATURDAY

An order has aready been entered for the Senate to come in at 9 o'clock on Saturday morning. Rollcall votes would occur in that event and they would occur on H.R. 5900 if cloture has been invoked, amendments thereto or motions relating to that measure, and perhaps on final passage.

If the defense appropriations bill has not been completed, of course, the Senate can go back to that. If the debt-limit extension has not been finally acted upon, the Senate could go back to that. That debt limit will expire on Saturday night, I believe.

There may be other measures which at the moment I do not recall which would be fertile ground for action and rollcall votes.

So I would say that the prospects now for a Saturday session with rollcall votes are good, whichever way we look at it.

ADJOURNMENT TO 9 A.M.

Mr. FORD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 a.m. tomorrow.

The motion was agreed to; and at 3:25 p.m., the Senate adjourned until tomorrow, Thursday, November 13, 1975, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 12, 1975:

FEDERAL MARITIME COMMISSION

Karl E. Bakke, of Virginia, to be a Federal Maritime Commissioner for the term expiring June 30, 1980.

DEPARTMENT OF JUSTICE

Blair A. Griffith, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania for the term of 4 years.

Paul R. Thomson, Jr., of Virginia, to be U.S. attorney for the western district of Virginia for the term of 4 years.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Wednesday, November 12, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Wait on the Lord; be of good courage and He shall strengthen your heart.—Psalms 27: 14.

Eternal God, our Father, steady us with Thy presence and strengthen us with Thy power as we seek to develop on this Earth a finer order of life, building bridges over barriers which separate members of the human family and bringing cooperation, good will, and peace to new life in the hearts of people.

Grant unto us courage to support good causes and confidence to strengthen the spirit of righteousness and truth in the issues we promote.

God give us men and women. A time like this demands strong minds, great hearts, true faith, and ready hands, tall persons who live above the fog in public duty and in private thinking.

In the spirit of Him who always sought the good we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 73. Concurrent resolution relating to the United Nations and Zionism.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8365) entitled "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes," and that the Senate agreed to the amendments of the House to the amendments of the Senate numbered 20, 21, 31, 32, 42, and 47 to the foregoing bill.

TRIBUTE TO THE LATE SENATOR CLINTON P. ANDERSON

(Mr. LUJAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUJAN. Mr. Speaker, America has suffered a great loss with the passing of former Senator Clinton P. Anderson. He was a great and compassionate American. While the final chapter physically closed for him yesterday, it will be many decades before this Nation's history books will close on him.

There is not an American today who has not enjoyed the fruits of his labor both as a Member of Congress and Secretary of Agriculture. The greatness of this country today can be, in no small part, attributed to Senator Anderson. The greatness of the State of New Mexico, his adopted home, likewise in no small way, can be attributed to Senator Anderson.

Ironically, Senator Anderson's passing came during the waning hours of Armistice Day as that day was known in his younger years. For, the happenstance of World War I played an important part in Senator Anderson's great contribution to his Nation's greatness.

It was in 1918 that Clinton P. Anderson volunteered for military service in his native State of South Dakota. It was during his preenlistment physical examinations that it was discovered he had contracted the dreaded tuberculosis and in 1919 he moved to New Mexico to begin the long, slow road to recovery. Typical of his strength and determination, Senator Anderson did indeed recover and go on to become one of this country's great public servants.

Senator Anderson's political career actually began in 1920 when he became a political reporter for the Albuquerque Journal. His astuteness for politics and government is evident in the fact that by 1924 he became State treasurer and then was elected to the House of Representatives in 1940. He served in this Chamber until 1945 when he was appointed Secretary of Agriculture by former President Truman.

Of all the great accomplishments credited to him, foremost in the history books is his solution of America's sugar crisis of the 1940's. His leadership as a conservationist is legend.

But Senator Anderson's great contributions to a better America were not limited to his service as Secretary of Agriculture. In 1948 the citizens of New Mexico elected him to the U.S. Senate, a most significant act in America's future.

We all know of Clinton Anderson as the father of medicaid and medicare. It was his compassion for his fellow man's health and welfare that guided him to sponsor the original medicaid bill. His foresight guided him to become one of the founding fathers of what we now know to be the Atomic Energy Commission. It is through this foresight and determination to better man's lot in this world that New Mexico has become the world's greatest scientific community. The greatness of the Los Alamos Scientific Laboratory, Sandia Laboratories, White Sands, our numerous colleges and universities leadership in scientific fields can be attributed to this man's concern to make a better world. What greater tribute to this man's love for all people is the Los Alamos Meson Facility which is dedicated to the conquest of cancer and other dreaded diseases.

Yes, Mr. Speaker, we have lost a great friend. We will no longer have access to his great wisdom and commitment for the betterment of mankind. He has gone from whence he came. But his memory will remain for many generations to come. And this memory is born not from flowery oratory and/or political clout but from a lasting determination and effort to rid this country and the world from pain and suffering. Through his labor and love it will be many, many generations before the final chapters of Clinton P. Anderson can be written in the world's history.

Mr. RUNNELS. Mr. Speaker, it is with great sorrow that I stand before this House today to convey news of the death of a former Member of the U.S. Congress and resident of the State of New Mexico.

Clinton P. Anderson, a three-term Congressman and four-term Democratic Senator from New Mexico and Secretary of Agriculture under President Harry S Truman, died last night at his home in Albuquerque.

Clinton Anderson was a man who exemplified the qualities of a true statesman. He was a man who was dedicated and devoted to the life of being a public servant.

Anderson, who celebrated his 80th birthday October 23, launched in 1933 a political career that took him from treasurer of the State of New Mexico to a Presidential Cabinet and both Houses of Congress.

His contributions to his State and his Nation were best known in the areas of atomic science, space developments, reclamation and conservation projects, and water development programs.

Some of the most important and far-reaching legislation passed by the Congress, including medicare, bear his name. While serving in the U.S. Senate, he was proud of the reputation he had earned as a principal promoter of the development of atomic energy for peaceful uses. At the same time, he was known to come down hard on the Congress, expressing his disappointment in the fact that more of the Nation's resources had not gone into that development.

His career in the Congress began with his election to the 77th, 78th, and 79th Congresses. He was appointed Secretary of Agriculture by President Truman on June 30, 1945, and resigned that position on May 10, 1948, to enter the Democratic primary for U.S. Senator. He was elected to the Senate on November 2, 1948; reelected in 1954; in 1960; and again in 1966 for the term ending January 3, 1973.

Since his retirement, monuments have been dedicated at the Los Alamos Scientific Laboratory in New Mexico for his work in the field of atomic energy.

But those of us here in the Congress and people back home will remember this man for the countless hours and devotion he gave to serving his country. Ladies and gentlemen, he was one of the great leaders of his time. He was a man who helped to make America what it is today and he will be missed by those who knew him and watched him during his remarkable political career.

PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 10029, MILITARY CONSTRUCTION APPROPRIATIONS, 1976

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on H.R. 10029, an act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT (H. REPT. NO. 94–655)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10029) "making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3 and 5.

That the House recede from its disagreement to the amendments of the Senate numbered 6, 7, and 8, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$790,025,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$770,018,000"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$550,644,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"SEC. 112. None of the funds appropriated in this Act may be used prior to April 15, 1976, for the purpose of carrying out any military construction project on the island of Diego Garcia; except that $250,000 may be used to procure, construct and install aircraft arresting gear on the island of Diego Garcia."

And the Senate agree to the same.

ROBERT L. F. SIKES,
EDWARD J. PATTEN,
GUNN MCKAY,
JOHN P. MURTHA,
BOB TRAXLER,
TOM STEED,
GEORGE MAHON,
BURT L. TALCOTT,
E. A. CEDERBERG,
Managers on the Part of the House.
MIKE MANSFIELD,
JOHN L. MCCLELLAN,
DANIEL K. INOUYE,
J. BENNETT JOHNSTON, Jr.,
WALTER D. HUDDLESTON,
STUART SYMINGTON,
HOWARD W. CANNON,
TED STEVENS,
MILTON R. YOUNG,
HENRY BELLMON,
EDWARD W. BROOKE,
JOHN TOWER,
JOHN O. PASTORE,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 10029) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

Amendment No. 1, military construction, Army: Appropriates $790,025,000 instead of $788,337,000 as proposed by the House and $812,942,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Fort Campbell, Kentucky: Tactical equipment shops and facilities	+$1,228,000
Fort Lewis, Washington: Barracks complex	+3,700,000
Fort Stewart/Hunter Army Airfield, Georgia: Barracks complex	+1,360,000
Fort Benning, Georgia:	
Training facilities—phase II	+614,000
Fiscal year 1975 carryover	+614,000
Fort Gordon, Georgia: Signal School addition	+1,335,000
Fort Knox, Kentucky: Flight simulator building	+578,000
Aberdeen Proving Ground, Maryland: Research animal isolation facility	+1,000,000
Fort Huachuca, Arizona: Academic buildings—phase I	+750,000
Air pollution abatement—	
Joliet Army Ammunition Plant, Illinois: Incinerator for contaminated waste	+288,000
Water pollution abatement—	
Joliet Army Ammunition Plant, Illinois: Red water ash and storage	+725,000
Schofield Barracks, Hawaii: Barracks modernization	+1,900,000
Fort Sam Houston, Texas: Water storage tank	−870,000
Fort McClellan, Alabama: Barracks complex, trainee	−2,500,000
Walter Reed Army Medical Center, District of Columbia: TRIMIS ADP facilities	−2,500,000
Energy conservation—	
Fort Lewis, Washington: Building insulation	−1,534,000
NATO infrastructure	−5,000,000

The conference committee has denied the funds for the acquisition of the mineral rights at Fort Polk, Louisiana. The conference committee directs the Army to further study the needs for acquiring the mineral rights at Fort Polk and to report to the Appropriations Committees of both Houses on two subjects: (1) the necessity of acquiring the mineral rights and an evaluation of the compatibility of mineral exploration with the training uses of the land, and (2) the valuation of the mineral rights on federal property.

At Fort Stewart/Hunter Army Airfield, Georgia, the conferees have restored the family housing and a portion of the barracks spaces which were denied by the House. In denying the tactical equipment shops and facilities and barracks and related facilities which were requested in support of a second brigade at Fort Stewart/Hunter Army Airfield, the conferees are not precluding the stationing of a mechanized division minus one brigade at this installation. The conferees require that Army reexamine any plans to station a division minus one brigade at this installation in view of the large amount of construction which would be required and to thoroughly and faithfully research and evaluate the suitability of Fort Stewart/Hunter Army Airfield as a location for the stationing and training of a mechanized division minus one brigade or smaller armored or mechanized units. In conjunction with these studies, the Committees on Appropriations of the Senate and House of Representatives will expect the Army to thoroughly review its stationing plans for units of brigade size or larger so as to develop the most effective and least costly base structure and to report to these Committees on its findings.

At Fort Benning, Georgia, the conferees agreed to restore only as much of the House reduction in training facilities requested at Fort Benning, some $614,000, as is necessary to provide training ranges for advanced individual training for infantry. Training facilities for basic combat training at Fort Benning are denied. Adjustments to new budget authority to compensate for carryover balances in the amount of $614,000 are also restored.

The conferees are fully in agreement that the Army should carefully test one-station training and one-station unit training at existing training installations. The analysis of this test should be based upon experience with initial entry training and upon the monitoring and evaluation of the graduates of this training by their Forces Command units. The Army should report its findings on the test and evaluations to the Congress prior to November 30, 1976.

With regard to the barracks complex approved at Fort Benning, the conferees agree that the Army and the Office of the Secretary of Defense must certify that the design of the barracks to be constructed represents the most economical and prudent type when the full range of possible missions at Benning is considered.

Conferees agreed that careful consideration should be given future utilization of existing facilities in an efficient manner before plans go forward to replace adequate facilities now in place with new, more expensive facilities elsewhere. Particular attention is directed to Army plans for utilization of training facilities, with special emphasis on Fort Dix, New Jersey. However, the concern of the conferees applies to military installations nationwide. Conferees direct the attention of the Army and all the Services to language in this regard contained in the House and Senate reports accompanying the fiscal year 1976 military construction appropriation bill.

At Fort Rucker, Alabama, the conferees have deleted a United States Army aeromedical research laboratory in the amount of $9,139,000. The conferees believe that further study of the possibility of greater interservice support of research in this area, using existing facilities to the extent possible, is warranted.

The conferees have agreed to delete $5,000,000 from new obligational authority for Military construction, Army in view of the large unobligated balances that were available for NATO infrastructure at the end of fiscal year 1975. The Senate had deleted $10,000,000 in this area. The reduction made is not viewed as a limitation on the amount which may be obligated for NATO infrastructure in fiscal year 1976.

Amendment No. 2, Military construction, Navy: Appropriates $770,018,000 instead of $728,727,000 as proposed by the House and $799,326,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Naval Underwater Systems Center, Newport, Rhode Island: Project support facility	+$2,000,000
Naval Submarine Base, New	

London, Connecticut: Berthing pier	+2,300,000
Naval Academy, Annapolis, Maryland: Landfill/site improvement	+378,000
Naval Ordnance Station, Indian Head, Maryland: Dispensary/dental clinic	+1,179,000
Naval Regional Medical Center, Bremerton, Washington: Hospital complex	+2,000,000
Pearl Harbor Naval Shipyard, Hawaii: Machine shop modernization	+3,356,000
Naval Station, Pearl Harbor, Hawaii: Fleet command center	+7,078,000
Trident	+25,000,000
Uniformed Services University of the Health Sciences, Bethesda, Maryland: Fiscal year 1975 increment	−2,000,000

The Senate receded on its reduction to the amount provided for Tingey House restoration. The conferees are in agreement that the amount provided for Tingey House is limited to $300,000 and should be used for restoration of the outside of this historic structure and for necessary air conditioning modifications. Further, the conferees recommend that this house continue in use as a residence for a senior naval officer.

At the Naval Station, Pearl Harbor, Hawaii, the fleet command center deleted by the House was restored in full scope with the proviso that the Navy inform the Committees on Appropriations of the Senate and House of Representatives if it is not planned to centralize Army, Navy, and Air Force automatic data processing and worldwide military command and control computer functions into this facility.

The conferees restored $25,000,000 of the $70,000,000 reduction made by the House in facilities requested at Bangor, Washington in support of the Trident weapons system. While the resulting reduction of $45,000,000 in new budget authority is not specifically applied to any portion of the Trident request, the conferees are particularly concerned about technical problems which are present in the Navy's plans to construct a dry dock at the Trident support site. In the opinion of the conferees, these technical problems are such that they could, at worst, cause the type of dry dock planned to be prohibitively expensive or technically infeasible. Accordingly, the Navy is directed to report its plans with regard to dry dock construction to the Committees on Appropriations of the Senate and the House of Representatives for their approval before initiating any construction work at the site; in other words, anything other than long leadtime procurement as proposed by the House. Furthermore, the Navy is directed to keep the Committees on Appropriations fully informed and up to date on technical problems regarding this dry dock at all times.

The House conferees are in agreement with the Senate with regard to language contained in the Senate report lifting funding limitations with regard to storm/sanitary sewer separation at the Hunters Point Naval Shipyard, San Francisco, California.

Amendment No. 3, Military construction, Navy: Deletes language proposed by the Senate which would delay implementation of the Uniformed Services University of the Health Sciences by three months.

Amendment No. 4, Military construction, Air Force: Appropriates $550,644,000 instead of $541,279,000 as proposed by the House and $553,700,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Wright-Patterson Air Force Base, Ohio: Alter systems management engineering facility	+$2,200,000
Vance Air Force Base, Oklahoma: Academic classroom	+1,270,000
Eielson Air Force Base, Alaska: Utilities	+471,000
Andrews Air Force Base, Maryland:	
Airmen dormitories	+3,114,000
Utilities	+600,000
Offutt Air Force Base, Nebraska: Library	+702,000
Access roads	+3,000,000
Carswell Air Force Base, Texas: Officer open mess	−1,992,000

Amendment No. 5, Military construction, Defense Agencies: Appropriates $19,300,000 as proposed by the House instead of $39,300,000 as proposed by the Senate.

Following lengthy discussion, Senate conferees reluctantly agreed to defer funding for the decontamination and cleanup of Eniwetok Atoll in the Pacific Trust Territories.

Mindful that spokesmen for the Executive Branch of the United States have accepted responsibility by the United States to the people who were displaced from this atoll in order that nuclear testing could take place there, the conferees believe other alternatives should be explored by the Department of Defense and the Department of Interior to examine all options in order to determine the best and most economical means of fulfilling this responsibility. About 150 people were removed from the atoll. This number and their descendants are now approximately 450. Additional information is needed on the exact numbers of Eniwetok natives and their descendants who actually plan to return to the atoll in the event that a program of restoration there is deemed advisable after careful study of alternatives. The conferees are agreed that further study is needed before vast sums are spent on what could be an ineffective program.

The Department of Defense is directed to evaluate the problem posed by debris and obsolete buildings remaining as a result of military construction in World War II in the Aleutian Islands in the State of Alaska. This evaluation should also analyze methods and costs of removing such debris. Additionally the conferees agree that the Department of Defense should conduct a study on the plans for utilization and on the feasibility and cost of clearing the Island of Kahoolawe in the State of Hawaii of unexploded ordnance. The conferees expect these reports to be submitted to Congress within a 12-month period.

Amendment No. 6, Military construction, Naval Reserve: Appropriates $36,400,000 as proposed by the Senate instead of $34,835,000 as proposed by the House.

In House Report No. 94–530, the Committee expressed concern over the possible effect of the Navy's regionalization plan on local reserve centers in surrounding areas and denied funding for one such regional center at Liverpool, New York. While this continues to be a matter of concern, the Senate and House Committees in conference have agreed to restore the funds deleted but with the proviso that the Navy will present to the Committees on Appropriations of the Senate and the House of Representatives for their approval a more detailed explanation and justification of the plan, particularly as to its effect on reservists located far distant from a central drill site, prior to commitment of funds for this project.

Amendment No. 7, Family housing, Defense: Appropriates $1,332,244,000 as proposed by the Senate instead of $1,319,862,000 as proposed by the House.

Amendment No. 8 Family housing, Defense: Provides $95,700,000 as proposed by the Senate instead of $83,318,000 as proposed by the House.

Amendment No. 9, General provisions: The conferees discussed the Senate's Diego Garcia amendment at length. House conferees expressed agreement with their Senate counterparts that negotiations regarding mutual arms restraint in the Indian Ocean are highly desirable and should proceed at the earliest practical time; however, the Senate amendment would have the undesirable effect of prolonging completion of the Diego Garcia project and increasing costs significantly as a result of split procurements and escalated prices. After much discussion, the conferees agreed to modify the Senate amendment with the full expectation that the Administration will report to the Committees on Appropriations and Armed Services of the Senate and the House of Representatives, the Committee on Foreign Affairs of the Senate, and the Committee on International Relations of the House of Representatives regarding negotiation initiatives before April 15, 1976; however, the Navy would be permitted and is expected to arrange its procurement contracts to minimize cost and delay in procurement of materials for the fiscal year 1976 increment of facilities by the use of fiscal year 1975 appropriations for construction at Diego Garcia which have been already made available. Such projects may proceed provided that neither cumulative obligations nor cumulative expenditures by April 15, 1976, on projects authorized for fiscal year 1975 and fiscal year 1976 will exceed $18.1 million, or that amount authorized and appropriated for fiscal year 1975, except that funds in the amount of $250,000 from the fiscal year 1976 appropriations may be used to procure, construct and install aircraft arresting gear prior to April 15, 1976, as authorized by law. The conferees' intent is to prohibit construction of projects on Diego Garcia using fiscal year 1976 funds before April 15, 1976 but not to delay planning or the procurement of long leadtime items.

CONFERENCE TOTAL—WITH COMPARISON

The total new budget (obligational) authority for the fiscal year 1976 and the transition period recommended by the Committee of Conference with comparisons to the fiscal year 1975 amount, the 1976 and transition period budget estimates, and the House and Senate bills for 1976 and the transition period follows:

New budget (obligational) authority, fiscal year 1975[1]	$3,084,789,000
Budget estimates of new (obligational) authority, fiscal year 1976	4,109,020,000
Transition period	359,100,000
House bill, fiscal year 1976	3,518,723,000
Transition period	359,100,000
Senate bill, fiscal year 1976	3,660,295,000
Transition period	359,100,000
Conference agreement	3,585,014,000
Transition period	359,100,000
Conference agreement compared with—	
New budget (obligational) authority, fiscal year 1975	+500,225,000
Budget estimates of new (obligational) authority, fiscal year 1976	−524,006,000
Transition period	----
House bill, fiscal year 1976	+66,291,000
Transition period	----
Senate bill, fiscal year 1976	−75,281,000
Transition period	----

[1] Includes $10,194,000 appropriated in Second Supplemental Appropriations Act, 1975 (Public Law 94–32).

Robert L. F. Sikes,
Edward J. Patten,
Gunn McKay,
John P. Murtha,
Bob Traxler,
Tom Steed,
George Mahon,
Burt L. Talcott,
E. A. Cederberg,
Managers on the Part of the House.

Mike Mansfield,
John L. McClellan,
Daniel K. Inouye,
J. Bennett Johnston, Jr.,
Walter D. Huddleston,
Stuart Symington,
Howard W. Cannon,
Ted Stevens,
Milton R. Young,
Henry Bellmon,
Edward W. Brooke,
John Tower,
John O. Pastore,
Managers of the Part of the Senate.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORTS ON S. 364 AND S. 1245

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file reports on S. 364 and S. 1245.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mr. HANLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANLEY. Mr. Speaker, I was unable to return to the floor yesterday afternoon in time to vote in support of House Resolution 855, which related to the United States and Zionism.

The United Nations General Assembly vote of November 10 which describes Zionism as a form of racism was a tragic mistake on the part of that body.

In my judgment, there is little value in heaping condemnation upon condemnation. The vote is a tragedy because it casts serious doubt over the future effectiveness, or even usefulness of the United Nations. In effect, the United Nations resolution is a green light to a greater resurgence of anti-Semitism. Israeli Prime Minister Rabin has reminded us that November 10 is the 37th anniversary of the "crystal night," which marked the beginning of the systematic liquidation of Jews by Nazi Germany.

It is extremely important at this point that the vote be reversed. If it is not reversed, I believe the consequences will be grave indeed, not only for Israel but for the cause of international cooperation and the peaceful settlement of international disputes. International cooperation and the effort to peacefully settle international disputes are the purposes of the United Nations. If these purposes are not served, of what value is the United Nations?

GUDE ASKS U.N. BOYCOTT

(Mr. GUDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUDE. Mr. Speaker, Zionism is simply the nationalist movement to create and, now, to preserve a Jewish state in Palestine. To label it a form of racism, as the United Nations has now done, is a fraud—and a dangerous one.

It is the Newspeak and Doublethink of "1984," the novel in which war is called peace and repression is called freedom.

Congress has quickly and very properly approved a resolution, which I supported and strongly endorse, condemning the United Nations declaration.

Further, perhaps, we should reconsider our relationship to an international body in which the role of democratic nations of good will has deteriorated so badly.

To this end, I suggest that U.S. officials should boycott the United Nations for 10 days both to protest the U.N. General Assembly's anti-Semitic vote and to reconsider our role in that international body.

RESOLUTION RELATING TO THE UNITED NATIONS AND ZIONISM

(Mr. GUYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUYER. Mr. Speaker, I, too, want to lend my voice in protest to the action of the United Nations in their recent linking of Zionism with racism. I think it was a sad day for America and for the world, and most Americans are outraged and shocked by this action.

Mr. Speaker, it was my misfortune yesterday to be on the Senate side of the Capitol Building when the vote was taken on House Resolution 855, and I did not arrive in the House Chamber in time to register my vote. I want to go on record at this time as voting in the affirmative on the resolution, and also to state that I am proud to be a cosponsor of the resolution.

SHRIVER CONDEMNS U.N. RESOLUTION

(Mr. SHRIVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHRIVER. Mr. Speaker, I was proud to cosponsor House Resolution 809 on October 22, 1975, which was aimed at urging the United Nations to reject a resolution equating racism with Zionism.

I was shocked and dismayed by the action taken Monday evening in the United Nations General Assembly when it adopted that resolution. Such action is an outrage and a travesty, lending international sanction to anti-Semitism.

In my estimation those nations supporting that resolution have violated the principle in the U.N. Charter which encourages respect for human rights and for fundamental freedom for all without distinction as to race, sex, language, or religion.

Those third world nations which promulgated this infamous resolution are destroying the credibility and undermining the original purpose of the United Nations. I have felt for some time that the United States should reevaluate and reduce its financial support of the U.N. This latest action only underscores my belief that we should immediately reassess U.S. support of the U.N.

Mr. Speaker, I also would take this opportunity to commend our Ambassador to the U.N., Mr. Moynihan, for his aggressive efforts in opposition to the U.N. action. I must agree with Mr. Moynihan when he said of the General Assembly vote:

> A great evil has been loosed upon the world. This day will live in infamy.

CALL OF THE HOUSE

Mr. BAUMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 689]

Andrews, N.C.
Andrews, N. Dak.
Ashley
Burton, Phillip
Cederberg
Chappell
Chisholm
Cleveland
Conyers
de la Garza
Dellums
Diggs
Eckhardt
English
Esch
Eshleman
Fary
Fraser
Harsha
Hébert
Heckler, Mass.
Holland
Jarman
Karth
Koch
Long, Md.
McCloskey
McEwen
Mathis
Mills
Moorhead, Pa.
Mosher
Nolan
Pepper
Pressler
Railsback
Rhodes
Scheuer
Smith, Iowa
Teague
Udall
Waxman
Wiggins
Wirth
Wright

The SPEAKER. On this rollcall, 388 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR SUBCOMMITTEE ON LABOR STANDARDS OF COMMITTEE ON EDUCATION AND LABOR TO SIT DURING 5-MINUTE RULE TODAY

Mr. DENT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Labor Standards of the Committee on Education and Labor be permitted to sit today during the 5-minute rule. The subcommittee is considering the black lung disease.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY AND ITS SUBCOMMITTEES TO SIT DURING 5-MINUTE RULE ON NOVEMBER 12, 13, AND 14, 1975

Mr. DANIELSON. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary and its subcommittees be permitted to sit during proceedings under the 5-minute rule on Wednesday, November 12, Thursday, November 13, and Friday, November 14, 1975.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, can the gentleman from California inform the gentleman from Maryland whether this request is for the purpose of marking up any legislation dealing with Federal gun control?

Mr. DANIELSON. This includes the subcommittees. I am simply making a motion on behalf of the committee. Gun control might be one of them.

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

SECOND CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1976

Mr. ADAMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action.

The SPEAKER. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the concurrent resolution (H. Con. Res. 466) with Mr. Bolling in the chair.

The Clerk read the title of the concurrent resolution.

The CHAIRMAN. Before the Committee rose on yesterday, the Clerk had completed the reading of the concurrent resolution, and there was pending the amendment offered by the gentleman from Massachusetts (Mr. O'Neill).

The Chair recognizes the gentleman from Massachusetts (Mr. O'Neill).

Mr. O'NEILL. Mr. Chairman, I believe the gentleman from Washington (Mr. Adams) and my colleagues on the Budget Committee have done an excellent job on this second budget resolution. They reported a responsible congressional budget for the current fiscal year.

My amendment would raise budget authority of $8½ billion in outlays, that is spending this year, by only $1,100 million. It is designed to include funds for two items contemplated by the resolution and to provide additional funds for jobs and education. The bulk of the outlay amounts added to the resolution stem from the recently concluded Egyptian-Israeli agreement.

This amendment would increase the deficit by about $1,100 million. However, I understand that the gentleman from New Mexico (Mr. Runnels) will offer an amendment reducing outlays by $1 billion due to a revised estimate of interest costs agreed to by the Office of Management and Budget. Consequently, the net effect of my amendment and the gentleman's from New Mexico (Mr. Runnels) will be to increase the deficit by only $100 million.

The amendment includes three parts. The first part is $2,100 million in budget authority and $888 million in outlays for Mideast aid.

These amounts do not represent an endorsement of the administration's specific request. The precise amount of aid for the Middle East will as usual be determined through the authorization and the appropriations process. May I repeat that—of the $2,100 million in budget authority and the $888 million in outlays for the Mideast, these amounts do not represent an endorsement of the administration's specific request. The precise amount of aid for the Middle East will as usual be determined through the authorization and the appropriation process.

Funds for the Middle East were contemplated by the resolution, but the administration's request was not submitted in time to be included in the resolution by the Budget Committee. If we do not include these funds in the resolution, a spending ceiling will be set, and a later supplemental to provide these funds may breach the ceiling and be subject to a point of order.

This amendment incorporates the administration's recommendation for Israel in fiscal year 1976: $740 million in security supporting assistance and $1.5 billion in military sales credits, one-half of which will be forgiven and the remainder in long-term, low-interest loans without regard to the limitations contained in section 23 of the Foreign Military Sales Act.

Section 23 of the Foreign Sales Act provides no more than a 10-year repayment period for military sales credits at the cost of the money to the U.S. Government.

In addition, my amendment includes an additional $15 million in supporting assistance for Israel which, according to the Secretary of State, was inadvertently deducted from the administration's original request because of the inclusion of a $15 million Public Law 480 program. The administration's Public Law 480 Assistance program to Egypt, Jordan, and Syria is in addition to the request for those three countries in supporting assistance.

The second part of the amendment I offer is this: $5 billion in budget authority, but no outlays for additional borrowing authority for the TVA. These funds will eventually be used for building electrical generating facilities to meet power needs through the mid-1980's. This additional $5 billion in borrowing authority passed the House, with administration support, subsequent to the Budget Committee's markup of this item. Again, no outlays will occur in fiscal year 1976 under this authority.

And third, $1.4 billion in budget authority and $235 million in outlays for additional job programs and education activities.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(On request of Mr. Adams, and by unanimous consent, Mr. O'Neill was allowed to proceed for 5 additional minutes.)

Mr. O'NEILL. Mr. Chairman, my third item is for $1.4 billion in budget authority and $235 million in outlays for additional job programs and education activities.

The bulk of these funds—$750 million in budget authority and $125 million in outlays—is for job creation through the public service job programs being carried on by our States and localities. It means about 15,000 additional jobs will be created in fiscal year 1976 and 75,000 during the transition quarter and fiscal year 1977.

Additional funding—$250 million in budget authority and $100 million in outlays—is provided for manpower training and work programs carried on by State and local governments. The purpose of these funds is to maintain existing program levels and to finance the higher minimum wage for work experience jobs effective in January.

Finally, $433 million in budget authority and $10 million in outlays is provided for various education programs—including title I education grants, impact aid, vocational education, and similar activities.

The specific amounts for each education program will be determined through usual authorization and appropriation processes. These funds are needed so the schools can plan their programs for the next year in an orderly manner.

Our Nation is now in dire economic straits. Unemployment is climbing again and is at 8.6 percent at the present time nationally. In some areas of the country, such as Massachusetts, it is 13 percent or higher. In Rhode Island it is even higher. The Members know what the unemployment rate is in their sections of the country. Manufacturing industries are operating at 69 percent of capacity. Housing starts are at 1.2 million, half their prerecession level.

In the light of our economic conditions, I believe that the administration's budget is plainly deficient. Restoration of our economic health demands a stimulative budget and that is what we are offering here. Decency and common sense dictate that we put Americans back to work.

The bulk of my amendment, the Mideast and the TVA sections, simply deals with administration supported budget items. The other sections, public service employment, manpower training and education, reflect the compassion and priorities that I think should be set by this Congress.

Adoption of my amendment will mark yet another occasion on which Congress acts responsibly to promote economic recovery. Were it not for the initiatives of this Congress, we would be in much worse shape economically than we are. The depression would not have bottomed out. We have brought it down from 9.7 or 9.8 down to 8.3. It is now at 8.6. We have to move and I think this will help.

It is Congress that arrested the economic downtrend. It is Congress, in my opinion, that will keep the Nation on the road to economic recovery. At the present time it is Congress that is the only thing that the American public has going for it.

Mr. Chairman, I hope my amendments are adopted.

AMENDMENT OFFERED BY MR. LATTA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. O'NEILL

Mr. LATTA. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

> Amendment offered by Mr. LATTA as a substitute for the amendment offered by Mr. O'Neill: Strike out line 10 on page 1 and all that follows through line 7 on page 2, and insert in lieu thereof the following:
>
> (2) the appropriate level of total new budget authority is $387,992,000,000;
>
> (3) the appropriate level of total budget outlays is $369,098,000,000;
>
> (4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $67,298,000,000;
>
> (5) the appropriate level of the public debt is $615,730,000,000.

(By unanimous consent, Mr. LATTA was allowed to speak for an additional 5 minutes.)

Mr. LATTA. Mr. Chairman, my amendment would reduce spending authority by $12.5 billion and outlays by $4.67 billion and the deficit and the national debt by similar amounts.

Runaway Federal spending poses a serious threat to our national economic health and it must come to an end as we are on a course similar to the one which took New York City to the brink of financial disaster. We must take whatever steps which may be necessary to alter this course and to save this country from financial ruin.

In addition to cutting back on spending this fiscal year it is essential that positive action be taken now to help assure that spending for the next fiscal year and subsequent years is held in check. The $12.5 billion cutback in budget authority in my amendment is intended in part to help control spending beyond this fiscal year.

As I stated during general debate on this resolution, spending in the general area of domestic assistance has grown tremendously over the last two decades, as compared with costs involved in direct Government operations. The percentage of total outlays consumed by direct and indirect domestic assistance rose from 22 percent in 1956 to an estimated 54 percent this fiscal year.

The sums of $5 billion in budget authority and $1 billion in outlays for public works and emergency assistance to States and local governments would be eliminated by my amendment. Public works projects are slow starting and long lasting. Their impact would be felt primarily after the perceived need has passed, which means they could add to inflationary pressures.

House Concurrent Resolution 466 would increase outlays by $500 million over the first resolution for public service employment. This $500 million would be eliminated by my amendment. The way to promote employment under our free enterprise system is through the private sector by controlling inflation, and restoring the confidence of the consumer, of the workingman, and of business, not by pouring more and more money into programs whose short-term gains, if any, are far outweighed by their long-range danger.

Reductions in the amendment would include proposed supplemental appropriations and additions for a variety of items in the education, manpower and social service functions. For comparison purposes, I point out that the President's budget request for this category is $13.7 billion in budget authority and $14.6 billion in outlays. These figures were increased by 40 percent in the first budget resolution to $19 billion and $19.85 billion for budget authority and outlays respectively, and the second resolution would increase these still more, to $22.415 billion in budget authority and $21.05 billion in outlays. Such uncontrolled spending simply cannot continue.

My amendment would cut $2.7 billion in budget authority and approximately $0.77 billion in outlays. Anticipated supplemental appropriations for impact aid, for basic educational opportunity grants, the work-study program and other programs could be reduced without sacrificing the essentials by $0.5 billion in budget authority and $.3 billion in outlays. Similarly, social service grants and other initiatives could be reduced by $0.9 billion in budget authority and approximately $0.17 billion in outlays. The education appropriations for fiscal year 1976 is $1.3 billion in the budget authority and approximately $0.3 billion in outlays over the budget request. This increase over the budget could either be rescinded or reductions made elsewhere to cover that amount.

In the health category, $1 billion in budget authority and approximately $0.6 billion in budget outlays could be recovered from the amounts in the House-passed Labor-HEW appropriations bill (H.R. 8069) by a closer scrutiny of the operating and research activities of the various institutes. Even so, the health function would be above the budget request.

In the income security function, an excellent example of the kind of Federal expenditure that should be reduced is outlays of at least $150 million in section 8 lower income rental housing. These multidwelling low income rental units are being forced on some communities without due consideration of the need for same and without considering the fact that such units often become uninhabitable within a few years and often impose a tremendous burden on the limited police, fire, utilities, and other facilities of these communities which they are not in a position to assume.

As a matter of fact, Mr. Chairman, at this moment the residents of a fine community in my congressional district are greatly concerned over the prospect of two of these unneeded and unwanted HUD multi-dwelling units being forced upon them by HUD. All because some bureaucrat in our constantly expanding bureaucracy thinks the community should have them based on some abstract figures supplied to him. If these bureaucrats would forget about expanding their own little empires and start contacting and cooperating with local officials before launching these grandiose and costly programs, we could save the taxpayers hundreds of millions of dollars every year. Notwithstanding the fact that this is not being done in any noticeable way, we can still shave $150 million in outlays from these housing programs as proposed by my amendment.

Furthermore, it is considered unlikely that the goal of 400,000 units under this program can be achieved during fiscal year 1976, but before passing from a discussion of the possible savings in this department alone, let me read to the Members a clipping from the Cleveland Plain Dealer which points to another program where dollars can and should be saved.

Mr. Chairman, I have in my hand a clipping from the Cleveland Plain Dealer of Wednesday, October 29, 1975, entitled "Slum Luxury." I want to read this to the Members, because taxpayers' hard-earned money has been used in projects like this.

> NEW YORK.—A federally subsidized housing project for the poor is scheduled to open in East Harlem in about two months with luxury features never before included in low-income housing in the United States. Depending on the point of view, the project is regarded as a monument.

and I did not think we were appropriating taxpayers' money to build monuments.

> to government compassion * * *.
>
> The project is Taino Towers, four 35-story buildings with a total of 656 apartments. The centrally air-conditioned towers will have an indoor swimming pool, a gymnasium, an auditorium, a theater, a greenhouse, roof laundry rooms and play areas, and underground parking with attendants 24 hours a day.
>
> There also will be 6-bedroom duplex apartments with 11-foot-high ceilings and 20-foot-long balconies.

For what purpose those are included, I do not know.

> Tentative minimum monthly rent for a 6-bedroom apartment is——

And what figure do the Members have in mind?

> $113.28 including utilities, under federal subsidy plans committed for 40 years.
>
> The average construction cost per apartment is $68,597, by far the largest ever in this country for low-income housing. Federal officials said the $45-million cost of the development represents the largest single allocation for a community project ever made by the Department of Housing and Urban Development.
>
> The basic features of the project have evoked strong criticism——

And certainly they should.

> from city and State housing officials, including some in HUD itself.

And why not from all of HUD?

The CHAIRMAN. The time of the gentleman from Ohio (Mr. LATTA) has expired.

(By unanimous consent, Mr. LATTA was allowed to proceed for 5 additional minutes.)

Mr. LATTA. Mr. Chairman, the article continues as follows:

> The principal criticism is of the large amount of nonresidential space. In each building the first six floors—a total of 265,000 square feet, or the equivalent of about 5½ floors of the mammoth Pan Am Building—were constructed for nonresidential use.
>
> This space includes large areas intended for agencies that would provide educational and medical services to the community while paying rent that would be used to keep apartment rents low.
>
> But commercial tenants have not turned up, placing the elaborate financing of Taino Towers in doubt.

The community sponsor is the East Harlem Tenants Council.

Mr. Chairman, I could go on with the rest of the article, but I will not. I will lay it here so it will be available should some of the Members want to read it. I will not trespass further on our time. But I think the Members get the message.

Here we have programs passed by this Congress for low-income housing costing $68,597 for each apartment. This project points up very dramatically what is wrong with our present system, which turns the development of programs passed by the Congress over to the bureaucrats to run as they see fit without proper supervision or oversight. This is why our spending keeps going up and up and up. We can do something about this ridiculous spending if we have the will to do so, and do so we must.

In the Commerce and Transportation field, $2 billion in budget authority and $0.05 billion in outlay could be cut without sacrificing essential activities. $3.3 billion of budget authority in the second budget resolution for an advance apportionment of funds to the interstate highway system could be reduced by at least $1.7 billion in accordance with the President's declared policy of working down the backlog of money in the highway trust fund. Budget authority of $0.3 billion and outlays of $0.05 billion for other railroad programs besides ConRail, for such programs as the high-speed corridor line, could be cut.

In the natural resources, environment, and energy category, a reduction of $.6 billion in budget authority and $0.4 billion in outlays could be made. This would reduce about one-third the additions contributed by the first and second budget resolutions over the amount requested by the President in this functional area.

Finally, due to a decrease in the short-term interest rates, the estimated total interest on the public debt should be reduced by $1.2 billion in budget authority and the same in budget outlays.

I understand another amendment will be proposed to do this if my amendment does not succeed.

Congress, in carrying out the Congressional Budget Act, should set reasonable but strict spending limits and then work to attain them, and that is what this amendment proposes. The budget process cannot reach any level of acceptable effectiveness if it merely accommodates practically every spending whim that comes along. To achieve living within strict limits, appropriations can be pared back. But more than that, programs generally must undergo basic changes.

Let me say I am not supporting the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL). I have not been one to support the so-called giveaways in the past, and my amendment makes no allowance for the proposed giveaways in his amendment.

If this Congress, in keeping with its customary lack of fiscal restraint, agrees to fund these latest giveaways, it will have to take the money from other programs provided for in these budget figures. In other words, the Congress will have a choice, but it will not have both under my amendment.

Mr. Chairman, while the Members are considering my amendment, I think it would be well to be reflecting on the amount of loans and grants made by the people of the United States to the various countries of the world from July 1, 1946, to June 30, 1974.

To make it easier, just so that the Members will not have to look up the figures, I am going to submit them for the RECORD, but they add up to a grand total of $172,109,000,000.

[In thousands]

Afghanistan	$463, 900
Bangladesh	525, 600
Cyprus	29, 500
Egypt	891, 600
Greece	4, 253, 300
India	9, 026, 400
Iran	2, 129, 100
Iraq	93, 300
Israel	5, 204, 500
Jordan	1, 034, 200
Lebanon	151, 000
Nepal	198, 600
Pakistan	4, 982, 400
Saudi Arabia	326, 500
Sri Lanka	214, 300
Syria	61, 200
Turkey	6, 608, 600
Yemen, People's Democratic Republic of	4, 500
Yemen Arab Republic	50, 000
Central Treaty Organization	52, 700
Near East and South Asia Regional	459, 000
Argentina	394, 800
Bahamas	300
Barbados	1, 200
Belize	6, 900
Bolivia	663, 900
Brazil	2, 913, 800
Chile	1, 125, 800
Colombia	1, 424, 700
Costa Rica	199, 800
Cuba	16, 400
Dominican Republic	520, 800
Ecuador	345, 600
El Salvador	162, 500
Guatemala	329, 400
Guyana	80, 400
Haiti	121, 300
Honduras	169, 700
Jamaica	99, 800
Mexico	297, 900
Nicaragua	223, 700
Panama	317, 000
Paraguay	167, 500
Peru	598, 000
Surinam	5, 800
Trinidad and Tobago	40, 500
Uruguay	210, 300
Venezuela	340, 300
Other West Indies	13, 000
ROCAP	247, 800
East Caribbean Regional	33, 000
Latin America Regional	3, 192, 400
Burma	185, 000
Cambodia	1, 799, 400
China, Republic of	5, 708, 500
Hong Kong	43, 800
Indochina, Undistributed	1, 542, 500
Indonesia	1, 991, 500
Japan	3, 834, 100
Korea	11, 360, 500
Laos	2, 521, 700
Malaysia	131, 000
Philippines	2, 355, 600
Ryukyu Islands	413, 700
Singapore	23, 500
Thailand	1, 898, 600
Vietnam	22, 356, 300
Western Samoa	4, 000
East Asia Regional	422, 700
Algeria	180, 400
Botswana	33, 900
Burundi	10, 300
Cameroon	34, 400
Central African Republic	6, 800
Chad	17, 900
Congo, People's Republic of the	5, 600
Dahomey	15, 600
Ethiopia	538, 400
Gabon	7, 800
The Gambia	7, 100
Ghana	283, 300
Guinea	105, 900
Ivory Coast	35, 900
Kenya	112, 000
Lesotho	19, 000
Liberia	229, 700
Libya	228, 600
Malagasy Republic	15, 900
Malawi	30, 700
Mali, Republic of	52, 400
Mauritania	16, 400
Mauritius	12, 900
Morocco	938, 800
Niger	47, 200
Nigeria	410, 100
Rwanda	8, 800
Senegal	52, 000
Seychelles	500
Sierra Leone	44, 800
Somali Republic	77, 100
South Africa, Republic of	1, 300
Southern Rhodesia	7, 000
Sudan	120, 600
Swaziland	7, 700
Tanzania	94, 800
Togo	22, 900
Tunisia	799, 500
Uganda	42, 900
Upper Volta	34, 100
Zaire	501, 900
Zambia	33, 800
Central and West Africa Regional	115, 700
East Africa Regional	34, 300
Southern Africa Regional	56, 400
Africa Regional	246, 000
Albania	20, 400
Austria	1, 251, 200
Belgium-Luxembourg	1, 853, 100
Czechoslovakia	193, 000
Denmark	907, 800
Finland	56, 900
France	8, 273, 500
German Democratic Republic	800
Germany (Federal Republic)	4, 979, 300
Berlin	131, 900
Hungary	32, 700
Iceland	82, 000
Ireland	146, 500
Italy	5, 688, 800
Malta	43, 200
Netherlands	2, 282, 800
Norway	1, 216, 200
Poland	539, 300
Portugal	505, 700
Romania	9, 700
Spain	1, 882, 800
Sweden	109, 000
United Kingdom	8, 730, 800
U.S.S.R	186, 400
Yugoslavia	2, 747, 400
Europe Regional	835, 800
Australia	123, 600
New Zealand	8, 600
Papua New Guinea	300
Trust Territory of the Pacific Islands	528, 600
Other Oceania	9, 800
Canada	30, 600
Interregional	15, 334, 500
Grand total	172, 109, 000

AMENDMENT OFFERED BY MR. RUNNELS TO THE AMENDMENT OFFERED BY MR. O'NEILL

Mr. RUNNELS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. RUNNELS to the amendment offered by Mr. O'NEILL: Strike out "$409,004,000,000" and insert in lieu thereof "$408,004,000,000";

Strike out "$374,891,000,000" and insert in lieu thereof "$373,891,000,000";

Strike out "$73,091,000,000" and insert in lieu thereof "$72,091,000,000"; and

Strike out "$621,500,000,000" and insert in lieu thereof "$62,500,000,000".

Mr. RUNNELS. Mr. Chairman, this amendment would reduce the deficit figure, the budget authority figure, the budget outlay figure and the public debt figure in Mr. O'NEILL's amendment by $1 billion.

The amendment recognizes the need to cut the amounts included in the Budget Committee's second budget resolution for interest to be paid on the public debt. The reason for this amendment is that since the committee marked up its resolution last month, short-term Treasury interest rates have gone down sharply.

In middle September, these rates stood at 6.44 percent. As of Monday of this week they were down to 5.279 percent, a reduction of more than one full percentage point.

One quarter of the public debt is in short-term securities. Thus, a large change like this in the short-term rate of interest is a major factor in the computation of the total amount of interest that will be paid this fiscal year on the public debt.

The use of the latest reduction in short-term interest rates would obviously result in a lower figure.

OMB, by the way, reaches its estimate of this figure by taking the current interest rates and extending them for the balance of the fiscal year and running that through an econometric model. The Senate Budget Committee followed the OMB practice and arrived at an interest function figure of $35.2 billion which is $1.2 billion below the House Budget Committee figure. This is too low a figure as far as I can determine since it makes the assumption that interest rates will not rise above present levels. All of the economists, who testified before the Budget Committee recently, indicated that these rates will rise in the months ahead.

My amendment is an effort to make our interest function budget authority and outlay figures as realistic and as accurate as possible.

My amendment would reduce the deficit by $1 billion and I urge my colleagues to support it.

When we passed the first budget resolution in May, we estimated that the interest function would amount to $35 billion in outlays.

When the Budget Committee marked up this figure for the second budget resolution, we estimated that the figure would be $36.4 billion. In our markup, we were using a short-term interest rate estimate that was higher than today's interest rates indicate was realistic.

At this point, let me hasten to add that the total interest figure, whether it is $35 billion, or $36.2 billion or whatever, is computed through the use of a econometric model. It is an extremely complicated guess which is far more involved than just coming up with an estimated interest rate for the fiscal year and multiplying the public debt by it.

The Congressional Budget Office takes interest rate estimates and other assumptions and runs them through their econometric model. CBO did that for the budget committee for our markup last month and we came up with a figure of $36.4 billion.

AMENDMENT OFFERED BY MR. ROUSSELOT TO THE AMENDMENT OFFERED BY MR. LATTA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. O'NEILL

Mr. ROUSSELOT. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROUSSELOT to the amendment offered by Mr. LATTA as a substitute for the amendment offered by Mr. O'NEILL: Strike out line 10 on page 1 and all that follows through line 7 on page 2, and insert in lieu thereof the following:

(2) the appropriate level of total new budget authority is $328,500,000,000, and the House Committee on Appropriations and the Senate Committee of Appropriations are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget authority by approximately $60,000,000,000; and the House Committee on Ways and Means and the Senate Committee on Finance are directed to determine and recommend changes in laws, bills, or resolutions to decrease total new budget authority by approximately $12,000,000,000;

(3) the appropriate level of total budget outlays is $301,800,000,000, and the House Committee on Appropriations and the Senate Committee on Appropriations are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget outlays by approximately $60,000,000,000; and the House Committee on Ways and Means and the Senate Committee on Finance are directed to determine and recommend changes in laws, bills, or resolutions to decrease total budget outlays by approximately $12,000,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $0; and

(5) the appropriate level of the public debt is $548,400,000,000.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 5 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, I offered a similar type amendment to our budget resolution in May. This is a balanced budget concept. The main argument that was used against a balanced budget in the past was severalfold: one, that if we do not spend at the level recommended under this resolution and do not include $70 or $72 or $75 billion of deficit financing, we will decrease Federal revenues in various areas. A second point suggested that many other functional categories in the economy would be depressed.

I appreciate the cooperation of the budget chairman and his staff who allowed me access to the same econometric models that they have used in their projections to see if some of these previous claims actually would occur. For instance, would there be substantial reductions in Federal revenue if we put a balanced budget in place today. By using these models we show functional areas of the economy react very favorably to a balanced budget.

I wish to thank the chairman of this committee for his cooperation in making sure that at least the House had an opportunity to vote its will on this subject, and I express appreciation on behalf of myself and my staff.

This amendment would balance budget outlays with anticipated revenues and hold the increase in the public debt to $14.2 billion. While I prefer no increase in the debt-ceiling, this minimum increase is necessary primarily to account for the expenditures of the off-budget Federal agencies, such as the Export-Import Bank, the U.S. Railway Association, and the Federal Financing Bank.

The taxpayers of America—our constituents—are doing all they can to fight inflation and recession, and I don't think they should expect less from their Congressmen. They find it extremely difficult to understand why the United States Congress cannot live within a $300 billion cash flow. The purpose of my resolution is to set realistic goals and objectives for fiscal year 1976 so that the American people will know that we intend to live within our anticipated revenues.

My substitute resolution conforms to several of the "Declaration of Purposes" contained in the Congressional Budget and Impoundment Control Act of 1974:

First, to assure effective congressional control over the budgetary process;

Second, to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures; and

Third, to establish national budget priorities.

Some of my colleagues supported a similar resolution I introduced last spring when the first concurrent budget resolution was brought before us. More of my colleagues might have supported this fiscally responsible resolution except we were told—or sold—at that time that deficit financing was necessary in order to decrease unemployment and bolster economic recovery. Unemployment has not gone down, however, and the quality of the recovery is held highly suspect by many observers. We have also seen since last spring the experience of New York City and learned important lessons about the problems associated with constant deficit financing and the importance of maintaining a balanced budget.

My amendment calls for a balanced budget in fiscal year 1976—the only solution to restoring long term stability, and stimulating job producing programs. The job producing programs I am referring to are those which will be developed in the private sector as a result of easing the Government-caused inflation, and creating an atmosphere whereby industry can expand. The committee would have us continue the same economic philosophy that has gotten us into the situation we are in now. Many of my colleagues were convinced by this argument during our consideration of the first concurrent budget resolution—House Concurrent Resolution 218—last May. I would ask my colleagues to carefully examine the most current set of economic indicators and levels of unemployment before making a decision on the present resolution. More Federal spending leads to more inflation which causes recession, and the spiral will continue, as it did in New York City, if we in Congress continue to treat the symptoms by providing a larger dose of the cause. My alternative would shift the emphasis in the economy from the Federal sector to the private sector, and I believe it offers Members of this body a clear choice between continuing inflation/recession, or moving the economy toward long term stability.

If the recession is caused by inflation, and we know that it is, and the inflation is primarily caused by the financing of the Federal deficit, and we know that this is also true, how can we be expected to believe that an additional increase in the size of the deficit can do anything to help the economy pull out of the recession? I believe that the result of such a decision would be to slow economic recovery and prolong the current inflationary spiral.

It is obvious to me that the answer to finding jobs for our Nation's unemployed lies in creating an atmosphere whereby private industry can expand and production can be stimulated. Full production would lead to full employment—and employment without inflation. Production cannot be stimulated if the Treasury is absorbing all the capital in the private money market, or the Federal Reserve increases the supply of money in the economy to finance the deficits—the only two ways to finance Federal deficits, both of which are inflationary and neither of which can produce jobs.

How can the committee recommendations start us on the road to expanding job producing programs in the private sector when it continues the inflation/recession that has caused unemployment in the first place?

On page 3 of the committee's report on House Concurrent Resolution 466, the majority states:

> Adoption of legislation consistent with the resolution, accompanied by a moderate easing of monetary policy, would make it possible to achieve the unemployment and inflation targets set in the first budget resolution. . . .

I would ask my colleagues to consider whether or not the economic stimulus already provided by the Congress, in compliance with the committee's recommendations, has actually eased unemployment and reduced inflation. It should be obvious that this has not happened and Federal overspending has, instead, contributed to the inflationary spiral and a decrease in job opportunities as more and more private employers are crowded out of the money markets.

The committee, however, asserts that Treasury borrowing to finance the committee's recommended deficit would not displace borrowing in the private sector. On page 14 of the committee report, however, the statement is made that "$1.4 billion of the increase in the projected deficit is attributable to the higher costs of borrowing"—surely, if the costs of borrowing have increased for the Federal Government, they have also increased for private borrowers who must operate without the resources of the Federal Government. A result of higher interest rates is a "crowding out" of private borrowers.

Our current economic problems are rooted in the action of the Federal Government and it is illogical to allow further distortion of the economy when present policies have failed so dismally. If Members of this body are truly interested in reversing the inflationary trend that has led to the recession, they should be more concerned with fiscal discipline of the spending of tax dollars rather than continuing deficit spending which puts pressure on the Federal Reserve to finance the deficits by increasing the supply of money in the economy. An excessive increase in the money supply creates a chain reaction—it increases prices which in turn push interest rates upward over the long run as lenders raise rates to compensate for the inflationary impact generated by the growth in the money supply. Excessive growth in the money supply at rates estimated to range between 10 and 12 percent occurred in the first years of the 1970's. However, a restrictive growth in the money supply—like what we are now experiencing at a rate estimated at 3.2 percent—forces the private sector to absorb the Government's deficit and also pushes up interest rates.

Increases in interest rates, combined with high inflation, will tend to decrease investment and growth of private enterprise. The decrease in the growth of private enterprise contributes to unemployment—which is what the committee is most concerned with affecting, or so it has stated.

As a matter of fact, in the housing field the projection is for substantial increases in housing starts. The reason, of course, is that the Federal Treasury would no longer be competing so aggressively in the private market for funding and, therefore, funds would be available in the private sector for housing.

According to both the Data Resources Inc. and the Chase models, housing starts would probably go up, on a projected basis.

Another area, of course, that we would reduce in the budget would be interest charges on the debt because by not creating an add-on deficit of $72 billion, we reduce the necessity of higher interest charges to be paid on the debt itself. Again, this is a projection and that impact would be positive in the entire economy.

In the field of disposable income, by reducing our deficit by $72 billion, the impact on the economy, according to both models and others I have checked, would show an increase in disposable income that would become available in the immediate future. This would be an increase gradually working toward a surplus in the Treasury, which would then give us the unusual ability to increase Government expenditures if we do not want to keep that surplus. That would be a new experience, I am sure, for this House of Representatives.

Personal income would also go up, according to most of these projections. There are many other areas, important areas such as purchase of goods, both durable and soft, which according to the projections would probably increase by some measure.

The only basic area then of concern, which is the same with all of us, would be the percentage of unemployment. I have just commented that for six quarters the unemployment rate would decline.

We have shown only minor effects on unemployment by using massive Federal deficit financing. So the major argument that with huge Federal Government expenditures we can decrease unemployment, has not proven to be a viable thesis by the record we have now before us.

The projections in the last budget resolution, passed in May, were that by substantial levels of the deficit spending we are now engaged in we would in fact decrease the unemployment by 1½ percent has been a false hope. That has not occurred. So that judgment on the record is wrong.

My belief, and I think it can be shown, is that by freeing up the private market, by not allowing the Treasury to delve so extensively in the market to finance this debt, we free up roughly 40 percent of the private market for housing and for hospitals and for all the other things that normally would be used by the private market if we were not competing and crowding them out so aggressively.

Mr. KEMP. Will the gentleman yield for an observation?

Mr. ROUSSELOT. I yield to my colleague, the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman yielding.

I want to encourage the Members who are in the Chamber to pay strong attention to what the gentleman from California is saying because he is telling the truth to the Congress and to the country about what is happening today through deficit spending. The truth is that the Government in order to finance this huge deficit has gone into the credit markets and borrowed money, crowding out private borrowers. Money is flowing out of savings and loan institutions to finance part of this deficit and has denied credit for private sector recovery. The same people who stand on the floor and in this Chamber and complain about not enough money being available for home mortgages and for home construction are the same ones who have voted to send this deficit to such fantastic proportions that it is depressing the very industry they purport to say they want to help.

Mr. Chairman, I want to congratulate the gentleman and join in his remarks.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's contribution. I know the gentleman from New York has introduced positive legislation for job creation. The gentleman's bill also addresses the issue of how we can do a better job of providing employment. In all segments of the economy I want to compliment the gentleman for his continual effort to prove by facts that if the Federal Government would quit competing for so much of the money in the private sector, we would allow these jobs to be created.

Let me give an example. According

to the econometric models, the housing starts would increase, if we did run a balanced budget in this fiscal year, of which we have roughly 11 months to go. Housing starts would go up better than 200,000 per year.

Now, 200,000 units of new housing above and beyond what is anticipated under the deficit financing that we are now proposing in this resolution, means that we would be creating, according to the Committee on Banking and Currency formula which constantly watches the flow of new housing in the marketplace, 400,000 new jobs. In other words, for every one housing unit that comes into the private sector, there are two jobs created. So by increasing the housing starts, as my balanced budget concept would produce, it would add on 400,000 new jobs. This does not even speak to the issue of major construction that might occur in the manufacturing field, in the commercial field, which creates even more jobs.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I would like to commend the gentleman from California for the statement he is making, even though he is offering a substitute for my substitute.

Let me say that the gentleman served on the Committee on Banking and Currency which has jurisdiction over the housing industry and he was here on the floor when I made my statement.

The CHAIRMAN pro tempore (Mr. NATCHER). The time of the gentleman from California has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for an additional 2 minutes.)

Mr. LATTA. Mr. Chairman, when I made my statement about HUD forcing these low-income communities, the small communities, and especially in my district, I know very well what they are doing and I referred to the matter that was in the Cleveland Plain Dealer of the low-income housing of $68,597 per unit.

Mr. ROUSSELOT. These were Government-managed programs?

Mr. LATTA. That is right.

I would like to ask the gentleman if the gentleman gave any thought to the oversight functions in the committee to see that these abuses, and I do call them abuses, because Congress never contemplated these things when it passed this legislation, for the oversight functions to see that these things stop forthwith?

Mr. ROUSSELOT. Yes; the Oversight Subcommittee of the Committee on Banking and Currency has gone into the fraud and other things perpetrated in the section 235 and 236 programs, where within 4 or 5 years time, we had to destroy some of these projects. The most dramatic example was the Pruitt-Igoe project in St. Louis, which finally had to be dynamited because it had become unlivable.

Unfortunately, I did not catch this grand monster in New York City with some 38 stories, $68,000 a unit, that is the great Federal HUD program for so-called low-income people and they had the apartment unit renting for $113 per month. Now, in the private sector that never would have been built for such an outrageous expenditure.

The gentleman makes an excellent point. We need to do a better job in the Committee on Banking and Currency in oversight of that kind of irresponsible Government action.

Mr. LATTA. Mr. Chairman, will the gentleman yield further?

Mr. ROUSSELOT. I yield to the gentleman from Ohio.

Mr. LATTA. Let me point out that we need some oversight functions with these projects I referred to that are happening around the country and in my district, where they are forcing units of low-income housing on communities that do not need them and do not want them.

Mr. ROUSSELOT. The gentleman is correct. We have not done an adequate job to prevent the kind of Government interference on housing that is neither needed nor wanted.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to my colleague from Connecticut.

Mr. GIAIMO. Mr. Chairman, I just want to make sure I understand the gentleman from California clearly. Is he suggesting that we reduce expenditures in the remaining balance of the fiscal year by $72 billion?

Mr. ROUSSELOT. Yes.

Mr. GIAIMO. None of which will come out of defense expenditures?

Mr. ROUSSELOT. That is correct. Let me make it clear that this is just my approach to it. I would be more than willing to subject this to the total process of the House of Representatives and especially the Committees on Appropriations and Ways and Means. I am merely saying that I think $301 billion cash flow is more than adequate to cover the expenditures of this Federal Government.

The CHAIRMAN. The time of the gentleman from California has again expired.

(By unanimous consent Mr. ROUSSELOT was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. The Defense Department and all of its expenditures produce jobs not only at the Federal level but in the private sector. I think it should go untouched on the basis of what the Budget Committee has recommended, because it produces more long-term, permanent jobs than many of the other Federal programs.

Mr. GIAIMO. But the point I am making is that the gentleman well knows that we are about halfway through the fiscal year.

Mr. ROUSSELOT. Actually, with the 3 months additional in the transitional period we really have 11 months.

Mr. GIAIMO. That is not fiscal year 1976.

Mr. ROUSSELOT. But this budget resolution speaks to the whole time frame.

Mr. GIAIMO. And the gentleman is limiting defense. It just seems to me that to recoup that $72 billion in a period as brief as this is to absolutely decimate these programs.

Mr. ROUSSELOT. My recommendation is to go to the expenditure level of 1975 in those other areas besides defense. That is my suggestion. The House has already passed a similar budget, and it does require a return to the thirties or forties or something else, as we are always accused of doing when we want to live within our means. It would be the same expenditure levels we operated on in 1974 and 1975, which are recent and I think would require a trimming process that each authorizing committee and the Appropriations Committee could live with.

Mr. GIAIMO. I thank the gentleman.

Mr. ROUSSELOT. This concept is not oversimplified, but rather it is a fact of life every other segment of America has to live with. If we refuse to realize the need to balance the U.S. budget and to live within our means, we will soon find ourselves in a condition not unlike that of New York, something that none of us wants. We can avoid such a crisis, and we can achieve fiscal solvency, but only if we act now to arrange our budget priorities and set this important goal.

My recommendation is that we ought to be able to live on $301 billion in this Federal Government. That is not an unreasonable constraint, and we could do it on 1974 and 1975 levels of expenditure that each committee in this Congress has already passed.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, a $74-plus billion deficit in this fiscal year is unconscionable.

I rise in support of the amendment of the gentleman from California (Mr. ROUSSELOT) to require a balanced budget.

I realize in this political climate it is only symbolic to call for a balanced budget but I plan to make the effort anyway because sooner or later all will realize that these deficits are accelerating the economic decline of our Nation.

In recent weeks it has heartened me to hear so many colleagues call for—and to virtually insist upon—the city of New York to balance its budget. That makes sense. It means we will avoid future problems like the present fiscal distress of New York City, and it means government will—like every household in this country—have to start living within its means.

But it is inconsistent to require balanced budgets from New York and the rest of the country and yet be continuing to advocate at the Federal level—more deficits and unbalanced budgets.

If a State or city is in danger of financial collapse because it spends what it does not have—thereby mortgaging and jeopardizing its future, then we have to admit the same is true for the Federal Government. The only difference between State and local governments on one hand and the Federal Government on the other is this: The Federal Government has the capacity to print money, and sell bonds to private investors and the Federal Reserve—the latter causing a crowding out of the investment capital we must have to assure greater productivity and more jobs and the former causing more inflation. And, I certainly do not think my colleagues want to depress production, create more unemployment, and cause worse inflation. Of course, they do not. Yet, that is the consequence of deficit spending at the Federal level.

I cannot see how anyone can persist in the argument that public deficits create jobs. Yet, if there is any one common denominator of what the majority within the Congress has sought to do in recent months to help the economy recover from the recession, it has been the premise that deficits create jobs.

If deficits create jobs, then why is our country in the economic condition in which it now finds itself? From 1969 to 1974, the Federal debt went up from $382 billion to $504 billion, a $122 billion and a 32-percent increase. What happened in the jobs market? Did employment rise either commensurately or at all?

The fact is that it was unemployment—not employment—which rose with the deficits. It rose from 3.4 percent in 1969 to an average 5.3 percent in 1974. It now stands at 8-plus percent.

Deficits have been the genesis of most of our economic troubles. Inflation, shortage of capital, recession, unemployment, declining productivity, and shortages of goods have the same basic genesis—deficit public spending.

Inflation and the crowding out of capital markets are the two immediate consequences of deficit public spending.

What we are deciding here today and tomorrow is the extent we are willing to tolerate massive and persistent deficit financing—the $74-plus billion in the resolution or something less.

What are the facts behind this growth in deficit financing and what are their implications?

The Congress has tried for nearly 200 years to control overall, total Federal spending by controlling the overall level of appropriations as each individual appropriations bill came to the floor. These efforts—commendable though they may be and successful though some may have been—simply have not worked. The figures are proof of this failure.

The Federal budget for fiscal year 1976 is projected now at $367 billion, some $83 billion over the budget year before last. In 1940, by contrast, our Federal budget was $10 billion.

It took this country 185 years to get to an annual Federal spending level of $100 billion, but it took only 9 more years to double that to the $200 billion level, and then only 4 more years to reach the $300 billion annual level.

The mushrooming national public debt has reached $500 billion—half a trillion. It took us over 150 years after 1780 to reach the $200 billion debt mark, then less than 20 years to double it to $400 billion, and then only 10 more years to add another $100 billion. But the rise in the debt quickens not decelerates. The deficit for fiscal year 1976 alone is now projected officially at about $69 billion; many believe that is is a very conservative projection.

The average amount of taxes the Federal Government will have to collect from every man, woman, and child in the Nation to meet expenses this year is $1,750—or $7,000 for the average family of four.

There is a better way to deal with this matter—one which would be more effective. It is known as the Fiscal Integrity Act, H.R. 8582 and identical measures, and they now have nearly 70 cosponsors in the House.

I do not mean to intrude upon the time of the Committee of the Whole and its consideration of House Concurrent Resolution 466, but I do want to spend a moment outlining the Fiscal Integrity Act's provisions, because they offer us a better approach than that which we are following today.

The Fiscal Integrity Act addresses itself to these problems by establishing for each fiscal year a revenue and budget outlays limit for the Federal Government. No appropriation could be made in excess of the revenue and budget outlays limit for a fiscal year, except in cases of national emergencies declared by two-thirds of the Members present and voting in both Houses.

How would the limit work?

The revenues and budget outlays limit for each fiscal year shall be the amount derived by multiplying the estimated aggregate national income for such fiscal year by a "Federal revenue factor." Thus, from the first year of the operation of this provision, a ceiling in relation to national income is established on Government revenue and spending. As the economy grows, new dollars would be available for existing or new programs, but a greater percentage of the people's income would not be available.

It should also be made clear that the power of the House Committee on Ways and Means and the Senate Committee on Finance with respect to tax reform is not impaired by this bill. Within the overall revenue limitation, those committees can carry out any degree of tax reform—increase certain taxes, reducing others—eliminating old taxes, imposing new ones—deemed necessary. Of course, the revenue limitation applies not only to taxes, but also to excises, imports, and duties, and the power of the committees with respect to those would remain within this new framework. The only limitation upon the committees is that the total revenue collection not exceed that percentage established in relation to aggregate national income for that period.

Expenditures would include all costs to the Federal Government, including off-budget items, transfer payments and so forth.

I believe the revenue/expenditure limitation approach to be preferable to simply requiring a balanced budget, because if the Congress decided to match greatly increased revenue, that would still be permissible in the case of only requiring a balanced budget, even if the percentage of Federal revenue borne to national income rose to 40, 50, or 60 percent.

I would hope that in the weeks ahead more in Congress address their attention to this method of doing what the resolution before us is inherently incapable of doing.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is my understanding that there is now before the committee the following amendments: The amendment offered by the distinguished majority leader, the gentleman from Massachusetts (Mr. O'NEILL), which puts into the budget resolution items that were not included, mainly for the Sinai agreement. This budget request was brought to the Congress by the President after the Budget Committee had completed its deliberations. We are not trying to pass on the merits of the Sinai resolution.

Therefore, Mr. Chairman, I am going to support the O'Neill amendment. In addition, the gentleman from New Mexico (Mr. RUNNELS), a member of the Committee, has brought to the committee an amendment to the O'Neill amendment which I understand would be the first item to be voted on. It is the one I rise at this point to support.

The OMB has now reestimated interest expenses for next year. Both of the congressional offices, the Senate Budget Committee and the House Budget Committee, applying to the interest figure the new interest rates that are expected to be available during the coming year for short-term debt, estimate a reduction of approximately $1 billion in outlays. If the Runnels amendment is adopted, the O'Neill amendment as amended by the Runnels amendment, will be almost exactly at the levels where the present budget committee resolution is, as shown by the charts.

Mr. Chairman, at the appropriate time I will rise in support of the O'Neill amendment. I am rising now in support of the Runnels amendment, which I think the gentleman well explained to the House. It is very difficult to determine exactly what the interest expense will be. This is an updated estimate. I think the gentleman from New Mexico has fairly provided a margin of $200 million, which leaves sufficient flexibility should the interest rates go back up. I think that is responsible. I would not support a $1.2 billion reduction, which is recommended by both OMB and the Senate Budget Committee, because I think that interest rates are going to go up again somewhat; therefore, I think the amendment is responsible, and I will support it.

Mr. Chairman, at the appropriate time I will oppose the Rousselot amendment, which is the so-called balanced budget amendment, and I would like to speak of that at a time when it is going to be presented for a vote. In various areas, the amendment by the gentleman from California produces some very bad effects for fiscal year 1976. It would require some major changes in the law that I simply do not think it is realistic for this Congress to expect can be carried.

Mr. Chairman, I also will oppose the amendment offered by the gentleman from Ohio (Mr. LATTA). It does not provide anything potentially for the Middle East. It also provides some very severe cuts that this House has not considered and, in my opinion, cannot change at this point in the fiscal year.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I will yield to my colleague, the gentleman from Georgia (Mr. LANDRUM), a member of the committee.

Mr. LANDRUM. I thank the gentleman for yielding. Let me see if I understand exactly what the distinguished chairman of the committee is saying. It seems to me he is saying to the committee that we can pick up $1 billion with the Runnels amendment and apply that to the expenditure called for by the O'Neill amendment, thus making the O'Neill amendment look $1 billion cheaper than it is.

Mr. ADAMS. I would say to the gentleman from Georgia that that would be an effect of the Runnels amendment. I do not know whether the gentleman is in support or opposition to the amendment. In this case, the gentleman from New Mexico has presented to the House what is at this point the most recent and realistic estimate.

Mr. Chairman, I might say that next year we do not anticipate this happening. The appropriations and authorizing processes are required to be completed by seven days after Labor Day, before we present the second concurrent resolution on the floor. I would not anticipate this kind of amendment in future years.

Mr. LANDRUM. If the gentleman will yield further, that does put us in an awkward position, having to deal at this time with a budget which many are going to interpret as being the 1977 budget, when in reality what we are dealing with is still 1976, the followup of the original target resolution.

Mr. ADAMS. The gentleman is absolutely correct. And that happened because the Budget Committee decided this year to implement as much of this process as possible because we wanted to put a spending ceiling on for fiscal year 1976. And, as the gentleman knows, we did not have to but we did.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(On request of Mr. LANDRUM, and by unanimous consent, Mr. ADAMS was allowed to proceed for 1 additional minute.)

Mr. LANDRUM. Mr. Chairman, will the gentleman yield further?

Mr. ADAMS. I will yield to the gentleman.

Mr. LANDRUM. Mr. Chairman, if the gentleman will yield further, how can one support the Runnels amendment, which I want to do, and then oppose the O'Neill amendment if it is added to the O'Neill amendment?

Mr. ADAMS. Mr. Chairman, I agree that it puts the gentleman in a difficult position. We will try next year to make sure that this will not happen.

Mr. LANDRUM. We come back, Mr. Chairman, to my original statement. It places us in the position of using the $1 billion that we picked up because of the erroneous estimate of the OMB, making the O'Neill amendment $1 billion cheaper by using that money somewhere else.

Mr. ADAMS. The gentleman is correct. The only thing the gentleman can do is to support the Runnels amendment and then, if the O'Neill amendment should fail, the gentleman might offer the Runnels amendment again.

Mr. LANDRUM. Mr. Chairman, I thank the gentleman.

Mr. ADAMS. The reason is that the resolution contains only one section only, limited to aggregates, and we have to amend it in this particular fashion. Next year we are trying to avoid having to do it this way.

The CHAIRMAN. The time of the gentleman from Washington (Mr. ADAMS) has expired.

(On request of Mr. DUNCAN of Oregon and by unanimous consent, Mr. ADAMS was allowed to proceed for 1 additional minute.)

Mr. DUNCAN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Oregon.

Mr. DUNCAN of Oregon. Mr. Chairman, following up on the question asked by the gentleman from Georgia (Mr. LANDRUM), is it not true that the O'Neill amendment does not appropriate any moneys or spend any moneys but simply expands the area within the budget resolution within which those appropriations could subsequently be considered by the House and either passed or rejected?

Mr. ADAMS. Mr. Chairman, the gentleman is absolutely correct. This resolution does not provide for any appropriation or authorization. That must come later.

Mr. DUNCAN of Oregon. So the dilemma of the gentleman from Georgia (Mr. LANDRUM) could be solved by opposing any appropriation bills within the scope of the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL)?

Mr. ADAMS. This is absolutely correct. The decision on the Far East and the decision on the other portions of the O'Neill amendment will be made by the Congress later.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am going to support the Rousselot amendment. I think the amendment may cut too deeply, but I feel very strongly that we should work toward a balanced budget, as the gentleman from California (Mr. ROUSSELOT) has indicated.

I believe a balanced budget would have a constructive impact on the economy at this time. It would immediately free up billions of dollars of investment capital to finance private business expansion in the private sector by eliminating some of the massive Government borrowing which we have to go through every whipstitch.

This would also free up vast sums of money for housing and other credit purchases, and such loanable funds would be more in abundance. Interest rates would come down, and this would stimulate industries in such important areas as durable goods. The economy would be greatly benefited. In my judgment, moving toward a balanced budget would stimulate the economy and inflationary pressures would decline.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's yielding.

I want to congratulate him on his very fine remarks.

The gentleman is telling us that if we do not stop these huge deficits, we are going to experience even more and more money flowing out of the private sector into the public sector, which denies the much needed investment capital necessary to get this economy going again by creating jobs and increasing productivity.

I was on a plane the other day with some friends of mine in the construction trade unions, and they told me they were taking their money out of savings and loan institutions in Buffalo and buying Treasury notes in order to get a better rate of interest. Now that is the problem today. At a time when we need all the mortgage money we can find so as to finance a construction recovery and create jobs they are taking their money from savings and loan institutions and buying Treasury notes to finance the Federal deficits. It is just incongruous except when you realize it was the Government deficit that when financed by Treasury borrowing that enticed them away first.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for his contribution and his association with my remarks. The gentleman from New York is very knowledgeable on the subject before us and I am pleased to receive his congratulations.

I think moving to a balanced budget would have a favorable impact from an international trade standpoint, too. I believe the impact on our balance of payments in world trade would be positive. Other nations in the world as trading partners would realize, that now the United States is putting its economic house in order.

I think the American people would be reassured if their Government, at long last, tried to live within its means, just as they must do to remain solvent. I think the alternative to seeking a balanced budget is to continue down the present road of deficit-caused inflation-recession cycles, which can only lead to the same dead end now faced by New York City.

Mr. BROWN of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened carefully to the discussion on the floor. The thing that bothers me is that the Runnels amendment to the O'Neill amendment seems to make the O'Neill amendment look better, from the standpoint of cost, when, as a practical matter, of course, the Runnels amendment is irrelevant to the O'Neill amendment insofar as the things that the sponsor of the amendment pointed out would be included within his amendment.

Does not the chairman of the committee agree? In other words, the Runnels amendment basically redetermines the committee's figures, not the O'Neill figures.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. Certainly, I yield to the gentleman from Washington.

Mr. ADAMS. The problem is that if the O'Neill amendment were adopted without the Runnels amendment to it being offered, the Runnels amendment would not be in order because the figures would be foreclosed. Therefore, in order for the gentleman to have his amendment in order, he has to offer the amendment at this point. If all of the amendments are defeated, then the Runnels amendment may be offered again.

However, I would state to the gentleman that we are dealing in this resolution with just the five aggregate figures. We are setting spending ceilings. The amount of the Runnels amendment is not directly related to the O'Neill amount. One could say the same thing with respect to every other item in the resolution; the whole is the sum of the parts.

Mr. BROWN of Michigan. I agree with the gentleman, but I think that the Runnels amendment makes the O'Neill amendment look more salable because it appears to reduce budget outlays when, as a practical matter, it does not touch the budget outlays contemplated by the O'Neill amendment.

I realize that we are talking about the macro aspect of this resolution, but at the same time I think that the gentleman would agree that the O'Neill amendment could be viewed in its proper perspective if the Runnels amendment had been adopted first to the basic outlay figure, because it goes to interest costs, not outlays or expenditures for education, the Sinai, or what have you.

Mr. ADAMS. The gentleman from Michigan (Mr. BROWN) is correct. Next year, the gentleman will understand that this will not happen again.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. Yes, I will be glad to yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Chairman, may I ask this of the chairman: if the Runnels amendment had been adopted or had been offered independently of the O'Neill amendment and adopted, then the concurrent resolution figure would have been reduced by the amount in the O'Neill amendment; is that not correct? Instead of a $72 billion deficit, we would have had a $71 billion deficit.

Mr. ADAMS. I agree with the gentleman.

Mr. LANDRUM. In the way it is offered, we are not doing anything except pretending that we are saving money. We are saying here, in effect, that the O'Neill amendment costs us $1 billion less because of the Runnels amendment.

Mr. BROWN of Michigan. Mr. Chairman, if I may recapture my time, the gentleman from Georgia (Mr. LANDRUM) confirms the very point I have attempted to make, and that is that the O'Neill amendment still costs the same, it has not changed. The Runnels amendment does not change the cost of the O'Neill amendment. All it does is modify the basic committee determinations with respect to outlays and the deficit.

Mr. ADAMS. The gentleman is correct.

Mr. GIAIMO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the Rousselot amendment.

While I share the gentleman's concern that all Federal outlays must be carefully scrutinized, this across-the-board decimation of the Federal Government is not a productive approach in establishing congressional control over the budget. I would agree with the gentleman that a balanced budget is a desirable objective that we should be aiming at, but it cannot be achieved overnight, nor can it be brought about in the fashion the gentleman proposes.

This budget is out of balance because the economy of this country is suffering from its most serious recession in decades. The kind of outlay cuts proposed in the Rousselot amendment would only aggravate this already serious situation. Among those areas that could conceivably be considered for reduction or elimination, the emphasis would have to be placed largely on programs designed to cushion the human impact of recession and on those designed to provide the stimulus necessary to turn the economy around.

In seeking a balanced budget, a more meaningful approach would be to hold outlays at a reasonable level consonant with economic growth and move toward balance as revenues increase in reacting to that growth. This is the long-run objective of the budget resolution we have proposed.

As a practical matter, there is no way that cuts of the magnitude proposed can be accomodated at this point in the budget process. Keeping in mind the fact that the fiscal year will be half over by the time the resolution is adopted and the reconciliation process completed, the task of reducing outlays by $72 billion over 6 months equates to a $144 billion annual cut. Since the proposal exempts defense, the remaining nondefense activities would be required to absorb a 51-percent reduction.

This, by necessity, would have to involve total annihilation of those programs generally considered "controllable," coupled with deep cuts into the various programs which are considered mandatory under existing law. While the Rousselot amendment does not specify the detailed areas for cuts in the various functional categories, the size of the proposed reductions vis-a-vis the amounts available in the categories almost dictates the areas to be affected. Some examples of the difficulty of these reductions will serve to identify the problems involved in the cuts of the magnitude proposed by the Rousselot amendment. Each of these would have to be accomplished by the appropriate committee of the House as directed in the proposed reconciliation directions.

In the foreign affairs area, it would probably be necessary to withdraw from all international financial agreements, terminate all foreign assistance programs and end the food for peace shipments. Even with these drastic measures, the proposed reduction level could not be achieved without steps to abrogate existing contracts and recoup payments already made.

To achieve proposed reductions in natural resources and energy, it would be necessary to defer all new grants and abrogate existing contracts for waste treatment and pollution control programs, and to reduce the programs of the former Atomic Energy Commission by a drastic degree.

The reductions proposed for agriculture equate to the total program originally proposed by the President in his February budget request. Contractual payments under support programs would not be made and all research and similar programs would be terminated.

In commerce and transportation, it would probably be necessary to make no new grants and to default on existing contractual obligations in highway mass transit and airport construction. Further, these reductions would require that we disband the Coast Guard, close down the air traffic control system, and terminate all programs in support of commerce, such as the SBA, the Census Bureau, and the Patent Office.

Achieving a $3-billion reduction in education outlays at this point in the year implies a 75- to 80-percent cut in program level. A similar scale of reduction would be required to achieve the cuts in manpower and social service programs.

The proposed reductions in health outlays would require legislation to cancel existing benefits under medicare and medicaid, as well as a virtual termination of health research and education.

Income security reductions of the level proposed could be achieved only by such steps as total termination of the food stamp program, cancellation of existing contracts for subsidized housing, a 40-percent cut in unemployment benefits and deep reductions in retirement benefits to either social security recipients or Federal retirees.

Cuts in veterans' benefits would require legislation to cancel existing entitlement programs or a virtual shutdown of VA hospitals.

Law enforcement and general Government activities would have to be reduced significantly—20 percent in the case of the former and 100 percent in the latter—to achieve proposed cuts in the balance of the fiscal year.

Any cut in revenue sharing would require immediate legislation to cancel scheduled payments to State and local governments, throwing their budget process into chaos.

Reduction of $4 billion in interest payments would require default on required payments or renegotiation of the debt at an interest rate far below the market.

Finally, one must consider the immediate economic impact of such drastic outlay reductions. As the various program areas are cut back, unemployment is bound to rise creating new demands on social benefit programs. Tax revenues would fall, placing even more pressure on an effort to balance the budget. As the process unfolds, a downward spiral would be created, in which budget cuts would be followed by unemployment increases and revenue losses stimulating further budget cuts. It is virtually impossible to predict how far this spiral would continue downward. But it is clear that this is not the direction that this Congress intends to give the economy. What we need now is the stimulus that will bring the economy out of recession, put people back to work and stabilize Government spending on unemployment benefits, food stamps, and the like. This is the road to a balanced budget and this is the road the Congress should follow. The Rousselot amendment cannot achieve its stated goal and would divert the economy from the direction in which it should move. It should be defeated.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I rise in support of the O'Neill amendment to the budget resolution.

I believe that adoption of this amendment is an act completely within the spirit of our new budgetary process. It would, among other things, provide the necessary budgetary and outlay authority to carry out agreements which are an integral part of the Middle East peace agreement endorsed overwhelmingly by the House on October 8, 1975, by a vote of 341 to 69 with one voting present.

In preparing the budget resolution the committee was not able to get firm figures for the Middle East because they were not available. The committee did, however, note in its report that figures would be forthcoming and now that we have firm figures this amendment will provide necessary authority to fulfill our obligations under an international agreement endorsed by Congress.

If we fail to pass this amendment we may well threaten the agreement which was so painstakingly worked out by President Ford and Secretary Kissinger. We will assuredly make it impossible for Secretary Kissinger to move forward on the next step toward a full and final peace agreement. Denial of this authority would signal to all nations of the area that our executive branch does not have the authority necessary to make commitments which might be needed to insure peace in the Middle East. Such a perception by our allies, adversaries, and others would undoubtedly undermine this Nation's effectiveness in every aspect of our foreign policy.

There is another important precedent at issue here and that is the relationship between our new budget process and the realities of world political and economic events. The fact is that this Nation does not control events abroad and cannot foresee them. This means that frequently Congress is going to be asked for funds to respond to events not foreseen by the budget process. Thus the Middle East portion of this amendment is only the first of similar amendments which will have to be offered in future years to respond to changing world circumstances. Indeed, I believe that most of us in this chamber hope that next year we will be asked to ratify a second step toward peace in the Middle East and we will want the budgetary process to be flexible enough to allow reasonable funding for any unforeseen U.S. commitments. Certainly the International Relations Committee plans to submit our best estimate to the Budget Committee for fiscal year 1977 but our figures, those of the Budget Committee and those of the administration, will remain only rough estimates because of the very nature of international relations.

The alternative to reasonable flexibility in the budget process for international reasons is unattractive, so far as I am concerned. That alternative is the provision to the President of a contingency fund on the order of a billion dollars—a fund which Congress would have little control.

One final problem which may result from defeat of this amendment is a further cut in defense spending below the level most Members of Congress want and well below the level the President and his outgoing Secretary of Defense feel is essential for this country. The reason why this is so is because the President may well feel he must honor our Middle East commitment and thus be forced to take funds for the agreement from the levels provided in this resolution for the Defense Department—levels which the Defense Department already feels are too low for our own defense.

Mr. Chairman, I urge passage of this amendment.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the O'Neill amendment.

Mr. Chairman, yesterday in a coloquy with the chairman of the Budget Committee, the gentleman from Washington, it was established that if the O'Neill amendment passes, the debt increase for fiscal year 1976 will be approximately $95 billion. The gentleman indicated that this amount could be funded by Treasury borrowing and monetizing by the Federal Reserve operations without crowding out the private money markets, and without inflationary expansion of the money supply.

Mr. Chairman, it seems to me that the economic history of the country since 1969 indicates the opposite. We have seen repeated cycles of inflation followed by tight money and recession, followed by inflation and recession at the same time in the most recent episode. The proposed remedy for this situation is to increase the size of the debt. But, we have had enormous deficits since 1969 and they have not prevented us from encountering economic difficulty. Indeed, they have probably been the primary cause of the difficulty.

Mr. Chairman, there has been no meaningful discussion of the consequences of funding $95 billion in increased debt in this fiscal year. The Budget Committee majority argues that there are no adverse consequences from increasing the debt by this amount, and no difficulty in funding it. Why not increase it further then? Why have any limit if there are no adverse consequences from raising $95 billion? Where is the danger point if not in this amount? Why are we going through this budgetary process if there is no attempt to reconcile the problems inherent in massive deficit financing? The committee does not acknowledge any problem with financing this debt increase and I cannot accept that as being sound policy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico (Mr. RUNNELS) to the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. ROUSSELOT) to the amendment offered by the gentleman from Ohio (Mr. LATTA) as a substitute for the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL), as amended.

The amendment to the amendment offered as a substitute for the amendment, as amended, was agreed to.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment offered by the gentleman from Ohio (Mr. LATTA) as amended, as a substitute for the amendment offered by Mr. O'NEILL as amended.

Mr. Chairman, this demonstrates the difficulty of dealing with a resolution containing only the macro figures. We have tried very carefully to be certain that everybody that had an amendment to offer had an opportunity to offer it and be protected.

I do not know the position of the gentleman from Ohio (Mr. LATTA) as to whether the gentleman is in favor or opposed to the Rousselot amendment, but the way it is now the Latta amendment and the Rousselot amendment are combined, so it is my assumption that debate must occur on that.

I am opposed, as I indicated when I asked to strike the requisite number of words on the amendment of the gentleman from New Mexico, to both the Rousselot amendment and the Latta amendment. I am particularly opposed to the Rousselot amendment. I wanted to indicate to the House that under the projections that we have on this matter, the unemployment rate for the coming year would be greatly increased. I would give some idea of what kind of cuts the various committees would be required to submit to the House so that each of the Members will understand what we will have to do to meet the requirements of the amendment.

For example, in foreign affairs we would have to reduce spending below where we were to $3.029 billion; in space and technology, we would need a cut of $600 million; in natural resources and energy, $5.83 billion; in agriculture, $1.8 billion; in commerce and transportation, $8.7 billion; in community and regional development, $1.18 billion. Interest would have to be reduced $4 billion. Hopefully, the total amount of the debt would be reduced also. In education, manpower and social services, the amendment would require a reduction of $8.5 billion; in health, $13.4 billion; income security, $15.2 billion; veterans, $2 billion; general Government, $1.905 billion; and revenue sharing, $3.3 billion.

I know the gentleman's purpose is a laudatory one and I understand what he is trying to do. I have repeatedly indicated to the House that the purpose of the Budget Committee is to get us to a point where we can live within our revenues. The Office of Management and Budget and the administration indicate they think it will take about 3 years to do this. I think that that estimate is about right; but to do it this year would decimate the economy. I think the proposal is highly unrealistic.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding.

I respectfully disagree with my colleague that this would require a meat-ax approach. It would only require the same expenditure levels we had in the 1974–1975 budget levels that the committees have already considered and approved. My resolution provides for budgetary authority at $328 billion, so if we have some kind of unforseen crisis, there is a cushion provided which would permit additional expenditures over the $301.8 billion allowed in budget outlays. But to say that it is cutting or hacking, is not true. It is the same level expenditure which we lived on in 1974–1975. These figures have been accepted on this floor and the Federal Government lived on appropriation levels similar to those I have suggested. The difference would be that we would reduce deficit financing by $72 billion. This $72 billion would be returned to the private market and could be used for housing, for hospitals, for local governments, and construction.

The econometric models show that if we release this money to the private market, it will generate new jobs—400,000 jobs in the home building industry alone—new housing, new construction in the market system. This is not hacking. This is a protective, progressive program to get America moving again—I think that is the old saying.

Mr. ADAMS. Mr. Chairman, I refuse to yield further, because I know the gentleman will have an opportunity to speak further. For example, the gross national product under this proposal would drop about $58 billion in calendar year 1976 below what is now expected.

Mr. ROUSSELOT. That is not what the projection says.

Mr. ADAMS. In addition, our State and local governments—and this is important to many of those who have supported concepts such as revenue-sharing—would lose $31 billion in revenues during the coming year. The unemployment rate, which now is at 8.3 percent, is projected to go to almost 11 percent.

What I am saying to the gentleman is that the effect of this amendment would be to increase unemployment and reduce the gross national product. I hope that the amendment will be defeated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the Latta amendment as amended.

Basically one of the primary areas of disagreement concerning the econometric models is the basis on which they are projecting the level of unemployment, which the gentleman has correctly stated is projected to reach between 10 and 11 percent, depending on which model we take, but I would like to quote to the Members an economist who came to our Joint Economic Committee in this Congress and, his name is Glenn E. Burress, economist, Journal of Commerce, New York, N.Y.; Pitzer College, Claremont, Calif.; and the University of Texas of the Permian Basin, Odessa, Tex.

Testifying before Chairman HUMPHREY, Mr. Burress said the following:

> Even with proper diagnosis, this Congress will never write a prescription for recovery with reduced inflation so long as the good doctors you consult continue to use theories and models which were developed to explain consumer spending and saving in the 1930's, but which fail systematically to explain consumer behavior in recessions and recoveries over the last 20 years.

We are not faced with the kinds of conditions we were facing in the thirties. There are all kinds of protections built into the system, such as unemployment insurance and all kinds of other things. So the argument that the econometric projection makes is that, whenever we try to balance the budget, we will automatically have substantial increases in unemployment. This is the main argument, and basically the only argument that can be used against this amendment which calls upon this Nation to live within our financial means as every city and most counties and most States have to do—that it will immediately incur a substantial increase in unemployment.

I have shown the Members, or tried to show them, that in the housing industry exactly the opposite will be true because there would probably be generated, if the model is correct, 200,000 to 300,000 new housing units, and for every unit there is created anywhere from one to two new jobs. That does not even speak to the field of manufacturing and other fields such as commercial construction, industrial expansion and other activities that provide economic stimulus and create new jobs.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, my friend has made a very important point. Here we are trying to impose upon New York City a balanced budget. Every municipality and every State in the Union has a constitutionally mandated balanced budget. And everyone in this Chamber knows that the ultimate answer in New York City is for them to balance the budget. Yet this budget resolution today acknowledges that the Federal Government does not have to balance its budget. I submit that this is a double standard and it ill behooves this body to tell New York to balance its budget and then not to do at the Federal level. If there is anyone here who does not realize what deficits do to savings and capital investment is missing the most important lesson of the past decade and indeed the sad experience of both New York City and Britain.

Mr. ROUSSELOT. I appreciate my colleague's comments. He is correct.

We have purposely not brought New York City into this discussion today because I know we are going to discuss that extensively next week, but the basic problem there is that they cannot live within their income.

We have said over and over again that, yes, we are going to get the balanced budget some day. It is down the road. Lord Keynes used to say we did not have to worry about the long run, because "in the long run, we are all dead." But we are living today in Keynes' long run. He is dead, but we have to live with the problems which adherence to his theories has created.

This resolution provides an escape hatch.

If we do run into emergency problems it provides $328 billion for obligated authority which includes a cushion for emergency conditions. That is over $26 billion more than what we would be spending in Federal outlays under my amendment.

Let us, for once, make a target and goal to live within the projected income stream, which is $300 billion, and say to the American people that we intend to be responsible.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, the gentleman knows that the unemployment rate in October went down about three-tenths of 1 percent.

Mr. ROUSSELOT. Yes.

Mr. MYERS of Indiana. There is always this argument, that unemployment follows or is reduced by Federal expenditures.

Mr. ROUSSELOT. Yes.

Mr. MYERS of Indiana. Did we reduce the Federal expenditures in October?

Mr. ROUSSELOT. No. We increased the deficit substantially, and the deficit projections in the main budget resolution did not produce the kind of jobs we said they were going to produce. I know many of our colleagues on the Budget Committee warned us that unless we voted for budget, with its large add-on deficit, we would not create new jobs. Well, we did pass the deficit budget, but we did not create the jobs, anyway.

The basic production of jobs in this economy comes from the private sector, moreover, jobs in the private sector are permanent jobs, and permanent jobs are the kind we wanted to produce. I have described one area in the housing market and what this resolution would do to generate real jobs, permanent jobs in that area; so let me say to my colleagues that even according to the Budget Committee report, their own projections as to what an area would produce in the way of new jobs in public works and in other areas did not come about.

Mr. Chairman, I urge support for this resolution.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to ask one question. A moment ago the gentleman from Washington referred to a 10-percent projected unemployment rate. Is that the figure the gentleman used, 10 percent plus?

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Washington.

Mr. ADAMS. Yes; between 10 and 11 percent is the projected rate that employment would go up if this amendment were adopted.

Mr. MYERS of Indiana. May I ask, whose projection is this, what kind of projection is this?

Mr. ADAMS. We have taken the three standard econometric models used by the Office of Management and Budget, by the House Budget Committee, by the Treasury, and used their projections that are based on the information that they get for those models.

Mr. MYERS of Indiana. It is the gentleman's projection or the projection from the committee that it will go this high and the assumption is that taking the money out of the economy is the reason or basis for this, the fact that we are taking $80 billion out of the economy will affect the private sector to this extent?

Mr. ADAMS. That is correct. The programs that have a ripple effect within the economy and would have to be affected by this. The only ones we project would not be cut and thus cause the ripple effect in unemployment would be residential housing, as mentioned by the gentleman from California.

Mr. MYERS of Indiana. Yesterday the gentleman was mentioning that the projections indicated that the economy could absorb up to about $75 billion deficit and borrowing, without having any serious impact on the private capital. Does the gentleman have any corresponding information if it goes beyond that $75 billion, just how many jobs it will take away from the private sector by drying up private investments?

Mr. ADAMS. We based our position that we took on the statements of the Secretary of the Treasury and other administration officials, as well as economists, that appeared before us, that the economy was so slack and there was so little demand for financing in the private sector, as compared to the public demands that would be going on, that there would be no effect of crowding out investment from the private money market. The recent drop in short-term interest rates tends to reflect this.

Mr. MYERS of Indiana. In other words, what the gentleman is saying, these projections indicate this is only a one-way street, that if we do not spend it in the public sector that those dollars will not be invested in the private sector and there will be no offsetting benefits?

Mr. ADAMS. No. I am not saying that at all; but we reach a point, for example, if we had a $100 billion deficit this year and be required to raise the national debt by $125 or $130 billion and spend it as we are, then we could get a crowding effect at that point in the recovery. That is why we tried all year to keep expenditures down and into the range that was testified before us to be handled in the money market.

Mr. MYERS of Indiana. Then I take it—I will ask this last question—that the gentleman does not have any figures, or at least he has not developed any figures, for each $10 billion that we do not spend and do not have to borrow that the money could then be spent in the private sector and create additional jobs. It would have some impact, positive or negative, on the economy as far as employment is concerned.

Mr. ADAMS. We do not go above the idea of a projected deficit in the range of $75 billion, because we had testimony that indicated this would have a bad effect on the economy in terms of inflation, or crowding out.

Mr. MYERS of Indiana. But the gentleman did not go the other direction to project a positive impact on the economy and jobs if public borrowing was reduced?

Mr. ADAMS. We went the other direction because the gentleman from California requested the committee to provide backup data for his position. We have done so because he wanted to present it on the floor.

Mr. MYERS of Indiana. Did the gentleman consider anything between zero and $75 billion deficit?

Mr. ADAMS. No, we had no request to run a model study on any other particular number. When we are requested by members of the committee, or the chairman is requested by a Member who has an amendment he definitely wishes to offer, we run that projection. We did not run it by segments.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from California.

Mr. ROUSSELOT. The position just stated by the gentleman from Washington is the interesting analysis with which the House is constantly confronted. The thesis is that if we do not engage in all this deficit spending and let the Government spend it—and of course the Federal agencies take a substantial amount of dollars off the top for the bureaucratic administration of all these unreasonable budget increases—then we are led to believe we are going to slow the economy down to a standstill. The advocates of a balanced-budget thesis is—that we should be able to live on $301 billion cash flow so that the private sector will in fact pick up that tremendous slack, a $72 billion add on deficit that has to be created this year by the Treasury in order to meet that mandate by the Congress. We feel the private sector will utilize the $72 billion more efficiently and more productively in producing jobs and generally improving the economy as a whole.

The same econometric models to which the gentleman from Washington refers shows improvement in: First, gross national product; second, housing starts; third, consumption expenditures; fourth, disposable personal income; and fifth, purchases of goods and services (both soft and durable).

Mr. MYERS of Indiana. Well, I am not sure that I completely agree with the gentleman about going all the way down to zero deficit, as far as this particular year is concerned.

Mr. ROUSSELOT. We are merely attempting to eliminate any add on deficit. We still have to refinance all the rest of our huge debt; that is, $548 billion presently in place.

Mr. MYERS of Indiana. In any event, we have seen the result of the constantly escalating deficit and we see the interest rate following the same pattern of continuing increase in rates. During these same periods we have seen unemployment increase too.

Mr. WRIGHT. Mr. Chairman, I move to strike the requisite number of words, and rise in opposition to the substitute amendment offered by the gentleman from Ohio (Mr. LATTA).

Mr. Chairman, what we have before us now is the Latta substitute as amended by the Rousselot amendment. If adopted, it would require that we reduce projected expenditures by some $72 billion this year in order to bring the budget within complete balance. A concept of a balanced budget is certainly a valid concept. It is a splendid idea. In the present situation, however, it is an attractive but simplistic illusion.

President Ford recognized at the beginning of this year, when unemployment was approximately 7 percent, that a balanced budget was an impossibility. President Ford submitted his budget requesting a deficit of some $52 billion. In the budget document he submitted, the President acknowledged that the entirety of the budget deficit he requested, without any effort at job stimulation, was the direct result of unemployment, of the economic decline.

Due principally to the subsequent increase in the unemployment rate, now at a discouraging 8.6 percent, the President's own budget deficit projection has risen to approximately $72 billion.

It is a fairly well-established rule of thumb, generally accepted by conservative and liberal economists alike, recognized by the economists at the Bureau of the Budget as well as those at the Brookings Institute, that each percentage point of unemployment generates an adverse impact upon the budget in the equivalent of approximately $16 billion.

Each additional percentage point of unemployment reduces anticipated revenues by approximately $14 billion because people who are out of jobs are not paying taxes. In addition, it increases the Government's responsibility by approximately $2 billion in Unemployment Compensation and related welfare costs.

So if we were operating today at a more normal and healthy level of unemployment, at approximately 4 percent, a level which this Nation has achieved, rather than at 8.6 percent, we could indeed wipe out the deficit. If we multiply, we recognize a 4½-percent difference in the unemployment rate means an impact upon the budget of some $72 billion. In other words, if we had only 4 percent unemployment today, instead of 8½ percent or 8.6 percent, the budget would be balanced. It is just about that simple.

So the easiest way, the best way, the most efficacious way to balance the budget is to put Americans back to work.

It seems highly counterproductive, if our aim is to balance the budget, to do those things which predictably will put more Americans out of work, and that is exactly what the result would be if the amendment presently before us were adopted.

Moreover, where would Congress find $72 billion to cut from the current budget at this date in the fiscal year? Can any Member answer that question? If he can, I would like to know just where we would find it.

Out of these $373 billion in expenditures, do the Members know how much is amenable directly to the appropriation process, how much is directly controllable by congressional appropriations year? Approximately $106 billion. How would we go about cutting $72 billion out of $106 billion between now and the end of the fiscal year?

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I will yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate the gentleman's yielding. I am sure the gentleman was here when I suggested that we just use the expenditure levels we used in 1974 and 1975. We have already passed upon those these expenditure levels. We knew what the basic ramifications and implications of those expenditures were. So it is not a question that we do not know. We have already been there just a year ago. So it is not an uncertain road to tread.

Mr. WRIGHT. I will say this to the gentleman: In 1974 we were operating at a much lower level of unemployment. How on earth would we pay that which the Government has committed itself to pay in social security, in welfare costs, in unemployment compensation, if we reduced the amount to the level of when we had about 4 percent unemployment? It will not stretch.

Or how could we expect to pay the amounts we've assured for veterans' educational benefits at the same cost incurred 2 years ago when many thousands fewer Vietnam veterans were in school? It simply would not work.

Unless we were willing to go back and amend the basic laws, unless we were to change and reduce the social security law and the basic veterans benefits and many other fundamental laws, it is an illusion and an impossibility to do what the gentleman suggests.

Therefore, I urge the Members to do the responsible thing and vote "no" on the pending amendment.

Mr. BAUMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the moment of truth is at hand. This is to be the chance that Members will get, hopefully on a rollcall vote, to decide whether or not the new congressional budget procedure is really going to work.

Mr. Chairman, repeatedly the gentleman from Washington (Mr. Adams) has come before this House in recent months and said, with all of the authority of the imprimatur that his status confers upon him, "Do not pass this bill; it will cost too much. Pass this one; I approve, it is within our budget outlines, it is all right."

Today he has come in here with a resolution that is far different from the resolution which passed last May by a razor-thin majority. If the Members had reasons to vote against the first resolution, they have far more reason to vote against this one. Why? Because in every category, as is pointed out in the report that was filed this concurrent resolution provides for an even bigger deficit, bigger Federal outlays, bigger public debt. A greater national debt is provided in this resolution than that which was voted down only 10 days ago, some $621 billion.

And we will be voting for an even higher level if we vote for this particular resolution.

When this new budget procedure was suggested to us originally and passed by the House of Representatives, we were told that it was going to cure all of the many procedural problems we had in the past; there would be no more piecemeal looking at budgets, no more piecemeal passages of appropriation bills adding up at the end of the year to an enormous deficit. Yes, this new procedure was going to cure all our budgetary problems and even save the taxpayers' money.

So what has happened? We see the Committee on the Budget coming before us today and telling us they are willing to accept for instance, the amendment offered by the gentleman from Massachusetts (Mr. O'Neill), adding another $8 billion in spending at the last moment.

Mr. Chairman, this new budget procedure is not going to work if it is used in a perverse manner. What we see before us today is the greatest of perversions, because in this, the first year of this practice we ought to be setting an example for future years. We are setting an example, but it is one of still more profligate spending and still greater debt and inflation. But there is a way out.

We are now actually being given a chance by the gentleman from California (Mr. Rousselot) in his amendment to use the budget procedure in the way in which it was intended to be employed.

This is the Budget Control Act. Control? There is no control here. There is no self-control among the members of this House.

This is not just the Latta-Rousselot amendment. It is the "backbone" amendment, because as long as this Congress lacks the backbone, we will never cut spending; we will never hold down the deficits and the debts owed by this country will continue piling up .We will go full ahead in future years with the same kind of socialistic, Keynesian economics that this Congress has time and time again approved. That must not happen.

I will ask the Members what they will say when they go back and tell the widows and the elderly in their districts how their pensions have been destroyed by the inflation you cause. Can the Members go back and honestly tell their constituents who are living on marginal incomes what we are doing to them? What can the Members tell the construction hardhats who cannot find jobs because your congressional actions have robbed the capital that is needed to finance their jobs? What can we tell them we are doing for them? Will you tell them both how great you are and also how you are destroying the jobs they need? The cause of our national economic problems lies right here in this Chamber.

You know that what this Congress is doing is wrong. Certainly it is politically attractive to do what you are doing, but in the process you are destroying the private economic sector and denying millions of Americans jobs.

You must admit that we can make cuts in spending. The Rousselot amendment provides for a balanced approach, but nothing can be done unless we are willing to straighten our backbone and act here the way we talk when we go back to our districts. This amendment attempts to prevent more double-digit inflation and the possibility of double-digit unemployment.

Mr. Chairman, all I can tell the Members is that the gospel the gentleman from Washington (Mr. Adams) is preaching this afternoon is the same economic doctrine which has brought America to this present economic predicament. His view has not produced a solution to one economic problem through the last four decades. It has caused them. If we continue with this irresponsible economic policy, the end result will be still more trouble.

If we want to continue to have that trouble, sure, we can go ahead and vote down the Latta-Rousselot amendment and give the country another massive dose of what made the economy as sick as it is.

Members go back to their districts, and if they talk to constituents as I do, they know their constituents are sick unto death of Members of Congress who continue to tax and spend in the hope of reelection with no thought of the economic havoc they are causing or the mortgage they are placing on the future of our Nation. I urge the passage of the amendment.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from New York, one who has shown great leadership in this House on economic issues.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman's yielding, and I applaud his remarks.

I would only add to his statement that not only have our deficit spending policies brought this Nation severe economic problems it has led to the utter deterioration of the economy of Great Britain, where inflation is running at 25 percent and unemployment is increasing daily and 60 percent of this GNP is nationalized or centrally controlled.

So what is at stake is not only economic growth but freedom of choice.

Mr. BAUMAN. Mr. Chairman, I will say, in response to the distinguished gentleman, that these policies will lead to the political destruction of this country as it has in other nations. If we have more recessions produced by the economic policies we have addressed in this amendment, we certainly will face a political crisis in this country the likes of which our history has yet to record. As the gentleman points out, other countries have seen that happen, and we know what the results were there.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. Bauman) has expired.

(On request of Mr. SYMMS and by unanimous consent, Mr. BAUMAN was allowed to proceed for 1 additional minute.)

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the distinguished gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding.

I would also like to praise the gentleman for his statement, and I would like to point out what we are trying to do here. With all this talk—and I know it is sincere—by the Members who think that big-deficit budgets increase productivity, it is like having someone to pull themselves up by their bootstraps.

I would suggest to the Members that one cannot physically pull himself up by his bootstraps; it just cannot be done. This is a very basic thing; try it, you will fall flat on your backside.

It is not easy to balance the budget, but it can be balanced. What we are talking about is how to raise the real wages of this country. That is what we are talking about, the increasing real wages to the American individual, to those who are our citizens and our constituents, this is what we all favor.

Real wages can only be increased by multiplying labor times natural resources times tools or capital, tools which are capital. That is the only way we can increase production. Through increased production is the only way we can have increases in real wages in the country that mean anything. All the rest of this is superficial, cosmetic, and is going to do nothing for the country, except crowd out private capital for the real wage equation.

Mr. Chairman, I praise the gentleman from Maryland (Mr. BAUMAN) for his statement, and I urge the Members to vote for the Latta-Rousselot amendment.

Mr. LEVITAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as a result of that fast ball that went past us a few minutes ago, I understand that we are going to vote on the Latta-Rousselot amendment.

I have one or two questions that I would like to direct to the gentleman from California (Mr. ROUSSELOT) and to the chairman of the Committee on the Budget concerning this, if the gentleman from California would care to respond.

The comments of the gentleman from Texas (Mr. WRIGHT) have caused me some problems, because I think they were very pertinent. They emphasized the aspirations that I have and that many of us in this body have that we can get to a balanced-budget setup, but, he said, because of the high unemployment situation that now exists, as identified by the gentleman from Texas, he makes the point that this cannot be done during this fiscal year.

I would like to know, first of all, based on the econometric model that was used as the basis of the amendment of the gentleman from California, what is the projected impact upon the gross national product and unemployment?

Mr. ROUSSELOT. If the gentleman will yield, I have with me only one printout of an econometric model. I must say to the gentleman that the Chase model and the Data Resources Inc. model are similar in the projections for unemployment.

The gross national product under the balanced-budget concept, according to this printout, would increase by $250 billion over the next 10 quarters or up to first quarter of 1978.

Mr. LEVITAS. What about unemployment?

Mr. ROUSSELOT. As to unemployment, on the basis of the econometric projections the level of unemployment will go down for the next four quarters to 8.16 percent and in the fifth quarter to 8.5 percent. I disagree with the input in the models as it relates to projected unemployment, calculations beyond the fifth quarter, because their functional categories utilize unrealistic input. They do not account for what happens in the private sector when deficit spending is released to the private market place.

Under a balanced budget the basic unemployment level would not, in my judgment and on the basis of the economists' statements before the Joint Economic Committee, increase to 10 or 11 percent, as suggested in the model printout now before me. It does not take into account the impact that would occur in new jobs in housing, new jobs in industrial construction, and all new jobs that city and county governments might take up because they do not have to compete in the marketplace with the Federal Government for bonding and other funding methods.

Mr. LEVITAS. There is another question that I wanted to ask the gentleman.

Mr. ROUSSELOT. If the gentleman will yield further, let me say that I want to make it clear that those models on unemployment say that we are now at 8.6 percent and that it might go to 9.5 percent by the seventh quarter and 10.2 percent by the eighth quarter.

Mr. LEVITAS. The other question I had is that in reducing the expenditures from $373 to $301 billion, that would require some significant reductions in the various categories that have been identified. Is that correct?

Mr. ROUSSELOT. That is correct.

Mr. LEVITAS. Yesterday, the gentleman from New York (Mr. STRATTON) made the point that the present budget resolution already cuts defense by 10 percent. Would we have to make further cuts in defense?

Mr. ROUSSELOT. No, I would not suggest that cutting the projected defense budget for 1976. My personal choice would be not to trim the defense budget, because it has been a needed expenditure even in the Budget Committee Recommendations Expenditures in the defense sector of the Federal budget tend to spread out and provide economic stimulus in a broader sector of the entire economy.

Mr. LEVITAS. I thank the gentleman.

Mr. ROUSSELOT. May I add one further point?

Mr. LEVITAS. I refuse to yield further to the gentleman from California because I wish to yield to the gentleman from Washington and I yield to the gentleman from Washington, but in doing so I would first like to ask a question relative to the O'Neill amendment as amended by the Runnels amendment, there is approximately the same amount of deficit as in the original budget resolution, I think there is a $91 million difference?

Mr. ADAMS. That is correct.

Mr. LEVITAS. My question is this, since we are still dealing with macro figures and not the specific categories, would it be possible to live with the original Budget Committee recommendations of a deficit of $72 billion and provide for all of the expenditures which the O'Neill amendment proposes to make without increasing the deficit, because the deficit would remain the same?

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ADAMS, and by unanimous consent, Mr. LEVITAS was allowed to proceed for 1 additional minute.)

Mr. ADAMS. That is what is done on the outlay side. The problem is on the budget authority side. There must be a budget authority figure available for the Committee on Appropriations and the Committee on International Relations to work their will in this particular area.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. ROUSSELOT and by unanimous consent, Mr. LEVITAS was allowed to proceed for 2 additional minutes.)

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. LEVITAS. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding and I wish to continue my colloquy with the gentleman.

My suggestion would be that in the other areas, in order to achieve a reduction of $72 billion, the Congress could return very easily to the authorization and expenditure levels for 1974 or 1975. The reason I say 1974 or 1975 is because we would only have to use a year old level of approved levels of expenditure and very recently put in place. My judgment would be that 1974 or 1975 levels would be sufficient to supply us with guidelines in an area where we have already voted on expenditures.

Mr. LEVITAS. I thank the gentleman for his statement, and I would ask the chairman the gentleman from Washington (Mr. ADAMS) a further question in that he indicated in his response to my prior question that there is a sufficient deficit in the original budget resolution to accommodate the items which would have a deficit impact in the O'Neill amendment without significantly raising the original budget resolution deficit, is that correct?

Mr. ADAMS. If the gentleman will yield, that is correct. As the gentleman knows, gross national product started rising in late November and had reached about $783 billion—at annual rates—in the second quarter of 1975, and to $804 billion in the third quarter. Then for the next quarter it dropped to $796 billion. So you can see that there can be a deeper recession than we had before.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DOWNEY of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. DOWNEY of New York. Mr. Chairman, a few months ago I remember reading when we were considering the first budget resolution something in the editorials in the Wall Street Journal about crowding out private bonds. Has it been the committee's experience, and has the gentleman received any testimony to date, that the last deficit figure has crowded out the private capital market?

I would be happy to yield to the chairman and then to representatives of the minority.

Mr. ADAMS. We have had no evidence that there has been a crowding out. We had an increase in the Federal funds rate in June which raised the short-term interest rate, but it has not caused a crowding out. At the present time we have a 5½- to 7-percent rate of growth, and there has been money available, and the short-term interest rates have dropped—not as much as I should like to see them drop. But there is no evidence that there has been a crowding out of the private market by Federal borrowing because we have stayed below a $75 billion deficit figure.

Mr. DOWNEY of New York. I thank the gentleman.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from New York.

Mr. KEMP. I appreciate the gentleman's yielding.

Just a few weeks ago $600 million of corporate bonds were taken off of the bond market because they could not be marketed. That is an effect of crowding out. With Treasury borrowing at a rate of $1½ billion a week credit markets are preempted for private borrowers.

And I will say to my friend, the gentleman from Washington (Mr. BROCK) that the reason that short-term interest rates have dropped is because the Federal Reserve has further increased the growth of the money supply which results eventually in an increase in inflation.

So it seems to me the only reason we are not seeing more crowding out is that the Federal Reserve has stepped in and loosened up on the money supply, but at the price of refueling the fires of inflation.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. DOWNEY of New York. I yield to the gentleman from North Carolina.

Mr. NEAL. I thank the gentleman for yielding.

I have a question for the gentleman from California (Mr. ROUSSELOT). He may have mentioned this earlier, but I did not hear it if he did—that is, some specific estimate of where the cuts would be made to bring about this change. I would prefer it if the gentleman could give me these figures as they relate to each program, for instance, the dollar amount in veterans' benefits and unemployment insurance, and so on.

Mr. ROUSSELOT. If the gentleman will yield, I would be more than happy to respond. As a matter of fact, if the gentleman wants to come over here, I have my proposed cuts, but proposals would mean nothing as it relates to the aggregate figures in this resolution until the whole House passes on it.

Specifically, in answer to the gentleman's question, I would take the basic same levels of expenditure that this House passed in 1974 or 1975 and put those in place once more. We have made judgments on these expenditures, and that would be at a level of roughly at $300 billion, and that would match the $301 billion of anticipated revenues in this resolution.

Mr. NEAL. That really does not answer my question.

Mr. ROUSSELOT. I think it does. Let me include those figures at this point in the RECORD:

BUDGET LEVEL COMPARISON CHART/REVISED CUTS

[Dollars in billions]

	President's proposal 1975	Actual 1975	1st res.	2d res.	Rousselot [illegible]	Approximate percent change from— 1975 actual	1st res.	2d res.
National defense	$87.7	$86.7	$90.7	$91.2	$91.2	+5.0	+0.6	0
Inter affairs	4.1	4.4	4.9	4.5	3.8	14.0	23.0	16.0
Space and technology	3.3	4.0	4.6	4.6	4.0	0	13.0	13.0
Natural resources and energy	3.1	9.4	11.6	11.2	7.0	25.0	40.0	37.5
Agriculture	2.7	1.6	1.8	2.6	1.5	6.0	17.0	43.0
Commerce and transport	13.4	16.0	17.5	18.6	10.0	37.5	43.0	46.0
Community and regional development	5.7	4.4	8.65	7.0	4.0	9.0	54.0	43.0
Education	11.5	15.2	19.85	21.1	12.0	21.0	39.5	43.0
Health	26.3	27.6	30.7	32.9	19.5	29.5	37.0	41.0
Income security	100.1	108.6	125.3	128.5	108.6	0	14.5	15.5
Veterans	13.6	16.6	17.5	19.1	16.6	0	5.0	13.0
Law enforcement	N/A	2.9	3.4	3.4	2.9	0	15.0	15.0
General government	6.8	2.8	3.3	3.3	2.0	29.5	39.0	39.0
Revenue sharing	6.2	7.0	7.2	7.3	4.0	43.0	45.0	45.1
Interest	29.1	31.2	35.0	36.4	32.4	+4.0	7.5	11.0
Allowances	[1] 1.6		1.2	.9	.9	+.9	25.0	0
Offsetting receipts	−10.7	−14.1	−16.2	−18.6	−18.6	+24.0	+13.0	0
Total	304.4	324.6	367.0	373.8	301.8			

[1] Other.

Mr. NEAL. No. I am asking for very specific information, in other words, the difference between $373 billion total and a $300 billion total.

Mr. ROUSSELOT. If the gentleman will yield further, we are talking about basically trimming $72 billion.

Mr. NEAL. Where?

Mr. ROUSSELOT. We make cuts in areas to arrive at the same levels that were passed on in the 1974–75 budgets.

Mr. NEAL. Does the gentleman not want us to know this matter?

Mr. ROUSSELOT. I will start out with one area: Defense. I would keep it $91 billion because I believe that does in fact spread across the entire economy and creates jobs. We keep Federal spending at a high level also because we recognize that it is a basic responsibility of the Federal Government to defend our country.

Second I should point out that these are just individual judgments. The final decisions concerning whatever cuts are made rests in the Appropriations and Ways and Means Committee this is made clear in the language or my resolution. The cuts, then, are not the issue; the issue is the target levels, the goals, that we are setting for ourselves—I have given the gentleman one example in one area, that of Defense——

Mr. NEAL. How about unemployment compensation?

Mr. ROUSSELOT. I would not cut unemployment compensation. But in other areas I think that we could clearly, on the basis of the hearings of this House and the Senate, make some legitimate cuts in areas that are protected under this budget. The food stamp program is one example.

I think what the gentleman really wants to do is go over every functional area that is up here, and I would be more than happy to do so if the gentleman wants to come over to the desk and go over every single one of them; but I will not be put in the position of saying that I am omniscient enough to make the determination for the whole House. I believe that determination has to be made by the committees and specifically the Appropriations and Ways and Means Committees.

All this resolution does is provide a goal, a target. We are saying to the American people, we intend to live within our means.

The CHAIRMAN. The time of the gentleman has expired.

Mr. NEAL. Mr. Chairman, I move to strike the requisite number of words.

If the gentleman is willing I would like to have his attention further.

Mr. ROUSSELOT. This gentleman is perfectly willing.

Mr. NEAL. I would like to have the gentleman give us a further idea as to where these cuts may be made.

Mr. ROUSSELOT. I will give the gentleman the information.

Mr. NEAL. I would be happy to have the information personally but does not the gentleman think the whole House should have the information?

Mr. ROUSSELOT. Those are my proposals.

Mr. KEMP. Mr. Chairman, if the gentleman will yield, let me ask the gentleman, how does the gentleman plan to finance this $72 billion deficit? Does he suggest new taxes or more Treasury borrowing or does he suggest the Federal Reserve expand the money supply even higher to finance this $72 billion deficit? The gentleman has asked for specific information. I suggest the gentleman give us the specifics on financing the deficit.

Mr. NEAL. In my own view we have two goals, that is to return our economy to full employment levels and down the road to balance the budget. If we are not able to have specific proposals for cutting Federal expenditures, then I can only see this as a political-type ploy to be on the side of fiscal integrity but without providing a vehicle for accomplishing those goals.

Mr. KEMP. If the gentleman will yield further, I think the debate is helpful.

Mr. NEAL. I do, too.

Mr. KEMP. Those of us who do believe in a balanced budget are engaged, in this battle not out of a desire to make a political point but to symbolize our belief that deficits are destroying our economy. It is out of a genuine and sincere belief that through reduced Government deficits we will stimulate the private sector of the economy and preclude that experience which has happened in New York City and in Britain.

But you asked the gentleman from California a specific question, and I ask you a specific question: How will you finance a $72 billion deficit?

Mr. NEAL. I think the gentleman knows the answer to the question. It is the same way we always have done it.

Mr. KEMP. That is not a specific answer.

Mr. NEAL. I have only a limited time and I refuse to yield further.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. NEAL. I yield.

Mr. ROUSSELOT. Let the Record show I have just handed the gentleman from North Carolina my prospectus and suggestions for places to trim.

Mr. NEAL. I would like to have an answer to my questions as they occur. Let me take the area of health. How does the gentleman propose to cut in the area of health expenditures?

Mr. ROUSSELOT. Will the gentleman recognize the fact that I have handed him my prospectus which lists those proposed cuts.

Mr. NEAL. The gentleman has handed me a piece of paper.

Mr. ROUSSELOT. What does it say at the top?

Mr. NEAL. Budget level comparison chart. I really think the whole House and the whole Committee ought to have that.

Mr. ROUSSELOT. The next thing says: Revised cuts. Does it say that?

Mr. NEAL. I am asking the gentleman for specific cuts in answer to specific questions.

Mr. ROUSSELOT. I want the Record to show I have handed the gentleman from North Carolina a proposal for cuts by one Member of this House. I want to emphasize I am not omniscient but that is the proposal of one Member on how to handle the cuts of $72 billion. They are basically, if the gentleman will look on the proposals, the same as the 1975 level of expenditures.

Mr. NEAL. Will the gentleman answer this question? How much will the gentleman propose to cut in the area of health?

Mr. ROUSSELOT. As the gentleman knows, on this chart I have handed him I have suggested a cut to $19 billion from the proposal of $32 9 billion in the committee suggestion.

Mr. NEAL. What amount would the gentleman propose to cut in education?

Mr. ROUSSELOT. That is on my proposal.

Mr. NEAL. I am only asking the gentleman, what would he propose to cut in the field of education?

Mr. ROUSSELOT. It is roughly $9.1 billion.

Mr. NEAL. What in the area of income security?

Mr. ROUSSELOT. Mr. Chairman, I ask unanimous consent to revise and extend and insert this in the Record for the whole House to have this information.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HARRIS. Objection, Mr. Chairman.

The CHAIRMAN. The gentleman who objected did not stand so the objection is without force.

Mr. HARRIS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. NEAL. Mr. Chairman, I think it is only reasonable that we understand what we are voting on before we vote and if the gentleman is embarrassed about this I will not pursue it.

Mr. ROUSSELOT. Not at all. This is just one man's proposal. One of our new freshman colleagues objected to my inserting the chart in the Record at this point. I have incurred my proposals at another point in the Record.

Mr. MADDEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been waiting for almost 2 hours to vote for the amendment of the gentleman from Massachusetts (Mr. O'Neill). As I understand from what I have heard, when the gentleman from Massachusetts was on the floor, that it would bring about more jobs—more jobs, and if we have more jobs we are going to have more of the 9 million out of work that will be paying into our Federal exchequer and we will not be worried so much about balancing the budget.

We have heard a number of speeches about balancing the budget. I am not going to quote from the October 30 edition of the Chicago Daily News. I am trying to convey some information on how we can balance the budget and I am going to make it as brief as I can. Our Congress has been passing bills for the last year, like the job bill and other bills, on how to balance the budget by giving people jobs. We would have at least a couple million people working today if it were not for 4 or 5 of those 39 Presidential vetoes. I hereby quote from the Chicago Daily News:

> President Ford is seeking Congressional approval of a foreign aid package that would double current United States aid around the world and supply a total of $3.35 billion principally to Mideast countries.

Now, that comes from the White House and certainly there was no speech today made here in this Chamber that the President was unbalancing the budget.

Now, there is almost $4 billion and we did not hear a word about that. The newspaper article states this overseas money is sent to Egypt, $251 million which they received in 1974 and in this dispatch in the Associated Press he wants to give $3.38 billion to many other nations.

For Jordan next year, $250 million.

Syria, $90 million.

Lebanon, $5 million.

Korea, $80 million.

Taiwan, $80 million.

Thailand, $65 million.

Philippines, $19 million.

Greece, $240 million.

Turkey, $205 million.

Cyprus, $35 million.

Portugal, $56 million.

Did I mention Turkey, $205 million to Turkey.

I want to call attention to an article in the Indianapolis paper, another Republican paper, just last week:

> In recent years the State Department has been settling debts for as low as 2 to 3 cents on the dollar.

The quotation continues as follows:

> There may or may not be vital reasons for the State Department to arrange such generous settlements—

But the point is that it is the American taxpayers who have lost out by Mr. Kissinger's generous policy of adjusting debts and foreign giveway in the Oval Room down here in the White House.

Then the newspaper goes on:

> Congress, which answers to the people and represents the people, and which has the sole power to appropriate funds, ought to have the power to approve debt settlements.

Mr. LATTA. Mr. Chairman, may we have order? The gentleman is making a very important statement.

The CHAIRMAN. The committee will be in order.

Mr. MADDEN. Mr. Chairman, just another paragraph from the Chicago Daily News:

> During the past several years the State Department has entered into agreements with three nations which have netted us three cents on the dollar and effectively canceled $5 billion in outstanding debt limits.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent Mr. Madden

was allowed to proceed for 3 additional minutes.)

Mr. MADDEN. Mr. Chairman, is the Chair deducting my time for these interruptions?

The CHAIRMAN. The gentleman will proceed.

Mr. MADDEN. Mr. Chairman, I want to call the attention of the committee to this $5 billion that the State Department canceled out. That would help balance the budget as long as we are on the subject. The State Department canceled $2.6 billion claim against the Soviet Union.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. I do not want this time deducted from my time.

The CHAIRMAN. The gentleman declines to yield.

Mr. JOHN L. BURTON. Mr. Chairman, may the record indicate that it is the gentleman from Ohio who asked the gentleman to yield, not the gentleman from California.

The CHAIRMAN. The gentleman declines to yield to anybody.

Mr. MADDEN. Mr. Chairman, I know some folks do not like to listen to this, but it is a fact: $2.2 billion for India that was canceled, and $370 million on our loan to France. Great Britain owes the most of any country—imagine this—principal and interest amount to $12.4 billion.

Mr. Kissinger, let us get that money in here and we will not need to spend so much congressional time on trying to balance the budget. We can balance the budget in the Oval Room down there if they just go to work and collect some of the money coming to us from overseas and curb some of the billions going overseas. If we will just cancel out this $4 billion the President and Secretary Kissinger want to send to these countries just outlined, we can help balance the budget.

I do not wish to take up any more of the Members' time, because I can continue for another half hour to show the Members how we can balance the budget right down in that Oval Room. We do not need to worry about the Congress being a spending Congress. This Congress has been a Congress which, if it were not for 39 vetoes, we would not be here going through this budget-balancing debate this afternoon.

This 94th session of Congress has passed more anti-inflation, job-creating, antiprofiteering legislation than any congressional session since the first 100 days of the Franklin D. Roosevelt "New Deal" during the Great Depression of the 1930 period.

This Congressman O'NEILL amendment should pass and it will aid greatly to restore jobs and create more taxpayers and help balance the budget.

Mr. ADAMS. Mr. Chairman, I wondered if we could get an agreement on time on the Latta-Rousselot amendment.

The CHAIRMAN. The question is on the amendment, as amended, offered as a substitute by the gentleman from Ohio (Mr. LATTA) for the amendment, as amended, offered by the gentleman from Massachusetts (Mr. O'NEILL).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROUSSELOT. Mr. Chairman, on that I ask for the yeas and nays.

The CHAIRMAN. A recorded vote is requested. Those in favor of a recorded vote will rise and remain standing till counted.

Mr. ROUSSELOT. Mr. Chairman, I asked for the yeas and nays.

The CHAIRMAN. The Chair will state that the yeas and nays are not in order in the Committee of the Whole.

Those in favor of taking this vote by a recorded vote will rise and remain standing until counted.

A sufficient number has risen. A recorded vote is ordered.

The vote was taken by electronic device, and there were—ayes 127, noes 283, not voting 23, as follows:

[Roll No. 690]

AYES—127

Abdnor
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bevill
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carr
Carter
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Findley
Flynt
Fountain
Frey
Goldwater
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Hefner
Henderson
Hightower
Hinshaw
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lloyd, Calif.
Lott
Lujan
McClory
McCollister
McDonald
Martin
Michel
Miller, Ohio
Mills
Montgomery
Moore
Moorhead, Calif.
Mottl
Nichols
O'Brien
Passman
Pettis
Poage
Pressler
Quillen
Risenhoover
Robinson
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Steelman
Steiger, Ariz.
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Treen
Wampler
Whitehurst
Wiggins
Wilson, Bob
Winn
Wylie
Young, Alaska
Young, Fla.

NOES—283

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Annunzio
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Casey
Cederberg
Chisholm
Clay
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Frenzel
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Goodling
Gradison
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heinz
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Howe
Hughes
Hungate
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Pritchard
Quie
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Teague
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Weaver
Whalen
White
Whitten
Wilson, C. H.
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—23

Andrews, N. Dak.
Ashley
Chappell
Cleveland
de la Garza
Eshleman
Fary
Fraser
Harsha
Hébert
Heckler, Mass.
Holland
Karth
McCloskey
McEwen
Mathis
Mosher
Nedzi
Railsback
Rhodes
Thompson
Waxman
Wilson, Tex.

Messrs. LLOYD of California and MARTIN changed their vote from "no" to "aye."

So the amendment, as amended, offered as a substitute for the amendment, as amended, was rejected.

The result of the vote was announced as above recorded.

Ms. HOLTZMAN. Mr. Chiarman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the O'Neill amendment.

The second budget resolution ought to be more than an arithmetic exercise in which we merely add up what the Committee on Appropriations has done, figure the current interest rate on bonds and reestimate our tax revenues. Instead, the second budget resolution ought to reflect deliberate judgments about our spending priorities. The O'Neill amendment gives Congress the opportunity to do just that.

It provides $1 billion for additional jobs. This added economic stimulus is especially important because of the recent increase in the unemployment rate. At present, there are 8 million people unemployed. We simply cannot, as a matter of human decency, spend $400 billion in our country's budget and ignore the terrible problem of unemployment.

The O'Neill amendment also provides an additional $443 million in budget authority for various education programs—title I, adult education, vocational education, and impact aid. In view of recent reports indicating substantial functional illiteracy in our adult population, we cannot fail to address the need for insuring the highest quality of education to all Americans.

In the Budget Committee, I had proposed an amendment to add $200 million to the funding for programs under title I of the Elementary and Secondary Education Act. Unfortunately, my amendment was defeated by one vote. I am very pleased, however, to see that the O'Neill amendment incorporates the amendment I made in the Budget Committee.

If we do not act now to insure that our children will be productive members of society we will surely bear the costs of our inaction in years to come. This congressional budget requires us to examine the long-run implications of our spending choices and few programs are as worthy of our support as these education programs.

Evaluation reports on title I programs show that they have significantly improved educational achievement of disadvantaged children. In 30 States a study shows that there are substantial gains in cognitive development for the children enrolled in title I programs. Despite the evidence of the success of this program, it has been severely underfunded.

In 1966, when title I was created, it was funded at 80 percent of its authorization; that number has fallen regularly so that by 1975, title I was funded at only 30 percent of its authorization. What this means is that only 4.7 million of the 16 million eligible children are being served. Over 11 million children are not being given a chance to develop their learning skills; not being allowed to improve their ability to read, and write, and do mathematics.

This budget resolution calls for $400.5 billion in budget authority, only 2.5 percent of the total is for education. We cannot, as a country, make a better investment than in the education of our children.

Finally, the O'Neill amendment provides $2.1 billion to take account of administration proposals for aid to Israel and other countries in the Middle East. If we do not provide in this budget resolution for such funding, bills calling for military assistance to Israel will be subject to a point of order and cannot be considered in this fiscal year. It is imperative, in my judgment, that we provide such funding, and for that reason, I am pleased the O'Neill amendment incorporates this provision.

Mr. Chairman, I yield back the balance of my time.

Mr. BROOKS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the House Budget Committee's second concurrent budget resolution setting ceilings on Federal spending and floors under revenues for fiscal year 1976 signifies the first full year of implementation of the new congressional budgetary process. The committee, under the distinguished chairmanship of Brock Adams, has taken a most courageous and forthright position. Rather than sitting back idly and engaging in academic discussions about how the process ought to work, the committee opted to implement as many provisions of this law as were feasible during the first year. This second resolution is not a trial run. These recommendations, when adopted, are binding decisions on the Congress of the United States. For the first time in history of the Congress, we have an opportunity to know exactly what we have done and what we are capable of doing. In my opinion, although the ceilings and floors set in this resolution may not please everyone, we have at last set out upon the road to fiscal responsibility combined with a well-reasoned response to the economic and programmatic needs of the Nation.

In its first year, this committee has given the Congress an opportunity to assess the state of the economy, in the light of the actions taken by the Congress and the President. It has earmarked those areas which, before this, were virtually unknown to the Members as they made their decisions; namely, the size of the deficit, the estimated amount of total Federal spending, and the expected revenues.

Specifically, I am impressed with the report that accompanies the resolution. Recommendations contained in it point out the need to solve the persistent unemployment problems. I am particularly impressed with the resolution's recommendations for additional job producing measures.

I also concur in the committee's recommendation with respect to defense spending. I feel the committee has done a responsible job of insuring that the vital defense needs of this country will be protected while at the same time, recommending cutbacks in areas where new spending is not essential to national security. I also applaud the committee's genuine concern with the size of the deficit. The committee makes it abundantly clear to the Congress that our deficit is high largely because of recession-induced expenditures for unemployment compensation and similar entitlement programs.

I am convinced that this committee, in setting these benchmarks limiting excessive budgetary growth, has met its obligation to the Congress and the Nation. I urge all Members to support this resolution.

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I, as indicated at the beginning of this debate, I support the O'Neill amendment as being a necessary part of the implementation process this year. Since we were unable to complete action on all spending bills as contemplated, the Budget Committee was not able to include these additional matters in our resolution.

Mr. RUNNELS. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from New Mexico.

Mr. RUNNELS. I thank the chairman for yielding.

Mr. Chairman, I should like to ask a question. Does this budget resolution deal at all with the so-called transition period next year?

Mr. ADAMS. No; this does not deal with the transition period. We do not think the budget resolution is a good vehicle to deal with that period. As the gentleman knows, the Committee on Appropriations has provided funds for that period at a level of one-quarter of fiscal year 1976 appropriations. We will, however, conduct some oversight activities to make sure that spending is not accelerated during that period.

Mr. RUNNELS. If the gentleman will yield further, if I understand the gentleman correctly, then the Budget Committee has not held hearings on this so-called transition, and they are using the figures by the Committee on Appropriations on a percentage basis?

Mr. ADAMS. That is correct. That is the basis on which we have proceeded.

Mr. RUNNELS. One further question, if the gentleman will yield further. Does the Senate resolution include the so-called transition period in its resolution?

Mr. ADAMS. Our understanding is that they are planning to include a ceiling for the transition period. I wish to indicate at this point that the House had not acted on that basis and thinks it is inappropriate to do so.

Mr. RUNNELS. I thank the gentleman, and again I should like to congratulate the gentleman for being chairman of the Committee on the Budget and commend him for the outstanding job he has done as chairman of this committee.

Mr. ADAMS. I thank the gentleman.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, I want to commend the chairman of the Committee on the Budget (Mr. Adams) for his understanding of the technicalities involved in the Tennessee Valley Authority bonding legislation and his efforts to assure expeditious enactment of the bonding authority, H.R. 9472, which the House approved by a voice vote on October 23.

Because neither tax revenues, nor public debt, nor Federal guarantees are involved in the TVA bond program, the attempts to force the TVA power program financing through the existing accounting procedures of the Office of Management and Budget have been frustrating to all involved.

While the TVA's power program is included in the President's budget for bookkeeping purposes, only in the broadest sense can the revenue bonding authority be considered a "budget authorization" in the usual meaning of that term. These bonds are not insured or guaranteed by the Federal Government; such borrowing is not a direct obligation of the United States; and liability would not ever be incurred in case of default.

Because of the unique nature of the TVA bonds, a problem arises over the accounting for TVA bonding authority within the present unified budget process.

Problems and contradictions in the accounting for similar type activities are reflected in the fact that some agencies' obligations—with possibly stronger contingent liabilities on the Federal Treasury than those of TVA—are excluded from the Budget. These include the Export-Import Bank; the Federal Financing Bank; the Rural Electrification and Telephone Revolving Fund and Rural Telephone Bank; and the U.S. Railway Association.

The Congressional Budget Act of 1974 (Public Law 93-344) defined "budget authority" (section 3(2) to exclude some indebtedness for which the Federal Government may have a stronger potential liability than for TVA bonds.

In the consideration of the Congressional Budget Act, most of the concern seemed to be the bringing of order and control to actual Federal spending—the programs and activities which require, at the present or in the future, the expenditures of tax revenues.

TVA power construction expenditures do not fall into the pattern of "backdoor spending" because obligations by the TVA—financed by bond sales and power revenues—do not in any way require appropriation of general Government revenues at any time in the future.

TVA bonds are specifically not guaranteed by the Federal Government but are secured by power revenues. (TVA Act, section 15d (a) and (b)).

In providing for control of "backdoor spending" in the Congressional Budget Act, the Senate's committee, which went to great effort to bring under review and control what was considered "backdoor spending," specifically recognized that TVA should not be subject to the review procedures specified in that portion which has become title IV of Public Law 93-344. A section of Senate Report 93-688, which accompanied S. 1541, follows:

> *Control Over Backdoor Spending.*—The Committee is mindful that backdoor spending—spending outside the appropriations process—has emerged in recent years as a principal impediment to comprehensive budget control. The Committee therefore retains the purpose of the original bill to bring new backdoor programs under the review of the Appropriations Committees.
>
> Nevertheless, it is the view of the Committee that not every form of new backdoor spending should be subjected to the additional procedures specified in S. 1514. To take one example—the power operations of the Tennessee Valley Authority are financed solely with revenues from the sale of electric power and proceeds from bonds issued under section 15d of the Tennessee Valley Authority Act. Unlike typical backdoor financing, these bonds, by specific statutory provisions, are backed solely by TVA's power revenues, are not obligations of or guaranteed, either as to principal or interest, by the United States, and do not create a charge upon the Treasury. Therefore, although the net expenditures of TVA power operations are included in the President's budget for bookkeeping purposes, including computation of the annual Federal deficit (and will be treated in the same way in the Congressional budget) such expenditures neither create a demand for additional taxes nor increase the national debt. There is, thus, no need to subject this program, or similar programs, to new backdoor spending controls.

The genesis of this section, excluding TVA (section 401(d) (3) (A) (ii)), was in the Senate and the Senate report makes it very clear that the TVA borrowing authority was not to be subject to the same kind of procedure as provided for other authority which could conceivably require expenditure of Federal funds.

The orderly and efficient planning, building, and maintaining of a major electric power system is not possible with only short-term annual authority for financing. Equipment must be ordered years in advance of installation and construction must be started years before anticipated use.

This was recognized when the Congress developed the TVA self-financing legislation during the 1950's. The House version of the bonding legislation exempted the power program from the computation of receipts, expenditures, surpluses, or deficits in the annual budget.

The Senate bill and the final version of what became section 15d of the TVA Act, the self-financing authority, omitted the exemption. The Senate Report 86-426, however, acknowledged the special nature of the power program in these terms:

> The committee is of the opinion that with the acquisition of capital from the sale of revenue bonds, which are not obligations of nor guaranteed by the United States, the TVA is placed in a different category than other wholly owned Government corporations. Expenditure by TVA of the proceeds of bonds which are not guaranteed by the United States and of power revenues will not add in any way to the burden of taxpayers or of the Treasury, and the committee therefore believes, and so recommends to the Bureau of the Budget, that the source of funds and details on the revenue bonds, be properly identified in the budget, in order that expenditure of bond proceeds not be reflected as a net budget expenditure.

There remains a need to place the TVA power program in a different category if the Federal budget is to be an accurate reflection on an annual basis of the receipts and expenditures which are of such concern to taxpayers.

Exemption of the revenue bond authorizations as a matter of "budget authority" would avoid the fluctuations in that computation which occur every 4 or 5 years when the bond legislation is reviewed to adjust the bond ceiling.

Even the determination of the amount of appropriate increase in the bond ceiling is not always available when the President's budget recommendations are prepared. Such was the case this year. The budget for fiscal year 1976 stated on page 97:

> The TVA will make a study of future power demands as a basis for deciding how much additional borrowing authority to request.

When this was translated into the tabular data of the budget details, an arbitrary figure of $5 billion was entered. After the Office of Management and Budget completed its review of the request in September, the actual bond increase of $10 billion was approved by the administration. After hearings September 19, the House Public Works and Transportation Committee approved H.R. 9472 (H. Rept. 94-510) and the same amount was voted by the House October 23.

These TVA bonds will not be sold during the fiscal year 1976. The TVA will sell the bonds in incremental amounts over the next 10 years or so as construction progresses and equipment is delivered for the power facilities planned to service the TVA area during the next decade.

Chairman ADAMS and the members of the Budget Committee have been most understanding of the problem of this accounting and the amendment by our colleague from Massachusetts (Mr. O'NEILL) will provide the necessary adjustments to the budget authority totals for the fiscal year 1976.

Mr. JONES of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Oklahoma.

Mr. JONES of Oklahoma. Mr. Chairman, I rise in support of the resolution. I thank the gentleman for yielding. I want to add my congratulations to the chairman and to the members of the Budget Committee for sticking to the task and exercising the responsibility of trying to get our fiscal house in order.

I would certainly prefer to reduce the size of the deficit contained in this budget resolution. I recognize the problems of our continuing unemployment which makes balancing the budget a very difficult task, even though I voted for the budget balancing amendment. Let us also remember that the deficit contained in this budget resolution is virtually the same size as that of the administration's budget deficit as projected by the President's Office of Management and Budget.

The important principle that we must maintain is for Congress itself to pass a spending ceiling. If we fail to pass this resolution, then the old rules apply and the sky is the limit on Federal spending. I cannot endorse that wornout principle. If we are ever to reach a balanced budget, as I hope we can in the next 2 to 3 years, then we must maintain the spending discipline which this budget resolution forces on Congress.

Therefore, I urge passage of this resolution.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I thank the gentleman for yielding.

I understood from the debate earlier the statement was made, and I want to be sure I understand it, that the O'Neill amendment provides approximately $1.1 billion in outlays for the Sinai, for TVA, and for manpower and education. This was included for budgetary purposes. I assume that there would be a vote at a later time, a chance to vote on each one of those items at a later time when they come to the floor, and at that time we can make our choice as to whether they are to be more or less. This is done for budget purposes. At some future time we can vote on those items. Or, I assume if the O'Neill amendment is not passed, and we vote for the items separately, then, we could amend the budget then?

Mr. ADAMS. The gentleman is absolutely correct. We had to put these items in the resolution. Otherwise, a point might lie on the ground that the budget ceiling had been exceeded. We want the appropriate committees to be able to proceed in an orderly manner. The gentleman will be able to vote on those items as they are brought up in the House.

Mr. PICKLE. I thank the gentleman.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from North Carolina.

Mr. NEAL. I thank the gentleman for yielding.

I want to point out that the amendment that just failed would have called for, in terms of its provisions, a reduction in international affairs of $0.7 billion; a decrease in space and technology of $0.6 billion; a decrease in natural resources and energy of $4.2 billion; a reduction in agriculture of $1.1 billion; a reduction in the commerce and transportation budget of $8.6 billion; a reduction in the community and regional development budget of $3 billion; a reduction in the education budget of $9.1 billion; a reduction in health expenditures of $13.4 billion; a reduction in income security of $20.1 billion; a reduction in veterans' payments of $3.5 billion; a reduction in law enforcement of $0.5 billion; a reduction in general government of $1.3 billion; a reduction in revenue sharing of $3.3 billion; and a reduction in interest payments of $4 billion.

Mr. ADAMS. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, I wonder if we can get some idea of how many Members might wish to speak on the O'Neill amendment so we can arrive at a limitation of time?

Mr. Chairman, I ask unanimous consent that all debate on the O'Neill amendment and all amendments thereto cease in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, I thank the Chairman for recognizing me.

I would like to point out before we vote on this amendment what we are doing to the pending resolution. Budget authority would be increased by $8,512 million; outlays would be increased by $1,123 million; the deficit would be increased by $1,123 million; it would increase the public debt by $1,100 million.

I think we should know something about these figures before we cast our vote on this very important amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the O'Neill amendment.

Mr. Chairman, last spring, when this House voted its approval of the first budget resolution, I rose in opposition to what I termed excessive spending and an excessive budget deficit—$68.8 billion.

Today we face a resolution calling for our approval of a budget deficit of $72 billion. And again, Mr. Speaker, I rise in opposition because we have merely added new excesses to the old.

Since we began our new budget process, a number of our colleagues have hailed it as a tool with which Congress could demonstrate something called fiscal responsibility. And yet, our skyrocketing deficits give dramatic proof that we have failed to take advantage of the full potential of our new Budget Act.

The Budget Act has not forced priority setting. At best, it has helped to hold back some new programs. At worst, it has been a guarantee for the escalation of old programs, whether they work or not, or whether they are the best solution or not. The Budget Committee has simply agglomerated all the old, tired programs our committees wanted, escalated their costs, and then struck a total. That simply does not represent effective budgeting.

I do accept the arguments that some of the $3 billion has not been due to direct action of this Congress. Indeed, $1.2 billion is due to the increase in interest rates which we must pay on our national debt.

All of these increases, however, are due indirectly to congressional action, or directly to congressional inaction, which has increased the role of Government in the marketplace.

The incredible demands which our actions are placing on the economy are an important source of our economic problems. Our Federal borrowing needs are pushing up interest rates and crowding the private borrowers, especially the small ones, right out of the credit market.

Inflation has caused real purchasing power to drop so that some businesses have been forced to cut production and lay off workers. Inflation has caused the private businessman to be cautious in implementing his long range plans because he cannot predict future markets. The longer his plans are delayed, the longer we will be forced to increase Federal spending in the areas of unemployment compensation, welfare, and other assistance programs.

The only way we can stop this vicious circle is if Congress will take action to signal the end of inflation. We have before us today the means to signal that end. If this House will stop fooling itself and the American people, and admit that a $3 billion increase in the Federal deficit is not "fiscal responsibility," we will have made a giant step in the right direction.

The same is true about amendments. We do have to spend for some elements of the O'Neill amendment. But, of course, we do not have to add these legitimate expenses on to the already swelling budget figure. We should, and I shall, support the costs of the Sinai agreement, but that support is no reason to vote for the O'Neill amendment.

Again, I understand that our previous action forces us to pay our bills, but there is still an incredible amount of fat in our budget. It is time for us to stop talking about reducing spending some day, and begin cutting the budget today. I do not believe that increasing the deficit for fiscal year 1976 another $3 billion to $72 billion demonstrates fiscal responsibility. It surely cannot be confused with budget cutting. For these reasons I will cast my vote against House Concurrent Resolution 466, and against any amendments that will increase the deficit. Of the amendments which would force reductions, I favor the version proposed by the gentleman from Ohio (Mr. LATTA). It would cut the deficit by about $5 billion, an achievable goal. The amendment of the gentleman from California (Mr. ROUSSELOT) has a worthy goal, the balanced budget, which I support, but it would be disruptive to try to achieve it in less than 3 years.

I urge my colleagues to vote down House Concurrent Resolution 466.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, I ask unanimous consent that I may be permitted to yield my time to the gentleman from Maryland (Mr. BAUMAN).

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. CARTER. Mr. Chairman, I will take my own time.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I rise in support of the O'Neill amendment to increase budget authority by $8.5 billion and outlays by $1.1 billion above the levels found in House Concurrent Resolution 466, the second concurrent budget resolution for fiscal year 1976. Further, Mr. Chairman, I would like to urge my colleagues, in the strongest fashion possible, to act favorably on this amendment.

As has been explained, the O'Neill amendment consists of three different parts. Each part, in its respective way, is aimed at strengthening the budget resolution, as reported by the Budget Committee, in a sincere effort to meet the needs of the American people. I am confident that each of my colleagues can, and will, find a reasonable degree of merit in some portion of this bloc amendment—a degree of merit that will allow them, in all good conscience, to vote in favor of passage.

For myself, Mr. Chairman, I find in the O'Neill amendment not only a degree of merit, but, in fact, an unalterable and unavoidable mandate for responsibility. Responsibility to continue to provide sorely needed stimulus to our economy. Responsibility not to allow deficit politics to undermine the lives of over 8 million unemployed Americans who are actively seeking employment. Responsibility to provide jobs.

It is on that part of the O'Neill amendment that will increase budget authority by $750 million and outlays by $125 million for CETA title VI public service employment, in addition to providing $250 million in budget authority and $100 million in outlays for CETA title I, the manpower training and employment programs supervised by State and local prime sponsors, that I would like to hinge my urgings for support.

When are we as supposedly responsible legislators going to realize that now, right now, the issue is jobs and the budget resolution's economic impact on the labor market?

I proudly serve as a member of the House Committee on the Budget. This committee is mandated by the Congressional Budget and Impoundment Control Act of 1974 to "establish national budget priorities." I am woefully beginning to wonder whether or not the committee, and indeed the entire House, is serious about accepting the national priority of putting America back to work.

The Nation is still caught up in the grips of an economic crisis almost of unequaled magnitude. Three variables still make up that crisis: Inflation, recession, and unemployment. The administration is clearly forging a national governmental policy in which the fight against inflation is given the highest priority; the fight against recession ranks second; and the fight against unemployment is given the lowest priority.

Such a priority ranking says that each of us have no real problem with going back to our respective district and rubbing shoulders with those whose lives are being devastated by unemployment. We have no real problem with knowing about the thousands of broken homes, the crimes, the emotional and physical trauma associated with unemployment.

For us, as Members of the House of Representatives, to deny this opportunity to provide the stimulative effect, on a quarterly average jobs level, of 540,000 jobs for the first quarter of 1976 and 645,000 jobs for the second quarter is to suggest to some support for the philosophical writings which hold that for capitalism to survive it requires a "reserve of unemployed." In fact, we will be setting that "reserve" level of unemployed at about 8 percent nationally, and rates at least twice that high for American citizens who happen to look like me.

When will we understand that employment means income, income means revenues, and revenues mean a lower deficit and reduced Federal spending levels.

For example, the annualized 15,000 jobs created with the $125 million in outlays for the CETA title VI program alone will create $16.6 million in various tax receipts. If we assumed that of those 15,000 jobs, 65 percent or about 9,700 were filled by individuals who were receiving benefits of about $3,200 per year, we then realize that we create $16.6 million in tax revenue and save $31.6 million in benefits from the $125 million outlay. This outlay offset of $48.3 million represents a return on the deficit of 39 cents for every $1 outlay on public service employment.

Cost savings by reducing the unemployment rate can be estimated. But what about the social costs of the administration continuing to encourage a climate of unemployment and the Congress endorsing such actions by failing to make unemployment the top national priority? Do we pay for street crime as a result of higher rates of unemployment? It is known that property crime, assault, and burglary are highly correlated with unemployment rates.

How do we quantify the pervasive effects and social degradation and poverty cycles? How do we quantify loss of interest in the ethic of work? You and I know that these costs cannot be calculated. However, they must be accepted as positive costs associated with incremental increases in unemployment.

Mr. Chairman, I cannot, and will not, continue to tell my constituents, who happen to be mostly black and mostly poor, that they are expendables in the economic recovery matrix. And if they were not mostly black and poor, in fairness and honesty I could not begin to explain why the same beleaguered groups, comprised of all races, are most often overlooked in our braggings of national progress and most frequently called upon to sacrifice in our cries of national crisis.

Let us not be under any illusion that this amendment will make a massive dent in unemployment. It will not. It will, however, offer a ray of hope to the unemployed. It will say to them your Government will not abandon you nor continue to treat you as "expendable items in this economic crisis."

I must support the jobs provisions of the O'Neill amendment, and therefore support the entire amendment.

I call upon my colleagues to be responsible and do the same.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, a little earlier I referred in the debate to the perversion of the Budget Control Act. Actually, we are today establishing another tradition, that places perversion upon perversion. Last May when the House considered the first budget resolution on which the committee labored so hard, another O'Neill amendment was adopted raising deficit spending and debt even higher.

This afternoon the Budget Committee has again labored for many months, has again come forth with various levels that they felt after all their deliberations were acceptable and still another O'Neill amendment raises the budgetary authority by $8 billion. If there was any proof needed for my thesis that the budget process is being perverted, this amendment is it. The ante will be raised in each one of the categories, including spending, deficit, and native debt.

A vote for this amendment will be to increase the burden of the taxpayers still further, the deficit still further, and outlays by a total of another $8 billion, for a total budget authority of $409 billion.

I think that is not what the Congress had in mind when this so-called Budget Control Act was passed. I would hope that the members of this committee would stick with the Budget Committee's original recommendations and vote this amendment down.

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. ADAMS) to close debate.

Mr. ADAMS. Mr. Chairman, I urge the acceptance of the O'Neill amendment. I would refer to the committee report, page 13, which indicates the basic reason for the O'Neill amendment being necessary. It states that the committee's resolution "does not include budget authority or outlay amounts that may be requested by the President as a result of Sinai Agreement." We did not have the necessary information. The Secretary of State came to the Congress with his request after the committee had considered the resolution.

There are some funds for jobs and for education; but $888 million is to cover the amounts needed to fund the President's request. If we do not place this amount within the budget resolution, then a subsequent bill to do so could be subject to a point of order. That would not make sense.

Mr. Chairman, I urge acceptance of the O'Neill amendment and the budget resolution.

Mr. GUDE. Mr. Chairman, I rise in support of the O'Neill amendment which includes essential increases in budget authorities and outlays for impact aid.

As you well know, Public Law 93–380 reduced impact aid entitlements in the cases of civilian parents who work for the Federal Government. To mitigate the shock value on the school budget which in my county received $6.6 million in assistance from impact aid entitlements this year, the Congress accepted hold-harmless provisions. These provisions state that if 10 percent or more of the out-of-county and out-of-State category of workers live in a given district, that district is guaranteed 90 percent of the previous years' entitlements.

Due to errors on a computer run in April, the Office of Education did not have adequate data to come up with hold-harmless figures for the education appropriations bill which passed the House on April 16. Therefore, the education bill appropriated only a token amount of funding for 2 of the 4 hold-harmless categories—leaving two categories with no funding whatsoever.

The conferees in the conference report on the education appropriations bill specifically stated that token moneys—$11 million—were being appropriated for lack of accurate data.

This second resolution as it stands now provides only $20 million in budget authority for impact aid. The O'Neill amendment would increase that sum to $90 million.

It is important to note that both the Office of Education and the Library of Congress have come up with figures of $110 million and higher which they deem necessary to comply with the hold-harmless provisions of Public Law 93–380.

Once again, let me make it clear that the conferees on the Education bill clearly stated that moneys appropriated in July were token amounts.

Funding in this amendment will not in any way increase authorities for impact aid beyond that which has already been promised by this distinguished body.

The CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Massachusetts (Mr. O'NEILL) as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ADAMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 203, not voting 18, as follows:

[Roll No. 691]

AYES—213

Abzug
Adams
Addabbo
Albert
Alexander
Ambro
Annunzio
Aspin
Badillo
Barrett
Beard, R.I.
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Chisholm
Clay
Collins, Ill.
Conte
Conyers
Corman
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Fascell
Fenwick
Fish
Fisher
Flood
Florio
Foley
Ford, Mich.
Gaydos
Giaimo
Gibbons
Gilman
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Heinz
Helstoski
Hicks
Holtzman
Horton
Howard
Howe
Hughes
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jordan
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Preyer
Price
Pritchard
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roybal
Russo
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Shipley
Shriver
Simon
Sisk
Slack
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Whalen
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOES—203

Abdnor
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carr
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Cornell
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Dent
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Evans, Ind.
Evins, Tenn.
Findley
Fithian
Flowers
Flynt
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Hastings
Hébert
Hechler, W. Va.
Hefner
Henderson
Hightower
Hillis
Hinshaw
Holland
Holt
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Lloyd, Tenn.
Lott
Lujan
McClory
McCollister
McDonald
McKinney
Madigan
Mahon
Mann
Martin
Melcher
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Nichols
Obey
O'Brien
Pettis
Pickle
Poage
Pressler
Quie
Quillen
Randall
Regula
Roberts
Robinson
Rogers
Roush
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shuster
Sikes
Skubitz
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOT VOTING—18

Andrews, N. Dak.
Ashley
Cleveland
de la Garza
Eshleman
Fary
Fraser
Harsha
Heckler, Mass.
Karth
McEwen
Mathis
Mosher
Pike
Railsback
Rhodes
Udall
Waxman

The Clerk announced the following pairs:

On this vote:

Mr. Waxman for, with Mr. Mathis against.
Mr. Ashley for, with Mr. Eshleman against.
Mr. Karth for, with Mr. McEwen against.

Messrs. LAFALCE, BLOUIN, FISH, NEAL, and HUGHES and Mrs. FENWICK changed their vote from "no" to "aye."

Mr. MYERS of Indiana changed his vote from "aye" to "no."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. LATTA

Mr. LATTA. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. LATTA: strike all after the resolving clause and insert in lieu thereof the following:

That the Congress hereby determines and declares, pursuant to section 310(a) of the Congressional Budget Act of 1974, that for the fiscal year beginning on July 1, 1975—

(1) the recommended level of Federal revenues is $301,800,000,000, and the House Committee on Ways and Means and the Senate Committee on Finance shall submit to their respective Houses legislation to decrease Federal revenues by approximately $5,400,000,000;

(2) the appropriate level of total new budget authority is $387,992,000,000;

(3) the appropriate level of total budget outlays is $369,098,000,000;

(4) the amount of the deficit in the budget which is appropriate in the light of economic conditions and all other relevant factors is $67,298,000,000;

(5) the appropriate level of the public debt is $615,730,000,000.

Mr. LATTA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LATTA. Mr. Chairman, the figures contained in this amendment are identical to the figures contained in the amendment that I proposed earlier before it underwent the radical surgery by adopting the amendment offered by the gentleman from California (Mr. ROUSSELOT).

Very briefly and without attempting to trespass on the time of the House, I know it is getting late, I just want to explain what this amendment proposes to do.

It proposes to reduce the outlays for fiscal year 1976 by $4.67 billion. In mentioning this figure, I would like to very hastily point out that a portion of this figure, precisely $1.2 billion, has already been agreed upon by the other side as interest reduction on the national debt, so we are actually talking about $3.47 billion in reduction in outlays.

How could these reductions be made? In the public works section, $1 billion; public service jobs, $0.5 billion; education, manpower, and social services, $0.77 billion; health functions, $0.6 billion; rental housing, $0.15 billion or $150 million; advanced interstate highway programing and railroads, $0.05 billion; natural resources, $0.4 billion; as mentioned earlier, interest on the national debt, $1.2 billion.

What is really important about this amendment is the proposed reduction in the budget authority, especially for future years. Here we have a reduction of $12.5 billion, we would be reducing public works projects by $5 billion in future years; education, manpower, and social services, $2.7 billion; the health care by $1 billion; advanced interstate highway programing and railroads by $2 billion; natural resources by $6 billion; and interest on the national debt, which would include $1.2 billion. I think this is a very modest amendment. I think we can live with it. We will have to tighten our belts a little bit, but I think we can do this.

Mr. Chairman, I urge adoption of the amendment.

Mr. ADAMS. Mr. Chairman, I rise in

opposition to the amendment. We have just passed an amendment that, in my opinion, results in appropriate levels for the budget this year. It was a very difficult vote, but people have had an opportunity to express themselves.

I think the committee is ready to vote. I hope they will vote down the Latta amendment and then vote for the resolution.

Mr. O'NEILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have the Latta amendment in front of me. It cuts into the budget authority for public works projects $5 billion, and outlays, $1 billion. With regard to public works, actually it takes literally weeks and months in order to get projects organized, functioning, and developed. If we cut out this $5 billion, we are destroying really the public works section of the bill.

Let us look at some of the other items: education, manpower, and social services budget authority. He wants to cut it $2,700,000,000. He wants to cut the outlays by $770 million. In health he wants to cut the budget $1 billion; he would cut $600 million that we would spend this year. Those are the principal things with regard to that.

Overall budget authority would be cut $12,500,000,000, and outlays for the year, $4,067,000,000. I think it is a terrible amendment. We cannot live with it with the economy the way it is. The actions of this House on tax cuts, and the programs that we have passed are the only thing that the economy of this country has going for it.

I ask the Members to vote down the Latta amendment.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think it is rather evident here this afternoon that this budget reduction or budget control bill has been increased, and that the interest on the funds necessary to fund the amount increased this afternoon is going to take away from the private sector and is going to cause even more unemployment. We have an opportunity here with this amendment to strike some of those funds and help to create some permanent type of employment by allowing the funds to remain in the private sector of our economy.

Mr. LATTA. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I asked the gentleman to yield for one purpose and for one purpose only. I do not think we should confuse the Members of the House, and I am sure my good friend, the gentleman from Massachusetts, was not attempting to do that, when he talked about a reduction of $5 billion in public works. We are talking about a reduction in outlays of $1 billion for fiscal year 1976, but budget authority for future years of $5 billion. We are talking about a reduction of $2.7 billion in manpower and Social Services in budget authority but only $0.77 billion in outlays. With reference to health, we are not making a $1 billion reduction in fiscal year 1976. This figure is a reduction in budget authority for some future expenditure. We are talking about a reduction of only $0.6 billion in the health field. All of these programs would reduce the outlays for 1976 by $4.67 billion and we have already agreed that there will be a reduction of $1.2 billion in interest payments, which brings the amount of outlays down to $3.47 billion for 1976.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, just to recap this, we have heard a great deal of talk about how much we have increased the spending ceiling this year. Actually the spending ceiling has been lifted by all of this debate today by $123 million. If we pass the Latta amendment we are going to cut expenditures, outlays for this year not by $4 billion, but on an annualized basis we are going to have to cut by $8 billion because half the fiscal year is for all practical purposes gone. So we are going to have to make cuts much greater that the cuts the gentleman talked about in his description of what his amendment would do.

I think on balance we have a good product here. The ceiling, and it is only a ceiling, has been lifted by $123 million. As the bills come in to spend up to this ceiling I plan to vote against them so we could very well end up by not having any increases at all.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. LATTA).

The question was taken.

RECORDED VOTE

Mr. LATTA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 257, not voting 17, as follows:

[Roll No. 692]

AYES—159

Abdnor
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Bevill
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carr
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Dent
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Evans, Ind.
Findley
Fish
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Hastings
Henderson
Hillis
Hinshaw
Holt
Howe
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Landrum
Latta
Lent
Lott
Lujan
McClory
McCollister
McDonald
Madigan
Mann
Martin
Michel
Milford
Miller, Ohio
Mills
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Myers, Ind.
Myers, Pa.
Nichols
O'Brien
Patman, Tex.
Pettis
Poage
Pressler
Quie
Quillen
Randall
Regula
Robinson
Rogers
Rousselot
Runnels
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Smith, Nebr.
Snyder
Spellman
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Wampler
White
Whitehurst
Wiggins
Winn
Wydler
Wylie
Young, Fla.

NOES—257

Abzug
Adams
Addabbo
Ambro
Anderson, Calif.
Annunzio
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Hefner
Heinz
Helstoski
Hicks
Hightower
Holland
Holtzman
Horton
Howard
Hubbard
Hughes
Hungate
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Pritchard
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Studds
Sullivan
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Weaver
Whalen
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff

Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—17

Alexander
Andrews, N. Dak.
Ashley
Cleveland
de la Garza
Eshleman
Fary
Fraser
Harsha
Heckler, Mass.
Karth
McEwen
Mathis
Mosher
Railsback
Rhodes
Waxman

The Clerk announced the following pairs:

On this vote:

Mr. McEwen for, with Mr. Waxman against.

Mr. Eshleman for, with Mr. Ashley against.

Mr. Andrews of North Dakota for, with Mr. Karth against.

Mr. CHAPPELL changed his vote from "no" to "aye."

Messrs. WAGGONNER, WOLFF, DUNCAN of Oregon, and BREAUX changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Mr. McFALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the membership is ready to vote on the final adoption of this concurrent resolution. I urge a favorable vote on the resolution.

I want to congratulate the gentleman from Washington (Mr. ADAMS) and all the members of the committee for the fine job they have done.

Mr. Chairman, I join my colleagues in support of the Second Concurrent Budget Resolution, as amended by the amendment offered by the distinguished majority leader. I urge the House to adopt the amendment and the resolution.

This Second Budget Resolution is an affirmative vote for fiscal responsibility. It shows that Congress is determined to establish effective and carefully considered ceilings on expenditures and deficit. This resolution is a tool for establishing a comprehensive fiscal policy for the Nation in fiscal 1976. It shows that Congress is done once and for all with the piecemeal approch. It shows that we recognize and are bringing into coordination the relationship between spending, deficit, revenues and public debt.

The resolution will serve is the key policy statement of Congress on its economic recovery program for the Nation. The resolution provides for the necessary tax cut that will sustain and advance the economic rebound which we began with our congressional Tax Reduction Act last March. We are providing for the necessary stimlus to put people back to work and let them become breadwinners and taxpayers again, instead of beneficiaries of the unemployment compensation program.

We are putting a cap on spending decisions by the Congress that is far better considered and are far more effective than the arbitrary and unspecified spending cuts requested by President Ford. Our spending ceiling applies to the here and now of fiscal 1976; the President's spending cuts are based on conjecture about a budget for the next fiscal year that will not be submitted to Congress until January and that cannot take into account the economic conditions which will prevail a year from now.

The Budget Committee has worked long and hard to implement the new budget control procedures that Congress enacted in 1974. The committee deserves the thanks of the House. We should support the committee with a resounding vote of confidence for its outstanding work and for the new budget control process that we in Congress are now putting into effect.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, once again I cannot in good conscience vote for the Second Congressional Budget Resolution. It has been my view that the Budget Committee's most important task, beyond routinely collecting the fiscal projections of committee chairmen, is to rethink and reshape the priorities of public policy, and through the Federal budget realize genuine human and social values that the great majority of Americans so urgently wish to express.

The Second Budget Resolution fails to meet head on the most important issue of the day—unconscionable unemployment and its devastating psychological and social toll. Instead, the proposed budget remains locked into the old assumptions about economics and national security that have wrought such human and social disaster this past decade and more.

The budget cavalierly accepts a 7.5 percent unemployment rate through fiscal year 1976, despite the outpouring of sympathetic rhetoric from both sides of the aisle for the poor and the unemployed. Officially, as of October there are 8 million Americans able and willing to work who cannot find it. This figure does not include as many as 5 million more who have either given up looking for work or who have entered the labor market for the first time. Everyone in this Chamber is aware by now of the billions forfeited in Federal revenues and the billions in Government expenditures for welfare and unemployment insurance. We know of the deficits and the reduced GNP that results from this unemployment. But are we aware, really, of what has been the human—and social—cost of this massive unemployment, particularly to the young?

I can tell you that for black youths living in the wealthiest, most technologically advanced society in history, condemned to urban and rural ghettos, they realize that their immediate challenge in life is to escape at any cost a fate devoid of opportunity, purpose, and productivity. And we know what tragic directions many youths have taken when up against the massive wall of official and social indifference to their plight.

Americans want to work; they do not want welfare. Has anyone ever said a country is better off without full employment? How long do you think it will take before the aggrieved, unemployed citizens of this country wage up to the hypocrisy of the rhetorical support for full employment against the backdrop of the persistent failure of congressional nerve to do anything solid to provide jobs? So I cannot support this congressional budget which, in reality, mimics the executive budget, notorious for its disregard of the poor and the unemployed, in its basic assumptions about fiscal policy.

The Congressional Budget Office has stated over and over that serious Government employment programs will not create inflationary pressures, given the incredible slack in the economy and the high rate of unemployment. The old saw about a necessary trade-off between employment and inflation just does not wash. We have reliable analysis that for each $1 billion in military expenditures 20,000 to 30,000 fewer jobs are created than would have been if that money were spent in the civilian economy. Yet this budget continues to feed upon the insane and insatiable appetite of military-national security planners.

We should not be surprised at or disturbed by public opinion polls that show that politicians enjoy so little esteem among citizens. This budget resolution gives us a clue to the disaffection of citizens with the political process. As so often happens, citizens are far ahead of us in both their appreciation of public problems and their ideas for remedies. The American people rightly perceive that their Government is not responsive to their deepest felt needs and real-life dilemmas.

What does it take for us to wake up to the realities of American life, to the self-serving or else uninformed assumptions about economic policy, so that we can look Americans straight in the face and say, we have been mistaken about your interests in the past and together we want now to create a better life for all our people.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, we all recognize that the concurrent resolution we have before us is not perfect. We have had sharp differences of opinion, but we have to move forward and do the best we can to make this budget control system operate. This is an important moment in setting up a system to acquire better control over spending.

There may be an inclination on the part of members to vote against this resolution, but I believe this would be a mistake. I believe we must give this resolution an opportunity to work. In later actions during this fiscal year on appropriation and authorization bills we can work our will and attempt to achieve greater spending reductions.

Mr. Chairman, I join wholeheartedly in paying tribute to the chairman of the Committee on the Budget, the gentleman from Washington (Mr. ADAMS), for the tremendous job he and his committee have undertaken. We do not agree in all matters, but the gentleman has done an outstanding job, in a most difficult assignment.

SECOND CONCURRENT RESOLUTION ON THE BUDGET

Under leave to extend my remarks, I wish to expand my views with respect to the pending second concurrent resolution on the budget for fiscal year

1976. I emphasize that I support this resolution reluctantly because of my concern over the size of the deficit that is involved, but with the realization that the adoption of such a resolution gives the House at least a chance to establish procedures in fiscal matters which could be helpful in the effort to put our fiscal affairs in order. Without its adoption, the House has a lesser chance.

The resolution calls for $373.8 billion in spending and $408.0 billion in budget authority along with $301.8 billion in revenues. This would require the enormous deficit of $72.1 billion and would increase the public debt $87.5 billion.

These are awesome figures. And so the question could and should be asked—why vote for such a resolution?

The answer is not simple—but we must bear in mind that without this resolution there would be no ceiling on spending and no floor on revenues. With it the ceiling and floor will be in place, and even though the deficit and increases in public debt are far too high in my opinion, the adoption of this resolution will at least set some restraints.

The fiscal actions and decisions of the Congress will not be concluded with the passage of the resolution. As spending bills are considered during the remainder of the fiscal year, there will be many additional opportunities to undertake to achieve spending reductions.

A vote for this resolution could, in my opinion, be properly interpreted as a vote for fiscal discipline and restraint.

In large measure, the resolution simply adds up the consequences of actions which the Congress has taken to date and then makes projections as to what actions it is likely that the Congress will take in the future. Realistically, at this point in time, it would be largely impossible to lower in a dramatic way the deficit proposed in the resolution, and it would be totally impossible in my opinion to require a balanced budget this fiscal year without causing fiscal chaos throughout the Nation.

Our deplorable fiscal situation is a product of the deficit spending of the last 10 years. It took us a while to get here and it is going to take some time before we get our fiscal affairs in order. Our determination must be to move responsibly toward a balanced budget.

But one thing is certain. If we continue the same rate of deficit spending during the next 10 years that we have had during the last 10 years fiscal collapse is inevitable.

Just last week the President submitted his current services budget for fiscal year 1977, as required under the Budget Control Act, and in it he projects a deficit ranging between $30 and $50 billion just to fund present programs. It is terrifying to realize that this kind of deficit will be required without even the addition of a single new program or initiative.

IMPROVED DECISIONMAKING

As we move ahead in this new budget process, we must develop greater fiscal discipline and responsibility. I am encouraged by the progress that we have made this year in that regard. More Members are involved in the budget process and Members are becoming more knowledgeable about spending and raising of revenue. A slightly greater degree of caution does seem to exist in regard to spending decisions. A greater awareness of the results of huge deficit spending does seem to be developing.

From the standpoint of the Committee on Appropriations major progress has been made this year in several instances in closing the so-called backdoor spending authority. The backdoor spending ability has in the past been a major contributor to the fragmented and disjointed manner in which spending decisions were made.

The new budget process and the provisions of the Budget Control Act are, in my opinion, responsible for these improvements to a large degree. I repeat that Chairman ADAMS and his committee are to be commended for the job that they have done. The Budget Committee has, in my opinion, proceeded in a responsible manner. An excellent staff has been assembled that appears to have its feet on the ground and that is capable of sound reasoning and level headed thinking.

There are, of course, differences of opinion from time to time between the Committee on Appropriations and the Committee on the Budget, as there are with certain parts of this resolution.

UNDERSTATED DEFICIT

This second concurrent resolution as amended would allow for fiscal year 1976 a deficit of $72.1 billion and an increase in the public debt of $87.5 billion. As large as these figures are, they are probably understated by approximately $3 to $4 billion and perhaps more.

SPECIFIC CONCERNS WITH THE BUDGET RESOLUTION

The following gives reasons why the projected deficit in the second budget resolution may be understated.

Absorption of pay: The budget resolution provides for an absorption of 50 percent of the 5 percent pay increase for all Federal employees. If the 50 percent were absorbed, Federal spending would be $1 billion less. However, based on past experiences of the Committee on Appropriations, it seems extremely unlikely that any absorption close to this magnitude can actually be obtained, particularly in light of certain new conditions that exist this year.

Few appropriation bills have yet been signed into law, including the large defense bill where substantial cuts have already been made. This lack of a base from which to determine what pay absorption could reasonably be expected to occur makes it difficult to know if a 50 percent absorption rate is realistic.

Additionally, title X of the Budget Control Act greatly limits the ability of the Executive to transfer funds for pay purposes as has been done in the past.

These factors, along with historical experience, suggest that the 50 percent rate may be substantially higher than what will actually occur.

Outer Continental Shelf receipts:

The second budget resolution provides $6 billion in OCS receipts which is an increase of $2 billion over the $4 billion that was included in the first concurrent resolution. The substantive reasons why the Budget Committee increased this estimate are not clear and an examination of the various factors involved indicate that not only was there no reason to increase the estimates but that if any change were to be made in the OCS receipts estimates, they more than likely should have been reduced rather than increased.

Tax reform:

The second resolution projects $1 billion in tax reform. At the present time it seems unlikely that the House and Senate will jointly agree to such a proposal, and thus there would be a revenue shortfall of $1 billion.

Interest:

The second resolution estimated that an additional $2.2 billion in interest on the public debt would be required but that this would be partially offset by $800 million in large than anticipated receipts from off-budget agencies. This increase was reduced by $1 billion by a floor amendment. It is entirely likely, based on historical experience, that the increase in interest may be greater than that included in the amended resolution.

THE PROPER ROLE OF THE BUDGET RESOLUTION

The new budget control legislation vested in the Budget Committees of the House and Senate the authority to present concurrent resolutions establishing aggregate budget totals including revenues, outlays, new budget authority, surplus or deficit, and debt. The legislation also provides for the inclusion of estimates for each major functional category, a feature which is addressed in the report this year and which will be incorporated in the resolution next year. The drafters of the legislation recognized the need of the Congress to focus on macro-economic considerations and to come forward with a plan to provide overall direction. It was also recognized that to be successful the existing committee structure—the backbone of the Congress—must be utilized. While consideration must be given by the Budget Committees to broad functional categories, it was apparent that it would be impractical, indeed impossible, to undertake to delve into the details of specific programs. This was a responsibility carefully left to the committees of jurisdiction. If the new budget machinery is to be successful, this concept must be strictly adhered to.

I am concerned that the Budget Committee has succumbed in a few instances to the temptation to deal with subjects in its report which are not directly related to its primary objectives, and which are being dealt with by other congressional committees.

It is certainly appropriate for the committee to have an awareness of individual spending programs in order to arrive at its recommendations, but the recommendation should be consistent with the broad macro-economic and aggregate totals concept of the budget control legislation. The act did not contemplate adding another voice pleading for special programs and projects and giving separate advice on the details of administering individual programs.

GREATER DEVELOPMENT OF THE REVENUE SIDE OF THE FEDERAL BUDGET

One of the important features of the new budget control legislation is that it gives Congress the ability for the first time to relate expenditures and revenues in an overall comprehensive manner. It is vitally important that this be done. I feel, however, that greater attention has been devoted to the expenditure side of the budget while not dealing with and developing the revenue side as much as may be desirable. Certainly each is equally important and I simply feel more thought and development must be devoted to the difficult questions of revenue.

In the 70-plus page report to the second concurrent resolution, only about 3 pages are devoted to the revenue side of the budget while nearly all of the remainder discusses and analyzes spending in great detail. Similarly, the staffing resources of the Budget Committee show such an imbalance.

These remarks—concerning specific program recommendations and the lack of attention to the revenue side of the picture—are very similar to remarks that I made when the first budget resolution was before the House. Apparently, very little, if any, attention has been given to these concerns. Until these problems are dealt with, I fear that the budget process will not be as useful as it might otherwise be.

CONCERN ABOUT NEXT YEAR'S BUDGET PROCESS AND SCHEDULE

The success of the budget control process depends, to a large extent, on the timely enactment of authorization and appropriation measures. Significant and profound changes in the schedules of both the authorizing and appropriation committees will be required if the requirements and objectives of the Budget Control Act are to be met.

The Budget Act specifies that all authorization legislation is to be reported to the House by May 15 and that final congressional action on appropriation measures is to be completed by the seventh day after Labor Day.

In the House, this means that all appropriation bills will have to be reported by June 4. Of course, if various authorizing legislation has not been forthcoming, very serious problems would result.

In my opinion, this very rigorous schedule will require full Monday through Friday workweeks and shortened recesses compared to this year. This will present problems to many Members who will certainly be under pressure to return to their districts as much as possible before the primary and general elections.

But I am convinced, Mr. Chairman, that if Members have the will to make the new budget process work, it can be made to work and that the result of this effort will be an improved fiscal and economic situation for the Nation.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from Texas.

Mr. WRIGHT. Mr. Chairman, I shall not prolong this. I do think this is an historic day, and to the extent that we in the House have contributed to making this budget process work, certainly a very substantial part of the credit is owing to the patience, the understanding, the skill, and the dedication of the chairman of this committee, the gentleman from Washington (Mr. ADAMS).

Mr. Chairman, I think we all are in the gentleman's debt, and so is the Nation itself.

Mr. DERRICK. Mr. Chairman, will the gentleman yield?

Mr. McFALL. I yield to the gentleman from South Carolina.

Mr. DERRICK. Mr. Chairman, I wish to associated myself with the remarks of the gentleman from Texas (Mr. WRIGHT).

I wish also to remind the Members that there are many things in this bill that many of us do not particularly care for, but it is the process which is going to count in the years to come.

I urge each and every one of the Members to associate themselves with this resolution and vote for its adoption.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in strong support for the amendment offered by my distinguished colleague and majority leader, Mr. O'NEILL.

This amendment includes funds for the following purposes:

First, $1.4 billion in budget authority and $235 million in outlays for public service jobs, manpower training and various education programs;

Second, $5 billion in budget authority for TVA borrowing, which has no outlay impact and which has already passed the House with administration support; and

Third, $2.1 billion in budget authority and $888 million in outlays for the Middle East peace agreement, the amount requested by the administration on October 30th.

As my colleagues will note, only 16 percent of the new budget authority contained in this amendment is devoted to jobs and education. Thus, while the additional budget authority will permit planning for future needs, actual outlays for jobs—$225 million—and education—$10 million—will only increase the total deficit by $235 million.

Of course, I would like to see more funding for public service jobs under the Comprehensive Employment and Training Act, but I am pleased to strongly endorse the modest funding increase called for in the O'Neill amendment.

Mr. Chairman, most of my colleagues are well aware of the tremendous social and economic costs of unemployment. Each percentage point of unemployment exercises an adverse impact upon the budget of about $16 billion. It reduces revenues by some $14 billion—since jobless people are not paying taxes—and it increases expenses by about $2 billion in unemployment compensation and related welfare costs.

Joblessness has never been a bargain for this country, and that maxim has never been truer than today. Leading economists have indicated that we could wipe out almost all of the Federal budget deficit by getting unemployment levels back down to where they were in 1973—4.7 percent.

We must take every available step to revitalize a job-generating economy, and we must also continue to provide employment opportunities through public service jobs while we are working to get the economy back into good shape.

This amendment and the additional funding it will provide for jobs is a much-needed addition to the budget resolution we are considering, and it deserves our full support. The amendment itself will create an additional 15,000 jobs under title VI of CETA—jobs that are certainly needed in view of the recently released statistics that reveal unemployment is once again on the increase.

I commend my distinguished colleague from Massachusetts on his well-developed amendment, and urge all of my colleagues to join me in voting for its adoption.

Mr. DON H. CLAUSEN. Mr. Chairman, Government spending cannot continue to expand by the leaps and bounds proposed in the second budget resolution without dire consequences to our Nation's economic health. For this reason, I intend to vote against the resolution.

The time has come for us to face the task of putting an end to deficit spending and not skirt the issue by voting for a so-called budget resolution which, in fact, does little to stop overspending.

If we are going to bring back some degree of fiscal responsibility we must attack it on a day-to-day basis as we consider each of the spending programs brought before the Congress. We must examine each one closely for possible areas where it can be trimmed in order to reduce the overall cost of the program. Waste and duplication are luxuries we can no longer afford and must be eliminated wherever possible.

In the past, appropriations have been approached in a piecemeal fashion. We all agree that this method is no longer acceptable but, unfortunately, we have not seized the opportunity presented to us to make an across-the-board reexamination of our spending proposals. Instead we are being asked to approve still more of what we have seen in the past—spending beyond our means.

The message I am receiving from my mail and from talking to constituents while I am in the second district is clear—they are simply fed up with current Government spending policies. They are not fooled by those who support deficit spending as a way of solving current problems. They see them for what they are—short-run solutions to major long-run problems and they are sick and tired of it. They are crying out to us to do something about it. I am hopeful that we will do something about it before it is too late.

The words deficit spending and default are very much in the news these days. All Americans and the Congress can learn a lesson from New York City's situation. As I see it, the only difference between New York City's predicament and the Federal Government's is that New York's problems are here and now. The Federal Government still has an opportunity to do something about its position. It has been suggested that the Federal Government could bail New York out today but I ask you, "Who will bail out the Federal Government tomorrow?"

Nevertheless, the immediate consequences of our spending policies are grave. Deficit spending leads to inflation which destroys the individual's purchasing power which then leads to recession.

As many have said, "We cannot spend our way into prosperity." I wholeheartedly believe this and feel it is time we all recognize it and vote accordingly.

I urge my colleagues to vote against the budget resolution.

Mr. SHUSTER. Mr. Chairman, I support the "zero deficit" amendment as a matter of principle.

We must, over time, achieve a balanced budget or America will continue to sink in the mire of economic disarray.

I do not believe we can balance the budget next year because the cuts would be too deep, but given the choice here today between voting for a $72 billion deficit and a zero deficit, I have chosen the latter. As a practical matter, I believe we could and should achieve a balanced budget within 3 years. I only wish that the majority who controls this Congress would give us the opportunity to vote on such a proposal today.

Mr. BADILLO. Mr. Chairman, I must oppose the resolution before us because it locks us in at unrealistic high levels of expenditures for military purposes and makes inadequate provisions for our urgent needs. Although the O'Neill amendment, which I supported, will partially correct this imbalance, the improvements thus contemplated—the addition of a mere 15,000 jobs annually—are not sufficient to justify my support of the legislation.

Our country, economically, is in a precarious position. The much-vaunted economic recovery, supposedly underway, on closer examination is turning out to be largely illusory. Unemployment figures remain startlingly high. In New York they are at 12 percent. And the national level of 8.6 percent, reported for October is, with the expectation of the unprecedented 8.9 reached during the second quarter of 1975, the highest experienced by this Nation since 1941. Moreover, the slight reduction just achieved seems to have been attained at the expense of young and minority group workers. Congressional Budget Office reports indicate that while the figures for adult men and white workers dropped from 7.0 to 6.6 and 7.9 to 7.6 respectively, levels for teenagers jumped from 19.1 to 21.1 and for blacks and other minorities rose from 13 to 14 percent.

If this were not bad enough, the unemployment rate alone fails to convey an accurate picture of our economic plight. In August of this year 7.8 million Americans were reported to be out of work by the Bureau of Labor Statistics. However, that agency's data also showed that during that same period an additional 850,000 persons wanted jobs but were too discouraged to look for them, and another 3.1 million were working only part time because they were unable to find full-time employment.

Length of unemployment has also increased. In August of 1974 the average duration of joblessness was 9.9 weeks. By August of 1975 it has stretched to 15.7 weeks. Furthermore, 18.5 percent of all unemployed persons in 1975 had been out of work for 27 weeks or longer. In 1974 long-term unemployed amounted to only 7.8 percent of those seeking employment.

Yet, despite a duly recorded finding by the committee that Presidential vetoes of jobs and construction programs have reduced needed economic stimulus and increased requirements for unemployment compensation and other helping programs, no significant effort is made in the resolution to rectify matters. Job program levels remain approximately the same, while moneys set aside for community development block grant, urban renewal, and other related programs of the Department of Housing and Urban Development have actually been decreased. The cut in outlays for regional and community development in this resolution amounts to $1.65 billion. Outlays for defense, on the other hand, have been increased by $1.7 billion.

Mr. Chairman, our people need jobs. Every percentage of unemployment above 4 percent is presently costing us $16 billion which we can ill afford—and will have serious problems explaining. Up to now, those of us confronted by incensed constituents demanding immediate relief from intolerable economic pressures, have cited the President's veto, on May 28, of the H.R. 4481, the emergency jobs bill passed by Congress to create 1 million badly needed jobs, and H.R. 4485, the Emergency Middle Income Housing Assistance Act, earmarking $1½ billion to assist the ailing construction industry as the reasons for their problems.

While I cannot speak for other Members, I know that each time I spoke about these vetoes I promised to do all that I could to overcome their effects and reverse our present disastrous economic policies. Were I to support the resolution before us I would be reneging on these promises. By accepting the legislation's ceilings on domestic programs, I would in effect vote to continue administration policies which are making the lives of my constituents unbearable.

Mr. Chairman, in the absence of courageous, imaginative, and compassionate leadership in the White House the country is looking to us for relief. We must respond to its challenge. It is imperative that we reconsider our spending priorities and establish realistic funding levels for our urgent domestic programs.

Mr. RICHMOND. Mr. Chairman, today the Congress is being asked to approve a budget resolution and bill to increase the temporary public debt ceiling by $18 billion. Since I disagree with both of these measures I feel that it is important to outline several key objections to the proposal explaining my actions here today.

First of all, it must be stated that sensible Government spending for social and employment purposes has had my support since I came to Congress. This is evidenced by my consistent attempt to override President Ford's vetoes of the education appropriations bill, the public works bill, and the child nutrition bill. Unfortunately, the Congress was not successful in many of its attempts and many needed expenditures could not be made.

We have all heard various arguments both for and against further debt incurrence. Before a final decision can be made on this question it is important for us to realize where our money is going and in a sense outline our priorities. Expenditures which will stimulate economic growth, energy independence, and employment opportunities are deserving of American hard-earned tax dollars. However, there are several major outlays of funds which to me seem unnecessary and which could eliminate the need for this legislation today.

This year, the Secretary of Defense submitted a defense budget of $105 billion for fiscal year 1976. This request is 18 percent above last year's amount. According to the Pentagon, there will be a need for $148 billion by the year 1980 and by 1985 our defense expenditures will be somewhere near the $200 billion level. These figures are staggering and it seems to me that the American people deserve a more responsible manager of their money. If we in the Congress allow this type of activity to continue then we have no right to request additional funds above what our spending levels should be.

We are faced with a situation which requires that an additional $20 billion be obtained. Perhaps alternative ways to get this money, such as reducing our defense budget, could be implemented and thereby reduce further liabilities to the American people.

Presently, 75 percent of our military budget is related to foreign alliance. Forces earmarked to support our Asian commitments include three divisions, the 3d and 7th Fleet and 29 tactical air squadrons. The total cost of maintaining this capability has been estimated at $23 billion per year. The cost of our forces designed to support our North Atlantic Treaty Organization commitment is in excess of $40 billion per year.

All of us in the Congress realize that a strong United States is a well defended United States. We also realize that this Nation has major responsibilities to its allies which must be kept and strengthened. However, there comes a point when our military priorities and commitments must be put in perspective. How many times do we wish to destroy the world? The fact that we can do it once is in itself terrifying, but the ability to do it 11 times is absurd.

Finally, we must all realize that we are no longer living in a 1945 world. Power has become widely diffused and there are many sources of violent disorder and change over which we have little or no control. For instance, all of the nuclear bases and military personnel we maintain are relatively ineffective against terrorist activities. Yet, these individuals could very easily do as much damage to our Nation as any major military conflict. Simply by having nuclear weapons in foreign countries we open ourselves up to potential terrorist threats and activities. In today's world, 1975, this type of military posture seems more dangerous at times than helpful.

Therefore, my answer to those of us here who wish to continue to spend money, I say first let us clean up waste and then make additional expenditures where they are necessary. The list of those deserving is endless: improving the quality of life for our senior citizens, establishing adequate day care facilities, rebuilding our national railway system and numerous other domestic projects. It will not take an additional $20 billion to achieve these objectives. Only that we realign present priorities and begin to provide the American people with the services and money management they deserve.

Mr. HARRIS. Mr. Chairman, I am pleased to support House Concurrent Resolution 466 today, a landmark piece of legislation which exercises tight control over how we spend the people's money.

The 94th Congress has reached a milestone in bringing control to Federal spending. In this bill, we are setting firm ceilings on spending for the Nation's needs and establishing priorities in a manner never before done in the Congress. Prior to this Congress, decisions to spend were made in a scattershot manner. Every committee operated in its own little vacuum, appropriating money for various purposes with little regard to the overall impact on the economy and inflation. It was virtually impossible to balance spending for one area against another. Frequently, spending for certain categories such as defense or subsidies for corporate farmers was decided merely because a special interest group had the influence to get enough votes for "their" programs. Hopefully, that day is behind us.

House Concurrent Resolution 466 addresses the severe economic problems facing the Nation. It is based on a lowered inflation rate and less unemployment. The major priorities in the bill are for economic stimulus and human resource programs. It places a decreased emphasis on spending for defense and foreign affairs.

This resolution attempts to recoup from President Ford's vetoes of the jobs and housing bills that have wreaked havoc on the Nation's economy. There is no question that the American people have been penalized by Ford's series of vetoes of job-related measures. While the President piously castigates Congress for increasing the Federal deficit, what he fails to tell the American people is that we lose about $14 billion in tax revenues and spend about $2 billion in unemployment benefits for every percent of unemployment over 4 percent. At the present 8.3 percent rate, that adds up to $68.8 billion worth of deficit. It is the President's refusal to do anything meaningful about creating jobs that is pushing up the deficit. He has rejected Congress' efforts to create jobs. I contend that the President's flagrant disregard for the inflation rates, the unemployment rate, rising fuel prices, increasing food costs, and his continued requests to enlarge the public debt are tearing the economy apart. This Congress through this resolution attempts to bring a halt to this vicious cycle: to help the American people have the opportunities they seek and deserve.

Mr. MIKVA. Mr. Chairman, last May Congress passed the first concurrent resolution on the final year 1976 budget. Passage of that resolution marked the first stage in implementation of the Anti-Impoundment and Budget Control Act. Today we are on the verge of embarking on the second stage of a process designed to restore to Congress a significant role in establishing economic policy for the country.

The process of budgetary reform was not conceived as a panacea. Neither the first nor the second resolution automatically end budget deficits or magically solve the disagreements about national spending priorities. What these reform measures can do is make the budget-making process more rational and make Congress more accountable to the American public. In the past, after the President sent his budget to Congress, individual members would make speeches deploring the budget message and individual committees would start working on the different parts, adding or subtracting amounts for various programs. The grand total of these programs was never considered until action was taken on all of the separate programs. The inefficiency and irrationality of this system became increasingly clear in recent years, particularly when President Nixon proposed the first $300 billion budget.

The second resolution and the amendment offered by Congressman O'NEILL are excellent examples of the strength of the reforms and the need for continued improvements. I support both these measures even though they call for increased budget authority and outlay over the targets set by the first resolution. Unfortunately, inflation and increased counter-cyclical assistance caused by the recession have resulted in unexpected costs to the Federal Government. The amendment offered by Mr. O'NEILL provides funds for enforcing the Sinai peace accords, an important administrative initiative. This money is essential if we are to successfully conclude the best chance for peace in the Mideast since 1947. The amendment also provides urgently needed funds for public service jobs. The money spent for creating these jobs will be more than repaid to the public treasury by welfare and unemployment expenditures.

The argument has been made that the O'Neill amendment and the increased outlays called for in the second budgetary resolution indicate the failure of the congressional budgetary system. I do not agree. Our ability to assimilate these unforeseen costs demonstrates the value of remaining true to the principles of budgetary reform. The flexible framework of those reforms has enabled Congress to act, not merely react, in what it considers to be the country's best interests. These measures are indicative of the profound significance of the reforms upon the institutions of government. Positive action today on both of the two measures will show the American people that Congress is not idly awaiting Presidential action but is acting affirmatively to solve our present economic problems.

Mr. STOKES. Mr. Chairman, with concern, respair, yet an undying faith, I take this allotted time to reveal my support for the O'Neill amendment. The budget implications of the amendment will increase budget authority by $8.5 billion and outlays by $1.1 billion above the reported aggregates in House Concurrent Resolution 466, the second concurrent budget resolution for fiscal year 1976.

As depicted, the O'Neill triad will well serve the needs of the world as well as the American people. Yes, in spite of international attempts to vilify America we stand tall on the pedestal as the paradigm of world peace. It is ever intriguing that this international stature exists in the midst of a recently reported 8.6 percent national unemployment rate. Yes, intriguing to the point that 8 million American workers await the virtuous O'Neill amendment as their means of economic and psychological survival.

I refer to my concern when I speak to the issue of unemployment. My concern is that the foundation of this country is being subjected to deficit politics. Work has traditionally been synonymous with America. When we teach our children the success and statute of the country we describe the toil and perspiration. We guide them based on a fundamental question of what do you want to be when you grow up. Mr. Chairman and colleagues, I refuse to put a contingent on the life of my children and the growth of America by restricting their potential in accordance with the deficit. We must rise above the politics of macroeconomic deficit spending and resort to the American dream of remuneration for employment. If the work ethic of the American economy is violated our country will answer with acute mediocrity; as a result, the American dream will be realized as the American nightmare.

Mr. Chairman and colleagues, as a member of the Budget Committee I am well aware of the statutory mandate for fiscal control and responsibility. I am also aware of a national mandate to reduce the ranks of the unemployed. I cannot accept the two as being mutually exclusive. In the epoch of economic trough, it is basic philosophy to provide stimulus. It is through the mechanism of the stimulus that the economy will grow. The O'Neill amendment adheres to this fundamental theory in prescribing 15,000 additional annualized public service jobs under title I of the Comprehensive Employment and Training Act, commonly referred to as CETA. Clearly these additional jobs will not completely negate unemployment. They will, however, indicate Federal responsibility and concern. The jobs may well provide that ray of hope that will allow the American dream to be shared by all American people.

It is often with great despair that I speak to the problem of unemployment. Unemployment is often treated as a homogeneous and impartial entity. Gentlemen, that simply is not true. Unemployment is extremely selective. Its effects are found to be most felt in the low skilled, minimum wage jobs of the secondary labor market. These positions are vulnerable to cyclical trends and seasonal variations. Recognition of this susceptibility was written into CETA-title I legislation. The act provides minimum wage work experience jobs and on-the-job training that is so essential for economic growth and development. The O'Neill amendment recognizes that national need for the legislation by providing an additional $250 million in budget authority and $100 million in outlays to support existing program levels after the January increase in the minimum wage. Gentlemen, it is very little to ask for your support of an amendment that would give those willing workers the opportunity to develop in the American mainstream.

I lament the actions of an administration that sacrifices 8 million Americans under the guise of fighting inflation. I refuse to submit to a similar argument under the guise of the deficit. Too long have the poor, the women and the minorities been the victims of economic crisis. The time has come for the budget process to be responsible to all Americans. The O'Neill amendment answers the national call for jobs. For that reason I must support the O'Neill amendment to House Concurrent Resolution 466, the second concurrent budget resolution and I urge my colleagues to do the same.

Ms. ABZUG. Mr. Chairman, today this House will vote on the second budget resolution. Although I will vote for this bill, I cannot accept with equanimity a budget of this size and nature which places so much emphasis upon defense expenditure and so little upon necessary social programs.

Much is made of the deficit figure in the resolution as if unemployment were unrelated to Federal programs. Yet, as the House Budget Committee acknowledged, for each 1 percent we reduce unemployment, the Federal deficit will be reduced by $16 billion. How much additional Federal revenue would be generated by meaningful programs that rebuild our cities, create effective mass transit systems within our cities, and rebuild the shattered lives of the millions of Americans on our welfare rolls? This budget deficit is a sham; it is entirely the creation of the numbing effect of our military expenditures, which compose 45 percent of our annual controllable outlays. Create a healthy American economy through the intelligent use of our economic resources which will create millions of critically needed jobs, and the budget deficits we fear will disappear.

Rather than taking this approach, we have built a huge and wasteful military establishment. We have purchased with our $2 trillions of military expenditures in the last generation a vast and largely unnecessary structure dedicated to the proposition that more is necessarily better.

I will vote for this bill today, but I oppose this distortion of priorities. We must eliminate the waste and extravagance in the military budget and enact social programs that will deal with America's true needs.

I initially supported the budget process in the hope that the priorities of the Congress would be reflected in congressional budget action. This has not happened. I will vote for this budget resolution to maintain that process in the Congress with the hope that it will do so yet. Also, acceptance of this budget resolution will at least allow us to appropriate funds for needed programs and will keep funded the programs that we have now, that provide for the social needs of America. I will vote for this resolution because I favor the budgetary process and want to continue to give the House an opportunity to use this process to adopt a budget which redirects these priorities in the proper direction.

Mr. ADAMS. Mr. Chairman, I move that the Committee do now rise and report the concurrent resolution back to the House with an amendment, with the recommendation that the amendment be agreed to and that the concurrent resolution, as amended, be agreed to.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action, directs him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the concurrent resolution, as amended, be agreed to.

The SPEAKER. Under the statute, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the concurrent resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LATTA. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 225, noes 191, not voting 17, as follows:

[Roll No. 693]

AYES—225

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Aspin
AuCoin
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Carney
Casey
Chisholm
Clay
Collins, Ill.
Conte
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Fisher
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fuqua
Giaimo
Gibbons
Gilman
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harris
Hayes, Ind.
Hays, Ohio
Helstoski
Hicks
Hightower
Holland
Holtzman
Horton
Howard
Howe
Hungate
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Lent
Lloyd, Calif.
Long, La.
McCloskey
McCormack
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Preyer
Price
Pritchard
Rangel
Rees
Reuss
Riegle
Rinaldo
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Studds
Symington
Teague
Thompson
Thornton
Traxler
Tsongas
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Weaver
Whalen
White
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOES—191

Abdnor
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Badillo
Bafalis
Baldus
Bauman
Beard, Tenn.
Bell
Bennett
Biester
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burton, John
Butler
Byron
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conyers
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
de la Garza
Dellums
Dent
Derwinski
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Evans, Ind.
Findley
Fish
Fithian
Flynt
Forsythe
Fountain
Frenzel
Frey
Gaydos
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Harrington
Hastings
Hawkins
Hébert
Hechler, W. Va.
Hefner
Heinz
Henderson
Hillis
Hinshaw
Holt
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Lagomarsino
Latta
Levitas
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McClory
McCollister
McDade
McDonald
Madigan
Mann
Martin
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Obey
O'Brien
Ottinger
Passman
Pettis
Poage
Pressler
Quie
Quillen
Randall
Regula
Richmond
Robinson
Rogers
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stratton
Stuckey
Sullivan
Symms
Talcott

Taylor, Mo.
Taylor, N.C.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Winn
Wydler
Wylie
Young, Alaska
Young, Fla.

NOT VOTING—17

Andrews, N. Dak.
Ashley
Cleveland
Eshleman
Fary
Fraser
Harsha
Heckler, Mass.
Karth
Litton
McEwen
Mathis
Mosher
Peyser
Railsback
Rhodes
Waxman

The Clerk announced the following pairs:

On this vote:

Mr. Waxman for, with Mr. Andrews of North Dakota against.

Mr. Peyser for, with Mr. Eshleman against.

Mr. Ashley for, with Mr. McEwen against.

Until further notice:

Mr. Karth with Mr. Mathis.

Mr. Litton with Mr. Cleveland.

Mr. Fary with Mr. Harsha.

Mr. Fraser with Mrs. Heckler of Massachusetts.

Mr. Mosher with Mr. Railsback.

Mr. STUCKEY changed his vote from "aye" to "no."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on House Concurrent Resolution 466.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8841. An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8841) entitled "An act to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Talmadge, Mr. McGovern, Mr. Allen, Mr. Clark, Mr. Leahy, Mr. Dole, Mr. Bellmon, and Mr. Helms to be the conferees on the part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 10585, INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT UNTIL MARCH 15, 1976

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 861 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 861

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6), rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976, and all points of order against said bill for failure to comply with the provisions of clause 5, rule XXI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of H.R. 10585 for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri (Mr. Bolling) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta), pending which I yield myself such time as I may consume.

Mr. BOLLING. Mr. Speaker, this is a very important rule and I think the debate and the issue that will be made, as I understand, on this rule are critically important. I think what the House does on the matter made in order by the rule again is even more important.

The rule makes in order the consideration of a new resolution to increase the debt limit. I find that there are many Members who do not understand that this action is an action whereby the House and the Senate ratify and indicate their willingness to pay debts that for all practical purposes have already been incurred.

There are many people, and I am one of them, who feel that it is not sensible or rational to have a debt limit, that it does not serve any useful purpose, because all that the debt limit and the need to increase it every 6 months or a year does is give an opportunity for people to cast a vote saying, "I do not like the spending that has been going on."

Now, if we fail over time to provide for the necessary increase in the debt limit which resulted from our own actions and the expenditures which resulted from the laws that we passed, the United States, and not New York, would fail to pay its bills. It would be an extraordinarily serious situation.

There have been a number of occasions on which the House has failed once to increase the debt limit. There has never been, to my knowledge, and I have checked it on occasion, even one occasion, when the House twice has turned down the debt limit increase necessary to proceed in an orderly fashion to pay our bills.

It seems to me that the House should be very careful about what it does today. I am not going to anticipate what I think will happen on the other side. There is a strong possibility that an effort will be made to vote down the previous question and to substitute for this rule another rule which would make it possible to have a vote on a ceiling on expenditures. I want that to develop before I proceed to discuss that matter, as I will in the time that I will reserve to myself now; but I think it is terribly important to recognize that the vote today is very significant and very significant in two respects. If the proposal to substitute another rule is pursued, as I expect it to be, I will have something further to say about that aspect of the matter. For the moment, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as explained by the gentleman from Missouri, this rule provides for 1 hour of general debate on H.R. 10585, increase of temporary limit on public debt until March 15, 1976. In order that the bill might be considered today, the 3-day rule is waived, and there is also a waiver of clause 5, rule XXI, dealing with appropriations on a legislative bill. This waiver is needed as in the past because of the Second Liberty Bond Act.

Mr. Speaker, I am opposed to this rule. As we all know, on October 29 of this year, the House defeated a temporary debt increase by a vote of 178 "yeas" to 217 "nays." Now the Committee on Ways and Means has come back with another increase in the temporary debt to $595 billion through March 15, 1976. On June 30, 1971, our debt limit was $395 billion. In less than 5 years, our debt limit has increased $200 billion—an increase of 50 percent. And our interest on the debt runs about $100 million a day.

Yesterday, the Committee on Rules met to consider the rule request on this bill made by the chairman of the Committee on Ways and Means. He had been instructed by his committee to request a rule, and I will quote from his letter:

> . . . that the Chairman be instructed to request an open rule, providing for one hour of debate to be equally divided, waiving the necessary point of order on the Second Liberty Bond Act, and that the Chairman be further instructed to inform the Rules Committee that the Minority has requested and the Committee would have no objection to the Rules Committee making in order one amendment to be offered on the floor for a spending ceiling limitation for the fiscal year 1977.

Mr. Speaker, a motion was made at that meeting to report the rule as requested, but this motion failed on a party line vote of 4 to 8.

Mr. Speaker, I urge all Members to vote down the previous question so that the gentleman from Illinois (Mr. Ander-

SON) may offer a substitute rule which would make in order an amendment providing for a $395 billion spending ceiling for fiscal year 1976.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. Mr. Speaker, I oppose this rule and strongly urge my colleagues to join me in voting down the previous question so that we can offer a substitute rule which will permit the offering of a spending ceiling amendment to the debt limit bill. The substitute rule which I have drafted and am prepared to offer is nearly identical to that requested by the Ways and Means Committee but rejected by the Rules Committee. It would permit the offering of a new section 3 to the debt limit bill setting a $395-billion maximum outlay ceiling for fiscal 1977. But because objections were raised to this amendment in the Rules Committee, particularly by the chairman of our Budget Committee, I offered a further amendment to this language which will preserve the integrity of our new congressional budget process.

The chairman of the Budget Committee expressed concern that setting such a spending ceiling now for fiscal year 1977 before the adoption of the first concurrent resolution on the budget, would be contrary to the letter and spirit of the Budget Act. In response to a question I raised, he also expressed the view that it is doubtful the Budget Committee could in any way alter this statutory ceiling by a mere concurrent resolution. In response to his first point, it was brought out that there is no question that the Congress can waive provisions of the Budget Act; we have already done it on numerous occasions. What must be asked on any such waiver is whether it will ultimately help or hinder our own budget process; and I think in this case a strong case can be made that such a ceiling will greatly assist us in our budget decisions next year. The budget committee now provides guidance to every committee of the House. There is no reason why the House in turn cannot provide guidance to the Budget Committee or why we should have to wait for submission of the President's budget to set our overall spending goals for the next fiscal year.

In response to the second point, I think the chairman may be correct in stating that this statutory ceiling is too inflexible and may not permit the Budget Committee to act in a realistic manner under changing circumstances. It was with this in mind that I offered new language which will insure that the Budget Committee is not put in a straitjacket so that it cannot function effectively. So, in addition to setting a $395 billion outlay ceiling, my amendment adds the following words:

> *Provided*, That nothing in this section shall be construed as to preclude an adjustment in this outlay ceiling under procedures established by the Congressional Budget and Impoundment Control Act of 1974 (31 U.S.C. 1301), should changed economic conditions warrant such an adjustment.

In other words, Mr. Speaker, while we set a spending goal of $395 billion, we clearly recognize, as the Budget Act recognizes, that changing conditions may warrant some adjustments in that figure, and we clearly preserve the right of our Budget Committees to make such recommendations. I offer this amendment in the spirit of compromise as one who was deeply involved in putting through the Budget Reform Act in the last Congress and who wants to see it work; but also as one who is very sympathetic to the need to act now to curb the growth in Federal spending through such an early commitment to an overall spending ceiling. I do not accept the argument of those who say such spending ceilings were meaningless in the past and therefore always will be. The difference today is that we have a congressional budget process and committees which are capable of making such ceilings meaningful and workable. Those committees and that process were established to serve the Congress and we have every right, indeed an obligation, to give them the type of guidance provided in this spending ceiling amendment.

Mr. Speaker, let me conclude by saying that I have offered this substitute compromise rule out of a deep concern not only about the growth in Federal spending, but also because of my genuine concern about the fate of this debt limit bill as well as the pending tax legislation. It has all become one big ball of wax, and I think the economic linkage between the three is obvious and justified. But we have a major decision to make today as to whether that ball of wax will continue to be a partisan political football or whether we will convert it into a medicine ball to improve the health of our economy and our relations with the executive branch. I frankly do not think the American people are interested in the partisan games we play; they want to see us working together with the President in a spirit of conciliation, cooperation and compromise, for the benefit of the country. If we adopt the substitute rule I am proposing, and the amendment it would make in order, I think we can avoid further confrontation and deadlock, and arrive at a solution that will be acceptable to the President while preserving our own constitutional prerogatives. We can have a debt ceiling bill, a sensible and flexible spending ceiling, and pave the way for enactment of the tax-cut extension. I therefore urge defeat of the previous question so that this compromise rule may be offered.

Mr. BOLLING. Mr. Speaker, I yield 7 minutes to the gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. Mr. Speaker, yesterday, as the gentleman from Illinois stated, I appeared before the Committee on Rules to oppose any waiver of the Budget Act which would permit placing a fiscal year 1977 expenditure ceiling on the debt ceiling bill. I continue to oppose any rule which would make such an amendment in order because it violates the purposes of the Congressional Budget Act.

I share the concern of the gentleman that the debt ceiling should be passed. I voted for it before. I intend to vote for it again. I do not think the workings of the Government should cease when need to increase a debt ceiling necessary to cover the expenditures which have been voted by the Congress.

I urge that the previous question be voted for. I oppose the substitute of the gentleman from Illinois—and I do appreciate the fact that he has attempted to make some variations in it from what was offered yesterday.

Here are some of the problems that exist: As I pointed out yesterday, the concurrent resolution provides a ceiling binding on the Congress only.

The enactment of a statutory ceiling, which would be a bill passed by both Houses and signed by the President, could and would have a constitutional effect on what the Houses could do themselves.

It is not clear what the effect of the proposed amendment to be offered by the gentleman from Illinois (Mr. ANDERSON) would be. For example, could a concurrent resolution on the budget supersede such a statutory lid?

Further, it leaves unsettled the relationship of an expenditure ceiling binding on the executive branch and a possible subsequent expenditure ceiling binding only on the Congress. We could have a statutory limit and a differing congressional concurrent resolution.

The amendment does not indicate whether the statutory expenditure ceiling is subject to the impoundment provisions of the Congressional Budget and Impoundment Control Act of 1974, which gives the Congress the reponsibility to act on budget rescissions. If the Congress were to reject rescissions proposed by the President and this were to cause spending to exceed the expenditure level set by the amendment made in order by the resolution of the gentleman from Illinois (Mr. ANDERSON), the Executive might unwittingly be unable to comply with the statutory ceiling.

As we can see, the amendment raises so many questions of constitutional and statutory interpretation that it should not be considered at all at this time. It is a nongermane amendment to the debt ceiling bill. It would grossly impinge upon the process of trying to set an outlay limit for fiscal year 1977, which we expect to do next spring.

Mr. Speaker, I think all of us are aware from having just been through the budget resolution how difficult it is to set a ceiling for fiscal year 1976. I have repeatedly indicated to the House and to the Committee on Rules and to the public that the Congress will set a ceiling for fiscal year 1977. It may well be within the ceiling limitation that is requested by the President or it may well be that this is not possible.

For example, if we were to accept the President's present proposal of a $28 billion tax cut, with the expenditure ceiling we have now, we would add $5 billion to the deficit. I do not think we should do that.

I have discussed this matter with the

chairman of the Committee on Ways and Means. He has been in agreement with this position, and so has his committee. I would hope that we would not put this expenditure ceiling on the debt ceiling. The debt ceiling now fits within the budget resolution as it has passed the House. We have placed a debt ceiling figure within that resolution, and that will be met, I am certain, by the Committee on Ways and Means. The proposal they have made is within it. We are trying to control spending.

Finally, Mr. Speaker, I will close by saying this: We have a very elaborate procedure which is now underway for setting the ceiling for fiscal year 1977. The current services budget from the President required under the Congressional Budget Act just arrived on November 10 of this week. The Budget Committee is analyzing those figures. The President and his people have not yet presented their proposal to us as to where they want to cut.

I might state to the gentleman from Illinois (Mr. ANDERSON) that I understand what this problem and his desire is, and I understand the President's desire to impose an expenditure ceiling for fiscal year 1977. But that cannot be done yet. We do not have the figures concerning where they would like to cut.

I am certain that if the President wants to reach this figure of $395 billion, looking at the current services budget which we just got, it is going to require rescissions, and it is going to require changing some mandatory programs that are presently in existence.

So if we place a ceiling in this bill, is that an instruction to the Executive to not spend? In other words, does it permit impoundment under this act? I think that is a possibility, and I do not think that is the intention of the gentleman.

Is the amendment intended as an instruction to the committees that when the President's budget comes up, they must change the presently existing permanent appropriations?

Mr. Speaker, I urge that the House itself not vote for the substitute, and that, even more importantly, it will vote for the previous question so that the rule will be adopted. Once the rule is adopted, we can extend the debt ceiling for the period of time recommended by the Committee on Ways and Means.

Mr. Speaker, I am in complete support of the bill. I hope that my explanation indicates why it was that I appeared before the Committee on Rules and supported the rule that is coming out at the present time, and I hope that rule will be adopted.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. SCHNEEBELI).

Mr. SCHNEEBELI. Mr. Speaker, I rise in support of the Anderson substitute.

I would like to give a little previous history of spending-ceiling action on Ways and Means bills.

In 1968 the President requested a 10-percent surcharge increase in our income taxation to help pay for the Vietnam war. At that time the gentleman from Arkansas (Mr. MILLS), the chairman, would not move for 6 or 8 months until there was some determination on the part of the House that we would reduce our projected spending. He thought that if we had a tax increase, we should have a commensurate reduction in our spending. At that time the House approved a $6 billion reduction in our spending at the same time that they moved on the tax increase.

Later, in 1973, on another debt-ceiling bill, H.R. 16810, the debt ceiling was increased by $15 billion. This was the vehicle by which a study was made regarding creation of the Committee on the Budget that we have been discussing today. A spending ceiling of $250 billion was put on that legislation. Therefore, on two different bills, first, on a tax bill, and second, on a debt-ceiling bill, we had spending restrictions enacted, so this is nothing new. The House has done this twice in recent history, and the question is, Why not do it now?

Certainly, if we read the message from back home, there is no question that it should be done now. The people say to me when I go back home, "You fellows increase your own salaries overnight. Why do you not stop Federal spending?"

I have answered, "According to our present procedure, we cannot do anything about it until next May 15."

They said, "What are you talking about? Do you mean we have to wait 6 months in order to get some action on a spending ceiling while you raise your salaries overnight?"

The public is not going to stand for this, I can assure the Members.

Just to quote some authority, I would like to read from an editorial in the Christian Science Monitor of October 22, 1975, as follows:

> It is evident that there is a sizable snowball of political and economic conservatism rolling across the nation.
>
> At the moment it is uniting the Republicans and dividing the Democrats.
>
> Nationally most of the liberal Democrats are still talking in favor of big government, bigger spending, and no turning back.
>
> But liberal Democratic governors and mayors are beginning to respond to public sentiment against massive bureaucracy, uncontrolled deficit spending, and pervasive government intervention.

The Democratic Governors of California, New York, and Massachusetts are saying the same thing. The Democratic Governor of Colorado said that he sees the United States heading toward an economic Dunkirk if it does not return to economic prudence.

Mr. Speaker, this is recognized back home in the recent votes on several bond issues that came up in the general election. About 95 percent of them were turned down because the public is turned off on spending.

I would like to suggest, as a matter of practical politics, that there were some 40 Republicans who voted on October 29 in favor of the debt-ceiling increase. I am afraid there will not be 40-some votes forthcoming unless we get some spending-ceiling action in this legislation, as proposed by the Anderson substitute.

Mr. Speaker, I am solidly in support of the Anderson substitute.

Mr. Speaker, I rise in support of the motion of the gentleman from Ohio (Mr. LATTA) to defeat the previous question on the rule granted by the Committee on Rules on consideration of the debt ceiling legislation. The reason it should be supported is so that a substitute rule can be offered to the House which would allow a vote on the President's recommendation for a spending ceiling of $395 billion for the fiscal year 1977.

As Members know, the President in his recent tax message to the Congress urged the adoption of a $28 billion tax cut for the calendar year 1976 and at the same time called for the enactment of a spending cut for fiscal year 1977 of the same amount limiting budget outlays for that fiscal year to $395 billion.

Republicans on the Ways and Means Committee made numerous efforts to make the tax cuts contained in the tax legislation contingent upon enactment of a concurrent resolution by the Congress providing for a spending limitation during fiscal year 1977 of $395 billion. In every case, they were ruled out of order on the basis that the tying of tax cuts to an unrelated contingency within the province of the Budget Committee was nongermane. Even an effort to direct the chairman to write a letter to the Committee on Budget asking that the committee add a new title to the tax bill providing the fiscal year 1977 spending limit, was voted down.

Thus, it became necessary for Republicans to take another approach and that approach was embodied in the request for a rule which would make in order on the floor, an amendment which would add a new section to the debt limit legislation providing for the spending ceiling in fiscal year 1977.

At the Rules Committee yesterday, a great deal of discussion took place regarding the problem that would be presented by allowing a vote on the spending limitation as an amendment to this bill. The distinguished chairman of the Budget Committee made the argument that an amendment setting a ceiling at this time would, in effect, torpedo the budget process. He pointed out that the Budget Act provides a specific mechanism for dealing with Federal spending and that that mechanism which will not deal with spending for fiscal year 1977 until May 15 of next year should be allowed to proceed in its normal course. It should be pointed out that the establishment of a spending ceiling at this time is supplemental to and not in conflict with the budget process. As a member of the Budget Committee, I would say that if anything, it corrects a defect in the budget process, namely, that there is not now a mechanism for the executive and legislative branches to decide at the beginning of the year how much will be spent by the Federal Government. Most businesses at the beginning of the year must project their income and outgo, the amount of cash flow they will have, the amount they will have to borrow, and then go about establishing their priorities to live within those parameters.

The Federal budget process on the other hand is merely one of reconciliation of what Congress has decided to do along the way and can be likened to the situation in which various members of the family have checkbooks which allow them to draw on the same account, but no mechanism for determining how much is in the account.

The fact of the matter is that the majority party is simply unwilling to face the facts of life regarding Government spending. As was pointed out in a recent editorial in the Christian Science Monitor by Roscoe Drummond, congressional Democrats are out of step with Democratic officeholders in State capitols and cities around the country who have finally realized that the time has come when Government can no longer be called upon to finance programs designed to solve all the Nation's ills. Unfortunately, the Democratic majority in Congress is late in getting the word that is now prevalent in the United States, namely, that we must cut Government spending. The resolution which will be offered if the previous question is defeated, is one which not only allows a vote on the spending ceiling, but also takes into account the fact we do have a budget process in place and it should be accommodated. This latter feature is dealt within the language in the resolution which states:

> Nothing in this section shall be construed as to preclude an adjustment in this outlay ceiling under procedures established by the Congressional Budget and Impoundment Control Act of 1974 should changed economic conditions warrant such an adjustment.

The thrust of this language which was recommended by the gentleman from Illinois (Mr. ANDERSON) is to assure that should conditions warrant an alteration in the maximum budget outlay figure later next year, that the Budget Committee would be able to so recommend and the Congress would be able to make the necessary changes. It seems to me that this is entirely consistent with the purposes of the Budget Act and should allay the fears of those who claim that a vote on the spending ceiling now will, in effect, destroy the budget control procedures that were so strongly recommended by those of us who worked on the formulation of the budget committees.

Finally, I would say to my colleagues that this may be the only opportunity they will have during this session or next to display congressional intent to deal with the fiscal problems facing this country. The dilemma of not facing the hard issues would be reflected not only in the economic posture of the Nation, but at the polls next November as well. I urge the Members of the House to defeat the previous question on the rule and support the substitute resolution which will be offered by the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Speaker, I voted for this extension of the debt ceiling in the Ways and Means Committee. I customarily vote for debt ceiling amendments, even though I do not support the excessive levels of spending that make them necessary. I know, as every Member here knows, that the debts have to be paid after we have spent the money.

But, I am not going to vote for this debt limit extension today unless an expense limit is added.

I am weary of being the responsible one who votes for borrowing to pay expenses incurred by other Members who find it necessary to "stimulate the economy," or do great acts of charity for our society. Without an expense limit, I am going to let those who have danced pay this piper.

Therefore, I urge every Member in this House to vote "no" on the previous question so that an expenditure ceiling can be added.

The issue is quite clear. A "yes" vote on the previous question is a vote for spending as usual, for soaring deficits and for another record round of inflation.

A "yes" vote on the debt ceiling, absent an expense limit, is also a vote for unrestricted spending. Every Member who makes that vote, or the "yes" vote on the previous question, will have to answer to his or her constituency for it.

I am also wearying of hearing how an expense limit here is nongermane, or beyond the jurisdiction of this committee or injurious to the health of the Budget Committee. Those are artful dodges to be sure, but dodges nonetheless.

Our constituents, the American people, do not want dodges. They do not understand jurisdictional problems. They do not want to hear about our procedural problems. They do not want excuses about the things we cannot do. They see the $75 billion deficit, and now they want to know what we can do.

They have seen us put pro football on TV in 24 hours. They have seen us raise our own pay without raising our voices. They have seen us fight an undeclared war without procedural or jurisdictional interference.

The American people know the Congress is the sovereign body of the United States. They know that Congress can set a spending limit if it wants to.

Whoever votes for the previous question or for the debt limit without a spending limit can raise all the procedural excuses he wishes. He can dodge, and he can run, but he cannot hide.

The people know the game this time. They want that spending limit. They want it now. They know Congress can do it. And they know Congress probably will not do it.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. CONABLE).

Mr. CONABLE. Mr. Speaker, I thank the gentleman for yielding to me. I do not think that I will need the full 3 minutes.

I would like to associate myself with the splendid remarks of the gentleman from Minnesota (Mr. FRENZEL).

The issue here is pretty clear, I think. It seems to me that we have reached the point where we have to say "enough."

Far from downgrading the budget reform procedure, as a member of the Budget Committee, I would like to say that I would appreciate some instructions from this House, because if we want the Budget Committee to function properly, then we have to know what level of spending the House would like to see us establish for 1977.

There are variables within which we have to work, but guidance from the House should be an important part of the budget reform process. Unless we get that guidance in some form through an expenditure ceiling in this bill or on some other bill—and it seems to me this is a peculiarly appropriate one—I suspect this issue will come back to haunt us time after time as we slip and slide farther and farther down the scale of fiscal respectability.

I hope, Mr. Speaker, that the House will vote down the previous question so that we can deal with this expenditure ceiling issue directly on this particular bill, rather than having it complicate future issues like, for instance, the tax cut-tax reform measure.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Speaker, I rise to applaud the remarks of the gentleman from Minnesota with whom I should like to be associated.

Let me, if I can, simply give the Members my own perspective on why it is important that the House have the opportunity to work its will on this issue. The argument of the gentleman from Washington, and the argument of our friend, the distinguished and very able member of the Committee on Rules, the gentleman from Missouri (Mr. BOLLING) both miss the point. The issue at this point is not whether we think it ought to be adopted or not, because that is an issue on which one can make a judgment when he has a chance to vote. The issue is whether or not this House, through this vehicle of voting down the previous question—which I admit is imperfect and not what I think ought to have been done—will give a chance to the Members of this House to express their views one way or the other, procedurally or nonprocedurally, substantively or nonsubstantively, on the issue of the spending ceiling. I cannot vote for the debt ceiling if this House is refused the chance to deal with the issue, and that is the whole point of what this argument is all about this afternoon.

It is tragic there are so few Members here, Mr. Speaker, who miss the eloquent arguments of the gentleman from Minnesota or the deeply felt arguments of the gentleman from New York. But all of the arguments made against the concept of voting down the previous question, thus precluding the Members of this

House from exercising a rational, reasoned judgment on the issue of a spending ceiling, fall on deaf ears insofar as any of us are concerned who did vote for the debt ceiling the last time, who cannot vote for the debt ceiling this time if the House is not even given a shot on making its own mind up on what we want to do on this issue.

The chairman of the Committee on Ways and Means, and those who appeared before the Committee on Rules, said, "We do not object." Frankly, they should have urged adoption of a rule making a spending ceiling in order but they at least were fair with us, and I applaud the chairman for that. But I plead with the House to vote down the previous question, to allow the House to debate and discuss and agree then to make a decision on whether to have a spending ceiling. Absent that, I shall vote "no."

Mr. LATTA. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, will the gentleman from Ohio yield the balance of his time? I have only one speaker; I am the speaker, and I should like to have the last word.

Mr. LATTA. I will be happy to give the gentleman from Missouri (Mr. BOLLING) the last word.

Mr. Speaker, I yield back the balance of my time.

Mr. BOLLING. Mr. Speaker, I, perhaps, take this matter too seriously; but I am, frankly, a little startled and a little shocked by the proceedings I have observed for a couple of days on this matter. In the first place, I think it is clear, and I believe the chairman of the Committee on Ways and Means will support me, that the chairman of the Committee on Ways and Means, representing the committee, said that they would have no objection if the Committee on Rules chose to grant such a rule as that proposed by the gentleman from Illinois. However, I think it is also clear that the chairman of the Committee on Ways and Means is supporting the rule that was reported by the Committee on Rules.

Is that not correct?

Mr. ULLMAN. If the gentleman will yield, the gentleman is correct.

Mr. BOLLING. That disposes of one misapprehension, perhaps.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. LATTA. I thank the gentleman for yielding.

I did not quite hear the answer of the gentleman from Oregon to the question.

Mr. BOLLING. I yield to the gentleman from Oregon to make it clearer.

Mr. ULLMAN. Mr. Speaker, I think the record should be crystal clear that the Committee on Ways and Means asked for a rule on this measure, and in that request they said that we as a committee would not object if the Committee on Rules made the amendment in order.

We did not request them to do so and the full substance of our request was that there would be no opposition on our part if the Rules Committee went that way. However, the option was totally up to the Rules Committee. The Rules Committee made their decision. My instructions under that request from the Ways and Means Committee are very clear: To support the rule in this instance.

Mr. BOLLING. Mr. Speaker, second, I would like to describe what occurred in the Rules Committee. Initially it was proposed as a substitute that there be a hard ceiling of $395 billion for fiscal year 1977. That fiscal year 1977 begins on October 1 of next year.

When it was clear that that resolution was not going to go anywhere, the gentleman from Illinois proposed a modified ceiling with language which I will not attempt to repeat but it was not precisely the language that appears in this proposal.

There are two things at issue here. A great deal has been said about what the public thinks about spending. I do not know what the public thinks about spending or what the public will think next year, but I do know that everyone of the people who have spoken on this matter on the floor of this House does not want to misrepresent the facts.

No. 1, the $395 billion ceiling for that fiscal year is for all practical purposes impossible of attainment. This document is the current services estimates for fiscal year 1977 sent up by the administration as required by the Budget and Impoundment Control Act. In this document the estimates are given in four different versions.

One of them, the one that is detailed, when it is examined indicates that on a current services basis—and what that current services estimates do is estimate Federal expenditures, for the coming fiscal year as the anticipated costs of continuing ongoing Federal programs and activities at current levels without policy changes.

The OMB gives only the details of one of its four alternatives. The alternatives are a variety of high inflation/high unemployment, low inflation/high unemployment, and so forth. But the one on which they give the details comes out with expenditures, automatic expenditures which are based on inflation and a few other factors of $414.5 billion.

To impose a ceiling now on the fiscal year 1977 is to pretend to the public that we can in some miraculous fashion reduce spending below that figure and below an absolute minimum figure that comes out to be $399.2 billion.

So my first contention dealing with the facts submitted by this administration is that if we take the fiscal year 1976 expenditures of $373.8 billion and add to them the administration's extension of that into the next fiscal year only for social security and railroad retirement, unemployment insurance, Federal civilian and military retirement, veterans' benefits, medicare, medicaid, net interest, and farm income stabilization, we come out with a figure of $399.2 billion, which means that we are going to have to drastically curtail other programs not among those I have just enumerated or in fact cut these programs themselves drastically.

Now, I happen to think that the public has a right to be disturbed about the way the Congress functions. I think the public expects the Congress to deal with this matter in a reasonable fashion. We just finished doing this with a law that we passed over 400 votes to a relatively few, the Budget and Impoundment Control Act. Now we are going to tell them that this ceiling of $395 billion has meaning and significance, when the facts furnished to the Budget Committee by the OMB make it clear they do not have meaning.

Then furthermore, and I do not question the good faith of anybody, the resolution proposed to be offered if the previous question is voted down, can only do one of two things. It can either pretend to do something it cannot do with a ceiling that cannot be reached in any rational fashion, or it can cause a series of complicated lawsuits that will take years to resolve ultimately in the Supreme Court.

The only reason that I take this matter this seriously is that I think it is terribly important for us not to engage in shadow boxing with the people of this country when they are concerned about deficit spending. They are concerned about big government. I was here and observed those other times when we put in ceilings. I saw them not work. I think it would be a disaster if having started the process, the difficult process which has not yet proved that it can work, the responsible process dealing with the budget as a whole, which the House has successfully initiated, we then attached to a debt ceiling bill this supposed ceiling that is not once, not twice, but thrice misleading.

Therefore, I think that the previous question should be voted for, that the previous question should be voted up, and that when we get to the debt ceiling matter, the increase, that we stop playing games and stop playing chicken with ourselves.

There are Democrats who voted against the last debt ceiling increase, I hear, because they wanted to see the Republicans have to vote for it. There are Republicans who got down here today and said that they were not going to vote for it unless they got this spending ceiling. I find that incredible, because the only issue that is before us on either side, Democrat or Republican, is the issue of whether we intend to deal fairly with the American people, whether we wish to be deliberate and effective in our actions or whether we want to posture. If we are not prepared to honor the debts of the United States by increasing the ceiling, we should just be prepared to take the responsibility with our votes for voting down the debt ceiling, instead of playing games on these critically important questions.

I may be wrong in taking this matter so seriously, but I think the credibility of this institution is eroded enough without our getting involved in this kind of gamesmanship on either side of the aisle.

Mr. Speaker, I move the previous question on the resolution.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ANDERSON of Illinois. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 185, not voting 27, as follows:

[Roll No. 694]

YEAS—221

Abzug
Adams
Addabbo
Ambro
Anderson, Calif.
Annunzio
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chisholm
Collins, Ill.
Conyers
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
English
Evans, Colo.
Evans, Ind.
Fascell
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Fuqua
Giaimo
Ginn
Gonzalez
Green

Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hefner
Helstoski
Hicks
Hightower
Holtzman
Howard
Howe
Hungate
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mahon
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill

Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pike
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Weaver
White
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti
Wilson, Tex.

NAYS—185

Abdnor
Alexander
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bevill
Biaggi
Biester
Bowen
Breaux
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
de la Garza
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
Erlenborn
Esch
Evins, Tenn.
Fenwick
Findley
Fish
Flowers
Flynt
Forsythe

Fountain
Frenzel
Frey
Gaydos
Gibbons
Gilman
Goldwater
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Hastings
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hillis
Hinshaw
Holland
Holt
Horton
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Kasten
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McKinney
Madigan
Mann
Martin
Michel
Milford
Miller, Ohio

Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
O'Brien
Passman
Pettis
Pickle
Poage
Pressler
Pritchard
Quie
Quillen
Regula
Rinaldo
Robinson
Rogers
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Sharp
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spellman
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Treen
Vander Jagt
Waggonner
Walsh
Wampler
Whalen
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Fla.

NOT VOTING—27

Andrews, N. Dak.
Ashley
Clay
Cleveland
Corman
Eshleman
Fary
Ford, Tenn.
Fraser

Goodling
Harsha
Hébert
Jones, N.C.
Karth
McEwen
Mathis
Moakley
Mosher
Nichols

Patman, Tex.
Peyser
Railsback
Rhodes
Udall
Waxman
Wilson, C. H.
Young, Alaska

The Clerk announced the following pairs:

Mr. Waxman for, with Mr. Rhodes against.

Mr. Charles H. Wilson for, with Mr. Goodling against.

Mr. Karth for, with Mr. McEwen against.

Mr. Moakley for, with Mr. Young of Alaska against.

Mr. Ashley for, with Mr. Andrews of North Dakota against.

Mr. Clay for, with Mr. Cleveland against.

Mr. Patman for, with Mr. Eshleman against.

Mr. Corman for, with Mr. Railsback against.

Mr. Fary for, with Mr. Hébert against.

Mr. Fraser for, with Mr. Nichols against.

Mr. Ford of Tennessee for, with Mr. Mosher against.

Mr. Udall for, with Mr. Mathis against.

Messrs. BRODHEAD and RICHMOND changed their vote from "nay" to "yea."

Messrs. DERRICK and LENT changed their vote from "yea" to "nay."

So the previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 257, nays 149, not voting 27, as follows:

[Roll No. 695]

YEAS—257

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Casey
Chappell
Chisholm
Clay
Collins, Ill.
Cornell
Cotter
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Diggs
Dingell
Dodd
Downing, Va.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers

Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fuqua
Giaimo
Gilman
Gonzalez
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hefner
Helstoski
Henderson
Hicks
Hightower
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley

Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Preyer
Price
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Studds
Sullivan
Symington
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Tsongas

Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Wampler
Weaver
Whalen
White
Whitten
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—149

Abdnor
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Biester
Brinkley
Broomfield
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Butler
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, R. W.
Derrick
Derwinski
Devine
Dickinson
Downey, N.Y.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Fenwick
Fithian
Florio
Flynt
Forsythe
Frenzel
Frey
Gaydos
Gibbons
Ginn
Goldwater
Gradison
Grassley
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harrington
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Hillis
Hinshaw
Holland
Holt
Hutchinson
Hyde
Jarman
Jeffords
Jenrette
Johnson, Colo.
Kasten
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McKinney
Madigan
Martin
Michel
Miller, Ohio
Mitchell, N.Y.
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
Myers, Pa.
O'Brien
Pettis
Poage
Pressler
Pritchard
Quie
Quillen
Regula
Rinaldo
Robinson
Rogers
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Symms
Talcott
Taylor, Mo.
Thone
Treen
Vander Jagt
Walsh
Whitehurst
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Yatron
Young, Fla.

NOT VOTING—27

Andrews, N. Dak.
Ashley
Cleveland
Conyers
Corman
Eshleman
Fary
Fraser
Goodling
Harsha
Hébert
Jones, N.C.
Karth
McEwen
Mathis
Mosher
Nichols
O'Hara
Patman, Tex.
Peyser
Railsback
Rhodes
Scheuer
Udall
Waxman
Wilson, C. H.
Young, Alaska

The Clerk announced the following pairs:

On this vote:

Mr. Waxman for, with Mr. Andrews of North Dakota against.

Mr. Patman for, with Mr. Cleveland against.

Mr. Hébert for, with Mr. Eshleman against.

Mr. Charles H. Wilson of California for, with Mr. Goodling against.

Mr. Ashley for, with Mr. McEwen against.

Mr. Corman for, with Mr. Railsback against.

Mr. Udall for, with Mr. Rhodes against.

Mr. Conyers for, with Mr. Young of Alaska against.

Mr. Nichols for, with Mr. Mathis against.

Until further notice:

Mr. Fary with Mr. Jones of North Carolina.

Mr. Karth with Mr. Scheuer.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid upon the table.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT WHILE HOUSE IS IN SESSION ON TUESDAY, WEDNESDAY, AND THURSDAY OF NEXT WEEK

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to meet while the House is in session on Tuesday, Wednesday, and Thursday of next week.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

RESIGNATION OF SUPREME COURT JUSTICE WILLIAM O. DOUGLAS

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, it is sad, indeed, to have to inform the House of the resignation from the U.S. Supreme Court of Justice William O. Douglas.

A personal friend, I know Justice Douglas as a man of great physical and mental courage. All his life he has had to fight to overcome physical handicaps, having conquered infantile paralysis as a young man. Now he is still struggling against the effects of a stroke. I am sure we all wish him a speedy and full recovery.

Mr. Speaker, in my opinion, Justice Douglas is the first Justice of the land, not only in longevity of service, but also in distinction of service. He has frequently stood courageously for unpopular positions and frequently has been far ahead of the times. He is widely recognized as one of the most brilliant men who has ever sat on the U.S. Supreme Court. He has a well-deserved reputation for tenacious integrity to his principles.

Mr. Speaker, I only hope that President Ford will appoint as a replacement a person of equal distinction and stature.

UNITED NATIONS RESOLUTION ON ZIONISM

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, I rise today to make some comments on the recent United Nations resolution castigating Zionism as a form of racism. I was appalled at this action. I was shocked and dismayed. I do not understand how the United Nations General Assembly can describe the legitimate concern of a member state to establish its own identity and independence as racism. If that is racism, then most of the countries of the world are guilty of the same.

It is obvious to me that the United Nations is guilty of a gross error in so stigmatizing one of its members. First of all characterizing Zionism as racism is simply untrue factually. Beyond that, it can lead to serious results. Since the United Nations has launched a Decade of Action to Combat Racism and Racial Discrimination, such a characterization of Zionism could lead to a campaign against the State of Israel. As a fellow member nation of the United Nations the United States cannot and will not endure such an attack which can do nothing but encourage Israel's enemies.

The question remains as to what our response should be. Yesterday I voted for the House resolution which sharply condemned the resolution adopted by the General Assembly on November 10, 1975, which associated and equated Zionism with racism and racial discrimination. The House resolution also promised that the House would oppose participation by the U.S. Government in the Decade for Action to Combat Racism and Racial Discrimination so long as this is "distorted and compromised" by the resolution regarding Zionism. We also called for the United Nations to reconsider that offensive and erroneous resolution.

I do not think that the United States can afford to dismantle the United Nations because of this grievous error. If the United States withdrew our participation, as some have suggested, this would be the effect. The United Nations has been and hopefully will continue to be a forum wherein nations talk rather than fight. It is an imperfect instrument, but surely an instrument for debate and ultimately for peace. The UN can and has made mistakes. The resolution regarding Zionism is almost an unforgiveable one.

As a founding member of the United Nations I believe it is our responsibility to recall that international body to its origins. The United Nations was founded following World War II to promote specifically attacked the racism that had played such a large part in World War peace among nations and its charter II. That brand of racism was anti-Semitism. Perhaps the United Nations has forgotten that important bit of history. The resolution identifying Zionism with racism is racist in itself. The United Nations cannot expect to hold its members to a goal of nondiscrimination until that resolution is revoked. The U.S. effort must be directed to achieving that end.

UNITED STATES MUST CONTINUE EFFORTS TO AID SOVIET JEWS

(Mr. MIKVA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MIKVA. Mr. Speaker, the cause of freedom for Soviet Jews is the cause of freedom-loving people throughout the world. Worldwide efforts on behalf of emigration for Soviet Jews is based on the belief that if the light of freedom is diminished anywhere, it is diminished everywhere. While an appreciation of the universal meaning of freedom is shared by people around the globe, nowhere should that appreciation be greater than among the American people.

It is our commitment to the ideal of freedom which moved Congress, with the support of the American people, to work for the freer emigration of Soviet Jews. Implicit in our efforts is the belief that if a policy of détente is worthy of pursuit, the pursuit of freedom by Soviet Jews must be respected and encouraged. If détente is to have lasting value, it must involve not only an exchange of grain and machinery but an exchange of ideas and values, too.

In the last year, progress has been made in negotiating the sale of American grain to the Soviet Union. But Soviet Jews have had diminishing success in negotiating their emigration. The number of Jews in the Soviet Union who have been allowed to emigrate has declined from 35,000 in 1973, to slightly more than 5,000 in the first half of this year. And it is estimated that there is a backlog of more than 140,000 Soviet Jews who want to emigrate and that the total grows by about 3,000 each month.

Statistics rarely tell the whole story, however. Lost in the numbers is the daily torment Soviet Jews must feel who have seen fellow Jews emigrate only to be denied emigration themselves. But perhaps the deepest torment of all is felt by Soviet Jewish families which have been broken up in a conscious Soviet effort to discourage Jews from seeking to emigrate.

One all too typical case has been brought to my attention by my constituents. In 1972, Mrs. Lubov Dinenzon, an attorney, and her two sons, Felix and Victor Aranovich, applied to emigrate. The family was a particularly close-knit one, and vigorously protested when Soviet authorities granted permission to emigrate to only the mother and younger son.

Mrs. Dinenzon protested that she would not leave if her eldest son could not go with her. But her protests were answered with threats of reprisal by the Soviet authorities, and Mrs. Dinenzon and her youngest son were forced to depart, leaving behind their son and brother.

Since their departure, Mrs. Dinenzon and her son, Victor, have worked incessantly to gain the freedom of Felix Aranovich, but to no avail. Felix Aranovich's repeated requests to emigrate have been denied, most recently this past September, on the eve of the Jewish New Year.

For the past 2½ years, while living in Chicago, Felix Aranovich's mother and brother have been assisted in their efforts by Congressman **Sidney Yates**, Chicago Action for Soviet Jewry, and many others who believe that Felix Aranovich's battle for freedom is their battle, too.

Mr. Speaker, Felix Aranovich's mother and brother are in Washington this week, with members of Chicago Action for Soviet Jewry, to seek congressional help in persuading the Soviet Union to allow Felix Aranovich to emigrate. They will be calling on my colleagues for support, and I am certain they will receive it.

Whatever liberalization of Soviet policies we have seen in the past has been the result of world opinion. Only by speaking up on behalf of the Soviet Jews and pursuing all diplomatic channels can we mobilize world opinion and make the world a safer place for the Soviet Jews and for all people, of all religions and all nations, who value individual rights and freedoms.

We will have taken an important step in that direction when Felix Aranovich is allowed to emigrate and join his mother and brother in Chicago.

ECONOMETRIC STUDY SHOWS THE JOBS CREATION ACT IS THE ALTERNATIVE TO UNEMPLOYMENT AND INFLATION

The SPEAKER pro tempore (Mr. **Danielson**). Under a previous order of the House, the gentleman from New York (Mr. **Kemp**) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, the Jobs Creation Act is the alternative to both unemployment and inflation. Its provisions would generate over one-quarter of a trillion dollars in new investment over a 3-year period, thus creating millions of new jobs and helping remove the threat of inflation for every American.

The Jobs Creation Act not only addresses itself to unemployment and the capital shortage, but also to the need for fiscal responsibility and stable prices. It would generate $45 billion in new Federal revenues over a 3-year period to help offset the huge deficits legislated by the Congress.

ECONOMIC EFFECTS OF THE JOBS CREATION ACT

A major econometric study undertaken by Norman B. Ture Consultants, Inc., of Washington, D.C., which simulates the effects on the economy of the tax reduction provisions of the Jobs Creation Act, concludes that in the first year after its enactment the act would generate increases over what would otherwise occur of $151.4 billion in the gross national product, $74.6 billion in capital outlays, and $5.2 billion in Federal revenues. The second year after enactment would see additional increases of $200.5 billion in GNP, $77.9 billion in capital outlays, and $14.6 billion in Federal revenue. And the third year would see further increases of $248.9 billion in GNP, $81.1 billion in capital outlays, and $25.2 billion in Federal revenue. These are real increases, not artificial increases resulting from inflation.

How would this increase over a 3-year period of $600.8 billion in real GNP affect employment and real wages? If all of the increased productivity goes into employment—that is, if there is no increase above the trend rise in real wages—there would be increases in employment above trend of 8.7 percent in 1975, 10.6 percent in 1976, and 12.4 percent in 1977. These percentage figures translate into 7.2 million new jobs in the first year of enactment, 9 million new jobs in the second year of enactment, and 10.9 million new jobs in the third year of enactment.

On the other hand, if all the increased productivity goes into higher real wages—that is, there is no increase above the trend rise in employment—there would be increases in real wages above trend of 8.2 percent in 1975, 10.3 percent in 1976, and 12.1 percent in 1977. These percentage figures mean almost $2,000 additional real income for every employee in each of the 3 years.

Since some of the increased productivity would create new jobs and some would result in higher real wages, it is obvious that the act would generate millions of new jobs and substantial gains above the trend rise in real wages. These millions of new jobs would be real jobs resting on a larger and stronger capital base. They would be productive jobs, tax-generating jobs instead of tax-consuming jobs. By generating full employment the Act would eliminate unemployment-related Government expenditures, thus further reducing the deficit.

There is no other way to create millions of new real jobs, jobs that are meaningful productive work, jobs which do not result from sharing the work, but which result from creating new work, jobs which are not just another form of Federal transfer payment that benefits the recipient at the expense of the income of others, but jobs which result from the creation of new income.

Some may find these large increases in income and employment striking, even startling. But that is because in the last four decades this country has not relied on the approach embodied in the Jobs Creation Act of fostering full employment and price stability through fostering production.

If there were ever any doubts about the effects on the economy of the Jobs Creation Act, those doubts can now be dispelled on the basis of Dr. Ture's analysis of the income, employment, and revenue effects of the act.

Dr. Ture's credentials are most impressive. He received his M.A. and Ph. D. from the University of Chicago in economics. From 1951–55, he was on the analysis staff of the U.S. Department of the Treasury, and from 1955–61 he was on the staff of the Joint Economic Committee. From 1961–68, Dr. Ture was Director of Tax Studies for the National Bureau of Economic Research, a most prestigious position. From 1968–71 he was a principal at the Planning Research Corp., and he has had his own consulting firm since 1971. During this time, he was also a lecturer at the Wharton School of Finance of the University of Pennsylvania and is now adjunct professor of economics at George Washington University.

The following summary of the analysis of the economic effects of the Jobs Creation Act shows that each and every tax reduction provision would produce a significant gain in GNP, employment, capital outlays and Federal revenue, even in the first year of enactment. The Jobs Creation Act is a tax reduction bill that will stimulate GNP and employment without the risk of inflation-fueling deficits.

The summary follows:

ECONOMIC EFFECTS OF THE JOBS CREATION ACT OF 1975

[Money amounts in billions of 1974 dollars]

Jobs Creation Act section, proposal, and years after enactment	Increases in: Private GNP	Increases in: Employment (thousands)	Increases in: Capital outlays	Increases in: Federal revenue
§ 3 Savings tax credit of 10 percent, up to $1,000 ($2,000 for joint returns), not exceeding tax due:				
1	$31.0	1,780	$22.3	$1.9
2	40.2	2,100	23.3	4.8
3	50.1	2,430	24.3	7.9
§ 5 Exclusion of domestic corporate dividends from adjusted gross income:				
1	20.9	1,200	15.5	.6
2	28.7	1,510	16.3	3.1
3	35.7	1,740	17.0	5.3
§ 6 Exclusion of $1,000 of capital gain per year:				
1	9.0	520	6.8	1.6
2	12.7	920	7.1	2.8
3	15.6	760	7.4	3.7
§ 9 Reduction of normal corporate tax rate from 22 to 20 percent (with no change in surtax):				
1	11.0	630	7.7	1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 10 Reduction of surtax rate from 26 to 22 percent (no change in normal tax rate or surtax exemption):				
1	20.0	1,150	14.1	2.0
2	25.0	1,300	14.8	3.7
3	82.3	1,570	15.3	5.8
§ 11 Increase in surtax exemption from $25,000 to $100,000 (with present normal and surtax rates):				
1	11.0	630	7.7	1.1
2	13.7	710	8.1	2.0
3	17.7	860	8.4	3.2
§ 12 Increase in investment credit from 7 percent with limitations to 15 percent for all sec. 1245 property:				
1	23.9	1,370	17.4	4.3
2	31.7	1,660	18.2	6.8
3	39.9	1,940	18.9	9.4
§ 13 Increase in asset depreciation range (ADR) from 20 percent to 40 percent:				
1	12.9	760	7.0	2.3
2	22.2	1,250	7.4	1.8
3	28.2	1,520	7.7	1.6
§ 14 Optional capital recovery allowances:				
1	55.6	3,400	16.7	8.7
2	70.3	4,070	17.4	11.5
3	82.4	4,550	18.0	14.2
Combined effect:				
1	151.4	7,180	74.6	5.2
2	200.5	9,020	77.9	14.6
3	248.9	10,910	81.1	25.2

Note: The estimates with respect to any combination of these proposals are not necessarily equal to the sum of the individual estimates. An estimate will be forthcoming for provisions of the bill which are not included above if adequate data become available.

Estimates for certain of these proposals may differ from previous estimates for similar or identical proposals because of revisions in Government data and underlying assumptions. Assumptions used in this table are consistent among alternatives.

Where exact qualification of variables was impossible, conservative assumptions about the values of those variables were employed. A full documentation of the estimating procedure is available upon request.

Estimates are based on changes with respect to the law in 1974 rather than the temporary provisions enacted in 1975. Effects for year 1 are for 1975 and assume that the proposal would have been operative since Jan. 1, 1975. Effects for years 2 and 3 refer to 1976 and 1977 levels of GNP, employment, etc., relative to their assumed trend values had the 1974 law remained unchanged. Note that employment effects are not cumulative; the 40 percent ADR, for instance, would lead to an increase of 1,520,000 full-time equivalent employees in year 3 over the number of such employees in the absence of this tax change, not 760 plus 1,250 plus 1,520 equals 3,530,000.

The great benefits that would be achieved by the Jobs Creation Act through simple reforms and without added costs are the reasons the large number of cosponsors in the Congress are excited about the bill.

It lets us win through higher productivity both the battle against inflation and the battle against unemployment.

It eliminates the Government-caused business cycle that results from fighting unemployment with inflation and inflation with unemployment.

That it overcomes both unemployment and inflation is one great advantage of the Jobs Creation Act. Another great advantage is that it benefits all sectors of the economy and all segments of the citizenry—labor, pensioners, small business, farmers, investors, professionals, large corporations.

It is rare that the Congress has an opportunity to pass legislation that benefits all of our constituents, rather than subsidizing one group at the expense of others. There is nothing in this act to which any interest group can object—other than the bureaucracy, which benefits from the increasing Government controls that are the usual congressional response to economic instability. Passage of the Jobs Creation Act would be one piece of legislation that benefits the people rather than the Federal bureaucracy.

The principal concern about the act has been the worry that its tax reductions would produce a deficit that would be counterproductive. There was concern that having to finance a deficit resulting from diminished tax revenue would crowd out the private capital that it is the act's intention to form.

An earlier study of the act by the Congressional Research Service, the results of which I reported to the Congress on July 28, 1975, failed to resolve the question, because the CRS study did not adjust the savings rate to the tax changes. Since the effectiveness of the act comes from increased savings from reducing the tax disincentives to save, the CRS study, which did not allow for changes in the level and rate of saving, is not meaningful. Since the CRS study neglected the principal focus of the act, the study is not relevant.

The question has now been resolved. An exhaustive study, requiring weeks of work testing the effects of the act's provisions by simulating them in an economic model, shows revenue gains in response to the act's tax reductions. The Jobs Creation Act increases employment and simultaneously produces increases in Federal revenue. The positive revenue effect of the act is an added inducement to its passage, especially in this time of huge Federal deficits.

JOBS DEPENDENT ON CAPITAL INVESTMENT

The central challenge of tax reform is to insure that the rate of saving and investment will be adequate to meet the capital requirements of our economy. All major issues confronting public policy are dependent on adequate capital formation. Creating jobs, maintaining the real level of social security benefits and the solvency of pension funds, meeting energy, housing, and mass transit needs and demands for rising real wages, protecting the environment, ability to withstand Soviet pressures—these and all other public and private goals are constrained by an inadequate rate of capital formation.

Whether our goals are met or frustrated depends upon whether the central challenge is met or evaded. Tax reform for the purpose of short-run political results or to make ideological points will be counterproductive and leave the American people and the Congress with more serious problems. There are enough problems before the Congress without our creating more by failing to face the central challenge of capital creation—hence jobs creation.

Additional jobs—real jobs—that produce more real goods and services require additional real capital. To try to create jobs through public service employment or through stimulating consumption will not significantly increase the real output of the economy. These jobs are created by increasing the burden on those already working—through deficits which cause inflation—in order to divide the same size pie in more ways. These are not real jobs because they do not produce increases in real output, but increases in nominal output as a result of inflation. The cost of creating nominal jobs through stimulating consumption is larger deficits, higher inflation, and a greater capital shortage.

Capital is needed to create jobs. Jobs creation is a question of capital creation. In case any Member of this Congress has been lulled by false assurances about capital needs and capital availability, let me present the facts.

THE FACTS AND FIGURES OF THE CAPITAL SHORTAGE

To maintain through 1985 the postwar trend rate of increase in employment and real wages, with no change in the rate of capital depreciation, requires $2.37 trillion in constant 1974 dollars to be added to total capital expenditures by private businesses.

To this figure must be added the capital expenditures necessary to satisfy Government-mandated environmental and safety standards, and public housing, energy, and mass transit goals.

A distinctive feature of much of the Government-mandated capital expenditures is that they generate no return on the capital investment. The total fixed cost of the business increases, but the productivity of the Government-mandated capital expenditures takes the form of cleaner air and water which the firm cannot capture in the price of its product. Consumers do not see cleaner air and water as an improvement in the quality of the firm's product. Therefore, the firm cannot earn a rate of return on its capital expenditures to improve air and water. As a result, the firm's rate of return on total fixed investment declines—that is, the firm's profitability declines.

In addition, the firm's costs go up by the amount of the capital expenditures necessary to meet the Government-mandated requirements. The increased cost is not matched by any increase in the value of the firm's product to the consumers, so the quantity of units sold falls. As every economist knows, the higher the price, the less the quantity demanded. Economists are so certain of this relationship that they call it the law of demand.

The fall in the rate of return to the firm's investment and the rise in the cost of producing its product, means that the firm cannot finance the Government-mandated capital expenditures out of revenues or profits. The firm, then, can finance the Government-mandated capital expenditures only out of capital the firm would otherwise have used to produce the goods and services people buy.

On the basis of very conservative assumptions, the Government-mandated capital expenditures will total $1.06 trillion through 1985.

Next we must compute the contribution Government deficits make to the capital shortfall. In real terms, Government deficits must be financed out of private savings. The Government cannot purchase through deficit expenditures any real goods and services unless the private sector releases them by not purchasing them. If we make the conservative, optimistic assumption that Government deficits will not exceed $10 billion per year through 1985, this adds another $110 billion claim on savings.

To meet the capital needs and finance the Government's deficits, total private savings through 1985 will have to aggregate $3.54 trillion in constant 1974 dollars. This assumes no inflation. If we make the optimistic assumption that Congress spending proclivities will only inflict a 5-percent inflation rate on the people, the saving necessary to meet the capital requirements increases to $4.9 trillion.

If we are fortunate enough to have the gross private saving rate continue over the next decade at the postwar average rate of 15.7 percent, an inflation rate of only 5 percent per year, and deficits of only $10 billion per year, we will have a cumulative capital shortage of $575 billion.

I want to emphasize that if there is anything irresponsible about this figure, it is because it is an understatement based on optimistic assumptions. Hysteria is in the eye of the beholder. To me it borders on hysteria to posture on shelters and loopholes when the Nation faces a minimum capital shortage of $575 billion.

To close the gap between saving and capital requirements requires that the private saving rate increase by 2 percent, at a minimum, to 17.75 percent of GNP. At no time in the postwar years has the saving rate reached this figure. Only major changes in the tax system that will reduce the disincentives to save can produce the required increase in the saving necessary to meet our capital needs.

THE EXISTING TAX BIAS AGAINST SAVING AND INVESTMENT

There is a disincentive to save in our economy because there is a tax bias against saving in our tax system. The tax on the portion of income saved is at a higher effective rate than on the portion of income used for current consumption. The bias results because no deduction is allowed for the initial saving or the return to saving. Let me illustrate the tax bias against saving in the following example.

In the absence of a tax, $1,000 of current income might be used to buy a given amount of consumption goods or a 5-percent bond paying $50 a year. The cost of $1,000 of current consumption is the foregone alternative of $50 of additional income in each future year. In the same way, the cost of $50 of additional income in each future year may be expressed as $1,000 of foregone current consumption.

If an income tax is now imposed at, for the ease of example, 50 percent, and there is no deduction for the amount currently saved or the return to saving, the effect of the tax will be to double the cost of future income relative to the cost of current consumption. Once the tax is imposed, it takes $2,000 of pretax income to be left with enough money to buy the $1,000 of consumption goods. The tax, then, doubled the cost of consumption in terms of the amount of current pretax income required for the given amount of consumption goods.

But once the tax is imposed, $50 per year of additional income from the bond purchase requires $100 pretax interest. At the same rate of interest this requires two $1,000 bonds or savings of $2,000, but in order to save $2,000 there must be $4000 of pretax income. Thus, the tax quadrupled the cost of saving in terms of the amount of current pretax income required to buy the same amount of future after-tax income.

Looked at from another point of view, if prior to the imposition of the tax the person was trying to decide between buying an additional $1,000 of consumption goods or a 5-percent bond, to remain confronted with the same choice after the tax is imposed requires the interest rate to increase from 5 percent to 10 percent. Thus, the tax doubled the rate of interest which must be earned if the person is to continue to regard the investment choice as an alternative to the choice of more current consumption.

TAX EQUITY REQUIRES TAX NEUTRALITY

Tax incentives to encourage saving, hence investment, are opposed by some on the basis of arguments that do not relate to their economic effect, but which are grounded in what they allege to be violations of equity. But there is no equity in the absence of neutrality. The existing tax biases against saving violate neutrality and equity. A neutral tax system is one which least biases the choice between saving and consuming.

In the context of tax neutrality, a liberalization of existing capital recovery allowances, a tax deduction for households for savings from current income, a reduction of the income tax rate graduation, elimination of the double taxation of dividends, elimination of capital gains and losses from the tax base, and a reduction in the maximum estate and gift tax rates, would not create loopholes that distort the tax structure, but would be measures to remove existing distortions and thereby achieve neutral tax treatment of private saving and investment.

On this point some are in disagreement with sound economic analysis. Those who claim that tax incentives to encourage saving and investment create loopholes that distort the tax structure would be correct if—and only if—there were no existing tax bias against saving and investment. If the existing tax system were neutral and did not bias the choices made by households and businesses between saving and consuming, then, and only then, could it be correct to say that tax incentives to encourage saving and investing create tax loopholes that distort the free market allocation of resources.

But with the existing distortion in resource allocation which results from a nonneutral tax system that is biased against saving and investing, it is erroneous to describe tax incentives to encourage saving and investment—which have the effect of partially offsetting the existing tax bias against saving and investment—as tax loopholes.

Many of the existing tax biases against saving and investment developed 30 or 40 years ago under the influence of the long depression, which provided a rationale for taxation based on the mistaken Keynesian belief that there was a tendency in modern economies to have an excess of savings. Many features of current tax policy exist as relics of this old fallacy. To save ourselves from being victimized by a tax code that embodies an ancient fallacy, the social importance of minimizing the tax discouragement to saving and investment must receive wide recognition.

DANGERS TO LABOR OF CAPITAL SHORTAGE

We cannot succumb to glib reassurances that if savings are inadequate to meet capital needs, the market rate of interest will rise and induce more savings. This glibness falls to pieces in the face of Government mandated capital requirements. The private market cannot raise capital to meet unprofitable Government mandated expenditures unless the savings pool increases sufficiently in size to drop the average cost of capital to the firm. Only changes in tax policy to reduce the tax bias against saving can increase the savings pool.

Unless this Congress takes steps to insure a greater savings rate by reducing the tax bias against saving, the Government mandated capital expenditures will be at the expense of the normal capital investments which produce the growth in labor productivity and employment.

As a Congressman who is deeply moved by the pathos of a jobless worker whose labor cannot be employed because there is no capital to employ it, and by the plight of a family whose needs are growing but whose real income is stagnated by capital investment insufficient to raise the productivity of labor, I am concerned that many freshman Members of Congress believe that their election was a mandate for punitive action toward business. Capital and labor work together. Any punitive action toward one falls equally on the other. It makes no sense to me to undertake measures which are antilabor in their effects. To punish capital is to decimate labor.

Living standards have been raised by increased savings and investment, not by redistribution. The real cost of tax and other public policy measures which distort and depress private saving and investment, regardless of their initial impact, always falls heavily on labor by reducing productivity and real earnings. People who out of ideology mislead labor by deprecating the benefits of capital formation are not friends of labor.

OPPONENTS OF CAPITAL FORMATION—THE HARD-HEARTED MISINFORMED

There is a great deal of hard-heartedness in those who deprecate the benefits to labor of more capital. The September 22 issue of Business Week quotes one liberal professor as saying that if people do not want to save enough to meet capital requirements, "that is just tough."

It is tough all right, but not on tenured professors. It falls on the heads of the laid-off worker, the college graduate who cannot find a job, the retired person dependent on a pension fund that is dependent on the profitability of large businesses.

Not only is this hard-hearted talk, it is misinformed talk. If people do not want to save enough, it is because their preferences have been biased against saving and in favor of consuming by tax policy. If Ways and Means will remove the tax biases against saving, the American people will save enough to meet our capital needs.

It is more misinformed talk that a reduction in the corporation income tax is a tax break for the "fat cats." Pension funds already own 30 percent of large businesses and will soon own 50 percent. Furthermore, 60 percent of the total amount of future pension claims is held by wage earners in the $9,000 to $20,000 bracket. These pension claims are one of the largest assets owned by wage earners.

Since the effective corporate tax rate is higher than the personal income tax bracket of these retired pensioners, the income claims that pensioners have on corporate profits are not only taxed twice due to the double taxation of dividends, but taxed initially at a rate in excess of their personal tax brackets. It would seem, then, that if the incidence of the corporate income tax actually falls on corporate profits, the retired wage earner who is a beneficiary of a pension fund dependent on corporate earnings would benefit from a reduction in the corporate income tax.

Yet, there are Members of this Congress who stand up and say that there can be no reduction in taxes, on corporations because that would be "tax breaks for fat cats" at the expense of "the little man."

It is precisely the pension asset of the little man that Congress is endangering by its spending and tax policies which cause inflation, and reduce capital formation. And it is the same Members advocating these destructive policies who claim to have at heart the interest of the little man.

The Congress cannot let meaningful tax reform be stymied by the hard-hearted and the misinformed. The central challenge which we face is to insure that the rate of saving and investment will be adequate to meet the present and future capital requirements of our economy. If we fail in this, we fail in everything.

THE CAPITAL SHORTAGE IS A PRODUCT OF KEYNESIAN ECONOMICS WHICH ENCOURAGES CONSUMPTION AT THE EXPENSE OF PRODUCTION

Most economists now believe that the rate of capital formation is not adequate to meet the goals of public policy and maintain growth in real wages and employment. But some are reluctant to admit that the capital shortage we face is a product of the economic and tax policies of the past. Instead, they cling to policies which produced the shortage.

Walter W. Heller, for example, recommends stimulating consumption by deficits and monetary expansion. He believes that deficits which stimulate consumption produce a "full employment Federal budget surplus" which will provide public saving to close the gap between capital needs and inadequate private saving. He mislabels measures designed to increase private saving and investment as "tax breaks for business" and claims that deficits which result from these measures produce "annual tax loss."

I believe it is important not only to note that Dr. Heller's economics has a double standard for deficits, but to understand that consumption-stimulative economic policies and tax biases against saving and investment produce capital shortages.

THE FAILURE AND FOLLY OF CONSUMPTION-STIMULATIVE DEFICITS

The idea that Government deficits ipso facto increase the economy's ability to produce is false. The problem with all deficits is that they must be financed. This is especially a problem with deficits designed to stimulate consumption.

When the Government finances a deficit by borrowing from the Federal Reserve, it receives newly created money with which to bid resources away from the private sector in which capital formation predominantly takes place. The Government's spending might stimulate investment indirectly but that investment which does not take place due to the bidding away of resources is a once-and-for-all-time reduction in investment.

When the Government finances a deficit by borrowing from the private sector of the economy, no new money is created. But in order to purchase the Government's bonds the private sector must reduce alternative forms of investment. Since the Government's expenditures consist mainly of payments which go for current consumption, the net effect is to crowd out private investment. The composition of total expenditures is altered toward more current consumption and less current investment than would otherwise be the case.

The result of transferring funds out of current investment and into current consumption is a future income level that is lower than it would otherwise have been: Tomorrow's living standards are sacrificed for today's. Consumption-stimulative deficits, however they are financed, eat into capital formation and future incomes.

TAX INCENTIVES TO SAVE AND INVEST PRODUCE REVENUE GAINS

On the other hand, if a deficit is generated by reducing the existing tax bias against saving and investment, we have a deficit which directly stimulates production. The deficit's negative effects on saving are more than offset by the increase in private saving which results from reducing the disincentives to save. There is a larger pool of private saving to withstand the bidding away of resources from, and crowding out of, private investment, and, thus, a greater rate of capital formation. The higher real wages and new jobs which result will generate additional tax revenues that will wipe out the initial revenue loss from the deficit and produce revenue gains.

THE JOBS CREATION ACT OF 1975

Of the alternatives before us, only the Jobs Creation Act will provide lasting jobs firmly grounded in the higher productivity of more and better capital investment. Of the alternative only the Jobs Creation Act increases savings and avoids deficits.

The Jobs Creation Act, most recently reintroduced on November 4 as H.R. 10538 will increase the savings available for investment by—

Providing tax credits for increases in qualified savings in commercial or mutual savings banks, savings and loans, building and loans or similar associations, credit unions, and life insurance or mutual companies and in qualified bonds and common and preferred stock in domestic corporations—section 3;

Enlarging the dollar amount for individual retirement accounts, savings and bonds—section 4;

Excluding from gross income the dividends received from domestic corporations—section 5;

Excluding the first $1,000 of capital gains—section 6;

Reducing the corporate normal tax from 22 to 20 percent on a permanent basis—section 9;

Reducing the corporate surtax from

26 to 22 percent on a permanent basis—section 10;

Increasing the corporate surtax exemption to $100,000 on a permanent basis—section 11;

Increasing the investment tax credit to 15 percent and making it permanent at that level—section 12;

Increasing the ADR range from 20 to 40—section 13;

Providing for a new alternative system of capital recovery allowances—section 14; and,

Providing for a 1-year writeoff of mandated pollution control facilities—section 15.

Sections 7 and 8 of the act help family businesses and family farms preserve their operations.

COSPONSORS OF THE JOBS CREATION ACT

Ninety-eight Members have cosponsored this and prior versions of the Jobs Creation Act this session.

The Members are: Mr. ARCHER, of Texas; Mr. ARMSTRONG, of Colorado; Mr. ASHBROOK, of Ohio; Mr. BAUMAN, of Maryland; Mr. BEARD of Tennessee; Mr. BRINKLEY, of Georgia; Mr. BROOMFIELD, of Michigan; Mr. BROWN of Ohio; Mr. BURGENER, of California; Mr. CARTER, of Kentucky; Mr. CEDERBERG, of Michigan; Mr. CLANCY, of Ohio; Mr. DON H. CLAUSEN, of California; Mr. DEL CLAWSON, of California; Mr. CLEVELAND, of New Hampshire; Mr. COHEN, of Maine; Mr. COLLINS of Texas; Mr. CONLAN, of Arizona; Mr. CRANE, of Illinois; Mr. ROBERT W. DANIEL, JR., of Virginia; Mr. DAVIS, of South Carolina; Mr. DERWINSKI, of Illinois; Mr. DEVINE, of Ohio; Mr. DICKINSON, of Alabama; Mr. DUNCAN, of Tennessee; Mr. EDWARDS of Alabama; Mr. EMERY, of Maine; Mr. ESCH, of Michigan; Mr. ESHLEMAN, of Pennsylvania; Mr. FINDLEY, of Illinois; Mr. FRENZEL, of Minnesota; Mr. GILMAN, of New York; Mr. GOLDWATER, of California; Mr. GOODLING, of Pennsylvania; Mr. GRASSLEY, of Iowa; Mr. GUYER, of Ohio; Mr. HAGEDORN, of Minnesota; Mr. HANSEN, of Idaho; Mr. HASTINGS, of New York; Mrs. HECKLER of Massachusetts; Mr. HEINZ, of Pennsylvania; Mr. HILLIS, of Indiana; Mrs. HOLT, of Maryland; Mr. HUTCHINSON, of Michigan; Mr. HYDE, of Illinois; Mr. JOHNSON of Pennsylvania; Mr. KASTEN, of Wisconsin; Mr. KETCHUM, of California; Mr. KINDNESS, of Ohio; Mr. LAGOMARSINO, of California; Mr. LATTA, of Ohio; Mr. LENT, of New York; Mr. LOTT, of Mississippi; Mr. LUJAN, of New Mexico; Mr. McCLORY, of Illinois; Mr. McCOLLISTER, of Nebraska; Mr. McDONALD of Georgia; Mr. MADIGAN, of Illinois; Mr. MARTIN, of North Carolina; Mr. MATHIS, of Georgia; Mr. MICHEL, of Illinois; Mr. MILFORD, of Texas; Mr. MILLER of Ohio; Mr. MONTGOMERY, of Mississippi; Mr. MOORE, of Louisiana; Mr. MOORHEAD of California; Mr. MYERS of Indiana; Mr. O'BRIEN, of Illinois; Mrs. PETTIS, of California; Mr. PRESSLER, of South Dakota; Mr. QUIE, of Minnesota; Mr. QUILLEN, of Tennessee; Mr. RAILSBACK, of Illinois; Mr. ROBINSON, of Virginia; Mr. ROUSSELOT, of California; Mr. RUNNELS, of New Mexico; Mr. SARASIN, of Connecticut; Mr. SCHULTZ, of Pennsylvania; Mr. SHUSTER, of Pennsylvania; Mr. SEBELIUS, of Kansas; Mr. SIKES, of Florida; Mrs. SMITH of Nebraska; Mr. SPENCE, of South Carolina; Mr. STEELMAN, of Texas; Mr. STEIGER, of Arizona; Mr. STUCKEY, of Georgia; Mr. SYMMS, of Idaho; Mr. TALCOTT, of California; Mr. TAYLOR of Missouri; Mr. THONE, of Nebraska; Mr. TREEN, of Louisiana; Mr. VANDER JAGT, of Michigan; Mr. WAGGONNER, of Louisiana; Mr. WALSH, of New York; Mr. WHITEHURST, of Virginia; Mr. WINN, of Kansas; and Mr. YOUNG of Alaska.

A companion bill has been introduced in the Senate, as S. 2465, under the prime sponsorship of JAMES A. McCLURE, of Idaho.

THE ECONOMICS OF STIMULATING PRODUCTION

We all know that it is industry's increased ability to produce that provides more real jobs. We all know that it is increased production that enlarges the tax base and increases tax revenues. We all know that too much consumption can destroy the ability to produce. Farmers who eat out of their seed grain, and factories that pay dividends or wages out of their depreciation funds, run down their productive capacity.

Even the advocates of consumption-stimulative deficits, such as the Congressional Budget Office, have as their purpose to increase production. They have in mind to increase production indirectly by directly increasing consumption. The idea is that as business finds the demand for products rising, it will invest more in order to be able to produce more to meet the demand.

But this indirect way of stimulating production is not foolproof and usually results in inflation, because the demand for goods increases before business has increased its ability to produce more good. The deficit itself, depending on how it is financed, either contributes to the inflation or interferes with business' ability to invest more in response to the increased demands for its products. If the deficit is monetized, it adds fuel to the inflation started by stimulating more consumption before business can offer more for sale. If the deficit is not monetized, it raises the interest rate, thus crowding out the additional investment that is supposed to follow from increased consumption.

Deficits designed to increase consumption do not increase the savings out of which must come the investment to provide the additional production to meet the increased consumption. In fact, the deficits use up private sector saving and thereby reduce the amount of investment in jobs-creating industrial capacity. Instead of savings going into additional plant and equipment, the savings go into Government bonds.

Tax reduction designed to increase consumption cannot simultaneously increase saving. People cannot save what they consume. And they cannot consume more in real terms unless they have first saved and invested more to provide the increased production that makes possible increased consumption.

Tax reductions designed to lessen the existing tax bias against saving work hand in hand with tax reductions designed to increase investment. Reducing the tax bias against saving encourages people to save more, because it reduces the amount of current consumption they must forgo in order to save.

By reducing the amount of current consumption people have to give up in order to increase their future income, people are willing to save more even at lower interest rates.

Tax reduction designed to reduce the existing tax bias against investment increase the value of the after-tax income from the investment, thereby lowering the pre-tax rate of return that must be earned if the investment is to be undertaken and, thus, increasing the range of profitable investments.

To take advantage of tax reductions designed to increase investment, people must undertake additional investments, which increase the amount of economic activity, the tax base, and generate new tax revenues. Because of increased production, revenue losses do not materialize from tax reductions designed to stimulate investment.

In general, the greater the extent to which a tax reduction is production stimulative rather than consumption stimulative, the less the likelihood is it will result in a deficit. Since the Jobs Creation Act is 100 percent production stimulative, it cannot produce a revenue loss.

INADEQUATE CAPACITY CHARACTERIZES WORLD'S PRODUCTIVE SYSTEM

There are Members who accept this economic analysis in principle but who say it does not currently apply because of recessionary excess capacity. However, in the current issue of Dun's Review, the distinguished business economist, Pierre Rinfret, cites Department of Commerce figures which show that "outside of Japan there is relatively little idle capacity in the free world." He says that "the unfortunate results of the 40-year-old Keynesian emphasis on consumption are obvious. What we need now is more emphasis on capital formation. Increased capital formation means more jobs and less inflation."

There are some people who are in the curious position of favoring capital formation in third world countries but not in the United States. They realize that third world countries need more capital to raise their living standards and they say the United Staes should provide more aid. At the same time they say that the way to raise living standards in the United States is through income redistribution rather than through capital formation. What these people need to explain is why capital formation works in the third world but not in the United States, and why income redistribution works in the United States but not in the third world. They cannot explain that. They are caught in a dilemma, just as are those who now accept that high taxes and deficit spending have ruined New York City but still advocate this formula for our national economy.

The American people will not buy a program of aiding capital formation in foreign countries but not in our own, because that is a program of redistribution of capital that is at the expense of American living standards. The proponents of foreign aid will have to realize that more aid to foreigners requires more capital formation in the United States. The greater our capital formation, the more we can help others without lowering our own living standards.

THE PRESIDENT'S TAX REDUCTION PROPOSAL

President Ford's tax reduction proposal is roughly 75 percent consumption stimulative and 25 percent production stimulative. Recognizing the negative effects on the economy of consumption stimulative deficits, the President's tax reduction proposal is predicated on a matching spending reduction.

I think we all know that the proclivity of Congress will be to pass tax cuts but not spending cuts.

If this happens, the President's program will become largely one of consumption-stimulative deficits with all of the following problems which will worsen the economc situation.

First, to the extent that the deficit is monetized by selling Treasury notes to the Federal Reserve System, the supply of money will increase relative to the supply of goods, which is inflation with all of its problems.

Second, to the extent the deficit is financed by selling Treasury notes to the private sector, private savings will be used to purchase Government debt, and private investments will be crowded out as interest rates rise. The capital shortage will become greater, with all the problems for public policy, pension solvency, employment, and housing that will result. If the Federal Reserve System is then pressured to ease money in order to hold down the rise in interest rates and the amount of crowding out of private investment, the debt becomes monetized, thus fueling inflation and sending interest rates even higher.

Since the Jobs Creation Act is 100 percent production stimulative, it will produce revenue gains instead of revenue losses. Therefore, for its provisions to have a positive impact on the economy does not require that the tax reductions be matched by spending reductions.

DEFECTS OF CORPORATE TAX STUDY 1974

Last month one of our colleagues introduced into the RECORD a corporate tax study prepared by congressional accountants. No doubt they are good accountants, but when they draw economic implications from their accounting figures, they are out of their field, and their mistakes have misled our colleagues.

The misleading character of these mistakes are compounded by the study's tendency to overgeneralize. For example, on the basis of finding that 8 corporations paid no Federal corporate income tax in 1974 nad 18 companies paid at an effective tax rate of 10 percent or less, it concludes that since "U.S. corporations are already paying little or nothing in Federal income taxes, it makes no sense to give them tax relief in an effort to stimulate investment capital."

Now 8 plus 18 make 26. And 26 companies are in an insignificant percentage of U.S. corporations.

If we take this kind of over generalization and add to it the mistake of not including the foreign taxes paid by multinational corporations when we compute their effective tax rate, the irrelevance of the tax study is clear.

For example, when the total tax burden on corporations is taken into account, the accountants' figures show that companies listed as paying taxes at an effective rate of 10 percent or less, such as Mobil Oil Corp., Texaco, Inc., and Occidental Petroleum Corp., actually paid taxes at effective worldwide tax rates of 68 percent, 46.9 percent, and 61.6 percent respectively.

Although the study acknowledges that these companies are "worldwide organizations," it seems to think that their profitability is independent of their worldwide taxes. The study claims that the oil companies' payments to foreign governments are not taxes but royalties.

I have asked professional economists about this and they say that the question to ask for deciding whether a payment to a government is a tax or not is whether you have an option to pay. If not, the payment is a tax whatever its name. Everyone knows that the social security tax is a tax although it is called a "contribution."

The study makes a major mistake when it misinterprets the fall in Federal revenues from the corporation income tax to be a product of tax breaks which let corporations increasingly avoid taxes. The truth of the matter is that the fall in corporate Federal tax payments is proportionate to the fall in profits as a percent of gross national product. Corporate profits as a percentage of GNP have been falling steadily. Anyone who draws the implication from the study that corporations are wallowing in profits as a result of tax breaks will be totally wrong.

The study presents the idea that the assignment of the tax burden is a matter of corporations versus the people. The idea is convenient for rhetoric. But to anyone who is familiar with the difficult analytical question of the incidence of the corporate income tax, the idea is simple minded.

There are many economists who believe that the corporate income tax is just another cost of production that is largely passed on to consumers in higher prices. If these economists are correct, then a reduction in the corporate income tax would result in lower prices, leaving more dollars in the pockets of the American public, not less as the study claims. I do not believe any economist would back the claim that "for every revenue dollar loss to incentives or tax stimulants or just plain tax loopholes, the American public reaches into their pockets for another dollar to replace it." Dr. Ture's economic analysis of the Jobs Creation Act certainly does not support such a claim. It concludes that the act's tax reductions would generate additional real income and increased tax revenues.

Other economists believe that the corporate income tax is an excise tax on equity capital, thereby lowering the productivity of labor and the real wage. If these economists are right, then the incidence of the corporate income tax falls on labor in the form of lower real wages. In this case, a corporate tax reduction would benefit the wage earner by increasing his productivity.

Wherever the incidence of the corporate income tax falls, one thing is certain: There is no clear-cut issue of the "fat cat" versus "the little man" or the corporations versus the people. These simple-minded ideas are the products of political posturing; they are not the products of serious analysis.

Since it is not only unclear but also unlikely that the corporate income tax falls only on "the fat cats," the only way to assure the progressivity of the tax system would be to abolish the corporate income tax altogether and tax all income as personal income.

We should all be aware that there is nothing unusual about the effective corporate tax rate being less than the statutory tax rate. The effective personal income tax rate is also lower than the statutory rate.

Since the effective tax rates are determined by Congress, it is incorrect to speak of corporations "avoiding" the statutory tax rate. All that can be said is that corporations and individuals comply with the effective tax rates.

Of course, when it is put truthfully, it no longer sounds like corporations are up to no good. I, therefore, can see no reason the Congress should follow our colleague's suggestions and "consider legislation to require full and public disclosure of corporate tax returns" unless it also considers legislation to require full and public disclosure of personal tax returns. The main result of such legislation would be to reveal which companies and individuals have the best tax lawyers. It would amount to free advertising for the best tax lawyers. I am surprised that our colleague is in favor of subsidizing the best tax lawyers.

We must be careful not to generalize on the basis of small numbers—especially when the numbers are misleading in themselves. To do so can result in unintentional political demogoguery that misleads the public. A prime example occurred in 1969 when Joseph Barr, a former Member of the House, was Acting Secretary of the Treasury for 31 days. Mr. Barr misled the public into believing that it is very easy for the rich not to pay taxes when he announced that 155 people with incomes of $200,000 or more paid no Federal income tax in 1967.

Now Mr. Barr did not explain to the public that 55 of the 155 figure were generated by using adjusted gross incomes and not net incomes—by ignoring the costs incurred in earning the incomes, for example, by counting the income received from investing borrowed money but not the interest that had to be paid on the loan. He did not say that 100 of the 155 figure was generated by ignoring foreign taxes paid on money earned abroad, by ignoring generous charitable gifts to universities or museums in excess of the taxpayer's annual income, and by ignoring tax-loss carryforwards, from past financial disasters. Neither did Mr. Barr note that the 155 cases generated in these ways comprised 1 percent of the 15,000 taxpayers at the $200,000 and up income level who paid taxes at a rate of 44 percent on adjusted gross income.

We, in the House, as representatives of the people, have the moral obligation not to mislead the people, whether by mistake or by intention.

STIMULATE PRODUCTION, NOT ENVY: REDISTRIBUTION DIVIDES AND FAILS

Legislation motivated by partisan ideological motives often backfires, just as has the effort to use the tax system to redistribute income. Attempts to make some better off at the expense of others by redistributing the pie have clearly failed. We must turn now to a policy of a bigger pie so that our productive capacity can catch up with the demands that are placed on it. In place of a divisive program of envy, I recommend a more democratic program that focuses on making all of our citizens better off through a more rapidly growing economy that is more generous to all.

THE UNITED NATIONS AND ZIONISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Heinz) is recognized for 15 minutes.

Mr. HEINZ. Mr. Speaker, I regret that due to official business in my district, I was not present for the vote on House Resolution 855, which condemned the United Nations resolution equating Zionism with racism. Please let the record show, that I strongly support House Resolution 855, and would have voted for it had I been present.

The recent irresponsible vote in the U.N. which equated Zionism with racism, has proven that certain extremist and, militant nations have been successful in manipulating this organization into a forum, not for the promotion of harmony among nations, but for the advancement of their own anti-Semitic racist doctrine. Equipped with a new-found power and backed by Arab oil, they have been able to persuade many of the so-called third world and nonalined nations that it is in their best interest to vote against Israel. Yet, this resolution is only one action in a determined and continuous campaign by these militants aimed at the destruction of Israel. Continuous harassment, which has begun to permeate various organs of the United Nations, also has been evidenced by the sanctioning of Israel in UNESCO and in the consideration by the International Womens Year Conference, of an Arab political resolution on Zionism, which was totally divergent from the aims and purposes of the U.N. sponsored meeting.

It seems to me a most unhappy commentary on the United Nations and its membership that so many countries can be duped into supporting a subterfuge, such as this, which has no basis in fact. Zionism, a nationalistic doctrine advocating a Jewish homeland and right to self determination evolved, in part, as a result of the continuous persecution of the Jewish people throughout their history. At the time of Israel's inception, the United Nations recognized this need and supported the concept of a homeland for the Jewish people where they could live free from persecution and discrimination. Yet now, radical elements in the U.N. seek to brand this nation as racist—a nation which offers not only a home to any Jew wanting to live there, but which supports the principles of equality among all peoples and bestows citizenship and equal right to any person regardless of race or religion. One wonders how those nations who voted for the Zionist resolution can ask anything less of Israel than what they advocate for the Palestinian people or for themselves.

Mr. Speaker, the United Nations has created a serious injustice by giving a false air of legality and morality to the anti-Zionist resolution and may have done irreparable damage to itself. In a year when the U.N. will be approaching its 30th anniversary, it faces possible disintegration as a credible forum for easing international tensions. It faces the degradation of discussion and conciliation at this time because a majority of this organization's members have blatantly ignored one of the most basic principles of its charter. The sad irony is that most of those nations that voted against Israel so recklessly may have destroyed an institution they badly need. If they have succeeded in doing so every member-nation will suffer.

The resolution passed by this body condemning the U.N. anti-Zionism vote is, in essence, an overwhelming statement of our support for Israel's right to survive. It serves notice on those nations that the United States will not idly stand by and allow the harassment of Israel nor the blatant violation of the United Nations charter. I support this statement and hope that, should the U.N. resolution stand, the Congress will begin a careful evaluation of our role in this organization.

NATIONAL FOOD STAMP REFORM ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. Bob Wilson) is recognized for 5 minutes.

Mr. BOB WILSON. Mr. Speaker, I am pleased to sponsor the National Food Stamp Reform Act of 1975. This legislation will go a long way toward correcting food stamp abuses, injustices, and inequities.

Under the present law, some families with incomes over $12,000 are getting food stamps, while others under that income figure are not getting the stamps and are in fact supporting the program by having their tax dollars dumped into the food stamp kitty.

If approved, this bill will save over $1.2 billion a year and will tighten up and simplify the heretofore loose administration of the program. By limiting eligibility to those whose gross income less the standard deduction is below the poverty level, the program will actually increase the benefits for the neediest families and individuals at the same time that it removes the cheaters from the rolls of eligibility.

The program cries out for simplification and streamlining. Millions of dollars have been lost since its inception in 1964 through abuse.

Another desirable provision in this legislation would require able-bodied, employable recipients to seek, accept, and retain gainful employment, instead of encouraging those same individuals to live off the Government and indirectly off the fruits of the labor of their neighbors. What we do not need in this country is a dole system, such as was in effect in ancient Rome. What we do need—and what this legislation will provide—is a system that will benefit the truly needy.

I urge my colleagues to give the National Food Stamp Reform Act of 1975 their full and wholehearted support.

THE UNITED NATIONS, ZIONISM, AND RACISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Burke) is recognized for 15 minutes.

Mr. BURKE of Florida. Mr. Speaker, the action taken by the United Nations General Assembly Monday in passing its resolution equating Zionism with racism is infamous. It is the result of fanaticism by the "hate Israel" bloc, egged on by the Soviet Union and its puppets whose ultimate aim is, of course, the destruction of the United States as well as Israel. To the Communists and their numerous camp followers, this resolution is but one more means to that end.

It saddens me to have to say this, but the General Assembly has, by this single vile action, forfeited all right it may have had to the respect of the international community.

Despite my position as a member of the U.S. delegation to the 30th General Assembly—or perhaps because of it—I must announce my wholehearted support for suspending our financial support and other participation in the General Assembly until such time as the General Assembly acts in a responsible manner as a forum for international debate and the resolution of differences, not the creation or aggravation of them.

This latest outrage is only one more in a long chain of blatantly irresponsible actions taken by the General Assembly in recent years. The discrimination against Israel in UNESCO, the refusal to accept the credentials of the Republic of South Africa, the granting of observer status to the terrorist Palestine Liberation Organization, and a host of similar actions all point up the extent to which the General Assembly has become the captive of a clique of small countries whose aims are clearly anti-Western and antipeace.

The U.N. resolution is based on an almost unbelievable perversion of what Zionism really means. Zionism is not racism. Zionists do not operate on the assumption that they are superior and, therefore, have a God-given right to persecute racial minorities; that is racism. Zionism is a movement for a Jewish homeland, a refuge for people who have been persecuted, harassed, and butchered for centuries. It is a movement with a long honorable history. It is not racist.

Zionists do not preach or practice exclusivity. Quite the reverse is true. Jew and non-Jew alike live and work and practice their religions in the State of Israel, which is certainly a far more open society than many, if not most, of those which voted on Monday for this outrageous resolution.

Mr. Speaker, let us be plain about the matter: to equate the longing for a homeland with racism is sheer folly and amounts to an attempt to rewrite history. Ambassador Pat Moynihan is right; the U.N. has given a tacit stamp of approval to the slaughter of 6 million Jews during World War II.

As my colleagues know, I have cosponsored House Resolution 682 to support Israel in the event of her expulsion from the General Assembly, even to the extent of drastically reassessing our own support for the General Assembly. I regard the Monday resolution as being just as serious as outright expulsion because it demonstrates just as clearly the complete bankruptcy of the General Assembly as it now stands.

As my colleagues also know, I have introduced my own House Concurrent Resolution 408 calling for the expulsion from the United Nations of Byelorussia and the Ukraine, both of which dutifully voted with their Soviet masters for Monday's resolution. The hypocrisy in this simply boggles the mind.

Everyone knows that, as I stated on the House floor on September 26, Byelorussia and the Ukraine are merely "constituent parts of one vast slave state" and, therefore, unworthy of U.N. membership. They fail every test of nationhood as set forth in the U.N. Charter, and yet there they sit, casting a vote to condemn as racist a country that is manifestly not racist and that stands as a beacon of hope to a people oppressed for centuries because of mindless bigotry—the very sort of mindless bigotry exhibited in this vicious resolution.

Mr. Speaker, there can no longer be even the flimsiest justification for paying 25 percent of the bill—about $900,000 a year of a total budget of $3.8 million—for an organization which now has, at least symbolically, blood on its hands.

If the so-called third world want to indulge in silly and dangerous baiting of the United States and its allies, at least let us have the courage to refuse to pay for the privilege of being hounded. This is a disgrace. We should not have to pay for such dishonor as this. It is time we stood up for principle to let the world know that we are still a great power, morally as well as militarily.

NEW YORK'S FISCAL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. Gonzalez) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I firmly believe that the problems of New York City are serious enough to warrant some form of Federal help. I have previously, with a number of my colleagues, asked the Federal Reserve Board to consider acting as lender of last resort to the city, as it is empowered to do. I have not yet received a response to that letter. However, in the meanwhile, the Federal Reserve Bank of New York has received a loan application from the Governor of New York requesting aid for several troubled entities of the State. The president of the New York Fed says that he will consider the matter, but that he needs more information. Therefore, it is clear that the proposal I have advanced is well within the realm of possibility.

The Committee on Banking and Currency has also approved legislation on the problems of New York, and I have submitted separate views to the committee's report. I insert my views on this bill as part of the Record for consideration by my colleagues:

Additional Views of Henry B. Gonzalez

It is not possible for any municipality to cease operations. Yet the Committee has been told that New York City would be forced virtually to suspend all essential services if it receives no financial relief. There is almost no indication that the City has left any financial stone unturned in its search for new funds, and almost no evidence that the City can escape default without some form of Federal assistance.

The record shows that it might be far less costly to the Federal government, and certainly more likely to assure that order and necessary services in New York can be maintained, if assistance is provided prior to default.

Yet I question whether this bill can produce the necessary relief, and I am troubled by certain aspects of the bill, even if it could be enacted over the veto that has been promised by the President.

Time and time again, legislatures have acted in haste only to repent at leisure. Emergency legislation is very often the father of bad law and worse precedent. I am sympathetic to the problems of New York. No one can deny that the City must carry on, somehow. No one can dispute the evidence that it would be cheaper for the Federal government to provide a helping hand now, to preclude the possibility that we might be called on later to finance the City's essential services directly.

But would this bill provide the necessary help, and would it be the correct help? I think not.

The President has clearly announced his intention to veto this, or any other bill that he labels (however incorrectly) as a "bailout." It is unlikely that this bill will even be passed by Congress prior to a default by New York, and even more unlikely that it could be passed over a veto before that time. Even supposing that these miracles took place, I doubt that the machinery to provide assistance to the City could be set up and placed into effective operation in time to rescue it from default and bankruptcy.

Beyond these practical constraints, I am troubled by some of the consequences of a loan guarantee. The bill provides that bondholders would be asked to renegotiate their notes, so as to prevent the windfall profits that would otherwise flow to people who have bought New York paper at a discount on the gamble that a guarantee would be forthcoming. Unfortunately, the renegotiation provision does not go far enough. I believe that no guarantee we enact should promise to do any more than preserve the capital that investors have placed in the securities thus underwritten. The Federal government might well wish to protect innocent investors; but it should in no way be called upon to provide profits to investors who have been imprudent or who are outright speculators. Therefore, I would limit any Federal guarantee strictly to the amount of cash that individuals have actually invested in the securities to be guaranteed. Payment of any difference between the cash investment and face value of the paper, or any interest on it, should be left up to the issuer. Otherwise, the Federal guarantee would tend to encourage the proliferation of unwise investments in questionable paper—which is ceretanily a factor that contributed to the problems of New York City. Had the investors blown the whistle sooner, the problems the City faces today would be far less severe. The terms of any Federal guarantee should take this into account, so that while capital would be preserved, prudent investment practices would also be encouraged. No Federal guarantee should provide anyone a speculative windfall or otherwise reward improvident and unsound investment. I will, therefore, offer an amendment restricting any Federal payment on a guaranteed security to the amount of cash actually invested by the holder of such a security.

I am disturbed also by the precedent that would necessarily be set by this legislation. It would alter in a profound way the relationship between the Federal government and municipal governments—not only New York, but all others as well. There are differences between the straits of New York and those of the Lockheed Corporation, but it cannot be denied that the Lockheed bailout fundamentally changed relationships between the Federal government and private enterprise. The case of the Penn Central suggests that the precedent was not a good one.

In this case, we are proposing to intercede directly with a city. Cities are the creatures of the States, and New York is no exception. Part of New York's problem is that the State of New York failed to live up to its responsibilities to New York City. The State went along with unsound practices, no less than did the big banks; and the State encumbered the City with burdens it could not support, even as it failed to ameliorate the social and economic ills that plagued the City. If the City was irresponsible, and that is clearly the case, then the State had a duty to correct the problem. Far from doing its duty, however, the State ignored some of the City's problems, enacted policies that compounded other problems, and did not discourage activities that it surely must have known to be unsound or even outright illegal. It is possible that a loan guarantee, by interposing the Federal government between the City and State, might well cause the State to think its responsibilities have been met, when in fact the State of New York must be given every reason to know that it must accept and carry out its full responsibilities toward the sound government of all its instrumentalities, not just some of them. I am not satisfied that the bill does keep in place the correct relationships between the Federal government and the States and Cities, nor between the States and their instrumentalities, including the cities. If, as I suspect, this bill would change in a basic way the relationships within our Federal system, it is a step that we should take only with the greatest of fear and trepidation. The precedent set by this bill would be large indeed, and almost no thought has been given to the extent of it.

The financial problems of New York City are real. The dangers of the collapse of any financial structure as large as that of New York City are clear. The potential costs of such a collapse, even if it is confined only to New York City, itself, are very great. And it cannot be denied that the essential services of the City will have to be provided for as long as the City exists, no matter what happens to its financial system.

I do not believe that we are faced with a choice between bankruptcy and loan guarantees. The costs and dangers of a bankruptcy cannot be assessed, but I think they are too great for us to gamble on. Loan guarantees on the other hand, raise questions that I cannot immediately satisfy. My questions, reservations and doubts will take more time than is presently available to satisfy.

My opinion is that there is a third solution. Some believe that New York City can save itself, or that the state can do so. I do not believe this to be true. Some argue that there is no other choice than bankruptcy or a Federal guarantee. I do not believe this, either. I do believe that the Federal Reserve could provide financial assistance to New York through its powers as enumerated in section 14(b) of the Federal Reserve Act. If these powers are insufficient to allow the City to restructure its debt and establish itself on a sound and responsible footing, they are at least great enough to permit the City to escape default, and to provide sufficient time for Congress to give this complex and vexing problem the kind of careful and deliberate attention that is required. Furthermore, the Fed can act immediately, and immediate help is what is required.

No one could seriously argue that the Fed is ill equipped to exercise its powers to alleviate this sore problem. The Fed is the wealthiest of Government agencies; its powers and independence are known, respected and even feared. Its staff is expert by any standard. Its Chairman and Governors are known for their sagacity and caution. Chairman Burns is, as anyone who knows him will attest, a man of great ability, and moreover one who has a stern and righteous sense of values. It would be unlikely that the Fed or its Chairman would countenance less than the best effort that New York could provide to make itself honest and sound.

I urge that the Fed act, as it can and as it has done in other financial emergencies. I believe that this is the only way to assure that New York does not become a financial and perhaps social disaster as well. Most important of all, I believe that action by the Fed would enable us to provide with all the necessary caution and deliberation whatever further Federal action—if any—that might be needed to rectify this problem, beyond its own ample powers.

In a crisis, there are dangers to be avoided. In this case, I believe that we have almost no chance that the bill will solve the problem, and a considerable one that if it should somehow meet the crisis, the action would be irretrievably wrong from both a fiscal and constitutional point of view.

SUBCOMMITTEE ON SOCIAL SECURITY'S ACTIONS CONCERNING SOCIAL SECURITY APPEALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, my colleague, the gentleman from Ohio (Mr. MOSHER), inserted a statement in the CONGRESSIONAL RECORD on November 7, 1975, concerning a General Accounting Office study on delays in obtaining hearings under the social security system. My friend and colleague from West Virginia, Mr. HECHLER, has also played a part in initiating this study.

I wish to express my appreciation for the actions that these gentlemen have taken in focusing the attention of Congress on the very serious situation that exists at the present time. I believe, however, that it is important that the full story concerning this matter be brought to the attention of the House. The Committee on Ways and Means has been engaged in an indepth review of the entire operation of the disability insurance program for approximately 2 years. The staff of the committee issued a comprehensive report in July 1974, discussing the entire operation of the disability programs, placing special emphasis on the problems that exist in appealing denied applications for disability benefits, which make up 80 to 90 percent of all social security appeals.

On July 29 of this year the Subcommittee on Social Security decided to conduct hearings on the problems that exist with respect to the delays encountered in obtaining a hearing and decision on social security applications. At the present time there are some 107,000 applicants who are presently involved in the appeals process and still awaiting a decision on their application for benefits. The subcommittee held hearings during the months of September and October which focused in on the problems that exist at every level of consideration and review of social security claims. The subcommittee is now meeting to consider legislation that will help to improve the operation of the appeals process, and make it possible to reduce the present backlog of cases in the shortest time possible.

At the same time, the subcommittee and its staff are continuing to attempt to deal with the other problem areas that exist in the disability programs. At the direction of the Committee on Ways and Means and the Subcommittee on Social Security, the General Accounting Office has been conducting studies in two separate areas. The first of these is a review of the operation of the beneficiary rehabilitation program which provides that the cost of furnishing vocational rehabilitation services to disability insurance beneficiaries may be paid out of the disablity insurance trust funds. Second, the subcommittee has directed the GAO to conduct an on-site review of the operation of selected State disability determination agencies.

I hope that the study that the GAO is now conducting at the request of Congressman MOSHER and HECHLER, of West Virginia, will provide the Congress with an additional source of information concerning the serious problems that have arisen which have led to the enormous buildup of appeals cases within the Social Security Administration. At the same time, I want it to be clearly understood that the Subcommittee on Social Security and the full Committee on Ways and Means had been looking into the problems that exist in this area long before the GAO began to make its study in this same general area.

LEGISLATION TO AMEND THE 1970 POSTAL REORGANIZATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. LEHMAN) is recognized for 5 minutes.

Mr. LEHMAN. Mr. Speaker, I am joined today by 50 of my colleagues in reintroducing a bill to amend the 1970 Postal Reorganization Act.

In the time that has elapsed since I first introduced this legislation, several questions have arisen regarding the potential effects of my bill. I would like to take this opportunity to restate the problem that has necessitated the introduction of this legislation and to clarify how this bill will solve that problem.

In 1968, the Congress passed Public Law 90-480, commonly known as the Architectural Barriers Act. This law states that public buildings built with Federal money, except those on military installations, are to be constructed so as to be accessible to the handicapped. This law was amended in 1970 to include the D.C. Metro subway system, now under construction.

The problem as I see it, is that for unknown reasons the Congress failed to include in the Postal Reorganization Act the 1968 Architectural Barriers Act as one of the Federal laws that the Postal Service must adhere to. Thus, the Postal Service is not required by Federal statute to construct its buildings so as to be accessible to the handicapped.

My bill amends the Postal Reorganization Act to include the Architectural Barriers Act.

The Postal Service is one of the eight Federal agencies that comprise the Architectural and Transportation Barriers Compliance Board. This Board is charged with the responsibility of insuring that laws passed by the Congress with respect to the handicapped are adhered to by all Federal departments. Thus, the mechanism for insuring compliance with the intent of Congress that public buildings financed with public money are to be accessible to the handicapped, already exists.

I believe this legislation to be timely in view of the fact that since 1971 the Postal Service has constructed 178 new postal facilities across the country, and plans call for the construction of 117 additional buildings within the next few years.

As I previously stated, it is estimated that 10 percent of our population is handicapped. I believe it is grossly unfair and unjust that so many of our citizens are potentially denied access to a public facility as important as the post office.

I hope that with the introduction of this legislation we will be able to focus our attention on a problem that needs to be solved if we are to realize the dream of full equality for all of our citizens.

I would like to thank my colleagues who have cosponsored this legislation and to urge that hearings on this bill be held as soon as possible.

At this point, I would like to include a list of the cosponsors of my bill:

LIST OF COSPONSORS

Ms. Abzug of New York.
Mr. AuCoin of Oregon.
Mr. Badillo of New York.
Mr. Bevill of Alabama.
Mr. Brademas of Indiana.
Mr. Brodhead of Michigan.
Mr. Burgener of California.
Mrs. Chisholm of New York.
Mr. Cohen of Maine.
Mr. Dodd of Connecticut.
Mr. Downey of New York.
Mr. Edgar of Pennsylvania.
Mr. Fascell of Florida.
Mr. Harold Ford of Tennessee.
Mr. William Ford of Michigan.
Mr. Fuqua of Florida.
Mr. Gilman of New York.
Mr. Hannaford of California.
Mr. Harrington of Massachusetts.
Mr. Jeffords of Vermont.
Mr. Jenrette of South Carolina.
Mr. Harold Johnson of California.
Mr. Kasten of Wisconsin.
Mr. Koch of New York.
Mr. Lent of New York.

Mr. Jim Lloyd of California.
Mrs. Marilyn Lloyd of Tennessee.
Mr. Clarence Long of Maryland.
Mr. Madden of Indiana.
Mr. Melcher of Montana.
Mr. Mikva of Illinois.
Mr. George Miller of California.
Mr. Mineta of California.
Mrs. Mink of Hawaii.
Mr. Parren Mitchell of Maryland.
Mr. William Moorhead of Pennsylvania.
Mr. Mosher of Ohio.
Mr. Ottinger of New York.
Mr. Pepper of Florida.
Mr. Quie of Minnesota.
Mr. Roe of New Jersey.
Mrs. Schroeder of Colorado.
Mr. Stark of California.
Mr. William Steiger of Wisconsin.
Mr. Whitehurst of Virginia.
Mr. Bob Wilson of California.
Mr. Charles Wilson of Texas.
Mr. Wirth of Colorado.
Mr. Wolff of New York.
Mr. C. W. Bill Young of Florida.

ZIONISM AND RACISM ARE TOTALLY INCOMPATIBLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 10 minutes.

Mr. DRINAN. Mr. Speaker, it is difficult to overstate the shock and dismay which Americans continue to have when they contemplate the fact that on November 10, 1975, the General Assembly of the United Nations endorsed a resolution stating that Zionism is a form of racism. The charge is preposterous because Zionism has as its very essence a revolt against racism and discrimination.

The attempt by Communists, Arab and other nations, to portray Zionism as racism reminds one of the phrase "verbal violence" which Prof. Gordon Allport, distinguished sociologist of Harvard University, used to categorize statements born in bigotry which were designed to dehumanize people by turning them into odious abstractions.

It is depressing beyond description when one notes that among the 72 nations which voted in favor of this incredible resolution were Brazil, China, Mexico, the Soviet Union, and Portugal. One perhaps can take some joy in the fact that although only 29 nations opposed the resolution in the General Assembly's Third Committee, 35 nations opposed it in the Full Assembly. Consequently, neither the vote on October 17 of the Third Committee or the vote of November 10 reflected the previous automatic majority of 80 percent or more which the Arab States have always attained in recent times when they have proposed a resolution that would denigrate Israel.

The Arab assault on Zionism results from the failure of a more far-reaching Arab design—to bring about Israel's suspension from the General Assembly of the U.N. The Arab campaign against Israel triumphed in the Women's Conference in Mexico in June, in the Conference of African Heads of State in Kampala in July, and at the Conference of the Non-Aligned States in Lima in August. Nonetheless, Israel, aided by the citizens and the Congress of the United States, succeeded in defeating the campaign for the suspension of Israel from the General Assembly. It was after and because of that defeat that the Arab effort was concentrated on a worldwide attack on Zionism.

The charge that Zionism is a "form of racism and racial discrimination" becomes more unbelievable as one seeks to analyze it. The U.S. Delegate, Leonard Garment, perceptively summed up the absurdity in these words:

> Under the guise of a program to eliminate racism, the United Nations is at the point of officially endorsing anti-Semitism. . . .

Delegates from the Arab States and Moslem countries insisted that the resolution was not directed at Israel or Judaism; its sole target, they asserted, was a "nationalist" Jewish movement. Unfortunately, no rationalization can remove the fact that the anti-Zionist resolution of the United Nations is really a euphemism for anti-Semitism.

Now that the General Assembly has gone along with its Third Committee, one can feel that the entire United Nations will be enlisted in a global campaign against Zionism as an alleged form of racism. This resolution not only distorts completely the truth, but it could become a sentiment likely to incite racial hatred or anti-Semitism against Jews and Jewish communities around the globe.

ZIONISM IS A MOVEMENT FOR MORAL LIBERATION

The undeniable truth is that Zionism is one of the noblest and purest movements for liberation in modern times. Indeed, there are few liberation movements whose moral credentials are the equal of Zionism. Zionism is more than a political movement; it is an expression of worldwide Jewish religious beliefs and hope. Zionism is a profoundly held spiritual conviction of Jewish fidelity to the biblical covenant which links a people, a faith, and a land in a unique religious unity. If Communists, Arab, and other nations do not recognize the inseparability of Zionism and Jewish religious faith, they still are not justified in issuing a vilification of Zionism. And to equate Zionism with racism represents a frontal assault against the core values of Judaism. As such, the assertion of the alleged connection between Zionism and racism constitutes a new form of anti-Semitism. Traditional anti-Semitism denied the individual Jew his personhood; this new anti-Semitism seeks to deny the Jewish people its nationhood.

Christians should be particularly outraged at the fact that the General Assembly of the United Nations has endorsed the calumny that Zionism is a form of racism. Judaism retains many of the most ancient religious aspirations of mankind, all of which are embodied in Christianity. Judaism has as its central tenet the intervention of God in the affairs of mankind. This, of course, is also the centerpiece of every form of Christianity. Judaism also, like Christianity, recognizes the need and embraces the hope for the redemption by God of all mankind. Zionism, both politically and religiously, can be seen as the implementation of the ancient Jewish hope for the redemption of this unique people. Even in its most detheologized or secularized manifestations Zionism expresses the noble dream of the ingathering of the exiles in the land of Israel—a task made urgent by the massacre of European Jewry, fully one-third of the Jewish people.

Judaism and Christianity, unlike all other religions in the world, share the conviction that God has revealed himself to man and that God will redeem all men from the tragedies that surround them. Zionism is a manifestation of that faith. Christians, consequently, should be horrified and outraged when 72 nations of the Earth endorse a resolution stigmatizing Zionism as a form of racism.

On November 11, 1975, the U.S. House of Representatives, by a vote of 384 to 0, endorsed a resolution which expresses the horror and outrage at the 72 to 35 vote—with 32 abstentions and 3 nations absent—of the General Assembly of the U.N. The resolution follows:

H. RES. 855

Whereas the United States, as a founder of the United Nations Organization has a fundamental interest in promoting the purposes and principles for which that organization was created; and

Whereas in article I of the Charter of the United Nations the stated purpose of the United Nations include:

"To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion;" and

Whereas the General Assembly of the United Nations decided to launch on December 10, 1973, a Decade of Action to Combat Racism and Racial Discrimination and a program of action which the United States supported and in which it desires to participate; and

Whereas the United Nations General Assembly on November 10, 1975, adopted a resolution which describes Zionism as a form of racism thereby identifying it as a target of the Decade for Action to Combat Racism and Discrimination; and

Whereas the extension of the program of the Decade to include a campaign against Zionism brings the United Nations to a point of encouraging anti-Semitism, one of the oldest and most virulent forms of racism known to human history; now, therefore, be it

Resolved, That the House of Representatives sharply condemns the resolution adopted by the General Assembly on November 10, 1975 in that said resolution encourages anti-Semitism by wrongly associating and equating Zionism with racism and racial discrimination, thereby contradicting a fundamental purpose of the United Nations Charter; and be it

Resolved, That the House strongly opposes any form of participation by the United States Government in the Decade for Action to Combat Racism and Racial Discrimination so long as that Decade and program remain distorted and compromised by the aforementioned resolution naming Zionism as one of the targets of that struggle; and be it

Resolved, That the House calls for an energetic effort by all those concerned with the adherence of the United Nations to the purposes stated in its Charter to obtain reconsideration of the aforementioned resolution with a view to removing the subject of Zionism, which is a national but in no way a racist philosophy, from the context of any programs and discussions focusing on racism or racial discrimination.

WAYS AND MEANS OVERSIGHT SUBCOMMITTEE ANNOUNCES HEARING ON INDIVIDUAL RETIREMENT ACCOUNTS AND IRS REGULATIONS REQUIRING DISCLOSURE OF TERMS OF SALE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, the Ways and Means Oversight Subcommittee will hold a public hearing, Monday, November 17, 1975, in H208, the Capitol, on individual retirement accounts and IRS regulations requiring disclosure of terms of sale of IRA's.

The subcommittee originally scheduled a hearing for November 7 on this subject. On November 6, however, the IRS issued its temporary regulations relating to disclosure statements regarding individual retirement accounts, individual retirement annuities, and endowment contracts (Federal Register, vol. 40, No. 215, November 6, 1975, p. 51635). After reviewing the regulations, and since no opportunity is being provided for public comment, the subcommittee rescheduled its hearing for November 17 in order to give interested parties an opportunity to study the proposed regulations.

The subcommittee is concerned that the consumer has not been adequately advised of the rules and regulations regarding IRA's and that the consumer may be unaware of sometimes significant fees and charges involved in the purchase of an IRA. The November 17 hearing is designed to warn the consumer of these problems and to urge improved disclosure requirements on the IRS.

The hearing will be chaired by the Honorable J. J. PICKLE and the witnesses, to date, are: Mrs. Alvin Lurie, Assistant Commissioner, IRS, Office of Employee Plans and Exempt Organizations; Prof. Joseph M. Belth, School of Business, Indiana University; Mr. C. David Gustafson, consulting actuary, J. Ross Hanson, Inc., Washington, D.C.; Mr. Joseph Mintz, insurance salesman, Dallas, Tex.

THE UNITED NATIONS, ZIONISM AND RACISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa, (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, I am deeply disturbed by the United Nations vote equating Zionism with racism. This unconscionable resolution can only serve to heighten tensions in the Middle East and emotions throughout the world. This irresponsible, inflammatory action has seriously jeopardized the credibility and future of the United Nations and constitutes a flagrant abuse of this organization which was established to promote international peace and harmony.

DISASTROUS EFFECT A NEW YORK DEFAULT WOULD HAVE ON LAW ENFORCEMENT

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, yesterday I received a letter from a former judge and one of the most distinguished members of the New York bar, Ms. Florence P. Shientag, whom I have been privileged to know as a member of the Federal Wiretap Commission. Ms. Shientag points out in specific detail the disastrous effect of a default or a bankruptcy by the city of New York on the operations of the criminal courts. For example, she predicts that the lack of funds to pay lawyers for indigent defendants will result in delays and further overcrowding of jails that are already so overcrowded that a Federal judge has ordered one house of detention closed. This in turn will seriously disrupt law enforcement in the Nation's largest city.

Mr. Speaker, whatever we may think about the practices which have brought New York City to this crisis, we cannot ignore the fate of 8 million American citizens. The Banking and Currency Committee bill, which would authorize Federal guarantees conditioned on action by New York to put its financial house in order, offers a way out of this dilemma. Ms. Shientag's observations provide further evidence of the importance of supporting that legislation. The text of her letter follows:

NEW YORK, N.Y.
November 10, 1975.

Hon. JOHN F. SEIBERLING,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN SEIBERLING: Although I am a member of the Wiretap Commission on which you serve, I am writing only as a concerned New Yorker. If New York defaults, there will be chaos in the City's Criminal Courts. Cases take me to the Criminal Courts several times weekly and I see conditions becoming ever more strained and taut. There is an ever increasing supply of defendants, and for more serious crimes.

New York in default or in the Bankruptcy Court will mean delays and disruption of the day-to-day operations in the Criminal Courts. High court decisions and Federal legislation protecting defendants' rights increase the cost of running the criminal justice system. Tools to obtain evidence of crime, e.g., by court-ordered wiretapping, will become too expensive and time-consuming for New York police officers. Recent budgetary restrictions have caused the City's Night Court to close, which means that more defendants are housed in jail overnight, thus putting more strain on the Corrections Department. Jails are already so overcrowded that a Federal Judge ordered the House of Detention closed. Defense lawyers for indigent defendants are paid by the City ($15 per hour for court time, $10 for office time) and many cannot serve if not paid. Under *Miranda* those lawyers are essential for processing a case.

As a leader of the Judiciary Committee, you know more than others of the delicate balance in adversary proceedings. Even-handed justice in the Criminal Courts cannot operate out of the Federal Bankruptcy Court. The elective process tends to produce leaders who have a concern for people—for defendants, for victims of crime, for society. Such concern, plus your leadership in securing the orderly administration of justice, will, I hope, induce you to explain to the Secretary of the Treasury and to our President that bankruptcy brings delay and disruption of local criminal courts and may put justice out of balance. A Federal credit guarantee is the only way.

Sincerely,
FLORENCE P. SHIENTAG.

UNITED NATIONS ANTI-ZIONISM RESOLUTION A BLOW TO WORLD ORDER

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. MIKVA. Mr. Speaker, the United Nations General Assembly approval of the resolution which condemns Zionism as "a form of racism and racial discrimination" is a frontal assault not only on Israel, but on men and women of good will everywhere. The resolution is an expression of anti-Semitism as sinister in its implications as the rationalizations used in Czarist Russia or Nazi Germany. Moreover, it is an assault on history, on reason, and on the viability of the United Nations itself. The venom in which the resolution was written has already spread a new poison of hate and suspicion. And the only antidote is clear and unequivocal rejection of the resolution, and those who support it.

It is difficult to take seriously rhetoric that equates Zionism with racism. To do so one would have to equate racism with the Old Testament, for the historical roots of Zionism are to be found in the ethical principles of the Old Testament prophets. Zionism is fundamentally the long historic movement of Jewish nationalism. The creation of Israel was the culmination of an indisputably legitimate nationalistic movement. If one were to attack the nationalism which Zionism represents, the same logic would force one to attack the nationalism which Americanism represents.

But the General Assembly resolution is not based on logic. The moral and historic legitimacy which led to the creation of Israel in 1948 has been twisted by a 1984 brand of rhetoric. History is shamelessly rewritten, what has been moral for thousands of years becomes immoral, what is good becomes bad.

In almost any other forum, the condemnation of Zionism as racism might be readily dismissed for what it is—mindless, self-serving, anti-Semitic drivel. But the fact that the condemnation of Zionism has been given official sanction by the United Nations General Assembly raises new and disturbing questions. And those questions involve the future viability of the United Nations, the relationship of the United States to that world body, and the relationship of the United States to the countries in the United Nations which supported the condemnation of Zionism.

As a long-time, ardent supporter of the concept of the United Nations, it is with considerable thought and deliberation that I now suggest that the United States begin a fundamental review of its role in that world body. Such a review ought to include the basic premises of our support and membership, for it seems to me that the basic premises of the United Nations, written in the aftermath of Hitler's Germany and World War II, are now in doubt. We have to address the question of whether the United Nations, as now constituted, can still be an effective instrument in the direction of world peace and understanding.

It should be understood that a fundamental review is needed not because the United States was outvoted on the Zionist resolution, but because the outcome of the debate on the resolution transcends the immediate issues and calls into question the basic values and goals of the United Nations. The response by the United States should be the same had the General Assembly approved a resolution endorsing genocide, fratricide, or any other outlandishly abhorrent policy.

What is particularly tragic about recent developments in the United Nations, of which the Zionist resolution is but one example, is that the nations which stand to benefit most from a United Nations based on reason and compassion are, in many instances, the nations which support positions based on unreason and shortsightedness. For example, the United Nations is about to launch an effort for "A Decade for the Elimination of Racism." The effort has the strong support of the African community, many—but not all—of whose members voted to support the condemnation of Zionism. As a group of black American scholars, educators, and other intellectuals have said in criticizing the General Assembly's approval of the anti-Zionist resolution:

> The prospects of a concerted United Nations drive against African apartheid has been effectively thwarted by a [resolution] which introduces an extraneous issue to a worthy United Nations undertaking. . . Unfortunately, concern for the anti-semitic implications of this [resolution] . . . will heavily compromise African hopes of expunging apartheid from the world conscience.

While a comprehensive review of the U.S. commitment to the United Nations is in order, there should also be a review of this country's foreign aid commitments and obligations. Specifically, serious questions must be raised about the morality of continuing to provide economic or military aid to any country which supports the anti-Zionist resolution. Many of us in Congress have always believed that such aid should be given only when there is a genuine commitment to the basic ideals of freedom, democracy, and the dignity of the individual. Countries which support the anti-Zionist resolution should find it difficult, if not impossible, to convince men and women of good will that they are truly committed to those ideals.

The response to the General Assembly's resolution, both here and abroad, will determine whether the clock is being turned back 40 years, when the disease of anti-semitism was running rampant, or whether this moment in history will be a rallying point for a rededication to the struggle for liberty, equality, and understanding. Congress has made its position clear by unanimously rejecting that already infamous United Nations resolution. It is the responsibility of all of us, as individuals, to speak up and do the same.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Railsback (at the request of Mr. Michel), for today, on account of doctor's examination.

Mr. Corman, after 4:30 p.m., for the balance of today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Taylor of Missouri) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 60 minutes, today.

Mr. Heinz, for 15 minutes, today.

Mr. Lujan, for 30 minutes, November 19, 1975.

Mr. Bob Wilson, for 5 minutes, today.

Mr. Burke of Florida, for 15 minutes, today.

(The following Members (at the request of Mr. Bedell) to revise and extend their remarks, and to include extraneous matter:

Mr. Morgan, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Burke of Massachusetts, for 10 minutes, today.

Mr. Lehman, for 5 minutes, today.

Mr. Drinan, for 10 minutes, today.

Mr. Vanik, for 5 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Roush in two instances and to include extraneous matter.

Mr. Runnels to revise and extend his remarks immediately following Mr. Lujan's remarks on the late Clinton P. Anderson.

Mr. Gude to extend his remarks in the body of the Record immediately prior to the vote on the O'Neill amendment.

(The following Members (at the request of Mr. Taylor of Missouri) and to include extraneous material:)

Mr. Sarasin.

Mr. Findley in two instances.

Mr. Crane.

Mr. Hillis.

Mr. Lagomarsino.

Mr. Horton in three instances.

Mr. Sebelius.

Mr. Heinz in three instances.

Mr. McCloskey.

Mr. Ruppe.

Mr. Wiggins.

Mr. Bell.

Mr. Anderson of Illinois.

Mrs. Holt.

Mr. Bob Wilson in two instances.

Mr. Steelman.

Mr. Coughlin.

Mr. Collins of Texas in two instances.

Mr. Peyser.

Mr. Conte.

Mr. Fish.

(The following Members (at the request of Mr. Bedell) and to include extraneous matter:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Eilberg.

Mr. Mazzoli.

Mr. Waxman.

Mr. Fraser.

Mr. Jones of Oklahoma.

Mr. Evins of Tennessee in five instances.

Mr. Miller of California in two instances.

Mr. Brown of California in five instances.

Mr. Lehman in 11 instances.

Ms. Abzug in two instances.

Mr. Hall in two instances.

Mr. Long of Maryland in 10 instances.

Mr. Oberstar.

Mrs. Schroeder.

Mr. Roybal.

Mr. Koch.

Mr. Nowak in 10 instances.

Mr. Rangel.

Mr. Won Pat.

Mr. Breckinridge.

Mr. Hawkins.

Mr. McDonald of Georgia in four instances.

Mr. Traxler.

Mr. Harrington in three instances.

Mr. Ottinger in two instances.

Mr. Edgar.

Mr. Rosenthal.

Mr. Blanchard.

Mr. Scheuer.

Mr. Jones of Tennessee.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

A joint and concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 73. Concurrent resolution relating to the United Nations and Zionism; to the Committee on International Relations Rules.

S.J. Res. 144. Joint resolution to authorize the President to issue a proclamation designating November 10, 1975, in commemoration of the two hundredth anniversary of the United States Marine Corps; to the Committee on Post Office and Civil Service.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 8365. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following title:

H.R. 8365. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

ADJOURNMENT

Mr. BEDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 59 minutes p.m.), the House adjourned until Thursday, November 13, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2039. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council Act No. 1–62, "The second amendment of 1975 to the District of Columbia Income and Franchise Tax Act of 1947 as it affects unincorporated businesses," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2040. A letter from the Secretary of Health, Education, and Welfare, transmitting the long-range projection for the provision of comprehensive services to handicapped individuals, pursuant to section 405(a)(1) of Public Law 93–112; to the Committee on Education and Labor.

2041. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on the study of the role of sheltered workshops in the rehabilitation and employment of handicapped individuals, pursuant to section 406(d) of Public Law 93–112; to the Committee on Education and Labor.

2042. A letter from the U.S. Commissioner of Education, Department of Health, Education, and Welfare, transmitting his annual report for fiscal year 1974, pursuant to sections 422, 448, 443, and 423 of the General Education Provisions Act, as amended, section 12 of Public Law 81–815, and section 401 of Public Law 81–874; to the Committee on Education and Labor.

2043. A letter from the Chairman and members, Capitol Police Board, transmitting a draft of proposed legislation to amend certain provisions of the act of July 31, 1946, relating to the U.S. Capitol Buildings and Grounds; to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Comittee on Education and Labor. H.R. 8618. A bill to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes (Rept. No. 94–654). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIKES: Committee of conference. Conference report on H.R. 10029 (Rept. 94–655). Ordered to be printed.

Mr. JONES of Alabama: Committee on Public Works and Transportation. S. 364. An act relating to certain Forest Service timber sale contracts involving road construction; with amendment (Rept. No. 94–656). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. S. 1245. An act to amend section 218 of title 23, United States Code (Rept. No. 94–657). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 10612. A bill to reform the tax laws of the United States (Rept. No. 94–658). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SARBANES: Committee on the Judiciary. H.R. 8863. A bill for the relief of Randy E. Crismundo (Rept. No. 94–653). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS (by request) (for himself, Mr. Brown of California, and Mr. Corman):

H.R. 10701. A bill to establish the National Professions Foundation; to the Committee on Education and Labor.

By Mr. FRASER (for himself, Mr. Obey, Mr. Corman, Mr. Hicks, Mr. Scheuer, Mrs. Spellman, Mr. Studds, and Mr. Udall):

H.R. 10702. A bill to regulate commerce to assure increased supplies of natural gas at reasonable prices for the consumer, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER (for himself, Mr. Steelman, and Mr. Roe):

H.R. 10703. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on the Judiciary, and Standards of Official Conduct.

By Mr. LEHMAN (for himself, Ms. Abzug, Mr. AuCoin, Mr. Badillo, Mr. Bevill, Mr. Brademas, Mr. Brodhead, Mr. Burgener, Mrs. Chisholm, and Mr. Cohen):

H.R. 10704. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. Jeffords, Mr. Jenrette, Mr. Johnson of California, Mr. Kasten, Mr. Koch, Mr. Lent, Mr. Lloyd of California, Mrs. Lloyd of Tennessee, Mr. Long of Maryland, and Mr. Madden):

H.R. 10705. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. Dodd, Mr. Downey of New York, Mr. Edgar, Mr. Fascell, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Fuqua, Mr. Gilman, Mr. Hannaford, and Mr. Harrington):

H.R. 10706. A bill to amend title 93, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. Melcher, Mr. Mikva, Mr. Miller of California, Mr. Mineta, Mrs. Mink, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Mosher, Mr. Ottinger, and Mr. Pepper):

H.R. 10707. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN (for himself, Mr. Quie, Mr. Roe, Mrs. Schroeder, Mr. Stark, Mr. Steiger of Wisconsin, Mr. Whitehurst, Mr. Bob Wilson, Mr. Charles Wilson of Texas, Mr. Wirth, Mr. Wolff, Mr. Young of Florida):

H.R. 10708. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. McCOLLISTER:

H.R. 10709. A bill to amend the Employee Retirement Income Security Act of 1974 with respect to reporting requirements for small plans; to the Committee on Education and Labor.

By Mr. MICHEL (for himself, Mr. Archer, Mr. Beard of Rhode Island, Mr. Brown of Ohio, Mr. Burgener, Mr. Del Clawson, Mr. Cleveland, Mr. Goldwater, Mr. Hinshaw, Mr. Lott, Mr. Mazzoli, Mr. Robinson, and Mr. Winn):

H.R. 10710. A bill to eliminate certain abuses in Federal student aid programs, to prescribe criminal penalties for misconduct by persons connected with such programs, and for other purposes; to the Committee on Education and Labor.

By Mr. MONTGOMERY (by request):

H.R. 10711. A bill to amend title 38 of the United States Code to permit the furnishing of benefits to certain veterans conditionally discharged or released from active military, naval, or air service; to the Committee on Veterans' Affairs.

H.R. 10712. A bill to amend section 521(d) of title 38, United States Code, to increase the amount payable to a veteran in receipt of aid and attendance to $140; to the Committee on Veterans' Affairs.

H.R. 10713. A bill to amend section 360 of title 38, United States Code, to provide increased awards of service-connected compensation to certain veterans who have suffered the loss or loss of use of paired extremities; to the Committee on Veterans' Affairs.

By Mr. PREYER (for himself, Mr. Hamilton, Mr. Symington, Mr. Bergland, Mr. du Pont, Mr. Jones of North Carolina, Mr. Long of Maryland, Mr. Mazzoli, Mr. Neal, Mr. Pattison of New York, Mr. Pritchard, and Mr. Rees):

H.R. 10714. A bill to provide for affording equal educational opportunities for students in the Nation's elementary and secondary schools; to the Committee on Education and Labor.

By Mr. UDALL:

H.R. 10715. A bill to establish a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program through the Postal Service; to the Committee on House Administration.

By Mr. VIGORITO:

H.R. 10716. A bill to amend title XX of the Social Security Act to provide that no State shall be required to administer individual means tests for the provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to groups of low-income individuals aged 60 or older, and to limit the frequency of recertifications of eligibility for services under such title; to the Committee on Ways and Means.

By Mr. BEDELL (for himself, Mr. Baucus, Mr. Blanchard, Mr. Bowen, Mr. D'Amours, Mr. Grassley, Mr. Hall, Mr. Jenrette, Mr. Long of Louisiana, Mr. McKinney, Mrs. Meyner, Mr. Oberstar, Mr. Patterson of California, Mr. Pattison of New York, and Mrs. Spellman):

H.R. 10717. A bill to require committee reports on proposed legislation to contain statements of the reporting and recordkeeping requirements which will be imposed on private business as a result of the enactment of such proposed legislation; to the Committee on Rules.

By Mr. BURGENER (for himself, Mr. Beard of Rhode Island, Mr. Bedell, Mr. Harrington, Mr. Jenrette, Mr. Ketchum, Mr. Litton, Mr. Rinaldo, Mrs. Spellman, Mr. Stephens, Mr. Van Deerlin, Mr. Bob Wilson, and Ms. Pettis):

H.R. 10718. A bill to guarantee to every resident of any long-term care facility receiving Federal assistance, or providing care to federally assisted patients, a fair administrative hearing prior to his or her removal from such facility; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. CONLAN:

H.R. 10719. A bill to reduce and limit U.S. contributions to the United Nations; to the Committee on International Relations.

By Mr. CORNELL (for himself and Mr. Obey):

H.R. 10720. A bill to amend the Menominee Restoration Act; to the Committee on Interior and Insular Affairs.

By Mr. JONES of Tennessee (for himself and Mr. Hubbard):

H.R. 10721. A bill to amend the authorization for the West Tennessee Tributaries project; to the Committee on Public Works and Transportation.

By Mr. ROONEY:

H.R. 10722. A bill to provide Federal assistance to the Commonwealth of Puerto Rico for the construction of a youth recreation center in honor of Roberto Clemente; jointly to the Committees on Interior and Insular Affairs, and Government Operations.

By Mr. WOLFF (for himself and Mr. Burke of Florida):

H.R. 10723. A bill to suspend U.S. participation in the activities of the United Nations General Assembly until the Congress approves renewal of such participation and to cut off all U.S. payments in support of the General Assembly; to the Committee on International Relations.

By Mr. SCHULZE (for himself, Mr. Archer, Mr. Derwinski, Mr. Emery, Mr. Grassley, Mr. Kemp, Mr. McDonald of Georgia, Mr. Moore, and Mr. Winn):

H.J. Res. 725. Joint resolution directing the Attorney General to conduct an investigation of the finances of New York City to determine whether any violations of Federal laws have contributed to that city's financial crisis; to the Committee on the Judiciary.

By Mr. RYAN:

H. Res. 862. Resolution to direct the Committee on Appropriations and the Committee on International Relations to begin immediate studies of the relationship of the United States with the United Nations and to report, within 3 months, to the Speaker of the House of Representatives recommendations with respect to whether the manner and nature of such relationship should be changed; to the Committee on Rules.

By Mr. JACOBS:

H.J. Res. 724. Joint resolution designating National Ski Week; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOWNING of Virginia:

H.R. 10724. A bill for the relief of Alberto de la Vega-Ripol; to the Committee on the Judiciary.

By Mr. LITTON:

H.R. 10725. A bill for the relief of Chao-Hsiung Chang; to the Committee on the Judiciary.

By Mr. POAGE:

H.R. 10726. A bill for the relief of S. Sgt. George L. Easterwood, U.S. Army (retired); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

297. By the SPEAKER: Petition of the Board of Commissioners, Kalamazoo County, Mich., relative to revenue sharing; to the Committee on Government Operations.

298. Also, petition of Evelyn Karfiol, New York, N.Y., and others relative to defining education as an essential service in the event of a default by the city of New York; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

WILLIAM T. PECORA AWARDS SYMPOSIUM

HON. LEE METCALF

OF MONTANA

IN THE SENATE OF THE UNITED STATES

Wednesday, November 12, 1975

Mr. METCALF. Mr. President, I was pleased to see the exceptionally large turnout of scientists, technical experts, and Government and agency officials at the recent William T. Pecora Awards Symposium, cosponsored by the U.S. Geological Service, the American Mining Congress, and many professional groups, in Sioux Falls, S. Dak. last week.

This intense interest in the successful use of LANDSAT program of the Government to seek out energy and mining sources should encourage all Americans concerned about self-sufficiency for the Nation in these areas.

This success shows that proper use of some space-age technology can help solve Earth problems.

I was especially interested in the remarks of my colleague from New Mexico, Senator Pete Domenici, who has shown great interest in the field of mineral and mining policy for the country. He and I have coauthored legislation, now pending before my Subcommittee on Minerals, Materials, and Fuels of the Senate Interior Committee, to devise a mechanism to make sure the Nation's minerals and mining policy is effectively implemented.

I commend Senator Domenici's speech to my colleagues and hope that his warnings are heeded by Government policymakers. I insert the full text of Senator Domenici's speech to the Pecora Awards dinner to be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by U.S. Senator Pete V. Domenici

I am honored to be here today with you all and especially at this awards ceremony in honor of Dr. William Pecora. My congratulations to Dr. Bockmann and Dr. Nordburg on their outstanding work and their awards.

Winston Churchill once joked, "I always avoid prophesizing because it is much better to prophesy after the event has already taken place."

I am going to break the Honorable Mr. Churchill's rule today and engage, if not in a little prophecy, at least in a little speculation, with you all. If I sound a little serious, or a little grim, I hope you excuse me. You know, Will Rogers warned that "a comedian can only last till he either takes himself serious or his audience takes him serious." I turn around Will's comment by saying that a politician can last only as long as his audience is taking him seriously, and when they cease to take him seriously, he isn't going to last long. So, let me get on with some serious speculation and some hard facts.

First, the facts.

For the better part of two days we have heard from some of the foremost scientists in the field of satellite technology and geologic surveying, extolling the virtues of our LANDSAT program.

And, I agree, as a member of the Senate Aeronautics and Space Sciences Committee, the LANDSAT has not only been a major breakthrough for the present, but holds the promise of an even greater future as we try to solve the energy, materials, and minerals crises we confront.

The facts are clear. More than 121 nations have used data gleaned by the satellites. Private enterprise has composed about 40 percent of users. Data from the satellite has become an important part of the research effort by energy companies.

We can truly point to the LANDSAT program as a great example of space-age technology working to solve an earth-bound problem. And the American people need to be told this. They need to know that the millions they have sent to Washington to support the space program are returning dividends to the nation and to society.

But, they need to know something else. They need to know that this nation's failure to implement the Mining and Minerals Policy Act of 1970 threatens to undo all the benefits our advanced technology promises us.

This nation begs for a coherent minerals policy. Failure to devise this national policy has put us in the position of being prey to potential minerals embargoes of greater threat to our economic security than even the oil embargo.

Let us go back in time, more than a decade. Let us recall that back in those now-misty days of the early 1960's geologists and energy specialists from throughout the nation were warning of an energy crises in the 1970's. The federal government even issued a report, indicating that this nation could not depend forever on oil and gas to fuel its economic boom, and that we were growing even more dependent upon foreign sources.

But, gas was 20 cents a gallon, natural gas was being sent into the air by the trillions of cubic feet each year, and Americans paid no heed. Worse, America's policymakers paid no heed, and government reports languished on the shelf.

We were told the internal and religious difference among the nations that now form the Organization of Petroleum-Exporting Countries were too great to make unified, cartel action by them possible. The talk of an embargo was pooh-poohed. After all, we were told, America is the biggest user and without us, those nations have no place to sell their oil.

How similar that all sounds to what is now happening in the area of minerals. We are told that tin exporters and nickel exporters and aluminum exporters can never really make a cartel work against us because of differences among these nations' forms of governments, because of differences in their cultures. Talk of a possible embargo on these minerals is again, just as talk of an oil embargo 10 years ago, brushed aside as not realistic.

It happened, need I remind you, in oil, despite the assurances of the economists. It happened just like the professionals in the field warned it could.

Today, the professionals are warning us again. They are again like voices in the wilderness, warning a public that seemingly *cannot* hear and advising a government that seemingly *will not hear*.

Again, a federal agency has warned of an impending material and minerals crisis. In the United States Geological Survey report this year, "Mineral Resources Perspectives," we are warned that we are overly-dependent on foreign sources for many critical minerals.

When I first studied this problem, in late 1973, this nation was already entirely dependent for some critical minerals on foreign producers. As I said in a March, 1974, Senate speech, "Most Americans do not realize just how little of critical metals and materials we now provide for ourselves. Unfortunately, this nation has never bothered to devise a policy that will make sure we always have enough of these strategic and critical materials." As the USGS report notes, this situation has worsened.

The United States is almost entirely dependent on foreign nations for manganese, cobalt, chromium, titanium, niobium, strontium, and sheet mica. We are more than 75 percent dependent in aluminum, tin, platinum, tantalum, bismuth, fluorine, asbestos, and mercury. We receive more than 50 percent of our zinc, gold, silver, tungsten, nickel, cadmium, and potassium from other countries. Even in such minerals as copper, iron, lead, salt, and magnesium, we are significantly dependent upon foreign nations, nations whose governments have become increasingly hostile to our own.

And, as the USGS report concludes, this slavish dependence is unnecessary. The nation has vast mineral resources, but lack of a uniform minerals policy has crippled efforts to identify and appraise our true minerals situation. Obviously, such an ostrich-like policy bodes great danger to the nation.

Late last month, this refrain was echoed by Dr. Jack Carlson, Assistant Secretary of the Interior for Energy and Minerals. At the American Mining Congress' own Mining Convention, Dr. Carlson warned that our dependency on foreign sources for critical minerals is increasing dramatically. He drew that ominous parallel between increasing dependency on oil, and the embargo that flowed from our lack of self-sufficiency, and the minerals situation of today.

As important, Dr. Carlson noted that an increasing trend toward excluding all mining from federal lands has combined with our growing need for foreign-produced minerals. This combination holds potential dangers for our economy and our security.

It's all very well to discuss possible problems, you may say, but do you have any instances where our failure to implement the Mining and Minerals Policy Act of 1970 has hurt the nation already? And, I have such instances.

First, let me reveal what I call the "Great Copper Caper of 1974."

Congress authorized the disposal of part of the nation's stockpile of copper in the 93rd Congress. The General Services Administration proceeded to dispose of about 251,000 tons of refined copper, in competitive bidding.

The government received about 90 cents per pound for the copper from its stockpile. Yet, domestic copper was frozen at 68 cents per pound and domestic producers, under a Department of Commerce order, were included under a defense priorities system that meant they had to sell their copper to defense customers at that frozen price. And still, the government was selling copper at 90 cents per pound. You will all remember that the international, unfrozen price of copper exceeded $1.10 a pound at the same time.

I argued for a halt to the sale. The sale proceeded anyway. I asked for a GAO investigation of stockpile liquidation in general and inquired whether or not we could simply sell some of our stockpile copper, needed for defense and security purposes, to these defense and security purchasers. It seemed so logical to me. But, the government proceeded under Congressional order to move at cross-purposes, announcing a final sale of stockpiled copper just one month before the copper-exporting nations of the world met to discuss joint pricing in Zaire. That was two weeks after the bauxite-rich nations jointly raised their prices.

The handwriting was already on the wall. The problem was, and is, that two government hands were writing on two different walls and neither knew, apparently, about the other. Here we are liquidating a stockpile at the very time our imports were increasing with severe economic consequences for private industry. There we were supposedly implementing a Mining and Minerals Policy Act, but without a central mechanism for doing it.

That was my introduction to the minerals mess in government. Incidentally, the GAO did make a report at my insistence this March on stockpiles of strategic minerals held by the government. Lo and behold, GAO came to the conclusion that stockpile objectives of strategic and critical materials should be reconsidered because of shortages.

I move now to helium, another example of abject failure to communicate between government agencies and Congress.

One of the solutions to the energy crisis is to improve our electrical transmission lines. At Los Alamos Scientific Laboratories, in my state, great research has been done. We are near a breakthrough. Soon, if the lab's work is turned into practical application, we will be able to transmit huge quantities of electricity through very tiny lines great distances—and with virtually no loss of electricity.

But, we are going to need a lot of helium to make this system work.

This research has been financed by the government. Our Congress has appropriated monies for the Los Alamos work. It is not a secret project.

At the same time, the Department of Interior has shelved a plan to store helium and literaly hundreds of thousands of cubic feet of it are being vented into the atmosphere right now.

In the very near future—seven to ten years—we are going to need that helium for our new transmission lines. And, we are going to pay outrageous prices to reclaim it from the very atmosphere we are sending it to now.

Is that a materials policy? I sometimes wonder if Congress ever talks to the bureaucracy, or the agencies to each other. We are going to need helium, so let's make plans to conserve it. We may need strategic stockpiles of copper, and many other minerals, so let's not deplete them, but keep them steady or increase them.

The Pentagon, and some weapons makers, have made their concern over strategic minerals known. It has established a Materials Steering Group to keep abreast of materials outlooks in critical minerals and materials.

Aluminum, titanium, chromium, and nickel have come under close scrutiny by the Pentagon planners, since these materials especially, are in short domestic supply and are largely purchased from foreign producers.

We should emulate on a government-wide scale the Pentagon's prudence.

Today, I am pleased to tell you that Senator Lee Metcalf has written me and told me of progress on our bill, which would create a National Minerals Council to implement the Mining and Minerals Policy Act. This bill, S. 552, was co-authored by Senator Metcalf, and his Subcommittee on Minerals will soon begin public hearings on it.

Senator Metcalf's letter to me, written earlier this month, is good news. It is good news for America and good news for minerals producers and users. It means that we are going to take the first legislative step toward creating a central agency to coordinate our nation's minerals activities. It means that we will have independent judgment on our vulnerability and on our resource strengths. I urge you all to support this bill and to encourage its goals.

In addition, I have decided, based upon the events of the past two years, to push two other pieces of legislation. First, I have introduced a bill that would direct federal departments to undertake an immediate review of public lands withdrawn by executive action from minerals exploration.

This bill responds directly to the Mining and Minerals Policy Act of 1970, which noted that it was the government's responsibility to encourage private enterprise in orderly development of domestic mineral resources. We can no longer afford the luxury of millions of acres of federal land with mineral resources lying uninventoried and useless.

The other bill I have begun to draw, and which I hope to introduce soon, would provide for a one-year complete moratorium on the sale or other disposal from our stockpiles of strategic and critical materials. This bill, which I have held off on for several months while hoping that other remedies were possible, would give us a chance to evaluate our minerals situation and possible strategic stockpile needs in the future.

We can no longer allow the finest space-age technology in the world, a technology that holds promise to deliver us from dependency on foreign nations for our minerals and oil and gas, to be hamstrung by lack of coherent minerals policy. The work of NASA, your work, and the future of the American people demand that space-age technology combine with modernized policy to protect the nation's economy and the nation's security.

NASA has done its job. It has given us the technology. USGS is doing its job. It is using the technology to make data available and is warning us of possible danger We have the tools. We have a goal. We have willing professionals.

Now, it is up to the Congress to move quickly toward establishing a policy mechanism that can make sure all of our tools are used most efficiently to meet our goals.

That is the least we in Congress can do.

It would be more than ironic, it would be tragic, if the work of such innovators as Dr. Pecora and his successors were not fully realized because of a failure by national leadership.

FEDERAL ACTION NOW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. RANGEL. Mr. Speaker, it is time for us to take decisive action to help New York City out of its financial woes. With every passing day of inaction, New York falls deeper into financial peril. Many of my colleagues are under the false impression that we are seeking a total bail-out for New York. This is not the case. We must see to it that New York receives immediate financial aid. New York State and the city have already taken those austerity measures which demonstrate to all of us in Federal Government that we are serious about placing our house in order. No further cutbacks can be made without causing a total breakdown in the city. The Federal Government must now provide the emergency assistance to insure that the city survives.

I would like to share with my colleagues an editorial that was recently aired over one of the local television stations in New York. These comments underscore the need for immediate action. I urge my colleagues to seriously consider these views. The editorial follows:

Without Federal help, the City of New York will be bankrupt by year's end—tapped out, broke, unable to pay its bills. That's not a threat. It seems a certainty.

Sixty per cent of the nation's bankers in convention here this week hold that view. So does the outfit that rates all the bond issues, Standard and Poor's. Its president, Brenton Harries, told those bankers, "As unpalatable as the spectre of Federal intervention is, the social and economic consequences of default of the proportions we are facing clearly makes it the lesser of two evils."

Congress is now considering rescue legislation—basically Federal loan guarantees to states trying to save their cities from financial collapse. Such guarantees would be accompanied by stiff requirements for reform. That is as it should be.

For the Federal plan to work, Congress must act quickly between its lengthy Columbus Day, Veterans' Day and Thanksgiving recesses. And the balky Ford Administration—accurately termed "simplistic and negative" toward the City's crisis by Governor Carey—must wake up to reality. Shallow suggestions like raising the sales tax to 10 percent or grinding out another study of the welfare situation are not the answers.

There are two overriding reasons for Federal assistance in this crisis. First, it is overdue—primarily for a history of Federal anti-urban legislation and interference. And second—and most important—because it is to the benefit of all Americans to do so.

WCBS does not believe in a Federal bail-out for New York. But there's a mighty big difference between a bail-out and assistance. The City and the State have taken remedial action. The movement of reform seems solid. What is needed now is the firm hand of the Federal government to provide the strength to see us through.

OIL INDUSTRY PLANNING INTENSIVE LOBBYING EFFORT

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HUGHES. Mr. Speaker, the Wall Street Journal of November 11, 1975 reports that the American Petroleum Institute will, according to its president, Frank Ikard, earmark a "substantial part of its budget" for a "grassroots" campaign as a countermeasure to legislation pending in Congress that would require divestiture of the major vertically and horizontally integrated oil corporations.

The House Judiciary Subcommittee on Monopolies and Commercial Law is currently conducting hearings involving, among other possibilities, divestiture of industry holdings. In the interest of apprising Members of this announced lobbying effort on the part of the API, I insert in its entirety the Wall Street Journal article of November 11:

[From the Wall Street Journal, Nov. 11, 1975]

Oil Industry Group Plans Big Campaign To Block Legislation To Split Up Firms

Chicago.—A Washington lobbyist for a major oil company is circulating a "press release" here that purports to announce the filing by 20 major oil companies of a lawsuit to break up the eight most influential Senators on Capitol Hill into "lots of little lawmakers."

The press release, obviously, is tongue-in-cheek, but, parody aside, there is growing concern within the oil industry about the increasing threats toward "divestiture"—the potential breaking up of the bigger oil companies into lots of smaller companies.

That concern was evident yesterday—clearly overshadowing the hot issue of petroleum pricing—as the American Petroleum Institute's annual meeting began. The oil industries' big trade organization promptly began a "grass roots" campaign intended as a countermeasure against possible divestiture.

"Divestiture is suddenly the industry's No. 1 problem," asserted Frank Ikard, the former Texas Congressman who is API's president.

But even as the API was beginning its countermeasure, which will involve the spending of vast sums, two of the Senators considered among the leading proponents of divestiture were meeting a block away with the Society of Gasoline Marketers of America. The two Senators, Ernest Hollings (D., S.C.), and Gary Hart, (D., Colo.), didn't leave any doubt—with the gasoline marketers, at least—that they intend to press even harder in their stepped-up efforts to break up the oil companies.

"We should have it back in the Senate by next spring, and definitely before the next election," Sen. Hart said.

The Senate already has come surprisingly close in trying to force the oil companies to spin off major parts of their operations.

Last month, as the Natural Gas Emergency act was moving through the Senate, an amendment was added that would have made it unlawful within five years for a major oil company to operate in more than one area of crude-oil production, transportation or refining-marketing. The amendment failed by a 54 to 45 vote.

The second amendment offered to the natural-gas-deregulation bill would have forced the 15 largest crude-oil producing companies to "divorce all interests in refining, transportation and marketing." It was defeated 49 to 40.

A related amendment to the same bill would have affected the 20 largest crude-oil producing companies, denying them the right to own any other form of energy, such as coal or geothermal energy. It was defeated, 53 to 39.

Both oil and political observers interpret these votes as stunningly close under the circumstances. Sen. Hollings, for example, estimates that if every Senator had been on hand, the margin would have been 52 to 48. In other words, nearly half the Senate appears to consider the oil industry's leading companies to be uncompetitive. It is also known that some Senators who voted against divestitutre have claimed that they favor it but would prefer to see such a bill considered on its own merits after extensive public hearings.

Oil men have been chagrined as well as surprised at the narrowness of the margin in the Senate. "It was like a bolt of lightning," said a spokesman for one major oil company. As a result, Clifton C. Garvin Jr., chairman of Exxon Corp., the world's biggest oil company, suggests that the industry "has to review a lot of its efforts because "this isn't a problem that will go away overnight."

Mr. Garvin and many others in the oil industry say they are convinced that breaking up the big oil companies wouldn't harm just stockholders of those companies but eventually would hurt fuel consumers. "We can't help but conclude that the end result for the consumer would be higher costs and scarcer supplies," Mr. Garvin said.

His comments generally are echoed by other oil men, including independent oil producers, interviewed at the API meeting yesterday. The Independent Petroleum Association of America, or IPAA, which represents 4,100 oil producers who often are at odds with the major oil companies, in fact, already has approved its own policy statement regarding potential divestiture of the majors. That statement essentially draws the same conclusion as Mr. Garvin's, noting additionally that the breaking up of the major companies wouldn't benefit the independents.

Harry Trueblood, chairman of Consolidated Oil & Gas Co., a Denver-based oil and gas producer, said that the IPAA "took that position because of the fear it (divestiture) is nothing more than a move toward nationalization" of the entire oil industry. "This is an overt move to cripple the industry," he said.

Clearly, however, all segments of the oil industry aren't so vociferously opposed to divestiture actions aimed at the major oil companies. Edwin Jason Dryer, general secretary of the Independent Refiners Association of America, advocates a "moderate" alternate to divestiture that would require integrated petroleum companies (those with crude-oil production refining and marketing operations) to operate their divisions as separate profit centers. Mr. Dryer said he believes such a change in antitrust laws requiring this separation would put independent refiners on the same competitive basis as the major oil companies in the acquisition of crude oil.

The oil industry nonetheless hopes to change public opinion regarding divestiture. The industry's spokesmen are convinced that

Congressmen favoring divestiture are appealing for mass votes and that if the apparent animosity toward the industry can be overcome at the grass-roots level, then the Congressmen's views also will change.

"If people really understood our business, the popular clamor for divestiture would disappear overnight," Charles Spahr, chairman of Standard Oil Co. (Ohio), said.

For its countermeasure, the 8,500-member API will commit a "substantial part of its budget," Mr. Ikard said. Among other things, the API plan to establish a vastly expanded public relations program and to finance various industry studies by university academicians and others on the economic "advantages" of oil companies having operations in multiple segments of the industry.

DEFENSE CUTS UNWISE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

[From the San Diego Union, Nov. 3, 1975]

DEFENSE CUTS UNWISE

It was refreshing to read the other day that Sen. William Proxmire of Wisconsin used opinions of the Central Intelligence Agency and the Defense Intelligence Agency in arguing with Secretary of Defense James R. Schlesinger over the rate of the Soviet military buildup.

Mr. Schlesinger believes that the Soviet Union "may be outspending us by 50 per cent on defense." Sen. Proxmire released the testimony of both William E. Colby, director of the CIA, Lt. Gen. Daniel O. Graham, DIA director, in heatedly challenging the budget figures.

The use of the CIA and the DIA as intelligence authorities, which they are should help remind American citizens that these agencies do serve an essential function in helping to preserve the security of the United States—whatever their overzealousness may have been in the past. This point was particularly underlined in the Proxmire-Schlesinger exchange because the senator from Wisconsin is not exactly a champion of the intelligence community.

Unfortunately, the remainder of Sen. Proxmire's share of the dialogue was not inspiring.

The simple fact is that all of the information that we have about the spending of the Soviet Union on its military forces is but an educated estimate. The Russians are a tight, closed society and the variables such as categories of military spending and morale factors cloud the value of raw budget figures.

If, however, our educated estimates are placed in proximity to what we can see, it is evident that the Soviet Union is not stinting on defense. Its navy is modern, larger than ours and will have three new aircraft carriers to project Russian seapower. The Backfire bomber, the MIG23, the new family of Soviet strategic missiles and other weaponry are sophisticated, substantial and probably as good as any in the world, with few exceptions. The Soviet Union is spending more than the United States on defense because its defense is growing while ours is marking time by comparison.

If Mr. Schlesinger came on rather strong when testifying about the need for a decent military budget he was doing his job. The House of Representatives has cut $7.6 billion from Pentagon budget requests before sending the appropriations measure to the Senate. That cut represents the generation of U.S. weapons that is intended to counter the new Soviet weapons—continuing development on the B–1 bomber, the Trident submarine, the covey of new fighter planes from the F–15 to the F–17, and so forth.

The issue before Congress as it considers the defense budget is not whether it meets some arbitrary congressional limit on spending, but whether it is needed to make the United States secure. The proposed $90.2 billion figure fails to meet this criterion.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS URGES VIGOROUS ENFORCEMENT OF ROBINSON-PATMAN ACT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Honorable Mike McKevitt, Washington counsel for the National Federation of Independent Business, recently testified before the Special Ad Hoc Subcommittee on Anti-Trust, the Robinson-Patman Act and Related Matters of the House Small Business Committee on behalf of the Robinson-Patman legislation, stating that it "is essential to the preservation of free and open competition in American industry."

Mr. McKevitt, a former Member of Congress, charged that repeal of this landmark piece of legislation, as has recently been suggested by officials of the Ford administration, would have a major impact on the economy of the Nation.

A former Assistant Attorney General, McKevitt also charged that efforts to repeal this act "seems to breed down at the Department of Justice" and that it "Just isn't in vogue" at the Federal Trade Commission.

Because of the interest of my colleagues and the American people in this important matter, I place in the RECORD herewith a portion of the statement made by Mr. McKevitt to the subcommittee.

The statement follows:

STATEMENT OF THE HONORABLE MIKE MCKEVITT

Mr. Chairman, I appear today on behalf of the National Federation of Independent Businesses which is an organization now having a mmebership of 431,000 small and independdent business firms across the country.

They are extremely concerned about the latest talk about repealing the Robinson-Patman Act or even modification of it. There are several bills pending now, for example, which in effect I think of us at the table would agree would practically glut Robinson-Patman.

In discussing this and going through the history of it, it is almost as if some people are trying to re-invent the wheel. Years ago when it was passed, it was almost unanimously passed in the Senate and all but 18 members in the House voted for it. There were very articulate comments made about it at that time. This Committee revisited several years ago those comments and came back with the reassertion in support of the Robinson-Patman Act. However, still the best Robinson-Patman Act. However, still the beat goes on. It has almost become a whipping boy. I don't think you can tie this attempt to glut the bill to even the present Administration. There has been a number of administrations that have attempted to do so.

And as I think, as Mr. Rothwell pointed out, this effort seems to breed down at the Department of Justice. I too had the pleasure of serving there as well as in the Congress. You just see it there. It is also kicked around by the American Bar Association every year at their meetings. I think the attack comes from attorneys more than anyone else. It is interesting that the present Secretary of Housing and Urban Development for example in her early days of authorship wrote a book for McGraw Hill on How to Start a Law Practice off the Robinson and Patman Act. I don't think that that is the way to start a law practice. In fact as Mr. Dixon said, it is almost a dormant matter right now as far as the Robinson and Patman Act is concerned.

But whenever I talk to these gentlemen at Justice or anybody else from the American Bar Association or what have you, one of the questions I ask is why are we going to revisit Goodyear and Anheiser Busch cases and why do we have to revisit A&P cases? And now A&P has its price and pride campaign. Borden's milk is the latest of their dilemmas.

I think it is a situation that is going to have dramatic impact on small and independent businesses across the country. I think the latest point that gives it a flare is this consumer advocacy, that is, this big pitch that the consumer is going to benefit from it. I think it may be a temporary benefit but I don't think it is going to be a long-term benefit to the consumer because in reality where that difference is made up, is a feed back to the stockholders. Let's face it, man is not perfect by any means and as a result we have to face reality as to what is going to flow out of this.

I think, for example, House Judiciary Committee put it very distinctly when it said: "this committee is of the opinion that the evidence is overwhelming that price discrimination practices exist to such an extent the survival of independent merchants, manufacturers, and other businessmen is seriously impaired and immediate legislation is necessary".

Chairman Patman also put it very well when he said: "In the course of the consideration of the proposed legislation Congress found that price discrimination had been a weapon of sellers who held some degree of monopoly power.

This power has been effectively employed by powerful sellers effectively destroying competition and it has the tendency to create stronger monopolies."

So as a result of all this, I think one of the answers is "why don't we have more activism at FTC?" Why don't we have people down there with the concern of the gentleman to your right, Commissioner McIntyre, and others?

I think there are abuses right now that exist. I think one of the answers, and I would hope this Ad Hoc Committee would do so, is to direct some of its interest to the FTC and the Robinson-Patman law enforcement.

PERSONAL EXPLANATION

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. LEHMAN. Mr. Speaker, on Monday, November 10, I was in New York City with the Subcommittee on Select Education for hearings on the Arts, Humanities, and Cultural Affairs Act of 1975. Accordingly, I was absent for four rollcall votes, and I would now like to state my positions on the issues considered in my absence.

Roll No. 680 was the vote on final passage of H.R. 10035, to create a Judicial Conference of the District of Columbia; I would have voted for the bill.

Roll No. 681 was the vote on final passage of H.R. 4287, to provide for additional law clerks for the judges of the District of Columbia Court of Appeals; I would have voted for the bill.

Roll No. 682 was the vote on final passage of H.R. 9958, the transfer of certain real property of the United States to the District of Columbia Redevelopment Land Agency; I would have voted for the bill.

Roll No. 683 was the vote on the amendment in the nature of a substitute to H.R. 10041, regarding the Federal Enclave in the District of Columbia. The amendment retains the enclave; had I been present, I would have voted against the amendment.

OUR PLUNDERED PAST

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. FINDLEY. Mr. Speaker, at the battlefield of Manassas, Chinn Ridge has a "For Sale" sign posted on it. Just off Route 3 near Salem Church, a sign proclaims the impending Chancellor shopping mall. At Chancellorsville, Tatum properties will sell you a 5-acre "Battlefield Estate." This continuing commercial exploitation of our heritage distresses me deeply.

Some of the threatened areas lie within the boundaries of existing parks administered by the National Park Service. The historical integrity of many of our battlefield parks may soon become a casualty of the land wars waged by overzealous developers. We must not permit this to happen.

I would not argue that every foot of land ever occupied during a battle needs to be preserved; legitimate growth needs argue against such exclusion. I would say, though, that if we are going to set aside battlefield areas in homage to the valor and bravery of the men who fought and died for America, then let us do it well.

I believe the National Park Service should establish firm and appropriate boundaries for the National Battlefield Parks and National Military Parks within its jurisdiction. It should then acquire the land within those boundaries. Too often, owners of small plots within park boundaries exploit the heritage surrounding them and destroy the historical integrity of the park itself.

For this reason, on November 7, I introduced H.R. 10627, a bill which would mandate the Secretary of the Interior to eliminate disharmonious commercial exploitation within our battlefield parks. As Lincoln so eloquently stated:

> It is fitting and proper that we should do this. But in a larger sense we cannot dedicate—we cannot consecrate—we cannot hallow this ground. The brave men . . . who struggled here, have consecrated it far above our poor power to add or detract.

TERRORISTS PLAN U.S. TOUR

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, the Zimbabwe African National Union—ZANU—a Rhodesian terrorist organization ideologically alined with the People's Republic of China, is widely advertising its plans to sponsor a U.S.-speaking tour by one Sarudzai Churucheminzwa, whom ZANU describes as "an outstanding woman fighter of the Zimbabwe African National Liberation Army"—ZANLA. Churucheminzwa's tour is scheduled to begin this month.

According to ZANU's announcement, published in both the Guardian, November 12. 1975, and the Southern Patriot, the monthly newspaper of the Southern Conference Educational Fund:

> The focus of the tour will be on her own involvement in the struggle and the role that women are playing in the liberation movement. She will speak of the oppression of women under traditional and colonial systems, and the changes that are now coming about through the people's struggle for liberation.

The ZANU terrorist's U.S. tour is being coordinated by Tapson M. Mawere of the ZANU New York office, 89–08 162d Street, Jamaica, N.Y. 11432 (212–291–8039). Mawere also serves as ZANU's "representative to North America and the Caribbean." In that function Mawere organizes support for ZANU terrorists among U.S. revolutionary groups including the October League, the Revolutionary Union which now calls itself the Revolutionary Communist Party—RCP—the African Liberation Support Committee—ALSC—and other Marxist-Leninists of the Mao Thought persuasion.

The Annual of Power and Conflict, 1974–75, published by the Institute for the Study of Conflict in London, reports that ZANU "is largely dependent upon Chinese training in Tanzania" and has made extensive use of the guerrilla bases of the Front for the Liberation of Mozambique—FRELIMO—which now controls that country.

The Maoist Communist ideology of ZANU was proclaimed by ZANU executive secretary Mukudzei Mudzi in January 1974, in an interview with the Guardian in which he stated:

> We believe that by using Marxism-Leninism-Mao Tse-tung Thought applied to the concrete conditions of Zimbabwe liberation is certain.

Defining ZANLA as "the armed wing of ZANU," Mudzi proclaimed ZAPU's support of the worldwide Comunist revolutionary movement:

> As a socialist Zimbabwe we will be able to fulfill our international duty to support the workers and other exploited people around the world. Our enemy is a common one. To weaken the enemy in one area weakens the enemy in another areas as well.

ZANU's "armed struggle" activities have involved ambushes of isolated farmhouses, placing mines on railways and roads, and the torture and assassination of anti-ZANU Rhodesian blacks to attempt to gain control of the population.

ZANU has been using the involvement of two of its U.S. residents in a police confrontation to raise funds. In June 1975, Tapson Mawere and Synos Mangavza, who is described by the radical press as "ZANU publicity director," were arrested in Harrison, Del., in a drunken incident in a restaurant.

In September, Mawere was acquitted and Mangavza convicted of resisting arrest, disorderly conduct and other charges. For his convictions and court costs, ZAPU publicity director was assessed and fined $999.35. The ZAPU representatives in the United States have circulated appeals to U.S. leftist groups asking that donations for the fines and other "defense costs" be sent to the Africa Defense and Aid Fund, care of Mangavza Defense, at the 89–09 162d Street, Jamaica, N.Y. 11432 address.

The United States Code does not permit the granting of visas to members of Communist and totalitarism organizations and therefore no visa may lawfully be granted to the ZANU guerrilla Churucheminzwa.

Let us call upon the State Department to reject Churucheminzwa's visa application—or to revoke it if already granted. And in addition let us call upon the Immigration and Naturalization Service to review the activities of Mayere, Mangavza and the other ZANU terrorists within our borders.

ROBERT L. MARSHALL—OUTSTANDING POLICE OFFICER OF THE YEAR

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mrs. HOLT. Mr. Speaker, too often we take for granted the service given so willingly to us by the officers of the U.S. Capitol Police. These men and women are unfailingly helpful and always cheerful as they help us adhere to our legislative schedules.

Today I would like to commend Officer Robert L. Marshall of Prince Georges County, Md. Officer Marshall has recently been voted the Outstanding Police Officer of the Year—1975—by the Doormen's Society of the U.S. House of Representatives. This is a well-deserved recognition.

Officer Marshall joined the U.S. Capitol Police in December 1968 and has served since then with outstanding devotion, even during a time of personal tragedy.

Prior to joining the Capitol Police, Officer Marshall served a total of 21 years with the U.S. Air Force, in Alaska, Germany, Saudi Arabia, Vietnam, Laos, Thailand, and in 10 States. He received two Air Force Commendation Medals, three Presidential Unit Citations, and other ribbons.

Recently he was congratulated by the Chief of the Capitol Police for a job well done, after having rendered emergency first aid to an employee, while on duty at the House door.

I want to thank Officer Marshall, and all of the other Capitol Police Officers, for their untiring dedication which is so evident to all Members of Congress.

U.N. ZIONISM RESOLUTION PROTESTED

HON. ANTONIO BORJA WON PAT

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. WON PAT. Mr. Speaker, it is with extreme dismay that I note the passage of a United Nations resolution calling Zionism a form of racism. I fear such a distortion of the basic principles of this organization seriously endangers its effectiveness and future.

Thirty years ago the world was emerging from the devastation of a global war which involved, as one of the basic goals of its perpetrators, the methodical elimination of entire races and nationalities of people. Scores of millions of individuals were killed or subjected to subhuman existence as a result before the revulsion of the world brought to an end these satanic actions.

From the same destruction also rose the realization that similar manifestations of man's capability for inhumanity must be avoided and the idealistic concept of a single organization representing the diverse interests and aspirations of all the nations of the world could accomplish this and much more to benefit all the world's people.

Mr. Speaker, the people of Guam are not strangers to atrocities or brutalities, having been subjected to them during World War II, nor are they unfamiliar with all forms of discrimination. And it seems to us the height of hypocrisy when the Jewish people who have suffered the most from inhumane treatment and discrimination are now labeled racist.

The United Nations came to symbolize the brotherhood and universality of man and the forum for peaceful resolution of international disagreements. In some instances the United Nations has fallen short of the high goals set for it. However, its true contributions to peace could best be judged by the strife that has not occurred during three decades and by the greater understanding fostered by its existence.

Former U.S. Ambassador to the United Nations Adlai Stevenson referred to the United Nations as the "last, best hope" for mankind. That hope is now in danger. The high ideals of serving all humanity have been subverted to further the narrow interests and goals of certain philosophies and political movements.

For three decades the United States has provided a disproportionate portion of the wherewithal necessary for the United Nations to pursue realization of its ideals. This resolution equating Zionism with racism is antithetical to those ideals. It gives rise to the question of whether the U.N. has fallen to such a low state to be beyond recovery or worthy of U.S. support.

Clearly, there are three alternatives available to the United States. The first is withdrawal of support and participation in the U.N., conceding the loss of all hope of the world body's attaining its goals.

The second is for the United States to concede control of the United Nations to despotic, self-serving forces which would subvert and even destroy it in their fanatical efforts to satisfy their own ends.

I urge my colleagues to take the third course; to join with those of our Nation and other responsible nations in strongly denouncing those who would fan the flames of racism, intolerance, and inhumanity, and deterring the efforts of those subverting the United Nations to serve their own selfish purposes.

If the United Nations is to remain as a hope of future world peace and understanding it must be rescued from the low, discredited state exemplified by this contemptible resolution. To do less and cowardly acquiesce would be to set the stage for possible recurrences of global disasters caused by similarly sinister forces.

U.N. RESOLUTION ON ZIONISM CONDEMNED

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. PEYSER. Mr. Speaker, the recent vote in the United Nations to condemn Zionism as a form of racism is a hypocritical and callous political maneuver that seriously threatens the continued participation of the United States in that organization. It is an action that in fact seriously threatens the continued viability of the United Nations. Continued abuse of this organization with actions such as this will insure the termination of the organization, and hence, the end to a potentially valuable tool for world peace.

The action at the United Nations is hypocrisy because those sponsoring the resolution know only too well that Zionism is not racism. On the contrary, it is the successful and heroic struggle by the Jewish people to establish the democratic State of Israel. Obviously, those sponsoring this resolution have no use for the peace functions of the United Nations, but instead now seek only to use it as a tool to attack their enemies and undermine world stability.

It is essential that the nations of the world recognize that the United States will no longer continue to subsidize blindly these abuses of the United Nations. The actions which the Congress took yesterday in passing resolutions of condemnation and reassessment of the role of the United Nations are important. They are not idle actions by the House and Senate. There is no doubt in my mind that the U.S. contribution to the United Nations will be cut back as a result of this action. It will now be up to the member states of the United Nations to take affirmative steps to help lift the cloud that now covers it. Certainly this is the darkest hour that the United Nations has had in its history, and only a timely recognition of this can restore the effectiveness of this organization.

MANY COUNTRIES BAN LEGHOLD TRAP

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. ANDERSON of California. Mr. Speaker, the concept of providing for a humane method of trapping wildlife is not novel or innovative. In fact, it has been a reality in many foreign countries for a number of years.

In 1931 Denmark declared all leghold traps illegal. Box traps were used in their place. Also, trappers were mandated by law to inspect their traps in the morning and evening of each day to insure that no creature was inhumanely caught. Norway, West Germany, Austria, Wales, and England all adopted similar laws within a few short years.

In 1968 and 1969, the Republic of Ireland and Northern Ireland banned the leghold trap, except under license specifically for the take of otters.

Furthermore, in 1970, Chile banned the manufacture, sale, transport, use, and possession of the steeljaw leghold trap. Scotland did the same in 1973.

Canada has, perhaps, the most progressive trapping techniques. At this time I would like to provide for the RECORD an excerpt from RSPCA Today, a publication of the Royal Society for the Prevention of Cruelty to Animals. It gives an excellent account of trapping in Canada.

The excerpt follows:

> The most satisfactory humane trap for furbearers is the Conibear which was invented and developed by Frank Conibear, a trapper in British Columbia, and came on the market in 1958.
>
> The trap is a vertical breakback trap which is triggered off when an animal touches two wire whiskers. It has been described as working like an egg-beater. As the animal is caught, the trap tends to spring up, which has the humane advantage that it makes a lethal blow to the head more likely. Because of the shape of the trap, it can have one, two or, occasionally, three striking surfaces, depending on the position of the trapped animal. The Conibear No. 120 with a jaw spread of 4½"x4½" and a double spring which increases the striking power, is satisfactory for muskrat, but occasionally catches them too far back. Mink, which are very quick and have strong neck and shoulder muscles, are difficult to catch humanely in the Conibear, and western American mink are larger than eastern. The Conibear No. 330 with a jaw spread of 10"x10" is very reliable for beaver.

> Since 1963 the Canadian Association for Humane Trapping has organized a trap-exchange programme. A trapper can exchange one leghold trap in good working order for one Conibear. Three thousand traps have been thus exchanged.
>
> In Canada, snares are used by many Indians, boys, farmers and Sunday trappers. Regulations for the use of snares vary from Province to Province. There is no Federal jurisdiction. In Saskatchewan their use is permitted for fox, coyote, squirrel, and beaver under ice, and in Alberta for cougar, fox, timber wolf, coyote, rabbit and beaver. Snares are inefficient killers of large carnivores and cause great suffering, but they are used because they are cheap.
>
> Significant work is now taking place at Macmaster and Guelph Universities in Canada, under the auspices of the Canadian Association for Humane Trapping to assess relative trap efficiency and aspects of trap construction that will result in the production of a 'clean kill' trap.
>
> An important international seminar took place on this subject in November 1972 at which the Executive Director of the International Society for the Protection of Animals delivered a paper on the international aspects of this subject.
>
> Arising from these developments, the Canadian Government has expressed the intention of taking over direction of this work.

Mr. Speaker, the upcoming hearings on H.R. 66, my bill which would discourage the use of painful devices in the trapping of animals and birds in the United States, should provide some very persuasive testimony as to the effectiveness of trapping in some of the countries mentioned.

I am pleased to announce that in the last 24 hours, 10 additional colleagues have joined in cosponsoring H.R. 66. Their names follow. This brings the total thus far to 83:

ADDITIONAL H.R. 66 COSPONSORS

Mr. Hicks of Washington.
Mr. Roe of New Jersey.
Mr. Howard of New Jersey.
Mr. Thompson of New Jersey.
Mr. Macdonald of Massachusetts.
Mr. Vander Veen of Michigan.
Mr. Mineta of California.
Mr. Scheuer of New York.
Mr. Mazzoli of Kentucky.
Mr. Lehman of Florida.

ON THE NEED TO CHANGE THE MILITARY DISCHARGE SYSTEM

HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. KOCH. Mr. Speaker, I introduced legislation in 1973 to change the discharge system in the armed services by eliminating certain types of administrative discharges. The legislation which I have again introduced in this Congress, H.R. 548, would reduce the types of discharges to three—honorable, general, and discharge by court-martial.

As you know, the present system provides for five categories of discharges: honorable, general, undesirable, bad conduct and dishonorable. The first three discharges are administrative in nature and the last two are deemed punitive and are rendered only after court-martial proceedings.

Under the present law, the only discharge under the law which categorically bars veterans benefits is that of the dishonorable discharge. However, the general and undesirable discharges given under administrative procedures—as can be honorable discharges—are often used by the Veterans' Administration as cause for denying veterans benefits, in whole or in part. Under the administrative procedures of the general and undesirable discharges, the veteran is not entitled to the legal defense he would automatically receive in the case of a court-martial where the rules of evidence must apply and where the Government must prove its case. There is no opportunity to confront and cross-examine witnesses. The administrative board lacks subpena power and, most important, the burden of proof on the prosecution in establishing guilt beyond a reasonable doubt as is true in a court-martial is lacking in these administrative procedures. That the armed services frequently use this easier way to eliminate men from the service is demonstrated by the fact that during the Vietnam war 6 out of 7 men receiving discharges which were less than honorable were given undesirable discharges. What is important in the areas of administrative negative discharges is that while all veterans with other than dishonorable discharges are eligible for Federal benefits the Veterans' Administration has discretion in awarding such benefits to persons with administrative discharges that are less than honorable. What has happened is that the VA has effectively rendered undesirable and bad conduct discharges as onerous as a dishonorable discharge, which is clearly contrary to the intent of Congress.

It was as a result of these abuses that I introduced legislation so that only honorable, general, and dishonorable discharges would be granted. Any veteran with the first two discharges will receive veterans benefits. No benefits would be awarded the veteran with a dishonorable discharge. A serviceman would be given a dishonorable discharge only by a court-martial. I believe the general discharge should be retained because the separation of an individual from the armed services without the need for the gross stigma of a court-martial is a necessary disciplinary tool. However, anyone being made subject to a general discharge shall have the right to demand a board hearing to determine whether or not he is eligible for an honorable discharge or whether he should receive any discharge at all. My bill would go a long way to correct the inequities in the current discharge system.

I had been most concerned about the use of separation program numbers which had been placed until May 1974 on a serviceman's personal discharge paper indicating in code the reason the individual was separated from service. The arbitrariness with which these numbers were assigned, coupled with the individual's lack of knowledge as to the meaning of the code number made the situation a potentially jeopardizing one when prospective employers became privy to the information. I was pleased to see these numbers removed from the discharge papers issued after May 1974. But, I would like to see all past servicemen automatically supplied with new discharge papers without this code number. I also hope that the Armed Services Committee would encourage the Department of Defense to remove any reenlistment code number from that document. Such information can be retained by the Department, but it is not necessary for such information to be indicated on the discharge paper. I would like to see the information on a discharge certificate be more positive with regard to an individual's capabilities. The Pentagon should be urged to create objective criteria for establishing number designations, even when used for internal purposes only, and to permit the serviceman to be granted an opportunity for a hearing where he can challenge the designation if he so desires.

H.R. 549 which I also introduced would establish independent review boards to review the discharges and dismissals of servicemen who served during the Vietnam era. I had introduced this legislation with Senator GEORGE McGOVERN in 1973 and I again introduced it this year in order to improve the appeal procedures for thousands of Vietnam era veterans who have been discharged from the armed services with nonpunitive, less than honorable discharges and are applying to have them upgraded.

I was most gratified to see the Department of Defense last July establish 10 Regional Discharge Review Boards to be set up by November 1, 1975. Before last week, all the services' boards were located in Washington, D.C., making it extremely difficult for veterans from other parts of the country to plead their own cases. I am hopeful that these new boards will make the procedure more accessible for veterans and hopefully will encourage more of them to apply for discharge upgrading.

I will simply conclude my statement by strongly urging reform of the discharge system and the passage of H.R. 548. It provides for the kind of direct action we should take if we are to reform the military system to encourage a more positive attitude toward it. In addition, I would strongly suggest that court review of denied veterans claims be permitted. I also feel that the Department of Defense should change their policy on the automatic discharge of homosexuals, and that the Veterans' Administration should change their policy which bars homosexuals with undesirable discharges from receiving benefits. I believe that the Matlovich trial establishes the fact, notwithstanding his ultimate discharge, that the sexual preference per se of a soldier ought not to be a factor in that individual's serving with the armed services. The normal standards of conduct insofar as how one conducts himself or herself while on duty apply to homosexuals as well as heterosexuals and that should be the only standard.

As the House Armed Services Subcommittee on Military Personnel conducts its hearings on military discharges and military discharge procedures, I would hope our colleagues will support needed revisions in this area.

THE IMPACT OF SCHOOL DESEGREGATION ON BLACK AND WHITE STUDENTS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HAWKINS. Mr. Speaker, as you no doubt know, efforts to desegregate our public school systems throughout the Nation through school busing has become a highly volatile and political issue. Much of the opposition and fears promulgated by anti-busing proponents in my view are rooted more in myth and misunderstandings rather than in facts. Evidence of this is lucidly revealed in a study conducted by the U.S. Commission on Civil Rights via the Opinion Research Corporation in November and December 1972. The study is an in-depth national survey of busing information and attitudes among the public in the United States.

Contrary to much of public opinion for example, the study indicates that white students are not damaged scholastically in desegregated settings. Also, many who favor busing and argue that black students gain scholastically have been found to be for the most part correct, as desegregation does have some positive educational influence on them. The study cites that even the busing skeptics, Christopher Jencks included, admit this fact. Taken together then, an integrated educational environment in the long run can be conducive to scholastic advancement for both black and white students. Indeed, the results of school desegregation in many areas have been very positive.

For the record, Mr. Speaker, I would like to submit the text of an excerpt taken from this excellent study which further elaborates upon this important issue. The text of the excerpt is as follows:

APPENDIX 5

Even prominent academic critics of school busing decisions find very little data to suggest any damage to white children. Christopher Jencks, whose widely discussed book, *Inequality*, is a far-reaching attack on many liberal assumptions about the educational process, makes the following conclusion:

"Educational researchers have almost never found that white students' test scores actually fell as a result of being in desegregated schools. Nonetheless, both blacks and many whites have been proclaiming the inferiority of schools in black neighborhoods for a generation, so it is not surprising that many white parents believe the difference important."

Professor David Armor, whose article, "The Evidence on Busing," in *Public Interest* (Summer 1972) attracted national attention as the leading social science critique of school busing for desegregation, produced no contrary evidence. His article was based on data from five areas. In four of the studies, the data came from the first year of desegregation, when the potential disruption to school procedures and the educational process would presumably be greatest. None of these studies, which Armor considered the most methodologically sound now available, show damage to white children. In testimony before the Senate Committee on Labor and Public Welfare, Dr. Armor said that "there is no worsening of achievement for white students." In fact, in two of the communities Armor studied, white scores actually rose.

Even the busing skeptics admit that desegregation has some positive educational influence on the education of black children. Jencks asserts that desegregation can remove about a fifth of the difference between the educational achievement of black and white children. In some schools this could amount to as much as a year's gain in educational achievement by high school graduation. Armor noted in his 1972 Senate testimony that a new study in one of the cities he discussed (Hartford, Connecticut), shows that third grade black students in desegregated schools were achieving nearly twice as fast as those in segregated schools. At the second grade level, the rate of progress was 50 percent above the level in ghetto schools. Armor said that these results were not significant, because the white children were learning even more rapidly than their black classmates and the gap between blacks and whites continued to grow. The fact is, however, that the results showed that integration could substantially lessen the rate at which the gap between lower-class black kids and middle-class white kids normally widens.

The only study Armor used which covered more than one year's experience in a desegregated setting was made in Riverside, California. The Riverside data actually shows, in the opinion of analysts in the Riverside school system's research department, that the problem of a continually growing achievement gap with each year of schooling may be substantially eliminated by integration beginning with the first years of school.

OPINION VOICED FOR ASSISTANCE TO NEW YORK CITY

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Ms. ABZUG. Mr. Speaker, there is a growing realization by those concerned with the health of the American economy that the continued refusal by the President to help New York City meet the financial crisis which it is facing is clearly the wrong policy to adopt under present conditions.

An article by Prof. Seymour Melman of Columbia University which appeared in the November 2 New York Times, reflects that realization. Since this House will be considering legislation next week to provide loan guarantees for cities in financial difficulty, I feel that it would be helpful for my colleagues to review these opinions. The articles follow:

[From the New York Times, Nov. 2, 1975]

THE FEDERAL CONNECTION

(By Seymour Melman)

Something is missing from the discussion on New York's financial crisis. The wages of policemen, schoolteachers, and the productivity of sanitationmen and of city employees generally, do not explain the debacle. The missing factor is the Federal connection by which New York City and the state are drained of tax dollars while forced to bear extraordinary burdens as a result of Federal policies.

Each year from 1966 to 1967 (the last reported years) the Federal Government extracted from New York State $7.4 billion more than it spent there for all purposes. By contrast, California received $2 billion a year more than it paid to the Government; Virginia got $1.3 billion, net; and Texas received $1 billion net each year.

The Federal Government has been milking the economy of New York State (and Illinois, Michigan, Pennsylvania, Ohio, Indiana, Wisconsin—all of them centers of civilian industry) and transferring capital and purchasing power to the states that are concentrations of military industry and bases.

Of all the states with over $1 billion net drain to the Federal Government, New York State suffered the biggest loss, with Illinois next at $4.4 billion.

Paralleling the direct exploitation of New York State, the Federal Government's policies imposed a set of heavy costs on the city and state. Federal subsidies spurred the mechanization of agriculture in the American South after World War II, producing a cast-off labor force of poor tenant farmers. The former tenant farmers drifted to the great cities of the North, as did a wave of migrants from Puerto Rico, also seeking opportunity.

The Federal Government did virtually nothing to support economic development that would retrain, educate and re-employ these people. The "Great Society" program was never implemented, as the needed resources were funneled off for the war in Vietnam. The city school systems and social services gave modest support for people whose traditional lives had been shattered. As a consequence there grew up in New York and other cities a substantial population of jobless and unemployable people constituting a *lumpenproletariat*. Their depressed condition is accentuated by the racial discrimination toward which the Federal Government practices benign neglect.

A permanently impoverished population is costly to a surrounding community. The very poor use more police and fire services, more courts, more jails, more emergency medical care, more social work, and more welfare resources of all kinds than any similar employed population.

The social cost of a *lumpenproletariat* also appears in the unproduced goods and services lost to the whole society owing to their unemployment and underemployment.

The city government was left to care for the mass of elderly poor who cannot live on the Federal Social Security stipend, owing to the inflation induced by the Federal priority to a permanent war economy.

The Federal Government is responsible for enforcing the laws against importation of hard drugs. The Federal failure to enforce them contributes to the formation of a large addicted population, about half of it collected in New York City. The social havoc that it generates is a Federal responsibility, until now denied and dumped onto the New York cities of the United States.

For thirty years the Federal Government has subsidized the development of suburban communities: by the tax deduction allowed on home mortgage interest; by the Federal highway network that linked the suburbias of the country and gave easy access to central cities. Meanwhile, urban renewal was neglected. So the New York cities developed blighted areas, and city transit was left to decay, deemed unworthy of Federal largesse.

These Federal connections apply to all the major metropolitan centers. Therefore the troubles of New York City are prudently read as an early warning of what awaits the rest. The Federal Government compounds the damage to the New York cities of this country by preempting the cities' tax bases while lavishing our tax dollars on foreign power plays and military adventures.

Consider that the Federal Government's net take from New York State averaged $412 per person for the late 1960's. For the 7.8 million residents of New York City this was a loss of $3.2-billion per year—more than enough to preclude any deficits in the city budget and to support some of the economic development for our own people that successive Federal Administrations have avoided in order to finance their own military economy.

Therefore, the abuse and contempt that the Gerald Fords now heap on New York City serves a serious strategy: to mobilize every sort of prejudice that can divide a large and diverse people; to divert attention from the actual causes of many economic problems; to divide and rule.

PRIVATE ENTERPRISE COST SAVING ALTERNATIVES TO THE RISING COSTS OF MUNICIPAL SERVICES ARE AVAILABLE TO CITIES

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. KEMP. Mr. Speaker, a byproduct of the national debate over the fiscal distress of New York City has been a reexamination—although not yet as thorough as it should be—of whether Government ought to have the sole responsibility of providing basic services in our cities. This reexamination is going on throughout the country.

It is unfortunate that it took the near collapse of the fiscal integrity of the Nation's largest city to bring about this scrutinizing of municipal service responsibilities, but it is a very good thing for the taxpayers that our cities and other instruments of Government are taking a renewed look at this matter.

The consensus which should be emerging from these analyses is that money-short cities can both cut costs and operate more efficiently by letting private companies compete in providing basic services in our cities. This competition should drive down the real prices and drive up the quality of service, for higher costs—no matter how well disguised through taxes—and diminished quality are the inevitable consequences of government-run monopolies in municipal services.

These points were well made in an interview with Mr. John Diebold, one of the Nation's most respected authorities on management efficiency, in the current issue of U.S. News & World Report. Mr. Diebold is well qualified to make these judgments. He is president and chairman of the Diebold Group, Inc., an international consulting firm. He is an expert on computers and technological innovation and has made detailed studies of how private enterprise can assume a wider role in helping solve municipal problems.

The interview follows:

WAYS PRIVATE FIRMS CAN SAVE MONEY FOR BURDENED CITIES

Q. Mr. Diebold, a big problem in New York—and most other cities—is the skyrocketing cost of providing services to residents. Can those costs be cut?

A. It's becoming clear that private industry could take over a great many jobs, from garbage and trash collection to education and fire protection, at a great saving to taxpayers.

New York's household-garbage collection, for example, is handled almost 100 per cent by workers on the city payroll. In one area of Queens, the cost to the city, per family, is $207 a year. Right across the city line 3 miles away, in Bellerose, Long Island, where collection is done commercially, the cost is only $72 a year.

Other cities already rely on private services, St. Paul, Minn., has 40 to 50 companies competing in garbage collection, and they handle 80 per cent of the total. In Wichita, 80 companies compete; in Minneapolis, 50 companies.

In each of these cases, the municipal government's service is about 10 per cent more expensive than the commercial firms, which are making a profit, but still probably less expensive than they would be in a monopoly situation.

Q. Why do you feel private companies can do the job better than public agencies?

A. Because they operate with a profit motive—the thing that makes private business the world's best allocator of resources. Corporations have the incentive to continually improve productivity, to innovate, to apply new technology.

Governments suffer from a lot of drawbacks in providing services. They're a monopoly. There's no competition, insufficient pressure to hold down costs; no desire to try something new. Whenever you inject competition into governmental services, you improve the services and give the citizen a choice.

Q. What about fire protection—is that something companies could take over?

A. In some cases, yes. It's being done in six or seven communities in Arizona, where a private company runs the fire departments. The company servicing Scottsdale has a growth rate of about 40 per cent a year and is providing fire protection at a significant saving. The company makes or converts its own fire-fighting equipment. It has adapted light trucks instead of heavy fire engines. They've innovated in the way they deploy their workers.

Q Could private industry take over schools, too?

A I think so. There are a couple of possibilities. The method with most promise seems to be a voucher system—you encourage competition between schools, and give parents vouchers they can spend for tuition at any one of several choices.

A school district in San Jose, Calif., with 9,000 students is operating on a competitive system of this type—the students have a choice of 45 different school units.

The other route is through performance contracts, where private companies agree to provide specific educational training. In the past year, there have been 40 experiments of this kind around the country. In Grand Rapids, for instance, three companies are competing. The interesting thing is they don't get paid unless they can show specific improvement in student performance. And the fact that these companies are making 50 to 75 per cent of the maximum possible on the project suggests they are demonstrating improvement.

Q Does police protection lend itself to private operation?

A That's already being done quite widely. By one calculation, New York City has as many private uniformed security guards as there are public policemen. Lexington, Ky., has used private companies to patrol difficult areas—a housing project, for example—on a 24-hour basis. The company has been given a merit award because no crimes have been reported since the firm took over.

St. Petersburg, Fla., had a private company patrol its parks. Then they put in a sonic alarm system and were able to dispense with the patrolmen.

Q By putting technology to work in the public-service area—

A Yes—and that's a point I'd like to stress. Even if we continue to keep most services in the public sector, we could do a much better job and cut costs if we used technology more aggressively and more imaginatively.

The real problem with most city services is they're labor-intensive at a moment in history when that's a suicidal approach. It can only mean traumatic increases in costs as people are less and less inclined to do dirty work or menial jobs. The reason most city jobs stay so labor-intensive is they're bound up in politics and there's no motivation to apply science and technology.

Q Do you think New York's problems will lead many cities to look at ways to streamline municipal operations?

A Absolutely. I think the real emphasis now ought to be on the medium-sized and smaller cities where there are less-entrenched positions on the part of unions, less-hardened attitudes, more openness to applying new methods. From the long-term point of view, we can make all sorts of improvements in city services, at tremendous reductions in cost, if we use the techniques already available to us—injecting competition and innovation which private industry already is using.

GERMAN DAY IN TEXAS

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. STEELMAN. Mr. Speaker, German Day was celebrated Sunday, October 12 in Texas. German Day is an annual event in which the significant educational, cultural, and scientific contributions made by citizens of German descent are recognized. It is appropriate in this Bicentennial season to remember Baron Friedrich Von Steuben, selected as the outstanding German of the American Revolution, who left a top position in Frederick the Great's German Court to join Washington's army, distinguishing himself as its inspector general, disciplinarian, and trainer. Baron Von Steuben exemplified courage and dedication in this position of leadership, qualities that have been exhibited repeatedly by many outstanding German Americans.

I insert an editorial from the October 11 Dallas Morning News concerning German Day:

[From the Dallas Morning News, Oct. 11, 1975]

IT'S GERMAN DAY IN TEXAS

Joining with all their inherited tradition in the Bicentennial spirit of our national commemoration, Germanic Texans celebrate on this weekend German Day in Texas. Officially this event is Sunday, Oct. 12, but it will be initiated Saturday evening by the 13th annual Pioneer Ball, honoring Mayor Sidney H. Henke of Fredericksburg and City Mgr. George Schrader of Dallas, as attention centers on Texas Germans in public service. At the State Fair tomorrow, German Day in Texas—designated by Gov. Dolph Briscoe and in Dallas by Mayor Wes Wise—will be honored by day-long celebration.

Selected as the outstanding German of the American Revolution is Baron Friedrich von Steuben, who quit a top post in Frederick the Great's German court to join Washington's army, attaining fame as its inspector general, disciplinarian and trainer. He also had command of the left wing at Monmouth and service at Yorktown. Postwar, he became an American citizen.

Dallas architect Gershon Canaan, founder of German Day in Dallas, has been active in securing national recognition of von Steuben. Canaan will be honored at the Pioneer Ball by presentation of a special medal to him for what he has done for von Steuben's memory. The Lone Star Association of the Order of the Cincinnati is joining the Texas German Day Council tonight for this purpose.

No state in the Union owes a greater debt than Texas to German participation in growth and development. This largely centers on post-Texas Revolution days but has never faltered. Many Texas cities remain predominantly German in character. German Texans have distinguished themselves in public service, civil and military, for more than a century. German citizenship has spread its character far beyond the original locales of settlement.

German Day in Texas and here in Dallas fittingly gives its accolade to an outstanding segment of our society, a merited recognition attested to by our history and theirs.

TRAGIC STORY OF LEV GENDIN

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. WIGGINS. Mr. Speaker, the Preamble to the Constitution contains a litany of the human ideals our Founding Fathers endeavored to protect as the new Union was formed. Today we are the beneficiaries of the success of those ideals. No benefit is of more value to Americans than the enjoyment of the "Blessings of Liberty."

We all know that the citizens of the Soviet Union do not enjoy the same measure of freedom that we enjoy. The restrictive policy of the Soviet Government relating to the emigration of Russion Jews has created many human tragedies. I want to share with all of the Members of the House, the tragic story of Lev Gendin, as it was related to me by his cousin, Dr. Richard E. Gandin of Fullerton, Calif. This story should cause us all to appreciate anew the blessings of being a citizen of the United States.

Lev Gendin was one of six Jews who, after the Soviet-American trade-for-emigration deal was announced in 1973, had gone into the countryside to collect information on Jews in smaller cities and villages who also might wish to emigrate but who might face different harassment than those in Moscow.

On November 10, 1973 Gendin was arrested in the town of Kishinev and sentenced to 15 days for "disgraceful behavior and bad language." As he was put into solitary confinement, Gendin declared a hunger strike. On the sixth day he was moved to a general cell where he was able to let his friends know what happened to him.

Two days before Gendin was released, a prisoner in the same cell intimidated Gendin with an anti-Semitic remark. When Gendin responded he was hit across the head with a heavy spade. The guards refused to intervene, and the following day this prisoner was released. Gendin, on the other hand, was sentenced to another 10 days imprisonment for conducting "anti-Soviet propaganda among the prisoners, for distortion of Soviet reality and for refusal to work." The 19th day of confinement, Gendin escaped by throwing himself out of a police car.

Since Gendin applied 5 years ago for emigration he has been arrested many times and has spent 160 days in prison. Although he is a highly trained electronic engineer, Lev Gendin has been forced, since he applied for a visa, to work as a loader, driver and night guard. All of his credentials have been confiscated by the militia so that now he cannot work in his field.

It has been 8 months since Gendin's escape from prison and he has been told that if he does not keep quiet about emigration, that he will be drafted or sent to Siberia.

In 1972 Gendin's wife, Aviva, received an exit visa with her father, who has been applying for one since 1956. Because her father refused to leave Russia without his daughter, she left for Israel. Gendin was then not only deprived of the fundamental right of emigration, he has also been denied the human right to live with his wife. In view of his bravery Lev Gendin has already been granted Israeli citizenship but he will not be able to accept it until the Soviet Union allows Gendin to leave.

As the Soviet Union seeks to establish an atmosphere of détente with the United States, it should not be unmindful that the Congress of the United States and the people of this country are monitoring the conduct of the U.S.S.R. toward its own citizens. Whether the Soviet Union is worthy of our friendship and commerce is dependent in part upon its concern for those human values which we cherish.

H.R. 7575 IS AN ILLUSION OF CONSUMER PROTECTION

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. RUPPE. Mr. Speaker, in my view, H.R. 7575 affords only the illusion of consumer protection while creating a very real and potentially very costly bureaucracy. I therefore opposed this measure when it came before the Congress last Thursday and hope my colleagues will be able to sustain the Presidential veto which may be forthcoming.

The cumbersome and counterproductive nature of this legislation is readily apparent when one looks beyond its high-flown purpose to scrutinize the powers the Consumer Protection Agency would have. Under the provisions of H.R. 7575, this new agency would be able to intervene in any proposed Federal action which "substantially affects" consumer interests, participate in both formal and informal agency activities, and seek judicial review of agency decisions with which it disagrees. It could also compel businesses to provide it with information under its interrogatory powers and require other agencies to disclose trade secrets and financial information in their files.

This legislation would therefore do nothing to help the housewife who has been overcharged by the butcher, the motorist whose transmission has been unnecessarily replaced, or the customer who has been given the runaround at the appliance store. Rather, it would create a new bureaucracy with unprecedented ability to interfere with the activities of existing bureaucracies. In the name of consumer protection, it would increase the cost of government, delay its decisions, and pit Federal agency against Federal agency. Moreover, it would add to the mountain of redtape confronting the businessman, increase his operating costs, and inflate the price of his product.

At a time when the economy is staggering under the weight of too much Government regulation, inflation is rampant, and the Federal deficit is approaching the $70 billion mark, I do not believe that we can afford to create this sort of bureaucracy. This new agency would initially add another 800 to 1,000 workers to the Federal payroll at a cost of $60 million over the next 3 years, and I fear that this would only be the beginning. With its almost limitless scope for intervention, it would surely discover that it needed additional employees, and the Congress would most likely provide them.

The expenditure of these millions is particularly indefensible when one realizes that the Congress has already created dozens of agencies, departments, and bureaus to serve the public interest. These include the Federal Trade Commission, the Federal Communications Commission, the Securities and Exchange Commission, the Consumer Product Safety Commission, and the Food and Drug Administration, to mention only a few. If, as the supporters of H.R. 7575 contend, these agencies are not doing their jobs properly, the answer is better congressional oversight, not the creation of an additional agency.

Finally, it is important to note that there is no such thing as a single consumer interest to be protected and represented. In any given situation, there are a host of consumer interests such as low price, high quality, good performance, durability, and safety. These objectives often conflict with each other, and many consumers will inevitably be unhappy with the position advocated by the Consumer Protection Agency. The question may then arise as to whether we should give the same power of intervention to those groups who feel they are not being adequately represented by the ACP.

The American people have made it clear that they are disenchanted with Government growth, Government cost, and Government interference in their lives. I would therefore urge my colleagues to defeat this ineffectual and unworkable piece of legislation before it is too late and concentrate on improving consumer protection activities.

LOAN PROGRAM ASSISTS URBAN RENEWAL EFFORTS

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. NOWAK. Mr. Speaker, in a recent edition of its newsletter—Housing Perspectives—the Housing Council of the Niagara Frontier, Inc., provided a clear, detailed explanation of how the section 312 rehabilitation loan program functions.

These low interest—3 percent—loans are available in specially designated areas of a community which are beginning to show the early stages of blight. Congress this year extended this program until August 1976.

This program not only helps preserve urban neighborhoods and boost community confidence, it also enables property owners to make necessary repairs to make their homes and businesses safer, more livable, and more attractive. In conjunction with a well-planned municipal program for improving community facilities like sidewalks, streets, and parks, this rehabilitation loan program can make a marked contribution to the revival of our cities.

It was with this need in mind that on the opening day of this Congress I introduced two bills to permit Federal income tax deductions for homeowners and owners of small rental properties who repair or restore older homes. I remain hopeful that these incentives for improving existing property will eventually be approved by Congress.

At this point, Mr. Speaker, I would like to share with my colleagues this extremely readable article from Housing Perspectives.

SECTION 312 REHABILITATION LOANS

Within the past few years the concept of urban renewal has changed from one of destroying existing substandard structures to rehabilitation of such buildings. Communities now realize the value of keeping existing housing and neighborhoods, and prefer this to the older renewal programs under which houses in need of repair were torn down and new neighborhoods were created with housing too expensive for the former residents. In addition, rehabilitation is often a less costly and more rapidly implemented method of creating new housing units than demolition and new construction.

One program for financing rehabilitation is Section 312, a carry-over from previous federal acts which was extended by the Emergency Housing Act of 1975. This program provides loans at a low interest rate for property owners to correct existing or incipient code violations in their homes. Examples of code violations include malfunctioning heating systems, plumbing systems with leaks, poor electrical wiring, and structural faults such as a leaking roof or a wall with cracked plaster and peeling paint. As such, the program serves as a tool for neighborhood improvement. This will be discussed later in the article.

Structures located in Neighborhood Improvement Program (NIP) areas are eligible for Section 312 loans. NIP areas are areas designated by the local government for improvement. These areas are feasible for rehabilitation, because although they show the beginning signs of blight, they can still be saved. The city invests in these areas by installing public improvements such as new street lights and public parks, and makes repairs on streets and sidewalks. In turn, the homeowner is encouraged to improve his property.

Section 312 loans allow the property owner whose property has been cited for property code violations to borrow up to a certain statutory debt limit to bring the property up to at least minimum code standards. In addition, the owner-occupant (of a one to four-dwelling-unit structure) may borrow up to 40 per cent above the estimated cost of correcting incipient and existing code violations for general improvements which he or she may desire, such as new kitchen cabinets, wall-to-wall carpeting, or new bathroom fixtures.

The interest rate on the loan is three per cent for a three to twenty-year term, and there is no penalty for prepayment. The term of the loan would be $5.55 per month per $1,000 over the length of a twenty-year loan. The monthly cost at a market rate of ten per cent per $1,000 for twenty years would be $9.66. Existing and incipient violations must initially be corrected; general improvements may follow. Homeowners who apply and are eligible for Section 312 loans can also have their mortgages refinanced at three per cent if they meet certain guidelines. However, mortgage refinancing under the program doesn't occur very often because of statutory requirements that only infrequently exist for eligibility.

The owner need not live in the property to obtain the loan, and it is available to landlords and tenants of commercial property as well as to owner occupants. The loans are used to bring the property up to at least minimum code standards.

BUFFALO'S REHAB PROGRAM

The City of Buffalo was the first municipality in Erie and Niagara Counties to use the Section 312 loan program. It first used Section 312 loans for rehabilitation in its Concentrated Code Enforcement (CCE) Program, which began in 1968. Of the six areas originally designated for improvements, Allentown-Lakeview has been concluded, Hamlin Park is winding down, and the other four—Broadway-Fillmore, Fruit Belt, Emslie, and South Ellicott—have been included in the Neighborhood Development Program (NDP), the second phase of the federally-funded rehabilitation program. CCE and NDP both featured public improvements in the neighborhoods eligible for Section 312 loans. However, NDP differed from CCE in two ways: instead of a large grant as in CCE, NDP was run on a yearly basis, with an annual grant, progress report, and application. NDP offered more flexibility by combining rehabilitation and clearance to suit the needs of the individual neighborhoods, whereas the CCE program required that every property be brought into compliance with housing codes, even when it meant a considerable expense to the homeowner.

Under the Community Development Act of 1974, all categorical grants for renewal programs were to be phased out and replaced by the municipality's own loan program. The Section 312 loan program was to have ended in July 1975 and a local loan program for rehabilitation established in its place. However, Congress extended the Section 312 loan program for another year (through August 22, 1976) with the passage of the Emergency Housing Act of 1975. Under this extension, all federally-assisted rehabilitation projects are eligible for the loans. Thus, Community Development, NIP, NDP, and CCE areas are still eligible.

THE LOAN PROCESS

There are several steps in obtaining a Section 312 loan, as outlined by King Peterson, Assistant Project Manager with the Department of Community Development at City Hall. The first step in the process is inspection to verify that the property has code violations that must be corrected to bring the property into compliance with all applicable codes and ordinances. In Buffalo, this is accomplished by the Department of Inspections and Licenses.

There are three ways of initiating inspection, the first of which is voluntary, where single and two-family homes are inspected on request. A committee of neighborhood residents may decide that a house is a blighting influence and request that the city begin code enforcement actions on that property. Third, all multiple dwellings (three or more units) are supposed to be inspected and brought into compliance with the law.

Once the inspection takes place and the property owner indicates that s/he desires assistance, the agency for community development assigns two officers—a loan specialist and a rehabilitation construction specialist. These specialists provide technical assistance in determining the nature, extent, and approximate cost of renovating residential structures.

The loan specialist examines the homeowner's financial background, including such information as the homeowner's age, employment situation, and whether the homeowner is current in state and federal taxes, has a bank account, and if there is a mortgage or lien on the property.

The loan specialist then decides if the homeowner is a good risk, and if so, assembles a package of gathered verifications of the above questions, along with any other documentation required.

At the same time that the loan specialist is investigating the homeowner's financal background, the rehabilitation construction specialist, who has experience in construction repairs, examines the home. For example, if he finds that a wall has a hole in it, the rehabilitation specialist will describe various remedies and recommend which one would be best for the homeowner. He does this for each violation cited on the property, and provides an estimate of the total cost of repairs. If the homeowner has no preferred contractor and if the cost exceeds $10,000, the Department of Community Development will advertise, in the newspapers, for formal bids at no cost to the homeowner. Contractors then look over the property without knowing the agency's original cost estimates.

A minimum of three bids are solicited, from which the lowest responsible qualified bidder is chosen. The bids, however, should be no higher or lower than 10 per cent of the agency's cost estimate. Any bid that is more than ten per cent over the original cost estimate indicates that the homeowner is not receiving a fair proposal, according to Mr. Peterson.

After the contractor is selected, the bid proposal, along with the work write-up, cost estimate, and the package of assembled verifications of the homeowner's financial background, is sent to the Department of Housing and Urban Development (HUD). If the loan is approved, a check is sent to the agency for endorsement by the homeowner and put in an escrow account. The city acts as a fiduciary agent.

Once the check is deposited in the escrow account, the homeowner sends the contractor a proceed order. The rehab specialist monitors the work as it is being done. When the work is completed, the contractor must give a written warranty to the homeowner in which he specifies that the work is guaranteed for at least a year. The Department of Community Development does make provision for progress payments to the contractor so that he can continue and complete the work.

Monitoring by the rehab specialist and the number of inspections are designed to attract only reliable contractors. The inspections, principal strong points of the program, are required to provide the homeowner protection from fly-by-night contractors.

RESPONSE TO PROGRAM

Some homeowners whose property has been cited for violations object to being forced to make repairs and will do anything to avoid complying with repair orders. In some cases this is because of legitimate financial reasons. In other cases it is a reluctance based on values, costs, and motivation.

People also tend to be reluctant to participate in any program that requires them to do something that they hadn't planned to do, Thomas Murphy, Project Manager for the Department of Community Development, said in reference to the Section 312 loan program in the NIP areas. Also, because of the current economic situation, people tend to consider four factors and decide against home improvements in general. One consideration, and most important in Mr. Murphy's viewpoint, is the increased cost of everything. Thus, optional repairs are cut out of the budget. Another factor is the high interest rates, which other people consider the most important factor for delaying home improvements. Fear of unemployment is a third factor, And finally, homeowners weigh the cost of their house against the cost of repairing it and the value of the house next door.

This, then, is one reason why the city invests in the NIP areas through such public improvements as new street lights, repair or repaving of streets and sidewalks, tree trimming and removal, and parks. These actions serve as a springboard for other improvements by the residents when they see that such progress on the part of both the city and their neighbors increases the market value of their homes. Thus, the initial apprehension disappears and the programs are successful as people overcome their reluctance and invest in their own property.

Another reason for apprehension that must be overcome before people will participate in the program is convincing homeowners that the inspections are not a police action. (Remember that inspections are either voluntary or initiated on the recommendation of community groups.) The loan specialist helps explain this at public meetings, one means of publicizing the Section 312 loan program. Under the NIP program, inspections are no longer universal as they were under NDP and CCE. At these meetings, Section 312 is promoted as a low-key rehabilitation program, rather than code enforcement.

Community coordinators and block club organizations, both of which help publicize the program, have helped tremendously.

The homeowner, in some instances, may have invited the inspector to visit his or her home. Through the efforts of community coordinators and block club organizations, people are learning to deal with neighbors and inspectors on a personal level, whereas in the past people were hesitant to invite neighbors and community workers into their homes because they feared they were being judged by what type of television they own or how old their furniture is. These fears need to be overcome, according to Tony Marconi, a community aide.

Another cause for reluctance in correcting code violations is the expense involved. Most residents would rather spend $500 of their own money one year, and $500 the next for improvements rather than borrow a large sum of money at three per cent interest. Community workers help convince homeowners that it is really better to borrow the larger amount ($5,000 for example) at three per cent and put their own money, which they would have spent on repairs, in a bank where it can earn seven per cent interest. A family in a NIP area that earns $9,000 or $10,000 a year saves approximately $10 or $20 a week. It would make better sense for this family to continue to save their money and borrow at low interest rates for rehabilitation. This is what community aides help explain, Mr. Marconi stated.

The argument can be carried one step further. The cost of repairs for violations and general improvements may escalate due to inflation or a worsening of the condition of the house if the homeowner elects to save until he or she can pay for repairs without borrowing.

Efforts are made to publicize the Section 312 loan program and to reach all who own property in the areas where the loans apply. In NIP areas, slingers are distributed from door to door, and the Department of Community Development sends slingers to landlords whose property in these areas have been cited for code violations. Block club organizations help distribute information, and in addition participate in and are encouraged to sponsor general public meetings to stimulate interest, explain options, and answer questions.

All officials interviewed in Buffalo are enthusiastic about the program. Jack Case, Community and Development Representative at HUD, feels that the program is doing its job as a stimulus to upgrade neighborhoods, and that it is successful because people can see the results of work done by the city and homeowners. He cautioned, however, that constant maintenance is needed to keep houses up to code standards. Lack of maintenance after the repairs are completed indicates that the program is not accomplishing all that it could.

Mr. Peterson stated that the benefits of the program are tremendous. Without rehabilitation, cities would decay even further and many structurally sound homes in urban neighborhoods would be lost.

An overall view was provided by Mr. Murphy, who pointed out that community development is the activity of the future. The City of Buffalo is already complete in terms of its housing stock, and these houses will provide shelter for its citizens for the next twenty years. It is up to the citizen to maintain and improve the houses we already have, and Section 312 loans help to preserve existing housing.

More neighborhoods will be included next year for Community Development funds in Buffalo, Mr. Murphy believes. The funds will be used for preservation and maintenance rather than clearance.

In addition to Buffalo, several other communities in the area are participating in the Section 312 loan program, or a similar program.

IRRESPONSIBILITY OF THE U.N.

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BELL. Mr. Speaker, as you know, the United States currently contributes in excess of $80 million each year to the U.N.—or about 25 percent of the U.N.'s annual budget.

I seriously wonder if the United Nations, as it is presently performing, is worth the money. In recent years, the U.N. has become increasingly ineffective—even counterproductive—as a stabilizing force in the world.

The General Assembly vote this week condemning Zionism as a form of racism is just the most recent of a long list of irresponsible actions by that body and demonstrates, I think, that the time has come to reassess our participation in the United Nations.

In connection with the resolution passed by the General Assembly, I would like to call to the attention of my colleagues a very thoughtful and perceptive analysis of that resolution which appeared in this morning's Los Angeles Times.

The editorial follows:

THE U.N. TAKES TO THE ALLEY

The diverse political motives of the 72 members of the United Nations that voted to declare Zionism a form of racism and racial discrimination can be discerned and explained, but the moral malice and historical ignorance behind the vote cannot be excused.

Zionism is the foundation on which the state of Israel was constructed, not simply with the sanction but under the legal auspices of the same world organization that now votes condemnation.

To judge retroactively that Zionism is inherently racist inevitably is to call into question the legitimacy of that state—not just what it stands for, but its very existence. The General Assembly, in fabricating a new definition of Zionism, has implicitly lent strength and provided a measure of political justification to those who would destroy Israel.

Reasonable persons can still debate the wisdom of establishing a modern Jewish state in Palestine, but reasonable persons also recognize that the argument has been irrevocably settled for nearly three decades. Israel exists; the right of its people to survival and security in their homeland is not a subject of responsible argument.

Reasonable persons can disagree with some or all of Israel's international policies in recent years. But the place to dispute those policies is in the international political arena, and the way to dispute them is by direct political confrontation among sovereign states, not through a back-alley guerrilla attack on the philosophical underpinnings of a single state.

It would be erroneous to ascribe anti-Semitic motives to all of the 72 countries that voted in support of the Arab-sponsored resolution condemning Zionism. It would be equally wrong to assume that this resolution might not have anti-Semitic consequences in a number of countries.

Zionism is specifically identified with the establishment of a Jewish national home. By no means are all Jews Zionists, by no means are all Zionists Jews, but for the anti-Semite the condemnation of Zionism will readily be confused with a condemnation of Judaism. That is among the more ugly and deplorable aspects of the U.N. vote.

It is hard to tell to what larger, let alone positive, purpose the vote might be put. Generally, it aligned the world's shrinking number of democracies against the world's growing number of nondemocracies, among whom are some of the most brutal and racist states in existence. But has all this furthered the Arab cause, and, particularly, has it brought any nearer a resolution of the Palestinian issue? That is most unlikely.

If anything, the effect of the vote will make it harder for those forces in Israel that see the necessity of accepting a Palestinian state to have their opinions considered seriously. It will intensify Israel's sense of aloneness, its contempt for the value of the United Nations, its refusal to consider talks with the Palestinians.

All this without any benefit to the Palestinians, save some immediate emotional satisfaction, and a point for preaching to the already converted. But, again, to what end? The mendacity, hypocrisy and moral irresponsibility evident in the U.N. vote have done nothing to improve the political conditions that could lead to peace in the Middle East and a homeland for the Palestinians.

All that has been done with this action is to bring further discredit to the General Assembly, and new dishonor to many of its members, deepening the divisions that exist in the world community and hardening the attitudes of the antagonists.

EFFECT OF NEW YORK DEFAULT ON BORROWING COSTS FOR OTHER CITIES

HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. SEIBERLING. Mr. Speaker, last Saturday the lead article in the Cleveland Plain Dealer concerned a study which showed that the mere fear of a default by New York has already had a drastic effect on the borrowing costs for Ohio's State and local governments.

The article points out that since July 1 such costs for Ohio governments have already soared by $788,800. The study predicts that in the long-term, high borrowing costs resulting from the decline in investor confidence will add $9.5 million to the interest payments on $939 million in bonds issued by Ohio and its local governments.

Furthermore, the article notes, scores of cities are being forced to cancel public improvements, a trend that could slow economic recovery. In Cincinnati, officials did not get a single bid on $2.2 million in bonds to improve recreation facilities, and other cities have had similar experiences.

The study indicates that a New York City default will have an effect similar to the municipal defaults in the Great Depression, which crippled the bond market for nearly 10 years and lead to the formation of RFC by the Federal Government in order to rescue the market.

As the study indicates, we would be running a tremendous risk if we allow New York to default. The text of the article follows these remarks:

[From the Cleveland Plain Dealer, Nov. 8, 1975]

OHIO BORROWING COSTS RISE $788,800—NEW YORK DEFAULT FEARS BLAMED

(By George P. Rasanen)

WASHINGTON.—A major study of the impact of a New York City default on bond markets across the nation shows that since July 1, borrowing costs for Ohio's state and local governments have soared by $788,800.

The study predicts that in the long term higher borrowing costs, caused by a decline in investor confidence, will mean $9.5 million in added interest payments on $939 million in bonds issued by Ohio and its municipalities, counties, townships, schools and other jurisdictions.

Scores of cities are being forced to cancel public improvements, a trend that could slow economic recovery, the study said.

In the last three months, the study said, cities, including Cincinnati, have postponed $1.4 billion in public improvements, causing a loss of 56,000 jobs.

The study by two financial experts supports the theory of a domino effect on other state and local governments from New York City's financial muddle.

John E. Peterson, an economist and director of the Municipal Finance Officers Association here, and Ronald W. Forbes, associate finance professor at the State University of New York at Albany, rebut President Ford's contention that ill effects of a New York City default will be minor.

Peterson's and Forbes' study traces the erosion of confidence in the bond market directly to the financial collapse of the New York State Urban Development Corp. and states that New York City's fiscal crisis has hastened the trend of a decline in investor confidence.

Nationally, since bonds sold now will be outstanding for many years, the long-term increase in interest rates for state and local governments outside New York is estimated at up to $1.5 billion.

"We did find there was an upturn in borrowing costs beginning about July 1, because of the New York City crisis," Peterson said. "It does show increasing investor concern for the credit quality in the municipal bond market. All this is closely related to the threat of a New York City default."

Peterson said the effect of a New York City default would be long-term, somewhat similar to the municipal defaults of the Great Depression. During the Depression the municipal bond market was crippled for nearly 10 years and the federal government formed the Reconstruction Finance Corp. to rescue the market.

"They're running a tremendous risk if New York City is allowed to default," Peterson said. "If we do have a default we'll have a continued decline in the market, a loss of appetite for tax exempt bonds."

In the disclosure that cities are canceling public improvements the study said 107 bond issues totaling $1.4 billion have been affected. In examining data from 2,524 tax exempt bonds issued between January and and October of this year Peterson and Forbes found that 38.3% of the canceled projects resulted from a lack of bids by investors to purchase the bonds.

Boston recently postponed indefinitely a $59.9 million bond issue for public improvements because borrowing costs were too high. In Pittsburgh officials rejected bids on $13.3 million in construction bonds for the same reason. In Cincinnati officials did not get a single bid on $2.2 million in bonds to improve recreation facilities. Similarly, there were no bidders on $52.5 million in bonds in Buffalo and $52.4 million in Minneapolis.

TRANSFER OF PUBLIC RESOURCES TO PRIVATE OIL AND GAS COMPANIES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. MILLER of California. Mr. Speaker, in just 3 weeks the Department of Interior is planning to undertake an enormous transfer of public resources to private oil and gas companies. The leasing of over one million square acres of Outer Continental Shelf territory off the southern California coast, as announced by Secretary Kleppe on October 31, represents not only a flagrant disregard for the well-expressed fears of State and local officials in California, but also an unprecedented act of affrontery against this Congress.

During the last several months, bipartisan voices from California and within this Congress have challenged the wisdom of the scheduled lease sale. The State Attorney General, a Republican, has filed suit against the Federal Government's development plans. The Governor, a Democrat, and the State lands commission, have strenuously objected. The legislature has passed a bipartisan bill prohibiting any OCS pipeline from crossing State lands for a period of 2 years. This action were it extended, would create grave problems in OCS oil and gas production off California.

Lastly, Members of this Congress have made clear their opposition to the leasing schedule. Nearly 5 months ago I introduced concurrent resolutions, cosponsored by an overwhelming, bipartisan majority of the Members from California, calling for a postponement in the leasing until finalization of State and Federal legislation pertaining to OCS development and coastal zone management. A coastal plan, written by a commission established by the voters, will be submitted to the legislature within a month.

The Ad Hoc Select Committee on the OCS, of which I am a member, shortly will conclude hearings on pending legislation and will begin marking up the bill. There has been great movement by the people's elected representatives regarding this issue, and I consider it highly improper for a Federal agency to sweep aside congressional and legislative mandates in order to meet an arbitrary leasing schedule.

There have been a number of meetings and discussions in recent weeks involving the Interior Department and California officials concerned with the leasing plans. Interior is fond of viewing this interchange as serious consultation with State and local interests. I submit that it is really a great deal of form, but painfully little substance. The reason for my conclusion is that, when all is said and done, the authority to decide whether or not to lease rests entirely with the Department of Interior, regardless of the soundness of the arguments voiced by others. The only right given California's representatives is the right to hold their own opinion.

Let me point out for my colleagues the hollowness of Interior's claims of cooperation with the State. In response to the complaints of numerous States regarding Interior's high-handedness, the Department decides to create an OCS Advisory Board to serve as a conduit between State governments and the Department. Governors of all coastal States, whether or not they were to be affected by OCS development, named representatives to the board.

Several governmental agencies were

granted ex officio status on the board, without voting rights. And the Secretary of Interior was given the power to appoint other board members to balance opinion, if he saw fit.

Now, If the board was to serve as a conduit for the transmission of frank opinions between the State capitals and Washington, one must wonder about the necessity for balancing these views. However, when the board actually met in Washington in October, the need for wondering was eliminated. The Secretary had seen fit to appoint only one balancing voice, and he was a representative of the American Gas Association.

Let me point out that there is really little need for diluting the recommendations of this board for the conclusions it reaches, like the advice of numerous others who questioned Interior's leasing policies, is purely advisory. The board could vote against leasing 10 times a day every day for a month, and Interior need pay it no more attention than it already has to those who object to its present course. In the light of this lack of authority, one must conclude that the advisory board was created for public relations only. In no way does it represent a willingness by Interior to share responsibility with involved States or this Congress.

Just prior to Mr. Kleppe's decision to go ahead with the California sale in December, albeit with certain modifications which totally fail to meet the substantive objections, I met with the Secretary to discuss the California situation. Also participating in that meeting were representatives of the Governor, the mayor of Los Angeles, the legislature, and local communities which would be affected by OCS development. I believe that it is fair to characterize this meeting as a last ditch effort by California representatives to impress upon the Secretary their vehement opposition to the leasing scheduled for our State.

Even at this meeting, Mr. Kleppe and his representatives voiced their opinion that the State has had adequate opportunity to comment upon the planned lease sales. What seems to have wholly escaped Mr. Kleppe is that we, in California, quite obviously feel that the right to publicly comment upon decisions already made by Interior is far less consideration than the State has a right to expect in so critical a matter. Rather than briefly postpone the California sale to permit Federal and State lawmakers to finalize revisions in OCS leasing policy, Interior seems wedded to a bullheaded decision which may well result in truly extensive delay due to all but inevitable litigation, the only route left open to California interests. Rather than expediting OCS development, present Interior policy will slow it down for years to come by encouraging legal proceedings which will end up costing taxpayers millions of dollars and which will cripple our attempts to achieve energy self-sufficiency.

I agree that we must develop our offshore reserves. But a short postponement pending enactment of legislation is not going to interfere with Project Independence a bit, and Mr. Kleppe knows this to be the absolute truth. If the California OCS were leased tomorrow morning, no oil would come ashore for a minimum of 6 years. Given that time frame, the postponement requested by California officials is hardly unreasonable, considering that the environmental and economic questions involved are of enormous magnitude.

The fact is that the very oil companies which are anxiously awaiting the California sale are right now sitting on millions of barrels of oil and billions of cubic feet of natural gas located in nonproducing wells and undeveloped leases elsewhere, particularly in the Gulf of Mexico. Studies by the Federal Power Commission over the last year and a half document the vastness of these underproducing resources. Recent testimony before the Senate Antitrust Subcommittee indicated that, at present, offshore oil and gas were being produced at only 50 percent the rate established by the Department of Interior itself. Why is Interior so anxious to lease territory which we have not the technological capacity to develop at present? Surely Interior must realize that the longer those resources remain underground and under lease to private interests, the greater becomes their value and, understandably, the incentive for the companies to delay development.

I suggest that Interior is proceeding with this sale simply because it does not want to admit that its accelerated leasing schedule was poorly conceived and beyond realization. The General Accounting Office, however, did so conclude, and both GAO and other agencies have found substantial problems in both the leasing, inspection and reporting in the OCS program.

Indeed, I seriously doubt that Interior has developed a firm policy on OCS development. I have to wonder when, in one breath, Secretary Kleppe tells me that he favors many of the revisions in the OCS law which is now before Congress while, in another breath, his deputies inform the OCS advisory board that they oppose any revision of existing law. While virtually everyone but Interior favors some revision of the present OCS act, it is California which clearly has the most to lose. It is not a loss which California will suffer silently.

DISTINGUISHED JURIST WILTON ERLENBORN TO RETIRE

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HALL. Mr. Speaker, a distinguished public servant, Judge Wilton Erlenborn, has announced his retirement from the 11th Judicial Circuit in Illinois. Judge Erlenborn was first elected county judge in Livingston County in 1962. He later became an associate circuit judge and in 1971 became a circuit judge.

Judge Erlenborn and I are both from Dwight in Livingston County and I have admired his fine career for many years. Among his many accomplishments, Judge Erlenborn served as a member of the advisory board of the Illinois Youth Commission and as a member of the board of directors of Big Brothers. In 1966, he was inducted into the Executive and Professional Hall of Fame and he appears in Who's Who in Government.

Mr. Speaker, all those who have had the honor of knowing Judge Erlenborn realize he will have an active retirement and I want to join with the judge's many friends in acknowledging his years of dedicated service. An article appearing in the Dwight Star and Herald concerning Judge Erlenborn follows:

Judge Wilton Erlenborn To Retire December 1

Announcement is made of the retirement of Judge Wilton Erlenborn of the 11th Judicial Circuit, effective December 1, 1975, on which date, he will have completed 13 years as a member of Judiciary.

Judge Erlenborn was first elected to the position of County Judge of Livingston county in 1962, and served in that capacity from December of that year until January 1, 1964, on which date he became an Associate Circuit Judge, as the former county courts were abolished in Illinois by virtue of the amending of Article 6 of the 1870 Illinois' Constitution. He remained an Associate Judge until July 1, 1971, on which date he became a Circuit Judge under the provisions of the new Illinois Constitution of 1970.

Prior to December, 1962, Judge Erlenborn was engaged in private legal practice in Dwight. During his years on the Bench, he heard matters on essential phases of the Law. He was a graduate of the National College of the State Judiciary, and of the Judges' Juvenile Court Institute.

He served as a member of the Advisory Board of the Illinois Youth Commission, Dist. III; and of the Board of Directors of Big Brothers and Sisters Association of Illinois, Region V. He participated in the organization of the Livingston County Mental Health Association.

Judge Erlenborn held membership in additional societies, political and social in scope. He is a Fellow of the International Academy of Law and Science. In 1966, he was inducted into the Executive and Professional Hall of Fame. His biographical sketch appears in Who's Who in Government (Second Edition) for 1975.

When asked as to his plans for the future, he said: "Well, for one thing, take it easy for awhile and share more time with my family; meanwhile, pursuing several hobbies for which I have been collecting materials through the years for just such time."

The judge continued: "The work of a judge can be exceedingly gratifying at times and frustrating at others. This Circuit generally is staffed with judges of high quality and integrity. My relationship with them and with the members of the Livingston County Bar and of the various other Bars I've been privileged to work with has been very pleasant and rewarding.

"To detach oneself permanently from this Brotherhood by the flick of a pen is not easy, but it was the decision—all things considered—that had to be made."

LEAGUE OF UNITED LATIN AMERICAN CITIZENS SPEAKS ON AFFIRMATIVE ACTION IN HIGHER EDUCATION

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. ROYBAL. Mr. Speaker, the following remarks are excerpted from testimony presented by the League of United Latin American Citizens during Labor Department hearings on the current problems affecting Federal affirmative action employment requirements for institutions of higher education. Richard D. Salvatierra, assistant national director of the LULAC National Education Service Center—LNESC—addresses this testimony to the severe underrepresentation of Spanish-origin Americans in our higher educational system, and to HEW's role in resolving the problem:

LNESC works in the area of higher education in regard to Hispanics. Our headquarters is located in Washington, D.C., and we maintain eleven offices in nine states across the country. Our major objectives are to: 1) increase the number of educationally disadvantaged persons attending America's colleges and universities with special emphasis on Hispanic-American students; 2) increase the retention rate among Hispanic-American students; and 3) increase the awareness of the educational problems faced by the Hispanic community to institutions of higher education, foundations, corporations, and federal agencies with the intent to bring about an increased concentration of resources on the problem.

According to the 1970 census, Hispanics constituted approximately 6% of the total population, yet only 1.9% of America's college students and only 1% of the total graduate school enrollment were of Hispanic heritage. Of the bachelors degrees earned in 1970, Hispanics accounted for only 1.2%. For those earning a doctorate degree in 1972–1973, it was a disparate 0.8%.

The highest concentration of Hispanics is found in the Southwest, particularly in the states of California and Texas. Hispanics account for over 16% of the population in both states. Yet enrollment figures for the California State Universities and Colleges indicate that Hispanics account for 5.4% of the undergraduate and 3.0% of the graduate students, while for the University of California, the figures drop to 3.3% and 2.8% respectively. At the University of Texas in Austin, Hispanics comprise 4.1% of the student enrollment.

Hispanics account for well over 19% of Arizona's population, and yet represent only 4.3% of the enrollment at the University of Arizona. Over 40% of New Mexico's population is Hispanic heritage, yet Hispanics make up a mere 14% of the student body at the University of New Mexico. The same shortcomings exist not only in the Southwest, but throughout the entire country.

The Hispanic's dilemma in higher education, as evidenced by their disproportionately low enrollment, is greatly intensified by current data revealing that a minute 0.6% of the faculty nationwide is of Hispanic heritage at institutions of higher learning.

This dismal picture makes the need for affirmative action for Hispanics in higher education all the more important in order to overcome the existing inequities. In discussing the concept of affirmative action, women and blacks immediately come to mind with very little, if any consideration given to Hispanic men and women. As the nation's oldest and second largest minority group, we feel that adequate attention must be paid to this populace.

After more than a decade of affirmative action, there has been little noticeable improvement for the Hispanic in higher education, particularly at the faculty and professional levels. The nation has committed itself to equal opportunity for minorities and women in the nation's colleges and universities, yet data has revealed that little real improvement has occurred even with implementation of affirmative action. Much of the failure has been attributed to the lack of enforcement of affirmative action by the Federal government. The government's inadequate collection of statistical data on the Hispanic in higher education further strengthens the argument that there remains a demonstrable need for the effective implementation of affirmative action at the nation's colleges and universities.

Title VI of the Civil Rights Act of 1964 prohibits the nation's more than 2,800 colleges and universities from discriminating on the basis of race, color, or national origin in the admission of students and institutional services to students and faculty. Additionally, Executive Order 11246 prohibits employment discrimination on the bases of race, color, sex, and national origin, and requires affirmative action by institutions holding government contracts.

Many institutions of higher learning have argued to exempt themselves from implementing affirmative action on the basis that these laws should not apply to them as compared to the other public and private employment sectors of the economy. However, views expressed in the Senate Committee on Labor and Public Welfare Report on the Equal Employment Opportunities Act of 1971 explicitly stated, "the presence of discrimination in the nation's educational institutions is no secret. Statistics for these institutions indicate minorities and women are precluded from the most prestigious and higher paying positions, and are relegated to the more menial and lower paying jobs."

Affirmative action was intended to be the driving vehicle to bring about equal opportunities for minorities, including the Hispanics, who had been for the most part effectively shut out from full participation in higher education. The decades of racial and ethnic divisions in American society are reflected by the institutions which have excluded Hispanic and other minorities in denying them equal employment opportunities. Therefore, the resulting inequalities make new opportunities less accessible.

We recommend that the following steps be instituted to implement the effective continuation of affirmative action at the nation's colleges and universities:

HEW should institute a thorough program to assist institutions of higher education in the areas of personnel, institutional and managerial planning in overall affirmative action efforts.

The Office for Civil Rights in HEW should take the proper steps to develop professional staff with adequate racial and ethnic representation, to include Hispanics, which can effectively deal with the problems of employment and admissions in higher education.

By 1976, HEW should institute a national data and dissemination system on the availability pool of minorities, including Hispanics, for academic employment. Furthermore, HEW, in its compilation of data on higher education, should take steps to include Hispanic men and women in its breakdown of students, faculty, and professional staff.

HEW should place greater emphasis on affirmative action in graduate schools to increase the availability of minorities, including Hispanics, for academic employment.

HEW should require the development of a written affirmative action program with goals and timetables to eliminate the underutilization or underrepresentation of minorities and enforce the adherence to such timetables.

HEW should require an in-depth internal analysis of workforces in colleges and universities in order to identfy problem areas in affirmative action efforts.

The Department of Labor should become more definitive of the responsibilities it has delegated to HEW under Executive Order 11246.

HELPING LATIN STUDENTS FIND THE WAY TO COLLEGE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mrs. SCHROEDER. Mr. Speaker, the League of United Latin American Citizens National Education Service Centers, a national organization which counsels Hispanic Americans on college, university, and postgraduate education opportunities, was the subject of a feature story in the Washington Star. Because NESC is playing a forceful role in increasing education opportunities for large numbers of Spanish-surnamed students I wanted to share the article with my colleagues:

HELPING LATIN STUDENTS FIND THE WAY TO COLLEGE

EASING THE TRANSITION FROM THE BARRIO TO HARVARD

(By Elizabeth Roach)

Rick Manzanares met Enrique Vargas one day when Vargas, a year away from graduating from Southern Colorado State College, was looking for information on graduate school.

"He was super-aggressive, very self-confident and wouldn't leave us alone," said Manzanares, who was then director of the Colorado Springs office of the League of United Latin American Citizens National Education Service Centers (NESC).

Manzanares is now director of field operations at the NESC national headquarters at 400 1st St. NW. and Vargas, a 28-year-old native of Mexico City who came to this country at the age of 10, is now in his first year at Harvard University Graduate School of Business Administration, thanks to NESC.

Founded in July 1973, NESC is an organization whose primary goal is to increase opportunities for Hispanic Americans to attend colleges and universities.

NESC has helped enroll 10,715 students in undergraduate and graduate programs and has helped get them a total of $9.6 million in financial aid.

Staffers at NESC's 11 field centers—located in Boston, Chicago, Seattle and Topeka, Kan., as well as in cities in the west and southwest—help potential students apply to schools, assist them in filling out forms, inform them of loans and scholarships available and help them through counselling, to define their educational alternatives. So far, 32,137 students have received counselling from NESC personnel.

One of NESC's goals, according to executive director Rodolfo H. Castro, is to help in the educational formation of Hispanic Americans who will be able to provide leadership in each field.

"We didn't have the professionals to service our own community. Our generation didn't have the preparation for college. We want to make sure our students don't go into woodshop, that they go into algebra," he said.

Vargas is grateful for the help he got. "I have nothing but praise for them. They helped from the very outset, and here I am," he said. "They opened my eyes to things I never thought I could get next to."

Another first-year Harvard business administration student, Mike Enriquez of Phoenix, Ariz., says NESC helped orient him as to what Harvard wanted in the essay part of the application form, typed it for him and helped him look for funds.

Like Vargas, Enriquez has a one-year fellowship from the Council for Opportunity in Graduate Management Education, and both say they found out about the fellowships through NESC.

"They were with me all the way," Enriquez said. "If anyone two years ago had told me I'd be in Harvard, I would have said they were crazy."

Vargas and Enriquez may be somewhat outstanding NESC case histories. Castro, himself a graduate of the same school who describes himself as coming from a barrio in a California "desert community," said NESC places 90 to 95 percent of its students in local schools.

He said another activity of NESC is the LULAC Scholarship, which awarded $300 to $500 to 50 Spanish-surnamed college students throughout the nation for the 1975–76 academic year.

No deadline has been set yet for application for next year's scholarships, Castro said, and interested persons may write to the national headquarters for an application.

BRITAIN'S SOCIALIZED MEDICINE SQUEEZING THE DOCTORS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. CRANE. Mr. Speaker, the socialized medical system which has existed in Great Britain for nearly 30 years is now in serious trouble. Costs are up, service is down, and waiting lists for all kinds of medical care are long. Those who seek to impose such a system of nationalized medicine upon our own country should carefully examine the system they seek to emulate. If they did, the overwhelming majority would change their minds.

When socialized medicine was first introduced, British doctors were told that some opportunity would be preserved for some doctors to engage in at least some degree of private practice. Columnist James J. Kilpatrick, who has recently returned from a visit to England, points out that—

> That is quite a string of "somes," but even so qualified a commitment was important.

What has happened to that commitment? It is obvious that without hospital beds for their private patients, the right to engage in private practice becomes meaningless. Mr. Kilpatrick reports that—

> Roughly 4,200 of the 500,000 beds in National Health Service hospitals are set aside for pay patients in private practice. The Labor Government is absolutely committed to phasing out these pay beds.

The British Medical Association is vigorously fighting this effort to eliminate the small degree of private medical practice that has been permitted to exist. One effect of ending private practice, Mr. Kilpatrick writes, is that—

> It would further encourage the emigration of British doctors. The Health Service acknowledges that some 300 to 500 doctors a year are leaving the British Isles.

There are some American doctors who express the view that nationalized medicine can, somehow, coexist with the continuation of our traditional private practice system of medical care. The British doctors who expressed that same view at the time when the National Health Service was first being implemented have been proven wrong. Their American counterparts should learn from their example.

I wish to share with my colleagues the column, "Britain's Socialized Medicine Squeezing the Doctors," as it appeared in the Washington Star of November 6, 1975, by James J. Kilpatrick, and insert it into the RECORD at this time:

BRITAIN'S SOCIALIZED MEDICINE SQUEEZING THE DOCTORS

(By James J. Kilpatrick)

LONDON.—The private practice of medicine in Great Britain, which long has been suffering from malnutrition, may be starved out of existence in the next few years. If the Labour Government has its way, health care for all practical purposes will become a matter of socialized medicine only.

This is the situation: Back in 1948, when the National Health Service was set up, the Labour Government made a key commitment. Physicians were promised that under the NHS, at least some opportunity would be preserved for some doctors to engage in some private practice. That is quite a string of "somes," but even so qualified a commitment was important.

Relying upon the 1948 commitment, since renewed by other governments, the overwhelming majority of British doctors went along with the NHS. Today virtually all of the country's 20,000 general practitioners and about half of the 11,500 surgeons and other specialists practice exclusively within the Health Service. But some 5,800 doctors, by taking only nine-elevenths of the government salary they otherwise would receive, have elected to retain a right to private practice.

Without hospital beds for their private patients, the right manifestly becomes meaningless. This is the crux of the present issue. Roughly 4,200 of the 500,000 beds in NHS hospitals are set aside for pay patients in private practice. The Labour Government is absolutely committed to phasing out these pay beds. The British Medical Association is absolutely committed to a fight to keep them.

Both sides see the issue in terms of principle. In the egalitarian gardens of British socialism, special privilege is a noxious weed. Why, it is asked, should a wealthy patient be able to "jump the queue"? If a working man must wait two or three months for a hernia repair, why should his wealthy boss be able to get the same operation tomorrow or the next day? Are not all men and all hernias equal? The NHS beds, operating rooms and laboratories were built with money taken from all the people. Should not all the people have equal access to them? The 4,200 pay beds have become a symbol of privilege; so the beds must go.

Britain's doctors, speaking with singular unity, see the matter quite differently. In their view, the 4,200 beds are a small symbol of freedom of choice. They deny that queue-jumping is a significant problem. They point out that the pay patients contribute about $85 million a year in revenues for the right to be operated on by a surgeon of their own choice at a time of their own choosing.

In addition to the 4,200 pay beds in NHS hospitals, another 4,000 short-stay beds are available to private patients in private hospitals and nursing homes. The Government's pending phase-out thus would cut the total number of pay beds roughly in half—and the Labour Party intends to see that the private sector does not grow. Because the pay beds are unevenly distributed around the country, the practical effect of the phase-out will be to obliterate private practice altogether in many regions. Wales, for one example, would have virtually no hospital beds for private patients.

Putting an effective end to private practice, as the doctors see it, would have another ill effect: It would further encourage the emigration of British doctors. The Health Service acknowledges that some 300 to 500 doctors a year are leaving the British Isles, but the Service denies that political motivation is a universal factor. In any event, the total number of physicians keeps rising and the medical schools last year had 13,000 qualified applicants for only 3,240 openings.

The British Medical Association plainly is fighting a rearguard action. The Labour Government is adamant; it will not permit the phase-out even to be studied by a Royal Commission. The BMA's best strategy is to stall for time, hoping to rally public support for the doctors' position, and looking to the possibility of a change of government.

Meanwhile, the British doctors are urging Parliament "not to press the matter to further confrontation." The pay beds are the smallest edge of the whole hospital and medical scene. "But small as that edge may be, its preservation is indispensable to maintain the belief of the professions that they can operate with self-respect as free men within a free system. It is for the Government to consider whether the game is worth the candle."

ON THE CUTTING EDGE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HARRINGTON. Mr. Speaker, it is becoming increasingly difficult to imagine that President Ford will ever take seriously the by no means diminishing problem of the economy. He appears to have accepted unemployment figures hovering near the 10-percent mark as a nagging yet thankfully distant fact of life. Efforts to point out the long-term effects or the immediate perils, and attempts to effectively legislate a remedy, are met with a Pollyanna-like insistence that things are just fine.

In an article in the New York Times of Sunday, November 9 entitled "Unwelcome News for Mr. Ford," Tom Wicker reminds us of some of the grimmer aspects of the current economic situation—40-percent unemployment among black teenagers, the skyrocketing costs tacked onto the Federal deficit by each 1 percent of unemployment, and the expectation of continuing high unemployment for the rest of the decade. We should be grateful for such reminders lest we, too, like the President, begin to accept such figures as commonplace. With enough detachment and insulation, it is conceivable that one might come around to accepting Mr. Ford's naive and irresponsible economic and social priorities.

If he, suffering from a severe case of preprimary paralysis, is unable to confront the recent rise in wholesale prices and unemployment figures for fear of shattering the fiercely cultivated illusion of economic recovery, then someone else must.

I would like to insert the article in the RECORD at this time in the hope that my colleagues will be encouraged by it to study closely the disappearing act with which Mr. Ford hopes to convince the American public that the old economic problems are gone and that he deserves 4 more years for his efforts.

The text of the article follows:

UNWELCOME NEWS FOR MR. FORD

(By Tom Wicker)

Two consecutive days of bad economic news—a rise in wholesale prices Thursday, an increase in unemployment Friday—ought to put something of a damper on Gerald Ford's recent insistence that under his Administration everything is just fine.

As he shifts more rapidly into the role of candidate from that of President, Mr. Ford has tended to take credit for stabilizing everything from the Middle East to the American economy, a familiar campaign tactic. And while his political advisers concede that the state of the economy probably will be the most important factor in next year's election, they have tended to the optimistic view that the trend will be up and thus in their favor.

This week's figures suggest, rather, that recovery may not be quite so strong or rapid as the White House has been claiming. The biggest wholesale price rise—1.8 per cent—in a year is bound to be followed by significant retail price increases; and while the rise in unemployment—from 8.3 to 8.6 percent—may not seem large, several aspects of those figures are ominous.

They interrupted a four-month decline in unemployment. They brought the number of unemployed once again above eight million. They included a drop in the rate of increase in payroll jobs, and a decline of 30,000 jobs in the construction industry. They reflected an increase in the number of persons seeking but not finding jobs, an unwelcome reminder that the Labor Department's unemployment figures do not include everyone who is out of work—just those who are seeking jobs. Millions more have given up and dropped out of the labor market.

From Mr. Ford's point of view, however, the worst news must have been the simple reminder in the headlines that unemployment is higher than it has been in years, and not coming down significantly or soon. Present projections show that unemployment above 6 percent, and mostly in the 7 to 8 per cent range, must be expected for the rest of this decade if nothing is done to change the outlook.

Nor can it be repeated too often that 8.6 per cent is an over-all figure. For specific groups, it translates into disaster—14.2 percent for blacks, for instance, which means about 40 percent for black teen-agers. Among all teen-agers—those just entering the labor force, or trying to—unemployment is at 19.9 per cent, and few of those affected are eligible for unemployment compensation. Many of these, at present estimates, will not find jobs during the remainder of the decade.

In these circumstances, it is not enough for Mr. Ford to keep saying that things are fine, just fine. With more than eight million job-seekers out of work, his insistence on holding down, even reducing, Government spending sounds like Calvin Coolidge. Particularly if the rise in wholesale prices threatens the return of significant inflation, the nation is in deep economic trouble that cannot be talked away.

Mr. Ford would serve his own political prospects, as well as the economy, with a determined attack on unemployment. This would require, at the least, a change in his rigid opposition to Government spending for anything but the Pentagon. It would demand an emergency jobs program, particularly for young people, and at least the continuation—perhaps the extension—of the stimulative tax reductions voted this year.

All this would cost money, but putting people back to work would also increase Government revenues, since each 1 percent of unemployment now adds about $16 billion to the Federal deficit. If, nevertheless, another inflationary cycle gets underway, it can be dealt with by firm and effective wage and price controls. As John Kenneth Galbraith has pointed out in his new book, "Money," even the half-hearted Nixon price controls of 1971–72 succeeded "in something between moderate and remarkable measure," while the dismantling of them in 1973 produced a 9 percent increase in the cost of living and an 18 percent increase in wholesale prices.

Holding down inflation by holding up unemployment is too painful and costly in both human and economic terms. Attacking unemployment, the clear and present danger, while controlling wages and prices as necessary, has at least the advantage of action on one front rather than paralysis on two; and since it is a policy that has worked reasonably well in wartime, why not give it a chance in peace?

NEW YORK DAILY NEWS SERIES ON SCHOOL VIOLENCE MERITS ATTENTION OF THE CONGRESS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BIAGGI. Mr. Speaker, on Monday of this week, the New York Daily News began a three-part series entitled "Our Violent Schools," discussing the problem of school violence and vandalism in the city's schools. As we are all aware the problem is by no means limited to New York, but in many ways this series is important for all Members to be aware of the components of the problem.

The first article, which will immediately follow my remarks, portrays in very graphic terms how the traditional "three R's" of school have been replaced by the new "three R's, robbing, rumbling, and rampaging." This transformation has not only deteriorated the quality of education but in more serious terms has made our schools extensions of our streets, with all the inherent problems.

Both the House and the Senate have conducted hearings into this national problem. School crimes have increased dramatically in the past decade, and school vandalism is estimated to cost this Nation as much as $700 million annually. Testimony in the House hearings held this past summer was received from several big city school officials familiar with school violence. It was pointed out that the two biggest causes for the increase in school crime has been inadequate school security and the failure of school officials to report all instances of school violence, practices which in New York City result in more than 60 percent of all school crimes going unreported to authorities.

It is more urgent than ever that Congress address itself in an affirmative manner to this important national concern. I have introduced legislation to amend the Elementary and Secondary Education Act to provide local school districts with funds to implement new school security systems. These would include the installation of new anticrime equipment and the hiring and training of school safety officers. The funds under this bill would be contingent on local school officials implementing specific guidelines under which they would be required to report all instances of crime.

I call these articles to the attention of my colleagues with the hope that it will serve to propel the Congress into action. The safety of our students and faculty in schools must be assured. School violence must be removed from the curriculum of schools in America.

The News article follows:

THE THREE 'R'S: ROBBING, RUMBLING, AND RAMPAGING

(By Judson Hand)

At 10 a.m. on a recent Friday morning, Victor H. Cohen was teaching a math class at Junior High School 294 in Brooklyn when he heard a knock at the door. It was a tardy student.

Cohen opened the door and, looking out into the hallway, saw a stack of dollar bills. He left the classroom to investigate and suddenly found himself facing a burly youth he had never seen before. Without warning, the youth slugged him hard in the neck, then in the head.

Cohen began swinging at the young thug in what he later described as "a fight for my life." When he began winning the fight, a youth who was loitering in the hallway joined the fray.

Finally, Cohen managed to wrestle his way clear of the two thugs and fled. When he returned to the scene of the fight, the money was gone and so were his attackers. He never found out who the youths were or why they had put the money on the floor. Injured and shattered by the experience, Cohen requested and received a transfer to another school.

Cohen's ordeal was, sadly enough rather commonplace. It was only one of many such incidents in the increasing tide of violence which is sweeping through the city's public school system.

AN ALL TIME HIGH

Police department statistics show that last year there were more than 12,400 crimes committed in schools or on school property. The year before, fewer than 10,000 such crimes were reported—and that was an all time high.

Some acts of random school violence this autumn:

Sandy Cominsky, an art teacher, was robbed in her classroom and locked in a back room. A little over a week later, she felt a knife at her throat and heard a voice demanding her money as she sat in her car in front of the school. When the robber left, she found she had been badly cut.

A group of students walked into Rebecca Staton's classroom at Boys and Girls' High School in Brooklyn during a science lecture and smashed her demonstration equipment.

On another occasion, intruders in her classroom threatened her with a knife.

A robber walked into a class at Public School 181 in Brooklyn and, telling the teacher he had a knife under his shirt, instructed her to give him her money without alarming the students. He then forced her to call another teacher from her classroom. After robbing the second teacher, he forced the two teachers to escort him down the hall to the front door.

Reported incidents, however, frightening though they may be, do not tell the whole story of violence in the schools. Thousands of youngsters, for example, are robbed by other students of their lunch money but do not report the rip-offs because they are afraid of retaliations. And, at some schools, violent incidents are hushed up, when possible, to prevent the school from acquiring a bad name.

"You see every kind of crime you can imagine in the schools today," reports Ed Muir, school safety representative for the United Federation of Teachers and the Board of Education. "Beatings, knifings, sexual assaults, extortions, you name it. A kid can buy dope or a lethal weapon at many high schools."

Indeed, the deans of many high schools have locked up in their offices boxes with collections of such weapons, including zip guns, walking sticks with pointed metal ends, knives and sundry other weapons, including chains and clubs.

The rise in school violence follows a trend towards more youth crime in general. Juvenile arrest statistics show that 19 youths were arrested for murder in 1970 and 77 in 1974. During the same period, the number of rapes by juveniles jumped from 99 to 261; the number of robberies from 3,013 to 4,765 and the number of assaults from 789 to 1,312.

Undoubtedly, layoffs in the school system since the city's budget crisis have also played an important part in the rising violence. The security guard force in the schools have been cut in half. Teachers have less time for problem kids. Special programs for kids who do not fit into regular programs have been cut drastically.

"IT'S JUST STARTING"

So far this school year, Muir reports, 186 assaults have been reported against teachers. During the corresponding period last year, only 10 had been reported. "It's just starting," commented Muir. "I have no doubt that the assault figures will rise dramatically again this year."

Susan Hutchner, a perky elementary school teacher in her 20s, was attempting to break up a squabble between two third graders in a classroom when one of them, a husky little boy, cracked her over the hand with a ruler. When she grabbed the ruler, the boy rose from his seat cursing and pushed her hard against a metal chalk tray. As a result, two of Susan's vertebrae were cracked and she has been bed-ridden for months, including two weeks at Mount Sinai Hospital in traction.

Many teachers come up with bruised shins from attacks by hard-kicking first graders. Some kindergarten teachers have to take tetanus shots when they are bitten by pupils.

Much of the worst violence, however, is committed by outsiders who enter schools almost at will—stealing, disrupting and, frequently, attacking anyone who tries to stop them.

"We can't make the school doors absolutely secure because of fire laws," explains Carl Irish, chief of security for the school system. "Kids open them from the inside and intruders get in."

Not all the intruders are neighborhood toughs or addicts out to raise the money for a fix. Many are kids playing hooky.

OUR VIOLENT SCHOOLS

On any given day, up to 200,000 of the city's 1.1 million students may cut school, says Philip Kaplan, who works in the school system's Bureau of Attendance. And with recent layoffs, there just aren't enough truant officers left to cope with the problem.

These truants loiter in the streets, in parks or in department stores. They hang out at subway stops, often looking for trouble. Sooner or later, many of them gravitate to schoolyards, or sneak into school hallways, where they disrupt classes, terrorize students and teachers and steal everything in sight—including purses slung around the shoulders of teachers, typewriters and food from school refrigerators, which they sell to unscrupulous grocers.

Overcrowding also contributes to the violence. Although some school officials may think that UFT President Albert Shanker's estimate that there are at least 17,719 overcrowded classrooms in the city is a high, there's no doubt that the schoolrooms are bulging with too many kids.

Tens of thousands of kids have to go to schools on double sessions and, with the overcrowding, it's easy for intruders to mingle with groups of students and wander undetected through the hallways. Fights break out in passageways jammed with students jostling each other.

Racial tensions, too, cause violence. At New Utrecht High School, which is about 80% white, cops are frequently stationed in the school when racial flare-ups are feared and some days the sidewalk leading to the elevated train stop is lined with policemen to protect black kids. This year, there have been fights between white and black youths and a washroom fight between black and white girls.

The violence is spreading even to schools in upper-middle class areas. For example, a teacher in a junior high school in Bayside, Queens required medical attention after he was kicked hard in the groin by a girl student in the lunch room.

Peter Beeler, a social science teacher at Boys and Girls High School summed up the attitude of many of his colleagues when he complained: "We're demoralized. It's impossible to teach in these conditions."

THE CONSUMER LOSES AGAIN

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. ROSENTHAL. Mr. Speaker, last week the House passed the most monumental piece of consumer legislation that has ever been considered by the Congress.

This legislation was given the most careful consideration and was the culmination of many years of study, hearings, and hard work by Members on both sides of the aisle. Its final enactment is essential if the interests of consumers are to be properly represented before the Federal agencies.

Unfortunately, the bill did not pass with the margin that will be needed if the President carries out his promise to veto it. That would be truly ironic in light of the fact that as Representative Ford he supported virtually identical legislation as a Member of the House during the 93d Congress.

The urgent need for an Agency for Consumer Protection was expressed extremely well by an editorial in the November 11, 1975, Long Island Press. That editorial pointed out that the "sole function" of the Consumer Agency "would be to act as an ombudsman for consumers in legal proceedings and hearings before Federal departments and agencies."

As evidence of the need for such an agency, the Long Island Press editors noted that on the same day the bill passed the House a congressional study was released showing that—

> More than half of the people named to nine regulatory agencies since former President Nixon took office came from the very industries they were supposed to regulate.

The editorial follows:

THE CONSUMER LOSES AGAIN

Legislation to create a badly needed federal consumer protection agency has passed both houses of Congress. But it squeaked by with only nine votes in the House. That's a margin much too small to overcome President Ford's promised veto.

Ironically, earlier on the same day the bill passed the House, an unusual joint hearing by Senate and House committees heard the results of a study of nine federal regulatory agencies. The conclusion should have curled some hair on Capitol Hill, but obviously didn't.

To show how much a watchdog committee is needed to monitor the government on behalf of the consumer, the study disclosed that more than half of the people named to nine regulatory agencies since former President Nixon took office came from the very industries they were supposed to regulate.

Victor H. Kramer, law professor at Georgetown University—a member of the study team—laid it on the line. "Partisan political considerations dominate the selection of regulators to an alarming extent," he said. "Alarming in that other factors—such as competence, experience and even, on occasion, regulatory philosophy—are only secondary factors."

That's true, unfortunately. Also unfortunate and ominous—is that while President Ford claims reform of regulatory agencies is one of his major goals, the White House declined a congressional invitation to participate in the hearing.

One would think judging by the administration's opposition to this bill, that the proposed consumer protection agency would do no more than add to the bureaucracy and poke new official noses into the nation's business community. Not so. Its sole function would be to act as an ombudsman for consumers in legal proceedings and hearings before federal departments and agencies.

There seems to be almost no hope that President Ford, who as a congressman from Michigan supported similar legislation four years ago, will sign this bill into law, or that Congress will override his veto. That's shameful. Those responsible should be kept in mind during Campaign '76.

SHANGHAI DOCKS AND RAILWAYS CLOSED BY STRIKES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, we are led to believe by certain naive visitors and others who sympathize with Mao Tse-tung that everyone is happily at work in Communist China. These persons always tell us that Communist China appears to have solved nearly all the problems that bedevil our society. Well, not quite, it turns out. Would you believe that labor unrest has hit Communist China? It seems that some Chinese workers feel they need higher wages and better working conditions. The news item from the London Daily Telegraph of November 6, 1975, follows:

[From The Daily Telegraph, November 6, 1975]

SHANGHAI DOCKS AND RAILWAYS CLOSED BY STRIKES

Dockers and railway workers in Shanghai, the world's most densely populated city, have gone on strike in the last few months for higher wages and better working conditions.

Western journalists who accompanied Herr Schmidt, West German Chancellor, to China last week reported that four strikes closed the main dockyards and railway stations.

The labour unrest was believed to be the reason why Herr Schmidt's visit to Shanghai was cancelled.

He was taken instead to Urumchi, China's remote western area near the Lop Nur nuclear site.

Official Chinese sources have said the labour unrest was due to the failure of Communist party officials to "share in the manual work of the masses."

EGALITARIAN WAGE

But it was known that there had been "worker trouble", with former Red Guards, now Radicals, opposing the eight-grade wage scale endorsed by the Constitution and demanding immediate moves towards an egalitarian wage.

Many older workers, however, were demanding "more co-operation" from the higher-paid cadres—which is a round-about Chinese way of demanding higher wages and better working conditions.

Reports that labour troubles had spread to a score of large industrial plants in Shanghai last March were followed by official "leaks" that Wang Hung Wen, had been sent back to his home town to restore order.

Wang, 39, is the "whiz-kid" who became third in the Communist party hierarchy after Chairman Mao Tse-tung and Premier Chou En-lai.

He has not apparently been completely successful in his clean-up, although it is to his credit that the troubles have not so far spread to the light industry or passenger transport.

But he does not appear to have fulfilled Chairman Mao's expectations.

Whereas Wang used to sit with Mao when he received foreign heads of State, his place has now been taken by Teng Hsiao-ping, vice premier, and he now appears to have been demoted to the position of regional leader in China's most important commercial city.

Reports suggest that Teng is now in full control of the state bureaucracy and for the moment the party machinery.

The Radical Left are out of the limelight, largely because Chang Chun-chiao seems to have moved towards the moderates on the party's Standing Committee.

But Madame Chiang Ching, Mao's wife, remains active in the Radical cause, supported by the theoretician Yao Wen-yuan, who opens the Radical campaigns even if he cannot sustain them.

Teng is supported by Chen Hsi-lien, who commands the key Peking military region, and Wang Tung-hsing is now in charge of public security.

Although this powerful triumvirate is keeping the Radicals at bay, moderate members of the Central Committee are worrying about Shanghai and "regionalism" as well as the possibility of pro-Soviet revisionism in the armed forces after the death of Mao and Chou.

BALBOA HOSPITAL . . . AS IT'S GROWN

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

BALBOA HOSPITAL . . . AS IT'S GROWN—THE SPRAWLING MEDICAL COMPLEX BEGAN BACK IN 1915 AS A TENT CITY ESTABLISHED BY THE MARINES

(By Joseph John Trento)

No President ever stayed at Balboa Naval Hospital.

No important general ever recovered from war wounds at Balboa.

No great admiral ever sailed his fleet into San Diego harbor and then was taken to Balboa.

Balboa has none of the glory of a Tripler or a Walter Reed Hospital. Balboa's special place in the American military tradition is in the heart of the average naval man who was mended back to health at Balboa.

Balboa has healed many more military men than any other medical facility in the world. More sailors, Seabees, POWs and officers have come through its doors than any other medical center in history.

"Without Balboa, God only knows how many more we would have lost," James Forrestal, Secretary of Navy under Roosevelt, said toward the end of the war in the Pacific. They were not empty comments, the Balboa Hospital, which started out as a tent city in 1914 grew and grew, has seen it all.

For reporters, most military hospitals are goldmines. If no one famous is around, then there are usually people who assisted the famous. In other words, you can always find an angle at a naval hospital. But at Balboa that is not quite the case. The "angle" of famous, or those who served the famous, is not to be found.

In fact it is amazing that such a successfully huge facility has healed so few big names.

The men and women who come to San Diego for medical help fight the wars, not run them.

The people who come to Balboa are men like Dieter Dengler. Who's Dieter Dengler you ask? Dengler was the only American to escape from a POW camp in North Vietnam—an act of heroism that brought Dengler the Navy Cross, but nonetheless an act most Americans have forgotten.

Dengler, like the more than million men and women treated at Balboa, have faded from the American memory. Officially known as the Naval Regional Medical Center, Balboa Hospital cares only for the unfamous.

The hospital's slogan, "Men as well as ships need a haven for repair," is not a cliche. The largest medical complex connected with the military of any nation, sprawl over the hills of urban San Diego.

The hospital overlooks the high-rise buildings and the blue waters of San Diego. The arch of the bridge that leads to Coronado and North Island Naval Air Station is something that a patient can concentrate on as he reaches back in his mind to try and find a time when he had legs or when war was something he played at.

The Marines were at Balboa Hospital first. But then the lush foothills were bare. Colonel Joseph Pendleton moved the Second Battalion of Marines under his command from North Island, across the harbor, to the Balboa Park area.

The Marines set up a field hospital at Inspiration Point. World War I saw the tent city sprawl into a naval training center. By the end of WW I, patients numbering 800 were recovering—and sometimes dying—in tents along the brown hills overlooking San Diego.

In 1919 Balboa was officially designated a Naval Hospital by the Secretary of the Navy. In the '20s with North Island, the Marine Corps Recruit Depot and the Naval Training Center in full operation, the hospital did a brisk business in broken jaws, cuts and other liberty-related injuries.

San Diego was so dependent on the economics of Balboa that the city donated another 17 acres to the Navy to expand the hospital. Included in the donation was Inspiration Point which offered a magnificent view of the city. Eastern sailors "purchased" Inspiration Point more than once from fast-buck real estate salesmen.

The first hospital buildings went up in the early 1920s, costing more than $1 million. Capt. H. C. Curl was the facilities first commanding officer. While the first permanent buildings were designed for 300 patients, the daily census of those years showed an average patient load of 400.

By the mid 1920s, another 500 beds were added to the hospital. Despite the increased capacity, the hospital was still overcrowded because of the growth of the Pacific Fleet. So the city gave more land and further expansion was under way.

In 1927 the hospital had Civil War veterans and Spanish American War veterans, as well as men from World War I, under treatment. By 1930 the hospital had 1,000 beds—and was still overcrowded.

In the '30s, the hospital opened its doors to members of the Civilian Conservation Corps. The Hospital Corpsman School, opened in the late 1920s, contributed greatly to the legendary quality of health care available at Balboa.

By World War II, 137,460 corpsman served the Navy, Marines and infantry. The school graduated 14,907 in 1945 alone. By the end of the Korean Conflict, 15 of those graduates received Congressional Medals of Honor. Many, sadly, were given posthumously.

During World War II, San Diego donated another 55 acres of land to the hospital. As the war progressed it was obvious that the 56-buildings, 1,400-capacity hospital was not big enough for the sick and injured.

The Navy took possession of the museums of Balboa Park. In tents . . . in ornate buildings, the sick and the wounded were cared for.

The Navy did not relinquish these buildings until three years after the war was over. The Museum of Man housed 759 patients alone, while other museums and buildings were used as beds, dorms, and offices. Some 30,000 corpsman were trained at the facilities during the war. The commandeered buildings gave Balboa a capacity of 12,000.

On Dec. 27, 1944, 12,068 patients were being cared for at Balboa. Tents had sprung up in gulleys and wherever else possible.

Rear Adm. Horace Warden, who spent 10 months at Balboa during the war and who in the '60s and '70s would run it, remembered of the war: "One day we admitted 1,600 new patients in an eight-hour period; a convoy had come in from the Pacific."

From Dec. 7 to VJ day in August, 1945, Balboa cared for 172,000 sick and wounded. By the end of the war the facilities included 241 buildings on 247 acres.

As the war ended for the American people, its ravages continued at Balboa. The sick and wounded took three years to recover in enough numbers to allow Balboa to return San Diego's cultural facilities to the city.

As the 1950s began, Balboa was beginning to serve the 350,000 active military families of Southern California. Medical training, residency and other programs were under way when once again the facility faced 90,000 casualties—this time from Korea.

Now the hospital was up to handling these numbers, and Korea was handled without the retaking of museums of San Diego.

Few realized that years later the newest victims of the troubles in Korea would come calling at Balboa. On Dec. 15, 1968, the men of the spyship *Pueblo* came home from Korean captivity. They were sent to Balboa, where all 82 men were debriefed and treated.

In the mid-50s, another 1,000 beds were added. A building called "The Gray Ghost,' built at the height of the Cold War, houses most of these beds. This building was designed to survive all but a direct hit in an atomic attack. The first three stories of the building are underground and self-sufficient.

While the facility has nuclear decontamination facilities and could treat 1,000 casualties in a 24-hour period, the Navy admits that a medium-size H-bomb could destroy the hospital and everything within 15 miles of it in one blast. This is especially ironic considering that all major naval facilities in San Diego are within a 10-mile radius of Balboa.

Despite the growth of the '50s, it was not until the mid-1960s that Balboa was to treat men in war again. This time the war was in Asia. Balboa once again became the scene of legless men, and large orders for metal caskets were sent back to the Pentagon.

Air evacuation would bring men from the battlefields to Balboa in 30 hours. In the 10 years between July 1965 and March, 1975, 272–273 patients were treated—the majority from the Vietnam War. The entire war had only 350,000 Americans wounded, so once again Balboa cared for its share and more.

The stucco buildings, the history of Balboa—all reflect an America naval tradition that has spanned four wars and countless crises and incidents.

A few years ago the crowded conditions at the hospital finally caught the attention of Congress and proposals were afoot to move the facility to another section of San Diego, the history of the world's largest military medical complex may end at Inspiration Point within a few years. Chances are that this Balboa Hospital will not see another major war.

There are moves in Congress and locally to see to it that Balboa builds a newer single high-rise facility at the current site, but where would the current crop of patients be handled during demolition and construction?

Today the hospital has an atmosphere like a great university. Balboa is so far-reaching that it includes all the amenities, ranging from a golf course to a bowling alley.

The staff includes 469 medical officers, 24 dental officers, 92 medical service corps officers and 252 nurse corps officers.

To keep Balboa running smoothly are another 1,000 medical corpsmen and 1,032 civilian personnel. The current capacity is a modest 2,300 beds. That is modest only compared to World War II figures. Compared to most hospitals of today, Balboa is a giant.

How big is big? In 1974 Balboa x-rayed 770,929 parts of the human anatomy and filled 2,075,111 prescriptions. On the less critical level of health care, 27 face lifts, 76 breast enlargements and 19 breast reductions are in Balboa's log for that year.

It turned out that 1973 was the best year for Balboa—as for fame. The POWs came back to Balboa first. Among the returnees was James Stockdale, now a rear admiral, who had been a prisoner from 1965–1973. He said of the homecoming at Balboa: "It was wonderful, the care was just great. They even had news summaries waiting for us to make certain we were up to date."

Rear Adm. W. P. Arentzen, hospital's 18th commanding officer, sees the No. 1 priority at Balboa as getting a new facility.

"There is no doubt that we need a new one. The present plant is so spread out that it is not efficient. The outpatient clinics are all over the place and security is a nightmare.

"The last time I talked with the local congressmen involved in a new hospital, they told me to make plans to rebuild at this location. This could be done only if the plans would not be too expensive. In the meantime, we will keep our close ties with local medical schools in the area and try to update. God knows, we have to be ready."

SYMPOSIUM ON THE WORLD FOOD CRISIS—XI: RAMIFICATIONS OF HUNGER

HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BRECKINRIDGE. Mr. Speaker, among the key subjects that were discussed at the World Food Crisis Symposium at the University of Kentucky April 1 and 2 were: First, U.S. international policy on providing food to hungry people; and, second, the relationship between the world food crisis and the world energy crisis. Brennon Jones of "Bread for the World," a citizen's movement on hunger, and Dr. Sheldon Simon of the University of Kentucky's Political Science Department made the following perceptive comments.

Dr. SIMON. Mr. Jones is Staff Associate with an organization known as Bread for the World, working on policy and issue interpretation. He served for two years in South Viet Nam as a photographer-journalist for Church World Service which is a relief agency and hence has a great deal of experience in problems of relief, administration and hunger. He has also done broadcast research for CBS news on Indochina. In this country, he has worked on low-income housing development with the black community, particularly in Harlem, and he has recently worked on the film, "Hearts and Minds," which is about the effect of the Viet Nam War on American veterans. Some of you who subscribe to the New York Times may have seen a very interesting review of that film that appeared about two weeks ago in the Sunday Arts and Leisure Section. The author of that review referred to "Hearts and Minds" as one of the most effective films to come out of the movie industry in quite some time. Under the auspices of the Indo-china Mobile Education Project, Mr. Jones has spoken to colleges, and churches throughout the United States about American involvement in Indochina. So, with that as an introduction, let me give you Mr. Jones.

Mr. JONES. I'd like to start by telling you a little about Bread for the World. We are a citizen's movement on hunger. We provide information on issues and legislation dealing with world and domestic hunger and then try to get the information to a movement of people like yourselves who will effect policy changes.

I would like to talk about an overall national food policy. We have heard some good things about programs that we need, about food and developmental assistance programs, but I don't think it can be done in a vacuum. We have a tradition of giving food assistance that goes back to the first World War when Hoover was appointed by President Wilson to direct food relief to Europe. Americans were asked by their leaders to respond to cut back on their consumption, and do things to provide food for the hungry quickly. Again, in 1947, after the second World War, Truman called for a food assistance program for Europe. In a newsletter we ran a little while ago, it says (from the New York Times, Monday, Oct. 6), "Truman calls on nation to forgo meat Tuesdays, poultry, eggs Thursdays." He closed the distilleries for 60 days to supply more grain. Now my reason for mentioning this is that though we have a variety of programs dealing with food assistance and helping the hungry, we don't have a national policy. There is proposed legislation dealing with the development of a national policy. Probably the best bill is Senator Hatfield's which calls for a Food Administrator—a person who would have a mandate to run hunger programs, and to develop national policies both for domestic and international programs. It is something we support because we see the need for that sort of leadership. And why do we need such leadership? Well, most Americans that I have met while traveling and talking about hunger are willing to sacrifice to aid the starving. I cite the example of a poll that came out a few weeks ago. It is a Harris poll published in the New York Post. "Public willing to sacrifice by 75% to 23%." The American people are willing to go without meat one day a week in order to send more food abroad to help nations with food shortages. In addition, by 68% to 23% they are also prepared to cut out all unessential uses of fertilizer here at home. I mention this because it means that leaders need to be led. The people are ahead of the leaders. They need to hear from people on what changes should come about and what new programs.

I want to focus now on P.L. 480, the Food for Peace Program. P.L. 480 started in 1954. During the last two decades over $23 billion worth of food has been shipped overseas. Now, during that period, we have to remember what the priorities were. We gave a lot of food. And we helped a lot of hungry people. But we gave the food (1) because it was a surplus which we wanted to get rid of, (2) because it stabilized our own farm prices, (3) because people were hungry and it was a good reason.

We are in a new situation now. We are in an era of scarcity. In eras of scarcity, harder decisions have to be made. Decisions I don't believe were made during the last two decades because we didn't need to. We had enough food. But when we have a scarcity of food, then we have to decide who gets it first, *why* they get it. Do the hungry get it? Or do the political interest countries get it? As well we have to recognize it as a moral question. No more a question of charity but a question of justice that we are all humans on one planet and that food should be provided for all.

We come from a very fortunate country. We have resources and the production capacity to provide enough food for ourselves and much of the world. What's happened in the last two years on P.L. 480 is that as the supply got smaller, more and more of it was going to security interest countries—Viet Nam, Cambodia, Laos, Syria, Egypt and Chile. The best example was in 1974, 70% of our Title 1 food went to Indochina and to those security countries. Congress went a long way in remedying that. Last year, they put in an amendment which said that no more than 30% of the food could go to countries which weren't on the list of those most seriously affected, so that the political interest countries could get no more than 30%. What happened is that, as many of you heard last night in Mr. Campbell's talk, it wasn't until February of this year that the food level for about 1975 was finally announced after 3 months delay.

At the Rome conference, there was a call for the U. S. to give 1,000,000 tons of food aid immediately. It was a chance for American leadership to provide food as an incentive for other countries to increase their supply. But the U. S. didn't and we didn't for several reasons. One of those reasons is that we were deciding how much food we could get into that 30% category—the political category, the food that would go for supporting military governments. Well, for three months, we didn't announce our food assistance program. At the first of March, less than 50% of the food was on the boats to go to other countries. All of the food that will go to political interest countries will arrive but not all of the food will get to the other countries which need it. Not all the Title 1 food will get to India, Bangladesh and other countries until after the end of the fiscal year.

P.L. 480 will be reviewed this year, probably within the next few months. I have some suggestions for things that might be included in the program so it is a more efficient one. The first is that hunger should be the first priority of the program. That the food should be directed to the people who are really hungry and then take care of the political interest countries later after the hungry have gotten their share. There should be long range planning, maybe two or three years, so that you don't have the problem that happened with the program this year—the problem of India, of Bangladesh not knowing how much they are going to get, of voluntary agencies not knowing when it is going to arrive and how much is coming. We should make a commitment of a certain amount each year that we are willing to give. The method I suggest would be 10% of our agricultural commodity exports. That would be about $2.1 billion. In 1964, we were giving 26% of our agricultural export to food for peace. In 1972, we were giving 12% of our agricultural export to food for peace. We are able to do it if we make the choice. It is a question of priorities!

This year's budget for P.L. 480 is about $1.4 billion. We are spending that much on one Trident submarine this year. Well, we have to make these choices. The question is what are our priorities. Also, we have to integrate the Food for Peace Program so that the coordinating and the decision making is done by someone who is not directly involved with the National Security Council, not directly involved with the Office of Management and Bduget but as a person whose first priority is hunger. All of the decisions of the last few years have been made by Kissinger, the National Security Council and agencies whose first priority is not the hungry. There has been no voluntary agency representation in decision making on Food for Peace.

Last night, Mr. Campbell made a statement that all the food was free under P.L. 480. I think that is something that ought to be clarified here. Not all of our assistance is free to these people. Two-thirds of the program this year is Title 1, that is, long term, low interest loans over a 40-year period at 3 or 4%. That money is paid back to the U.S. It is not free food. Every year under the food assistance program we are getting back in repayments over $300 million of money that comes back from previous loans. So we should not just look at the program as a give-away.

There should be more food given on a grant basis, and, through the voluntary agencies. And more should be directed to the U.N. World Food Program, and through the international mechanisms which often have more success than our own bilateral aid. Another point I would make is that we are not as generous as it would seem. If you look at our development assistance as measured by G.N.P. on a per capita basis, we are number 14 of the countries that are giving; not a very good record. We have a good opportunity to demonstrate leadership in giving assistance at this point, and food assistance is important particularly right now when we are talking about agricultural development. You can't have agriculture development unless the people are able to do it. You can't have agriculture development without the capital to buy fertilizer, oil and gas for development. India and Bangladesh and these other countries entered the commercial market this year to meet their shortfalls and they spend valuable capital buying food, much of which we could have given them. Every dollar they spend on food in the international market is a dollar taken away from fertilizer and from the capital they need in their own agricultural development. And, ultimately, it is agricultural development in their own countries which is the solution to the world hunger crisis.

Dr. SIMON. I'd like to examine the interrelationships between the world energy crisis, as it has developed over the last two years, and the world food problem because I believe the two are inextricably intertwined. I want to approach this problem both from the standpoint of economic and political analysis. We begin by paraphrasing from a speech given by Secretary of State Kissinger at the World Food Conference in Rome this past November. "We are trapped in the middle of old conceptions of political conduct in a wholly new environment characterized by the inadequacy of the Nation's state and the emerging imperative of global community. In the past 30 years the world came to assume that stable economic systems and spreading prosperity would continue indefinitely. New nations launched themselves confidently on the path of economic and social development. Technical innovation and industrial expansion promised steady improvement in the standard of living of all nations.

Surpluses of food, fuel and raw materials were considered a burden rather than a blessing. While poverty and misery still afflicted many parts of the globe over the long run, there was universal hope. The period was fairly characterized as a revolution of rising expectations. That time has ended. Now there are fundamental questions about our capacity to meet our most basic needs. In 1972, partly due to bad weather around the globe, world grain production declined for the first time in decades. We remain ominously conscious of the thin edge between hope and hunger and of the world's dependence on the surplus production of a few nations. In 1973, first the political embargo and, then, abruptly raised prices for oil which curbed production in the world's factories and farms occurred and sharply accelerated the global inflation that was already on the margin of government's ability to control. In 1974 the international monetary and trading system staggered under mounting stress, not yet able to absorb the accumulated weight of repeated shocks. Its institutions are still struggling to respond. The same interdependence that brought common advance now threatens us with common disaster.

In addition to this rather pessimistic diagnosis and prognosis must be added the problem of population trends. Maintaining even current inadequate levels of nutrition and food security would require that the world, as a whole, produce twice as much food by the end of this century. Adequate nutrition would require 150% more food or a total annual output of 3 billion tons of grain. According to the Secretary General of the World Food Conference in Rome, at the present rate of growth of 2½% a year the gap between what the developing countries produce themselves and what they need will rise from 25 million tons in 1974 to 85 million a year by 1975. The food exporting nations themselves will simply not be able to meet the world's basic needs. That I think is a biological fact. Ironically but fortunately, it is the nations with the most rapidly growing deficits which also possess the greatest capacity for increased production. They have the largest amount of unused land and water. Where they now have 35% more land in grain production than developed countries, they actually produce 20% less on this land. In short, the largest growth in total food production can and must take place in the chronic deficit countries. How can this be done? Well, obviously, by inputs of technology, particularly fertilizer and machinery. Just to give you one statistic—it would help a great deal if from the American fertilizer production which is currently used to fertilize our lawns or our golf courses at least a good portion were exported to countries like India. Americans put more fertilizer on their lawns in 1974 than India was able to put on its farmlands.

The responsibility for financing imports and technology exports however cannot rest with the food exporters alone; over the next two years in particular, the financing of the food-deficit-developing countries will simply be too large for the traditional food aid donors like the United States. Who has this responsibility? I believe it is the oil exporters. The oil exporters have a special responsibility in this respect. Many of them have incomes far in excess of that used to balance their own international payments or to finance their own economic development. The continuing massive transfer of wealth and resulting world wide inflation have shattered the ability of developing countries to purchase food, fertilizer and other goods. The economic crisis has severely reduced the imports of industrialized countries from the developing nations.

The real victims of the oil crisis are the developing nations. It is predicted that the non-petroleum producers in the third world will face increased oil payments deficits in 1974 of approximately $15 billion. This is compared with oil bills in 1973 of only $5 billion. The developing countries of the third world which are not oil producers already face a *total* balance of payments deficit in 1973 of $8 billion and I do not yet have the figures on 1974. What is happening in terms of the world division of countries is that there are now four categories of nations. There are the rich-rich countries which are the highly industrialized countries with near sufficient energy resources and there are only two countries that perhaps fall in that category, the United States and the Soviet Union; there are the poor-rich countries, that is, industrialized countries such as Japan and Western Europe which are dependent upon energy resources from outside in order to maintain their wealth; there are the rich-poor countries such as Saudi Arabia, Iran, Indonesia, the Persian Gulf and a few others not yet developed but possessing ample and even massive resources for development; and, there are the poor-poor countries, the ones that we are talking about today.

The countries not only are underdeveloped but have little indigenous capacity for development. For India the oil price means that its import bill of $400,000,000 in 1973 went to over a billion in 1974, and, if one really wants to be pessimistic, one can say that perhaps not too far down the pike—unless we come up with some kind of remedial policy—is a political field in which we will have the world's poor nations fighting against each other as well as the world's rich nations. Africans will turn against Arabs, Filipinos against Indonesians, Thais against Malaysians—all of them against the Japanese. Brazilians against Venezuelans, Nigerians against the hungry of the night.

Now, what does it all sum up to? What kind of connections can we make? Limited foreign exchange in the developing world meets a diminished ability to import fertilizer.

Moreover, because much fertilizer is in itself a petroleum derivative, its price has skyrocketed on top of the limited ability of the poor countries who import it. Limited fertilizer and high price means reduced crop yields particularly in such agriculture-dependent and high population countries as India and Bangladesh. Small and median farmers in these countries are already having difficulty keeping their land, and/or will go into further indebtedness to local creditors. This will further land concentration in these countries and the out-migration of people from the countryside into already overcrowded cities where there are few jobs available. Social unrest will be fueled by this out-migration from the countryside and by the lack of food in general. Extremist political movements will be exacerbated, particularly on the left because of increased land concentration. Authoritarian forms of government may increasingly appear. This has already happened in Bangladesh where not very long ago Premier Mujib Rahman declared virtual dictatorship in the country. In India hunger and corruption in the country is on the rise particularly in those always deficit areas of Bengal and Bihar.

At this point, then, it appears that Malthus is being vindicated, at least in the poorer parts of the world, and the political implications are very unpleasant because the successful model for solving this kind of problem is not a liberal model. The successful model may well be the Chinese model; and it may well take the Chinese kind of repressive, centralized bureaucratic system to deal with minimal nutrition. That's the kind of model I think that is going to be increasingly attractive to the poor countries of the world over the next two decades. It is not a pleasant one for Americans to contemplate, with our preference for civil liberties and freedom of choice. But can such "luxuries" be afforded in countries where drastic political controls may be the only way in which limited resources can be forcefully allocated to economic growth rather than siphoned into the pockets of a corrupt and uncaring elite?

JOHN H. McCARTHY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. CONTE. Mr. Speaker, on Monday, I was deeply saddened to learn that death had taken a good friend, John H. McCarthy of West Springfield, Mass.

Jack was a man devoted to his community and his family. From 1969 to 1971 he served on the West Springfield Board of Selectmen, including a period as its chairman. He was active in civic affairs as an instructor of law at nearby Holyoke Community College and Western New England College, was a member of the West Springfield Chamber of Commerce, and served as an adviser for the St. Thomas the Apostle Church Parish Council, among other community pursuits.

He had given time and talent to his country through service in the Navy and held membership in the VFW and American Legion. He had also served honorably for 4 years with the Federal Bureau of Investigation.

He was a practicing lawyer, senior member of the firm of McCarthy and Murray, and received his legal education at Boston College Law School after attendance at Trinity College, American International College, and Princeton.

Jack was a devoted family man and my heart goes out in deepest sympathy to his wife, Rita, and their five children.

The community of West Springfield, which has so richly benefited from John H. McCarthy's public spirited activities, has been diminished by the passing of this fine man.

TRIBUTE TO THE TELEVISION PROGRAM, "EMERGENCY"

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. WAXMAN. Mr. Speaker, today I am honored to pay tribute to the cast and production personnel of the network television program, "Emergency," who will be saluted on the "Dinah Shore" program in December 1975. They should be commended for their positive and creative use of the television medium in making the citizens of the United States aware of the vital importance of paramedic services and in educating the public about emergency care and emergency health delivery.

Universal Television's hour-long series, "Emergency," which began its fourth season on the NBC television network, is based on the true story of a project that began in Los Angeles in 1969, the year that launched a specially trained team of highly skilled firemen-paramedics to operate rescue squads for the Los Angeles County Fire Department. Although many fire departments traditionally have provided rescue service to aid the injured, sick, and dying, it was obvious to many civic officials and medical personnel that too many patients were being lost before they could receive trained medical aid at a hospital.

The initial program to alleviate this waste of life was inaugurated, funded by the Federal and county governments. In pairs, the firefighters went with doctors on their daily hospital rounds, checking vital signs, taking blood pressure readings, interpreting electrocardiograms. They performed as "student medical assistants."

Afternoons were spent in the classroom, where the firemen and a score of registered nurses qualified to become cardiac care unit specialists. Three short months later, the firemen were in the field, able to put their newly acquired knowledge to use with the aid of sophisticated, and expensive, mobile equipment which was added to the conventional rescue squad trucks.

As the series begins its fourth season, Robert A. Cinader remains as executive producer, with Edwin Self as producer. Robert Fuller, Julie London, Bobby Troup, Randolph Mantooth and Kevin Tighe, heading the star lineup, continue to keep the viewing audience entertained.

All of those connected with the production of "Emergency" are well deserving of this salute for their contribution in alerting the public to the value of the paramedic for better emergency care. I am pleased to bring their accomplishments to the attention of my colleagues.

THE MORAL DEMISE OF THE UNITED NATIONS

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. ZEFERETTI. Mr. Speaker, the United Nations has adopted two pro-Palestinian resolutions and has approved a measure equating Zionism with racism. The first two resolutions were odious by themselves, extending political favoritism to the PLO while ignoring its acts of international violence over a period of years. Many innocent people have perished because of their activities. And, the perpetrators of these acts have gone free.

However, it is the third resolution which is the most unacceptable to me, the measure which "determines that Zionism is a form of racism and racial discrimination." How grotesque it is to see the Jewish people singled out for such vile treatment, especially after 20 centuries of persecution. How incredible to see nations, those noted for their strident nationalism, voting to deny to this ancient people their right to a nationalist idea and a national state. In truth, it is from Zionism, the reaffirmation of the right of the Jewish people to a country of their own, that many of these same nations have taken their cue in seeking their own national identity.

By its action, the United Nations has encouraged and legitimized anti-Semitism around the globe. And, it has, in effect, sanctioned an attack on the state of Israel by its denigration of the idea behind its founding, the principles of Zionism which are an integral part of the Jewish faith.

It is quite proper to point out at this time that by this act, the United Nations has declared moral bankruptcy before the world; it has granted international sanction to the abomination called anti-Semitism. This act ranks along side the actions of the League of Nations in the 1930's which discredited that organization and guaranteed its destruction.

Another particularly unacceptable aspect of this series of events involves the allegation that the Arab States, in a number of cases, actually purchased the votes of the "Third World" nations. Such is the status of this one-way morality. It can be bought. Can it be in this manner that the condemnation of this ancient people, the Jewish people, and their right to exist has been obtained?

How cynical a deed this is, and how cynically its perpetrators have acted. No thinking, compassionate or reasoning human being could possibly contemplate the recent spectacle of the U.N. General Assembly, the previously respected organization, and retain total faith in its pronouncements or ability to contribute any further to the functioning of a peaceful world order.

Therefore, it was with deep conviction and a sense of moral obligation to the Jewish people of the world that I joined in support of House Resolution 855 which condemned the United Nations resolution equating Zionism with racism, and voted in favor of its passage when the issue was brought before the House. It was truly gratifying to know that the American people will go on record as denouncing the recent actions by the U.N. General Assembly. We have reaffirmed our support of the most basic fundamental human right, the freedom to exist.

VICE PRESIDENT NELSON ROCKEFELLER

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. FINDLEY. Mr. Speaker, in view of Vice President NELSON ROCKEFELLER's announced decision to remove his name from consideration for the Vice Presidency in 1976, it is appropriate that we reflect on the tremendous contributions he has made in 35 years of public service.

During his illustrious career in government, Mr. ROCKEFELLER has served under five Presidents beginning with Franklin D. Roosevelt in differing capacities. He also served the people of the State of New York for 15 years as their Governor before accepting the nomination of President Ford to serve as Vice President. Throughout his long career in Government service he has been an effective and able leader, gaining praise from both sides of the aisle. He is continually in the fore on issues of human dignity and yet sensibly tempers his position with pragmatic considerations. His perceptive assessment of the international scene is another area in which the Vice President is almost without equal. His farseeing statements for trans-Atlantic federation of NATO nations shine as a beacon to us all.

I remember well the times we have been together, in triumph and despair, as Republican political fortunes rose and fell. In 1968, I urged his nomination for the Presidency. Perhaps it was the fear of a repeat of the party strife which accompanied that quest which caused him to decline to seek the Vice Presidential nomination next year. Frankly, I wish he had decided otherwise.

Mr. ROCKEFELLER has, of course, said that he will continue to serve as Vice President, to discharge his constitutional obligations, and to assist President Ford in every way possible in coping with the problems that confront the Nation until a new President and Vice President are duly elected by the people. It was a statesmanlike decision, meeting a standard we have all come to expect. His selfless act is characteristic of the leadership, humanity and wisdom of this great citizen.

I truly hope that Mr. ROCKEFELLER's decision not to seek nor accept another term as Vice President will not mark the end of a distinguished career in public service. Men of Mr. ROCKEFELLER's dedication and capability are sorely needed in Government to deal with the problem of our Nation. I salute the Vice President for the record he has achieved, and look forward to many successful endeavors by him in the future.

LAW OF THE SEA: ON "GOING UNILATERAL"

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. FRASER. Mr. Speaker, John J. Logue is an associate professor of political science at Villanova University and director of the World Order Research Institute there. He is also one of the best informed nongovernmental observers of the debate swirling about the body of law we identify as the law of the sea.

On Sunday, March 23, 1975, the New York Times published Dr. Logue's letter discussing the legislation before Congress on the law of the sea. Although the House passed H.R. 200 October 9, 208 to 101, there has not yet been this year a full Senate debate on this issue. The points Dr. Logue makes in his Times letter remain valid. It is late, but perhaps not too late for the Congress to rework what it is doing concerning the law of the sea.

The letter follows:

LAW OF THE SEA: ON "GOING UNILATERAL"

TO THE EDITOR:

There is a real possibility that the Congress will pass H. 200, the Studds Bill, which would unilaterally establish U.S. jurisdiction over marine species out to 200 miles from shore. Late in the last Congress the Senate passed a similar bill by a large vote.

The Studds Bill addresses itself to real and urgent problems. However, in my view it violates international law, encourages other nations to do likewise and seriously undermines the efforts of U.S. diplomats to achieve a law of the sea treaty which meets U.S. interests in a whole range of areas, not least of which is military security.

Another bill, H.R. 1070, the Sullivan Bill, would, with strengthening amendments, do a better job of achieving the purposes of H. 200, would achieve them promptly and would achieve them in a manner consistent with international law. The Studds Bill, like President Truman's unilateral Continental Shelf Proclamation, would encourage ocean unilateralism on the part of other nations and would move the Law of the Sea Conference, now taking place in Geneva, toward an even more nationalistic law of the sea treaty then would otherwise be the case. I was chairman of the nongovernmental organization observers at last summer's Caracas session of the conference, and I think I know something of its temperament.

The Sullivan Bill invokes specific provisions of the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the Sea which are designed to protect fish stocks threatened with depletion. The convention provides for a scientific determination of which fish are threatened, and a six-month period of negotiation to try to achieve international agreement on conservation regulations. It then permits the United States to enforce these regulations, even if foreign governments do not agree.

A young woman whose fiance dates another girl on the night before their marriage cannot be expected to believe that the young man is serious about marriage. Nations which see a major power "go unilateral" in the middle of the Law of the Sea Conference on an issue as important as fishing cannot be expected to believe that that power is serious about wanting a multilateral treaty.

I hope that more responsible voices will speak out on this important issue, and I hope that the State Department, which strongly opposes the Studds Bill, will get behind the Sullivan Bill. If it doesn't do so it may learn, to its sorrow, the truth of the saying that "You can't beat something with nothing."

JOHN J. LOGUE,
Director, World Order Research Inst., Villanova University.

VILLANOVA, PA., *March 19, 1975.*

THE UNITED NATIONS RESOLUTION: A DESERVED CONDEMNATION

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. FISH. Mr. Speaker, on Monday night, the United Nations General Assembly took a most tragic, reckless, and irresponsible step in passing a resolution equating Zionism with racism, and declaring Zionism a form of racial discrimination.

The concept of Zionism has been an integral part of the Jewish religion and heritage for nearly 2,000 years.

The State of Israel was established by the U.N. in 1947, after the world witnessed one of the most revolting displays of racism and racial discrimination, in which 6 million European Jews were murdered because of their religious beliefs.

Israel is a nation concerned about the civil liberties of all its citizens. Israeli Arabs are members of the Israel Parliament. Can the most ardent supporters of this absurd resolution claim that their citizens have the same rights as the Israelis? Saudi Arabia, for example, will not permit non-Moslems to become citizens of that nation. The Communist bloc, which supported this action from the outset, will not grant any of its citizens the human right to practice their religion, and most recently will not permit exit visas to citizens who want to leave these oppressive nations.

The United Nations has now set in motion a process which will officially sanction and endorse anti-Semitism throughout the world. This attack is not only on the State of Israel, but the Jewish people as well.

I applaud U.S. Ambassador Daniel Patrick Moynihan's declaration that the United States "will not acknowledge, will not abide by, and will never acquiesce in this infamous act."

The time has come for this country to put the recent actions by the United Nations into perspective and begin a reevaluation of our future participation in this world organization. There is increasing public sentiment throughout the Nation that the United States reassess its position with regard to the U.N., not only because of the most recent abuses by the world body, but also because of the growing number of attacks on the United States by nations who use the UN as a rostrum to denounce this country.

There is also a growing movement in the Congress to place strong sanctions against the member nations who voted for this resolution. We should put these nations on notice that the United States will no longer stand for this type of irresponsible action.

At the inception of the United Nations, it was an organization that promoted peace through a dialog between nations. Today, because of the recent resolution, not only have the chances for peace in that area of the world lessened, but the entire work of the United Nations is in peril.

ARE TOUGH DECISIONS POSSIBLE?

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. JONES of Oklahoma. Mr. Speaker, next week the House considers a bill to provide loan guarantees for New York City. I have been sympathetic to working out a legislative package which would do two things; first, prevent bankruptcy by New York City, and second, force the city to adopt fiscally responsible policies including a balanced budget and reserves for bad tax collections.

Now I am having second thoughts about the wisdom of the bill we will consider next week. In the first place, I doubt seriously that Congress will write a truly tough bill which forces New York City to take those measures to balance its budget. The recent opposition by organized labor to any renegotiation of union contracts such as those pertaining to the overly generous pension fund program leads me to believe that we will not adopt a meaningfully tough bill. I cannot support a bill which merely postpones the day of reckoning.

I have about reached the conclusion that the only way New York City and other cities in similar circumstances can get their fiscal houses in order is to transfer the political spending decisions to an independent administrator. I do not see that the bill we will consider next week will contain such a tough provision.

Finally, I want to know more facts about what will happen in the way of Federal cash outlays if the congressional plan is adopted or if the President's plan prevails. So far, I have heard more rhetoric than I have seen hard facts. I would like to know for example just who is being bailed out. Is it the big bankers who manage their portfolios poorly? Is it the big municipal unions who bargained for more than could properly be paid for? Just who and what are we trying to help?

My mind is not closed on any reasonable solution. But I can assure you that before I support any plan, some mighty hard facts showing that forced fiscal responsibility by New York City will be the result must be proven to my satisfaction.

I am inclined to think that the only way to salvage local government responsibility and to avoid higher Federal deficits is to hold out no hope of further Federal aid. This may force city and State officials and others involved to work out their problems right at home no matter how painful those solutions may appear.

THE UNITED NATIONS RESOLUTION

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. KASTENMEIER. Mr. Speaker, I would like to briefly clarify my role in the action of the House yesterday condemning the U.N. General Assembly's vote defining Zionism as a form of racism.

The initial resolution brought before the House, House Concurrent Resolution 475, contained a clause calling upon the Committee on International Relations and the Committee on Foreign Relations to begin hearings immediately to reassess the United States further participation in the United Nations General Assembly. This clause could be interpreted in no other way than as laying the groundwork for possible U.S. withdrawal from the United Nations. I objected to considering this resolution under unanimous consent because I cannot support the threat of U.S. withdrawal from the U.N.

Whatever its current problems, the United Nations still remains our only hope for obtaining cooperation in solving the international problems of war, hunger, population growth, energy development, and other issues which vitally affect the survival of the worldwide community. While no one can deny that adoption of the Zionism resolution was a reprehensible and very foolish move by the Arab-African bloc, in the end I cannot help but believe that it will only cast disfavor on their relations with other nations rather than enhance their position in the world.

On the other hand, for the United States to overreact by issuing a threat of possible withdrawal from the United Nations would be equally as foolish and, in my view, equally as reprehensible. To react in a manner which would diminish our role in the United Nations would be inexcusable.

President Ford, in a statement issued yesterday, indicated that "he will not consider withdrawal." If those State Department officials who, according to reports, collaborated with House and Senate Members in drafting the language of the resolutions thought they were representing the President's viewpoint by only suggesting hearings to "reassess U.S. participation in the United Nations General Assembly," I would suggest they were clearly in error.

The Washington Post headline this morning reads: "Senate To Reassess Membership in U.N." The Post article notes that the "Senate brushed aside the Presidential caution on the question of withdrawal" by adopting on a voice vote a resolution calling on the Senate Foreign Relations Committee to hold hearings on reassessing U.S. participation and financial contributions. The New York Times says: "Congress Calls for Reassessing of U.S. Role in U.N." I would guess that this is the recurrent theme in newspapers across the country.

Clearly the clause to which I objected is generally viewed as a threat of possible withdrawal by the United States from the United Nations.

I would further observe that Israel did not respond to the General Assembly action by threatening to withdraw. She obviously recognizes, as should we, that reverting to isolationism can only do injury to her own interests.

Fortunately, as a result of my objection, the clause threatening U.S. withdrawal was deleted. I supported House Resolution 855, the resolution subsequently introduced, which passed the House by a unanimous vote. This resolution is consistent with a resolution which I cosponsored on October 22 condemning the Third Committee of the United Nations General Assembly for initially adopting the Zionism resolution.

Unfortunately, the Senate resolution retained the threat of U.S. withdrawal, and this threat is receiving the major play throughout the country.

Mr. Speaker, I strongly condemn the action of the United Nations General Assembly. It represents an outrageous and irrational action by the member nations. But, I would caution those who would overreact by unwise and precipitous threats that the General Assembly's resolution has no legal consequences. The Israel Ambassador referred to it only as a piece of paper. An overreaction to the resolution, on the other hand, can only cast the United Nations in a dimmer light and will clearly diminish its effectiveness in serving so many important and vital functions.

WILLIAM BRAY APPOINTED TO COMMISSION

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HILLIS. Mr. Speaker, it is fitting to recognize, today, our former colleague, a distinguished American and fellow Hoosier, the Honorable William Bray.

On September 15, Bill Bray was appointed by the President to serve on the American Battle Monuments Commission—the Commission charged with the responsibility of overseeing American monuments and cemeteries abroad.

The Honorable Mr. Bray served in this body from 1950 until 1974. He received the Silver Star while serving the Nation in the Pacific Theater during World War II, and, after serving 9 months in Korea, he was released from active duty with the rank of colonel.

Hailing from Martinsville, Ind., born on a farm, this scholarly lawyer now assumes the responsibility of helping to commemorate the sacrifices of American servicemen who fought and died on foreign soil during the two World Wars.

He joins the ranks of such other distinguished Americans who have served on the American Battle Monuments Commission as present Chairman, Gen. Mark W. Clark, and Past Chairmen, Gens. John J. Pershing and George C. Marshall.

CUBAN COMMUNISTS SPONSOR PUERTO RICAN TERRORISM

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, with the overt support of the Soviet Union, the Cuban Communist regime of Fidel Castro has intensified its efforts to drive the United States and Puerto Rico apart. The compaign is a part of the worldwide Soviet effort to drive back America's **military defenses** to the North American mainland in the name of "détente" and disarmament.

At the recent meeting in Havana of the Soviet Union's principal international propaganda organization, the World Peace Council, Cuban President Dorticos emphasized that "Puerto Rico is a big military fortress" and that our bases pose a threat to the subversive, activities of the various Castro-sponsored guerrilla terrorist organizations against other Latin American countries.

The Communist campaign against Puerto Rico has two main arms: the political, represented by the Puerto Rican Socialist Party; and the "military," represented by the terrorist FALN—Fuerzas Armadas de Liberacion Nacional—which has committed murder and maiming in its year's existence.

The Puerto Rican Information Service, the official news organization of the Government of Puerto Rico, pointed out the Cuban sponsorship of the Puerto Rican Marxist-Leninist terrorists and that these groups represented a tiny isolated percentage of the Puerto Rican people. The press release provided the following information:

FALN BOMBERS REPORTED TO BE WORKING CLOSELY WITH CUBA'S CIA; CASTRO GOVERNMENT SEEN MANIPULATING RACIAL INDEPENDENTISTS

SAN JUAN, PUERTO RICO, November 3, 1975.—Reliable and well-informed sources in Puerto Rico who have been following closely the terrorist activities of the so-called FALN (Fuerzas Armadas de Liberacion Nacional) in the United States have revealed that this highly-trained group works closely with Cuba's Direccion General de Inteligencia, the Cuban [KGB]. Its mission, say these sources, is to try to discredit Puerto Rico in the United States and to mount a Tupamaro-type urban terrorism campaign in major U.S. cities.

The estimated membership of the FALN is only ten persons, organized in 3-man cells in New York, Chicago and Washington. They are reported to have contact in the U.S. with the Weather Underground. The only member of the FALN identified so far is one Filiberto Ojeda Rios, who is known to have been trained in sabotage and terrorism in Cuba. Very tight security in the FALN cells has so far precluded any capture of the FALN members, all of whom are believed to be located in the continental United States.

FALN BOMBING "CREDITS" EXTEND OVER A YEAR

The FALN has "claimed credit" for a lengthening series of terrorist bombings, starting in Newark on September 24, 1974, when the police headquarters and the mayor's office were bombed. The terrorist group first came to national attention when it set off five bombs in New York on October 26, 1974 at prominent banks and corporate offices. It also claimed credit for an explosive device which severely injured New York policeman Angel Poggi on December 11. On January 24, 1975, the FALN's next "exploit" for which it "claimed credit" was the widely-publicized bombing at Fraunces Tavern in New York, in which four persons were killed and 66 were wounded. Its most recent bombings on October 27, 1975 included five in New York, three in Chicago, and one at the State Department in Washington.

CUBAN GOVERNMENT SEEN MANIPULATING MARXIST PUERTO RICAN INDEPENDENTISTS

For some time, moreover, there has been growing evidence that the Cuban government is manipulating the small, ulta-radical wing of the Puerto Rican independence movement. In August, when Cuban Ambassador to the United Nations Ricardo Alarcon led a movement in that body to brand the United States as "colonialist" in Puerto Rico, the leader of the Marxist-Leninist Puerto Rican Socialist Party, Juan Mari Bras, worked out of the Cuban delegation's headquarters and coordinated his testimony condemning the United States and Puerto Rican governments with Alarcon. Among his accusations before the Committee of 24, prompted by Alarcon, was the charge that the United States conducts "genocide" in Puerto Rico as a matter of policy, through forced sterilization of women (a charge which the Puerto Rican government denies indignantly).

The Puerto Rican Socialist Party, whose membership does not exceed 0.4% of Puerto Ricans (according to a recent poll) is not to be confused with the Puerto Rican Independence Party, the democratic and traditional standard-bearer of the pro-independence movement in Puerto Rico. The PIP won 4.6% of the votes in the last island-wide elections in November 1972, and has consistently condemned terrorism as a political weapon.

In addition to FALN leader Rios, it is known that over 100 other Puerto Rican extremists have traveled to Cuba clandestinely to receive training in the Venceremos Brigades, reportedly including training in sabotage and terrorism.

BOMBINGS GIVE DISTORTED VIEW OF PUERTO RICANS IN THE UNITED STATES

Insofar as the FALN strategy is to discredit Puerto Rico and Puerto Ricans in the eyes of Americans, there seems little doubt that they have scored some success already. While most responsible editorial comment in the U.S. press makes a clear distinction between the terrorists and the overwhelming majority of Puerto Ricans, the drum fire of headlines reciting "Puerto Rican Terrorists in New Bombing" has almost certainly given many Americans a distorted view of Puerto Ricans and their attitude toward the United States.

POLL SHOWS INDEPENDENTISTS LOSING GROUND IN PUERTO RICO

Governor Hernandez has stated that "It is important for Americans to know that the FALN is about as representative of Puerto Rico as the Symbionese Liberation Army is representative of the United States". However, while Americans *know* that the Symbionese are unrepresentative of anything but their own distorted philosophy, they know less about Puerto Rico and are more apt to wonder if the FALN may not be symptomatic of growing anti-American, pro-independence sentiment in Puerto Rico. Recent polls show, on the contrary, that pro-independence sentiment in Puerto Rico has actually declined in the last two years, quite probably in reaction against FALN terrorism and the extremist politics of Mari Bras' Puerto Rican Socialist Party and its increasingly overt ties with the Cuban government.

THE UNITED NATIONS AND ZIONISM

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. OTTINGER. Mr. Speaker, the sordid spectacle which occurred in the United Nations General Assembly on Monday has received the well-deserved condemnation of Congress and the administration. We cannot, however, sit idly by and hope that the problems of anti-Semitism in the United Nations or in the world will simply disappear.

Last month, one of my most distinguished constitutents, Rabbi James H. Perman, eloquently expressed my dismay and that of millions of other Americans in an address to the United Nations Association during its commemoration of the 30th Anniversary of the U.N. Rabbi Perman, the spiritual leader of the Free Synagogue of Westchester, serves as Commissioner of Human Rights for the City of Mount Vernon, N.Y., and thus fully knows the meaning of the word "racism." It is particularly appropriate, in light of this week's events, that his remarks be inserted in the RECORD for the benefit of the House. The text of his speech follows:

TEXT OF REMARKS OF RABBI JAMES H. PERMAN

Madam Chairman: I am Rabbi James H. Perman of the Free Synagogue of Westchester. I rise to speak both as a Commissioner of Human Rights for the City of Mount Vernon and as an American Jew—one who is deeply troubled by the implications of tonight's meeting. I speak, too, for the Jewish Community Council, representing all Jewish organizations in this city, as well as for the Interfaith Clergy Association—the ministers, priests, and rabbis who are the spiritual leaders of Mount Vernon.

Tonight we have heard words of optimism and idealism, messages of congratulations for the work of the United Nations and the lofty purposes of International Women's Year. Unfortunately, there are many Americans here tonight in this auditorium, in our community and throughout our land who cannot share this optimism or this idealism, and for whom congratulations to the UN seem like empty phrases, or at worst, a cruel joke. We believe wholeheartedly in the principle of the United Nations Charter, and the purposes of the International Women's Year and, in fact, all movements that advance the world toward understanding and peace.

But again and again, Madam Chairman, we have seen our reasonable expectations sorely shattered in the conduct of the UN agenda.

And now we have seen a major branch of the UN, the Social-Humanitarian-Cultural Committee behave in a shameless charade that is anti-social, anti-cultural, and anti-humanitarian. This Committee, by a majority vote, has declared that the Zionist movement is a racist movement.

I shall not even dignify this absurdity with a rebuttal, but indeed it is ludicrous to attribute racism to a group that has itself been an object of racism for 2000 years, and whose very land was the object of colonialism for centuries. Democracy only has meaning as it is based on reason and human intelligence. I have no doubt that these same people could vote, and pass, if they so desired, a resolution that the moon is made of green cheese—but their actions would not make it so. In such an atmosphere, lies become truth and evil becomes good.

I have here two documents: one sponsored by the council but signed by citizens representing a cross-section of Mount Vernon, and a second resolution passed by the Interfaith Clergy. In these sentiments we join with our Mayor, August Petrillo, the leaders of Congress, and Mr. Moynihan, our Ambassador to the UN.

It is not my intention to embarrass the Commission or our two great speakers. We admire and respect what you are trying to do.

Our problem is that we cannot take you seriously. We want to believe in the international equality of women, but the Mexico City conference has told the world that all women are equal, unless they happen to be Israeli; your Charter states that nations are sovereign entities, yet the existence of an entire country seems to be a debatable issue. We want to celebrate with you, but we cannot.

The UN speaks so loudly that it cannot hear anything. When will the United Nations be the united nations?!

IN HONOR OF REV. WINFRED LANGHORST

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. SARASIN. Mr. Speaker, on November 14, the parishioners of St. Michael's Church and residents throughout the town of Naugatuck, Conn., will be honoring the Reverend Winfred Langhorst, their spiritual leader and friend for the past 30 years.

It is with a mixture of sadness and appreciation that this testimonial dinner will be held upon the occasion of Reverend Langhorst's retirement. He has devoted a good portion of his life to tending to the needs of others and to teaching and practicing the word of God. Educated in New York schools and receiving his master of arts degree from the University of Cincinnati, Reverend Langhorst has been active in the ministry in Connecticut since 1937. Beyond this, he has been active in many community associations such as the Elks, the American Legion, the Naugatuck Chamber of Commerce, and is a 32d degree Mason. He has also served as chaplain of the Naugatuck Police and Fire Departments as well as of the auxiliary police.

Reverend Langhorst's reputation of dedication and devotion to his congregation and community is outstanding, and it is best exemplified by his visits to patients in the area hospitals, regardless of their denominations. Whether attending to the needs of the sick or the well, Reverend Langhorst has always held uppermost in his mind the well-being of his community and has devoted his life toward fulfilling this goal. He will be sorely missed by St. Michael's Church.

I am pleased to join the members of the church and community in bestowing this well-deserved honor upon Reverend Langhorst.

H.R. 7575, TO ESTABLISH AN AGENCY FOR CONSUMER PROTECTION

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. EDGAR. Mr. Speaker, the House of Representatives, by a vote of 208 to 199, voted in favor of establishing an Agency for Consumer Protection. Vote on final passage occurred on November 6, and I voted in favor of establishing this independent, nonregulatory agency.

A number of amendments to the bill were approved which significantly strengthened the focus of this legislation. These amendments are discussed in detail in this statement.

The concept of establishing an independent agency to represent the consumer interest has evolved from the first attempt by the Congress to protect the consumer. In 1906, the Congress enacted the "Pure Food and Drug Act." Since that time, there have been many legislative initiatives for the purpose of protecting consumer health, safety, and economic viability. Some of these laws have not fulfilled the expectations envisioned by the Congress. Other laws, while worthy in language, have failed to be enforced by those agencies, bureaus, and commissions established to administer them. The result has often been a decrease in public confidence in the Government's ability to protect the consumer interest.

Historically, the voice of the consumer interest in public bills and regulations has been muffled for two reasons. First, consumers are not politically well organized. Where spokespersons do exist representing the consumer viewpoint, they and their organizations are financially ill-equipped to deliver their message with substantial impact. Second, special interest groups representing business, labor, and industry have been able to establish the power to influence decisionmaking at the highest levels of Government.

Currently, there are offices in almost every Federal agency to monitor consumer interests in the operations of those agencies. However, these offices find themselves in precarious positions when they dissent from the official policies of their agency. An independent agency for the advocacy of the consumer interest would give the consumer point of view more clout, on a level competitive with the influence of special interests.

The Agency for Consumer Protection, as conceived by the House of Representatives, will not create additional layers of bureaucracy. On the contrary, this bill as approved by the House would eliminate the nearly two dozen existing consumer offices in the Federal Government and consolidate their activities into this one agency. It has not been designed to harass business and industry, as charged by its critics, but has been given narrow and well-defined functions and powers. These functions and powers include:

First, initiating and intervening in Federal agency proceedings and in judicial reviews of agency actions to represent the interest of consumers;

Second, issuing written interrogatories to large businesses for the purpose of protecting the health and safety of consumers, or to discover consumer fraud or substantial economic injury to consumers;

Third, compiling and acting upon consumer complaints;

Fourth, publicly releasing information about consumer products and services; and

Fifth, encouraging and supporting development and research related to product testing.

The Agency's powers have been carefully limited in the following ways:

First, the Agency has no regulatory powers;

Second, the Agency may not require the submission of information by small businesses—those with not more than $1 million in assets or more than the equivalent of 25 full-time employees;

Third, the Agency is prohibited from disclosing trade secrets and other confidential business information;

Fourth, the Agency must determine that publicly released product information is both accurate, and not prohibited by law from being disclosed;

Fifth, in releasing product test data, the Agency must state that not all competitive items were tested, and there is no intent to declare one product better than another;

Sixth, there is a ceiling on the authorized funding level for the Agency; and

Seventh, the Agency will automatically go out of existence in 7 years unless Congress specifically renews its charter.

Of the 12 amendments offered to H.R. 7575 during 2 days of consideration by the House of Representatives, five were controversial.

The Fascell-Harkin amendment was approved with my support. This amendment exempts businesses which have less than $1 million in assets, or not greater than the equivalent of 25 full-time employees, from being required to respond to interrogatories from the Agency. I shared the view of a large majority of my colleagues that paperwork generated by Federal regulations and inquiries places a heavy burden which threatens to overwhelm small businesses. The amendment would require small businesses to respond to an Agency interrogatory only if there was an imminent and substantial danger to the public health or safety.

With approval of this amendment, it is the intention of Congress to restrict the activities of the Agency to monitoring only the segment of business and industry which has the greatest effect upon the consumer interest. Ninety-four percent of businesses will be exempt as a result of this amendment. The combination of this limitation on powers and the limited financial resources available to the Agency will, I hope, lead the Agency to focus its attention and actions on the most flagrant violations of the interests of consumers. This is where the Agency is most needed, and this is where, by its actions, the House of Representatives has indicated it wants the Agency to focus.

An amendment offered by Representative McCloskey was approved by a vote of 379 to 27. This amendment transfers to the Agency the programs of other Federal agencies which would be duplicative, or would be more appropriate under the jurisdiction of the Agency for Consumer Protection. I voted in favor of this amendment. In stating his position before the House, Representative McCloskey noted that he vowed never to support the creation of a new Government agency unless Congress undertook the responsibility of abolishing as much bureaucracy and Government structure as Congress created. The Republican Congressman from California's amendment specifically transfers the responsibilities of 22 Government offices to the Agency. The Congressman suggested that the expenditures saved by abolishing these offices would probably be greater than the funding authorized in H.R. 7575.

Another amendment, offered by Congressman Baucus, provides that the Agency for Consumer Protection be terminated automatically at the conclusion of 7 years, unless Congress specifically authorizes a renewal of its legislative mandate. I am very concerned about the expansion of Government which has proceeded at a rapid pace in recent years. I viewed this amendment as a valuable and thoughtful precedent which should be included in all legislation which establishes new agencies. This amendment impressed me, and I spoke on the floor to support it during its consideration. I was pleased that it was approved by voice vote.

An amendment offered by Congressman Anderson of Illinois also provides prudent controls which were lacking from the bill as reported by the committee. It establishes a ceiling on funds authorized for the Agency. The original bill authorized "such sums as are necessary" to carry out the provisions of the act. This amendment authorizes a ceiling of $7.5 million for the remainder of fiscal year 1976, and $10 million for each of the next 2 fiscal years. Without such an amendment, the Congress would have had to rely solely upon the powerful Appropriations Committee for guidance in setting fiscal controls on the Agency. I supported this amendment, which was approved.

Finally, an amendment introduced by Representative Fuqua was defeated 175 to 233. The Fuqua proposal was to delete a provision in the bill which exempts proceedings before the National Labor Relations Board and the Federal Mediation and Conciliation Service from the provisions of H.R. 7575.

I joined a majority of the House in opposing this amendment. By law, as reinforced by court decisions, the National Labor Relations Board—NLRB—is directed to assure that labor-management disputes are resolved, but it is prohibited from taking any interest in the terms of the settlements. Thus, because NLRB has no authority to influence the substance of a settlement, it is inappropriate for a third party to intervene to bring such consideration before the NLRB. If it does make sense to have the economic impact of labor-management settlements be officially considered, and it may, then the proper action is to amend the charter of the NLRB. But unless and until that is done, the Agency for Consumer Protection has no proper role in NLRB actions.

The same situation holds true, perhaps even more so, for labor-management disputes brought before the Federal Mediation and Conciliation Service—FMCS. Unlike the NLRB, the FMCS has no regulatory power whatsoever. It was established simply to offer mediation services to parties involved in labor disputes. It has no right to bring parties together; its services must be requested by the disputing parties. And, like the NLRB, it works only to assure that a settlement is reached, not that the settlement embodies any particular concern.

In summary, the amendments added by the House of Representatives greatly improve the focus of the original bill. I believe that these amendments answer the major objections to H.R. 7575. As passed by the House, the bill is a carefully drawn outline which will provide a needed service to the American people. I strongly hope that this bill is enacted into law.

AMERICAN FARMERS ARE PERSISTENT AND RELIABLE

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. SEBELIUS. Mr. Speaker, the following is the 6th in a series of 10 messages sponsored by FAR-MAR-CO Inc. Hutchinson, Kans., in U.S. News & World Report to characterize the hardships and uncertainties experienced by farmers who are not privileged with a 40-hour workweek. American farm products play a vital role to offset world hunger, meet U.S. balance of payments and maintain world economic stability and peace.

FAR-MAR-CO is to be credited for its interest in promoting public awareness and understanding of the American agricultural system in the following article:

Food Doesn't Grow on Trees

Producing sufficient crops to feed our expanding populace is not an automatic, snap-your-fingers-and-it's-there process.

But the American farmer has diligently and steadfastly produced the quantity and quality of food needed. Year after year. Through good times and bad.

It's taken huge investments in expensive equipment and facilities. It's taken the courage to spend more and more on herbicides, pesticides, and fertilizer. It's taken the faith to go back to the fields after a year of crippling crop losses of depressed market prices. But he's done it. Consistently.

And because of this determination and commitment of unified effort, the American farmer has always been able to feed us.

Through seasons of ravaging floods, in spite of droughts, even with attacks of crop disease and insect infestations, our diverse agricultural community has managed to produce sufficient crops.

So let's not take food for granted. It doesn't grow on trees.

DEMOCRATIC WAYS TO CHANGE UNPOPULAR LAWS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. MAZZOLI. Mr. Speaker, the onslaught of forced busing in my district, Louisville, Ky., has evoked a wide range of intense reaction.

In some instances, quite sadly, busing has been countered by violence, vandalism and thuggery. In candor, it must be reported that many of those who resorted to violent reaction were egged-on by self-appointed "leaders," who shamelessly exloited the social strain and emotional pitch for personal and political gain.

To the everlasting credit of my fellow townspeople, the majority never resorted to these tactics.

At the same time, most of those against forced busing, who were also against violence, did not know what to do to end busing in a mature, peaceful and legal fashion.

In this connection, I would like to share with my colleagues the following editorial entitled "There Are Democratic Ways to Change Unpopular Laws," which appeared in the Record, the Louisville Archdiocesan newspaper.

This editorial offers sound judgment and credible alternatives in dealing with the complex and controversial issue of forced busing:

There Are Democratic Ways To Change Unpopular Laws

As protests against the court-ordered desegregation of Jefferson County public schools continue and as leaders of anti-busing forces advocate different ways to get the order rescinded, it might serve the well-being of this community for all of us to think for a moment about how we should proceed changing something in our government which we do not like.

A foundation principle of the American democratic system, something that distinguishes our form of government from others, is that change is brought about in prescribed and nonviolent ways. We change leaders we do not like through the prescribed electoral system, not by assassination or *coup d'etat*. We change laws we do not like through the prescribed legislative process, not by defying the laws in a manner that breeds anarchy and chaos.

These statements of the prescribed approach to change are certainly no great revelation to us. We have studied them in civics classes in school and we have heard them stated time and time again in public forums.

Yet, do we believe them? Do we understand them? Some recently voiced oppositions to the court-ordered busing here make these questions valid ones to ask.

For example, at a recent anti-busing meeting one speaker reportedly was cheered by those attending after he made references to "guerrilla warfare," to suggestions about organizing a "posse" to fight police and to a liquid that eats through metal ("Imagine what would happen if it were put on the Kennedy Bridge," he said)—all presumably ways to demonstrate opposition to the court order.

There have been other examples also, such as threats made against parents for not observing the school boycott by sending their children to school, and acts of violence which have brought harm to individuals and damage to property.

Protests have also been lodged against individuals and organizations having no relationship to the busing issue, such as boycotts against businesses and calls for boycotts against the Archdiocesan Development Fund drive and the United Way campaign.

Possibly, frustration has prompted some antibusing supporters to employ or to suggest such tactics and to lash out against things not related to busing. Nevertheless, such forms of protests raise very serious concerns because they do not reach the heart of the issue; they result in more harm than good to the community as a whole; and they commit an injustice against those to whom the actions are directed.

Protests for redress of grievances are part and parcel of the American democratic system, and avenues of protests specifically are provided for in our constitution and laws. But it is important always to keep in mind that protests should be directed to those sources which can bring about the desired change. Directing protests at other sources, or protesting for the sake of protesting, only result in further community discord and create more harm than good. Moreover, unreasonable and indiscriminate forms of protest tend to turn off some people and accentuate emotional rather than rational argumentation.

In the case of the court order which led to busing in Jefferson County, the sources which can bring about a change are essentially the Congress and the federal courts. These are the prescribed channels in our democratic system; these are the sources which make and define our laws; and these are the sources which can change and redefine our laws.

Anti-busing supporters, for example, would find it more productive to go door-to-door in Jefferson County collecting signatures on a petition directed to Congress backing a constitutional amendment than to spend their energies suggesting ways to confront police or bring threats against their fellow citizens. They could even spend their time more productively by gaining support in other states and by electing to office persons sympathetic to their cause than by urging indiscriminate boycotts at home.

Besides this approach, there is also the channel of appeal through the federal courts. Bringing suit in court, for example, is a much more legitimate and positive form of protest than advocating non-compliance with the state's compulsory school attendance law.

Throughout our 200-year history, there have been many examples of unpopular govermental actions which have been altered by working through the prescribed channels of the democratic system. And contrary to what many believe, these channels—though cumbersome as they may appear at times—do work. It takes a lot of persistence and political know-how, but these elements, too, are tools of the American system—tools which also have been used effectively many times throughout our history.

ARAB PERSECUTION OF MINORITIES

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. EILBERG. Mr. Speaker, the vote Monday night in the United Nations labeled Zionism as a racist movement. A great deal has been said in this Chamber and around the world condemning this vote in the General Assembly, but very little has been said about how the nations which supported the resolution treat their minorities. Contrary to the statements of the President of Egypt, Anwar Sadat, when he spoke in this Chamber and in other places around the country, and those of other Arab leaders, the treatment of Jews and Christians in many Arab countries has been far less than gentle and at times, including the present, it has been barbaric.

I think it is very important that the truth be told about this situation and at this time I insert into the RECORD an article from the authoritative Near East Report detailing the history of relations between Arab countries and their Jewish and Christian minorities:

ARAB TREATMENT OF JEWS

MYTH

"Arabs claim that they are only anti-Israel, not anti-Jewish."

FACT

It is true that Jews were sometimes treated better in some Arab countries than in Christian lands in Europe.

But medieval history tells us that Jews were no strangers to persecution by the Arabs.

Mohammed was intolerant of nonbelievers and expelled or exterminated those who refused to be converted.

Many Jews died at the hands of Moslems and many others were forced to pay exorbitant taxes or lives in mellahs, Arab ghettos for Jews.

And it was the Caliph Haroun al Rashid who invented the yellow badge of shame which Jews were ordered to wear in 807 A.D.

While the situation of Jews in Arab states has not been as catastrophic as that which shattered European Jewish communities, Jewish populations were harassed by Islamic restrictions which flared into violence. Riots which slew dozens occurred in Damascus in 1840 and 1948, in Iraq in 1941, in Libya in 1945, in Egypt in 1946 and 1948, and in Yemen in 1947 and 1948. Although Israel maintains a free emigration policy, very few, if any, Arab Jews have returned to their "native lands."

LIBYA

1948 Jewish population: 40,000;
1975: 40

A savage pogrom on Nov. 5, 1945 killed 130. Jews were burned in their shops, hurled from rooftops or balconies or beaten to death. Almost all Jewish synagogues were sacked. (Britain and Israel, September 1972) In June 1948, Libyan rioters murdered another 14 Jews.

After the Six-Day War, the population of 4,500 was again subject to brutal pogroms in which 18 Jews were killed, sparking a near total exodus from the country.

In February 1970, the new government headed by Muammer Qaddafi confiscated all Jewish property and canceled all debts owed to Jews since June 5, 1967 (Libyan Law Number 14, Feb. 7, 1970); and Jewish claims for compensation totaling millions of dollars were cancelled (Libyan Law Number 57, May 9, 1970); homeles Jews were herded into special camps (Britain and Israel, September 1972). Libya's thousand-year-old Jewish community is all but obliterated.

Egypt

1948 Jewish population: 75,000;
1975: 1,000

The government forced all its 2,500 Jews to register. When war broke out in 1967, homes and property were confiscated.

More than 600 heads of families were put in the Abouzabel prison near Cairo, while 200 were taken to the Al Barraga jail near Alexandria. The Grand Rabbi of Alexandria, Jacques Nefussi, and the Chief Rabbi of Cairo, Chaim Douek, were arrested. A few elderly prisoners were released, but the rest were harshly treated. Some were tortured, most were beaten or crammed into stifling, crowded cells.

About 225 Jews of Italian and Greek nationality were allowed to leave but to take no more than 50 Egyptian pounds with them.

The intercession of Spain, France and Italy was responsible for the release of 110 Jews from Egyptian jails. These governments also secured exit permits for hundreds of Jews by furnishing travel documents. Spanish officials liberally interpret Spanish law, which allows a Jew whose ancestor was expelled from Spain in the fifteenth century to claim Spanish nationality and protection.

In 1971, the Association of Jewish Victims of Egyptian Persecutions claimed over one billion dollars for properties seized by Egyptian regimes. (Britain and Israel, September 1972)

Iraq

1948 Jewish population: 125,000;
1975: 600?

Now Jewish community since Hitler has suffered the persecution of the 2,700-year-old Jewish community of Iraq.

The 1941 Mufti-inspired pro-Nazi coup of Rashid Ali sparked rioting and pogroms in which dozens died. Most Jews left for Israel after the vicious 1947 riots on Operation Ali Baba, in 1951.

In 1952, the Hashemite government ended the emigration rights of the Jews of Iraq and publicly hanged two Jews after falsely charging them with hurling bombs at the Baghdad USIA office. (Britain and Israel, September 1972)

With the ascension of competing Ba'ath factions in 1963, the Jews entered a purgatory:

Synagogues and schools were sequestered, the sale of property was forbidden, freedom of movement was curbed, and all Jews were forced to carry yellow identity cards, even though their freedom of movement was severely limited. (Cojo Report, July 1971)

After the Six-Day War there were more virulent measures:

Jewish property was expropriated, Jewish bank accounts were frozen; Jews were dismissed from public posts; businesses were shut; trading permits were canceled; telephones were disconnected. Jews were placed under house arrest for long periods or restricted in their movements to the cities or even quarters in which they lived. Departure was totally prohibited.

All these restrictions were contained in Iraq Law Number 10 of 1968 and Iraq Law Number 64 of 1967.

Formally, these laws were "rescinded" in June 1969; yet they are still in operation.

Prosecution was at its worst at the end of 1968. Scores were jailed on the "discovery" of a local "spy ring." Nineteen were sentenced to death in staged trials and barbarously hanged in the public squares of Baghdad; others died of torture.

Baghdad Radio, Jan. 27, 1969, called upon Iraquis to "come and enjoy the feast." Some

500,000 men, women and children paraded and danced past the scaffolds where the grotesque bodies of the hanged Jews swung; the mob rhythmically chanted "Death to Israel" and "Death to all Traitors."

The barbaric display brought a world-wide public outcry which President Bakr dismissed as "the barking of dogs."

Another 18 Jews were hanged in secret between 1970 and 1972. Jews had to house Palestinians and raise money for Fatah and other guerrilla groups. (CoJo Report)

The Ba'ath party apparatus grew in 1972 and Jews began disappearing, their possessions seized by rapacious officials who posted signs on their houses that the "Jewish occupants had fled the country."

Nazeim Kazzar, head of the secret police, ordered the murder of five members of the Reuven Kashkush family on Apr. 12, 1973, in retaliation for the Israeli assassination of Palestinian terrorist leaders in Beirut the day before. Kazzar's guilt was confirmed in late July 1972 by Bakr, who had executed Kazzar one month before for an unsuccessful coup. Bakr denounced Kazzar as a "psychopath . . . who murdered more than 2,000 people." (Beirut Daily Star, July 28, 1973)

To date, more than two dozen Iraqi Jews are still missing. Most of Iraqi's remaining 600 Jews are either too old or too wealthy to leave; they are being pressured by the government to turn over title (without compensation) to over $200 million of Jewish community property, apartments, schools, hospitals and fields. (New York Times, Feb. 18, 1973)

Syria

1948 Jewish population: 45,000;

1975: 4,500.

Damascus was the site of the 1840 blood libel and pogrom which killed many Jews.

Even before the 1967 war, the 4,000 Jews in Syria were terrorized by night arrests, interrogation, imprisonment and torture. Jews were not permitted to leave the Dasmascus ghetto, where they came under attack. After the war their situation deteriorated.

An airport road was paved over the Jewish cemetery in Damascus; school examinations are scheduled on Saturdays to prevent Jewish participation; Jews who submit complaints against Moslems never win; Jews are singled out as (Musawi) on identity cards; Palestinian refugees are housed in the Jewish quarter to prey on residents.

Jews are not permitted to leave the country, to go more than four kilometers from their place of business, to sell immovable property, to work for government and banks, to have telephones and driving licenses, to bequeath property to heirs. The state has confiscated the property of those who have escaped. Most Jews working for Arab merchants have been dismissed.

For two months a curfew was imposed on Jews in Kamishli; houses were marked in red and there were daily roll calls. A curfew is in effect in Aleppo.

A French Commission of Inquiry conducted in Paris in October 1971 heard the following testimony from an escaped Syrian Jew who was held for four days when, in accordance with regulations, he informed Syrian authorities of his brother's escape:

"[Four men] were imprisoned for four days. By the end of the four days [one of the men] had lost twenty kilos. The father was stripped and forced to assault his son."

A young woman testified:

"Of the three persons who fled and were caught, one came out deaf, another reduced to idiocy. . . . They tried again to escape and this time succeeded, but their families were arrested, the sister of one of them was tortured. . . . The other person was tortured with red-hot skewers, the traces were all over his back. They were thrown half dead into the street. Three Jewish doctors who happened to be present did not dare approach since the security men were watching."

Lebanon

1958 Jewish population: 20,000;

1975: 2,000.

Despite occasional outbursts by the Palestinians in Lebanon, Lebanon's remaining Jews (who have always been free to emigrate) live quietly around Beirut and other major cities.

Yemen

1948 Jewish population: 54,000;

1975: 0.

All the Jews of Yemen's ancient Jewish community have emigrated, nearly all of them to Israel. Early in 1948, there was looting after six Jews were accused of the ritual murder of two Arab girls. The Imams of Yemen always threated their Jewish subjects as infidels: Jews could not ride horseback, carry arms, own property or build houses taller than those of Moslem landlords.

South Yemen

1948 Jewish population: 7,000;

1975: 0.

The ancient Jewish tribes of the Hadramaut are now in Israel. Mob violence during the Six-day War killed several Jews; the British government then in Aden evacuated all the remaining 350 Jews on June 18, 1967.

Tunisia

1948 Jewish population: 23,000;

1975: 9,000

Jews were attacked by rioting Arab mobs. Synagogues and shops were burned. The government denounced the outbreaks and President Habib Bourguiba apologized to the Chief Rabbi, promising compensation.

The government appealed to the 20,000 Tunisian Jews to remain but has not prevented anyone from leaving. Hundreds emigrated to France.

The military court sentenced two youths to 15 years for burning the Great Synagogue. Others were convicted of attacking the American and British embassies and looting Jewish property.

Morocco

1948 Jewish population: 300,000;

1975: 35,000

There have been riots directed against Jews and one economic boycott initiated in 1967 by the Istiqlal Party. King Hassan has tried to protect the Jews but the Jewish middle-class has virtually disappeared. Younger Jews are eager to leave.

Algeria

1948 Jewish population: 150,000;

1975: 1,000

The majority of the 150,000 Jews in Algeria left with the French in 1963. There have been no reports of persecution of those who remained.

A French organization tracing 6,000 Europeans, including 600 Algerian Jews who disappeared between 1953 and 1963, reported that the 600 Jews were living in inhuman conditions in mobile forced labor camps.

ARAB TREATMENT OF OTHER MINORITIES

The Jews are not unique. Every minority has suffered discrimination and worse under Arab rule.

Christians

Christians have been emigrating from Arab countries. The four million Copts of Egypt are subject to repression.

In December 1972, Moslem fanatics burned churches, houses and shops owned by Copts in Alexandria, El Mansura, Dimanhour and El Hanka; Copts were attacked and beaten. (Moshe Ron in Detroit Jewish News Jan. 12, 1973)

An Egyptian government investigating commission found 12 other incidents of arson, looting and robbery of Copts. (London Times, Jan. 9, 1973)

Soon after Qaddafi's Revolutionary Command Council took control of Libya in September 1969, more than 4,000 Italians were ousted and forced to abandon property, money and belongings, according to a letter addressed by refugees to Premier Mariano Rumor.

The letter predicted that many more of the 35,000 remaining Italian residents—the biggest non-Arab minority in Libya—would flee during the year, leaving an estimated $300 million worth of property. Some 25,000 were later expelled.

The Libyan government proclaimed its "aim to avenge the past. . . . The feeling of holy revenge runs in our veins."

The Cathedral of the Sacred Heart in Tripoli was converted into the Gamal Abdel Nasser Mosque on Nov. 26, 1970. (Washington Post, Nov. 27)

Kurds

Kurdish minorities in Syria and Iraq have been victimized by exclusivist Arab nationalistic policies which cannot tolerate the fact that the Kurds think of themselves as Kurds first and Moslems second.

The Kurds have lived in what is now Syria for centuries; they number about 500,000, or 10 percent of the Syrian population.

When Syria split with Egypt in 1961, the new Syrian regime began a drive to destroy the Kurds as an ethnic group. It embarked upon a campaign of discrimination and repression.

In August 1962, Syria instituted the "Arab-Belt" plan, by which the Kurds were forcibly evacuated from the arable Jezrieh region and forced to emigrate to other countries or settle in desert areas. Half of Jezrieh's 300,000 Kurds were stripped of their citizenship.

The Arab-Belt plan, according to the Arab press, was formulated to "save Arabism in Jezrieh," although Arabs represented less than 20 percent of the Jezrieh population. It was later extended to the two other main Kurdish areas in northern Syria.

But whether they come from the "Belt" areas or not, all the Kurds in Syria suffer: They have no Kurdish schools or newspapers; their political party is considered illegal; they are permitted no expressions of Kurdish culture and all Kurdish books are forbidden; and they are denied military and civil service positions unless they declare that they are "Arabs," rather than Kurds.

Iraq began genocidal war against the Kurds, who constituted about 25 percent of the population of eight million, in 1961. This continues to be Iraq's reply to the Kurdish demand for equal treatment and autonomy.

According to a New York Times article on Mar. 15, 1965, the Iraqis have used bombs, rocket-type artillery and napalm against Kurdish positions and villages.

Yet with all this, Iraq asked Kurdish Gen. Mustafa Barzani to commit his forces in the war against Israel in 1967. Barzani repeated his reply in an interview with Eric Rouleau of Le Monde News Service in January 1969:

"Three days before the outbreak of the war between Israel and the Arabs, the Baghdad government sent emissaries to me requesting that I place Kurdish army units at their disposal for the war against Israel. I replied, 'For six years you have been fighting us, trying to wipe out the Kurdish people, so how can you come now and ask for my help?' "

Despite a peace treaty between Barzani and the Ba'ath government in Baghdad guaranteeing Kurdish autonomy, Iraqi troops, fearing for the safety of the Kirkuk oil fields, attacked Kurdish villages in the summer of 1973. The Teheran Journal (June 27, 1973) reported that 10 Kurds were killed and 22 wounded by Iraqi government aircraft and artillery. (London Times, June 28, 1973). The promise of full autonomy by 1974 seems remote. 200 Kurds are still in Iraqi jails. (Beirut Daily Star, Apr. 8, 1973)

Blacks

It is estimated that 500,000–600,000 black Africans were slaughtered in Sudan in the war which the Arab North pursued against the South for 14 years after Sudan gained independence in 1959. Despite heavy casualties, the blacks refused to give up their struggle for liberation. As one black leader said in an interview with Lawrence Fellows, which appeared in the New York Times on Apr. 15, 1968, "With the Arabs we are dead anyway."

Sudan closed the South to the outside world and has tried to bar reporters. In 1964, the last of the foreign missionaries were expelled. Grim reports trickle out. UN figures in the Journal de Geneve (Sept. 9, 1967) indicated that 33,000 Sudanese refugees had fled to the Congo, 55,000 to Uganda, and 27,000 to Gambia. The South Sudan Liberation Front told the UN that since 1962, one million had died and 300,000 had fled to neighboring countries. The Times article, however, pointed out that Sudan has had some success in persuading her neighbors to help her clamp down and trap the refugees, leaving them no escape.

The Numeiry regime signd a peace agreement with the Anyanya rebel leadership in late 1972, and some real reconciliation is now under way.

Slavery

Sudan's attitude toward blacks is far from unique in the Arab world.

The Arabs, who ran the world's black slave markets for centuries, continue to indulge in slave trade for regional consumption.

The UN Economic and Social Council has been concerned with this problem, and Britain's Anti-Slavery Society has been instrumental in focusing public attention on it.

Incidents of chattel slavery have been sighted in Saudi Arabia—which "abolished" it years ago—and in Aden, Kuwait, Yemen, Muscat, Oman, Qatar and the Sudan according to British correspondents and observers. Growing oil revenues contributed to an increase.

Iraq expelled over 60,000 Irani nationals and ordered another 250,000 to prepare to leave, Teheran sources announced in December 1971. The expulsions were thought to be in retaliation for Iran's seizure of three Persian Gulf islands.

STOP THE JUGGERNAUT

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. ROUSH. Mr. Speaker, as Members of Congress we have all been made aware of the burden of regulations and reports that have resulted from an increase in Federal agencies and Federal controls. Some of this is necessary and inevitable; some is avoidable. Beginning with the last Congress we have begun to address ourselves to these problems. A Federal Paperwork Commission has commenced a 2-year study which we expect to bring forth positive suggestions and recommendations.

I would like at this point to quote from a letter sent by one of my constituents which makes this point more forceably than I ever could. The constituent, who shall remain anonymous, wrote concerning the pension reform legislation of last year. I supported this legislation and am convinced that it serves a vital need. The regulations that implement it may be another matter:

> I thought that you should know that the voluminous reporting form (only the first of many apparently) has caused us to discontinue our profit sharing plan that was in effect for 9 years.
>
> I refuse to fill out any more government forms requiring a "life history" every year. From now on, I will fill out only those forms for which I will go to jail for not doing so. (even then I may refuse)
>
> The straw that broke this camels back has been put in place. From now on, I will fight Federal bureaucracy at every turn of the road, and encourage my friends to do the same. If you are a friend of small business, yea, any business, you will surely find some way to stop the juggernaut before you are also crushed in the aftermath of taxpayer rebellion.

PROTECTING TAXPAYERS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. LAGOMARSINO. Mr. Speaker, in view of the debate last week over public demand for an agency for consumer protection, I ask that the following editorial from the Ventura County (Calif.) Star-Free Press be printed in the RECORD:

> PROTECTING TAXPAYERS
>
> Here's a random sampling of recent news stories in Ventura County and across the nation:
>
> Federal drug officials have put new restrictions on the sale of two tranquilizers—Valium and Librium—because habitual use may have harmful effects.
>
> Promoter Glenn Turner has been ordered to pay back $44 million to people who invested in Koscot cosmetics as part of a pyramid investment scheme.
>
> California has a bookful of laws, enacted in recent years, designed to protect consumers from fraud in everything from auto repairs to land sales.
>
> Ventura County got $3,499 as part of a statewide rebate ordered by the courts, in price-fixing on asphalt paving.
>
> The Federal Trade Commission has ruled that celebrities who endorse commercial products must actually use those products personally.
>
> The State Air Resources Board has ordered Chrysler to recall 11,000 cars, to repair defective smog control devices.
>
> Anti-fraud officials in Ventura County warned county residents to be wary of "gift" or "prize" trips to Las Vegas that are really a come-on for sales schemes.
>
> The Department of Transportation has required tire manufacturers to grade new tires on the basis of traction, temperature resistance and mileage potential.
>
> The Ventura County District Attorney Office's fraud division has assessed civil penalties against several firms for misrepresentation to consumers.
>
> This is by no means a comprehensive list, but it does indicate that the consumer is not left out shivering in the cold, when it comes to official protection from all levels of government. In fact, you could make a pretty good case that the consumer is being over-protected by some governmental actions—such as the Federal Trade Commission's continuing crusade to neuter TV advertising.
>
> Yet, there's a move in Congress to give the consumer even more governmental protection, at a buy-in price of $60 million. That would create an Agency for Consumer Affairs for three years—but anyone who thinks a new federal bureaucracy is going to die after three years doesn't know much about bureaucracy. What'll happen at the end of three years is, the annual budget of $20 million will start to grow and sprout, like all bureaucratic budgets do.
>
> The theory behind the agency is this: The unions have the Labor Department to represent them. The farmers have the Agriculture Department. Business has the Commerce Department. But the consumer has no department to call his-or-her own, so should have an agency, at least.
>
> It's true that several governmental agencies have become far too cozy with what they're supposed to regulate, but the answer is not to create still another special-interest agency. And besides, there's a lot more than Ralph Nader going for the consumer right now.
>
> The state has a consumer unit in the Attorney General's Office . . . The county has a Consumer Protection Agency, in addition to the district attorney's unit . . . The federal government has its own consumer agency, headed by Mrs. Virginia Knauer.
>
> Still, authorization for this new consumer bureaucracy was approved by the Senate and awaits the pleasure of the House. If the House refuses to go along, there will be no cause for gnashing of teeth. Sometime, somewhere, somebody has to say "No" to more money for more bureaucracy, and this seems as good a time and place as any.
>
> Is that an anti-consumer view? Hardly. Remember that consumers are taxpayers, too, and mixing this new bureaucracy will only afford the taxpayer some of the same protection the consumer already enjoys.

DANGERS POSED TO AMERICAN JOBS BY FOREIGN SPECIALTY STEEL IMPORTS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HEINZ. Mr. Speaker, the International Trade Commission recently conducted 4 days of hearings concerning proposals to impose tariffs on specialty steels being imported into this country. These hearings underscored the tremendous costs to American workers and to the specialty steel industry of unregulated specialty steel imports.

In his appearance before the Commission, Mr. William Knoell, the president of Cyclops Corp., a major specialty steel company in my congressional district, testified that in his own firm, specialty steel imports have resulted in shipments falling 30 percent during the first 9 months of this year. And over the same period, Cyclops has been forced to lay off over 1,200 employees.

According to Mr. Knoell, most foreign special steel industries have a competitive edge because they are characterized by direct Government ownership, low cost financial assistance in loans and guarantees, export incentives and Government raw material stockpiling. American specialty steel companies, which are generally described as small and highly competitive, are in essence being forced to compete with foreign national governments.

Mr. Knoell suggests two steps to combat the flood of specialty steel imports into this country now contributing to even higher rates of unemployment: First, establishing mandatory quotas for specialty steel imports; and second, achieving a long-term government-to-government multilateral agreement.

Mr. Speaker, I commend Mr. Knoell's testimony to my colleagues:

STATEMENT OF WILLIAM H. KNOELL

Members of the Commission, I am William Knoell, President and Chief Executive Officer of Cyclops Corporation. I am an engineer turned lawyer, who for the past twenty years has been laboring in the steel industry, particularly specialty steels.

Cyclops, through its Universal-Cyclops Specialty Steel Division, is an important factor in the specialty steel market as a producer of stainless steels, tool steels, and high temperature metals.

You have already had presented to you the devastating impact the unrestrained flow of foreign specialty steels has had on the specialty steel industry in this country. Prior witnesses have each testified as to the injuries being inflicted upon their respective companies by this flood of specialty steel imports. Cyclops is no exception.

Cyclops' stainless and tool steel shipments are off 30% during the first three quarters of this year as compared with the same period in 1974. Profits have been reduced 58% and over 1,200 workers have been laid off during the course of the past nine months. Plans to increase capacity have been shelved.

We have discontinued certain product lines as a result of the penetration of imports on a massive scale. The seriousness of the injury is apparent and need not be belabored further. I have, however, had prepared Confidential Exhibit A setting forth specifics as to date, product, our price, import price, discount, and source of imports.

As set forth in the Petition for import relief which initiated this investigation, we are urging that the Commission take two steps to combat the flood of imports that are the cause of substantial injury to the domestic specialty steel industry.

First, that mandatory quotas for specialty steel products be imposed to arrest the disruption of the domestic markets now being experienced, while providing time and an incentive to the negotiations necessary to achieve a long-term government-to-government multilateral agreement, which is the second step requested in the Petition.

Prior to discussing the mechanics of the remedies we are seeking, let me deal with the question of its appropriateness. And, before we can address ourselves to that question, we must identify the problem. Thus far, we have primarily directed our attention to the symptoms—a high level of imports, which have had a substantial disruptive impact on domestic producers, their profitability, employment levels, and ability to survive as a viable industry.

But, those are the symptoms. What is the problem? We believe the issue is clear: The United States specialty steel industry—comprised of relatively small, competitive, free enterprise companies—is being forced to compete with foreign national governments.

In the next few minutes, let me enumerate some of the foreign practices and arrangements which underpin the comeptition we face. Outside the United States, the steel industry is characterized by:

Direct government ownership;

Government target planning;

Low cost financial assistance in the forms of loans and guarantees;

Export incentives; and

Government raw material stockpiling.

When transferred into the real world, these are not insignificant annoyances, but rather go to the heart of the profit and loss statement, which is the sine qua non of existence under our free enterprise system.

Recall the several references in Mr. Simmons' testimony to the current losses being incurred by our foreign competitors—losses incurred in spite of these very meaningful assists from their national governments.

It may be suggested that lack of profitability of foreign steel producers, along with the floating exchange rate, which has indeed taken away one severe handicap under which the United States steel industry long labored, will ultimately solve our problem. That, in the long run, a foreign government will not underwrite their steel industry's losses. This is not necessarily so.

As anyone who has been in the steel industry very long can tell you, it is a high, fixed-cost business. And, it is very volume sensitive. The scenario may very well go like this: That it is in the foreign producer's and the foreign national government's best national interests insofar as protecting their investment, their employment rate, and their foreign exchange to underwrite losses. The losses incurred in underselling may, indeed, be less than the losses which would result from not selling at all.

Returning to the "problem" in the foreign steel industry, we find the following:

DIRECT GOVERNMENT OWNERSHIP

44% of the world's steel production is under direct government ownership. This is a fact which you must recognize in dealing with international steel trade as it affects the United States. Government ownership has a profound effect on the conditions under which we must compete.

The government ownership is not limited to red bloc and developing nations. It is found in at least 32 countries and, for instance, the British Steel Corporation is 100% government owned. Under these conditions, the profit incentive is blunted. A positive cash flow is the sought after objective. There is direct access to public funds to finance capital needs and underwrite losses.

GOVERNMENT TARGET PLANNING AND FINANCIAL ASSISTANCE

Another area of government involvement is target planning. Both Japan and the European Economic Community are very active in this area. Steel has been selected as a target industry, that is, government leaders have determined it to be an industry whose development is critical to the national economy. The EEC in its general objectives for the steel industry for 1980–1985 has put particular stress on the specialty steel area, with extensive financial support targeted by the ECSC.

In Japan, the vehicle is the Ministry of International Trade and Industry, referred to as "MITI". This allows the Japanese government to coordinate production, stabilize prices, and create domestic and export cartels. They have been very active in gaining financial assistance for the Japanese steel industry, providing them access to a disproportionate share of capital and at advantageous rates.

Financial assistance is not limited to investment. In February of this year, MITI requested the Bank of Japan to come to the assistance of Nippon Metallurgical and Nippon Stainless. The help was needed because of the low domestic and foreign demand for stainless.

Yet, in spite of this need for financial assistance to Japanese specialty steel producers, they are actively cutting their prices on exports to this country.

The highly developed practice of financial support of low or preferential interest rates and at longer pay-back terms than the venture could otherwise command is spreading. An integrated stainless plant is planned for Mexico. This is a joint French-Mexican venture and is obtaining major financial assistance on loans guaranteed by the Mexican federal government.

Access to money is not some theoretical advantage, but a real assist in contrast with the U.S. where we must pass the financial tests of private credit as part of the free enterprise system.

A further word on the foreign producers' ability to coordinate their production and sales efforts, particularly as it relates to export strategy: Their governments encourage cartelization for exports. Anyone with steel mill experience can tell you that the ability to select product forms and sizes to avoid having to compete across the product line is an advantage of no mean significance.

EXPORT INCENTIVES

In addition, there are direct incentives to encourage exports which play an important role in their foreign trade strategy. There are special banking terms for export credit, with the government guaranteeing that banks can earn higher than prevailing rates on export loans.

Tax rebates represent an important incentive to stimulate exports. Chief among these incentives are rebates of the value added tax. This is a technique widely used in Europe and has a significant impact on a producer's incentive to sell, for the rebates generally run in the high teens as a percent of sales. It is frequently contended that a value added tax is nothing more than a sales tax, but that is an analogy that quickly falls apart with any in-depth investigation.

Within the past few weeks, the Treasury Department ruled on an action filed by the U.S. Steel Corporation and acknowledged that value added tax rebates had the same economic effect as a bounty, but denied relief because they said they are not "legally" bounties. In the real world in which we have to compete, it is solace to be told that the club with which you are being hit, although able to produce and, in fact, producing the injury normally assoicated with being hit with a club, is not "legally" a club.

GOVERNMENT RAW MATERIAL STOCKPILING

Another advantage enjoyed by our foreign competitors is the economic stockpiling of raw materials by their governments. The impact of this is to relieve the companies of the financial burden of protecting themselves with large stocks of critical raw materials and to stabilize the price in periods of high demand. The net result is an indirect but nonetheless substantial subsidy to foreign steel producers.

One example: Scrap is a very important and essential raw material to specialty steel producers because of their reliance on electric furnace melting. Under the guidance of MITI, the Japanese steel industry has plans for scrap stockpiling. They plan on 500,000 tons of scrap, with purchases and releases to be arranged among the steel companies.

We believe the foregoing outline of some of the ways in which foreign governments assist their steel industries demonstrates very basic competitive advantages enjoyed by our trading partners. We are in a very real sense competing with foreign national governments.

With this background, let me now deal with the mechanics of our requested relief. It is in two steps, with the first being a mandatory quota under a formula which has been devised to reflect the most recent representative period of imports.

The quota system we are asking for is based upon the historic market share held by foreign producers. In the procedure recommended, each calendar quarter the Secretary of the Treasury would determine each country's historic market share by product line, based upon the avearge penetration level during the years 1972 through 1974. The secretary would then have to estimate the expected domestic consumption for the coming calendar quarter and would set a quota for each exporting country at 80% of its historic market share. If a country over the preceding three years maintained an average 15% of the U.S. market, under the quota system, that country would automatically be allowed 12% for the next calendar quarter. Thus, the quota is directly tied to historical market share. The unallocated 20% would be distributed by the Secretary of the Treasury according to the following priorities:

Less developed countries not previously exporting;

Less developed countries already exporting;

Hardships; and

All others.

This phase of our remedy recognizes the foreign producers' penetration in our market as demonstrated over a recent representative period. It provides an immediate resolution to deal with an immediate problem.

We recognize that our first phase is a rigid limitation which might prove impractical over an extended period. Therefore, our second phase proposal involves a government-to-government multilateral agreement.

An international Steel Surveillance Body, composed of a chairman and eight members, would be established to monitor all government-to-government arrangements and make recommendations where an exporting country is accused of causing market disruptions and the parties cannot resolve the difficulties themselves.

We do not want our government further involved in our domestic steel industry. We believe in the free enterprise system as the best system. In the international trade arena, where we must interface with foreign steel production, we are in a very real sense interfacing with an instrumentality of a foreign government. We believe it is proper that, given these circumstances, our government interject itself into that relationship. We believe our proposed multilateral government-to-government approach can provide a vehicle to neutralize the advantages now enjoyed by our foreign trading partners. We are not asking for our government to involve itself in our business, but rather that it involve itself in international trade to assure that we are competing on a fair basis.

Thank you.

DOES THE HOUSE REALLY NEED TO CONSIDER H.R. 9924 AGAIN?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BIAGGI. Mr. Speaker, I regret to note that the House in the near future is expected to reconsider H.R. 9924, legislation setting aside $10 million for the establishment of a national women's conference.

On October 20, this identical bill came before the House under suspension of the rules on the grounds that its supporters considered it to be noncontroversial. These views were soon proven wrong and much opposition surfaced, and the end result was the bill failed to obtain the necessary two-thirds margin needed for passage. The House vote I thought indicated that this legislation was not necessary. However, the supporters of this legislation have doggedly worked to get the bill reconsidered and apparently they will be successful, despite the fact that we have far more important business to attend to.

There have been a number of objections raised to this bill. Many of the arguments are persuasive. Of foremost concern is the price tag for this bill. The fact that the bill will cost $10 million is just about the only definite part of the legislation. It is more difficult to ascertain exactly what the funds will be used for unless we rely on the vague language which tells us that the money will be used to create State women's conferences for women to air their views on issues of concern; $10 million seems a bit extreme for such conferences when we consider that a National Commission on Libraries only received $3 million and the last White House Conference on Aging only cost $6.5 million. It seems hypocritical that at a time when we are rightfully concerned about fiscal responsibility that we should even consider such a fiscally irresponsible piece of legislation.

With the debacle of the International Women's Conference in Mexico City still fresh in our minds, questions must also be asked as to how representative of the views of all women such conferences really are. Let me review some of the great strides which the Mexico City conference made for the women of the world. The conference became a forum for political propaganda where the loudest and most militant voices prevailed. The conference came very close to adopting a resolution condemning Zionism and subjected the wife of Israel's Prime Minister to verbal abuse and shoddy treatment. Overall very little in the way of constructive action was accomplished. What assurances do we have that our own National and State conferences might turn out to be the same types of spectacles, do you think the taxpayers of this Nation want to be in a position of subsidizing these conferences?

All in all there are many serious questions which have to be asked about this legislation. I contend that at this important point in the congressional year, with key budget, tax reform, and New York City aid legislation pending, the House does not need to reconsider this bill. H.R. 9924, if passed may actually be counterproductive to the women's movement in the United States. There would first be many negative reactions by taxpayers who see this $10 million as an example of frivolous spending. The second point is the fact that many women have no confidence in the concept of a National Women's Conference, and without the full support and participation by all women, the effort will fail.

Mr. Speaker, I note with great interest that fact that my mail is running almost exclusively against H.R. 9924, and the letters are mostly coming from women. Recently a national organization, Women For Constitutional Government, passed a resolution opposing H.R. 9924. I insert this resolution into the Record for the consideration of my colleagues prior to the consideration of H.R. 9924:

Women For
Constitutional Government,
November 3, 1975.

The Honorable Members of the U.S. House of Representatives,
House Office Building,
Washington, D.C.

Ladies and Gentlemen: Please consider the following resolution passed by our national organization, Women For Constitutional Government, and vote against H.R. 9924 when it comes before you for action, possibly this week.

Whereas, H.R. 9924, introduced by Congresswoman Bella Abzug, would appropriate $10,000,000 for the National Commission on the Observance of International Women's Year, 1975, to hold a National Women's Conference and preceding State or regional meetings throughout the country during 1976;

Whereas, The inflated condition of the economy of the United States makes it unwise to appropriate money for other than the most essential purposes; and

Whereas, Provisions of this bill indicate the possibility of the use of the funds in a manner detrimental to the interests of the women of the United States; therefore be it

Resolved, That the Women For Constitutional Government, assembled in national convention at Washington, D.C. October 25, 1975, strongly oppose adoption of H.R. 9924; and

Resolved, That a copy of this resolution shall be sent to each member of the House of Representatives.

Thank you for considering our recommendation. We trust that this bill will be defeated. We would greatly appreciate your informing us of the outcome and of your vote.

Very sincerely yours,
Mrs. Lynn Caine,
Chairman, Resolutions Committee,
Women For Constitutional Government.

THE BIG SHUFFLE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HAMILTON. Mr. Speaker, Washington is engaged in its favorite game of trying to determine who did what to whom, who won, and who lost in the dramatic personnel changes recently announced by President Ford. Donald Rumsfeld, the White House Chief of Staff, replaces James Schlesinger as Defense Secretary; George Bush, the head of the U.S. Liaison Office in China, succeeds William Colby as the Director of the Central Intelligence Agency; Secretary of State Henry Kissinger yields his second post as Assistant to the President for National Security to his deputy, Brent Scowcroft; and Elliot Richardson, the Ambassador to Great Britain, becomes the Secretary of Commerce. In addition, Vice President Nelson Rockefeller announced he would not be the President's running mate in 1976.

I am inclined to believe that the central decision in the shuffle of the President's national security team was the President's decision to replace Defense Secretary Schlesinger. The President's uneasiness with Secretary Schlesinger personally had grown to include discomfort with policy differences over defense and détente. His warnings about the Soviet military build-up had become so strident lately that they had upset many officials in the Ford administration, including the President and Secretary of State Kissinger. Secretary Schlesinger's problem was more that he could not get along with the President than that he could not get along with Congress. The Secretary of Defense was held in high esteem by Members of Congress, who recognized him as an articulate, sophisticated, and tough-minded advocate of a strong national defense.

I cannot help feeling that the country has lost by trading the experienced team of Secretary of Defense Schlesinger and CIA Director Colby in the national security hierarchy for the inexperienced team of Rumsfeld and Bush. With the departure of Secretary Schlesinger from the Defense Department, the most knowledgeable critic of Secretary Kissinger's policy of détente has been removed. The country is at a pivotal point in the policy of détente, and the team of Kissinger and Schlesinger, who have essentially agreed on détente, but with differing tactics—Schlesinger emphasizes the stick and Kissinger the carrot—has served the country well. Schlesinger's dismissal sends the wrong signals to the U.S.S.R. at a critical point in the SALT negotiations and to the Congress as it works on the military budget. I am reluctant to see this partnership broken up.

The Vice President resigned because he chafed under his marginal and largely ceremonial role and because he had basic policy differences with the President which came to a head over New York City. On economic policy, especially, the Vice President was becoming increasingly aware that he just did not fit into the Ford team. The Vice President has probably saved himself and President Ford an embarrassment by making his exit at this time.

The political impact of the upheaval within the administration is hard to assess. The White House is encouraging the view that the Vice President's decision not to run next year has solved one of President Ford's chief problems, because it removes the man the conservative wing of the Republican party has never liked. Obviously, the opening for Vice President has made the Republican political scene far more fluid and open. Presumably this move was intended to put the President in a stronger position against the expected challenge from Governor Reagan in Florida and New Hampshire next March. On the other hand, conservatives can also hardly be pleased to see the departure of Secretary Schlesinger, who believes what many Americans believe, that the Soviet Union is benefiting more than the United States from a policy of détente, as developed by Secretary Kissinger.

Indeed, the concern of the Ford team that the President could be beaten, or badly embarrassed, in the early primaries of 1976 helped to explain the stunning developments of recent days. The President has been getting a lot of advice lately that he must be tough and decisive, and he took pains in his news conference to emphasize that he is his own man and that he wanted his own team under control.

The handling of the entire matter conveys a picture of disarray, especially when coupled with the two major resignations from President Ford's Reelection Committee. The way in which the President explained the most severe shakeup of his administration in his news conference, with short, unresponsive answers, lacking in detail, has not enhanced his reputation for candor. I am inclined to think that the President sensed a feeling of drift in the country and a need for strong leadership and that he felt dramatic moves were required. The President, of course, is entitled to rearrange the principal decisionmakers in his administration and to install the people he would prefer to work with. The question is whether his choices were wise.

As a result of the changes, a lot of questions remain. Will the new Ford team really be able to master their complex jobs before the 1976 elections? What kind of defense policy will Mr. Rumsfeld advocate? Will the President appear as a weak caretaker, presiding over an unruly Government, or a decisive, take-charge President who is in charge of his administration? Has he politicized two extremely important, and usually nonpolitical posts, the Director of the CIA and the Secretary of Defense, by appointing two political colleagues? Do these colleagues have the military and management qualifications to run the Defense Department and the CIA? Has the President really reinvigorated his administration?

Experience warns that instant scorekeeping on these shuffles, and what they mean for future policy, is not too reliable, so I will wait to see just how this reshuffled administration will work, but my initial impression is that the President has not really strengthened his administration with these dramatic moves and that he has failed to attain his goal of showing strong leadership.

ALBERT W. SKINNER—AN AMERICAN LEGEND OF PUBLIC SERVICE

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HORTON. Mr. Speaker, too often in the rush and bustle of our daily lives, we overlook the lessons that are to be learned from the lives of those who have passed away. I would like to take a few moments to call attention to the life of Albert W. Skinner, who died on Monday, October 27.

Al Skinner always shied away from recognition or praise of his deeds during his life. He would be enraged at the thought of a long, flowery eulogy in tribute to him, as much as a fancy testimonial dinner embarrassed him during his lifetime.

In short, Al Skinner looked at life as an opportunity to give—never to receive. In living his philosophy of generosity, kindness and self-sacrifice for 81 years, 55 of which were spent in public service, Al Skinner left footprints that all of us might follow and learn from.

Putting it simply and briefly, as Al would want it, he was a shining example of the qualities of human kindness, public service, and devotion to duty and to the Republican party.

There are aspects and anecdotes from the life of Sheriff Skinner which should inspire us all—much as he inspired me from my earliest years in public life.

The following brief articles serve to sketch a few of the footsteps of this wonderful man:

[From the Irondequoit (N.Y.) Press, Oct. 30, 1975]

ALBERT SKINNER

Many people have written about the personal warmth and the political skills of Albert W. Skinner, the legendary Monroe County sheriff who died this week.

We would like to write about another side of him, which I think showed perhaps the finest side of his nature, one perhaps not known to people who thought of him as a political leader.

Many years ago I was present when a suspect in a particular unpleasant crime, a mental case, was arrested.

Family and friends of the victim, incensed, shouted and screamed at the suspect, and tried to push deputies aside to assault him.

The suspect, clearly disoriented, was cringing in fright as Skinner approached. The longtime sheriff comprehended the situation immediately, and threw himself in front of the angry group. Through force of personality he drove them back. Then, putting his arm gently around the suspect, he led him safely to a sheriff's car to be taken to jail. The gesture suggested no condoning of the crime but was simply a human reassurance.

Yes, Al Skinner could be tough, but there was a human warmth in him that went out to everyone. Mistreating a prisoner, scorning him or her totally as a human being, was beyond this unusual man.

He should be remembered for this quality far more than for his ability to win elections.

[From the Rochester (N.Y.) Times-Union, Oct. 28, 1975]

STORIES ABOUT SKINNER: HE USED OFFICE PAY PHONE

The men who worked under him at the Sheriff's Department tell a lot of stories about Albert Skinner. They were telling these after his death yesterday afternoon:

Neatness—"Skinner would often sit on a bench in the old jail as we started a new shift," one deputy said. "He would keep his head down, not looking at our faces, and watching our shoes. Heaven help you if your shoes weren't shined."

"He had this thing about keeping the floors clean," another deputy said. "Once I walked into the jail with snow on my boots. Skinner walked behind me with a mop cleaning up the puddles on the floor I left. When he got to me I asked him if he was going to beat me with the mop or chew me out. Without a word he just handed me the mop and I cleaned up the puddle I was standing in."

Alertness—Once he helped subdue two prisoners who were getting the best of two deputies. He was 71 at the time, a deputy said.

Another time, two deputies in a boat dragging for a body in the Genesee River were complaining bitterly about the weather. Skinner, standing in the sleet on the bank some 50 yards away, yelled to them in his high-pitched voice: "I can hear you two out there."

Women—Skinner never married and often told deputies, "They give you nothing but trouble, boys."

Honesty—Skinner was scrupulously honest, one deputy said. "He never made long distance phone calls except on a pay phone using his own money," a deputy said. "You'd see him pumping quarters in some old pay phone in his office whenever he had personal business to conduct."

Interrogation—"He would hold a person's wrist and tell them, 'I know you want to tell us the truth because I can feel your heart pounding away.' "I swear to God this technique really worked," a deputy said. "He had a way with people that I've never seen in any police officer."

Entertainment—"He loved kids. Once I remember him spending hours at a Sheriff's Department picnic lifting kids onto ponies so they could take a ride. Afterward, I never saw him any happier," said a deputy.

Soft touch.—"The old man was always giving money or food to anyone who walked into the office asking for it," a deputy said. "Once he got a card from a jail inmate complaining about not having any money to buy some tobacco. He fished in his own pocket as he always did, gave me $5 and sent me over to buy some cigarettes for the prisoner." Deputies estimate Skinner gave away tens of thousands of dollars from his own salary in the 36 years he was sheriff. "The greatest thing that can be said about him is that he always wanted to help people. It was just his way," a detective said.

[From the Brighton-Pittsford Post, Oct. 30, 1975]

ALBERT W. SKINNER . . . 1894–1975

Albert Whitmore Skinner, 81, sheriff of Monroe County for 36 years, died Monday in Genesee Hospital, ending a career in law enforcement and public service that spanned half a century. A native of the Town of Greece, Mr. Skinner became interested in police work when he served as a town constable in the 1920's. In 1925 he was appointed a deputy U.S. marshall, working a 16-county area of Western New York until he became sheriff in 1938. As sheriff through 1973, he devoted himself around the clock to his duties, to the Republican Party and to helping other people.

He never married and during his years as sheriff he lived in an apartment at the county jail, keeping himself always available to anyone who called and wanted to talk to him. As an elected official, he felt his job was to help people and he was known as a friend in time of need to hundreds of area residents.

Mr. Skinner would have been 82 on his next birthday, Nov. 13. Although residing close to his job, he maintained a residence in Greece, a Skinner homestead in the Manitou Beach section. For years, his sister Anna, now deceased, assisted him as housekeeper and supervised the cooking at the jail. The former sheriff always insisted that good food was important in the management of a prison.

A dedicated lawman, he had little patience with crime suspects and was known as a stern, no-nonsense administrator. When he took office in 1938, the sheriff's force consisted of 16 men, and when he was defeated in his 1973 campaign for a 13th three-year term as sheriff, the force included 139 deputies and more than 200 other employees. A hard worker himself, he insisted his deputies be hardworking, as well as polite, neat and efficient. He made a habit of personally inspecting members of the road patrol before they went on duty.

Never a man of many words, Sheriff Skinner maintained leadership in the Greece Republican Organization through much of his career, attending every political dinner and greeting friends with a wave, a handshake and cheerful grin. His usual campaign "speech" took about a minute to deliver and consisted mainly of "hello" and a word of thanks to supporters.

Funeral services will be held at 2 p.m. today at the Greece Baptist Church. Among the mourners are expected to be most of the notable political figures of the past decade. Very few members of Mr. Skinner's family remain. His closest living relative is a cousin, Herman Skinner of Arlidge Drive, Greece. Interment is to be in the Parma-Union Cemetery.

Among the friends who visited the former sheriff at the hospital, where he had been a patient since stricken with pneumonia Sept. 26, was Greece supervisor Donald J. Riley. Riley and Congressman Barber Conable visited him Saturday.

"He had been in a deep sleep and I was told he might not know who we were," Riley said. "But he opened his eyes and he obviously recognized us, and he got very upset because I wasn't out campaigning. This is exemplary of the way he lived. He was concerned about the town and how the campaign was going, instead of himself."

Riley, whose late father, a town councilman, used to campaign with Sheriff Skinner, said, "He was a part of our life. There'll probably never be another guy like him. He never took a vacation as such and he built the department beyond what was required of a sheriff, adding a detective service and laboratory to the road patrol."

Supervisor Riley recalls a few years ago hearing the Sheriff deal with a fellow who was asking for a couple of dollars "to buy some rubbers" for the coming Winter. Riley said probably the dollars might go for wine instead, so he got the man's shoe size and bought him a pair of rubbers.

COMMUNIST "LAND REFORM": DARE WE SAY "BLOODBATH"?

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. McDONALD of Georgia. Mr. Speaker, there seems to be a new found concern with human rights on the part of certain individuals who are dismayed that Chile is arresting Marxist terrorists and asking them to leave the country.

I am sure, therefore, that they will be pleased to have called to their attention the following article by Ernest B. Furguson from the Baltimore Sun of November 2, 1975, which details the Communist "land reform" in South Vietnam. The reformed are not Marxists and they are not asked to leave the country; they are "liquidated." The non-Marxist, the nonterrorist, and the innocent are human beings. They have rights, too.

The article follows:

[From the Baltimore Sun, Nov. 2, 1975]

COMMUNIST "LAND REFORM": DARE WE SAY "BLOODBATH"?

(By Ernest B. Furguson)

WASHINGTON.—It made barely a blurb on the wire, and did not squeeze into any of the papers read here. One reason is that it was phrased in officialese. It avoided the word "bloodbath," which excited so much hard feeling last spring when Saigon was failing.

Instead it said objectively that "the Communist government in South Vietnam has begun new land reforms . . . the local government of Huong Thuy district near Hue has redistributed land to more than 10,000 farmers and confiscated that occupied by 'Vietnamese traitors' " who received it under the Thieu regime.

There was no stated connection between that dispatch and the one a few hours earlier, one that did get brief shrift in the local journal. It was attributed to "intelligence reports," which is not a very fashionable source in Washington this year. Those reports, it said, "indicate that repressive measures against dissidents in South Vietnam are more intense now than at any time since the Communist takeover. . . ."

"Officials here," which could mean a desk officer at the CIA or somebody's favorite lieutenant colonel in an inner ring of the Pentagon, reportedly had no clue about just how many persons had been affected by these "repressive measures." "But they say there has been a marked increase over the past month in reports of executions, of dissidents killed in 'automobile accidents' and of persons not returning from Communist re-education classes."

Easy, of course, to brush off such a report as just another scare story by spooks or hawks trying to justify their earlier propaganda. There was no provable bloodbath immediately after Saigon fell, and now the cold warriors are trying to invent one six months later. Possible. But consider history.

In the course of Communist revolutions and civil wars in this century, the elimination of undesirable elements in the population has not normally come with or directly after military success. It is not a spontaneous undertaking. It takes months, often years, to decide systematically just who is a traitor, a capitalist, an undesirable element. Seeing that they inspire no further trouble comes under the heading of "consolidation of the revolution."

In Russia, it came in growing waves, first the repression of the kulaks (richer peasants) between the Revolution and the Civil War of 1921–22, then the huge condemnation of peasants to execution or concentration camps during the collectivization of agriculture in 1928–32, then Stalin's excesses during the purge years of the later 1930's. At the height of the purge, 1936–38, some 8 million were arrested, of whom about a million were executed and perhaps another 2 million died in prisons.

In China, estimates of the dead run from 2.8 million to 10 million. Those were village leaders, members of landlord families, Nationalist party members, industrial and commercial bureaucrats, and assorted others. The catch-all word to describe their fate is "liquidation."

In North Vietnam, one estimate projected from executions at the village level is that about 5 per cent of the total population died in the process of land reform. The figure is not checkable, and very likely is high. But one aspect of it is true to precedent: "Land reform" has been so inevitably accompanied by mass arrests, executions and repression that it can be read almost as a synonym for those measures.

In South Vietnam now, as in Russia, China and North Vietnam before, genuine land reform is a legitimate, indeed desperately overdue process. The bland announcement from Saigon that such a program has begun may mean no more than what it says. The negative reference to "Vietnamese traitors" who received land under previous gestures toward reform may merely mean they are being stripped of their rice paddies. Or it may class them together with the kulaks of Russia and the landlords of China—classes that ceased to exist.

Either way, it is nothing to get excited about—hardly anything to squeeze into the paper. Just history, taking another step. Occasionally it steps on people.

AMERICA'S THIRD CENTURY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. HARRINGTON. Mr. Speaker, Norman Macrae, the deputy director of the Economist, recently traveled across the

United States to obtain a first-hand account of the American condition; past, present, and future. In observation of our Bicentennial, the Economist assigned Mr. Macrae the task of peering into our third century as a Nation and recommending some birthday resolutions.

The insightful results of this endeavor are worthy of the thoughtful attention of every American, particularly those of us who share some responsibility for shaping the past, and more importantly the future direction of the country.

Given the somewhat lengthy results of Mr. Macrae's efforts, I plan to submit his excellent article in daily installments beginning today. The text of the first two installments follow:

[From the Economist, Oct. 26, 1975]

AMERICA'S THIRD CENTURY

RECESSIONAL FOR THE SECOND GREAT EMPIRE?

(By Norman Macrae)

Two hundred years since the United States won their fortuitous victory in their Revolutionary War have been the two centuries of the world's material advance. It is probable that three centuries of material advance will be all that is needed. For the first 10,000 years of man's existence as a producing animal—from about 8000 BC when commercial agricultural cultivation probably began, down to about 1776—people did not grow much richer. By 2076 people sensibly may not want to grow much richer, but for quite a few years yet most people most definitely will.

And this is a main reason for worry at America's 200th birthday. There is a danger that the Americans, with all their power for dynamism and good, may be about to desert what should be their manifest and now rather easy destiny of leading the rest of us towards a decent world society and an abundant cheap lunch. If they do, the leadership of the world may be yielded from American to less sophisticated hands, at a perilous moment.

During research for this survey the fears listed here seemed to me to be (a) obvious, (b) avertible, (c) not recognized by nine-tenths of the Americans to whom I spoke. Indeed, the largest cohorts of very intelligent Americans are looking for their favourite fears in precisely the opposite directions.

This sets a problem about the order in which the arguments in this survey should be set down. It is a pity to begin by clodhopping on corns. The survey's main arguments are that:

(1) The two great empires that have ruled the first two centuries of industrial advance—The British in 1776–1876, and the American in 1876–1976—have handled the task of world leadership surprisingly well. But the Americans on the eve of 1976 are showing the same symptoms of a drift from dynamism as the British did at the end of their century in 1876.

(2) World leadership is therefore liable to pass into new hands quite early in the century 1976–2076. During the century the world will face some extraordinary opportunities, and also some bizarre dangers.

(3) The opportunities will probably include an ability to put material living standards in the twenty-first century more or less whatever men want them. I explain later why I think that the remarkable upturn in around 1776 in all of this survey's charts will continue (indeed, probably accelerate) for a while, and why I share the Hudson Institute's guess that mankind could transform its present annual gross world product (gwp) of around \$5½ trillion made by 4 billion people to, some time within the lifetime of kids already adolescent, a "satiating" gwp of between \$100 trillion and \$350 trillion for a world population of between 10 billion and 30 billion people. Somewhere in that range (perhaps between about twice and five times today's average American income per head for everybody) men may stop growing much richer because they will no longer want to grow much richer.

(4) During these next few years, however, the bizarre dangers will include the destructive (because quite small groups of fanatics and terrorists and even individual criminals will very soon have the capability of destroying the planet) and, for example, the biophysical (because the present orthodox method of creating a human being—namely, by copulation between two individuals giving no thought to what the product will be—may quite soon change). Sex is already 99.99% for fun, and technology is bound to home in on the pre-planned twice-in-a-lifetime occasion when it will be for reproduction. Our children will probably "progressively" be able to order their babies with the shape and strength and level of intelligence that they choose, as well as alter existing human beings so as to insert artificial intelligence, retune brains, change personality, modify moods, control behaviour. And lots of even more horrid things like that. The pace and sophistication with which some of these things are not done will hang on the world's leading nations, whom other peoples will most wish to emulate or will most fear to fall behind. It will be very desirable to retain strong and calm American influence in this period, rather than to yield all of world leadership to (at best) the inexperienced Japanese.

(5) America's contribution in its third century will depend largely on how its three main institutions evolve in or out of pace with the changing times. These three main institutions are, in reverse order of importance: its business corporations; its government; and its mechanisms for living together (what takes over from church, family, pioneer spirit, small-town togetherness, the probably-failed experiment of suburbia—during a century when the third and greatest transport revolution, that of telecommunications, should gradually allow an increasing number of breadwinners to live in whatever communities they wish to form and to telecommute daily into their New York offices from homes in Tahiti or the Alps).

This summary has set a lot of angels dancing on the point of a pin. It may seem clumsy to try to pick out the pattern of the dance by first brooding on what may happen to American business during these next few years. But I think that the influence of this might be decisive for the lifetime of my children, just as what happened to British and then American business in the years immediately after 1776 and 1876 largely shaped the two centuries 1776–1876 and 1876–1976.

At one stage of my journey through America in 1975, this thought made me rather glum.

AMERICA THIRD CENTURY: AMERICA JOINS THE FABIAN SOCIETY

America is adopting many of the upper-class snob habits that checked Britain's economic dynamism after 1876. Such as anti-business paternalism, a glorification of game-keepers . . .

The first century of material advance after 1776, based on the invention of steam power and the transport revolution of the railways, was led by Great Britain. During this period it was widely understood that God was an Englishman because the most efficient businessmen temporarily were.

The British century ended in around 1876 as it became apparent that the most efficient businessmen now weren't. The second century of material advance from 1876–1976, based on the invention of manufacturers' assembly line techniques and the transport revolution of the internal combustion engine, was therefore led by the United States. There were societal, psychological and technological reasons why America was ready in 1876 to take over industrial leadership from old Britain. Awkwardly, these same reasons can be cited in 1975 to suggest that old America may be about to give up that leadership to somebody else.

The chief reason why 1876 ushered in America's century was that entrepreneurs' verve was by then most likely to sprout in that nation so largely self-selected from families enterprising enough to have migrated across the wide ocean, and yet new enough not yet to have created the aristocratic or jealous or intellectual institutions which castigate moneymaking as *infra dig* or unfair. The surge into the Henry Ford revolution should have been as organisable in the Britain of 1876 as in the America. What was missing in Britain by that moralising Gladstone's and that do-gooding Disraeli's day was the incentive provided by any accordance of social standing to business panache.

Remember how easy the surge after 1876 was—just as, for different reasons, see below, I am going to maintain that a much bigger surge after 1976 is also going to be. Our grandfathers lived in a time when any bank-worthy member of the middle class anywhere with a good entrepreneurial idea could expect to be profiting from it (and to have set course to change the world?) within a few months. The Ford Motor Company was founded in mid-June, 1903, with a cash capital equal to today's price of a small suburban house and only 125 employees; it sold its first cars to customers that October, and made a profit from then on. Yet between 1876–1910—while America was rearing Rockefeller, Morgan, Harriman, Carnegie, Frick and Ford to seize this new age of opportunity—what single name of a new and domestically-based British entrepreneur springs easily to mind?

The main reason for Britain's entrepreneurial decay around 1876 was that a century's experience as top dog had by then become debilitating. The British upper class was strengthening its gut feeling that new sorts of commerce were surely rather vulgar, while the British business-decision-making class had itself become bureaucratic and protectionist rather than entrepreneurial. As each new technological development appeared in the late 19th century there were interests in Britain (entrenched among employers as well as in craft unions) who had prospered from the development which it would replace, so they united to wish that the new idea would please go away. America gained also because its industrial revolution was from the start based on technology geared to the market, as Edison and the half-million other American patentees of 1870–1900 sought dynamically to devise conveniences for the many instead of to dredge up ideas fascinating to the few. By contrast the British industrial revolution had even originally been based on more leisurely and gentlemanly science, as scholars like Newton and Watt looked at an apple or a kettle and then thought of a most ingenious wheeze.

America's entrepreneurial verve instead of Britain's businesses' bureaucracy. America's output-oriented technology instead of Brittain's scientific curiosity whether the moon was made of green cheese, America's bloody-clawed capitalism instead of Britain's good corporate citizenship whose attempt at paternalism was bound to fall down a class and generation gap. In 1876 those were young America's strengths, while these were old Britain's senescent disease.

And today? The Briton travelling through America in 1975 at first has the eerie feeling that he has gone back to when grandfather knew H. G. Wells. The entrepreneurial fervour of the industrial age seems to be dying in the west. I think (see later in this survey) that this first impression is too gloomy, but it will be good neighbourliness first to rub America's birthday nose into the warning signs.

TREASON OF THE CLERKS

The bad news for the world's teeming masses this bicentennial is that in America the whole concept of thrustful business is in danger of becoming unloved. The intellectuals have joined in the sneering against it, making it fashionable to believe that stagnation is not only wise but clever. This is exactly how it was when Britain's post-1876 decline began. It is strange that peoples do not see that not learning from history is bunk.

Through most of history, businessmen have been told by the upper classes of society that they are pushful upstarts. Since businessmen want most to rise in society, this has naturally often discouraged them from starting to push up. As even de Tocqueville said in the patchy book which many Americans regard as their national legitimation, the church in the late middle ages provided the first hope of a dynamic challenge to the old stagnant feudalism—as the clergy opened its ranks to all classes, to the poor and the rich, to the villein and the lord, to every uppity Becket. But by the time societies were rich enough for top churchmen to have a nice life, provided nobody disturbed them, the church comfortably joined itself to the rest of the establishment in deprecating restless change, although it still good-naturedly said it was in favour of succour of the poor.

The breakthrough towards continuing material advance therefore waited on the emergence of another part of the upper class which was ready to reassure the lively that panache was respectable. This new class came in England in the 17th century when King Charles II favoured intellectuals interested in the scientific method, perhaps because he sought male company among an establishment different from that which had lost his father his head. After a century's slow germination, intellectuals in ferment played a major part in awakening Britain in the first seven-eighths of its 1776–1876 century—agricultural innovators against the squires, freetraders against the mercantilism of governments, and doctors who favoured a chemical feast against opponents of some advances like chloroform. Then, just after the mid-19th-century, this new British ginger group followed the old church into favouring a decent gentlemanly stagnation.

By around 1876 a British intellectual could have a pleasant life in contemplation, and his most natural resentment (like the resentment of the squire, the parson and the bureaucrat) came to be against vulgar people who were restlessly and commercially pushful. After about 1876 a "progressive intellectual" in British public life no longer meant a person who believed in progress and change; no longer a person who was eager to rout down to the roots of every way of doing things, so as to cut and graft wherever an improvement in production or effectiveness or competitiveness or individual liberty could be secured. A "progressive intellectual" meant a paternalist, who did not like change very much but was eager to pass on in welfare benefits a larger part of the easy growth in national income which his own antigrowth attitudes now made it slightly more difficult to attain.

And that is exactly what has happened in America in these years just before 1976. The United States has joined the Fabian Society of about 1903. Many of the new Democrat members of Congress, including some presidential aspirants, would find that Fabian Society their most natural natural home, militant middle-class feminism and all, but plus the old American disease. When upperclass Americans impose snob values on emotional populists, they often think that they have gotten religion—and catch the lynching spirit.

It would be impertinent for a foreigner to object to America's creeping ethic of antidynamism if it had merely sprung from American selfishness. When you have a gnp per head over $7,000 a year, you naturally begin to regard growing much richer as a bit of a bore—although American Christians and humanists should be reminding zero-growth Americans that, by discontinuing their own industrial dynamism which has helped so much to drive world technology up through the bud, they could cruelly reduce the forward prospects of the 2 billion angry people on incomes under $200 a year with whom we share this rather small planet. But the real horror today is that America is not going slowly stagnationist out of selfishness. On campuses across the continent, a peculiarly innumerate antigrowth cult is being taught to a generation of idealistic kids as if it was high moral philosophy, or even a religion.

INDUSTROPHOBIA

This is a familiar fault in that otherwise lovely, brave continent. Remember G. K. Chesterton?

"There is nothing the matter with Americans except their ideals. The real American is all right; it is the ideal American who is all wrong."

Idealist Americans should ponder the delay they caused to the trans-Alaska oil pipeline, without humbug.

There can be no real pretence this delay was motivated by any environmentalists' thoughtful belief that the 15 square miles covered by this pipeline would spoil the view of the other 599,985 square miles of Alaskan wilderness which are hardly looked at by anybody anyway (the few adventurous tourists who do travel through this wilderness will certainly detour deliberately to what will be the pipeline's slightly contrasting and therefore mildly interesting sight). There can also be no pretence that, at least after its initial redesign, the pipeline will be unfair to local wildlife; for them it will be an occasionally-useful shelter from the Arctic wind. Instead, the delay stemmed from a desire to be nasty to oil companies, plus aristocratic resentment that poorer people growing richer can become more uncouth. The delay could have been justified if it had been used to make the pipeline's building less of a drunkard's gold rush, less expensive, more integrated with the community. But, of course, the costs and urgency created by the delay made each of these factors worse.

It was an unforeseen misfortune that this spasm of industrophobia should have come at a time when the delay to oil pipements has certainly cut America's employment, has certainly aggravated the oil crisis for the energy-short destitute countries, has necessitated shabby compromises in American foreign policy. In order to make more symmetrical an Alaskan view for practically nobody, the unemployment of black teenagers in New York City has been pushed up the last few percentage points towards 40%, a few tens of thousands more brown men have starved to death in Bangladesh, and several hundred thousand Israeli families have been put in greater danger. It would be vindictive to hammer home these truths to the hangdog, but there still aren't any hangdogs. It was eerie during my trip across the campuses of the continent to hear so many supposedly left-wing young Americans who still thought they were expressing an entirely new and progressive philosophy as they mouthed the same prejudices as Trollope's 19th century Tory squires; attacking any further expansion of industry and commerce as impossibly vulgar, because ecologically unfair to their pheasants and wild ducks. Some of their emotions were rather nicely expressed. The upper class has always had the ability to sound persuasive while being fatuous, to dress gamekeepers' selfishness in pretty witty phrases. At this fin de siècle that mood is infecting the Americans, the upper class of the world. It needs to be turned back.

It can be turned back. But, awkwardly, America in 1975 is also suffering from two other symptoms of Britain's post-1876 disease.

NEW YORK CITY FISCAL CRISIS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. SCHEUER. Mr. Speaker, the potential consequences of a default by the city of New York has been a major concern of the world banking community for many months. Last week a conference of world bankers was held in New York City. While general world banking issues were on the agenda, the overwhelming attention of the participants was focused on the fiscal crisis of New York City. In a November 7 article, the New York Times reported that 68 percent of the 118 foreign bankers interviewed at the conference expressed grave concern that "a default would have a major negative impact on international financial markets."

Concern voiced over the possible effects of default ranged from "a wave of distrust and instability" to "major withdrawals from New York City banks." It is obvious that the Europeans are more concerned with the effects of a New York City default than our own President.

It boggles the mind that Mr. Ford continues to assert that default will have little if any affect on the rest of America, while the European bankers have predicted that the value of the dollar will drop on world markets, affecting every American's buying power. I consider it an irresponsible and dangerous misjudgment to gamble on the Nation's financial stability without knowing the odds involved—as Mr. Ford persists in doing.

It is the clear and unavoidable responsibility of Congress to take the necessary steps in the immediate days ahead to block the disastrous potential effects of default, as expressed by these European banking community leaders and by our own Nation's largest bank, the Bank of America. Would it not be simple prudence to block these effects now and come to the aid of New York prior to default, rather than trying to put the pieces together again and restore world confidence, and our own credibility, after default has pervaded the economies of our Nation and Western Europe, as Mr. Ford is suggesting?

The November 7, 1975, article from the New York Times on the world banking conference follows:

[From the New York Times, Nov. 7, 1975]

FOREIGN BANKERS WORRY OVER CITY

(By Terry Robards)

Deep concern over the potential consequences of a New York City default has spread through the overseas banking community and could result in foreign withdrawals from New York banks if a default occurs, according to a survey and spot check of foreign bankers meeting here yesterday.

Many of the foreign bankers also feel that a default would have a major negative impact on the international financial markets and might create problems in municipal financing in other parts of the world.

These were the principal indications from interviews with bankers from 10 countries and from a survey of 281 participants at a foreign exchange sponsored by the American Bankers Association here.

New York City's fiscal crisis appeared to be the central topic of discussion at the conference. The deepest concern was expressed by representatives from foreign banks, many of whom said they found it impossible to believe that a default would be permitted.

The survey, conducted by the A.B.A. staff during a general session of the conference, showed that 68 percent of the 118 foreign bankers who responded felt that a default would have a major negative impact on international financial markets.

In contrast, only 46 percent of the 92 American bankers who responded felt that the impact would be major, although 20 percent expressed uncertainly about the impact.

"I'm finding that most foreign bankers are terribly concerned," said Representative Thomas M. Rees, a California Democrat, who addressed the conference. The foreign bankers, he said, "are in fact more concerned than the American bankers."

Representative Rees, who is a co-author of legislation to provide Federal guarantees to alleviate New York's financial distress, predicted a "serious" impact on the money markets, adding, "There would be a liquidity crisis in the banking system."

None of the foreign bankers interviewed felt that a "liquidity crisis" was in prospect, but most felt certain that a default would have an impact, if only temporary, on the financial markets and on bank capital and earnings in some cases.

"I think the repercussions could be bigger than we understand now," said Bjarne Kvigstad, general manager of treasury and foreign exchange operations for the Norwegian Credit Bank in Oslo.

"If New York can go into bankruptcy, people will begin to ask, can the city of Oslo also go in bankruptcy? As a European, it is unbelievable to me that they could let New York City go bankrupt."

Mr. Kvigstad declined to say whether he anticipated major withdrawals from New York banks, but he said: "The question is there: shall we withdraw? Just the question can have an effect."

Akira Nishiwaka, New York representative of the Bank of Tokyo, said: "I personally feel there might be some trouble if New York City goes into default," he noted that problems could occur for his own bank in settling foreign exchange transactions in the event of a default.

"The European banks, if they're scared to pay money to us through New York, what do we do?" he asked. But he also said he was optimistic that any disruptions in the financial markets would be short-lived.

Otto Schelin of the Danish National Bank, the central bank of Denmark, said he felt a default would have an impact in Europe, but he said he "would hesitate" to predict a panic. Another Danish banker suggested that central banks in general would intervene to stabilize the foreign exchange markets.

BANK INTERVENTION LIKELY

A German bank director predicted that a default would have "lots of negative results on the international dollar markets. He referred to a "wave of distrust and instability." But he, too, said there would be no panic because of probable central bank intervention.

The remarks of many of the bankers contrasted with a recent statement by Dr. Arthur F. Burns, chairman of the Federal Reserve Board in Washington, who said Monday that he found it "difficult to believe" reports of concern in European financial circles.

Dr. Burns, who has repeatedly suggested that the consequences of a New York default would not be great, said he had placed telephone calls to European financiers and had found that they "were not really concerned."

André Delvaux, head of the international money desk for the Société Générale de Banque in Belgium, said the impact of a default would be "bad." He said market participants would be "very cautious to go into deals" and the dollar would probably lose value relative to other currencies.

The foreign exchange officer of a British bank said the impact of a default would be "quite considerable" and would "make any other city in the world suspect." Asked about Dr. Burns's comments, he said he was "not sure I believe" the Fed chairman.

B. R. Gadre of the State Bank of India foresaw multinational companies' pulling their deposits out of major New York banks. "This would affect the capacity of the New York City banks to extend operations in the Eurodollar market." But he noted that the Eurodollar market "has weathered crises before."

LACK OF UNDERSTANDING CITED

Representative Rees said the heaviest impact of a default would be on six major New York City banks that collectively hold $1.05 billion in New York City bonds and $676 million in bonds of the Municipal Assistance Corporation.

He noted that much of the deposits in the big New York banks were in short-term certificates of deposit. "Unfortunately, he said, "our Federal system of government is not well understood overseas."

"It's inconceivable to many abroad that the financial capital of the United States would go into default," he said. "There is no telling what effect this psychological factor might have upon those who possess millions, if not billions, of C.D.'s in our banking system."

Participants in the conference, which continues today at the Americana Hotel, interpreted this comment as a suggestion that a default could trigger a sudden outflow of funds from New York banks.

HARRIS FORK CREEK PROJECT BADLY NEEDED

HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. JONES of Tennessee. Mr. Speaker, the citizens of South Fulton, Tenn., and its twin city of Fulton, Ky., have been plagued with major flooding problems for many years. But the rate and severity of that problem has intensified in recent years to such an extent that it has inflicted severe economic losses on those communities.

For example, both cities have been hit with severe floods 11 times in the past 30 years but 5 of those floods have occurred in the past 5 years. The flood of March 12 of this year was the most devastating to date—damaging homes and businesses, displacing hundreds of urban and rural families, and affecting important public facilities and utilities. So severe was the damage that the President declared the area as a major disaster area.

No sooner had the water from the March 12 flooding receded than another serious flood struck in July.

A project to correct this situation has been under development by the Corps of Engineers for several years. A corps proposal as submitted in House Document No. 94–221 has been submitted and considered by the Office of Management and Budget. That proposal recommends construction of approximately a mile of concrete-lined channel on Harris Fork Creek and South Fulton Branch in the cities of Fulton, Ky., and South Fulton, Tenn., plus about 10 miles of channel enlargement downstream to the junction with the North Fork of the Obion River. The estimated total cost of the project is $4,608,000 giving it a positive benefit-cost ratio of 1.6 to 1.

I, along with my distinguished colleague, Mr. HUBBARD, am introducing legislation that will authorize the Harris Fork Creek project in accordance with the recommendation of the Chief of Engineers with an additional amendment that will allow both cities to receive the full benefits of this flood control project.

A last-minute change, unrevealed to the local sponsors until last spring, had a devastating impact on the ability of the two small communities to meet their obligations for the project. As originally contemplated, and as included in the 1971 interim report on the Harris Fork Creek project, the cost-sharing agreement was modeled upon the west Tennessee tributaries project, of which Harris Fork Creek is a part. Under that project, the Federal Government pays the cost of bridge relocations and alterations.

However, the final corps report last summer amended that approach, in line with a conflicting standards of local participation from the 1936 Flood Control Act. The corps assigned the responsibility for the necessary relocations and alterations of highways and highway bridges to the local communities.

This is no small item. Specifically, this change raised the local share from $610,000 to about $1.5 million. Included in the additional charge was the relocation or alteration of three bridges in Obion County, Tenn., four bridges in the city of South Fulton, Tenn., and two bridges in Fulton, Ky.

Mr. Speaker, last July 25 the Senate Public Works Committee held a hearing on this proposal. Local officials—including Mayor K. M. Winston of South Fulton, Mayor L. C. Bone of Fulton, and the city managers of both communities—testified that the cost of relocating the bridges was completely outside the means of the two small towns, whose combined annual property tax income totals $130,000. The committee was told that the two towns—with a combined population of about 6,500—could never raise this requirement for the single purpose of relocating nine bridges.

This inability to meet the revised local cost-share requirements, complicated further by the bi-State nature of the project, has stalled the project. In view of the history of the frequent and serious flooding, and the years of delay already experienced, I believe that the Harris Fork Creek project must be authorized now, and that it is only fair that the bridge relocation costs be assigned as a Federal responsibility, since it was when the interim report was developed.

Mr. Speaker, I believe that this is a sound project, and I believe that it is essential that it be approved soon by the Congress so that work can go forward as soon as possible.

THE PLIGHT OF UKRAINIAN WOMEN POLITICAL PRISONERS

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BLANCHARD. Mr. Speaker, I rise today to protest the inhumane treatment of Ukrainian women political prisoners. These women, many of whom are talented artists and intellectuals, have been spirited off to Soviet jails, labor camps, and insane asylums.

These women have been arrested and persecuted because they have dared to speak freely; they have dared to disagree; they have dared to defend their convictions; and they have dared to show an interest in the cultural and national rebirth of their country, the Ukraine.

I am gravely concerned about the plight of these brave women and others who have been forced to tolerate blatant violations of their human rights.

In the spirit of International Women's Year, I ask my colleagues to join with me in calling for an end to this persecution and I add my support to those in calling for amnesty for these prisoners.

I admire the strength and will of these Ukrainians. I am hopeful that the pain they have endured will soon end. I am hopeful that these shining examples of bravery will someday result in allowing all people to voice their opinions without fear of retaliation.

In order to call attention to the plight of Ukrainian political prisoners, herewith follows a partial list of women who have been imprisoned because they have dared to disagree:

ALLA HORSKA (1929–70)

Under conditions of forced Russification in Ukraine, many Ukrainian families exist in a totally Russified environment. It was into such a family that Alla Oleksandrivna Horska was born in Kiev on September 18, 1929. After her graduation from the Kiev Institute of Art, however, she experienced a personal awakening of her national consciousness, and became active in organizing the Club of Creative Youth (1962–1964), as well as evenings dedicated to art and literature, plays, and the dissemination of "samvy day" (clandestine) literature. On the 150th anniversary of the birth of the Ukrainian national poet Taras Shevchenko, she joined with three other artists in creating a stained-glass panel for the foyer of the Kiev State University. This panel was destroyed by Soviet authorities prior to its unveiling and resulted in Alla's expulsion from the Artists Union of Ukraine. The remainder of her life was spent in dedicated work in the field of Ukrainian culture and in the persistent defense of arrested Ukrainian intellectuals, on whose behalf she wrote many letters of protest to Soviet authorities. She herself was interrogated by the KGB and expelled a second time after reinstatement into the Artists Union.

After 1968 she became active in defense of imprisoned Ukrainian historian Valentyn Moroz. On November 28, 1970, Alla Horska was murdered under circumstances which led to the widespread conviction that the crime was politically sanctioned. Her funeral became a mass gathering of Ukrainian intellectuals, many of whom were arrested for political reasons within the next two years. The underground journal *The Ukrainian Herald* dedicated its entire fourth issue to her memory.

IRYNA STASIV-KALYNETS

Sentenced to 6 years' imprisonment, 3 years' exile.

Born in Lviv in 1940, Iryna Stas attended and graduated from the University of Lviv, after which she became a teacher and subsequently a lecturer on Ukrainian literature and language at the Lviv Polytechnical Institute. During this period, she wrote numerous poems and stories for children. She met and married Ihor Kalynets, a young and talented poet, and together they became involved in the movement for cultural and human rights in Ukraina. As a result, Ihor was arrested during the 1965–66 wave of arrests, against Ukrainian intellectuals, and although he was released without trial, he was prevented from publishing his works. Iryna was also unable to publish, though she had not been arrested. Furthermore in 1970 she lost her job as lecturer at the Institute.

While working as a weaver in a textile factory, she continued to speak out with her husband in defense of Ukrainian political prisoners, especially in the case of Valentyn Moroz. Throughout 1971, Iryna Stasiv-Kalynets was unable to hold a job and in early 1972 she was arrested. In July she was tried on a charge of "anti-Soviet agitation and propaganda" and received a sentence of 6 years in labor camps and 3 years of exile. Though in poor health, she has participated in hunger strikes by women protesting conditions in the labor camp. She suspects she might have breast cancer, yet proper medical attention has been denied her. A few days after her trial, Iryna's husband was also arrested and their daughter Dzvinka is being cared for by relatives.

STEFANIA SHABATURA

Sentenced to 5 years' imprisonment, 3 years' exile.

Stefania Shabatura was born in 1938. Her tapestries have been acclaimed throughout Ukraine and especially in the Kiev press. Her exceptional artistic talent has been acknowledged in an entry in the *History of Ukrainian Art*. However, a December 1971 exhibition in Kiev was the last occasion where Shabatura's works were publicly shown. She fell into official disfavor because she had allegedly introduced political motifs into her tapestry art and because she became vocal in defense of Valentyn Moroz, arrested for the second time in June 1970. Stefania Shabatura petitioned to be allowed admittance to his trial, then wrote appeals in his behalf to Soviet authorities, including the Soviet Supreme Court. This activity led to her arrest in January 1972. She is presently in the Dubrovlag labor camp complex in Mordovia, where she has participated in hunger strikes, written appeals to the UN, and protested the prohibition to paint. She has been repeatedly punished by solitary confinement in the camp prison.

NADIA SVITLYCHNA-SHUMUK

Sentenced to 4 years' imprisonment.

Nadia Svitlychna was born in the Donbas region of Ukraine. A member of the Komsomol during her youth, she studied philology at the Kiev State University, then worked at a Kiev radio station and later as a librarian (1968). After the 1965 arrest of her brother, literary critic Ivan Svitlychny, Nadia became active in voicing protest on his behalf and on behalf of other arrested Ukrainian intellectuals. After the murder of her good friend Alla Horska, Nadia Svitlychna vigorously demanded a thorough investigation. In 1969 she married Danylo Shumuk, a former political prisoner and member of the Ukrainian national resistance during World War II. After Shumuk was again arrested in 1971 and sentenced to 10 years' imprisonment and 5 years of exile, Nadia resisted pressure to denounce him. She herself was arrested in April 1972, a few months after the second arrest of her brother. On March 23, 1973, she was tried in a closed court in Kiev on a charge of "anti-Soviet agitation and propaganda" and received a 4-year sentence. She is serving her term in a hard-labor camp near Barashevo, the Mordovian ASSR. Nadia Svitlychna-Shumuk is serously ill; reportedly, she has breast cancer. Her son Yarema was at first placed in a state orphanage but is now being cared for by Nadia's mother.

IRYNA SENYK

Sentenced to 6 years' imprisonment, 5 years' exile.

Iryna Senyk was 21 years old when in 1944 she was first arrested for her participation in the Ukrainian resistance movement. She spent the next ten years in the hard-labor camps of Siberia and the Mordovian ASSR; it was during this period that she contracted tuberculosis of the spine. In the early 1960's, she was politically rehabilitated and allowed to return to Ukraine. She was heard from again in 1965, when she signed a collective letter to Soviet officials, protesting against the arbitrary re-imprisonment of Svyatoslav Karavansky. In 1970, she was interrogated and her apartment was searched by the KGB in connection with the case against Valentyn Moroz. Iryna Senyk was herself arrested again in October 1972. Though accounts of her trial are sketchy, it is known that the prosecution's "case" was built around the poems she had written during her first imprisonment, and her association with Moroz, Karavansky, and journalist Vyacheslav Chornovil. She is serving her 6-year term in a hard-labor camp for political prisoners near Barashevo, the Mordovian ASSR.

NINA STROKATA-KARAVANSKA

Sentenced to 4 years imprisonment.

Born on January 31, 1925, in Odessa, Nina Strokata graduated with honors from the Medical Institute there, became a physician, and worker in micro-biological research. In 1961 she married Svyatoslav Karavansky, a political prisoner who had served 16 years for nationalist activity before he was amnestied in 1960. He became a very productive writer and translator, but was arrested again in 1965 because he had written essays critical of the Communist Party and letters to communist officials in Poland and Czechoslovakia, protesting against the violations of human rights in the USSR, Nina Strokata-Karavanska actively went to the defense of her husband and, in spite of intense pressure to renounce him, continued to stand by him.

A vicious campaign against her—harassment at work, interrogations by the KGB, attacks in the press—was temporarily suspended in 1969 while she used her scientific talents in combating a cholera epidemic in the South of Ukraine. In early 1971, the campaign began again—in May 1971, Strokata lost her job at the Medical Institute. On December 9, 1971, she was arrested by the KGB and in May 1972 went on trial in Odessa for "anti-Soviet agitation and propaganda." Though her health has badly deteriorated—she is reportedly suffering from a breast malignancy—Nina Strokata-Karavanska has been a leader of the hunger strikes by women in the labor camp where she is serving her 4-year term. Her colleagues, microbiologists from around the world, have rallied in her defense. In May 1974 she was made a full member of the American Society for Microbiology.

ODARKA HUSYAK

Sentenced to 25 years' imprisonment.

Odarka Husyak was an active participant in the Ukrainian struggle for independence as a courier for the central underground leadership until her arrest on March 5, 1950. She was sentenced to a 25-year term and has served it in the prisons of Verkhne-Uralsk and Vladimir and since 1968 in the concentration camps of the Mordovian ASSR of Soviet Russia, She was 26 years old at the time of her arrest; when her term is completed sometime this year, she will have spent half of her life in labor camps and prisons.

MARIA PALCHAK

Sentenced to death, commuted to 15 years' imprisonment.

Maria Palchak was among those participants of the Ukrainian national liberation movement who refused to lay their arms down. She was hiding out with an armed partisan group in Ternopil Region when it was discovered by the KGB in 1961. The surrounded members of the group made a desperate attempt to fight their way out, then, with this situation hopeless, shot themselves in order to avoid capture. Maria Palchak, 34 years old at the time, was found critically wounded but alive. A complex operation saved her life and she was made to stand trial. The court's sentence—death by firing squad. An appeals court commuted Maria Palchak's death sentence to fifteen years' imprisonment. At present, she is in a concentration camp in Mordovia.

FUELISH QUESTIONS

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. OTTINGER. Mr. Speaker, I am inserting two articles in the CONGRESSIONAL RECORD today. One, written by Nicholas von Hoffman, titled "The Backroom Method of Dealing With Some Very Fuelish Questions" which appeared on November 10 in the Washington Post, and the other from the November 7 issue of Science magazine titled "Energy Research: A Harsh Critique Says Federal Effort May Backfire," by Philip M. Boffey. From these two rather diverse sources come some revealing views of the way the administration is dealing with the energy problems facing the country.

I urge all Members of Congress to follow the points raised by the Office of Technological Assessment in Science magazine. Surely the cry for loosening up the timid and underfunded conservation program should take priority over ripping up the West and helping the big synthetic fuels companies—especially if, as both Nicholas von Hoffman and OTA note, we may not even have enough water to carry out such a mammoth commercialization program.

The articles follow:

THE BACKROOM METHOD OF DEALING WITH SOME VERY FUELISH OUESTIONS

(By Nicholas von Hoffman)

The other afternoon you might have discovered many members of the House Committee on Science and Technology sitting in the dark in their walnut and leather committee room. The poor chaps were staring at the wall while Robert Fri, the Deputy Administrator of the Energy Research and Development Agency, and another guy from the White House were putting the blocks to them for mucho megabucks.

They lectured the congressmen in the darkness and showed slides on the wall. The White House man had two-color slides but Fri's were in three colors and graphically more dramatic. The slides had titles like "Major Synfuel Development Milestones."

Synfuel is the word the technologically hip use to show their hippitiness when referring to squeezing gasoline out of oil shale. Since most of the oil shale is in Colorado, the proposal on the table was to spend untold billions in infinitely devious ways to dig up the state and squeeze the fossil juice out of it. To that end the forceful Mr. Fri raised his voice to the congressmen lost in the room's fuliginosity to inform them that, "If you don't put the money on the table you haven't made the point that, damn it, we mean business."

The older congressmen who are habituated to spending money seemed satisfied with their marching orders, but some of the younger fellows realized they were in the dark in more ways than one. Wirth of Colorado, smitten with the vision of his entire congressional district consumed by 20-story high steam shovels eating the Rocky Mountain flat, wondered why the government should guarantee $5 billion worth of the oil companies' loans to rub out his constituency.

Contrary to their reputation for never spurning a handout, some of the oil companies, like Standard of California, had written the committee to suggest in a tactful way that Fri go back to his hive and think up another way of blowing in the billions. It is Standard's contention that large amounts of shale oil can't be produced for another generation or until about the year 2001, and that any synfuel of this sort that is produced will cost twice what natfuel can be bought for from the Arabs.

The administration's answer to that is authorization to consecrate another 4 or 5 billion for a subsidy to bring the synfuel price down to a competitive level. It was also suggested, while everybody was sitting there in the gloaming, that another 5 or 6 hundred million be thrown in as "construction grants" for the utility companies who, it was explained, are already so debt burdened they can't even borrow with a 100 per cent federal loan guarantee.

"About all we can do with this authorization," spoke the voice of Rep. Philip Hayes (D. Ind.), "is prop up somebody." To which the voice of Fri responded that, "I guess I would disagree that I want those numbers because I'm selling somebody's stock." A whisper from one of the non-lobbyists in the audience was heard to suggest, "They ought to vote a 5 billion dollar loan guarantee for the eugenics people to develop a higher class of bureaucrat." Someone else wanted to know if there is any oil shale under City Hall in New York. The rejoinder to that was the city ought to be able to manufacture methane gas from the dog litter on the streets of Manhattan and use the profits to escape default.

"Where did this $410 million figure surface?" a perplexed congressman asked, his face invisible in the gray light. The slide on the wall said, "Public Infrastructure Development" and Fri or maybe it was G. Rudolph, Ford's creature from the Office of Budget and Management, was proposing a yet different set of loan guarantees for Colorado municipal government to build facilities for the people running the steam shovels and building the fossil juices. In order to conform to an ancient government policy of six or eight weeks standing that municipal tax-exempt bonds should not be federally guaranteed, the administration was advocating that Washington subsidize the difference in interest rates between tax free and taxable bonds and then guarantee them.

By now nobody in the room could begin to figure out what the final cost of the project might be . . . $12 or $13 billion and running up there higher toward you, Jesus . . . but the nice thing about it is that most of it is "off-budget" debt, so that the folks will be able to vote for G. Rudolph a year from now without realizing how he's running up the deficit on the sly.

There are some other problems about the project, too. Like synfuel manufacture demands more water than Colorado has and this sort of process takes stripped earth and cooks it so that when you return it to where you got it the soil is slightly less fertile than the moon. Considerations of that sort did not detain Mr. Fri, who, in the spirit of the administration's economy drive, was telling the committee to "lay the check book on the table. We gotta go. We gotta begin."

ENERGY RESEARCH: A HARSH CRITIQUE SAYS FEDERAL EFFORT MAY BACKFIRE

(By Philip M. Boffey)

The Energy Research and Development Administration (ERDA) is pursuing "a narrow, hardware-oriented approach" that overemphasizes the importance of increasing energy supplies through complex, new technologies and largely ignore the possibilities for conservation and small-scale technical solutions. As a result, the agency's programs could, ironically, lead to "an increased dependence on foreign energy sources" between now and the year 2000—the very opposite of the goal enunciated by President Gerald Ford and by ERDA itself.

That surprising conclusion and sharp indictment comes from the congressional Office of Technology Assessment (OTA), which has just completed a comprehensive review of the energy agency's national plan for energy R & D and of the programs launched to achieve the plan's objectives.

The review was requested by the House Committee on Science and Technology, later joined by the Senate Interior and Insular Affairs Committee and the Joint Committee on Atomic Energy. All three have major responsibilities for portions of the ERDA budget.

The analysis was carried out for OTA by six panels of experts drawn from academic, industrial, and nonprofit institutions; environmental and public interest groups; and professional societies.[1] These panels were backed up by staff members drawn partly from OTA itself, and partly from three universities with active centers for energy policy analysis, namely the Massachusetts Institute of Technology, the University of Oklahoma, and the University of Texas at Austin. In addition, critiques and background papers were solicited from outside groups and individuals. It was unquestionably the most thorough look yet taken at the fledgling energy agency's goals and programs.

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[1] The overview panel, which prepared a summary of the conclusions to be drawn from the work of the other panels and outside contributors, was chaired by Paul Craig, director of the University of California's Council on Energy and Resources. Other members were Elizabeth Mann Borghese, Center for the Study of Democratic Institutions; John H. Gibbons, University of Tennessee; Jerry Grey, independent consultant; Stanford S. Penner, University of California at San Diego; David J. Rose, Massachusetts Institute of Technology; Robert Socolow, Princeton University; Alvin M. Weinberg, Institute for Energy Analysis; and Wendell H. Wiser, University of Utah. The staff was headed by Jon M. Veigel. Separate panels dealt with fossil programs; nuclear energy, solar, geothermal, and advanced technologies; conservation; and environment and health.

In ERDA's defense, it should be pointed out that the agency only became operational on 10 January of this year, and that it was required to submit to Congress by 30 June a national plan for energy research, development, and demonstration. That was barely enough time to find new quarters and hire some key personel, let alone develop an imaginative, pathfinding plan to solve the much-deplored "energy crisis." Thus it is perhaps not surprising that much of the ERDA effort consists of warmed-over programs inherited from the predecessor agencies that were merged into ERDA, notably the Atomic Energy Commission and the energy portions of the Interior Department. But the OTA evaluators, while sympathizing with the difficulties confronting the new agency, nevertheless pulled few punches because of the immense importance of the agency's task.

The evaluators focused much of their attention on the documents known as ERDA 48, volumes 1 and 2—the "national plan" that was submitted to Congress a few months ago. Volume 1 articulates goals and priorities, while volume 2 sets forth programs to achieve those goals. In general, the evaluators found volume 1 "a significant milestone in the evolution of a long-term national energy policy," though some of the goals were poorly analyzed and appeared to conflict with one another. However, volume 2 was judged markedly inferior and "does not appear adequate to achieve the stated goals," the OTA group concluded.

The evaluators also went beyond the "national plan" and analyzed the President's amended budget, interviewed senior ERDA officials, and talked with key energy staff members from the Environmental Protection Agency, the Federal Energy Administration, and the Office of Management and Budget as well.

They found scores of "deficiencies" which generally fell into two broad categories. One involved an overemphasis on complex, costly technology—the sort of fancy gadgetry that tends to appeal to scientists and engineers, who are often bored by "low technology" approaches to a problem. In OTA's opinion, ERDA has downgraded the less complex technologies that might improve efficiency of energy use, and it has largely ignored such "nontechnological" issues as incentives for commercial application, environmental constraints, competition for the use of scarce resources, and public resistance.

The evaluators warn that ERDA might well be successful in developing new technologies, but that these might do little to solve energy problems. As an example, they call it "questionable planning . . . for ERDA to pour large amounts of funds into the development of a commercially feasible technology for coal liquefaction if the technology cannot then be used—because coal mines cannot supply the coal, transportation facilities are inadequate, capital is unavailable, or water is insufficient."

The second category of defect involved an overemphasis on increasing the supply of energy as opposed to programs aimed at reducing demand for energy. Unfortunately, although Congress, by law, has required that energy conservation be "a primary consideration" in developing ERDA's program, only 2 percent of the ERDA budget appears to be allocated to conservation programs.

These criticisms are similar to some of those made earlier this year in a report to the Joint Economic Committee by Robert Gilpin, professor of public and international affairs at Princeton University. Gilpin challenged the government's efforts to find a "quick fix" to the energy problem through a "highly questionable approach to technological innovation." Instead of relying on a technology-oriented "crash program" such as was used to develop the atomic bomb or send men to the moon, he said, the government should concentrate on reducing the numerous financial, market, and technical constraints which inhibit the private sector from finding solutions to energy problems. Instead of developing technologies and then trying to "push" them on the economy, he suggested, the government should try to unleash the demand forces that would "pull" needed technologies into use.

The OTA panelists, for their part, came up with a host of more specific criticisms, including the following:

The ERDA plan pays little attention to solutions that might have an impact over the next 10 years; only about 5 percent of the agency's budget for fiscal year 1976 is devoted to solving near-term problems.

The plan overemphasizes electrification, which has many advantages but is vulnerable to equipment malfunction and sabotage and has adverse environmental impacts. It emphasizes breeder reactors, solar electric systems, and fusion reactors as "inexhaustible" energy sources for the long term, all of which are capital-intensive producers of electricty. Meanwhile, it tends to neglect production of synthetic fuels by solar or nuclear energy, hydrogen and biomass fuels; and direct use of solar, geothermal, and other direct heat sources—solutions which may not have the ultimate potential of the "inexhaustibles" but could be "vital ingredients in the future energy mix."

Conservation plans are "timid and underfunded, despite strong Congressional encouragement."

ERDA's efforts to integrate environmental control research into its technology development programs seems "at present illusory." This is dangerous because "There is a significant risk inherent in the totality of ERDA's mission. The impact on climatic balance of massive increases in heat rejection to the atmosphere by man is unknown but potentially catastrophic."

The level of funding for energy R & D may be too low, since it is an outgrowth of decisions made prior to the Arab oil embargo.

Insufficient emphasis is placed on international cooperation, and on coordination with state and local governments.

Only limited attention is given to research and analysis on social, economic, environmental, and behavioral aspects of the energy problem.

ERDA's basic research program has been inherited from the agencies it incorporated, with the result that virtually all funds are devoted to nuclear power and high energy science, while materials, combustion, fuel chemistry, and other disciplines crucial to ERDA are neglected.

The methodology used in developing the ERDA plan relies on scenarios based on questionable assumptions. The possibility of a major reduction in energy growth because of higher costs is not taken into account. Moreover, the calculated capital costs for energy systems include only supply side costs and exclude consumer costs. Thus, ERDA's programs are biased in the direction of research to decrease supply costs while minimizing research to reduce capital costs of such end-use items as refrigerators, heat pumps, and solar home-heating systems.

ERDA has shown "timidity" and a reluctance to assume its mandated role as the "lead agency" for energy R & D. The consequences could be costly because three separate federal agencies are now exploring technologies for coal cleanup and there is a danger that agencies "might work at cross purposes."

ERDA has not yet made an official response to the OTA criticisms, but many ERDA officials are said to agree with major thrust of the OTA critique. Thus J. Frederick Weinhold, director of ERDA's office of technical program assessments, told Science there is "a lot of pulling and tugging" within the agency over whether ERDA should take a broader approach to energy problems. He expects that the next version of the plan will give greater emphasis to commercialization and environmental issues, though not necessarily to all the nontechnological issues stressed by OTA, some of which, he feels, may more appropriately fall within the purview of other federal agencies. Similarly, Weinhold anticipates some efforts to increase the attention paid to end-use technologies. "We inherited programs with a lot of bucks and people on the supply side," he says, "but only minuscule things on the end-use consumption side."

Whatever ERDA does about the broader, nonhardware issues, the OTA panelists warn, "there can be no question of their importance. . . . Most are not, at present, receiving priority attention anywhere."

SAGINAW, MICH., STUDENTS TO REWRITE U.S. CONSTITUTION

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. TRAXLER. Mr. Speaker, during the course of the Bicentennial celebrations throughout the United States in 1976, many individuals are to be commended for their dedication in demonstrating American principles in their activities. However, I am proud to inform my colleagues that one of the most dramatic and significant celebrations will be taking place in the Eighth Congressional District of Michigan. High school students within Saginaw County will be meeting starting in January of 1976 to redraft the U.S. Constitution. Over 150 seniors from 19 public and private high schools within the county will be meeting January 26–28 to redraft their principles of democratic government. Preparations are already underway to determine what policies the "New United States" should follow as well as many technical matters such as the degree of representation for each high school within the convention.

This excellent demonstration of young people working to voice their formulas for a better America is being cosponsored by the Saginaw County Bicentennial Commission and the Saginaw News. I would like to share the development of this new exercise in democratic agreement with my colleagues through a series of excellent articles which have been written by Mr. John Puravs of the Saginaw News. I intend to continue to share these news items with my colleagues and insert in this RECORD the final Constitution developed by these students in January.

I hope all my colleagues are as inspired by this commendable attempt at understanding the operations of Government as I am:

STUDENTS GATHER TO PEN NEW U.S. CONSTITUTION

(EDITOR'S NOTE.—The Saginaw News and the Saginaw County Bicentennial Comission are co-sponsoring a special Students' Constitutional Convention in January 1976. Selected student delegates from 19 high schools inside Saginaw County will spend three days in drafting a new "Constitution" of their own making for the third century of these United States. This article is a first to explain how they intend to get there from here.)

(By John A. Puravs)

After this January there may be no need for an Equal Rights Amendment. It will be in the Constitution itself.

Guns may be outlawed. So may the Pentagon.

Radio and television may have the same freedom now accorded to the press—or all may operate under the control of citizens' councils.

There may still be three separate but equal branches of government. Or there may be not a Congress but a Parliament, and a Prime Minister instead of a President.

No one will know for sure until Jan. 28, when, as their Bicentennial present to the United States of America, high school students of Saginaw County write a new Constitution.

Nearly 150 seniors from the county's 19 public and private high schools will convene Jan. 26–28 at the Civic Center to prepare a new guiding document for the nation.

Their Constitution may form a more perfect union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty.

But chances are it won't do all this quite the way the Founding Fathers did.

After their second planning meeting Monday at Douglas MacArthur High School, even the students aren't sure what their Constitution will say.

They can be certain, though, that they will be the ones to decide that.

"We don't want these students to get the idea we're trying to steer them, because we aren't," promised Burrows Morley, chairman of the county's Bicentennial Commission. "They're going to organize and run it."

The student Constitutional Convention, co-sponsored by the Bicentennial Commission and The Saginaw News, is the only Bicentennial event of its type planned anywhere in the country, Morley believes.

He described it as "a wonderful chance to find out what the young people of today are really thinking. These young people will write a Constitution of the United States in their own thoughts and language.

"They may not even want our present form of government, and this is what makes it exciting."

"It will give us a perspective on the thinking of today's youth that we've never had before," said Raymond L. Gover, editor of The News.

It was apparent Monday that the students are welcoming the challenge.

While an 18-member faculty steering committee was planning such mundane matters as bus schedules and lunch prices, the 18 students on the Rules Committee quickly drew up preliminary plans for running the convention itself.

Aaron Moore, 17, president of the Rules Committee, said the panel determined the method of election and the powers of the convention president, and made itself a screening committee for proposals "so the convention would run more smoothly."

Moore, an Arthur Hill High School student, is the son of Mr. and Mrs. Ray F. Moore, 311 Superior.

The Rules group is the vanguard of delegates from all county high schools—a total of 148, with each school represented according to its student population.

Each school will have at least three convention members. Arthur Hill, with 23, and Saginaw High, with 21, will have the largest delegations. However, votes may be weighted to give smaller schools more convention voting power.

Such details will be worked out at a first session of the full convention Oct. 15 at Eisenhower High School, with former Michigan governor and Cabinet member George Romney as guest speaker.

As part of their preparation, the students will visit Lansing No. 12 to tour the Michigan Con-Con Museum and confer with former Con-Con delegates. The News will serve as host.

Fred Chase, secretary of Michigan's Con-Con, former secretary of the State Senate and an expert parliamentarian, is serving as adviser to the student convention.

Helping with advice and planning are teachers from each county high school, but convention sponsors stressed the faculty group would play no role in writing the new Constitution.

"First and foremost, we want this to be a learning experience for the students," said Gover, "and we hope the experience will go beyond those who participate directly in the convention."

"The kids know nothing about government structure," noted Robert A. Fitzgerald, a government teacher at Douglas MacArthur serving as chairman of a faculty advisory committee. "They have very little exposure to it."

To dispel what he believes is apathy toward government, said Fitzgerald, "is one of the great things about this Con-Con, to stimulate thought, to show they can do something about it.

"They do care, but they don't know how to go about it. The kids are really getting into this."

Aaron Moore agreed. "It's going very well, it's really interesting," he said. "It gives you a chance to express your ideas."

Underwriting convention costs are The News and the county Bicentennial Commission. Expenses were estimated Monday to reach $8,000 or more.

Morley explained the student Con-Con is the county's major project in the "Horizons" area of the celebration, "to celebrate our past history and see what's ahead of us, looking toward our third century."

The Horizons project is under the general leadership of Henry G. Marsh, former Saginaw mayor.

Fitzgerald predicted the students won't waste the money.

"From what I've seen so far," he told the faculty panel, "it's going to be an absolutely tremendous experience."

"This thing, when it's printed up, should have some lasting value," said Morley.

Once the students have completed their vision of U.S. government in our third century, The News plans to print the entire text of their Constitution, giving Saginaw County citizens, in Gover's words, "an opportunity to find out what today's youth thinks of our form of government and the Constitution that governs it."

MISCONCEPTIONS ABOUT ITALIAN AMERICANS MUST BE DISPELLED

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 12, 1975

Mr. BIAGGI. Mr. Speaker, I would like to bring to the attention of my colleagues an article which appeared in the Sunday New York Times, October 19 edition, entitled "On Italians." The article was written by a Mr. Michael Suozzi, director of Community Affairs and Education of the Italian American Center for Urban Affairs, Inc., of New York, N.Y. I will insert this thought-provoking article in the RECORD following my comments on it.

The article has as its main objective to dispel certain long-held myths about the Italian-American community in this Nation. First, despite the contention that Italian Americans are predominantly a middle-class group, the fact is, Italian Americans endure the same poverty as other groups in this Nation. They also encounter severe discrimination in all aspects of life. Yet while they share common problems, their abilities to obtain solutions are limited by virtue of Italian Americans not being considered as a minority group.

This touches on a fundamental problem which I feel must be recognized and remedied for the future good of this Nation. I speak of the selective application of the term minority. For those groups which fall under this designation, there seems to be an accompanying ability on the part of this Government to address and remedy many of their problems. For those groups such as Italian Americans, who may encounter all the problems of minorities, but are not considered as such, their redress from the Government is more limited. In essence there is no national policy for Italians in this Nation and this continues to be a source of immense frustration to the millions of poor Italian Americans in this Nation.

The answer to this dilemma, according to the author, is twofold. The first is to redefine Italo-Americans as a minority group. The second is to have the Italo-American community organize themselves into a viable political bloc to exert pressure on their Government to have them meet their needs.

As an Italian American I have been fighting for the rights of my community throughout my career in Congress. I have seen this Nation adopt special policies with respect to employment and education which have blatantly discriminated against Italian Americans, despite the fact that these policies were designed to correct discrimination. This past summer, I sought to amend the Voting Rights Act extension so that all ethnic, racial, and religious groups could be covered under its provisions. In the bill special protections were to be extended to certain minority groups to prevent future instances of voter discrimination. This included providing bilingual voter information for the affected groups, which were four in number. My amendment sought to have these provisions extended to all Americans "whose principal spoken language was other than English" not so much as a response to existing voter discrimination, but rather to provide redress for any discrimination against these groups which might occur during the 10-year period that this bill was to be extended. The amendment unfortunately failed but the large support it did receive brought into focus the question of whether the selective policy of aiding minorities was in the best interest of this Nation.

Italian Americans like so many other groups immigrated to our shores to embark upon a new life of freedom and equality. Yet today there are questions as to whether this Nation continues to be the vanguard of democracy it was when these people first immigrated. As we approach the 200th anniversary of this Nation's independence we have a responsibility to renew our commitment to insuring that the benefits of democracy are extended to all our citizens. The Italian-American community has been an integral part of this Nation's past and want to contribute to its future. We must work to recognize their past contributions and help them realize their future hopes.

Mr. Speaker, I am pleased to insert this very important article into the RECORD. We must be vigilant in the protection of our freedoms and must not be lax in assuring that all Americans enjoy these freedoms:

ON ITALIANS

(By Michael Suozzi)

The approaching centenary of the first great immigration of southern Italians to the United States should be an occasion for the reassessment of the role played by the southern Italian in America since 1880.

Here in the tristate area, the Italian-American community is experiencing difficulty in achieving certain socioeconomic and educational goals.

Especially in the academic community, a certain indifference and hostility is widespread. In the City University of New York, a condition of de facto discrimination directed against Italian-American professors has existed for many years. Only 4 per cent of the faculty is of Italian origin.

On the urban scene, the situation seems to be improving as Federal agencies have begun to give significant support to the community. But New York City agencies have continued their unspoken policy of indifference and hostility.

Part of the reason for the difficulties faced by the Italian-American people is rooted in the utter failure of many urbanists, social psychologists, sociologists and economists to recognize that Italian-Americans are indeed a "minority group" in every sense of that designation.

Large numbers of poor, elderly and incapacitated Italian-Americans do not receive assistance because many government agencies do not have a systematic policy toward our community.

Italian-Americans are not a preponderantly middle-class group; they have not "made it," no matter how much publicity is wasted on celebrities and other "successful" personages. Our people are still largely within the poor, the "laboring poor" and the working classes.

The continued intolerable denigration of the Italian-American people by the media, in the form of cinema, tawdry novels, phony exposés, political assassination through innuendo and guilt-by-association, television series and spurious newspaper reports that depict the Italian-American as a sneaky, sinister and swarthy monster capable of the most heinous atrocities, must be ended at once.

This absurd, ludicrous and vicious practice has no place in a society that vaunts itself as a haven of democracy and fair play.

But the future is bright. Italian-Americans are learning through bitter experience that this is a society that rewards only those who organize themselves into political-economic blocs that exert irresistible pressure in all areas of government and private enterprise. We also have learned that an imperial oligarchy bows only to large-scale ideological and monetary strength.

For it is not in the celebration of past glory that the Italian-American people will find their place in modern society, but in the comprehension, analysis and use of the social forces of the mass industrial civilization.

The heritage of southern Italy was that of feudal exploitation, everlasting serfdom, intellectual bondage and political chaos. But this heritage also included the noble courage of a people that refused to surrender its integrity, that left this chaos to find a new hope in America, and that has triumphed beyond its greatest hopes in achieving a place in this society.

Much is yet to be accomplished; great obstacles still face us. We know that America does not give to the weak and the disunited. It is our intention to unite every Italian-American community in the United States to reach the final realization of the promise that the newcomers of 1880 had sought.

HOUSE OF REPRESENTATIVES—*Thursday, November 13, 1975*

The House met at 12 o'clock noon.

The Reverend Martin H. Phillips, Evangelist Association, Pueblo, Colo., offered the following prayer:

O Lord, our Saviour and our Guide, we pray for the people who have given themselves to serve the people of this great Nation, the United States of America. We believe that our Nation is great for Your Gospel because our Nation was founded on Your Gospel of Truth; and so may we, O Lord, go on with a faith no storm can shock. We will do this because of Your powerful hand of guidance—yes, that same hand of guidance that has caused us to see almost 200 years of a nation. And so we ask it all to whom we pray, even our Prince of Peace, the Lord Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries, who also informed the House that on November 4, 1975, the President approved and signed a bill of the House of the following title:

H.R. 4799. An act to amend sections 6, 306, and 308 of the Rural Electrification Act of 1936, as amended.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested a bill of the House of the following title:

H.R. 9915. An act to make technical amendments to the Federal Rules of Evidence, the Federal Rules of Criminal Procedure, and to related provisions of titles 18 and 28 of the United States Code.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1281) entitled "An act to improve public understanding of the role of depository institutions in home financing," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PROXMIRE, Mr. SPARKMAN, Mr. WILLIAMS, Mr. MCINTYRE, Mr. CRANSTON, Mr. TOWER, Mr. BROOKE, and Mr. PACKWOOD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill and resolution of the following titles, in which the concurrence of the House is requested:

S. 1545. An act to amend the Agricultural Adjustment Act of 1938 with respect to peanuts.

S. RES. 300

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Honorable Clinton P. Anderson, who served in the United States Senate from the State of New Mexico from 1949 until 1973.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

THE RETIREMENT OF MR. JUSTICE DOUGLAS

(Mr. ALBERT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALBERT. Mr. Speaker, I join thousands of Americans across the land in expressing deep regret over the fact that Mr. Justice Douglas has, for very serious health reasons, found it necessary to step down from the longest tenure of service on the Supreme Court in the history of the United States.

Although, at times, Mr. Justice Douglas has been a controversial figure, there was never a doubt in the mind of anyone who really knows anything about his life or his work, that Bill Douglas is one of the giants of our generation. He has such a variety of interests; his knowledge and background are diverse; his intellect so extraordinary; his courage so like steel; yet, his modesty and his kindliness are so apparent that one cannot fail to see in him a man who has met the measure of a decent human being, and simultaneously the measure of greatness.

His life has been a new chapter in the traditional American Horatio Alger story. Having suffered from polio as a child, having been brought up as a poor boy in a poor home, he has become one of the most remarkable men in the history of our country.

I believe it can be as well said of him as of anybody in the country that he is in all respects all American. As a boy, he lived in the mid-continent, and always regarded it as his starting place. He is at home and stands tall among the most sophisticated intelligentsia of the East. He knows the forests and the mountains; he knows the cowhands and the cow trails of the West. He has been a world traveler and has rare knowledge of his fellow man everywhere.

As a Justice, he belonged to an exceptional breed. He has been properly termed a very progressive Justice. There have been great Justices, both progressive and conservative, but here is a man who believes, if any man ever believed, in the spirit as well as the letter of the law, in the thrust as well as the language of the Bill of Rights. He believes that the law is the servant of mankind, the protector of the poor, the downtrodden, and the unfortunate.

Being on the Supreme Court, he was in that part of our tripartite system which is generally least in the spotlight, but the integrity of his character and of his decisions have always cast a strong and radiant ray of light across our country.

He is one of the great disciples of the expanding Bill of Rights, along with Oliver Wendell Holmes, Felix Frankfurter, Hugo Black, and a few others. In my opinion, he is the greatest of them all.

He is a person who loves simple things, and he has always withdrawn himself from the spectacular. In my judgment, he might well be regarded as the greatest single public servant in our entire tripartite system of government for more than a decade.

The strong hand of Franklin Delano Roosevelt never accomplished more than was accomplished when Justice Douglas was named to the U.S. Supreme Court.

I am happy that I have had the opportunity of knowing Justice Douglas, of visiting with him privately in friendly chats. I was very hopeful, and have been for some time, that he could remain on the bench for a few more years. But when the pain which accompanied his illness was such as to make it impossible for him to perform his duties as he should, and as he thought that a judge should perform them, I think he was perhaps wise in stepping down.

It is my hope that with less responsibility he will recover his full strength. If he regains his health he still has a lot to offer the Nation and mankind.

I wish him speedy recovery, and I wish him and his good wife, Cathy, many long and memorable years of happiness.

RETIREMENT OF MR. JUSTICE WILLIAM O. DOUGLAS

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of California. Mr. Speaker, Mr. Justice William O. Douglas is leaving the Supreme Court, but the treasure of his giant achievements he leaves to the world.

His court decisions have made our country more humane and equitable. Decades ago his concern for the Earth and all living creatures was the forerunner of our national awareness of environmental concerns. His view of all the people of the world as members of our planet's family has done much for world peace.

We wish him well at this important time in his life, and we wish him to know that our lives are permanently changed by his great contributions.

Mr. Speaker, on next Wednesday, November 19, 1975, I am going to ask for a 2-hour special order, at which time all Members of the House may join together and pay tribute to the retiring Mr. Justice Douglas.

The SPEAKER. The Chair will inform the gentleman from California (Mr. EDWARDS) that he should restrict his request to 1 hour, which is the limit under the rules, and get another Member to make a similar request.

Mr. EDWARDS of California. I thank the Chair.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, I join at this point with the gentleman from California (Mr. EDWARDS) and with the distinguished Speaker of the House in paying tribute to Justice Douglas. At the time of the special order the gentleman from California has mentioned all Members will have an opportunity to express fully their deep appreciation for the service of one of the most distinguished Justices in the history of the Supreme Court.

CONFERENCE REPORT ON S. 1517, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEAR 1976

Mr. MORGAN submitted the following conference report and statement on the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 94-660)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Foreign Relations Authorization Act, Fiscal Year 1976".

TITLE I—ADMINISTRATION OF FOREIGN AFFAIRS

PART 1—DEPARTMENT OF STATE

AUTHORIZATION

SEC. 101. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for the "Administration of Foreign Affairs", $439,055,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) The Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended, is further amended by adding at the end thereof the following new section:

"SEC. 17. The Secretary of State is authorized to use appropriated funds for unusual expenses similar to those authorized by section 5913 of title 5, United States Code, incident to the operation and maintenance of the living quarters of the United States Representative to the Organization of American States.".

TRAVEL DOCUMENT AND ISSUANCE SYSTEM

SEC. 102. (a) Except as provided in subsection (b), no part of any funds authorized to be appropriated by this title may be used for the development or implementation of the Travel Document and Issuance System which has been proposed by the United States Passport Office (and which involves a restructuring of the passport issuance function and the issuance of machine readable passport books), or of any other new passport system.

(b) Not to exceed $100,000 of the amount authorized to be appropriated by section 101 (a)(1) of this Act shall be available for a study of the desirability and cost implications of the Travel Document and Issuance System described in subsection (a). Such study shall be transmitted to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate.

REQUEST OF AMBASSADOR THURSTON

SEC. 103. There is authorized to be appropriated to the Department of State for fiscal year 1976 the sum of $125,000, to remain available until expended, for the purpose of furnishing or refurnishing the diplomatic reception rooms of the Department of State, such sum representing the amount bequeathed by the late Ambassador Walter Thurston to the United States of America.

CRITERIA REGARDING SELECTION AND CONFIRMATION OF AMBASSADOR

SEC. 104. The Act of August 1, 1956 (Public Law 84-885; 70 Stat. 890) is amended by adding at the end thereof the following new section:

"SEC. 18. It is the sense of the Congress that the position of United States ambassador to a foreign country should be accorded to men and women possessing clearly demonstrated competence to perform ambassadorial duties. No individual should be accorded the position of United States ambassador to a foreign country primarily because of financial contributions to political campaigns.".

REOPENING OF UNITED STATES CONSULATE AT GOTHENBURG, SWEDEN

SEC. 105. (a) It is the sense of the Congress that the United States Consulate at Gothenburg, Sweden, should be reopened as soon as possible after the date of enactment of this Act.

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, in addition to amounts authorized under section 101 of this Act, such sums as may be necessary for the operation of such consulate.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

AGRICULTURAL ATTACHÉ IN CHINA

SEC. 106. It is the sense of the Congress that the President should establish an agricultural attaché in the People's Republic of China.

PART 2—ARMS CONTROL AND DISARMAMENT AGENCY

AUTHORIZATION

SEC. 141. Section 49(a) of the Arms Control and Disarmament Act (22 U.S.C. 2589(a)) is amended by inserting in the second sentence thereof immediately after "$10,100,000," the following: "and for fiscal years 1976 and 1977 the sum of $23,440,000 (and such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs),".

STUDY REGARDING IMPACT OF CERTAIN ARMS CONTROL MEASURES UPON MILITARY EXPENDITURES

SEC. 142. Of the amount appropriated under the amendment made by section 141 of this Act, not to exceed $1,000,000 shall be used by the Director of the Arms Control and Disarmament Agency to conduct a study of the impact upon military expenditures of arms control measures mutually agreed to by the United States and the Soviet Union. The Director of the Arms Control and Disarmament Agency shall submit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate—

(1) from time to time, reports with respect to such study, and

(2) not later than December 31, 1976, a final report setting forth the findings and conclusions of such study.

RESEARCH REGARDING DEVELOPMENT OF NUCLEAR SAFEGUARD TECHNIQUES

SEC. 143. In addition to amounts otherwise available under the amendment made by section 141 of this Act, $440,000 may be used for the purpose of conducting research, in consultation with the International Atomic Energy Agency, with respect to the development of nuclear safeguard techniques.

PURPOSES OF ARMS CONTROL AND DISARMAMENT ACT

SEC. 144. Section 2 of the Arms Control and Disarmament Act (22 U.S.C. 2551) is amended by striking out "It must be able" in the second sentence of the third paragraph and inserting in lieu thereof "It shall have the authority, under the direction of the President and the Secretary of State,".

NATIONAL SECURITY COUNCIL

SEC. 145. Section 22 of the Arms Control and Disarmament Act (22 U.S.C. 2562) is amended by inserting ", the National Security Council," immediately after "Secretary of State" in the first sentence.

ARMS CONTROL AND DISARMAMENT IMPACT STATEMENT

SEC. 146. Title III of the Arms Control and Disarmament Act (22 U.S.C. 2571–2575) is amended by adding at the end thereof the following:

"ARMS CONTROL IMPACT INFORMATION AND ANALYSIS

"SEC. 36. (a) In order to assist the Director in the performance of his duties with respect to arms control and disarmament policy and negotiations, any Government agency preparing any legislative or budgetary proposal for—

"(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities or military vehicles designed or intended primarily for the delivery of nuclear weapons,

"(2) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to armaments, ammunition, implements of war, or military facilities, having—

"(A) an estimated total program cost in excess of $250,000,000, or

"(B) an estimated annual program cost in excess of $50,000,000, or

"(3) any other program involving weapons systems or technology which such Government agency or the Director believes may have a significant impact on arms control and disarmament policy or negotiations,

shall, on a continuing basis, provide the Director with full and timely access to detailed information, in accordance with the procedures established pursuant to section 35 of this Act, with respect to the nature, scope, and purpose of such proposal.

"(b)(1) The Director, as he deems appropriate, shall assess and analyze each program described in subsection (a) with respect to its impact on arms control and disarmament policy and negotiations, and shall advise and make recommendations, on the basis of such assessment and analysis, to the National Security Council, the Office of Management and Budget, and the Government agency proposing such program.

"(2) Any request to the Congress for authorization or appropriations for—

"(A) any program described in subsection (a) (1) or (2), or

"(B) any program described in subsection (a)(3) and found by the National Security Council, on the basis of the advice and recommendations received from the Director, to have a significant impact on arms control and disarmament policy or negotiations,

shall include a complete statement analyzing the impact of such program on arms control and disarmament policy and negotiations.

"(3) Upon the request of the Committee on Armed Services of the Senate or the House of Representatives, the Committee on Appropriations of the Senate or the House of Representatives, the Committee on Foreign Relations of the Senate, or the Committee on International Relations of the House of Representatives or the Joint Committee on Atomic Energy, the Director shall, after informing the Secretary of State, advise such committee on the arms control and disarmament implications of any program with respect to which a statement has been submitted to the Congress pursuant to paragraph (2).

"(c) No court shall have any jurisdiction under any law to compel the performance of any requirement of this section or to review the adequacy of the performance of any such requirement on the part of any Government agency (including the Agency and the Director).".

SECURITY REQUIREMENTS FOR CERTAIN CONSULTANTS AND CONTRACTORS

SEC. 147. (a)(1) The second sentence of section 45(a) of the Arms Control and Disarmament Act (22 U.S.C. 2585(a)) is amended by striking out "The Director" and inserting in lieu thereof "Except as provided in subsection (d), the Director".

(2) The fifth sentence of section 45(a) of such Act is amended by striking out "No person" and inserting in lieu thereof "Except as provided in subsection (d), no person".

(3) Section 45 of such Act is amended by adding at the end thereof the following new subsection:

"(d) The investigations and determination required under subsection (a) may be waived by the Director in the case of any consultant who will not be permitted to have access to classified information if the Director determines and certifies in writing that such waiver is in the best interests of the United States.".

(b) Section 45(b) of such Act (22 U.S.C. 2585(b)) is amended by adding at the end thereof the following: "Notwithstanding the foregoing and the provisions of subsection (a), the Director may also grant access to classified information to contractors or subcontractors and their officers and employees, actual or prospective, on the basis of a security clearance granted by the Department of Defense, or any agency thereof, to the individual concerned; except that any access to Restricted Data shall be subject to the provisions of subsection (c).".

PUBLIC INFORMATION

SEC. 148. Section 49(d) of the Arms Control and Disarmament Act (22 U.S.C. 2589(d)) is repealed.

REPORT TO CONGRESS; POSTURE STATEMENT

SEC. 149. Section 50 of the Arms Control and Disarmament Act (22 U.S.C. 2590) is amended by adding at the end thereof the following new sentence: "Such report shall include a complete and analytical statement of arms control and disarmament goals, negotiations, and activities and an appraisal of the status and prospects of arms control negotiations and of arms control measures in effect.".

CONSULTATION REGARDING ARMS TRANSFERS

SEC. 150. (a) Section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934) is amended by adding at the end thereof the following new section:

"(f) Decisions on issuing licenses for the export of articles on the United States munitions list shall be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account the Director's opinion as to whether the export of an article will contribute to an arms race, or increase the possibility of outbreak or escalation of conflict, or prejudice the development of bilateral or multilateral arms control arrangements.".

(b) Section 42(a) of the Foreign Military Sales Act (22 U.S.C. 2791(a)), is amended by striking out "(3)" and inserting in lieu thereof "(3) in coordination with the Director of the United States Arms Control and Disarmament Agency, the Director's opinion as to".

(c) Section 511 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321(d)) is amended by striking out the words "take into account" and inserting in lieu thereof 'be made in coordination with the Director of the United States Arms Control and Disarmament Agency and shall take into account his opinion as to".

PART 3—FOREIGN SERVICE BUILDINGS

AUTHORIZATION

SEC. 171. (a) Subsection (g) of section 4 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 295) is amended—

(1) in subparagraph (1)(A), by striking out "2,190,000" and inserting in lieu thereof "$850,000";

(2) in subparagraph (1)(B), by striking out "$375,000" and inserting in lieu thereof "$240,000";

(3) in subparagraph (1)(C), by striking out "$4,780,000" and inserting in lieu thereof "$682,000";

(4) in subparagraph (1)(D), by striking out "$2,585,000" and inserting in lieu thereof "$1,243,000"; and

(5) in subparagraph (1)(E), by striking out "$3,518,000" and inserting in lieu thereof "$10,433,000".

(b) Section 4 of such Act is further amended—

(1) by redesignating subsection (h) as section (i) and by inserting immediately after subsection (g) the following new subsection:

"(h) In addition to amounts authorized before the date of enactment of this subsection, there is authorized to be appropriated to the Secretary of State—

"(1) for acquisition by purchase or construction (including acquisition of leaseholds) of sites and buildings in foreign countries under this Act, and for major alterations of buildings acquired under this Act, the following sums—

"(A) for use in Africa, not to exceed $865,000 for the fiscal year 1977;

"(B) for use in the American Republics, not to exceed $2,450,000 for the fiscal year 1977;

"(C) for use in Europe, not to exceed $6,725,000 for fiscal year 1977;

"(D) for use in East Asia, not to exceed $875,000 for the fiscal year 1977;

"(E) for use in the Near East and South Asia, not to exceed $8,005,000, of which not to exceed $3,985,000 may be appropriated for the fiscal year 1976;

"(F) for facilities for the United States Information Agency, not to exceed $3,745,000, of which not to exceed $2,800,000 may be appropriated for the fiscal year 1976; and

"(G) for facilities for agricultural and defense attaché housing, not to exceed $420,000 for the fiscal year 1977; and

"(2) for use to carry out the other purposes of this Act for fiscal years 1976 and 1977, $71,600,000, of which not to exceed $32,840,000 may be appropriated for fiscal year 1976."; and

(2) by striking out paragraph (2) of subsection (i) as so redesignated by paragraph (1) of this Act and inserting in lieu thereof the following new paragraph:

"(2) Not to exceed 10 per centum of the funds authorized by any subparagraph under paragraph (1) of subsections (d), (f), (g), and (h) of this section may be used for any of the purposes for which funds are authorized under any other subparagraph of any of such paragraph (1).".

TITLE II—INTERNATIONAL ORGANIZATIONS, CONFERENCES, AND COMMISSIONS

GENERAL AUTHORIZATIONS

Sec. 201. (a) There are authorized to be appropriated for the Department of State for the fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "International Organizations and Conferences", $250,228,000:

(2) for "International Commissions", $19,993,000; and

(3) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

EXCEPTION TO LIMITATION ON PAYMENTS TO THE INTERNATIONAL CIVIL AVIATION ORGANIZATION

Sec. 202. Notwithstanding the proviso in the seventh paragraph of title I of the Act of October 25, 1972 (86 Stat. 1110), there is authorized to be appropriated $336,675 for the contribution of the United States toward the calendar year 1974 budget of the International Civil Aviation Organization.

LIMITATION OF CONTRIBUTIONS AND PAYMENTS TO IAEA, ICAO, AND UNITED NATIONS PEACEKEEPING ACTIVITIES

Sec. 203. Public Law 92–544 (86 Stat. 1109, 1110) is amended, in the paragraph headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS" under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES", by inserting a period after "organization", striking out the text following and inserting in lieu thereof the following: "Appropriations are authorized and contributions and payments may be made to the following organizations and activities notwithstanding that such contributions and payments are in excess of 25 per centum of the total annual assessment of the respective organizations or 33⅓ per centum of the budget for the respective activity: the International Atomic Energy Agency, the joint financing program of the International Civil Aviation Organization, and contributions for international peacekeeping activities conducted by or under the auspices of the United Nations or through multilateral agreements.".

INTERPARLIAMENTARY UNION

Sec. 304. (a) The first section of the Act entitled "An Act to authorize participation by the United States in the Interparliamentary Union", approved June 28, 1935 (22 U.S.C. 276), is amended to read as follows: "That there is authorized to be appropriated for fiscal year 1976 and for each subsequent fiscal year—

"(1) for the annual contribution of the United States toward the maintenance of the Bureau of the Interparliamentary Union for the promotion of international arbitration, an amount equal to 13.61 per centum of the budget of the Interparliamentary Union for the year with respect to which such contribution is to be made if the American group of the Interparliamentary Union has approved such budget; and

"(2) to assist in meeting the expenses of the American group for such fiscal year, $45,000, or so much thereof as may be necessary. Funds made available under paragraph (2) shall be disbursed on vouchers to be approved by the president and the executive secretary of the American group.".

(b) Such Act of June 28, 1935 is further amended by adding at the end thereof the following new section:

"Sec. 3. After January 1, 1976, there shall be not to exceed nine delegates from the House of Representatives to each Conference of the Interparliamentary Union, such delegates to be appointed by the Speaker of the House of Representatives. Not more than five delegates from the House of Representatives to any such Conference may be of the same political party.".

(c) The Act of June 30, 1958 (Public Law 85–474; 72 Stat. 244) is amended by adding at the end thereof the following new sentence: "Not less than two Senators so designated shall be members of the Committee on Foreign Relations.".

UNITED STATES CONTRIBUTION TO THE UNITED NATIONS UNIVERSITY ENDOWMENT FUND

Sec. 205. There is authorized to be appropriated, upon request of the President, to the President for fiscal year 1977, $10,000,000 to be used for a contribution of the United States to the United Nations University Endowment Fund, such contribution to be made on such terms as the President finds will promote the purposes of the University as stated in University Charter approved by the General Assembly of the United Nations in December 1973; except that the contribution of the United States to the United Nations University Endowment Fund may not exceed 25 per centum of the total amount actually contributed to such fund by other members of the United Nations. Amounts appropriated under this section are authorized to remain available until expended.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

Sec. 206. Section 2 of the Act of June 4, 1936 (49 Stat. 1463), is amended—

(1) by striking out "$3,000,000" and inserting in lieu thereof "$4,500,000"; and

(2) by striking out "$4,000,000", and inserting in lieu thereof "$5,500,000".

TITLE III—EDUCATIONAL EXCHANGE

AUTHORIZATION

Sec. 301. (a) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(1) for "Educational Exchange", $78,800,000; and

(2) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) No funds from the Government and Relief in Occupied Areas (G.A.R.I.O.A.) Account are authorized to be appropriated under this section.

TITLE IV—FOREIGN SERVICE

ASSIGNMENT OF FOREIGN SERVICE OFFICERS TO PUBLIC ORGANIZATIONS

Sec. 401. (a) Section 576 of the Foreign Service Act of 1946 (22 U.S.C. 966) is amended as follows:

(1) Subsection (a) is amended to read as follows:

"(a)(1) A substantial number of Foreign Service officers shall, before their fifteenth year of service as such officers, be assigned in the United States, or any territory or possession thereof, for significant duty with a State or local government, public school, community college, or other public organization designated by the Secretary. Such duty may include assignment to a Member or office of the Congress, except that of the total number of officers assigned under this section at any one time, not more than 20 per centum may be assigned to Congress.

"(2) To the extent practical, assignments shall be for at least twelve consecutive months and may be on a reimbursable basis. Any such reimbursements shall be credited to and used by the appropriations made available for the salaries and expenses of officers or employees.".

(2) Strike out the second and third sentences of subsection (b).

(3) At the end thereof add the following new subsections:

"(e) Not later than six months after the date of enactment of this subsection, the Secretary shall transmit a report to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate describing the steps he has taken to carry out the provisions of this section; and he shall transmit such reports annually thereafter.

"(f) The provisions of this section shall apply only to a Foreign Service officer who has completed his tenth year of service as such an officer on or after October 1, 1975.".

(b) Section 9(b) of the State Department/USIA Authorization Act, Fiscal Year 1975 (22 U.S.C. 966 note) is repealed.

ELIMINATION OF CERTAIN AFFIDAVIT REQUIREMENTS FOR FOREIGN SERVICE OFFICERS WHO ARE PROMOTED

Sec. 402. Section 621 of the Foreign Service Act of 1946 (22 U.S.C. 991) is amended by adding at the end thereof the following new sentence: "The affidavit requirements of sections 3332 and 3333(a) of title 5 of the United States Code shall not apply with respect to a Foreign Service officer who has complied with such requirements and who is subsequently promoted by appointment to a higher class without a break in service.".

WITHIN-CLASS SALARY INCREASES OF FOREIGN SERVICE OFFICERS AND RESERVE OFFICERS

Sec. 403. Section 625 of the Foreign Service Act of 1946 (22 U.S.C. 995) is amended to read as follows:

"Sec. 625. (a) Any Foreign Service officer or any Reserve officer, whose services meet the standards required for the efficient conduct of the work of the Service and who shall have been in a given class for a continuous period of nine months or more, shall, on the first day of the first pay period that begins on or after July 1 each year, receive an increase in salary to the next higher rate for the class in which such officer is serving. Credit toward such nine-month period may be granted to an officer in accordance with such regulations as the Secretary may prescribe for any civilian service of such officer with the Government or with the government of the District of Columbia which was performed subsequent to any break in service in excess of three calendar days and subsequent to the officer's last equivalent increase in pay. As used in this subsection, the term 'equivalent increase in pay' means—

"(1) any increase in basic salary resulting from—

"(A) a grade or class promotion.

"(B) a regularly scheduled within-grade or within-class step increase, or

"(C) a salary adjustment or combination of adjustments—

"(i) made since the last equivalent increase in pay,

"(ii) resulting from conversion from one pay system to another, and "(iii) equal to or greater than the amount of the within-class increase for the class to which the officer was appointed; or

"(2) such other increases in salary as the Secretary may by regulation designate;

but does not include any general increase in salary granted by law or any within-grade or within-class increase in salary awarded for meritorious performance.

"(b) Without regard to any other law, the Secretary is authorized to grant to any Foreign Service officer or any Reserve officer additional increases in salary, within the salary range established for the class in which such officer is serving, based upon especially meritorious service.".

GRIEVANCE PROCEDURE

SEC. 404. (a) Title VI of the Foreign Service Act of 1946 (22 U.S.C. 981) is amended by adding at the end thereof the following new part:

"PART J—FOREIGN SERVICE GRIEVANCES

"STATEMENT OF PURPOSE

"SEC. 691. It is the purpose of this part to provide officers and employees of the Service and their survivors a grievance procedure to insure a full measure of due process, and to provide for the just consideration and resolution of grievances of such officers, employees, and survivors.

"REGULATIONS OF THE SECRETARY

"SEC. 692. The Secretary shall, consistent with the purposes stated in section 691 of this Act, implement this part by promulgating regulations, and revising those regulations when necessary, to provide for the consideration and resolution of grievances by a board. No such regulation promulgated by the Secretary shall in any manner alter or abridge the provisions of due process established by this section for grievants. The regulations shall include, but not be limited to, the following:

"(1) Procedures for the resolution of grievances in accordance with the purposes of this part shall be established by agreement between the Secretary and the organization accorded recognition as the exclusive representative of the officers and employees of the Service. If a grievance is not otherwise resolved under agency procedures within ninety days of presentation, a grievant shall be entitled to file a grievance with the board for its consideration and resolution. For the purposes of the regulations—

"(A) 'grievant' shall mean any officer or employee of the Service who is a citizen of the United States; or for purposes of subparagraphs (C) and (D), a former officer or employee of the Service; or in the case of death of the officer or employee, a surviving spouse or dependent family member of the officer or employee;

"(B) 'grievance' shall mean any act or condition subject to the control of the Department of State, United States Information Agency, or the Agency for International Development (hereafter in this part referred to as the foreign affairs agencies, or agencies) which is alleged to deprive the grievant of a right or benefit authorized by law or regulation, or is otherwise a source of concern or dissatisfaction to the grievant; and grievances shall include but not be limited to complaints against separation of an officer or employee allegedly contrary to law or regulation or predicated upon alleged inaccuracy (including inaccuracy resulting from omission of any relevant and material document) or falsely prejudicial character of any part of the grievant's official personnel record; other alleged violation, misinterpretation, or misapplication of applicable law, regulation, or published policy affecting the terms and conditions of the grievant's employment or career status; allegedly wrongful disciplinary action against an employee constituting a reprimand or suspension from official duties; dissatisfaction with any matter subject to the control of the agency with respect to the grievant's physical working environment; alleged inaccuracy, error, or falsely prejudicial material in the grievant's official personnel file; and action alleged to be in the nature of reprisal for an employee's participation in grievance procedures; but grievances shall not include complaints against individual assignments or transfers of Foreign Service officers or employees which are ordered in accordance with law and regulation, judgments of Selection Boards pursuant to section 623 or of equivalent bodies in ranking Foreign Service officers and employees for promotion on the basis of merit or judgments in examinations prescribed by the Board of Examiners pursuant to section 516 or 517, termination of time limited appointments pursuant to section 638 and the pertinent regulations prescribed by the employing agency, or any complaints or appeals where a specific statutory appeal procedure exists (other matters not specified in this paragraph may be excluded as grievances only by written agreement of the agencies and the exclusive representative organization);

"(C) except as provided in paragraph (D), when the grievant is a former officer or employee or a surviving spouse or dependent family member of a former officer or employe, 'grievance' shall mean a complaint that an allowance or other financial benefit has been denied arbitrarily, capriciously, or contrary to applicable law or regulation;

"(D) when the grievant is a former officer who was involuntarily retired pursuant to sections 633 and 634 of this Act within six years prior to the enactment of this part, 'grievance' shall mean a complaint that such involuntary retirement violated applicable law or regulation effective at the time of the retirement or that the involuntary retirement was predicted directly upon material contained in the grievant's official personnel file alleged to be erroneous or falsely prejudicial in character; and

"(E) 'party' shall mean the grievant or the foreign affairs agency having control over the act or condition forming the subject matter of the grievance.

"(2)(A) The board considering and resolving grievances shall be composed of independent, distinguished citizens of the United States, well-known for their integrity, who are not active officers, employees or consultants of the foreign affairs agencies (except as members of the Grievance Board established under 3 Foreign Affairs Manual 660) but may be retired officers or employees. The board shall consist of not less than 5 members including a Chairman. Membership of the board, selection of the Chairman, and terms of the service of the members shall be determined by the foreign affairs agencies and the organization accorded recognition as the exclusive representative of the officers or employees of the Service in accordance with procedures agreed pursuant to paragraph (1). If the agencies and organization do not agree on membership of the board prior to the effective date of this part, the members shall be chosen by elimination, in equal numbers from a list submitted by the agencies and a list submitted by the organization, and the Chairman shall be chosen, by alternate striking by the agencies and the organization, from a separate list obtained from the Federal Mediation and Conciliation Service. Unless otherwise agreed upon, the term of service shall be two years, renewable. All members of the board shall act as impartial individuals in considering grievances. The board may act by or through panels or individual members designated by the Chairman, except that hearings within the continental United States shall be held by panels of at least three members unless the parties agree otherwise. Members including the Chairman who are not employees of the Federal Government shall receive compensation for each day they are performing their duties as members of the board (including travel time) at the daily rate paid an individual at GS-18 of the General Schedule under section 5332 of title 5 of the United States Code.

"(B) In accordance with this part, the board may adopt regulations concerning the organization of the board and such regulations as may be necessary to govern its proceedings. The board may obtain facilities, services and supplies through the general administrative services of the Department of State. All expenses of the board shall be paid out of funds appropriated to the Department for obligation and expenditure by the board. At the request of the board, officers and employees on the rolls of the foreign affairs agencies may be assigned as staff employees for the board. Within the limit of appropriated funds, the board may appoint and fix the compensation of such other employees as the board considers necessary to carry out its functions. The officers and employees so appointed or assigned shall be responsible solely to the board and the board shall prepare the performance evaluation reports for such officers and employees. The records of the board shall be maintained by the board and shall be separate from all other records of the foreign affairs agencies.

"(3) A grievance under such regulations is forever barred, and the board shall not consider or resolve the grievance, unless the grievance is presented within a period of three years after the occurrence or occurrences giving rise to the grievance, except that if the grievance arose earlier than two years prior to the date the regulations are first promulgated or placed into effect, the grievance shall be so barred, and not so considered and resolved, unless it is presented within a period of two years after the effective date of the regulations. There shall be excluded from the computation of any such period any time during which the grievant was unaware of the grounds which are the basis of the grievance and could not have discovered such grounds if he or she had exercised, as determined by the board, reasonable diligence.

"(4) The board shall conduct a hearing, at the request of a grievant, in any case which involves disciplinary action or a grievant's retirement from the Service under section 633 of this Act or which in the judgment of the board can best be resolved by a hearing or by presentation of oral argument. The grievant, a reasonable number of representatives of the grievant's own choosing, and a reasonable number of representatives of the foreign affairs agency concerned are entitled to be present at the hearing. The board may, after considering the views of the parties and any other individuals connected with the grievance, decide that a hearing should be open to others. Testimony at a hearing shall be given by oath or affirmation, which any board member or persons designated by the board shall have authority to administer (and this paragraph so authorizes). Each party (A) shall be entitled to examine and cross-examine witnesses at the hearing or by deposition, and (B) shall be entitled to serve interrogatories upon another party and have such interrogatories answered by the other party unless the board finds such interrogatory irrelevant or immaterial. Upon request of the board, or upon a request of the grievant deemed relevant and material by the board, the foreign affairs agencies shall promptly make available at the hearing or by deposition any witness under the control, supervision, or responsibility of the foreign affairs agencies, except that if the board determines that the presence of such witness at the hearing is required for just resolution of the grievance, then the witness shall be made available at the hearing.

"(5) Any grievant filing a grievance, and any witness or other person involved in a proceeding under the regulations adopted pursuant to paragraph (1), shall be free from any restraint, interference, coercion, harassment, discrimination, or reprisal in those proceedings or by virtue of them. The grievant has the right to a representative of his own choosing at every stage of the proceedings. The grievant and his representatives who are under the control, supervision, or responsibility of the foreign affairs agencies shall be granted reasonable periods of administrative leave to prepare, to be present, and to present the grievance of such grievant. Any witness under the control, supervision, or responsibility of the foreign affairs agencies shall be granted reasonable periods of administrative leave to appear and testify at any such proceeding.

"(6) In considering the validity of a grievance, the board (except as provided in paragraph (8)) shall have access, to the extent permitted by law, to any agency record considered by the board to be relevant to the grievant and the subject matter of the grievance.

"(7) The agency shall, subject to applicable law, promptly furnish the grievant any agency record which the grievant requests to substantiate his grievance and which the board determines is relevant and material to the proceeding. When deemed appropriate by the board, a grievant may be supplied with only a summary or extract of classified material.

"(8) Notwithstanding paragraphs (6) and (7), nothing in this Act shall be construed to require the disclosure of any official agency record to the board or a grievant where the head of agency or his deputy determines in writing that such disclosure would adversely affect the foreign policy or national security of the United States.

"(9) The agencies shall use their best endeavors to expedite security clearances whenever necessary to insure a fair and prompt investigation and hearing.

"(10) During any hearings held by the board, any oral or documentary evidence may be received but the board shall exclude any irrelevant, immaterial, or unduly repetitious evidence as determined under section 556 of title 5 of the United States Code. A verbatim transcript shall be made of any hearing and shall be part of the record of proceedings. In those grievances in which the board holds no hearing, the board shall offer to each party the opportunity to review and to supplement, by written submissions, the record of proceedings prior to its decision. The board decision shall be based exclusively on the record of proceedings.

"(11) If the board determines that the agency is considering any action of the character of separation or termination of the grievant, disciplinary action against the grievant, or recovery from the grievant of alleged overpayment of salary, expenses, or allowances, which is related to a grievance pending before the board, and that such action should be suspended, the agency shall suspend such action until the board has ruled upon such grievance. Other matters not specified in this paragraph may be made subject to suspension of action by the procedures established by agreement under paragraph (1). Not withstanding such suspension of action, the head of the agency concerned or a chief of mission or principal officer may exclude an officer or employee from official premises or from the performance of specified duties when determined in writing to be essential to the functioning of the post or office to which the employee is assigned.

"(12) Upon completion of the hearing or the compilation of such record as the board may find appropriate in the absence of a hearing, the board shall expeditiously decide the grievance on the basis of the record of proceedings. In each case the decision of the board shall be in writing, shall include findings of fact, and shall include the reasons for the board's decision. The grievant shall have access to the record of proceedings including the decision.

"(13) If the board finds that the grievance is meritorious, the board shall have authority, within the limitations of the authority of the head of the agency, to direct the agency (A) to correct any official personnel record relating to the grievant which the board finds to be inaccurate or falsely prejudicial; (B) to reverse an administrative decision denying the grievant compensation or any other prerequisite of employment authorized by law or regulation when the board finds that such denial was arbitrary, capricious, or contrary to law or regulation; (C) to retain in service an employee whose termination would be in consequence of the matter by which the employee is aggrieved; (D) to reinstate with back pay, under applicable law and regulations, an employee where it is clearly established that the separation or suspension without pay of the employee was unjustified or unwarranted; and (E) to take such other remedial action as may be provided in the procedures agreed pursuant to paragraph (1). Such orders of the board shall be final, subject to judicial review as provided in section 694, except that reinstatement of former officers who have filed grievances under paragraph (1)(D) shall be presented as board recommendations, the decision on which shall be subject to the sole discretion of the agency head or his designee who shall take into account the needs of the Service in deciding on such recommendations, and shall not be reviewable under section 694.

"(14) If the board finds that the grievance is meritorious and that remedial action should be taken that directly relates to promotion or assignment of the grievant or to other remedial action not provided in paragraph (13), or if the board finds that the evidence before it warrants disciplinary action against any officer or employee, it shall make an appropriate recommendation to the head of the agency, and forward to the head of the agency the record of the board's proceedings including the transcript of the hearing if any. The head of the agency (or his designee, who shall not have direct responsibility for administrative management) shall make a written decision on the board's recommendation. A recommendation of the board may be rejected in part or in toto if the action recommended would be contrary to law, would adversely affect the foreign policy or security of the United States, or would substantially impair the efficiency of the Service. If the decision rejects the recommendation in part or in toto, the decision shall state specifically any and all reasons for such action. Pending the decision, there shall be no ex parte communication concerning the grievance between the agency head (or his designee) and any person involved in the grievance proceeding.

"(15) The board shall have authority to insure that no copy of the determination of the agency head or his designee to reject a board recommendation, no notation of the failure of the board to find for the grievant, and no notation that a proceeding is pending or has been held, shall be entered in the personnel records of the grievant (unless by order of the grievance board as a remedy for the grievance) or any other officer or employee connected with the grievance. Nothing contained herein shall prevent the agency from maintaining grievance records under appropriate safeguards to preserve confidentiality.

"(16) A grievant whose grievance is found not to be meritorious by the board may obtain reconsideration by the board only upon presenting newly discovered or previously unavailable material evidence not previously considered by the board and then only upon approval of the board.

"RELATIONSHIP TO OTHER REMEDIES

"SEC. 693. (a) A grievant may not file a grievance under this part if he has formally requested, prior to filing a grievance, that the matter or matters which are the basis of the grievance be considered or resolved, and relief provided, under a provision of law, regulation, or Executive Order (other than under this part) and the matter has been carried to final decision thereunder on its merits or is still under consideration.

"(b) If a grievant is not prohibited from filing a grievance under this part by subsection (a), he may file a grievance within the jurisdiction of the board under this part notwithstanding the fact that such grievance may be eligible for consideration, resolution, and relief under a regulation or Executive Order other than under this part, but such election of remedies shall be final upon the acceptance of jurisdiction by the board.

"JUDICIAL REVIEW

"SEC. 694. Notwithstanding any other provisions of law, any aggrieved party may obtain judicial review of regulations promulgated by the Secretary under section 692 of this Act, revisions of such regulations, and final actions of the agency head or the board pursuant to such section, in the District Courts of the United States, in accordance with the standards set forth in chapter 7 of title 5 of the United States Code. Section 706 of title 5 shall apply without limitation or exception.".

(b) The Secretary of State shall promulgate and place into effect the regulations required by section 692 of the Foreign Service Act of 1946 (as added by subsection (a) of this section) and shall establish the board and appoint the members of the board provided for by such section 692, not later than 120 days after the date of enactment of this Act.

PREDEPARTURE LODGING ALLOWANCE

SEC. 405. Paragraph (2) of section 5924 of title 5, United States Code, is amended by striking out clause (A) thereof, and inserting in lieu thereof the following:

"(A) a foreign area (including costs incurred in the United States prior to departure for a post of assignment in a foreign area); or".

AUTHORITY OF CERTAIN OFFICERS AND EMPLOYEES TO CARRY FIREARMS

SEC. 406. The Act of June 28, 1955 (22 U.S.C. 2666) is amended by striking out all after the enacting clause and inserting in lieu thereof the following: "That, under such regulations as the Secretary of State may prescribe, security officers of the Department of State and the Foreign Service who have been designated by the Secretary of State and who have qualified for the use of firearms, are authorized to carry firearms for the purpose of protecting heads of foreign states, official representatives of foreign governments, and other distinguished visitors to the United States, the Secretary of State, the Deputy Secretary of State, official representatives of the United States Government, and members of the immediate families of any such persons, both in the United States and abroad. The Secretary shall transmit such regulations to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate not more than twenty days before the date on which such regulations take effect.".

DEATH GRATUITIES FOR CONSULAR AGENTS AND UNITED STATES REPRESENTATIVES TO INTERNATIONAL ORGANIZATIONS

SEC. 407. (a) Paragraph (1) of section 14 (d) of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956, as amended to read as follows:

"(1) the term 'Foreign Service employee' means any national of the United States who is a chief of mission, a Foreign Service officer, a Foreign Service information officer, a Foreign Service Reserve officer of limited or unlimited tenure, a Foreign Service staff officer or employee, a consular agent, or a United States representative to an international organization or commission;".

(b) The amendment made by subsection (a) shall apply with respect to deaths occurring on or after January 1, 1973.

TITLE V—GENERAL

MIGRATION AND REFUGEE ASSISTANCE

SEC. 501. (a) Section 2(c) of the Refugee and Migration Assistance Act of 1962 is amended to read as follows:

"(c)(1) Whenever the President determines it to be important to the national interest he is authorized to furnish on such terms and conditions as he may determine assistance under this Act for the purpose of meeting unexpected urgent refugee and migration needs.

"(2) There is established a United States Emergency Refugee and Migration Assistance Fund to carry out the purposes of this section. There is authorized to be appropriated to the President from time to time such amounts as may be necessary for the fund to carry out the purposes of this section, except that no amount of funds may be appropriated which, when added to amounts previously appropriated but not yet obligated, would cause such amounts to exceed $25,000,000. Amounts appropriated hereunder shall remain available until expended.

"(3) Whenever the President requests appropriations pursuant to this authorization he shall justify such requests to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives, as well as to the Committees on Appropriations.".

(b)(1) There are authorized to be appropriated for the Department of State for fiscal year 1976, to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States, including trade negotiations, and other purposes authorized by law, the following amounts:

(A) for "Migration and Refugee Assistance," $10,100,000; and

(B) such additional amounts as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, or other nondiscretionary costs.

(2) Amounts appropriated under this subsection are authorized to remain available until expended.

(c) In addition to amounts otherwise available, there are authorized to be appropriated to the Secretary of State for fiscal year 1976 not to exceed $20,000,000 to carry out the provisions of section 101(b) of the Foreign Relations Authorizations Act of 1972 (relating to Russian refugee assistance) and to furnish similar assistance to refugees from Communist countries in Eastern Europe. Not to exceed 20 per centum of the amount appropriated under this subsection may be used to resettle refugees in any country other than Israel. Appropriations made under this subsection are authorized to remain available until expended.

TRANSFER OF APPROPRIATION AUTHORIZATION

SEC. 502. In addition to the amount authorized under section 101(a), 201(a), 301(a), or 501(b) of this Act, any unappropriated portion of the amount authorized under any such section is authorized for appropriation under any other such section, provided the amount authorized under such section is not increased by more than 10 per centum.

UNITED NATIONS COOPERATION REGARDING MEMBERS OF UNITED STATES ARMED FORCES MISSING IN ACTION IN SOUTHEAST ASIA

SEC. 503. (a) The President shall direct the United States Ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States Armed Forces and United States civilians missing in action in Southeast Asia.

(b) Not later than six months after the date of enactment of this section, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a report on actions taken by the United Nations to obtain such an accounting.

And the House agree to the same.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
L. H. FOUNTAIN,
DANTE B. FASCELL,
CHARLES C. DIGGS, Jr.,
WILLIAM S. BROOMFIELD,
PAUL FINDLEY,
JOHN H. BUCHANAN,
Managers on the Part of the House.

JOHN SPARKMAN,
MIKE MANSFIELD,
FRANK CHURCH,
STUART SYMINGTON,
CLAIBORNE PELL,
HUBERT H. HUMPHREY,
CLIFFORD P. CASE,
JACOB K. JAVITS,
HUGH SCOTT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendment.

The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment.

The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

AUTHORIZATION OF APPROPRIATIONS

The following tables show the provision of the Senate bill, the House amendment, and the conference substitute, with respect to the authorization of appropriations for fiscal year 1976 and fiscal year 1977.

FISCAL YEAR 1976 AUTHORIZATIONS[1]

[In thousands of dollars]

	Senate bill	House amendment	Conference substitute
Administration of foreign affairs:			
Administration of foreign affairs (State Department)	$435,755	[2] $444,204	[2] $439,055
ACDA	[3] 12,130	[3] 12,050	[3] 12,130
Foreign Service buildings	39,625	39,625	39,625
International organizations, conferences and commissions:			
International organizations and conferences (State Department)	[4] 250,228	[4] 270,118	[4] 250,228
International commissions (State Department)	19,993	19,993	19,993
Information and cultural exchange:			
USIA	274,014	(5)	(5)
Educational exchange (State Department)	74,000	89,000	[6] 78,000
Board for International Broadcasting	65,640	(7)	(7)
Miscellaneous:			
Migration and refugee assistance (State Department)	10,100	10,100	10,100
Emergency refugee migration assistance fund (State Department)	[8] (25,000)	(8)	[8] (25,000)
Assistance to Soviet refugees (State Department)	20,000	20,000	20,000
Grant total	1,201,485	905,090	869,931

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[1] In addition to the amounts shown below, both the Senate and House versions authorized the appropriation of "such sums as may be necessary" for legally mandated pay and benefit increases—except that for ACDA; the House version provided a specific sum for this purpose. The conference substitute is the same as the Senate version in this regard.

[2] The House version prohibited the expenditure of any funds for the development and implementation of a new Travel Document and Issuance System (TDIS); the conference substitute retains the prohibition, while allowing the expenditure of not to exceed $100,000 for a study of the desirability and cost implications of the TDIS, such study to be transmitted to Congress. The conferees note that they arrived at the conference substitute figure for Administration of Foreign Affairs (State Department) by deciding to approve the Administration's original request plus an additional $250,000 to augment the account for "representation allowances", the purpose being to reduce dependence upon "out of pocket" representation expenses.

[3] As indicated above, the House figure included $360,000 for legally mandated pay and benefit increases. The Senate figure did not contain funds for such increases; rather, the Senate bill authorized the appropriation of "such sums as may be necessary" for this purpose. The conference substitute employs the Senate approach.

[4] The difference between the Senate bill and the House amendment exists because the Senate removed $19.5 million requested for the fiscal year 1976 U.S. contribution to UNESCO, and because the Senate did not approve a $400,000 budget amendment increasing funds available for U.S. missions to international organizations. The conference substitute is the same as the Senate provision.

[5] The House has not yet completed action on the USIA authorization; this item was thus deleted in anticipation that it will be dealt with in subsequent legislation.

[6] The bill specifies that none of the appropriations under this authorization may be from G.A.R.-I.O.A. (Government and Relief in Occupied Areas) funds. It is the intent of the conferees that any appropriation of G.A.R.I.O.A. funds be made under the authorization provided in the Japan-United States Friendship Act (Public Law 94-118).

[7] Since passage of the Senate bill, the fiscal year 1976 authorization for the Board for International Broadcasting was enacted in separate legislation; it was thus deleted from this bill.

[8] The Senate version also authorized appropriations for the creation and maintenance of a $25 million Emergency Refugee and Migration Assistance Fund. The House version expanded, from $10 million to $25 million, existing authority by which the President may draw upon foreign aid funds to meet unexpected migration and refugee needs. The conference substitute is the same as the Senate version.

FISCAL YEAR 1977 AUTHORIZATIONS

[In thousands of dollars]

	Senate bill	House amendment	Conference substitute
Contribution to U.N. University Endowment Fund		[1] $20,000	[1] $10,000
Foreign Service buildings		55,060	55,060
ACDA		[2] 11,950	[2] 11,310
Total	0	87,010	76,370

[1] The House amendment specified that the U.S. contribution may not exceed 25 percent of the total amount contributed by all U.N. members. This restriction was retained in the conference substitute.

[2] The House figure included $640,000 for legally mandated pay and benefit increases. The conference substitute reduced the authorization by this amount, but authorized the additional appropriation of "such sums as may be necessary" for these purposes.

REPRESENTATION EXPENSES FOR U.S. REPRESENTATIVE TO OAS

Senate bill

The Senate bill authorized use of appropriated funds for the unusual expenses incident to the operation and maintenance of the living quarters of the U.S. representative to the Organization of American States.

House amendment

The House bill provided the same authorization, using different language.

Conference substitute

The conference substitute is the same as the Senate provision.

REQUEST OF AMBASSADOR THURSTON

Senate bill

The Senate bill authorized an appropriation of $125,000 for contribution to the State Department Americana fund, the amount being equal to the bequest of Ambassador Walter Thurston to the U.S. Government.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

CRITERIA FOR AMBASSADORS

Senate bill

The Senate bill declared the sense of Congress that "the position of United States Ambassador to a foreign country should be accorded to men and women possessing clearly demonstrated competence to perform ambassadorial duties. No individual should be accorded the position of U.S. ambassador to a foreign country primarily because of partisan political activity or financial contributions to political campaigns."

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate version, except for deletion of the words "partisan political activity or."

CONSULATE IN GOTHENBURG, SWEDEN

Senate bill

The Senate bill declared the sense of Congress that the Consulate in Gothenburg should be reopened, and also authorized funds for that purpose.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate version.

AGRICULTURAL ATTACHÉ IN CHINA

Senate bill

The Senate bill declared the sense of Congress that the President should establish an Agricultural Attaché in the People's Republic of China.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

ACDA STUDY REGARDING IMPACT OF ARMS CONTROL MEASURES UPON MILITARY EXPENDITURES

Senate bill

The Senate bill earmarked "not to exceed" $1,000,000 for a study regarding the impact on military expenditures of Soviet-American arms control agreements and required a report to Congress on the study by July 1, 1976.

House amendment

The House bill in slightly different language also earmarked "not to exceed" $1,000,000 for the same study but differed by requiring a report to Congress every 3 months.

Conference substitute

The conference substitute requires the same study with periodic reports and a final report by December 31, 1976. The conferees note their intent that this study be funded from a supplemental appropriation, authority for which is contained in this bill, rather than from the Agency's already programed and appropriated research budget.

ACDA STUDY REGARDING DEVELOPMENT OF NUCLEAR SAFEGUARD TECHNIQUES

Senate bill

The Senate bill stated that "not to exceed" $440,000 shall be available for research by ACDA, in consultation with the International Atomic Energy Agency (IAEA), with respect to nuclear safeguard techniques.

House amendment

No provision.

Conference substitute

The conference substitute is essentially the same as the Senate version but with deletion of the phrase "not to exceed;" the intent of the conferees being to indicate why an increase of $440,000 was authorized for the ACDA budget but to avoid placing any ceiling on useful research in this vital area.

AVAILABILITY OF ARMS CONTROL INFORMATION TO ACDA AND CONGRESS

Senate bill

The Senate bill established the requirement that ACDA receive full and timely information from any government agency preparing any legislation or budgetary proposal for—

"(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities or military vehicles designed or intended primarily for the delivery of nuclear weapons; or

"(2) any other program which such government agency and the [ACDA] Director agree may have a significant impact on arms control and disarmament policy or negotiations."

The Senate bill also required that a complete impact statement be submitted to Congress in connection with any program described above.

House amendment

The House amendment established a similar requirement but for programs of this description:

"(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to armaments, ammunition, implements of war, or military facilities, having—

"(A) an estimated total program cost in excess of $250,000,000 or

"(B) an estimated annual program in excess of $50,000,000 or

"(2) any other program which such government agency or the [ACDA] Director believes may have a significant impact on arms control and disarmament policy or negotiations."

The House amendment also required that a complete impact statement be submitted to Congress in connection with any program described above, except that statements on programs in paragraph (2) need be submitted only when such programs are found by the National Security Council to have a significant arms control impact.

Conference substitute

The conference substitute combines the two versions so as to require that ACDA receive such full and timely information on all programs described in paragraph (1) in the Senate version and paragraphs (1) and (2) in the House version. The conference substitute also requires the submission to Congress of impact statements on all such programs, with the same exception for programs described in paragraph (2) of the House version.

CONSULTATION OF ACDA DIRECTOR WITH CONGRESS

Senate bill

The Senate bill stated, with regard to the programs on which an impact statement has been submitted, that—

"Upon the request of the Committee on Armed Services of the Senate or the House of Representatives, the Committee on Appropriations of the Senate or the House of Representatives, the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House of Representatives or the Joint Committee on Atomic Energy, the Director shall, after informing the Secretary of State, advise such committee on the arms control and disarmament implications . . ."

House amendment

The House amendment stated, with regard to the programs on which an impact statement has been submitted, that—

"Upon the request of any appropriate committee of either House of Congress, the Director shall, after informing the Secretary of State, advise the Congress on the arms control and disarmament implications . . ."

Conference substitute

The conference substitute is the same as the Senate provision.

ACCESS TO CLASSIFIED INFORMATION

Senate bill

The Senate bill authorized the ACDA Director to grant access to classified information to contractors on the basis of a security clearance granted by the Department of Defense.

House amendment

The House amendment provided the same authority using briefer language.

Conference substitute

The conference substitute is the same as the House amendment.

ACDA PUBLIC INFORMATION ACTIVITIES

Senate bill

The Senate bill amended section 49(d) of the permanent ACDA legislation as follows: "Except as may be necessary to carry out the purposes of this Act specified under section 2(c), none of the funds herein authorized to be appropriated shall be used to pay for the dissemination within the United States of propaganda concerning the work of the United States Arms Control and Disarmament Agency."

House amendment

The House amendment repealed the section entirely.

Conference substitute

The conference substitute is the same as the House amendment.

MODIFICATION OF FISCAL YEAR 1975 AUTHORIZATION FOR FOREIGN SERVICE BUILDINGS

Senate bill

No provision.

House amendment

The House amendment shifted $7 million in fiscal year 1975 authorizations among geographical regions without increasing the overall authorization amount.

Conference substitute

The conference substitute is the same as the House amendment.

COMPLETION OF 1974 CONTRIBUTIONS TO UNESCO AND THE INTERNATIONAL CIVIL AVIATION ORGANIZATION (ICAO)

Senate bill

The Senate bill authorized the completion of 1974 contributions to UNESCO and ICAO, notwithstanding that the 25 percent limitation would be exceeded.

House amendment

The House amendment provided the same authorization, but only for ICAO.

Conference substitute

The conference substitute is the same as the House amendment.

EXCEPTION FOR PAYMENTS TO INTERNATIONAL PEACEKEEPING ACTIVITIES

Senate bill

The Senate bill authorized the addition of "international peacekeeping activities" to those items which are exempted from general percentage limitations governing contributions to international organizations.

House amendment

The House amendment provided the same authorization, but in different language.

Conference substitute

The conference substitute is the same as the Senate provision.

ANNUAL CONTRIBUTION TO THE INTERPARLIAMENTARY UNION (IPU)

Senate bill

The Senate bill raised the ceiling on the annual U.S. contribution to the IPU from $120,000 to $170,000.

House amendment

The House amendment changed the ceiling on the annual U.S. contribution to IPU from $120,000 to 13.61 percent of the IPU budget, providing that the American group has approved such budget.

Conference substitute

The conference substitute is the same as the House amendment.

HOUSE DELEGATION TO IPU

Senate bill

No provision.

House amendment

The House amendment stipulated that there shall be not to exceed nine delegates from the House to each Conference of the Interparliamentary Union. Such delegates are to be appointed by the Speaker of the House, not more than five of whom may be of the same political party.

Conference substitute

The conference substitute is the same as the House amendment.

SENATE DELEGATION TO IPU

Senate bill

The Senate bill provided that two of the Senate delegates shall be members of the Committee on Foreign Relations.

House bill

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

VOA CHARTER

Senate bill

The Senate bill amended the United States Information and Educational Exchange Act by adding a statement of principles to govern radio broadcasts by the Voice of America.

House amendment

No provision.

Conference substitute

The Conference substitute omits the Senate provision. The conferees note that this item was deleted without prejudice to its subsequent consideration in connection with a bill authorizing appropriations for the United States Information Agency.

STANDARDS AND LIMITATIONS RELATING TO APPOINTMENTS TO THE FOREIGN SERVICE RESERVE

Senate bill

The Senate bill amended the Foreign Service Act to require the Secretary to establish procedures incorporating merit-hiring principles into the selection and promotion of Foreign Service Reserve Officers and their conversion to career status.

The Senate bill also authorized an exception to such procedures for the hiring of FSR's to serve in policy support or confidential employee positions, but limited the number of such persons to fifty beginning October 1, 1976.

House amendment

No provision.

Conference substitute

The Conference substitute omits the Senate provision.

FOREIGN SERVICE ASSIGNMENTS TO PUBLIC ORGANIZATIONS

Senate bill

The Senate bill made several changes in existing law concerning the domestic assignment of Foreign Service Officers in State or local government, public schools, community colleges or other public organizations:

(1) Expanded required participation from "at least 50 FSO's per year" to "all FSO's sometime before their fifteenth year of service." (Applied only to FSO's reaching their 10th year of service after October 1, 1975, thus allowing for a phase-in of the program. Secretary may exempt individual FSO's from requirement with determination of national interest.)

(2) Included Congress in the assignments authorized, while limiting this to 20 percent of the program and prohibiting assignments to the foreign affairs committees.

(3) Required Secretary to report annually on actions under this authority (report to include explanation of any exemptions).

(4) Allowed assignments anytime before 15th year. (Existing law requires assignments to be made between 8th and 15th year of service).

(5) Allowed assignments to be longer than one year, if appropriate. (Existing law specifies one year).

(6) Allowed reimbursement for FSO's services. (Existing law in effect prohibits reimbursement.)

(7) Expanded area to include U.S. territories and possessions.

(8) Allowed FSO's to state a geographical preference. (Existing law prohibits.)

(9) Assignment shall be counted as time toward selection out. (Existing law states that time shall not be counted.)

House amendment

The House amendment also made changes in existing law, but instead:

(1) Changed required participation from "at least 50 FSO's per year" to "a substantial number."

(2) Included Congress in the assignments authorized, without any limitations.

(3) Did not require a report on actions taken under this provision.

Conference substitute

The conference substitute is essentially the same as the House amendment, with the addition of the reporting requirement from the Senate version and the limitation of 20% with regard to such assignments in the Congress.

FSO AFFIDAVITS

Senate bill

The Senate bill eliminated certain recurring affidavit requirements.

House amendment

The House did the same, using slightly different language.

Conference substitute

The conference substitute is the same as the House provision.

WITHIN-GRADE SALARY INCREASE

Senate bill

The Senate bill made certain technical changes regarding the timing of within-grade salary increases.

House amendment

The House amendment did the same, using more explicit language.

Conference substitute

The conference substitute is the same as the House provision.

FOREIGN SERVICE GRIEVANCE PROCEDURE

Senate bill

The Senate bill amended the Foreign Service Act to establish a grievance procedure for officers and employees of the Service and their survivors.

House amendment

No provision.

Conference substitute

The conference substitute is a modification of the Senate provision. The modified language embodies a procedure agreed to by negotiators from the State Department and the American Foreign Service Association.

PREDEPARTURE LODGING ALLOWANCE

Senate bill

The Senate bill authorized the payment of a lodging allowance for Foreign Service employees for the period just prior to an overseas assignment.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

AUTHORITY TO CARRY FIREARMS

Senate bill

The Senate bill authorized selected security officers of the State Department and Foreign Service to carry firearms under regulations to be established by the Secretary. Regulations are to be submitted to Congress at least 20 days before they take effect.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

PLAN FOR IMPROVING THE FOREIGN SERVICE

Senate bill

The Senate bill stated the sense of Congress that the proliferation of personnel categories within the State Department and the USIA "has resulted in a personnel system susceptible to inefficiency, inequity, and abuse," and requires the Secretary to transmit to Congress a comprehensive plan for reforming the system within 120 days.

House amendment

No provision.

Conference substitute

The conference substitute omits the Senate provision. The conferees note that, in lieu of the enactment of this provision, the State Department provided assurances to the conferee that a report on personnel system improvements would be submitted to Congress within 120 days.

DEATH GRATUITIES

Senate bill

No provision.

House amendment

The House amendment extended current death gratuity benefits to include consular agents and U.S. representatives to international organizations.

Conference substitute

The conference substitute is the same as the House provision.

MIA'S

Senate bill

The Senate bill required the President to direct the U.S. Ambassador to the United Nations to insist that the U.N. take steps to obtain an accounting of MIA's in Southeast Asia and further required the President to report to Congress concerning such actions in the U.N.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate provision.

INDIAN OCEAN

Senate bill

The Senate bill stated the sense of Congress that the President should seek to enter into negotiations with the Soviet Union to achieve an agreement limiting the deployment of U.S. and Soviet military forces in the Indian Ocean and littoral countries, and required a report to Congress on such efforts by July 1, 1976. The Senate bill also required the President, not later than November 1, 1975, to transmit to the Congress a detailed report containing certain information about the U.S. Government's actions with regard to the island of Diego Garcia.

House amendment

No provision.

Conference substitute

The conference substitute omits the Senate provision. The conferees noted that the report to Congress on Diego Garcia had already been supplied.

THOMAS E. MORGAN,
CLEMENT J. ZABLOCKI,
WAYNE L. HAYS,
L. H. FOUNTAIN,
DANTE B. FASCELL,
CHARLES C. DIGGS, Jr.,
WILLIAM S. BROOMFIELD,
PAUL FINDLEY,
JOHN H. BUCHANAN,
Managers on the Part of the House.

JOHN SPARKMAN,
MIKE MANSFIELD,
FRANK CHURCH,
STUART SYMINGTON,
CLAIBORNE PELL,
HUBERT H. HUMPHREY,
CLIFFORD P. CASE,
JACOB K. JAVITS,
HUGH SCOTT,
Managers on the Part of the Senate.

FURTHER TRIBUTE TO JUSTICE WILLIAM O. DOUGLAS

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, I am proud to have the privilege of joining our distinguished Speaker and other eminent colleagues in paying tribute to Mr. Justice William O. Douglas. It has been the privilege of my wife and myself to have had and enjoyed a valued and close friendship with Justice Douglas since the time when he was a member of the Securities and Exchange Commission.

As a Member of the Senate I was privileged to vote for his confirmation as a Justice of the Supreme Court.

All through those years it has been a high privilege for me as an American, and for 27 of those years as a Member of the Senate or House, to observe the manner in which this great jurist, this compassionate man, this eminent American has performed the duties of a member of the Supreme Court of the United States. To a brilliant mind he added learned preparation and diligent study all through his life.

His opinions were always deserving of the highest intellectual commendation because of their competence. However, perhaps what Mr. Justice Douglas will be most remembered for is the fact that he interpreted the law as being the servant of the people rather than the people being the servant of the law. As the Bible says, "the Sabbath was made for man and not man for the Sabbath."

All through those years, Mr. Justice Douglas worked very closely with a former member of the Supreme Court, another great Justice who passed away not long ago, Mr. Justice Black, and with other of his liberal-minded colleagues who are still on the Court.

The law today in America which Justice Douglas helped to establish makes America better. The people of this country have greater rights and privileges and are more assured of liberty than would be the case had it not been for the work of Mr. Justice Douglas on the Supreme Court. He is a man of great richness of background, a man widely traveled, and deeply experienced in the things that are meaningful and close to the people.

The gallant fight Mr. Justice Douglas has made to stay on the Court and carry on his great work commands the admiration of the country.

Mr. Speaker, I shall say more in the special order when that privilege presents itself, but I would like to say that I know of no man more deserving than Mr. Justice Douglas of the encomium paid by Antony to the fallen Brutus on the field at Philippi when he said, looking at Brutus: "His life was gentle, and the elements so mix'd in him that Nature might stand up and say to all the world, 'This was a man.' "

MAJORITY LEADER THOMAS P. O'NEILL, JR., SAYS THE PRESIDENT'S "ROAD TO RECOVERY" IS AS FUNNY AS THE "ROAD TO RIO"

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, a lot of Republicans in West Virginia paid a hundred dollars this week to hear President Ford take credit for the Democratic economic recovery program.

He also told his audience that Republicans at long last have caught up with the needs of the people on major issues. I will have to see that to believe it. In my entire career, I have never seen Republicans closer to the people than about 20 years behind.

To hear President Ford talking about his "road to recovery" is as funny as the "Road to Rio" or those other "road" movies that Bob Hope and Dorothy Lamour made back in the 1940's.

This talk about recovery is coming from a President who is on the verge of breaking all records for negativism in the White House. You can bet that he was not talking to any of the 8 million unemployed at that banquet. You can bet he was not talking to anyone who had suffered from his vetoes of jobs legislation, and housing, and health, and other legislation for the people.

Economic recovery in this country has proceeded in spite of—not because of—the policies of President Ford.

APPOINTMENT OF CONFEREES ON H.R. 8841, FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT EXTENSIONS

Mr. FOLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Washington? The Chair hears none, and appoints the following conferees: Messrs. FOLEY, POAGE, DE LA GARZA, VIGORITO, JONES of North Carolina, JONES of Tennessee, MELCHER, WAMPLER, SYMMS, and KELLY.

THE NEWLY ELECTED PRESIDENT SHOULD NOMINATE THE PERSON TO FILL THE U.S. SUPREME COURT SEAT LEFT VACANT BY RESIGNATION OF MR. JUSTICE DOUGLAS

(Mr. RIEGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RIEGLE. Mr. Speaker, I rise to raise a point that I think is an important one for everybody to consider.

It flows from the sad decision yesterday of Supreme Court Justice Douglas to resign his Supreme Court seat. I feel very strongly that this Supreme Court seat ought to be left vacant until a new President can be elected in November of next year. I say that because I think we all recognize that this is, in effect, the swing seat on the Supreme Court.

We are less than a year away from a Presidential election. The people of the country have not had an opportunity to express themselves one way or another on the President whom we presently have. I think it is very much in the interest of the country that we allow the Presidential election to go forward so as to allow the people of the country, in their wisdom, to decide whom to select as the next President, who, I think, ought then to be the person to bring forward a nomination for this vacant seat.

Some will argue that we ought not to leave that seat vacant. I disagree. We have had times in the past when, for one reason or another, illnesses or another circumstance, we have had the Court at less than full strength. But the person who will fill the Douglas seat is an issue that is absolutely critical with respect to the long-term national interests of this country. Anyone named at this time could well serve for 20 or 30 years. Therefore, this impact goes on for a long, long time.

I, for one, feel very strongly that we ought to leave this seat vacant until the people of the country can select a President of their own choice.

This is not a partisan matter with me; I would hold the same view if we had an unelected Democratic President under equivalent circumstances, and the next Presidential election was less than a year away.

I believe we ought to establish this as a matter of philosophy right now before any names get advanced, because, no matter who is selected, I feel personally that they ought not to be put into that seat because I think this is an issue that should be left to the country. The country can decide that in the forthcoming Presidential election. I think that is the way it ought to be handled.

THE PRESIDENT CAN SET THE TONE OF THE SUPREME COURT AND NATION

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, I could not let this occasion pass without observing that one of the fundamental principles ingrained in the tradition of this country is that we are a nation with a government of laws and not of men. I want to express my hope that the President will fill the vacancy on the Supreme Court immediately.

In the strongest possible terms I would also hope that the President would find it necessary to appoint not just a person who has the qualities of a good jurist but one who will also have a firm adherence to the view that our courts should be the arbiters of the law and not legislative bodies.

I fully acknowledge that it is a Presidential prerogative to make this choice and the right of the other body to advise and consent to that nomination. But as representatives in the people's Chamber, I think it is incumbent upon everyone of us to express the concern of the people we represent. Those concerns include a national opposition to judicial actions which amount to social experimentation, denials of legislative intent as expressed in the acts of Congress, permissiveness toward criminal elements and intrusions into the political field well beyond the jurisdiction the Constitution assigned to the Federal courts.

The next appointment made to the Supreme Court by the President will indeed have serious ramifications for the future of our Nation, our people and the Court itself. That is why I hope the nominee will set the tone for the Court in years to come and will not return it to the judicial activism of the past which I believe to be the source of many of our current and most devisive national problems.

PRESIDENT'S PROPOSAL ON THE BUDGET

(Mr. JOHN L. BURTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JOHN L. BURTON. Mr. Speaker, and Members of the House, yesterday there was a lot of chitchat in this Chamber that dealt somewhat with the proposal of the President for a $28 billion tax cut in return for a $28 billion budget cut.

I would like to call the attention of the Members to the estimated effect on the economy of the President's proposal as outlined by the Congressional Budget Office.

In the third quarter of 1976, right before the election, the gross national product would be up $10.5 billion; unemployment would be down two-tenths of 1 percent; by 1977, after the election, the gross national product would be down $32.9 billion; unemployment would be up five-tenths of 1 percent.

We know that one-half of 1 percent unemployment means an $8 billion deficit in the budget. The really long run, bottom line of the President's plan, according to the Congressional Budget Office shows how worthwhile it might be in the battle to fight inflation, by 1980 the net effect of the President's package might be to reduce the inflationary rate by roughly two-tenths of 1 percentage point below where it would otherwise be. I think this is something we all should know when we are engaging in chitchat about the President's proposal.

I am reserving judgment on his proposal, but, at first blush, it seems to be somewhat not too fiscally responsible.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 696]

Abzug
Andrews, N.C.
Andrews, N. Dak.
Ashley
Bell
Burton, Phillip
Cleveland
Conable
Conyers
Dellums
Dent
Diggs
Esch
Eshleman
Fary
Foley
Ford, Mich.
Fraser
Goodling
Hawkins
Hébert
Jarman
Karth
Leggett
Lujan
McClory
McEwen
Mathis
Matsunaga
Mosher
Nichols
Pickle
Pritchard
Rees
Rhodes
Rosenthal
Runnels
Scheuer
Teague
Udall
Van Deerlin
Waxman

The SPEAKER. On this rollcall 391 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE MOTOR CARRIER REFORM ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-307)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Public Works and Transportation and ordered to be printed:

To the Congress of the United States:

Throughout our history, an effective transportation system has played a vital role in promoting the economic growth and development of this Nation. Yet, over the years in response to a variety of economic and political pressures, the Federal Government has become increasingly involved in the management of our transportation industries. We have built up a patchwork of economic regulation which shapes and controls competition in industries which are naturally competitive. As a consequence, these industries have come to rely on regulation to protect them from meaningful competition. It is now clear that this patchwork regulatory structure has not kept pace with changes in the industry and the economy. We have permitted regulation designed in theory to protect the public interest to become in practice the protector of special industry interests.

I have observed a growing public and congressional concern over the need to eliminate outdated regulation and to restore our regulatory system to its original purpose of serving consumers. In response to this concern, I have sent two previous transportation proposals to the Congress. Today I am sending to the Congress the Motor Carrier Reform Act which will modernize the regulation of another major transportation industry.

Like the Railroad Revitalization Act and the Aviation Act of 1975 which are already before the Congress, the basic thrust of this proposed motor carrier legislation is to improve performance of our transportation industry by replacing Government regulation with competition. Together, these three bills will produce a regulatory system that responds to the needs of the consuming public instead of to the interests of the regulated industries.

Under the current regulatory system, carriers, shippers and passengers alike are confronted with a web of Government restrictions and regulations which discourage innovation, promote inefficient transportation service and artificially distort rates and fares. The prices of many consumer products are higher than necessary because Government regulations and restrictions permit price fixing and produce inefficiencies such as empty backhauls and circuitous routing. Too often bus passengers pay higher fares because the Federal Government sanctions efforts by a few firms to block the entry of new companies into the market. Archaic and artificial regulatory constraints also force unnecessary usage of significant quantities of energy and other valuable resources.

This legislation will benefit American consumers in several ways. For example, it will have a direct effect on the traveling public by encouraging a greater variety of bus transportation services at a wider range of prices. Also, it will enable interstate household moving companies to be more responsive to customer needs and give the public a choice of services. Individuals who want quick moving service and are willing to pay a premium will be able to do so. Others who prefer to pay less for moving services that are not so immediate will find such alternatives available.

These are two examples of how the bill will benefit consumers directly. Other less viable results will have an even greater impact. For example, the bill will provide trucking firms with more freedom to adjust prices to meet market conditions. It will remove artificial entry barriers and encourage new companies to enter markets and to compete on the basis of innovative services and lower prices. It will allow smaller trucking firms—owner operations and contract carriers—to compete more effectively and to grow in response to normal market demand. It will strengthen the common carrier system and enable small businesses to better meet their transportation needs. Such actions will enable some manufacturers to lower the costs of distributing goods and thereby help reduce consumer prices. The removal of uneconomic restrictions on the goods and commodities a truck is permitted to carry and the specific routes it must travel also will help eliminate wasteful energy consumption and avoid empty backhauls which raise prices unnecessarily.

In summary, the bill will reduce or eliminate many of the inefficiencies which have crept into the motor carrier industry during 40 years of regulatory control. Where regulation is acknowledged as necessary to protect the public interest, the bill will streamline and improve such regulation. For instance, the bill eliminates gaps in present safety enforcement statutes to improve the already high overall safety record of the motor carrier industry .

The importance of regulatory reform to improve our transportation system cannot be overemphasized. I urge the Congress to give this measure serious consideration at the earliest possible date.

GERALD R. FORD.

THE WHITE HOUSE, *November 13, 1975.*

INCREASE OF TEMPORARY LIMIT ON PUBLIC DEBT UNTIL MARCH 15, 1976

Mr. ULLMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. ULLMAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10585, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Oregon (Mr. ULLMAN) will be recognized for 30 minutes, and the gentleman from Pennsylvania (Mr. SCHNEEBELI) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, again we are before the House with legislation extending the debt limitation. I think most Members know that the present debt limit of $577 billion expires on Saturday at midnight, on November 15. At that time, the present debt limit will revert back to $400 billion.

The bill before us raises the limitation to $595 billion for the period through March 15, 1976. This represents a temporary debt limitation of $195 billion, or $18 billion above the present limitation.

In arriving at this level, we have taken $72 billion as the estimated deficit for the fiscal year 1976. The deficit reported by the Budget Committee in the second concurrent resolution on the budget and passed by the House initially was this same $72 billion. However, the House increased this total by $1.2 billion before passing the resolution.

With a $6 billion operating cash balance, which is minimal, the committee analysis indicates that, given a deficit of $72 billion the statutory debt will be $586 billion at the end of February. In the first 2 days of March, the debt, because of the pattern of collections and expenditures, will be increased significantly. In the first 2 weeks of March of this year, the outstanding debt increased by about $8 billion. This pattern is expected to be repeated again next year in the first 15 days of March, which indicates a statutory debt level of $594 billion March 15. The increase in the budget resolution of $1 billion will still make this total within the limit of $595 billion by the middle of March. It is the committee's view that this increase is required if the debt limitation is to last until March 15.

However, this bill does come to the floor of the House under an open rule, and if the House is not satisfied with this debt level, the House is perfectly free to work its will and change the amount of the period of time for extension.

Mr. Speaker, I do want to indicate the seriousness of failing to extend the debt levels at this time. The immediate result will be that as of midnight Saturday, the legal limit will fall to $400 billion. As a result, no debt can be issued by the U.S. Government or its agencies until the outstanding debt has fallen below the $400 billion level. Given the present level of the outstanding debt, this will take a long time unless we extend the debt limit now.

Generally, when the Federal Government is faced with a debt limitation crisis it has sufficient funds in its operating cash balance to cover any payments which must be made for a period of several days. This month, however, it may not be possible for the Treasury Department to meet its Federal obligations even through this next Monday, November 17, in the absence of special contingency arrangements being made in advance. On that day, about $7.3 billion of outlays for program expenditures and maturing debt will be required. Cash balance has varied from $4½ billion to $5 billion this month and if the level does not change appreciably, this cash balance will not be big enough to meet next Monday's demands.

Outlays that will be required on Monday, if there are enough funds on hand, include interest on the public debt, civil service payrolls, postal payrolls, Federal highway construction payment, medicare, medicaid, public assistance programs, unemployment compensation, Postal Service money orders, and food stamps. Additional outlays must be made daily for most of these programs.

Savings bonds, as the Members know, also come under the debt limit, and this means that sales of bonds, including those sold through payroll savings plans, will be suspended after Saturday. Social security contributions could not be invested in the public debt as required by law after that date.

I think the Members can see from this list that by this weekend we will be in a desperate fiscal situation.

I realize that many Members do not like to vote for a debt limitation. I realize also that Members probably will refuse to vote for the debt limitation because of their desire for the expenditure limitation. I just hope that those who take either of those views realize that they cannot avoid the responsibility for the effect on the Federal Government if we do not extend the debt limitation in one form or another.

Voting against the debt limitation really is not a vote for fiscal responsibility as many Members like to assume. Instead, it is a vote for fiscal irresponsibility. It is a vote to say that after obligations have been acquired we will refuse to permit their payment. This is not a matter of whether the individual Members voted for the various obligations. It is simply a matter of recognizing the inescapable fact that the Congress as a whole voted to incur, and the President has gone along with, these obligations, and that jointly, therefore, we all have the responsibility to see that these obligations are met.

My good friend, the gentleman from Oregon (Mr. DUNCAN), stated it very well. He said the time to think about the economy is when you are looking at the menu and not when you are presented with the bill. And that is our situation here today.

I ask the Members to vote for an extension of the debt limitation whether or not they are satisfied with the Federal Government's spending level. Those who vote against the debt limitation cannot avoid responsibility for what occurs after Saturday night in the fiscal affairs of the Government. No matter what their opinion, it is the responsibility of every single Member of Congress to make sure that this Government meets its fiscal obligations.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Mr. Chairman, I will be very happy to yield to the distinguished chairman of the Committee on Appropriations, my friend, the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, there is no special reward provided to those who rise in support of this legislation, but we must all, as I see it, recognize that the legislation must be passed. When we create obligations, we create the necessity for fulfilling those obligations.

I do not see that we have any alternative whatever other than to support the chairman of the Committee on Ways and Means and the members of his committee with respect to this legislation before us today. It is absolutely urgent and necessary. Whether a Member, as I see it, thinks of himself as a liberal or thinks of himself as a conservative, he must, it seems to me, in good conscience support this legislation.

Mr. Chairman, I want to declare myself in support of the gentleman's position.

Mr. ULLMAN. Mr. Chairman, I thank my friend, the chairman of the committee.

Let me just conclude by saying that in view of the New York crisis, there is a great deal of skepticism around the world about the fiscal solvency of parts or of all of this Federal Government. If we in fact refuse to extend the debt limit and we in fact stop paying our bills as of next Monday, there will be worldwide consequences and reverberations that will do great disservice to this great Nation.

Mr. Chairman, I hope that we will live up to our responsibilities.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, I thank my distinguished colleague, the gentleman from Oregon (Mr. ULLMAN) for yielding.

I agree with what the gentleman from Oregon (Mr. DUNCAN) has had to say, that the time for economy is when one looks at the menu rather than after one gets the check. I have been voting for debt ceiling increases for a long, long time purely on that basis, and more often than not I have felt that some of those Members who were voting against the increases were really responsible for the demand which produced the need for an increase in the debt ceiling.

But, Mr. Chairman, we must pay our bills. I am one of those Members who even yesterday, because I voted for it in committee as a member of this committee, voted against the previous question because I thought and still do believe that at some point the minority is entitled to get a vote to satisfy the public hue and cry in this country on the issue as to whether or not we will have an expenditure ceiling.

This is a decision from my point of view for the Congress to make. I just want us to produce the machinery by which we can get that vote, but I am not going to vote this debt celing down today under these circumstances to produce that vote, and I am going to support this debt ceiling increase. I am going to try to provide for the spending ceiling vote in some other way, and I am going to support this proposal today.

Mr. ULLMAN. Mr. Chairman, I thank my colleague on the committee, the gentleman from Louisiana (Mr. WAGGONNER), for his support.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, the gentleman from Oregon (Mr. ULLMAN) suggested in the course of his remarks, to which I listened very closely, that 217 Members of the House of Representatives are irresponsible, because that, I believe, is the number of Members who voted against the debt ceiling increase only a week or two ago. Of course, each of us is entitled to characterize the actions of other Members.

However, in view of the fact that this pending bill has been changed little in substance, by about $2 billion, and as to its effective date by about 2 weeks, and granting to each of those 217 Members that they had proper motives and a proper concern when they voted, what is the compelling reason that they should now change that position absent this spending ceiling that has been discussed?

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 2 additional minutes.

Mr. Chairman, let me say in answer to my friend, the gentleman from Maryland (Mr. BAUMAN), that I did not label the vote as irresponsible 2½ weeks ago. There was time, there were reasons, and there was a rationale. All I am saying is that now is the crucial hour when we must face up finally to the issue as to whether 3 days from now the Government stops paying its bills.

The gentleman knows the procedures in the Congress and knows how long it takes to get legislation through. We are down to the final wire now as to whether, in fact, we can avert the fiscal crisis that would occur not only here, but throughout the country and the world if, in fact, we stopped paying our bills.

Now is the time. This is the time of reckoning, and I think the Members will come through and live up to their responsibility.

Mr. BAUMAN. If the gentleman will yield further, on this rainy Thursday afternoon, if there is a vote against this bill, would not the gentleman surmise that on Friday or possibly even on Saturday, discommoding some Members in the process, that we might come back to the floor with a spending ceiling and also have a chance to vote on that if it is voted down, as it should be, today?

Mr. ULLMAN. My judgment is that this is going to be the final vote that we are going to take before the crisis occurs. Now is the time. This is it.

Mr. BAUMAN. But surely the gentleman would not permit the country, as he just said, to ruin its full faith and credit by not meeting its obligations; is that not correct?

Mr. ULLMAN. That is why we are here now, and we are going to have the opportunity to vote on whether that happens or not. This is our final day.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ULLMAN. Yes, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for yielding.

In line with the efforts made by our friend, the gentleman from Missouri (Mr. BOLLING), yesterday to clarify the RECORD and make sure that everybody approached this in honest fashion, would the chairman perhaps not be willing to admit to the Members of this House the fact that he may have overstated just slightly the ramifications of a failure to pass a debt ceiling bill today?

The Government is not going to blow

up. The social security checks are not going to stop. The black lung checks are not going to stop.

All of those things, in fact, can continue. There are a variety of ways, as my chairman knows so well, to deal with the problem.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. ULLMAN) has expired.

Mr. ULLMAN. Mr. Chairman, I yield myself 1 additional minute.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield further?

Mr. ULLMAN. Yes, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Today I would only hope that we might have some clarification of what would happen if it is voted down. Frankly, I hope that it is voted down, but I would want the Members to fully be cognizant of the fact that the Government is not going to stop running on Saturday midnight if this is voted down.

Mr. ULLMAN. I would say to the gentleman that as of tomorrow, the cash on hand, the cash allowances will be used, and there will not be enough, from the information that we have, to cover Monday's payments, and that the payments that will have to be foregone on that day include interest on the public debt, civil service payrolls, postal payrolls, the Federal highway construction payments, payments on medicare and medicaid, public assistance grants, unemployment compensation, food stamps, et cetera. In addition, we will have all kinds of other related problems with respect to Federal spending.

Mr. SCHNEEBELI. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I doubt that there is very much to be gained by a prolonged discussion and argument on this proposed debt ceiling increase. By this time I am sure all the Members have determined their voting position. However, there are a few fundamental points to be made with respect to the proposed vote which some of us are going to make.

From our committee, on the latest debt ceiling vote which was held October 29, five of us Republicans, including myself, in the committee voted for the proposed increase at that time, but we shall probably vote "no" this time, solely because the House will not face up to the issue of a spending ceiling.

I might point out that the proposed spending limitation figure for fiscal year 1977 is a reasonable figure—$395 billion, which allows a 7-percent increase over the present year's figure of spending, which is about $370 billion. The figure allows an increase of $25 billion in spending next year over the current year.

Most of my constituents, from whom I have heard increasingly on this subject, say that a $25 billion increase in 1 year is still too much.

They ask why do we insist on delaying our decision for another 6 months? They do not understand. We have back-to-back deficits of $70 billion each for this year and next year. Just who is going to bail us out as we continue this irresponsible spending spree?

All over the country many Democratic mayors and Governors have already gotten the message and they have acted to cut spending. We have seen that in the latest general election results. Is it not about time that the message filtered through to Washington?

For our part we propose to underscore this matter of a spending limitation on every possible occasion. This is a pretty good place to start to emphasize the point.

After many years of voting in favor of a debt ceiling increase reluctantly, I personally shall change my vote, since there is no spending limitation attached to this legislation. I urge all of my colleagues to join me in voting against this bill.

Mr. Chairman, I rise in opposition to H.R. 10585, a bill to increase the temporary debt limitation until March 15, 1976, to $195 billion. With a permanent debt limitation of $400 billion, this bill would increase the overall public debt ceiling to $595 billion, $18 billion over the present limit of $577 billion, which expires on November 15.

The committee concluded that extension only through March 15, 1976, was appropriate, since there still remain many uncertainties regarding our present economic recovery, particularly as to its strength and duration, expenditure levels during the remainder of our present fiscal year, and the size of any tax reductions which might be enacted during the rest of this fiscal year. By the middle of March 1976 there should be a greater certainty regarding a number of these questions, therefore putting the Congress in a much better position to legislate with regard to an appropriate debt ceiling through the end of fiscal year 1976.

My opposition to this bill is based not upon the changes in the debt limitation which it would effect, by themselves, but upon the consistent refusal of both the Committee on Ways and Means and the Committee on Rules to enable the Members of the House to have a straight up or down vote on a spending ceiling for fiscal year 1977 in connection with this debt bill. During consideration of the tax reform bill, H.R. 10612, which the Committee reported out last week, the minority members of the committee made numerous attempts to have the sizable tax reductions contained in that legislation related to enactment of a spending limitation in fiscal year 1977 of $395 billion. In every case, the members of the majority on the committee acted to stymie the attempt of the minority to include language in any form in the tax bill relating to a spending ceiling in fiscal year 1977.

Therefore, the minority attempted another approach on this extremely important matter. Specifically, the Minority members of the Ways and Means Committee attempted to include in H.R. 10585, the debt bill before us now, language which would establish maximum budget outlays for the Federal Government in fiscal year 1977 at $395 billion. This motion was defeated within the committee on a record vote of 15 to 20, with all 12 Republicans voting in support of the motion. The committee ultimately adopted a request for a rule which stated that the chairman would be instructed to inform the Committee on Rules that the minority had requested, and the committee had no objection to, the Rules Committee making in order an amendment to be offered on the floor of the House to H.R. 10585 which would provide for a spending ceiling limitation of $395 billion for fiscal year 1977. The Rules Committee refused this minority request.

Therefore, the minority members who supported reporting out this debt ceiling bill in committee on the contingency that it be accompanied by an amendment which would permit an up or down vote on the floor of the House on the 1977 fiscal year spending limitation and that that amendment be adopted on the floor of the House do now oppose enactment of this bill.

We are familiar with all of the arguments that this is not the time to enact a spending limitation for the fiscal year ahead and that to do so at this point would seriously disrupt and hamper the new budget process.

I would answer that argument in this way. We are not at this point requesting that the Congress decide how the total spending in fiscal year 1977 is to be broken up and distributed. We are merely asking how large the overall spending would appropriately be. Clearly, now is an appropriate time to address these questions. We cannot wait for another 6 months before someone assembles all the constituent parts and pieces of various programs and then comes up with an overall spending limitation proposal which is merely the aggregate of these various proposals.

The Congress will have before it in the next several weeks tax legislation which will include substantial reductions in Federal revenues. We are facing a huge deficit in the Federal budget during the fiscal year 1976 and, whatever we do, a large deficit in the following fiscal year. The state of the economy is now uncertain. Clearly, we are in a recovery, but the extent and duration of that recovery will depend in large part on policy decisions made by the Congress. I cannot agree that a bill with regard to the overall debt limitation of the United States is an inappropriate place for consideration of these serious matters regarding spending. After all, the question of limitations on public debt is only another part of our considerations and projections regarding Federal revenues and expenditures.

We have been playing a game of deciding on expenditures and projecting revenues first and then increasing debt limits to accommodate the large deficits which follow such decisions for far too long a time. The moment has arrived when we must reverse this process. Revenue projections, expenditure limits, program selection, establishment of increases in public debt must be considered by the Congress in a coherent way. The only coherent way to consider these matters is together. Continuation of the present policy of first spending vast sums of money and then automatically increasing the limitation on the public debt, with never a serious consideration of any expenditure limitations, can only lead us further into the financial chaos already engulfing other governments, both within the United States and abroad.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the distinguished Speaker.

Mr. ALBERT. Mr. Chairman, the gentleman in the well is a very distinguished Member of the House and a very distinguished and able member of the Committee on Ways and Means and the gentleman is as aware as anyone of the singular character of the debt ceiling bill. The House passed on that issue yesterday. The debt limit must be acted on in a matter of days. It seems to me that if the Republican leadership is going to make this measure the vehicle by which anybody can include anything, then let them be prepared to include everybody's projects. I say that is the wrong way to go.

Let us try to be statesmen, let us support this bill. If we do not, it will be the responsibility of those who vote against it, not mine.

Mr. SCHNEEBELI. Mr. Chairman, may I respond to the Speaker by saying that this is the first time in a long time that we have had a chance for a positive vote on the debt ceiling. We asked for a spending limitation and we did not get the spending limitation. I do not understand why we did not because all of the American people are asking for a positive vote on this. Without that spending limitation we will not vote for the debt ceiling increase.

Mr. ULLMAN. Mr. Chairman, if the gentleman will yield, the gentleman has gone shoulder to shoulder with me before the Committee on Rules time after time fighting for a rule that will not permit extraneous matters to be added to a debt ceiling bill. This should rest on its own laurels. This is a matter of national significance and the gentleman has always stood with me. Now he is taking an exception. I hope the gentleman will reconsider his position. We are down at the wire. We will run out of funds on Saturday night. I hope the gentleman will reconsider his position and move as the gentleman has in the past to take this one clean and clear vote on it and then find some other mechanism to do what the gentleman wants done.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. Mr. Chairman, I will yield to the gentleman from Illinois in a moment but first I would like to answer that last statement of the gentleman from Oregon myself.

For the last 5 or 6 years I have voted for every debt ceiling increase, but it is about time we recognized that two back-to-back $70 billion deficits are just too much.

I would like to remind the Members of the House as to what our debt costs us, and to remind them what the interest on our debt costs us each day. We spend $100 million a day on interest on our national debt and it is about time we did something about it.

Now I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, first of all, I cannot agree with the suggestion that was made a moment ago by the distinguished gentleman from Oklahoma, the Speaker of the House (Mr. ALBERT) that by asking for a vote on a spending limitation in conjunction with a bill extending the temporary debt ceiling, that because we are requesting something extraneous to that issue that that is like putting on any Member's pet project. I think there is a clear relationship between the two.

But I have asked the gentleman to yield to me in view of what we have just heard from the distinguished Speaker and the chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN) to say that we would have one more opportunity, it seems to me, on Monday, when the chairman, if the present schedule holds, will come before the Committee on Rules once again in order to request a rule on the tax bill recently voted out of his committee.

If we could have some assurance here today that what they were unwilling to permit yesterday in conjunction with the rule that we adopted on the debt ceiling bill—if we could have some assurance from the distinguished chairman of the Committee on Ways and Means that he would permit a rule on the tax bill that would allow us to vote on the question of a spending ceiling, then I think he would stand a very excellent chance of recruiting some of the support that he desires on this side of the aisle for a positive vote on the question of extending the debt ceiling.

Mr. SCHNEEBELI. I thank my friend, the gentleman from Illinois, for his remarks.

I would like to emphasize again that we are going to underscore this issue on much legislation until we get some sort of a breakthrough and some sort of a vote on a spending limitation.

Ms. HOLTZMAN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. I thank the gentleman for yielding.

I had not meant to take the floor on this issue, but as a member of the House Committee on the Budget I am intrigued by the suggestion that we ought to abandon the process of looking at the entire budget in a rational and reasonable manner with proper procedures and come up with spending ceilings that are properly approved—that we ought to abandon that procedure and tack on an arbitrary spending figure that has not gone through any deliberative process or any hearings, and if that figure which was simply pulled out of a hat is not tacked onto this bill, that we ought to put this country into a position equivalent to bankruptcy.

I think the position taken by the President on this issue, namely, that the United States should default on its bonds is entirely consistent with the position he has taken with respect to New York City, namely, that bankruptcy is an answer to its problems. I submit it is not an answer in either case.

Mr. SCHNEEBELI. I think we discussed that subject fully yesterday. I think, also, it might be a good time for the House to give the Committee on the Budget some guidelines on how to act the next time they approach the 1977 budget. I would also like to assure my colleague that the President has promised us that in January he is going to specify exactly where he would like to have the $28 billion reduced.

I would like to emphasize this is not a spending reduction, this is only a limitation of our spending spree. If we did not do something like this, our spending next fiscal year would be 15 percent over the current year. We are trying to limit that increase to 7 percent, and this is a very reasonable approach.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Washington.

Mr. ADAMS. I thank the gentleman for yielding.

I want to assure the gentleman that there will be an ample opportunity for the gentleman and for any other Member on that side who wishes to place before the House a $395 billion ceiling for fiscal year 1977, to present that ceiling as an amendment when the budget resolution comes up next spring. He also can be assured that all of us have heard the message from the President, and we have discussed the matter with the Office of Management and Budget and the others, and we know that he wants a $395 billion limit. It is absolutely impossible for the President at this point to give us that ceiling. He can state it, but he has no basis for placing it before us. We are, therefore, no longer pressing him because we know on the budget cycle he will give us the details, because he said he is going to give us those in January. When he does, then we will look at them, and if we bring in a target from the Committee on the Budget that is not at $395 billion, then the gentleman and the others can place the ceiling.

I will just say finally we did this yesterday on the debt. The debt is already in place, because the money has been authorized or appropriated, and this resolution does nothing more than carry out the fiscal year 1976 resolution as we prepared it yesterday. The gentleman, I know, voted for the budget process. He has supported the budget process. He is a very welcome member of that committee, and he knows precisely what our problem is in trying at this point to create a ceiling for a year that will not start until October of next year.

I just want the gentleman to know we had a very difficult time putting the ceiling in for this year and we will do it next year, but let us not play games with the Budget Act by going to the debt ceiling with a figure that at the present time nobody can support. We do not know anything about it.

I hope the gentleman will reconsider.

We are talking about the Nation being able to pay its debts on Monday morning. I hope the gentleman will allow us to do it. We intend to vote for it. Regardless of whether I like the size of it or not I will vote for it and I hope the gentleman will do it.

Mr. SCHNEEBELI. My constituents wonder why I will even vote for a 7-percent increase next year and that is what we are talking about. My constituents are saying: "Why must we wait until next May to get some satisfaction out of the Congress? Why not do it now? The Congress did it on a great many things such as the pay increase. We should not have to wait that long, until May, to make up our minds on something that is self-evident."

Mr. ADAMS. The pay increase starting October 1, 1976, has not yet been decided. The gentleman can say to his constituents he is going to oppose it. He can say he feels the salaries should be reduced. Whatever position the gentleman thinks he wants to take or the President should take on the year that will start, that position can be taken long before the gentleman faces his constituents again.

Mr. SCHNEEBELI. I thank the gentleman.

Mr. CONABLE. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Chairman, I am interested in all the talk about irresponsibility on the part of the minority because of our determination to vote against the debt ceiling increase at this point and because of our frustration that we have been unable to get a vote on an expenditure limitation. In fact this body is made up two-thirds of Democrats and one-third of Republicans. It is interesting to note the great concern the majority feels for the minority party's position, and I wonder if it is possible that the majority feel they are unable to get a sufficiently responsible vote from the two-thirds of this body to pass this measure. If so, that raises interesting implications with respect to majority party rule.

We are using the only kinds of devices that are available to us if we are now able to get the kinds of votes in this body that will permit the body as a whole to work its will.

I do not know who is playing games here. The Republicans generally make up a conservative element in this Congress that vote against the sorts of things that make the debt ceiling increases necessary, and now we are being chastised for irresponsibility for our unwillingness to deliver votes when we constitute only one-third of this body.

I think this issue has got to be framed. I think the American people have got to understand who is runnnig the House of Representatives at this point. I think this tactic is the kind of tactic that will bring about that awareness, despite the fact that up to this point that has been one of the best kept secrets in this country.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield briefly?

Mr. SCHNEEBELI. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I thought I noted the gentleman from Oregon was about to respond that we would perhaps have an opportunity in the Committee on Rules on Monday to have another occasion when he might come before us and suggest the kind of rule that would give us an opportunity to vote on a spending ceiling if he is not willing to permit a vote on that question in conjunction with the debt limit bill.

I would appreciate hearing from the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Oregon.

Mr. ULLMAN. Mr. Chairman, as the gentleman already knows, the chairman has been instructed as to the rule we will request when we go before the Rules Committee Monday morning on the spending bill. That is clear. We want the rule precisely as we have it phrased. We gave an option. The option has been foreclosed.

It was foreclosed and there will be no opportunity to do what the gentleman suggests.

Mr. SCHNEEBELI. Mr. Chairman, if I may conclude the colloquy on this subject, when we in the minority asked for permission to have incorporated in a request for the rule a spending ceiling limitation, we were ruled out of order. We did not have an opportunity to present it.

At the present time, I ask the gentleman from Oregon if he has any additional speakers? I have about four or five.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, as I indicated yesterday, I have formerly supported debt increases and extensions with great regularity. But due to the fact that the majority has denied us the opportunity to vote on an expense ceiling, I intend to vote against this extension of the debt limitation.

I am disappointed that some Members of this House have accused us in the minority of irresponsible conduct in voting against the debt limit. I believe that the majority group, since it had the votes to deny the minority the chance to vote on a spending ceiling, has accepted for itself the responsibility to pass this bill. I think it is absolutely unreasonable that the majority look to this side of the aisle for any votes.

It is absolutely reasonable, on the other hand, for those of us who do stand for some sort of fiscal responsibility to ask for a spending ceiling when we are asked to extend the debt limitation.

I noticed yesterday that the majority party, almost to a Member, voted to increase the deficit for this current fiscal year. If they had enough votes to increase the deficit, they should have plenty of votes to increase the debt limitation.

It is absolutely necessary, Mr. Chairman, for us to have a spending ceiling, for we will be back again and again and again to increase the debt limitation and to extend the debt limitation.

Mr. HAMMERSCHMIDT. Mr. Chairman, will the gentleman yield?

Mr. SCHNEEBELI. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Chairman, I want to associate myself with the remarks of the gentleman who just spoke.

Mr. Chairman, as we consider this legislation to increase the temporary debt ceiling, I am thinking of how essential it is to find a mechanism whereby we can cut back on enlargements of Federal programs and limit expenditures.

My past votes have not been the cause of continual budget deficits, but nevertheless, the Congress as a whole has the responsibility—and indeed the obligation—to draw the line somewhere. I believe that we reached that point a long time ago, but I suppose it is never too late.

I intend to oppose H.R. 10585, because the majority leadership has precluded the House from considering a spending cut along with the tax legislation reported out of the Ways and Means Committee this week. The only other avenue open at this juncture, it seemed, was to request a concomitant ceiling on spending when we considered the rule on H.R. 10585. I supported this proposed $395 billion spending ceiling amendment for fiscal year 1977 to the bill. I deeply regret that such action was not forthcoming.

This would still be a $20 billion increase over outlays for fiscal year 1976. Unfortunately, there is at least that much built-in momentum even though no new programs were to be enacted by the Congress.

I echo the sentiments expressed at that time by my distinguished colleague that such a ceiling would have actually assisted us in our budget decisions next year. Language was clearly offered to insure that the ceiling would be flexible and would not restrict or bind the Budget Committee or place a hindrance on its ability to act realistically in response to new and changing circumstances, should the Nation, for example, find itself in a dire situation. I cannot help but feel that such a ceiling would actually enhance the process of developing a truly responsible national budget. The congressional budget process itself would insure that a spending limitation would be viable.

This was the time to act decisively to curtail Federal spending. In the absence of a spending cut on a tax bill or a spending ceiling here, I cannot support H.R. 10585.

Mr. Chairman, if there is one message I am receiving from the folks back home, it is simply this: Reduce or at least contain the size and cost of the Federal Government.

Obviously, the correct place to cut back on spending would have been in the tax bill we will be considering shortly on the House floor. But, since we will not be given that opportunity, I have chosen to vote against H.R. 10585 as a protest vote. I have always voted for the debt ceiling until recently, because not to do so is very much like giving your family credit cards and then refusing to face up to the fact that you have to pay the bills when they come due. Some families have to borrow money to pay their bills. So does the Federal Government.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to a member of the committee, the gentleman from New York (Mr. PIKE).

Mr. PIKE. Mr. Chairman, I have voted both ways over the course of my time in Congress on the debt ceiling. When I first got here, it used to be kind of fun to vote on it, because it was a big game we all played. When there was a Republican administration, there were those in the Democratic Party who thought it was fun to vote against increasing the debt ceiling and thereby embarrass the administration. When there was a Democratic administration, there were those members of the Republican Party who thought it was fun to vote against it.

We do not change many votes with anything we ever say on the floor here; but one day I was sitting here getting ready to play fun and games by voting against the increase in the debt ceiling and the gentleman from Arkansas, Mr. WILBUR MILLS, made a speech and the gentleman said that it just gets down to a question of whether the bills are going to get paid or not. The whole concept that increasing the debt ceiling is something which the Democratic majority is thrusting down the throats of a reluctant President at this particular time is just plain laughable. We do not want to increase the debt ceiling anymore than the President wants to increase the debt ceiling; but he knows it has to be done and we know it has to be done.

While I am very tempted to go along with the gentleman from Pennsylvania with his current mood, because it would be very popular with the folks back home, it is always wonderful to vote against increasing the national debt with the folks back home, but I think I am constrained at this particular time to not go with the fun and games, to go with the agencies of the Government which need the money, to go with the employees of the Government who would like to be paid.

I will only say that if the President does, in January, come up with $28 billion of spending cuts which he proposes, I predict that the popularity of those cuts, when we do not know what they are, will vanish with the snows in March, when we do know what they are. I predict that there will not be that overwhelming popularity for all of those cuts when the President tells us which particular rabbits he is going to pull out of the hat.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. PIKE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague yielding to me.

Is it not true, though, that many of us for years have felt that this exercise of a temporary debt increase instead of really making it permanent, is unreasonable?

Mr. PIKE. I could not agree with the gentleman more. I have marched arm-in-arm with the gentleman from California many times in responsible cuts in spending. I am embarrassed by the number of times I have voted with the gentleman from California.

Mr. ROUSSELOT. I appreciate that compliment.

Mr. SCHNEEBELI. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina (Mr. MARTIN), a distinguished member of the committee.

Mr. MARTIN. Mr. Chairman, I am one of those who, in the past, have been generally opposed to a measure to increase the debt ceiling. What point is there is having one if the Congress is merely going to increase it at will?

We have also seen in the past that there have been many successful attempts to attach the various nongermane riders to debt ceiling bills. I think now it is time to attach a germane rider in the form of a spending ceiling. To me, that is so important that I would vote for the spending ceiling even if it is attached to an increase in the debt ceiling.

But, without that discipline of a spending ceiling, Mr. Chairman, I will be content to continue to let those who voted for reducing our revenues, those who voted for increasing spending by 18 percent and those who voted for the $72 billion deficit in the budget resolution to continue to take the further responsibility of voting for the consequent increase in the debt ceiling.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. CORMAN), a member of the committee.

Mr. CORMAN. Mr. Chairman, I am reasonably certain that a majority of this House will soon vote to permit the President to borrow money to run the Government for the next four months. However, as I listened to the statement of my colleague from New York (Mr. CONABLE) whom I greatly admire, I was saddened by the thought that once again the members of the minority party will not support this measure. Once again, Republicans will evade their responsibility for allowing the Government to borrow funds to pay for already committed spending and let the majority party bear this burden alone.

All of the Members of this body know that twice a year we are called upon to place a limit on the debt ceiling. To try to attach to it an amendment calling for a cut in spending for fiscal year 1977 is both unreasonable and unrealistic. I regret that my colleagues from the other side of the aisle intend to vote to halt the Government unless they can also vote to comply with the President's politically oriented request to cut spending from a budget that he will not even submit to this body for another 2 months.

I do not believe that the Government will be stopped from paying its bills today. There are enough Democrats willing to bear the responsibility for the fiscal soundness of this Nation. But I urge my good friend from New York (Mr. CONABLE) and other members of this party to share this responsibility. I call upon him to exercise his leadership and encourage his colleagues to support the measure before us today.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Chairman, there is a certain amount of titillation provided for fiscal conservatives who see this wonderful liberal, reform 94th Congress this afternoon performing this fiscal toe dance, trying to prevent the House from working its will on a ceiling on Federal spending. At least my liberal colleagues are for once concerned about the national debt.

The gentleman from California mentioned "P.R." I took him to mean "public relations." And if I were in public relations and the 1976 congressional elections were being held, I think I would advise the opponent of one who voted against the debt limit increase only a few days ago, who then switched to vote for it without a willingness to consider the debt ceiling, to run newspaper ads, and at the top of the page to say, "Congressman X," or, perhaps, "Future Ex-Congressman," however they wanted it characterized, and say, "Does he or doesn't he?" "Does she or doesn't she?"

And that question would be followed by a discussion of those in Congress who go through the exercise of claiming themselves to be fiscally conservative and willing to listen to the wishes of the American people one week, and the next week, on substantially the same legislation, switching their votes.

I can only advise myself how to vote. I assume, unlike the gentleman from Oregon, that everybody who voted against the debt ceiling a few days ago did so on a responsible basis because they believed at least momentarily in fiscal conservativism; that they were protesting the profligate spending that has characterized this House. The measure of their dedication will again be taken today by the way they will cast their votes.

Mr. ULLMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I think all of us recognize that the responsible thing to do, indeed the necessary thing to do, is to go ahead and vote for this extension of the debt limit ceiling today.

The alternative would be for the Federal Government to be unable to pay its bills next week.

To vote against this bill today would be to put the Federal Government in a position analogous to that in which New York City currently finds itself—unable to pay its bills. Surely nobody really wants to do that.

The position being taken by many of my Republican colleagues on this issue today is that they are not going to let the Government pay its current bills because it is out of order to attach an expenditure ceiling for some future year to this legislation.

What they want to do is to attach a spending ceiling not for the current year but for another year, fiscal 1977, a year that will not begin until next October 1.

Clearly, that would be out of order, and properly so. It has no bearing on the question now before us. The question now is whether we pay what we already owe. It would seem unthinkable not to do so.

The position argued by my Republican friends would be like that of a family head refusing to pay the rent and grocery bills he already owes until he first can establish how much money he will spend in 1977. That of course would be patently ridiculous.

It has been properly said here today that the time to economize or equivocate over price is when we're looking at the menu—not after we've eaten and are presented with a legitimate bill.

The gentlemen say they want an expenditure ceiling. Very well. So do I. So do most of us. Most of us voted for one just yesterday—a more restrictive one, incidentally, than the one they demand today.

Mr. Chairman, I wonder if the gentlemen are wholly unaware that what this House did only yesterday was to adopt a binding expenditure ceiling. We adopted an expenditure ceiling for this year, this current year, fiscal 1976, and that is all we can effectively control right now.

It is a real ceiling, an enforceable ceiling. And it is some $21 billion less than the theoretical ceiling they want to suggest for 1977.

The position of the minority is clearly irresponsible. It seems to arise from the suggestion of the President that we vote a $28 billion tax cut this year, and further increase the current deficit, but make a vague promise to cut expenditures by $28 billion in 1977.

In other words, enjoy it now and pay later. Well, is not that the very syndrome that got us into the present situation, where we have to pass this measure in order to pay our bills?

The President is saying we should live up to it now, reduce the current income by a $28 billion tax cut in 1976—and then economize in 1977.

It is a little bit like the fat man who says, "Well, I am going to go ahead and live it up now. I am going to put on 28 pounds this week, but I will promise to take those 28 pounds off next week."

It is a bit like the alcoholic who says, "I'll tie on a good one this week, but that's all right, because I'll promise to quit drinking—next week."

It is a little bit like a family that would say, "Well, let's just spend it up this year. Let's go in debt $2,800 more, but we'll promise now that we will recoup that $2,800 by reducing our expenditures by that amount in 1977."

The family does not know and cannot know whether in 1977 some of its members are going to be seriously ill and incur huge hospital bills; it cannot know now what the prices of groceries and clothing are going to be in 1977. To reduce its income now on the theory that it will reduce its expenditures in 1977 by $2,800 would be thoroughly irresponsible—particularly so if, based upon that theory, it simply refused to pay the bills it already owes.

Every Member of this House will have the opportunity to vote on an expenditure ceiling for fiscal 1977, and we will do it at the proper time, under the rules, and under the procedures that we ourselves have established in our budget reform legislation.

Congress at last possesses the tools it long has needed to exercise effective control over the Federal budget. We must use those tools responsibly.

There have been times in the past when voting against increases in the national debt wese regarded by some Members as the only means of protest against the growth of deficit financing.

But that is no longer true. Congress now has the opportunity, and, in fact, the responsibility, to set a binding ceiling every year on total expenditures. We have the tools to do this in an orderly way.

Surely it is not an exercise in responsible protest to render the Government incapable of paying its bills.

Mr. Chairman, let us not cloud the issue. The issue is responsible Government. It clearly would be irresponsible not to permit the Government to pay its current bills just because it is out of order at this early time to adopt an expenditure ceiling for fiscal 1977.

We adopted a real ceiling yesterday, we did it responsibly, and it is $21 billion less than the President has asked for fiscal 1977.

Let us not play games, for heaven's sake. There has been enough game playing. We owe the money. We must pay the money. Everybody knows that is the responsible thing to do.

Mr. SCHNEEBELI. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, it was not my intention to speak on this particular bill. I think enough has been said about it already.

However, I am getting just a little bit tired of listening to the other side of the aisle preach to me about responsibility. Every time a debt-ceiling bill comes to the floor there is a big plea to this side of the aisle: "Now, fellows, we have got to be responsible and pay those debts."

I concur in that 100 percent, that we have to be responsible and pay our debts. The way that we can be responsible is to say that those who incur the debts should pay them. So you fellows, you had better get ready to pay over there. On the majority side of the aisle.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. Certainly, to my good friend, the gentleman from California (Mr. JOHN L. BURTON), I shall always yield.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman for yielding.

I could not agree with the gentleman more. I also will not vote for this because we cannot put extraneous amendments on it.

I think we ought to be able to put a jobs bill amendment on it. I think we ought to be able to put an amendment for price control on oil on it, and I think we ought to be able to stop Interior from leasing offshore oil rights to stop the industry from ripping off the public domain.

The President would have to sign this bill. This is the only veto-proof bill there is, and I think we should have some extraneous amendments put on it but not just load it up like we would a Christmas tree.

Mr. KETCHUM. Mr. Chairman, I agree 100 percent with the gentleman. I would ask my friend to talk to the majority members of the Committee on Rules about that.

Mr. JOHN L. BURTON. Mr. Chairman, I thank the gentleman.

Mr. ULLMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. BURKE).

Mr. BURKE of Massachusetts. Mr. Chairman, I am surprised that this subject matter has gotten into the political arena. My good friends on the other side of the aisle are playing Russian roulette with this issue.

The only trouble is that they are not playing the game right. In the game of Russian roulette you usually have one shell in the chamber. They have five shells in the chamber and only one empty chamber, and so when they put this gun at our heads, believe me, we know what will happen.

Mr. Chairman, I do not know whether the appeal made by our great chairman of the Ways and Means Committee to the Democrats is going to be enough to pull this bill across.

Mr. KETCHUM. Mr. Chairman, will my good friend from the 77th Division yield to me?

Mr. BURKE of Massachusetts. To my old war buddy, yes, surely.

Mr. KETCHUM. Mr. Chairman, I thank my good friend, the gentleman from Massachusetts, for yielding to me.

I wonder if my good friend will tell me how he voted on the debt ceiling bill the last time out?

Mr. BURKE of Massachusetts. Mr. Chairman, that is what I was about to explain. I voted against it, and the reason I voted against it is it was too high. But this is $2 billion less.

I admit that I am one of the "big spenders" in this House, but just on the serious side for one moment, if we think that the news of New York City defaulting on its bills will be bad news for this Nation, we can just imagine what the impact will be throughout the world if this bill goes down the drain today and Monday morning the U.S. Government is in default on its bills.

Why, that would create the most chaotic condition we can imagine throughout the world. How can you be that irresponsible? How can you do it? I do not see how any Member over on that side of the aisle can do it. How can you do it to your President?

Mr. SCHNEEBELI. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. STEIGER).

Mr. STEIGER of Wisconsin. Mr. Chairman, I thank the gentleman for yielding.

I listened with great interest to the remarks of our friend, the gentleman from Massachusetts, in terms of how he describes his own position on this bill.

Let me say to the Members of this House that I really do think the chairman of the Committee on Ways and Means and the gentleman from Massachusetts (Mr. Burke) are using a technique that ought not to be used, that is to say, that the Government, in effect, breaks down if this bill is defeated this afternoon.

It will not. The whole issue revolves around the fact that the Government of the United States, if the debt limit is not extended, cannot use debt financing. That does not mean that there are not alternatives because, in fact, there are, whether those alternatives are the cash reserves available, the Federal financing bank on, stretching out the payment of certain debts and so forth. All of those, in fact, can and, I suspect, would be used and are available.

None of the horror stories that have been brought out would, in fact, happen. I hope the Members might keep this matter in perspective today.

Mr. SCHNEEBELI. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, a vote against this bill is a responsible vote. Such a "no" vote procedurally is a responsible vote, because we are trying to say, one, this constantly increasing of the temporary debt ceiling is not a responsible position. We should make it part of the permanent debt, if that is really the true intention.

Two, as my colleague, the gentleman from Wisconsin (Mr. Steiger), has pointed out to my good colleague, the gentleman from Massachusetts (Mr. Burke), there are other alternatives besides deficit financing.

This Congress has established substantial procedures for emergency borrowing, and they are well defined. The Treasury can utilize these procedures if that is really necessary. So to argue that Government payrolls or social security checks will stop is nothing more than an unnecessary scare tactic.

The cash flow of $301 billion of revenue receipts continues. There should be no attempt, to say that we are suddenly shut off with no funds or suddenly cash short so that all payrolls will stop. That is an irresponsible charge.

Therefore, Mr. Chairman, the real responsibility, I believe, is on those who say that we must have an increase in the temporary debt ceiling because there is no alternative. The alternatives are present and available.

Mr. Chairman, for these reasons and several others, I am strongly opposed to the legislation pending before the House to increase the "temporary" public debt limit. I hope my colleagues will discontinue the basic myth that this so-called temporary debt ceiling increase is really anything more than an increase in the permanent public debt limit.

As my colleagues know, this bill would increase the temporary debt limit from $177 to $195 billion—a decrease of a mere $2 billion from the earlier proposal which was defeated by this House, October 29 by a vote of 178 yeas to 217 nays. Should this measure be accepted the combined permanent and temporary debt ceiling would be $595 billion.

Mr. Chairman, on October 29, a majority of Members of this House showed courage and fiscal restraint in defeating the Ways and Means proposal to increase the debt limit. It is my hope that their resolve to once again keep the best interests of their constituents in mind will lead them to once again say "No" to more Government spending and bigger and bigger deficits which only lead to continued inflation and recession.

Recently, my colleague from California (Mr. Moorhead) inserted in the record the results of a poll conducted by two leading newspapers in the Los Angeles area, the Glendale News-Press and the Burbank Daily Review. The question was asked, "Do you favor a constitutional amendment making it compulsory for Congress to balance the Federal budget?" It does not surprise me that of the 1,130 respondents, 1,100 answered with a resounding "yes." My own constituents have been telling me for years that they believe the Federal Government should learn to live within its means and I have voted accordingly on big spending bills and other proposals which increase Federal expenditures and contribute further to the "unbalancing" of the budget.

Included in my last Washington Report to my constituents was a public opinion poll which allowed the respondence to express their views on several Federal programs such as food stamps, consumer protection, defense spending. The overwhelming number of those responding to the poll favored the reduction of expenditures in most areas and the elimination of spending in several areas. I also included a question on Federal deficit financing. I believe the results of this particular question will be of interest to my colleagues:

[In percent]

Is Federal deficit spending:	
(a) Necessary to the economy?	6.3
(b) Detrimental to the economy?	82.3
(c) Necessary to help prevent unemployment?	3.5
(d) No opinion	7.9

Surely, a total of 82.3 percent opposing deficit spending is fairly conclusive. I would submit to my colleagues that if such a poll was taken in each congressional district the result would be very much the same. The American taxpayer is fed up with the irresponsible overspending demonstrated by this Congress and many of those previous.

It is time for this Congress to assume its constitutional obligation to manage debts and expenditures more responsibly. The past year has proven that Federal deficit spending is not good for the economy and action by Congress is long overdue to reverse this downward trend. American voters have indicated their disgust with continued Government overspending by defeating, in the recent elections, many of the tax and spending propositions put before them.

In the most recent issue of the U.S. News & World Report, an article on the bond issues noted that less than 10 percent of the proposed borrowing was successful at the polls. This lack of enthusiasm for Government growth and deficit spending can only be interpreted as a message for Members of Congress that the voters will no longer accept the standard "pap" that huge Government deficits can really win the fight against inflation or stabilize the economy. For years, the Congress and the administration have accepted the myth that Federal deficits are a stimulus to the economy and necessary for full employment. It is obvious that our constituents are not that naive. I commend this article to my colleagues and urge them to join their constituents in signaling an end to this era of huge deficits and congressional inability to control the pursestrings. A vote against this legislation will be a step toward true representation of the best interests of the American taxpayers.

Mr. Chairman, I urge my colleagues, the Members of the House, to once again turn down this debt increase.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York (Ms. Holtzman).

Ms. HOLTZMAN. Mr. Chairman, 2 weeks ago, I voted against increasing the debt limit because President Ford was saying, at that time, that bankruptcy was the answer to the fiscal problems of New York City. I felt that if President Ford believed bankruptcy was the solution to the deficits of New York City, then it ought to be a solution to the even larger deficits of the U.S. Government.

Now, however, we are down to the wire. If the debt limit is not increased, the U.S. Government may not be able to repay its bonds and notes. As the gentleman from Wisconsin (Mr. Steiger) said, we will have to "stretch out" the payments of bonds of the United States. In other words, if we do not pass this increase in the debt limit today, we are going to force the Federal Government into default on its obligations.

I think we have a responsibility to insure that the term "full faith and credit" means just that. I think we have to guarantee to purchasers of the bonds and notes of the United States that the United States will pay them; similarly we ought to assure purchasers of municipal obligations that they may rely on the full faith and credit of municipalities and other units of State and local government.

Bankruptcy is not the solution to New York City's problems any more than it is the solution to the problems of the U.S. Government. I will vote to increase the debt limit today and prevent a Federal default in the hope that President Ford and the Congress will recognize the need to prevent a New York default.

Mr. ULLMAN. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. Maguire).

Mr. MAGUIRE. Mr. Chairman, I want to associate myself with the remarks of the gentlewoman from New York (Ms. Holtzman). I voted against the debt ceiling when it was up the last time as a protest against the President's irresponsible policy with regard to New York City. The President is presiding over the largest budget deficit in the history of the world and I think it takes a lot of gall on his part to take the position he has taken on New York and then come here and ask us for this increase.

I think we must act today to approve the financing that is required under the commitments our Government has made.

I hope very much that the President will move quickly on the New York issue so as to permit New York to issue its own obligations and pay interest thereon without putting the Federal Government in the position of having to spend billions of dollars to provide essential services in New York after a default.

Let us insist on fiscal responsibility both in New York and at the Federal level—but let us also preserve the integrity of our financial institutions and processes and obligations.

Mr. ANDERSON of California. Mr. Chairman, I rise in opposition to H.R. 10585, a bill which would permit increases in Government borrowing of $18 billion over the next 4 months.

The measure before us would allow the public debt limit to increase to an unbelievable $595 billion, amounting to a $100 billion increase over the past 12 months. This fantastic increase in the public debt was not totally unanticipated, however. It is merely a continuation of the rapidly accelerating pattern of larger and larger Government deficits. Looking at the size of the public debt for the past 20 years, some startling observations can be made:

	Total public debt (in billions)	Increase over previous level (in billions
1947	$275	
1955	275	
1960	295	$20
1965	324	29
1967	330	6
1970	377	47
1971	395	18
1972	450	55
1973	450	
1974	465	15
1975:		
November 1974 to February 1975	495	30
February 1975 to June 1975	531	36
June 1975 to November 1975	577	46
Proposed November 1975 to March 1976	595	18

Note: 1947 to 1974 increase: $190,000,000,000. November 1974 to November 1975 increase it H.R. 10585 adopted: $130,000,000,000. (Figures tor Jan. 1st of each year unless otherwise noted). From Committee Report, 94-566.

Mr. Chairman, from 1947 to 1967, the debt limit increased by an average of less than $3 billion per year, but since 1967 the debt limit has increased at an average rate of nearly $31 billion per year. And, as I noted, the rate of increase of Government indebtedness for the past 12 months will have reached $100 billion annually.

And, the Federal Government pays out approximately $100 million per day in interest on this huge debt, amounting to nearly 10 percent of all Federal Government outlays.

What effect do these huge deficits and corresponding increases in public debt actually have on the economy?

When the Government borrows to cover its spending, just that much private investment spending is squeezed out of the market. Interest rates are forced up, making borrowing more costly for all of us. Thus, the Government's battle to do all things for all people backfires. Everyone feels the pinch of higher interest rates—the prospective home buyer, the small businessman, and the Government.

This policy of excessive spending is made even more tragic by the fact that the Federal Reserve is apparently unwilling to finance the deficits with expansions in the money supply. While the Congress was busy pumping up the economy with tax cuts this year, the Federal Reserve was apparently just as busy tightening up the credit market. The result of these contradictory actions: Unemployment remains well above 8 percent, and inflation hits an annual rate of 10 percent.

Mr. Chairman, it is clear to me that the public debt has gotten completely out of hand, nearly doubling in the past decade. I believe it is time for a return to fiscal responsibility.

I urge rejection of this proposal. A "nay" vote is a vote for fiscal sanity.

Mr. BIAGGI. Mr. Chairman, it is with extreme reluctance that I rise in support of this legislation. As one of the most consistent opponents of the relentless requests by the administration to increase the public debt, I do feel obliged to explain my reasons for supporting this bill today.

I must say that the practical realities of the situation figured into my deliberations. The distinguished chairman of the Ways and Means Committee, Mr. ULLMAN, sent a very compelling "Dear Colleague" letter this morning, describing the dire consequences if the House was unable to pass this bill today. This situation simply is that the Federal Government will run out of money sometime Monday. This would mean millions of Federal workers would go unpaid, and medicare, public assistance benefits, and food stamps would be denied to millions of others, causing untold hardships on Americans. It would have a powerfully disruptive effect on the money markets. All in all, the consequences of continuing the stalemate over the public debt would be too much to handle.

However, my support of this bill should be in no way interpreted to mean I support the Federal Government's irresponsible practices of deficit spending. It is ironic that as this administration chastises the city of New York for its fiscal policies, it has no qualms about coming to the Congress and requesting an increase of $18 billion in our public debt, bringing it to its highest point ever. The old cliche, practice what you preach, would be in order for the Federal Government in this situation.

I hope the approval of this legislation by the Congress might serve to smooth the path for the question of aid to New York. In many ways, our failure to pass this bill today would bring the Federal Government to its economic knees, in much the same position that New York City will be in, come December. None of us wants to see the Federal Government in this embarrassing condition. Neither should we want New York City to be. A vote of yea today, should be extended to the bill for New York City which we will consider very shortly. I hope that after we avert these two crises, a lesson will be learned. Excessive Federal spending must be curbed. Fiscal fortitude must be applied. I urge my fellow colleagues to vote on the basis of reason, and not party lines today. The importance to this Nation should supersede any other consideration.

Mr. PATMAN. Mr. Chairman, $93 billion of Government's money is mishandled in a way that the debt has not been canceled although fully paid for and interest at the rate of $6 billion a year is paid on this by the taxpayers. The House should realize that $93 billion of the debt ceiling which we are talking about today is the purest form of fiction.

Some $93 billion of the national debt is no debt at all. It is bonds that reside within the portfolio of a Federal agency—the Federal Reserve System—and which have been paid for once. These bonds do not represent a true debt of the United States or its taxpayers.

These bonds should be canceled. If they were, we would not be considering this legislation here today because we would need no increase in the debt ceiling.

It is regrettable that the Federal Reserve is allowed to maintain—and draw interest on—Government securities which have been paid for by the credit of the United States. This is fiscal fiction of the first order. This Congress knows this and we should have long since determined that these bonds are simply the papier mache on which the Federal Reserve's false independence rests.

This system is absurd. This system deludes the American public. This system enables the Federal Reserve to be what the Congress never intended—an agency free of control and supervision—free to thumb its nose at the Congress, at the executive branch, and the American people.

It does this Congress no credit to allow these absurdities to continue.

This fiction is maintained because the Federal Reserve has developed into a superagency with a superpowerful lobby behind it. The banking community—and its big business allies—want the Federal Reserve System to be free to serve the banking interests full-time without worrying about any public interest strictures which the Congress might insist upon. This feeling has intensified since the Federal Reserve has gained new power over the economy through the administration of the Bank Holding Company Act.

The Federal Reserve will always be able to serve the interests of the banking and big business community first so long as the Congress continues to allow the system its own independent source of funds by maintaining the fiction of these paid-up bonds.

Without these bonds, the Federal Reserve System would be like any other agency of the Federal Government. It would have no independent source of money and it would be required to come to the Congress and to undergo annual appropriations processes just like the Department of Health, Education, and Welfare; the Agriculture Department; the Federal Power Commission; the Federal Communications Commission; the Securities and Exchange Commission, and all the multitude of other agencies. Faced with this appropriations process, the Federal Reserve System would be much more careful about its decisions, much less likely to meet the demands of the big banking and big business community and hopefully more inclined to pay attention to the public interest.

More important, the Congress would be able to use the appropriations process to insist that the intent of Congress was met in the administration of banking and monetary statutes.

This committee has the power to accomplish this great public purpose and to remove the overpowering banking domination of Federal Reserve policies and administration.

Let me review the situation as it stands today. At the present time, the Federal Reserve has almost $90 billion of bonds residing in the portfolio of the Federal Open Market Committee in the New York Federal Reserve bank. These are all bonds which have been paid for by the credit of the United States. There is no dispute over this fact. Federal Reserve official after Federal Reserve official has conceded this in hearing after hearing before various committees of the Congress. The maintenance of this system—in the face of unrefuted testimony—simply means that the Congress is perpetuating a myth and is a party to an effort to delude the American public about the public debt and the operations of the Federal Reserve.

The Federal Reserve is drawing about $6 billion annually in interest on these bonds. This interest is paid by the U.S. Treasury and the money comes from funds of the American taxpayers. The Federal Reserve uses this money as a huge slush fund for whatever it desires and the Appropriations Committee has no authority to either review or to control these expenditures in any manner. The funds are not audited by the General Accounting Office, and the Federal Reserve has engaged in a well-financed and emotional campaign to lock the GAO out of the entire Federal Reserve System.

So the debt ceiling that we are considering here today is composed of at least $90 billion of outright fiction. These bonds should be retired, subtracted from the debt, and if this were done, there would be no need for the consideration of the legislation now before us.

This could be done without any harm to either our fiscal or monetary system and I hope this committee will not fall prey to the emotional outcries of those who will be simply attempting to preserve their empire at the Federal Reserve. If the Federal Reserve thinks it needs these bonds for "fiscal bookkeeping" purposes, then it should come before this committee and agree that these bonds—which have been paid for by the credit of the United States—be noninterest bearing. By making them noninterest bearing, the Federal Reserve could continue to maintain its bookkeeping fiction, but it could no longer draw the $4 billion in interest from the Treasury Department each year.

Mr. Chairman, this situation is so absurd that many people just cannot believe that the Congress would allow this to continue. The absurdity of the situation is one of the protections that the Federal Reserve System has. The average person simply cannot believe that the Congress would allow the Treasury to pay interest on bonds which have been paid for by the credit of the United States.

So to clear up the question of whether these bonds have been paid for, I want to quote from a hearing record before the Banking and Currency Committee on July 6, 1965, when the then-Chairman of the Federal Reserve Board, William McChesney Martin, was asked about this situation:

> Mr. Martin. The bonds were paid for in the normal course of business.
>
> Mr. Patman. That is right.
>
> Mr. Martin. And that is the only time they were paid for.
>
> Mr. Patman. Just like we pay debt with checks and credit.
>
> Mr. Martin. Exactly.
>
> Mr. Patman. In the normal course of business, they were paid for once. You will admit that, will you not? They were paid for once and that's all?
>
> Mr. Martin. They were paid for once and that's all.
>
> Mr. Patman. That's right.

This is very clear. Surely the Congress does not need any more evidence that these bonds should be canceled and the Treasury relieved of its obligation to pay interest.

Mr. Chairman, of course I interrogated Chairman Martin on many other occasions and received very similar replies. On December 10, 1965, I questioned Mr. Martin when he appeared before the Joint Economic Committee. The amount of bonds in the portfolio was much less at this time, but the same principle applies. I quote from these hearings:

> Mr. Patman. And every one of those notes that you trade for those bonds of the Government says on its face that it is an obligation of the United States Government.
>
> Mr. Martin. That is correct.
>
> Mr. Patman. And that is what makes it good.
>
> Mr. Martin. That is right.
>
> Mr. Patman. Now then, whenever you take that Government obligation from the Bureau of Engraving and Printing and you trade it for $24 billion worth of bonds which you have, and you have those bonds now, you draw interest on these bonds, do you not?
>
> Mr. Martin. We do.
>
> Mr. Patman. About $600 million a year; and, although you traded one Government obligation for it, you keep the bonds and you do not cancel them. They pay interest, and you use that $600 million in any way that is allowed by law, for administrative purposes in the operation of the Reserve banks. And then, of course, after all the deductions have been made, why, you pay 90 per cent of the remainder into the Treasury of the United States?
>
> Mr. Martin. That is correct.

There have been many other officials of the Federal Reserve who, like Mr. Martin, concede that these bonds have been paid for. I well remember a discussion—again before the Joint Economic Committee—that I had in 1956 with Robert G. Rouse, manager of the Federal Reserve System's open market account, and I quote:

> Mr. Patman. But the truth is, all the bonds that you have—and you have about $25 billion worth of bonds, do you not?
>
> Mr. Rouse. Something less than that; yes, sir.
>
> Mr. Patman. Every one of those bonds have been bought, not on the resources of the Federal Reserve banks, but on the credit of the Nation by exchanging Federal Reserve notes for them, have they not?
>
> Mr. Rouse. Yes; they are bought by the—out of Federal Reserve funds.
>
> Mr. Patman. No; you are mistaken there, are you not? You do not say that they are bought with Federal Reserve funds. The money is created by those bonds. Do you not understand that?
>
> Mr. Rouse. It is created—yes, indirectly.
>
> Mr. Patman. Well, directly, in other words, if you buy bonds, you must pay for them, and those $24 billion worth of bonds were paid for, but not by Federal Reserve bank funds; they were paid for by Federal Reserve notes.

Mr. Chairman, others through the years have questioned the Federal Reserve about these bonds. For example, Senator Paul Douglas, in February 1952, had the following colloquy with Mr. Martin on this point:

> Senator Douglas. When the Open Market Committee buys Government bonds, how are these bonds paid for?
>
> Mr. Martin. They are paid for by a check, by deposit.
>
> Senator Douglas. You mean that the banks, the Federal Reserve banks, create credit——
>
> Mr. Martin. That is right, sir.
>
> Senator Douglas (continuing). With which they buy Government bonds from private parties.
>
> Mr. Martin. That is right, sir.
>
> Senator Douglas. What happens to these checks which the Federal (Reserve System) draws from a created credit account? What happens to those checks?
>
> Mr. Martin. They go into the reserve account.
>
> Senator Douglas. Yes; that is the second step. What is the first step? They are given to the holders of securities; is that true?
>
> Mr. Martin. That is right.
>
> Senator Douglas. When they are deposited in the Federal Reserve System, how are they set up as a credit?
>
> Mr. Martin. To the reserve account of the bank, of the depositing bank.
>
> Senator Douglas. Does this increase the lending capacity of the banks?
>
> Mr. Martin. Under our present fractional reserve system by about a 6-to-1 ratio.

These quotes should establish for anyone that the bonds have been paid for. Mr. Chairman, these bonds—the $93 billion—represent almost 20 percent of the national debt.

It is more than we appropriate for our entire Defense Establishment and it is many times any domestic program. It is 20 times what we hear is needed to take care of New York City. It dwarfs our energy development programs, and it makes our much publicized welfare programs look like peanuts.

Mr. Chairman, these bonds should be cancelled—the same as any other paid-up obligation—and subtracted from the bloated national debt. This would reduce the debt by $93 billion and this action would leave the Federal Government with a big cushion in its debt structure. This would enable us to appropriate the funds necessary to meet the needs of our cities and rural areas. It would enable us to meet our much talked about goals of decent and sanitary housing for all Americans.

Mr. Chairman, the Ways and Means Committee could forget its debt ceiling bill if we cancelled these bonds. We would have nearly $100 billion under the ceiling to handle the public and worthwhile needs of the Nation.

Mr. ULLMAN. Mr. Chairman, I would ask the gentleman from Pennsylvania (Mr. SCHNEEBELI) whether the gentleman yields back the balance of his time? I have one additional speaker.

Mr. SCHNEEBELI. Mr. Chairman, I do.

Mr. ULLMAN. Mr. Chairman, I yield 5 minutes to conclude debate to the distinguished gentleman from Missouri (Mr. BOLLING).

Mr. BOLLING. Mr. Chairman, I approach this matter with considerable trepidation. In this discussion I have listened to the most responsible Republicans, at least in my opinion, indicate that under the circumstances they could not vote for this increase in the debt ceiling. I know a good many of them well enough so that I know that they are absolutely convinced that their vote against it is a responsible vote. I must accept that view on their part because I have known them long enough and well enough to believe that they feel entirely responsible, whatever causes them to take this position, be it frustration or protest, or whatever. This I respect. I no longer address myself to them as I did yesterday when I was arguing that the ceiling that they sought to have a vote on was unreal. I believe that $395 billion for fiscal year 1977 is wholly unreal based on the facts supplied by their own Office of Management and Budget. But that is no longer the issue. I hope that between now and the time when we will cast our votes that something will remove whatever it is that makes them feel they must vote against this increase. But I address myself only to the Democrats. Whatever it is that impels our Republican friends to take the position that they take, whether it be frustration or pressure or whatever, should not influence us.

It is true that the issue is not whether the Federal Government will collapse on Monday. It will not. The issue is whether we will dispose of this matter now or later. I think we should dispose of it now. I think we should not allow whatever it is that presses upon them to influence us. We have set up a responsible budget procedure; it has been initiated; so far it is working. It can make us responsible on budgetary affairs.

Today we are asked only will we pay the bill that we as a collective group have made come into being—as a collective group which includes Republicans, Democrats, Presidents, Members of the House, and Members of the other body. We should dispose of this issue now because our failure to do so may have a consequence that we cannot predict. There has never been a time in the history of the United States that the Congress has twice turned down an increase in the debt limit, and everybody knows that the condition of our economy depends to a very great degree on the psychological attitude of the people and the confidence of the people in the future.

The people look to us to deal in a real manner with real issues, and the issue before us today is only one thing: Will we dispose of the question, does the United States honor its bills? I beg my Democratic friends, regardless of whether they voted for or against, now or in the past, to support the passage of this increase in the debt ceiling.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That during the period beginning on the date of the enactment of this Act and ending on March 15, 1976, the public debt limit set forth in the first sentence of section 21 of the Second Liberty Bond Act (31 U.S.C. 757b) shall be temporarily increased by $195,000,000,000.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to respond to my good colleague, the gentleman from Missouri, because I think he has raised an appropriate question. That is, how do we address this issue of deficit financing, psychologically to the American people? Are we showing a sense of irresponsibility? I believe the American people in the elections just this past week answered that question very substantially when they voted all over the country overwhelmingly to turn down add-on debt to local and State government budgets. As a matter of fact, only 10 percent of all the votes for debt securities that were on city, county, and State ballots across this country were passed.

I believe we have a responsibility not to add to the present huge burden of deficit that the Federal Government already maintains. I answer my good colleague, the gentleman from Missouri, by saying the responsible vote based on the way the American people psychologically approached this issue is to vote "no." They spoke in the elections very decisively. They did it in San Francisco; they did it in Los Angeles area; they did it all over the country. They said, We no longer believe that adding so overwhelmingly to the burden of debt is a responsible way for government to act.

Let me read some excerpts from a U.S. News & World Report article of November 17, entitled "Voters Turn Thumbs Down on Big-Spending Ideas":

> American voters, clearly repelled by the spectacle of New York City broke and begging, rejected just about every tax and spending proposition put before them on November 4.
>
> All told, officials in cities and States sought approval of more than 6 billion dollars in debt financing, one of the highest totals ever, for all sorts of public works—schools, highways, housing, jails, waterworks, parks.
>
> Considerably less than 10 per cent of the proposed borrowing got by the ballot barrier. Securities-industry executives can remember nothing quite like that voter response.
>
> Spending plans to be financed directly through new or increased taxes fared only moderately better.
>
> Fear of spreading fiscal disasters, officials noted, was only one factor—though it was the principal one. Sharply rising taxes on real estate—up 50 per cent or more this year or last in some communities—had a chilling effect. So did the pinch of inflation on millions of family budgets.
>
> *Reading the signs.* The outcome is being viewed in various ways by different observers.
>
> Among State and local officials, the message is taken as a resounding command to go slowly or retrench on the growth of government.
>
> Among political observers, the spending turndowns are regarded as a decided shift toward the conservative.
>
> To economists, the results signal the end of an era of huge debt-financed spending by States and localities and the ebbing of the economic stimulus this spending has given the economy.
>
> In just five years, State and local debt outstanding has risen from 145 billion dollars to an estimated 220 billion, a jump of 52 per cent. That exceeded the explosive growth of household debt in the period and roughly matched the rise in federal and corporate debt.
>
> Now, municipal bond dealers say, the boom in State-local borrowing is coming to an end. Many billions of additional financing, approved earlier, are still in the fiscal pipeline. And not all bond borrowing requires voter approvals.
>
> Yet borrowing is expected to be sharply curtailed by the clear message from voters and the havoc created in the bond market by New York City.
>
> *Shock waves.* Nowhere was the impact of New York City's troubles more clear than in Ohio, where Governor James A. Rhodes proposed a record package of 1.75 billion dollars in bonds for transportation projects and housing and 2.75 billion for other capital improvements and aid to cities.
>
> Governor Rhodes also included generous tax abatement for industrial expansion and increases in the State's sales and gas taxes. Though he called his plan a job-creating "blueprint for Ohio," voters listened more closely to opponents who labeled it a "blueprint for disaster."
>
> Ohio voters gave the back of the hand to most local bond plans, too.
>
> Columbus assented to eight bond issues totaling 219 million dollars. But other Ohio localities voted down 65 issues totaling 111 million, while approving 21 proposals for 29 million dollars.
>
> In New Jersey, Governor Brendan T. Byrne's 922 million dollars in "economic-recovery bonds" had wide-spread backing from many powerful organizations. But the voters were against it. Said the Governor: "It's obvious that the fiscal problems of New York City cast a dark shadow over the decision in New Jersey, and President Ford's harsh treatment of the New York problem has clearly destroyed voter confidence in government borrowing of all kinds."
>
> New York State, its credit critically eroded by New York City's crisis, voted 3 to 1 against a quarter-billion dollars to finance 9,000 housing units for elderly folk with limited income.
>
> Elsewhere in th East, voters were a bit more receptive to proposals.
>
> Maine handily passed 13.6 million dollars in bond borrowing for road and bridge construction and $900,000 to finance improvements in a 78-year-old university dormitory.
>
> Pennsylvanians gave strong approval to 10 million dollars in bonds for low-interest loans to the State's financially pressed volunteer fire departments.
>
> And Philadelphia stamped its approval on 61 million dollars in borrowing for improvements in its ports, civic center, streets and other facilities.
>
> In Baltimore, voters went along with eight proposals totaling 58.6 million dollars in bond financing for new and rehabilitated

housing, water-supply and treatment systems, urban renewal and other programs. Only one proposition—5.7 million dollars for new off-street parking projects—was turned back.

In affluent Arlington County, Va., across the Potomac from Washington, D.C., voters reacted violently to soaring taxes on real estate. Their principal target: 25 million dollars in bonds for the community part in financing the metropolitan area's subway system. Arlingtonians also spurned six other bond issues totaling 15.3 million dollars for parks, recreation, school facilities, streets and conservation. The only proposal to get by was a 21-million-dollar sewage-treatment plant that will cost the taxpayers nothing they had not already approved once before.

Washington State, which has shunned income taxes, voted 2 to 1 against a plan to impose a 12 per cent levy on corporation incomes to yield 200 million dollars a year for schools.

Business leaders in Washintgon campaigned against the measure with a warning that it would drive out industry, eliminate jobs and, in the end, lead to a tax on individual incomes.

Californians aroused over widespread boosts in real-estate taxes, were generally unreceptive to spending.

In San Francisco, where real-estate assessments have been marked up by a third this year and where firemen and policemen went out on strike last August, the voters overwhelmingly turned down every proposal that would aid city employes. And plans to curb pay raises were approved.

San Diego voters defeated a property-tax boost for extension of its dial-a-ride program for the handicapped and elderly, and another tax boost to finance expansion and improvement of its ambulance-patrol lifesaving service.

In San Diego County, proposed increases in property taxes went down to defeat in Carlsbad and Escondido school districts. The Jamul-Las Flores school district, however, passed a 1.4-million-dollar bond issue to build a new middle school.

In Pomona Valley water district, covering nine cities in a 135-mile-square area, voters shot down a plan for 35 million in bonds for two new treatment plants and other facilities.

And in the Los Nietos elementary-school district, voters turned down a boost in property taxes.

In Oroville-Wyandotte irrigation district a water-treatment plant requiring 6.8 million dollars in bond financing lost out.

Some local tax proposals went through in California, among them a sizable one in the River Delta school district near Sacramento.

Voters in Warren, Mich., going with the tide, said "No" in an advisory referendum on a new city income tax.

All in all, it was a bad year for promoters races—otherwise the layman will not act

So I say to my colleagues I think the most responsible thing to do in a psychological answer to the American people is to follow through by voting the way they did in the elections just passed.

Mr. ULLMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me just say that it is a far cry from what the gentleman from California suggests the people of America did related to what we have to do here today. Yes, I agree that the American people are opposed to further heavy spending programs. They are going to vote down bond issues.

There is not any question about it. But if we put the issue squarely to the American people as to whether we as a Nation should stop paying our bills, I think we will get a totally different answer. The issue is: Shall this Nation pay the bills that it has incurred in the past?

All of us can resolve to do better and we should resolve and we must resolve to do better when we face up to the issue of our national programing and national priorities and national spending. But that is not the issue here today. The issue here is very simple: Shall we pay the bills we have incurred?

Mr. HAYS of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sometimes people call me a pretty partisan Democrat, but I think especially in the field of foreign affairs I have got about as good a record of supporting this President as anybody in the House. But I am not going to vote for this increase in the debt ceiling and I am going to tell the Members why very simply. I am tired of the President unloading all of the responsibility on the Democrat Party and saying they are the big spenders, they are the ones who put the country in debt, they are the ones who are raising the debt ceiling, and they are the ones who will not listen. I am tired of having him say that and getting away with it.

I voted to raise the debt ceiling for Republican Presidents and Democrat Presidents about every time but once or twice since I have been here. But if the Members on the other side of the aisle think I am going to stay here today and let them all vote against it and I am going to vote for it and pass it and then let the President make a speech tonight on TV saying the Democrats did it again, those Members can forget about it.

When he gets a majority of the other side to go along, I will go along. Until he does, I would advise the Democrats they would be well advised to vote against it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Effective on the date of the enactment of this Act, the first section of the Act of June 30, 1975, entitled "An Act to increase the temporary debt limitation until November 15, 1975" (Public Law 94–47), is hereby repealed.

Mr. ALBERT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I appreciate the spirit that moved the gentleman from Ohio and I appreciate what my good friend, the gentleman from Ohio, WAYNE HAYS, has said, but I appeal to the Democrats not as Democrats but as Congressmen and I appeal to those Republicans who feel that all of us have more than a partisan responsibility in this House. We all have an individual responsibility to do the right thing.

I think it would be wrong for me to vote one way because my good friend, the gentleman from Illinois (Mr. MICHEL), voted another way, just to get even with him. Responsibility is one of the cardinal requirements of good representative government. Let us not start voting "no" because somebody else votes "aye." Let us not vote "aye" because the President might get on the air and say we should have voted "no."

If the President does not assume his responsibility, he is not going to give me any excuse not to assume mine.

I think all of us, all of us, unless we have some conviction that lies much deeper than any I have heard here today, must get on with this business while we have it before us. We passed on this question yesterday.

We will pass on it again in due time and we will pass on it in time to take care of the fiscal year.

I hope that all of us will cast a responsible vote and vote to lift the debt limit as recommended by the great Committee on Ways and Means.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DELANEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976, pursuant to House Resolution 861, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 213, nays 198, not voting 22, as follows:

[Roll No. 697]

YEAS—213

Abzug
Adams
Addabbo
Ambro
Annunzio
Ashley
Aspin
AuCoin
Badillo
Barrett
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton, Phillip
Carney
Casey
Chisholm

Clay
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Daniels, N.J.
Danielson
de la Garza
Delaney
Derwinski
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Foley
Ford, Mich.
Fuqua
Gonzalez
Green
Hall
Hamilton

Hanley
Hannaford
Harris
Hayes, Ind.
Hébert
Helstoski
Hicks
Hightower
Holtzman
Howard
Hungate
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jordan
Kazen
Keys
Koch
Krebs
Krueger
LaFalce
Landrum
Leggett
Lehman
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McClory
McCormack
McDade
McFall
McHugh
McKay
Macdonald

Madden
Maguire
Mahon
Matsunaga
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Pritchard
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Risenhoover
Roberts
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Sharp
Shipley
Simon
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Stanton, James V.
Stark
Steed
Stephens
Stokes
Studds
Symington
Teague
Thompson
Thornton
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Tex.
Wirth
Wright
Wydler
Yates
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—198

Abdnor
Alexander
Anderson, Calif.
Andrews, N.C.
Archer
Armstrong
Ashbrook
Bafalis
Baldus
Bauman
Beard, Tenn.
Bevill
Blouin
Bowen
Breaux
Brinkley
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burlison, Mo.
Burton, John
Butler
Byron
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
Dellums
Derrick
Devine
Dickinson
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Esch
Evans, Ind.
Fenwick
Findley
Fish
Fithian
Florio
Flowers
Flynt
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Gradison
Grassley
Gude
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harkin
Harrington
Harsha
Hastings
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Henderson
Hillis
Hinshaw
Holland
Holt
Horton
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lent
Levitas
Lloyd, Tenn.
Lott
McCloskey
McCollister
McDonald
McKinney
Madigan
Mann
Martin
Mazzoli
Michel
Miller, Calif.
Miller, Ohio
Mitchell, N.Y.
Moffett
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
O'Brien
Patman, Tex.
Pettis
Poage
Pressler
Quie
Quillen
Railsback
Regula
Rinaldo
Robinson
Rogers
Rousselot
Ruppe
Russo
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Nebr.
Snyder
Spence
Staggers
Stanton, J. William
Steelman
Steiger, Ariz.
Steiger, Wis.
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Traxler
Treen
Vander Jagt
Walsh
Wampler
Whitten
Wilson, Bob
Wilson, C. H.
Winn
Wolff
Wylie
Yatron
Young, Fla.

NOT VOTING—22

Anderson, Ill.
Andrews, N. Dak.
Bell
Cleveland
Dent
Eshleman
Fary
Fraser
Hawkins
Jenrette
Karth
Lujan
McEwen
Mathis
Mosher
Nichols
Rhodes
Runnels
Stratton
Udall
Waxman
Young, Alaska

The Clerk announced the following pairs:

On this vote:

Mr. Hawkins for, with Mr. Dent against.

Mr. Waxman for, with Mr. Nichols against.

Mr. Karth for, with Mr. Mathis against.

Mr. Udall for, with Mr. Runnels against.

Mr. Fraser for, with Mr. Young of Alaska against.

Mr. Fary for, with Mr. McEwen against.

Mr. Stratton for, with Mr. Andrews of North Dakota against.

Messrs. MADIGAN and JARMAN changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON WATER RESOURCES OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT THIS AFTERNOON DURING GENERAL DEBATE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Water Resources of the Committee on Public Works and Transportation be permitted to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, is this just for 1 day?

Mr. ROBERTS. Yes, for today.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

SUPPLEMENTAL APPROPRIATIONS BILL, 1976

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10647) making supplemental appropriations for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1½ hours, the time to be equally divided and controlled by the gentleman from Michigan (Mr. CEDERBERG) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10647, with Mr. HUNGATE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 45 minutes, and the gentleman from Michigan (Mr. CEDERBERG) will be recognized for 45 minutes.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us today includes $7.9 billion in budget authority. Of the 13 subcommittees of the Appropriations Committee, 7 have had a part in the drafting of the legislation and the entire Appropriations Committee, of course, has concurred in reporting this bill to the House for favorable action.

This is the first general supplemental appropriation bill for the fiscal year 1976. We have had extensive hearings and the hearings are available. The bill provides $7.9 billion, a net decrease of $1.9 billion below the estimates presented to the Congress by the President. Of the amount included in the bill, $7.8 billion is for fiscal 1976 and $127.7 million is for the transition period.

BILL HIGHLIGHTS

Of the total in the bill $6,750,000,000 or 85 percent is to fund requests for unemployment compensation and food stamps programs which were received after Congress had completed action on the regular 1976 appropriation acts. Of the remaining funds, $127,654,795 is for the transition period of July 1, 1976, to September 30, 1976, and $610,416,000 is for health programs which were not authorized when the regular 1976 bill was acted upon by the Congress. This latter amount, although $282,572,000 over the budget requests, essentially continues those programs at the fiscal 1975 levels.

The net reduction results primarily from the food stamp program which was reduced $2,175,978,000 because of carryover of fiscal 1975 funds, lower than estimated participation, and in anticipation of the Department of Agriculture issuing and enforcing stronger regulations.

MAJOR ITEMS INCLUDE

For the food stamp program, $1,750,000,000.

For advances to the unemployment trust fund, $5,000,000,000.

For grants to States for unemployment insurance and employment services, $364,100,000.

For benefit payments under the Federal Employee's Compensation Act, $97,100,000.

For the Health Services Administration, $432,000,000.

For mental health programs, $50,500,000.

For nurse training programs of the Health Resources Administration, $77,000,000.

For the Development Disabilities Services and Facilities Construction Act, $37,125,000.

For facilities and equipment for the Federal Aviation Administration, $245,537,000.

For watershed and flood prevention operations, $21,702,000.

Mr. Chairman, the report treats extensively of the content of the bill. I do not believe it is necessary to further discuss the bill here in this period of general debate. However, the chairmen of the subcommittees involved in the preparation of the bill are present to answer any questions members may have regarding the contents of the bill.

STATUS OF APPROPRIATION BILLS FOR FISCAL YEAR 1976

Mr. Chairman, I would like to bring the status of appropriation bills for 1976 to the attention of the House at this time. Six bills have become law. They are:

Education, over a Presidential veto;

Legislative;

Housing and Urban Development;

State, Justice, Commerce, and the Judiciary;

Agriculture, and

Treasury, Postal Service, and General Government.

In addition, the Transportation bill conference report was approved by the Senate yesterday, clearing that bill for the President.

Conferees completed action on the military construction bill yesterday and the conference report will be eligible for consideration in the House on Monday, November 17.

The Labor-HEW bill is in conference and Senate floor action on the Defense bill is scheduled to begin today. We hope to have at least part of the conference before the Thanksgiving recess.

The House has passed the Public Works and Interior bills but they have not yet been reported to the Senate. This leaves two bills, District of Columbia and Foreign Aid. The budget justifications for those programs were received no November 5 and October 30 respectively and hearings on both bills are now underway.

The continuing resolution which provides operating money for those programs not covered by enacted appropriation measures, expires with the sine die adjournment of this session. It will be necessary to extend it to cover those measures which will not become law before that time. Obviously the District of Columbia and foreign aid bills fall into that category and it is possible that Labor-HEW, Public Works, and Interior may not be enacted.

In House action to date, $5.3 billion has been reduced in budget authority which will result in an outlay reduction of about $2.9 billion. Any difficulty with regard to the pending budget and reduction of expenditures is not so much in the appropriation bills, although we have our problems there, but more specifically in the legislative bills which mandate additional spending for such things as veterans benefits, social security, and otherwise.

TABULAR SUMMARY

At this point in the RECORD, I offer a summary table by chapters reflecting the budget requests and amounts recommended by the committee in the bill:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL—SUMMARY

Chapter No.		Budget estimates	Recommended in bill	Budget compared with estimates
I	Department of Agriculture:			
	Fiscal year 1976	$3,137,095,000	$1,771,702,000	—$1,365,393,000
	Transition period	788,883,000		—778,833,000
II	Labor, and Health, Education, and Welfare:			
	Fiscal year 1976	5,433,207,000	5,717,055,000	+283,848,000
	Transition period	90,550,000	115,756,000	+25,206,000
	Trust fund transfers	364,100,000	364,100,000	
III	Legislative:			
	Fiscal year 1973 (reappropriation)	300,000	300,000	
	Fiscal year 1976	43,184,968	39,823,308	—3,361,660
	Transition period	10,581,460	5,667,795	—4,913,665
IV	State, Justice, Commerce and Judiciary:			
	Fiscal year 1976	7,318,000	6,537,000	—781,000
	Transition period	1,824,000	1,612,000	—212,000
V	Transportation:			
	Fiscal year 1976	250,000,000	245,537,000	—4,463,000
	(Liquidation of contract authorization):			
	Fiscal year 1976	(50,000,000)	(50,000,000)	( )
	Transition period	(43,000,000)	(43,000,000)	( )
VI	Treasury, Postal Service, and General Government:			
	Fiscal year 1976	32,475,000	14,705,000	—17,770,000
	Transition period	9,926,000	4,619,000	—5,307,000
VII	Claims and judgments: Fiscal year 1976	24,946,893	24,946,893	
	Total:			
	Fiscal year 1973	300,000	300,000	
	Fiscal year 1976	8,928,226,861	7,820,306,201	—1,107,920,660
	Transition period	901,764,460	127,654,795	—774,109,665
	Trust fund transfers	364,100,000	364,100,000	
	(Liquidation of contract authorization):			
	Fiscal year 1976	(50,000,000)	(50,000,000)	( )
	Transition period	(43,000,000)	(43,000,000)	( )

Mr. HAYS of Ohio. Mr. Chairman, would the gentleman yield? I have a series of appointments and I wanted to ask the gentleman from Pennsylvania (Mr. FLOOD) a question about the portion of the bill under his control, which I think will only take about a minute.

Mr. MAHON. I would be happy to yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I wish to ask the gentleman from Pennsylvania (Mr. FLOOD) concerning that portion of the bill which the gentleman has control of which deals with the recruiting of doctors for rural areas, and it appears that you have given them the amount of money they requested but there apparently is a restriction on the number of doctors, and if they can recruit the number of doctors they want within the funds they are granted, then is there really any hard and fixed ceiling on the number of doctors?

Mr. FLOOD. If the gentleman will yield, no, there is not. I believe the gentleman is speaking of the National Health Service Corps?

Mr. HAYS of Ohio. The gentleman is correct.

Mr. FLOOD. That does call for the recruitment of doctors, nurses, and other health professionals in rural areas, and other shortage areas.

By the way, this has been a very successful program, we think it has been very successful.

Mr. HAYS of Ohio. I agree with the gentleman, and it has been in my area.

Mr. FLOOD. There is no question about that.

We have added $2,471,000 above the budget request which held to the 1975 level. Under the budget there would have been no additional communities added, and no additional physicians, dentists, or nurses could have been recruited. The increased funds in the bill will expand the number of communities and will allow for the recruitment of at least 75 additional physicians, dentists, nurses, and other health professionals. If more than 75 individuals can be recruited with this increase of 2,471,000, I cannot imagine that there would be objection.

Mr. HAYS of Ohio. I thank the gentleman from Pennsylvania for his response, and that answers my question.

Mr. MAHON. Mr. Chairman, continuing with my discussion of the pending measure, the gentleman from Mississippi (Mr. WHITTEN) will be speaking with regard to what was done by the Committee on the subject of food stamps. That will be a matter for the consideration of the Members. Other matters that are in controversy will be before us. So I shall not undertake to speak at length in regard to the provisions of the bill at this time.

Mr. CEDERBERG. Mr. Chairman, in the interest of saving time, I will not go over what the chairman of the committee has stated today regarding the contents of the bill. As he stated, it contains the actions of several subcommittees. I do not intend to take any time now.

If the gentleman from Texas would prefer to have the gentleman from Mississippi, who is first on the bill, take time at this time, I will have someone later on that section.

Mr. MAHON. I thank the gentleman from Michigan (Mr. CEDERBERG).

Mr. Chairman, I yield such time as he may require to the gentleman from Mississippi, the chairman of the subcommittee (Mr. WHITTEN).

Mr. WHITTEN. Mr. Chairman, may I first of all thank the various members of our subcommittee for their contribution to this bill. We have always had a cooperative subcommittee, and we have never had any substantial differences.

We have two items in this bill. The first item has to do with the $21,702,000 for emergency conservation work to repair damage to watersheds as a result of storms that have occurred during 1975, as provided by section 216 of the Flood Control Act of 1950, which were not covered in the regular appropriation act.

At this point I would like to provide for the RECORD the justification for these additional funds as provided to our committee by the Soil Conservation Service at our request:

ALABAMA

Unfunded Request $748,000.

Event and Damages—Crenshaw, Barbour, Pike, Covington, and Butler Counties had heavy rainfall February 15–19. Rainfall amounts ranged from 10 to 13 inches in a 48-hour period. This exceeds the 100-year—48-hour rainfall amounts from Technical Paper 49.

Houston, Geneva, Coffee, Conecuh, Escambia, and Monroe Counties had flash flooding April 9–10. Rainfall ranged from 10 to 17 inches, the most devastating flood in the area since 1929.

Tuscaloosa County had a tornado and accompanying rainfall on February 23. Activated gullies advanced through valuable cropland and are encroaching on road rights-of-way. One church and one public school football field are in jeopardy.

Large volumes of sediment are being produced from normal rainfall. Sediment from headcuts is destroying habitat for fish and wildlife resources.

Due to reduced capacity, Cypress Creek will flood more often, eroding cropland and destroying fish and wildlife resources. Backwater will become a problem to a subdivision and health hazards could exist.

Recommended Emergency Measures—Headcut control, revegetation, critical area stabilization, streambank stabilization, and debris removal from streams and drains.

Second Event and Damages—A tornado occurred April 3, filling Piney Creek in Limestone County with debris.

Recommended Emergency Measures—Removal of debris to restore capacity.

ARKANSAS

Unfunded Request $67,000.

Event and Damages—Heavy rains in March resulted in streambank erosion, sediment deposits, slides in channels, bank sloughing, erosion at erosion control structures, and a levee failure. If treatment on these projects is not made, damage, at an accelerated rate, will occur to property with an increased chance for loss of life.

The following tabulation gives more specific details:

County, type of damage, and cause and date

Mississippi: Sediment reducing channel capacity—flooding will occur in city of Keiser and rural area east of Dyess. 7″ rainfall in 24 hours. (100-year freq.) March 11, following extreme wet winter and spring.

Greene: Streambank erosion threatening urban property at Paragould. 5″ rainfall March 28, extensive flooding caused an est. $1,016,000 damage.

Phillips: Channel bank slides. Additional sloughing or sliding would endanger residence. Rain 60 of 132 days. 4.1″ rain February 23, 5.1″ rain March 12.

Pike: Streambank erosion endangering homes and businesses. 10″ rainfall in 24 hours, with high stages, high velocities and flooding.

Clay: Levee washout at 3 locations caused damage to ¼ mile county road, water in 2 residences, scour damage to 3 acres of farmland. 7½″ rain on March 27 and 28.

Recommended Emergency Measures—Revegetation of denuded areas, streambank stabilization, levee repair, channel clearing, and critical area stabilization.

CONNECTICUT

Unfunded Request $907,000.

Event and Damages—Damage occurred when about 8″ of rain fell in 72 hours with 4″ of that falling early on July 14. Some first floor flooding was experienced by homes and businesses. Numerous lawns, gardens, backyards, and streambanks were washed out. Silt and debris were deposited on roads, in ponds, and in streambeds along the Steel Brook and its tributaries.

Debris in Steel Brook and several of its tributaries is reducing the channel capacity and leaving large areas of unstable streambanks.

Recommended Emergency Measures—Reshaping banks and installing riprap, removal of gravel buildup and debris; clearing and snagging, vegetative treatment including replacement of shrubs and planting willows, and installation/design of structural works.

Second Event and Damages—Storms associated with "Eloise" struck September 22 through 27 causing stream clogging with sediment and debris and severe streambank erosion in four counties. Several small villages, affected by flooding, utilize well and septic systems.

Recommended Emergency Measures—Reshaping, reseeding, and stabilization of streambanks, debris and sediment removal to restore stream capacity.

KENTUCKY

Unfunded Request $239,000.

Event and Damages—Storms during March April, and May of 1975 caused severe flooding March 10 and 11 in western Kentucky, March 28 and 29 in south-central Kentucky, and May 17 and 23 in eastern Kentucky. Siltation, debris deposits, and erosion have caused restrictions in normal water courses. Several watersheds are impaired to the extent that lives and property are in danger from future floodwater, erosion, and sedimentation. Health hazards are associated with the flooding, because wells and septic fields are within the flood zone.

Recommended Emergency Measures—Would include stream channel cleanout and streambank stabilization to prevent erosion of adjacent land. The emergency work should begin immediately and be completed during calendar year 1976.

MONTANA

Unfunded Request $7,763,000.

Event and Damages—Severe damage over major portions of the state from rainfall and delayed snowmelt flooding. These events followed a "wet" winter and spring.

The following tabulation is a summary of events:

Location and local event-rainfall

August Area: 2.5 inches in 20 minutes; 5 inches in 12 hours.

Pondera County-Badger Creek: 7 inches June 19.

Glacier County: 4 inches June 19.

Browing: Willow Creek—100-year frequency flood.

Teton County: 7.5 inches in 48 hours.

Lewis and Clark, Meagher, Jefferson, Broadwater and Park, Wheatland, Gallatin, Beaverhead, Madison, and Silver Bow Counties: Snowpack runoff coupled with intensive rain.

Major flooding hit Harlowton at approximately 12 midnight on June 19, causing a 12.2 foot flood crest, the highest recorded in 62 years of record. The river crested at Roundup on July 21. Floods eroded streambanks, deposited debris in streams, on flood plains, and against structures, damaged irrigation diversions and headgates, eroded spillways on small reservoirs, and removed protective vegetative cover from overflow areas.

Recommended Emergency Measures—Streambank stabilization, multipurpose dams, diversion dams, clearing and snagging, stream channel stabilization, and structures for water control.

NEW MEXICO

Unfunded Request $104,000.

Event and Damages—On April 27, a forest fire burned over approximately 240 acres in the Timberon area of Otero County. Vegetation was destroyed in this watershed which is now highly susceptible to erosion. An entire subdivision lies below this area.

Recommended Emergency Measures—Seeding for revegetation, small erosion control structures, contour ditches and tree felling are needed to control erosion and sediment and debris deposition into the lower areas and streams.

NEW YORK

Unfunded Request $4,621,000.

Event and Damages—In July, rainfall in amounts of 3.4 to 4.4 inches in 24 hours in Sullivan County resulted in debris and sediment clogged channels. Up to 8.8 inches of rainfall in Dutchess County resulted in stream scouring, and debris and sediment deposition in channels and on flood plains. Reduced stream capacity, denuded areas and raw streambanks allow extensive erosion by subsequent storm events.

Recommended Emergency Measures—Channel debris removal, channel restoration, streambank stabilization, and reseeding for revegetation of denuded areas.

Second Event and Damages—Storm events associated with storm "Eloise" in the period September 21 to 27 caused extensive damage in 12 to 15 counties. Six to 12 inches of rainfall was recorded.

Recommended Emergency Measures—Stabilization of denuded areas by revegetation and streambank stabilization with log cribbing and debris removal.

OREGON

Unfunded Request $558,000.

Event and Damages—A January rainstorm and "Chinook" conditions on low-elevation snow resulted in a 100-year runoff event damaging Umatilla County. The Walla

Walla, Umatilla, and John Day Rivers, along with their tributaries and watersheds were impaired by the event. Areas were denuded, streambanks eroded, streambeds scoured, and streams clogged with debris and sediment.

Recommended Emergency Measures—Streambank stabilization, debris removal, revegetation, and structure repair.

Second Event and Damages—In July, high intensity storms, 4.12 inches in one 6-hour period, following an extended wet season, caused the impairment. Wallowa County suffered extensive flood damage along the Wallowa River, Lostine River, Hurricane Creek, Bear Creek, Whiskey Creek, and Parsnip Creek. In Baker County, Eagle Creek, and Pine Creek drainages were hard hit. Debris deposition and streambank erosion are the major damages of concern.

Recommended Emergency Measures—Debris and sediment removal from streams, riprap for streambank stabilization, revegetation, and structure repair.

PENNSYLVANIA

Unfunded Request $3,000,000.

Event and Damages—Tropical storm "Eloise" caused clogging of streams with debris, and denuding of acres of vegetation in the Susquehanna Valley on September 24, 25, and 26. Twelve inches of rainfall was recorded in Harrisburg. Twenty-seven counties received damage.

Recommended Emergency Measures—Snagging and clearing streams of debris and sediment and revegetation of eroded and denuded areas for land stabilization.

TENNESSEE

Unfunded Request $2,430,000.

Event and Damages—Heavy rainfall in March over much of the state resulted in streambank sloughing, channel clogging with sediment and debris, and channel degradation. Principal damages occurred in 10 counties.

Recommended Emergency Measures—Streambank stabilization and repair, debris and sediment removal, drop structures, and grade control structures.

Watershed name and county

Cane Creek, Lauderdale.
Houser Creek, Obion.
Thompson Creek, Weakley and Henry.
Cub Creek, Hardeman.
Horse-Turkey Creek, Hardin.
Mud Creek, Hardin.
Bear Creek, Haywood, Fayette, Hardeman.
Porter Creek, Hardeman.
Indian Creek, Hardeman, Fayette.
Wolf River, Fayette.
Trace Creek, Humphreys.
Crow Creek, Franklin.
Crow Creek, Little Crow Creek, and Crosses Creek, Franklin.

WASHINGTON

Unfunded Request $106,000.

Event and Damages—Storm event of July 7. Storm estimated to be a 300-year event causing loss of watershed cover. The storm occurred on a 1970 burn area in Mitchell Creek, Johnson Creek, and Gold Creek Watersheds.

Recommended Emergency Measures—Gabion groins for stabilization, snagging and debris removal, sediment basins, and revegetation of denuded areas.

WISCONSIN

Unfunded Request $1,159,000.

Event and Damages—Tornadoes, high winds, and rainfall—6 to 9 inches in one 2 to 3-hour period during August. Another series of storms occurred September 10 and 11 with 5–7 inches of rainfall, winds and some hail on the same 4 county area—Pipin, Pierce, Buffalo, and Trempealeau.

The major types of damages which occurred are: Debris clogged channels, streambank erosion, vegetation removal from eroding areas.

Recommended Emergency Measures—Remove debris and sediment from blocked watercourses, stabilize and vegetate denuded and gullied areas and streambanks.

The reason we have included these funds is that by the time we pass this bill, it will be getting late in the year, and unless these damages are repaired or corrected early, the winter's ice and snow greatly increased the damages.

FOOD STAMP PROGRAM

The other item is one that is not the easiest in the Congress or in the law to deal with, and that is the food stamp program. The Members will recall that in the original budget the Office of Management and Budget recommended to the Congress approximately $3½ billion less than the witnesses testified would be required to fund the food stamp program in fiscal year 1976. This left the subcommittee, and through us the full Committee on Appropriations, in a position where we either would be cutting that program by the $3½ billion on the one hand, or else if we wanted to provide the money which the Department acknowledged that they had to have, we would be appropriating $3½ billion over the budget.

Therefore, we appropriated in our regular bill only for the first 7 months, in line with the funds in the budget request. OMB finally submitted to us the budget estimate for the amount they had failed to ask for, but which they acknowledged they needed. So we are now recommending the funds to fund these programs for the period February 1 to the end of the fiscal year.

We were told during our hearings that the bill which had been recommended to the legislative committee by the administration would change the law and correct the problems which we have all heard about.

Since on the one hand the Department and the OMB called for a change in the law to correct these things, I got the statutes and read them. In this connection, section 5(a) of the Food Stamp Act which authorizes the Secretary of Agriculture to establish eligibility standards and specifically provides:

> * * * participation in the food stamp program shall be limited to those households whose income and other financial resources are determined to be substantial limiting factors in permitting them to purchase a nutritionally adequate diet.

Section 10(e) provides that the Secretary must approve State plans and specifies:

> The State agency of each State desiring to participate in the food stamp program shall submit for approval a plan of operation specifying the manner in which such program will be conducted within the State * * *

And section 10(f) authorizes the Secretary to withhold funds:

> If the Secretary determines that in the administration of the program there is a failure by a State agency to comply substantially with the provisions of this Act, or with the regulations issued pursuant to this Act, or with the State plan of operation, he shall inform such State agency of such failure and shall allow the State agency a reasonable period of time for the correction of such failure. Upon the expiration of such period, the Secretary shall direct that there be no further issuance of coupons in the political subdivisions where such failure has occurred until such time as satisfactory corrective action has been taken.

Section 11 authorizes the disqualification of retail stores and wholesale concerns under the following conditions:

> Any approved retail food store or wholesale food concern may be disqualified from further participation in the food stamp program on a finding, made as specified in the regulations that such store or concern has violated any of the provisions of this Act, or the regulations issued pursuant to this Act. Such disqualification shall be for such period of time as may be determined in accordance with regulations issued pursuant to this Act. The action of disqualification shall be subject to review as provided in section 13 of this Act.

In addition, other sections of the Food Stamp Act, as amended, deal with the authority of the Secretary to establish terms and conditions for participation in the program.

Therefore, it would seem apparent that most of the abuses of the program, which have been so widely reported, are subject to action by the Department. Some officials estimate that close to 1 out of every 5 food stamp dollars are used improperly. Improper issuance, lax regulations, fraud, blackmarketing, and loose eligibility standards may be costing $1 billion per year.

For example, testimony before the committee revealed that under existing regulations an individual could own a $100,000 home and a new luxury automobile, but as long as he was unemployed and had less than $1,500 in the bank he could get food stamps; two airline pilots with income in the $50,000 per year bracket drew food stamps during an airline strike; and it was reported that in some States a food stamp caseworker must complete as many as a dozen different forms in order to certify an applicant eligible under existing regulation. These and similar cases could be prevented by a change in regulations.

It has also been reported that food stamps are widely used to purchase liquor, cigarettes, hard drugs, or make installment payments on television sets and other major items. This would be greatly reduced through the countersigning procedure.

With regard to the complaints of issuance of food stamps to students contrary to the intent of the act, the committee calls attention to the following provision contained in the Appropriation Act for fiscal year 1976:

> *Provided further*, That no part of the funds appropriated by this Act shall be used during the fiscal year ending June 30, 1976 to make food stamps available to any household, to the extent that the entitlement otherwise available to such household is attributable to an individual who: (i) has reached his eighteenth birthday; (ii) is enrolled in an institution of higher education; and (iii) is properly claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household.

In this case all that is needed is for

the Department and others to enforce the law.

It becomes evident that at least a billion dollars a year could be saved if the Department would change the regulations and enforce them. For the purpose of enforcement, the committee authorized for the fiscal year the transfer of an additional $6,094,000 to the Inspector General. This is in addition to other enforcement activities.

I would like to repeat the language which we recommended in the conference report (94-528) on the fiscal year 1976 bill which appropriated funds for the food stamp program for the first 7 months of fiscal year 1976 and for the transition period:

FOOD STAMP PROGRAM

The conferees are extremely concerned about the increasing reports of widespread irregularities and abuses in the food stamp program, resulting in greatly increased costs. Unless this situation is corrected it could jeopardize the program. This cannot be allowed to happen since food assistance to the truly needy is an accepted responsibility. Numerous suggestions have been made in years past in an effort to more properly supervise handling of the program.

Under current regulations of the Department of Agriculture, the recipient, upon receipt of the coupons, must sign his name on the inside cover of the coupon book. Such a procedure aids in the recovery of lost or stolen coupons, and the Department should do everything possible to see that this regulation is faithfully complied with at the local welfare or other issuing offices.

This regulation does not protect the program, however, from various abuses such as black marketing, theft, and other improper uses. The conferees are of the opinion that many of these problems could be solved by the adoption of a similar regulation requiring recipients to countersign each coupon at the time of surrender for goods purchased in the presence of a responsible employee, of the establishment where food is purchased with such coupons, and such employee should initial such stamps as being signed in his or her presence.

This should be no more work for the local store than someone cashing a personal check, and there should be no additional administrative cost to the local or Federal Government. If properly enforced, such a requirement would help to prevent the black market and related abuses which appear to exist. It would make lost or stolen coupons more difficult to use and would aid in prosecution since forgery would be involved and appropriate penalties could be established for use or acceptance without following in full the regulations.

Therefore, the conferees strongly recommend that the Department adopt some such regulation to provide added protection for both the legitimate recipient and the Federal Government. The Department is also requested to consult with the appropriate committees of the Congress on this proposal and other means of tightening-up the administration of the program so as to preserve it for those who have a real need for such assistance.

These and other suggested changes must be made in the regulations immediately if the program is to be prepared for the legitimate recipient. The committee has earmarked $100,000 of the fiscal year 1976 appropriation for the specific purpose of revising program regulations so as to minimize existing misuse and unwarranted expenditures. The Department has indicated its willingness to try to bring the abuses in this program under control. The Department can and should immediately start to revise their procedures to bring them in line with the law. Since approximately 3 months remain before these funds are needed the Department should have in full force and effect such changes and revisions as are necessary on or before February 1, 1976. In view of this, the $1,750,000,000 recommended by the committee, together with carryover funds, should provide for the program level contemplated by the Congress for fiscal year 1976. Available also is the $3,453,000,000 appropriated by Public Law 94-122 for the period June 30, 1975, to January 30, 1976, and approximately $586,000,000 in unobligated funds carried over from fiscal year 1975. Testimony before the committee revealed that the administration's request was overstated due to the recent decline in program participation, because of improvements in the economic condition of the country as well as the availability of carryover 1975 funds which were not anticipated at the time the request was prepared. Therefore, we are able to recommend a reduction in the fiscal year 1976 request of $1,387,095,000.

With the new regulations, the $1,039,117,000 previously appropriated for the transition period, plus carryover funds, should be adequate. Therefore, we do not recommend the appropriation of any additional funds for the transition period at this time. Should a need develop, the matter could be dealt with in subsequent appropriation bills.

In conclusion, I want to repeat again that we did not change the law. We did not write our recommendations in the law. In the absence of the suggestion by the Department we suggest this as a measure to bring this program under control.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, the gentleman has cited the provisions of the Food Stamp Act, reading from the committee report, as some encouragement to us that things may be different in the future. In other words, the gentleman is calling upon the executive branch to be more vigilant in enforcing the terms set out in the basic act.

Mr. WHITTEN. That is correct and the first step toward that would be to change the regulations.

Mr. FINDLEY. We would about have to change the law. How can we get the administration to change the regulations, when it has seen fit, over a number of years to give or to effect the present set of regulations? There is a directive to them.

Mr. WHITTEN. In the first place, let me say that Mr. Heckman, who is the Director of the Food and Nutrition Service, agreed in our hearings to carry out the suggestion that we made.

Also, I do not know if we can pass a law making the executive do what the law already requires; but we can point out what the law requires. I have not heard anybody on the floor say they realized what the law requires. It is the responsibility of the Secretary of Agriculture to correct these problems by changing the regulations.

When I faced the Department with the law during the hearings, they acknowledged that they had the authority under the law to clean up the program. If we passed all the laws in the world, I do not know that we could make them enforce them. However, we have had an assurance by the Director that he will carry out the intent of the committee.

Mr. FINDLEY. One possibility would be to provide by law, or by limitation on this appropriation bill, that only households that meet the standards or fall below the poverty level standard as determined by OMB would qualify. That would be, it seems to me, a very clear and straightforward and prudent and compassionate way to bring this under control.

Mr. WHITTEN. The gentleman is kind enough to call my attention to a proposed amendment along this line where a fixed annual income level cutoff is provided. But I would point out to the gentleman that as a result of our hearings and our actions on this bill we have saved $2,175,978,000. My immediate reaction is that the amendment looks fine and it might be fine.

However, the amendment could jeopardize the savings we have made by delaying the implementation of the changes we suggested to the Department.

I would hope the gentleman will read the law again. The law is much tighter than I had realized.

It reads as follows:

> Participation in the Food Stamp Program shall be limited to those households whose income and total financial resources are determined to be substantial limiting factors in permitting them to purchase a nutritionally adequate diet.

The level set by the amendment might be much higher than would be permitted under the existing law.

Mr. FINDLEY. The advantage of the proposal I have made is that the poverty level is a precise number of dollars as determined periodically by OMB.

Mr. WHITTEN. I just read the law to the gentleman from Illinois. That is the law. There is nothing in there that says that to be eligible one must be poverty stricken. It says that one's financial situation must be such as to endanger one's ability to have a nutritionally adequate diet. It does not say anything about poverty levels that might be created either by HEW, the Department of Labor, or the gentleman from Illinois.

Mr. FINDLEY. The simple fact is that under the language of the basic act which the gentleman just read, the cost of this program went up 28 percent in the last year, 62 percent the year before and 31 percent the year before that. Is there any end to the total number of dollars that may be reserved by this program under that very general, high sounding, loose language?

Mr. WHITTEN. Well, I do not know, except that our subcommittee, with the approval of the Appropriations Committee, is aware of these problems and has moved to control them. In our report we tried to enumerate a few of those problems and to point out a few of the problems the gentleman is pointing out. One way to correct these problems is to call on the Department to do it and show them that they have the authority to do it and withhold the money until they do it. We do all those things in this bill.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding to me. Did I understand the gentleman to say that under this bill they are recommending that the recipient sign for the money or the stamp that he gets?

Mr. WHITTEN. The regulations as they presently exist, as I understand them, require the recipient to sign the book when he gets it. We are recommending that he also sign the coupon when he spends it.

Mr. KAZEN. When he uses it?

Mr. WHITTEN. To purchase something. It means that we require his signature the same as we would with a personal check.

Mr. KAZEN. Does this eliminate the person that is not supposed to be getting it? This is where the fraud is and where, apparently, the waste is. This does not eliminate the people who were not intended to be recipients.

Mr. WHITTEN. The law does, but how the gentleman and I can enforce the law, I do not know. We are doing the best we can. Laws are not self-enforcing, but we have put our finger where the trouble is, and that is the Department's failure to have proper regulations. To get to what the Department says is the trouble, we provided $6 million to the Office of Investigation in the Department to carry out the law.

Mr. KAZEN. I thank the gentleman.

Mr. WHITTEN. That is the best we can do.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the distinguished gentleman of the Committee on Agriculture.

Mr. FOLEY. Mr. Chairman, I might say to the members of the committee that the Committee on Agriculture is conducting a thorough review of the entire food stamp program under a special budget item provided by the House Administration Committee for that purpose.

The other body has already begun hearings on legislation altering the present food stamp program, and they are expected very possibly to report legislation to the Senate before the end of this year. I anticipate that the House Committee on Agriculture will be having public hearings and will be considering the various proposals regarding the food stamp program early next year.

So I would hope, Mr. Chairman, that we would not attempt in this appropriations process to do piecemeal, partial consideration of changes in the food stamp program. I am speaking not now to the Appropriations Committee on this bill, but the amendment which will be offered a little later in reference to a sharp cutoff of aggregate income. Sharp cutoffs of aggregate income create a technical problem that I think we ought to consider. If, for example, we have a poverty cutoff for a family of four at whatever the poverty figure is determined to be by the Bureau of Labor Statistics, we have a major work disincentive. Many of the people who are receiving food stamps are the so-called working poor, and if that cutoff is sharp, at some point of aggregate income we create a disincentive for that person to upgrade his job or accept a better job or utilize training that will give him a better income. The cutoff should be gradual, so that there is not an immediate disincentive to accepting work or a better job or better training program. This is known technically by the technicians as creating a notch, but it is one of the problems that should be considered in food stamps reform. Studies are underway. The other body is moving already for consideration. There are other bills that have been sponsored or cosponsored by many Members of this House, and it is my firm belief that legislation will be passed in this Congress that will affect the character of the food stamp program. But if we start in the appropriations process through limitations of appropriations to try to pick out one feature or another that is controversial, it will work against an orderly, effective reform in the food stamp program, and I hope the committee will not approve of that.

Mr. WHITTEN. May I say to my colleague, the gentleman from Washington, that is the reason the subcommittee was very careful to limit itself to answers within existing law, in an effort to get regulations properly promulgated to handle the matter until such time as the committee develops a new law. I wish to join with my colleague in saying that, after having studied the language of the present act, the amendment I saw could have the effect of increasing the number of people who might participate. The amendment would cost more money since it would delay the Department in changing their regulations as we have told them. I would hope that the amendment will not be offered. Let us see if our approach does not work and then deal with it properly when we get to the legislative committee that has that jurisdiction and that responsibility. But I do say a whale of a lot of improvement can be made if they carry out the existing law.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I will yield to the gentleman from Illinois.

Mr. FINDLEY. I thank the gentleman for yielding. On that point I would assume the gentleman would agree with me that the language of the Food Stamp Act, as now written, is plain enough, so that if the Department saw fit to do so it could arbitrarily establish the poverty level as the cutoff, could it not?

Mr. WHITTEN. When we get to interpreting the language, we have courts to do that. The language is very plain to me in its terms.

Mr. CEDERBERG. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia (Mr. ROBINSON).

Mr. ROBINSON. Mr. Chairman, we agree completely with the remarks that the chairman of the subcommittee has made, and we agree with his summary of the effect of the bill and its cost.

Of the two items that are under consideration, one, a minor one, in terms of spending by the Soil Conservation Service, has been explained as going to 11 different States. That is an item that was not in the original OMB request. Most of that money, incidentally, is going to those States that had suffered the brunt of the damage of Hurricane Eloise.

With regard to the food stamp program, there is some very interesting arithmetic that I think perhaps we might look at briefly. Included in this supplemental we now have, in terms of amounts that have been formally requested as required on a further food stamp program for this year, a total of $7,176 million. The amounts that would be available for the food stamp program for fiscal year 1976, including the $1,750 million in this supplemental and the $586 million carryover, would total $5,789 million.

So it would appear on the face of these figures that a cut of $1,387 million has been made in what has been requested and what has been determined as necessary by USDA. It appears that the total amount available is less than the total amount required in that we have $7,176 million requested as required and a total of $5,789 million as recommended for appropriation, and this results in an apparent shortfall of $1,387 million.

However, during hearings with respect to this supplemental on October 29, 1975, in volume 1, page 330, Mr. Hekman, director of the program, in answer to a question asked by the gentleman from Kentucky (Mr. NATCHER), replied as follows:

> I am really encouraged that either the program we have outlined or one very close to it will be enacted—

He is referring there to new legislation and the better enforcement of present legislation—

> then the kind of money you and Mr. Passman are talking about would do it.
>
> I am here to say the program the way we have presented it would cut $1.1 billion from the program. Our estimate is $5.9 billion. So it would be that much less. I would also like to make the point, Mr. Natcher, not only would it be less money, I am convinced it would be a better program.

Therefore, to return to our arithmetic,

a comparison of current requirements, based on what Mr. Hekman told us, is $5.9 billion under the considerations that he recited in order to properly finance the food stamp program as against the $5,789 million we are providing.

So if there is no additional tightening up anyplace, we will have a shortfall of $111 million, which is only 1.8 percent of current program estimates and we have plenty of time between now and the end of the fiscal year to take care of that.

Beyond that, as recited by the subcommittee chairman, we have not taken any cognizance of the request for the transition period because we do not know what legislation is going to pass the House between now and then—hopefully, there will be some—plus the fact that we anticipate a decline in unemployment and an improvement in the economy.

So, Mr. Chairman, I am pleased to see the language in the report of the Committee on Appropriations which underscores the urgent need to get control of the food stamp program. They have succinctly and eloquently put their fingers on a number of problems that plague this escalating program.

Of particular importance, I think, is the suggestion that countersigned food stamp warrants be instituted to curb fraud and blackmarket activity in the food stamp program. Through administrative mechanisms such as this, we can go a long way toward bringing this program under control.

I hope that the Secretary of Agriculture moves expeditiously on this and other administrative mechanisms that he promised to complete when the administration bill was sent to the Congress.

As other distinguished Members of the House have noted, however, we must assume some responsibility for the current state of affairs in the food stamp program. Every time that the administration has endeavored to grapple with specific elements of the program that are contributing to the problem, the Congress has rejected their efforts. It may be that the individual efforts, in isolation, have not been the best approach. That is why many of us, together with the administration, have formulated and introduced the Michel food stamp reform bill, which attempts to view all of the many eligibility and bonus value factors as a complete package. The USDA itself says it is a crying need and recites how much such legislation can save. On that basis, assuming the passage of the perfecting legislation, the Committee on Appropriations has recommended the reduction which I have discussed in the requested amount.

There is no question that numerous steps can be taken administratively to deal with the loopholes and problem areas in the food stamp program. I hope that the Secretary of Agriculture moves decisively to do as much of this as he can, and the committee is earmarking $100,000 for that purpose; but I also hope that we in the Congress will not only urge and encourage such efforts, but also enact those legislative changes that are necessary to make certain that that aid is going, in the proper amounts, only to those persons who require it.

I appreciate very much the remarks concerning such legislation by the chairman of the full Committee on Agriculture. I am certainly pleased to hear the recitation of progress in this respect.

Mr. MAHON. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania (Mr. FLOOD), the chairman of the Subcommittee on Labor—Health, Education, and Welfare.

Mr. FLOOD. Mr. Chairman, the Labor-HEW chapter totals $5.7 billion for fiscal year 1976. We are over the budget request by $283,848,000. In addition, the bill includes authority to expend $364.1 million from unemployment trust funds. We also provide $115,756,000 to cover these programs during the 3-month transition period, between 1976 and the new fiscal year beginning in 1977.

The largest single item is the $5 billion under the Department of Labor for advance payments to the unemployment trust fund. As you know, this is the fund used for paying unemployment compensation benefits to eligible individuals. We are providing the full amount requested in the budget because we want to be sure that States have enough money to pay these benefits. The unemployment situation has not improved and some States will run out of money in the next several months.

Also related to the current unemployment situation is authority to use $364.1 million in trust funds for increased administrative costs in State employment offices. Most of us recognized that the original budget request for 1976 was too low because it was based on more optimistic economic projections. It is quite clear now that additional staffing is required to handle the unemployment claims workload. With the amount recommended in the bill, about 25,600 man-years could be supported in local employment offices.

Another big item in the Department of Labor is $97.1 million for benefit payments under the Federal Employees Compensation Act. Mandatory cost of living adjustments and increased claims are the main reasons for needing additional funds.

Other supplemental funds for the Labor Department relate to administrative costs for the pension reform law and the Fair Labor Standards Act.

Turning to the HEW part of the supplemental bill, we are recommending $610.4 million, an increase of about $283 million over the budget request. Nearly all of this relates to programs deferred in the regular Labor-HEW bill because there was no authorization. Several authorization bills have since been enacted and it is now possible to consider appropriations for these programs. So, these HEW items are not supplementals in the usual sense. They are really annual appropriations.

The bill provides $570 million for a variety of programs authorized by the Health Revenue Sharing Act. As you recall, this act was passed over the President's veto by an overwhelming vote in both House and Senate. The budget practically ignored the congressional action on the authorization bill. Community health services and nurse training were proposed to be cut back or terminated. For many of the mental health service programs there was not even a budget request. We found this unacceptable and added $280 million over the budget request.

I will quickly run through the recommendations for the health programs—$196.6 million for community health centers. This is the same amount as last year but $41.5 million over the budget; $90 million for comprehensive health grants to States. There was nothing requested in the budget. We are maintaining support for State health agencies; $100.6 million for family planning services. The budget proposed a cut of $21 million from last year. We restored the cut; $23.7 million for migrant health services. Again the budget proposed a reduction but we recommend the same as last year; $15 million for the National Health Service Corps. This is $7.9 million over last year to support additional corps personnel. This has been a very successful program and many communities want to participate in it.

Three million dollars for home health services. This is a new program and we think it will eventually reduce the demand for nursing home care; $3 million for hemophilia programs. This is another new program and is aimed at doing something about the 40,000 severe cases of hemophilia in the country today; $10.4 million for rat control projects. Rats are still a problem and local communities need help in developing effective rat control programs; $50.5 million for community mental health. There was nothing in the budget for these programs. We provided funds for planning, initial operations, expansion, consultation and education services related to community mental health centers. There is funding for financial distress grants to assist those centers which have not become self-supporting. Also included is $2 million to initiate a new program for prevention and control of rape; $77 million for nurse training programs. We are over the budget by $59 million mainly because there was no request for capitation grants to nursing schools. These schools have expanded their enrollment and are counting on this support.

There are several other items that I should mention. One concerns programs for the developmentally disabled. The authorization was passed just a month ago and we have included $37,125,000 in the bill for these programs. By the way, there is $18.5 million in the regular Labor-HEW bill for this purpose. We do not want to forget about that now that we have a brand new law.

We also added funds to support 30 additional investigators in HEW to help them do something about all these cases of fraud and misuse of funds that we have been hearing about.

That wraps it up for the Labor-HEW items in the bill. It is quite a list, but that is not unusual for us. I am sure we will have more supplemental budget requests coming up in January.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, as long as the gentleman has started to discuss the question of nursing training, I would like to ask the gentleman a few questions.

But, first of all, Mr. Chairman, I want to congratulate my good friend, the gentleman from Pennsylvania (Mr. FLOOD). I think we have brought out a good supplemental bill as far as HEW-Labor is concerned. And in the interests of clarification, I would like to know if the understanding of the gentleman from Pennsylvania and my understanding coincide as to the amount of appropriations available for new nursing student loans. I see student loan appropriations in the Labor-HEW bill, also here in the supplemental; however, the language is not clear, and I wonder if we could clarify that, Mr. Chairman, as to the understanding concerning the amount of money available for new nursing student loans?

Mr. FLOOD. I would be happy to do that. The gentleman from Massachusetts is a member of the committee and a very helpful one, and the gentleman knows that I consider the nursing student loans a very important program, and our committee included $9,000,000 for the student nursing loan program in the regular Labor-HEW bill. Then the matter went over to the other body and the other body added $6,000,000 more for the nursing student loans.

It is my understanding that this Senate increase will provide for an additional 7,500 nursing loans.

I also can state that the House conferees have accepted the Senate increase. Therefore as things now stand, we will have a total of $15,000,000 in appropriated funds available for the nursing student loans.

Further, let me point out, in addition to the appropriated funds for the nursing student loans that there is another $6,000,000 available from nursing loan collections. It is estimated that about 7,000 new loans will be awarded from these repayment funds. So that we have the total now of $21,000,000 available for nursing student loans. That is the $15,000,000 that I mentioned in the regular Labor-HEW bill plus the $6,000,000 in the nursing student loan collection fund. It appears there will be about 10 or 12 million dollars available for new loans.

Mr. CONTE. That answer justifies my request and I thank the gentleman from Pennsylvania, the chairman of the subcommittee who has always said that he never turns his back to a nurse, having married one, I could not agree more.

Mr. FLOOD. Indeed, Mr. Chairman, I have said that many times. Believe me, I learned that the hard way.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I am happy to yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, in terms of funds for the unemployment trust fund, does that represent borrowings by the States?

Mr. FLOOD. The unemployment funds?

Mr. MITCHELL of Maryland. Yes. They are borrowings?

Mr. FLOOD. That is correct.

Mr. MITCHELL of Maryland. Under what conditions must those borrowed funds be repaid?

Mr. FLOOD. The conditions are established in the basic law.

Mr. MITCHELL of Maryland. The point I was trying to make, Mr. Chairman, was that I read that some States were borrowing Federal funds in order to meet their needs, and those borrowings had to be repaid within a 3-year period.

Mr. FLOOD. Normally, they must be repaid within 2 years, but the law was recently changed to waive that requirement for calendar years 1975, 1976, and 1977.

Mr. MITCHELL of Maryland. All right. Could the Chairman tell me how many States are presently involved in borrowing? Is it as many as 25 States?

Mr. FLOOD. Ten States have borrowed to date and as many as 18 more States may have to borrow by the end of this fiscal year.

Mr. MITCHELL of Maryland. I see. Then this would be reflective, of course, of the extent and depth of unemployment in this country?

Mr. FLOOD. That is right.

Mr. MITCHELL of Maryland. I have one last question. Given the present economic trends, can we anticipate that the States, burdened as they are, would be able to pay back these funds within the 3-year time limitation?

Mr. FLOOD. I do not know that.

Mr. MITCHELL of Maryland. Is the Chairman considering any possibility of altering that 3-year period?

Mr. FLOOD. That would be a matter for consideration by the Ways and Means Committee.

Mr. MITCHELL of Maryland. I thank the Chairman very much.

Mrs. BOGGS. Mr. Chairman, earlier this year when we passed Public Law 94-63, this Congress went on record as dedicating itself to improving the quality of the health services available to the people of this country.

When this House considered provisions of that law relating to health revenue sharing, I rose to call attention to a provision of the bill relating to family planning programs. I pointed out that our distinguished colleagues of the Committee on Interstate and Foreign Commerce, in drafting the legislation, had specified that "family planning projects—should—offer a broad range of acceptable and effective family planning methods—including natural family methods." At the time, I was assured by Congressman ROGERS, the floor manager of the bill, that the intent of this language was to insure that the Department of Health, Education, and Welfare continue to develop programs which provide the education and training needed by family planning program personnel and which enable them to understand not only the methods of natural family planning but also the type of outreach and patient communication programs needed to reach users of these methods.

I am pleased to see that the distinguished members of the Committee on Appropriations, particularly my dear friend, the gentleman from Pennsylvania (Mr. FLOOD) also recognize this need for continuing education.

The committee has recommended the appropriation of $100,615,000 for the purpose of assisting State and local health agencies, universities, hospitals, and other public or nonprofit entities in providing comprehensive family planning services to more than 2.2 million people. I feel it is very important that the committee has emphasized that there is a broad range of acceptable and effective family planning method, including natural family planning.

One of the objectives of the Federal family planning effort is to insure that it serves not only the poorest individuals but all people who for economic or other reasons have difficulty in obtaining the services they need. Unfortunately, in the past, the desire of many people for a nonchemical or nonmechanical method of family planning was frustrated by the lack of funding for those agencies which provide these methodologies. The intent of legislation establishing family planning programs has been that every individual have free access to those methods which they voluntarily select, whether they be artificial or natural. That those who opt to use the natural methods should not have access to medically supervised programs offering the various natural methods would seem to be contrary to this intent.

Mr. Chairman, the natural methods have been much improved and have been medically and scientifically validated as to their success when taught by qualified instructors under medical supervision. In this day, when more and more of our people opt for ways of living which free them from harmful chemicals or mechanical manipulation of their physiologic systems, it seems only right that they have free access to family planning systems which assist them to live in this chosen way.

Natural family planning programs face problems which are somewhat different than those of the contraceptive clinics. While they would be guided by the medical directives of DHEW, they have other components which are educational and supportive in nature, for which special training for teachers is necessary. This special training is needed to equip individuals to train women, and men, to understand and appreciate the physiological functions of their own bodies.

When one looks at the problems expressed by some women with the pill and the IUD now being underlined by the FDA, and when one recognizes the rapid increase in the number of users of the natural methods, it becomes increasingly important that some of the moneys for family planning programs should be utilized for natural family program development. We should expect that DHEW will utilize a portion of the $100,615,000 that we are appropriating today for these purposes.

Mr. Chairman, on behalf of the women of this Nation who for moral, religious, or health reasons believe in using natural methods of planning for their families and their future, I commend the committee for sharing their concern that natural family methods should be included in family planning programs supported by the Federal Government.

Mr. CEDERBERG. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, as the gentleman from Pennsylvania pointed out, the Labor-HEW section in the bill totals $5,717,055,000, which is $283,848,000 over the budget request.

All of the increase over the budget occurs under the HEW section, and one $2.5 million item for CSA. In fact, the subcommittee recommendation almost doubles the administration request for HEW, from $328 million to $610 million. The amount also represents nearly a 12-percent increase over last year's appropriations for the categories in question.

Additionally, it should be noted that the bill busts the first congressional budget resolution by at least $2.9 billion in terms of budget authority, and $2.1 billion in outlays, these being the amounts which unemployment compensation alone is over the limit. Of course, the House has decided to, in effect, throw the initial resolution to the birds by coming out with a second one which conveniently raises the spending ceiling and deficit to accommodate such increases, rather than making commensurate reductions in other areas in order to stay within the lower ceiling.

LABOR DEPARTMENT

We have gone along with the budget request for the Department of Labor, with the exception of a $1,224,000 reduction in annualization costs to reflect a more realistic hiring schedule. The total in the bill for Labor is thus $5,104,139,000, $5 billion of which is for unemployment compensation.

Of the $5 billion, $2 billion is to be allocated to the extended unemployment compensation account and $3 billion to the Federal unemployment account. The latter makes noninterest bearing loans to the States to replenish their unemployment accounts. The Department advises us that 10 States are currently receiving loans, with an additional 18 expected to request loans sometime during the current fiscal year.

The $5 billion for unemployment compensation and the projection that some $16 billion will be spent for unemployment compensation this fiscal year make it more important than ever that the unemployment compensation laws be tightened to eliminate abuses in the program. One of the most flagrant loopholes is the payment in some 25 States of unemployment benefits to retired Federal employees, without any adjustment to take into account their retirement benefits. In fact, Labor Department witnesses admitted to us during our subcommittee hearings that even defeated Members of Congress would be eligible for unemployment benefits in those States, over and above their congressional pensions. Other loopholes include nonteaching seasonal employees, pregnant women, and those with temporary illnesses.

These situations, because of their complex nature, really ought to be dealt with by the authorizing committees, but if no action is taken, I think we ought to consider doing something through the appropriations process next year, as we did with teachers earlier this year.

We also need to consider doing something about the current provision in the law which permits the unemployed to refuse jobs not in their field. I think too many people are refusing jobs because they might be considered "lousy jobs" as the Manpower Administrator referred to them before our subcommittee. No job ought to be classified as a "lousy job," because doing so simply demeans those individuals who hold such jobs and further adds to a class stratification in our country. The attitude has been developing in this Nation that accepting Government benefits is better than taking a job that one might consider demeaning. This attitude is sapping both the work ethic and the taxpayers' pocketbooks, and it is time that we start acting in a meaningful way to reverse the trend. The unemployment program is a good place to begin, and I intend to set forth some proposals in this regard in the months ahead.

PENSION-LANGUAGE

Under the Labor-Management Services Administration, **$3.9 million is included to provide additional persons to** enforce the new pension law. At the same time we give them additional positions, however, it is important we let them know that their administrative efforts must not become the complex monstrosity that OSHA has become. We have sought to do so through language in the committee report calling on them to keep the report forms as short, simple, and easy to understand as possible. There have been complaints raised already that the proposed forms are excessively complicated, and there have been indications that this may result in the termination of some pension plans. The last thing I should think we would want to happen would be the termination of pension plans because of excessive Federal paperwork requirements, and I thus hope the report language will accomplish its intended purpose.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

HEALTH SERVICES ADMINISTRATION

Under HEW's Health Services Administration, the bill includes $432,013,000 for health services programs authorized by the recently enacted Health Revenue Sharing Act. This amount is nearly $166 million over the budget, and $8.9 million over last year's appropriation.

All seven programs under this category are funded at levels higher than the budget request, with the sharpest increases being $90 million for comprehensive grants and $41 million for community health services. The administration had argued that State and local governments and third parties should make up for reduced Federal funding, but they were not able to show that this would, in fact, occur. This is probably not the year to expect increased funding from other sources, but on the other hand, it is also true that other sources are not going to admit in advance their willingness to provide funds as long as there is the prospect that free Federal moneys may be available.

The original intent of these programs was that the Federal Government would provide seed money to get them started, with the States and localities then picking up the ball. We are providing general revenue sharing funds for just this purpose, or so we were told when the program was initially adopted. One of these years hopefully we will find it opportune to begin phasing the Federal Government out of some of these categorical grant demonstration programs that seems to perpetuate themselves ad infinitum. Of course, one of the problems we run into in trying to phase down the comprehensive health grant program is that we do not even know how the States are spending the money—the law does not require them to so report.

It is worth mentioning that the $100 million included in the bill for family planning represents just a portion of what HEW is spending for this purpose. Altogether, the total departmental expenditure for family planning services during the current fiscal year will range in the neighborhood of $230 million. Members might also be interested in the fact that over the long term, each family planning dollar spent results in the average savings of $26 in unspent Federal welfare and medical service moneys.

It should also be noted that funding for two new categorical health services programs is included in the bill: $3 million each for home health services and hemophilia programs. Neither program is really needed, as we already have some 2,200 private home health groups providing services and some 67 hemophilia treatment clinics around the country.

CENTER FOR DISEASE CONTROL

Under the Center for Disease Control, we have included $10,410,000 for the rat control program. This represents a reduction of $2,690,000 from last year's appropriation, but an increase of $5 million over the budget. The amount represents an effort to phase-down Federal involvement in the program without a precipitous cutoff. It is a welcome pattern which we should be following with more frequency.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

Fifty million dollars is included for mental health services to implement the newly enacted community mental health centers amendments. There was no budget request for these items. This amount is broken down among various subcategories newly created under the act to fund the community mental health centers. They include planning, initial operations, conversion grants, financial distress grants, and consultation and education services.

The $6 million for financial distress grants is somewhat bothersome, in that I am afraid we are breaking new ground which will result in no end of applications and hardship appeals. There may be some centers which could very well be facing problems after their 8th year, but by George, they knew 8 years in advance when Federal funding was scheduled to expire, and if that is not sufficient time to round up non-Federal funds to continue their operations, then I do not think they ever will become self-sustaining. Three years of "distress grants" are likely to do little more than postpone the day of reckoning and enable the centers as well as State and local governments to avoid the hard-funding decisions which they will eventually have to face up to, unless, of course, this new Pandora's box we are opening up results in such continuing demands that we end up turning these supposedly 3-year financial distress grants into permanent subsidies.

The Members ought to also be aware of the ultimate cost of the 600 new centers authorized by the new law. At an average 8-year cost of $5 million each, the total bill to the Federal Government will likely exceed $3 billion if they all end up being funded.

The bill includes $2 million to establish a new Center for the Prevention and Control of Rape. There is no question about the seriousness of the problem, but the name of the Center does not correspond to what witnesses before our subcommittee indicate is being done and will be done. They are not concentrating on "prevention" and "control;" they are focusing on how to treat the victim after the fact. It seems to me they have their priorities mixed up here. I think we probably know pretty much now about how to treat the victim—it is basically a matter of carrying it out. What we need to concentrate on is how to prevent rape in the first place. It seems to me this was the intent of Congress and if so, we ought to reaffirm it to HEW.

HEALTH RESOURCES ADMINISTRATION

A total of $77 million is included for the nurse training program, an increase of $59 million over the budget and $3,891,000 over last year's equivalent appropriation.

Most of the increase, $44 million, goes for capitation grants, for which no funding was requested in the budget. This also represents an increase of $9,657,000 over last year. Another $13 million of the overall increase goes for nurse training, and the remaining $2 million for scholarships.

It is encouraging that we have not provided funds for financial distress grants, though, of course, the increase for capitation grants more than makes up for it. I am concerned, however, that we continue to fund the nursing program at increasing levels when the overall national supply of nurses has about caught up with demand. The American Nurses' Association admitted this over 2 years ago. Our current problem is not to continue to stimulate an increase in supply, but to better distribute it. There are shortages in some geographic areas, while in others there are surpluses, and even unemployment. We need to more actively match up supply with demand.

Additionally, there is probably no good reason why we should continue to single out nursing students for special treatment as far as student assistance is concerned. They are eligible for regular Federal assistance programs, and thus we ought to be able to begin phasing out the special scholarship and traineeship programs, as we have in the regular bill with respect to the loan program.

HUMAN DEVELOPMENT

For the White House Conference on Handicapped Individuals, we went along with the budget request of $2,955,000 to cover the cost of the Conference and preparations. It is expected to be held December 11–15, next year, and I hope it will prove to be more fruitful than similar conferences have in the past.

The bill contains $37,125,000 for the developmental disabilities program under the authority of the new law, and also authorizes the use of $18,500,000 from funds previously included in the regular bill for special project grants under part D of the new legislation. The total of $55,625,000 is $2 million over the budget and a like amount over last year.

DEPARTMENTAL MANAGEMENT

Finally, under departmental management, we have included $413,000 for 30 additional positions for the Office of Investigations and Security. This is the office which is responsible for rooting out fraud and abuses in the administration of HEW's programs, but at the present time they only have 10 investigators to cover $140 billion worth of programs. In comparison, the Department of Agriculture has 324 investigators for a budget less than a tenth the size of HEW's.

Indications are that the loss of taxpayer funds through misuse in such areas as student assistance, medical services, social security, welfare and other programs may be running in the billions of dollars. Reports have been appearing in the newspapers almost daily regarding problems in one program or another among the multitude under HEW auspices. Under the student guaranteed loan program alone, for instance, the default rate is running in excess of 20 percent, which means that the loss to the Federal Government on the $6 billion in loans currently outstanding could exceed a billion dollars.

Under the medicaid program, just three States have reported 1,005 fraud cases they are looking into, most of which will likely be turned over to HEW for investigation. Abuses in the wide-open field of grants, contracts and consultants have not been investigated as yet due to a shortage of investigative manpower.

The Office of Investigations' current caseload alone requires 75 man-years to handle, and it is clear that if that Office were to really do a job, many times that number could be effectively utilized. We added 12 positions in the regular fiscal year 1976 Labor-HEW appropriations bill, and with the 30 in this bill, their staffing level would increase to 52. Additionally, we have suggested in the committee report that the Secretary seriously consider transferring to the Office of Investigations the 18 investigators currently employed by the Social Security Administration, and there are indications that the Secretary will be doing so.

I believe this substantial increase in the strength of the Office of Investigations will be of considerable help in allowing a more concerted investigative effort to take place and result in some significant savings of tax dollars. Estimates are that an adequately staffed Office could return a minimum of $5 for every $1 spent for its operation, with untold additional savings resulting from its deterrent impact.

SUMMARY

Summing up the Labor-HEW chapter, I am concerned that we have gone overboard in some of the areas I have referred to, and any further increases by amendment here or over in the other body would certainly make the overall bill veto bait. On the whole, however, the bill is generally acceptable, and I intend to vote for it as it currently stands.

At this point in the RECORD, I am inserting a table which itemizes the items in the Labor-HEW chapter and sets forth their levels of funding:

SUPPLEMENTAL APPROPRIATION BILL, 1976—LABOR-HEW CHAPTER

	1975 appropriation	1976 supplemental request	H.R. 10647
DEPARTMENT OF LABOR			
Manpower Administration			
Advances to the unemployment trust fund and other funds	$5,750,000,000	$5,000,000,000	$5,000,000,000
Grants to States for unemployment insurance and employment services	(1,242,300,000)	(364,100,000)	(364,100,000)
Labor-Management			
Services Administration:			
Salaries and expenses	36,845,000	4,618,000	3,910,000
Transition period		1,930,000	1,930,000
Departmental management:			
Salaries and expenses	30,339,000	305,000	203,000
Transition period		154,000	154,000
Employment Standards Administration:			
Salaries and expenses	76,116,000	3,340,000	2,926,000
Transition period		1,198,000	1,198,000
Special benefits	165,000,000	97,100,000	97,100,000
Transition period		10,800,000	10,800,000
Total, Department of Labor	6,058,300,000	5,105,363,000	5,104,139,000
Transition period		14,082,000	14,082,000
DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE			
Health Services Administration:			
Community health services	196,648,000	155,190,000	196,648,000
Comprehensive health grants to States	90,000,000		90,000,000
Family planning	100,615,000	79,435,000	100,615,000
Migrant health	23,750,000	19,200,000	23,750,000
National Health Service Corps	12,131,000	12,529,000	15,000,000
Home health services			3,000,000
Hemophilia programs			3,000,000
Subtotal, health services	423,144,000	266,354,000	432,013,000
Transition period, health services		65,017,000	87,517,000
Center tor Disease Control: Rat control	13,100,000	5,410,000	10,410,000
Alcohol, Drug Abuse, and Mental Health Administration:			
Community mental health programs:			
Planning			$1,500,000
Initial operations			18,000,000
Conversion			20,000,000
Financial distress			6,000,000
Consultation and education			3,000,000
Facilities			
Rape prevention			2,000,000
Total			50,500,000
Health Resources Administration:			
Nurse training:			
Capitation grants	$34,343,000		$44,000,000
Advanced nurse training		$1,000,000	1,000,000
Nurse practitioners		2,000,000	2,000,000
Financial distress grants	4,750,000		
Special projects	19,000,000	15,000,000	15,000,000
Nurse traineeships	13,016,000		13,000,000
General scholarships	2,000,000		2,000,000
Subtotal, Health Resources Administration	73,109,000	18,000,000	77,000,000
Transition period		4,000,000	6,000,000
Human Development:			
White House Conterence on Handicapped Individuals	25,000	2,955,000	2,955,000
Developmental disabilities:			
State grants	30,875,000	30,875,000	30,875,000
University affiliated activities	4,250,000	4,250,000	4,250,000
Personal advocacy		(2,600,000)	1,500,000
Special project grants		(14,100,000)	(18,500,000)
Evaluation and studies		(1,800,000	500,000
Subtotal, human development	35,150,000	38,080,000	40,080,000
Transition, human development		8,668,000	9,168,000
Departmental management			413,000
Transition period			206,000
Total, HEW	544,478,000	327,844,000	609,903,000
Transition, HEW		77,685,000	102,891,000
Community Services Administration			2,500,000
Grand total	6,587,762,000	5,433,207,000	5,717,055,000
Transition period		91,767,000	115,756,000
Total increase in bill ovei budget	278,335,000		

Mr. Chairman, going back to the chapter on agriculture for a minute, I cannot help but be concerned that there may end up being something phony in the $2.2 billion reduction in funds for the food stamp program. The precedent is there.

Last year, the committee deliberately slashed public assistance funds, only to have to come back in a supplemental to more than make up for the earlier horseplay.

Earlier this year, in connection with the regular agriculture appropriations bill, the committee knew that the budget estimate for food stamps, which was originally prepared a year ago July, was excessively low, but instead of allocating sufficient funds in that bill, it went with the budget request, only to limit the applicability of the funds to 7 months. The idea, of course, was to avoid coming in with a bill that exceeded the budget. Image took precedence over responsibility.

Now in this bill we are deliberately undercutting the budget. Hopefully, the moneys appropriated will be sufficient, though the Department tells us that based on current projections, the committee's action will leave them $400–$500 million short in the transition quarter.

The committee's expectation, apparently, is to make the shortfall up by having the Department tighten up regulations governing the program. It is, of course, no secret where I stand regarding the need to reform and tighten up the food stamp program. Perhaps much of it could be done administratively, but I think we should do it. Let us not pass the buck. That's the easy way out. It is also the irresponsible way out. We were not elected to engage in the art of buck-passing. We were elected to make decisions. Many times hard decisions. It is tough, but that is what we are here for.

We need to legislatively reform the food stamp program. We have the bill to do it. The chairman and members of the Agriculture Appropriations Subcommittee and others who talk about the need for reforms ought to be on the bill. I intend to drop it in the hopper again today with additional cosponsors. We have 104 already. I urge the others of you who are concerned to join up.

It is a tough but generous bill which will weed out those who should not be receiving food stamps, but make it easier for those who are truly needy. It represents a good framework within which we ourselves can act to reform the program. I am including a summary of the bill at this point in the RECORD:

MAJOR PROVISIONS IN THE NATIONAL FOOD STAMP REFORM ACT OF 1975

1. Reduce costs by more than $1.2 billion per year.
2. Eliminate legal abuses and cut the cost of administration by replacing current variable and complex deductions with a standard deduction of $100 per month.
3. Set a standard deduction of $125 per month for households with elderly members.
4. Limit eligibility to those whose gross income less the standard deduction is below the poverty level ($5,050 for a family of four).
5. Increase benefits for those at the very lowest income level.
6. Require any family which receives food stamps to spend 30% of household income for the stamps.
7. Require able-bodied recipients to seek, accept and retain gainful employment.
8. Make the program more realistic by measuring actual income over the preceding 90 days for purposes of eligibility determinations, rather than estimating future income, and requiring recipients to report their financial status on a monthly basis.
9. Establish a minimum age for qualification as a separate household.
10. Eliminate categorical eligibility for recipients of public assistance.

If we do the proper job, the department will know what we want and there should be no problem in developing appropriate implementing regulations. It is our initial responsibility, though, and I suggest that the time has come for us to grab the bull by the horns and get to work.

Mr. CEDERBERG. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. COUGHLIN. Mr. Chairman, I would like to make some general comments about the legislative appropriations supplemental, and then address some questions to the distinguished chairman of the Budget Committee, the gentleman from Washington (Mr. ADAMS) and to the distinguished chairman of my own subcommittee, the gentleman from Texas (Mr. CASEY).

The minority shares with the chairman of our subcommittee a concern about the growth in the legislative budget, the growth in the number of personnel that the legislative branch is acquiring and the growth of our facilities. In the supplemental hearing, we received many requests for additional personnel, for example, to handle crowds anticipated by the Bicentennial. We would hope that those additional personnel would be temporary, and that we would see a reduction in personnel after the Bicentennial.

We received a request, for example, by the Office of Technology Assessment to lease space downtown, at a time when we already have taken on considerable additional space in the old FBI building. The subcommittee refused that request.

But I would particularly like to address myself to the question of the Congressional Budget Office because this is the first time that the Congress will consider an appropriation for that office.

Unfortunately, the Congressional Budget Office, in my judgment, was created with little guidance as to its size or its jurisdiction or its oversight. The subcommittee had great concerns about the fact that the committee had been simply growing like Topsy and drawing on the Senate Contingency Fund over the past months. There were three major concerns.

One was a concern that the activities of the Congressional Budget Office might duplicate the activities of the Congressional Research Service or the Joint Economic Committee or the General Accounting Office or the Office of Technology Assessment, as well as the functions of other Standing Committees of this House.

There was a second concern that the Congressional Budget Office was designed to service the House and Senate Budget Committees and not be making a series of policy recommendations on its own.

Despite all of the denials by the Director of the Congressional Budget Office, Mrs. Rivlin, there have been apparent cases where policy recommendations were discussed.

The third concern was the question of work priorities. The Congressional Budget Office, in our judgment, in reading the statute, was created to serve the Budget Committees and to serve the individual Members to the extent that it could. But we felt that the language in the Budget Act that required the Congressional Budget Office to provide information to individual Members should be strictly construed to be interpreted to supplying information compiled for the committees and not to creating new studies for individual Members.

In summary, the growth that we have had in various congressional committees and various congressional agencies has been enormous.

We now have 35 people in the Joint Economic Committee; 716 in the Congressional Research Service; 60 in the Congressional Budget Office; 130 in the Office of Technology Assessment; and 5,558 in the General Accounting Office.

It seems to me that there is a time when we have to call a halt to this kind of growth in the congressional staff.

Mr. Chairman, the distinguished gentleman from Washington (Mr. ADAMS) is the chairman of the Committee on the Budget. The Congressional Budget Act provides that the House and Senate Budget Committees shall "review, on a continuing basis, the conduct by the Congressional Budget Office of its functions and duties." Accordingly, I would like to direct the attention of the gentleman from Washington to language in our committee report, which concerns the operations of the Congressional Budget Office, or "CBO."

The language reads as follows:

1. *Duplication.*—The conference report on the Congressional Budget Act expressed strong congressional intent that the Congressional Budget Office not duplicate the resources or functions of other congressional agencies, such as the Congressional Research Service, the Office of Technology Assessment, and the General Accounting Office. In addition, the committee believes the Congressional Budget Office must not duplicate the work of the Joint Economic Committee and the standing committees, or the policy analysis function assigned to the Congressional Research Service by the Legislative Reorganization Act of 1970. The Congressional Budget Office should make a continuing and specific effort to insure that it utilizes the substantial analytical resources available in the Congressional Research Service, the General Accounting Office, and the Office of Technology Assessment.

2. *Policy recommendations.*—The Committee believes the principal mission of the Congressional Budget Office should be to provide support for the implementation of the Congressional Budget Act of 1974, particularly to the Budget Committees in their work. Other members should also be able to receive information already prepared concerning the fiscal or budgetary impact of legislative proposals. In the legislative branch, debate over public policy must be conducted by elected officials. Neither the Congressional Budget Office, nor any of its employees, should initiate, or take positions, on individual policy recommendations. While the Congressional Budget Office must respond to inquiries about its operations, and about individual reports its public information function should be strictly informational in nature, and not promote the Congressional Budget Office or take a position on any particular policy.

3. *Work priorities.*—The Congressional Budget Office has received, and will receive, requests for assistance from many quarters. The Committee believes that the Congressional Budget Office must follow very carefully the priorities set forth in the Congressional Budget Act; in particular, the high priority given to scorekeeping, cost analyses, and other reports to support the Budget Committees in preparation and revision of concurrent resolutions on the budget and to support other Committees in the accomplishment of requirements specifically set forth in the Act. Studies which do not have this relationship must be given a lower priority. The statutory function of the Congressional Budget Office to provide information to individual Members should be strictly construed as relating primarily to information compiled for the Committees listed in the Act.

Is the gentleman from Washington familiar with that same language?

Mr. ADAMS. If the gentleman will yield, I am. I am familiar with the language of the report. I have read it, I agree with the conclusions that are stated therein, basically, the ones that we discussed with the gentleman from Pennsylvania and with the distinguished gentleman from Texas at the time of the hearing, that the Congressional Budget Office is not to duplicate the services of the Congressional Research Service, the Office of Technology Assessment, and the General Accounting Office.

It is the responsibility of the Congressional Budget Committees, both House and Senate, to conduct oversight of this Congressional Budget Office. We have started that process. We have had one set of hearings already.

Now that we have completed the resolution on the floor, and as soon as the conference report is completed, we will be conducting oversight hearings on the number of personnel, the facilities that are there, and we will be giving information to the Appropriations Committee on a continuing basis in the future as to the size of this office and the function, so as to not have duplication.

In reference to the second part of the report regarding policy recommendations, it is our understanding and it is that of the Director, and I have communicated that to her, that they are to prepare analyses as they are requested by the committees of the Congress and that these analyses are not to be policy positions but to provide the alternatives that can happen, given assumptions from the various committees of the House as they are requested from the Congressional Budget Office.

And they are also to report on the President's budget, analyzing it with its alternatives, as is required by the statute, and make periodic reports as requested by the Committees on the Budget of the House and Senate.

Finally, with regard to work priorities, it is the interpretation of this Member—and I have discussed this with the ranking minority member of the Committee on the Budget, and it was discussed as well with the gentleman from Pennsylvania and with the chairman of the Subcommittee on Appropriations—that the first responsibility of the Congressional Budget Office is to report to the two Committees on the Budget of the House and Senate and then to the other committees of the House and the Senate as they may be making requests, and that requests of individual Members are to be handled last on the priority list and are to basically come from materials already prepared for the committees of the House and of the Senate.

I have discussed this with the director of the office, and she will be making that indication to Members as they make individual requests. We are hopeful that the Members will make their requests through the committees on which they serve or through the Committees on the Budget so that the Congressional Research Service will do its job of serving individual Members and the Congressional Budget Office will do its job of servicing basically the Committee on the Budget, the Committee on Appropriations, and the Committee on Ways and Means on a first-order basis, and then they will serve the other committees of the House.

Mr. COUGHLIN. Mr. Chairman, is the gentleman saying that he does fully support the recommendations contained in the committee report?

Mr. ADAMS. Mr. Chairman, I do support them. I also supported them at the time of the hearings.

Mr. COUGHLIN. Mr. Chairman, more specifically, would the gentleman from Washington agree that within the level of 193 positions, or whatever level emerges from conference, CBO should allocate whatever resources are necessary for scorekeeping, cost analyses, and other reports to support the Budget Committees and other committees in preparation and revision of concurrent resolutions on the budget?

Mr. ADAMS. Mr. Chairman, if the gentleman will yield further, I agree that whatever is worked out, whether the figure is 193 or whatever the conference with the Senate brings back, that should be so allocated, and if there are to be any further requests in future years, members of the Committee on the Budget will appear before the Committee on Appropriations either by written statement or by testimony to either support or oppose those, but we have in effect frozen them at the present figures.

Mr. COUGHLIN. Mr. Chairman, I thank the gentleman from Washington.

My concern is that it appears from the testimony that Mrs. Rivlin presented to the Senate—and I just received a copy of that—that she did not get the message that is contained in our committee report.

That language was very carefully considered by the committee, and I hope this can be worked out.

Mr. Chairman, I might ask the chairman of the subcommittee, the distinguished gentleman from Texas (Mr. CASEY), about that. I hope we will be firm in conference in insisting on this kind of language and insisting on this kind of report.

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Texas.

Mr. CASEY. Mr. Chairman, I appreciate the gentleman's yielding. I also appreciate the fact that the gentleman has taken this time for this discussion, since our time is limited on this side.

I want to commend the chairman of the Committee on the Budget for his efforts. He has worked very cooperatively with us. This is a new operation, and it is one that possibly his committee may want to make some recommendations for amendment of the basic act later on.

Right now I think what we have done has been in cooperation with the committee chaired by the gentleman from Washington (Mr. ADAMS) in an effort to see that we do not cripple operations and also that this new start can be made at a proper pace. After all, this has only been in existence a short time, and the director was only appointed in February, so as the gentleman from Pennsylvania stated, it has just been growing without supervision.

Mr. Chairman, I would like to ask the Members of the House to cooperate in their requests of the Congressional Budget Office. This new director is not going to tell some House Member, "You have got to go someplace else," because, after all, we all feel a little sense of power around here and we might not take a "no" answer.

Therefore, I ask the Members of the House not to ask her to do special work for them, because under the law she is supposed only to furnish us with any work she has done for the committees.

However, we have the Congressional Research Service, whom she is supposed to work with. We have the General Accounting Office, and they are all supposed to cooperate; but let us not start, all of a sudden, since we have a new agency, with having everyone make an individual request. Let us do what was suggested by the chairman of the Committee on the Budget, go through the Member's committee and see his committee chairman or go through the Budget Committee.

The CHAIRMAN. The time of the gentleman from Pennsylvania (Mr. COUGHLIN) has expired.

Mr. CEDERBERG. Mr. Chairman, I yield 2 additional minutes to the gentleman from Pennsylvania (Mr. COUGHLIN).

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. Yes, I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I would like to direct one question to the gentleman from Washington (Mr. ADAMS).

We see the policy recommendations in this report on page 32, and they are rather specific in their language that it is not to be the prerogative of the staff of the Congressional Budget Office to make policy pronouncements.

At least as far as I understand, on one occasion Dr. Alice Rivlin has made a public speech here in Washington directly attacking the President of the United States for his proposal that Congress adopt a ceiling on spending.

I do not think that such public remarks is a prerogative of a Congressional employee of any type.

I wonder what action the committee of the gentleman from Washington (Mr. ADAMS), which the gentleman says has oversight over her, has taken to assure that this will not happen again?

Mr. ADAMS. If the gentleman will yield, I contacted her office specifically about the various press comments that had been made. She assured me that those comments were not accurate. I saw the text of the remarks she had made and of the questions that she had answered. The problem is that she had given the answers in alternative form.

With regard to the so-called policy pronouncements, I went over the text with her, discussed it with her, sent letters to her, and she has sent letters back, both to the ranking member and myself and to the members of the committee, explaining specifically what she has said. The problem is that she has been caught in the budget process. When people are asked as to a particular report—and I commend to the gentleman the reports that have gone out—the gentleman will see that they have a series of alternatives in there. They are given the assumptions, and they indicate what those assumptions will lead to. Often the press picks up the assumption that they wish to stress and goes simply into that.

We are doing the best we can to be certain that this is limited and that that misimpression will be discontinued.

Mr. BAUMAN. However, she has been permitted to make policy pronouncements on her own, has she not?

Mr. ADAMS. No, she has not made any policy pronouncements in terms that this should be done or that should be done.

Mr. BAUMAN. I am talking about in the future. Has she been forbidden, in the future, to make any policy pronouncements?

Mr. ADAMS. She understands that fully, that she is not in the business of making policy pronouncements.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. NOLAN).

(Mr. NOLAN asked and was given permission to revise and extend his remarks.)

Mr. NOLAN. Mr. Chairman, I want to commend the distinguished chairman of the Committee on Appropriations and the rest of the members of the committee for this most thoughtful and reasoned approach to the specific problems of health care and food stamps.

Mr. Chairman, I rise in support of this important supplemental appropriation bill. It represents a most thoughtful practical, and reasoned congressional effort to deal with unemployment-related programs, the food stamp program, and various health programs.

I want to particularly commend the committee for inserting in the committee report the specific language including natural family planning as one of the acceptable and effective family planning methods eligible for funding under the family planning projects section of the bill.

Mr. CEDERBERG. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. FOUNTAIN).

Mr. FOUNTAIN. Mr. Chairman, I want to thank the gentleman for yielding.

I would like to direct my attention to that portion of the bill which provides for additional personnel for the HEW Office of Investigations and Security.

I would like to associate myself with the views expressed earlier by the gentleman from Illinois (Mr. MICHEL) in connection with the total inadequacy of this investigative setup to do the job which desperately needs to be done.

Mr. Chairman, I want to commend the Appropriations Committee—and particularly its Subcommittee on the Department of Health, Education, and Welfare—for the action it has taken to provide additional personnel for the HEW Office of Investigations and Security.

The Government Operations' Intergovernmental Relations and Human Resources Subcommittee, of which I am chairman, held a series of hearings earlier this year concerning HEW procedures and resources for prevention and detection of fraud and program abuse. The subcommittee is now preparing a detailed report on its inquiry, which is expected to be completed in the near future.

The facts disclosed at our hearings, in my judgment, established beyond any doubt that the additional personnel provided in this bill are needed—and needed badly—now.

The very magnitude of HEW's operations presents an unparalleled danger of tremendous loss through fraud and program abuse. HEW is responsible for administering around 300 different programs which account for expenditure of approximately $118 billion annually—more than a third of the entire national budget. No one knows the true extent of fraud and abuse in HEW programs, but it is undoubtedly very great. There is ample evidence of such irregularities as fraudulent or exorbitant charges for medical services under the medicare and medicaid programs; organized schemes to collect fraudulent welfare benefits on a wholesale basis; serious abuses in student assistance programs; and false claims, bribery, and conflicts of interest involving HEW employees.

Although HEW has more than 129,000 full-time employees, one of the more shocking facts disclosed by our investigation was that the Secretary has only 10 investigators to examine allegations of fraud in its massive programs. Five of HEW's 10 regional offices do not have a single professional investigator assigned.

When the subcommittee began its hearings in April of this year, the Office of Investigations and Security had a 4-year backlog of uninvestigated cases. By August, the backlog had grown to approximately 10 years.

Under HEW's officially announced policy, the Office of Investigations and Security has department-wide responsibility for fraud investigations. However, our investigation disclosed that there is an unwritten agreement that OIS shall take no part in investigative matters involving the Social Security Administration. Moreover, at the time of our hearings, the Social Security Administration had 13 investigators and the SSA investigations unit was so underutilized—primarily because comparatively few fraud cases were being referred to it—that it had no backlog of uninvestigated cases and seven unfilled positions.

Because of the serious and obvious deficiencies in HEW's fraud and program abuse procedures disclosed by the subcommittee's inquiry, I thought it advisable to express my personal concern to Secretary-designate Mathews without delay. I wrote Secretary Mathews for this purpose in August, and I want to include my letter at this point in the RECORD:

INTERGOVERNMENTAL RELATIONS
AND HUMAN RESOURCES SUBCOMMITTEE OF THE COMMITTEE ON
GOVERNMENT OPERATIONS,
Washington, D.C., August 6, 1975.

Hon. F. DAVID MATHEWS,
Secretary-Designate, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: As I indicated in my letter of August 5, I am writing to call to your attention some specific problems in HEW's operations which appear to me to call for urgent remedial action.

As you may know, the Intergovernmental Relations and Human Resources Subcommittee is reviewing the reasons and procedures utilized by the Department of Health, Education, and Welfare to prevent and detect fraud and abuse in its programs. In connection with this inquiry, the subcommittee requested background information in March of this year and held public hearings in April, May and June.

A formal report on the subcommittee's continuing investigation is now being prepared and is expected to be ready in the near future. It is also my expectation that the subcommittee will give consideration in the near future to the establishment of a statutory Office of Inspector General for the Department of Health, Education, and Welfare.

The report now being prepared will contain a detailed account of the subcommittee's findings, conclusions and recommendations. However, in view of very serious deficiencies disclosed by the subcommittee's investigation. I thought it advisable to write to you in advance of the report to urge that corrective action be initiated as soon as possible.

Since the subcommittee's report has not yet been completed, it would be inappropriate for me to try to speak for other members of the subcommittee at this time. However, in my judgment, the subcommittee's investigation clearly disclosed that:

1. Fraud and abuse in HEW programs are causing enormous losses and greatly reducing the effectiveness of HEW programs. Resources used to combat fraud and abuse are so inadequate and disorganized that HEW officials have little or no reliable information concerning the actual amount of such losses.

2. According to its charter, as published in the Federal Register, the Office of Investigations and Security has departmentwide responsibility and authority for policy direction, planning, coordination and management of investigations. However, HEW has not complied with this stated policy. Instead, there evidently is an unwritten agreement that OIS shall take no part in investigative matters involving the Social Security Administration, even though SSA programs account for more than 80% of all HEW expenditures.

3. The Office of Investigations and Security is responsible for reporting directly to the Secretary on fraud and abuse in HEW programs. However, even though HEW programs involve more than 129,000 employees and expenditure of $118 billion annually, OIS has only 10 investigators to investigate allegations of fraud. Five of HEW's ten regional offices do not have a single professional investigator assigned. When the subcommittee began its hearings in April, OIS had a four-year backlog of uninvestigated cases; that backlog has now grown to approximately ten years.

4. There are thirteen additional professional investigators working for HEW, who do not report to the Secretary. These investigators are assigned to the Investigations Branch of the Social Security Administration's Office of Administration, and work only on cases referred to them by SSA program units. These investigators currently have no backlog—primarily because very few cases are being referred to them.

5. There are also a number of quasi-investigative units which report to the administrators of some HEW programs. These units do not report to the Secretary, and apparently were established on an individual basis rather than as part of a coherent and coordinated overall plan to help provide the Secretary with information needed to combat fraud and abuse in HEW programs. There has been little or no coordination between units working on such closely related programs as Medicare and Medicaid.

The subcommittee's report will undoubtedly go into considerably more detail, but I am sure the above points are more than sufficient to illustrate the basis for my concern.

Pending issuance of the subcommittee's report, I want to urge that you give immediate personal attention to strengthening the procedures and resources used by HEW to prevent and detect fraud and program abuse, and to suggest specifically that:

1. Immediate action be taken to make the SSA Investigations Branch a part of OIS, thereby bringing HEW's investigative operations into compliance with the Department's stated policy. This would also make presently underutilized investigative resources available to meet the pressing needs of the Department.

2. An immediate review be made of personnel and resources being utilized for the prevention and detection of fraud and program abuse with a view to evaluating Departmental needs and available resources, and taking appropriate action to insure a high degree of cooperation and coordination among auditors, investigators and program managers.

3. Immediate action be taken to assign at least one qualified investigator to each regional office; if necessary, this could be accomplished by transferring qualified investigators from program units to OIS.

I hope these comments and suggestions will be helpful to you. If you would like any additional information concerning any of the matters discussed above, please feel free to have the appropriate member of your staff contact the subcommittee Counsel, Mr. Naughton.

Best personal regards.

Sincerely,

L. M. FOUNTAIN,
Chairman.

In my August letter, I urged that immediate action be taken to make the Social Security Administration investigative unit a part of the Office of Investigations and Security. I am pleased to note that the Appropriations Committee has made a similar recommendation in its report.

Testimony at our hearings, in my judgment, showed clearly that HEW officials have little or no reliable information concerning the actual extent of the enormous losses being incurred through fraud and abuse in the Department's programs. The committee's request that the Secretary provide a report on his assessment of the magnitude of fraud and misuse of funds is most appropriate, as are its other recommendations.

The action taken by the Appropriations Committee to provide additional personnel for the Office of Investigations and Security is a significant step in the right direction. I hope and trust that the full amount recommended by the Committee will be approved by the Congress.

HEW's investigative resources must be greatly increased if it is to have any hope of substantially reducing fraud and abuse in its programs. However, additional resources alone are not enough. HEW must use the resources being provided in this bill—and the resources it already has—much more effectively than in the past.

Mr. CEDERBERG. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. MCCLORY).

Mr. McCLORY. Mr. Chairman, on the 19th of June the President sent to the

Congress a communication with regard to implementing the Alcohol, Tobacco, and Firearms Division in the Department of the Treasury so that we could have better enforcement of existing gun control laws. His recommendation was for providing 500 additional officers in that Division which could help reduce the crime committed in 10 of our major metropolitan cities—crimes which are being committed by the use of handguns principally, the so-called Saturday night specials.

This recommendation is supported by the Office of Management and Budget, supported very enthusiastically by the Attorney General of the United States, and is also supported by the Secretary of the Treasury. It was discussed at the time of the first supplemental appropriation bill. At that time the chairman of the subcommittee (Mr. STEED) stated that this subject would be taken under consideration and considered in the second supplemental appropriation bill. Now it appears that the subcommittee instead of recommending $15 million has reduced this amount to $3 million.

This is a most unfortunate change. At the appropriate time I will be offering an amendment to restore the full amount of the funds. These indeed are the funds which are directed against fighting crime in America. It is not the whole solution but it is going to get at the violent crimes which are committed with handguns. It is already being implemented to the extent possible by the Division of Alcohol, Tobacco, and Firearms. It is going to enable us to get some kind of a handle on this.

This is not going to take away anybody's handgun or shotgun. The President's program is going to be directed at the major cities. It is going to be directed at the criminal element which is committing these violent crimes with handguns.

I would hope, of course, that the committee would acept the amendment that I will offer. If they do not see fit to do that, I will certainly urge support on the part of the Members so that we can give effect to the President's recommendation.

The administration has given full support to this and I hope the Members will support it as well.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague's yielding.

Do I understand the gentleman's amendment will increase the allocation for the passenger vehicles and the cost of those vehicles rather substantially, and also the amount for salaries and expense?

Mr. McCLORY. These agents use vehicles, and so that is the reason why the number of vehicles is increased, but then the funds are increased in order to pay the salaries for the 500 additional agents.

Mr. ROUSSELOT. I appreciate that, but my question is why do we assume that the Department of the Treasury Bureau of Alcohol, Tobacco, and Firearms is the only force available to check?

Mr. McCLORY. It is an important agency with regard to the Federal firearms laws, and they recommend this. They feel they need this; the President feels they need this; and I feel they need this. I hope that the Members will support it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CEDERBERG. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. LATTA).

Mr. LATTA. Mr. Chairman, I wish to commend the committee for setting forth in no uncertain terms in the report just what the CBO is not supposed to be doing. I just want to read a couple of sentences from page 32 of the report:

> In the legislative branch, debate over public policy must be conducted by elected officials. Neither the Congressional Budget Office, nor any of its employees, should initiate, or take positions, on individual policy recommendations. While the Congressional Budget Office must respond to inquiries about its operations, and about individual reports, its public information function should be strictly informational in nature, and not—

And I emphasize the word "not"—

> promote the Congressional Budget Office or take a position on any particular policy.

I hope the Director of the CBO takes note of this language. I hope that the Committee on Appropriations makes certain that she does. I am a little bit disturbed that the Committee still permitted her to have 193 positions which, in my judgment, is far too many positions necessary to perform the functions of this office.

Mr. McDADE. Mr. Chairman, I am pleased to express my support for this bill and particularly the committee amendment which will increase the funding available for the soil and conservation service "section 216" emergency watershed protection program.

My district, along with the districts of many other members suffered severe damage during Hurricane Eloise. Directly following the flooding, my office began to receive requests for "216" money. Imagine my surprise to discover there were no "emergency" funds available for the Federal disaster emergency areas in my district. I contacted SCS immediately for additional "216" funds and was advised that the department did not intend to make its request until after the first of the year. This delay would have been devastating to our communities which must at least begin efforts to remedy their flood damage before the spring runoff.

The Agriculture Subcommittee, under the able leadership of Chairman JAMIE L. WHITTEN, responded immediately to my request to add the recommended $21 million to this bill. The chairman was successful in bringing an amendment to fruition in less than a week, and including it in the bill. For his unrelenting interest in this program and his willingness to take quick action on my request, I wish to publicly express my gratitude and that of my constituents.

The committee amendment includes $3 million urgently needed in my state of Pennsylvania. Many of the small tributaries of the Susquehana, Tioga, and Cowanesque rivers which flooded during Eloise also suffered damage during Hurricane Agnes. The residents of these rural counties who have been hit twice by severe flooding in three years have now waited over a month for emergency assistance.

Although our immediate concern during Eloise, was to protect the lives and property of the flood victims, we are now faced with a massive cleanup operation which must get underway before spring, if we hope to mitigate the possibility of further flooding. Many of these small tributaries are clogged with debris and sediment. Others have left their channels and continue to threaten small communities and valuable agricultural lands.

In our attempt to assist our residents, during Hurricane Agnes, my office found the SCS "216" emergency watershed protection authority extremely helpful in making emergency repairs and providing debris clearance.

The section "216" program funds provide the only available means of providing emergency flood control and soil erosion protection in our watershed areas.

Some will ask why I am seeking emergency assistance now—over a month after Eloise. The answer is simple. There were no "216" emergency funds available at the time of the disaster. Conditions remain much the same as they were over a month ago, with the exception that the water level has gone down. The streams are full of debris and sediment, out of channel and every rain brings the threat of flooding.

Although the "216" program allows for only emergency and temporary flood control measures, the authority of the section is broad. It allows the Soil Conservation Service to take whatever emergency and temporary steps required to protect life and property from flooding and the products of flooding. These measures may range from opening watercourses, to constructing protective diversions or dikes, to repairing dams, or establishing vegetative cover. In seeking these funds I am not asking the SCS to make long-term improvements in our streams. However, I am asking that we be allowed enough temporary protection to allow life to continue in these areas until permanent measures can be planned and undertaken.

Mr. Chairman, my State needs these funds desperately, and I am certain that other States which have experienced disastrous conditions are in the same position.

The critical nature of these funds demands our approval. I urge my colleagues to support this legislation.

Mr. BADILLO. Mr. Chairman, on August 6, 1975, President Ford signed into law the expansion and extension of the Voting Rights Act, an act of historic significance. I am most pleased to note that in the supplemental views of the conference report of the Supplemental Appropriations Act for fiscal year 1976 that is now before us, my distinguished colleague from California, the Honorable EDWARD ROYBAL, points out the inclusion of funds in the bill designated to the Civil Service Commission for Federal observers to enforce the title II provisions of that act which extended coverage to language minorities. I rise in support of the Supplemental Appropriations Act, and particularly to express my gratification for inclusion of those funds.

However, I must publicly express my concern that in this bill there appears no appropriation for an even more vital element of the enforcement of the new provisions—funds for the increase in Justice Department staff so vital to proper implementation of the new law.

Assistant Attorney General Stanley Pottinger, of the Civil Rights Division of the Justice Department, estimates that 23 additional staff positions will have to be filled to adequately serve the new demands being placed on the division. Yet, it is my understanding that the Justice Department did not request the appropriation needed to fill those slots, and it appears, that unless the money is added on the Senate side, we will have to wait until the spring of 1977, long after the important and complex elections of 1976 have long passed, before an effective enforcement effort can be mounted.

It is vitally important to our community that the provisions extending coverage to our Nation's Spanish-speaking citizens be effectively enforced. This enforcement effort will not come about unless additional appropriations are made available so the Justice Department can do its job effectively. I hope this will be done.

Mr. MURTHA. Mr. Chairman, the food stamp program started in 1965 with 442,359 persons participating; by March of this year it had jumped to 19,142,359 persons. In 1965 the total cost of the program was roughly $36 million; this year it is estimated the cost will go as high as $5.2 billion. And against this backdrop of growing government expenditures are regular stories of abuse and taxpayer funds going to help citizens that do not really need the assistance.

That makes this $8,000 ceiling approach appear attractive. I must oppose it, however, Mr. Chairman, for the following reasons.

First, the $8,000 ceiling on being eligible for benefits as proposed would only increase greater unfairness to the system. The ceiling fails to take into account the number of persons in the family, for example. A husband and wife with four or five children today may need help from soaring prices just as much as many families classified as poor. With a large family today, an income of $8,500 does not got far. With this amendment we may be penalizing that family.

Second, I don't believe that it is unfair or unwise to help the middle class. Increasingly Government programs help the poor and those on fixed income, but the middle-income working family has been hard-hit by inflation, and we can not turn our back on their needs. This ceiling would just be another action that forces the middle class out of Government programs that are essential to these families.

Third, the key to reform in Government programs must be efficiency and effectiveness in reaching the needs of citizens, not arbitrary limits, such as this bill sets.

Fourth, it is incomplete lawmaking. The Senate has already initiated hearings into the food stamp program, and I am certain the House will follow with our own hearings soon. We should not adopt new measures on the program until we have the wisdom and integrated recommendations of that report.

Mr. Chairman, I believe reforms are needed in the food stamp program. I have seen estimates that as many as 17 percent of the recipients should not be receiving benefits. I have no doubt that a program that has grown this large, this fast is experiencing abuse, unfairness, and fraudulent use of taxpayer funds by people who do not deserve it. I will support reforms that strengthen the good points of this program.

I do not believe, however, Mr. Chairman, that this flat, arbitrary amendment reaches that goal. I urge a negative vote on this amendment.

Mr. DODD. Mr. Chairman, I rise in support of H.R. 10647, which includes appropriations for programs authorized by the Health Revenue Sharing and Nurse Training Acts of 1975.

Four months ago this Congress, in its first override of a Presidential veto, voted to enact the Health Revenue Sharing and Nurse Training Act of 1975.

This act extends assistance to many health programs that have become essential elements of our Nation's health delivery system—nurse training programs, community mental health centers, public health service migrant health centers, community health centers, the National Health Service and family planning programs.

Despite the accomplishments of these programs in providing millions of Americans with quality health care, the President has opposed their continuation due to "budgetary priorities."

Unfortunately, Mr. Chairman, the President's budget cutting has been directed almost exclusively toward programs that provide direct benefits to middle- and low-income Americans, while leaving high-cost defense programs virtually untouched.

Congressional efforts to make reasonable reductions in the defense budget have been met with tremendous opposition by the administration.

Yet in recent testimony before the Senate Budget Committee, administration witnesses said additional cuts in social security benefits, medicare, medicaid and veterans benefits may be recommended in order to offset the President's proposed cuts in personal and business taxes.

Mr. Chairman, clearly the Congress and the administration basically disagree about what our budget priorities should be.

However, the bill before us today reflects the Appropriations Committee's honest attempt to pass legislation which will not be vetoed by the President.

Funds for some health programs have been cut out entirely by the committee, and the overall funding level is comparable to that for last year.

In fact, Mr. Chairman, like many of my colleagues, I would have liked to see greater funding for many of these programs.

For example, Congress authorized $156 million for nurse training programs this year, but the Committee's bill appropriates only $77 million.

Major funding cuts were made in advanced nurse training programs, nurse practitioner programs, and smaller cuts were made in the advanced nurse traineeship program and capitation grants.

The committee did not appropriate any funds for construction grants or for student loans.

Mr. Chairman, during the first part of this session I introduced nurse training legislation very similar to that which was later passed by the Congress.

I took this action because I know how successful these programs are in helping to meet the demand for practicing nurses and nursing education program faculty.

Perhaps I value these programs more than some others, because two of the major towns in eastern Connecticut, which I represent, have the lowest ratio of doctors to population of any towns in the entire Northeastern region.

Nonetheless, the impact of nurse training programs should be clearly evident to anyone who looks at the statistics over the last 10 years.

Since 1964, when the Nurse Training Act was enacted, the number of graduates in nursing has increased 80 percent.

There were only 33,259 nursing graduates in 1963–64, while there were 59,427 nursing graduates in 1972–73.

In 1960 there were 527,000 registered nurses and in 1973 there were 723,000.

However, the productive capacity of professional nursing schools must be maintained at least at present levels if more than 1 million nurses, estimated to be needed by 1980, are to be available.

And, if the present productive capacity of nursing schools is to be maintained, we are going to need more nursing education program faculty and administrators than we now have.

Presently, there are more than 1,000 budgeted positions for nursing education faculty that are unfilled.

And, there are estimates that more than 60,000 nurses are needed to fill faculty, administrative, and advisory positions in nursing educational institutions.

Yet this year only about 2,500 nurses will graduate from nursing graduate schools. These are the persons that will have to fill teaching and instructional positions.

We can only increase the number of active nurses, if we can increase the number of teachers to train them.

We are voting funds today for nurse traineeships and advanced nurse training programs both of which are very much needed in order to increase the number of instructors in nurse training institutions.

Last year, 3,800 nurses received grants under the nurse traineeship program. This program pays the tuition and a living allowance to mostly graduate level nurses who serve as teaching assistants to nursing instructors.

Although the bill before us today provides the same level of funds for nurse traineeships as was provided last year, the actual number of traineeships granted this year may be less than last year due to tuition increases.

If we are to insure the future availability of an adequate number of nurses, we must be careful not to reduce our commitment to the training of nurse education faculty.

Mr. Chairman, I think it is important we recognize that nurse training programs also directly benefit the public. In my area of eastern Connecticut, students in the school of nursing at the University of Connecticut also work in community health centers and hospitals in our region to obtain their clinical experience.

Mr. Chairman, I know my colleagues will agree with me that there are few things that can be considered of a higher priority than the health care available to our citizens.

I urge my colleagues to support funds to continue these vital health care programs.

Mr. MAHON. Mr. Chairman, I have no further requests for time. I ask that the Clerk read.

The CHAIRMAN. The Clerk will read.

Mr. FINDLEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The Clerk will read.

The Clerk read as follows:

FOOD AND NUTRITION SERVICE

FOOD STAMP PROGRAM

For an additional amount for the "Food stamp program" for the period February 1, 1976, through June 30, 1976, $1,750,000,000, of which $100,000 shall be immediately available only for revising program regulations as authorized by existing law: *Provided*, That funds provided herein shall remain available until expended in accordance with section 16 of the Food Stamp Act of 1964, as amended.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chiarman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 2, after line 19, add the following new paragraph:

"None of the funds appropriated by this Act shall be used to formulate or carry out a program under which food stamps are provided to a member of a household whose aggregate annual income exceeds the poverty level as defined by the Office of Management and Budget."

Mr. FINDLEY. Mr. Chairman, if other congressional districts are anything like mine, they have been resounding with editorial complaints about the growth and abuses of the food stamp program. I do not know of any single program in the public domain these days which has been subjected to so much public concern, and I think for good reason. Food stamps obviously are a program out of control. This year, when we take up the second supplemental, the annual price tag for food stamps will hit $6.2 billion. That is an increase of 31 percent over 1974. That year was a 62 percent increase over 1973, and the year before that was up 28 percent over the previous year.

An estimated 17.8 percent of the households currently receiving food stamps have an aggregate income of over $8,000; 4.4 percent have an aggregate income of over $15,000 per year. Maybe the Members read in the newspaper the other day about the two airline pilots, whose income is in the $50,000 per year category, both of whom are receiving food stamps. According to the Library of Congress, 40 percent of the population of this Nation—40 percent of the population of this Nation—should be considered statistically eligible for food stamps under the terms of the basic law.

This program started out as a surplus food disposal program, but it long since ceased to be that. It is a welfare program, but unfortunately so loosely controlled that it is reaching more and more of the population every year. It is high time that we act at the earliest possible opportunity to restrict the benefits of the food stamp program to those who are in the welfare category, that is, whose income, whose household aggregate income is low enough to classify them as in the poverty level according to the Office of Management and Budget.

Now, what would this mean to the Members' constituents if this amendment prevails? It means that a family of four, of whatever age, a family of four would be eligible for food stamps providing it meets the other criteria of the program, and provided further that its aggregate family income is below $5,050, or $6,310 if that family happens to live in Alaska and $5,810 if the family lives in Hawaii.

An old couple, for example, could have earnings of $3,410 to $4,270 and still be eligible for food stamps under this amendment.

Would this be a distincentive for employment? Would this cause, as the chairman of the House Agricultural Committee, the gentleman from Washington (Mr. FOLEY), indicated a moment ago, a disincentive for people to get a job?

I guess if disincentive does function in economic life, it functions wherever the cutoff of welfare benefits might occur. So that is hardly an argument against the amendment.

Another argument undoubtedly will be made that we ought to wait. In this bill is $100,000 for USDA to come forward with regulations tightening the program.

Does anyone really believe, after the experience USDA had this past year with a similar tightening effort, that they will come forward with anything of significance? Or that the Congress will permit them to put across anything of significance?

Another argument undoubtedly will be that we ought to wait for the House Agriculture Committee. I have the deepest affection for the chairman, the gentleman from Washington (Mr. FOLEY), and other members of the committee. The committee has been sitting on the question for about a year. Does anyone really believe that this Congress will approve a bill which will significantly tighten the functioning of the food stamp program?

It seems to me the prudent way to deal with this problem is to seize the opportunity at hand here today, this moment, and adopt an amendment which would cause those whose aggregate household income is above the poverty level to be excluded automatically from the benefits under this program. That is the way to cut back on the cost of this program. That is the way to bring it in line with its objective, as it should be, as a welfare program. That is the way to still a lot of the thoroughly justified criticism that has been leveled at the food stamp program in recent months.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the amendment offered by the gentleman from Illinois (Mr. FINDLEY) has appeal to many Members. On the face of it, the amendment has appeal because this program has been so poorly handled as we detailed in our report.

As I pointed out earlier, I think it is generally accepted that about one out of every five people now receiving food stamps are ineligible. As I pointed out earlier, the problem is not because of the law but because of a failure to set proper regulations which conform to the law.

I would like to repeat again what the law says. The Secretary of Agriculture is authorized to establish eligibility standards, and it specifically provides in the Food Stamp Act:

> * * * participation in the food stamp program shall be limited to those households whose income and other financial resources are determined to be substantial limiting factors in permitting them to purchase a nutritionally adequate diet.

That is the law. I grant that the program has not been carried out according to the law. I say that based on the evidence before our committee.

My friend, the gentleman from Illinois (Mr. FINDLEY), would substitute a poverty level determined by the Office of Management and Budget for the present wording of the law. I do not know anything about the Office of Management and Budget having any such authority.

I am sorry I was not on my feet when the gentleman offered his amendment because in my judgment a point of order should have been raised. I know of no existing law which provides for the Office of Management and Budget to determine a poverty level. The printing, yes, but the determining, I do not know.

In his amendment the gentleman would give them that authority, without any restriction. They might set the level at $100,000 a year. I would rather rely on what the law says, pointing out it has not been carried out. We have given them money to enforce the law and to change their regulations. I think the gentleman's amendment would cost money. The amendment would delay the implementation of those changes to which the Department has already agreed. It could also delay additional changes. Changes that will reduce the cost of the program.

Now, that is not his intention, and goodness knows, I do not see where the Office of Management and Budget is qualified to determine the poverty level.

Mr. Chairman, I think the gentleman defeats his own purpose. Since we have pointed the law out and asked it be enforced, it has been enforced and is being enforced, and I think the gentleman ought to go along and in that way he would help us save some money.

Mr. FINDLEY. Mr. Chairman, I just want to correct one statement. I am sure the gentleman did not mean to misstate.

I am not proposing this amendment as a substitute for the criteria now in effect but as an additional requirement. A cutoff of food stamp eligibility would take place only when a person's aggregate annual income has reached a certain dollar figure. To people below that level, the other criteria would still apply.

Mr. WHITTEN. Mr. Chairman, I am sure that is correct, but the gentleman would turn this over to the Office of Management and Budget. My experience with them is that they are not qualified in this area and it would be a mistake to amend the language in this bill with any language like this at this time, particularly when our friend on the Committee on Agriculture (Mr. FOLEY) has been working on this matter.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman for yielding.

One thing I can say is that I certainly support the gentleman's intent in trying to define for the Department of Agriculture, as the stated intent of this Congress, exactly who qualfies for eligibility. However, it seems to me that this would have the same fault that the present regulations of the Department have, and that is that the calculations for income were projected from the time of the application into the future, and this does not define that.

They admit that they do not take into consideration past income during the current fiscal year or annual earnings. That is the reason the airline pilots were allowed to receive food stamps, even though their income was in excess of $50,000. Under the present rules, because it is projected income, they must calculate. It seems to me the Department under that interpretation would still calculate the annual income the same way, and that could be expected to happen in the future. When someone is on strike or is temporarily unemployed, he cannot project any calculated income for the future.

Mr. WHITTEN. Mr. Chairman, I think that my colleague, the gentleman from Indiana (Mr. MYERS), will agree with me when I say that I support the purpose of the gentleman from Illinois (Mr. FINDLEY).

I think, however, that the very decided efforts that the subcommittee has made and the quite clear authority that the Secretary has to correct a bad situation will accomplish the purpose.

Mr. Chairman, I believe that despite the good intentions of my friend, the gentleman from Illinois (Mr. FINDLEY), he would prolong the existing problems at a time when our committee has called for an immediate correction. I hope the amendment will be voted down and that we leave it to our friends on the legislative committee to pass any new laws that may be required.

Mr. JOHNSON of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the author of the amendment a few questions, but before I do, I want to reinforce what the chairman of the subcommittee, the gentleman from Mississippi (Mr. WHITTEN), has just said. What he said is exactly the truth.

It is much to my chagrin that the regulations under which this program has grown have come from a Republican Administration. I have begged on my hands and knees that these regulations be changed and reevaluated. The gentleman is exactly right; they have not changed them. They will not face up to their responsibility. They refuse to be responsible for the regulations, and the gentleman is a hundred percent right. As a result of my having tried and given up from that point of view, I think that this amendment should be considered.

However, I think at this point the author of the amendment has not given us enough information as to where the figures would be cut, and this falls in with the conclusion that the chairman of the Subcommittee on Agriculture has made.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield, there is one thing in the bill that does help bring about what the gentleman and I have been unable to do so far. We have withheld the money.

This bill has been cut by $1.1 billion, and that is a pretty strong cut.

Mr. JOHNSON of Colorado. Mr. Chairman, I agree with the gentleman, but the regulations as they are still written can be applied in favor of the middle class instead of in favor of the people who should get the benefits.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield further, I do not want to take up too much more time, but as I say, the Administrator, Mr. Hekman, said he would cooperate with the committee.

Mr. JOHNSON of Colorado. But he has not cooperated so far, as far as I am concerned.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I wonder if the withholding of funds is responsible for the fact that outlays for food stamps are up 31 percent this year. That is hardly progress, in my view.

The poverty level statistics are of long standing and well known.

They are published periodically by the Office of Management and Budget, and the latest statistics show that a family of six, for example, a nonfarm family of six, would be eligible to earn $6,690 and still be eligible for food stamps.

Under my amendment, a nonfarm family of two in any State except Alaska and Hawaii, where the figure is even higher, would be able to earn $3,410 and still be eligible for food stamps.

Of course, if the family units are larger, their income potential, without impairing eligibility for food stamps, would go up.

Mr. JOHNSON of Colorado. I thank the gentleman, but I think the gentleman ought to also explain to the House how those figures are adjusted. Are they adjusted on a yearly basis or semiannually?

Mr. FINDLEY. They are adjusted every quarter, every 3 months. They are readily available. They are in print, and they are acknowledged as the best authentic index of poverty level in the United States.

Mr. ARMSTRONG. Mr. Chairman, I move to strike the requisite number of words.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois (Mr. FINDLEY) and commend the gentleman for bringing this amendment to us. He is entirely right.

While the amendment which he has presented is relatively simple, it will correct some of the serious abuses in a program already running out of control and which threatens to become a national disgrace.

We all know fundamental reform is needed, and we are hopeful the Committee on Agriculture will soon report a bill to accomplish comprehensive reform.

In the meantime, however, this amendment will go a long way toward curbing the excesses and worst abuses of this program. The amendment deserves to be supported.

As for the contention of the distinguished chairman of the subcommittee that somehow adoption of this amendment will cost more money, I can only conclude that the gentleman jests. Obviously, in its intent, form, and language. This amendment is a limitation on expenditure. It does not in any way modify existing restrictions on expenditures. It just says that over and above any other requirement, none of the funds in this act shall be used to fund a program for persons whose incomes exceed the poverty level. Surely, it cannot result in the expenditure of more funds.

Mr. Chairman, I remind the Members of the Committee of the Whole that official estimates indicate that many, many millions of people who are not already receiving aid under this program—and there are about 19 million who already are—will be receiving money under this program within the next 2 years.

This may be the last chance to begin to reform this food stamp program, which is so urgently in need of reform.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. Yes, I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, may I say to the gentleman that what ought to be and what is quite frequently are different, as he so well knows.

After the Committee on Appropriations has reported the bill and it becomes law, it calls on the Department to carry it out.

It is my judgment that the increase mentioned, the 31 percent that has been mentioned by my friend, the gentleman from Illinois, has largely been caused by increased unemployment.

We again with all the criticisms of the program we have heard. We proved the facts in the hearings. We set out to correct the problems. We believe we have, until the law is changed.

The pending amendment turning the matter over to the Office of Management without guide rules would merely delay bringing about corrections or so I believe.

Mr. ARMSTRONG. I must respectfully point out that we have had colloquies on the floor of this House as long as a year ago. I discussed this matter with the distinguished chairman of the Committee on Agriculture who promised a reform bill to deal with these inequities. The committee has failed to do so yet.

I have also discussed this matter with the Secretary of Agriculture. But the department has not acted. Everybody is passing the buck.

The Congress has not solved the problem. The Department of Agriculture says,

> No, it is up to the Congress to do it. When we try to put through reform regulations, Congress refuses to let us implement them.

Mr. Chairman, we have an opportunity for reform right now. Maybe it is not the whole package of reform that we ought to have, but it is an important step, a meaningful step, and we ought to support the amendment of the gentleman from Illinois (Mr. FINDLEY).

Mr. EVANS of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, I want to thank the gentleman from Colorado (Mr. EVANS) for yielding to me.

Members can question whether it is advisable to attempt to reach major changes in existing programs through the process of appropriation limitations. I believe that it is not a good procedure. If we are going to use the appropriation process, through placing limitations on appropriations, to reform existing programs which legislative committees are struggling to accomplish, then we are presenting issues to the committee and to the floor without any public hearings, without any opportunity for careful consideration and thorough analysis.

I have the greatest respect for my friend, the gentleman from Illinois (Mr. FINDLEY), but his amendment poses serious and technically complex problems that could lead to situations that I am sure no one in this chamber wants to get into.

For example, there is, under this amendment, a work disincentive which, under the present program, would cause a family of eight to lose $852 in benefits should it be adopted.

I should point out that the food stamp program, among other things, that directly affects the working poor. It is perhaps one of the few, if any programs under income support maintenance, as we talked about yesterday, that affects the working poor.

If the Members think it is wise to create a disincentive to get a better job, not just to get a job, but to get a better job and to upgrade ones income, then that is what this amendment will do.

I believe we can design maximum limitations that will avoid creating such disincentives, but this is not such an amendment.

The administration a little less than 3 weeks ago sent to this Congress recommendations for changes in the food stamp program. This amendment goes beyond what the administration suggests without the benefit of hearings, study, and analysis.

The other major concern I have with this amendment is that it deals with annual aggregate income.

We have all observed the fact that people who make $10,000, $11,000, or $12,000 a year, who are hardworking people, can suddenly and unexpectedly become unemployed. The time of their unemployment may come when they have already earned over the poverty level for their family. Under this amendment they would be ineligible to participate in the food stamp program.

The Department wants to go back and take the last 3 months of income and determine that as the basis of eligibility. But this amendment deals with annual income and so it creates enormous inequities where families through sudden unemployment have nothing, and yet they are desperately trying to find jobs. They have been good hard-working people, they have been paying taxes and supporting their own families, and yet they, under this amendment, will be denied the benefits of this program while it locks in as eligible every family on welfare.

Mr. EVANS of Colorado. Mr. Chairman, I am glad that the gentleman has mentioned that point because that is one of the things the Members of this House should keep in mind when they consider the amendment offered by the gentleman from Illinois (Mr. FINDLEY). The gentleman's amendment has an inherent simple and appealing ring to it.

Here on the floor of the House we can, picking certain items or income levels that relate to certain numbers of families, all sit comfortably and feel that certainly anybody earning over this amount with so many members in the family should not receive food stamps. As the gentleman from Washington so accurately pointed out, it is just not that simple.

The problems involved in the rules that apply to food stamps are intricate. Family living is intricate, and they have just got to undergo a major and careful reform. I am delighted the gentleman from Washington has made the comments he has.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I thank my colleague for yielding.

Mr. Chairman, I do not find anything wrong with what the chairman of the Committee on Agriculture had said, but as a member of the Committee on Agriculture, I will say that earlier this year, in January, the administration set up a program to cut the food stamp program by a certain amount. We on the Republican side all took the position, along with the majority, that the administration's proposal cut people at the bottom who needed the food stamp program the worst, and that it was the worst possible proposal.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. EVANS of Colorado was allowed to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. I yield further to the gentleman from Colorado.

Mr. JOHNSON of Colorado. It was the worst proposal that could have been made. Those of us on our side agreed with the majority. At that time we were assured that there was going to be a thorough evaluation and examination of the food stamp program. Here it is 10 months later, and we are still asking for some kind of thorough evaluation. It is true the machinery is in process, but it has been a slow, dilatory process. The amendment offered by the gentleman from Illinois is something that, if nothing else, perhaps will get the Committee on Agriculture moving.

Mr. EVANS of Colorado. I would say to my friend, the gentleman from Colorado, that I understand his frustrations, but certainly the amendment offered by the gentleman from Illinois is no way to resolve that problem.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

I would like to say with respect to the studies, we did in February receive $200,000 to conduct a study. We have had some disagreement in the committee on what items ought to be studied, but we have been meeting with the special study group, as the gentleman knows, several times each week.

Mr. JOHNSON of Colorado. If the gentleman from Colorado will yield further, we did not start meeting on a regular basis until just recently.

Mr. FOLEY. If the gentleman from Colorado will yield further, that is true, but what I was attempting to do earlier was to obtain a consensus as to procedures in the committee. That was not possible because of objections coming largely from the minority side of the committee about how to approach a study of the program. But we are now, I think, effectively under way to get some really good work done on that study, and we hope after the first of the year we will have it substantially completed.

The other body is currently taking up proposed legislation. They are going to report a bill, from what I am told, before we end this session of Congress. To come on the floor now and single out one particular proposal and try to put it into force through an appropriations limitation is a very poor way, in my judgment, to address a program that is obviously both very expensive and extensive and obviously should have been reviewed before the effort underway in the Agriculture Committee at this time. But now, and at this point, to interject this kind of a highly technical and partial appropriation limitation is to me the worst way to proceed.

Mr. EVANS of Colorado. Not only is the gentleman correct, but it is also true that the amendment offered by the gentleman from Illinois applies only to certain funds that are available for expenditure on food stamps. This is not the total fund for all food stamps this year. So we have some funds that are free and some that are not.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. JOHNSON of Colorado, and by unanimous consent, Mr. EVANS of Colorado was allowed to proceed for 1 additional minute.)

Mr. EVANS of Colorado. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I would like to ask the chairman of the Committee on Agriculture when can we expect to hold hearings as a result of the study; can the gentleman tell us?

Mr. FOLEY. I think we should be in a position to hold hearings, I would say, starting next year in the month of February. There is obviously no time at the moment to bring up a bill in the remainder of this session of Congress. I do not know what the return date of the Congress is going to be. But I would think that very shortly after the first of the year we could begin to have hearings. There are well over a hundred bills induced on both sides of the Congress dealing with food stamp program proposals. Again, I think we are at the point where we can move on hearings in the not too distant future and with the assistance of a completed study. To bring in a proposal to put this program on an appropriations limitation is again, in my judgment, very poor procedure.

I should also point out that the funds in this bill are for the period of February 1 to July 1, so any limitations placed on the moneys in this bill would not be effective until February 1.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURLISON of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I commend my very good friend, the gentleman from Illinois, for the purpose and the goal that he set out to accomplish with his amendment. After listening carefully to his explanation and to the debate, I do not believe that the amendment will succeed in accomplishing the purpose and the goal.

First I want to address myself to the frustration and concern of the gentleman from Colorado (Mr. JOHNSON), who indicated the difficulty he had in getting the attention of the Department of Agriculture with respect to the regulations. I want to say to the gentleman our Subcommittee on Agriculture of the Committee on Appropriations has shared that frustration with him, because we have gone over these problems in prior years and on prior occasions. But I am happy to report to the gentleman from Colorado that Mr. Hekman said in this year's hearings on this supplemental, and I hope I am not unfairly paraphrasing his remarks:

> I agree with you. We need to change our regulations. And I agree that we are going to change the regulations in accord with the suggestions you are making.

I might say to the gentleman one of the suggestions we feel very strongly about is to require the counter signature on the food stamps when they are utilized, not only the signature on the stamps when they are received by the beneficiary of the stamps but also the signature on the stamps in the presence of the retail employee who is taking the stamps from the beneficiary. This will counter our fraud problems.

I just mention that as one reform that the Director agreed to invoke. So I think we are going to get these tightened-down reulations that the gentleman has been wanting and that our subcommittee has been insisting upon.

To go more substantively to the amendment offered by the gentleman from Illinois, the law is more restrictive than the gentleman's proposed amendment. The gentleman arrives at a specific figure, or asks an agency to arrive at a specific figure. The law as written and as we have encouraged the Director to carry it out, will come out with a stricter application than the figure that will be arrived at under the amendment offered by the gentleman from Illinois.

Let me emphasize this by re-reading the provision of the law we have consistently drawn to the attention of the Director. Let me quote from that as the chairman has earlier done:

> . . . participation in the food stamp program shall be limited to those households whose income and other financial resources are determined to be substantial limiting factors in permitting them to purchase a nutritionally adequate diet.

We have told the Director he has not been complying with that law. His regulations have not been complying with this law. He agreed, and he agreed to modify the regulations and seek to carry out the law.

I think we can expect some improvement in the new regulations and the new administration of this program. I think therefore it would be unwise at this time to accept the amendment offered by my good friend, the gentleman from Illinois.

In conclusion, Mr. Chairman, this obviously is a legislative matter. I am not so sure in my own mind that a point of order would not lie against the amendment, but at any rate the chairman of the authorizing committee has indicated that hearings are being held and consideration is being given to this matter.

I would say to the gentleman from Colorado, that not more than a couple of weeks ago when we were holding the hearings, I asked the Director if his Administration proposal had been introduced on the House side. He said, "No, not on the House side; just on the Senate side." Since that time I am advised the proposal has been introduced on the House side. So it seems to me we need to give the authorizing committee an opportunity to deal with the administration proposal as well as any other bills that might be introduced.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. On the gentleman's report, it sounds to me that the gentleman and the gentleman's committee have done more than the gentleman or I or the Agriculture Department has done to succeed along this line of endeavor.

Mr. BURLISON of Missouri. I thank my friend.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BURLISON of Missouri. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I certainly share the gentleman's views that the vehicle of this appropriation bill is not really the first choice on how to regulate the provisions of food stamps; however, in our testimony that the gentleman and I and the rest of the Members sat and listened to, and the gentleman mentioned this, too, the Department could have done this very thing by regulation.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for an additional 1 minute.)

Mr. BURLISON of Missouri. Mr. Chairman, I yield to my friend, the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, our chairman a moment ago cited that the effectiveness of this appropriation starts in February, and this is true; however, if we pass this regulation today and this amendment, then there is no reason at all, this is not a clear indication of the intent of Congress, and the Department could adopt this very same rule by regulation and have the support of Congress. It would then be effective and have the impact of law presently under the present appropriation; so I am going to vote for this amendment, because it is a clear indication that the Congress is concerned about the eligibility requirements, that we have not drawn as tough a line as we should have.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for an additional 2 minutes.)

Mr. BURLISON of Missouri. Mr. Chairman, let me say to my friend, and then I will yield to the chairman of the subcommittee, I am fearful that if we adopt this amendment that the Administration, the Department of Agriculture, Mr. Heckman, the Director of the Food and Nutrition Service, may lose the enthusiasm to change the regulations he promised to change.

The passage of this amendment may operate in the opposite direction than the gentleman from Indiana and most of us in this body desire.

In view of what the Director has promised our subcommittee with respect to new regulations, make it unwise to accept this amendment at this time.

Mr. Chairman, I yield to our chairman.

Mr. WHITTEN. Mr. Chairman, I want to point out one other thing, that the language says that this is as defined by the Office of Management and Budget. There is not a single criteria that I am aware of in existing law or in this amendment that would set any guideline to the Office of Management and Budget as to how they should define the poverty level. They are not in this business whatsoever.

The other thing, as I previously mentioned, this amendment could jeopardize the $2.1 billion we have saved by delaying implementation of the changes to which the Department has agreed.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. BURLISON of Missouri. I will yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, we did have testimony that the Department would like to get a little tougher with the program as far as food stamp eligibility is concerned, but they said Congress has not always supported them. Like many others, I always thought the direction or intention of the tight regulations that came down this year were not in the best interests of improving the food stamp program.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

(At the request of Mr. STEIGER of Arizona and by unanimous consent, Mr. BURLISON of Missouri was allowed to proceed for an additional 2 minutes.)

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yeld?

Mr. BURLISON of Missouri. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I wonder if the gentleman could advise us, or perhaps the chairman of the subcommittee, how many times in the past 10 years it has applied that the Director of the food stamp program promised the committee it will get straight.

Mr. BURLISON of Missouri. I would say this is the first time I heard him give a promise and it was given in a very sincere, honest fashion, at least so interpreted by me. I believe the Director fully intends to amend his regulations along the lines that our subcommittee has suggested.

There is no doubt in my mind, I would say to the gentleman, that these amendments will be made and they will be executed.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield further?

Mr. BURLISON of Missouri. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, the Department has always avoided accepting responsibility for the way the program was handled, but when it was pointed out that the Secretary has the authority to straighten out this program, under the law, they came through and said they would do it.

Up until this time they denied having that responsibility.

Mr. BURLISON of Missouri. I agree with my chairman. So far as I know, this is really the first promise that they have made to change their regulations.

Mr. STEIGER of Arizona. Mr. Chairman, one more question, if I may. Would this language preclude them from doing what they promised the committee they would do?

Mr. BURLISON of Missouri. I think, in substance, it might.

Mr. MYERS of Indiana. Mr. Chairman, I fail to realize how this amendment could effectively deny the Department of Agriculture in strengthening those regulations. We are giving them guidelines. I completely agree that the Congress has not come down clearly, but this is the first real step we have taken. We have said that we want some rules about eligibility.

Mr. MAHON. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, there has been a lot of talk in and out of Congress in regard to the faulty, and unacceptable operation of the Food Stamp Program. It is a concern that is nationwide. We are all concerned, and we all know that something must be done to correct an intolerable situation.

The Appropriations Committee in its action on this bill has determined to try to do something about it; not just talk about it. In the report today which is before us, and in the debate today, we have read and emphasized the importance of the law, of the basic law. The basic law says, as has been pointed out, that participation in the Food Stamp Program shall be limited to those households whose income and other financial resources are determined to be substantially limiting factors in permitting them to purchase a nutritionally adequate diet. The Appropriations Committee demands and shall continue to demand the enforcement of the law which I have just cited.

We propose to hold the feet of the director of this program to the fire so to speak and see to it that he applies this perfectly reasonable application of the law to the handling of the food stamp program.

I do not want to let him off the hook by adopting an amendment which ties it to some other factor. I want to tie it to the language in the law that now exists, and I want to make sure that there is no equivocation on his part as to what we mean.

There is no effective way to cure all the ills and abuses of the food stamp program in an appropriation bill. This must be done in an authorization bill. But we have done our best to put safeguards and controls wherever they seem to be possible and it is our hope that these will be effective.

In this appropriation bill, we have substantially reduced the funds that were requested for the food stamp program and we have exacted a commitment from the Department of Agriculture that this program will be reformed.

I think, under the circumstances, that the adoption of this amendment might retard and make it more difficult to get an improvement in the food stamp program which the people demand, and which they have a right to demand. I hope that we will not adopt the pending amendment. I hope that the Committee on Agriculture will come up with some improvements to it, but until they do, and in view of the commitments of the director of the program, and in view of the law that is now written, I think this is the best we can do today.

I hope that there will be less of this looking around to find if there are not more ways where more people can be added to the food stamp rolls. Some of that has been going on. I hope that whatever is done by the Committee on Agriculture—and I hope the Committee will get something done in the very near future that will be really helpful. But, as of now, it seems to me that we must emphasize the fact that we have got the law on our side. More than that we have got the commitment of the Agriculture Department on our side, and we have got the attitude of the country on our side if we let the bill remain as it was approved by the Appropriations Committee.

To show the intent of the Committee on Appropriations and the Congress, we have reduced the funds for the Food Stamp Program on the basis that, by improving and reforming it, officials can have significant amounts of money. So, I would ask the Members who are in favor of doing something about the intolerable operation of the Food Stamp Program to support the committee in its action with the hope that effective action may result.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield for a question?

Mr. MAHON. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, we certainly, in the attempt to save money for the taxpayers, ought to give some encouragement to the Department of Agriculture and to the administrators of the Food Stamp Program to cut these funds, but going one step further, I really fail to see where this amendment would not be supporting that same effort. We are giving the tools to the department. We are prescribing now the eligibility, and that is where we make the biggest cut.

It is true the process of endorsement, and so forth, will take out a certain amount of them. But according to all indications, all of the reports we have, the biggest violation on the ineligible families are being too liberal.

Mr. MAHON. I would say that I would rather be led and guided by the law itself than by the amendment which is before us.

I think that any reasonable administrator of the law will really put his shoulder to the wheel and undertake to get something done about this difficult matter. We have demanded it and he has promised to do it. I myself would rather rely on the law, and then we can see what develops in regard to legislative program reform in the Committee on Agriculture.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. Yes, I will yield to the gentleman.

Mr. MYERS of Indiana. I think we are both chasing the same rabbit, to use the vernacular of the Secretary of Agriculture. However, what is the difference here? This is just one step further. Is there any lower figure? Is there any real difference?

This prescribes precisely what the general income level would be.

Mr. MAHON. The bill and report clearly states our position of anticipating substantial reform to be forthcoming from the Department of Agriculture.

Mr. ROUSSELOT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I respectfully disagree with the chairman of our Committee on Appropriations that this amendment somehow lets the director of this program off the hook. It does not do that at all. It prescribes a limitation, which is a needed control to attach to this appropriation. We added similar controls in the Vietnam war appropriations. We have done it in other appropriation bills. It clearly was the intent of this program originally to help the poor and the working poor. We all know this program has gone far beyond that. Advertisers in newspapers have encouraged families of the middle-income groups to participate in this program.

I would like to yield to my colleague the gentleman from Illinois (Mr. FINDLEY), to whose amendment we are addressing ourselves.

My good colleague, the gentleman from Washington, has stated that somehow the amendment offered by the gentleman from Illinois (Mr. FINDLEY) would create a work disincentive. I would ask the gentleman from Illinois (Mr. FINDLEY) to comment on that subject because I know he has worked long and hard to put proper controls on this food stamp program.

Mr. FINDLEY. If the gentleman will yield, I will be glad to comment.

There is a theory that whenever a welfare benefit is cut off that the point at which the benefit is cut serves as a work disincentive. If that is true—I am not so sure it is, but it is an old theory—wherever the cutoff would occur would naturally serve as a work disincentive. So somewhere along the line there will be a disincentive, no matter what the dollar level.

If I may, I would like to respond further.

Mr. ROUSSELOT. I would appreciate the gentleman clarifying the effect of his amendment. In addition, what is the effective breakoff point from income under the amendment offered by the gentleman from Illinois?

Mr. FINDLEY. It is based on the poverty guidelines which for years have been established by the agency within the Labor Department, the one which used to be the Poverty Office. It reports to the Office of Budget and Management, and Budget and Management periodically publishes on the public record the poverty guidelines for various parts of the country based on cost of living.

Mr. ROUSSELOT. What is that dollar amount?

Mr. FINDLEY. To illustrate, a nonfarm family of four members could earn $5,050 a year and still be eligible for food stamps under my amendment because that has been determined to be the poverty level.

Mr. ROUSSELOT. What about a family of eight, to which the gentleman from Washington referred?

Mr. FINDLEY. A family of eight would be able to earn $8,830 a year and still be eligible for food stamps.

Mr. ROUSSELOT. $8,800?

Mr. FINDLEY. $8,800. And in Alaska and Hawaii and certain other areas it would be higher.

Mr. ROUSSELOT. Because they have a higher living cost.

Mr. FINDLEY. Yes.

Mr. ROUSSELOT. Could the gentleman also comment on this idea about annual aggregate income?

Mr. FINDLEY. Yes.

The gentleman from Washington (Mr. FOLEY) indicated that this provision of aggregate annual income might be a severe problem in maintaining the eligibility of certain needy families because of a sudden drop in income.

This amendment refers to annual aggregate income, but it leaves to the USDA, the administering agency of the food stamp program, the job of determining whether or not that is the level of the household's income.

And it would have the flexibility to use whatever guidelines it now is authorized to use to determine the level of income.

Mr. ROUSSELOT. So the gentleman's point is that his amendment does not in fact create the problems that were potentially indicated for a deserving family of 8 to receive food stamps. In the high-income areas of the counties special consideration is given for those people who may be included in the food stamp program?

Mr. FINDLEY. Yes; the gentleman is correct.

Mr. Chairman, if the gentleman will yield further, I am a little bit amused at the suggestion of my good friend, the gentleman from Texas (Mr. MAHON), that this might take the officials of the food stamp program off the hook. With regard to the commitment that was made by food stamp officials to the gentleman from Mississippi (Mr. WHITTEN): I am sure that the gentleman from Mississippi has such influence in the executive branch that no official has ever backed away from a commitment made to him in the past nor ever will in the future. I have that much confidence in the gentleman's persuasive powers.

Mr. WHITTEN. Mr. Chairman, if the gentleman from California will yield, the debate we have had this afternoon does not indicate that.

Mr. FINDLEY. I think the performance of the Department will indicate that.

Mr. Chairman, I would like to make one other comment. The way the food stamp program has been ballooning in recent years, with people in the $18,000 a year category and people in the $40,000 a year category getting food stamps, if we wait much longer for food stamp reform, every Member of Congress will be getting food stamps, and when that happens, the door will be closed forever on food stamp reform.

The CHAIRMAN. The time of the gentleman from California (Mr. ROUSSELOT) has expired.

(By unanimous consent, Mr. ROUSSELOT was allowed to proceed for 1 additional minute.)

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's comments. I think the gentleman has answered the statements that were made that this would somehow disallow food stamps for the working poor who really need food stamps from obtaining them.

This is just a simple limitation.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I just wish to point out that there is nothing in the law now that gives the Office of Management and Budget the authority to determine the poverty level. There is nothing in the amendment, there is nothing in the guidelines; there is no criteria whatsoever.

Mr. ROUSSELOT. Mr. Chairman, I think, as the gentleman from Illinois (Mr. FINDLEY) said as a Member who has been active on the Subcommittee on Agriculture, this is a limitation that has been discussed previously. By this amendment we are trying to put a limitation on eligibility for food stamps and make the program more responsive as it relates to the working poor.

Mr. WHITTEN. Mr. Chairman, let us look at the amendment before us. Let me read what the amendment says. It says, "as defined by the Office of Management and Budget." It does not give them a single criteria to go by in coming up with a definition. It leaves it wide open.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous consent request was agreed to will be recognized for approximately 30 seconds each.

The Chair recognizes the gentleman from New York (Mr. KEMP).

Mr. KEMP. Mr. Chairman, increasing numbers in this House and the Senate have spoken to the need for food stamp reform, which is long overdue, and we are now certain that decisive steps need to be taken in a number of areas to accomplish the task. This amendment of Mr. FINDLEY is a constructive effort to put some limits on this program which is clearly out of control. I have cosponsored legislation with my colleague, Mr. MICHEL, which would also put limits on the food stamp program, while at the same time substantially increasing the benefits to those who are truly needy and to those who are elderly.

There are a number of significant areas in the food stamp program which cry out for reform: the Michell bill, which has been introduced in the other body by Senator BUCKLEY, addresses 41 of these—ranging all the way from persons with high income who can now qualify for food stamps, the numerous eligibility loopholes, the administrative complexity, the insufficient cash and coupon accountability, the opportunities for criminal activity, and the critical issues of Federal/State funding. I do not agree with every one of the 41 proposals for change, but I do believe the bill represents a constructive effort to reform the program.

The distinguished chairman of the Agriculture Appropriations Subcommittee, and the membership of that body, have underscored the fact that a number of these defects can be cured administratively. I applaud them, and urge that the administration follow through on a number of the specific suggestions which are contained in the report accompanying the supplemental appropriations bill. This amendment, I think, is poorly timed, but I will support it in the belief that the Agriculture Committee is not moving forward as promised with the needed reforms.

We must recognize, I think, that there are really three spheres in which corrective action can be taken: Through purely administrative means, through purely legislative means, or through means which can be accomplished under current law by regulatory action but on which the Department looks to the Congress for support and guidance. We must provide that support, and complementary legislative language if necessary, in order to accomplish the task in a full and complete fashion.

All of us are familiar with past attempts on the part of the administration to take what they have felt are logical and reasonable steps to effect change in that program. A recent one, last winter, dealt with the question of purchase requirements. That was rejected decisively by the Congress, as well it might have been when taken alone. When taken in concert with other changes, however, that ameliorate and provide offsetting advantages to affected groups, we find that the reform elements are much more sensible and viable and provide the necessary thrust to bring this program under control.

We see, now, a second example of how the administration is grappling with methods to direct resources to those that need it most; and doing the best they can under current legislative guidelines. A recent court decision, Rodway against USDA, held that present computations of a nutritionally adequate diet are invalid because they do not take into account individual family circumstances and are based, instead, on a composite. The Department has recently published proposed regulations concerning a new food plan which is tailored to meeting the requirements of the court—and already it is being attacked as "nutritionally inadequate and administratively complex" by those who would prefer to see us simply spend more dollars than to grapple with the more difficult question of how to allocate our resources rationally to those most in need.

Testimony before the Department and this Congress will resolve the issue of nutritional adequacy. The issue of administrative complexity stems directly from the court decision: the Department is trying to meet the requirements of the court which is, of course, interpreting current law over which only we have control.

The opportunity to bring a greater amount of rationality and harmony to how we spend our nutritional dollar lies in the Michel food stamp reform bill. My point, Mr. Chairman, is this: if the food stamp reform is ever to occur in a meaningful and complete way, we must join the Department in effecting those changes which can truly redirect resources to those who need it most. The Department should not delay in moving on those areas within their jurisdiction, and I applaud the efforts recently described by the Secretary. However, we have a responsibility ourselves to act in this field in order to reform the program in a meaningful way. We ought to do so that we can provide assurances to both the taxpayer and the recipient that food stamp dollars are being spent in the wisest fashion possible for those who need it the most, the elderly and poor. At a cost of $6 billion a year, second only in spending to medicaid, the poor and elderly can actually get more benefits if we bring reform to this program that will halt the abuses and help keep the program from going bankrupt.

(By unanimous consent, Messrs. KEMP, FINDLEY, and ROUSSELOT yielded their time to Mr. SYMMS.)

The CHAIRMAN. The Chair recognizes the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, in 1964, when the Food Stamp Act was adopted, there appeared little question that the intent was limited to two basic purposes: First, to assist the legitimately needy of America in meeting their nutritional needs; and second, to assist in the problem of disposition of agricultural surpluses.

In March of 1965, the food stamp caseload stood at 442,359. In March of 1975, just 10 years later, it numbered 19,142,359—an incredible increase of 4,227 percent. Total expenditures mirror the caseload growth but are even more staggering: In fiscal 1965, the total expenditures for the food stamp program were—$36,353,797; in fiscal 1975, they are estimated to be almost $5.2 billion—an increase of 14,203 percent.

The growth in the food stamp program is demonstrated equally sharply by the following statistics, which show the numbers of Americans who are receiving food stamps: 1965, 1 in 439; 1967, 1 in 157; 1970, 1 in 47; 1973, 1 in 17; 1975, 1 in 13.

The number of Americans who can be eligible for food stamps is even more startling. Late in 1973, a report submitted to the Joint Economic Committee of the Congress stated that, at the then present growth rate, one out of every four Americans would be eligible for food stamps at least 1 month out of the year.

By July 1974 that already occurred. In that month, 13.9 million Americans were receiving food stamps. Potential eligibles have been estimated to be 52.8 million persons—one-fourth of the population of the country. That pattern continues into the present year: in June of 1975, it has been estimated there will be 21.8 million participants in the food stamp program, with 57.3 million potential eligibles—again maintaining the 1 in 4 ratio.

I respectfully disagree with the distinguished chairman of the Committee on Appropriations (Mr. MAHON), for whom I have high esteem.

This is the only way I can see that we can send a message down to the Department of Agriculture. I happen to think that we have a good Secretary of Agriculture, but the Department has done a lousy job on food stamps, in part due to court injunctions, this is the only way for the House particularly over on this side—the majority—who want to send a message to Earl Butz, Secretary of Agriculture, that we want the food stamp mess cleaned out. This is the only way to do start doing it.

In closing, Mr. Chairman, I would say that this is our chance, as Members of Congress, to do something worthwhile. I am on the Food Stamp Committee, a subcommittee on the Agriculture Committee, and we are working on it. However, we had a debate yesterday and a vote on the proposition as to whether to hire the Professional American Welfare Workers to do the study, the proposition was voted down. We are still at the development stage on that committee, and according to the Budget Control Act we cannot make any major changes until May 15, 1976.

Mr. Chairman, I would just like to point out that if we want to get something done, now is the time to do it. We have the opportunity. Each Member has that voting card in his hand. Let us use it and vote this amendment up for the middle class, the working people who are paying for all this nonsense. I am in support of the amendment of the gentleman from Illinois (Mr. FINDLEY).

I think it is a good and responsible amendment and urge its passage.

(By unanimous consent, Messrs. JOHN L. BURTON and BURLISON of Missouri and Ms. SCHROEDER yielded their time to Mr. FOLEY.)

The CHAIRMAN. The Chair recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Chairman, nowhere in this amendment do I find language that indicates that the Department of Agriculture may determine prospective annual income. Annual income is generally determined from January to January of the calendar year, and under this amendment I believe that the effect of the amendment will give preference to participation by public assistance families under this program and to disadvantage working families, and the recently unemployed.

If a family has a $10,000 a year income from a working member of the household and the working member loses his job on the first of July, the moment he earns $40 on unemployment compensation the entire household is ineligible for food stamps under this amendment for the rest of the year. Next door may be a welfare family that is going to have the benefits throughout the rest of the year because such families approved automatically as eligible.

I do not think very many people want to adopt the policy of denying food stamp use to the families of working men and women who are unemployed due to no fault of their own in this recession. This amendment would have that effect in many cases. It would not effect public assistance recipients it would strike at the working poor and the unemployed who have recently been employed.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. Yes, I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Mr. Chairman, I think the gentleman is making an extremely valid and interesting point.

This just goes to show what happens when someone brings up an amendment without any hearings, without having it thought out, without knowing the technicalities of the bill, and without knowing what the amendment is going to do.

The gentleman is right. It would penalize the fellow who has been working and wants to work and give the advantage—if anyone wants to use that term; some people do—to the welfare bums. There are some, although I do not think everybody on welfare can be classified in that way.

Mr. FOLEY. I thank the distinguished chairman from Ohio. Mr. Chairman, I want to make another point.

There has been a lot of hyperbole here about people in the $40,000 or $50,000 income level in this program.

The last time the Department of Agriculture made an estimate, 5 percent of the participating households had incomes over $8,000, and these households were not only composed of 2 to 4 members, but often included 6, 7, 8, 10, 12, and 15 members.

I think there are problems under the present regulations. We need to look at them. We are going to do so and report corrective legislation to the House in this Congress.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Krebs yielded his time to Mr. Foley.)

Mr. FOLEY. I cannot at this time inform the House on what the Committee on Agriculture will decide to recommend to the House next year. Action by the Agriculture Committee of the other body may be taken before this session ends and our committee will be holding hearings early next year. The administration has recently sent up a proposed bill with a standard deduction of $100 a month and the poverty level as to income limit on eligibility as one of its features for households. There are many other bills and proposals. We will examine those alternative plans and proposals. I am confident that an orderly process of legislative review will result in corrective legislation which will not create new inequities and problems in this program, as I believe the adoption of this amendment would do.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. Myers).

Mr. MYERS of Indiana. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Illinois (Mr. Findley).

The argument given here that it must be either one or the other is not a valid argument because there is nothing in this amendment that prevents the Committee on Agriculture from conducting its hearings on food stamp rescissions. They can go ahead, and if they can get something done between now and February 1, then the regulations could be stronger.

But, I do not think you people are reading your mail or listening to your folks back home; these hard-working people who work hard and pay their taxes, who, from all indications and in my polls, show that 90 percent of them say that something must be done about the food stamp program. They want it changed, they want it amended. A vote "no" today on this amendment is a vote against making the food stamp eligibility regulations stronger and tougher.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Bergland).

Mr. BERGLAND. Mr. Chairman, I would like to have the attention of the gentleman from Illinois (Mr. Findley) if I might. A question arises as to the meaning of the term "aggregate income."

There is within the district I am honored to represent, a family with a loving mother and father who are the parents of four children and whose income is about $10,000 a year. One of those four children has spent the last 2 years in the hospital.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Nolan yielded his time to Mr. Bergland.)

Mr. BERGLAND. Mr. Chairman, I thank the gentleman for yielding me his time.

As I was saying, Mr. Chairman, they have an income of about $10,000 a year, and most of that income has to go to pay the expenses for that youngster in the hospital. My question is this:

Would the application of this amendment disallow that family the right to continue with food stamps? They are working and earning a living, they are not on relief, but they do need help. Would the gentleman's amendment lock them out?

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent, Mr. Richmond yielded his time to Mr. Bergland.)

Mr. BERGLAND. I thank the gentleman from New York for yielding me his time.

Mr. FINDLEY. Mr. Chairman, if the gentleman will yield, let me say that I tried to listen carefully to what the gentleman from Minnesota had to say.

If that family consists of six individuals and lives elsewhere than in Alaska or Hawaii, and I assume they do live elsewhere, then that family as a nonfarm family could earn $6,680.

Mr. BERGLAND. They earn $10,000, but most of that goes to pay the hospital and doctor bills for that youngster and they would be knocked out of the food stamp program.

I think the amendment should be defeated.

Mr. GUDE. Mr. Chairman, I rise in opposition to the Findley amendment. This amendment would impose an aggregate annual income limitation per household for food stamp eligibility—tying that limitation to OMB poverty guidelines.

The amendment would tie the aggregate annual income amount to poverty guidelines. Thus a family of four would be subject to a $5,050 cap which is significantly more restrictive than the gentleman's first proposal to plan an aggregate annual cap at $8,000.

It is equally important to note that present eligibility is based on monthly income. By changing eligibility to a yearly aggregate figure, this amendment hits hardest those recently unemployed. A recently unemployed person may well have a previous yearly income above the annual aggregate figures proposed here and would be forced to wait until his next aggregate yearly income figure could be calculated. Is it fair to ask that individual and his family to wait a year before they can receive an adequate diet?

This amendment flies in the face of ongoing food stamp reform studies by the Agriculture Committees in both Houses. I urge my distinguished colleagues not to act hastily on such substantial food stamp reform without giving it a proper forum in committee.

Mr. HECHLER of West Virginia. Mr. Chairman, in connection with the current debate over food stamps, I trust that we consider the usefulness of food stamps in full perspective. One of the best discussions I have seen on this issue is the column written by the editor of the Logan (W. Va.) News, Beth Spence in the November 11, 1975 issue.

It is acknowledged that there are abuses in the food stamp program, and these abuses must be rooted out. In full perspective, however, the food stamp program has been a success, as demonstrated in the following article:

ECHOES FROM THE HILLS

(By Beth Spence)

During the course of his administration, Gerald Ford has become known as the "most conservative president since Herbert Hoover" among national political observers. As attacks have come from the Republican right, armed by Ronald Reagan who wants Ford's job, the man in the White House seems to become more conservative daily.

Many of the so-called "people's programs," remnants of Lyndon Johnson's "Great Society," and John Kennedy's "New Frontier" were stripped down to bare bones and destroyed under the Nixon Administration. Those few which survived and new programs implemented since to meet the crushing need brought about by poverty face extinction at the hands of the Ford Administration.

One of these programs is the food stamp program, perhaps the best program of Gov. Arch Moore, designed to provide food to the needy.

In a heavy propaganda campaign the Ford Administration spokesmen have charged massive fraud in the food stamp program. They say that a large percentage of those who receive food stamps do not legally qualify.

The American Friends Service Committee, upset over what they call a "well orchestrated and syndicated campaign" by the Administration, put forth some additional facts on the food stamp program:

"Secretary of the Treasury William Simon has stated that the program is 'wildly out of control,' that it has increased by '47,000 per cent' since 1962. What Secretary Simon did not point out was that in 1962 the food stamp program was being tried out as a 'pilot program' in only eight selected counties. Today it is a nationwide program operating in over 3,000 counties.

"In 1962 the main food assistance program was not food stamps but the surplus commodity distribution program. In 1962 the commodity program served 7.5 million people; in the late sixties and early seventies the commodity program was phased out and recipients were switched to the food stamp program. In 1962 the unemployment rate in the United States was 5.5 per cent; today it is approximately 9.2 per cent.

"The total number of people receiving food stamps in August 1975 was 18.8 million, down from a peak of 19.2 million in April of this year. It is estimated that some 30 million are eligible under present standards and that even with a bad economy in 1980, the number eligible would be only 32.2 million, not the 50 to 75 million suggested by Administration spokespeople."

There are no doubt people receiving food stamps who do not qualify for them or who are able-bodied and could get work if they wanted to.

But in Southern West Virginia the biggest number of food stamp recipients fall into two categories—mothers with small children and the elderly. And it is estimated that the $200 million that would be saved by reducing food stamp benefits to these people—as suggested by the Administration would be spent on administering a program of red tape to make the reductions.

In this area we have many who need food stamps in the most desperate way. Not only do the coupons present a dignified method of feeding people, they boost the local economy. The neighborhood grocery shows the most direct benefit from the program, which provides jobs and an economic stimulus throughout towns and counties.

When I think of food stamps, I cannot think of healthy young men and women who may get them when they shouldn't. I think of the elderly, the hundreds of elderly women in Southern West Virginia, who lived decent and meaningful lives and who come to the end at a time of inflation and face extraordinary utility bills, extraordinary medical bills and extraordinary food bills.

Most of them are proud, and food stamps allow them to keep their dignity and their health at the same time. With a meager social security check and a few food stamps, most are able to make it.

Or I think of the young mother with pre-school aged children—children whose fathers are dead or who have left. Without child-care facilities, these mothers can't work and even if they did, they would have to turn the money over to babysitters. Do we let these mothers and babies starve?

A New York Times editorial on the subject of Ford and food stamps stated, "President Ford has just renewed his anti-hunger war in which the target seems to be hungry Americans rather than hunger itself."

Let's get the focus straight. We have hunger in this country and, as a compassionate nation, we have to deal with it. We can't let people starve. The food stamp program is working and working better than anything anyone else has come up with. Let's not scrap it because there may be some bugs in the system—we don't scrap our massive defensive equipment because it is costly or inefficient.

I for one, would rather pay taxes to feed a lazy man who shouldn't rightfully get food stamps than take one piece of bread from an elderly woman or a starving baby.

(By unanimous consent, Mr. CARNEY yielded his time to Mr. MAHON).

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Chairman, I have been holding back any comment on this amendment in order that others whose position has not been as well known on the subject could be heard.

It has been a very interesting debate. It indicates there is a growing dissatisfaction and frustration with this program.

Actually, the Findley amendment takes a harder line on eligibility than I do in the bill I have introduced and cosponsored with over 100 Members of this House. I do hope the vote on this amendment will be such as to give us additional momentum to get some real reform soon. It is not a perfect amendment to answer all the problems by any means, but it can be very symbolic and for that reason I am going to support the amendment, even though I have reservations about it and I want to commend my colleague for his initiative in helping us get on with the really big job of legislating meaningful reform of the food stamp program.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON), for 1 minute to conclude the debate.

Mr. MAHON. Mr. Chairman, I think most of the Members would agree that the present handling of the food stamp program is indefensible and unacceptable to the American taxpayer, to the American public, and to the Congress of the United States.

I think the administration of that program would still be indefensible if the department relied wholly upon the amendment which has been presented by the gentleman from Illinois (Mr. FINDLEY).

I would suggest that our best opportunity today to get real results is to rely upon the action taken by the Committee on Appropriations, to rely upon the law which has been quoted repeatedly here today, and to rely upon the commitment which we have received from the Department of Agriculture that a more acceptable job in reforming this program will be done.

Mr. Chairman, I ask that the amendment be defeated.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Illinois (Mr. FINDLEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FINDLEY. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and twelve Members are present, a quorum.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 230, not voting 44, as follows:

[Roll No. 698]

AYES—159

Abdnor
Andrews, N.C.
Archer
Armstrong
Bafalis
Bauman
Bennett
Bevill
Breaux
Breckinridge
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conable
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Danielson
Davis
de la Garza
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Erlenborn
Esch
Evins, Tenn.
Findley
Fish
Flowers
Flynt
Fountain
Frenzel
Frey
Fuqua
Gibbons
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Harsha
Hastings
Hayes, Ind.
Hefner
Henderson
Hightower
Hinshaw
Holt
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Kasten
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Levitas
Lloyd, Tenn.
Long, Md.
Lott
McClory
McCollister
McDonald
Madigan
Mann
Martin
Michel
Milford
Miller, Ohio
Mills
Montgomery
Moore
Moorhead, Calif.
Mottl
Myers, Ind.
O'Brien
Passman
Patterson, Calif.
Pettis
Poage
Preyer
Pritchard
Quillen
Randall
Regula
Roberts
Robinson
Rogers
Rousselot
Santini
Satterfield
Scheuer
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steiger, Ariz.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Treen
Vander Jagt
Vanik
Waggonner
Whitehurst
Wiggins
Wilson, Bob
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Zablocki

NOES—230

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Carter
Casey
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Cornell
Cotter
D'Amours
Daniels, N.J.
Delaney
Dellums
Diggs
Dingell
Dodd
Downey, N.Y.
Drinan
Early
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Giaimo
Gilman
Gonzalez
Green
Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hillis
Holtzman
Horton
Howe
Hughes
Hungate
Jacobs
Jeffords
Johnson, Calif.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Long, La.
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Maguire

Mahon
Mazzoli
Meeds
Melcher
Meyner
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Pattison, N.Y.
Pepper
Perkins
Pike
Pressler
Price
Quie
Railsback
Rangel
Rees
Reuss
Richmond
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Ruppe
Russo
Ryan
Sarasin
Sarbanes
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Steed
Steiger, Wis.
Stokes
Stratton
Studds
Sullivan
Symington
Teague
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vigorito
Walsh
Wampler
Weaver
Whalen
White
Whitten
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Yates
Young, Ga.
Young, Tex.
Zeferetti

NOT VOTING—44

Anderson, Ill.
Andrews, N. Dak.
Ashbrook
Beard, Tenn.
Bell
Cleveland
Conlan
Corman
Dent
Duncan, Oreg.
Eckhardt
Eshleman
Fary
Fraser
Gaydos
Hébert
Heinz
Holland
Howard
Jenrette
Jones, Ala.
Karth
Landrum
Lujan
McEwen
McHugh
Mathis
Matsunaga
Metcalfe
Mezvinsky
Mosher
Nichols
Peyser
Pickle
Rhodes
Riegle
Roybal
Runnels
St Germain
Sikes
Stark
Steelman
Waxman
Udall

The Clerk announced the following pairs:

Mr. Hébert for, with Mr. Howard against.

Mr. Landrum for, with Mr. Andrews of North Dakota against.

Mr. Ashbrook for, with Mr. Matsunaga against.

Mr. Nichols for, with Mr. Heinz against.

Mr. Mathis for, with Mr. Stark against.

Mr. Sikes for, with Mr. St Germain against.

Mr. Conlan for, with Mr. Waxman against.

Mr. Runnels for, with Mr. Dent against.

Messrs. COTTER, PATTEN, and BROOKS changed their vote from "aye" to "no."

Mr. LEVITAS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. BURGENER. Mr. Chairman, the proposed supplemental food stamp appropriation is reduced in the bill by $2.2 billion to $1.75 billion; $100,000 of this amount was earmarked for regulations revisions.

The object of the suggestion would appear valid on the surface. It is obvious to many, if not all, of us who recognize the need for comprehensive reform of the food stamp program that program regulations need to be changed. Much of the program's expansion can be traced directly to administrative action growing out of a void, silence or lack of clarity in existing law. The argument can be made that program control can be restored through the initiation of remedial action by Federal administrators.

To the extent that our purpose is expansion of the food stamp program, history will bear out the acuity of this vision. The whole system of income deductions and the determination of eligibility based on net rather than gross income, for example, was accomplished by regulation. To the extent that we seek balanced reform, however, resolution through regulations change flies in the face of history. Just last winter the administration attempted to raise the food stamp purchase requirement to a uniform 30 percent of income. This was similar to three of the four major reform proposals which subsequently were introduced in the Congress, and which since have received wide attention and support.

Our response then was overwhelming passage of Public Law 94-4—a measure which I supported along with most everybody else in the House of Representatives; a measure which blocked the administration's move.

More recently, the Department of Agriculture has taken the lead in revising the coupon allotment formula in response to the Rodway against Butz court decision. Once again we are faced with the spectacle of Congress and others sending up flares.

Last winter we would not stand for isolated reform of the food stamp program; nor is it likely that we will now. The problems are too complex. The potential impact on our legitimately needy citizens is too great. And the growth of Government expenditures is too serious.

We must pursue concerted action by the Congress and the administration, striking a careful balance of program management and legislative action. We must not put the Department of Agriculture in the position of embarking on another course of "merry-go-round modification." At worst this leads to accelerated, uncontrolled program growth. At best it leads to an equally unacceptable, expansionary status quo.

We must chart the course legislatively and, working together with the administration, insure that the legislative framework provides the proper basis for strong program administration at all levels of Government. I believe this goal can be achieved best through the early passage of the Michel food stamp reform bill. I urge you to join me in supporting that legislation.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

DEPARTMENTAL MANAGEMENT

GENERAL DEPARTMENTAL MANAGEMENT

For an additional amount for "General departmental management", $413,000.

For an additional amount for "General departmental management" for the period July 1, 1976, through September 30, 1976, $206,000.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GONZALEZ: On page 8, after line 2 add a new subtitle, LIBRARY RESOURCES and the following, For an additional amount for "Library training programs" for carrying out, to the extent not otherwise provided, Title II, Part B of the Higher Education Act through September 30, 1976, $1,500,000.

Mr. GONZALEZ. Mr. Chairman, last summer when the education division appropriations bill was before the House I commented to Chairman FLOOD that I was deeply disturbed to see that the conference committee had allocated only $500,000 for the librarian training program authorized under title II-B of the Higher Education Act and asked that he consider restoring this very important activity to its fiscal year 1975 funding level. The supplemental appropriations bill is to be considered later this year.

We have the supplemental before us today and this funding has not been restored. Therefore, I am offering an amendment to add $1.5 million to the title II-B program.

Mr. Chairman, the fellowships and institutes supported under this program are only a small part of our overall education expenditures, but in my estimation they are very important since these fellowships and institutes bring minority candidates into the ranks of professional librarians.

I would like to bring to the attention of the Members reports I have had on the actual types of programs which will come to a stop if we do not include this $1.5 million in the supplemental.

In my own district of San Antonio, at Our Lady of Providence of the Lake University, there are currently two young women specializing in service to Spanish-speaking readers who will receive their master's degree in library science this summer through the title II-B program, but will not be able to continue this program as the Office of Education was unable to support the project for lack of funds in fiscal year 1975.

The University of Texas at Austin has also received fellowship money to train a number of minority library professionals. Last summer, 10 students received master's degrees from the university and I am told by Dean Glenn Sparks of the university's School of Library Science that these students moved immediately into responsible jobs upon graduation.

In addition to the training program, the university plans to hold a seminar for experienced librarians and library educators next June under a fiscal year 1975 title II-B grant. This seminar, or institute as it is called, will train 30 professional librarians in ways to bridge the communications gap that isolates Spanish-speaking and black Americans from the mainstream of American society. The participants in this institute will return to their home institutions and teach these skills to working librarians and students all across the country. I am convinced that programs such as these are a valuable investment of Federal funds.

I would like to show one other example of the manner in which this act has benefited minorities. In 1972, 6 library schools offering doctoral studies in library science initiated a program under title II-B by which 18 minority librarians might receive fellowships to study at the doctoral level. Applications were received from over 100 minority librarians for these 18 fellowships, enabling the deans of these schools to select the very best candidates. These students are now nearing the completion of their studies, and when the Ph. D. degree is conferred upon these 18 individuals—15 blacks, 2 Spanish surnamed, and 1 Native American—the number of doctorates in library science held by ethnic minorities in the United States will be more than doubled. Not one of these 18 individuals would have been able to further his or her education in this manner without the kind of financial assistance that the title II–B funds have provided.

I have here with me copies of two letters from graduates of programs funded under title II–B who have just started to work as professional librarians. One is black and the other is a native American. Their enthusiasm and dedication is typical and certainly shows what this program means to the students themselves as well as those people they will provide service to in the future. I also have letters from the Chicago Public Library and Stanford University that clearly illustrate the continuing need for minority librarians. I have a few extra copies for any Members who would like to see for themselves what these letters contain.

If the fiscal year 1976 appropriations are not increased, almost all of these programs will come to a halt at the end of next year. The $500,000 allocated in Public Law 94–94 represents a 75 percent cutback from the fiscal year 1975 funding. This would be a severe blow to efforts to bring minorities into professional positions in our country's libraries and to provide better library service to our minority citizens. Surely $1.5 million is not going to break the bank of this great Nation where we are trying to provide the means by which minority groups can achieve equality.

Mr. Chairman, I include various letters on this subject matter:

THE CHICAGO PUBLIC LIBRARY,
September 19, 1975.

Mr. C. G. SPARKS,
Dean, Graduate School of Library Science, University of Texas at Austin, Austin, Tex.

DEAR MR. GLENN: The city of Chicago includes a large population of Spanish-speaking Americans who are served by a number of The Chicago Public Library's branches and other units of service. The Library is committed to serving all the communities of Chicago, including those where the service could be better directed if there were professional librarians with Latino backgrounds, heritage, and language abilities. The Library has only two Latino librarians on its staff at this time; both hold Masters Degrees in Library Science from ALA accredited library schools; more are needed.

We would appreciate your assistance in our efforts to provide professional service to the Spanish-speaking in Chicago by alerting any Latino library science students in your program to the eagerness of The Chicago Public Library to recruit Latino librarians. We would hope, too, that you would consider Chicago's need for Latino librarians in your own recruitment program for students to your MLS program.

Sincerely,

DAVID L. REICH,
Chief Librarian.

STANFORD UNIVERSITY,
Stanford, Calif., July 3, 1975.

DEAN C. G. SPARKS,
Graduate Fellowship Program, Graduate School of Library Science, University of Texas, Austin, Tex.

DEAR DEAN SPARKS: In a recent search to identify minority Librarians your name was referred to me by Ms. Martha Cotera. She indicated you were an excellent resource to contact because of your contact with Chicano Librarians in your program.

As Recruitment Coordinator for Stanford University I am interested in establishing as wide a recruiting base as possible of minority and women applicants for staff (non-teaching) positions.

I am writing to you to seek more information regarding your program and to inquire into your interest in receiving announcements of Stanford's job openings to enable us to use you as a recruiting source.

I have enclosed notices of two current openings and hope they will be useful in considering potential candidates for us.

Please do not hesitate to contact me if I can furnish you with additional information. I shall be looking forward to hearing from you.

Sincerely,

RUTH MOGHADAM,
Recruitment Coordinator.

SEPTEMBER 16, 1975.

DEAR DEAN SPARKS; This note is meant first of all to thank you for the generous recommendations that you gave to the Cleveland Public Library for me. I am most appreciative and shall be forever grateful.

As of September 8, I became assistant branch librarian at the Martin Luther King, Jr. Branch of the Cleveland Public Library. I have a definite good feeling about the job and presently am enthusiastic about my work.

I can perhaps never express enough gratitude to the staff and faculty of the Library Science School for all of the encouragement and support that they gave me during my course of study there.

Hopefully, this will not be the end for me and because I am forever acclaiming its assets—and those of GSLS—to the libraries community here.

Again thanks, and I'll look forward to seeing you at the ALA convention.

Sincerely,

ROSA SIMS.

THE UNIVERSITY OF NEW MEXICO,
Albuquerque, N. Mex., September 30, 1975.

DEAN G. SPARKS,
The University of Texas at Austin, Graduate School of Library Science, Austin, Tex.

DEAR DR. SPARKS: Now that the tempest connected with my physical relocation in Albuquerque has calmed, I would like to thank you and the other faculty members at the GSLS for your supererogatory efforts, against formidable odds, to make me a professional librarian. The value of what I was taught is now beginning to come into focus and has caused me to regret that I did not expend more energy in learning.

I have come to the University of New Mexico General Library at a very exciting time. Paul Vassallo is beginning to involve the General Library in programs for American Indians. Due to the large Indian population in this area, I assumed that programs of this nature had long ago been implemented. This, I discovered, is not the case. Instead of coming here to be a part in an already functioning mechanism, I find that I am standing on the edge of a frontier. At the same time, I have discovered ancillary opportunities to learn field work techniques in recording Indian language and music. This will be very helpful in preserving the language and music of my own tribe, which is a project I have in mind for the future. Also, I have found a valuable colleague in the person of Helena Quintana who is head of the Ethnic Studies section of the General Library.

Thank you once again for your help. Though I have only been employed one month as a librarian, I have experience enough to know that I will never regret having gone to library science school.

Yours sincerely,

DAVID A. ANDERSON.

Mr. FLOOD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Members know this subcommittee very well, and they know the gentleman from Pennsylvania more or less. Let me tell the Members that we have had conversations with the gentleman from Texas (Mr. GONZALEZ) time and again. But the gentleman knows very well that the budget—now, I want the Members to hear this—proposed to cut out this program and terminate it altogether. We would have no part of that under any circumstances.

This program here is not going to be terminated. With respect to these statements that the gentleman has from these universities and schools, these are if and when something happens.

These programs are advance-funded. There is no urgent need for these funds as of today in this supplemental. If we thought so, I personally would have it in here. I can assure the Members of that. This money would not be spent within the time between today and the next supplemental bill. On the next supplemental bill we will have hearings on the various education programs, including training.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes, I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I would like to point out, and this is very important, that the gentleman is making a statement which would tend to imply or would cause a man to reach the conclusion that this would not be within the budget, Actually, the gentleman from Michigan (Mr. O'HARA), in addressing himself to this specific issue before the Committee on the Budget, clearly showed—and the Committee on the Budget made it clear during the course of the markup on the budget bill or resolution that we approved yesterday—that this is well within that resolution.

Mr. FLOOD. Mr. Chairman, that has nothing to do with the case, tra-la, nothing at all with what the Committee on the Budget did on this, nothing at all.

This program will not be damaged. There is no merit to the amendment at this time. If there was, this committee would, by all means, put the money in there.

By the way, in that budget now, in the vetoed bill that was overridden, there is $1.5 million for these programs. They will not be injured. They are advance funded.

We will consider this in the next supplemental bill. If these library training programs were endangered, I myself would move to have it put back, but, Mr. Chairman, I suggest that this amendment be defeated.

Mr. MICHEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, just very briefly, may I support what our chairman has said.

In the regular education appropriation bill there was an item of $1.5 million that your committee put in, the bill with no budget request. Therefore, when the chairman says that there is adequate money in here, it was done by your committee and supported by the House.

There is really no good reason for singling out this profession, frankly, for special consideration. Library students are eligible for general student aid just like everybody else, and there is no good reason to go beyond that.

If anyone would check with the Department of Labor today, he would find that the demand is meeting the supply. If I recall the figures correctly, we have roughly 9,000 students in this country who are graduating with degrees that will enable them to get into the library business, and there are about 2,200 going back into the work force or reentering it. That more than meets the demand of roughly 11,000 that we need in the field.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield

Mr. MICHEL. Yes, I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I am glad that the gentleman brought up that point because this is a special type of training, mostly on the graduate level, for those areas where there is a shortage of this type of trained librarian, the area in which the librarian is especially trained in graduate programs for the elderly, the sick and infirm, and the ethnic minorities who have a language handicap.

Mr. MICHEL. Mr. Chairman, I submit to the gentleman that with that number of graduates in the course of a year, 9,000 or more, surely this particular need is going to be met. We are just not all that incompetent to recognize what we have to do in library services and training.

What the gentleman is suggesting here may be well-intentioned.

As the chairman has indicated, we have $1½ million in the regular bill to cover this item and certainly it does not deserve any more money in this supplemental bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. GONZALEZ).

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), $4,736,340: *Provided*, That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further*, That the Congressional Budget Office shall have the authority to contract without regard to the provisions of 41 U.S.C. 5.

POINT OF ORDER

Mr. BAUMAN. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. BAUMAN. Mr. Chairman, I make a point of order against the language appearing on page 10, lines 20 through 22 which read:

Provided further, That the Congressional Budget Office shall have the authority to contract without regard to the provisions of 41 U.S.C. 5.

Mr. Chairman, 41 United States Code 5 is a statutory requirement that requires all governmental agencies, in excess of $10,000 to publish and seek bids on the contract or purchase of goods and services. I submit that this is a statutory waiver written into an appropriation bill and is therefore legislation on an appropriation.

The CHAIRMAN. Does the gentleman from Texas (Mr. CASEY) desire to be heard on the gentleman's point of order?

Mr. CASEY. I do, Mr. Chairman.

Mr. Chairman, with reference to the point of order raised by the gentleman from Maryland (Mr. BAUMAN) let me state that unless this language is in this bill this agency cannot contract for computer services. I think it is entirely in order for the purposes of carrying out the duties of the office. It is not requiring any additional effort on anybody else's part. In other words, it is not legislation as I consider it at all. It is existing law, and it requires this language in order for them to contract for services that they must have in the operation of their office.

The CHAIRMAN (Mr. HUNGATE). The Chair is prepared to rule.

The chair perceives that the gentleman from Maryland (Mr. BAUMAN) has made a point of order as to the language appearing in lines 20 through 22 on page 10 beginning with the words "Provided further." The same issue was before the committee and decided in 1940, on February 7—RECORD pages 1192–1193—where Chairman Beam held that—

> The language in a general appropriation bill which says "without regard to the Classification Act of 1923, as amended, and without regard to Section 3709, revised statutes, 41 U.S.C. 5," is legislation and is not in order on appropriation bill.

Accordingly, the point of order is sustained and the proviso will be stricken.

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: On Page 10, after line 22, add the following new sentence;

"*Provided further*, That none of the funds in this bill shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 193 staff employees."

Mr. CASEY. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Texas.

Mr. CASEY. I thank the gentleman for yielding.

The gentleman is just putting into the bill itself the language of the committee's report and the committee's decision that this agency, this new Congressional Budget Office, should only have 193 employees. I assure the gentleman it is our intention to hold that position, concomitant with whatever the Senate may do. Not knowing what the other body might do, I am sure it might be a little higher than what we have proposed in this supplemental. I have no objection to this provision going into the bill, because the committee is firm in its position that this is the number of employees that they need, and the committee feels that with this number of employees they can carry out the work of this new agency.

Mr. BAUMAN. I thank the gentleman.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, I concur with the subject matter. We have no objection.

Mr. BAUMAN. Mr. Chairman, I appreciate the support given for this amendment by the gentleman from Texas (Mr. CASEY) and the gentleman from Pennsylvania (Mr. COUGHLIN). They are correct that the amendment simply writes into the bill a prohibition against the Congressional Budget Office hiring any more employees beyond the number they now have. Personally, I would have preferred to cut the total number of employees of this fast growing congressional bureaucracy back to a bare bones minimum such as the total of 123 the gentleman from Pennsylvania suggested during his subcommittee deliberations.

My concern for the growth of the Congressional Budget Office grows out of a realization that this agency is fast attempting to become superior in every way, not only to individual House and Senate Committees, but to Members of Congress as well. Originally invisioned as a helpful adjunct to the budgetary process, under the direction of Dr. Rivlin the CBO is getting into political and policy questions at every level.

Mr. Chairman, for those Members, and particularly House committee and subcommittee chairman, who have not taken the time to read the testimony given by the director of CBO, Dr. Rivlin, before the appropriations subcommittee when it considered the pending bill, I warn you that you should do so. Between the first and 36th pages of part 1 of the hearings you will see a blueprint which, if adopted and funded, would allow the CBO to usurp the power and jurisdiction of every committee of both Houses of Congress. Not content with cost analysis and budget considerations, Dr. Rivlin proposes that her staff begin massive studies of numerous policy matters including national defense, environment, human welfare and various other fields which I thought were reserved to standing committees of the Congress. In fact, it appears that Dr. Rivlin thinks of her empire as a legislative branch equivalent of the Office of Management and Budget, the GAO, as well as an institute for policy studies and recommendations.

Earlier I raised the question of public statements made by Dr. Rivlin on policy issues which no congressional employee should discuss. The Washington Post reported that she openly attacked President Ford's proposal for combining a tax cut and a spending ceiling. I quote from the Post of October 22, 1975:

> The director of the new Congressional Budget Office yesterday sharply criticized President Ford's recent tax and budget cut proposals and said he had exaggerated the projected level of spending for fiscal 1977 by $8 billion.
>
> Alice B. Rivlin told the National Economists Club that by demanding that Congress adopt a $395 billion ceiling now for fiscal 1977, the President had provoked a "procedural confrontation" with Congress.
>
> She predicted that because Congress is "serious" about the new budget process it is following, it will reject Mr. Ford's proposals.

"They will try to find a way out of the dilemma by extending the (1975) tax cuts on a temporary basis and promising to consider a ceiling in a regular concurrent resolution some time next year," Rivlin said.

Mr. Chairman that statement might have been properly uttered by an elected Member of Congress but not one of our employees, even if she is paid $40,000 a year. In fact, in reviewing the manner and timing of various statements released from the Congressional Budget Office in recent months, it appears to me that the staff is uniformly promoting the liberal line of economic matters under the guise of discussing "alternatives" the Congress might consider. Worst of all, it does not seem that any committee of either House is really exercising oversight on such activities, although these actions appear to the public as though they are the actions of the Congress itself.

I want to praise the members of the Appropriations Committee for cutting back the requests Dr. Rivlin made for funding CBO. The committee has cut a request for funds in excess of $10 million down to less than $6 million and it should have been cut even further. The gentleman from Ohio (Mr. LATTA) recently entered into the RECORD a table showing that the CBO had 165 employees as of October 8 and that 41 of these people were being paid in excess of $30,000 each annually. The total salary cost at that time was nearly $3 million a year. At the time your committee imposed a limit on salaries, 193 employees were contemplated. But Dr. Rivlin wants 259 staff employees by next January and undaunted by her refusal at the hands of the House, she has now gone before the other body with her plea for empire building.

Mr. Chairman, at least my amendment puts into this bill a ceiling on employees for CBO and hopefully it will not be raised in conference. We owe it to the very taxpayers the Congressional Budget Office was supposed to protect to keep our own congressional fiscal house in order and this is a good place to start.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VI

DEPARTMENT OF THE TREASURY

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", including purchase of eighty passenger motor vehicles for police-type use, $3,100,000.

AMENDMENTS OFFERED BY MR. M'CLORY

Mr. McCLORY. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. McCLORY: Page 18, line 6, strike out "eighty" and insert "four hundred" in lieu thereof.

Page 18, line 7, strike out "$3,100,000" and insert "$15,500,000" in lieu thereof.

Page 18, line 10, strike out "$980,000" and insert "$4,900,000" in lieu thereof.

The CHAIRMAN. Does the gentleman from Illinois ask unanimous consent that the amendments be considered en bloc?

Mr. McCLORY. I do, Mr. Chairman. I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McCLORY. Mr. Chairman, I rise to offer an amendment to H.R. 10647, a bill to make supplemental appropriations in part to the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury for the initiation of a concentrated program directed against criminals who traffic in firearms in the large urban areas of America. Specifically, these funds are intended to enable the Bureau to hire 500 new special agents—and the necessary support personnel to more effectively fight these illicit traffickers.

Mr. Chairman, on July 16, as the gentleman from Oklahoma may recall, I rose to offer an amendment to the regular appropriation bill for the Bureau which would have included the funds for this program. However, on the assurance of the chairman of the subcommittee, Mr. STEED, that as soon as the formal supplemental request of the President was received by the Committee on Appropriations from the President, it would be given prompt consideration with a view toward appropriating the full amount of the funds for this very important program. Far from giving this vital supplemental the full support it deserves, the Committee on Appropriations has cut it to only one-fifth the full amount— from $15,500,000 to $3,100,000 for fiscal 1976.

Mr. Chairman, the reductions are, in my view, totally unjustified. The program which the supplemental was designed to fund is perhaps the most important of any contained in H.R. 10647—the fight against criminals who traffic in illicit firearms in the large cities of this Nation.

In his crime message of June 19, the President dealt in depth with the problem of the illicit interstate commerce of firearms which is plaguing our cities. As the President pointed out in his message, "criminals with handguns have played a key role in the rise of violent crime in America." As the President in part concluded, the Federal Government can be of assistance to State and local law enforcement efforts by improving the Federal firearms laws and their enforcement.

In that regard, the President stated in his crime message that he has ordered the Treasury Department's Bureau of Alcohol, Tobacco, and Firearms, which has primary responsibility for enforcing Federal firearms laws, to double its investigative efforts in the Nation's 10 largest metropolitan areas, in order that the illicit commerce in firearms might be controlled.

As the President further stated in his message, he "has directed, therefore, that the Bureau of Alcohol, Tobacco, and Firearms employ and train an additional 500 agents for this priority effort." For the information of the Members of the House, the cities in which this investigative effort will be centered are: Detroit, Philadelphia, Pittsburgh, Washington, D.C., Chicago, St. Louis, New York, Boston, Dallas, Fort Worth, Los Angeles, and San Francisco.

Mr. Chairman, I ask, What could be more important to the domestic tranquility of this Nation than a coordinated effort against the criminals who traffic in firearms and who use them to maim and kill innocent citizen? What could be more important than an effort directed at the vermin who stalk the streets of our cities with deadly weapons obtained from the despicable traffickers who profit from the death by firearms occurring daily in our cities? Who in this Chamber would delay or impede an effort of the Bureau of the Federal Government designed to eliminate these criminals from our society?

The Committee on Appropriations has cut the President's supplemental from $15,500,000 to $3,100,000 for fiscal 1976 and from $4,900,000 to $980,000 for the transition period. These enormous reductions are explained in the committee's report on the grounds that this program is some sort of "pilot program," and that a "controlled test" should be initiated before full funding is approved. I would like to call to the attention of the Members of the House that far from being a "new" program, this effort is merely an expansion of programs which are already being conducted by the Bureau and which have already been initiated and successfully tested. In fact, this "new" effort is merely a nationwide expansion of a project that was experimentally implemented in the District of Columbia, and an expansion of the Bureau's Project Identification, which successfully traced weapons used in crime so that the sources of those weapons could be identified and closed.

Mr. Chairman, the Committee on Appropriations also is cautious about extending the full funding for this program because legislation is presently before the Congress and the committee "is reluctant to recommend any action which might conflict with the ultimate outcome of that legislation."

Mr. Chairman, let me assure the chairman of the subcommittee that no matter what the outcome of the firearms legislation—which is before the Subcommittee on Crime on which I serve as ranking minority member—the program to be funded by this supplemental will remain as a priority. If the Subcommittee on Crime and the full House does nothing, this program will still be sorely needed. The Bureau of Alcohol, Tobacco, and Firearms will still be charged with enforcement of existing law which will certainly be continued in effect. More important, the illicit trafficking in firearms into our large cities will still be occurring and indeed will become more serious with each passing day.

Thus I feel that we have delayed long enough with the funding for this program. There is no need for any further testing of a program that has been tested and shown to be successful. With the problem of firearms misuse escalating to almost crisis proportions, something must be done and done now. The purpose of this money is to fight criminals, not law abiding citizens, and it is about time that the House of Representatives goes on record against criminals and for efficient law enforcement.

A letter from the Attorney General follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D.C., November 13, 1975.
Hon. ROBERT MCCLORY,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN MCCLORY: I have been informed that you plan to offer an amendment to H.R. 10647, the proposed Supplemental Appropriations Act, to restore the full amount of the requested appropriations for 500 new investigators for the Bureau of Alcohol, Tobacco, and Firearms.

The rate of illegal trafficking in handguns plays a substantial role in the crime rate in this country, particularly in the large cities. We are all familiar with the disturbingly high rates of violent crimes committed with handguns. In response to this problem, the President in his June 19, 1975 Message to the Congress on the subject of crime, called for the employment and training of 500 additional investigators for the Bureau of Alcohol, Tobacco, and Firearms. This would permit the assignment of 500 investigators to eleven major cities to assist local law enforcement agents in stemming illegal handgun traffic and in tracing handguns used in crime back to their sources. I believe this concentrated effort can have a significant impact, over a period of time, on the rate of violent crime. Certainly it can substantially reduce the availability of handguns to criminals.

As you may recall, I have emphasized the desirability of a regional approach to the problem of illegal handguns, permitting a concentration of resources in the areas which have the most serious problem. I believe that the ability of the Bureau of Alcohol, Tobacco, and Firearms to increase its assistance to local police in our major cities is an effective means of achieving such a goal. The appropriation of only one-fifth the amount originally requested will seriously impair this effort.

While the Administration has proposed legislation to amend the Gun Control Act of 1968 in order to improve its administration, the request for 500 new investigators is not dependent on passage of that legislation. Dealing in handguns without a federal license is a clear violation of existing law, and it is against the activities of these illegal traffickers that the 500 additional investigators will concentrate their efforts. Whether or not additional legislation to control the criminal misuse of handguns is passed by the Congress, and regardless of the form that may be taken by any such legislation, the additional agents are required for effective enforcement.

Accordingly, I strongly urge Congressional enactment of your proposed amendment.

Sincerely,

EDWARD H. LEVI,
Attorney General.

Mr. MURPHY of New York. Mr. Chairman, I rise to support the gentleman from Illinois' amendment to H.R. 10647. A cut-back in ATF funding is another illustration of misplaced fiscal priorities. Now is the time to get the cheap handguns and firearms off our cities' streets; handguns and firearms which have only one purpose—to kill.

The program which would be initiated by AFT with the original funding of $15.5 million is not and should not be viewed as experimental. It clearly is not. It would provide exactly what our urban areas need, increased and effective law enforcement, especially with respect to controlling the appalling influx of illegal firearms. This funding would permit the hiring of 500 additional agents and provide for the transfer of 200 experienced rural agents to our urban centers. These additional people are desperately needed in order to enforce anticrime laws already on the books.

The purpose of these additional agents would not be to harass the law-abiding citizen. Their purpose is to crack down on the illicit, illegal gun traffic which continually flows into our cities. Even as we debate this issue, illegal handguns are being run into Detroit, Chicago, Los Angeles, and New York City. If these activities are to be stopped, we must enforce our current laws and to enforce those laws we need the funds and people to accomplish the task.

What possible purpose do we serve when we concur that the crime situation is a national disgrace, that our cities are no longer safe, that we should take a firm stance on law and order and then turn around and cut $12.4 million in allocated funds for the implementation of crime control programs.

We need to act to control crime, and the firearms which are synonymous with crime, in order to prohibit the growth of the shooting gallery atmosphere which surrounds our cities today.

Mr. DANIELSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois (Mr. MCCLORY).

These funds should be restored to the appropriation. For those Members who are opposed to gun control in any way, shape, or form, I say they should vote for this amendment. To those who say guns do not kill people, people kill people, you should vote for this amendment.

This amendment is intended to put back into the budget sufficient funds to have enough enforcement officers in the responsible agency so that they can carry out the provisions of the law that exists today and can effectively work toward reducing the incidence of crime committed by the use of the handgun.

To those who are opposed to the control of handguns, they should vote for this amendment, because if we can bring the crimes committed by the handgun under control there will be less pressure to increase gun control than there is today.

So if there are some for or against handguns, it makes no difference, if we are opposed to crime, and I know every Member is opposed to crime, we should vote for this amendment so that we will have a sufficient number of enforcement personnel to carry out the laws we have.

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. DANIELSON. I yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Chairman, I want to commend the gentleman from California and associate myself with the gentleman's remarks.

I want to ask my colleague a question. Is it true that the Subcommittee on Crime itself determined that with the existing level of enforcement functions of the ATF, they were unable to even check on a periodic basis for 4 or 5 years the existing dealerships in this country, 155,000 of them?

Mr. DANIELSON. That is absolutely correct. With the amount of manpower we have, the resources we have, for the job of complying with the existing law, it is almost a farce. It is like the Dutch boy with his finger in the dike. We need more manpower, more resources. For that reason, I support the amendment.

Mr. STEED. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope I can give the Members a little information. I want to clarify the aid before we get stampeded into thinking that this is a big deal to combat crime and the illegal use of guns in this country.

First, this is not a $12 million amendment. This is an amendment that will add $16,320,000 to the budget. In addition to that, it will not apply to all these communities in America where all these handguns are now being used in crime. It only applies to 11 cities.

Let us stop and consider the matter. It may surprise some to know that the U.S. Treasury Department is the largest law enforcement agency in the world. This subcommittee that I am chairman of and have been on for upward of 20 years has worked with these people in the Treasury Department on law enforcement probably as much as any other Member of this House can say he has been involved in law enforcement; so I yield to nobody in their zeal to try to do something about crime in this country.

It also may interest the Members to know that in this great law enforcement effort the U.S. Treasury Department has had many innovative programs made available to them through the initiative of my subcommittee. I think we have worked in very harmonious rapport with them even to this day, because as late as today I have been informed by the top people down there that what our subcommittee has done is the prudent and sensible thing and they can live with it.

Another thing, with the Treasury Department law enforcement effort, they have a conviction record of between 96 and 98 percent of all the charges they bring; so this is evidence they have not been on the side of too little and too late on the matter of law enforcement in this country.

What is proposed here is an experiment that the ATF want to make. They laid out a plan for 11 cities that would cost over $20,400,000. When they told us what they wanted to do, we decided there was a better way to get the same result at a lot less cost and it would serve the purpose even better than what they started to do. Here is why. They have agents in every community in America. The ATF already has agents working with the local police officers, the sheriffs, and police departments on this gun problem. What they are proposing to do is what amounts to doubling their work forces in these key communities to see if they can do a saturation job and get better results than they have been getting.

They have no more way of knowing that it will work than the gentleman or I have. So, we think it is worthwhile and we have made the resources here available to give them a chance to make a good, sound test.

There is another thing that has not been mentioned here that justifies most of this more than the gun control phase of it, and that is this new problem of bombing and of explosives, and they are going into that. This is one of the things they are going to spend more of these resources on, trying to get into it, more than they are on gun control. This is something we have been urging them to do, and we are supporting them all the way on it.

Here is what the Members should remember: Until we know how they can go into these communities and help local law enforcement officers to do this job, we have got to find a lot of answers we do not have now. Until they do that, I do not see any point of spending a lot of needless money which may do more harm than good if it isn't too wisely spent. We have got over 300 major communities in this country which need help, if this is the kind of help that will do the job.

In the money we have made available here, they have already been doing some of this saturation approach in the District of Columbia. We have given them all the money they wanted to continue that. We have also given them money enough to do this job in one other city in the country, including the largest plant they had, so they can get the answers they need, both geographically and as to the population size, and all the other things they want to do.

The only thing that I think we ought to keep in mind is that we can overdo a good idea, and in so doing create problems that will never be overcome. They have already had a little bit of static in some of their activities under this new law, and I sympathize with the director down there. He is trying to make it work. If he is going to go out and recruit 500 agents they want and get this thing going in a reasonably short time, he cannot do that unless he raids the other agencies; the Secret Service, the Internal Revenue Service, the Customs, the Immigration and Naturalization Service. They are having manpower problems too, and if he raids their organizations in order to get these men, he is doing more harm than he is good. So, I think we should support the committee and we will get the answers.

Mr. MILLER of Ohio. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, we have now in the bill $3,100,000, and this is for 110 agents. Yes, the alcohol, tobacco and firearm area has requested 500 special agents and 254 support personnel. Now, that is exactly what the amendment would do. It would take the 110 agent figure up to 754, including the support personnel.

The big concern is that we do have illegal traffic of firearms and explosives. We are not just talking about firearms alone; we are talking about the explosives that are used in the bombings today. It would be fine if we could start the program all at once. We would spend the $15,500,000 that was requested for the 754 people, but what we have done in the committee is said, "You take the 110 men, you start the program. You start the first section in Washington, D.C., because the great concern there has been over the rate of crime in the District of Columbia area during the Bicentennial Year. So, you take the 110 men and start the program here, plus one other large city, and that will allow approximately 60 agents for one other large city.

"When you prove that you have been able to solve the problems, come back with some results. We then will offer more agents and more funds."

It is just basically that simple. We feel that we should definitely have a trial run, and we did have a short trial run in Washington some time ago by the Treasury Department.

We were not able to find out what they have accomplished. Now we are saying, "Make a trial run long enough, come back to us, and we will look at it and we will make sure that you receive funds that are necessary if you can prove that you are doing the job."

Mr. McCLORY. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Ohio. I yield to the gentleman from Illinois.

Mr. McCLORY. I thank the gentleman for yielding.

In the record of the hearings we have a full report with respect to this 90-day operation to disarm the criminal, and the District of Columbia was highly successful; but they were only given 90 days to do this. We have the report of the proceedings, and it says:

> The volume and types of cases made; the firearms seized, purchased, or abandoned; the number of defendants recommended for prosecution, and other collateral benefits demonstrated by the success that Alcohol, Tobacco and Firearms had in this endeavor.

It was a highly successful operation, and that is what we want to put on in 10 or 11 cities in this country, but in order to do it we have to have the resources. They have already started the transfer of personnel, and what this is going to do is to thwart and destroy their efforts in this attempt to fight crime and proliferation of handguns.

Mr. MILLER of Ohio. It was considered to be a highly successful job done at that time.

We had a very minimum amount of facts and statistics at the hearings. We need something beyond that. Yes, they considered they could do a good job. We want the facts and figures as to how much they can do, how many guns they can confiscate, to find out where those guns are coming from. With 110 people the ATF Bureau will make a good test. Next year maybe we can give them 1,000 agents if that is what is needed.

Mr. McCLORY. If the gentleman will yield further, this is a program the President recommended to us, it is supported by the Attorney General, it is in the budget. If the budget director was not giving us support, that would be one thing. But we are getting his support. The Secretary of the Treasury supported this.

It seems to me that to undercut the President's program under the existing program is not really a savings at all. As a matter of fact, the financial loss to our people as to cutting out this $12 million would far exceed any funds we will provide for this program. I do not understand this kind of economy.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Members standing at the time the unanimous-consent request was agreed to will be recognized for 1 minute each.

Mr. GIAIMO. Mr. Chairman, I ask unanimous consent that I may be permitted to yield my time to the gentleman from New York (Mr. ADDABBO), a member of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Chair recognizes the gentleman from Illinois (Mr. MIKVA).

Mr. MIKVA. Mr. Chairman, I happen to favor stronger gun control laws, but when I receive my mail that is in opposition to those stronger gun control laws the constant theme is: Why do we not enforce the laws we have?

The amendment offered by the gentleman from Illinois is to do that.

We have heard some talk about experimentation. Let me assure the Members this is an attempt to enforce the existing gun laws.

I cannot believe that it is more important to have more customs agents or more immigration agents than it is to have more people enforcing the existing gun laws. If we ask the people living in any of our urban areas in the country, "What is the highest priority you have?" They will tell us it is to do something about the lawlessness that comes from handguns that have proliferated and made urban living impossible throughout this country.

Mr. Chairman, it is inconceivable that the committee would cut the request made by the Department, supported by the Attorney General, and supported by the administration, to enforce the existing laws. That is what this amendment is all about, and I commend the gentleman from Illinois (Mr. McCLORY) for offering the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. HUGHES).

Mr. HUGHES. Mr. Chairman, first of all I want to commend the gentleman from Illinois (Mr. McCLORY) for offering this amendment. I rise in support of the amendment.

We have had a trial run now since 1968. We do have a gun control bill, one that was adopted at that time, and in the past 8 months before the Subcommittee on Crime we have had numerous witnesses from the Alcohol, Tobacco, and Firearms section of the Treasury Department indicating to us that they cannot enforce the law because they do not have the manpower. It seems to me it is extremely important that we give them the tools to do the job.

Mr. Chairman, that is what this particular amendment would do. It would provide for an additional 500 new members to do the job, and I ask for support from the Members for the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman, in a letter to the distinguished gentleman from Illinois (Mr. McCLORY), dated November 13, 1975, the Attorney General said as follows:

> Dealing in handguns without a federal license is a clear violation of existing law, and it is against the activities of these illegal traffickers that the 500 additional investigators will concentrate their efforts.

This is recommended by the Bureau of the Budget. A great majority of the people of this country favor some sort of effective gun control. I realize that we in Congress have been reluctant to enter this field, and I share that reluctance, but this is something we can do.

Therefore, Mr. Chairman, I favor the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise in opposition to the amendment.

I support handgun control, but this amendment will in no way help in effecting gun control. This will not stop the use of Saturday night specials or anything else.

This will create or it could possibly create a new police force. If we read the hearings, we will find these men are going to be established in 11 cities. They are going to be added to our police departments.

We said in the committee, "Let us find out where you are going. What are you going to do? Are you establishing a new police force?"

We said to them, "Work in 2 or 3 cities, and then come back to us and let us see if you are enforcing the law that is on the books, or any new law that may be passed out of Judiciary, and then let us see if you really need these men."

They have operated under the regular bill, and if these men were needed, for enforcement of the Federal control legislation on the books they could have made the request in the regular bill. They had 389 men spread over 11 cities, and they want 500 additional men to put into our local police forces.

The CHAIRMAN. The time of the gentleman from New York (Mr. ADDABBO) has expired.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that I may be permitted to yield my time to the gentleman from New York (Mr. ADDABBO).

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Chair recognizes the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, I am delighted on my time to yield to my friend, the gentleman from New York (Mr. ADDABBO) for such further comments as he chooses to make.

Mr. ADDABBO. Mr. Chairman, I thank the gentleman for yielding.

At the present time under the present budget we have 38 agents in Detroit; they want an additional 45, making a total of 83.

In Philadelphia they have 36; they want an additional 50; in Pittsburgh they want an additional 37; in Chicago they want an additional 70.

In addition, in Dallas it is an additional 35; in Los Angeles, 64; and in San Francisco, 35.

In addition to these 500 men, they will need additional automobiles for these agents. They have asked for 320 additional vehicles.

Mr. Chairman, they do not know where they are going. Let us first see where they are going and then give them the additional money if they prove the need for it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Chairman, I join in commending my colleague the Honorable ROBERT McCLORY in the introduction of this amendment. There is no question that it does call for many new investigators but with the rampant and uncontrollable manner in which guns are being used in our country and particularly in our cities, I welcome the opportunity to have more investigators help curtail this movement in firearms.

Today, people are frightened in every large city and crimes that are being committed with the use of guns must be stopped.

I have had on file, gun control legislation which I think is too long in being enacted. If we do not take positive steps to control and investigate the use of handguns in this country, we will revert back to the days of the wild west where you did not feel safe unless you had a weapon on your person to protect yourself.

I ask my colleagues to join me in this effort to adopt my colleague from Illinois' amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. McCLORY).

Mr. McCLORY. Mr. Chairman, in response to the statements made by the gentleman from New York (Mr. ADDABBO), let me say that this amendment is precisely what the mayor of New York wants. It is precisely what the mayor of Chicago wants.

They want Federal support so that these Federal officials can help the local law enforcement officials enforce the Federal gun laws to try to cut down the interstate traffic in guns and to try to see that guns are not brought from other States into the city of New York, into the city of Chicago, into the city of Detroit, so we do not need this Federal groundwork of control against a highly illicit interstate traffic.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is another effort to hire more Federal police officers to interfere with the basic constitutional right of Americans to own guns.

The amendment is ill-conceived, out of order, utopian in its inception and will do no good.

What this country needs is a reformation of our social attitude toward hoodlums and punks who bilk the public and commit violence, as well as a reformation toward the legal method of property confiscation which is inherent in this extra spending amendment.

I urge a no vote.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. PATTEN).

Mr. PATTEN. Mr. Chairman, I object to this amendment. We take all week in trying to roll down spending. This is not a regular authorization or appropriation bill. This is supposed to take care of what they forgot to put in a supplemental. It is asking for 500 more jobs to make our appropriation 5 times what we originally put in.

This is no way in which to legislate. Let us beat this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Chairman, I rise in opposition to the amendment.

I think this is another effort to enlarge gun control. I say that the Gun Control Act of 1968 should be abolished. This amendment should be defeated. Let us get down to business so that we can go back home and tell our people that we are holding down spending.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut (Mr. GIAIMO).

Mr. GIAIMO. Mr. Chairman, I rise in opposition to this amendment.

I think we should pay close attention to the members of the subcommittee, the gentleman from Oklahoma (Mr. STEED) and the gentleman from New York (Mr. ADDABBO), who have explained that what we are going to do here is to take a demonstration or an experimental project which, as I understand, is being tried out in some cities, and we are going to add $15 million, or whatever the amount is, $12 million or $15 million—I think it is $12 million, to it.

We spent 3 days in the legislative subcommittee on the Congressional Budget Office, and we saved about $3 million after 3 full days, at least, of hearings.

Now here, because they put the magic words "gun control" in it, we are going to throw $15 million more in.

I submit, Mr. Chairman, that we should wait for a regular study of this and that we should not put it in a supplemental bill.

The CHAIRMAN. The Chair now recognizes the gentleman from Ohio (Mr. MILLER).

Mr. MILLER of Ohio. I would like to bring to the attention of the House the fact that the Bureau of Alcohol, Tobacco, and Firearms of the Treasury Department would close 23 posts of duty in the South in order to fill the manpower needs of the CUE programs throughout the 11 cities where 500 additional special agents plus 254 support personnel would be needed.

For the information of the Members, page 665 of the hearings lists the posts in the South that would be closed.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Mahon) to close debate.

Mr. MAHON. Mr. Chairman, experimental programs in two cities are being provided for. Whether this will work or not we do not know, but we did agree to put in this supplemental bill funds for experimental work in two cities. That is as far as we ought to go now.

Mr. Chairman, I urge the defeat of the pending amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois (Mr. McClory).

The question was taken; and the Chairman announced that the noes appear to have it.

Mr. McCLORY. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendments were rejected.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

AMENDMENT OFFERED BY MR. JOHN L. BURTON

Mr. JOHN L. BURTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. John L. Burton: Page 21, Title II, after Section 203, immediately after line 18, insert the following new Section:
>
> Sec. 204(a). No funds appropriated by this Act shall be made available by means of any grant, contract, loan, or other contribution or expenditure for the construction, maintenance, or operation of, or for other use with respect to, any facility or building containing pay toilets.
>
> (b) As used in this section, the term pay toilet means a water closet in any restroom or lavatory facility which imposes a fee, by coin deposit or otherwise, as a condition of access to or use of said water closet.

Mr. BAUMAN. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Maryland (Mr. Bauman) reserves a point of order on the amendment.

The gentleman from California (Mr. John L. Burton) is recognized for 5 minutes in support of his amendment.

Mr. JOHN L. BURTON. Mr. Chairman, Members, I will be very brief. We have talked about a lot of issues today and yesterday. I think this is really one of the gut issues facing this Congress.

We have talked about taxation. We have talked about progressive and regressive taxation. Certainly, I think forcing taxpayers to pay their own money out of their own pockets in a building that is paid for by their own taxes for the purposes of answering nature's call is a very restrictive form of taxation.

We have had this law on the books of the great State of California and it has worked very well. We know that the great mayor of the great city of Chicago, Mayor Daley, has instituted such a policy. I feel that it is a proper policy to be instituted by the Congress in federally financed buildings.

I mentioned the fact that I had such an amendment to the distinguished chairman of the committee. Without committing himself, he said, "Fine." I mentioned it to the distinguished ranking minority member, and he made a comment on the amendment. But, I really think it is a good amendment. I think it has merit. I think it is fair, and I would ask for a vote.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does the gentleman from Maryland insist on his point of order?

Mr. BAUMAN. I would not dare, Mr. Chairman.

I withdraw my point of order.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

I never discourage a member from offering amendments if one desires to do so. I think this amendment is very loosely drawn. It is not clear that the intent of the amendment is to apply only to Federal buildings. It could be based on any grant in the bill that goes to any institution or person, and so forth. I will read the amendment:

> No funds appropriated by this Act shall be made available by means of any grant, contract, loan, or other contribution or expenditure for the construction, maintenance, or operation of, or for other use with respect to, any facility or building containing pay toilets.
>
> (b) As used in this section, the term pay toilet means a water closet in any restroom or lavatory facility which imposes a fee, by coin deposit or otherwise, as a condition of access to or use of said water closet.

It seems to me that under the circumstances a legislative committee should hold hearings and look into this situation more thoroughly, and that we should not undertake to adopt this in a supplemental appropriations Bill.

Mr. JOHN L. BURTON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. JOHN L. BURTON. I thank the gentleman for yielding.

The language is very specific. It is out of Webster's Dictionaries. What we are saying is that as a matter of Federal policy, in any building built with taxpayers' funds, there should not be required any surtax to answer the call of nature. But the language is drafted out of Webster's Dictionaries as to the definition, so it is quite tightly drawn.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JACOBS. Mr. Chairman, I move to strike the last word.

I regret, Mr. Chairman, being placed in the position of having the last word on this amendment, especially since I have just moved to strike the last word on this amendment.

I promised my colleague from California, who shall remain nameless to protect the record, that I will not say anything about the fact that when I rose, his face was flushed, but his broad shoulders saved him.

I would like to rise in defense of Jack Benny, who is deceased. For years there has been a story going around that I have reason to believe just is not true, and that is that Jack Benny invented limbo dancing while entering a pay toilet in Lima, Ohio.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. John L. Burton).

The question was taken; and on a division (demanded by Mr. John L. Burton) there were—ayes 34, noes 78.

So the amendment was rejected.

The CHAIRMAN. There being no further amendments, the Chair recognizes the gentleman from Texas (Mr. Mahon).

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Hungate, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10647) making supplemental appropriations for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. SYMMS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 334, nays 47, not voting 52, as follows:

[Roll No. 699]

YEAS—334

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Carney

Carr
Carter
Casey
Cederberg
Chisholm
Clausen, Don H.
Clay
Cochran
Cohen
Collins, Ill.
Conable
Conte
Conyers
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derwinski
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evins, Tenn.
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Fuqua
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holtzman
Horton
Howe
Hubbard
Hungate
Hutchinson
Hyde
Jacobs
Jeffords
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Ryan
Santini
Sarasin
Sarbanes
Scheuer
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Skubitz
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Weaver
Whalen
White
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—47

Archer
Armstrong
Bafalis
Bauman
Bennett
Brinkley
Burleson, Tex.
Byron
Chappell
Clancy
Clawson, Del
Collins, Tex.
Crane
Daniel, R. W.
Derrick
Devine
Evans, Ind.
Fascell
Frey
Gibbons
Hansen
Holt
Hughes
Ichord
Jarman
Jones, Okla.
Kelly
Kindness
Latta
McDonald
Martin
Mottl
Myers, Ind.
Poage
Rousselot
Russo
Satterfield
Schroeder
Shuster
Snyder
Steiger, Ariz.
Symms
Taylor, Mo.
Treen
Waggonner
Whitehurst
Young, Fla.

NOT VOTING—52

Anderson, Ill.
Andrews, N. Dak.
Ashbrook
Beard, Tenn.
Bell
Cleveland
Conlan
Corman
Cotter
Dent
Duncan, Oreg.
Eckhardt
Esch
Eshleman
Fary
Fish
Flynt
Fraser
Gaydos
Harrington
Hébert
Heinz
Holland
Howard
Jenrette
Karth
Landrum
Lujan
McEwen
McHugh
Mathis
Metcalfe
Mezvinsky
Mosher
Nichols
Patman, Tex.
Peyser
Pickle
Rees
Rhodes
Rosenthal
Roybal
Runnels
Ruppe
St Germain
Schneebeli
Sikes
Slack
Stark
Steelman
Udall
Waxman

The Clerk announced the following pairs:

Mr. Patman with Mr. Anderson of Illinois.
Mr. Hébert with Mr. Ruppe.
Mr. Sikes with Mr. Andrews of North Dakota.
Mr. Stark with Mr. Eshleman.
Mr. Howard with Mr. Fary.
Mr. Nichols with Mr. Schneebeli.
Mr. Landrum with Mr. Cleveland.
Mr. Mathis with Mr. Duncan of Illinois.
Mr. Dent with Mr. Steelman.
Mr. Waxman with Mr. Lujan.
Mr. Runnels with Mr. Ashbrook.
Mr. Fraser with Mr. Fish.
Mr. Metcalfe with Mr. Heinz.
Mr. Gaydos with Mr. McEwen.
Mr. Rosenthal with Mr. Beard of Tennessee.
Mr. Corman with Mr. Conlan.
Mr. Cotter with Mr. Mosher.
Mr. Eckhardt with Mr. Esch.
Mr. Flynt with Mr. Bell.
Mr. Rees with Mr. Roybal.
Mr. Pickle with Mr. Peyser.
Mr. Slack with Mr. Udall.
Mr. St Germain with Mr. Karth.
Mr. Harrington with Mr. McHugh.
Mr. Jenrette with Mr. Holland.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material and tables, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

INTERROGATORIES IN CASE OF SOCIALIST WORKERS 1974 NATIONAL COMMITTEE AND OTHERS VERSUS W. PATRICK JENNINGS, CLERK OF THE HOUSE OF REPRESENTATIVES, AND OTHERS, CIVIL ACTION NO. 74–1338 IN U.S. DISTRICT COURT FOR DISTRICT OF COLUMBIA

Mr. O'NEILL. Mr. Speaker, I send to the desk a privileged resolution (H. Res. 863) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 863

Whereas in the case of Socialist Workers 1974 National Committee and others, against W. Patrick Jennings, Clerk of the House of Representatives, and others (civil action numbered 74–1338) pending in the United States District Court for the District of Columbia, a series of interrogatories was issued by the said court and served upon W. Pat Jennings, Clerk of the House of Representatives, requesting him to answer such interrogatories in writing, under oath, and to provide in response thereto certain documents and papers in the possession and under the control of the House of Representatives, and to serve the answers on counsel for plaintiff in such proceedings: Therefore be it

Resolved, That information secured by officers and employees of this House pursuant to their official duties may not be compelled by the mandate of process of the ordinary courts of justice but by the permission of this House; be it further

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That the Clerk of the House is authorized to answer said interrogatories in a manner consistent with the privileges of this House; be it further

Resolved, That when the said court determines upon the materiality and relevancy of those documents requested in interrogatory numbered 13(a) and described as copies of "notifications of non-compliance or apparent violations" sent by the Clerk of the House to campaign organizations affiliated with the Socialist Workers Party from January 1, 1975 to date, then the said court, through any of its officers or agents, be authorized to attend with all proper parties to the proceeding and then always at any place under the orders and control of the House, and to take copies of those requested documents herein specified which are in the possession or control of the said Clerk; and the Clerk is authorized to supply copies of said documents, so as, however, the possession of said document by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under the said Clerk; be it further

Resolved, That a copy of these resolutions be submitted to the said court.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROPOSED RULE CHANGES BY DEMOCRATIC CAUCUS COMMITTEE

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, I am informed that the Democrat Caucus Committee on Organization, Study and Review has proposed, or will propose, four rules changes in the House characterized to turn back the clock on reform and make it more difficult for Members to be recorded on questions of importance before the House. That same wonderful gang that brought us proxy voting is now trying to keep us from voting at all.

The proposals include almost doubling the Members of the House required to ask for a recorded vote in the Committee of the Whole. Also included is the creation of a new procedure so that the House could return to nonrecorded teller votes instead. That is a creative cover up for the bad votes of our Members, but it ain't sunshine.

I am not sure whether the Democrat Caucus Committee on Organization, Study and Review is the same fun-loving group which recently proposed that quorums in committees be reduced to one-third of their membership. That glorious reform proposal is thankfully still residing inside somebody's coat pocket, but it is cut from the same rotten cloth as the current proposals.

These proposals have been called "King Caucus' Congressional Moonshine Rules," by Congressman ANDERSON of Illinois. They are certainly a glorious way to fill the Halls of Congress with more smoke and to keep the sunshine out.

But King Caucus still has a chance to reject them, and probably will, if the proposals are considered in an open caucus meeting. If King Caucus chooses again to make covert decisions behind closed doors, even these turkeys may be adopted. The proposals ought to be stomped on, and they ought to be stomped on publicly.

A TALE OF TWO CITIES

(Mr. RYAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RYAN. Mr. Speaker, in my efforts to find some pattern to the incredible complexity of New York City, I have studied all kinds of numbers, charts and statistics. From the Bureau of the Census I obtained some interesting figures which point out some of the dimensions of that plagued city's problems, and at least one of the sources of the trouble.

In fact, it might be called "The Tale of Two Cities," since it compares San Francisco and its problems with that of New York. One can see from this table that there are several interesting comparisons.

First of all, New York's population is measured at 7 million while San Francisco's population is 700,000. One might expect that New York might have the same proportion in its total of city employees, especially since San Francisco is noted for its conservative viewpoint. And yet we find that New York has almost double the number of total employees, in proportion.

The second point the figures make clear is the astonishingly rapid increase in the total number of employees in the years 1970–74. If this terrible fiscal problem had not occurred in New York this year, it is safe to say that it would only have been a question of time. And as New York went, when does San Francisco's time come—unless they see this kind of hiring policy and its disastrous result?

Unfortunately, the rapid increase of total numbers of city employees is a national pattern—and may cause more financial disasters unless elected city officials put an upper limit on their financial ambitions.

A TALE OF 2 CITIES

	1970	1971	1972	1973
Population (millions)	7.867	7.895	7.895	7.895
City employment, New York	325,953	343,867	375,383	420,195
Population	715,674	715,674	715,674	715,674
City employment, San Francisco	19,308	20,940	22,387	23,044

Source: Bureau of Census data.

COMMUNISM AND THE UNITED NATIONS

(Mr. MADDEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MADDEN. Mr. Speaker, yesterday, we debated for several hours on legislation pertaining to next years budget and the discussion, especially on the Republican side of the House, was to indirectly expand on the President's constant hammerings on television about this Congress being a spending Congress. At no time was it mentioned yesterday during this debate except in the remarks I made about the multibillion dollars of aid that is being sent overseas to several dozen nations by the executive department through the superinfluence of our Secretary of State Henry Kissinger.

I particularly dwelt on the budget bill during my talk in this Chamber yesterday that only 2 weeks ago the President announced and I quoted verbatim the story from the Chicago Daily News that President Ford was recommending a double current foreign aid package of $3.35 billion to about 20 nations, most of them in the Middle East. With the exception of two nations, all of these voted in the United Nations last week against freedom and democracy in their resolution coupling Zionism with racism which was in direct violation of the United Nations constitution to promote, expand, and support free governments, free religion in democratic nations against tyranny and aggression.

I firmly believe that this vote in itself along with many other nations receiving aid and financial support from the United States would warrant our Government to seriously consider withdrawing not only financial support but membership in that body which is degenerating into a gathering of nations the majority of which are under the supervision and leadership of the international Communists.

I believe that the Congress should carefully consider and make a complete study of this growing tendency which has taken over control of the United Nation's body as many of their votes and programs are directly aimed at the spread of Communist tyranny and against free and independent government by the people through their votes.

The State of Israel was sponsored and brought into being by the United Nations almost 30 years ago and it has a right to survive. Until the Arab nations recognize that right for a democracy and freedom of its neighbors there can be no peace in the Middle East. Furthermore, the resolutions, programs, and decisions of the United Nations to use Israel as a whipping boy can only weaken the United Nations and eventually bring on a Middle East conflict that will lead to destruction of many of the smaller nations and cause the death of millions and a myriad of casualties and property destruction through that area.

I firmly believe that it is time for the congressional Committees on Foreign Affairs in both the House and the Senate to hold hearings and consider steps to be taken at once for immediate action by our State Department that any further financial support be withheld by the United States to an organization that by its deplorable antiracial vote and other antifreedom decisions be rejected and completely curtailed.

CONGRESS MUST BRING RULEMAKING BY THE REGULATORY AND ADMINISTRATIVE AGENCIES BACK WITHIN THE CONGRESS CONSTITUTIONAL POWERS

The SPEAKER pro tempore (Mr. PATTISON of New York). Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, the Congress should soon face making a decision on the issue of what to do about the mechanics and growth of Federal administrative and regulatory agency rulemaking. It is within our power to do so.

This matter is already before us because a number of Members have had the foresight to realize the consequences to our way of life of not dealing with it now. Our colleague, Mr. LEVITAS, of Georgia, has been the prime sponsor of legislation to provide much more effective congressional oversight of such rulemaking, and I am glad to be involved with him and nearly 140 other colleagues in this effort. Our legislation has already been made the subject of extensive hearings before the Committee on the Judiciary, and I am hopeful that action will be taken by the committee in the near future.

Those hearings helped Members and the people in whose trust we exercise our responsibilities to understand more fully the existing and possible impacts of the making and enforcing of rules governing virtually every aspect of our way of life by instrumentalities of government insulated from direct accountability to the people. And, this—accountability to the people—is the central issue to which we must continue to address ourselves.

As I pointed out in my statement before the committee, there is no effective means through the ballot box for the people to pass judgment upon the acceptability—or lack thereof—of how the bureaucracy attempts to govern their lives and then to exert collective influence over that bureaucracy. This lack of any institutional means for holding the bureaucracy accountable to the people requires us to now put into place a process requiring that no rules made by—or to be enforced by—the bureaucracy go into effect until action has been taken by the elected representatives of the people. This is no casual responsibility, for our own Declaration of Independence exhorts us to remember always that—to paraphrase—to secure the rights of life, liberty, property and the pursuit of happiness governments are instituted among men which derive their just powers "from the consent of the governed."

That there is a need for Congress to bring back its own powers from the bureaucracy is beyond question.

The Code of Federal Regulations—consisting of the regulations written by and enforced by the agencies—now totals hundreds of thousands of pages with over 12,500 pages of new rules being added this year alone—a growth of 24 percent in 1 year's time.

Then, there are the "horror stories" associated with the excessive exercise of bureaucratic power.

If the Environmental Protection Agency had had its way, beginning on March 1 of this year, no one in Boston, Mass., could have parked on a downtown street between 7 and 10 a.m.; 40 percent of all spaces in Boston's parking garages would have had to have been kept empty during the same hours; and employers would have had to eliminate one-fourth of all employee parking spaces—subject to a $25,000 fine if they disobeyed. The EPA tried to do this in California also.

If the Equal Employment Opportunity Commission had had its way, the police department in Houston would have been prohibited from requiring applicants to have a high school diploma and from refusing to hire convicted criminals, people dishonorably discharged from the armed services, and those with a history of defaulting on debts. Believe it or not, EEOC threatened legal action unless Houston opened their ranks to convicts, those with dishonorable discharges, those who had not completed high school, and those who repeatedly failed to pay their debts.

And, there are many more examples, enough to require us to deal with this problem on an overall, systemic basis, not on a piecemeal approach.

Because a great deal of interest has been expressed in my statement before the committee and because it may be some time before the hearings have been published, I am including at this point in today's proceedings the text of that statement:

Statement Before the Subcommittee on Administrative Law and Governmental Relations, House Committee on the Judiciary, October 31, 1975

Mr. Chairman and Members of the Subcommittee, this Subcommittee is to be commended for holding these important hearings on legislation to reform the way in which Congress addresses itself to reviewing the rulemaking of the administrative agencies.

These hearings will help both Members and the people in whose trust we exercise our responsibilities to understand more fully the existing and possible impacts of the making and enforcing of rules governing virtually every aspect of our way of life by instrumentalities of government insulated from direct accountability to the people.

This, then, is the central issue to which these hearings must be addressed. There is no effective means through the ballot box for the people to pass judgment upon the acceptability or lack thereof of how the bureaucracy attempts to govern their lives and then to exert collective influence over that bureaucracy. That frustration can then be released only by the people voting against those few upon which they can have any influence through the ballot box—a Congressman, a Senator, a Presidential candidate—no matter how much those few might have disagreed with and actually fought the decisions of the bureaucracy giving rise to those frustrations.

This lack of any existing institutional means for holding the bureaucracy accountable to the people requires us to now put into place a process requiring that no rules made by, or to be enforced by, the bureaucracy go into effect until action has been taken by the elected Representatives of the people. This is no casual responsibility, for our own Declaration of Independence exhorts us to remember always that to secure the rights of life, liberty, property, and the pursuit of happiness governments are instituted among men which derive their just powers "from the consent of the governed."

I believe there is here a serious flaw in the institutional mechanics of how the Nation is governed, and my nearly 140 Colleagues, under the prime sponsorship of Mr. Levitas of Georgia, are to be commended for insisting this issue be addressed. I am pleased to be one of the cosponsors of this measure.

GOVERNMENT REGULATION AND THE DECLINE IN FREEDOM

There has been, in my opinion, an erosion of freedom within the Western democracies, including the United States, during the past half-century, and I believe that decline has been directly related to the growth in government regulation.

This erosion—because it has worked and is working almost imperceptibly, yet relentlessly in the longer view—is freedom's most effective enemy. Freedom is not generally lost by the forces of violent attack, for those specific incidents when revolution and upheaval did quickly destroy freedom were preceded by an intellectual evolution which made those acts both possible and allowable.

Our former House colleague, now Senator, Robert P. Griffin of Michigan recently addressed himself to this phenomenon:

"In the long course of history, freedom has died in various ways. Freedom has died on the battlefield; freedom has died because of ignorance and greed. But I should like to suggest that the most ignominious death of all is when freedom dies in its sleep."

These more subtle threats must, therefore, be a cause of great concern among all who cherish freedom and the enjoyment of life, liberty, property and happiness which freedom engenders. The nature of the remainder of our natural lives and those of future generations will be governed in great degree by our present ability to perceive these threats and to undertake successfully those efforts required to restrain them.

There are many views on the process through which freedom is lost, but I believe its particular decline during the past half-century has been directly proportional to the growth of government in the lives of the people. The greater the burdens, the greater the degree of regulatory control, the greater the share of human conduct governed by statute, the less freedom there is.

We must remember that when government intervention is sought, freedom runs a very high risk of further declining. And, inasmuch as those within government—elected or appointed—too often regard their roles as, and measure their successes through, the promulgation of government initiatives, the results should be obvious. More and more government; less and less freedom. That is why two hundred years ago Jefferson observed:

"That it is the nature of human history that as government grows freedom recedes."

This loss of liberty, of freedom comes through the narrowing of the range of alternatives choices of action available to people. The examples are endless, and these restrictions on the exercise of choice are not without penalties: prison terms, fines, loss of license, and that silent intimidation which accompanies an awareness of burgeoning government control.

Through the enactment of a multitude of program activities, government has taken unto itself the exercise of functions once regarded as the province of private conduct. And, whether one regards a specific government intervention or influence as good or bad, one still ought to weigh the impact of the totality of extensive and still growing government regulation over the exercise of personal freedom.

It is almost imposible to itemize the areas of conduct now subject to Federal regulation because there are so many, but a cursory examination of any government organizational chart shows us the areas of our lives now subject to that regulation: health, education, welfare, labor, commerce, housing, transportation, finance, agriculture, environment, communications, wages and prices, energy, labor-management relations, trade, alcohol, tobacco, firearms, savings, community relations, civil affairs, land use, natural resource use, recreation, commodities, securities, insurance, marketing, consumer affairs, productivity, nutrition, travel, economic development, shipping, vocational and career opportunities, employment standards, occupational safety, child development, retirement, rehabilitation, interest rates, credit availability, land sales, aviation, railroads, highways, safety, institutionalized voluntarism, arts and humanities, equal employment, export-import terms, trucking, small business, veterans, postal service, ad infinitum.

The point is this: as government assumed each of the many components within each of these subject areas, it removed decision making from the people, a process inherently antithetical to the exercise of free choice. Some of these are, indeed, necessary and are clearly in the interest of the people. But taken all together, government as a cure-all is diminishing freedom.

A quest editorial in *The New York Times* of this past May, authored by Russell Baker, outlined the author's encounters with government control in but one day's time—control by Federal statute, Federal regulation, State statute, State regulation, local ordinance. Because it is so graphic of the pervasiveness of the issue before the Subcommittee today, it bears repeating, and I quote from my floor remarks of Thursday, June 12:

"The author recalled awakening that morning with a woman whom the government had licensed him to marry, rolling over on bedding materials which had been certified by a Federal agency, to turn on the radio to listen to a station which broadcasts only with Government permission. Of course, the electricity which powered that radio and lit the mirror at which he shaved was priced at rates established by the Government and brought to him by a Government-created monopoly.

"Outside stood his car—licensed by the government and registered by the government. It had been built to specifications set forth by the Government. Each year the Government taxes it. He can drive it only by carrying a permit issued by government. And, only recently, the Government told him he could only obtain 10 gallons of gasoline at any one time, and now with the lifting of that imposition, has told him that they will tax him more heavily for his future gas consumption. If he wishes to park his car, he cannot park it near fire plugs, within 20 feet of a stop sign, or in places reserved for Government officials, or anywhere else without putting money into a government meter.

"Of course, he could have taken a bus, subway, or train to work, but those would have been either owned by or subsidized by the Government, running on schedules approved by the Government along routes specified by the Government at fares established by the Government.

"If he had a business or pleasure trip that day, he could have flown on airplanes operating under Government license along Government authorized routes, flying in and out of airports along paths dictated by Government controllers, paying for all this as Government-set fares.

"The clothes he wore would carry labels prescribed by Government, made from imported cloth whose entry was regulated by Government tariff or from subsidized domestic cotton, for the purchase of which he would have paid a sales tax.

"After dressing, he had breakfast comprised of foods whose quality and packaging had been regulated by Government on dishes washed by water bought from government, water heated by oil the price of which is determined partly by Government policy. He had coffee that morning imported under Government license, with cream priced by Government through milk price supports, and then sat down to read his newspaper—made from pulp whose harvesting was regulated by a myriad of Government agencies.

"After breakfast his children are required by the Government to report at fixed hours to a building owned by the Government where persons hired by the Government instruct them in such matters as the Government sees fit.

"Before leaving the house, he placed his garbage in a trash can for the Government to pick up, ran his garbage disposal to enter residue into the Government's sewage system, and placed a Government stamp on an envelope to place it into a Government-approved home mail box.

"Then, he started his work day, where even more extensive Government regulations controlled his and his company's actions."

The United States Code Annotated, the basic compilation of Congressionally enacted statutes, now totals more than 55,000 pages The Internal Revenue Code alone is now nearly 1,900 pages long, and the regulations which carry those tax laws into effect constitute another 4,500 plus pages. And, the Code of Federal Regulations—consisting of the regulations which carry our laws into effect and which also have the full force of law—totals hundreds of thousands of pages, and as the Director of the Federal Register, Fred J. Emery, testified before this Subcommittee on October 23, the Federal Register carried 10,981 pages of rules in 1974 and through September 30 had carried 10,245 pages of rules this year—a growth of 24-percent in but one year's time. We have, indeed, come a long way since Moses brought the Ten Commandments down from the Mount—only 10 rules to govern our lives.

CONGRESSIONAL REVIEW OF ADMINISTRATIVE RULEMAKING

The Congress is now faced with the issue of what to do about the mechanics and growth of Federal administrative rulemaking. It is within our power to do so—clearly.

Article I, section 8, clause 18 of the Constitution sets forth the basic power:

"The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

Congress, thus, has the power to make laws, including those laws which give to the administrative agencies the authority to issue rules deemed appropriate to carry out the law and consistent with the intent thereof. For example, Congress has the power to issue licenses for the operation of television stations, but it has expressly delegated that power to the Federal Communications Commission. Congress has, in short, given its powers to an administrative agency.

Inherent in this process is the continuing, Constitutional power of Congress to make further laws, through which some or all of that power is returned to the Congress. The basic theory of the Constitution would be violated by restrictions on Congress retrieving its own powers. There are clear precedents for Congress exercising such authority, ranging from the Constitutional argument successfully advanced by Chief Justice Marshall in *McCulloch* v. *Maryland*, 4 Wheat. (17 U.S.) 316 (1819) to Congress exercise of that authority in recent decades.

In *McCulloch v. Maryland* Chief Justice Marshall asserted that all that was required to establish the validity of an action under clause 18 was as follows: ". . . all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but consistent with the letter and spirit of the Constitution, are constitutional."

The Congressional Research Service of the Library of Congress reports that in the last 43 years 183 separate provisions in 126 acts of Congress contain some type of Congressional review or consent for proposed administrative agency implementations of law. Some require specific action. Others simply provide a procedure which Congress can use at its discretion. In other words, the former requires Congress to do something before the rule becomes operative, whereas the latter does not require Congress to do something.

We have done, therefore, on a selective basis in the past that which is proposed to be done in H.R. 3658, H.R. 7689, and related measures on a uniform, consistent basis.

We must establish this system for review at the Congressional level. The courts cannot do it—exercise oversight of the consistency of administrative rules with Congressional intent and agency authority; it would be piecemeal, potentially inconsistent, time consuming, and costly, and it would produce unimaginable frustrations of carrying out the laws—statutes and/or regulations—such as temporary restraining orders, permanent injunctions, etc.

In light of the past volume of administrative rulemaking going on today, one problem is how to separate the trivial rules from the major, substantive ones. Not all rules really require Congressional oversight, and if we insist on acting with respect to each and every one of this year's nearly 15,000 projected Federal Register pages of rules, for example, we will become either a rubber-stamp for the agencies or our priorities will become governed by reaction to theirs. That is the first question to address.

Another question is whether to separate the rules which carry criminal penalties from those which do not, requiring action only on the former. This is what the present Levitas bills would do, and upon reflection I cannot agree with that dichotomy, that distinction. A $10,000 civil penalty will cause just as much harm to a small business as a $10,000 criminal penalty, the only difference being jeopardy of the person. A civil restraint can have the same impact as a restraint enforced through criminal sanctions. The examples are endless. I invite the Subcommittee's and my Colleagues' careful attention to this question, and I suggest we would be better advised to find another dichotomy.

Another question is the nature of the Congressional review and action we seek to put into place. There are two routes—a tough one and an easy one—and we must make the choice here at the Subcommittee level first. We can require the proposed rule be laid before the Congress and referred to the appropriate committee and if no action is taken within a specific period of time to prohibit the rule from becoming operational by either one or both Houses, it will go into effect automatically. That is the easy route. Or, we can require an affirmative action by either or both Houses before the rule becomes operational. That is the tougher route. I personally prefer the tougher stance, not because it is tougher, but rather because I think we must all admit it is far too easy for something like this, even if it is a controversial rule, to become lost in the maze of legislative process or to simply not be acted upon within the specified period of time.

Even if we should decide to go the easier route, I believe strongly that we should require it to rest with the Congress for longer than a very short 30 days. I would prefer at least 60 days, perhaps 90.

We simply must guard against the perfunctory look; we must insist upon a thorough examination of all the conceivable implications of the rule taking effect, realizing all the time, as we must do even with respect to statutes, that rules will always have unforeseen secondary and tertiary consequences.

I assume the administrative agencies will oppose the enactment of this bill. I understand that is the position being taken within the Department of Justice. They will argue that it is an interference in the exercise of the administrative function—an executive function under the Constitution—by the legislative function—a Congressional one. I think we should examine those reactions carefully, for I think that no matter how the arguments are disguised the bureaucracy will be protecting itself and its own powers. The arrogance, the elitism, the "we administrative agencies know better for the people than they know for themselves or even their Representatives know for them" attitude which permeates such posturing should be readily apparent. Again, as I said at the outset, the principle of accountability *must* govern in a free society; to make it second-place to bureaucratic interests is blatantly anti-democratic in character.

Mr. Chairman, again, let me commend the Subcommittee for having the foresight to move into this subject area, to be willing to advance the people"s interest even when it conflicts with those of the bureaucracy.

TAX REFORM: TIME FOR EQUITABLE TREATMENT FOR SINGLE PERSONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 5 minutes.

Mr. BURKE of Florida. Mr. Speaker, there are today more than 35 million single people in this country who are penalized by an inequitable tax system that allows married people to pay their income tax at a lower rate than people who are unmarried. This is a result of so-called income splitting that permits married people filing joint tax returns to divide their income equally between them, thereby effectively reducing their tax liability.

I introduced legislation to correct this situation during the 93d Congress, but the Ways and Means Committee failed to complete its work in that area. Now Ways and Means has reported to the House the Tax Reform Act of 1975, but this very comprehensive bill still does not include any reform of the "income splitting" provision.

Because of this deficiency, I am today reintroducing legislation to provide to unmarried people the same benefits of "income splitting" now enjoyed primarily by married people filing joint returns.

My bill would accomplish this very desirable end simply by amending the Internal Revenue Code of 1954 to establish a uniform tax rate structure for all taxpayers, whether they be married, widowed, divorced, or single. This is just elementary fairness to a large group of our citizens who have been the victims of an inequity in our tax system for too long.

For instance, assuming a taxable income of $10,000 per annum, a married taxpayer filing jointly has a tax liability of $1,820 while a single taxpayer owes the Government, according to the latest tax rate schedules, $2,090. This represents, in effect, a penalty of $270 borne by the single taxpayer. If you assume a taxable income of $20,000 per annum, the differential is significantly greater: no less than $850.

Recent statistics indicate that single taxpayers in this country, taken as a group, pay what amounts to a penalty of some $1.6 billion each year. This seems grossly unfair to people who have never married or who are widows, widowers, or divorced; they are forced to pay a premium for not having spouses.

This situation merits immediate corrective action by this Congress.

Mr. Speaker, almost everyone agrees that discrimination is bad and that it should be eliminated from our national life. We have enacted a great many bills designed to do just that, but we have neglected the unfairness in our tax law that afflicts the single taxpayer.

I urge my colleagues to support this bill to correct this injustice.

DRUG PUSHER'S ELIMINATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BOB WILSON) is recognized for 5 minutes.

Mr. BOB WILSON. Mr. Speaker, I am pleased to cosponsor the Drug Pusher's Elimination Act. The problem of drug-related crime is increasing sharply and I believe the root cause of such crime can be traced directly back to the pusher on the streets, and in the schools. Our country is now in the midst of a growing heroin and related drug epidemic and extraordinary measures must be taken to stop it. If the United States faced a smallpox epidemic, we would take drastic steps to stamp it out. No less should be done to stop the heroin crisis.

There are two types of drug pushers in our society—the first pushes drugs to support his own habit. Theirs is a tragic lot, as the so-called monkey on their backs compel them to sell narcotics in order to just survive one day at a time in their world. The second type of pusher—the type at which this legislation is aimed—is the man who makes a business out of the misery and addiction of others, the pusher who sits on the sidelines, glassine bags of heroin in his pocket, ready to make a sale to whomever he can—young, old, children, adults. We want to eliminate the pusher who by enticing others into his world, causing their addiction, creates his own market. It is said that man is the only animal that preys on his own kind. In this context, the man or woman who makes drug selling a business is certainly the most loathesome of our species. An individual who deliberately addicts children has got to be dealt with swiftly and harshly.

Presently, our system of criminal justice allows for the probation of such dealers. It allows them bail, sometimes at ridiculously low levels. It enables the offender to be back on the streets peddling his commodity of misery to others just hours after appearing before the bench.

I cannot think of any hell worse than that inhabited by the drug addict. I cannot even imagine what his day must be like. I cannot comprehend what it is to live from shot to shot, never secure, never knowing if he would be able to get that next shot in time to keep from going mad. I cannot conjure up the feeling of desperation and desolation he must have as he continues his never-ending search for that next hit. His loneliness, having been exiled from our society, his craving for relief when every nerve end in his body sparks agony throughout his being is tragedy in every sense of the word. And to have individuals in our society actively feeding on the plight of these poor people is absolutely disgusting.

I cannot think of a present day situation that repels me more than drug addiction and the businessman drug pusher. We have to eliminate him, stamp him out, erase him, wipe him from the face of the earth.

I vigorously support the Drug Pusher's Elimination Act because I think this legislation will go a long way toward putting some teeth into our laws. Faced with mandatory minimum sentences with no hope of parole or probation might cause some pushers to think a bit more carefully of the possible outcome in case they are caught. It will cut into his profits by imposing severe financial penalties, thereby hitting him where he lives. It will get him off our streets and out of our schools by throwing him in prison and keeping him there where he belongs.

Mr. Speaker, we have got to take harsh, severe measures to control and eliminate drug-related crime. I believe that by ridding ourselves of the drug pusher we will have taken a vital step toward that end. Let us make the drug dealer the object of a nationwide eradication program and pledge ourselves to carry on the fight until he is behind bars where he no longer can infect us with his brand of disease. I, therefore, urge my colleagues to approve the Drug Pusher's Elimination Act overwhelmingly. It is time we send these people a message that the United States is gunning for them and that they should either give up or get out of town.

NEW YORK'S FISCAL CRISIS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, each day brings a new plan for the financial salvation of New York. Each new plan brings a question to the White House: Is it enough of a sacrifice by New York to convince the administration that now, at last, the time for Federal help has arrived? And each time the answer is: Not yet. But we read, time and again, how behind the scenes, the Treasury, the Fed and the White House are working closely with New York to find some way out of the mess. Today's papers announced that a solution is at hand—maybe.

Interestingly enough, part of that plan is no doubt a loan by the Federal Reserve Bank of New York to the State of New York, on the order of a half billion dollars. Since last week, Governor Carey has been negotiating for such a loan, and it is under serious consideration.

This loan application by the State of New York is very close to the kind of action that I have suggested, and urged that the Federal Reserve should take. It is precisely this kind of loan that could serve as the necessary "bridge" to span the gap between the immediate needs of New York and the day when a reasonable refinancing arrangement can be made. There is no real need for a Federal loan guarantee; nor is there any real need for a direct infusion of Federal cash. What is urgently needed is funds to tide the city over until it can work out a new budget program, until it can obtain new revenues, until it can reach new agreements with its banks, creditors and lenders.

New York needs more than anything else to renegotiate its loan commitments. If this can be done, if the maturities of New York paper can be stretched out, and the cost of financing eased, the city will be far closer to balancing its budget than it could be by any other means, including reduction of employees and services. Certainly the city is going to have to make serious cuts in its cost of operations. Certainly it is going to have to reduce costs in every possible area. But even after this is done, the city can in no way balance its budget without lowering the immense demands of debt service. To do any of these things will take time, more time than seems to be available at this time.

Not long ago, Secretary Simon was talking about the need of New York City for a "bridge" loan. People in New York have been talking about the need for time in which to put the city's affairs into order. I believe that the Federal Reserve has ample powers to provide the kind of financial relief that can restore confidence to potential lenders in New York; it can provide the kind of help that will allow the city time to make new arrangements; and it can provide the kind of firm guidance and support that will be essential for the successful conclusion of this whole matter.

The very fact that Governor Carey has applied to the Federal Reserve Bank of New York for just a loan, and the fact that it is under serious consideration by the Fed, shows that my suggestion is wholly within reason. There is no reason why the Fed cannot help, and absolutely no reason why it should not. I again urge the Federal Reserve to provide assistance to the city of New York. I firmly believe that the city can and will make good on whatever it is advanced by the Fed, and I know that the Fed has all the powers that it needs to be certain that this is done. Everyone agrees that it would be far less costly to the Federal Government to help New York get its house into order before default than it would be to wait until after the collapse of the city. That in itself is a powerful argument for a reasonable form of assistance now. And it is an even more compelling case to consider that no one knows or can predict with any reasonable degree of confidence, the consequences to the Nation's financial structure that the collapse of New York might cause. That should be enough to sober anyone; that is what we should have our minds upon—not the sins of New York, real as those are. Our minds ought to be not on retribution, but on what the soundest and best policy for the country would be.

I believe that there are dangers and drawbacks to a guarantee program. I believe that it would be wiser and more effective to have the Federal Reserve provide some assistance and guidance to New York. I urge that this be done.

FAILURE OF DOLLAR DIPLOMACY HIGHLIGHTED BY U.N. ANTI-ZIONISM VOTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, the vote in the U.N. General Assembly on November 10, adopting a resolution stigmatizing Zionism as "a form of racialism and racial discrimination," is inimical to the very fundamental principles of the United Nations charter.

This vote demonstrates that the altruistic and well-intentioned dollar diplomacy of the United States over the past three dacades was ill-conceived.

Of the 72 nations that voted for the resolution, 53, according to December 31, 1974, Treasury Department statistics, owe debts to the American people totalling over $17 billion. Forty-three countries are delinquent in their payments 90 days or more in excess of $430 million.

Last December the Congress adopted my amendment to the foreign aid authorization bill calling for executive initiative in securing prompt payments of these just debts owed to American taxpayers. To date President Ford has done nothing to expedite collection of international debts.

The recent vote in the United Nations sends out a clear and unmistakable message. America cannot buy friendship.

I include the following:

ANTIZIONISM VOTE COMPARED WITH DELINQUENT DEBTS OWED TO UNITED STATES

As of Dec. 31, 1974	Principal outstanding	Principal and interest due and unpaid 90 days or more
Afghanistan	$83, 244, 171	$2, 800
Albania		
Algeria	186, 703, 591	6, 613
Bahrain		
Bangladesh	57, 457, 334	310, 941
Brazil	2, 002, 217, 505	568, 374
Bulgaria		
Burundi		
Byelorussia		
Cambodia		
Cameroon	38, 360, 950	504
Cape Verde		
Chad		
China	659, 861, 519	96, 344, 051
Congo		
Cuba	39, 249, 773	64, 569, 272
Cyprus	689, 690	1, 928
Czechoslovakia	4, 872, 496	7, 145, 980
Dahomey	2, 739, 209	4, 228
Egypt	507, 190, 591	59, 205, 813
Equatorial Guinea		
Gambia	10, 436	
East Germany	103, 644	
Grenada	9, 428	
Guinea	62, 591, 196	1, 791, 177
Guinea-Bissau		
Guyana	37, 830, 058	1, 041
Hungary	1, 462, 766	700, 167
India	3, 560, 872, 080	17, 400, 063
Indonesia	1, 176, 439, 747	441, 819
Iran	1, 096, 188, 587	42, 066, 979
Iraq	9, 770, 382	538
Kuwait	6, 123, 518	
Jordan	94, 820, 046	3, 187, 332
Laos	58, 922	54, 843
Lebanon	24, 909, 353	1, 061
Libya	154, 241	137, 381
Madagascar		
Malaysia	61, 037, 180	212, 395
Maldives		
Mali	2, 909, 775	50, 439
Malta	114, 439	
Mauritania	762, 200	
Mexico	481, 813, 301	2, 926, 902
Mongolia		
Morocco	472, 432, 824	78, 912
Mozambique		
Niger	2, 937, 278	7, 893
Nigeria	104, 589, 560	2, 494, 668
Oman		
Pakistan	2, 294, 944, 794	35, 408, 733
Poland	123, 510, 817	
Portugal	102, 291, 844	14, 616
Qatar	1, 723	
Rwanda		
Sao Tome-Principe		
Saudi Arabia	33, 658, 790	386, 799
Senegal	3, 003, 453	322
Somalia	16, 049, 349	2, 292, 235
Sri Lanka	117, 709, 192	250
Sudan	36, 725, 752	545, 585
Syria	13, 018, 493	4, 679, 264
Tunisia	321, 374, 048	80, 313
Turkey	1, 574, 632, 298	88, 495, 660
Uganda	11, 222, 107	2, 782
Ukraine		
Soviet Union [1]	1, 078, 872, 885	2
United Arab Emirates	1, 239	
Tanzania	41, 295, 210	20
North Yemen	2, 973	
South Yemen		
Yugoslavia	546, 031, 064	321, 192
Total	17, 094, 873, 821	431, 941, 878

[1] Does not include lend-lease agreements.

Source: Department of the Treasury, OASIA, Office of International Financial Analysis, July 24, 1975.

CHALLENGES FACING OUR NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 30 minutes.

Mr. O'NEILL. Mr. Speaker, recently, the distinguished chairman of the Committee on Ways and Means, Mr. ULLMAN, addressed the Harvard Business School. In his speech, he sensitively set out the challenges facing our Nation. I commend the speech to my colleagues. In its thoughtful analysis, I think it might serve as an inspiration to all of us in dealing with the difficult and important questions that come before us.

The full text follows:

When the country has called for its best minds, the intellectual community—of which Harvard is considered leader—has answered with concepts and vision that changed history. The special partnership between government and university is often formed in crisis and has performed with remarkable success. The Manhattan Project won the world's greatest race for a weapon. The Marshall Plan brought a new beginning to Western Europe. The New Frontier was expanded with your thinking.

Again we need your help as government struggles for new answers. At the moment Washington is suffering from political paralysis. We are confronted with problems we have never seen before—economic ills that resist old remedies. Our best thinking, however, is sterilized by political differences.

Our approach to the economic and social demands of the Nation must be rethought. Naturally, we turn to the intellectual centers. And we discover that you, too, are locked in debate over how the world ought to work. What is distressing is that academic arguments are so generally limited to old concepts and formulas.

Policy makers desperately need a new intellectual base, but it must be built on ideas that work in today's world. They must relate to the politics of today. Your ideas must bridge into the economic realities of tomorrow. These are the challenges I want to set forth.

America has reached the end of an era. For half a century we have ridden the giant crests of economic fortune—and have survived troughs in between. Our institutions have withstood the wrenching of political and social upheavals. The old economic formulas have shielded us from chaos. The Constitution heralded the beginning of two centuries of liberty and freedom of choice.

But I submit that our institutions and our formulas and our freedoms may not survive the next 20 years if we don't make some fundamental decisions for the future. For we have arrived at the point of no return, dragging behind us the heavy freight of unlimited expectations.

Right now the country is confused and doubtful. We want to push forward and begin an orderly, steady march through the end of the century, but we are anchored to the past. We are searching for a new spirit of moderation yet we cannot escape the years of excess.

How did we fail to catch the symptomatic increases of Federal spending? In the postwar era it took a score of years to increase Federal spending 100 billion dollars. Beginning in 1968, it took six years to add 100 billion dollars more. A third 100 billion dollars was added in two years. If we should be required to counter another economic relapse, the next 100 billion dollar increase could come in six or eight months.

We paid no attention to the long-run cost of social welfare and services in our cities. We relied on rapid growth to pick up the tax without knowing the pace and extent of that growth. The Great Society had given a blessing to unchecked assistance to the poor and the underprivileged—and an excuse.

The absence of fiscal procedure and discipline made little difference to political leaders as they satisfied the demands of labor and business. And now the bills have fallen due—and we wonder how it all happened.

Over the last seven years we watched the graph of free enterprise grow ever more jagged as the uncertainty of public policy dampened investment confidence. Unstable energy supply and erratic environmental standards have stunted expansion. The day-to-day decisions of interest rates and money supplies, together with prolonged recession, have virtually paralyzed some industries, like construction. Combine the capital crisis with rising demands from a worried labor force and bounding costs of unemployment and we slide surely toward deeper troubles.

We ignored warnings that the trend of energy consumption was running ahead of potential supply—and that we were going to pay an unbelievable price for our excesses. The embargo provoked outrage and threats. But we continue to watch prices rise and domestic supplies dwindle, without moving toward a national energy policy or a new energy ethic in our lives.

We have witnessed the slow breakdown of our education and health and transportation systems for utter disregard of the realities of national need.

We have seen urban decay spread with alarming speed.

Foreign ministers jet in and out of the country to compare their countries' inflation and unemployment and trade balances with ours. They all painfully concede in private that the fortunes of the free world balance delicately on the ability of the United States to solve its economic problems.

We remain the economic leader of the world because of sheer weight, not because of intelligence. And now—more than at any time in recent history—our political and economic ways are on trial.

The best soundings in the country indicate that the American people are ready to move. People are ready for a new ethic. People are ready for the hard choices that will put the country right again. But politicians and intellectuals have failed to give the necessary leadership and direction. We have failed so far to bring innovation and action. We have failed to move the nation up the slope of real recovery.

Dizzied by economic gyration, we wander in a vacuum of national purpose. How can we escape the conclusion that our greatest need is a return to economic stability? Only a nation that knows where the next foot will fall can begin the long march into a new era. The kind of stability I am speaking of isn't won with economic tinkering and guesswork—or with easy political answers.

The President's new campaign slogan of "Get big government out of our pockets" gives voters an enemy—but hardly a solution.

The liberal answer of throwing money at problems, hoping that some of it will do some good, is just as hollow.

If we're going to get the country moving again, we've got to identify our worst conditions.

First, let's consider a crisis in government decision-making. It's a constitutional crisis that has been steadily building between the congressional and executive branches of government. For more than a year the two branches have waged a struggle for power to decide and act. We have sadly arrived at the point where political strength is measured by vetoes and overrides; rather than by national popularity and trust. As long as this contest continues, decision-making in Washington becomes dangerously tentative and erratic.

The constitutional crisis is not completely rooted in partisan back yards. President Kennedy and later President Johnson fought with their own majorities in Congress. But the present stalemate is of more significant proportions—and carries far more risk—because the sheer weight and power of government is so much greater than before.

Before we established the Budget Committee in Congress, there seemed a gloomy inevitability of moving Federal government toward some kind of parliamentary system. President Johnson made the nearest approach when he recommended that all members of Congress be elected for four-year terms concurrently with the President.

The question becomes: can we find a constitutional means to avert excessive vetoes and frequent stalemates between the President and Congress? Can we create a negotiating arena which would preserve the constitutional intent of checks and balances—and also force compromise and action before impasses on issues like energy and taxes occur?

No ready answer exists. But we've got to find one, because the country is fed up with watching Congress and the President firing at each other from behind rocks. Each day we fail to settle our differences on energy and taxes and defense is a day lost in a world that can't tolerate America's delay.

The question is not how to punish both sides, but rather to seek ways to share working responsibility for good government. If that means changing the Constitution, then perhaps we must do so.

Just as defeating as the horizontal conflict between the President and Congress is the vertical conflict between local and state and Federal government that is now culminating in bankruptcies and layoffs. The crises in New York and other regions are straining our Federal system to the danger point.

We've got to find answers to some very fundamental questions.

How, for example, do we turn an elephantine government around to cope with the fast-paced challenges of fiscal programing, monetary policy, credit restrictions and incentives, tax reform, wage and price policy and resource management all at once?

How do we take government and shake its many pieces onto the table and cull out the ones that no longer serve the nation—that represent non-policy and nonsense? Can we draw thick, black lines between Federal government and state government and move specific administration and fiscal responsibility to one side or the other?

If we can improve the means of reaching decisions, how then do we improve the quality of those decisions? That is the second major challenge to our future: can we develop within our constitutional system the capacity for long-term economic assessment and programming? Our survival as a nation may well ultimately depend on our ability to look ahead and chart a steady, long-range course.

The suggestion of planning seems a call to arms for conservatives who fear for their liberty. Few stop to think that one of the tenets of free enterprise is planning. We are the prisoners of a mythology that planning ahead is futile.

It is a great paradox of the American economy that we generally believe in private saving for the future, and disapprove morally of speculating for short-term gains, while on the other hand we view long-range public investment with deep suspicion.

No business could afford not to plan. Investment is based on probable conditions sometimes 15 or 20 years ahead. Long-term consideration matters as much, or more, than short-term market circumstances.

Yet we don't demand that government take the same precautions with the public's money as business does with private investment. We don't demand that the United States government with the largest operating budget in the history of our planet make its major decisions on the basis of long-range economic objectives rather than short-range political pressures. We can no longer allow crises and fleeting 'leading indicators' to shape our budget.

Instead, we must find a method of planning that is up to the demands of our political and economic system. And it must bring the country together, not set us off on another ideological or political feud. Until we can plot a sound economic course through the rest of the century the nation can know no security.

We can't, of course, plan in detail for decades ahead. Only the broad outlines can now be sketched for the 1980s and 1990s. But in the medium term—say, four years—we could give much greater clarity to our thinking. I mention four years because that is the electoral life of a President's administration. Let's have candidates who put forward a plan that tells the public what economic and social goals to expect during his term. What rate of growth; what rate of inflation; what monetary and interest goals; what energy policy. As time goes on, revisions can be made—revisions that are completely visible to investors, businesses, farmers, wage earners, consumers.

We are no longer looking for miracles of prosperity. We know recent growth rates can't be sustained. We know capital investment has slowed. We know we can't wipe out unemployment and inflation by 1981. What we can do to restore confidence in our economy is to set forth a series of economic benchmarks and deadlines that we can achieve with good leadership and hard work.

The country must also have a longer-range chart that reaches the end of the century.

We can draw on the concept of the National Resources Board that enlisted the best minds in public and private life to set the pace of production and finance during World War II. The first four years would be a departure—a trend line—for determining what is essential for preservation of the land and the people and institutions that live on it.

The real question is not whether there should be planning in our economy, but whether private planning alone is adequate to society's purposes—and whether government shouldn't have a major role in shaping overall national goals.

I am not suggesting bigger government. I am suggesting sounder government that makes its plans with the people who will live with them—favoring no segment or special interest. I am talking about a government that is as big as the needs of society—a government with less day-to-day intervention, yet more strength and more long-term control.

This leads us to another serious challenge—how do we extend the horizon of government to include all elements of the economy?

Bureaucrats and cabinet secretaries talk of "we" the government and "they" the nation. And conversely, corporate presidents talk of "we" management and "you" labor and professors talk about "we" the experts and "you" the politicians.

No changes will come about in government; no plans can adequately be laid for the future; no overall confrontations with economic and energy crises can be expected until government takes on a few working partners—that is, until "you" the nation becomes "we" the government once again.

And perhaps the widest gap is filled with an atmosphere of suspicion and confrontation between business and government. In some quarters, industry and business feel outright hostility toward government. Government, on the other hand, is divided on its proper relationship with business.

We are the victims of very limited associations—the Democrats always traveling with labor and the Republicans always traveling with business. Their political speeches are still seasoned with the mythology of the past, brewed up with simplistic economic reasoning based on widely different assumptions and objectives.

We are the victims of clichés and labels and worn out tradition that have separated government for decades. John Kennedy saw the toll being taken when he told another academic audience:

> The great enemy of the truth is very often not the lie—deliberate, contrived, and dishonest—but the myth—persistent, persuasive and unrealistic. Too often we hold fast to the clichés of our forebears. We subject all facts to a prefabricated set of interpretations. We enjoy the comfort of opinion without the discomfort of thought . . . . The

dialogue between the parties—between business and government—is clogged by illusion and platitude and fails to reflect the true realities of American society. What is at stake in our economic decisions today is not some grand warfare of rival ideologies which will sweep the country with passion, but the practical management of a modern economy. What we need is not labels and clichés but more basic discussion of the sophisticated and technical questions involved in keeping a great economic machine ahead.

And the only way we're going to do that is to burn the myths and recognize that we all have a stake in good government. It's up to government—both the Congress and the President—to bring investors and industry and farmers and consumers and labor and academe into the inner workings of the economy. Unless we break down the walls that isolate government from the rest of the economic community, we shall all continue to drift—and drag the free world with us.

When we all come together, naked of traditional hostilities and illusions, we will conclude that the American Dream of unlimited material joy must be recast. If we fail to come to this conclusion soon, the dream may disappear together. America must have its dream but a dream anchored to a new era, and a new reality.

We must collectively begin to plot a new national course, beginning where the Great Society ended. We must together assess to what extent the federal government should underwrite the pledge of the 1960s to give a good standard of living to every American. What labor and business and taxpayers know now is that America can no longer afford to do whatever it wants. A nation has no way to borrow from the future to pay for its excesses. The reckoning of New York is only a symptom of our undisciplined choices. If New York defaults, each taxpayer, each town, each city defaults because we've counted on the wild economic promises we made to one another long ago.

The new era must begin with an economic plan that the American people accept and can follow. That chart must be written by hard choices—not by political appeal. The people who write that chart must be accountable for it, because the fortunes and trust of the nation will be riding on it.

Reaching our goals must be the challenge and the promise of each segment of the economy. Consensus never comes easily, but it will never come at all if labor and business and investors and consumers and farmers don't sit down together—perhaps on a common economic council—pledged to meeting the goals and deadlines of a national plan.

At the same time we must project longer-ranged goals and set longer-ranged priorities. We must decide how much health care the nation will require in the 1990s and where it will be delivered. We must decide what areas of education will strengthen what areas of national interest—and broaden both. We must draw a series of economic guidelines that will give us growth and stability through the end of the century—not boom and bust.

America has many times proved that we can come through a crisis. What remains a question is whether America can bid farewell to one era and shape its expectations and make its choices for another—or whether we grope along with the same old myths and ideologies and simplified economic models that only promise more controversy.

The country wants to push forward but is held back by its own confusion and frustration. We desperately need new thinking and new structures. We are searching for answers to our immediate conflicts. And we must find the means to plan and manage our future. That is your challenge and ours.

STATEMENT OF INTRODUCTION FOR FLATHEAD WILD AND SCENIC RIVERS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. BAUCUS) is recognized for 15 minutes.

Mr. BAUCUS. Mr. Speaker, I have the privilege of representing a truly unique district, one that contains an enormous measure of natural and scenic wealth in addition to its human resources. Few areas are blessed as richly with mountains and forests. Few contain so great an opportunity to experience the quietude and wonder of land untransmuted by the works of humans.

Montanans recognize the need to reconcile their love and respect for the land with the realities of industrial and economic development. They do not disdain the orderly and rational use of their natural resources toward improving the Nation's economic well-being.

There is a river, however, that Montanans wish to maintain in its present form for the enjoyment of all Americans for all time. The river presents a unique opportunity to protect a natural geographical feature without enduring a controversy over impeding economic development. The river is the Flathead of northwestern Montana.

I introduced a bill today to designate parts of the Flathead's North, Middle, and South Forks as wild, scenic, or recreation rivers by authority of the National Wild and Scenic Rivers Act of 1968—Public Law 90-543. Section 1(b) of the act states:

> It is hereby declared to be the policy of the United States that certain selected rivers of the Nation which, with their immediate environments, possess outstandingly remarkable scenic, recreational, geologic, fish and wildlife, historic, cultural, or other similar values, shall be preserved in free-flowing condition, and that they and their immediate environments shall be protected for the benefit and enjoyment of present and future generations.

Section 10(a) of the act states:

> Each component of the National Wild and Scenic Rivers System shall be administered in such a manner as to protect and enhance the values which caused it to be included in said system without, insofar as is consistent therewith, limiting other uses that do not substantially interfere with public use and enjoyment of these values. In such administration primary emphasis shall be given to protecting its esthetic, scenic, historic, and scientific features. Management plans for any such component may establish varying degrees of intensity for its protection and development, based on the special attributes of the area.

The act further specifies in section 4(a) that certain rivers be evaluated to determine whether they meet the qualifications for designation under the act. Segments of the Flathead's three forks totalling 219 miles in length were included in the specification. The Forest Service completed an exhaustive evaluation of the specified lengths of the Flathead River, the results of which are available along with the recommendations of the experts in the Flathead National Forest who performed the study. My bill is based on these recommendations for two reasons: The factual and scientific data gathered by the Forest Service are indeed compelling; the thorough process of public review and evaluation rendered a proposal supported by the public. In short, the study revealed that the specified river segments are eminently qualified for designation under the act.

That the three forks of the Flathead River possess "outstandingly remarkable scenic values" can hardly be questioned. Recreational use and potential are great. The western boundary of Glacier National Park, a major recreational attraction with a land area approximately 29 percent larger than the great and wonderful State of Rhode Island, comprises 24 percent of the total Flathead shoreline specified for wild and scenic river evaluation. Most of the 950,000-acre Bob Marshall Wilderness, a paradise for backpackers and fishermen, lies in the Flathead River basin. Water-oriented recreation is readily available in the hundreds of mountain lakes that dot the basin, as well as in Flathead Lake, the largest natural fresh-water lake within a single State. Hungry Horse Reservoir is located on the Flathead's South Fork and is a principal fishing attraction. River-floating, kayaking, camping, horseback riding, hunting, and just plain sight-seeing are popular recreational pursuits throughout the entire area.

The Flathead River is valuable for archaeological research and exploration according to a report by the Department of Anthropology at the University of Montana. Twenty-five sites along the river provide insight into the movement of the late-prehistoric Kootenai and Salish Indian tribes.

While there are few specific sites of national historic significance along the river, it is fitting to recall that the immortal western artist, Charles Russell, traveled extensively in the Flathead basin. The Forest Service study notes that a Russell painting, "When Horses Turn Back, There's Danger Ahead," illustrates a scene along the Flathead's South Fork in which riders with a string of pack horses encounter a grizzly bear while trying to cross the river.

The Flathead basin's abundant wildlife constitutes a major value. There are no fewer than eight species of big game found along the river including moose, elk, mule deer, white-tailed deer, mountain goats, mountain sheep, black bear, and grizzly. From time to time magnificent woodland caribou wander southward into the North Fork drainage from Canada. Other species along the Flathead include otter, mountain lion, lynx, wolverine, and timber wolf. Beavers and coyotes are among the most commonly observed Flathead species.

Cutthroat trout abound throughout the Flathead River system along with the beautiful Dolly Varden. Kokanee salmon migrate every fall into the North and Middle Forks from Flathead Lake to spawn. Rainbow trout and the elusive arctic grayling are also present in the Flathead's cold waters.

The Forest Service's recommendation would designate lands within one-quarter mile on either side of the river as wild, scenic or recreational. Approximately 58,400 acres would be affected along the specified 219 miles of river.

Nearly 60 percent of this land is federally owned and under the administration of the Forest Service. More than 20 percent of the affected lands are within the boundaries of Glacier National Park. Slightly more than 1 percent of the total is State-owned land while the remaining 16 percent is privately owned.

The Forest Service's proposal recommends that each Federal agency retain its current jurisdiction upon enactment of a wild and scenic rivers designation, and that each agency be responsible for carrying out the new administrative requirements on the affected lands—the management zone. State lands designated under the act would be administered by the State according to cooperative agreements with the Federal Government. Private lands within the management zone would be administered by the Forest Service only to the extent required by the act and in accordance with easements negotiated with the private owners.

In this instance, an easement is an agreement between a landowner and the administering agency to participate in certain land management programs aimed at protecting the natural and scenic values of the river. A scenic easement would require that a landowner be compensated with a fee for any property rights granted to the administering agency. Such fees would be determined according to the current value of the property as appraised by professional real estate brokers. Scenic easements would not affect any regular use of the property by the owner prior to designation unless the owner so consents. Neither would scenic easements allow the public to enter upon the property without the owner's consent. Landowners would not be denied the right to grow crops or livestock, to maintain roads, to rebuild or repair buildings, to sell the property or bequeath it to heirs.

Scenic easements would, however, exclude new industrial activity and would prohibit the accumulation of garbage, trash and other unsightly material within the easement area. The general topography of the land would also be maintained except where changes are approved by the Forest Service. Treecutting would be disallowed except to improve safety conditions or to remove dead timber. Billboards and other sign advertising would be limited. Construction of additional buildings would require Forest Service approval.

Building codes for residence structures under the act require that new structures within the management zone not exceed 30 feet in height and that buildings be painted in earth tone colors. There are provisions for minimum distances within the zone between building sites and river frontage depending on pollution potential, sewage disposal facilities, and similar considerations.

In addition to scenic easements, it is possible that in a few instances commercial easements might be required. While the current principal commercial activity is well outside the management zone, some future commercial development may be appropriate within the zone. Commercial campgrounds, for example, could someday serve a useful purpose in the area and could be developed according to easements negotiated by the Forest Service with the affected landowners. Features of such easements would be similar to those just discussed.

The Forest Service study states that access easements would be needed in only two locations because publicly owned land within and adjacent to the management zone affords ample access to the river. The conditions and terms of scenic, commercial and access easements vary somewhat according to the classification of lands within the management zone. For example, private land within a "wild" designation would be subject to stricter easements than lands within a "recreational" designation. In this case, there are no private lands within those areas proposed for designation as "wild."

The Flathead Wild and Scenic River proposal reflects extensive interagency consultations at the local, State, and Federal levels. A Public Advisory Committee was formed to provide maximum public examination of the various alternatives concerning the future of the Flathead and to insure a high level of public participation in the final selection of a management plan. Public meetings were held regularly to discuss the impact of wild and scenic river designation upon the Flathead community. A questionnaire survey was made and special meetings were held with representatives of area landowners. The entire process, though lengthy and painstaking, resulted in a management plan that addresses the needs and will of Flathead residents.

Mr. Speaker, there is scarcely any need to amplify the fragile nature of areas such as the Flathead River basin. The game fish that live in its waters cannot survive what many would term "insignificant pollution." There are species of animals and birds throughout the region whose future cannot be projected because the effects of human development upon their habitats and lives are not yet known. Among such species are the Montana westslope cutthroat trout, the American osprey, the northwestern white-tailed ptarmigan, the pine martin, the wolverine, and the Canada lynx. Others such as the grizzly, the northern Rocky Mountain wolf, and the American peregrine falcon are threatened outright and require intensive protection if they are to survive. Experience has demonstrated how easily the land can be changed from forests of trees to forests of asphalt and steel, how easily free-flowing streams can be fouled by indiscriminate development. A mechanism is needed to insure that human growth does not destroy priceless assets such as the Flathead River. Wild and scenic rivers designation is such a mechanism. Its principal thrust would be toward Federal management since nearly all the land within its scope is federally owned, and since current private use of the river does not jeopardize wild and scenic river values. Such a designation would insure that Federal plans and Federal deeds be harmonious with management geared to protecting the beauty and recreational potential of the Flathead.

I firmly believe that progress, economic growth, and energy development are not incompatible with protection of the Flathead. In fact, a major industry throughout the Flathead basin is recreation and tourism. Deterioration of the features upon which this industry is based would have serious negative effects on the Flathead economy. Enactment of this designation, on the other hand, would insure that the recreation and tourism industry remains viable with a solid growth potential.

A hundred years from now, and perhaps much sooner, those who follow us will survey what we have left behind. Whether we leave land denuded of minerals and natural beauty is yet to be determined. Whether the air will be fit for human use by the end of the fossil fuels age is a reasonable question. Mr. Speaker, let us leave the Flathead River as we found it. Let us prove that we care about those who will come after us.

DANIELS CONDEMNS U.N. RESOLUTION ON ZIONISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 10 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, on Tuesday, November 11, 1975, my distinguished colleague from Florida (Mr. PEPPER) shared a quotation from Sir Winston Churchill on the dangers of the capricious use of power by the smaller member countries of the United Nations. My colleague's remarks were prompted by the U.N. adoption of an outrageous resolution equating Zionism with racism.

With this single act, the United Nations has taken a giant step backward. It has retreated into the dark realm of hypocrisy and deceit, where the light of wisdom has never been known to shine.

Sir Winston once remarked that it would be a blessing for all mankind if wisdom could be made to spread as easily and as rapidly as folly.

That blessing still eludes us—and folly reigns supreme in the United Nations.

Those U.N. members who participated in this unconscionable act have greatly underestimated the moral indignation of the American people, and the economic and political force that can spring from it.

Sir Winston Churchill understood the American moral conscience. He also knew something about our national patience.

In a speech in the House of Commons in 1946, he noted that:

> There are no people in the world who are so slow to develop hostile feelings against a foreign country as the Americans, and there are no people who, once estranged, are more difficult to win back.

The U.N. adoption of the resolution on Zionism has outraged the American people, and has given rise to grave doubts about the ability of that organization to function as a forum for the building of international peace and understanding.

The adoption of this resolution violates the very spirit of the U.N. Charter, and makes a mockery of the principles on which the U.N. was founded.

Mr. Speaker, I profoundly hope that the United Nations will consider this rash and imprudent act and retract by any available means this inflammatory resolution.

Unless this action is taken, I believe there is justifiable cause for the United

States to seriously examine its commitment to that organization.

I would also hope that all the nations that supported the resolution on Zionism would carefully weigh the consequences of their action. If the delicate balance of peace in the Middle East is upset by this action—as well it may be—the whole world could end up paying a tragic price for the folly of small-minded men.

Mr. Speaker, the world has grown too small for the kind of stupidity that manifested itself on Monday in the United Nations.

This resolution on Zionism has already been totally condemned by this body—as it should be by thinking men in all nations.

Mr. Speaker, 6 million men, women, and children of the Jewish faith and another 6 million people of other cultures paid the horrible price for the prejudice of their fellow men in World War II.

The memory of their sacrifice still lives in the hearts and minds of the American people. This outrageous act by the United Nations has stirred the American conscience, and revived those painful memories.

Let all who participated in the U.N. action on Monday be forewarned that their irrational act may result in the most serious of consequences for the United Nations organization. Let us hope that they take action to retract this resolution before the moral indignation of the American people bursts into a flame of outrage and decisive action.

Mr. Speaker, the vote to term Zionism a form of racism is not merely an act against Israel or the Jewish people. It is an act against every people of the world who desire to reclaim their culture and their homeland.

One need only think of the great fight of the Ukrainian people, the Estonian, Latvian, and Luthuanian people, the Kurds in Iraq, indeed all of the people of the captive nations of the world. The fight is the same: to recapture and hold onto their heritage and their homeland. If the victory of the Israelis to rebuild their ancient homeland is allowed to be castigated as a form of racism, then it is an affront to every people now enslaved; it is an affront to all people who claim the right to their heritage, to live free, to pursue life, liberty, and happiness.

The people of Israel fled to a desert because no other country in Europe would give them shelter. The lesson, that in order to survive a people must protect themselves with safe borders, was hard pressed on them. The price of 6 million Jewish lives was one which neither they nor we can forget.

The Arab nations have shamefully used the Palestinian people as fodder to achieve ends that they could not accomplish by normal political or even military means. Since the establishment of the State of Israel when the Palestinian people were clearly and unequivocally invited to remain and help build a modern nation in a sea of feudalism, the Arab nations have used the Palestinians to keep the fires of hatred burning.

The Arab nations, rich with oil, refused outright to absorb even a small portion of those people they now call their brothers into their countries. For almost a half a century, they blocked every effort at refugee resettlement. They fomented hatred and anger within the refugee camp. It is no accident of history that the Palestinian refugees of this decade know only poverty, hatred, murder, and terror as a way of life. That way of life was imposed upon them by the Arab nations as a concerted effort for 40 years.

How different it would be today if in 1947 those Palestinians who chose to remain in Israel had not been terrorized and murdered by their Saudi, Jordanian, Iraqui, and Syrian brothers. How different it would be today if instead of being forced to remain in the wretched and filthy refugee camps for 40 years, the Palestinian people had been allowed to settle among their Arab brothers. If the term "racism" is to be used at all in the history of the Middle East, I suggest that it is most aptly used in describing the actions of the Arab nations against the Palestinians.

Mr. Speaker, the vote to term Zionism a form of racism is not merely directed at the Israeli or the Jewish people, It is directed as much or more at those nations of the world who have taken responsibility for creating a high standard of living for their people. The vote, Mr. Speaker, is sparked by jealousy of the great powers who have supported the Israeli people because they too have chosen to build a great western nation and by fear of the Arab powers who threaten to cut the oil lifeline unless they do their bidding.

The vote to term Zionism as racism is a vote born of fear, hatred, infamy, and shame. It is a plague upon the community of nations and should be revoked lest it become a curse.

OSHA'S SPECIAL EMPHASIS PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GAYDOS) is recognized for 10 minutes.

Mr. GAYDOS. Mr. Speaker, the House will shortly have before it for consideration H.R. 8618, amendments to the Occupational Safety and Health Act of 1976.

This bill would authorize the Occupational Safety and Health Administration to provide onsite consultative services.

In my opinion this is a radical change in the basic philosophy of OSHA. Currently onsite consultative services are available in 35 States, funded on 50–50 Federal-State basis.

Furthermore, the remaining 15 States which do not provide onsite consultation will be eligible to participate on the 50–50 funding basis once the 1976 Labor-HEW appropriations bill is enacted into law.

Of course, offsite consultation is presently available in all 50 States.

But, I am indeed concerned that enactment of H.R. 8618 will result in not only eliminating State participation—why should a State use its funds to provide consultative services if the Federal Government will bear 100 percent of the cost. But, even more damaging, the emphasis of OSHA's operations will shift from compliance to consultation. With OSHA's current woefully inadequate compliance staff, many employers can realistically anticipate their plant will not experience an OSHA inspection for 100 years. This substantially weakens the deterrent effect of the threat of the first instance citation. To divert OSHA's efforts further from compliance to consultation as provided in H.R. 8618 would be a substantial retreat from the congressional commitment in 1970 to insure safe and healthful working conditions for 60 million American workers.

Accordingly, I am opposed to H.R. 8618 and a substantial number of my colleagues on the Education and Labor Committee have joined me in a dissenting view set forth in the committee report to H.R. 8618.

Our most basic objection to this bill is that it fails completely to answer any of the criticism directed at OSHA.

On the other hand, what appears to be a realistic attempt to answer much of this criticism, and also give real meaning to the congressional intent of OSHA, is the national emphasis program which was announced by officials of the Labor Department on Tuesday, November 11, 1975.

This program which is an outgrowth of the existing target industry program is a marked improvement over the past in that it is a comprehensive program which will make "a deliberate effort to work with and secure assistance and constructive criticism from affected groups—labor, management, and the scientific community."

The thrust of the program is to identify those high-hazard industries and occupations and:

First, establish clear safety and health standards, based on the input from all affected and interested groups.

Second, conduct extensive training programs for OSHA safety inspectors and industrial hygienists to assure their "complete familiarity with the industries involved, equipment and processes used, and the hazards normally encountered."

Third, to develop "practical guides, training courses, and simplified informational materials that will assist both employees and employers in identifying and correcting hazards before the period of inspection activity begins."

Fourth, provide procedures for the evaluation of the effectiveness of the program.

It is important to note that No. 3 above is for all practical purposes providing a consultative forum.

The Labor Department plans to initiate a prototype of this program early in 1976 which will consist of the iron and steel foundries and casting and metal stamping industries. These industries were selected according to certain criteria, most important of which was a high injury-illness rate, substantially above the national average for all industries.

The size of the work force involved in the prototype is rather modest, namely 475,000 workers, but based on OSHA's personnel an effective program can be undertaken without diverting an inordinate sgement of OSHA personnel to the program. Of course, there will be some dilution in the overall OSHA compliance effort, but this should mean reduced emphasis on the less-hazardous industries and occupations. But the end result will be more significant, namely, greater safety and health for those workers in the most hazardous industries.

The Labor Department has already identified those other industries—not in the prototype—with high injury-illness rates, and will put in place subsequent comprehensive and coordinated projects in the new emphasis program beginning in 1977.

The new emphasis program is indeed most ambitious and challenging. If carried out with the requisite enthusiasm and cooperation of the Labor Department, unions, management, the scientific community and other interested parties, this program could well mean a serious and substantial effort at implementing the congressional intent of OSHA. The cooperation of all the affected parties could eliminate much of the adverse criticism that has been directed at OSHA. But most important, this spirit of cooperation should lead to the ultimate objective of OSHA; namely, to provide the American worker with a workplace which is both safe and not dangerous to his health.

I commend the officials of the Labor Department for initiating the new emphasis program.

The new emphasis program offers a reasoned and reasonable response to much of the criticism that has been directed at OSHA. H.R. 8618 does not.

I submit that the Congress should give full support to this program and not tamper with the existing law as would happen if H.R. 8618 were to be enacted into law.

INTRODUCTION OF SMOKER AND NONSMOKER HEALTH PROTECTION ACT OF 1975

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 30 minutes.

Mr. DRINAN. Mr. Speaker, in order to strengthen the Federal Government's campaign to discourage smoking and to safeguard the rights of nonsmokers, I have today introduced the "Smoker and Nonsmoker Health Protection Act of 1975." This omnibus measure is designed to open various aspects of the smoking issue to congressional debate and legislative action. Title I of the bill, "The Public Health Cigarette Smoking Act of 1975," would improve and expand the Cigarette Labeling and Advertising Act of 1965 in a number of key respects. First, it would strengthen the cigarette package warning label in accordance with a recent recommendation of the Federal Trade Commission and in keeping with the latest medical evidence. The new warning would read: "Warning: Cigarette Smoking Is Dangerous to Health, and May Cause Death from Cancer, Coronary Heart Disease, Chronic Bronchitis, Pulmonary Emphysema, and Other Diseases."

Second, the bill would require that cigarette tar and nicotine content be printed on every package in both absolute and relative terms. This would enable smokers to shop comparatively for the least noxious product.

Third, the bill would require that all cigarette advertisers carry both the strengthened warning label and information on tar and nicotine content. This provision also follows a recommendation made by the FTC.

Fourth, the present preemption of State action to control cigarette advertising and labeling would be repealed. There is no reason why States, desiring to enact stringent antismoking laws, should not be permitted to do so.

Fifth, the bill would require that cigarettes manufactured in the United States and subsequently exported, carry a warning label in the predominant language of the recipient country. At the present time, exported cigarettes need not carry any warning at all. The cigarette industry has a responsibility to warn every smoker, whether American or foreign, of the proven health hazards of smoking.

THE FEDERAL NONSMOKERS PROTECTION ACT OF 1975

The second title of this omnibus legislation would provide Federal protection of the rights of nonsmokers for the first time. The bill would require all Federal agencies to promulgate regulations to prohibit smoking in their elevators, hallways, conference rooms, reception areas, and areas serving the general public in which the effective separation of smokers from nonsmokers would not be practical. Separate smoking sections would be established in cafeterias, recreation areas, and lounges of Federal buildings. Federal office buildings, courthouses, post offices, military bases, VA hospitals, and Congress itself would be among the thousands of facilities covered by the bill.

The most serious difficulty in protecting the rights of nonsmokers is how to deal with smoking on the job. A nonsmoker whose desk assignment is next to that of a smoker is virtually a captive to involuntary smoking. If the nonsmoker is one of those 40 million Americans with particular susceptibility to tobacco smoke, he or she may find the predicament intolerable. This situation exists in thousands of Federal facilities throughout the Nation. Disgruntled employees can ask to be transferred to a different office, but there is no assurance that they will be listened to. Action on smoking and health—ASH—has received numerous complaints from Federal employees who have been forced to resign to protect their health due to involuntary smoking.

The legislation I have filed would require Federal agencies to permit nonsmokers to have separate work areas or offices whenever such separation would be practical. A worker submitting medical documentation of particular susceptibility to tobacco smoke would be assigned a separate work area in any event. Moreover, in planning, purchasing, or leasing future workplaces, Federal agencies would have to take into account the need for effective separation of smoking from nonsmoking employees. This carefully drafted provision would serve to protect the health of Federal employees who do not smoke without infringing upon the rights of smokers or placing a large financial burden upon all Federal agencies.

In addition to protecting nonsmokers in Federal facilities, the bill would prohibit smoking in waiting lines, lobbies, and boarding areas of airports, train stations, airport buildings, and bus terminals involved in interstate commerce. Separate smoking sections would be established in the cafeterias and lounges of such facilities. At the present time, Federal regulations limit smoking on trains, buses, and airplanes, but the regulations do not apply to the corresponding stationary facilities covered by this bill.

CIGARETTE-RELATED DISEASE RESEARCH

Title 3 of the bill would increase the Federal excise tax on cigarettes by a penny per pack with the proceeds used to expand medical research by the National Heart and Lung Institute into smoking-related diseases. This section, which would raise some $300 million annually for vital research programs, is based upon legislation I filed earlier this year along with 28 cosponsors—H.R. 1605.

DANGER OF SMOKING TO HEALTH AN ESTABLISHED FACT

It has been 11 years since Dr. Luther Terry, the Surgeon General of the United States, issued the first official report that cigarette smoking is hazardous to health. Since 1964, extensive scientific research has conclusively demonstrated that smoking is the primary cause of chronic bronchitis, pulmonary emphysema, and lung cancer in the United States. Thirty percent of all heart disease is caused by smoking. Pregnant women who smoke have smaller babies and are more likely to have stillborn children than nonsmoking women. Medical researchers estimate that smoking is responsible for the deaths of some 300,000 Americans each year. In the words of the most recent report on the Health Consequences of Smoking, released by the U.S. Public Health Service, "Cigarette smoking remains the largest single unnecessary and preventable cause of illness and early death."

GROWING DEMAND FOR NONSMOKERS RIGHTS

During the past few years, the majority of Americans, who do not smoke, have grown increasingly vocal in the assertion of their right to breathe air uncontaminated by tobacco smoke. There are 150 million nonsmoking Americans who find themselves breathing the smoke emitted by others in elevators, offices, conference rooms, restaurants, and nearly everywhere else that people congregate. Most Americans who do not smoke consider such involuntary smoking an unpleasant nuisance. It may cause their eyes to water, their noses to itch, and their heads to ache.

To 34 million Americans with heart conditions, lung disease, allergies, or other particular susceptibility to tobacco smoke, involuntary smoking is not merely annoying; it is dangerous to their health. According to the U.S. Public Health Service:

> People with certain heart and lung diseases may suffer exacerbations of their symptoms as a result of exposure to tobacco smoke-filled environments.

In effect, your cigarette may be killing me.

Scientific research indicates that side-stream smoke, which is released into the air by a burning cigarette, contains 2½ times the carbon monoxide, 2½ times the nicotine, and more than 200 times the ammonia of mainstream smoke which goes into the smoker's own lungs. Scientists have measured carbon monoxide in the air of a smoke-filled room which exceeds the maximum permissible standards set by OSHA for the safety of employees. To quote the latest report by the U.S. Public Health Service once again:

> Carbon monoxide generated in a confined area by the smoking of tobacco products reaches excessive, irritating, and potentially hazardous levels.

There is nothing funny about nonsmokers' rights, at least not to that majority of Americans who want their health to be protected from smoke contamination forced upon them by a few.

EXISTING MEASURES HAVE NOT CURBED THE SMOKING PROBLEM

Shortly after the release of the Surgeon General's report on the health consequences of smoking in 1964, Congress acted to inform Americans of the dangers of smoking by passing the Cigarette Advertising and Labeling Act of 1965. In 1970, with additional scientific evidence linking smoking to serious diseases then available, Congress strengthened the cigarette package warning label and prohibited cigarette advertising on radio and television effective January 2, 1972. The National Clearinghouse on Smoking and Health has been established to conduct research and inform the public regarding the consequences of smoking.

All of these measures were aimed at reducing cigarette consumption in the United States, but none has succeeded. Americans smoked more than 600 billion cigarettes in 1974, an all-time record. Several factors help to explain the ineffectiveness of the Federal Government's campaign to reduce smoking. First, cigarette companies have circumvented the law by printing miniscule warnings in their advertisements or neglecting to include the warnings altogether. In July 1975, the Federal Trade Commission voted to bring civil suit against six major cigarette manufacturers for failing to adhere to consent agreements in this area.

Second, the health warning is still not specific or blunt enough to provide the smoker with an accurate appraisal of the risk he or she takes in lighting up. The fact is that smoking can kill, and every cigarette package or advertisement should so state. Moreover, cigarette consumers do not have readily at hand information concerning the relative amount of contamination in each of the popular brands offered for sale.

Third, under existing law, individual States are not permitted to enact laws which restrict cigarette advertising or labeling more rigorously than existing Federal statute.

Finally, the Federal Government continues to pay large subsidies to tobacco growers even as it proclaims that smoking is dangerous to health. More than $60 million was spent last year to help the tobacco industry produce more of its unhealthy product. Farmers are encouraged to grow as much tobacco as possible since the Government guarantees a Federal price support. While medical evidence demonstrating the danger of smoking to health has mounted during the past 10 years, tobacco subsidies have risen 34 percent.

The Department of Agriculture helps to promote the export of cigarettes on behalf of the tobacco industry. Incredibly, the Department ships thousands of tons of tobacco to foreign nations under the so-called food for peace program which was designed to help starving people overseas to regain their good health, not to bring them additional sickness through a certified health hazard. It is difficult to take a government seriously when it talks so blatantly out of both sides of its mouth.

RIGHTS OF NONSMOKERS REMAIN LARGELY UNRECOGNIZED

The recognition and protection of nonsmokers' rights by the Federal Government has, up to now, been virtually nonexistent despite the issuance of a Public Health Service report in 1972 which termed involuntary smoking a health hazard to some 40 million Americans and an annoyance to many millions more. The absence of Federal legislation to minimize involuntary smoking is in sharp contrast with the flurry of activity on this issue undertaken by State and local governments. Thirty States and hundreds of localities have enacted laws to protect the nonsmoker during the past 2 years alone.

Prompted by a deluge of consumer complaints and by court action threatened or undertaken by nonsmoker advocates such as John F. Banzhaf III of Action on Smoking and Health—ASH—the ICC and the CAB, have acted to restrict and isolate smoking on trains, buses, and airplanes engaged in interstate commerce. This approach has been generally successful, but it has not gone far enough. A train traveler, for example, is likely to emerge from a nonsmoking car into a waiting area or cafeteria at the next station which is filled with smoke. Regulatory agencies have the power to safeguard nonsmokers in such way-stations of public transportation, but they have chosen not to do so.

In 1973, the General Services Administration made an effort to protect more than 1.5 million nonsmoking Federal employees by issuing Federal guidelines on smoking to the heads of all Federal agencies. The GSA declared that it recognized "the right of individuals working or visiting in GSA-controlled buildings or space to an environment which is reasonably free from contamination." GSA also recognized "the right of individuals to smoke in such buildings, provided this does not endanger life or property, cause discomfort or unreasonable annoyance to nonsmokers, or infringe upon their rights.

The GSA went on to ask all agency heads to take steps to prohibit smoking in conference rooms, auditoriums, and elevators; and to separate smokers and nonsmokers to the extent feasible in cafeterias and work areas. Unfortunately, these laudable guidelines have been ignored by virtually the entire Federal bureaucracy since their adoption 2 years ago. Even if the GSA regulations had been adhered to, they would not have affected the 2.1 million military personnel or the employees of agencies not located in GSA-controlled buildings. While the executive branch is willing to talk at times about nonsmokers' rights, it is not willing to take the requisite steps to protect those rights against infringement by smokers.

CONCLUSION

The protection of public health is one of the Federal Government's chief responsibilities. The medical verdict is in on smoking—smoking is dangerous to health and may cause death. Moreover, it is now apparent that the majority of Americans who do not smoke may suffer minor irritation or more serious health damage from the contaminants released into the air by the smoking minority. The Federal Government has toyed with measures to discourage smoking since 1965, but it has not yet taken sufficiently strong steps to combat this public health hazard. Congress has lagged behind both State and local governments in protecting the rights of nonsmokers to breathe air uncontaminated by tobacco smoke. If we are serious about saving lives and protecting the health of smokers and nonsmokers alike, Congress must be willing to stand up to the powerful tobacco lobby and adopt the forceful measures contained in this bill.

THE RETIREMENT OF JUSTICE WILLIAM O. DOUGLAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, it is with great sadness that I comment today upon the retirement of Justice William O. Douglas from the Supreme Court. His monumental efforts to protect individual liberties as well as the sanctity of this great country will affect the people of this Nation as long as we are a nation. His 36-year fight for the rights of the disadvantaged was only matched in ferocity by his struggle to overcome his most recent illness to maintain his place on the Court. I believe that all who love the law, those who agreed or disagreed with Justice Douglas, fervently hope that he can find relief from the agonizing pain he suffers and take solace from knowing that he served the United States so well.

FIRST ANNIVERSARY OF THE DEATH OF KAREN SILKWOOD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 5 minutes.

Ms. ABZUG. Mr. Speaker, today marks the first anniversary of the death of Karen Silkwood. Although a year has passed, the circumstances of Karen's contamination and death have yet to be explained. Despite investigations carried out by the Nuclear Regulatory Center, Energy Development Administration, National Labor Relations Board, FBI, and Justice Department, many questions remain unanswered.

Karen Silkwood's effort to document and expose health and safety violations at the Kerr-McGee nuclear plant has been taken up by the women's movement and the trade union movement. Karen had accumulated evidence to document her allegations and was driving to a meeting with a national Oil Chemical Atomic Worker official and a New York Times reporter when she was killed. Her documents have never been found.

What happened the night of November 13, 1974, when Karen was killed in an automobile crash must be determined. Moreover, a response is also required on the issue of unfair labor practices. The union contends that workers who continued to speak out against the lax health and safety practices at the plant were harassed by management and two were transferred to less desirable positions. The public must be informed of the serious risks of nuclear contamination from such plants. The industry must recognize that people come before profit.

A NEW DIRECTION: DAY TREATMENT AND IN-HOME SERVICES—PART I

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, for their own welfare or the safety of their communities, some 300,000 children across the Nation have been removed from their homes and placed in institutional foster care. Children do not necessarily reside in institutions because professionals have judged these institutions to be the most therapeutic environments. Rather, the bulk of children in residential care are there because most Federal, State, and local child welfare funds are channeled through institutions. Less costly alternative programs of care and rehabilitation aimed at preventing institutionalization through the delivery of services to the family and child in the community or home are poorly funded and rarely available.

With this situation in mind, I have introduced H.R. 10383, the Community-Based Day Treatment and In-Home Services for Children and Families Act. By amending title IV–B of the Social Security Act, my bill would authorize the provision of day treatment and in-home services by licensed child welfare agencies to families and children in trouble. It further provides for an annual transitional authorization of $50 million for a period of 2 years for these specific services and for 90 percent Federal matching grants. My bill would not alter the current title IV–B authorization of $246 million for related child welfare services. In past years, appropriations for these services have remained at a level of $46 to $50 million.

At a time when a major public investment in institutional foster care has not produced corresponding therapeutic results, I am wary of the old temptation to double the budget precisely because of poor performance. The inclusion in my bill of a separate $50 million authorization for day treatment and in-home services stems from the reality of the situation we confront rather than from the illusion that more money is the answer. The child welfare bureaucracy like other bureaucratic structures has distinct biases and vested interests. That most States and localities and many child welfare agencies exhibit a bias toward institutional care is not particularly surprising. Consider the dollar premium Federal legislation alone places on institutional foster care. If we are to reduce this overwhelming concentration of institutional foster care through a realinement of spending priorities, then legislation must contain, as my bill does, strong fiscal incentives.

To initially encourage the States' redirection of resources toward day treatment and in-home service, I have proposed a $100 million authorization over a 2-year transitional period. Experts have estimated that a transfer of eligible children from residential foster care to day treatment or in-home care could result in a nationwide cost savings of $200 million. Given a savings of this magnitude, I believe that a comprehensive national program of day treatment, in-home services, and residential foster care can be provided within the current title IV–B authorization at the end of the 2-year transitional period.

My legislation also remedies a long standing inequity in the allocation formula under title IV–B. Allocation is currently based on the per capita income and the child population of a given State. This formula has tended to discriminate against urban areas where the concentration of children and families in trouble is greatest. To enable these resources to reach the persons in greatest need of these services, my bill adopts an allocation formula based exclusively on population. Each State, however, will continue to receive a minimum allocation of $70,000 under my bill.

At my request, the Library of Congress-Congressional Research Service has prepared the chart shown below illustrating the effect of a change in the formula on the amount allocated to each State under title IV–B. Column 1 shows the current 1975 awards for all title IV–B child welfare services using the child population and per capita income formula. Column 2 shows the total sum which would be available to each State if my legislation were implemented. It should be noted that the bill specifies that the additional $50 million in column 2 may only be used for the outlined purposes and that one-half that amount must be allocated to in-home services. In addition, it should be noted that column 2 does not add up to exactly $100 million because of rounding in computations.

COMPARISON OF CURRENT FEDERAL FUNDING UNDER TITLE IV B AND PROPOSED H.R. 10383

	1975 awards to States for child welfare services[1]	H.R. 10383—Total receipts with $70,000 standard allotment
Alabama	$1, 068, 194	$1, 735, 761
Alaska	142, 060	246, 756
Arizona	591, 631	1, 020, 365
Arkansas	626, 766	962, 152
California	3, 785, 586	9, 086, 872
Colorado	631, 360	1, 173, 355
Connecticut	560, 491	1, 427, 279
Delaware	182, 782	336, 914
District of Columbia	153, 857	372, 516
Florida	1, 687, 602	3, 099, 006
Georgia	1, 314, 395	2, 332, 517
Guam	104, 996	121, 093
Hawaii	229, 148	455, 554
Idaho	281, 266	441. 3 13
Illinois	$2, 104, 408	$5, 166, 966
Indiana	1, 270, 844	2, 546, 123
Iowa	722, 092	1, 378, 592
Kansas	541, 715	1, 060, 681
Kentucky	952, 630	1, 592, 200
Louisiana	1, 160, 497	1, 939, 843
Maine	333, 636	540, 997
Maryland	879, 718	1, 950, 524
Massachusetts	1, 145, 965	2, 593, 562
Michigan	1, 965, 511	4, 439, 639
Minnesota	959, 020	1, 919, 637
Mississippi	793, 095	1, 212, 516
Missouri	1, 116, 084	2, 160, 476
Montana	251, 969	414, 063
Nebraska	410, 707	760, 475
Nevada	171, 628	316, 804
New Hampshire	254, 959	421, 203
New Jersey	1, 336, 972	3, 312, 515
New Mexico	401, 722	628, 846
New York	2, 970, 564	7, 887, 394
North Carolina	1, 427, 630	2, 473, 672
North Dakota	239, 008	371, 361
Ohio	2, 357, 365	5, 051, 790
Oklahoma	709, 899	1, 217, 327
Oregon	568, 649	1, 029, 794
Pennsylvania	2, 457, 078	5, 197, 756
Puerto Rico	1, 142, 157	1, 664, 558
Rhode Island	265, 075	479, 320
South Carolina	856, 179	1, 370, 317
South Dakota	250, 053	391, 567
Tennessee	1, 141, 470	1, 880, 476
Texas	2, 999, 868	5, 616, 602
Utah	428, 834	671, 567
Vermont	186, 733	285, 918
Virgin Islands	1, 186, 841	108, 103
Virginia	96, 565	2, 235, 239
Washington	771, 086	1, 618, 276
West Virginia	516, 721	855, 444
Wisconsin	1, 140, 502	2, 192, 517
Wyoming	154, 417	233, 766
Total		99, 999, 904

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[1] Source: 1976 budget justification.

THE PAN AMERICAN GAMES

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the recent Pan American Games in Mexico were marred by an outrageous display of bad sportsmanship which evidently was politically motivated by the Castro regime against the United States.

Three American atheletes were assaulted and injured by Cuban water polo players after they lost a game to the American team. I would like to include in the RECORD the editorial comment on this outrage by Dr. Manolo Reyes, the distinguished Latin American news editor of station WTVJ in Miami. His editorial of November 2 is as follows:

THE PAN AMERICAN GAMES

(By Dr. Manolo Reyes)

The behavior of the so-called Cuban athletes has been so poor, so low, and such a threat in the last Pan American Games held in Mexico that maybe it would be interesting that the United States Congress made an investigation, through the proper channels, to find out why the American athletes were abused in such an incredible form by Castro's communists. We are not speaking of abuse in the form of words but of physical injuries meant for the athletes that went there to compete with other countries with the healthiest of all attitudes which is that all sportsmen.

The international wires reported that one of the poorest attitudes was the one given by the Cuban team against the components of the water-polo team.

Three American players were hurt when the so-called athletes made up their minds to take vengeance when they lost the game with a score of 3 to 1.

Eric Lindroth, of Newport Beach, California needed 10 stitches to close a deep gouge on his lip. The United States coach, Pete Cutino, stated that when the Cubans realized they were loosing . . . they started playing with very low tactics.

The American team was thronged by the public as they really behaved like genuine sportsmen and paid no attention to the aggressions done by Castro's communist.

The problem initiated when a player of Castro's regime which was sitting down at the benches threw a shoe against Lindroth. The shoe did not hit its target. Minutes later another so-called "athlete" of the same background hit an American athlete by the name of Jim Ferguson of San Jose, California, in the eye and cheek. Lindroth was then hit in the mouth and Peter Shnugg from Orinda, California was also hurt.

This attitude which was so coward and improper of a true athlete was ratified by Steve Evanoff who was an official for the Panamerican Games. He declared here in Miami on an interview with Channel 4 sports reporter Bob Holloran that the Cuban's attitude in Mexico was a disgrace.

He also pointed out that a person had to be there to realize that the Cubans attitude was intolerable, and they influenced some of the teams from Venezuela, Chile and Peru who made a very bad impression with the American athletes.

He also added that their attitude was so deplorable that on one occasion when the United States team had just finished their practices two shots were heard at the Olympic Villa. The shots did not hurt anyone. The team then had to retire to keep safe from that aggression.

All this repulsive and dangerous attitude should be taken into consideration by the United States Congress through one of its committees as the persons involved were American citizens that were representing this country at these international sports events.

DEVELOPMENT OF SOLAR POWER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, at a time when an energy-hungry public is vying for fossil fuel at a rate that alarmingly outdistances the realities of supply, it is imperative that we pause to carefully consider the development of solar power for heating and cooling—our most inexpensive and plentiful energy supplement. To cultivate the Sun's energy and to harness its potential for energy self-sufficiency is a goal long on logic given a public strapped by drastically escalating fuel prices and a private sector lacking development capital.

In recent public hearings before Mr. RONCALIO's Subcommittee on Public Buildings and Grounds, the case for a "full speed ahead" approach to development of solar energy was sounded eloquently and convincingly by Mr. Leonard Hayet, P.E., partner in the Smith, Korach, Hayet, Haynie Partnership, Florida-based architects and engineers. As a cosponsor of H.R. 9671, the Conservation and Solar Energy Federal Buildings Act of 1975, I had invited Mr. Hayet to offer his unique resource of experience in the complementary concerns of solar power and energy conservation in testimony before the Roncalio subcommittee. H.R. 9671 is designed to require that all buildings which rely on Federal moneys for a portion of funding install a solar heating and cooling system in addition to traditional power units. The bill would further mandate that life-cycle cost studies be conducted in all buildings utilizing Federal dollars to determine the useful life and effective costs of any power system employed.

In speaking on behalf of H.R. 9671, Mr. Hayet debunked the myth of solar power only being applicable to Southern or Southwestern States. With a wellspring of experience in the practical application of solar power to a variety of different needs, Mr. Hayet offers a working blueprint for utilization of solar energy in even the coldest areas of this country. One of the pioneers in the application of the life-cycle studies to solar heating and cooling, Mr. Hayet is candid that the initial cost of solar energy may be more than for other sources such as electricity, oil, coal, or steam. However, amortizing the real costs of power sources over the useful life of a building indicates that powering by solar is the most cost-efficient.

Whether it be a home or commercial structure, large or small, in Miami or Minneapolis, solar power is the best present resource in our energy arsenal for a budget-conscious public in search of power a'plenty at an affordable price. I ask that the full text of Mr. Hayet's thoughtful presentation before the Roncalio subcommittee appear in the RECORD immediately following these remarks:

STATEMENT OF LEONARD HAYET

Mr. Chairman, Members of the Committee, on behalf of my Architectural-Engineering firm, The Smith Korach Hayet Haynie Partnership, and others in my profession, I thank you for the opportunity to discuss H.R. 9671 and its related bills proposed as the "Conservation and Solar Energy Federal Building Act of 1975". Our interest is that we would be a receiver of this Legislation as we have performed, and will perform in the future, designs on Federal buildings, and we have a distinct interest both as to the intent of the Bill and as to the mode of enforcement We are unequivocally for the requirement that a life cycle analysis of a building and its operating equipment be required prior to equipment selection, and that the use of solar energy be imposed as a criteria on the designer. We are the technical advocates; you are the political advocate! This dual attack on the depletion of our natural resources will have to be worthy of both. You have a mission thrust on you to stop the impending exhaustion of our readily usable energy resources; we are ready to provide the technical know how by which the legislative requirements will be carried through.

Life cycle cost analysis is not a new thought. It has been utilized by architectural-engineering offices originally or on demand by its clients in the past. GSA and our State of Florida, has set a good example by publishing and mandating guidelines to this effect. Also, the use of solar energy is not a new innovation.

In Florida, there is an abundance of solar heating equipment now being used and being manufactured for future use. Prior to World War II, almost every house had a solar water heater built into it to provide for its hot water needs; but due to the War and the copper shortage, the solar heaters were impossible to maintain or to replace; therefore, when a major repair was needed, the only recourse was to change to electric water heating. That was the time of cheap electricity! Now we must look backwards! We must reincarnate the techniques and provide for solar as we have never done before.

Over the past few years, our office has performed designs utilizing energy saving techniques and has designed several solar domestic water systems. Life cycle energy analysis has been a minimum requirement for these designs. For the Energy Center at Mt. Sinai Medical Center, Miami Beach, we procured the central chillers (2,000 tons each), the high temperature hot water boilers, the cooling towers, and miscellaneous equipment on the basis of lowest life cycle cost, not first cost. It was not a surprise to us that the low bid chillers were not the lowest for totalized twenty year cost. In fact, the third low bidder for the chillers was the lowest for twenty year cost accumulation. Similar results were obtained on the other equipment. We have administered the installation of that equipment and we are monitoring its operation; the data accumulated reflects the bid documents. In a design for a Hospital and another for an Initial Care Facility, solar energy will provide from 80 to 100 percent of the domestic water heating; also, the Hospital will utilize this hot water for environmental heating.

Concerning the Bill, I think that energy "cost" as a measure is unrealistic, as fossil fuels are artificially priced. It seems to me that units of BTU, kilowatt hours or gallons (or barrels) of oil, should be used as a guideline. In all places in the Bill where "cost" is indicated, this should be limited to the financial and maintenance expenses.

Additional items that are worth our attention are:

1. Solar Life Cycle vs. steam (or other fuels, basic or converted). When will steam be cut off to that building (due to non-availability?)

2. Cost of solar equipment? It is probably a standoff to energy fed equipment, if redundancy were not provided.

3. If other free sources were examined, such as wind, water power, etc., solar would appear to be the only source that is actually at the building with the least transmission cost.

4. Climatic locations for solar are not too important. Engineers would just add collectors' square footage and provide additional storage capacity. Therefore, a Northern climate is no real drawback.

5. History of solar equipment maintenance is available for input into life cycle costing. There is a long history, and it could be searched out. It is estimated that over 16,000 solar heaters were installed in Florida alone.

6. Solar is a predictable engineering solution not at all an unknown commodity. It is being designed and installed almost commonly for domestic water heating and environmental heating; and air conditioning is on the way.

If you have any questions, I will be pleased to answer them.

LACK OF EDUCATION AND TRAINING

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a shocking revelation of the lack of adequate education and training for a very large part of the population of this country has been revealed by a study by the U.S. Office of Education. This study reveals that less than half of American adults know enough to get along well in today's society as workers, consumers, and parents. The study also shows that 1 out of 5 adults—about 23 million—Americans is functionally incompetent or unable to perform such basic tasks as making a shopping list or reading a help-wanted ad. According to the study, another 1 out of 3, or about 39 million adults, barely has enough knowledge to get by, with difficulty, in the day-to-day struggle for survival.

Mr. Speaker, if anything could emphasize the need for more education and training for the people of this country, this study shows it. This study, therefore, eloquently vindicates the efforts of Congress to provide adequate education and training for our people so they will be able to contribute something to the country, as well as to enjoy better lives themselves. It should cause serious concern to the administration on account of its policy of opposing and vetoing legislation providing such education and training. These appropriations for the education and training of our people are not profligate expenditures. They are wise investments in the capacity of our people so that they can do more for the country and, therefore, derive more from it.

I include, Mr. Speaker, this study which appeared in the Miami Herald of October 30 in the RECORD immediately following these remarks:

STUDY: MANY LACK SKILLS TO GET ALONG

(By William Vance)

WASHINGTON.—Less than half of American adults know enough to get along well in today's society as workers, consumers and parents, a study by the U.S. Office of Education shows.

One out of five adults—about 23 million Americans—is "functionally incompetent," or unable to perform such basic tasks as making a shopping list or reading a help-wanted ad, the study reveals.

Another one out of three, or about 39 million adults, barely has enough knowledge to get by, with difficulty, in the day-to-day struggle for survival.

The four-year study, conducted for the Office of Education by the University of Texas at a cost of $1 million, adds new meaning and new implications to the rate of functional illiteracy in the United States.

Instead of using the old definition of functional literarcy as the ability to read and write at the fifth-grade level, the study applied a broader standard: "the ability to use skills and knowledge needed for meeting the requirements of adult living."

By that standard, 20 per cent flunk the test of competence, compared to earlier studies, which estimated that about 10 per cent of the adult population was functionally illiterate.

Researchers tested a representative national sample of more than 7,500 adults aged 18 to 65 on skills such as reading, writing, problem-solving and computation, and knowledge about their occupation, consumer economics, government and law, health and community services. The results were projected to apply to the entire adult population.

These were among the findings that U.S. that U.S. Education Commissioner Terrel H. Bell called "rather startling;"

Given information on the recipient and destination of a letter, 13 per cent, or about 15 million adults, could not address an envelope in a way that would assure delivery.

Shown a drug store receipt, listing purchases and total price, 28 per cent could not correctly figure how much change they should get after paying with a $20 bill.

Fifty-eight per cent, or 68.5 million adults, could not read a basic paragraph stating their rights after arrest and then apply it to a hypothetical situation. For example, 34 per cent, after reading that police could not detain a suspect for more than 24 hours without bringing charges, answered incorrectly when asked if police could hold them without charges for two weeks.

When given comparison prices for an identical brand of breakfast cereal, 26 per cent could not determine whether the best buy was 17 ounces for 89 cents, 19 ounces for 91 cents or 18 ounces for 93 cents.

THE LATE SENATOR CLINTON P. ANDERSON

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, I want to join in paying special tribute to the late Senator Clinton P. Anderson who died on November 11. We have lost a good friend and a true statesman who ably served in the House and Senate for nearly a quarter of a century.

Clinton Anderson and I came to Congress the same year—1941—and it was my privilege to know him, to work with him, and to share a warm friendship with him. For several years we had adjoining offices. He served the people of New Mexico in a splendid manner.

Prior to his coming to Congress, Senator Anderson was a journalist, businessman, and farmer. Also, he was New Mexico's State treasurer, administrator of the New Mexico Relief Administration, field representative for the Federal Emergency Relief Administration and chairman of the Unemployment Compensation Commission. He served in the House of Representatives from 1940 until 1945 when he resigned to serve as Secretary of Agriculture under President Truman. He was elected to the Senate in 1948 and served in that body until his retirement on January 3, 1973.

In the Senate, Clinton Anderson was a leader in the areas of science and technology. He considered his greatest achievement the development of atomic energy for peaceful purposes. All Americans will remember his work on the King-Anderson bill which most people now know as the medicare program. Senator Anderson was a fine public servant dedicated to the betterment of all the people. He will be sorely missed.

In this time of great loss and sorrow, I want to join my colleagues in extending my deepest sympathy to Mrs. Anderson and other family members and hope that they may find comfort in the knowledge that they are in our thoughts and hearts.

BILL TO PROHIBIT MINING IN NATIONAL PARKS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, I am today reintroducing, with additional cosponsors, legislation to prohibit mining within the National Park System. This bill resulted from published reports of an alarming increase in stripmining in Death Valley National Monument and a very real concern that mineral development may soon threaten Glacier Bay National Monument as well. The matter is one of considerable urgency, and unless Congress acts soon, such activities could destroy some of America's unique and irreplaceable natural treasures.

Interest in this legislation has been extraordinarily high. The House Interior Parks and Recreation Subcommittee held a hearing on it on October 6. It was supported by conservationists and, with certain modifications, by the Department of the Interior as well.

Subject to valid existing rights, the bill would prohibit all new locations of mining claims, and would authorize the Secretary to regulate current mining. The bill would specifically affect Coronado National Memorial and Organ Pipe Cactus National Monument, Arizona; Mount McKinley National Park and Glacier Bay National Memorial, Alaska; and Death Valley National Monument, California-Nevada.

Most national parks and monuments were established by laws which specified that mining would be prohibited. During the early decades of this century, however, several acts of Congress extended the 1872 mining law to the above-mentioned national park areas. Of these, only Death Valley and Glacier Bay have major, economically recoverable, mineral deposits.

Although my legislation would not nullify valid existing rights, it would end the absurd "Catch-22" position which has prevented the Secretary from purchasing these rights in the past. Under the 1872 mining law, if the Secretary purchases a valid claim to protect one of the five parks, the owner—or anyone else—theoretically could reestablish another claim on the same spot. My bill, on the other hand, would prohibit all new claims. Thus, once the Secretary purhased the existing right, no further acquisition would be required and no new mining could take place.

In addition to these measures, I am hopeful that some means can be worked out to assure that existing mining is strictly regulated or, where reclamation is impossible, that it is curtailed. Major portions of four of the parks have been recommended for wilderness designation. Only Coronado was excluded because it is considered too small for wilderness designation. The legislation should thus assure that the wilderness qualities of these areas will be maintained prior to enactment by Congress.

DEATH VALLEY

The need for this legislation is particularly acute at Death Valley, where stripmining is increasing at a rapid rate each year and where nearly 200 new mining claims are being filed annually.

Congress extended the 1872 mining law to Death Valley in 1933. The type of mining intended at that time was described by Secretary of Interior Harold L. Ickes as "the picturesque miner" who gave the area "the color of the early pioneer days." Clearly, neither Secretary Ickes nor Congress envisioned the massive earthmovers of today, with the capability of ripping apart hundreds of acres of fragile desert lands.

Information from both the Bureau of Mines and the National Park Service indicates that, since 1971, the main impact on the monument from such activity has been from the use of open pit mining for borate and talc deposits. Prospecting and mining is estimated to mar the natural features of some 1,200 acres of monument land each year, most of which will be expensive, if not impossible, to reclaim.

At present, there are 10 open pit mines operating in Death Valley—2 borate and 8 talc mines. Annual production is about 169,000 tons of borates and 100,000 tons of talc.

Mining by Tenneco Mining Inc., a subsidiary of Tenneco Oil Co., has expanded tremendously in the past few years for colemanite—a calcium borate—and ulexite—a sodium-calcium borate. The substances are used mainly for producing structural glass fiber and insulation. It is my understanding that other borates can, with modifications, be substituted for them for most uses, as indicated in testimony by the Bureau of Mines. Furthermore, other sources of colemanite exist outside Death Valley in Nevada and California.

Indeed, Tenneco's borate operation represents only 3 percent of the total U.S. borate production. The largest producer of borates in the world is U.S. Borax, which produces almost 75 percent of our domestic supply. According to the January 1, 1975, issue of "Chemical Week," U.S. Borax's mine in Boron, Calif.—which is located outside the boundaries of Death Valley—has an ore body that could last 20 years at present rates of operation. Other borate operations outside the park are conducted by Kerr-McGee at Searles Lake, Calif.

Unlike borates, talc is a very common, widely distributed mineral, used mainly in paint and ceramics. According to the Bureau of Mines, talc production in California ranks only fourth in the country. Ample reserves are available outside Death Valley to meet anticipated future needs, with the bulk of the reserves located in New York, Vermont, and Montana. In addition, many minerals are competitive with talc for ceramic and filler uses.

GLACIER BAY

The situation at Death Valley may soon be echoed at Glacier Bay National Monument in Alaska, unless Congress acts now. A large portion of this unique and spectacularly scenic monument is now being considered for designation as a wilderness area. Because a 1936 act extended the mining laws of the United States to all lands within the monument, action has been deferred on wilderness designation pending completion of mineral surveys.

These mineral surveys are now underway by the U.S. Geological Survey and the Bureau of Mines. Because of the current law, there is nothing to stop prospectors from following the survey and staking claims on the choicest lands. And before Congress could consider wilderness designation for the area, the wilderness qualities could be destroyed forever.

Furthermore, it is my understanding that a possibility exists that a major copper-nickel deposit may be proven in Glacier Bay. A group of companies, with 20 patented claims, has already spent $4 to $5 million in exploration. The need for access roads and a coastal port with ancillary facilities could destroy the unique and magnificent wilderness features of large areas within the monument. Such development could easily lead to even more mining, as these activities become economically feasible.

Although my bill would not nullify the existing rights, the Secretary could, if necessary to preserve park values, temporarily withdraw the area from the mining laws pending the mineral survey. The Secretary could also acquire existing claims at their fair market value. In either case, the minerals would still be there as a public resource, to be used if and when they are ever needed. And, in the meantime, the monument could be preserved intact for the use and enjoyment of present and future generations.

Furthermore, the copper-nickel resources in Glacier Bay are small in comparison to total U.S. resources. As the following table from the U.S. Geological Survey Professional Paper 820 indicates, an exceptionally large nickel resource of comparable quality is located in Minnesota—6½ billion tons compared to 200 million in Glacier Bay.

TABLE 87.—WORLD NICKEL-SULFIDE IDENTIFIED RESOURCES

[Identified resources are specific, identified mineral deposits that may or may not be evaluated as to extent and grade, and whose contained minerals may or may not be profitably recoverable with existing technology and economic conditions]

Area	Tons of ore	Ni (percent)
United States:		
California	100,000	1.5
Colorado	70,000	.8
Montana (Stillwater)[1]	150,000,000	.25
Missouri	10,000,000	.5
Nevada	30,000	.3
Pennsylvania (Gap)	800,000	.7
Washington	100,000	.9
Minnesota (Ely)[2]	6,500,000,000	.21
Alaska, Brady Glacier	200,000,000	.25
Yakobi Island	20,000,000	.3
Funter Bay	600,000	.35
Maine	10,000,000	1
Total (0.21 percent Ni avg)	6,900,000,000	
Canada:		
Thompson district:		
Thompson mine	150,000,000	3.0
Mystery Lake deposit	200,000,000	.45
Moak Lake deposit	400,000,000	.7
Others	250,000,000	1
Total (1.0 percent Ni avg)	1,000,000,000	
Sudbury district	400,000,000	1.5
Other Canadian	100,000,000	1.5
Other Canadian	200,000,000	.2
South Africa	200,000,000	1
Norway	2,000,000	1
Burma	25,000,000	.3
Australia	300,000,000	.6
Australia	100,000,000	1.5
U.S.S.R.	100,000,000	.6

[1] Also contains 0.25 percent Cu.

[2] Also contains 0.64 percent Cu.

Mining in a national park or monument should be our last and not our first resort for obtaining our Nation's mineral resources.

LEAVE OF ABSENCE

By unanimous consent (at the request of Mr. O'Neill), leave of absence was granted to:

Mr. Corman, for after 4 p.m. today through Friday, November 14, on account of official business.

Mr. Neal, for after 2 p.m. today through Friday, November 14, on account of official business (orientation and briefing at the United Nations).

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Edwards of California, for 1 hour, November 19, 1975.

Mr. Foley, for 1 hour, November 19, 1975.

(The following Members (at the request of Mr. Pressler) to revise and extend their remarks and include extraneous matter:)

Mr. Kemp, for 30 minutes, today.

Mr. Burke of Florida, for 5 minutes, today.

Mr. Bob Wilson, for 5 minutes, today.

(The following Members (at the request of Mr. Harris) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Flood, for 5 minutes, today.

Mr. Alexander, for 60 minutes, today

Mr. O'Neill, for 30 minutes, today.

Mr. Baucus, for 15 minutes, today.

Mr. Dominick V. Daniels, for 10 minutes, today.

Ms. Holtzman, for 10 minutes, today.

Mr. Gaydos, for 10 minutes, today.

Mr. Drinan, for 30 minutes, today.

Mr. Mezvinsky, for 5 minutes, today.

Ms. Abzug, for 5 minutes, today.

Mr. Dodd, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. Boggs to revise and extend her remarks immediately following the remarks of Mr. Flood during general debate today on H.R. 10647.

Mr. Murphy of New York, and to revise and extend his remarks, immediately following Mr. McClory on the McClory amendment on H.R. 10647 today.

Mr. Gude, and to revise and extend his remarks, prior to vote on Findley amendment on H.R. 10647 today.

(The following Members (at the request of Mr. Pressler) and to include extraneous matter:)

Mr. Findley in two instances.

Mr. Young of Florida in five instances.

Mr. Coughlin.

Mr. Hagedorn.

Mr. Gilman in two instances.

Mr. Gradison.

Mr. Archer.

Mr. Forsythe.

Mr. Kemp.

Mr. Bob Wilson in two instances.

Mr. Frenzel in two instances.

Mr. Pressler.

Mr. Shriver.

(The following Members (at the request of Mr. Harris) and to include extraneous material:)

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Litton in two instances.

Mr. Mazzoli.

Mr. Delaney.

Mr. Hamilton.

Mr. Evins of Tennessee in three instances.

Mr. Hébert.

Mr. Annunzio.

Mr. Mikva in two instances.

Mr. Harrington in two instances.

Mr. Rosenthal in two instances.

Mr. Symington.

Mr. Ottinger.

Mr. Rangel.

Mr. St Germain.

Mr. Roybal.

Mr. Patterson of California in five instances.

Mr. Oberstar.

Mr. James V. Stanton.

Mr. Dent.

Mr. Dingell.

Mr. Conyers.

Mr. Howard in two instances.

Mr. Teague.

Mr. Fisher in 10 instances.

Mrs. Burke of California in three instances.

Mr. Edwards of California in two instances.

Mr. Badillo.

Mr. Lloyd of California.

Mr. Cotter.

Mr. Reuss.

Ms. Abzug.

Mr. Eilberg.

Mr. de la Garza.

Mr. Levitas in two instances.

Mr. Dominick V. Daniels.

Mr. McDonald of Georgia in three instances.

Mr. Roush.

Mr. Brown of California in two instances.

Mr. Early.

Mr. Scheuer in two instances.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1545. An act to amend the Agricultural Adjustment Act of 1938 with respect to peanuts; to the Committee on Agriculture.

ADJOURNMENT

Mr. HARRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Friday, November 14, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2044. A letter from the President of the United States, transmitting proposed supplemental appropriations for the legislative branch for fiscal year 1976 and the transition quarter (H. Doc. No. 94–308); to the Committee on Appropriations and ordered to be printed.

2045. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army Reserve, and notice of the cancellation of a project which appeared in a previous notification, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services

2046. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during September 1975, to Communist countries; to the Committee on Banking, Currency and Housing.

2047. A letter from the Chairman, National Advisory Council for Career Education, transmitting an interim report of the Council pursuant to section 406(g)(4) of Public Law 93–380; to the Committee on Education and Labor.

2048. A letter from the Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Shawnee Tribe of Indians in docket 334–B before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

2049. A letter from the Acting Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract authorizing the provision, operation, and maintenance of facilities and services at City Tavern within Independence National Historical Park for a term ending December 31, 1980, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

Received From the Comptroller General

2050. A letter from the Secretary of Health, Education, and Welfare, transmitting the 1975 annual report on poverty-related research and demonstration projects delegated to the Department, pursuant to section 232 of the Community Services Act (Public Law 93–644); jointly, to the Committees on Education and Labor, and Ways and Means.

2051. A letter from the Acting Comptroller General of the United States, transmitting a report on the extent to which Federal personnel have their pay sent directly to banks and the potential for additional Government savings by increasing participation in the composite check program; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ULLMAN: Committee on Ways and Means. H.R. 10481. A bill to authorize emergency guarantees of obligations of States and political subdivisions thereof; to amend the Internal Revenue Code of 1954 to provide that income from certain obligations guaranteed by the United States shall be subject to taxation; to amend the Bankruptcy Act; and for other purposes; with amendment (Rept. No. 94–632, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. EVINS of Tennessee: Committee on Small Business. Report on the Effects of New York City's Fiscal Crisis on Small Business (Rept. No. 94–659). Referred to the Committee of the Whole House on the State of the Union.

Mr. MORGAN: Committee of conference. Conference report on S. 1517 (Rept. No. 94-660). Ordered to be printed.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 1535. A bill to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service; with amendment (Rept. No. 94–661). Referred to the Committee of the Whole House on the state of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 5630. A bill to amend the Federal Boat Safety Act of 1971 in order to increase the Federal Government's share of the costs of State boat safety programs, and to increase the authorization for appropriations for such programs; with amendment (Rept. No. 94-662). Referred to the Committee of the Whole House on the state of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 6851. A bill to increase the retired pay of certain members of the former Lighthouse Service; with amendment (Rept. 94–663). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BURKE of Massachusetts (for himself, Mr. Waggonner, Mr. Green, Mr. Jacobs, Mr. Pickle, Mr. Cotter, Mr. Jones of Oklahoma, Mr. Mikva, Mr. Karth, Mr. Archer, Mr. Conable, Mr. Steiger of Wisconsin, and Mr. Crane):

H.R. 10727. A bill to amend the Social Security Act to expedite the holding of hearings under titles II, XVI, and XVIII by establishing uniform review procedures under such titles; to the Committee on Ways and Means.

By Mr. BRINKLEY:

H.R. 10728. A bill to provide for the garnishment of the wages of active and retired Federal employees; to the Committee on the Judiciary.

By Mr. BURKE of Florida:

H.R. 10729. A bill to extend to all unmarried individuals the full tax benefits of income splitting now enjoyed by married individuals filing joint returns; to the Committee on Ways and Means.

By Mr. FREY (for himself, Mr. Beard of Rhode Island, Mr. Derwinski, Mr. Downey of New York, Mr. Goldwater, Mr. Hyde, Mr. Kemp, Mr. Lagomarsino, Mr. Litton, Mrs. Lloyd of Tennessee, Mr. Lott, Mr. Milford, Mr. Miller of Ohio, Mr. Regula, Mr. Rhodes, Mr. Robinson, Mr. Rooney, Mr. Russo, Mr. Sarasin, Mr. Treen, Mr. Vander Jagt, Mr. Whitehurst, Mr. Bob Wilson, Mr. Charles Wilson of Texas, and Mr. Winn):

H.R. 10730. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and posttrial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GILMAN:

H.R. 10731. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions; to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. Carr, and Ms. Spellman):

H.R. 10732. A bill to neutralize the impact of foreign oil price increases upon the domestic economy, by removing oil import tariffs and establishing a maximum price for domestically produced crude oil, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, and Ways and Means.

By Mr. LEHMAN (for himself, and Mr. Zeferetti):

H.R. 10733. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. LITTON:

H.R. 10734. A bill to amend title 10 of the United States Code so as to relieve Members of Congress from the responsibility of making nominations for appointments to the service academies, and for other purposes; to the Committee on Armed Services, and Merchant Marine and Fisheries.

By Mr. MICHEL (for himself, Mr. Bell, Mr. Cederberg, Mr. Del Clawson, Mr. Emery, Mr. Goldwater, Mr. Jones of North Carolina, Mr. Kasten, Mr. Latta, Mr. McCollister, Mr. Vander Jagt, and Mr. Bob Wilson):

H.R. 10735. A bill to reform the Food Stamp Act of 1964 by redirecting resources to those with the greatest need, by making program administration more effective, by making more realistic eligibility requirements, and by tightening accountability, and for other purposes; to the Committee on Agriculture.

By Mr. NOLAN (for himself, Mr. Benitez, Mr. Edgar, Mr. Fascell, Mr. Kasten, Mr. Badillo, Mr. Roe, Mr. Wolff, Mr. Carney, Mr. Beard of Rhode Island, Mr. Burgener, Mr. Hawkins, Mr. Pepper, Mr. Dominick, V. Daniels, Ms. Mink, Mr. Bingham, Mr. Ford of Tennessee, Mr. Rodino, Mr. Melcher, and Mr. Lagomarsino):

H.R. 10736. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that developmentally disabled children receiving services under the foster grandparent program may continue to receive such services as adults; to the Committee on Education and Labor.

By Mr. NOLAN (for himself, Mr. Hughes, Mr. Henderson, Mr. Bauman, Mr. McHugh, Mr. Ottinger, Mr. Zeferetti, Mr. Bevill, Mr. Pattison of New York, and Ms. Meyner):

H.R. 10737. A bill to amend the Domestic Volunteer Service Act of 1973 to provide that developmentally disabled children receiving services under the foster grandparent program may continue to receive such services as adults; to the Committee on Education and Labor.

By Mr. RINALDO:

H.R. 10738. A bill to limit U.S. contributions to the United Nations; to the Committee on International Relations.

H.R. 10739. A bill to amend the United Nations Participation Act of 1945 to suspend U.S. participation in the activities of the United Nations General Assembly until the Congress approves renewal of such participation; to the Committee on International Relations.

H.R. 10740. A bill to amend the Congressional Budget Act of 1974 to require full congressional review of each Federal program once every 2 years under zero-base budgeting procedures; to the Committee on Rules.

By Mr. RINALDO (for himself and Mr. Badillo):

H.R. 10741. A bill to amend the Regional Rail Reorganization Act of 1973 in order to authorize and direct the Secretary of Transportation to make certain State and local tax payments on behalf of railroads in reorganization; to the Committee on Interstate and Foreign Commerce.

By Mr. RODINO (for himself, Mr. Howard, Mr. Minish, Mr. Thompson, Mr. Hughes, Mr. Rinaldo, Mrs. Meyner, Mrs. Fenwick, Mr. Roe, Mr. Florio, Mr. Dominick V. Daniels, Mr. Forsythe, Mr. Patten, Mr. Helstoski, and Mr. Maguire):

H.R. 10742. A bill to amend section 218 of the Social Security Act to include New Jersey in the list of States which may establish a divided retirement system for purposes of providing social security coverage of State and local employees under Federal-State agreements; to the Committee on Ways and Means.

By Mr. ROUSSELOT:

H.R. 10743. A bill to extend the Renegotiation Act of 1951; to the Committee on Banking, Currency and Housing.

By Mr. SCHEUER:

H.R. 10744. A bill to amend chapter 4 of title 23, United States Code, relating to the addition of safety belt use requirements as part of the highway safety program of each State; to the Committee on Public Works and Transportation.

By Mr. JAMES V. STANTON:

H.R. 10745. A bill to establish the position of Special Assistant to the President for National Security Affairs; to the Committee on Armed Services.

By Mr. TAYLOR of Missouri (for himself, Mr. Abdnor, Mr. Alexander, Mr. Grassley, Mr. Hammerschmidt, Mr. Henderson, Mr. Ichord, Mr. Jones of Tennessee, Mr. Randall, Mr. Risenhoover, Mr. Sebelius, Mr. Steed, and Mr. Thone):

H.R. 10746. A bill to provide for the allocation of propane; to the Committee on Interstate and Foreign Commerce.

By Mr. BAUCUS:

H.R. 10747. A bill to amend the Wild and Scenic Rivers Act to designate a segment of the Flathead River in Montana as a component of the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DRINAN:

H.R. 10748. A bill to strengthen the warning label required on cigarette packages, extend such warning to cigarette advertisements, regulate smoking in Federal facilities and in facilities serving interstate common carrier passengers, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, Public Works and Transportation, and Ways and Means.

By Mrs. HECKLER of Massachusetts:

H.R. 10749. A bill to amend title II of the Social Security Act to reduce from 20 to 10 years the length of time a divorced woman's marriage to an insured individual must have lasted in order for her to qualify for wife's or widow's benefits on his wage record; to the Committee on Ways and Means.

H.R. 10750. A bill to amend title II of the Social Security Act to provide benefits for homemakers; to the Committee on Ways and Means.

By Mr. LITTON (for himself and Mr. Burgener):

H.R. 10751. A bill to amend the Internal Revenue Code of 1954 to require the establishment of formal procedures and criteria for the selection of individual income tax returns for audit, to inform individuals of the reasons why their returns were selected for audit, and for other purposes; to the Committee on Ways and Means.

By Mr. RISENHOOVER (for himself, Mr. Dan Daniel, Mr. English, Mr. Jarman, Mr. Jones of Oklahoma, Mr. Steed, and Mr. Teague):

H.R. 10752. A bill to grant permanent easements for the construction, maintenance, and use of boat docks and similar structures on certain property of the United States; to the Committee on Public Works and Transportation.

By Mr. SEIBERLING (for himself, Ms. Abzug, Mr. Bedell, Mr. Blouin, Mr. Boland, Mr. Carr, Mr. Corman, Mr. Cotter, Mr. Dellums, Mr. Dingell, Mr. Eilberg, Mr. Esch, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Ms. Keys, Mr. Lloyd of California, and Mr. Maguire):

H.R. 10753. A bill to prohibit certain incompatible activities within any area of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SEIBERLING (for himself, Mr. McCloskey, Mr. McHugh, Mr. Mikva, Mr. Miller of California, Mr. Moakley, Mr. Moorhead of Pennsylvania, Mr. Moss, Mr. Patterson of California, Mr. Rodino, Mr. Roe, Mr. Ryan, Mr. Stark, Mr. Vanik, Mr. Vigorito, and Mr. Weaver):

H.R. 10754. A bill to prohibit certain incompatible activities within any area of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS (for himself and Mr. Dingell):

H.R. 10755. A bill to extend the Emergency Petroleum Allocation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. STUDDS (for himself, Ms. Abzug, Mr. Anderson of California, Mr. Bedell, Mr. Bell, Mr. Boland, Ms. Chisholm, Mr. Dellums, Mr. Dodd, Mr. Downey of New York, Mr. Edgar, Mr. Eilberg, Mr. Gude, Mr. Harrington, Mr. Howard, Mr. Lent, Mr. McHugh, Mr. Miller of California, Mr. Oberstar, Mr. Rodino, Mr. Scheuer, Mr. Stark, Mr. Tsongas, Mr. Charles Wilson of Texas, and Mr. Zeferetti):

H.R. 10756. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes; jointly to the committees on Public Works and Transportation, and Merchant Marine and Fisheries.

By Mr. PRESSLER:

H. Con. Res. 479. Concurrent resolution to create an art bank to be established by American artists for exhibition in the U.S. Congress; to the Committee on House Administration.

By Mr. DERWINSKI (for himself, Mr. Fascell, Mr. Zablocki, Mr. Broomfield, Mr. Fraser, Mr. Yatron, Mr. Riegle, Mr. Nix, Mr. Lagomarsino, Mr. Whalen, Mr. Gilman, Mr. Winn, Mr. Findley, Mr. Rosenthal, Mr. Guyer, Mr. Buchanan, Mr. Annunzio, Mr. Crane, Mr. Dingell, Mr. Horton, Mr. Kemp, Mr. Murphy of Illinois, Mr. Russo, Mr. Vigorito, and Mr. Wolff):

H. Res. 864. Resolution expressing the sense of the House of Representatives that the signing in Helsinki of the Final Act of the Conference on Security and Cooperation in Europe did not change in any way the longstanding policy of the United States on nonrecognition of the Soviet Union's illegal seizure and annexation of the three Baltic nations of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. FREY introduced a bill (H.R. 10757) for the relief of Nora L. Kennedy, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

299. By the SPEAKER: Petition of the North Carolina League of Municipalities, Raleigh, N.C., relative to urban conservation; to the Committee on Banking, Currency and Housing.

300. Also, petition of the North Carolina League of Municipalities, Raleigh, N.C., relative to revenue sharing; to the Committee on Government Operations.

301. Also, petition of the Governor of the State of Rhode Island and Providence Plantations, Providence, R.I., relative to the Final System Plan of the United States Railway Association for the Northeast Corridor; to the Committee on Interstate and Foreign Commerce.

302. Also, petition of the Suffolk County Legislature, Riverhead, N.Y., relative to reduced postal rates for senior citizens; to the Committee on Post Office and Civil Service.

303. Also, petition of the Suffolk County Legislature, Riverhead, N.Y., relative to the Local Public Works Capital Development and Improvement Act; to the Committee on Public Works and Transportation.

304. Also, petition of North Carolina League of Municipalities, Raleigh, N.C., relative to the proposed Federal-Aid Highway Act of 1975; jointly to the Committees on Public Works and Transportation, and Ways and Means.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. John N. Ake, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Republic of Texas Corp., P.O. Box 22105, Dallas, Tex. 75222.

A. Robert Alvarez, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

A. Donald M. Andersson.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Scott P. Anger, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

A. Apartment and Office Building Association of Metropolitan Washington, 1511 K Street NW., Washington, D.C. 20005.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Combined Insurance Co. of America, 5050 Broadway, Chicago, Ill., 60640.

A. John S. Autry, 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Herbst Oil Co., et al., P.O. Box 2983, Huntridge Station, Las Vegas, Nev. 89104.

A. David L. Baird, Jr., Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. David Banks, Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C.

A. David Banks, Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Safety Belt Council, New Rochelle, N.Y.

A. M. Wendell Belew, Jr., 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. James A. Bernhart, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Columbia Gas Service System Corp., 20 Montchanin Road, Wilmington, Del.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Suite 300, Washington, D.C. 20015.
B. Whitney-Fidalgo Seafoods, Inc., 2360 West Commodore Way, P.O. Box 99008, Seattle, Wash. 98199.

A. Gerrie Bjornson, 1800 K Street NW., Suite 929, Washington, D.C.
B. The B. F. Goodrich Co., Akron, Ohio 44318.

A. Blunt, Sinnott & Associates, Inc., 1156 15th Street NW., Washington, D.C.
B. Port of Oakland, 66 Jack London Square, Oakland, Calif. 94607

A. Charles R. Bragg, Book Hill Road, Essex, Conn.
B. Northeast Utilities Service Co., Seldon Street, Berlin, Conn.

A. Breed, Abbott & Morgan, 1 Chase Manhattan Plaza, New York, N.Y. 10005.
B. Lehman Bros., 1 William Street, New York, N.Y., Lasker, Stone & Stern, 20 Broad Street, New York, N.Y.

A. Marshall J. Breger, University of Texas School of Law, 2500 Red River, Austin, Tex. 78705.
B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; University of Texas School of Law, 2500 Red River, Austin, Tex.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.
B. The Washington Psychiatric Society, 1700 18th Street NW., Washington, D.C. 20009.

A. Betsy Bretz, 705 G Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 705 G Street SE., Washington, D.C. 20003.

A. Beverly Bernstein Brilliant, American Gas Association, 1515 Wilson Blvd., Arlington Va. 22209.
B. American Gas Association.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.
B. National Association of Life Sciences, 1710 Chapman Avenue, Rockville, Md. 20852.

A. Norman W. Brown, 125 High Street, Suite 801, Boston, Mass. 02110.
B. Bay State Gas Co., 125 High Street, Boston, Mass. 02110.

A. Norman W Brown, 125 High Street, Suite 801, Boston, Mass. 02110.
B. Fitchburg Gas & Electric Light Co., 125 High Street, Suite 801, Boston, Mass. 02110.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Burson-Marsteller, 1776 K Street NW., No. 607, Washington, D.C. 20006.
B. Koppers Co., Inc., Koppers Building, Pittsburgh, Pa., 15219.

A. John P. Buscher, 1730 Rhode Island Avenue NW., Washington, D.C
B. Brown & Root, Inc., 4100 Clinton Drive, Houston, Tex. 77001.

A. Benjamin H. Calvin, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. (for: National Labor-Management Foundation, Louisville, Ky.).

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundation, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Carborundum Co., Niagara Falls, N.Y. 14302.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Gulf Interstate Co., P.O. Box 1916, Houston, Tex. 77001.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Ray B. Chambers, 1776 F Street, Suite 303, Washington, D.C. 20006.
B. Rock Island Railroad, Chicago, Ill.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa. 17405.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (for: Belco Petroleum Corp., Dag Hammarskjold Plaza, New York, N.Y. 10017).

A. Linda Chavez, American Federation of Teachers, AFL–CIO, 11 Dupont Circle, Washington, D.C. 20036.
B. American Federation of Teachers, AFL–CIO.

A. Clean Water Action Project, Inc., P.O. Box 19312, Washington, D.C. 20036.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Teleprompter Corp., 50 West 44th Street, New York, N.Y. 10036.

A. Clifford W. Cobb, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Guild of Authors and Composers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.
B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Chicago Board Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Council of State Chambers of Commerce).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: National Medical Care, Inc.).

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.

B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Bldg., Houston, Tex. 77002 (for: Brown & Root, Inc., P.O. Box 3, Houston, Tex. 77001).

A. Basil G. Condos, 1815 Kilbourne NW., Washington, D.C. 20010.

B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., Washington, D.C. 20006.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.

B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Kenneth Cook.

B. Genesis One Computer Corp., 300 East 44th Street, New York, N.Y. 10017.

A. John E. Cosgrove.

B. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 10006.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. Association of American Publishers, Inc., 1920 L Street NW., Suite 750, Washington, D.C. 20036.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. National Football League, 410 Park Avenue, New York, N.Y. 10022.

A. William J. Cox.

B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

A. Roger C. Cramton, Cornell Law School, Ithaca, N.Y. 14850.

B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; Cornell Law School, Ithaca, N.Y. 14850.

A. Lee Daneker, P.O. Box 19312, Washington, D.C. 20036.

B. Clean Water Action Project, Inc., P.O. Box 19312, Washington, D.C. 20036.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Committee for Protection of American Trade, Washington, D.C.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Computer System of America, Inc., 141 Milk Street, Boston, Mass. 02109.

A. D.C. Businessmen's Association, Inc., 222 14th Street NW., Washington, D.C. 20009.

A. John Russell Deane III, 1128 16th Street NW., Washington, D.C. 20036.

B. Concerned Sportsmen of America, 1128 16th Street NW., Washington, D.C. 20036.

A. John Russell Deane III, 1128 16th Street NW., Washington, D.C. 20036.

B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.

A. Paul H. DeLaney, Jr., 1747 Pennsylvania Ave. NW., Suite 1111, Washington, D.C. 20006.

B. Cargill Inc., Cargill Building, Minneapolis, Minn. 55402.

A. Delson & Gordon, 230 Park Avenue, New York, N.Y. 10017.

B. Management Assistance, Inc., 300 East 44th Street, New York, N.Y. 10017.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. American Sod Producers Association, Hastings, Nebr. 68901.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Buck & Doe Run Valley, Farm's Co., Coatsville, Pa.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. T. J. Jarret, 1209 Griner, Del Rio, Tex. 78840.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Norton Manufacturing Co., Box 9067, Memphis, Tenn. 38109.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Texas Sheep & Goat Raisers Association, P.O. Box 1486, San Angelo, Tex. 76901.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Tom J. Yates, Route 1, Box 149, Kingsland, Tex. 78639.

A. Richard Morgan Downey, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. Henry A. Dudley, 910 17th Street NW., Washington, D.C.

B. The Republic of Turkey.

A. Robert E. Duffy, 1030 15th Street NW., Washington, D.C. 20005.

B. The Carborundum Co., Niagara Falls, N.Y. 14302.

A. Jack D. Early, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20026.

A. Energy Action Committee, Inc., Suite 302, 1156 15th Street NW., Washington, D.C. 20005.

A. Andrew Alan Feinstein, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Allen R. Ferguson, Public Interest Economics Center, 1714 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Public Interest Economics Center, 1714 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Manuel D. Fierro, National Congress of Hispanic American Citizens, 400 First Street NW., Suite 706, Washington, D.C. 20001.

B. National Congress of Hispanic American Citizens.

A. Francis R. Fleming, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

A. Florida Abortion Rights Action League (FARAL), 2175 Northwest 26th Street, Miami, Fla. 33142.

A. David H. Foster, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee.

A. David E. Fox, 1100 17th Street NW., Washington, D.C. 20036.

B. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

A. George L. Frick, Delaware Oil Men's Association, 437 North Dupont Highway, Dover, Del. 19901.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Border Patrol Council, c/o Richard D. Brannick, R.F.D. No. 2 Dexter, N.Y. 13634.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06115.

A. Robert Fritz, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, 6300 River Road, Rosemont, Ill. 60018.

A. Terry Gabrielson, 470 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

A. Mark T. Gates, Jr., Dietsch, Gates, Morris and Merrill, 800 Wilshire Blvd., Los Angeles, Calif. 90017.

B. Pacific Southwest Airlines, 3225 North Harbor Dr., San Diego, Calif. 92101.

A. Clarissa Gilbert, 2115 S Street NW., Washington, D.C. 20008.

B. U.S. National Student Association, 2115 S Street NW., Washington, D.C. 20008.

A. Alan I. Goldman, c/o Management Assistance, Inc., 300 East 44th Street, New York, N.Y. 10017.

B. Management Assistance, Inc., 300 East 44th Street, New York, N.Y. 10017.

A. R. Kinnan Golemon, 1300 American Bank Tower, Austin, Tex. 78701.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Flextime Corp., 31-45 Park Road, New Shrewsbury, N.J. 07724.

A. Carolyn C. Graham.

B. National Committee for a Human Life Amendment, Inc., 1707 L Street NW., Suite 400, Washington, D.C. 20036.

A. Wm. W. Grant, Utah International Inc., 1150 Connecticut Avenue, Suite 710, Washington, D.C. 20036.

B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.

A. Mary E. Greer, 2000 L Street NW., Suite 520, Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. (for Farm Labor Research Committee).

A. Theodore R. Groom, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.

A. Frank N. Grossman, The Atchison, Topeka & Santa Fe Railway Co., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Isabelle A. Hallahan, The American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.

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A. Jerald Vinson Halvorsen, Allied-General Nuclear Services, 7101 Wisconsin Avenue, Suite 901, Bethesda, Md. 20014.

B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance.

A. Orval Hansen, 1819 H Street NW., Suite 230, Washington D.C. 20006.

B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

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B. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

A. Eugene J. Harmon, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

A. William J. Harrington, 8726 Preston Place, Chevy Chase, Md. 20015.

B. Veriprint Systems Corp., 20747 Dearborn Street, Chatsworth, Calif. 91311.

A. Walter A. Hasty, Jr., 1014 Vine Street, Cincinnati, Ohio 45201.

B. The Kroger Co., 1014 Vine Street, Cincinnati, Ohio 45201.

A. Hewes & Wolf, 1720 Eye Street NW., Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, Mobile, Ala. 36616.

A. Hewes & Wolf, 1720 Eye Street NW., Washington, D.C. 20006.

B. Pennsylvania Petroleum Association, Building 2, Suite D, 2101 North Front Street, Harrisburg, Pa. 17110.

A. Faye P. Hewlett, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

A. Russell L. Hibbard, 920 Lake Angelus Shores, Pontiac, Mich. 48055.

B. Southwestern Employers Unemployment Benefit Advisers, c/o UBA, Inc., Suite 720, Hotel Washington, Washington, D.C.

A. Kathryn Hilton.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Apartment and Office Building Association of Metropolitan Washington, 1511 K Street NW., Washington, D.C. 20005.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Washington Board of Realtors, 1511 K Street NW., Washington, D.C. 20005.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

A. Charles A. Horsky, 888 16th Street NW., Washington, D.C. 20006.

B. Trustees of the Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th Floor, Washington, D.C. 20036.

B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

A. Robert F. Hubbell, 1420 Crestview Avenue, Seal Beach, Calif. 90740.

B. Intraocular Lens Manufacturers Association, Inc., 1420 Crestview Avenue, Seal Beach, Calif. 90740.

A. Linda Hudak, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

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B. National Society of Professional Engineers.

A. Robert H. Hunt, 910 17th Street NW., Washington, D.C.

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B. National Abortion Rights Action League, 705 G. Street SE., Washington, D.C. 20003.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.

B. The Cooperative League of the U.S.A., 1828 L Street NW., Washington, D.C. 20006.

A. David M. Jenkins, 1775 K Street NW., Suite 315, Washington, D.C. 20006.

B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.

A. Bruce T. Johnson, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

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B. U.S. National Student Association, 2115 S Street NW., Washington, D.C. 20008.

A. E. Edward Kavanaugh, 1133 15th Street NW., Washington, D.C. 20005.

B. Cosmetic, Toiletry & Fragrance Association.

A. Eugene A. Keeney, 1730 North Lynn Street, Arlington, Va. 22209.

B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. John B. Kelley, Suite 1200, 1025 Connecticut Avenue NW., Washington, D.C.

B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. John J. Klocko, III, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

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A. Gary D. Knight, 1615 H Street NW., Washington, D.C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.

B. Norwich Pharmacal Co., Norwich, N.Y.

A. John T. Korsmo, 1722 Dogwood Drive, Alexandria, Va. 22302.

B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.

A. Jeanne W. Kruhm, The American Dietetic Association, 430 North Michigan Avenue, Chicago, Ill. 60611.

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A. Kuh, Shapiro, Goldman, Cooperman & Levitt, P. C., 800 Third Avenue, New York, N.Y. 10022.

B. Athena Marine Shipping Co., et al., 410 Lakeville Road, Lake Success, N.Y.

A. Thomas R. Kuhn, 1750 K Street NW., Suite 300, Washington, D.C. 20006.

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A. Raymond P. Kurshan, c/o Management Assistance Inc., 300 East 44th Street, New York, N.Y. 10017.

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A. Kyokuyo Co., Ltd., Suite 604, Central Building, 810 Third Avenue, Seattle, Wash. 98104.

A. Richard M. Landis, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Commonwealth Edison Co., 1 First National Plaza, Chicago, Ill. 60690.

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B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. Frank M. Lobach.

B. Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. Elizabeth H. Loh, National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors.

A. Nellie Longstreet.

B. Preservation Action, 1225 19th Street NW., Washington, D.C. 20006.

A. Robert E. Losch, 910 17th Street NW., Washington, D.C.

B. Republic of Turkey.

A. Herschel C. Loveless, 918 16th Street NW., 501, Washington, D.C. 20006.

B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.

A. Lucas, Friedman & Mann., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. McNamara Construction of Manitoba, Ltd., 255 Consumers Road, Willowdale, Ontario, Canada.

A. Russell E. MacCleery, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Suite 300, Washington, D.C. 20006.

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A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.

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A. Mayer, Brown & Platt, 231 S. LaSalle Street, Chicago, Ill. 60604.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.

B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

A. A. Edward McGinty, Fowler, White, Gillen, Boggs, Villareal & Banker, P.A., P.O. Box 1438, Tampa, Fla. 33601.

B. Otto Pottberg Trust, Landmark Union Trust Bank of St. Petersburg, N.A. and Alric C. T. Pottberg, Trustees, Central and 9th St., St. Petersburg, Fla.

A. John Martin Meek, Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, care of DGA International, 1225 19th Street NW., Washington, D.C.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C., 20006.

B. Electronic Industries Association, Washington, D.C.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW.,Washington, D.C. 20006.

B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Twentieth Century-Fox Film Corp., Box 900, Beverly Hills, Calif. 90213.

A. Robert C. Miller, 3818 Congreve Avenue, Cincinnati, Ohio 45213.

A. William E. Minshall, 1730 M Street NW., Suite 905, Washington, D.C. 20036.

B. Northrop Corp., Los Angeles, Calif.

A. Alan J. Moore, the Atchison, Topeka & Santa Fe Railway Co., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.

A. Earl J. Morgan. 1150 17th Street NW., Washington, D.C. 20036.

B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.

A. Morris Associates, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.

A. Mullin, Connor & Rhyne, 307 Southern Building, Washington, D.C. 20005.

B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.

A. Beverly J. Murphy.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. William T. Murphy, Jr., American Gas Association, 1515 Wilson Boulevard, Arlington, Va.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. National Association of Chain Drug Stores, Inc., 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. National Association of Professional Administrators (NAPA), 1801 K Street NW., Suite 220, Washington, D.C. 20006.

A. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y. 10017.

A. Karol Lyn Newman, 888 16th Street NW., Washington, D.C. 20006.

B. Archer-Daniels-Midland Co., 4666 Faries Parkway, Decatur, Ill. 62525.

A. Carl A. Nordberg, Jr., Suite 50, 170 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Natomus Co., Suite 1200, International Building, San Francisco, Calif. 94108.

A. Northeast Utilities Service Co., Selden Street, Berlin, Conn.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C., 20037.

B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

A. Louis F. Oberdorfer, Wilmer Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. Association of Public Radio Stations, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $300.

A. James T. O'Hara, Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Anderson Foundation, Bayport, Minn.

A. James T. O'Hara, Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Stackpole Hall Foundation, St. Mary's, Pa.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. William P. Oliver, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.

B. Gas Appliance Manufacturers Association.

A. Nancy J. Olson. Johns-Manville Corp., 1025 Connecticut Avenue NW., Suite 214, Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

A. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Paul M. Ostergard.

B. General Electric Co., 1 River Road, Schenectady, N.Y. 12345.

A. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.

A. Roland L. Panneton, 1922 F Street NW., Washington, D.C. 20006.

B. National Association of Life Underwriters, 1922 F Street NW., Washington, D.C.

A. The Parcel Post Association, 1211 Connecticut Ave. NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Guild of Authors & Composers, 50 West 57th Street, New York, N.Y., 10019.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Hobby Industry Association of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Frances A. Pollak.

B. National Cable Television Association, Inc., 918 16th Sereet NW., Washington, D.C. 20006.

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Anthony M. Ponticelli, 6811 Kenilworth Avenue, Riverdale, Md. 20840.

B. National Asphalt Pavement Association, 6811 Kenilworth Avenue, Riverdale, Md. 20840.

A. James T. Prendergast, 250 East 87th Street, New York, N.Y. 10028.

B. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10017.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. Kyokuyo USA, Inc., Suite 604, 810 Third Avenue, Seattle, Wash. 98104.

A. Public Interest Economics Center, 1714 Massachusetts Avenue NW., Washington, D.C. 20036.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue N.W., Suite, 214, Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

A. Andrew Quartner, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. International Leisure Hosts, Inc., 100 West Clarendon, Phoenix, Ariz.

A. Ragan & Mason, 900 17th Street N.W., The Farragut Building, Washington, D.C.

B. Security Pacific National Bank, 333 S. Hope Street, Los Angeles, Calif.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Security Pacific National Leasing, Inc., P.O. Box 7722, San Francisco, Calif.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Uranium Enrichment Associates, 1620 Eye Street NW., Washington, D.C.

A. Robert Allen Ragland, 9008 St. Andrew's Place, College Park, Md. 20740.

A. Arthur G. Randol III, 1750 K Street NW., Suite 300, Washington, D.C. 20006.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C. 20006.

A. Carol L. Raulston.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

A. Matt Reese & Associates, 1625 Massachusetts Avenue NW., Washington D.C. 20036.

B. Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Washington D.C.

A. The Reuben H. Donnelley Corp., 200 Clearwater Drive, Oak Brook, Ill. 60521.

A. Morris A. Riley, 1776 K Street NW., Washington, D.C. 10006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

A. Jerome Robinson, 500 Three Islands Boulevard, Hallandale, Fla. 33009.

B. Florida Restaurant Association, 1077 NE 125th Street, North Miami, Fla., 33161.

A. Charlotte Roe, International Ladies' Garment Workers' Union, 1710 Broadway, New York City 10019.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York City 10019.

A. Mitchell Alan Rofsky, 133 C. Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

A. Bruce N. Rogers, 1922 F Street NW., Washington, D.C. 20006.

B. National Association of Life Underwriters, 1922 F Street NW., Washington, D.C.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Air France, 1350 Avenue of the Americas, New York, N.Y. 10019.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Merrill Lynch Hubbard, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, New York, N.Y. 10048.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.

B. Overseas Shipholding Group, Inc., 1114 Avenue of the Americas, New York, N.Y. 10036.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. J. Patrick Rowland, Glass Container Manufacturers Institute, Inc., 1800 K. Street NW., Washington, D.C. 20006.

B. Glass Container Manufacturers Institute, Inc., 1800 K Street NW., Washington, D.C. 20006.

A. Richard Royce, Suite 300, 2011 I Street NW., Washington, D.C. 20006.

B. Committee on Section 311, 2011 I Street NW., Washington, D.C. 20006.

A. Frank E. Samuel, Jr., 1030 15th Street NW., Washington, D.C. 20005.

B. Health Industry Manufacturers Association, 1030 15th Street NW., Washington, D.C. 20005.

A. Harold B. Say, 916 Prince Street, Alexandria, Va. 22314.

B. Veterans of World War I of the U.S.A., Inc., 916 Prince Street, Alexandria, Va. 22314.

A. Michael B. Scanlon, Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C.

A. William B. Scher, Jr., 1922 F Street NW., Washington, D.C.

B. National Association of Life Underwriters, 1922 F Street NW., Washington, D.C.

A. N. Donald Schroeder, Maryland Petroleum Association, 417 Mercantile, Towson Building, Towson, Md. 21204.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Bari L. Schwartz, 2030 M Street NW., Room 300, Washington, D.C. 20037.

B. Action for Legal Rights.

A. Steven Shamburek, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Albright Title & Trust Co., Et al., 100 North Main Street, Newkirk, Okla.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Detroit, Toledo & Ironton Railroad Co., One Parklane Boulevard, Dearborn, Mich. 42816.

A. James V. Sheahan, National Federation of Independent Business.

B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.

B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.

A. Nelson T. Shields, National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns.

A. Fred B. Shippee, 1611 North Kent Street, Arlington, Va. 22209.

B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. I. Frederick Shotkin, 230 Park Avenue, New York, N.Y. 10017.

B. Management Assistance, Inc., 300 East 44th Street, New York, N.Y. 10017.

A. Maureen Shubow, 1012 14th Street NW., Suite 901, Washington, D.C. 20005.

B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. Richard D. Siegel, McNees, Wallace & Nurick, 1776 F Street NW., Washington, D.C. 20006.

B. American Association of Marriage & Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.

A. Bernard H. Sieracki, Illinois Petroleum Council, 524 South Second Street, Suite 570, Springfield, Ill. 62701.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Raymond W. Sifley.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Harry G. Silleck, Jr., 20 Broad Street, New York, N.Y.

B. Trustee of the Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.

A. Roma D. Skeen, Marathon Oil Co., 1625 I Street NW., Suite 420, Washington, D.C. 20006.

B. Marathon Oil Co., Findlay, Ohio 45840.

A. Edgar M. Skinner III, National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.

B. Former Bondholders of Bankers Joint Stock Land Bank of Milwaukee, Wis.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Florida East Coast Railway Co., 1 Malaga Street, St. Augustine, Fla. 32084.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Suite 1200, Washington, D.C. 20006.

B. Oscar Dooley Associates, Room 2650 First Federal Building, Miami, Fla. 33131.

A. Leon Smiles, 2097 Southwest 13 Terrace, Boynton Beach, Fla. 33435.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.

B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

A. Hugh H. Smith, P.C., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Express Co., 65 Broadway, New York, N.Y. 10006.

A. Southwestern Unemployment Compensation Advisors, 500 West 13th Street, Austin, Tex. 78701.

A. John B. Spears, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

A. Robert A. Spelman.

B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

A. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10017.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C. 20036.

B. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.

A. Robert Stengel.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Rule of Law Committee, 1250 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

A. B. R. Stokes, 1100 17th Street NW., Washington, D.C. 20036.

B. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

A. Glenn C. Stophel, Stophel, Caldwell & Heggie, 722 Chestnut Street, Chattanooga, Tenn. 37402.

B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; Stophel, Caldwell & Heggie, 722 Chestnut Street, Chattanooga, Tenn. 37402.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis. 54935.

B. Alex Sullivan, Joint Stock Land Bank of Milwaukee, 434 South Marr Street, Fond du Lac, Wis. 54935.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Association of Art Museum Directors, P.O. Box 620, Philadelphia, Pa. 10021.

A. David S. Tatel, Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.

A. Sid Taylor, National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.

B. National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.

A. Kenneth W. Thompson, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

A. Samuel D. Thurman, University of Utah College of Law, Salt Lake City, Utah 84112.

B. Legal Services Corp., 1725 K Street NW., Washington, D.C. 20006; University of Utah College of Law, Salt Lake City, Utah.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Middle South Services, Inc., Box 61005, New Orleans, La. 70161.

A. Timmons and Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.

A. Howard A. Topel, 307 Southern Building, Washington, D.C. 20005.

B. Mullin, Connor and Rhyne, 307 Southern Building, Washington, D.C. 20005 (for: Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany).

A. D. Chase Troxell, Burke & Burke & Daniels, 30 Rockefeller Plaza, New York, N.Y. 10020.

B. Frank A. Augsbury, Jr., 522 Crescent Street, Ogdensburg, N.Y. 13669 and Frank A. Augsbury III, 151 Tremont Street, Boston, Mass. 02111 (owners of all capital stock of Hall Corp. Shipping Ltd., Montreal, Canada).

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

A. Twentieth Century-Fox Film Corp., Box 900, Beverly Hills, Calif. 90213.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Kenneth P. Vickery, 207 3d Street SE., Washington, D.C. 20002.

B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

A. Victims News Bulletin, P.O. Box 2979, Washington, D.C. 20013.

B. George L. Will, Victims News Bulletin, 1210 Northwest 6th Street, Miami, Fla.

A. Rudolph A. Vignone, Suite 622, 1800 K Street NW., Washington, D.C. 20006.

B. Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Frank A. Vlazny.

B. Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. David K. Voight.

B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

A. Jeanne Vonhof.

B. United States National Student Association, 2115 S Street NW., Washington, D.C. 20008.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Task Force One, Point Mugu, Calif.

A. Bart Walker, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Eastern Airlines, Inc., 10 Rockefeller Plaza, New York, N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. E. I. du Pont de Nemours, Wilmington, Del. 19898.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Bankers Association, Suite 1102, South Building, 950 L'Enfant Plaza, Washington, D.C. 20024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Peter F. Warker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

A. J. Wesley Watkins III, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Chicago, Ill. 60611.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77036.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

A. Carol Werner, 705 G Street SE., Washington, D.C. 20003.

B. National Abortion Rights Action League, 705 G Street SE., Washington, D.C. 20003.

A. Harding deC. Williams, National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.

B. National Savings & Loan League.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Farmers Land & Canal Co., Inc., P.O. Box 996, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.

A. Lucinda Williams, 1600 South Eads Street, Arlington, Va. 22202.

B. F.A.I.R., 3706 Washington Boulevard, Indianapolis, Ind. 46206.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Business Roundtable, 888 17th Street NW., Washington, D.C.

A. John H. Witmer, Jr., Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. James W. Woodward, The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. Young, Kaplan & Edelstein, 277 Park Avenue, New York, N.Y. 10017.

B. Glick Affiliates, 3000 Marcus Avenue, Lake Success, N.Y. 11040.

A. Your Man in Washington, P.O. Box 343, Glen Dale, Md. 20769.

B. The Good Sam Club, 23945 Craftsman Road, Calabasas, Calif. 91302.

QUARTERLY REPORT*

***All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.**

The following registrations were submitted for the third calendar quarter 1973:

(Note.—The form used for registration is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
	(Mark one square only)			

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report. ◄

AFFIDAVIT

[Omitted in printing]

PAGE 1 ◄

NOTE ON ITEM "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $________Dues and assessments
2. $________Gifts of money or anything of value
3. $________Printed or duplicated matter received as a gift
4. $________Receipts from sale of printed or duplicated matter
5. $________Received for services (e.g., salary, fee, etc.)
6. $________TOTAL for this Quarter (Add items "1" through "5")
7. $________Received during previous Quarters of calendar year
8. $________TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $________TOTAL now owed to others on account of loans
10. $________Borrowed from others during this Quarter
11. $________Repaid to others during this Quarter

12. $________"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": ________

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ____________________, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $________Public relations and advertising services
2. $________Wages, salaries, fees, commissions (other than item "1")
3. $________Gifts or contributions made during Quarter
4. $________Printed or duplicated matter, including distribution cost
5. $________Office overhead (rent, supplies, utilities, etc.)
6. $________Telephone and telegraph
7. $________Travel, food, lodging, and entertainment
8. $________All other expenditures
9. $________TOTAL for this Quarter (Add "1" through "8")
10. $________Expended during previous Quarters of calendar year
11. $________TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $________TOTAL now owed to person filing
13. $________Lent to others during this Quarter
14. $________Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

PAGE 2

A. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C.
E. (9) $58.53.

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $500.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, Seventh and Franklin Streets, Richmond, Va.
D. (6) $750.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
D. (6) $9,663.92. E. (9) $9,663.92.

A. AFL-CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,600. E. (9) $2,955.43.

A. Aircraft Owners & Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $4,274.91.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Illinois 60684.
D. (6) $750. E. (9) $46.

A. John N. Ake, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street, NW., Washington, D.C. 20005.
B. Gibbs Oil Co., 40 Lee Burbank Highway, Revere, Mass. 02151.
D. (6) $3,000.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 Fifteenth Street NW., Washington, D.C. 20005.
B. The Industry Coordinating Committee To Conserve Energy, 222 Ceader Lane, Teaneck, N.J. 07660.
D. (6) $7,000. E. (9) $246.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Riviana Foods, Inc., 2777 Allen Parkway, Houston, Tex. 77019.
D. (6) $5,485. E. (9) $24.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street, NW., Washington, D.C. 20005.
B. Society of Independent Gasoline Marketers of America (SIGMA), 230 South Bemiston Street, St. Louis, Mo. 63105.
D. (6) $7,500. E. (9) $71.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207, Roslyn, Va.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla. 33622.
D. (6) $3,000.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Dr., No. 1207 Rosslyn, Va. 22209.
B. Latin American Manufacturers Association, 1728 East 14th Street, San Leandro, Calif.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207, Rosslyn, Va. 22209.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500. E. (9) $39.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207 Rosslyn, Va. 22209.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Willis W. Alexander, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $5,372.13.

A. Maxton Allcox, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $4,200.

A. John Allen, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Company of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
D. (6) $300. E. (9) $60.

A. Nicholas E. Allen, 1701 K Street NW., Suite 706, Washington, D.C., 20006.
B. Music Operators of America, Inc., 228 North La Salle St., Chicago, Ill. 60601.
D. (6) $1,376. E. (9) $170.44.

A. Webb M. Alspaugh, 1660 L Street, NW., Suite 212, Washington, D.C. 20036.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $300. E. (9) $443.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Aircraft Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $320. E. (9) $68.48.

A. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue, NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,270.23. E. (9) $1,270.23.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Pa. 17022.
D. (6) $46.66. E. (9) $7.96.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, 22042.
E. (9) $21.00.

A. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $29,473.68. E. (9) $29,473.68.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,577.75. E. (9) $1,577.75.

A. American Committee on United States-Soviet Relations, 122 Maryland Avenue, NE., Washington, D.C. 20002.
D. (6) $30.00.

A. American Dental Association, 211 E. Chicago Avenue, Chicago, Ill. 60611.
D. (6) $8,381.26. E. (9) $8,381.26.

A. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068, Washington offices: 425, 13th Street, NW., Washington, D.C. 20004.
D. (6) $58,106. E. (9) $58,106.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street, NW., Washington, D.C. 20006.
E. (9) $72,707.66.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.

A. American Frozen Food Institute, 919 18th Street, NW., Washington, D.C. 20006.
D. (6) $121,975.50. E. (9) $550.

A. American Hellenic Institute, Public Affairs Committee, Inc., 1730 K Street, NW., Suite 903, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $228.60.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $4,591.19. E. (9) $3,689.68.

A. The American Humane Association, P.O. Box 1266, Denver, Colo. 80201.
E. (9) $1,816.

A. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
E. (9) $2,505.22.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $40,324. E. (9) $40,324.

A. American Land Title Association, Suite 303, 1828 L Street NW., Washington, D.C. 20036.
E. (9) $1,545.10.

A. American Library Association, 50 E. Huron Street, Chicago, Ill. 60611.
D. (6) $303.30. E. (9) $2,921.65.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007. (1600 Wilson Boulevard, Arlington, Va.).

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $23,624.18.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $6,440.

A. American National Cattlemen's Association, 1001 Lincoln, Denver, Colo. 80202.
E. (9) $3,751.67.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $26,407.50. E. (9) $ 7,155.27.

A. American Optometric Association, c/o Alvin Levin, 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $1,836.75. E. (9) $1,836.75.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $1,230.42.

A. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $18,381.87. E. (9) $18,206.98.

A. American Petroleum Institute, 1801 K Street NW., Washington, D.C.
D. (6) $29.262. E. (9) $63,532.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $8,031.70. E. (9) $8,031.70.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $13,653.18.

A. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,914,024.13. E (9) $84,733.75.

A. American Pulpwood Association, 1619 Massachusetts Avenue, NW., Washington, D.C. 20036.

A. American Seed Trade Association, 1030 15th Street, NW., Suite 964, Washington, D.C. 20005.
E. (9) $1,470.00.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue, NW., Washington, D.C. 20036.
D. (6) $754.68. E (9) $754.68.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street, NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, New York 10048.
D. (6) $163.13. E. (9) $72.23.

A. American Textile Manufacturers Institute, Inc., Wachovia Center, 400 South Tryon Street, Charlotte, N.C.
D. (6) $21,334.77. E. (9) $21,334.77.

A. American Trucking Assns., Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $55,660.84.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $310.

A. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
D. (6) $1,491.

A. Anthony L. Anderson, Sun Oil Co., Suite 820, 1800 K Street, NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $5,000. E. (9) $1,175.

A. J. Lem Anderson, 400 First Street, NW., Washington, D.C. 20001.
B. Time Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $775.23.

A. M. Kent Anderson—The Trane Co., 2020 14th Street, North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $350.

A. Scott G. Anderson, 11800 Sunrise Valley Drive, Reston, Va. 22091.
B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.
D. (6) $3,000. E. (9) $1,124.82.

A. J. Donald Annet, 1001 Connecticut Avenue, NW., Suite 510, Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42nd Street, New York, N.Y. 10017.
D. (6) $100.

A. Leonard Appel, Wilson, Woods & Villalon, 425 13th Street, NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., P.O. Box 1478, Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
D. (6) $11,700. E. (9) $181.79.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street, NW., Washington, D.C. 20006.
B. Combined Insurance Co. of America, 5050 Broadway, Chicago, Ill. 60640.
D. (6) $1,770. E. (9) $7.50.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Government of Virgin Islands of the United States, c/o Verne A. Hodge, Attorney General, Box 280, St. Thomas, V.I. 00801.
D. (6) $1,829.35.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
D. (6) $132.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H. Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $576. E. (9) $2.

A. Stanley Armstrong Associates, 7204 Marine Drive, Alexandria, Va. 22307.
F. Gilbert Lamb, 16833 Southwest Allen Road, Lake Oswego, Oreg. 97034.
D. (6) $500.

A. Howard Arnett, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $918. E. (9) $418.86.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $7,500.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Electronic Data Systems, 7171 Forest Lane, Dallas, Tex. 75230.
E. (9) $60.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., 500 Jefferson Building, Houston, Tex. 77002.
D. (6) $1,597.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refining Co., 500 Jefferson Building, Houston, Tex. 77002.
D. (6) $1,597.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., 500 Jeffer-Ralph Engel, Chemical Specialties Manufacturing Association, Inc., 1001 Connecticut Avenue, Washington, D.C. 20036.
D. (6) $5,700.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera & Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

A. Associated Builders & Contractors, Inc., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.
D. (6) $8,000. E. (9) $12,674.53.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.

A. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $2,182.95.

A. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
D. (6) $125. E. (9) $2,344.73.

A. Association of American Publishers, 1920 L Street NW., room 750, Washington, D.C. 20036.
D. (6) $4,670.30. E. (9) $4,670.30.

A. Association of American Railroads, American Railroads Building (room 211), 1920 L Street NW., Washington, D.C. 20036.
D. (6) $126.79. E. (9) $12,617.92.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. The Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $6,166. E. (9) $6,166.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
E. (9) $500.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $625. E. (9) $800.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $187.50. E. (9) $32.50.

A. The Authors League of America, Inc., 234 West 44th Street, New York, N.Y. 10036.
D. (6) $716.13. E. (9) $716.13.

A. John S. Autry, Johns-Manville Corp., Suite 214, 1025 Connecticut Avenue, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $300. E. (9) $150.

A. Richard W. Averill, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $800. E. (9) $346.

A. Donald L. Badders, TRW Credit Data, 2030 M Street NW., Suite 800, Washington, D.C. 20036.
B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802
D. (6) $750. E. (9) $175.90.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.
B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.
B. National Coal Association, Coal Building, Washington, D.C. 20036.
E. (9) $1,974.

A. George F. Bailey, Jr., P.O. Box 21, Montgomery, Ala. 36101.
B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $6,825. E. (9) $268.75.

A. David L. Baird, Jr., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $65.55.

A. Thomas F. Baker, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Donald Baldwin, Donald Baldwin Associates, 906/1625 I Street NW., Washington, D.C. 20006.
B. American Electric Power Co., 2 Broadway, New York, New York 10004.

A. James G. Banks, Washington Board of Realtors, Suite 439, 1511 K Street NW., Washington, D.C. 20005.
B. Washington Board of Realtors, Suite 439, 1511 K Street NW., Washington, D.C. 20005.

A. Robert D. Bannister, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
D. (6) $1,787.50. E. (9) $166.35.

A. Thomas H. Barksdale, Jr., 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $3,150. E. (9) $195.

A. Richard L. Barr, Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa. 50309.
B. Iowa Railway Association, 620 Capital City Bank Building, Des Moines, Iowa. 50309.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $280.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.
B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.
D. (6) $1,200.

A. T. Michael Barry, 1771 N Street, NW., Washington, D.C. 20035.
B. National Association of Broadcasters, 1771 N Street, NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $230.28.

A. William M. Bates, William M. Bates/Public Relations, Inc., 814 Carnegie Building, Atlanta, Ga. 30303.
B. Georgia Farm Bureau Federation.
D. (6) $4,500. E. (9) $989.68.

A. Lucius D. Battle, Communications Satellite Corporation, 950 L'Enfant Plaza, SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.
E. (9) $25.

A. John F. Battles, Massachusetts Petroleum Council—A Division of American Petroleum Institute, 11 Beacon Street, Boston, Mass. 02108.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $336.

A. Batzell & Nunn, 1523 L Street NW., Washington, D.C. 20005.
B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.
D. (6) $500. E. (9) $30.

A. Gary Lee Bauer, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail Marketing Association, Inc.
D. (6) $5,000. E. (9) $1,190.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24011.
B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.
D. (6) $457.70. E. (9) $1,332.47.

A. Donald S. Beattie, Railway Labor Executives Association, 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $1,770.84.

A. Daniel S. Bedell, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $5,321.34. E. (9) $573.02.

A. R. C. Beerbower, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. John H. Beidler, 1125 15th Street NW., No. 600, Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,938.54. E. (9) $109.

A. M. Wendell Belew, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $700.

A. Thomas Belford, 2030 M Street, NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street, NW., Washington, D.C. 20036.
D. (6) $4,800. E. (9) $9.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue, NW., Washington, D.C. 20001.
D. (6) $3,750. E. (9) $92.35.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.
B. Association of Trial Lawyers of America.
D. (6) $3,000. E. (9) $150.

A. Bruce Benefield, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,000.

A. Kathleen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Nancy C. Benson, 1625 I Street NW., Suite 514, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $236. E. (9) $215.15.

A. Berl Bernhard, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.
D. (6) $1,200. E. (9) $75.

A. Barry & Epstein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.
D. (6) $1,500.

A. Berry & Epstein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry & Epstein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. OEHEG,, Sudtiroler Platz 8, A-6020 Innsbruck, Austria—Austrian Hard Cheese Association, OEMOLK, P.O. Box 176, A-1013 Vienna, Austria—Austrian Soft Cheese Association.

A. Max N. Berry, Berry & Epstein, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Robert L. Bevan, American Bankers Association, 1120 Connecticut Ave. NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Ave. NW., Washington, D.C. 20036.
D. (6) $700. E. (9) $65.

A. William C. Bickel, Gulf Oil Co.—U.S., Suite 700, 1025 Connecticut Avenue, Washington, D.C. 20036.
B. Gulf Oil Co.—U.S., P.O. Box 2100, Houston, Tex. 77001.

A. Walter J. Bierwagen, 5025 Wisconsin Ave. NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Ave. NW., Washington, D.C. 20036.

A. Charles L. Binsted, National Congress of Petroleum Retailers, Inc., No. 301, 2021 K Street NW., Washington, D.C. 20006.
B. National Congress of Petroleum Retailers.
D. (6) $1,554. E. (9) $1,575.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Washington, D.C. 20015.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Washington, D.C. 20015.
B. Columbia Gas Service System Corp., 20 Montchanin Road, Wilmington, Del.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., Washington, D.C. 20015.
B. Whitney-Fidalgo Seafoods, Inc., 2360 West Commodore Way, P.O. Box 99008, Seattle, Wash.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Occidental Life Insurance Co., 12th Street at Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. Paul Revere Corp., Worcester, Mass. 01808.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $275.

A. Lydia Bitter, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $170. E. (9) $170.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $29.65.

A. Edwin C. Bliss, 1462 Teal Drive, Sunnyvale, Calif. 94087.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $550. E. (9) $129.74.

A. Richard W. Bliss, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $90. E. (9) $225.

A. Jerald Blizin, Hill & Knowlton, Inc., 1425 K Street, NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y., 10017.

A. Blumberg, Singer, Ross, Gottesman & Gordon, 245 Park Avenue, New York, N.Y. 10017.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10017.
D. (6) $6,000.

A. Tersh Boasberg, 1225 19th Street, NW., Suite 602, Washington, D.C. 20036.
B. Preservation Action, 1225 19th Street, NW., Suite 602, Washington, D.C. 20036.
E. (9) $100.

A. Seth M. Bodner, 1101–15th Street NW., Suite 803, Washington, D.C. 20005.
B. Lead-Zinc Producers Committee, 1101 15th Street NW.—Suite 803, Washington, D.C. 20005.
D. (6) $625. E. (9) $79.55.

A. Becky Bogard, 2000 Florida Avenue, NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.
D. (6) $145.

A. Christie K. Bohner, 900 Seventeenth Street, NW., Suite 1000, Washington, D.C. 20006.
B. Kaiser Industries Corporation, 900 17th Street NW., Washington, D.C.
D. (6) $50. E. (9) $40.

A. Phyllis O. Bonanno, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $30. E. (9) $6.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C., 20007 (1600 Wilson Boulevard, Arlington, Va.).
D. (6) $500. E. (9) $24.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150–17th Street, NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon St., Charlotte, N.C. 28285.
D. (6) $851.60. E. (9) $195.80.

A. Charles G. Botsford, 1730 M Street, Northwest, Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street, NW, Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.
D. (6) $3,000. E. (9) $1,223.95.

A. Kenneth J. Bousquet, 2021 K Street, NW, Suite 709, Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,600. E. (9) $385.

A. Frank J. Bowden, Jr., c/o Associated Petroleum Industries of Pa., a Division of API, Post Office Box 925; Harrisburg, Pa. 17108.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.
D. (6) $568. E. (9) $308.41.

A. Robert R. Bowers, West Virginia Petroleum Council, Div. of API, Suite 714 Atlas Building, Charleston, W. Va. 25301.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.
D. (6) $559. E. (9) $511.40.

A. Edward L. Bowley, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO 817 14th Street, NW., Washington, D.C. 20005.
D. (6) $9,226.45. E. (9) $1,437.09.

A. Richard P. Bowling, 1616 P Street, NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street, NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $132.07.

A. Boyden, Kennedy, Romney & Howard, 1000 Kennecott Building, Salt Lake City, Utah 84133.
B. Zuni Indian Tribe, Zuni, New Mex.
D. (6) $17,817.70. E. (9) $5,269.14.

A. Melvin J. Boyle, International Brotherhood of Electrical Workers, 1125 15th Street, NW., Washington, D.C. 20005.
B. International Brotherhood of Electrical Workers, AFL–CIO–CLC (Labor Union), 1125 15th Street, NW., Washington, D.C. 20005.
D. (6) $8,500.

A. Frank W. Bradley, Suite 1204, 1700 K Street, NW., Washington, D.C. 20006.
B. Chevron Oil Co., Subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.
E. (9) $100.

A. Charles N. Brady, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $21.

A. Joseph E. Brady, 5018 East Summer Moon Lane, Phoenix, Ariz. 85044.
B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $988.64. E. (9) $213.65.

A. Jacques Bramhall, Jr., 199 Cherry Hill Road, Parsippany, N.J. 07054.
B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.
D. (6) $1,250.

A. Robert M. Brandon, Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,000.

A. John Henry Brebbia, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. National Data Corp., One National Data Plaza, Atlanta, Ga. 30329.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.
B. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $2,959.99. E. (9) $54.32.

A. Claude S. Brinegar.
B. Union Oil Co. of California; 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $200.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.
B. National Agricultural Chemicals Association.
D. (6) $43.75. E. (9) $6.75.

A. Wally Briscoe.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $912.50. E. (9) $110.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island, Avenue NW., Washington, D.C. 20036.
B. Anti-Defamation League of B'nai B'rith, 315 Lexington Avenue, New York, N.Y. 10016.
D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street, NW., Suite 810, Washington, D.C. 20036.
B. Federation of American Hospitals, 1101 17th Street, NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500.

A. David W. Broome, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $600. E. (9) $76.

A. Charles B. Brown, 900 17th Street, NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street, NW., Washington D.C.
D. (6) $190. E. (9) $6.30.

A. Donald K. Brown, 1127 11th Street, Suite 525, Sacramento, Calif. 95814.
B. Hughes Air Corp., 3125 Clearview Way, San Mateo, Calif. 94403.

A. Donald K. Brown, 1127 11th Street, Suite 525, Sacramento, Calif. 95814.
B. Summa Corp., Post Office Box 309, Las Vegas, Nev. 89101.
E. (9) $70.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.

B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.

D. (6) $3,000. E. (9) $1,010.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.

B. National Association of Life Sciences, 1710 Chapman Avenue, Rockville, Md. 20852.

D. (6) $625. E. (9) $35.

A. J. D. Brown, 2600 Virginia Avenue, NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue, NW., Washington, D.C. 20037.

D. (6) $400.

A. Michael F. Brown.

B. American Frozen Food Institute, 919 18th Street, NW., Washington, D.C. 20006.

D. (6) $200. E. (9) $50.

A. Brownstein, Zeidman, Schomer and Chase, Suite 900, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

B. Council of Housing Producers, 9255 Sunset Boulevard, Eighth Floor, Los Angeles, Calif. 90069.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue, NW., Washington, D.C. 20036.

B. International Foodservice Manufacturers Association, One East Wacker Drive, Chicago, Ill. 60601.

A. Brownstein, Zeidman, Schomer, and Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Massachusetts Bankers Association, 125 High Street, Boston, Mass.

E. (9) $20.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Restaurant Association, Suite 2600, One IBM Plaza, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, Suite 900, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. PruLease, Inc., 1255 Boylston Street, Boston, Mass.

E. (9) $30.80.

A. Lawrence E. Bruce, Jr., Mortgage Bankers Association of America, 1125 15th Street, NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $3,750. E. (9) $10,091.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Gary W. Bruner, G. D. Searle & Co., 1750 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.

D. (6) $20.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. District No. 1—Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

D. (6) $990. E. (9) $330.94.

A. George S. Buck, Jr., P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.

D. (6) $2,000. E. (9) $324.45.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $350. E. (9) $14.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.

B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill., 60076.

D. (6) $3,375. E. (9) $136.49.

A. William J. Burhop, 133 C Street SE., Washington, D.C., 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $2,250.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

D. (6) $18.95. E. (9) $0.20.

A. Burley and Dark Leaf Tobacco Export Assn., 1100 17th Street NW., Washington, D.C.

D. 6. $5,406.88. E. (9) $672.45.

A. Phillip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. 6. $693.75. E. (9) $35.

A. George Burnham IV, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. 6. $104. E. 9. $103.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.

A. James L. Burridge, 10 Hardwicke Place, Rockville, Md. 20850.

B. FMC Corp., 1625 I Street NW., Suite 520, Washington, D.C. 20006.

D. 6. $1,000. E. 9. $301.

A. Carol Burris, 1345 G Street SE., Washington, D.C. 20003.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

D. 6. $100. E. 9. $33.50.

A. Richard M. Bush, Pacific Northwest Power Co., Suite 501, Barr Building, Washington, D.C. 20006.

B. Pacific Northwest Power Co.

D. (6) $600. E. (9) $660.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.

D. (6) $1,329.68. E. (9) $740.53.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $1,625. E. (9) $378.85.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: Cabot Corp.), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: The Dealer Bank Association), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: Insurance Association of Connecticut), Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: Encyclopaedia Britannica, Inc.), 815 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: Jos. Schlitz Brewing Co.), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Foley, Lardner, Hollabaugh & Jacobs (for: United States Steel Corp.; Bethlehem Steel Co.; Inland Steel Co.; Freeport Minerals Co.; Hanna Mining Co.; and AMAX); 815 Connecticut Avenue NW., Washington, D.C. 2006.

A. M. Douglas Caddy, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.

D. (6) $2,000. E. (9) $231.08.

A. Gordon L. Calvert, New York Stock Exchange, 1800 K Street NW., Washington, D.C. 20006.

B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

D. (6) $1,000. E. (9) $510.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.

B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.

D. (6) $1,000. E. (9) $50.

A. John H. Callahan, 1126 16th Street NW., Washington, D.C. 20036.

B. International Union of Electrical, Radio and Machine Workers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $875. E. (9) $240.

A. Arther E. Cameron, 918 16th Street NW., Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal, 736 Federal Street, Davenport, Iowa 52803.
D. (6) $4,000.

A. Arthur E. Cameron, 918 16th Street NW., Washington, D.C. 20006.
B. Prismo Universal Corp, et al.
D. (6) $3,996.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La. 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.
D. (6) $1,500.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $397.73.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va.

A. Sharyn G. Campbell, 1620 I Street NW., Suite 603, Washington, D.C. 20006.
B. National BankAmericard Inc., 1620 I Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2,505.84.

A. W. Dean Cannon, Jr., 9800 S. Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
B. California Savings and Loan League, 9800 S. Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
D. (6) $1,500.

A. David L. Cantor, 1140 Conn., Ave., NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Conn., Ave. NW., Suite 1010, Washington, D.C. 20036.
D. (6) $387.50. E. (9) $87.89.

A. Marvin Caplan, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,717.30. E. (9) $105.90.

A. Caplin & Drysdale, 1101 17th Street, NW., Suite 1100, Washington, D.C. 20036.
B. Aetna Life and Casualty, et al.
D. (6) $23,275. (9) $342.

A. Caplin & Drysdale, 1101 17th Street, NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, New York 10019.
D. (6) $1,351.35. E. (9) $19.75.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 900 17th Street NW., Room 505, Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Association, 30/32 St. Mary Axe, London, EC3A 8ET, England.
D. (6) $5,000. E. (9) $408.03.

A. Cardon Sanders & Ferrell, 1776 F Street NW., Washington, D.C. 20006.
B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C., 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. (9) $375.

A. Philip Carlip, Seafarers International Union, 675 Fourth Avenue, Brooklyn, NY. 11232.
B. Seafarers International Union.
D. (6) $2,500. (9) $1,829.45.

A. Austin B. Carlson, National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,336.92.

A. Elizabeth Carpenter, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. L. C. Carpenter, Midcontinent Farmers Association, 201 South 7th Street, Columbia, Mo. 65201.
B. Midcontinent Farmers Association.
D. (6) $5,299.32. E. (9) $676.13.

A. Henry A. Carrington, National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. David C. Carter, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.
B. U.S. Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Jared G. Carter, Post Office Box 720, Ukiah, California 95482.
B. Gulf Interstate Engineering Company, P.O. Box 1916, Houston, Tex. 77001.
D. (6) $2,500.

A. Frank H. Case III, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $200. E. (9) $75.

A. John L. Casey, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. James B. Cash, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Amercan Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036
D. (6) $4,000. E. (9) $51.30.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.
B. South African Sugar Association, P.O. Box 507, Durban, South Africa.
D. (6) $27,500. E. (9) $1,673.78.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
E. (9) $156.23.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $200. E. (9) $202.13.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. $1,875.

A. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
E. (9) $4,054.41.

A. James Ciarrocchi, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee.
D. (6) $680. E. (9) $118.

A. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $113,030.45.

A. Citizens Committee for the Right to Keep & Bear Arms, 1601 114th SE., Suite 151, Bellevue, Wash. 98008.
D. (6) $182,976.20. E. (9) $22,380.09.

A. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $515. E. (9) $8,792.03.

A. Charles E. Chace, Nebraska Petroleum Council, A Division of API, 334 South 13th Street, Lincoln, Neb. 68508.
B. Amercan Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. J. M. Chambers & Company, Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,181.25.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. Justice M. Chambers, 2300 Calvert Street, Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $1,594.35.

A. Ray B. Chambers, 1776 F Street NW., Suite 303, Washintgon, D.C. 20006.
B. Bangor and Aroostook Railroad, Bangor, Maine 04401.
D. (6) $3,000. E. (9) $918.94.

A. Ray B. Chambers, 1776 F Street NW., Suite 303, Washington, D.C. 20006.
B. Boston and Maine Railroad, North Billerica, Mass. 01862.
D. (6) $3,000. E. (9) $918.94.

A. Ray B. Chambers, 1776 F Street NW., Suite 303, Washington, D.C. 20006.
B. Rock Island RR., LaSalle Street Station, Chicago, Ill.
D. (6) $3,000. E. (9) $918.94.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 W. Grand Blvd., Detroit, Mich. 48202.
D. (6) $3,000. E. (9) $2,999.74.

A. John E. Chapoton, 2100 First City National Bank Bldg., Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Bldg., Houston, Tex. 77002 (for: Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y. 10017).
E. (9) $152.60.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.

B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 7002 (for: Domestic Wildcatters Association, 900 First City Bank Building, Houston, Tex. 77002).

D. (6) $20,000. E. (9) $16.29.

A. Leslie Cheek, III, American Insurance Association, 1025 Connecticut Avenue NW. (Suite 415), Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW. (Suite 415), Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C. 20010.

D. (6) $205. E. (9) $160.29.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.

B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $3,000.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $1,810. E. (9) $19.22.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. 6. $185.91. E. 9. $60.25.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M. Street NW., Washington, D.C. 20036.

D. 6. $5,500.02. E. 9. $264.90.

A. Robert M. Clark, The Atchison, Topeka and Sante Fe Railway Company, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Atchison, Topeka and Sante Fe Railway Company, 80 East Jackson Boulevard, Chicago, Illinois 60604.

D. 6. $2,000. E. 9. $300.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.

D. 6. $550. E. 9. $448.

A. Clark, West, Keller, Sanders & Butler, 2424 First National Bank Building, Dallas, Tex. 75202.

B. National Music Publishers' Association, Inc., 110 East 59th Street, New York, New York 10022.

D. 6. $1,500. E. 9. $450.

A. Clay Pipe Industry Depletion Committee, P.O. Box 6, Pittsburg, Kans. 66762.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $1,051.90.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Colonial Sugar Refining Co., Ltd., 1–7 O'Connell Street, Sydney, Australia.

E. (9) $119.70.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010; Standard Oil of Calif., 225 Bush Street, San Francisco, Calif., 94120; Standard Oil Co. (Ind.), P.O. Box 5910A, Chicago, Ill. 60680; Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

D. (6) $1,160. E. (9) $52.70.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.

D. (6) $450. E. (9) $40.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.

D. (6) $52.50. E. (9) $67.12.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Liggett & Myers Inc., 4100 Roxboro Road, Durham, N.C. 27702.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Lorillard, Division of Loews Theatres, Inc., 200 East 42d Street, New York 10017.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. R. J. Reynolds Industries, Inc. (Tobacco division), Winston-Salem, N.C, 27102.

E. (9) $70.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

E. (9) $105.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.

E. (9) $84.48.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Australian Meat Board, 30 Grosvenor Street, Sydney, N.S.W., Australia.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

D. (6) $3,045. E. (9' $613.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. National Railroad Passenger Corp. (Amtrak) 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y., New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.

D. (6) $1,125. E. (9) $226.25.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Teleprompter Corp., 50 West 44th Street, New York, N.Y. 10036.

E. (9) $10.75.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $13.20.

A. Coalition for Fair Copyright Protection, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $2,874.23. E. (9) $2,824.23.

A. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.

D. (6) $2,400.

A. Coalition of Private University Students, 1730 Rhode Island Avenue, Suite 500, Washington, D.C. 20036.

D. (6) $2,004. E. (9) $1,948.69.

A. Grover B. Cobb, Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

E. (9) $3,175.43.

A. John J. Coffey, Suite 793, 1801 K Street NW., Washington, D.C. 20006.

B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.

D. (6) $825.

A. Jeffery Cohelan, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.

D. (6) $1,080.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,125. E. (9) $734.49.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.

B. National Congress of Petroleum Retailers, Suite 301, 2021 K Street NW., Washington, D.C.

D. (6) $3,000.

A. Cohen & Uretz, 1775 K Street NW., 4th Floor, Washington, D.C. 20006.

B. PHM & Co., 1300 EDS Center, Exchange Park, Dallas, Tex. 75235.

E. (9) $60.89.

A. Cohen & Uretz, 1775 K Street NW., 4th Floor, Washington, D.C. 20006.

B. United Service Organizations, Inc., 237 East 52d Street, New York, N.Y. 10022.

A. Timothy A. Colcord, 1620 I Street NW., Washington, D.C. 20006.

B. National Bank Americard, 555 California Street, San Francisco, Calif., 94126.

D. (6) $6,875. E. (9) $8,240.21.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. The Chase Manhattan Bank, N.A., One Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $1,693.45. E. (9) $365.80.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $408. E. (9) $2.35.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.

A. Eleanor Cole, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

D. (6) $1,000. E. (9) $1,000.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp.

D. (6) $2,500. E. (9) $356.11.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $68.20.

A. Stacey W. Cole, New Hampshire Petroleum Council, 23 School Street, Concord, N.H. 03301.

B. American Petroleum Institute, 1601 K Street NW., Washington, D.C. 20006.

D. (6) $96.54. E. (9) $173.01.

A. William Cole.

B. Union Oil Company of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

D. (6) $300. E. (9) $45.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Committee of American Tanker Owners, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Independent U.S. Tanker Owners Committee, Suite 510, 1612 K Street NW., Washington, D.C. 20006.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Academy of General Dentistry, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $3,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Cardio Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $9,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

D. (6) $12,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Guild of Authors and Composers).

D. (6) $300.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Imported Automobile Dealers Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Society of Association Executives).

D. (6) $675.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Association of Trial Lawyers of America).

D. (6) $300.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: National Industry Associations).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: National Association of Engine and Boat Manufacturers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Reading Co.).

D. (6) $375.

A. Marvin K. Collie, 2201 First City National Bank Building, Houston, Tex. 77002.

B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (for: Brown & Root, Inc., P.O. Box 3, Houston, Tex. 77001).

E. (9) $350.

A. Collier, Shannon, Rill & Edwards, Suite 701, 1666 K Street NW., Washington, D.C. 20006.

B. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $50.

A. Collier, Shannon, Rill and Edwards, Suite 701, 1666 K Street NW., Washington, D.C. 20006.

B. American Footwear Industries Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.

D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.

D. (6) $1,566.40. E. (9) $3,071.07.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Broiler Council 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $300.

A. Collier, Shannon, Rill & Edwards, Suite 701, 1666 K Street NW., Washington, D.C. 20006.

B. Tool & Stainless Steel Industry Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $1,250. E. (9) $525.

A. Robert B. Collyer, UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc.

D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.

B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

A. Committee For Do-It-Yourself, Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.

D. (6) $6,711.31. E. (9) $6,711.31.

A. Committee for a Healing Repatriation, 604 East Armory Avenue, Champaign, Ill. 61820.

E. (9) $12.94.

A. Committee for Humane Legislation, Inc., 910 16th Street NW., Washington, D.C. 20006.

D. (6) $31,005.93. E. (9) $20,518.52.

A. Committee for Jobs Through Economic Development, 1006 State Street, Erie, Pa. 16501.

D. (6) $1,850. E. (9) $3,132.64.

A. Committee on Strikes in Transportation, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,417,217.43. E. (9) $317,460.08.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,831.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $100. E. (9) $23.50.

A. Robert A. M. Conley, 6640 Old Dominion Drive, McLean, Va. 22101.

B. Coalition for Fair Copyright Protection, 1920 L Street NW., Washington, D.C. 20036, Room 700.

A. Ross Conlin, Chessie System, 840 Washington Building, 15th Street and New York Avenue NW., Washington, D.C. 20005.

B. Chessie System Inc., Terminal Tower, Cleveland, Ohio 44101.

D. (6) $2,000. E. (9) $1,000.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $883.86. E. (9) $883.86.

A. Robert J. Conner, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Chrysler Corp., 12000 Oakland Avenue, Highland Park, Mich. 48231.
D. (6) $500. E. (9) $610.58.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.

A. Consolidated Natural Gas Service, Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. Bernard J. Conway, 211 East Chicago Avenue, Chicago, Ill., 60611.
B. American Dental Association, 211 East Chicago Avenue, Chicago, Ill. 60611.
D. (6) $2,600.

A. Charles F. Cook, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $206.03. E. (9) $9.25.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.
B. M&I Marshall & Ilsley Bank, 770 N. Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, P.O. Box 566, Montpelier, Vt. 05602.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $722.67. E. (9) $277.88.

A. Howard Lee Cook, Jr., American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,575. E. (9) $513.

A. James A. Cook, Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.
B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif., 90250.
E. (9) $1,325.

A. Eileen D. Cooke, 110 Maryland Avenue NE., Suite 101, Washington, D.C. 20002.
B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $693.30.

A. Edward Cooper, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. Jesse D. Cooper, North Dakota Petroleum Council, Division of API, P.O. Box 1395, Bismarck, N. Dak. 58501.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $215. E. (9) $397.64.

A. Joshua W. Cooper, 626 S. Lee Street, Alexandria, Va. 22314.
B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, NH. 03801.
D. (6) $2,500. E. (9) $996.78.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.
B. Council of Forest Industries, 1055 W. Hastings St., Vancouver 1, Canada.
D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C.
B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $7,500.

A. Samuel Cooper III, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $312.50. E. (9) $40.

A. Cooperative League of the U.S.A. 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $1,118.

A. Darrell Coover, Suite 1001, 1625 I Street NW., Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $278.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $975. E. (9) $87.50.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $550. E. (9) $43.70.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14380.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International, Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $5,534.

A. Eugene E. Cortright, Cities Service Company, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Company, 1660 L Street NW., Washington, D.C. 20036.

A. John E. Cosgrove, Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $6,904.07.

A. David Cosson, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Bertram Robert Cottine, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Council For A Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $40,039.06. E. (9) $29,557.35.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $7,448.20.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $901.50. E. (9) $144.26.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washintgon, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of American Publishers, Inc., 1920 L Street NW., Suite 750, Washington, D.C. 20036.
E. (9) $41.20.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071; BP Alaska Inc., 100 Pine Street, San Francisco, Calif. 94111; Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020; Standard Oil Co. (Ohio), Midland Building, Cleveland Ohio 44115.
D. (6) $60.91.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Business Men's Assurance Co. of America, BMA Tower, 1 Penn Valley Park, Kansas City, Mo. 64141.
E. (9) $87.01.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Eli Lilly & Co., P.O. Box 618, Indianapolis, Ind. 46206.
E. (9) $75.36.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $333.31.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., 1 Wall Street, New York, N.Y. 10015.
D. (6) $1,000.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, c/o HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.
D. (6) $21,000. E. (9) $81.37.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.
E. (9) $2.31.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
E. (9) $27.27.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., P.O. Box 1537, Salisbury, Md. 21801.
E. (9) $48.20.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.
E. (9) $1.61.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, D.C. 20036.
D. (6) $66. E. (9) $66.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, Inc., 515 Busse Highway, Park Ridge, Ill. 60068.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Association of Research Libraries, 1527 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Cox, Langford & Brown, 21 Dupont Circle NW., Washington, D.C. 20036.
B. National Collegiate Athletic Association, U.S. Highway 50 and Nall Avenue, P.O. Box 1906, Shawnee Mission, Kans. 66222.
D. (6) $4,130. E. (9) $35.70.

A. William M. Crane, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. William D. Crawford, 400 First Street NW., No. 820, Washington, D.C. 20001.
B. Brotherhood Railway Carmen of the United States and Canada, 4929 Main Street, Kansas City, Mo. 64112.
D. (6) $1,410.

A. Joseph M. Cribben, 3104 Valley Lane, Falls Church, Va. 22044.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue NW., Washington, D.C.
D. (6) $1,750. E. (9) $111.55.

A. P. H. Croft, American Short Line Railroad Association.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $999.99. E. (9) $1,175.71.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
B. Brotherhood of Maintenance of Way Employes.

A. Jack A. Crowder, American Textile Manufacturers Institute, Suite 1001, 1150 17th Street N.W., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $1,500. E. (9) $68.70.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Barry M. Cullen.
B. International Paper Co., Suite 700, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $200. E. (9) $120.

A. William E. Cumberland, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $394. E. (9) $1,986.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.
E. (9) $6,586.

A. Henry E. Cunningham, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C. 20006.

A. John T. Curran, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $11,457.69. E. (9) $1,595.32.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326
E. (9) $15,091.84.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,250. E. (9) $71.50.

A. John Jay Daly, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc..
D. (6) $5,000. E. (9) $1,900.

A. Thomas A. Daly, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.
D. (6) $3,000. E. (9) $119.97.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.
B. Japan Lumber Importers Association, Tokyo, Japan.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, % Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $50. E. (9) $23.50.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $105. E. (9) $105.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C.
E. (9) $3.12.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $341.25.

A. Richard C. Darling, 1156 Fifteenth Street NW., Washington, D.C. 20005.
B. J. C. Penney Company, Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $480. E. (9) $400.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $216.

A. Philip J. Daugherty.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,632.80. E. (9) $46.85.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
E. (9) $55.70.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
D. (6) $160.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $375.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $345. E. (9) $55.70.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,515. E. (9) $319.82.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $67.70.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
E. (9) $216.98.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co., One East Wacker Drive, Chicago, Ill. 60601.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $170.

A. David R. Davis, Indiana Petroleum Council, Division of API, 714 Harrison Office Building, 151 W. Market Street, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $653.84. E. (9) $376.73.

A. George R. Davis, Amalgamated Transit Union, Local Division 689, 100 Indiana Ave., NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, Natl. Capt. Local Div. 689, 100 Indiana Ave. NW., No. 403, Washington D.C. 20001.

A. Ovid R. Davis, c/o The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Georgia, 30301.
B. The Coca-Cola Company, P.O. Drawer 1734, Atlanta, Georgia 30301.
D. (6) $1,200. E. (9) $190.

A. Thomas A. Davis, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $1,560. E. (9) $195.97.

A. Thomas A. Davis, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. Chicago Board of Trade, LaSalle at Jackson, Chicago, Illinois 60604.
D. (6) $1,875. E. (9) $25.60.

A. Thomas A. Davis, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. Florida Power and Light Company, P.O. Box 013100, Miami, Florida 33101.
D. (6) $1,500. E. (9) $28.85.

A. Thomas A. Davis, 1776 F Street NW., No. 108, Washington, D.C. 20006.
B. Jockey's Guild, Inc., 555 Fifth Avenue, New York, N.Y. 10017.
E. (9) $64.44.

A. Walter L. Davis, Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Davis, Wright, Todd, Riese & Jones, 4200 Seattle-First National Bank Building, Seattle, Wash. 98154.
B. Inupiat Community of the Arctic Slope, Arctic Slope Regional Corporation, Arctic Slope Native Association, P.O. Box 566, Barrow, Alaska 99723.
D. (6) $125. E. (9) $1,244.11.

A. P. M. Davison, Jr., Public Relations Representaitive, 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.
B. North Dakota Railway Lines.

A. Daniel P. Dawson, Standard Oil Co. (Indiana), 200 E. Randolph, M.C. 3101, Chicago, Ill. 60601.
B. Standard Oil Co. (Indiana), 200 E. Randolph Drive, M.C. 3101, Chicago, Ill. 60601.
D. (6) $496. E. (9) $385.98.

A. Charles W. Day, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $325. E. (9) $170.

A. J. Edward Day, 21 Dupont Circle N.W., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Tony T. Dechant.
B. The Farmers' Educational & Cooperative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $36.26.

A. John L. Delano—Montana Railroad Association, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $183.15.

A. John H. Denman, Missouri Oil Council, a Division of API, 208 Madison Street, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $847. E. (9) $431.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C.
B. Flavor & Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, New York, N.Y. 10006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. O'Brien Associates, 2700 Calvert Street NW., Suite L–517, Washington, D.C. 20008.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $185.

A. Ralph B. Dewey, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $2,227.50. E. (9) $903.14.

A. Charles J. DiBona, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. John M. Dickerman & Associates, 1730 Rhode Island Avenue, NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $7,302.65. (9) $116.69.

A. Annette Dickinson, Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
D. (6) $3,750.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Committee for Marysville Dam, P.O. Drawer B, Marysville, Calif. 95902.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,338.64. E. (9) $138.64.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $51,481.72. E. (9) $51,481.72.

A. District of Columbia Bankers Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $19,343.90. E. (9) $6,401.56.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., No. 701, Washington, D.C. 20036.
D. (6) $5,197.50.

A. Robert C. Dolan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Co., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $198. E. (9) $93.39.

A. Cushing N. Dolbeare, 517 Westview Street, Philadelphia, Pa. 19119.
B. National Rural Housing Coalition, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $21,000. E. (9) $54,027.11.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio Corp.), Midland Building, Cleveland, Ohio 44115.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $15.75.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $437.48. E. (9) $206.93.

A. Richard Morgan Downey, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,875.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $865. E. (9) $160.

A. Andrew Drance, Room 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $759. E. (9) $112.65.

A. Wilbur B. Dronen, Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.
D. (6) $1,000. E. (9) $777.63.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Macmillan, Inc., 1730 Rhode Island Avenue NW, Washington, D.C. 20036.
D. (6) $400. E. (9) $455.29.

A. Franklin B. Dryden.
B. The Tobacco Institute, Inc., 1776 K Street, NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $300.

A. Morgan D. Dubrow, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.

D. (6) $115.

A. Robert A. DuLong, 1421 Peachtree Street, NE., Suite 201, Atlanta, Ga. 30309.

B. National Association of Manufacturers, 1776 F Street, NW., Washington, D.C. 20006.

D. (6) $2,937.50.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Company, 515 South Flower Street, Los Angeles, Calif. 90071.

E. (9) $150.

A. M. L. DuMars, 2000 Florida Ave. NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $60.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.

B. Northern Natural Gas Company, 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $1,500.

A. Bruce Dunton, 1126 16th Street NW., Washington, D.C. 20036.

B. Textile Workers Union of America, 99 University Place, New York, N.Y. 10003.

D. (6) $4,225. E. (9) $100.

A. J. D. Durand, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

E. (9) $470.

A. Henry I. Dworshak, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jean F. Dye, 2466 Stratford Road, Cleveland Heights, Ohio 44118.

B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $889.36.

A. Jack D. Early, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.

B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. George T. Esherick, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $20. E. (9) $28.

A. Robert E. Ebel, Lone Star Gas Co., 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.

B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,450. E. (9) $1,071.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 E. 42d Street, New York, N.Y. 10017.

D. (6) $1,500. E. (9) $30.85.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) $1,531.25.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $712.50.

A. John P. Edwards, 1030 15th Street NW., No. 720, Washington, D.C. 20005.

B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.

D. (6) $2,500. E. (9) $1,684.78.

A. Jonathan W. Edwards, 429-B New Jersey Avenue SE., Washington, D.C. 20003.

B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Jonathan W. Edwards, 429-B New Jersey Avenue SE., Washington, D.C. 20003.

B. Portland General Electric Co., 621 Southwest Alder Street, Portland, Oreg. 97205.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $437.50. E. (9) $15.28.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

D. (6) $400. E. (9) $135.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.

B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.

D. (6) $165.

A. Harmon L. Elder, 2000 L Street NW., Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C. (for: United States Industrial Council, Nashville, Tenn.).

D. (6) $250. E. (9) $104.76.

A. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex. 75230.

E. (9) $60.

A. J. Burton Eller, Jr., National Press Building, Suite 1015, 14th and F Streets NW., Washington, D.C. 20045.

B. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.

D. (6) $1,000.

A. Charles W. Elliott, Wisconsin Petroleum Council, Division of API, 25 West Main Street Room 703, Madison, Wis. 53703.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $439.44. E. (9) $368.65.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

D. (6) $1,224.35. E. (9) $874.87.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $7,930.01. E. (9) $8,748.16.

A. Richard W. Emory, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $18.67.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

E. (9) $781.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $235.

B. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.

B. Bob Hoffman, York Barbell Co., York, Pa. 17405.

D. (6) $1,950. E. (9) $305.15.

A. Steven L. Engelberg, 1737 DeSales Street NW., Suite 400, Washington, D.C. 20036.

B. American Association of Marriage & Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.

D. (6) $2,499. E. (9) $59.90.

A. Susan M. Engelhart, 1920 L Street NW., Suite 750, Washington, D.C. 20036.

B. Association of American Publishers, Inc., 1920 L Street NW., Washington, D.C. 20036.

D. (6) $1,250. E. (9) $150.

A. John R. Englehorn, P.O. Box 948, Stamford, Conn. 06904.

B. Texasgulf, Inc., 200 Park Avenue, New York, N.Y.

D. (6) $2,031.26. E. (9) $824.42.

A. M. Dale Ensign, 1625 I Street NW., Washington, D.C.

B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.

E. (9) $200.

A. Grover W. Ensley, National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $552.

A. Glenn R. Erickson, SMACNA, 8224 Old Courthouse Road, Tysons Corner, Vienna, Va. 22180.

B. Sheet Metal and Air Conditioning Contractors' National Association, Inc., 8224 Old Courthouse Road, Tysons Corner, Vienna, Va. 22180.

D. (6) $900. E. (9) $450.

A. John L. Erickson, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $580. E. (9) $203.22.

A. Brock Evans, Sierra Club, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.

D. (6) $7,000. E. (9) $63.25.

A. David C. Evans, Suite 404, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Robert D. Evans, 1800 M Street NW., Second Floor, Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.
B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $25.

A. Robert J. Falasca, 1030 15th Street NW., Washington, D.C.
B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C.
D. (6) $375.

A. Thomas B. Farley II, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,350. E. (9) $31.20.

A. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $66,790. E. (9) $36,768.69.

A. R. Roy Fausset, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42 Street, New York, N.Y. 10017.
D. (6) $300.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $453.31. E. (9) $453.31.

A. Federation of American Hospitals, 1001 17th Street NW., Suite 810, Washington, D.C. 20036.
D. (6) $4,500. E. (9) $4,500.

A. Stuart F. Feldstein.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,930. E. (9) $150.

A. Kenneth E. Feltman, 205 West Wacker Drive, Suite 1822, Chicago, Ill. 60606.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,281.25. E. (9) $4.85.

A. Carol Fielders, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.
B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $8,958.93. E. (9) $8,958.93.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.
D. (6) $8,882.05. E. (9) $245.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.
B. Joint Committee of Printing and Publishing Industries of Canada, Suite 1001, 150 Ferrand Drive, Don Mills, Ontario M3C 1H6, Canada.
D. (6) $3,000. E. (9) $200.

A. Francis S. Filbey, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $6,443.45.

A. Maurice W. Fillius, 5040 Lowell Street NW., Washington, D.C. 20016.
B. Bacardi Imports, Inc., 2100 Biscayne Boulevard, Miami, Fla. 33137; Castleton Beverage Corp., P.O. Box 26368, Jacksonville, Fla. 32218.
E. (9) $126.15.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $14. E. (9) $6.60.

A. Luke W. Finlay, Jr., 5506 Pollard Road, Washington, D.C. 20016.
B. Lawyers Co-operative Publishing Co., Rochester, N.Y.

A. James W. Finley, Crown Zellerbach, 1660 L Street NW., suite 915, Washington, D.C. 20036.
B. Crown Zellerbach, 1 Bush Street, San Francisco, Calif. 96119.
E. (9) $250.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $13,139.75. E. (9) $14,466.83.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., suite 107, Washington, D.C. 20037.
D. (6) $1,100. E. (9) $300.

A. John B. Fisher, Suite 500, 1629 K Street NW., Washington, D.C. 20006.
B. National Employment Association, 2000 K Street NW., Washington, D.C. 20006.
D. (6) $2,200. E. (9) $200.

A. Susan Garber Flack, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C.
D. (6) $2,000. E. (9) $275.

A. William J. Flaherty, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $8,750.

A. James J. Flanagan, 20 Turnpike Road, Westborough, Mass. 01581.
B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.
D. (6) $320.95. E. (9) $585.52

A. James F. Fleming, United Egg Producers, 991 National Press Building, Washington, D.C.
B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.
D. (6) $1,000.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000 E. (9) $776.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Cabot Corp. & Subsidiaries, 125 High Street, Boston, Mass. 02110.
D. (6) $400 E. (9) $4.92.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.
D. (6) $960.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Encyclopedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.
D. (6) $6,925. E. (9) $560.01.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Jos. Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53201.
D. (6) $1,000.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., et al.
D. (6) $1,800. E (9) $4.29.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.
B. Minnesota Railroads Association.
D. (6) $500.

A. Tim C. Ford, Glass Container Mfg. Institute, Inc., 1800 K Street NW., Washington, D.C. 20006.
B. Glass Container Manufacturing Institute,, Inc., 1800 K Street NW., Washington, D.C. 20006.
E. (9) $554.18.

A. Forest Farmers Association, 4 Executive Park East, N.E., Atlanta, Georgia 30329.

A. James W. Foristel, 1776 K Street, N.W., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Illinois 60610
D. (6) $2,300. E. (9) $270.

A. John S. Forsythe, American Life Insurance Association, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $80. E. (9) $40.

A. Francis C. Fortune, Suite 107–1101 New Hampshire Avenue NW., Washington, D.C. 20037.
E. (9) $36.25.

A. David H. Foster, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee.
D. (6) $2,062.50. E. (9) $719.28.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.
B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702.
D. (6) $1,176. E. (9) $482.56.

A. John G. Fox, 2000 L Street NW., Washington, D.C. 20036.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.
E. (9) $4.

A. Ron Frank, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $16.50.

A. Walter L. Frankland, Jr., 1717 K Street NW., Washington, D.C. 20006.
B. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
D. (6) $856.33. E. (9) $299.15.

A. Donald A. Frederick, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $590. E. (9) $19.65.

A. Robert M. Frederick, The National Grange, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $5,961.80.

A. Harry L. Freeman, American Express Co., 1701 K Street NW., Washington, D.C. 20006.

B. American Express Co., 65 Broadway, New York, N.Y. 10006.

D. (6) $550.

A. James O. Freeman, 1709 New York Ave. NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,500. E. (9) $40.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $200. E. (9) $10.

A. George L. Frick, c/o Delaware Oil Men's Association, A Division of API, 437 North DuPont Highway, Dover, Del. 19901.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $183.33. E. (9) $51.50.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Border Patrol Council, c/o Richard D. Brannick, R.F.D. #2, Dexter, N.Y. 13634.

D. (6) $90.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $450. E. (9) $209.27.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $837.50. E. (9) $36.94.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. LTV Aerospace Corp., P.O. Box 5907, Dallas, Tex. 75222.

D. (6) $5,389. E. (9) $10,393.14.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Navajo Tribe, Window Rock, Ariz.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Nez Perce Tribe, Lapwai, Idaho.

D. (6) $1,125. E. (9) $7.75.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Pueblo of Laguna, Box 194, Laguna, N. Mex.

D. (6) $838. E. (9) $9.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Salt River Pima-Maricopa Indian Community, Route 1, Box 120, Scottsdale, Ariz.

E. (9) $5.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

D. (6) $256. E. (9) $3.50.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Seneca Nation of Indians, Box 231, Salamanca, N.Y. 14779.

E. (9) $8.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

D. (6) $150.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.

B. Lone Star Gas Co., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,000. E. (9) $278.25.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $56,078. E. (9) $14,224.

A. Owen V. Frisby, 900 Seventeenth Street NW., Washington, D.C. 20006.

B. The Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $941.88. E. (9) $4,863.97.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $800.

A. Charles H. Fritzel, 1625 I Street NW., No. 1001, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,500. E. (9) $90.

A. Cornelius F. Froeb, Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Steet NW., Washington, D.C. 20036.

D. (6) $650.

A. Paul K. Frost II, Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp.

E. (9) $94.70.

A. David C. Fullarton, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street, NW., Suite 307, Washington. D.C. 20037.

D. (6) $180.

A. Ronald K. Fuller, 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.

B. San Diego Gas & Electric Co., 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.

D. (6) $1,109.07. E. (7) $2,343.05.

A. James E. Gaffigan, American Hotel & Motel Association, 777 14th Street NW., Washington, D.C. 20005.

B. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $230.79. E. (9) $52.19.

A. Franklin L. Gage, Task Force Against Nuclear Pollution Inc., 153 E Street SE., Washington, D.C. 20003.

B. Task Force Against Nuclear Pollution Inc., 153 E Street SE., Washington, D.C. 20003.

D. (6) $576.66 E. (9) $9,108.84.

A. Mark J. Gallagher.

B. National Committee for a Human Life Amendment, Inc., Suite 400, 1707 L Street NW., Washington, D.C. 20036.

D. (6) $3,971.58 E. (9) $899.25.

A. Peter N. Gammelgard, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,500. E. (9) $1,555.78.

A. William B. Gardiner, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $7,750.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,000.02. E. (9) $780.61.

A. Edward A. Garmatz, 2210 Lake Avenue, Baltimore, Md. 21213.

B. Baltimore Gas & Electric Co., Gas and Electric Building, Baltimore, Md. 21203.

D. (6) $131.25.

A. W. Bradford Gary, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $4,250. E. (9) $100.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

E. (9) $870.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $806.25.

A. Gausewitz, Carr & Rothenberg, Suite 711, South Tower, Union Bank Square, Orange, Calif. 92668.

B. Patent Law Association of Los Angeles, Suite 2400, Equitable Plaza, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.

E. (9) $920.22.

A. Robert B. Geddie, Jr., Alabama Petroleum Council, Division of API, 660 Adams Avenue, Suite 188, Montgomery, Ala 36104.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $821.66. E. (9) $227.35.

A. Margaret L. Gehres, 1156 15th Street NW., Washington, D.C. 20005.

B. Associated Builders and Contractors, 1156 15th Street NW., Washington, D.C. 20005.

D. (6) $799. E. (9) $838.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

E. (9) $2,056.25.

A. Geothermal Resources International, Inc., Suite 503, 4676 Admiralty Way, Marina del Rey, Calif. 90291.

E. (9) $622.40.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.

B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.

D. (6) $5,778.40. E. (9) $502.39.

A. Donald H. Gerrish, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $1,262.50. E. (9) $435.96.

A. Joseph L. Gibson, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.

B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60680.

D. (6) $77.64. E. (9) $150.

A. William L. Gifford, General Electric Co. 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., Fairfield, Conn. 06431.

D. (6) $250.

A. Arthur P. Gildea, 2347 Vine Street, Cincinnati, Ohio 45219.

B. National Conference of Brewery and Soft Drink Workers (International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America) 300 South Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

E. (9) $121.89.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $1,410.

A. Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Class I Railroads in Tennessee.

A. Jay W. Glasmann, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Employee Relocation Council (ERREAC), 333 North Michigan Avenue, Chicago, Ill. 60601.

D. (6) $1,500. E. (9) $24.40.

A. Glass-Steagall Act Study Committee, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $6,000. E. (9) $7,504.85.

A. George L. Gleason, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $208.33. E. (9) $54.48.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.

B. Texas Power & Light Co., Dallas, Tex.; Texas Electric Service Co., Fort Worth, Tex.; Dallas Power & Light Co., Dallas, Tex.; Central Power & Light Co., Corpus Christi, Tex.; West Texas Utilities, Abilene, Tex.

E. (9) $1,694.26.

A. R. Kinnan Golemon, 1300 American-Bank Tower, Austin, Tex. 78701.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

E. (9) $175.53.

A. Don A. Goodall, 1625 I Street NW., Suite 514, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6) $520. E. (9) $104.05.

A. Vance V. Goodfellow, 307 4th Avenue So., P.O. Box 15047, Minneapolis, Minn. 55415.

B. Crop Quality Council, 307 4th Avenue So., P.O. Box 15047, Minneapolis, Minn. 55415.

D. (6) $7,249.98.

A. Frederick D. Goss, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street, Suite 307, Washington, D.C. 20037.

D. (6) $520.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.

B. Flextime Corporation, 31–45 Park Road, New Shrewsbury, N.J. 07724.

A Edward Gottlieb & Associates, 485 Madison Avenue, New York, NY. 10022.

B. Florists' Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48076.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $120.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $2,443.75. E. (9) $108.83.

A. Dan L. Grant, 230 Peachtree Street, Suite 1507, Atlanta, Ga. 30303.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $200. E. (9) $242.40.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.

B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.

D. (6) $877. E. (9) $25.

A. Robert K. Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 3d Avenue, New York, N.Y. 10017.

A. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D.C. 20008.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $654.50. E. (9) $373.33.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, Boise, Idaho 83702.

B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.

A. Claiborne D. Gregory, Virginia Petroleum Industries, A Division of API, 1809 Staples Mill Road, Richmond, Va. 23230.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $1,000.

A. Groom & Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.

D. (6) $100. E. (9) $2.

A. Theodore R. Groom, Groom & Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.

D. (6) $25.

A. Group Health Association of America, Inc., Suite 701, 1717 Mass. Avenue NW., Washington, D.C. 20036.

D. (6) $20,006.35. E. (9) $20,006.35.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.

B. Applied Technology, a Division of Itek Corp., 645 Almanor Avenue, Sunnyvale, Calif. 94086.

D. (6) $1,500. E. (9) 4.50.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.

B. Morena Enterprises, Presidio of San Francisco, Calif. 94129.

D. (6) $1,000.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.

B. WEMA, 2600 El Camino Real, Palo Alto, Calif. 94306.

D. (6) $1,750. E. (9) $85.23.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

E. (9) $21.

A. Kenneth J. Guido, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $726.

A. Samuel Gusman, Rohm & Haas Co., 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.

B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.

D. (6) $500. E. (9) $100.

A. Loyd Hackler, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $300.

A. Paul R. Haerle, Thelen, Marrin, Johnson & Bridges, 2 Embarcadero Center, No. 2200, San Francisco, Calif. 94111.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

E. (9) $483.46.

A. William S. Haga, Volunteer State Oil Committee, a division of American Petroleum Institute, 19th floor, Third National Bank Building, Nashville, Tenn. 37219.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $592.30. E. (9) $406.58.

A. Gary Haggart, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

D. (6) $287.50 E. (9) $500.70.

A. Howard R. Hague, Jr.

B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $2,783.15. E. (9) $16.25.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Williams Cos., National Bank of Tulsa Building, Tulsa, Okla.
D. (6) $165.

A. J. G. Hall, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $4,500. E. (9) $2,189.31.

A. Paul Hallisay, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of N.A., AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,350. E. (9) $527.07.

A. Jerald Vinson Halvorsen, Allied-General Nuclear Services, 7101 Wisconsin Avenue, Suite 901, Bethesda, Md. 20014.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd., Belize City, Belize (Central America).
D. (6) $3,750. E. (9) $29.15.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $10.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A. and Azucarera Nacional, S.A., Panama City, Panama.
D. (6) $3,000. E. (9) $69.84.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101
D. (6) $15,000. E. (9) $898.01.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sociedad Agricola e Industrial San Carlos, S.A., Companie Azucarera Valdez, S.A., Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, C.A., Ecuador.
D. (6) $13,188.83. E. (9) $37.26.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
B. Standard Oil Co., (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
D. (6) $8,750. E. (9) $772.75.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,361.25. E. (9) $22.85.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $387.80. E. (9) $36.83.

A. Christopher G. Hankin, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $8.60.

A. Robert B. Harding, 1801 K Street NW., No. 1041 Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $215. E. (9) $162.57.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street, NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $9.36.

A. Bryce N. Harlow, 1801 K Street, NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio. 45203.
D. (6) $150. E. (9) $300.18.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $90. E. (9) $84.50.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $700. E. (9) $300.

A. Eugene J. Harmon, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East, SW., Washington, D.C. 20024.
D. (6) $518.32. E. (9) $36.33.

A. Godfrey Harris, 9200 Sunset Boulevard, Los Angeles, Calif. 90069.
B. Embassy of the Republic of Panama, 2862 McGill Terrace NW., Washington, D.C. 20008.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20035.
D. (6) $160. E. (9) $18.31.

A. Stephanie G. Harris, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C.
D. (6) $266. E. (9) $10.

A. James W. Hart, Jr., Alabama Petroleum Council, Division of API, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.
D. (6) $94.92. E. (9) $255.30.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $862.

A. Rita M. Hartz, 1737 H Street NW., Washington, D.C. 20006.
B. National Federation of Federal Employees, 1737 H Street NW., Washington D.C. 20006.
D. (6) $6,923.10. E. (9) $544.10.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Charles W. Havens III, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $25.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $910. E. (9) $655.

A. John H. Hawkins, Jr., 600 North 18th Street, Birmingham, Ala., 35291.
B. Alabama Power Co., 600 North 18 Street, Birmingham, Ala. 35291.
D. (6) $2,125. E. (9) $200.21.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America., Inc., 1701 K Street NW., Washington, D.C.
D. (6) $119.25. E. (9) $17.75.

A. Carl F. Hawver, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $105.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222
D. (6) $5,621.24. E. (9) $958.48.

A. Patrick J. Head, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill. 60680.
D. (6) $252.63. E. (9) $150.

A. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $5,390.30. E. (9) $5,390.30.

A. Health Research Group, 2000 P Street NW. Suite 708, Washington, D.C. 20036.
D. (6) $811.74. E. (9) $811.74.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $393.75.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. William H. Hecht, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $325.

A. John F. Heilman, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $5,500.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. Spencer H. Heine, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C.
B. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill., 60680.
D. (6) $97.75. E. (9) $150.

A. Ross E. Heller, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $225. E. (9) $250.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.

A. Robert C. Hendon, Consolidated Freightways, Inc., 6845 Elm Street, Suite 608, McLean, Va. 22101.
B. Consolidated Freightways, Inc., 601 California Street, San Francisco, Calif. 94108.
E. (9) $783.31.

A. Edmund P. Hennelly, 150 E. 42d Street, New York, N.Y. 10017.
B. Mobil Oil Corp., 150 E. 42d Street, New York, N.Y. 10017.
D. (6) $1,500. E. (9) $312.67.

A. George F. Hennrikus, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $2,818.

A. Maurice G. Herndon, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
D. (6) $2,102.20.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.
B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $1,755. E. (9) $1005.96.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.
B. Self-Determination for D.C., Suite 300, 2030 M Street NW., Washington, D.C. 20036.
E. (9) $173.92.

A. Faye P. Hewlett, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
D. (6) $100. E. (9) $5.

A. Andrew I. Hickey, Jr., 1133 15th Street NW., Washington, D.C. 20005.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $11,625. E. (9) $1,219.32.

A. Paul T. Hicks, c/o R. I. Petroleum Association, A Division of API, 150 Francis Street, Providence, R.I. 02903.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.
B. Mellon Bank, N.A. and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.
D. (6) $2,000. E. (9) $762.88.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.
B. UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.
D. (6) $2,000. E. (9) $2,000.

A. E. Joseph Hillings, National Airlines, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Airlines, P.O. Box 592055 AMF, Miami, Fla. 33159.
D. (6) $1,100. E. (9) $50.

A. J. D. Hittle, 3137 South 14th Street, Arlington, Va. 22204.
B. LTV Aerospace Corporation, P.O. Box 5907, Dallas, Tex. 75222.
D. (6) $9,000. E. (9) $517.96.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $543.75.

A. Claude E. Hobbs, Westinghouse Electric Corp., Ninth Floor, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $900. E. (9) $195.

A. Howard E. Hoelter, Illinois Petroleum Council, Division of API, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $405. E. (9) 507.64.

A. Glen D. Hofer, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street N.W., Washington, D.C.
D. (6) $1,500. E. (9) $67.49.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.
B. American Bar Association, 1155 East 60th Street, Chicago, Ill., 60637.
D. (6) $400 E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.
B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif.
D. (6) $2,365. (E) (9) $87.90.

A. Dale Curtis Hogue, 1128 16th Street NW., Washington, D.C. 20036.
B. Concerned Sportsmen of America, 1128 16th Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Dale Curtis Hogue, 1128 16th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
D. (6) $300.

A. Thomas P. Holley, 1625 I Street NW., Washington, D.C. 20006.
B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $280.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $400. E. (9) $464.52.

A. Holly Corp., 2001 Bryan Tower, Dallas. Tex. 75201.
E. (9) $880.

A. Thomas D. Holman, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,540.

A. Eric Holmes, Jr., c/o Petroleum Council of Georgia, a Division of API, 161 Peachtree Street NE., Suite 506, Atlanta, Ga. 30303.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $186.75. E. (9) $291.12.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,406.25.

A. John W. Holton, 1120 Connecticut Avenue NW., Seventh Floor, Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Seventh Floor, Washington, D.C. 20036.
D. (6) $1,750. E. (9) $16.40.

A. Wayne K. Horiuchi,, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.
B. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $687.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Douglass C. Horstman, 1612 K Street NW., Suite 1210, Washington, D.C. 20006.
B. Northern Textile Association and Maytag Co.
D. (6) $2,000. E. (9) $200.

A. Craig Hosmer, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $2,250. E. (9) $65.40.

A. Houger, Garvey & Schubert, 1019 19th Street NW., Eighth Floor, Washington, D.C. 20036.
B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md. 21620.
E. (9) $1,049.22.

A. Houger, Garvey & Schubert, 1019 19th Street NW., Eighth Floor, Washington, D.C. 20036.
B. Committee for Protection of American Trade (formerly Group of West Coast Shipper Interests).
D. (6) $5,585.70. E. (9) $3,954.04.

A. Thomas B. House, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Houston Natural Gas Corp., P.O. Box 1118, Houston, Tex 77001.
E. (9) $1,704.

A. Thomas Howarth, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
D. (6) $1,224.46. E. (9) $1,224,46.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Allan C. Hubbard, 1800 M Street NW., Suite 1000, Washington, D.C. 20036.
B. National Data Corp., One National Data Plaza, Atlanta, Ga. 30329.

A. Charles L. Huber, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $11,250. E. (9) $27.65.

A. Linda Hudak, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $300.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. American National Financial Corp., 300 Delaware Avenue, Wilmington, Del. 19801.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.
B. Holly Corp., 2001 Bryan Tower, Dallas, Tex. 75201.
D. (6) $500.

A. Edward L. Huie, 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.
B. National Association of Air Traffic Specialists, 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.
D. (6) $4,500. E. (9) $86.50.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

R. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $630.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. Richard M. Hunt, 490 L'Enfant Plaza, East SW., Washington, D.C. 20024.
B. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,125.

A. Milton F. Huntington: % Maine Petroleum Association, a division of API, 283 Water Street, Augusta, Maine 04330.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
E. (9) $23.

A. James L. Huntley, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $6,431.70. E. (9) $1,074.01.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.
D. (6) $100. E. (9) $25.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.
B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. David C. Hyer, c/o Ohio Petroleum Council, a division of API, 88 East Broad Street, Columbus, Ohio 43215.
B. American Petroleum Institute, 1801 K Street NW., Washintgon, D.C. 20006.

A. F. N. Ikard, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,875. E. (9) $569.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $8.75.

A. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $12,164.15. E. (9) $12,164.15.

A. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.
D. (6) $124,162. E. (9) $124,162.

A. Institute of Foreign Bankers, 10 Pine Street, New York, N.Y.
D. 6) $1,535.89. E. (9) $3,000.

A. Intalco Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98218.
E. (9) $2,500.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $12,518.91.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,823.57.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
E. (9) $19,346.97.

A. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $2,903.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
E. (9) 127.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.
D. (6) $9,154.17. E. (9) $8,782.51.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $120.

A. Robert C. Jackson, American Textile Manufacturers Institute, Inc., Suite 1001, 1160 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., Suite 2124, 400 South Tyron Street, Charlotte, N.C. 28285.
D. (6) $2,750. E. (9) $12.35.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.
B. The Cooperative League of the U.S.A., 1828 L Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Jim Jaffe, 1700 Pennsylvania Avenue, Washington, D.C. 20006.
B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $27.48. E. (9) $1.25.

A. Joseph A. Jeffrey, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20045.
B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.
E. (9) $625.

A. James Courtney Jennings, 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Chris L. Jensen, Florida Petroleum Counsel, a Division of API, 111 North Gadsden Street, Tallahassee, Florida 32301.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $155.50. E. (9) $13.84.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Guy E. Jester, 2150 Kienlen Avenue, St. Louis, Mo. 63121.
B. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.
D. (6) $70.

A. Bruce T. Johnson, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $2,415. E. (9) $1,896.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 100 Ring Building, Washington, D.C. 20036.

A. Jess Johnson, Jr., Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. John B. Johnson, Alabama Petroleum Council, Division of API, Suite 188, 660 Adams Avenue, Montgomery, Ala. 36104.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $917.26. E. (9) $458.39.

A. John Paul Johnson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $8,125.02. E. (9) $370.43.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $2,395.55. E. (9) $16.36.

A. Reuben L. Johnson, P.O. Box 2251, Denver, Colo.

B. Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo., 1012 14th Street NW., Washington, D.C.

D. (6) $6,063.12. E. (9) $345.01.

A. Stanley L. Johnson, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.

B. Texaco Inc., 135 E. 42d Street, New York, N.Y. 10017.

D. (6) $75.

A. James D. Johnston, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 W. Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,600. E. (9) $843.09.

A. Charles N. Jolly, 1127 Myrtle Street, Elkhart, Ind. 46514.

B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.

E. (9) $1,294.44.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $732.21.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Washington, D.C. 20036.

D. (6) $420. E. (9) $100.

A. L. Dan Jones, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $29.50.

A. Oliver H. Jones, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $3,750. E. (9) $10,378.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.

B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

D. (6) $320. E. (9) $52.

A. Brenda Joyce, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $750. E. (9) $200.

A. Ardon B. Judd, Jr., 1100 Connecticut Avenue, Washington, D.C. 20036.

B. Dresser Industries, Inc., 1100 Connecticut Avenue, Washington, D.C. 20036.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $26.51.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

E. (9) $1,939.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $18.67.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $212.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.

B. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.

B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.

E. (9) $300.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,500.

A. John B. Kelley, Suite 1200, 1025 Connecticut Avenue NW., Washington D.C. 20036.

B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.

B. AMERCO, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

E. (9) $3,400.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. John T. Kelly, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. George Kelm, 1 First National Plaza (Suite 5200), Chicago, Ill., 60603.

B. The Myron Stratton Home, Post Office Box 1178, Colorado Springs, Colo. 80901.

D. (6) $160.

A. R. G. Kendall, Jr., P.O. Box 21, Montgomery, Ala. 36101.

B. Alabama Railroad Association, P.O. Box 21, Montgomery, Ala. 36101.

A. Harold L. Kennedy, Marathon Oil Co., 420 Cafritz Building, Washington, D.C. 20006.

B. Marathon Oil Co., Findlay, Ohio 45840.

E. (9) $439.20.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tennessee 38112.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert T. Kenney, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

A. John V. Kenny, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $787. E. (9) $100.

A. Kenyon & Kenyon, Reilly, Carr, & Chapin, 59 Maiden Lane, New York, N.Y. 10038.

B. Estate of Bert N. Adams, et al.

E. (9) $75.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $65.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Foundation Health Plan, Inc.

D. (6) $1,125. E. (9) $1,111.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $2,551.65.

A. Kirkland, Ellis & Rowe, 1776 K Street NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Richard P. Kleeman, Association of American Publishers, Inc., 1920 L Street NW., Suite 750, Washington, D.C. 20036.

B. Association of American Publishers, Inc.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Andrew Kneier, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,200.01.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $96.15. E. (9) $5.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. Ruth E. Kobell, P.O. Box 2251, Denver, Colo.

B. The Farmers' Educational and Co-Operative Union of America (National Farmers

Union), P.O. Box 2251, Denver, Colo., 1012 14th Street NW., Washington, D.C.

D. (6) $2,584.60. E. (9) $94.09.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $127.60.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $25.55.

A. Robert M. Koch, Jr., 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $10.02.

A. Ann Kolker, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.

B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.

E. (9) $475.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.

B. Biscuit & Crackers Manufacturers' Association, 1660 L Street NW., Washington, D.C. 20036.

D. (6) $975. E. (9) $230.45.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $150.

A. Paul A. Korody, Jr., 1725 I Street NW., Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

E (9) $500.

A. John T. Korsmo, 1722 Dogwood Drive, Alexandria, Va. 22302.

B. National Association for Milk Marketing Reform, Suite 1204, 1000 Connecticut Avenue NW., Wahington, D.C. 20036.

D. (6) $3,501.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C., 20006.

B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $5,621.24. E. (9) $1,678.84.

A. Amos Kramer, Kansas Petroleum Council, A Division of API, 8th & Jackson Streets, Suite 1414, Topeka, Kans. 66612.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $472. E. (9) $487.76.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Mylio S. Kraja, 1608 K Street NW., Washington, D.C.

B. The American Legion, 700 N. Pennsylvania Street, Indianapolis, Ind.

D. (6) $6,465. E. (9) $524.28.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue, NW., Washington, D.C. 20006.

A. Richard W. Kreutzen, Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.

B. Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.

D. (6) $600. E. (9) $267.18.

A. James S. Krzyminski, 1129 20th Street, NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street, NW., Washington, D.C.

D. (6) $2,000. E. (9) $136.83.

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $1,175.

A. Lloyd R. Kuhn, 1725 De Sales Street NW., Washington, D.C. 20036.

B. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.

D. (6) $8,448. E. (9) $1,325.90.

A. Thomas R. Kuhn, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $99.17. E. (9) $12.16.

A. Norman G. Kurland, Kelso Bangert & Co., Inc., Investment Bankers, 2027 Massachusetts Avenue, NW., Washington, D.C. 20036.

B. Kelso Bangert & Co., Inc., Investment Bankers, 111 Pine Street, San Francisco, Calif. 94111.

D. (6) $4,500. E. (9) $7,024.78.

A. Kyokuyo Co., Ltd., Suite 604, Central Building, 810 Third Avenue, Seattle, Wash. 98104.

E. (9) $660.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.

E. (9) $20,237.91.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C.

D. (6) $12,012. E. (9) 10,469.

A. Edward J. Lachowicz, 4317 Brandywine Street NW., Washington, D.C. 20016.

B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.

A. Philip A. Lacovara, 1660 L Street NW., Washington, D.C. 20036.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $650. E. (9) $22.

A. Nick L. Laird, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.

D. (6) $167.

A. David P. Lambert, 1701 K Street NW., Washington, D.C. 20006.

B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.

B. National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $2,000.

A. A. M. Lampley, Suite 704, 400 First Street NW., Washington, D.C. 20001.

B. United Transportation Union, Suite 704, 400 First Street NW., Washington, D.C. 20001.

E. (9) $150.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.

B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Ray, Calif. 90291.

D. (6) $741.25. E. (9) $171.90.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.

B. Sportsmans Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif.

D. (6) $231.50. E. (9) $49.10.

A. R. Josh Lanier.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $2,250. E. (9) $150.

A. James J. LaPenta, Jr., 905 16th Street NW., Washington, D.C.

B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C.

E. (9) $1,260.07.

A. Glenn T. Lashley, District of Columbia Division, American Automobile Association, 8111 Gatehouse Road, Fall Church, Va. 22042.

B. District of Coumbia Division, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. George H. Lawrence, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $1,000. E. (9) $300.

A. Delmar Dale Lawson, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $1,031. E. (9) $59.40.

A. Lead-Zinc Producers Committee, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.

D. (6) $2,435.53. (9) $1,838.54.

A. Robert W. Lee, John Birch Society, Suite 1004, 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. John Birch Society, 395 Concord Avenue, Belmont, Mass. 02178.

A. Robert J. Leigh, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

B. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.

B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.

D. (6) $805. E. (9) $1,931.

A. Gilbert LeKander, Suite 501, 910 17th NW., Washington, D.C. 20006.

B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701, Washington Power Co., P.O. Box 3727, Spokane, Wash. 99202.

D. (6) $450.

A. Earl T. Leonard, Jr., % Coca-Cola, Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

B. Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (6) $654.50. E. (9) $1,130.93.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.

B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

D. (6) $783.33.

A. David M. Lenny, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $1,875.

A. Donald Lerch & Co., Inc., 1030 15th Street NW., Washington, D.C. 20005.
B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.
D. (6) $5,625.

A. David Lewis, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $242.20. E. (9) $216.45.

A. Robert G. Lewis.
B. Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $1,723.08. E. (9) 35.28.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $425. E. (9) $16.

A. Lester W. Lindow, Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $7,787.20 E. (9) $755.73.

A. Ron M. Linton, Suite 200, 1015 18th Street NW., Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $14,250. E. (9) $1,100.19.

A. Charles B. Lipsen.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $5,312.50. E. (9) $550.

A. Robert G. Litschert, Suite 1010, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, Suite 1010, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $240. E. (9) $76.29.

A. E. F. Livaudais, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co. 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $200.

A. Harold D. Loden, American Seed Trade Association, 1030 15th Street NW., Washington, D.C.
B. American Seed Trade Association, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $700.

A. Edward J. Lord, 1608 K Street NW., Washington, D.C.
B. American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,480. E. (9) $242.19.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Herschel C. Loveless, Suite 501, 918 16th Street NW., Washington, D.C. 20006.
D. (6) $281.50. E. (9) $281.50.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building Gateway Center, Pittsburgh, Pa. 15222.

A. James P. Low, American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Gerald M. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $868.47.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $200. E. (9) $75.33.

A. Milton F. Lunch, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. The Consolidated Edison Company of New York, Inc., Room 208, 4 Irving Place, New York, N.Y. 10003.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $543.75.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
D. (6) $600. E. (9) $58.91.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. Lusk-Evans Ltd., 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.
E. (9) $2.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $6,654.20. E. (9) $142.01.

A. Robert N. Lynch.
B. National Committee for a Human Life Amendment, Inc., Suite 400, 1707 L Street NW., Washington, D.C. 20036.
D. (6) $4,788.30. E. (9) $3,101.29.

A. Richard Lyng, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. Kenneth T. Lyons, 17 Robinwood Road, Norwood, Mass.
B. National Association of Government Employees, 285 Dorchester Avenue, Boston, Mass. 02127.
D. (6) $5,000. E. (9) $1,000.

A. James E. Mack, National Confectioners Association, 1225 19th Street NW., Washington, D.C. 20036.
B. National Confectioners Association, 36 South Wabash Avenue, Chicago, Ill. 60603.
D. (6) $12.500. E. (9) $3,088.83.

A. James H. Mack, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $600. E. (9) $500.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D .(6) $27.50. E. (9) $267.81.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc., 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y. 10016.
D. (6) $3,750. E. (9) $3,143.50.

A. Thomas J. Mader, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $22.50.

A. John F. Mahoney, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $886.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $250. E. (9) $30.

A. Andre Maisonpierre, 1776 F. Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $875.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. ((9) $602.46.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1—Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $1,801.80. E. (9) $311.26.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va. 22101.
B. National Coal Association, 1130 17th Street NW., Washington, D.C. 20036.
D. (6) $7,344.99. E. (9) $92.10.

A. Mike Manatos, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing

Co., 301 East Sixth Street, Cincinnati, Ohio 45202.
D. (6) $80. E. (9) $80.

A. ManExec, Inc., 231 East Vermijo Avenue, Box 572, Colorado Springs, Colo.
B. Red River Valley Cooperative, Inc., Box 43, Hillsboro, N. Dak. 58045.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street N.W., Suite No. 10, Washington, D.C. 20036.
E. (9) $520.

A. Forbes Mann, 1155 15th Street NW., Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,500. E. (9) $550.

A. H. Warren Mann, Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.
B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,050. E. (9) $64.34.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.
B. National Star Route Mail Carriers' Association, 324 East Capitol Street, Washington, D.C. 20003.

A. March For Life, P.O. Box 2950, Washington, D.C. 20013.
D. (6) $116.20. E. (9) $1,699.16.

A. Marilyn Marcrosson, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,458.35.

A. Carl Marcy, 122 Maryland Avenue NE., Washington, D.C. 20002.
B. American Committee on United States-Soviet Relations, 122 Maryland Avenue NE., Washington, D.C. 20002.

A. Carl Marcy, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,000.

A. District No. 1—Pacific Coast District, Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.
E. (9) $8,220.04.

A. David J. Markey, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $313.13.

A. Rodney W. Markley, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.

A. Matthew J. Marks, Prather Levenberg Seeger Doolittle Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Heterochemical Corp., 111 East Hawthorne Avenue, Valley Stream, Long Island, N.Y. 11580.
E. (9) $10.

A. Ralph J. Marlatt, National Association of Mutual Insurance Agents, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 640 Investment Building, Washington, D.C. 20005.
E. (9) $725.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Edwin E. Marsh, 336 Southern Building, 805 15th Street NW., Washington, D.C. 20005.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $4,885.26. E. (9) $756.33.

A. Winston W. Marsh, 1343 L Street NW., Washington, D.C. 20005.
B. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $35. E. (9) $3.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $125.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $284.16. E. (9) $361.95.

A. M&I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Thomas A. Martin, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $200.

A. Steven A. Martindale, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $539.30.

A. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $18.67.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, The Farragut Building, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, 900 17th Street NW., Suite 520, Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cliff Massa III, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. David Masselli, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $727.28.

A. Jon G. Massey, Oil Investment Institue, P.O. Box 8293, Washington, D.C. 20024.
B. Oil Investment Institute, P.O. 8293, Washington, D.C. 20024.

A. P. H. Mathews, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $1,264.80. E. (9) $217.71.

A. Charles D. Matthews, 1100 17th Street NW., Suite 410, Washington, D.C. 20036.
B. National Ocean Industries Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $687.50. E. (9) $829.53.

A. Daniel E. Matthews, 5109 Western Avenue NW., Washington, D.C. 20016.
B. National Public Employer Labor Relations Association, 5109 Western Avenue NW., Washington, D.C. 20016.
D. (6) $156.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $391.67.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.
D. (6) $300. E. (9) $83.70.

A. Anthony F. Mauriello, % New York State Petroleum Council, Division of API, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $613. E. (9) $277.95.

A. Thomas H. Maxedon, Kentucky Petroleum Council, a Division of the American Petroleum Institute, 1810 Commonwealth Building, Louisville, Ky. 40202.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $282.97. E. (9) $174.84.

A. Albert E. May, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
E. (6) $410. E. (9) $3.20.

A. Arnold Mayer, 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters and Butcher Workmen of North America (AFL–CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $7,371. E. (9) $710.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Air Transport Association of America,

1709 New York Avenue NW., Washington, D.C. 20006.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. L. M. Williams and Clayton Burch families, c/o Continental Illinois National Bank and Trust Co., 231 South LaSalle Street, Chicago, Ill. 60604.

A. Mayer, Brown & Platt, 231 South LaSalle Street, Chicago, Ill. 60604.
B. Encylopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $25. E. (9) $10.41.

A. Mayer, Brown & Platt, 888 17th Street NW., Washington, D.C. 20006.
B. Santee River Cypress Lumber Co. and Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.
D. (6) $30.

A. H. Wesley McAden, Cook Industries, Inc., 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $360. E. (9) $85.50.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington D.C.
B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
D. (6) $580.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $4,500. E. (9) $127.

A. Michael J. McCabe, Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.
B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. Michael J. McCabe, Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.
B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Robert C. McCandless, 1707 H Street NW., Washington, D.C. 20006.
B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $280. E. (9) $9.10.

A. Robert C. McCandless, 1707 H Street NW., Washington, D.C. 20006.
B. Transamerica Insurance Corp. of California (Occidental Life), Occidental Center, Hill and Olive at 12th Street, Los Angeles, Calif. 90015.
D. (6) $187.50. E. (9) $11.15.

A. John A. McCart, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $1,955.54.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.
B. Avon Products, Inc., Nine West 57th Street, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Cities Service Co., Box 300, Tulsa, Okla. 74102.
E. (9) $55.35.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.
B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.
E. (9) $43.36.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Gulf & Western Industries, Inc., One Gulf & Western Plaza, New York, N.Y. 10023.
E. (9) $123.72.

A. McClure & Trotter, 1100 Connecticut Avenue, Suite 600, Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
E. (9) $310.19.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Montgomery Coca-Cola Bottling Co., Inc., North Perry Street and Jefferson Street, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.
B. United Artists Corp., 729 Seventh Avenue, New York, N.Y., 10019.
E. (9) $29.78.

A. Robert A. McConnell, 2721 North Central Avenue, Suite 802, Phoenix, Ariz. 85004.
B. AMERCO, International, 2727 North Central, Phoenix, Ariz. 85004.
D. (6) $1,292. E. (9) $1,779.81.

A. D. McCurrach, 1500 Wilson Boulevard, No 609, Arlington, Va. 22209.
B. National School Supply and Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, Room 819, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Locomotive Engineers, Engineers Building, Cleveland, Ohio 44114.
D. (6) $284.60. E. (9) $81.50.

A. Albert L. McDermott, American Hotel and Motel Association, 777 14th Street, NW., Washington, D.C. 20005.
B. American Hotel and Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $528.04. E. (9) $119.40.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.
D. (6) $637.50. D. (9) $21.72.

A. Francis O McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $375.

A. Francis O McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $3,515. E. (9) $319.82.

A. Francis O McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $67.70.

A. Francis O McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.
B. Trustees under will of Warren Wright deceased, c/o The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.
D. (6) $7,500. E. (9) $3.96.

A. Michael D. McDonald, Maryland Petroleum Association, a Division of API, 409 Washington Avenue, Towson, Md. 21204.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.
B. The Montana Power Co. Butte, Mont. 59701.
E. (9) $52.86.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $8,637.60.

A. Gordon McGowan, Highwood, Mont. 59450.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

A. Clarence M. McIntosh Jr., 400 First Street NW., Washington, D.C. 20001.
B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $900.72.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.
E. (9) $7.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Non-Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $4,625.04. E. (9) $4,780.49.

A. William F. McManus, 777 14th Street NW., Washington, D.C.
B. General Electric Co., Fairfield, Conn. 06431.
D. (6) $645. E. (9) $420.

A. Jane Pierson McMicheal, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
E. (9) $3,030.81.

A. C. W. McMillan, National Press Building, Suite 1015, 14th and F Streets NW., Washington, D.C. 20045.
B. American National Cattlemen's Association, 1001 Lincoln, Denever, Colo. 80202.
D. (6) $1,500.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. American Dredging Co., 12 South 12th Street, Philadelphia, Pa. 19107; et al.
D. (6) $11,250. E. (9) $1,325.66.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $600.

A. Margaret E. McNamara, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,182.56.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, 4th Financial Center, Wichita, Kans. 67202.
D. (6) $11,218.75. E. (9) $200.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $379.39.

A. Carl J. Megel, American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
B. American Federation of Teachers, AFL-CIO, 11 Dupont Circle NW., Washington, D.C. 20036.
D. (6) $7,000. E. (9) $225.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $473.10. E. (9) $19.29.

A. Louis L. Meier, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. American Society of Civil Engineers, United Engineering Center, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $220.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $85. E. (9) $45.

A. Jeffrey M. Menick, Suite 415, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.
E. (9) $90.71.

A. John A. Merrigan, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $10,566.25. E. (9) $50.

A. Lawrence C. Merthan, Carpet and Rug Institute, 1015 18th Street NW., Washington, D.C. 20036.
B. Carpet and Rug Institute, Dalton, Ga. 30720.
D. (6) $1,000. E. (9) $170.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.
B. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $508.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.
B. Federated Dept. Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.
D. (6) $500.

A. Bryan P. Michener, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,298.

A. Ronald Michieli, National Press Building, Suite 1015, 14th and F Streets NW., Washington, D.C. 20054.
B. American National Cattlemen's Association, 1001 Lincoln, Denver, Colo. 80202.
D. (6) $1,000.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $7,023.94. E. (9) $2,037.66.

A. Roy H. Millenson, Room 750, 1920 L Street NW., Washington, D.C. 20036.
B. Association of American Publishers, Room 750, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $1,450. E. (9) $140.

A. A. Stanley Miller, Room 302, 910 16th Street NW., Washington, D.C. 20006.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, Suite 500, 2555 M Street NW., Washington, D.C. 20037.
B. Alaska Federation of Natives, International, 133 Queen Ann Avenue North, Seattle, Wash. 98109.
E. (9) $125.

A. Miller, Cassidy, Larroca & Lewin, Suite 500, 2555 M Street NW., Washington, D.C. 20037.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Columbia Gas System, Inc., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $1,400.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., IDS Tower, Minneapolis, Minn. 55402.
D. 6. $1,950.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Lockheed Aircraft Corp., Burbank, Calif. 91503.
D. (6) $6,510.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pacific Lighting Corp., Box 60043 Terminal Annex, Los Angeles, Calif. 90054.
D. (6) $1,325.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sperry and Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $50.

A. Clinton R. Miller, Room 240, 4620 Lee Highway, Arlington, Va. 22207.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, California 91016.
D. (6) $6,034.80. E. (9) $6,330.10.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Gulf Intracoastal Canal Association, Houston, Tex.
D. (6) $262.50. E. (9) $17.80.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.
B. Texasgulf, Inc., New York, N.Y.
D. (6) $375. E. (9) $334.01.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.
D. (6) $7,755. E. (9) $50.38.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $875.

A. Joseph L. Miller, 1612 K Street NW., Washington, D.C. 20006.
B. Northern Textile Association and The Maytag Co.
D. (6) $1,000. E. (9) $100.

A. Luman G. Miller, Suite 912, 620 Southwest Fifth Avenue Building, Portland, Oreg. 97204.
B. Oregon Railroad Association, Suite 912, 620 Southwest Fifth Avenue Building, Portland, Oreg. 97204.
E. (9) $342.11.

A. Robert C. Miller, 3818 Congreve Avenue, Cincinnati, Ohio 45213.
D. (6) $136.53.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $250.

A. William E. Minshall, 1730 M Street NW., Suite 905. Washington, D.C. 20036.
B. Northrop Corp., Los Angeles, Calif.
D. (6) $2,600.

A. William E. Minshall, Suite 905, 1730 M Street NW., Washington, D.C. 20036.
B. Werner G. Smith, Inc., 1730 Train Avenue, Cleveland, Ohio 44113.

A. William E. Minshall, Suite 905, 1730 M Street NW., Washington, D.C. 20036.
B. Trustees of the Property of Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio 44115.
D. (6) $2,200.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.
B. Georgia-Pacific Corp., 900 SW. Fifth Avenue, Portland, Oreg. 97204.
E. (9) $238.

A. Philip W. Moery, 1110 Marion Drive, Wynne, Ark. 72396.
B. Riviana Foods, Inc., 2777 Allen Parkway, Houston, Tex. 77019.
D. (6) $507. E. (9) $149.75.

A. Lawrence A. Monaco, 1600 I Street NW., Washington, D.C. 20006.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.
D. (6) $442. E. (9) $441.86.

A. Michael Monroney, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill. 60680.

E. (9) $1,478.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $315.82. E. (9) $77.85.

A. Moore-McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn. 06901.

E. (9) $1,630.

A. Cynthia Mordaunt, Suite 701, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc., Suite 701, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $3,541.64.

A. E. Joyce Morgan, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Joe V. Morgan, Jr., 815 15th Street NW., Washington, D.C. 20005.

B. American Humane Association, P.O. Box 1266, Denver, Colo. 80201.

D. (6) $1,816. E. (9) $24.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street, NW., Suite 900, Washington, D.C. 20006.

B. Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Morris Associates Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Council of Community Mental Health Centers, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.

D. (6) $12,690. E. (9) $14,888.75.

A. Alan B. Morrison, Public Citizen, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.

B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.

D. (6) $365. E. (9) $365.

A. James A. Morrissey, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street, NW., Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Suite 2124, 400 South Tyron Street, Charlotte, N.C. 28285.

D. (6) $1,000. E. (9) $57.

A. John W. Morton, Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

D. (6) $516.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $8,100. E. (9) $315.41.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.

B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $2,000.

A. John J. Motley.

B. National Federation of Independent Business, Suite 3206, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

D. (6) $2,250. E. (9) $412.

A. Karen Mulhauser, 705 G Street SE, Washington, D.C. 20003.

B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.

D. (6) $3,588. E. (9) $2,260.79.

A. Robert M. Mulligan, 1105 Barr Building, Washington, D.C. 20006.

B. International Assn. of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Mullin, Connor & Rhyne, 307 Southern Building, Washington, D.C. 20005.

B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.

D. (6) $758.95. E. (9) $854.63.

A. Daniel J. Mundy, Suite 603, 815 16th Street NW., Washington, D.C.

B. Building and Construction Trades Department, Suite 603, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $6,249.88. E. (9) $4,121.50.

A. Jerome E. Murphy, 133 C Street SE., Washington, D.C., 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D (6) $2,500.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.

B. Service Employees International Union AFL–CIO, 900 17th Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $100.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. Chicago, Milwaukee, St. Paul & Pacific Railroad Co., 516 West Jackson Boulevard, Chicago, Ill. 60606.

D. (6) $200. E. (9) $130.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.

D. (6) $100. E. (9) $67.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.

D. (6) $100. E. (9) $115.

A. D. Michael Murray, 1120 Connecticut Avenue, Washington, D.C. 20036.

B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, St. Paul, Minn. 55101.

D. (6) $200.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va. 22209.

D. (6) $100. E. (9) $161.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C.

D. (6) $175. E. (9) $55.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.

B. United Service Organization, 237 East 52d Street, New York, N.Y. 10022.

D. (6) $100. E. (9) $37.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $175.

A. Thomas H. Mutchler, Corporate Affairs Communications, Suite 700, 1620 I Street NW., Washington, D.C. 20006.

B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.

D. (6) $300.

A. Gary D. Myers, 1015 18th Street, Washington, D.C. 20036.

B. Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $498.95. E. (9) $27.45.

A. J. Walter Myers, Jr., 4 Executive Park East NE., Atlanta, Ga. 30329.

B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. Kenneth D. Naden, National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $3,750. E. (9) $121.70.

A. Naman, Howell, Smith & Chase, 800 First National Building, Waco, Tex. 76701.

B. Our Land, Our Lives, a Coalition for Human Rights, P.O. Box 1000, Gatesville, Tex. 76528.

E. (9) $606.55.

A. John J. Nangle, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000.

E. (9) $500.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $50.50.

E. (9) $50.50.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $1,433.15.

E. (9) $1,433.15.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $514.94.

E. (9) $671.99.

A. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.

D. (6) $23,100.

E. (9) $21,704.22.

A. National Association of Air Traffic Specialists, 4630 Montgomery Avenue, Suite 200, Washington, D.C. 20014.

D, (6) $48,388.19. E. (9) $4,586.50.

A. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

D. (6) $1,448.82.

E. (9) $7,660.85.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

D. (6) $300.

E. (9) $300.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

E. (9) $8,834.96.

A. National Association of Lettter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $588,899.74.

E. (9) $58,391.50.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $38,621.84.

E. (9) $38,621.84.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Co., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $5,929.18.
E. (9) $5,929.18.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $5,861.08.
E. (9) $5,861.08.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $700. E. (9) $653.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill., 925 15th Street NW., Washington, D.C.
E. (9) $16,976.96.

A. National Broiler Council, 1155 15th St. NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $300.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $16,213.50. E. (9) $16,213.50.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $737,868.01. E. (9) $3,567.22.

A. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.
D. (6) $671. E. (9) $2,579.14.

A. The National Committee for a Human Life Amendment, Inc., 1707 L Street NW., No. 400, Washington, D.C. 20036.
D. (6) $18,000. E. (9) $9,116.56.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $6,598. E. (9) $4,616.97.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
E. (9) $321.50.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $18,628.89. E. (9) $18,628.89.

A. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $360.82. E. (9) $70.

A. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $4,563.79. E. (9) $3,096.88.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $54,842. E. (9) $88,091.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y.
D. (6) $10,000. E. (9) $268.41.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Domestic Wildcatters Association, 900 First National Bank Building, Houston, Tex. 77002.
D. (6) $15,000. E. (9) $702.48.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 1725 DeSales NW., Washington, D.C. 20036.
D. (6) $5,000. E. (9) $5,640.75.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.

A. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.
D. (6) $392,926.65. E. (9) $20,854.93.

A. National Grain and Feed Association, 725 15th Street NW., Washington, D.C. 20005.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $122,654.35. E. (9) $15,461.80.

A. National Guard Association of the U.S., 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $446,455. E. (9) $1,310.03.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $6,958.69. E. (9) $6,958.69.

A. National Livestock Feeders Association, Inc., 309 Livestock Exchange Building, Omaha, Nebr. 68107.
D. (6) $5,080.70. E. (9) $5,080.70.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,265.20. E. (9) $5,265.20.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $562.87.

A. National Oil Jobbers Council, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $88,856.26. E. (9) $17,675.46.

A. National Retail Merchants Assn., 100 W. 31st Street, New York, N.Y. 10001.
E. (9) $1,920.

A. National Rifle Association of America, 1600 Rhode Island Avenue, Washington, D.C. 20036.
D. (6) $100,666.08. E. (9) $110,987.96.

A. National Right to Life Committee, Inc., 529–14th Street NW., No. 557, Washington, D.C. 20045.
E. (9) $17,300.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $5,163.65.

A. National Rural Housing Coalition, 1346 Connecticut Avenue, NW., Washington, D.C. 20036.
D. (6) $3,472. E. (9) $2,020.65.

A. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $9,419. E. (9) $1,705.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,090.66.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $3,549.60.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,692.43. E. (9) $2,886.27.

A. National Telephone Cooperative Association, 2100 M Street NW., Suite 307, Washington, D.C. 20037.
E. (9) $700.

A. National Tire Dealers and Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.
D. (6) $238. E. (9) $238.

A. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
D. (6) $18,778.88. E. (9) $17,435.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $20,190. E. (9) $6,580.04.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Suite 505, Washington, D.C. 20036.
D. (6) $12,500. E. (9) $44,262.72.

A. Alexander W. Neale, Jr., Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.
B. Conference of State Bank Supervisors, 1015 18th St., NW., Washington, D.C., 20036.
D. (6) $1,645. E. (9) $18.

A. Alan M. Nedry, 1801 K Street NW., Suite 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $275. E. (9) $187.90.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $1,500.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,789.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.
D. (6) $750. E. (9) $500.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. International Leather Goods, Plastics and Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.
D. (6) $250. E. (9) $225.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.
B. The National Handbag Association, 347 Fifth Avenue, New York, N.Y. 10016.
D. (6) $250. E. (9) $225.

A. George R. Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $283.05.

A. L. James Nelson, 801 Northland Towers West, Southfield, Mich. 48075.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $988.30.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. Network, 224 D Street SE., Washington, D.C. 20003.
D. (6) $5,055.50. E. (9) $2,100.88.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.
D. (6) $1,380. E. (9) $500.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.
B. National Restaurant Association, 1155 15th Street NW., Washington, D.C., One IBM Plaza, Suite 2600, Chicago, Ill.
D. (6) $1,120. E. (9) $27.85.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $2,562.50. E. (9) $779.43.

A. John A. Nevius, 600 New Hampshire Avenue NW., Suite 250, Washington, D.C. 20037.
B. District of Columbia Bankers Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $6,244.34. E. (9) $1,980.85.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.
B. National Clay Pipe Institute, P.O. Box 310, Crystal Lake, Ill. 60014.
D. (6) $150. E. (9) $31.50.

A. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $38,500. E. (9) $23,835.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $550. E. (9) $193.71.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Pa. 18332.
B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,500. E. (9) $495.

A. Patrick J. Nilan, American Postal Workers Unions, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $11,528.76. E. (9) $1,928.31.

A. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.
E. (9) $1,325.

A. Carl A. Nordberg, Jr., Groom & Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.
D. (6) $400. E. (9) $6.25.

A. Carl A. Nordberg, Jr., Groom & Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gulf Oil Corp., Gulf Building, Pittsburgh, Pa. 15230.
D. (6) $400. E. (9) $6.25.

A. Carl A. Nordberg, Jr., Groom & Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Natomas Co., Suite 1200, International Building, 601 California Street, San Francisco, Calif. 94108.
D. (6) $300. E. (9) $5.

A. Julia J. Norrell, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $788. E. (9) $3,717.

A. Robert B. Norris, National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
B. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.
D. (6) $198.

A. Robert H. North, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
B. Gulf & Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.
D. (6) $300. E. (9) $80.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase NW., Washington, D.C. 20015.
D. (6) $650.

A. Coleman C. O'Brien, Suite 801, 1709 New York Avenue NW., Washington, D.C. 20006.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.
D. (6) $1,312.50. E. (9) $33.75.

A. John F. O'Brien, c/o Connecticut Petroleum Council, a Division of API, 410 Asylum Street, Hartford, Conn. 06103.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $400. E. (9) $324.04.

A. W. Brice O'Brien, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. William B. O'Connell, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $1,125.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alleghany Corp., New York, N.Y.
D. (6) $500. E. (9) $50.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $3,750. E. (9) $105.75.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Association of Public Radio Stations, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $300.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Automotive Parts and Accessories Association, Inc., 1730 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $15.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Committee for Jobs Through Economic Development, 1006 State Street, Erie, Pa. 16501.
D. (6) $2,000. E. (9) $84.68.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Glass-Steagall Act Study Committee, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $2,222.22. E. (9) $202.92.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.
D. (6) $1,500. E. (9) $133.51.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., Suite 2900, IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,000. E. (9) $50.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
E. (9) $142.91.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Church and Institutional Financing Organizations, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $46.75.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Women's and Children's Apparel Salesmen (NAWCAS), Palisades Building, 515 Peachtree, Atlanta, Ga.
D. (6) $1,000.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $2,000.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Hockey League, Suite 2480, 2 Pennsylvania Plaza, New York, N.Y. 10001.
D. (6) $2,000. E. (9) $50.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Upper Mississippi Waterway Association, 700 Midland Bank Building, Minneapolis, Minn. 55401.
D. (6) $2,500. E. (9) $879.93.

A. O'Connor & Hannan, Suite 600, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,581.25. E. (9) $50.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. T. J. Oden, 1523 L Street NW., Washington, D.C.

B. Independent Gasoline Marketers Council, Suite 604, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $18,000.

A. James F. O'Donnell, American Plywood Association, 1119 A St. Tacoma, Wash. 98401.

A. John A. O'Donnell, Suite 716, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Philippine Sugar Institute.

D. (6) $3,000. E. (9) $250.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $6,533.32.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.

E. (9) $121.89.

A. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. Alvin E. Oliver, 500 Folger Building, 725 15th Street NW., Washington, D.C. 20005.

B. National Grain and Feed Association.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,875.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Van R. Olsen, Suite 1019, 1156 15th Street NW., Washington, D.C. 20005.

B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Nancy J. Olson, Johns-Manville Corp., Suite 214, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

D. (6) $120. E. (9) $30.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $8.01.

A. Charles T. O'Neill, Jr., American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,000. E. (9) $210.33.

A. Joseph Gerald O'Neill, 1620 I Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.

D. (6) $750.

A. Edward R. Osann, 2147 O Street NW., Suite 201, Washington, D.C. 20037.

B. Save the Dunes Council, Inc., P.O. Box 303 Chesterton, Ind. 46304.

D. (6) $1,115.20. E. (9) $326.34.

A. John L. Oshinski, United Steelworkers of America, Suite 706, 815 16th Street NW., Washington, D.C. 20006.

B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $5,692.25. E. (9) $1,308.36.

A. Our Land, Our Lives, a Coalition for Human Rights, 103 North Seventh Street, P.O. Box 1000, Gatesville, Tex. 76528.

D. (6) $3,495.06. E. (9) $1,128.30.

A. J. Allen Overton, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $453.30. E. (9) $50.

A. Pack River Co., 425 Peyton Building, Spokane, Wash. 99201.

E. (9) $2,600.

A. Juris Padegs, 345 Park Avenue, New York, N.Y. 10022.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.

B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Norman Paige, Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

A. Edward J. Panarello, Active Ballot Club Department, Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $7,601.10. E.(9) $1,110.97.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C.

B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

D. (6) $560. E. (9) $170.

A. G. Oliver Papps, New Jersey Petroleum Council, Divsion of API, 212 West State Street, Trenton, N.J. 08608.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. Lew M. Paramore, Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

B. Mo-Ark Basins Flood Control and Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. The Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $7,660. E. (9) $7,660.

A. Herschell E. Parent, c/o Arkansas Petroleum Council, Division of A.P.I., Little Rock, Ark. 72201.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $208.26. E. (9) $453.10.

A. Michael J. Parker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $850.

A. Robert D. Partridge, 2000 Florida Avenue, NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue, NW., Washington, D.C. 20009.

D. (6) $485.60.

A. David J. Pattison, 1701 K Street NW., Washington, D.C. 20006.

B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $1,950.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.

D. (6) $2,667.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Guild of Authors and Composers, 50 West 57th Street, New York, N.Y. 10019.

D. (6) $450. E. (9) $300.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $675. E. (9) $28.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.

D. (6) $973. E. (9) $30.36.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.

D. (6) $1,485. E. (9) $758.33.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $560.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.

D. (6) $2,295. E. (9) $382.25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.

D. (6) $253.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., P.O. Box 360, Anchorage, Alaska 99510.

D. (6) $475.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601.

National Association of Engine & Boat Manufacturers, P.O. Box 5555 Grand Central Station, New York, N.Y. 10017.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. BP Alaska, Inc., 100 Pine Street, San Francisco, Calif. 94111.

D. (6) $475.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $360. E. (9) $83.75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Classic Chemicals, Ltd., 1101 Avenue G East, Arlington, Tex. 76011.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $344.25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex. 77701.
D. (6) $475.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $1,640.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Louisiana Educational Television Authority, P.O. Box 44064, Baton Rouge, La. 70804.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mail Order Association of America, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $800.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Nestle Co., 100 Bloomingdale Road, White Plains, N.Y. 10605.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 16365.
D. (6) $2,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Outboard Marine Corp., 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.
D. (6) $27.90.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reading Co., Reading Terminal, 12th and Market Streets, Philadelphia, Pa. 19107.
D. (6) $5,620. E. (9) $375.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $3,000.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $475.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
E. (9) $2,861.82.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corp. of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.
D. (6) $187.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Uncle Ben's, Inc., 13000 Westheimer Boulevard, Houston, Tex. 77001.
D. (6) $540. E. (9) $119.35.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros. Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
D. (6) $3,175. E. (9) $264.95.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Communications Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $8,575.60. E. (9) $402.42.

A. Diana R. Payne, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,080.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters & Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,932.

A. Pennsylvania Power & Light Co., 2 North 9th Street, Allentown, Pa. 18101.
E. (9) $658.91.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $9,214.81.

A. Dominic V. Pensabene, Chevron Oil Co., 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., Subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 E. Street NW., No. 200, Washington, D.C. 20006.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.

A. J. Carter Perkins, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., 1 Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,234.48.

A. Homer B. Pettit (doing business as Homer B. Pettit Associates), Room 1014, Brawner Building, 888 17th Street NW., Washington, D.C. 20006.
B. Northern Virginia Transportation Commission, Arlington Executive Building, 2009 North 14th Street, Arlington, Va. 22201.

A. Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Glass-Steagall Act Study Committee, 1000 Ring Building, Washington, D.C. 20036.
D. (6) $3,333.33. E. (9) $164.64.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. National Music Publishers Association, 110 East 59th Street, New York, N.Y. 10022.
D. (6) $1,000.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $1,297.27. E. (9) $1,350.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $150.84.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $75. E. (9) $8.

A. Frances A. Pollak.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $150.

A. Port of Seattle, P. O. Box 1209, Seattle, Wash. 98111.
E. (9) $425.

A. Everett O. Post, National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $14.05.

A. John Post, 888 17th Street NW., Suite 601, Washington, D.C. 20006.
B. Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017, and 888 17th Street NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $5.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $105. E. (9) $105.

A. Edmond A. Potter, NCR Corp., 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., Main and K Streets, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $2,440.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.

B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $2,625. E. (9) $4.40.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 19th Street NW., Washington, D.C. 20006.

B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

D. (6) $121. E. (9) $6.

A. Richard M. Powell, International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Robert D. Powell, 734 15th Street NW., Suite 400, Washington, D.C. 20005.

B. National Business Aircraft Association, Inc., 425 13th Street NW., Suite 401, Washington, D.C. 20004.

A. William I. Powell, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036

E. (9) $61.50.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $562.50. E. (9) $54.83.

A. John J. Power, 101 Constitution Avenue NW., Wahington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Wahington, D.C. 20001.

D. (6) $2,899. E. (9) $45.

A. William C. Prather, U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $650.

A. Brainard E. Prescott, 220 C Street SE., Apartment 309, Washington, D.C. 20003.

B. Coalition of Independent Ophthalmic Professionals, 75 East 55th Street, New York, N.Y.

D. (6) $4,024.72. E. (9) $4,024.72.

A. Dan Prescott, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $177.04. E. (9) $6.75.

A. Preservation Action, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.

D. (6) $375. E. (9) $585.94.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. Intalco Aluminum Corp., P.O. Box 937, Ferndale, Wash. 98218.

D. (6) $2,500.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. Kyokuyo USA, Inc., Suite 604, 810 Third Avenue, Seattle, Wash. 98104.

D. (6) $660.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. Moore-McCormack Resources, Inc., 1 Landmark Square, Stamford, Conn. 06901.

D. (6) $1,630.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. The Pack River Co., 425 Peyton Building, Spokane, Wash. 99201.

D. (6) $2,600.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.

B. Port of Seattle, P.O. Box 1209, Seattle, Wash. 98111.

D. (6) $425.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.

B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.

D. (6) $437.50. E. (9) $8.75.

A. Price, Cushman, Keck, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.

B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.

A. Arnold J. Prima, Jr., the American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,200. E. (9) $244.46.

A. Jerry C. Pritchett, 5530 Wisconsin Avenue NW., Suite 750, Washington, D.C.

B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue NW., Suite 750, Washington, D.C. 20015.

A. PROD, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $60. E. (9) $40.92.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $4,250. E. (9) $100.

A. Jerry Z. Pruzan, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $200. E. (9) $200.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $1,638.44. E. (9) $21.69.

A. Public Citizen's Tax Reform Research Group, 133 C Street SE, Washington, D.C. 20003.

D. (6) $1,612.24. E. (9) $1,612.24.

A. Public Employee Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $33,810.12. E. (9) $20,789.74.

A. David E. Pullen, Johns-Manville Corp., Suite 214, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.

D. (6) $180. E. (9) $50.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Walter E. Rogers, Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $1,000.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,250.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $2,345.20.

A. Alex Radin, 2600 Virginia Avenue N.W., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $339.92.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C.

D. (6) $60. E. (9) $105.

A. Richard J. Ragan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue N.W., Washington, D.C. 20036.

D. (6) $330.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.

D. (6) $41,781.36. E. (9) $41,781.36.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

A. Clarance B. Randall, Jr., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.

B. Associated Builders & Contractors, Inc., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.

D. (6) $1,000. E. (9) $2,000.

A. Donald A. Randall, Suite 1201, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60126.

D. (6) $3,000. E. (9) $1,255.

A. Arthur Randol, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $106.88. E. (9) 24.06.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $250.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.

B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.

D. (6) $736.24. E. (9) 748.35.

A. G. J. Rauschenbach.

B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.

D. (6) $1,000. E. (9) $820.

A. Harry A. S. Read, 2 Militia Drive, Lexington, Mass. 02173.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $500.

A. Sydney C. Reagan, 6815 Prestonshire, Dallas, Tex. 75225.

B. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.
D. (6) $150.

A. Susan Elizabeth Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $337.

A. Timothy J. Redmon, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $46.14. E. (9) $28.50.

A. Redwood Industry Park Committee, Box 697, Arcata, Calif. 95521.
E. (9) $41.12.

A. Dwight C. Reed, National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association.

A. Lawrence D. Reedy, 1730 M Street NW., Suite 805, Washington, D.C. 20036.
B. American Association of Advertising Agencies, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,250. E. (9) $600.

A. J. Mitchell Reese, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230.
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $2,076.41.

A. John T. Reggitts, Jr., Rural Delivery No. 2, Boonton Avenue, Boonton, N.J. 07005.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.

A. Diane Rennert, 1920 L Street NW., Suite 750, Washington, D.C. 20036.
B. Association of American Publishers, 1920 L Street NW., Suite 750, Washington, D.C. 20036.
D. (6) $950. E. (9) $159.30.

A. Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,538.

A. John H. Reurs, 25 Broadway, New York, N.Y. 10004.
B. New York Committee of International Committee of Passenger Lines, 25 Broadway, New York, N.Y. 10004.
D. (6) $7,500. E. (9) $697.

A. James J. Reynolds, American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $217.02.

A. W. A. Reynolds, 4400 Lincoln Boulevard, Suite 155, Oklahoma City, Okla. 73105.
B. Aerospatiale Aircraft Corp., 1225 19th Street NW., Washington, D.C. 20006.
D. (6) $2,600. E. (9) $602.71.

A. William L. Reynolds, National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
D. (6) $1,600. E. (9) $105.

A. Austin T. Rhoads, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.
E. (9) $627.78.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C.
E. (9) $112.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., Suite 400, Washington, D.C.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 336 Austin Street, Bogalusa, La. 70427.
B. Louisiana Railroads, 336 Austin Street, Bogalusa, La. 70427.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.
B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $166.66. E. (9) $23.40.

A. John D. Ritchie, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. Stark Ritchie, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William Neale Roach, 1616 P Street NW,. Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $141.63.

A. Paul H. Robbins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. William S. Roberts, National Rural Electric Cooperative Association, 2000 Florida Ave., NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $50.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Thomas G. Roderick, 1101 16th Street NW., Washington, D.C. 20036.
B. Consolidated Natural Gas Service Co., Inc., 4 Gateway Center, Pittsburgh, Pa. 15222.

A. Charlotte Roe, International Ladies Garment Workers Union, 1710 Broadway, New York, N.Y., 10019.
B. International Ladies Garment Workers Union, 1710 Broadway, New York N.Y., 10019.
D. (6) $3,076.90. E. (9) $320.72.

A. Byron G. Rogers, 666 Gaylord Street, Denver, Colo. 80206 and 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.
D. (6) $800. E. (9) $6.80.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $525.

A. Frank W. Rogers, 1801 K Street NW., Washington, D.C. 20006.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $150.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Air France International Airline, 1350 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $375.

A. Rogers & Wells, 1666 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Deltona Corp., 3250 Southwest Third Avenue, Miami, Fla. 33129.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. The F&M Schaeffer Brewing Co., 430 Kent Avenue, Brooklyn, N.Y. 11211.
D. (6) $250.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Twentieth Century Fox Film Corp., P.O. Box 900, Beverly Hills, Calif. 90213.
D. (6) $600.

A. John F. Rolph, III, 1120 Connecticut Avene NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,500.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street, East, Charleston, W. Va. 25301.
B. Appalachian Power Co., 301 Virginia Street, East, Charleston, W. Va. 25301.
D. (6) $176.92. E. (9) $142.99.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Larry M. Rosenstein, American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, South Carolina Petroleum Council, Division of A.P.I., 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $318. E. (9) $471.19.

A. William C. Rountree, 1660 L Street NW., Suite 212, Washington, D.C. 20036.
B. Standard Oil Co. (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $200. E. (9) $70.

A. Rouse & O'Rourke, Lawyers Building, 231 E. Vermijo Avenue, Colorado Springs, Col. 80903.
B. Union Nacional de Productores de Azcar, S.A. de C. V., known as UNPASA, Balderas 36, Mexico, D.F., Mexico.
D. (6) $6,300. E. (9) $3,781.67.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Company, Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. John W. Bowland, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Ruckelshaus, Beveridge, Fairbanks & Diamond, One Farragut Square South, 3d Floor, Washington, D.C. 20006.
B. The Society of the Plastics Industry, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Nicholas L. Ruggieri, 1155 15th Street NW., Washington, D.C. 20005.
B. Pharmaceutical Manufacturers Association.

A. Leonard H. Ruppert, N.J. Petroleum Council, Division of API, 212 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $136.54. E. (9) $15.70.

A. Joseph Ruskiewicz, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

A. Perry A. Russ, 901 North Washington St., Alexandria, Va. 22314.
B. Society of American Florists and Ornamental Horticulturalists, 901 North Washington St., Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. 12285, Memphis, Tenn. 38112.
D. (6) $5,397.73. E. (9) $427.80.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $155.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. Alaska Federation of Natives International, 1412 F Street NW., Washington, D.C.
D. (6) $300.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. American Association of Bioanalysts, 411 North Seventh Street, Suite 805, St. Louis, Mo. 63101.
D. (6) $200. E. (9) $317.48.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $500. E. (9) $1,077.75.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. American Optometric Association, 1730 M Street NW., Washington, D.C.
D. (6) $550. E. (9) $1,439.47.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. American Trucking Association, 1616 P St. NW., Washington, D.C.
D. (6) $100.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. Calista Corp., 516 Denali Street, Anchorage, Alaska 99501.
D. (6) $500. E. (9) $376.82.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., Suite 514, Washington, D.C. 20036.
B. International Society of Clinical Tech., 411 North Seventh Street, Suite 805, St. Louis, Mo. 63101.
D. (6) $200. E. (9) $317.48.

A. Millard H. Ruud, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.
B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 Fifteenth Street, NW., Washington, D.C. 20005.
B. J. C. Penney Company, Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $100. E. (9) $23.81.

A. William H. Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. $3,500. E. (9) $218.63.

A. C. Hill Rylander, 425 13th Street NW., Washington, D.C. 20004.
B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.
D. (6) $2,102.20.

A. Fred J. Sacco, New Jersey Petroleum Council, a Division of API, 212 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $181.54. E. (9) $25.

A. Carl K. Sadler, American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $8,036. E. (9) $10,304.89.

A. Stephen Lee Samuels, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $400.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Burmah Oil & Gas Co., P.O. Box 94193, Houston, Tex. 77018.
D. (6) $435.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.
B. Signal Companies, Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.
D. (6) $615.

A. Charles E. Sandler, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.
B. Council of European and Japanese National Shipowners' Associations, 30–32 St. Mary Axe, London EC3A 8ET, England.
D. (6) $11,250. E. (9) $11,363.14.

A. Thomas H. Saunders, Suite 501, 1825 K Street NW., Washington, D.C. 20006.
B. Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C., 20036.
D. (6) $3,499.98.

A. Henry Schacht.
B. California Canners and Growers, 3100 Ferry Building, San Francisco, Calif. 94106.
D. (6) $2,850. E. (9) $1,648.43.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.
B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.
E. (9) $2,138.99.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW, Washington, D.C. 20036.
D. (6) $1,249.98. E. (9) $375.78.

A. Jacques T. Schlenger, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $539.30.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $18.67.

A. Stephen I. Schlossberg, Suite 600, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $8,941.38 E. (9) $995.74.

A. Richard M. Schmidt, Jr., 1920 L Street N.W., Washington, D.C. 20036.
B. Association of American Publishers, 1920 L Street, NW., Washington, D.C. 20036.
D. (6) $500.

A. Robert L. Schmidt.
B. National Cable Television Association, Inc., 918 16th Street, NW., Washington, D.C. 20006.
D. (6) $125. E. (9) $250.

A. Mahlon Schneider, Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.
D. (6) $250. E. (9) $332.86.

A. Amber Scholtz, 900 15th Street, NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street, NW., Washington, D.C. 20005.
D. (6) $705. E. (9) $49.35.

A. N. Donald Schroeder, Maryland Petroleum Association, a Division of API, 409 Washington Avenue, Towson, Md. 21204.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.

A. Hilliard Schulberg, 4311 Sunflower Drive, Rockville, Md. 20853.
B. National Liquor Stores Association, Inc., 1025 Vermont Avenue, NW., Washington, D.C. 20005.
D. (6) $225. E. (9) $99.

A. Robert L. Schulz, Iowa Petroleum Council, Division of API, 1012 Fleming Building, Des Moines, Iowa 50309.
B. American Petroleum Institute, 1801 K Street, NW., Washington, D.C. 20006.
D. (6) $552. E. (9) 599.40.

A. Donald H. Schwab, Veterans of Foreign Wars of the United States, 200 Maryland Avenue, NE., Washington, D.C. 20002.
B. Veterans of Foreign Wars of the United States.
D. (6) $2,750. E. (9) $139.27.

A. Bari L. Schwartz, 2030 M Street NW., Room 300, Washington, D.C. 20037.
B. Action For Legal Rights, 2030 M Street NW., Washington, D.C. 20037.

A. Sydnee M. Schwartz, 900 15th Street, NW., Washington, D.C. 20005.
B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.
D. (6) $1,131. E. (9) $49.

A. Harold B. Scoggins, 1101 16th Street NW., Washington, D.C. 20036.
B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $17.50.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.
B. National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.
B. Colonial Penn Group, Inc., and Affiliated Corps., 5 Penn Center Plaza, Philadelphia, Pa. 19103.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.
B. Occidental Life Insurance Co., of California, Occidental Center, Los Angeles, Calif. 90054.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.
B. Provident Life & Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Durward Seals, 1019 19th Stret NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $65.43.

A. Earl W. Sears, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $200. E. (9) $21.89.

A. Carol A. Seeger.
B. National Cable Television Association, 918 16th Street NW., Washington, D.C.
D. (6) $4,500. E. (9) $50.

A. Carol A. Seeger-Risher.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20036.
D. (6) $1,425. E. (9) $184.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.
B. Estate of Bert N. Adams, et al.
E. (9) $176.53.

A. Donald E. Selby, 1500 Rhode Island Ave., NW., Washington, D.C. 20005.
B. National Paint and Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $304. E. (9) $30.90.

A. Self-Determination for the District of Columbia, Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $80. E. $173.92.

A. Peter J. Semper, 13915 Panay Way, Marina del Rey, Calif. 90291.
B. Council for Responsible Nutrition, 13915 Panay Way, Marina del Rey, Calif. 90291.
D. (6) $2,524.10. E. (9) $1,174.10.

A. Stanton P. Sender, Suite 802, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $560. E. (9) $90.

A. J. Richard Sewell, Suite 503, 1701 K Street NW., Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $1,586. E. (9) $452.13.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $247.

A. James M. Shamberger, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C.
E. (9) $25.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $539.30.

A. Harry D. Shapiro, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $18.67.

A. Jerome G. Shapiro, 1 Wall Street, New York, N.Y. 10005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Albright Title & Trust Company, et al.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Detroit, Toledo & Ironton Railroad Co., 1 Park Lane Boulevard, Dearborn, Mich. 42816.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Grocers' Alliance, 5725 East River Road, Chicago, Ill. 60631; Topco Associates, Inc., 7711 Gross Point Road, Skokie, Ill. 60076.
D. (6) $308. E. (9) $84.50.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.
D. (6) $500. E. (9) $88.94.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
D. (6) $2,178.75. E. (9) $4.20.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Institute of Foreign Bankers, 10 Pine Street, New York, N.Y.
D. (6) $3,000.

A. John J. Sheehan, Suite 706, United Steelworkers of America, 815 16th Street NW., Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,419. E. (9) $1,550.94.

A. Laurence P. Sherfy, American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Seymour Sheriff, 1126 Woodward Building, Washington, D.C. 20005.
B. Man-Made Fiber Producers Association, Inc.

A. Harvey A. Shipman, Penn Central Transportation Co., Suite 1103, 1725 K Street NW., Washington, D.C. 20006.
B. Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.
D. (6) $300. E. (9) $1,580.

A. James K. Shiver, suite 600, 1629 K Street NW., Washington, D.C.
B. Diamond Shamrock Chemical Co., Cleveland, Ohio.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $70.01.

A. L. J. Sichel, Abbott Laboratories, Suite 808, 1730 M Street NW., Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Harry G. Silleck, Jr., 20 Broad Street, New York, N.Y. 10005.
B. Trustees of Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio.

A. David Silver, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street N.W., Washington, D.C. 20006.
D. (6) $33.

A. Silver Users Association, Inc., 1717 K Street NW., Washington, D.C. 20006.
E. (9) $2,344.81.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Government of the Netherlands Antilles, Fort Amsterdam, Willemstad, Curacao, Netherlands Antilles.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National League of Insured Savings Associations, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Venture Capital Association, 4300 Sigma Road, Dallas, Tex. 75240.

A. Silverstein & Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Venezuelan-American Chamber of Commerce and Industry, Apartado 5181, Caracas 101, Venezuela.

A. Gilbert Simonetti, Jr., 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of CPA's, 1211 Avenue of the Americas, New York, N.Y. 10036.
E. (9) $250.

A. James E. Simmons, suite 220, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 E. Chicago Avenue, Chicago, Ill. 60611.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. AFL–CIO Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
E. (9) $797.74.

A. Talmadge E. Simpkins, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee.
D. (6) $1,810. E. (9) $50.43.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum and Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $120.

A. Jean Head Sisco, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $37.50.

A. Hall Sisson, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,228.90. E. (9) $3,401.38.

A. James A. Skinner, Jr., 1136 Second Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., Suite 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $186.

A. Jonathan W. Sloat, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.
D. (6) $21,000. E. (9) $21,785.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., No. 1200, Washington, D.C. 20006.
B. American Horse Council, 1776 K Street NW., Washington, D.C.
D. (6) $5,500. E. (9) $895.19.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., No. 1200, Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20006.
D. (6) $6,250. E. (9) $35.48.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Bankers Joint Stock Land Bank of Milwaukee, Wisc.
E. (9) $2.20.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $6,000. E. (9) $53.74.

A. Smathers, Merrigan & Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $289.80.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $698.62.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022 (for: Flextime Corporation).
E. (9) $8.50.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates Ltd., 485 Madison Avenue, New York, N.Y. 10022. (for Florists' Transworld Delivery Association.)
E. (9) $51.96.

A. Hugh H. Smith, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Express Co., 65 Broadway, New York, N.Y. 10006.
D. (6) $500.

A. Hugh H. Smith, P.C., 1140 Connecticut Avenue NW., Washington, DC. 20036.
B. Engelhard Minerals and Chemical, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200.

A. Hugh H. Smith, P.C., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $150.

A. J. Kenneth Smith, Sun Oil Co., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,500. E. (9) $1,175.

A. James R. Smith, 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.
B. The American Waterways Operators, Inc., 1600 Wilson Boulevard, Suite 1101, Arlington, Va. 22209.

A. Robert B. Smith, Jr., American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $325. E. (9) $80.

A. Robert William Smith, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $630. E. (9) $213.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.
B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.
D. (6) $4,113.49. E. (9) $152.50.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,250. E. (9) $550.80.

A. Arthur V. Smyth, Vice President, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $1,431.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley and Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $640.75. E. (9) $31.70.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,147.

A. J. R. Snyder, United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

E. (9) $200.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.

D. (6) $6,753.55. E. (9) $9,511.92.

A. Carl A. Soderblom, Nevada Railroad Association, One East First Street, Suite 905, Reno, Nev. 89501.

B. Nevada Railroad Association, One East First Street, Suite 905, Reno, Nev. 89501.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $3,000. E. (9) $1,118.

A. Southwestern Peanut Shellers Association, 6815 Prestonshire, Dallas, Tex. 75225.

D. (6) $150. E. (9) $150.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Co. (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $415.72. E. (9) $2.98.

A. Frank J. Specht, Schenley Industries, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

B. Schenley Industries, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. William C. Spence, P.O. Box 683, Houston, Tex. 77001.

B. Columbia Gulf Transmission Co., P.O. Box 683, Houston, Tex. 77001.

A. Joseph L. Spilman, Jr., 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $483. E. (9) $100.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $250. E. (9) $22.73.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.

E. (9) $273.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $1,718.75. E. (9) $498.61.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.

E. (9) $2,952.

A. Harker Stanton, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $100.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., Suite 415, Blake Building, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $3,000. E. (9) $350.

A. Leon P. Stavrou, 1730 K Street NW., Washington, D.C. 20006.

B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., Suite 903, Washington, D.C. 20006.

D. (6) $228.60.

A. David J. Steinberg, National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steinhart, Goldberg, Feigenbaum & Ladar, 1 Post Street, Suite 3400, San Francisco, Calif. 94104.

B. Valley Center Municipal Water District, Valley Center, Calif. 92082.

D. (6) $2,070. E. (9) $597.02.

A. William M. Stephens, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington D.C. 20006.

D. (6) $600. E. (9) $60.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Paul W. P. Sternberg, 1750 New York Avenue NW., Washington, D.C. 20006.

B. National Oil Jobbers Council, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $5,250. E. (9) $79.28.

A. Eugene H. Stearns, South Dakota Petroleum Council, Division of API, P.O. Box 669, Pierre, S.Dak. 57501.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $107.52. E. (9) $525.67.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.

B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $870.

A. Travis E. Stewart, Hoffmann-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.

B. Hoffmann-La Roche Inc., 340 Kingland Street, Nutley, N.J. 07110.

D. (6) $375. E. (9) $150.

A. Edward W. Stimpson, Suite 1215, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) $525.

A. William M. Stover, Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

D. (6) $1,000. E. (9) $100.

A. John D. Stringer, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $2,615.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $237.50. E. (9) $6.68.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $2,750. E. (9) $526.70.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.

D. (6) $2,400.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.

B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

E. (9) $67.89.

A. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis. 54935.

B. Joint Stock Land Bank of Milwaukee, Wis., 434 South Marr Street, Fond du Lac, Wis. 54935.

E. (9) $184.46.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Carnegie Corporation of New York, 437 Madison Avenue, New York, N.Y. 10022.

D. (6) $1,000. E. (9) $50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Central States Health & Life Company of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. The Coca-Cola Bottlers' Assocation, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Governors of the Knights of Ak-Sar-Ben, 63d and Shirley Streets, Omaha, Nebr. 68106.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Life Companies, 1365 Peachtree Street, NE., Atlanta, Ga. 30309.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Retail Credit Co., Post Office Box 4081, Atlanta, Ga. 30302.

D. (6) $5,000. E. (9) $500.

A. Glenn A. Swanson, 1625 Masachusetts Avenue NW., No. 203, Independent Bankers Association of America, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

D. (6) $31,733.13. E. (9) $4,705.63.

A. Irving W. Swanson, Pharmaceutical Manufacturers Association, 1155 15th Street NW., Washington, D.C. 20005.

B. Pharmaceutical Manufacturers Association.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.

B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

D. (6) $8,749.98.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.

B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.

D. (6) $275. E. (9) $155.25.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.

B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.

D. (6) $733.20. E. (9) $402.19.

A. Charles C. Talley, 1725–A Solomon Road, Charlottesville, Va. 22901.

B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

D. (6) $112. E. (9) $120.

A. Task Force Against Nuclear Pollution, Inc., 153 E Street SE., Washington, D.C. 20003.

D. (6) $10,577.40. E. (9) $13,333.83.

A. Sid Taylor, National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.

B. National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.

D. (6) $150. E. (9) $180.

A. William A. Taylor, % Mississippi Petroleum Council, a Division of API, P.O. Box 42, Jackson, Miss. 39205.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

A. William K. Tell, Jr., 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $175.

A. Paul Tendler, American Nurses' Association, Inc., 1030 15th Street NW., Washington, D.C. 20005.

B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $691.58 E. (9) $691.58.

A. L. D. Tharp, Jr., 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. J. Woodrow Thomas Associates, Inc., 734 15th Street NW., Suite 600, Washington, D.C. 20005.

B. Avis Rent A Car System, Inc., 900 Old Country Road, Garden City, N.Y. 11530.

D. (6) $1,000.

A. J. Woodrow Thomas Associates Inc., 734 15th Street NW., Suite 600, Washington, D.C. 20005.

B. REA Express, Inc., 219 East 42d Street, New York, N.Y. 10017.

D. (6) $3,000.

A. Fred D. Thompson, Thompson, Liebengood & Crawford, First American Center, 15th Floor, Nashville, Tenn. 37238.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

D. (6) $5,190. E. (9) $2,115.33.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,432. D (9) $451.45.

A. Kenneth W. Thompson, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. William D. Thompson, General Motors Corp., 1660 L Street NW., Suite 804, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

D. (6) $3,000. E. (9) 2,339.69.

A. Terence Hastings Thorn, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va.

D. (6) $1,270. E. (9) $500.

A. Robert T. Thornburg, Minnesota Petroleum Council, a Division of API, 1020 Northern Federal Building, St. Paul, Minn. 55102.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $560. E. (9) $676.25.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.

B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.

B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.

D. (6) $5,500. E. (9) $3,360.25.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.

B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $2,421.95.

A. Paul J. Tierney, 1100 17th Street NW., Washington, D.C. 20036.

B. Transportation Association of America, 1100 17th Street NW., Washington, D.C. 20036.

A. Wallace Tillman, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $180.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.

D. (6) $121.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.

D. (6) $166.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Laclede Gas Co., 720 Olive Street, St. St. Louis, Mo. 63101.

D. (6) $17.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.

D. (6) $33.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $159.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $187.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Riviana Foods, Inc., P.O. Box 2636, Houston, Tex. 77001.

D. (6) $140.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.

D. (6) $332.

A. Michael L. Tiner, Active Ballot Club Department, Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $3,637.88. E. (9) $439.51.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $2,011.

A. Maurice B. Tobin, Potlatch Corp., 1010 16th Street NW., 20036.

B. Potlatch Corp., One Maritime Plaza, Box 3591, San Francisco, Calif. 94119.

D. (6) $25.

A. Patrick F. Tobin, 417 Fourth Street SE., Washington, D.C. 20003.

B. International Longshoremen's and Warehousemen's Union, 1188 Franklin Street, San Francisco, Calif. 94109.

D. (6) $4,647.

A. H. Willis Tobler, 1735 I Street, Washington, D.C. 20006.

B. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.

D. (6) $750.

A. David R. Toll, 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.

B. National Association of Electric Cos., 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.

D. (6) $585. E. (9) $154.50.

A. John Tope, 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Howard A. Topel, 307 Southern Building, Washington, D.C. 20005.

B. Mullin, Connor & Rhyne, 307 Southern Building, Washington, D.C. 20005.

D. (6) $450. E. (9) $13.65.

A. John P. Tracey, American Bar Association, Washington, D.C. 20036.

B. American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $50.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

E. (9) $91.20.

A. John P. Trimmer, 1156 15th Street NW., Suite 731, Washington, D.C. 20005.

B. Associated Builders & Contractors, Inc., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.

D. (6) $3,200. E. (9) $3,636.53.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $6,875. E. (9) $87.

A. Truck Body & Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Francis J. Tucker, Penn Central Co., Haverford Towers, Haverford, Pa. 19041.

B. Penn Central Co., 3 Penn Center Plaza, Room 823, Philadelphia, Pa. 19102.

D. (6) $250. E. (9) $67.70.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers' Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $300. E. (9) $25.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $100. E. (9) $5.

A. John G. Turner, Jr., Chevron Oil Co., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron Oil Co., a subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $150. E. (9) $52.60.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.

B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. International Leather Goods, Plastics, and Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.

D. (6) $250. E. (9) $225.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. The National Handbag Association, 347 Fifth Avenue, New York, N.Y. 10016.

D. (6) $250. E. (9) $225.

A. Joseph D. Tydings, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $6.09. E. (9) $6.09.

A. Wayne Underwood, American Seed Trade Association, 1030 15th Street NW., Washington, D.C.

B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C.

A. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

E. (9) $12,698.61.

A. United Egg Producers, Suite 580, 3951 Snapfinger Parkway, Decatur, Ga. 30032.

E. (9) $1,375.

A. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $3,332.65. E. (9) $3,332.65.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

E. (9) $3,189.75.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $345.71.

A. U.S. Coast Guard Chief Petty Officers Association, 1001 Third Street SW., Washington, D.C. 20024.

D. (6) $13,810. E. (9) $1,631.

A. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

E. (9) $64,755.16.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $3,439.21.

A. Jack J. Valenti, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C.

A. John A. Vance, Suite 1109, 1150 17th Street NW., Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $687.50. E. (9) $514.12.

A. Ted Van Dyk Associates, Inc., Suite 900, 1156 15th Street NW., Washington, D.C. 20005.

B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

A. Ted Van Dyk Associates, Inc., Suite 900, 1156 15th Street N.W., Washington, D.C. 20005.

B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

A. Gerard J. Van Heuven, 100 Northeast Adams Street, Peoria, Ill. 61629.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $300. E. (9) $482.62.

A. H. Stewart Van Scoyoc, Suite 210, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

D. (6) $40. E. (9) $4.

A. Lois W. Van Valkenburgh, 3512 Halcyon Drive, Alexandria, Va. 22305.

B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $188.75. E. (9) $97.54.

A. Jerry T. Verkler, Suite 901, 1660 L Street NW., Washington, D.C. 20036.

B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.

E. (9) $561.29.

A. R. Eric Vige, 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Elizabeth Alderman Vinson, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $812.

A. Walter D. Vinyard, Jr., Suite 415, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Insurance Association, Suite 415, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Andrew Vitali, Jr., 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $3,600. E. (9) $375.

A. Robert J. Wager, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $31.59. E. (9) $2.60.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Alameda Naval Employees' Association, Alameda Naval Air Station, Alameda, Calif.

D. (6) $750. E. (9) 173.96.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. American Association of Independent News Distributors, 50 California Street, San Francisco, Calif.

D. (6) $3,000.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Friends of Earth, 529 Commercial, San Francisco, Calif.

D. (6) $624. E. (9) $162.65.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $8,739.88. E. (9) $168.15.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. Recording Industry Association of America, 1 East 57th Street, New York, N.Y.

D. (6) $4,998. E. (9) $222.96.

A. Robert E. Waldron, c/o Associated Petroleum Industries of Michigan, a Division of American Petroleum Institute, 930 Michigan National Tower, Lansing, Mich. 48933.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $376.25. E. (9) $601.09.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.

B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.

D. (6) 297.42.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Allen Products Co., Inc., P.O. Box 2187, R.D. No. 3, Allentown, Pa. 18001.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allied Chemical Corp., P.O. Box 1057 R, Morristown, N.J. 07960.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Company of America, Washington, D.C. 20006.
D. (6) $507.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $625.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. duPont de Nemours, Wilmington, Del. 19898.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Airlines, Inc., 10 Rockefeller Plaza, New York., N.Y. 10020.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich., 48121.
D. (6) $507.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $507.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Geothermal Kinetics Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire and Rubber Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street, Suite 700, Washington, D.C. 20006.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, California 90017.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, Suite 1102 South Building, 950 L'Enfant Plaza, Washington, D.C. 20024.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio 43666.
D. (6) $416.66.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $507.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Co., of California, 461 South Boylston, Los Angeles, Calif. 90017.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $200.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
D. (6) $150.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Wheelabrator-Frye, Inc., 299 Park Avenue, New York, N.Y. 10017.
D. (6) $625.

A. R. Duffy Wall, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $300.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 970 New Brunswick Avenue, Rahway, N.J. 07065.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Bipartisan Committee on Absentee Voting, Inc., 1800 K Street NW., Suite 614, Washington, D.C. 20006.
E. (9) $44.36.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $6,950.75.

A. Charles S. Walsh, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $900. E. (9) $75.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mt. Prospect, Ill. 60056.
D. (6) $350.

A. Jack Ware, 1801 K Street NW., Washington, D.C. 20006.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,764. E. (9) $246.07.

A. Michael O. Ware, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
E. (9) $2.50.

A. Peter F. Walker, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $350.

A. Leonard Warner, P.O. Box 100, Ashburn, Va. 22011.
D. (6) $1,000. E. (9) $1,630.

A. Washington Board of Realtors, 1511 K Street, NW., Suite 439, Washington, D.C. 20005.

A. Robert B. Washington, Jr., Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $3.12.

A. J. Wesley Watkins, III., 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. George A. Watson, Suite 800, 1612 K Street NW., Washington, D.C.
B. The Ferroalloys Association, 1612 K Street, NW., Washington, D.C.
E. (9) $1,500.

A. Ralph J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp.
D. (6) $360. E. (9) $182.75.

A. George B. Watts, 1155 Fifteenth Street NW., Washington, D.C. 20005.
B. National Broiler Council, 1155 Fifteenth Street NW., Washington, D.C. 20005.
D. (6) $300.

A. Ray Wax, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
E. (9) $69.87.

A. W. H. Weatherspoon, N. C. Petroleum Council, Division of API, P.O. Box 167, Raleigh, N.C. 27602.
B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $567.50.

A. Clyde M. Webber, American Federation of Government Employees, AFL–CIO, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $14,366.80. E (9) $1,765.23.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Paratransit Institute, 222 Wisconsin Avenue, Lake Forest, Ill. 60045.
D. (6) $3,500. E. (9) $67.70.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $1,300.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006
B. American Society of Radiologic Technologists, 500 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $2,000.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sand Springs Home, c/o E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.
D. (6) $800.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C. 20015.
D. (6) $3,750. E. (9) $3,500.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $727.

A. David M. Weiman, P.O. Box 2251, Denver, Colo.
B. Farmers' Educational and Co-operative Union of America (National Farmers Union), P.O. Box 2251, Denver, Colo.
D. $2,838.45. E. (9) $82.96.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. American Society of Composers, Authors & Publishers, ASCAP, 1 Lincoln Plaza, New York, N.Y. 10023.
D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J.
D. (6) $2000.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $5,265. E. (9) $250.10.

A. Thomas F. Wenning, 1625 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Grocers of the United States, 2000 Spring Road, Oak Brook, Ill.
D. (6) $112. E. (9) $19.75.

A. Fred M. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $135.25.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harry H. Westbay III, 1625 Eye Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $200. E. (9) $120.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
(D. (6) $10,000. E. (9) $2,075.

A. Wheeler, Van Sickle & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $150.

A. John S. White, Room 1008, 1101 17th Street NW., Washington, D.C. 20036.
B. Private Truck Council of America, Inc.

A. John S. White, Marathon Oil Co., Suite 420, 1625 I Street NW., Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio, 45840.
E. (9) $936.61.

A. Douglas Whitlock II, Suite 512, 1660 L Street NW., Washington, D.C. 20036.
B. Zale Corp., Suite 512, 1660 L Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $150.

A. Leonard M. Wickliffe, Suite 615, 1620 I Street NW., Washington, D.C. 20006.
B. California Railroad Association, 11th and L Building, Sacramento, Calif. 95814.
D. (6) $8,750.01. E (9) $2,580.47.

A. Louise Wides, 208 Ninth Street SE., Washington, D.C. 20003.
B. Center for Public Financing of Elections, 201 Massachusetts Avenue NE., Washington, D.C. 20002.
D. (6) $1,557.68

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $487.50. E. (9) $210.18.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $193.67.

A. Thomas D. Wilcox, 919 18th Street NW., Washington, D.C. 20006.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $5,950. E. (9) $4,679.21.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents, Inc., 711 Fifth Avenue, New York, N.Y. 10022.
E. (9) $1,294.01.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $73.78.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 420 Lexington Avenue New York, N.Y. 10017.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., 136 East South Temple, Salt Lake City, Utah.
E. (9) $171.38.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $1.56.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $59.20.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $127.88.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue, NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Greentree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $34.93.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 48, Kotzebue, Alaska 99752.
E. (9) $10.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E. (9) $30.16.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $88.09.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. U.S. National Bank, Medford, Oreg.
E. (9) $13.89.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $18.75.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Francis G. Williams, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Harding deC. Williams, National Savings & Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings & Loan League, 1101 15th Street NW., Washington, D.C. 20005.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blomquist, Batte, & Campbell, Inc., 1039 College Avenue, Wheaton, Ill. 60187.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Farmers Land & Canal Co., Inc., P.O. Box 996, Lake Charles, La. 70601.
D. (6) $200. E. (9) $20.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,700. E. (9) $170.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Louisiana Land and Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $1,000. E. (9) $100.

A. Williams & Jensen, 1130 17th Street N.W., Washington, D.C. 20036.
B. National Health Legislation Council, P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street N.W., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Lucinda L. Williams, 1600 South Eads, Arlington, Va. 22202.
B. F.A.I.R., 3706 Washington Boulevard, Indianapolis, Ind.
D. (6) $3,000. E. (9) $100.

A. Robert E. Williams, United Airlines, Suite 607, 1825 K Street NW., Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $723.60.

A. Robert G. Williams, 2020 14th Street North, Arlington, Va. 22201.
B. Trane Co., 3600 Pammel Creek Road, La Crosse, Wis.,
D. (6) $462.50. E. (9) $92.96.

A. John C. Williamson, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
B. Mortgage Insurance Cos. of America, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
D. (6) $4,000. E. (9) $341.46.

A. John C. Williamson, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
B. National Apartment Association, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. George S. Wills, 1425 K Street N.W., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Business Roundtable, 888 17th Street NW,. Washington, D.C. 20006.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Dealer Bank Association, P.O. Box 8796, St. Louis, Mo. 63102.
D. (6) $741. E. (9) $12.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,395. E. (9) $32.80.

A. Wilmer, Cutler, & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. National Corporation for Housing Partnerships and The National Housing Partnership, 1133 15th Street NW., Washington, D.C. 20005.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.

A. Dorothy Wilson, 4201 Cathedral Avenue NW., 1205 East, Washington, D.C.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street, NW., Washington, D.C. 20006.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $937.50. E. (9) $77.31.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $2,200.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006,
B. Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $62.50. E. (9) $23.59.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gould Inc., 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.
D. (6) $1,657.50. E. (9) $118.80.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $900. E. (9) $166.45.

A. Richard F. Witherall, Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 702 Majestic Building, Denver, Colo.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. James E. Wolf, Trane Co., 2020 14th Street North, Arlington, Va. 22201.

B. Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.

D. (6) $600. E. (9) $47.80.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.

A. Nathan T. Wolkomir, 1737 H Street NW., Washington, D.C. 20006.

B. National Federation of Federal Employees, 1737 H Street NW., Washington, D.C. 20006.

D. (6) $9,230.76. E. (9) $827.17.

A. David G. Wood, United Airlines, Suite 607, 1825 K Street NW., Washington, D.C. 20006.

B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

D. (6) $1,230. E. (9) $245.51.

A. Merle E. Wood, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

D. (6) $420. E. (9) $472.25.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

D. (6) $577.75. E. (9) $582.97.

A. Albert Young Woodward, 1625 I Street NW., Washington, D.C.

B. Flying Tiger Line Inc., Los Angeles International Airport, Los Angeles, Calif.

A. Perry W. Woofter, 1801 K Street NW., Washington, D.C. 20006.

B. American Petroleum Institute, 1801 K Street NW., Washington, D.C. 20006.

D. (6) $3,000. E. (9) $122.10.

A. George M. Worden, Hill & Knowlton, Inc., Suite 1000, 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $5,400.

A. Dennis M. Yamamoto, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Alvin Levin, 120 South Hanover Street, Carlisle, Pa. 17013.

D. (6) $1,275.58. E. (9) $721.60.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.

B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.

D. (6) $200. E. (9) $116.76.

A. Young, Kaplan & Edelstein, 277 Park Avenue, New York N.Y. 10017.

B. Glick Affiliates, 3000 Marcus Avenue, Lake Success, N.Y. 11040.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York.

E. (9) $38.30.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.

B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.

D. (6) $2,400. E. (9) $1,235.

A. Thomas K. Zaucha, National Association of Food Chains, 1725 I Street NW., Washington, D.C.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

E. (9) $500.

A. Charles O. Zuver, American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $96.15.

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following reports for the second calendar quarter of 1974 were received too late to be included in the published reports for that quarter.

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.

E. (9) $822.92.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $815.10. E. (9) $774.

A. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.

E. (9) $8,425.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $142. E. (9) $19,426.25.

A. American Cancer Society, 219 East 42 Street, New York City, N.Y.

E. (9) $13,369.85.

A. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.

D. (6) $50,493.02. E. (9) $50,493.02.

A. American Committee on U.S.-Soviet Relations, 122 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $16,459. E. (9) $13,200.31.

A. American Conservative Union, 422 First Street SE., Washington, D.C.

D. (6) $17,575.88. E. (9) $18,245.41.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $300. E. (9) $300.

A. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $10,897.32. E. (9) $10,897.32

A. American Israel Public Affairs Committee, 1341 G Street NW., Washington, D.C. 20005.

D. (6) $150,978.50. E. (9) $62,580.49.

A. American Maritime Association, 1612 K Street NW., Washington, D.C. 20006.

E. (9) $180.

A. American Rivers Conservation Council, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,133.37. E. (9) $1,242.89.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.

D. (6) $10,067.43. E. (9) $2,026.51.

A. American Surveys, Embassy Square, (Suite 901), 2000 N Street NW., Washington, D.C. 20036.

B. National Customs Brokers and Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.

D. (6) $225. E. (9) $188.07.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.

E. (9) $300.

A. Morris J. Amitay, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

D. (6) $10,000.

A. Scott G. Anderson, 11800 Sunrise Valley Drive, Reston, Va. 22091.

B. Burlington Northern, Inc., 176 East Fifth Street, St. Paul, Minn. 55101.

D. (6) $3,000. E. (9) $102.31.

A. Florian J. Anfang, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $987. E. (9) $1,115.64.

A. Roy A. Archibald, National Education Association, West Coast Regional Office, 1705 Murchison Drive, Burlingame, Calif. 94010.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,091.20. E. (9) $100.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Len Arrow, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500.

A. Artists Equity Association, 2813 Albemarle Street NW., Washington, D.C. 20008.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Employers Inc., 8107 Broadway, Suite 202, San Antonio, Tex. 78209.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Association for the Advancement of Invention & Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

D. (6) $400. E. (9) $1,584.96.

A. The Authors League of America, Inc., 234 West 44th Street, New York, N.Y. 10036.

D. (6) $556.60. E. (9) $556.60.

A. Richard E. Ayres, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,490.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

A. Markham Ball, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer, (for: Cooperative for American Relief Everywhere, Inc., 600 First Avenue, New York, N.Y.)

A. Joseph Baroody, 1100 17th Street NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $300. E. (9) $150.

A. Roger V. Barth, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.

B. American Association of Clinical Chemists, 1725 K Street NW., Washington, D.C. 20006.

A. Davis M. Batson, 1155 15th Street NW., Suite 1060, Washington, D.C. 20005.

B. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

D. (6) $1,000.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24011.

B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.

D. (6) $457.70. E. (9) $839.90.

A. Lloyd R. Bell, 316 West 12th Street, Austin, Tex. 78701.

B. Texas State Teachers Association, 316 West 12th Street, Austin, Tex. 78701.

D. (6) $56. E. (9) $24.

A. Winston E. Bell, P.O. Box 1718, Las Vegas, Nev. 89101.

A. Berl Bernhard, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.

B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.

D. (6) $2,000. E. (9) $150.

A. Jerome S. Bernstein, Rj Associates, Inc., 1018 Wilson Boulevard, Arlington, Va.

B. Navajo Nation, Rj Associates, Inc.

E. (9) $346.

A. William C. Bickel, Gulf Oil Co., United States, Suite 700, 1025 Connecticut Avenue, Washington, D.C. 20036.

B. Gulf Oil Co., United States, P.O. Box 2100, Houston, Tex. 77001.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,453.13.

A. Larry Blanchard, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,142. E. (9) $38.50.

A. Boasberg, Hewes, Klores & Kass, 1225 19th Street NW., Washington, D.C. 20036.

B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.

A. Tersh Boasberg, 1225 19th Street NW., Suite 602, Washington, D.C. 20036.

B. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $100. E. (9) $100.

A. Seth M. Bodner, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.

B. Lead-Zinc Producers Committee, 1101 15th Street NW., Suite 803, Washington, D.C. 20005.

D. (6) $1,250. E. (9) $68.95.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. William W. Brackett, Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.

B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.

D. (6) $4,500. E. (9) $100.

A. Robert M. Brandon, 133 C Street SE., Washington, D.C. 20003.

B. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

D. (6) $1,000.

A. Edward J. Brenner, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

B. Association for the Advancement of Invention and Innovation, Suite 301, 1911 Jefferson Davis Highway, Arlington, Va. 22202.

A. Cyril F. Brickfield, Miller, Singer, Michaelson Brickfield & Raives, 1909 K Street NW., Washington, D.C. 20006.

B. National Retired Teachers Association—American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20006.

E. (9) $226.

A. Bill Brier, 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $2,960. E. (9) $209.67.

A. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road Rosemont, Ill., 60018.

D. (6) $33,109.29. E. (9) $33,109.29.

A. Joe E. Browder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,125.

A. G. N. Buffington, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

B. National Association of Real Estate Investment Trusts, 1101 17th Street NW., Suite 700, Washington, D.C. 20036.

D. (6) $850. E. (9) $75.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Hearst Corp., 959 Eighth Avenue, New York, N.Y. 10019

D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $4,000. E. (9) $300.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. Montana Power Co., Butte, Mont. 59701.

E. (9) $199.74.

A. James L. Burridge, 10 Hardwicke Place, Rockville, Md. 20850.

B. FMC Corp., 1625 I Street NW., Suite 520, Washington, D.C. 20006.

D. (6) $1,000. E. (9) $374.25.

A. David W. Calfee III, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,250.

A. John E. Campbell, American Hospital Association, One Farragut Square South, Washington, D.C. 20006.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $45.

A. Chapin Carpenter, Jr., Magazine Publishers Association, Inc., 1629 K Street NW., No. 603, Washington, D.C. 20006.

E. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $1,000. E. (9) $335.

A. L. C. Carpenter, Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

B. Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.

D. (6) $5,299.32. E. (9) $1,125

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,629.30. E. (9) $472.26.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,899.90. E. (9) $376.76.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. David C. Carter, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.

B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Casey, Lane & Mittendorf, 26 Broadway, New York, N.Y. 10004.

B. South African Sugar Association, P.O. Box 507, Durban, South Africa.

E. (9) $1,126.80.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

B. The Organization of Plastics Processors (TOPP), 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

D. (6) $3,692.28.

A. Ray B. Chambers, 1776 F Street, Suite 303, Washington, D.C.

B. Walter Travis, Vice President, Bangor & Aroostook Railroad, Bangor, Maine 04401.

D. (6) $3,000. E. (9) $1,365.76.

A. Ray B. Chambers, 1776 F Street NW., Suite 303, Washington, D.C. 20006.

B. Alan Dustin, Boston and Maine Railroad, North Billerica, Mass. 01862.

D. (6) $3,000. E. (9) $1,365.77.

A. Donald E. Channell, 1819 H Street NW., No. 950, Washington, D.C. 20006.

B. Southern Furniture Manufacturers Association, P.O. Box 951, High Point, N.C. 27261.

D. (6) $6,000. E. (9) $796.50.

A. Linda Chavez, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,631.95. E. (9) $445.86.

A. James Ciarrocchi, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $529.46.

A. Citizens Committee on National Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 10036.

D. (6) $20,905. E. (9) $9,142.91.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16 Washington, D.C. 20036.

D. (6) $550. E. (9) $362.

A. Coalition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.

D. (6) $3,200. E. (9) $2,322.18.

A. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.

D. (6) $12,600. E. (9) $12,588.40.

A. Carl A. S. Coan, Jr., 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $8,437.50. E. (9) $738.91.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

E. (9) $694.62.

A. Robert E. Cole, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $2,500. E. (9) $1,039.01.

A. John M. Collier, 4436 Perrier Street, New Orleans, La. 70115.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $5,712.54. E. (9) $1,408.07.

A. Collier, Shannon, Rill and Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $40.

A. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $42,000. E. (9) $59,643.78.

A. Howard Lee Cook, Jr., 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,575. E. (9) $513.

A. Aurelian H. Cooledge, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $1,480. E. (9) $1,073.

A. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street NW., No. 606, Washington, D.C.

D. (6) $16,274.93. E. (9) $8,071.07

A. John A. Couture, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Street NW., Washington, D.C. 20005.

D. (6) $6,082.88. E. (9) $249.45.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Machine Tool Distributors Association, 1500 Massachusetts Avenue NW., Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street, Washington, D.C. 20006.

B. National Machine Tool Builders Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Elizabeth M. Cox, c/o NOW Legislative Office, 1266 National Press Building, Washington, D.C. 20045.

B. National Organization for Women, Inc., Legislative Office, 1266 National Press Building, Washington, D.C. 20045.

D. (6) $3,249.99. E. (9) $213.25.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $9,635. E. (9) $1,751.93.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,050. E. (9) $172.01.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,250. E. (9) $71.50.

A. Frank C. Daniel, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $8,750.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

D. (6) $4,250. E. (9) $194.46.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. Japan Lumber Importers Association, Tokyo, Japan.

A. Daniels & Houlihan, 1819 H Street NW., Washington, D.C. 20006.

B. National Office Machine Dealers Association, 1510 Jarvis Avenue, Elkgrove, Ill. 60007.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.

B. Noncommissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $682.50.

A. Richard C. Darling, 1156 15th Street NW., Washington, D.C. 20005.

B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) $960. E. (9) $373.19.

A. P. M. Davison, Jr., 418 East Rosser Avenue, P.O. Box 938, Bismarck, N. Dak. 58501.

B. North Dakota Railway Lines.

A. Daniel P. Dawson, 200 East Randolph Drive, M.C. 3101, Chicago, Ill. 60601.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, M.C. 3101, Chicago, Ill. 60601.

D. (6) $620.90. E. (9) $459,98.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Atlantic Time Products et al., St. Croix, Virgin Islands.

D. (6) $4,000.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Washington, D.C. 20005.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Beneficial Finance Co., Morristown, N.J.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Sandra DeMent, 1302 18th Street NW., Washington, D.C. 20036.

B. National Consumer Center for Legal Services, 1302 18th Street NW., Washington, D.C. 20036.

D. (6) $13,524. E. (9) $3,750.

A. L. E. Dennis, Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline & Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $925. E. (9) $230.93.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Committee for the Martin Report, 1735 New York Avenue, Washington, D.C.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Federated Investors, Inc., Pittsburgh, Pa.; Vance Sanders & Co., Boston, Mass.; Fidelity Management & Research Co., Boston, Mass.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. John D. Doherty, Jr., 900 17th Street NW., Washington, D.C. 20006.

B. Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $90.38. E. (9) $19.51.

A Cushing N. Dolbeare, 517 Westview Street, Philadelphia, Pa. 19119.

B. National Rural Housing Coalition, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $750.

A. Jack Donahue, 1725 I Street NW., Suite 606, Washington, D.C. 20006.

B. Council for the Advancement of the Psychological Professions and Sciences, 1725 I Street, NW., No. 606, Washington, D.C. 20006.

D. (6) $1,500.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $3,499.98. E. (9) $235.04.

A. J. D. Durand, 1725 K Street NW., Washington, D.C. 20006.

B. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.

E.(9) $455.

A. A. Blakeman Early, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Hope Eastman, 410 First Street SE., Washington, D.C. 20003.

B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.

D. (6) $2,500.02.

A. Anne Edlund, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,012.50.

A. Charles E. Ehrhart, 1800 K Street NW., No. 924, Washington, D.C. 20006.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

D. (6) $400. E. (9) $144.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dorothy A. Ellsworth, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D.(6) $6,750. E. (9) $2,003.32.

A. Roy Elson, 1771 N Street, NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $4,200. E. (9) $675.

A. Employee Relocation Council (ERREAC) 333 North Michigan Avenue, Chicago, Ill. 60601.

E. (9) $1,553.92.

A. Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $7,233.09. E. (9) $7,233.09.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $46,586.82. E. (9) $30,842.86.

A. Glenn R. Erickson, 8224 Old Courthouse Road, Vienna, Va. 22180.

B. Sheet Metal and Air Conditioning Contractor's National Association, Inc., 8224 Old Courthouse Road, Vienna, Va. 22180.

D. (6) $800. E. (9) $400.

A. Ethyl Corp., 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

E. (9) $1,000.

A. Brock Evans, Sierra Club, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.

D. (6) $7,000. E. (9) $193.

A. Federation of American Scientists, 307 Massachusetts Avenue NE., Washington, D.C. 20002.

E. (9) $517.50.

A. Leon Felix, Jr., National Education Association, Midwest Regional Office, 10600 West Higgins Road, Rosemont, Ill. 60018.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,914.40. E. (9) $75.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $600. E. (9) $1,164.04.

A. James H. Fitzgerald, 767 5th Avenue, New York, N.Y. 10022.
B. J. B. Williams Co., Inc., 767 5th Avenue, New York, N.Y. 10022.
D. (6) $900. E. (9) $400.

A. Robert R. Fitzgerald, 13174 Putnam Circle, Woodbridge, Va. 22191.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $2,800.

A. Susan Garber Flack, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $275.

T. Tim C. Ford, 1800 K Street NW., Washington, D.C. 20006.
B. Glass Container Manufacturers Institute, Inc., 1800 K Street NW., Washington, D.C. 20006.
E. (9) $1,549.54

A. Carol Tucker Foreman, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $612. E. (9) $125.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,035. E. (9) $193.36.

A. Donald A. Frederick, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $527.50. E. (9) $5.80.

A. Burton D. Fretz, 2030 M Street NW., Washington, D.C. 20037.
B. Action for Legal Rights, 2030 M Street NW., Washington, D.C. 20037.
E. (9) $822.92.

A. Friends of the Earth, Inc., 620 C Street SE., Washington, D.C. 20003.
D. (6) $23,911. E. (9) $23,911.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06115.
D. (6) $900.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $1,575.

A. Owen V. Frisby, 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $659.31. E. (9) $3,271.39.

A. Ronald K. Fuller, 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.
B. San Diego Gas & Electric Co.
D. (6) $1,109.07. E (9) $2,359.43.

A. William R. Ganser, Jr., 4804 Folse Drive, Metairie, La. 70003.
B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.
D. (6) $1,150.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,508.32.

A. Terry D. Garcia, 5801 Quantrell Avenue, Apartment 409, Alexandria, Va. 22312.
B. World Federalists, U.S.A., 1424 16th Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $225.

A. Thomas Garrett, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Mark T. Gates, Jr., Dietsch, Gates, Morris & Merrell, 800 Wilshire Boulevard, Penthouse, Los Angeles, Calif. 90017.
B. Pacifiic Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.
D. (6) $5,895.29. E. (9) $5,895.29.

A. Leo J. Gehrig, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $3,169. E. (9) $320.97.

A. John Gentille, 1957 E Street NW, Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $3,228.90. E. (9) $3,652.98.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.
D. (6) $5,778.40. E. (9) $365.50.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. Artists Equity Association, 2813 Albemarle Street NW., Washington, D.C. 20008.

A. Jack Golodner, 1990 M Street NW., Washington, D.C. 20036.
B. International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators, Suite 1900, 1270 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,000. E. (9) $150.

A. Michael Goodman, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $3,749.99. E. (9) $268.38.

A. Gould, Reichert & Strauss, 2613–20 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, et al.

A. Donald E. Graham, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $293.25. E. (9) $10.09.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,055. E. (9) $603.80.

A. Kass Green, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. P. Michael Greenwald, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $636. E. (9) $394.61.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.
B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.
E. (9) $633.78.

A. Loyd Hackler, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $300.

A. Harold T. Halfpenny, 111 West Washington Street, Chicago, Ill. 60602.

A. Paul Hallisay, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $3,522.76. E. (9) $565.23.

A. Robert N. Hampton, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,361.25. E. (9) $21.02.

A. Donald K. Hanes, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $361.25. E. (9) $40.25.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
D. (6) $606. E. (9) $166.

A. Robert E. Harman, 1201 16th Street N.W., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,600. E. (9) $75.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Company of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

A. Michael M. Hash, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $433. E. (9) $251.34.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $40.94. E. (9) $40.94.

A. Heavy Duty Truck Manufacturers' Association, Suite 1300, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $240. E. (9) $256.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $532.50. E. (9) $142.78.

A. Richard A. Henneges, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,269. E. (9) $522.22.

A. Janet Hieber, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $468.75.

A. Hill, Christopher & Phillips, 2000 L Street NW., Washington, D.C. 20036.
B. Association of Closed-End Investment Companies, c/o Malcom Smith, 330 Madison Avenue, New York, N.Y. 10017.
D. (6) $1,318.50. E. (9) $26.79.

A. Arthur Hintze, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Glen D. Hofer, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

A. Austin B. Hogan, Jr., American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $759. E. (9) $1,229.48.

A. Casey Hughes, c/o NOW Legislative Office, 1266 National Press Building, Washington, D.C. 20045.
B. National Organization for Women, Inc., Legislative Office, 1266 National Press Building, Washington, D.C. 20045.
D. (6) $3,300. E. (9) $730.23.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ohio Valley Improvement Association, Inc.

A. Gregory A. Humphrey, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $5,025. E. (9) $458.04.

A. Bernard J. Imming, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $77.97.

A. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.
E. (9) $100.

A. International Alliance of Theatrical Stage Employees & Moving Picture Machine Operators, Suite 1900, 1270 Avenue of the Americas, New York, N.Y. 10020.
D. (6) $1,000. E. (9) $1,000.

A. Institute of Foreign Bankers, 10 Pine Street, New York, N.Y.
D. (6) $10,242.13. E. (9) $3,000.

A. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.
D. (6) $3,130. E. (9) $687.

A. Gary L. Jarmin, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $2,310.

A. John Paul Johnson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,870.85. E. (9) $95.

A. David Johnston, 1957 E. Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Charles N. Jolly, 1775 K Street NW., Suite 315, Washington, D.C. 20006.
B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.
E. (9) $1,025.94.

A. Ernest Jones, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. James J. Kelly, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express, and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $658. E. (9) $889.07.

A. James J. Kennedy, Jr., Brotherhood of Railroad, Airline, and Steamship Clerks, Freight Handlers, Express, and Station Employes, 815 16th Street NW, Washington, D.C. 20006.
B. Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express, and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $6,000.

A. Carl F. Kettler, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,625. E. (6) $26.75.

A. Gibson Kingren, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Foundation Health Plan, Inc.
D. (6) $1,125. E. (9) $2,465.75.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,031.25. E. (9) $22.17.

A. Paul R. Knapp, Lumbermens Mutual Casualty Co., 600 Fifth Street NW., Washington, D.C. 20001.
B. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.
D. (6) $875.

A. Jeffrey W. Knight, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.
B. The Coca-Cola Bottlers' Association, 166 16th Street NE., Atlanta, Ga. 30318.
D. (6) $450.

A. Ann Kolker, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.
E. (9) $60.

A. Robert L. Koob, Koob Associates, 1155 15th Street NW., Suite 311, Washington, D.C. 20005.
B. Biscuit & Crackers Manufacturers' Association, 1660 L Street NW., Washington, D.C.
D. (6) $2,250. E. (9) $247.25.

A. Louis C. Kramp & Associates, 1819 H Street NW., Suite 420, Washington, D.C. 20006.
B. Holiday Inns, Inc., Memphis, Tenn.
D. (6) $345.

A. James S. Krzyminski, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmers Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $1,400. E. (9) $97.64.

A. Philip Kugler, 1012 14th Street NW., Washington, D.C. 20005.
B. American Federation of Teachers, AFL–CIO, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $4,525.02. E. (9) $588.70.

A. Michael M. Kumpf, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $500. E. (9) $200.

A. Norman G. Kurland, Kelso Bangert & Co., Inc., 2027 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Kelso Bangert & Co., Inc., 111 Pine Street, San Francisco, Calif. 94111.
D. (6) $4,500. E. (9) $6,791.91.

A. Ralph D. B. Laime, National Education Association, East Coast Regional Office, 2201 Route 38, Cherry Hill, N.J. 08034.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,096.20. E. (9) $75.

A. Lane and Edson, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $800. E. (9) $400.

A. Thomas A. Larsen, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.
B. Englehard Industries, 430 Mountain Avenue, Murray Hill, N.J.
D. (6) $640.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.
B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $3,525.

A. Edward F. X. Lawlor, Jr., National Association of Private Psychiatric Hospitals, Inc., One Farragut Square South NW., Washington, D.C. 20006.
B. National Association of Private Psychiatric Hospitals, Inc., One Farragut Square South NW., Washington, D.C. 20006.

A. Lead-Zinc Producers Committee, 1101 15h Street NW., Suite 803, Washington, D.C. 20005.

D. (6) $5,161.27. E. (9) $4,304.80.

A. Richard J. Leighton, 1701 K Street NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20006.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.

B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.

D. (6) $810. E. (9) $1,816.

A. Joseph A. Letorney, National Education Association, New England Regional Office, 20 Ashburton Place, Boston, Mass. 02108.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,271.50. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.

B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.

D. (6) $1,000.

A. J. M. B. Lewis, Jr., 315 Shenandoah Building, P.O. Box 2887, Roanoke, Va. 24001.

B. National Council of Coal Lessors, 317 Southern Building, Washington, D.C. 20005; Iron Ore Lessors Association, 1500. First National Bank Building, St. Paul, Minn.

D. (6) $12,250.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.

D. (6) $24,967.08. E. (9) $23,852.47.

A. Jonathan Lindley, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $2,560. E. (9) $246.09.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. County of Wayne, Board of Commissioners, City Bounty Building, Detroit, Mich. 48226.

D. (6) $6,750. E. (9) $881.05.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.

B. Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.

D. (6) $8,274.60. E. (9) $1,260.42.

A. Edgar Lockwood, 1708 Lamont Street NW., Washington, D.C.

B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $3,750. E. (9) $441.58.

A. Nils Lofgren, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

D. (6) $400.

A. J. Patrick Logue, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $598. E. (9) $180.38.

A. George A. Lucas, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express & Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express & Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $987. E. (9) $1,063.38.

A. C. Lance Lujan, 1201 16th Street NW., Washington, DC 20036

B National Education Association, 1201 16th Street NW, Washington, D.C. 20036.

D. (6) $3,911.75. E. (9) $282.40.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

E. (9) $1,550.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.

B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.

D. (6) $400.

A. Michael Maggio, 3820 Morrison Street, Washingon, D.C.

B. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C.

D. (6) $2,236.50.

A. John V. Maraney, 324 East Capitol Street, Washington, D.C. 20003.

B. National Star Route Mail Carriers Association, 324 East Capitol Street, Washington, D.C. 20003.

A. Ronald M. Marcus, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,500.

A. Robert V. Mariani, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $846. E. (9) $1,210.69.

A. Edwin E. Marsh, 200 C Street SE., No. 401, Washington, D.C. 20003.

B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.

D. (6) $4,885.26. E. (9) $949.23.

A. Grace Mastalli, 2115 S Street NW., Washington, D.C. 20008.

B. U.S. National Student Association, 2115 S Street NW., Washington, D.C. 20008.

D. (6) $45. E. (9) $2.40.

A. Charles H. Mauzy, National Education Association, Southeast Regional Office, 3951 Snapfinger Parkway, Decatur, Ga. 30032.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,914.40. E. (9) $75.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.

B. Oil, Chemical and Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.

D. (6) $2,362.50. E. (9) $318.50.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.

B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $5,088.30. E. (9) $267.24.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,249.98. E. (9) $5.40.

A. Edward T. McDonald, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $846. E. (9) $939.36.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,800. E. (9) $719.10.

A. Gordon McGowan, Highwood, Mont. 59450.

B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

E. (9) $548.05.

A. Jack E. McGregor, 825 Third Avenue, New York, N.Y. 10022.

B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

D. (6) $950. E. (9) $94.50.

A. William F. McManus, 777 14th Street NW., Washington, D.C.

B. General Electric Co., Fairfield, Conn. 06431.

D. (6) $520. E. (9) $360.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.

B. Noncommissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $4,625.04. E. (9) $6,920.17.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.

B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.

E. (9) $10.76.

A. Carl J. Megel, 11 Dupont Circle NW., Washington, D.C. 20036.

B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

D. (6) $7,000. E. (9) $215.

A. Gerald J. Mehlman, 450 North Roxbury Drive, Beverly Hills, Calif. 90210.

B. Kaplan, Livingston, Goodwin, Berkowitz & Selvin, 450 North Roxbury Drive, Beverly Hills, Calif. 90210.

E. (9) $37.43.

A. Ted H. Meredith, 6030 Warwick Court, New Orleans, La. 70114.

B. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $2,487.51.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $9,375. E. (9) $3,396.57.

A. John A. Merrigan, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.

B. Engelhard Industries, 430 Mountain Avenue, Murray Hill, N.J.

D. (6) $175. E. (9) $40.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,160.40.

A. Joy M. Midman, National Association of Private Psychiatric Hospitals, Inc., One Farragut Square South NW., Washington, D.C. 20006.
B. National Association of Private Psychiatric Hospitals, Inc., One Farragut Square South NW., Washington, D.C. 20006.
D. (6) $634.61. E. (9) $353.83.

A. Clinton R. Miller, 4620 Lee Highway, Arlington, Va. 22207.
B. National Health Federation, 212 West Foothill Boulevard, Monrovia, Calif. 91016.
D. (6) $6,034.80. E. (9) $5,779.75.

A. Jay A. Miller, 410 First Street SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $7,500. E. (9) $107.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. MEBA Political Action Fund, 17 Battery Place, New York, N.Y. 10004.
D. (6) $3,000. E. (9) $1,400.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Navajo Nation, Window Rock, Ariz. 86515.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. O. & C. Counties Association, Douglas County Court House, Roseburg, Oreg.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Port of Portland, Box 3529, Portland, Oreg. 97208.
D. (6) $600.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Western Forest Industries Association, 1500 SW. Taylor Street, Portland, Oreg.

A. Lester F. Miller, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $206. E. (9) $18.

A. Clarence Mitchell, Washington Bureau, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1793 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. John Moller, Motor Vehicle Manufacturers Association of the United States, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Charles Morgan, Jr., 410 First Street SE., Washington, D.C. 20003.
B. American Civil Liberties Union, 22 East 40th Street, New York, N.Y. 10016.
D. (6) $7,000.02. E. (9) $247.27.

A. John Morgan, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20005.
D. (6) $588. E. (9) $12.79.

A. Christopher M. Mould, 1666 Connecticut Avenue NW., Washington, D.C.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $450.

A. Karen Mulhauser, 705 G Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.
D. (6) $3,072.14. E. (9) $3,796.32.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL-CIO, 900 17th Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $100.

A. Rosemary G. Murray, 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $322.60.

A. Gary D. Myers, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $498.95.

A. George E. Myers, 1730 Rhode Island Avenue, NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $1,155. E. (9) 281.40.

A. Kenneth D. Naden, 1129 20th Street NW., Washington, D.C. 20036.
B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.
D. (6) $3,750. E. (9) $184.63.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $958.89. E. (9) $1,088.43.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $20,637. E. (9) $20,691.68.

A. National Association for Milk Marketing Reform, 1000 Connecticut Avenue NW., Suite 1204, Washington, D.C. 20036.
D. (6) $25,555. E. (9) $26,934.89.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $36,468. E. (9) $14,990.27.

A. National Association of Federally Licensed Firearms Dealers: American Press-Media, 7001 North Clark Street, Chicago, Ill. 60626.
D. (6) $2,000. E. (9) $2,000.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $45,395.59. E. (9) $47,744.32.

A. National Association of Private Psychiatric Hospitals, Inc., One Farragut Square South NW., Washington, D.C. 20006.
D. (6) $7,118.83. E. (9) $3,081.71.

A. National Association of Real Estate Investment Trusts, Inc., 1101 17th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $1,700. E. (9) $2,086.

A. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J., 08034.
E. (9) $25.

A. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y., 10007.
D. (6) $12,425.50. E. (9) $680.

A. National Beer Wholesalers Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $27,956. E. (9) $626.79.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $6,300. E. (9) $60.

A. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $59,720. E. (9) $55,147.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $60,635.80. E. (9) $9,030.26.

A. National Federation of Independent Business, 490 L'Enfant Plaza, SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $19,041.90. E. (9) $25,818.41.

A. The National Grange, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $127,771.20. E. (9) $15,232.50.

A. National Hairdressers and Cosmetologists Association, 3510 Olive Street, St. Louis, Mo. 63103.
D. (6) $1,007.18.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $24,921.50. E. (9) $39,181.26.

A. National Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $5,880. E. (9) $2,700.

A. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $12,990.41. E. (9) $12,990.41.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $3,867.40.

A. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $406,756.09. E. (9) $99,797.91.

A. National Right to Life Committee, Inc., 529 14th Street SW., No. 557, Washington, D.C. 20045.
E. (9) $14,350.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
D. (6) $4,180. E. (9) $4,180.

A. National Rural Electric Cooperative As-

sociation, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $5,640.69.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $2,698. E. (9) $4,018.

A. National Rural Housing Coalition, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,828.52. E. (9) $3,057.88.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22151.
D. (6) $4,168.42. E. (9) $4,162.42.

A. National Solid Wastes Management Association, Suite 800, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,001.54. E. (9) $3,349.72.

A. National Taxpayers Union, 625 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $76,157. E. (9) $57,865.

A. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah 84101.
D. (6) $26,475. E. (9) $8,262.01.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $25,000. E. (9) $58,197.98.

A. Navajo Nation, Window Rock, Ariz.
E. (9) $930.

A. Navajo Tribe, Office of the Controller, Window Rock, Ariz. 86515.
E. (9) $500.

A. Ivan A. Nestingen, 1010 16th Street NW., Suite 700, Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $900. E. (9) $225.

A. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.
E. (9) $2,738.50.

A. Bradford C. Oelman, Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $2,400. E. (9) $1,043.04.

A. Van R. Olsen, 1156 15th Street NW., Suite 1019, Washington, D.C. 20005.
B. United States Beet Sugar Association, 1156 15th Street NW., Washington, D.C. 20005.

A. Charles E. Olson, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,619.30. E. (9) $518.76.

A. James J. O'Neill, 22 Thames Street, New York, N.Y. 10006.
B. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $13,248. E. (9) $781.55.

A. Organization of Plastics Processors (TOPP), 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.
D. (6) $3,500. E. (9) $4,957.28.

A. Otis Elevator Co., Transportation Technology Division, P.O. Box 7293, Denver, Colo-80207.
E. (9) $4,926.81.

A. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215-216, Washington, D.C. 20036.

A. Pacific Southwest Airlines, 3225 North Harbor Drive, San Diego, Calif. 92101.
D. (6) $5,895.29. E. (9) $5,895.29.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. William G. Painter, 324 C Street SE., Washington, D.C. 20003.
B. American Rivers Conservation Council, 324 C Street SE., Washington, D.C.
D. (6) $779.99.

A. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,250.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.
E. (9) $986.50.

A. Peabody, Rivlin & Lambert, 1730 M Street NW., Suite 707, Washington, D.C. 20037.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $456.45.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW. No. 200, Washington, D.C. 20006.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.
D. (6) $12,588.40. E. (9) $12,588.40.

A. Richard W. Peterson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite No. 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
E. (9) $526.58.

A. Grant C. Pinney, 730 North Balsam Street, Ridgecrest, Calif. 93555.
B. Sierra Sands Unified School District, 730 North Balsam Street, Ridgecrest, Calif. 93555.

A. Preservation Action, 1225 19th Street NW., No. 602, Washington, D.C. 20036.
D. (6) $2,055. E. (9) $1,082.55.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $228.59.

A. Prod, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $100. E. (9) $102.80.

A. Public Citizen Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,426.05. E. (9) $2,426.05.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Bermuda Department of Tourism, Hamilton, Bermuda.
D. (6) $1,666.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. International Leisure Hosts, Inc., 100 West Clarendon, Phoenix, Ariz.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.
D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Ski Areas Association, 99 Park Avenue, New York, N.Y.
D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Princess Hotels International (a division of National Bulk Carriers, Inc.), 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.
D. (6) $900.

A. Ragan & Mason, 900 17th Street NW., Farragut Building, Washington, D.C.
B. Stimson Lumber Co. and Miller Redwood Co., 315 Pacific Building, Portland, Oreg.
D. (6) $125.

A. Rial M. Rainwater, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $206. E. (9) $28.

A. Redwood Industry Park Committee, P.O. Box 697, Arcata, Calif. 95521.
D. (6) $6,000. E. (9) $9,628.57.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Thomas J. Reese, 3751 Jenifer Street NW., Washington, D.C. 20015.
B. Taxation with Representation, Suite 201, 732 17th Street NW., Washington, D.C. 20006.
D. (6) $1,211.71.

A. John T. Reggitts, Jr., R.D. 2 Boonton Avenue, Boonton, N.J. 07005.

A. Reid & Priest, 1701 K Street NW., Washington, D.C. 20006.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.
E. (9) $449.87.

A. Research To Prevent Blindness, Inc., 598 Madison Avenue, New York, N.Y.
E. (9) $2,590.

A. Reserve Officers Association of U.S., One Constitution Avenue NE., Washington, D.C.
D. (6) $1,499.39. E. (9) $532.25.

A. John Arthur Reynolds, P.O. Box 512, Fresno, Calif. 93709.
B. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.
D. (6) $900. E. (9) $300.83.

A. Austin T. Rhoads, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

E. (9) $897.06.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $625.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $2,060.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Atlantic Time Products Corp. et al., St. Croix, Virgin Islands.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Pan American World Airways, Inc., 1800 K Street NW., Washington, D.C. 20006.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.

B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $787.50. E. (9) $15.50.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.

B. Alton Box Board Co., Alton, Ill. 62002.

D. (6) $3,857. E. (9) $1,262.

A. John R. Rivers, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.

B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $542. E. (9) $174.65.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.

B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $ 2,030.76.

A. Kenneth A. Roberts, 1730 M Street NW., Washington, D.C. 20006.

B. Sharman Associates, Inc., Suite 1000, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $3,518.

A. Ronn Robinson, National Education Association, Northwest Regional Office, 2800 Smith Tower, Seattle, Wash. 98104.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,914.40. E. (9) $100.

A. James A. Rogers, 1101 15th Street NW., Room 302, Washington, D.C. 20005.

B. United Parcel Service, 51 Weaver Street, Greenwich Office Park 5, Greenwich, Conn. 06830.

D. (6) $500. E. (9) $585.57.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington D.C. 20005.

D. (6) $2,437.50. E. (9) $91.38.

A. June A. Rogul, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

B. American Israel Public Affairs Committee, 1341 G Street NW., Suite 908, Washington, D.C. 20005.

D. (6) $5,166.66.

A. Christine Root, 1816 New Hampshire Avenue NW., Apartment 610, Washington, D.C. 20009.

B. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $1,219. E. (9) $149.65.

A. Gail Rosenberg, 705 G Street SE., Washington, D.C. 20003.

B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.

D. (6) $2,070. E. (9) $160.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

E. (9) $2,364.34.

A. Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Leva, Hawes, Symington, Martin & Oppenheimer, (for: Cooperative for American Relief Everywhere, Inc.), 600 First Avenue, New York, N.Y.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $1,249.98. E. (9) $409.

A. Charles W. Schoeneman, 11800 Sunrise Valley Drive, Reston, Va.

B. Bureau of Salesmens National Associations, 1819 Peachtree Road NE., Atlanta, Ga.

A. William J. Schreiber, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $846. E. (9) $1,059.31.

A. Roger A. Schultz, 767 Fifth Avenue, New York, N.Y.

B. J. B. Williams Co., Inc., 767 Fifth Avenue New York, N.Y.

D. (6) $900. E. (9) $400.

A. Durward Seals, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit and Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $350. E. (9) $33.23.

A. Samantha Senger, 133 C Street SE., Washington, D.C. 20003.

B. Public Citizen's Tax Reform Research Group, 133 C Street SE., Washington, D.C. 20003.

D. (6) $600.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,192.75. E. (9) $22.22.

A. Yvonne L. Shafer, National Education Association, Western States Regional Office, c/o Classroom Teachers of Dallas, 3816 San Jacinto, Dallas, Tex. 75204.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,195.30. E. (9) $100.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Oklahoma Natural Gas Co., P.O. Box 871, Tulsa, Okla. 74002.

D. (6) $840. E. (9) $85.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $3,600.

A. Norman R. Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,376.87. E. (9) $273.04.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.

E. (9) $3,054.03.

A. Maureen Shubow, 1012 14th Street NW., Suite 901, Washington, D.C. 20005.

B. Consumer Federation of America, 1012 14th Street NW., Suite 901, Washington, D.C. 20005.

D. (6) $300. E. (9) $25.

A. Barry M. Siegel, 22 Thames Street, New York, N.Y. 10006.

B. Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $9,252. E. (9) $652.06.

A. Lana H. Sims, 400 Barringer Building, Columbia, S.C. 29201.

B. South Carolina Railroad Association, 400 Barringer Building, Columbia, S.C. 29201.

D. (6) $43. E. (9) $22.64.

A. Jean Head Sisco, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $37.50.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Suite 220, Washington, D.C. 20006.

B. Oil Shale Corp. 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.

D. (6) $750. E. (9) $15.50.

A. Hall Sisson, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

D. (6) $3,228.90. E. (9) $3,377.74.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.

B. American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $1,500.

A. Spencer M. Smith, Jr., 1709 North Glebe Road, Arlington, Va. 22207.

B. Citizens Committee on Natural Resources, 1346 Connecticut Avenue NW., Suite 712, Washington, D.C. 20036.

D. (6) $4,093.74. E. (9) $735.79.

A. John M. Snow, Suite 911, 8401 Connecticut Ave, Washington, D.C. 20015.

B. National Association of Furniture Manufacturers, Suite 911, 8401 Connecticut Avenue, Washington, D.C. 20015.

D. (6) $500. E. (9) $30.

A. Southern Forest Products Association, P.O. Box 52468, New Orleans, La. 70152.

D. (6) $12,345.71. E. (9) $12,345.71.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.

B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va.

D. (6) $624. E. (9) $150.

A. Robert A. Spelman.

B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.

D. (6) $500. E. (9) $30.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John Sroka, 1957 E Street NW., Washington, D.C. 20006.

B. Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. J. Gilbert Stallings, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

D. (6) $100.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

D. (6) $206. E. (9) $12.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C. 20036.

B. Zoological Action Committee, Inc., Suite 700, 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $9,000. E. (9) $13,070.21.

A. William M. Stephens, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C.

D. (6) $1,200. E. (9) $120.

A. Roger J. Stroh, 1019 19th Street NW., Washington, D.C. 20036.

B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $237.50. E. (9) $12.89.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.

B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.

D. (6) $2,076.90.

A. Richard L. Studley, P.O. Box 19128, 1400 20th Street NW., Washington, D.C. 20036.

B. Machinery Dealers National Association, P. O. Box 19128, 1400 20th Street NW., Washington, D.C. 20036.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Central States Health & Life Co. of Omaha, Howard at 18th Street, Omaha, Nebr. 68102.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006 and 3100 First National Bank Tower, Atlanta, Ga. 30303.

B. Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01101.

D. (6) $500. E. (9) $50.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. National Association of Life Companies, 1365 Peachtree Street NE., Atlanta, Ga. 30309.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. Retail Credit Co., P.O. Box 4081, Atlanta, Ga. 30302.

D. (6) $3,500. E. (9) $200.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. William K. Warren Foundation, Suite 1000, 6465 South Yale Avenue, Tulsa, Okla. 74136.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.

A. James R. Sykes, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $527. E. (9) $117.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215–16, Washnigton, D.C. 20036.

B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–16, Washington, D.C. 20036.

D. (6) $112. E. (9) $115.

A. Patricia Taylor, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,500.

A. Taxation with Representation, Suite 201, 732 17th Street NW., Washington, D.C. 20006.

D. (6) $10,492.54. E. (9) $9,468.65.

A. Kenneth W. Thompson, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

B. Interstate Natural Gas Association of America, 1660 L Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $300.

A. Maurice B. Tobin, Potlatch Corp., 1010 16th Street NW., Washington, D.C. 20036.

B. Potlatch Corp., One Maritime Plaza, Box 3591, San Fracisco, Calif. 94119.

D. (6) $25.

A. Joseph P. Trainor, Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express, and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline, and Steamship Clerks, Freight Handlers, Express, and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $4,249.98. E. (9) $1,152.61.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washnigton, D.C. 20036.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. International Leather Goods, Plastics and Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.

D. (6) $250. E. (9) $225.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. National Handbag Association, 347 Fifth Avenue, New York, N.Y. 10016.

D. (6) $250. E. (9) $225.

A. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.

D. (6) $3,144.15. E. (9) $3,144.15.

A. U.S. National Student Association, 2115 S Street NW., Washington, D.C. 20008.

E. (9) $158.98.

A. R. Dick Vander Woude, National Education Association, Midwest Regional Office, 10600 West Higgins Road, Rosemont, Ill. 60018.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,091.20. E. (9) $75.

A. Jeanne Vonhof, 2115 S Street NW., Washington, D.C. 20008.

B. U.S. National Student Association, 2115 S Street NW., Washington, D.C. 20008.

D. (6) $60. E. (9) $7.10.

A. Wald, Harkrader & Ross, 1320 19th Street NW., Washington, D.C. 20036.

B. INA Corp., 1600 Arch Street, Philadelphia, Pa. 19101.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.

B. Credit Union National Association, Inc.. 1617 Sherman Avenue, Madison, Wis.

D. (6) $959. E. (9) $65.36.

A. Ben A. Wallis, Jr., 1802 NE Loop 410, San Antonio, Tex. 78217.

B. DK Consultants, Inc., 918 16th Street NW., No. 402, Washington, D.C. 20006.

E. (9) $4,500.

A. Henry L. Walther, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

A. Leonard Warner, P.O. Box 100, Ashburn, Va. 22011.

B. Len Warner, Inc., P.O. Box 100, Ashburn, Va. 22011.

D. (6) $1,000. E. (9) $1,630.

A. Washington Office on Africa, 110 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $15,370.11. E. (9) $8,585.73.

A. Ray Wax, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.

B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.

E. (9) $98.28.

A. Paul S. Weller, Jr., 1129 20th Street NW., Washington, D.C. 20036.

B. National Council of Farmer Cooperatives, 1129 20th Street NW., Washington, D.C.

D. (6) $4,413.75. E. (9) $125.38.

A. Edward O. Welles, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Western Cotton Growers Association of California, P.O. Box 512, Fresno, Calif. 93709.

D. (6) $11,715.56. E. (9) $1,751.59.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, Suite 900, 1425 K Street NW., Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., Suite 900, 1425 K Street NW., Washington, D.C. 20005.
E. (9) $704.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.
D. (6) $1,500.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $95.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. California State Department of Education.
D. (6) $835.50. E. (9) $791.90.

A. Alan J. Whitney, 2139 Wisconsin Avenue NW., Washington, D.C. 20007.
B. National Association of Government Employees, Inc.
D. (6) $5,000. E. (9) $1,000.

A. Anne Wickham, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Thomas D. Wilcox, 919 18th Street NW., Washington, D.C. 20006.
B. National Association of Stevedores, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $5,250. E. (9) $2,195.

A. Dorothy Wilson, 4201 Cathedral Avenue NW., 1205 East, Washington, D.C.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., Washington, D.C. 20006.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.
D. (6) $936.25. E. (9) $986.50.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101.
D. (6) $250.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blomquist, Batte & Campbell, Inc., 1039 College Avenue, Wheaton, Ill. 60187.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $500. E. (9) $25.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $1,000. E. (9) $100.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Louisiana Land & Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $1,250. E. (96) $100.

A. Williams & Jensen, 1130 17th Street NW, Washington, D.C. 20036.
B. National Health Legislation Council, P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Lucinda Williams, 1600 South Eads, Arlington, Va. 22202.
B. F.A.I.R., 3706 Washington Boulevard, Indianapolis, Ind.
D. (6) $3,000. E. (9) $100.

A. John C. Williamson, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
B. Mortgage Insurance Companies of America, Suite 604, 1825 K Street, Washington D.C. 20006.
D. (6) $4,000. E. (9) $275.40.

A. John C. Williamson, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
B. National Apartment Association, Suite 604, 1825 K Street NW., Washington, D.C. 20006.
D. (6) $4,000.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $250.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $117.50 E. (9) $59.63.

A. A. W. Winter, P.O. Box 1677, Englewood, Colo. 80110.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.

A. Irwin Wolkstein, American Hospital Association, 1 Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $65. E (9) $24.20.

A. Kenneth D. Wollack, Suite 908, 1341 G Street NW., Washington, D.C. 20005.
B. American Israel Public Affairs Committee, Suite, 908, 1341 G Street NW., Washington, D.C. 20005.
D. (6) $5,208.32.

A. Women's International League for Peace and Freedom, 1213 Race Street, Philadelphia, Pa. 19107.
D. (6) $1,694.46. E. (9) $1,695.99.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,140.61. E. (9) $555.83.

A. Joyce Wood, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $3,660. E. (9) $130.87.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20045.
B. National Association of Retail Druggists, 1 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $750. E. (9) $150.

A. World Federalists U.S.A., 1424 16th Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $225.

A. Charles Steven Yerrid, American Hospital, Association, One Farragut Square South, Washington, D.C. 20006.
B. American Hospital Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.
D. (6) $690. E. (9) $64.69.

A. Your Man in Washington, P.O. Box 343, Glenn Dale, Md. 20769.
B. Otis Elevator Co., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $3,636.80.

A. Robert Zacharias, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Donald Zahn, 8316 Arlington Boulevard Suite 600, Fairfax, Va. 22030.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
D. (6) $657. E. (9) $147.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Confederate Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash., 99155.
D. (6) $1,749.25. E. (9) $533.21.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.
D. (6) $1,854.50. E. (9) $554.21.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Makah Indian Tribe, P.O. Box 115, Neal Bay, Wash. 98357.
D. (6) $1,824. E. (9) $554.27.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Metlakatla Indian Community, P.O. Box 8, Annette Islands Reserve, Alaska 99926.
D. (6) $2,209.50. E. (9) $551.85.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Northern Cheyenne Tribe, P.O. Box 128, Lame Deer, Mont. 59043.
D. (6) $162. E. (9) $108.18.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.
E. (9) $83.33.

A. Zoological Action Committee, Inc., 1225 19th Street N.W., Suite 700, Washington, D.C. 20036.
D. (6) $12,928. E. (9) $30,741.39.

A. John L. Zorack, 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street, NW., No. 900, Washington, D.C. 20006.
E. (9) $687.66.

SENATE—*Thursday, November 13, 1975*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou who art the "Ground of our being," the Strength of our living, the Disposer of our destiny, show us the pattern Thou hast for our Nation. Lead us to a recovery of national purpose that the people of this land may become more completely "one nation under God." While we toil in the things that are material, political, and economic, help us to grow in the things of the spirit. Guide us this day to think clearly, to speak plainly, to act wisely in serving the Nation and advancing Thy kingdom.

Through Him who made known the greatness of the servant. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, November 12, 1975, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FEDERAL RULES OF EVIDENCE AND FEDERAL RULES OF CRIMINAL PROCEDURE AMENDMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 439, H.R. 9915. This matter has been cleared on both sides.

The PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 9915) to make technical amendments to the Federal Rules of Evidence, the Federal Rules of Criminal Procedure, and to related provisions of titles 18 and 28 of the United States Code.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Arkansas (Mr. MCCLELLAN), I call up an amendment which is at the desk and ask for its immediate consideration.

The PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 4, line 15, change the period to a semicolon and add the following: "by changing the reference to Rule 4(b)(1) in Rule 9 (b)(1) to Rule 4(c)(1); and by changing the reference to Rule 4(c) (1), (2), and (3) in Rule 9(c)(1) to Rule 4(d) (1), (2), and (3)."

Mr. McCLELLAN. Mr. President, this amendment is of a purely technical nature to correct an oversight that occurred when the Congress enacted the Federal Rules of Criminal Procedure Act of 1975. When that act was passed by the Congress earlier this year, some of the Rules of Criminal Procedure were renumbered. That renumbering necessitated that the internal cross-references in the rules be appropriately modified. The cross-references in rule 9 were apparently overlooked in this process, and my amendment would correct that oversight. The amendment does nothing more than make this technical correction.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Arkansas (Mr. MCCLELLAN).

The amendment was agreed to.

Mr. HRUSKA. Mr. President, H.R. 9915 is a noncontroversial bill making certain technical corrections in the two recent landmark enactments of Congress directed at improving judicial proceedings: The Federal Rules of Evidence and the Federal Rules of Criminal Procedure. H.R. 9915 also makes a small technical amendment to certain other provisions of title 18 of the United States Code so that those provisions will refer to the new Rules of Evidence instead of to an older evidence provision which has been replaced. H.R. 9915 makes no substantive changes in the law. It merely perfects these two landmark measures in a necessary and desirable way.

Specifically, H.R. 9915 corrects spelling, grammar, and punctuation in those few places where they may have come through erroneously in the Federal Rules of Evidence; and conforms the table of contents in those rules to the actual rule headings themselves. In some instances those two did not conform.

In addition, H.R. 9915 conforms rule 410 of the Federal Rules of Evidence to the language of rule 11(e)(6) of the very recently enacted amendments to the Federal Rules of Criminal Procedure. Rules 410 and 11(e)(6) deal with precisely the same subject—use in evidence of withdrawn guilty pleas and the like, and related statements. Rule 410 was adopted by Congress as a stopgap until such time as Congress could act on rule 11(e) (6), which it was intended would then supersede rule 410. Rule 410 so stated: That supersession has now occurred, this past July, when Congress enacted rule 11 (e)(6). The effect of that enactment was automatically to reduce rule 410 to a dead letter, rule 11(e)(6) now being the rule. H.R. 9915 merely implements this—which is the law regardless of the H.R. 9915—by physically changing the text of rule 410 to read precisely like rule 11(e)(6) so that there can be no confusion of the kind that might prevail if rule 410 were left in its present form, as a dead letter on the books.

In addition, H.R. 9915 causes 18 U.S.C. 3491 and 3492(a), relating to proof of foreign documents in criminal cases, to refer to the Federal Rules of Evidence instead of to the Federal Business Records Act, as at present. This is necessary because the Federal Business Records Act has been repealed by the Federal Rules of Evidence.

Finally, H.R. 9915 strikes out of the amendments to the Federal Rules of Criminal Procedure enacted by Congress this July, some material that referred to a provision on witness lists, which provision had appeared in an earlier version of those amendments but was itself stricken by Congress during the congressional deliberations. While this main witness list provision was stricken, the subsidiary reference to it accidentally was not. The subsidiary reference makes no sense, since it refers to a stricken provision. H.R. 9915 proposes to strike the subsidiary reference, as was intended.

Thus, H.R. 9915 is a necessary and noncontroversial measure having no substantive impact. It merely perfects and effectuates, by a process of technical correction, the intendment of measures previously enacted by Congress. As such, I urge its prompt passage.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

THE RUSSIAN WHEAT DEAL

Mr. MANSFIELD. Mr. President, for some time I have been concerned about the wheat deal which the administration reached with the Soviet Union. I have also been concerned about the fact that certain labor organizations take it upon themselves to be the arbiters of foreign policy as to whether or not they will load or unload commodities on ships, in this specific instance, wheat.

Because of this factor, we find that shipments of wheat sold to the Soviet Union were held up for a month or more and because of that the administration entered into negotiations with the Soviet Union in Moscow by means of which shipments instead of being sent this year were relayed over a period of 5 years.

I had urged the administration on a number of occasions not to enter into this kind of a deal because anyone who knows anything about the wheat market would be aware of the effect it would have on prices.

The farmer has been the goat on too many occasions, has received the blame for too many things which were not his fault, and a recognition has not been accorded to him based on the amount of time he puts in working to raise a commodity—wheat, corn, soybeans, or whatever it may be. The result, as in the case of the Soviet grain agreement, is that because of circumstances beyond his control, conditions develop which bring about a depreciation in the price of his product.

As I said, long before this deal was underway, and while the ships were not being loaded with American wheat which had already been sold, I had strongly indicated to the administration my great concern and pointed out what the situation as developing would mean to the American farmer and rancher.

Mr. President, what can be done to wheat, corn, and soybeans can be done to other segments of the agricultural economy as well.

I am in receipt of a letter from Mr. Richard O'Brien, of Conrad, Mont., which I will read in part because I think we ought to be aware of the effect of this agreement on the American wheat rancher; specifically, in this instance, the Montana wheat rancher.

> Since the announcement of the agreement the price of no-protein winter wheat at Conrad has dropped fully 30 cents per bushel. At the present time, the estimates of Montana's 1975 wheat crop are about 150 million bushels. This 30 cent drop then means a loss of about $45 million to the economy of the State. It could very well mean the difference between a profitable business year and a loss year for thousands of businessmen in Montana's rural communities.

That is, those who depend upon the farm economy for a livelihood.

> This "Russian grain deal" seems to me to mark a beginning of Government dictation to the farmer as to where and how he can sell his products. When the markets are thus limited, farmers are unable to sell their products at the highest price.

He is referring to the wheat deal.

> Most people in this country feel they should retain the right to sell their houses, cars, or stamp collections to whomever they chose and for whatever price can be bargained for. Is it fair, then, for the Government to dictate when, where, to whom and for how much we can sell our wheat?

Mr. President, I ask unanimous consent that an article by Mr. Karl Hobson, entitled "Looking Ahead," appearing in the last issue of the Montana Farmer Stockman be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LOOKING AHEAD

(By Karl Hobson)

Four things about the grain and oil agreements with Russia are clear:

(1) *The minimum quantities of grain sales agreed on are insignificant. The same will be true of oil.*

(2) *It is an agreement more for restricting than for expanding U.S. sales of grain.*

(3) *Either nation can easily avoid compliance.*

(4) *The purpose is to lead farmers and farm organizations to believe that their interests are being served while at the same time giving the politicians an effective means of holding farm prices down to placate consumer groups.*

As to point No. 1, "minimum sales" to Russia of 6 million tons a year of corn and wheat *combined* are agreed upon. That's less than 3 per cent of this year's complete U.S. corn and wheat production. In fact, Russia had already bought 9.8 million tons of U.S. grains in July before the U.S. clamped on the lid.

If there is an oil agreement, the quantity involved will be 200,000 barrels per day, according to reports that appear reliable. That's only 3.3 per cent of our current oil imports, and only 1.3 per cent of our total oil use. In fact, our import needs for oil are growing each year by twice the amount the Russians will agree to supply.

Russia produces slightly more oil than we do. But they have a larger population and lack the foreign exchange earnings to finance large oil imports. Moreover, they are committed to sell oil to the Communist countries of Eastern Europe, they sell quite a bit of oil to Western Europe, they have a huge navy and fishing fleet that runs on oil, and they have a rapidly growing oil-based industry. They are finding it difficult and expensive to increase their oil output.

As to restrictions on sales of grain to Russia above the minimum level, reports are unclear and conflicting. It is clear, however, that such sales are largely up to the President of the United States. Such restrictions can easily be enforced. Thus the agreement will serve mostly to restrict grain sales to Russia.

Sales will be made through American grain exporters at market prices paid in cash. That provides two easy outs any time Russia does not wish to buy agreed quantities. They can just say that the exporters will not sell at the "market" price. Or they can just say that they do not have the cash.

So, the negotiations with Russia on grain and oil agreements are just another move to provide excuses for restricting grain exports. The purpose of restricting grain exports is to hold grain prices down to placate consumers and Mr. Meany. No matter if it forces us to sell our grain to other countries at the lower price, thereby impairing the U.S. international balance of payments. No matter if it causes farmers to produce less in future years because they will not be able to buy so many expensive inputs such as fertilizer, pesticides, machinery and irrigation facilities. The important thing is votes for politicians in the next election. And the consumers have the votes.

Make no mistake about it—the practice of restricting farm exports to hold down prices is gaining momentum. It was used once in the Johnson Administration. Hide exports were embargoed then at the request of U.S. leather industries, chiefly shoe manufacturers. Hide prices dropped sharply and any producer with cattle for sale got several dollars per head less than if hide exports had not been stopped.

During the Nixon Administration, in the spring of 1973, all exports of soybeans were suddenly stopped. Soybean prices dropped from more than $10 per bushel to less than $6.

In the last two marketing seasons, President Ford has stopped the sale of wheat and feed-grains to Russia. Both times he was very effective in stopping price rises. Last year, wheat prices dropped $2 per bushel in the months following the embargo on wheat sales to Russia.

To be sure, dairymen, poultrymen and livestock feeders will benefit temporarily from the lower grain prices. However, they should be aware that their turn may come in this game of government holding down farm prices. Cattlemen will not soon forget their experience with price ceilings on meat.

What about the future? What will the practice of restricting exports of agricultural products in order to hold down prices do to American farmers and ranchers? We have only to look to Argentina to see the grim answer.

Argentina is well endowed with productive farm land. Argentine farmers and ranchers can produce much more food than the people in the nation can consume. For many years Argentina was a major factor in world trade in wheat, corn, beef, and wool.

Then in the 1940's Juan Peron came on the political scene. He decided that the key to political power lay in sponsoring rapid industrial development, then catering to the large numbers of industrial workers with generous wage increases and low food prices. He achieved the low food prices by the method Mr. Meany recently proposed for the United States—government monopoly in the purchase and sale of the major farm products, buying them at a low price, reselling them for the domestic market at a low price and exporting at the higher world prices. Argentina also has low ceiling prices for retail markets.

With minor variations, that policy has been followed since the early days of Juan Peron. What has been the result? You read about part of it in the early September issue of this publication. An article there listed retail food prices for six different foods last March in the capitals of 15 nations. To refresh your memory, note the listing of the highs and lows for each food compared with Washington, D.C.

	High		Washington, D.C.	Low	
Boneless sirloin steak	Tokyo	$16.00	$1.69	Buenos Aires	.70
Pork chops	Tokyo	2.88	1.79	Buenos Aires	.29
Sliced bacon	Brasilia	4.15	1.56	Buenos Aires	.89
One dozen eggs	Stockholm	1.33	.74	Buenos Aires	.48
Butter	Mexico City	2.08	.89	London	.68
Tomatoes	Copenhagen	1.43	.69	Buenos Aires	.19

Note that Buenos Aires was the lowest for five of the six foods. But it isn't as nice for the consumers in Buenos Aires as you might think. Often consumers there cannot find all the foods they want at legitimate stores. Then they must do without or pay much higher prices on the black market.

The low prices have forced Argentine farmers and ranchers to produce only what they can turn out at very low cost. They cannot afford to buy expensive inputs such as fertilizers and pesticides.

Argentina has large areas of fertile land where production could be greatly increased with irrigation. Water is available and can be brought to the land at a cost that we would consider low. But with the low farm product prices the land cannot be irrigated. It must remain idle or at a low level of production.

The entire nation of Argentina has been injured by the low farm price policy. It has greatly restricted the quantity of farm products available for export. This reduced export earnings so much that the Argentine government had to borrow heavily in order to buy raw materials needed by industry. It is now very difficult for them to borrow any more.

Mr. MANSFIELD. Again, Mr. President, I want to say that in my opinion I believe the administration made a most serious mistake to the detriment of the farmer, to the detriment of our agricultural economy, and I believe in the long run to the detriment of the people as a whole.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees except the Judiciary Committee be allowed to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. May I say that that does not begin to apply until the morning business is concluded. It is my understanding we have four, five, and maybe six Senators with special orders, and a 15-minute morning hour in addition.

The PRESIDENT pro tempore. Under the previous order, the Senator from Idaho (Mr. McClure) is recognized for not to exceed 15 minutes.

CASTRO'S GRAND DESIGN

Mr. McCLURE. Mr. President, in one sense the actions of the Government of Cuba have been entirely consistent since Castro's seizure of power. Shortly after the takeover Che Guevara announced:

> The revolution is not limited to the Cuban nation.

The effort to export the revolution has remained constant. What has changed is the measure of success and the increasingly sophisticated methods used.

Castro began with an armed expedition into Panama—the failure of which did not deter him from participating in urban terrorism and sabotage in order to overthrow the Betancourt government in Venezuela. The severe problems of his own people did nothing to dissuade him from training recruits who were to organize students, peasants, and workers engaged in revolutionary activity in Bolivia, Colombia, and Guatemala. By 1962 it is estimated that at least 1,500 Latin Americans had graduated from Castro's course in guerrilla tactics.

In 1963, the OAS, which used to resent subversion condemned Cuba for aggression upon the discovery that Castro had supplied Equadorian Communists with 3 tons of arms to assist in overthrow of that government. Even the trade embargo, which then began, did not dissuade Castro from forcing the Cuban people to pay a heavy price for engaging in foreign subversion.

In 1963, Cuban-trained personnel and Cuban arms played a part in the effort to topple the Government of the Dominican Republic. Cuban-trained Dominicans were an important factor in the 1965 effort which nearly cost that country its democratic life.

As the Soviet grip on Cuba tightened, Castro became increasingly dedicated to organizational efforts to turn to Communist advantage any manifestation of dissent in the free world. In 1966, Castro held a conference involving the revolutionary leaders of the African-Asian-Latin American People's Solidarity Organization—commonly known as the Tricontinental—and the Venceremos Brigade—a group dedicated to the escalation of terrorist activities in the United States.

The next year was marked by a change in policy but not in intent. After Che Guevara's death—during the effort to pattern the Bolivian revolution after the Cuban one—a new bible was substituted for Che's guerrilla warfare. The "Mini Manual of the Urban Guerrilla" outlines the strategy of bombings, kidnappings, and urban terror as practiced in Guatemala, Uruguay, Brazil, and Argentina.

But Castro's grand design is not directed only at Latin Nations. The Governor of Puerto Rico made a statement explaining that FALN, a Puerto Rican terrorist organization has claimed credit for a lengthening series of terrorist bombings, starting in Newark on September 24, 1974, when the police headquarters and the mayor's office were bombed. The terrorist group first came to national attention when it set off five bombs in New York on October 26, 1974 at prominent banks and corporate offices. It also claimed credit for an explosive device which severely injured a New York policeman on December 11. On January 24, 1975, the FALN's next "exploit" for which it "claimed credit" was the widely publicized bombing at Fraunces Tavern in New York, in which four persons were killed and 66 were wounded. Its most recent bombings on October 27, 1975, included five in New York, three in Chicago, and one at the State Department in Washington.

Governor Hernandez said on November 3:

> Reliable and well-informed sources in Puerto Rico who have been following closely the terrorist activities of the so-called FALN in the United States have revealed that this highly-trained group works closely with Cuba's DGI, the Cuban CIA. Its mission, say these sources, is to try to discredit Puerto Rico in the United States and to mount a Tuparmaro-type urban terrorism campaign in major U.S. cities.

Capt. James O'Grady of the Chicago police said of the bombings of the Mid-Continental Plaza Building and United of America bank, "there is no doubt that the FALN was responsible." Methods and materials used in the construction of the bombs were the same as those used in New York city, where city detective James Sullivan said a handful of FALN members had been identified and were being traced.

Governor Hernandez explained that FALN is organized in three-man cells in New York, Chicago, and Washington. The Governor said:

> They are reported to have contact in the U.S. with the Weather Underground. The only member of the FALN identified so far is one Filiberto Ojega Rios, who is known to have been trained in sabotage and terrorism in Cuba. Very tight security in the FALN cells has so far precluded any capture of the FALN members, all of whom are believed to be located in the continental United States.

Direct relationships between the Cuban-based Venceremos Brigade and United States have been established and documented by the Subcommittee on Internal Security.

The Brigade was born in 1969 when American volunteers went to Cuba, purportedly to assist Cuba in harvesting its sugar cane crop. In fact the Brigade's activities were as much political as agricultural. It was the original basis for the recruitment of the special few who were to become deep cover agents in the United States. The subcommittee says that:

> Every waking moment of the Brigade members while in Cuba was supervised and controlled by the Cubans, who used physical labor to soften resistance, criticism and self-criticism sessions, minority caucuses, and rap sessions skillfully directed in order to assess the political attitude of the Americans and at the same time collect the necessary intelligence.

This system allows Cuban agents to look over the candidates and select those most promising for careers in espionage. It is interesting to note that while the Cubans have come a long way in the spying game they still find it necessary to provide that those selected as deep cover agents go to Europe to be screened by the KGB for American counterintelligence agents. In some cases an 11-month "graduate course" in the Soviet Union was provided.

Once in the United States—provided with false identities, and trained to speak English like Americans—agents and coopted Americans are in a position to conduct studies on industrial research, American political attitudes, military-university research contracts, nuclear research programs, and weapons development. But the collection of such information is only part of a two-sided effort. Placing of agents in a position to influence legislative or executive affairs is equally important to subversion. In addition, the Cubans are ready to cooperate with any groups amenable to their purposes. The Internal Security Subcommittee published part of a letter of January 1974 from the National Lawyer's Guild to 10 young people scheduled to go to Cuba. The letter said in part:

> The process used to select the delegates and alternates was difficult, and of course, subjective to some degree. The first criterion was determined by the Cubans themselves. They asked that the Guild send men and women who would be able to serve them as contact and resource people in Washington during the upcoming period of transition in Cuban-U.S. relations: they desired a delegation which would have a broad background in governmental, professional and legal work. The Cubans stressed that the delegate should have a solid history of professional experience in the legal field, which is the reason why the selection was weighted towards lawyers rather than legal workers or students.

The letter was ended with the word "venceremos."

Mr. President, the evidence of Cuban subversive activity is too voluminous to be discussed in detail. I understand that the Internal Security Subcommittee has new evidence on the subject of Cuban activities in Puerto Rico which will be made public in hearings within the next 2 weeks. In the light of proposed changes in relationships between the United States and Cuba, this testimony should be subjected to careful analysis.

I ask unanimous consent that a statement released by Governor Hernandez' office and that part of the Internal Security Subcommittee print pertaining to the Venceremos Brigade be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FALN BOMBERS REPORTED TO BE WORKING CLOSELY WITH CUBA'S CIA; CASTRO GOVERNMENT SEEN MANIPULATING RADICAL INDEPENDENTISTS

SAN JUAN, PUERTO RICO, November 3, 1975.—Reliable and well-informed sources in Puerto Rico who have been following closely the terrorist activities of the so-called FALN (Fuerzas Armadas de Liberation Nacional) in the United States have revealed that this highly-trained group works closely with Cuba's Direccion General de Inteligencia, the Cuban CIA. Its mission, say these sources, is to try to discredit Puerto Rico in the United States and to mount a Tupamaro-type urban terrorism campaign in major U.S. cities.

The estimated membership of the FALN is only ten persons, organized in 3-man cells in New York, Chicago and Washington. They are reported to have contact in the U.S. with the Weather Underground. The only member of the FALN identified so far is one Filiberto Ojeda Rios, who is known to have been trained in sabotage and terrorism in Cuba. Very tight security in the FALN cells has so far precluded any capture of the FALN members, all of whom are believed to be located in the continental United States.

FALN BOMBING "CREDITS" EXTEND OVER A YEAR

The FALN has "claimed credit" for a lengthening series of ,terrorist bombings, starting in Newark on September 24, 1974, when the police headquarters and the mayor's office were bombed. The terrorist group first came to national attention when it set off five bombs in New York on October 26, 1974 at prominent banks and corporate offices. It also claimed credit for an explosive device which severly injured New York policeman Angel Poggi on December 11. On January 24, 1975, the FALN's next "exploit" for which it "claimed credit" was the widely-publicized bombing at Fraunces Tavern in New York, in which four persons were killed and 66 were wounded. Its most recent bombings on October 27, 1975 included five in New York, there in Chicago, and one at the State Department in Washington.

CUBAN GOVERNMENT SEEN MANIPULATING MARXIST PUERTO RICAN INDEPENDENTS

For some time, moreover, there has been growing evidence that the Cuban government is manipulating the small, ultra-radical wing of the Puerto Rican independence movement. In August, when Cuban Ambassador to the United Nations Ricardo Alarcon led a movement in that body to brand the United States as "colonialist" in Puerto Rico, the leader of the Marxist-Leninist Puerto Rican Socialist Party, Juan Mari Bras, worked out of the Cuban delegation's headquarters and coordinated his testimony condemning the United States and Puerto Rican governments with Alarcon. Among his accusations before the Committee of 24, prompted by Alarcon, was the charge that the United States conducts "genocide" in Puerto Rico as a matter of policy, through forced sterilization of women (a charge which the Puerto Rican government denies indignantly).

The Puerto Rican Socialist Party, whose membership does not exceed 0.4% of Puerto Ricans (according to a recent poll) is not to be confused with the Puerto Rican Independence Party, the democratic and traditional standard-bearer of the pro-independence movement in Puerto Rico. The PIP won 4.6% of the votes in the last island-wide elections in November 1972, and has consistently condemned terrorism as a political weapon.

In addition to FALN leader Rios, it is known that over 100 other Puerto Rican extremists have traveled to Cuba clandestinely to receive training in the Venceremos Brigades, reportedly including training in sabotage and terrorism.

BOMBINGS GIVE DISTORTED VIEW OF PUERTO RICANS IN U.S.

Insofar as the FALN strategy is to discredit Puerto Rico and Puerto Ricans in the eyes of Americans, there seems little doubt that they scored some success already. While most responsible editorial comment in the U.S. press makes a clear distinction between the terrorists and the overwhelming majority of Puerto Ricans, the drum fire of headlines reciting "Puerto Rican Terrorists in New Bombing" has almost certainly given many Americans a distorted view of Puerto Ricans and their attitude toward the United States.

POLL SHOWS INDEPENDENTS LOSING GROUND IN PUERTO RICO

Governor Hernandez has stated that "It is important for Americans to know that the FALN is is about as representative of Puerto Rico as the Symbionese Liberation Army is representative of the United States." However, while Americans *know* that the Symbionese are unrepresentative of anything but their own distorted philosophy, they know less about Puerto Rico and are more apt to wonder if the FALN may not be symptomatic of growing anti-American, pro-independence sentiment in Puerto Rico. Recent polls show, on the contrary, that pro-independence sentiment in Puerto Rico has actually declined in the last two years, quite probably in reaction against FALN terrorism and the extremist politics of Mari Bras' Puerto Rican Socialist Party and its increasingly overt ties with the Cuban government.

III. INVESTIGATIONS DEPARTMENT

A. GENERAL ACTIVITIES

The investigative process during the year 1974 involved several facets of activities that came under the mandate of the Subcommittee.

During the preparatory phase of the hearings on the "Marihuana-Hashish Epidemic and Its Impact on United States Security," several interviews were conducted for the purpose of obtaining the necessary information from government agencies whose security was liable to be affected. This entailed analysis of security regulations, personnel attitude and other related matters. In addition, several cases where security had been affected were investigated and reported.

The investigation initiated in 1973 to determine the extent of subversion among U.S. military personnel based overseas was continued during 1974.

One of the most significant episodes of this investigation was the role of U.S. civilian citizens operating outside the legal jurisdiction of the United States in fomenting violations of Title 18 of the U.S. Code. Specifically, the incident of the U.S.S. *"Midway"* played a primary role in the investigation.

Further investigation into the inhuman treatment of U.S. POW's in North Vietnam yielded new information as to the nationality of the non-orientals involved.

The investigation of the Communist Threat to the U.S. through the Caribbean was continued as reported below.

B. THE VENCEREMOS BRIGADE

The continuing investigation of the Communist Threat to the United States through the Caribbean brought to light a facet of activity involving United States and foreign nationals which may affect the internal security of the United States for many years to come.

Specifically, it deals with the degree of involvement of the General Directorate of Intelligence (D.G.I.), the Cuban equivalent of the Soviet KGB, in the infiltration of deep-cover agents into the United States, and the establishment of a vast network for the collection of intelligence of military, political, industrial, and economic nature directly affecting the security of the country.

As previously reported, the Subcommittee had followed with great interest the activities, in the United States and Cuba, of the members and veterans of the "Venceremos" Brigade. The investigation has been a continuing one. It was begun at the time of the Brigade's inception in 1969 for the alleged purpose of helping the Communist regime of Cuba in its sugar harvest by bringing in U.S. volunteers.

There had been good reason to believe that the Venceremos Brigade had been created for the purpose of acting as a screen and tool of the Cuban inteligence aparatus. This has now been confirmed by a careful analysis of much new evidence, based on a variety of sources. This evidence points to the conclusion that the Venceremos Brigade is one of the most extensive and dangerous infiltration operations ever undertaken by a foreign power against the United States.

Genesis

The Venceremos Brigade was brought into being through the clever manipulation of a small group of U.S. leftist radicals, prominent among whom were some of the leaders of the SDS "Weatherman" faction. The creation of the Brigade stemmed from three basic priorities of the DGI:

1. The need for factual and current information on every aspect of activity in the United States. This was deemed essential in guiding the DGI in its long range plans to infiltrate a number of Cuban "illegals" into the United States in response to pressure from the Soviets.

2. The desire of the Cubans to turn to their own advantage any manifestation of dissent toward the established order in the Free World, especially when directed against the United States. This entailed exposure of selected individuals, representing a broad spectrum of revolutionary-terrorist groups in the United States, to carefully staged meetings with leaders of international revolutionary movements brought to Cuba under the auspices of the African-Asian-Latin American Peoples Solidarity Organization, commonly known as the "Tricontinental."

3. A show of solidarity toward North Vietnam and the Viet Cong, acting not only as a conveyor belt for anti-war propaganda but actually using the Brigade as a means to collect information useful to the North Vietnamese.

DGI Involvement

The involvement of the DGI in the genesis of the Brigade was so blatant that the name of one of its UN Center officers was openly mentioned in a letter to the leadership of the SDS Weatherman faction.[1] When active recruiting for the Brigade began in the fall of 1969, the DGI had to rely on a cadre formed mainly by New Left activists who had made one or more trips to Cuba. The results of the interviews were then reviewed by the DGI United Nations Center, which gave final approval. This procedure is still followed whenever a Brigade is being recruited.

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[1] Page 299, Part 4, Extent of Subversion in the New Left. (Julie Nichamin, author of the letter and one of the U.S. instruments of the DGI in the formation of the Brigade was recently in Puerto Rico as representative of the Puerto Rican Solidarity Day Committee.)

Those selected for the Brigade undergo preliminary indoctrination at the hands of the cadre who, under the guise of assessing the involvement of the recruit, elicit information on a variety of subjects that are of great interest both to the DGI and the KBG.

Brigade members usually are transported to Cuba by passenger aircraft or converted freighter. The return trip is usualy by converted cattleboat to Canada, although the 7th Brigade broke with this precedent and returned to the United States by air via Barbados. Every time a Brigade traveled to or from Cuba on a freighter, the DGI placed a number of its officers on board in order to take advantage of any situation that might allow them to manipulate and establish control over the Americans.

Venceremos Brigade activities are of such great importance to the DGI that they are controlled by a special section of the Political and Economic Intelligence Division, ranking on a par with similar sections of the UN, the U.S. Department of State, and U.S. political parties. The Brigade section is under the direct supervision of the Deputy Director of the DGI, Ramon Oroza Naveran, known under the *nom de guerre* of "Demetrio."

Demetrio personally supervised the creation and subsequent activities of the Brigade, and he assigned such priority to the project that all other DGI operations were held to be subordinate to the collection of intelligence from the members of the Venceremos Brigade.

Practically every Cuban national attached to the Brigade camps, right down to the food service and maintenance personnel, is a member or a co-opted member of the DGI. These DGI operatives are so skilled in their impersonations that few Brigade members are aware of their true identities. In fact, so many DGI personnel are needed to staff these camps that nearly all other operations must be suspended when the camps are active. Even maintenance and clerical personnel of the Directorate are pressed into service, as numerous photographs obtained by the Subcommittee indicate.

DGI Subservience to KGB Directives

However extensive the involvement of the Cuban General Directorate of Intelligence may be in this and other operations, one needs to bear in mind the underlying factor of the subservience of the DGI to its supervisory organization, the KGB (Komitet Gosudarstrennoy Bezopasnosti) of the Soviet Union.

Early in 1969, as revealed in testimony before the Subcommittee by Orlando Castro Hidalgo, a former DGI officer stationed in Paris, the Directorate issued new directives regarding relations with the Soviet Union. This stemmed from the fact that the Soviets had used oil as a blackmail weapon to bring the Cubans to heel. (Evidence of this is to be found in a lengthy phillipic delivered by Raul Castro on January 24, 1968, during a secret session of the Central Committee of the Cuban Communist Party.)

Ironically, the details of the whole affair are contained in a booklet, published by the Cuban government and brought to the United States by a returning member of the Brigade. The booklet is entitled "Information from the Central Committee of the Communist Party of Cuba on Microfaction Activities"—Instituto de Libro—Ediciones Politicas, Havana 1968.

As a result of a new agreement, the DGI was ordered to collect intelligence which was of little intrinsic value to Cuba but of very great interest to the Soviet Union. Immediately afterward, the number of DGI personnel stationed in Cuban embassies in Western Europe was increased sharply.

It was in this context that the KGB advisor to the DGI, Vitalyi Petrovich Seminov, insisted on the priority of establishing a good network of illegals in the United States instead of confining the Directorate's interest to the activities of the anti-Castro exiles. The DGI was eager to comply.

Cuban Illegals in the United States

At this point, it is important to go into some detail regarding the need of the Communists for factual and current information for the purpose of training "illegals" and situating them in the United States.

At the outset, the DGI infiltration candidates were handpicked members, well prepared, of long standing party allegiance, with extensive experience in intelligence matters. For better security, they had not been allowed to travel outside Cuba, and, as an additional precaution, they had never had personal contacts with prisoners. All were college trained and virtually all of them were fluent in English. To round out their training, they were to receive an 11 month training course in the Soviet Union. The initial group of illegals consisted of approximately 30 officers selected in 1970.

In addition to the extensive training that an illegal, who is to establish residence in the United States, has to undergo, there are other needs to be considered. Most important of all is establishing a new identity with corroborating evidence as to his person, family background, education, business, etc. The period of "incubation" can take 5 or 6 years or even longer.

Soon after the Soviets made the proposal, the DGI found out that it was totally unprepared, because of a lack of the necessary data, to embark on this operation. To furnish covers for illegals entailed a monumental task of collection and analysis of information that its agents attached to the UN Center in New York could not accomplish without inside assistance.

To remedy this, Demetrio, after having observed the attitude of American left-wing visitors to Cuba, came to the conclusion that the young Americans were an easy and accessible source of information needed. Consequently, a plan was devised and the Venceremos Brigade was brought into existence.

The Venceremos Brigade in Cuba

As stated before, the Directorate was able to obtain the information needed through a program that brought the young students into constant contact with DGI agents working under cover.

In fact, every waking moment of the Brigade members while in Cuba was supervised and controlled by the Cubans, who used physical labor to soften resistance, criticism and self-criticism sessions, minority caucuses, and rap sessions skillfully directed in order to assess the political attitude of the Americans and at the same time collect the necessary information.

To this should be added the fact that the Cubans used various means such as questionnaires, diaries, recorded interviews, speeches, and others to build individual files on each member of the Brigade. Among other things, the DGI formed a committee of Brigade members for the collection and transmission to Cuba of telephone directories from a variety of areas in the United States. A telephone directory can be a simple and ready source of corroborating evidence, even in a cursory background investigation. The importance of a telephone directory in intelligence operations is such that it is a crime in Cuba to mail a telephone directory out of the country.

Another committee was formed to collect technical books on industrial research, with heavy emphasis on university departments working under a contract for the Department of Defense. Other committees were to report on the Latin community in the United States, the Cuban community in the United States, and the activities of U.S. citizens overseas. This last committee was to report the type of business, duties of embassy personnel, and other related matters.

In addition to the military-university research contracts, the DGI expressed interest in the University structure as related to its connections with the government and private corporations. Even the financial aspects of the contracts appeared to be of interest to the Cubans.

A committee was formed to report on the University of California (Berkeley) research programs relating to nuclear weapons; Los Alamos proving grounds; the Lawrence lab; a new biological lab near the naval base; the research on storing of bacteria, and survival in case of plague; and other related topics.

DGI agents showed interest in information on the ABM system instruments, MIRV, and the missile guidance systems of our Polaris submarines, the NASA Apollo program, and the NASA center near the university, a moving target indicator, a tunnel detector, and a helicopter project to be used in Vietnam.

The thoroughness of the Cubans was such that in addition to the few subjects described above, they also collected information on the Brigade members, including rumors, accusations, degree of intoxication when alcohol was served at parties, sexual relations, and other intimate data.

The Cubans were thus able not only to assemble a complete profile of a potential agent but gathered enough intelligence to satisfy both their own needs and those of their Soviet mentors.

Recruitment of Potential Agents

Usually out of a 200-member Brigade, 30 to 40 individuals were thought worthy of special consideration. Of these, 4 or 5 were recruited as contacts and, if future proficiency was consistent, they were developed as agents.

The questions submitted to Brigade members about trips to Europe and the need to know about the activities of U.S. citizens overseas were based on an immediate and real need: contact with potential agents. With a false U.S. passport, the recruited agent travels to Europe and then to Cuba for a 2 to 3 month training period, and then returns to the United States by the same route.

The contact in Europe is usually made after a lapse of a year or more, and after careful observation of the recruited agent by Soviet KGB agents to weed out U.S. counterintelligence agents.

Since the Cubans did not want the Brigade members to know that one of their number had been selected for a clandestine operation, it was necessary to isolate the individual for training and instructions. For short-term training, the selected Brigade member would be hospitalized and later spirited out of the hospital or, if this was not possible, kept in isolation for the length of time needed to impart the necessary instructions.

Targets in the U.S.

There are good reasons to believe that the DGI considers Operation Venceremos a highly successful venture in practically every respect. There were serious problems, mainly in the disciplinary field, but these were offset by the wealth of information gathered and the objectives attained. The self-perpetuating structure of the Brigade is an indication that the Cubans intend to keep a tight control on the organization, especially in view of the recent moves to reestablish diplomatic relations with Cuba.

Again, it is most interesting to note that the DGI has had an extremely keen interest in the legislative and executive branches of the United States government. One of its objectives is to obtain not only information but also a base of influence.

Of paramount importance to the DGI is the influence that can be brought to bear on the matter of resuming relations by political and economic groups which favor such resumption.

In this context, the DGI, ever ready to exploit any available source to advance its objectives, has sought to enlist the help of the National Lawyers Guild to create a pressure group in the United States. A letter to members of the Washington, D.C., chapter announcing the names of the selected delegates for a trip to Cuba contained the following statement:

> The recommending committee was overwhelmed by the number of qualified and desirable applicants. The process used to select the delegates and alternates was difficult, and of course, subjective to some degree. The first criterion was determined by the Cubans themselves. They asked that the Guild send men and women who would be able to serve them as contact and resource people in Washington during the upcoming period of transition in Cuban-U.S. relations; they desired a delegation which would have a broad background in governmental, professional and legal work. They (sic) Cubans stressed that the delegates should have a solid history of professional experience in the legal field, which is the reason why the selection was weighted towards lawyers rather than legal workers or students.

The letter closed with the word "Venceremos."

Conclusion

As the 8th contingent of the Venceremos Brigade prepares to leave for Cuba sometime in March of 1975, the number of veteran Brigade members who came under DGI control totals nearly 2,000. Although many of the members have dropped out completely, there is enough overt activity in the United States to indicate that the National and Regional Committees are determined to have a hand in directing the movement for "political and social change."

In Marxist jargon "political and social change" is a euphemism for revolution. The veterans of the Brigade left no doubt as to their intentions when they printed a leaflet in California to recruit new members. It stated:

> We call ourselves Venceremos Brigade. Senator Eastland calls us "Human Missiles" because the message we bring with us is a call for solidarity among all the people who are fighting the common enemy, U.S. Imperialism.
>
> The struggle in the Cuban canefields, on the front lines in Vietnam, in the world communities at home and against the war machine in our country is the same.

In view of the inherent danger to the security of the United States engendered by the activities of the "Venceremos Brigade" and its mentor and director, the Cuban General Directorate of Intelligence, the staff of the Subcommittee is in the process of preparing a comprehensive report on the Brigade to be released in the near future.

In the course of the subcommittee's investigative activities, liaison was maintained with Federal, State, and local law enforcement agencies, including staff attendance at monthly meetings, annual conferences, and seminars.

Mr. McCLURE. Mr. President, I think it is also perhaps instructive to look at two very current news items, one entitled "Cubans Reinforce Marxists in Angola," published yesterday, and the second entitled "Cuban Mig's Harass U.S. Search Planes," an Associated Press dispatch which also appeared just yesterday, as items in the very current news illustrating the diversity and types of activities being undertaken by the government in Cuba.

I think the American people must understand what it is that we are dealing with in the terms of the overt activities and covert activities of that government in Cuba.

Mr. President, I ask unanimous consent that the two articles to which I made reference also be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CUBANS REINFORCE ANGOLA MARXISTS

LUANDA.—About 1,200 new Cuban troops have disembarked at Luanda's harbor to reinforce the Angolan capital's defenses, sources with the two-day-old Marxist government there said today.

The Soviet-backed Popular Movement forces holding the capital, meanwhile, fought off an attack by opposition forces, but rival troops attacking from the north and south threatened to choke off the city.

The new Cuban force, which landed Monday as Portugal cut loose its last African colony, reportedly brought the total number of Cuban troops fighting with the Marxist government to about 2,800.

Military sources in Luanda said troops of the Popular Movement beat back a mortar-supported assault across the Bongo River on Quifangondo, 12 miles north of the capital.

Diplomatic sources in Luanda said an opposition armored column led by 1,500 white mercenaries and former Portuguese officers was advancing from Porto Amboim, 150 miles south of Luanda.

The sources said the column was headed for Dondo, a control point for Luanda's hydroelectric power supply about 100 miles southeast of the capital.

The fall of Dondo would choke off Luanda's vital services, leaving its government at the mercy of its enemies, because opposition troops attacking from the north were already within mortar range of the captial's water supplies, the sources said.

The joint forces of the two rival independence groups, the National Front and the National Union, are backed by Zaire.

The Soviet-backed group in Luanda proclaimed itself sole ruler at independence celebrations yesterday and renamed the West African nation the People's Republic of Angola.

The rival National Front and the National Union ignored the declaration and announced joint sovereignty over the nation.

The two groups, which receive arms from China and are believed to get funds indirectly from the United States, named the former Portuguese colony the Popular and Democratic Republic of Angola.

CUBAN MIGs HARASS U.S. SEARCH PLANE

Two Cuban MIG21 jet fighters harassed an unarmed U.S. Coast Guard plane searching for a disabled pleasure boat in international waters more than two weeks ago, U.S. officials say.

The Coast Guard confirmed a Pentagon report of the MIG intercept, which forced the HU16 amphibian plane to break off its search for the boat. No shots were fired, and the pleasure boat with two persons aboard was found later, a spokesman said.

Asked why the Oct. 26 episode was not announced, the Coast Guard spokesman said a local Coast Guard commander viewed it as "an isolated incident not worthy of release."

The State Department was notified of the incident but kept silent about it.

Officials said there was an exchange of diplomatic notes with the Cubans, but no protest. They said the U.S. note explained the mission of the Coast Guard search and rescue aircraft. The contents of the Cuban note were not disclosed.

There has been some recent movement toward a bettering of relations between the United States and Cuba. U.S. officials may have wanted to avoid publicizing the incident because of this.

According to a report which circulated in the Pentagon, the Coast Guard plane was intercepted by two Russian-built MIG fighters about 40 miles northwest of the Cuban coast.

This account said the MIGs made numerous passes across the nose of the Coast Guard plane and wagged their wings in a "follow me" signal, indicating the Cuban pilots wanted the U.S. plane to land in Cuba.

The seaplane was said to have headed back to its base in Miami, however, and the MIGs flew away.

A Coast Guard spokesman said the plane's crew had not spotted the drifting boat before being intercepted by the MIGs. The amphibian refueled at its Miami station, went out again and this time located the 35–foot boat about 48 miles northwest of Dimas, Cuba. A Coast Guard cutter then towed the boat to Key West, Fla., the spokesman said.

The Pentagon report said the Coast Guard plane never came closer than 15 nautical miles to the Cuban coast. Cuba claims territorial waters extending three miles, it said.

The North American Air Defense Command said its radar covering airspace between the United States and Cuba did not detect any MIGs at the time. Air Force sources said the intercept point was beyond the range of that radar.

NORAD said it did not send aloft any U.S. fighter planes. The Air Defense Command was not notified by the Coast Guard, it said "until after the Coast Guard HU16 had been overflown by two Cuban MIGs . . . and had completed their (sic) mission in assisting the crew" of the American pleasure boat.

The PRESIDENT pro tempore. Under the previous order the Senator from Florida (Mr. STONE) is recognized for not to exceed 15 minutes.

Mr. STONE. I thank the President.

THE CASTRO CUBAN ADMINISTRATION

Mr. STONE. Mr. President, before commencing my remarks, which will regard mainly the activities of the Castro Cuban administration and its subjects, because they are not citizens under that administration, in the Middle East, I refer to this morning's Washington Post, on page A20, under a leadline "Frelimo, Cuba Said To Aid Angolans," and that is a dispatch from Luanda, November 12, by Reuter. I refer to the third paragraph:

> United Press International, citing Popular Movement political sources, reported that about 1,200 Cuban troops had disembarked

in Luanda's harbor to aid the hard-pressed People's Republic against advancing opposition forces.

That is truly an incredible report but one which I am sure the United Press International checked out before they released it as news. Besides, Secretary Kissinger himself denounced Cuba's aggression in Angola in his Monday, November 12, press conference. To think of an island country in the Western Hemisphere, 90 miles from Florida, sending 1,200 troops to take part in a struggle in Africa and, at the same time, to have some of our own colleagues support the view that Castro's Cuba had ceased exporting revolution, really reveals the true situation for what it is.

Mr. McCLURE. Mr. President, will the Senator yield?

Mr. STONE. The Senator yields.

Mr. McCLURE. The Senator makes reference to a Reuters dispatch which quotes from the UPI dispatch, and the UPI dispatch was one of those two which I had printed in the RECORD. It starts out by making this comment:

> About 1,200 new Cuban troops have disembarked at Luanda's harbor. . . .

and it goes on in the third paragraph of that particular UPI dispatch to say:

> The new Cuban force, which landed Monday as Portugal cut loose. . .

et cetera.

Mr. STONE. Does the Senator not find that any claim that Cuba has ceased to export revolution evaporates totally in view of a report like that?

Mr. McCLURE. It must certainly be conclusive proof that they have not stopped doing what they have been accused of doing in the past.

Mr. STONE. I thank the Senator.

Mr. McCLURE. I thank the Senator for yielding.

Mr. STONE. Mr. President, before making my remarks on Cuban activities in the Middle East, I make brief reference to the domestic situation within Cuba with regard to political prisoners.

Those who find it reprehensible to imprison people by the hundreds in regimes that are authoritarian from the right, but cannot have similar outrage when authoritarian administrations of the left imprison thousands of political prisoners as Castro's Cuba has done, with conditions that are so frequently inhumane, really do themselves a great disservice.

One of the acts of the Castro regime which brands it irresponsible and not dedicated to basic human rights is its practice, which continues, of jailing people for political reasons. The best recent estimates by the State Department, based largely on statements by Castro himself, are that there are between 15,000 and 20,000 persons in jail in Cuba for disagreeing with the Communist leadership. These figures are probably understated by half at least.

Recently nine of our colleagues held an informal hearing at the Capitol—in fact it was in room S. 207—in which we learned firsthand of the kind of inhumane prison conditions in Cuba, and we heard those from former Cuban political prisoners and from the mother of a young man, a poet and an author, who is still incarcerated in Cuba today.

This transcript of their testimony contains first-hand information on how the Cuban regime uses physical and mental cruelty to break the spirit of citizens whose only crime is to stand up for their basic freedoms. Castro thinks so little of human life that one of the prisoners told us the prison buildings were mined with dynamite and that guards told him all the prisoners would be blown up if Cuba were invaded.

These are not the acts of a government that is prepared to deal responsibly with other nations in the ordinary channels of commerce and diplomacy. These acts are the acts of tyranny.

And in the light of moves that seem to be in the offing to negotiate what has come to be called détente, which this Senator believes to be another phrase embodying a concept of one-way concessions, one-way giveaways, one-way trade, and one-way diplomacy—and the way that it is one way is all going out to adversaries in which nothing seems to come back of substance or of importance to ourselves—in the light of those impending moves some of us have decided to put it into the RECORD by speaking it into the RECORD, not by inserting it, as to the things we know about that regime so that our colleagues and the American Government will not be disabused by propaganda, or by the type of domestic, I would have to call it, brainwashing, that is taking place in order to lull us into a false sense of security about the nature of the threat to us from 90 miles away.

Those who suggest that we should resume diplomatic relations with Cuba, ought to realize that we will be recognizing a regime which not only exports military supplies and terrorist training to Puerto Rico, Latin and South America, and as we have heard in the articles which the Senator from Idaho and myself have put in the RECORD regarding Africa, but to the Middle East as well.

For years, many concerned governments and individuals have protested and denounced Castro's illegal attempts at subversion carried out against ourselves, and our friends, and other democratic governments throughout this hemisphere. However, the Castro regime does not limit its subversive interference to the inter-American community alone. Its efforts to disrupt world peace and stability are affecting the security of NATO and our Middle Eastern interests as well.

On June 16, 1973, the New York Post reported that Cuba had begun training pilots of South Yemen to fly the advanced Soviet Mig-21 jet fighter being supplied to that nation. It was reported that more than 100 Cuban military advisors were training the South Yemen militia and air force. South Yemen, as we know, is the only leftist regime on the Arabian Peninsula and is strategically located at the entrance to the Red Sea. Undoubtedly, Soviet ships and planes stationed in Yemen can be expected to be used on behalf of Soviet interests in the Indian Ocean. The Senate Judiciary Subcommittee on Internal Security—and its chief investigator, Al Tarabochia—has been extremely helpful in gathering intelligence information through hearings and other research which graphically points out Cuban activities throughout the world. They have reported that in March of 1974, a delegation from South Yemen went to Cuba and signed an agreement for military cooperation. In May of 1974, Cuba reciprocated by sending a delegation of military and intelligence agents to South Yemen, headed by Maj. Antonio Perez, the chief political commissar of Cuban armed forces. It has also been reported that Cuban fishing trollers have been visiting Aden, South Yemen's capital, regularly unloading men and equipment and taking recruits for training to Cuba on the return trips.

But Yemen is not the major focus of Cuba's interest in fomenting subversion in the Middle East, which is evidenced by the fact that the Cuban General Directorate of Intelligence—the DGI—has a special section, called section 5, specifically set aside for Cuban activities in the Middle East. The Senate Internal Security Subcommittee has disclosed that section 5 of the DGI not only works in close cooperation with Cuban military operations in Angola—where now over 2,800 Cuban soldiers are aiding the Angolan MPLA-pro-Moscow faction—but also have been a prime factor in assistance to the Government of Syria and the Palestine Liberation Organization.

As far back as 1967, the Cuban DGI trained a number of al-Fatah guerillas in Cuba. In April of 1970, an official of this guerilla organization stated that a group of their combatants had been graduated from a military college in Havana.

Close contact and cooperation has been evident between the Cuban Government and Yasir Arafat, head of the PLO. These ties were strengthened after Castro's participation in the Nonalined Nation's Conference in Algiers. When Castro announced rupture of diplomatic relations with Israel at that conference on September 9, 1973, Arafat ran across the conference room to embrace Castro. On August 9, 1974, the official Cuban Communist Party paper, Granama, praised the PLO murderers at Kiryat Shoma who killed innocent women and children indiscriminately. On November 15, 1974, Yasir Arafat received the Cuban National Order of the Bay of Pigs in a ceremony at the Palace of the Revolution in Havana. When Arafat met with Castro only a year ago, the Internal Security Subcommittee reports that he conferred with Capt. Osmani Cienfuegos, secretary-general of the Tricontinental Conference of Terrorism, and with Maj. Manuel Pineiro-Losada, the DGI head of Cuban subversive efforts throughout the world. I wonder what Arafat, the director of Arab terrorism, discussed with these main exporters of Cuba terrorism.

Now we see that as a result of the close cooperation the PLO has enjoyed with Castro's government, Cuba and the PLO are now able to use the diplomatic facilities of Cuba at the United Nations to perpetuate actions such as the U.N. resolution condemning Zionism—a resolution which only 2 days ago the President, this body, and all responsible

Americans denounced as being irresponsible, un-American, and a threat to the prospect of peace in the Middle East.

But Castro's indirect assistance to Yemen and the PLO does not complete the record of Cuban involvement in the Middle East. On March 31, 1974, during an interview with "Meet the Press," Israel's Defense Minister Moshe Dayan made the startling announcement that he had reason to believe that Cuban troops were serving alongside Syrian forces on the Golan Heights. He placed the size of the Cuban force at a brigade, including an aviation unit composed of 124 pilots and artillery men trained to fly Mig-21 jetfighters. This unit had originally been stationed in Yemen, but was transferred in 1973 to Syria via Iraq. This startling disclosure was answered several days later by the Pentagon with an admission that it had knowledge of at least 100 to 500 Cubans serving in Syrian armored brigades. The Pentagon further admitted that the Cubans had been in Syria for "some months" and it could not deny that these troops were not present during the October 1973 war with Israel. To this day, these units can still be presumed to be attached to Syrian forces. The interesting fact, however, is that until Dayan made his disclosure our own Defense Department had been completely silent as to the Cuban military presence in Syria.

It is inconceivable to suggest that this Cuban military presence does not have the blessing of Moscow.

Additionally, the Internal Security Subcommittee, in its investigation of Cuban terrorist activities in Puerto Rico, discovered that antimilitary propaganda leaflets were distributed aboard U.S. vessels deployed in the Eastern Mediterranean during the Yom Kippur war.

Also, Scotland Yard discovered materials belonging to a top Cuban agent with the code name of "Carlos." These materials contained proposed death lists of prominent Jews and Israelis backers including violinist Yehudi Menuhin and the British Conservative Party Leader, Sir Keith Joseph.

Mr. President, all of these activities—actual military presence in Syria and Yemen and Angola, assistance to the PLO and other terrorist activities—leave no doubt that the umbrella of Castro's foreign polciy has expanded beyond the Western Hemisphere. I further suggest that this foreign policy, exemplified by terrorism, is abhorrent to American foreign policy goals and to our way of life as a whole. I urge all of my colleagues to make themselves aware of these hostile activities of the Cuban Government in world affairs when they decide whether or not our Nation should recognize or commence relations with Fidel Castro.

Mr. President, in concluding my remarks, I decry and deplore unwarranted relaxation. When Americans see inhumanities to thousands of neighbors nearby; when Americans see and know of terrorist acts perpetrated and assisted by a country only 90 miles away, exported not only to our country, horrible as that is, and to our own hemisphere, but all over the world as well; when Americans can relax and entertain and contemplate the possibility of doing business with, of financially assisting, of trading with, of diplomatically putting the seal of approval on an administration such as that, this Senator has to say, "Stop. Do not relax." People who relax, as Neville Chamberlain did, wake up within weeks and months to find themselves personally attacked.

The Cubans have a proverb which, unfortunately, is too true. The proverb is this:

> Your broken arm pains me far less than my toothache.

The point is that if we relax at the broken arms of the Cuban political prisoners, if we relax when hundreds of U.S. citizens who want to leave the Republic of Cuba are barred from leaving, if we relax about the disembarkation of 1,200 Cuban troops all the way to Africa, if we relax when Cuban troops and pilots participate in war in the Middle East, that relaxation at the pain and suffering imposed by Castro's Cuba on others in the world will haunt us shortly. In fact, it already does.

Mr. President, I ask unanimous consent that the full transcript of excerpts from the internal Senate hearings on the situation in Castro political prisons on October 1, 1975, be printed together with my main remarks without interruption to my main remarks earlier made.

The PRESIDING OFFICER. Without objection, that will be included in the order specified.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

EXCERPTS—TRANSCRIPT OF INFORMAL SENATE HEARING ON SITUATION IN CASTRO POLITICAL PRISONS

STONE. We are interested in the human dimensions of the current conditions within Cuba and the past conditions within Cuba with regard to political prisoners and those who not for normal or usual or standard criminal act or conduct are nevertheless in prison. I spoke with officials of the State Department a few days ago and asked for their best current estimates of the numbers of political prisoners currently within Cuba. Their best estimates, based as much as anything else on statements and admissions by Prime Minister Castro himself and other high officials of the current regime, are between 15,000 and 20,000 political prisoners. So we're not talking about a dozen or a hundred, we're talking about thousands of people who are imprisoned in Cuba for political reasons. And, Senator Buckley and I and our colleagues are anxious to find out the types of conditions under which these people are being detained and possibly to give us the reason why the Cuban administration has refused, although repeatedly requested, to admit the Human Rights Commission of the OAS to inspect those facilities, or any other international body, such as the Red Cross or the International Commission of Jurists.

BUCKLEY. The important business of the day is the testimony that people can give us—first-hand reports and second-hand reports of the conditions that exist. I would like to just point up the extraordinary double standard that seems to exist in the world today. We have five people executed in Spain and suddenly the President of Mexico is demanding expulsion from the United Nations. Yet we have a history of retaliatory executions and so-on, not only in Cuba, but other countries that somehow are exempted from this collective outrage . . .

Miss Gloria Solano (ex-political prisoner) who was a student at University of Havana at the time of arrest. (See attached information on background sheet.)

SOLANO. Without hearing, without trial, I spent two years in political prison and I was transferred in these two years in different prisons . . . (Discussing protests by prisoners): The answer of all this is to send to us 200 men armed with bayonets and helmets and they take us by force to punishment cells and we were thrown on the cell that has steel . . . Guanahay Prison . . . sheets on the door. In this cell we spend two, three months without medical attention, without anything. Just the clothes that we have. The food after 18 hours they give to us about two spoons of rice and so forth. In this cell, for example, on the floor (inaudible) were suffering a terrible heat and a terrible odor. In this cell we have to sit on the floor full of excreta . . . That's happening many times in the prison . . . everytime that we protest . . .

In 1965 the government obliged us to work. We protest. We say we're not going to work. We say we're political prisoners . . . They try in different ways that we have to go out. They hit us with bayonets. Second is put us again in these cells . . . At last they have really a good idea for them. They brought . . . We brought to the women's jail a prisoner, a woman, the worst kind of prisoners, all kinds of common women. In one month they don't tell us anything. They are in the cell. Listen all the conversations that are among those common prisoners. We are aware who they are. After one month, feeling bad you know, they came back to us and said you have to go to work. We say no. The answer was the choice, six of us—they want one of us from each cell with six of these women. At that time you can realize what this common prisoner tried to do . . .

STONE. Are you saying that they tried sexual abuse . . .

SOLANO. Right. They don't do anything, though.

At that time the rest of the group that stayed in the cells. They were not selected . . . we protest, we start to shout. Really, we became crazy. And the group of more than 200 men and women went to our cells, started fighting with bayonets and many person was hit and immediately we decide to go to work because you know what can happen to this group that at that time was not with us.

STONE. Miss Solano, what do you know of current conditions or recent conditions?

SOLANO. I receive letters from former political prisoners that is now out of jail and also with political prisoners that is still in jail. The situation really has not changed. I can say that it's worse, because after 15 years, many women and men they are in the same, they keep the same position. They don't want to get the indoctrination, you know. They stay in the same way. It's worse, the situation, or more or less the same thing.

STONE. In other words, . . . thousands of these prisoners have been imprisoned for as long as 10 years under these conditions?

SOLANO. That's right. I have a letter here from one of the women that is still in jail: "Nov. 1974. I had a pain in my ankle and I had been operated on just a month ago. We went on a hunger strike. On the 4th day a Communist doctor was brought in in the middle of the night. We were awake so pulse and blood pressure were taken. The doctor coughed and coughed because of the lack of air and he was sweating because you could see his garments soak. A flashlight lighted the scene. My maximum blood pressure was recorded. It was not possible to record the minimum due to lack of light. The doctor left and it seems that his judgment was that we could not continue under those conditions. Next day we were moved to a big room on the floor upstairs above the office. Windows were closed and so were the Miami-type shutters . . . We were left there. There were no bad odors nor were there shouts, but the air we had to breathe was air contained in the room. When the door was opened every six hours to keep watch on us, it was as if an air conditioner was brought in. It was there where I became the leaders; it was there where the answer to our demands came. We were to leave . . . (They are transferred to another prison). (She stumbles over much of the rest of the letter . . .).

Stone. Alright, I tell you, in order to save time, we'll accept the whole letter into evidence and that way we'll be able to use it all. In order to save time. I'm just going to call on Sen. Buckley for a question or two; Sen. Brock of Tennessee has just come in and then we'll move to the next witness.

Buckley. The letter you have just been reading from, is that a recent letter?

Solano. Right. This one is November, 1974. We have one more recent that is 1975—January 1975.

Buckley. You spoke earlier of being attacked with bayonets?

Solano. Right.

Buckley. Were there serious injuries and were there deaths in prison?

Solano. Talking about women—no deaths.

Buckley. But others, do you know of?

Solano. The men, yes. But talking about women—no deaths. Hurt and everything, but no deaths. I can show you one of them (scars) but not now (laughter). I can't.

Buckley. What about the conditions of of crowding. How many were you in these rooms?

Solano. Well, they use different tactics. Sometimes they put us in wall-in cells, you know, alone, with no air, as I explained to you, and no medical attention. And sometimes they put (us) together. For example, in a little, little small room—8 persons. And the bathroom is inside of the cell.

Stone. So you have to . . .

Solano. You have to do everything. This is usual in the prison. We have the bathroom inside the cell. We don't have water, for example. During my six years, not when something happened—something new, you know—we don't have water, you know. They put off the water one time a day. And sometimes after five days we don't have water, only a small glass of water that they give us to drink.

Stone. No washing water?

Solano. No.

Stone. Sen. Brock.

Brock. No questions.

Stone. I'm going to ask Mrs. Aida Sales to speak next. She is the mother of Miguel Sales who is a poet and who is now in La Cabana prison. Miguel Sales was 17 years old when he was first arrested in 1968 trying to escape from the island 50 miles off the coast in a small vessel. He served 4 years in 12 different prisons; was released in 1972; spent two years in Cuba and then escaped in 1974 through the Guantanamo Naval Base. That same year he returned to Cuba to rescue his wife and daughter and was arrested and sentenced to 25 years at La Cabana. Mrs. Sales resides in Miami. Now she has to speak in Spanish so I'm going to ask that it be translated. Mrs. Sales, go ahead.

Mrs. Sales.

Stone. Mrs. Sales says that her translator is going to read what she has prepared and then she is going to answer questions. Mr. Prado. Go ahead Mr. Prado.

Prado. Letter addressed to the United States Congress, Congress Building, Washington, D.C. "I'm addressing you because of the opportunity it affords to present a review of the prison situation in Cuba. As the mother of a Cuban prisoner, I may be able to present you with my son's case. His name is Miguel Sales . . . 24 years old and sentenced to 25 years being guilty of what Cuban authorities claim to be an attempt against the government security. The real reason is the following. Miguel had recently turned 17, and denied free thought, not being allowed to choose the course of his studies, he decided to leave the country illegally and was taken prisoner with a group 30 miles from the coast. The sentence at that time was 4 years since he was a minor. His term was marked by cruel treatment.

Stone. Now just one second. Was the only reason that he was arrested and sentenced that he was trying to leave Cuba? Or had he done something else before that?

Prado. Well . . . he did something else . . . he was condemned before for four years, and then he tried to escape from Cuba because there was no way of going out of the country . . .

Stone. Go ahead.

Prado. Not having accepted the government's plan for education and political indoctrination, the circumstances after his term was over were very unfavorable and he was given a job as a stone cutter in stone quarries. This was the method of punishment at the time of San Martin, our apostle of freedom was in prison during the Spanish rule. This situation growing worse every day, having gotten married and a daughter born, he decided to take his chance. This time he was successful in reaching the Guantanamo base after swimming the bay and being rescued by the American authorities. He arrived in the United States on July 1, 1974, and here he met two friends who were planning a trip to Cuba in a small boat . . .

Stone. Excuse me, Sen. Helms, come on up here. And I know that Sen. Thurmond is here and won't be able to stay long and he's sitting in the back.

Thurmond. Mr. Chairman, I'm very interested in this matter and a member of my staff will be here. I've got another engagement but I want you to know of my deep interest in this matter and my full cooperation.

Stone. Thank you, Sen. Thurmond. Very much. Proceed.

Prado. . . . to try to bring their families to freedom. Miguel was unable to bring his wife and daughter when he left Cuba and therefore he took the risk in entering the island to bring them in. The three were captured and imprisoned during the last days of July 1974. In spite of the fact that . . . recognized that the government was aware that their intentions had been to rescue their families, they were sentenced because the authorities agreed that they had come to the United States to sell themselves to the junkey imperialists and were guilty and sentenced to 25 years in prison. After their trial the treatment given them was inhuman. They have been beaten and isolated in black cells as punishment. My son has been heavily beaten with iron poles and left in isolation for three days without food, water or medical assistance—able to survive thanks to his strong physical conditions. At the present time he's in La Cabana prison in Havana province where he's only allowed a two hour visit per month from his wife and daughter, also two or three hours of sunlight per week. He's a young man as you see—intelligent and sensitive. He graduated in Cuba equivalent to the first two years of college in the United States. As a poet he was recently awarded after his imprisonment, the . . . CIPI Award—that means Latin American Circle of Poet and Writers in the 14th Year. You may well see that the conditions of the Cuban prison situation has not improved any after the 16 years of Communist imposed dictatorship has been in power. Now they address their rehabilitation camps as educational ranches, open fronts and other names to hide a system black with torture, humiliation and inhuman behavior toward the men and women who are held here. Whether they are protesting the system or others, like my son, who are only seeking a better place to live.

Stone. Mr. Prado, I have only one question, and then I'll open to questions from the panel, and I want to thank Sen. Chiles of Florida for joining us as well as Sen. Helms. The one question I have is, would you tell us how many hours of sunlight are granted to your son as a political prisoner?

Prado. They are allowed two hours a week if they behave themselves. Otherwise, they don't let them go out.

Byrd. How many political prisoners do you estimate there are in Cuba now?

Stone. Sen. Byrd, we just had an estimate from the State Department a few days ago at between 15,000 and 20,000.

Byrd. That's the State Department estimate.

Stone. Our American State Department. It's based mainly on admissions from Castro and high functionaries. There may be quite a bit more but those are the admitted figures.

Byrd. I was going to say, that may be a bare minimum figure.

Brock. I was just curious as to how your daughter-in-law sustains herself.

Sales: (Stone translates) She is a music teacher. The authorities told her after they arrested her husband for trying to save her that she would have to divorce him in order to be maintained in her work. She said I won't divorce her husband and I will take a demotion to an assistantship instead of a full professorship or any other demotion that I have to take. She's courageous. They called her to work one day in order to disgrace her in front of her colleagues. But she stays. She shifts from house to house. With her daughter, with her piano, whenever she can move it, she moves from place to place with friends because they won't allow her a house.

Prado. She says herself, her son, friends have written to politicians of our country trying to allow them to get out of Cuba of the normal means but up to now everything has been hopeless.

Senator (Brock?). Can the wife see her son?

Prado. One time a month for two hours if there are no problems. In other words, if they see one piece of paper from this country—North America—he loses his visiting privileges for two months.

Chiles. Do you fear that they will take reprisal to your testimony here?

Prado. To her or her family in Cuba?

Chiles. To her son.

Prado. She says it's possible but that's the only way . . . face the consequences . . .

Stone. Thank you very much and if we have time we'll come back to you. I want to now call on . . .

Prado. She's saying that right at this very moment at the Boniato prison, there are several prisoners in very bad shape and they don't get medical attention. The rest of the prisoners in that prison are protesting it and the response is shut downs and beatings but those prisoners don't get medical attention.

Stone. Thank you very much and we'll come back to you. Sen. Helms has a question.

Helms. Would you be willing to share with this group your reaction to proposals that the United States re-establish relations with the Castro regime?

Stone (translates for her). She opposes it but she says that if we do recognize Castro we should make pre-conditions relating to political prisoners.

Next will be Mr. Prado himself. He will tell of his situation and after that Maria Antonia Bode.

Prado. My name is Jose Luis Prado. I was sentenced nine years in prison. I was captured in Escambria Mountains (?) I was kept there four months while the fighting was going on. Then I was transferred to Isle of Pines, May 5, 1961. The most important thing at this stage first is the judicial point of view. I was tried 1974 in October and in July 1963, 21 of my companions were shot to death in one day. Then they started the forced labor which Gloria started to mention about men. The forced labor with men was of course quite different because they could take more action against them. Many people were shot to death and we maintained statistics—the average was about 25 men injured by bayonets and shots daily at Isle of Pines with forced labor started in July 1974—64—until '67 but there was too much fuss about the whole thing, too much was known. They just destroyed the Isle of Pines and make believe that nothing was happened. At that time before dismantling Isle of Pines was known there what we called the Saturday killing. Every Saturday one of the prisoners was shot in the fields working. It's my own experience two days before we moved I was in the dungeons because I have a little difficulty and a companion of mine in the next cell—his name is Francisco Nogales (?)—was taken out in the alley and he was shot by the . . . right there because they didn't want him to leave. Then we were moved . . .

Stone. You mean they did this regularly on Saturdays?

Prado. Every Saturday during the three last months. We have all the names of all the people who were shot to death and we would like to submit it as an affidavit in proof of what we are saying. And then we were moved to Cuba and then they tried to divide us because the forced labor was based on terror but they did not succeed with terror so they tried another plan to . . . us which is continuing now. In our case, for example, we were opposed to . . . separate indoctrination plan so we were sent to a prison called Five and a Half in the mountains and they kept 62 of us completely naked for 72 days. We were 42 days without taking a shower.

Stone. What year was this?

Prado. It was in 1967. From March 1967 to December 1967 and then we were forced then to go on the first hunger strike for three days just to get a towel. We were men . . . you know, they kept us 10, 12 naked in a cell—2½ yards by 4 yards. You know, we have to take turns to sleep and so we were forced to take the first hunger strike for three days just to get a towel. Then they didn't give us any food. We were forced to go to a five day hunger strike to get food. In that hunger strike we were in bad shape and they transferred us in December 1967 to La Cabana. In La Cabana was a concentration of prisoners that did not accept indoctrination plans. They wanted to maintain their principles. There they used systems against us and five months later the situation was so bad there we had to go on another hunger strike to get food and occidental press? Just to get that we were forced to go to an 18 day hunger strike because there was no support from the outside. Later on, four or five months, you know in a steady situation, very nice, suddenly they did the same thing again. No food, no attention, beatings . . . we were forced to go to a 35 day hunger strike. That was in 1968. 680 men. And then I left in 1970.

Stone. Mr. Prado, do you have any information about the current situation as to political prisoners within Cuba?

Prado. Yes, we have information and that's why I tried to explain the situation before. They changed plans and what they are doing now instead of maintaining before two or three main prisons well-known to everybody, what they are doing—we have information here of 111 different prison camps. Sometimes they have six persons, but they have concentration camps, ranches, it's all exactly the same thing, jail in small towns. They have kept all the prisoners all around so nobody can know exactly what the situation is because of the lack of communication. But the reports we have is that the situation is even worse because in one place well-known the situation is a little better but in the remaining places which is the majority, they treat them like beasts which they have always done.

Stone. And I want to welcome Sen. Garn to the panel. I appreciate your coming. Sen. Buckley.

Buckley. Mr. Prado, I understand that at one point you were imprisoned by Batista. Is that correct?

Prado. No, I was not.

Buckley. I guess I was misinformed.

Prado. I was not really imprisoned. I was underground.

Stone. Any other Senators?

Chiles. How did you get out?

Padro. Well I was lucky. And that's another point to take into consideration. In my opinion, I was lucky to get out of Cuba because I got out in January 6, 1970. At that time there were still flights through Mexico. I was lucky that my family had my visa ready of Mexico and Guantanamo and 10 days before they suspended the flights, I could get the permit. And I got out in October. I was, I should say, the last 100 people that got out of Cuba. After that you can say that more than 10,000 prisoners that have finished their terms are still in Cuba and they are not allowed to come here.

Buckley. For what were you imprisoned?

Prado. Racing the mountains. The Escambria Mountains.

Chiles. You say there are 10,000 that have been released from prison? What are they doing now?

Prado. They treat them not exactly like prisoners but special treatment against them at the centers of labor. Their situation is shameful because they take the blame on them all the time. They try to drive them crazy . . . For example, if you cooperate with the government you get a better salary, better conditions. If you are a well-known person that has been in prison, you take the blame of everything—the worst of everything and they make your life impossible.

Stone. Thank you very much, Mr. Prado. Maria Antonia Bode.

Bode. I was arrested in 1961 in October and I spent 10 years in prison. One day before I was running away from the G–2, the well-known similar of KGB in Russia. They put me in the headquarter of Havana City for four months and asking day and night. My oldest son was the youngest man of the Bay of Pigs and at that time he was in prison, too. And you know, they use other people as well to torture, to obligate to confess. I was told that they would bring me my oldest son and right in front of me they would torture him until I spit out the truth, but I never talked. And they never bring me my son. I spent three months in the headquarters and after that they sent me to another prison, Guanabacoa. Then I spent six years in Guanajay in . . . In April 14, 1967, we were sent to the concentration camp they call "America Libre"—"free America." And we have a lot of . . . garrisons with bayonets. We work in the field from 5 in the morning till 5 in the afternoon. In bad conditions—we don't have any medical attention. This was our worst time in prison. And at that time we had a lot of people that were in very bad condition. And one time, Oct. 29, we had a lot of garrisons came to us. One of my friends was spat on in the face . . . (one of her friends was paralyzed in the face because a militia man hit her with a piece of iron—Dora Velgados?)

Stone. This was one of the woman prisoners who was hit by a guard or a militia man with a piece of iron and it paralyzed her face.

Bode. Now she has a paralyzed face.

Stone. Is she still in Cuba?

Bode. Still in Cuba, still in prison. There was another one that had nine stitches in her head—and another one whose name is Gloria Suaves (?) whose two arms was broken.

Stone. By whom?

Bode. By the militia men. All the time, it was the militia men. Another one was . . . She was hit with a wood stick in her breast and since then she is suffering in her breast. She is in bad condition. These were really happening in the island and in our prison, too.

Stone. What do you know of what's happening there now?

Bode. Well, I'd like to tell you something that I think is very interesting for us and for you. I think we need for you to go to see the prisons, because now the State Department accepts that we have 15,000 people, 20,000, we are not lying. We are telling the truth. But I think that before we have diplomatic relations, you must go to see the prisons in the whole island.

Byrd. How frequently do you obtain information from Cuba? Are you able to get information out of Cuba these days?

Bode. Very often.

Byrd. Conditions, I assume, have not improved in Cuba?

Bode. They are the same. I think they are the worst conditions in the world.

Buckley. You spoke about the State Department estimates—the number of political prisoners. Are you through the various reports able to come up with an independent estimate and if so what do you believe to be an accurate figure of the number of political prisoners?

Bode. I think more than 40,000 or 50,000. I think that the island is the big prison and the jail is a little prison, that's my opinion.

Stone. Thank you so much. The next witness will be Juan Pino.

Pino. Thank you, Sen. Stone. Before I speak I want to thank you Senator for letting us speak to you in behalf of freedom. We came at our own expenses as former political prisoners in Cuba all the way from our second land, Miami, to give you all the information you need to demonstrate to the people of the United States and some of the representatives that the Soviet-type Castro regime hasn't changed and it never will. We are very grateful and it is in the name of all political prisoners, men and women, thanks to you Senators again. I was in the rebel army during the first months of 1959 and because of the seizing of private property . . . and the many other violations of human rights, led me to conspire to overthrow the Communist regime. And during 1960 I was condemned to six years for conspiracy against the Communist government. That's what it said. It was in prison that I experienced the Communist physical and mental torture, the complete violation of all human rights and I say, "America, don't let these things happen to you."

Stone. I just want to welcome Sen. McClure who's come to participate in this. Proceed.

Pino. In 1960, at the . . . which is a castle-type prison like La Cabana, in main Havana, I . . . personally . . . that Mr. Hermand was in charge of the "searching." When they're looking for everything they need. The government of Castro at this time was looking for DiBesa (?). Those guys get into the prison . . . it was about 2:00 in the morning and the captain himself, Mr. Hermand, he was an American with a long criminal record . . .

Stone. The head guard was an American by the name of Mr. Hermand?

Pino. Right. He personally put the finger of . . . (?) name . . . on the wall and had the search and cut the finger with a bayonet. It was in 1962 . . .

Stone. Who did he do this to?

Pino. Esceberino Flates (?). That happened frequently in prison. Just to get whatever they need. And we were sent up to the Isle of Pines and in April 1961 to April 1962 they (put dynamite underneath all buildings). On October 1962 they again (put dynamite underneath basement) because of the missile crisis with TNT—7,000 pounds in every one of the buildings.

Stone. At the time of the missile crisis they put dynamite under every one of the buildings?

Pino. TNT. It took about three months for this preparation. The Russian technicians supervised this. They got the full buildings and they got the connection about a mile away in a mountain.

A Senator. Why?

Pino. Because they say if any one of the Yankees put a foot on the island, they would blow it up to the skies?

Stone. Did they tell you that in the prisons?

Pino. Yes. We were about 10,000 prisoners in Isle of Pines and the building was about 93 cells in each floor and 5 floors in each building. So there were about 555 cells and they were prepared for just a person. At that time we were 2,000 persons for each one of the buildings so we got about 900 persons in every one of the buildings. They surrounded the TNT and they had the TNT for one year always. Then at the end of the year they tried an indoctrination plan to us. And they tried to separate us by what they termed people who would be potential leaders and the people who were farmers just to get under control people with less education to control the whole situation.

Stone. Did you see the TNT?

Pino. Yes. One night we go to the basement. We make a hole into the cell of one of the prisoners which is dead now. His name was . . . He died on a hunger strike in 1974. He was a very courageous man and he allowed us to go in. We got a stick 2½" round. The stick was TNT. We got a scientific man from the Republic of Santo Domingo. He was in prison because Castro imprisoned him. He was the guy who was trying to help Batista make the weapons and everything. And he told us that the 7,000 pounds of TNT when it exploded it would make a hole bigger than the . . . That's the thing we got next to the Bay of Santiago in Cuba. So they got us to the indoctrination plant. And they got it essentially reversed because they thought that separating the . . . from the farmers they would control the situation and what happened was that the farmers were the first ones who wanted . . . the indoctrination plants because they knew for a fact that the revolution was strict. Nothing to anybody.

Stone. What do you know about conditions in Cuba now?

Pino. Well, my mother just came from Cuba two months ago. She went to Spain, stayed two months in Spain and got over here to the United States on July 23. My brother-in-law is still in prison. And the things she told me, there are stil more than 40,000 prisoners in Cuba but what they have is the following. They don't have the mass concentration now.

Stone. The one big prison like Isle of Pines.

Pino. Right. They got a lot of prisons. And I might tell you now, you can go to work every day for the revolution and you come back to yourself and you've got guards. You're surrounded by guards. Not just the prisoners. The whole population—the whole people who wanted to leave the country. It is in a sad situation. People that were . . . to leave the country—they have to leave their property. They've descended to the farms to work for the government free. They won't pay for that.

Stone. Forced labor without pay.

Pino. Right, but that's the price you've got to pay in order to get to the United States. Women in that condition who got—for example, women suffering any kind of injury or illness, they have to go under surgery . . . because they don't want you to get the medicine they need for what they call the other people. They say, if you're going to . . .

Stone. You think there's at least 40,000 prisoners?

Pino. Right. If you go into Cuba and they pass you around, they will show you what they want to. But if you go to the real place with the Red Cross International or an International Committee for Refuge, you know, then you got a chance to go everywhere—hundreds of prisons all around the country so that you can see yourself the facts of the situation. Because the situation in Cuba is not in Tropicana; it's not in the main streets of Havana. It's in the farms; it's all over the country. For the people who are in prison are the people who wanted to leave the country . . .

Stone. Senators? I've been given a note that the Mr. Hermand that Mr. Pino was referring to was considered to be the chief executioner under Che Gueverra and he had been imprisoned in the United States for criminal acts here. Is he here now?

A Senator. It is thought that Mr. Hermand came back to the United States. He may be in the United States in Jail. Captain Hermand.

Stone. We'll look into that. Alright Miss Meyer.

Meyer. Since we have been listening to testimony of men and women about prisons themselves and concentration camps, I would like to point out the conditions of the first stage we have to go through which is the G–2 headquarters. I was in the G–2 headquarters for 15 days in 1963. At that time—I want to make this very clear that I didn't come here to talk about my suffering or what I went through. The main reason we're here is that we try to bring to you a comparison about what happened before and what is happening now. What happened before we can tell you. What is happening now we have letters from prisoners and we have statements from persons that live in Miami. Not everybody could come here. There's about 300 there and we have those testimonies here with names, addresses and phone numbers. It's not fake. It's the truth. During those 15 days—going back to the G–2 Headquarters—it's a complete mental torture—I'm talking about women now—because in my case I was brought to the chamber of interrogation two, three or four times a day, usually two of the times or three were after midnight in a small room which is very cold and the officers from the G–2 headquarters were wearing heavy jackets. At that time I had a sleeveless blouse. And a very bright bulb was on the top of the table and a revolver (present). The method of interrogation that they used at that time and they use now, I think it's worse now than then, I have the proofs here, is that they try to make you confess. And, of course, with women, they might think that we are weaker than men, and they might be right, and they say if you don't talk. I'm going to kill you—pointing the gun at you. They did that with me many times. And the method is they bring down another person with a soft voice trying to convince you—please talk, cooperate with us and then we might get you released. Then the other one came again and the same thing with revolver, for hours and hours. Don't expect any trial. Don't expect anything from the trial. Your sentence is going to be 30 years and it's going to be because I say so. I have the name of that man here and I have a copy of the summary of my trial. If I may, I'll move back to the trial because this is very important. Justice there is just a fake, all the way. With the prisoners there we are brought to the trial and then the district attorney—they use and it's right here in this photocopy as proof: 1) our confession if we are willing to do so and 2) testimony from two persons. In my case it was the same two men who questioned me at the G–2 Headquarters. No other witnesses, no other proof about the accusations they were making against me.

Stone. So the only evidence the prosecutor used was that of the interrogators?

Voice. You didn't tell the interrogators anything you didn't confess?

Meyer. I did not. I denied everything those 15 days in the G–2 headquarters.

Voice. Then how could they testify against you. On what basis?

Meyer. That's what I'm saying. On what basis? It's one principle that every prisoner is innocent until you prove that he is guilty—right? Over there, every prisoner is guilty and there's no way to prove your innocence. That's the way it is. I had a lawyer because my mother and my father insisted that I have a lawyer and I didn't want a lawyer because I knew what a lawyer could do at that time. In that case the lawyer was just talking about that I was a teacher, which is true, I was a teacher, and he kept talking on and on that I was a teacher until I stopped him in the middle of the trial. There was no point in saying what I was. He couldn't do anything because there was no proof.

Buckley. What were you accused of?

Meyer. Of course, the main thing was being a member of the CIA which I was not. We were trying to do what we could for our country—that's the main thing they use always. At that time they say one of the members of a group in the underground activities beginning in 1960. That's what they said at that time—all the way until I was arrested in 1962. So they got proof—it was seven men and me—their names are in this photocopy that I'm going to leave with you here. Now the second thing I'd like to mention here is, like I said, we have testimonies here that we have in writing—in English. There is a man that was arrested in 1970 and he was imprisoned in 1973. He couldn't make it here today and I'd like to say why. He just came to the United States one month ago. He is Guido Baylina. His wife is under psychiatric treatment in Miami right now and he is under psychiatric treatment also. He tried to come but he really couldn't make it—we couldn't force him to come because we were afraid of his condition right now. And he mentioned in his testimony which we have right here—we also have his address, of course, he is right there in Miami. The way he was tortured in the G–2 Headquarters in Panar del Rio province in 1970—using electric shocks in his genital parts and then when they got back after hours and hours of interrogation when they got back to their cells trying to rest because they were exhausted and the bunks are metal—iron bunks there—when they sat down the bunk itself was also electrified. When they sat down they got the shock again in the same area. And this happened in 1970 to Mr. Guido Baylina.

Stone. And he just got here a few months ago?

Meyer. Yes, sir.

Stone. Are there any questions?

Buckley. Miss Meyer, have you read Solzhenitsyn's Gulag Archipelago?

Meyer. Yes.

Buckley. Do you see any difference in the treatment?

Meyer. I don't. I think it's the same thing because Communism is a system. It's not a way of government. It's a system of life and it's a pattern that we have been through in Cuba. Of course, about Soviet Union and other countries is what we read and Mr. Solzhenitsyn's testimony is like our testimony here and now. I think it's very similar in all the countries that we have read about.

Buckley. Do you think we should resume any diplomatic relations until all the political prisons are free?

Meyer. I don't think that to begin with—this is my opinion. I'm not telling you what to do, but if you ask my opinion I can tell you that I don't think this country has any reason to re-establish any relations with the Fidel Castro regime and I'll tell you why. The situation is the same and it's not because I say so. He says that when he grabs the microphone and continues saying the same things "We're going to do this. We're going to do that." All these 16 years they have been saying the same things. Now, any improvement, I was asked that question before and I thought, my family, which is still there—my mother, my father and my sister—I don't think any type of improvement. I'm talking about food, medical attention or anything, because we know from Mr. Solzhenitsyn about conditions in the Soviet Union and the prisons there and just accepting what he says, I'm not saying he's telling the truth, accepting his testimony just like you are accepting mine today, so what kind of improvement. It will be an improvement for their own people. It is the new class that has everything there because they have all kind of food, wine, good cars and everything. The rest of the people in Cuba have nothing. In my house there is not even water—running water for the past five years. Where my father is 72 years old and my mother is 73 years old are living with my sister they have to walk two or three blocks with buckets to get water once a day for the rest of the day.

STONE. In a house that has interior plumbing and has the connections?

VOICE. Why don't they have the water?

MEYER. They say because they don't have pipes. That's what they say to replace the pipes and they are broken. They blame the United States, of course. And I can tell you that that's not true. What they do is a very simple thing. They try to keep people under terror. The only way you cannot do anything against the system is when you have to spend 24 hours a day trying to get one egg because that's the way it is. They call my mother and say, "Come here," they have maybe eggs or meat or something and they go in line, my father stays in line two hours in line. They come back exhausted and they say again, "Come again," they have sugar so after you go all day long trying to get what you need to survive, you don't have any strength to do anything against the regime. That's what they did before because I cannot believe that sugar has to be rationed in my own country and I don't think anybody in the world can believe that and it is rationed.

STONE. You're saying that sugar is rationed in Cuba?

MEYER. Yes, sir. It's because it's a mental torture for everybody. It's torture.

GARN. I have no questions but I very strongly agree with you. The day that we announced that we were going to relax trade restrictions, I announced that I was opposed to that for the very reasons that you're talking about. And I've had a running battle with columnist Carl Rowen since. He is naive enough to believe that because Louis Heinz's parents were released that Castro is a nice guy. That's all you got to do is let one baseball player's parents go and that takes care of it. Well, that's the kind of fuzzy-headed thinking we have. We can embargo South Africa and Rhodesia and all kinds of other countries if we don't like what they're doing but just to let you know there are, not only this Senator, but others who agree with you and think it's just ridiculous with the political repercussions and repressions that continue to go on in Cuba, there are some of us at least that don't think we should have anything to do with Castro as long as those conditions continue. But we have a double standard and we have some fuzzy-headed press people who, like I say, get one baseball player's parents released and now Castro's all lily white and wonderful again.

SALES (Stone translates). To the people they sell 12 ounces of meat three times a month. And since December last, no meat at all. It used to be that the older people gave their meat to the kids, now neither for the old people or for the kids.

HELMS. Do you have any percentage in your mind, satisfactory to yourself, as to how many people, or what percentage of the people, approve of the Castro regime? Would you have an estimate?

MEYER. I cannot give you an estimate because I have said before, you get the estimates from the government there . . .

HELMS. I want your opinion.

MEYER. Alright, I cannot give you an estimate right now for one reason. If I want to be fair with you then I have to tell you that if we can go there and ask them freely if they do support the regime or not then we can get the right answer. I don't think you should believe my answer from here and I don't think anybody should believe the answer from the Communist regime there. If we can make a free survey like this country does on different topics about the national situation or international situation, then you can make estimates. But my estimate, thinking the way I think and knowing facts from prison and from relatives and friends, I can tell you that the percentage is very high against. Now it is against without doing anything. What they can do? Nothing. They have to survive. That's what people in Cuba are doing right now.

HELMS. What do you think is the potential for revolution in Cuba?

MEYER. The potential right now. I'm here. I have been here for quite a few years. The potential now I think is poor at this time—at this present time—because of one reason—terror. When you go 16 years under that kind of terror, you are exhausted. Many of them will do what they can if they can get something from us—from the outside. I'm saying us—the Cubans—I'm not involving the United States or any other country. I'm just involving the Cubans. That's why what we came to this country and other countries to do. To try to do something to liberate our country. And working together maybe we can do it. If we are allowed to do it. We don't want anything. I'm talking about men—No—I don't want the Marines to go there. I've never wanted that. That is my personal opinion. And I will never ask for that. I think the United States has to do what they think they have to do and they have done it in different wars. I'm talking about my country. We are the ones that have to do it and we are the ones that are willing to do it.

HELMS. Did the Castro government confiscate all private and personal weapons?

MEYER. I think so.

HELMS. You don't know?

MEYER. I think so. I mean through letters, I think so, and through information we got from there.

HELMS. So there are no means to resist even if they wanted to?

MEYER. Besides that, Senator, we have had information from many years ago and it is still implemented now that the militia people have to leave their weapons when they go home—when they are not on duty. It's no way. They have to leave the weapons because if they kept the weapons they don't know what they might do with the weapons.

BROCK. As I understand it then, any action of this government to reduce pressure on Castro or to recognize him would make it more difficult for Cuba to ever be free?

MEYER. Yes sir.

BROCK. It would strengthen him and hurt the people of Cuba.

MEYER. Yes, sir. I do definitely think so.

BROCK. So even though we might gain some temporary ease in the pressure on the political prisoners, you don't think that we can do that? That we must hold a firm policy?

MEYER. I'll tell you. I have been a prisoner and I have friends—men and women—in prison. I'm not saying that you might not get something. They play the game very well. But until the country's free this is going to happen over and over again. If you release 100 today, 100 more will be there next week. So this will be an endless situation until that thing is over, completely over, that's my opinion.

STONE. Miss Meyer and all of you, we thank you so very much. You've been most helpful. Your evidence will be utilized to explain to our colleagues the dangers of just one-sidedly granting concessions to a regime that maintains the kind of political prison system that you have described. And we do thank you for coming up here at your own expense. Nobody subpoened you; nobody paid your way here and we'll do everything we can to help your cause. We appreciate it very much and, Senators, we thank you very much for participating. Thank you very much.

Mr. STONE. Mr. President, in relation to the present Cuban regime's violation of human rights, this latest account of human suffering has reached my attention.

This smuggled letter speaks for itself. I can only hope that all those who read it will question the wisdom of helpin the Castroite government by establishing any type of relations with what Senator BROCK has termed "a government of bandits."

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

(The following document was smuggled out of Cuban jails and forwarded to Dr. Humberto Medrano as another evidence of cruelties against political prisoners in Cuba. It was published in Spanish in Dr. Medrano's column, Page 4 of Diario Las Américas, Miami, on November 8, 1975.)

[Translation]

THE MASSACRE AT PUERTO BONIATO (1)

Prison of Puerto Boniato, Province of Oriente, Cuba. Monday, September 1st, 1975. (Year of the First Congress of the Cuban Communist Party.)

11:00 a.m. In Ward No. 4, one hundred political prisoners listen to Laureano Valdes-Gallardo, confined in cell No. 14, howling in pain caused by tetanus which he contracted after removing two teeth with the handle of his own spoon. These men have been in complete isolation for six years; naked, locked inside windowless steel-planked cells, devoid of air and sunlight, subjected to a meager and nauseating intake of food and deprived of medical assistance, they are now human débris.

Several have lost their minds. Ibrahim Torres-Martinez, Esteban Ramos-Kessel, Jose Ramon Castillo-Del-Pozo, and Olegario Charlot-Pileta starved to death. There are several invalids and tuberculous; one blind.

The howling of Valdes-Gallardo gains momentum and his fellow inmates start to hammer the heavy steel planks that cover windows and doors with their aluminum plates and mugs, begging in vain for medical assistance to help this sick man.

11:30 a.m. Patrols surround the building and machine guns are installed, AK automatic rifles, of Soviet manufacture, point at the steel-planked windows. Visitors of non-political prisoners are advised to leave the hall for visitors, because a mass escape of political prisoners is underway.

Following this, the guards break into Ward No. 4, proceeding to open up the cells and take out the prisoners who were protesting.

Rifle-buttings, fractured skulls from machete blows; rods that tear flesh and break bones. The inmates are thus pushed towards the end of the hallway. Gerardo Gonzalez-Alvarez, a protestant preacher, opens his arms crosswise, saying: "Forgive them, My Lord, because they don't know what they are doing." A machine-gun barrage, fired by the prison under-director Lieutenant Raul Perez-de-la-Rosa, cuts off his head, a subsequent barrage blows his chest to bits. Enrique Diaz-Correa tries to hold his friend and is mortally hit three times, falling dead over his companion's headless body.

That was the awaited signal. The squad opens fire on the defenseless inmates. The first balance is twenty-seven wounded. One cell has remained shut and its occupant shouts protesting the massacre. Lieutenant Figueroa opens up the cell and shoots Evelio Hernandz. The guards pick him up and throw him like a bundle into the hallway. When a guard realizes that the wounded man is still breathing, he cracks his skull with his rifle butt.

Following the machine-gun barrage, the fury of these savages is exacerbated. They start to hit the survivors mercilessly, dragging the invalids down the stairs, the blind man Wilfredo Martinez is whiplashed with a thick steel cable.

3:00 pm. Up to now, the balance of wounded is seventy. Only six have been transferred to hospitals outside. The rest remain stacked in groups of seven or eight in narrow, fetid cells. The guards hose away with water the blood that has accumulated in the hallway and the stairway. They start to fill the holes in the walls and to cover up the proofs of their crime. They practice a few (unintelligible) among the most critically wounded.

THE MASSACRE AT PUERTO BONIATO (2)

Saturday, September 6th, 1975, 12:00 M. A group of sledge-hammer wielding guards breaks down the doors to Ward No. 4. Other military men costumed in yellow uniforms and in underwear, armed with rods and chains, stage a mock mutiny. They attack the guards as if they were attempting a mass escape. Wounded soldiers are felled.

All this comedy is filmed and photographed by cameramen from the Ministry of Interior. The purpose is evident: it is a grotesque effort to justify the murders of September the first.

The language is scarce when describing these monstrosities. A treacherous genocide perpetrated with sub-human premeditation and gloat against men most of whom have been imprisoned for over fifteen years and have been subjected to all sorts of tortures and humiliations, is not an issue that a language can describe accurately.

The brief and the bitterness of us who have survived and are forced to witness with impotence so much crime and ignominy is comparable only to the horror that fills our people in the face of the pathological and unbridled hate of the paid assassins in this dictatorship.

Dragging along a sub-life which is worse than death itself, cowardly forgotten by those who should be our natural allies; but with the irrevocable determination to fulfill to the end the duty imposed upon us by our enslaved Fatherland, all that is left for us to do is to repeat the last words of our murdered brother: "Forgive them, My Lord, because they don't know what they are doing".

Governments, Parliaments, Institutions, Peoples of America and of the World: Will you permit that the innocent continue to be murdered in Cuba?"

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Tennessee (Mr. BROCK) is recognized for not to exceed 15 minutes.

CUBA

Mr. BROCK. Mr. President, first, I should like to associate myself with the remarks of the distinguished junior Senator from Florida. He has been a long time leader in the concern we have about Cuba, the freedom of the people of Cuba and their opportunity for freedom. He and I have joined in a number of efforts—and I express my respect to him for his leadership in this area.

Since his return from India, our Ambassador to the United Nations, Patrick Moynihan, has been advocating in speeches and articles that we stop our masochistic acceptance of abuse by third world and Communist countries and start fighting back. I could not agree more. As he has pointed out, liberal democracies in the world—if we can use that in the sense of little "l" and little "d"—known as free nations, are not only a minority—less than 30 out of 150—but our numbers are continually dwindling. Beyond Western Europe and North America, the number of democracies can be counted on one hand today. The fact is that the old philosophy of accepting passively whatever abuse is thrown at this Nation, with the hope that some of these countries just might wake up and become our friends and act rationally, is not working. The so-called liberal democratic states, which once were thought to be the wave of the future in newly emerging parts of the world, simply have not survived. Not only have they not become democratic allies, in most cases, gone beyond neutralism to become downright antidemocratic. We have been thoroughly abused and, as far as I am concerned, enough is enough.

I cite the instance of the United Nations resolution of this week in which proponents equated Zionism with racism. This action reaches a peak of hyprocrisy that I had not previously seen in the U.N. I cannot believe the action, and I cannot adequately state my contempt for the charade that has become the General Assembly in undertaking such a racist action. One of America's finest hours in the U.N. was helping to establish the State of Israel. We have now witnessed one of the U.N.'s darkest hours, a tragedy.

The question is, What does all this have to do with Cuba? There are two points I wish to make.

Mr. STONE. Mr. President, will the Senator yield briefly?

Mr. BROCK. Yes.

Mr. STONE. Was not the Republic of Cuba, Castro's Cuba, one of the main sponsors of that anti-Zionist resolution?

Mr. BROCK. Of course it was. There is no question that Cuba, under this current totalitarian regime, has demonstrated at every opportunity in the international arena, classic anti-Semitism. We cannot ignore the moral overtones of that action, both on the part of Cuba and of those who shared in it in the General Assembly.

The point I wish to make is that we have a mess in the General Assembly. There is a bunch of adolescent children up there, acting as if they had something constructive to say in the world and acting in a horribly irresponsible and immature fashion. Also, there are some very fine people there who just do not happen to be in the majority at the moment, but that is not going to bother me. The real action of the U.N. comes in the Security Council, and that is what counts.

What bothers me is that the attitude on our part which led to the disaster that we have in the General Assembly can apply in a bilateral situation as well. That is what I would like to talk about today. We cannot control the General Assembly, but we can control our bilateral relations with any other nation. We can control our international policies with regarding our recognition or dealings with any other party around the world.

First of all, with regard to the United Nations, we must admit that a large part of that action is not the blame of those who lack maturity to act responsibly in that body. The large part of the blame lies on us. Let me cite one example, though I could cite many.

It was not very long ago, in our quest for détente and our interest in opening the door to the People's Republic of China, that we accepted its participation in the United Nations. I did not really find fault with that, because I think contact and communication are essential. What I did find fault with is the lack of moral indignation in this country when we accepted them and threw out the Nationalist Chinese on Taiwan at the same time. I do not think we can demonstrate any position of moral integrity in justification of that stance. And we let the United Nations do it. We verbally opposed it, but we did not really get our hackles up.

I wonder then why we are surprised when the United Nations begins to say, "Well, there are not any values any more, there are no principles, no rules of conduct to which we must adhere. We can do it with anybody. We can sock it to the big guy or to the little guy, as in the case of Israel this week, in order to placate the folks at home or whatever, just because it might be fun."

I do not know, I cannot imagine the logic that was exercised. But the fact is that because there has been no constancy of moral integrity in the U.S. position, no mandated leadership, no enforcement of principle; it is a little easier to understand why others seem to lack principle in their posture as well.

Back to Cuba, then. That is our problem. It is a problem for us, as a people, to make a decision on. In this case, it is important that the decision not only say something to Cuba but to any other country in the world, because it is up to us to act on the basis of some moral principle, some value in which we believe.

What are we asking? What would I like to ask? What are these conditions which I would like to lay down before we open up contact and communication? They are not all that difficult.

First, we ask the acceptance of fundamental human rights through a liberalization of travel restrictions, access of impartial citizens to inspect prisons, and other basic human rights;

Second, the acceptance of standards of international law—that is not asking too much in dealing with international criminals, such as hjackers;

Third, the acknowledgement of claims for compensation of confiscated American property and prompt good faith negotiation on these matters;

Fourth, cessation of illegal terrorist activities in Puerto Rico;

Fifth, acceptance of principles set down in the charter of the Organization of American States, including the principles of nonintervention.

I do not want to take any time repeating the instances cited by my colleague from Florida, but I do not know what kind of idiots we are that we do not recognize what these people are doing around the world. I think he put into the RECORD a Reuters release with regard to the 2,800 Cubans now involved in the fight in Angola. We have clear, defined, specific instances of their military participation in the Middle Eastern war on the side of Syria, in Puerto Rico, and throughout the hemisphere. Those are not the actions of a responsible nation; they are the actions of bandits who have no concern for human life or freedom, as demonstrated not only in their own country, but in their opposition to freedom around the world.

That, Mr. President, we cannot condone and we cannot support. We can take no action which would enhance that kind of antihuman or antifreedom philosophy.

The terribly difficult thing about all this is that many of us care deeply about the Western Hemisphere. When I grew up I did not want to go to Europe. I wanted to go to South America and Central America. Maybe I was just different from everybody else. They talked about going to Paris and Rome, but I wanted to go to Latin America, and I wanted to go to the Caribbean and Central America. I wanted to study the South American ruins, the Toltec ruins. I wanted to study the Mayas, the Aztecs and the Olmecs, and I took Spanish because that tied in. I have a compelling interest in the association and relationship and human contact of the peoples of this hemisphere.

So it is extremely difficult not to be tempted by a hope that by softening up our posture we can renew some friendships which are terribly valuable to us and have been with us for a long time.

This nation is inextricably part and parcel of Cuba. We gave it its freedom; we believe in it, we have friends in that country whom we dearly love, and it is an enormously tragic and difficult situation that we face today.

But the greatest disservice we could pay to those whom we love and respect in that country would be the acceptance of the kind of leadership they now have, which is so bent on the destruction of the freedom of mankind.

The greatest disservice we could pay to freedom everywhere would be to refuse to accept our responsibility to act upon principles when we try to deal with a situation of this kind. There are principles, there are values of human life, that we cannot ignore and we must not ignore.

Mr. President, that concludes my remarks. I again express my regard for my colleagues, the Senator from New York, the Senator from Idaho, the others participating in this colloquy, and, particularly, the Senator from Florida for their commitment to and concern for a free Cuba.

ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from New York (Mr. BUCKLEY) is recognized for not to exceed 15 minutes.

CUBA

Mr. BUCKLEY. Mr. President, I want to acknowledge not only my own debt but, I think, the debt of all who care about freedom in this hemisphere to both the Senator from Tennessee and the Senator from Florida for their constant efforts to remind the American people and, most particularly, this body, of the very real threats to our security, to human liberties, that emanate from the beleaguered island of Cuba.

I would like to supplement the remarks which the Senator from Tennessee made, dealing more with the humane considerations, with certain observations on the strategic security implications of the existence of the Castro regime, and to raise some, what I believe to be, critically important questions that must be resolved before we continue to prattle on about restoring normal relations with a regime that continues to enslave and torture its own people, that continues to violate all elemental human rights but, most particularly, that continues to play host to an alien presence in our hemisphere.

I believe that one of the most important impediments to the normalization of relations with the Communist regime in Cuba is its connection with the Soviet Union and, in particular, the control which the Cuban regime has vested in the Soviet intelligence authorities, the KGB, over Cuban foreign policy.

It is somehow not noted in the many articles that we read in our press these days urging a relaxation of our blockade, diplomatic and economic, of Cuba, that the Cuban intelligence organization, the DGI, is under the total operational control of the KGB resident in Havana who, in turn, takes his orders directly from KGB Headquarters in Moscow. This was something that was set up in the middle 1960's. It is something that ought to surprise no one.

The fact is that the Cuban intelligence service operates as an operational subsidiary of the KGB to do the Russians' work, the Soviet's work, of infiltration, sabotage, political disruption and intelligence in the Western Hemisphere, and I just wish that Members of this body would trouble themselves to read a fascinating, informative and deeply disturbing book by John Barron of the Reader's Digest, called "The KGB," in which many of the operations that we ought to be interested in are detailed.

Now, the degree of control that the Soviets exercise is important in determining Cuban forign policy options because it, in effect, means that Cuba has allowed itself to become an instrument of a foreign power in this hemisphere, not merely a regime which has decided on its own to select a mode of government which is different from the types of government that are normally selected by other nations in this hemisphere.

Well over a century ago we established as a cornerstone of our foreign policy the Monroe Doctrine, and the objective of the Monroe Doctrine was to serve notice on all powers of the old world that we would oppose their establishing any bases in the new world, in the Western Hemisphere, and it has been this long-standing element of American foreign policy to prevent the control of territory in this hemisphere by a foreign nation and, particularly, a potentially hostile one to a country that has contributed so much to the freedom of the Americas. This policy has served not only the United States well but has also made it possible for the nations of this hemisphere to enjoy more than a century of freedom from foreign domination and to work out their own destinies to the best of their abilities.

The successful penetration of the Western Hemisphere by the Soviet Union, with the cooperation, the full cooperation, of the Cuban regime poses a permanent threat not only to the peace but to the security of this hemisphere.

This threat exists in several forms: first, because of the links between the Soviet and Cuban intelligence services, the number of potential intelligence operatives available for employment throughout the hemisphere is substantially increased. Moreover, because of the operational control the Soviet KGB maintains over the Cuban DGI, the conduct of offensive intelligence operations against the nations of the hemisphere can be well-coordinated toward objectives that serve the ends of the Soviet Union.

Thus, the possibilities for the conduct of simultaneous intelligence operations by both Cuban and Soviet operatives in revolutionary activities, subversion, illicit transfer of arms, and other routine Soviet-style intelligence activities, are enhanced because both Cuba and the Soviet Union maintain extensive diplomatic, trade, and tourist missions in many nations of Latin America.

The widespread activity of both the KGB and DGI, which has been uncovered after the fall of the Allende regime, serves to emphasize the danger of the domination of Cuban foreign policy by the Soviet Union through the Soviet intelligence and security services. Other nations, such as Mexico and Uruguay, have large Soviet and Cuban diplomatic missions that serve as "hosts" to very large numbers of intelligence operatives, which have had an important impact on the political stability of nearby nations and, I might add, even on their host nations.

I think it is ironic that it was ultimately disclosed that the kidnaping of the father-in-law of the President of Mexico, a country that has been scratching the Cuban back all these years, was instigated by operatives trained in Cuba.

Second, the intimate connection between the Soviet Union and Cuba extends beyond intelligence operations into the sphere of military cooperation which could affect the peace and stability of the hemisphere. Cuba provides the Soviet Union with fleet tendering facilities for both the Soviet surface navy and their submarine fleet. This is particularly important as a threat to the United States because standard Soviet deployment practice with regard to its missile-firing submarines has been to deploy very few of them in noncrisis periods, but to augment this deployment during a period of crisis. A crucial element in maintaining this deployment during an intense political crisis would be the availability of tendering facilities.

Otherwise, the Soviet fleet would be forced to reprovision at its home ports in the Soviet Union. The effect of having tendering facilities available at a forward base in the Caribbean, namely Cuba, would be the equivalent of doubling the size of the Soviet Navy if these facilities did not exist. Cuba is the only nation in the hemisphere in which the Soviets could obtain such an advantage.

The recent Soviet worldwide naval exercise, Ocean-75, was conducted with Soviet naval reconaissance aircraft including the Soviet TU-95 Bear heavy bomber and reconaissance aircraft operating from Cuban bases. This exercise emphasized the importance of the Cuban facilities for supporting worldwide operations of military forces of the Soviet Union in this hemisphere.

Cuba also serves as a reprovisioning and repair facility for Soviet intelligence trawlers which regularly ply the Atlantic conducting such missions as monitoring launches of military missile firings on the Atlantic test range, tracking movement of U.S. naval forces in the Atlantic, and participating in Soviet anti-submarine warfare activities. Without the Cuban port facilities available to the Soviet military intelligence services, they would be forced to much more expensive tendering operations from Soviet ports, and would be required to return to home port for vessel repairs. Thus, the basing rights which the Soviet Union now enjoys in Cuba increases the effectiveness of the Soviet intelligence system, and reduces its cost.

What then, would the United States have to gain from the normalization of relations with the Cuban regime under conditions that would not rid the hemisphere of the present deployment of Soviet military installations, intelligence facilities, and Soviet control of the foreign policy of the Cuban regime? I think it is clear that we have nothing to gain under these circumstances, and therefore I urge that the U.S. Government make no diplomatic effort whatever to normalize relations with the current Cuban regime until it can be reliably ascertained that Cuba has purged itself entirely of the presence of Soviet military and intelligence personnel, and separated itself from Soviet control. To do any less is to accept the presence of a permanent threat to the peace and stability of the Western hemisphere. To do any less is to continue to abide by a repudiation of the Monroe Doctrine.

ORDER OF BUSINESS

Mr. STONE. Mr. President, I ask unanimous consent that the Senator from North Carolina (Mr. Helms) be allocated 10 minutes of the next ensuing 30 minutes, all of which had been reserved for this colloquy.

I believe that the next 15 minutes is for the Senator from Florida (Mr. Chiles), followed by the Senator from Utah (Mr. Garn).

The PRESIDING OFFICER (Mr. Glenn). That is correct.

Mr. STONE. I ask unanimous consent that 10 minutes of the ensuing time be assigned to the Senator from North Carolina (Mr. Helms).

The PRESIDING OFFICER. Without objection, it is so ordered.

A REALISTIC CUBAN POLICY

Mr. HELMS. Mr. President, I thank the distinguished Senator from Florida, and I again commend him for making arrangements for this colloquy on a subject which, in the judgment of the Senator from North Carolina, Mr. President, ranks at the top of the vital issues of our time.

I only wish there were more Senators present. Certainly those Senators who share the deep concern are the Senator from Florida, the Senator from Tennessee (Mr. Brock), the Senator from New York (Mr. Buckley), the Senator from Idaho (Mr. McClure) and the Senator from North Carolina.

Mr. President, immediately after the journey of President Nixon to Peking in early 1972, a concerted movement, emanating from a small but apparently well-organized lobbying group began to demand U.S. diplomatic and economic relations with the Communist dictatorship of Fidel Castro. With the resignation of President Nixon in 1974, the policy of neglecting Castro—the policies of giving him enough rope to hang himself—a policy that had proved on the whole highly successful—was seemingly abandoned, although not openly, for fear of the known attitude on this matter among Americans of the most differing political opinions. Quietly at first, and then more and more visibly, steps were taken, under the direction of Secretary of State Henry A. Kissinger, toward the full acceptance of Dictator Castro into the community of civilized nations—a community, Mr. President, to which Fidel Castro can never rightfully belong.

The full acceptance of Castro implies the full acceptance of a Soviet satellite—as has been so eloquently enunciated by the Senator from New York—operating through the most unpopular dictatorship in modern Latin America, less than a hundred miles from the coast of the United States. It also implies the reversal of the anti-Communist policy of the United States in the Western Hemisphere.

THE STRATEGIC ROLE OF COMMUNISM IN CUBA

Now, Mr. President, an important Communist apparatus existed in Cuba long before 1959 when through the terrorist activities of Fidel Castro communism seized control of the national government there. From the beginning it was clear that a Caribbean strategy and a hemispheric strategy—both of them subordinated to a global strategy—inspired the Cuban Communist Party.

For 25 years terrorism has been the hallmark, the favorite method of operation, of the Communist cadres with which Fidel Castro early associated himself. His own rise to power is simply the consequence of his own preeminence as an agent and exponent of terrorist methods. His unfortunate and often disastrous administration has underlined a point which ought to be obvious enough: That as an expert on economic affairs, or on the economy of Cuba in particular, Fidel Castro would never have been appointed to a responsible position in any Cuban Government.

Power, for him as for Mao Tse-tung, came straight from the barrel of a gun. Fame first came to him as the organizer of a wave of assassinations that went on for 4 years, assassinations that terrorized the Caribbean world. He came to power at last when he threatened to massacre at random the civilian population of the city of Santiago de Cuba unless the Army surrendered to him.

The rest of Fidel Castro's career has been consistent with these beginnings. The international goals of world communism, to be achieved through disruption of national life in every country of the Western Hemisphere, have avowedly taken top priority among his goals as the dictator of Cuba.

He has always refused any form of democratic life in Cuba, knowing that by elections or by allowing free speech he would infallibly lose the gains that his policy of assassination and terror had won for him.

The Communist economic system, which Castro insisted upon as a pedantic and obstinate 1950-style Communist, was particularly unworkable in Cuba. The destructiveness of a Communist system in an agricultural country is an established fact of life, all over the world. Its ruinous influence in Cuba was foreseen by all students of the situation. In effect Cuba was sacrificed to the theoretical demands of Communist ideology.

On that account—in connection with his ruthless denial of the ordinary liberties to which the people of Cuba were accustomed for generations, and in connection with his war upon religion—he has become the most unpopular dictator who has afflicted any modern Latin American country.

The exodus of 800,000 exiles which has followed his establishment of a classic Communist dictatorship in the nation of Cuba is something to which there is no parallel in Latin American history. The total emigration from Cuba has amounted to more than 10 percent of its population.

Those who desire to give diplomatic recognition to Castro are anxious to ignore the unceasing reports about the repressiveness of Castro's rule which for years have been daily corroborated by the pitful stories of new fugitives. What is the more thought-provoking is that, even after having driven so huge a proportion of his opponents out of the so-called workers' paradise, the dictator Castro is still absolutely unwilling to trust to any popular election, being rightly certain that his electoral defeat is a foregone conclusion—even though it is surely the workers—that is, the supposed beneficiaries of his policy—who still remain on the island simply because they cannot escape.

It has long been evident that Castro's economic measures, like Mao's catastrophic "great leap forward," have been singular failures.

Again and again he has announced that Cuba would henceforth have an altogether different kind of economy. Cuba, so he decreed, would abandon the production of sugar as its chief economic activity and would breed livestock or raise some other crop, or turn—as if by magic—into a center of small industry.

But his tireless efforts have resulted in making Cuba absolutely uninhabitable for the owners of business and at the same time a new, strange, and uncongenial place for the conservative agricultural workers who are the bulk of the population. He was, in fact, engaged in warfare against the very classes whose cooperation was indispensable to truly productive economic reform.

In 1970, chastened by a series of failures, he desperately reverted to the sugar economy and boasted that under communism Cuba would now produce a crop of 10 million tons. But, in fact, these boasts also, as might have been easily foreseen, were falsified by the results.

By his expropriation of American-owned industries and properties in Cuba, Castro has unlawfully possessed himself of almost $2 billion. It is thought-provoking that he has brought bankruptcy and ruin upon his people in spite of the great wealth which was stolen in this manner.

No fewer than 99 separate American organizations lost more than $1,000,000 each to Castro's thievery. For example, he seized $50,000,000 worth of property owned by the Texaco Co., $14,000,000 owned by Colgate-Palmolive, and $9,000,000 owned by Continental Can Co. Reparations for these seizures of American property must be preliminary to any fair and just settlement between the United States and Cuba.

The Soviet Union, always the fount and inspiration of communism in Cuba, depends upon the Castro-led Communist movement to foment pro-Soviet and anti-American propaganda, espionage and terrorism throughout the Western Hemisphere. On that account, the Kremlin has been willing to subsidize the repeated economic failures of Castro in his long mismanagement of the Cuban economy. Castro has been regularly taking more than $1,000,000 every day as assistance from the Kremlin in return for his services as the choreographer of chaos in Latin America. His hand has been evident in the subversion, the near takeovers by Latin Communists, in Brazil, Chile, Uruguay, and Bolivia, to mention only the most conspicuous cases.

Communism has been decisively rejected in every Latin American nation where—invariably with the cooperation and often with the direct guidance of the Cuban Communists—it has made a serious bid for power. None hate communism so much as those who have lived under its shadow for a while.

A DÉTENTE WITH CASTRO?

In a general way many people wish to see international tensions lessened. That is, in theory, always the object of diplomacy. A concern for the dread possibilities of nuclear war has understandably created an automatic popularity for any policy that claims to work effectively toward this goal.

On that account the very word "détente" has acceptable connotations for many who have perhaps not examined closely enough the extremely special meaning that this word possesses when it is proposed by Communist governments.

Any interchange of fairly well-educated visitors between a free country and a totalitarian one can invariably be manipulated, without any difficulty, by the totalitarian government. For example, private businessmen, operating freely, are too often willing to sell anything that is desired by the totalitarian government—but because a totalitarian government is in absolute control of the economy it can easily restrict trading and economic exchange in such a way that it must work to the benefit of itself and the disadvantage of the free country.

But much more serious—when we consider the peculiar problem posed by Castro's Cuba, only 90 miles from Florida—is the immense facility given to espionage and subversive activities of all kinds by the only sort of détente that Castro will permit.

Throughout his life, Fidel Castro has been a specialist in the organization of subversive, antinational groups to provide a network of militants and terrorists who will promote the Communist cause. In the late 1940's he was one of the leaders of the Accion Radical Ortodoxa, a political group advocating armed insurrection. He was then barely 20 years old. This has been his chief interest from that time till now.

To cite merely one example from his own published works, as early as 1955 he publicly boasted of having helped to set up revolutionary clubs, all guided by the same fundamental aims, in Bridgeport, Conn., Union City, N.J., New York, Miami, and Key West. "I do not live in any particular place," he said in New York City on November 1, 1955. "I reside somewhere in the Caribbean and can feel as much at home in a city like this one as on a barren and deserted little island."

The sort of dedicated and effective anti-American agent that the young Castro was will be imported to our shores in large numbers and more easily linked to other of his agents in many other countries if this country adopts a policy of détente with Castro.

Then they will feel even more at home than they already have been in a city like New York, and their work of recruitment of malcontents who will give themselves to the work of subversion of our country will go on more freely than ever.

The experience of many of our neighboring countries in this hemisphere teaches us only too well what a small group of terrorists, organized by Castro and his close associates, and dedicated to armed insurrection, are able to accomplish. But his agents are the Communists' "hit-men" even in other parts of the world, outside the Western Hemisphere.

In France, only 3 months ago, Cuban agents were charged by the Interior Ministry of France with setting up a terrorist network which was linked to the killing of two French security officials. The men charged with this crime were official diplomats accredited by Castro to the Government of France.

Of course, it is appropriate that the ambassadors and public representatives of a murderer should themselves be organizers of murder. On that account alone it is doubtful that the Congress and the American people would be anxious to welcome an ambassador from Fidel Castro.

The seriousness of this matter cannot be overstated. The disruption and overthrow of all existing non-Communist governments, especially that of the United States, is the declared object of this dictator's life. Simple considerations of common sense, realism and self-preservation have dictated our boycott of Castro; and they still dictate the same policy.

It is impossible to deal with a man who hates us, one who draws no veil over his contempt for the human rights to life and liberty, who is the oppressor of his own country, who systematically carries out violent and hostile acts toward other countries of a type which do not take place among civilized men except in conditions of war.

Fidel Castro is in reality engaged in open war with every form of government and every form of religion and every system of human values that exists in this country or in Latin America, except his own communism. He has explained this attitude with great frankness, in the cynical confidence that kindhearted Americans or soft-minded liberals will not understand him.

I wish to make clear that I, too, look forward and have always looked forward to the day when Cuba will rejoin the nations of the Western Hemisphere on an equal standing. But it is a clear betrayal of this country's interest, of the real interests of our neighbors to the South, and of the human values of all civilized men, for this country to facilitate the work of this murderer, giving him favorable conditions for his work and demanding no fundamental change in his policies. That is what I object to, and what I feel the American people must object to, in the current understanding of "détente with Cuba."

AN ENLIGHTENED AMERICAN POLICY

As a preliminary to the official return to normal relations with the Government of Cuba, the least that human decency demands is that the 800,000 Cuban exiles should have free excess to their families and their homeland. These

800,000 Cubans, guilty of no crimes, tried by no courts, have a fundamental human right to return to Cuba—one which is recognized and guaranteed by the United Nations Charter. Furthermore, it is necessary that, in line with the basic idea of freedom of the press, representatives of the media should be permitted to travel freely through Cuba.

If Castro cannot maintain his position under these conditions, then the United States has no obligation, and indeed no moral right, to cooperate in maintaining the antidemocratic conditions, the negation of human rights, which serve his personal interest.

But in any case it is meaningless to conceive of a policy toward Cuba in isolation from our general policy in Latin America.

Most Americans support a policy founded upon anticommunism: and the whole system of American alliances in Latin America depends upon it. Those Latin American governments that have been or are most likely to be friendly to the United States are deeply committed to anticommunism.

To treat Castro upon an equal footing with our real allies amounts almost to a direct attack upon our friends.

We cannot adopt a policy by which our friends will seem to lose, through our diplomacy, what they have won by their own resistance to him.

The example of Chile is particularly instructive. It is a paradigm of the situation in which Communist insurrectionists, backed by Castro, offer to overthrow a South American government—and the intense hatred which communism now inspires in Chile is widely shared among those who have had experience of its evils. Those who tell us that Castro is here to stay must reckon with the fact that in many places where his agents have infiltrated they have not stayed; indeed, they have been driven out. Rather, it is anticommunism which seems to be a permanent fact of life. The clear interest of this country lies in the faithful support of the great number of Latin Americans who stand firm against everything that Fidel Castro represents.

As his mismanagement of economic affairs and his interference with other nations leads to his being more and more discredited, an anti-Communist policy toward Castro is preferable to one which might compromise the principles that unite civilized men.

Mr. President, there is a lingering thought in the minds of some, that Castro's brutalities are all in the past, that time and circumstance has changed the attitude of his regime.

Yet we are still receiving reports of fresh brutalities. Only a few days ago, the distinguished Spanish-language newspaper, the Diario Las Americas, in Miami, published an account smuggled out of a prison in Oriente Province of events that took place on September 1, 1975.

Mr. President, I will not take time to read the entire document because I think that it should be studied in detail by all my colleagues, not just those who happen to be on the floor at this time. I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, this is a document that is worthy of inclusion in Solzhenitsyn's Gulag Archipelago. It tells the story not only of mass murder of political prisoners, but of the attempt to cover up the murder by staging a fake breakout a week later, with propaganda cameras shooting movies of the staged action.

I have no authority for this account, other than the fact that it was published in a distinguished newspaper. I do have in my hand a xerox copy of a letter in Spanish from which the newspaper took the account, a letter that was apparently smuggled out of Cuba. If anyone has any doubt that these events took place, then let him apply to Castro for permission to go to Cuba to see for himself. Indeed, let a whole group of newsmen go, newsmen representing a broad political spectrum and different countries. Let them have permission to go where they like, to talk to whomever they like, without intimidation of witnesses. Then we shall know the truth.

But I would be very much surprised if Castro would allow such an expedition. Indeed, he cannot allow it as long as the conditions necessary for the survival of communism are in effect in Cuba. This is exactly the point, Mr. President; we must assume that the constant, well-documented reports of Castro's Communist brutality are true, because the freedom to know and to speak simply does not exist in Cuba.

EXHIBIT 1

NOTE.—The following document was smuggled out of Cuban jails and forwarded to Dr. Humberto Medrano as another evidence of cruelties against political prisoners in Cuba. It was published in Spanish in Dr. Medrano's column, Page 4 of Diario Las Americas, Miami, on November 8, 1975.

THE MASSACRE AT PUERTO BONIATO—1

Prison of Puerto Boniato, Province of Oriente, Cuba. Monday, September 1st, 1975. (Year of the First Congress of the Cuban Communist Party.)

11:00 AM in Ward #4, one hundred political prisoners listen to Laureano Valdes-Gallardo, confined in cell #14, howling in pain caused by tetanus which he contracted after removing two teeth with the handle of his own spoon. These men have been in complete isolation for six years; naked, locked inside windowless steel-planked cells, devoid of air and sunlight, subjected to a meager and nauseating intake of food and deprived of medical assistance, they are now human debris.

Several have lost their minds. Ibrahim Torres-Martinez, Esteban Ramos-Kessel, Jose Ramon Castillo-del-Pozo, and Olegario Charlot-Pileta starved to death. There are several invalids and tubercular; one blind.

The howling of Valdes-Gallardo gains momentum and his fellow inmates start to hammer the heavy steel planks that cover windows and doors with their aluminum plates and mugs, begging in vain for medical assistance to help this sick man.

11:30 AM. Patrols surround the building and machine guns are installed, AK automatic rifles, of Soviet manufacture, point at the steel-planked windows. Visitors of non-political prisoners are advised to leave the hall for visitors, because a mass escape of political prisoners is underway.

Following this, the guards break into Ward # 4, proceeding to open up the cells and take out the prisoners who were protesting. Rifle-buttings, fractured skulls from machete blows; rods that tear flesh and break bones. The inmates are thus pushed towards the end of the hallway. Gerardo Gonzalez-Alvarez, a Protestant preacher, opens his arms crosswise, saying: "Forgive them, My Lord, because they don't know what they are doing". A machine-gun barrage, fired by the prison under-director Lieutenant Raul Perez-de-la-Rosa, cuts off his head, a subsequent barrage blows his chest to bits. Enrique Diaz-Correa tries to hold his friend and is mortally hit three times, falling dead over his companion's headless body.

That was the awaited signal. The squad opens fire on the defenseless inmates. The first balance is twenty-seven wounded. One cell has remained shut and its occupant shouts protesting the massacre. Lieutenant Figueroa opens up the cell and shoots Evelio Hernandez. The guards pick him up and throw him like a bundle into the hallway. When a guard realizes that the wounded man is still breathing, he cracks his skull with his rifle butt.

Following the machine-gun barrage, the fury of these savages is exacerbated. They start to hit the survivors mercilessly, dragging the invalids down the stairs, the blind man Wilfredo Martinez is whiplashed with a thick steel cable.

3:00 PM. Up to now, the balance of wounded is seventy. Only six have been transferred to hospitals outside. The rest remain stacked in groups of seven or eight in narrow, fetid cells. The guards hose away with water the blood that has accumulated in the hallway and the stairway. They start to fill the holes in the walls and to cover up the proofs of their crime. They practice a few (unintelligible) among the most critically wounded.

THE MASSACRE AT PUERTO BONIATO—2

Saturday, September 6th, 1975.

12:00M. A group of sledge-hammer wielding guards breaks down the doors to Ward #4. Other military men costumed in yellow uniforms and in underwear, armed with rods and chains, stage a mock mutiny. They attack the guards as if they were attempting a mass escape. Wounded soldiers are felled.

All this comedy is filmed and photographed by cameramen from the Ministry of Interior. The purpose is evident: it is a grotesque effort to justify the murders of September the first.

The language is scarce when describing these monstrosities. A treacherous genocide perpetrated with sub-human premeditation and gloat against men most of whom have been imprisoned for over fifteen years and have been subjected to all sorts of tortures and humiliations, is not an issue that a language can describe accurately.

The grief and the bitterness of us who have survived and are forced to witness with impotence so much crime and ignominy is comparable only to the horror that fills our people in the face of the pathological and unbridled hate of the paid assassins in this dictatorship.

Dragging along a sub-life which is worse than death itself, cowardly forgotten by those who should be our natural allies; but with the irrevocable determination to fufill to the end the duty imposed upon us by our enslaved Fatherland, all that is left for us to do is to repeat the last words of our murdered brother: "Forgive them, My Lord, because they don't know what they are doing".

Governments, Parliaments, Institutions, Peoples of America and of the World: "Will you permit that the innocent continue to be murdered in Cuba?"

Mr. STONE. Mr. President, I ask unanimous consent that the remainder of the time allocated to the junior Senator from Florida be allocated to Senator CHILES.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE QUESTION OF CUBA

Mr. CHILES. Mr. President, I am delighted to have this opportunity to join with other Senators in a colloquy on the question of Cuba.

I think it is interesting to note some of the news events that we now see, which are before us.

I understand that the United States intends to propose a resolution in the United Nations dealing with political prisoners, calling on all countries to free political prisoners that they are holding.

I believe that is an excellent resolution. I am delighted to see that it is being offered by the United States. I look forward to hearing the debate and seeing what occurs and what happens in regard to votes on that resolution.

The United Nations just condemned Chile for its treatment of political prisoners.

The senior Senator from Florida has been one of those who has been very critical of the Government of Chile because of its treatment of political prisoners, as have many Members of the Senate.

But I find it interesting to note that there seems to be some sort of a feeling, by certain Members of the Senate and certain countries in the United Nations, that it is all right to condemn certain countries for their treatment of political prisoners, it is all right to condemn Chile, but, on the other hand, no one does anything about countries that are in certain spheres. One of those countries would be Cuba.

I note from the list of those who would participate in this colloquy that there are, it seems to me, some notable absences of people who always want to condemn political torture and the treatment of political prisoners in countries like Chile, countries like Brazil, countries which seem to have some sort of a military government that is on the right—and I join in the condemnation of those countries and their treatment of those political prisoners—but I do not see that same condemnation when the government happens to be on the left.

It seems to me if we are talking about torture, if we are talking about incarceration and keeping people away from their families, away from being able to earn a livelihood, if we are talking about sanctions that are imposed upon people so they cannot get a job, so they cannot enjoy the benefits of citizenship that other members of the society are able to enjoy, then the international treatment ought to be the same, regardless of whether it exists under a regime of the left or a regime of the right.

In the same way when we talk about the country of Cuba, it seems they ought to be consistent.

Cuba voted in the United Nations for the resolution on Zionism, calling Zionism to be racism. It seems to me that on one hand if they could vote for that and on the other hand they are holding their political prisoners, we begin to see the strangeness of this kind of regime and the inconsistency, the dual-handed method of the regime.

I believe that we should examine these things. If we are going to talk about opening our relations with Cuba, let us examine Cuba's policies not just go along, saying that because we trade with China we ought to trade with Cuba.

There is a difference of opinion as to what the national interest of this country is vis-a-vis the world power of China as compared with Cuba. And if Cuba is going to have the kind of inconsistency in their policy so that they can vote for a resolution saying Zionism is racism, which we know the poppycock of that; if they can vote for that, and then hold their political prisoners, I think we begin to see the kind of regime that they have; why should we be rushing forward trying to do something with them?

If we want to go so far as to put into a trade bill with Russia that we want to see Russia open up its emigration policies, why should we seek to be initiating trade with Cuba, which has the same policies? They will not allow their people to travel freely. They will not allow Cuban nationals in this country to travel to Cuba and feel that they can come out of there safely again.

On the one hand, we are talking about a country on which we are seeking to impose some kind of restrictions on trade because we are trying to get that country to change its methods, the country of Russia; and on the other hand we have people saying, "Let's open up and start trading with Cuba," with no mention about immigration policies, no mention about political prisoners, no mention about expropriated properties of U.S. citizens to the tune of billions of dollars, and no mention about the exportation by that country of revolution. I read in the newspaper again today about troops sent to Angola. I noticed at the top of the article it talked about advisers, and then talked about 2,800 troops.

When you introduce 2,800 troops in a country the size of Angola, my gosh, that is not advisers, that is a brigade. That is a battalion. That is combat troops you are introducing into a country involved in all kinds of strife.

Mr. STONE. Mr. President, will the Senator yield?

Mr. CHILES. I am delighted to yield to my colleague from Florida.

Mr. STONE. Does the Senator think our colleagues would be as anxious to remove trade restrictions on the Soviet Union if there were between 800 and 900 Americans who wanted to leave there, and the Soviet Union would not let them out? And is not that the situation in Communist Cuba today?

Mr. CHILES. It certainly is. I also look forward to seeing what position Cuba takes on the question now being posed before the United Nations, the resolution proposed by the United States on political prisoners. I think it will be interesting to see what the reaction of Cuba is on that vote.

I think, Mr. President, that what we are saying is, if some in our Government are going forward toward the resumption, or seeing whether Cuba wants to resume a normalcy of relations with the United States, we ought to have a debate; we ought to want to see what is going to be Cuba's position on questions of political prisoners, on questions of travel, on questions of what will happen to the American property that has been expropriated, and on questions of whether they will continue to export or foment revolution in other countries.

I think we are beginning to see some of the answers that are so apparent. When we see the vote they took in the United Nations on racism, calling Zionism racism, we begin to see some of the inconsistency. When we see the action they have taken in sending troops to Angola, we begin to see there really has not been any change, and if there has not been any change, then I do not think we should be talking about resuming relations with Cuba.

The PRESIDING OFFICER. The Senator from Utah (Mr. GARN) is recognized for not to exceed 10 minutes.

RELATIONS BETWEEN THE UNITED STATES AND CUBA

Mr. GARN. Mr. President, it is a pleasure for me to participate in this colloquy this morning, on the subject of the relations between the United States and Cuba. I thank the Senator from Florida for opening the colloquy on this very important subject today.

Three days ago, the United Nations took a very unwise action in voting to condemn Zionism as a form of racism. That is an action which may yet result in a complete reassesment of our role in that body. The action could be considered an attack on the United States, inasmuch as we are one of the shaping influences in the U.N., not to mention the chief underwriter of its extravagances. By the same token, we ought to consider very carefully any moves toward "normalizing" relations with Cuba, a nation which, under its present Communist government, has shown considerable disposition to attack the United States. Before we move farther in search of relaxation of tensions with the Castro regime, it would be wise to assess the total situation, and to make certain that what we are doing is in our best interests, for once. Otherwise, we may discover that we have encouraged additional attacks on ourselves, and on our foreign and domestic policies.

In terms of such an assessment, Mr. President, it is surprising to me that so much weight is given, in the press, to the advantages of trade relations with Cuba. I am not sure whether it is a desire on the part of reporters and commentators to get a good, cheap Cuban cigar, or what it is, but the facts of the matter do not support the contention that there is much to be gained from a resumption of trade with Cuba.

Leaving the cigars aside, and quoting from an article by Sergio Roca and Roberto Hernandez on "Structural Economic Problems" in Cuba, "Cuba was a one-commodity, foreign-trade-oriented sugar enclave. Sugar dominated the economy and powerfully influenced policy making," before the Castro revolution—in "Cuba, Castro, and Revolution," edited by Jaime Suchlicki. A full 30 percent of the GNP of Cuba came from sugar, and 85 percent of Cuban exports were sugar. The United States was, of course, the primary market for that sugar, as well as for all other exports.

The situation today is completely different. For one thing, the Sugar Act expired in 1974, meaning that the system of tariffs, quotas and preferences under which Cuba used to operate has been done away with. The price of sugar is now set in the world marketplace, and, according to the Department of Commerce, in testimony before a subcommittee of the House International Relations Committee, neither the price nor the demand for sugar would be significantly affected by the reentry of Cuba into the world market.

A more important point is that as a market for U.S. goods, Cuba is wholly dependent on supplies of hard currencies earned by exports, again of sugar primarily. Now we should note that since the embargo, Cuba has been massively subsidized by Eastern European nations, most heavily by the Soviet Union. It is estimated that Cuba has borrowed between $4 and $5 billion from the Soviet Union. Obviously, these Iron Curtain nations will have first call on Cuba's exports of sugar far into the future, leaving very little which can earn the foreign exchange needed to make Cuba an attractive trading partner.

Mr. President, these questions are discussed in two short papers prepared by Dr. Leon Goure of the Center for Advanced International Studies of the University of Miami. I ask unanimous consent that they be printed at this point in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

There Is No Hurry To Resume Relations With Cuba

The prospect of the lifting of the U.S. embargo on trade with Cuba is giving rise in the U.S. to exaggerated expectations as to its possible economic and political benefits. Recalling the pre-Castro large-scale Cuban-U.S. trade, American businessmen are making ready to rush to Havana to offer their wares. In Florida, Port Everglades and the Port of Palm Beach are preparing to vie with each other for the opportunity of becoming once again the main shipping ports for trade with the island.

From an economic and trade point of view, Cuba today is in a totally different situation from the pre-Castro days. At that time, the U.S. was Cuba's main market for its sugar, tobacco and fruits, and a main supplier of oil and manufactured goods. Today a return to such a relationship is out of the question. The fact is that, from an economic standpoint, Cuba no longer needs the U.S., either as a significant market or as a source of technology and manufactured goods.

During the past fifteen years, despite the OAS embargo on relations with Cuba, the island has been far from isolated. The Soviet Union and the other communist nations have come to replace the U.S. as Cuba's main trading partner (approximately 70 percent of Cuba's total trade) and principal source of credits and technology. Cuba's total trade with the Soviet Union has steadily increased, reaching some $2.192 billion in 1974, and is expected to exceed $2.740 billion in 1975. Some 60 percent of Cuba's sugar and a major share of all other Cuban produce and raw materials are exported to the communist countries. Furthermore, in 1972 Cuba became a full-fledged member of the Moscow-led Council for Economic Mutual Assistance (CEMA), thereby becoming fully committed and integrated into the Soviet-East European economic bloc, which now has first call on the island's resources. In addition, the Soviet Union has great leverage on the Cuban economy as a result of the latter's $4–5 billion debt to Moscow, which Cuba is committed to start repaying in 1986.

Aside from its economic relations with the communist countries, Cuba has had, and continues to have, extensive trade relations with Canada, Japan, Spain, England, France, Italy, West Germany, Sweden and, more recently, with Argentina (much of it on the basis of long-term credits, which in 1975 amounted to some $3.2 billion). Cuba's current annual total volume of trade with non-communist countries is of the order of $1 billion.

The point is that, in one way or another, all of Cuba's traditional exports are committed to these various countries, leaving no significant surpluses for trade with the U.S. At the same time, Havana had and continues to have, the opportunity to import from these countries all the consumer goods and technology it needs or can afford to buy, all the more so as the U.S. has lifted restrictions on sales to Cuba by U.S. subsidiaries abroad. Thus, Cuba's ability to export to the U.S. will have to be largely at the expense of its exports to other non-communist countries, and will be worthwhile only it it proves economically advantageous to do so. The U.S. is no longer in a position to replace the Soviet Union as Cuba's main supplier of oil (some 8 million metric tons per year), and in any event, Cuba can buy it from the latter on credit and at below world market price. Although Cuba reaped a substantial windfall profit from the unusually high sugar prices in 1974 (Cuba is estimated to have had a $495 million favorable trade balance in 1974), its total production of sugar has not increased, and with the subsequent decline in world sugar prices, as against the continuing rise in the price of imported goods and Cuba's need to repay the trade deficits it has incurred with its Western European and Canadian partners, the fact is that Cuba has little hard currency left over to pay for imports from the U.S. Consequently, as in the case of its trade with Argentina and the Soviet Union, Cuba will need large credits in order to pay for significant imports from the U.S.

The issue of the lifting of the U.S. trade embargo, therefore, is mainly a political rather than an economic one for both Washington and Havana. While the U.S. did not oppose the recent OAS decision to terminate its sanctions against Cuba, because they had become an irritant in U.S. relations with many Latin American countries, the latter's interests in resuming relations with Cuba differ from those of the U.S. For Latin America, it is mainly a question of demonstrating regional solidarity and independence from the U.S. For the U.S., however, there are a number of important political issues involved, such as the matter of political prisoners in Cuban jails and Havana's respect for human rights, of Cuba's intervention in the internal affairs of other states, including Puerto Rico, and of its military relations with the Soviet Union. There is also the issue of compensation for expropriated U.S. properties in Cuba. Beyond this, there is the problem of how the U.S. can avoid giving the impression and allowing Havana to claim that the resumption of U.S.-Cuban relations constitutes a major defeat for U.S. policy and a form of international legitimatization of the Castro regime.

The U.S. interest in promoting and strengthening détente with the Soviet Union has little bearing on the issue of resumption of relations with Cuba. The principal motive for détente has been Washington's and Moscow's desire to reduce the chances of an outbreak of a nuclear war between them and to limit the arms race. The matter of whether the U.S. does or does not lift the embargo is, therefore, essentially irrelevant for detente and, indeed, the Soviet Union has not bothered to raise this issue in its negotiations with the U.S. Detente does not require that either the U.S. or the U.S.S.R. maintains relations with the allies or close friends of either side. Thus, the U.S. has no relations with North Korea, North Vietnam or Mongolia, and the Soviet Union has no relations with Israel.

It would be equally unrealistic to expect that the re-establishment of U.S. relations with Cuba could in some way significantly influence Cuba's international developments, moderate Castro's communism, or help detach Cuba from its dependence on the Soviet Union and Soviet influence. If fifteen years of Cuban relations with Western European countries, including the presence of their embassies and tourists in Havana, have not produced this result, there is little reason to believe that small-scale U.S.-Cuban trade or the opening of a U.S. Embassy in Havana would do so. Certainly, it is highly unlikely that the U.S. would be willing to subsidize the Cuban economy to the tune of $1–2 million per day in order to make it more independent of Moscow, and, in any event, Cuba's communist rulers would not allow the U.S. to gain such leverage on their country.

The point is that the re-establishment of U.S.-Cuban relations should not be merely on the ground that the Castro regime has survived the embargo. It should be in the interest of the U.S. to do so. And whether this is the case or not will depend on how the Cuban Government will behave toward the U.S. and respond to its negotiatory demands. There is no reason for the U.S. to hurry, for as a country we stand to lose more than we might gain from a hasty resumption of relations with Havana.

SOME OBSERVATIONS ON CUBAN FOREIGN DEBTS

As a whole, Cuba is a debtor country in its international trade, and depends heavily on long-term credits to buy needed goods abroad, both in the communist and non-communist countries. On the basis of currently available data, Cuba's cumulative debts appear to be of the following order:

1. U.S.S.R.: As of 1974, Cuba's debt to the U.S.S.R. for economic assistance is of the order of $4.3 billion, not counting short-term loans of hard currency. Cuba will begin to repay this debt as of 1986 without interest but, meanwhile, Soviet aid to Cuba is growing, so that it is certain to exceed $5 billion by 1986.

2. Other Communist Countries: Cuba's cumulative trade deficit with Eastern European countries (other than U.S.S.R.) for 1960–1973 amounted to $148.5 million.

3. Non-Communist Countries: For the period 1960–1973, Cuba's cumulative trade deficit with its main non-communist trading partners, i.e., Japan, Canada, Spain, United Kingdom, France, Italy, West Germany, Sweden, Latin America and Syria, amounted to some $785 million.

4. Current Cuban Credits from Non-Communist Countries:

1974—Argentina for $1.2 billion.
1975—Canada for $100 million.
1975—France for $350 million.
1975—England for $580 million.
1975—Spain for $900 million.
Total—$3.130 billion.

In addition, in 1975 Japan offered to grant Cuba an unspecified credit, believed to be of the order of $100 million.

5. Total Cuban Foreign Indebtedness in the 1980's: Cuba's total indebtedness, which it will have to repay in various installments beginning in 1976 and through the 1980's, is of order of $8 to $9 billion. Repayments in the case of most non-communist countries will be not only on the basis of currency, but also by means of yearly deliveries of sugar, a condition which will further limit the amount of sugar Cuba will have available for new markets, such as the U.S. Thus, unless sugar prices remain unusually high, Cuba will be economically strained to service and repay these credits. It is unlikely, therefore, that Cuba will have either significant amounts of currency or goods (sugar, tobacco, nickel) available to trade with the U.S., and it would be highly hazardous for U.S. private or public organizations to grant Cuba substantial credits to stimulate U.S.-Cuban trade.

TABLE 12.—CUBA: ECONOMIC ASSISTANCE FROM THE U.S.S.R.

[In millions U.S. dollars][1]

	1961	1962	1963	1964[4]	1965	1966	1967	1968	1969	1970	1971	1972	[2] 1973	[3] 1974
Trade deficit	−$9	$189	$297	$135	$105	$247	$216	$382	$436	$162	$427	$534	$460	−$165
Cuban exports (f.o.b.)	304	222	164	275	323	274	366	290	233	529	304	244	565	935
Cuban imports (c.i.f.)	295	411	461	410	428	521	582	672	669	691	731	778	1,025	1,100
Interest charges	0	(7)	(7)	6	14	18	21	28	34	45	57	69	[5] 0	[5] 0
Other invisibles	18	22	25	23	20	23	23	22	24	24	25	28	33	33
Total payments deficit	9	211	322	143	139	388	260	432	494	231	509	631	493	−198
Cumulative debt	9	220	542	685	824	1,112	1,372	1,804	2,298	2,529	3,038	3,669	4,162	4,360
Sugar subsidy payments[6]	90	71	9	−66	176	138	214	150	86	150	56	−22	95	−345
Total cumulative aid	99	381	712	789	1,104	1,530	2,004	2,586	3,166	3,547	4,112	4,721	5,309	5,162

[1] During 1961–71 $1 equaled 1 peso; in 1972 $1 equaled 0.92 peso; in 1973 and 1974 $1 equaled 0.83 peso.

[2] Provisional.

[3] Preliminary.

[4] An estimated $21,000,000 of the 1964 deficit was covered by Soviet relief grants following Hurricane Flora.

[5] A Cuban-Soviet bilateral agreement of December 1972 exempts Cuban debt from further interest charges.

[6] The annual value of sugar subsidy payments is estimated as the difference between the value of sugar exports to the U.S.S.R. and the value of these exports computed at the average price for Cuban sugar sold on the world market. It is considered a grant and not subject to repayment.

[7] Negligible.

Mr. GARN. The point of this line of discussion is simply that there is no significant economic advantage to the United States in a resumption of full trade relations with Cuba. Nor is it a persuasive argument that if we treat them like one of us they will become like one of us. In fact, most Western European nations have had full relations with Cuba for more than 15 years. There is little evidence that Cuba's anti-Western line has softened. In fact, while the open rhetoric has been toned down somewhat, there is ample evidence that revolutionary activities in other countries continue to be instigated and abetted by Castro.

For instance, this last September Castro hosted in Havana an international conference designed to show Communist solidarity with the revolutionary Puerto Ricans trying to separate that island from its U.S. ties. The conference received very little attention in the U.S. press, but Secretary of State Henry Kissinger called it "an unfriendly act—a totally unwarranted interference in our domestic affairs." In view of Mr. Kissinger's tolerance for diplomatic insults by foreign governments, I think we can take his reaction as an indication of the serious nature of the Cuban action.

In short, Mr. President, what I am trying to show is that we have no real incentive to resume diplomatic and trade relations with the Cuban Communists, and every reason to continue a diplomatic quarantine of this carrier of the revolutionary virus. Cuba is now firmly within the Soviet orbit, and shows every indication that it will remain so. Resumption of diplomatic and trade relations would simply legitimate a cruel, repressive regime, which shows little tendency to reason in its own foreign policy.

I was disappointed that the Organization of American States changed its policy a short time ago, because there has been absolutely no evidence that Castro has changed his repressive attitude toward the people of Cuba. I am sure that has been discussed by others of my colleagues this morning. Besides the economic and diplomatic reasons I have mentioned, I think it is a sufficient reason to continue our embargo on Cuba that they treat their citizens without humanity and decency.

It seems strange to me that we can embargo Rhodesia and South Africa, which are friends of ours, because we do not like their internal policies, but then we talk about resuming trade with a dictatorial Communist nation, that has no respect for human beings at all.

I thank the Chair.

Mr. LAXALT. Mr. President, will the Senator yield?

Mr. STONE. I yield to the Senator from Nevada.

Mr. LAXALT. Mr. President, I do not intend to take up any substantial portion of the valuable time, but I wish the record to indicate that I share the concern of our colleagues in connection with the Cuban question.

To me this represents one of the great difficulties that we could have and have at the present time in connection with our overall foreign policy.

Since the problem is so close to home, I think it bears particular attention on the part of this body and on the part of all those involved in our foreign policy.

Mr. STONE. Mr. President, I ask that the next portion of time be assigned to the Senator from Wyoming (Mr. HANSEN).

The PRESIDING OFFICER. The Senator from Wyoming.

CUBA

Mr. HANSEN. Mr. President, I thank our distinguished colleague from Florida for his courtesy in permitting me to participate in a discussion of a problem that I think is most serious and most grievous. I share the concern of others who have spoken before me.

I am revulsed at some of the things that have happened in the country of Cuba. Before our relationships with Cuba are normalized, we indeed are quite in order to ask the questions that have been vocalized here this morning.

Since 1959, the Republic of Cuba has been controlled by the Communist, totalitarian regime of Fidel Castro. There appears to be a trend toward normalization of relations between the United States and Cuba.

Normalizing relations between the United States and Cuba disturbs me for a number of reasons. Two areas that concern me primarily are the political prisoners in Cuba and the apparent willingness and action of the Castro government to export its revolution to other countries in Latin America.

On October 1 of this year, Senator STONE and others held an informal hearing on the status of political prisoners in Cuba. Former political prisoners gave oral and written statements describing the inhumane conditions of their incarceration. These conditions included the absence of medical care: lack of a proper diet; indescribably deplorable cell conditions; and forced labor camps. The State Department has advised Senator STONE that there are between 15,000 and 20,000 political prisoners in Cuba.

On June 1, 1975, an article in the Washington Post titled "Cuban Prisoners Said 'Resentenced' Before Terms End," points out that letters received by relatives of political prisoners in Cuba show that these prisoners are resentenced to further prison terms without benefit of any judicial process. This, in my opinion, is a travesty of justice and such action by Cuba is repugnant to the precepts of human fairness and decency.

Further, the Castro regime has refused to permit inspection of these prison camps by the International Red Cross or other neutral bodies. It is my thought that before any normalization of relations between the United States and Cuba is accomplished, there must be an inspection of these penal facilities and conditions by impartial observers and corrective action taken by the government of Cuba.

I am also concerned with the apparent willingness of the Castro regime to export its revolution to other countries in Latin America.

In a UPI report of July 23, 1975, Uruguayan Foreign Relations Minister Juan Carlos Blancos is quoted as saying that 498 Tupamaro guerrillas were receiving training in Cuba.

Last June, the government of the Dominican Republic denounced the landing in that country of guerrillas who had proceeded there from Cuba. On August 3, 1975, an article in the Washington Star indicated that Cuban-trained guerrillas were involved in subversive activities in Tucuman, Argentina.

Mr. President, this training of guerrillas in Cuba for purposes of insurrection in this Hemisphere must come to an end before any normalization between the United States and Cuba is effectuated.

Concluding, these are but two areas which must be corrected before the United States normalizes relations with Cuba.

Mr. STONE. Mr. President, as we wait a minute or so for the Senator from South Carolina (Mr. THURMOND), who has expressed a request to be heard briefly, the Senator from Florida will read one portion of the testimony taken by a number of these Senators that have spoken this morning from former political prisoners of Cuba right here in S. 207 on October 1, just one passage because what we have heard here this morning are generalized statements of general policy, but this generalized policy comes down to inhuman treatment to each individual who is being abused in this fashion.

I read one extract by Mrs. Prado relating to her son Miguel who is now in prison and who was imprisoned after trying to bring his wife and daughter to freedom.

> Miguel was unable to bring his wife and daughter when he left Cuba and therefore he took the risk in entering the island to bring them in. The three were captured and imprisoned during the last days of July 1974. In spite of the fact that . . . recognized that the government was aware that their intentions had been to rescue their families, they were sentenced because the authorities agreed that they had come to the United States to sell themselves to the junkey imperialists and were guilty and sentenced to 25 years in prison. After their trial the treatment given them was inhuman. They have been beaten and isolated in black cells as punishment. My son has been heavily beaten with iron poles and left in isolation for three days without food, water or medical assistance—able to survive thanks to his strong physical condition. At the present time he's in La Cabana prison in Havana province where he's only allowed a two hour visit per month from his wife and daughter, also two or three hours of sunlight per week. He's a young man as you see—intelligent and sensitive. He graduated in Cuba equivalent to the first two years of college in the United States. As a poet he was recently awarded, after his imprisonment, the . . . CIPI Award—that means Latin American Circle of Poets and Writers in the 14th Year.

RELATIONS WITH CUBA

Mr. THURMOND. Mr. President, I commend the able Senator from Florida for his splendid work on the matter of Cuba, and I associate myself with him in this effort.

When we speak of normalization of relations with Cuba, we are really speaking of normalization of relations with Mr. Fidel Castro. I suggest we soberly consider the nature of this man.

Mr. Castro presides over a government which has imprisoned, by conservative estimates, from 20,000 to 50,000 of his countrymen for political reasons, for being guilty of speaking their minds. This incarceration, by all accounts, is under conditions which are as inhumane as any existing in the world today.

I will not spend the several hours it would take to detail the beatings, torture, deprivation, humiliation, and murder currently applied to these prisoners at the direction of Mr. Castro.

Is the United States prepared, by normalization of relations, to legitimize this man and these acts? I hope that is not the case. I find it impossible to speak of normal relations with such a man and with such a government.

I fully realize that in the opinion of some, this position may seem to conflict with the policy of détente—a policy which I am not thoroughly convinced is in the best interest of our Nation. I believe that the move to normalization of relations with Cuba, in our haste to increase trade, further entrenches the existing conditions in the countries involved. I admonish the Members of this body to remember that Mr. Castro is not content with enslaving the Cuban population. Since his rise to power he has continued to foment rebellion in other countries. I am satisfied that he has aided guerilla activity in Puerto Rico, Chile, North Korea, Brazil, Portugal, and Angola, and many South and Central American countries.

He has, as recently as this past September, declared that this practice, at least as far as Puerto Rico is concerned, will not change even at the cost of the rapprochement with the United States. I ask my colleagues to think about that statement.

This past July, the Subcommittee on Internal Security held hearings on terrorist activity in Puerto Rico. The report will be released shortly. The findings strongly suggest that, if the word of the Communists means anything, Puerto Rico is being used as a bridgehead to infiltrate, disrupt, and ultimately bring about revolution in the United States. Will we not by trading with Mr. Castro, aid him in this foul activity?

As a practical matter, the United States has very little to gain, economically, from normalization of trade with Cuba nor do we stand to gain much politically. The dependency of the Cuban economy on the Soviet Union is so deep that it would be outright naivete to assume that because of a resumption of the U.S. commercial trade with Castro, the Cuban regime will be able to obtain any degree of independence from the Soviets in the foreseeable future. Normalization will only serve Castro's ambition to achieve the moral capitulation of this country to his Communist regime. There can be no doubt that if we resume trade with Cuba, Castro will claim that we have been wrong for the past 15 years; that Cuba has been the victim of Yankee Imperialism; that the Cuban Revolution has emerged victorious from its struggle for justice. I submit to the Senators that if this country is desirous of subsidizing Communist causes around the world, then let us normalize our relations with Cuba. In reality, there is only one conclusion that countries in this hemisphere and the rest of the world can draw from U.S. normalization of relations with Castro. It is that opportunism, confiscation, extortion, constant exportation of subversion, in violation of all the rules and laws of a civilized world, can be condoned after a reasonable length of time when the pragmatism of détente overcomes the legal and moral principles on which the free world has been able to survive up to the present time.

In conclusion, I offer for the consideration of Senators some observations made by Mr. Aleksandr Solzhenitsyn in his address to the AFL–CIO. Speaking of the Communists, Mr. Solzhenitsyn said:

> Their clumsy and awkward economy which could never overcome its own difficulties by itself, is continually getting material and technical assistance from the West.

Focusing on the capitalist attitude toward détente, Mr. Solzhenitsyn found it "almost incomprehensible to the human mind: That burning greed for profit which goes beyond all reason, all self-control, all conscience, only to get money." Until such time as the situation which I have described has changed radically, I oppose, and urge all Senators to oppose, any normalization of relations with Cuba and Mr. Castro.

AMERICAN POLICY TOWARD CUBA

Mr. CURTIS. Mr. President, I am most pleased to be able to join in the discussion on the floor today concerning American policy toward Cuba. As so often happens in the pursuit of a policy, after so many years questions invariably arise concerning the validity of the policy. However, many times Members of the Senate appear to think that the passage of time itself must mean that American policy must be altered. Unfortunately, all too often decisions about a policy are made without many references to the existing situation the policy is designed to cope with.

Several Members of the Senate have now visited Cuba, numerous articles have appeared in the press by reporters that had previously been denied access to Cuba, and a long series of hearings have been held by the House International Relations Committee dealing with trade and human rights in Cuba. Now that all of this information has become available to us and so much discussion has been stimulated, I believe that certain dispassionate conclusions can be reached in conjunction with this very important question.

Probably the single most important fact that emerges from so much attention given to Cuba in the past year is the basic lack of any substantive change within Cuba itself. The people there neither have any more liberty than when the Castro dictatorship came to power, nor has the regime there foresworn their devotion to subversion throughout the hemisphere. Tens of thousands of people remain imprisoned in Cuba for their political ideas. The entire society has been reorganized along the lines of a hideous Orwellian experiment to create the unthinkingly obedient socialist man.

As with so many of the reporters who emerged from mainland China in 1972, we have the initial glowing reports of all the wonderful things that the reporters were allowed to see and the enthusiasm they found among the people they were allowed to interview. Once again a Communist regime has been able to carefully orchestrate the American press in order to provide themselves with a very favorable image in the Western world. It is always almost gruesomely ironic that a society which suppresses all vestiges of liberty in a totally ruthless manner can get a sympathetic hearing from the foremost champions of first amendment freedoms in the United States.

Fortunately, we do not have to rely only upon the information coming from the conducted tours of Cuba in order to assess the situation on the island. In hearings both before the House Foreign Affairs Committee and in an ad hoc meeting with former political prisoners on the Senate side, we have numerous tragic personal accounts of individuals victimized by Castro's tyrannical regime.

As a further indication that the Communist regime in Cuba has not altered their own ideas and outlook over the years we have the public statements of Fidel Castro and other party officials. They continue to maintain that they are basically a revolutionary regime determined to spread their system throughout the hemisphere. As we learned several weeks ago this not only gives encouragement to terrorist activities in Puerto Rico, but even is instrumental in training them within Cuba itself. Thus he remains determined to intervene violently even in the internal affairs of the United States itself while allegedly expressing an interest in establishing some harmonious relations with us.

Why does Castro express some interest in the so-called "normalization of relations"? We must carefully evaluate his own reasons and balance them off against what we feel are our own national interests. I believe that Castro seeks recognition from the United States for two basic reasons: prestige and economic benefits.

Ever since Castro was ostracized from the community of the Western Hemisphere he has sought to receive vindication by having his enemies recognize his regime as the legitimate government of all Cubans. He needs and desires recognition by the United States in order to once again bolster his cause in Latin America. After all, he has already made it clear that he would use American recognition as a propaganda tool to point out to the world that the United States, after so many years of isolating him, had to now come to him on his terms and essentially ask for forgiveness. He wants America to say that we erred by trying to isolate and topple his tyrannical regime. The net effect of granting recognition to Castro and removing trade restrictions against him would simply increase his own stature at the expense of both our own ideals and beliefs and the sacrifices of so many Cubans who have struggled to bring genuine self-rule to the people of Cuba.

Second, Castro, and the entire Communist bloc which supports him, undoubtedly realize that they can make substantial economic gains from a change in American policy. Castro's inefficient administration of the Cuban economy for the past 15 years has been a serious drain upon the resources of other Communist countries, particularly the Soviet Union. Prof. Leon Goure of the University of Miami Center for Advanced International Studies has concluded that:

> The Soviet Union subsidizes the Cuban economy at the rate of $1.5–$2 million per day. In addition, Cuba has also an unfavorable balance of trade with other communist countries which furthermore have granted it various credits and loans and provided a substantial number of technicians.

Thus by reestablishing some diplomatic and economic relations with the Castro regime the United States in effect would render assistance to the Soviet Union by relieving them of the burden of continuing to subsidize Castro's remaining in power. As we have seen in other trade agreements with Communist regimes undoubtedly credit will follow any relaxation of trade restrictions and thus some day soon Castro will be able to purchase American goods with American dollars.

Before the United States even begins to consider either increasing the prestige of the Castro regime in Cuba or subsidize his planned economic failures, we must have some concrete assurances that reciprocal concessions will be made by him. But, thus far we have absolutely no evidence that Castro is about to repudiate his alliance with the Soviet Union, foreswear support for subversive activities in the hemisphere, allow a minimal amount of liberty to his subject people or stop interfering in the affairs of even the United States in Puerto Rico.

Until Castro does something more than speak pleasantly to his sympathetic guests in Havana and smile at the television camera, we have no reasons to alter our policy.

CUBA

Mr. HELMS. Mr. President, I most forcefully commend the distinguished Senator from Florida for organizing the colloquy on the vital question of restoring freedom in Cuba. I suggest to him for his consideration that an ad hoc committee, composed of Senators who share the concern of the Senator from Florida, the Senator from North Carolina, and the Senator from South Carolina, and others, on this question, be organized so that we can more properly and more adequately convey to the American people those concerns and, in turn, enlist the support and assistance of the American people to block an unwarranted recognition by the United States of the Communist regime in Cuba.

I recommend that to the Senator. I hope he will take the lead in that regard. I will join him in the effort.

Mr. STONE. The Senator from Florida thanks the Senator from North Carolina very much indeed for his suggestion. The Senator from Florida will certainly look into it with the Senator from North Carolina, and others. I appreciate the suggestion very much.

Mr. HELMS. I thank the Chair.

ADDITIONAL STATEMENTS SUBMITTED ON U.S. CUBAN POLICY

Mr. FANNIN. Mr. President, U.S. relations with Cuba are being opened up; gradually but unmistakably. In the past several months alone, Cuba has received favorable concessions from the Organization of American States and from the U.S. Government.

Last July the OAS, meeting in San Jose, Costa Rica, altered the Rio Treaty of 1947, a mutual assistance and defense pact of OAS member nations. Treaty revisions allow member nations to act unilaterally when deciding upon economic and diplomatic recognition of Cuba. In August, President Ford responded to the OAS decision and to congressional pressure by permitting foreign subsidiaries of American firms to trade with Cuba and by removing American sanctions on nations which trade with Cuba.

The Rio Treaty was the mechanism through which the OAS lifted economic sanctions it imposed upon Cuba. These sanctions were in effect since 1962 but recently there has been a good deal of support for removing the trade embargo. Some of the OAS member nations had already rejected the embargo unilaterally and restored commercial relations with the Cuban government. But this action was in defiance of OAS restrictions.

OAS attempts in 1964, 1972, and 1974 to lift sanctions against Cuba failed but each time by a smaller number of votes. At the November 1974 OAS Foreign Ministers meeting in Ecuador, the resolution to normalize relations with Cuba failed by only two votes. The United States took a neutral position throughout the debate and abstained from the final vote.

This was a far cry from our past determination to reject the Castro regime and to refuse to support Cuba through international trade benefits. I regret that the United States stood on the sidelines at the OAS meeting last year like an unconcerned observer. The Organization of American States is not the forum for the most influential American nation to decline to participate.

Revision of the Rio Treaty could not of itself, normalize relations between the United States and Cuba, but it freed the United States from all international pressures and restrictions to limit our interactions with Cuba. The U.S. embargo of Cuba is regulated by Congressional statute and Executive order. A Presidential proclamation and an act of Congress would be necessary before all U.S. sanctions against Cuba could be lifted.

It is difficult to understand what could be gained by the United States if we reestablished diplomatic relations with Cuba. I can see where Cuba and the Soviet Union would gain enormously from access to American markets and tourists' dollars, but aside from sugar and tobacco, Premier Castro has only revolution to export.

I am not suggesting, however, that the United States can afford to ignore Cuba. It is in our national interest to be knowledgeable about the political, economic, and military situation existing in Cuba. Politically, Fidel Castro enjoys the support of his countrymen, but he is suspected by other Latins and South Americans of attempting to impose his brand of communism on their political systems. Exportation of revolution was Premier Castro's active policy during the early and mid-1960's and it was this policy which encouraged the OAS sanctions in the first place. Although Castro's instigation of rural revolutionary activity has decreased since 1969, it has not stopped. Recently, he has been actively encouraging Communist leaders in Portugal and Panama to overthrow legitimate governments and force a Marxist dictatorship on the people. Lately, Premier Castro has been promoting his brand of communism quietly, mainly because his chief benefactor, the Soviet Union, has threatened to sanction his government economically if his tactics prove harmful to détente.

Economically, Cuba is dependent on the Soviet Union to subsidize and import its crops. In fact, the Cuban economy is not self-sustaining. Russia spends approximately $1.5 million per day in economic aid to Cuba even though Cuba is a member of COMECON, the Eastern European economic community. Militarily, Cuba is dependent on the Soviet presence for its defense and its weaponry. Several thousand Soviet military personnel are stationed in Cuba and direct Soviet military assistance to Cuba is in excess of $1.5 billion. Through renewal of diplomatic or economic relations with Cuba, the United States would inadvertently help the Soviet Union by reducing the need for the heavy daily commitment of goods and services which shores up the Cuban economy.

I do not believe President Ford should continue to ease U.S. trade restrictions on Cuba or encourage Americans to accept the Cuban Government's way of life for the Cuban people. Americans do not accept Castro. They have continuously made it known that they will not support an adversary government just 90 miles off the American coast. Our expanded political and economic recognition of Cuba will serve to encourage and legitimize Premier Castro's governmental policies, including nationalization of land and industry, exportation of revolution and restriction of civil and personal liberties. If the United States were to provide free access to this country and its markets, Premier Castro would not have to devote all his time to making the Cuban economy less dependent on the Soviet Union. He could turn his efforts toward the practical application of his revolutionary zeal and attempt to subvert our Nation.

I can assure you Cuban insurgents will not be welcome in the United States. We have enough domestic critics of our democratic institutions, we certainly do not need Cuban revolutionaries to swell their ranks.

Foreign governments do not have to share the same moral, social and economic principles as the United States in order to receive diplomatic recognition or trade concessions from our Government. As a matter of fact our industrial and manufacturing sectors would be stifled in their endeavors if they could not trade with non-market nations. In addition, our people would be unable to learn about the benefit from the history, folk customs and culture of much of the world.

The United States must demand that her trading partners acknowledge and respect her cherished institutions. Premier Castro's policy of actively supporting Communist style revolution in neighboring countries points to his lack of respect for established governments. The United States cannot condone this policy. I oppose conferring legitimacy and acceptability on the Castro regime and will continue to work against our recognition of that country. We should use our powerful weapon of economic sanctions to impress upon Cuba the value of free and open societies to the people of the Americas.

CUBA

Mr. DOLE. Mr. President, the junior Senator from Kansas would like to make a few comments about the property formerly owned by American citizens that was expropriated by the present Cuban Government.

It is my understanding that American citizens have filed 8,816 claims for a total asserted amount of $3,346,406,000 against the Cuban Government. This sum amounts to more than the total combined amount of assets expropriated by the Communist governments in the Soviet Union and in Eastern Europe from American citizens. These claims against the Cuban Government have been filed under the Cuban claims program of the Foreign Claims Settlement Commission which the Congress created in 1964.

HIGH PRIORITY

I am pleased to see that Assistant Secretary, William D. Rogers of the State Department, stated as recently as September 23 in testimony before the House of Representatives that one of the highest priorities of the administration in regard to the Cuban Government is the issue of compensation for claims by U.S. nationals. It is my understanding that the State Department regards the issue of compensation for expropriated property as one of the basic problems that must be discussed in any dialog between the United States and the Cuban Government.

As the State Department has emphasized that any dialog with Cuba "must be on a basis of reciprocity," indeed it would seem that that resolution of the expropriated assets issue would be absolutely essential to any dialog based on reciprocity.

It is the feeling of this Senator that the Congress should be in full agreement with the State Department on the importance and the high priority of resolving the expropriated property issue. For if there is any equity in a dialog between the Cuban Government and our own, the interests of American citizens must be protected.

As a practical matter, the compensation for or restitution of expropriated property may be a difficult issue to resolve completely. Mr. Lynn Darrell Bender, a student of the Cuban situation and author of the book, "The Politics of Hostility," has written that "it is probable that any new government in Cuba, even under a resuscitated capitalist economic system, would be reluctant—if not politically unable—to return such properties as major public utilities and refining facilities." So even in the best of circumstances, the resolution of the Cuban claims problem would likely be difficult.

Notwithstanding the difficulty of the situation, it would be the feeling of this Senator that the State Department should stand firm and work hard to achieve the best possible solution.

As we saw with the proposal by the Czechoslovakian Government last year to resolve the claims against that government on the basis of 42 cents on the dollar, there has been a very significant trend among other parts of the world to take advantage of the relative wealth of the United States in such matters. The Congress, in its wisdom, objected to the claims settlement proposal of Czechoslovakia last year and a specific amendment was added to the Trade Act to deal with the Czechoslovakian situation. That amendment provided that the President must renegotiate the agreement with Czechoslovakia on the settlement of U.S. claims and that there must be a full and fair settlement before most-favored-nation treatment could be granted.

Czechoslovakian gold held by the United States was required to be held until a settlement is negotiated and submitted to the Congress as part of any bilateral commercial agreement with Czechoslovakia. The amendment requires approval by Congress of both the renegotiated claims settlement and the release of any gold belonging to Czechoslovakia before any nondiscriminatory treaty and credits may be extended.

That amendment, while it applied only to the Czechoslovakian situation certainly sets a precedent that may be followed in the settlement of Cuban claims.

The Senate also recently adopted an amendment to H.R. 9005, the International Development and Food Assistance Act of 1975 which provides that no debt owed to the United States by any foreign country may be settled in an amount less than the full amount of such debt unless the Congress by concurrent resolution approves of such settlement. This bill is presently in the conference committee and has yet to be enacted. However, this provision, if enacted, would require a concurrent resolution in the event that claims by the United States against the Cuban Government are settled at less than the full amount. As I understand, the U.S. Government had a substantial amount of interest that was expropriated by the Cuban Government including the directly owned MOA Bay Mining Co., which was purportedly worth $100 million.

So it is my feeling that the Congress has, by its actions, shown a great deal of determination that the claims against the Cuban Government should be settled in a fair and equitable manner and that the Congress may be inclined to take specific action in the event they are not. Surely, this has been a clear message to the State Department and I would hope their actions will be guided by it.

In any possible future agreement on the settlement of claims against the Cuban government, it would also be my hope that the State Department will look carefully to determine who has suffered the greatest from the action of the Cuban government and to devise a settlement in a manner proportionate to the losses suffered by various individuals. It is my understanding that many corporations have been able to write off as a tax loss at least a portion of the assets that were confiscated in Cuba. So, in effect, it has been apparently those private persons who lost property and assets in Cuba that have suffered the most. Hopefully, any negotiations with the Cuban government will be after a careful study of this situation has been made to insure that those who have truly suffered the most will, in fact, be those who are provided the greatest amount of compensation.

AVOID PRE-EMPTION

Concerning the role of Congress in this matter, it is my strong feeling that we should avoid action that would close off the negotiating flexibility of the State Department in any future possible talks with the Cuban government and the Cuban claims issue surely is one that most clearly indicates the need for some kind of dialog. For in the past decade when we have had an antagonistic and noncommunicative policy toward the Cuban government, the claims settlement issue has gotten no closer to resolution. So presumably, by opening some sort of dialog with the Cuban government, we may be able to make some progress toward resolving the claims settlement problem.

At the same time, this dialog should be opened carefully and as previously stated, could be on a basis of reciprocity. It would be my hope that the Congress will take no action that would result in a dialog that is other than on the basis of reciprocity.

It may be ironic that some in this country and in the Congress who have criticized other governments—especially the Chilean government—for their actions are now prepared to open negotiations with the Cuban government. It would seem that the Congress should be cautious so as not to act hastily in this matter and so as to avoid any hurried negotiations that prevent the executive branch from adequately and properly protecting the interests of American citizens.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of routine morning business for not to exceed 15 minutes with statements therein limited to 5 minutes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time for routine morning business be extended 5 minutes, and I yield my 5 minutes to the distinguished Senator from Wisconsin.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I thank the majority leader very much. It is most helpful.

NEW YORK CITY'S FINANCIAL PROBLEMS

Mr. PROXMIRE. Mr. President, I invite the attention of the Senate to the actions New York City already has taken to reduce its payrolls and to cut back its expenditures.

I think that all the eloquence, all the arguments, all the speeches in the world cannot compare with what the record shows. The whole purpose that everybody on both sides of this issue has with respect to New York City and its financial difficulties is that there must be more financial discipline. They must cut their spending.

All of us, including the President of the United States, I am sure, want to avoid default, if possible; but we do want discipline. We want to make sure that New York City cuts back on excessive spending.

What has New York done—not said, not promised, nor protested—but what have they done?

Overall, New York has cut back its payrolls by more than 10 percent since December 31 of last year. In other words, in less than a year, they have reduced their payrolls by some 11 or 12 percent. They had 294,000 employees; they now have 258,000 employees.

Mr. President, let us see how that cut was made.

The police have been cut by 4,000, or by some 11 percent; firemen by 1500, or by about 11 percent; sanitation workers by 2,000, or by 15 percent; social services have been cut 29,000, or by about 13 percent; health services have been cut 761, or by about 15 percent; the Transportation Department has been cut 820, or by about 15 percent; resorts, recreation, and cultural services have been cut by more than 1,000, which is about a 20-percent cut; the Board of Education—that is, teachers, and so forth—has been cut by about 12 percent; the hospital corporation has been cut by some 16 or 17 percent.

Just yesterday, it was reported in the newspapers that an additional 8,000 New York City employees will be promptly laid off, including an additional 1,000 police, an additional 3,000 health and hospital workers, and an additional 218 library employees. These cuts are proceeding.

I should like to put these cuts in perspective, because the cuts may not mean much when we just give the numbers.

New York City has been criticized because, in the view of some people, they have had too many people overall employed in relationship to their population. The budget office of Congress has made a study of the comparable functions of New York City and the other big cities in the country. What they find is very interesting.

They find that even before the cuts were made, compared to other major cities, New York City did not have the largest number of employees per capita in comparable functions. As a matter of fact, there were other cities in the country that had substantially more, including Philadelphia, Newark, and Baltimore.

However, now that New York has made these reductions and the reductions which Mayor Beame announced just yesterday, she now has or will have when the additional 8,000 layoffs take place, fewer employees per capita—and there are 11 comparable cities here—than Boston, New York, Philadelphia, San Francisco, New Orleans, St. Louis, Denver, and Baltimore. Only three major cities in the country will have a smaller number of employees per 10,000 population. They are Chicago, Los Angeles, and Detroit. At the present time, they are very close to the number of employees New York City has.

If we recognize the path that New York is on, the mandate they are under, to continue reducing employees—and they have to cut some 70,000 altogether by the end of next year—if they continue on that path, and they are mandated to do it, they will have fewer employees per 10,000 than any other major city in the country. I do not think we should throw our hands in the air and rejoice over this. We have to recognize what happens to these people. When they are laid off, they go on welfare in some cases or collect unemployment compensation, and this is a burden on the Federal Government as well as on the city and the State.

But, Mr. President, what can the city do? We cannot very well criticize them for laying people off, when this is what we are asking them to do. They are doing precisely what has been called for. In addition, New York has cut back all of its capital investment; as a matter of fact, they now are in a position where only those capital projects which are more than 60 percent completed have any work being done on them. Now there is heavy unemployment in the New York area, as there is all over the country, in construction. When these projects are cut back, that means more unemployment; again, more people on welfare, more people on unemployment compensation. But, again, this is the tough course that has to be taken.

Mr. President, I think everyone has agreed that New York City has been wasteful, that they have hired too many people, that they have provided services too extravagantly. We have to consider that under the present program that the State of New York has put into effect, with the emergency control board in full charge, they are making remarkable progress in the direction of a balanced budget for the city of New York. If they had not done that, they would not have my support in their struggle to avoid default.

Mr. President the case for a Federal guarantee hinges squarely on this successful record. There is a momentum here. Let us take advantage of it.

They are making progress in the right direction. They are reducing their spending. They are on target. And given a modest and, I think, quite a modest guarantee by the Federal Government, they can continue.

I wish also to point out, Mr. President, that the bill that is before the Senate—that is on the Calendar, at least—provides that the State of New York has to assume full and complete responsibility for what New York City does. The State of New York has had control for more than 6 months of New York's fiscal affairs. Under our bill, it would continue to have that control as long as the guarantee is outstanding. The Federal Government would work through the State of New York.

Furthermore, in the event that the city needs the guarantee in order to provide essential services at any time, then New York State will be held fully responsible and will have to make the Federal Government whole for any cost to the Federal Government.

Mr. President, I think that if we recognize that there has been progress made, that they are moving in the right direction, that everything that could possibly be achieved through default is being achieved here—they are reducing their payroll, they have frozen their wages, they would be required and they are going to continue to reduce the burden of the pension costs—all these things are being achieved. I think if we recognize that, many Senators I have talked to—a number, at least, that I have talked to—who have been adverse to assisting New York, now see that the best way to do it, the most sensible, economical way, the way that will involve the Federal Government for the shortest period of time, is to insist on this tough, Spartan, disciplined bill which we have before us. It is to insist also, Mr. President, that New York balance its budget within 2 years, and that they continue on this program—which is painful and difficult—of laying people off, but continue to do it until they have achieved the balanced budget and until they have gotten out from under the guarantee.

Mr. President, I ask unanimous consent that a table which was printed in the New York Times yesterday, detailing specifically where the layoffs are, be printed in the RECORD.

I also ask unanimous consent that a supplementary table, which shows the additional layoffs which the mayor has ordered, be printed in the RECORD; also, that a story by Mr. John Darnton, detailing the effect of these layoffs, be printed in the RECORD.

I also ask unanimous consent to have printed in the RECORD an article on Mr. Kenneth Axelson, who has been deputy mayor of the city for the last 2 months. He is on leave from J. C. Penney, a very successful businessman, who has had great success in the tough competition of private enterprise. I ask that the article, on what Mr. Axelson has been doing in New York, be printed in the RECORD.

Mr. President, I also ask unanimous consent that tables from the Congressional Budget Office study comparing the expenditures in the city of New York and the number of employees in the city of New York be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROPOSED PAYROLL REDUCTIONS

Agency and estimated number of full-time employees to be separated.

Education	495*
Higher education (CUNY)	-----*
Police	1,088
Fire	-----
Social services	927
Charitable Institutions budget	-----
Environmental Protection Administration	313
Park, Recreational and Cultural Affairs	466
Correction	60
Municipal Services Administration	10
Health and Hospital Corporation	3,135*
Health Services Administration	-----
Transportation Administration	46
Finance	80
Addiction Services Agency	21
Human Resources Administration	58
Libraries	218
Cultural institutions	77
Boro presidents	26
Courts	707
Transit police	89
Housing police	62
All others	496
Total	8,374

*The separations for these independent agencies have not been completed.

REDUCTIONS IN NEW YORK CITY'S FULL-TIME PAYROLL

[Includes reductions both by layoffs and by attrition. Does not include the reductions of approximately 8,000 additional positions now being contemplated.]

	Employees as of Dec. 31, 1974	Employees as of Oct. 31, 1975	Changes December 1974 to October 1975
Mayoral agencies:			
Uniformed forces (includes civilians):			
Police	35,411	31,096	−4,315
Fire	14,003	12,454	−1,549
Sanitation	14,295	12,194	−2,101
Correction	4,474	3,820	−654
Nonuniformed:			
Mayoralty	1,020	870	−150
Law Department	808	619	−189
City Planning	477	386	−91
Personnel	439	381	−58
Social services	26,768	23,822	−2,946
Human Resources Administrations	1,274	1,172	−102
Taxi and Limousine Commission	177	114	−63
Youth services	581	472	−109
Addiction services	691	545	−146
Economic Development Administration	472	355	−117
Housing Development Administration	4,361	3,782	−579
Health services	5,050	4,289	−761
Environmental Protection Agency [1]	4,779	4,402	−377
Finance	2,071	1,714	−357
Transportation Department	5,616	4,796	−820
Resorts, Recreation, Cultural Affairs	4,705	3,656	−1,049
Municipal services	3,628	3,152	−476
Consumer Affairs	308	252	−56
Others	1,686	1,357	−329
Other officials:			
Comptroller	1,209	1,119	−90
Borough Presidents	451	411	−40
Board of Water Supply	633	562	−71
City Council	221	216	−5
District attorneys	1,389	1,294	−95
Others	526	461	−65
Independent agencies:			
Off Track Betting	1,871	1,986	+115
Board of Education	79,852	71,076	−8,776
Board of Higher Education	20,009	18,485	−1,524
Hospital Corporation	46,780	39,752	−7,028
N.Y.C. Transit Authority [2]	1,070	1,035	−35
Cultural institutions [3]	272	226	−46
Courts:			
Criminal Court	991	927	−64
Office of Probation	1,549	1,158	−391
Supreme Courts	2,489	2,373	−116
Civil Court	763	697	−66
Family Court	684	560	−124
Others	669	597	−72
Total	294,522	258,635	−35,887

[1] Excludes sanitation.
[2] Employees paid out of capital budget.
[3] Employees on the city payroll.

Source: New York City Office of Management and Budget.

NEW CUTS FELT THE LEAST BY UNIFORMED SERVICES

(By John Darnton)

The details announced yesterday in Mayor Beame's plan to reduce the city's budget by $200 million over a year's time show that the burden of the cuts will fall most heavily upon social services, hospitals and education, which together account for almost half of the economies.

In contrast to earlier rounds of cuts, the uniformed services—police, fire, sanitation and correction—will bear only about 20 per cent of the reductions, in keeping with the Mayor's pledge to maintain "essential services" as much as possible.

Moreover, more than half of the targeted $200 million reduction will be accomplished by curtailing programs, as opposed to laying off personnel.

This means according to Budget Director Melvin N. Lechner that the city stands to lose $120 million in matching-aid grants from the Federal and state governments. It also means that thousands of other employees in agencies that receive funds from the city could be laid off.

ADDED REVENUE

Some of the measures will entail the hiring of more personnel to gain added revenues. The Transportation Administration, for example, will hire 50 additional parking-law enforcement agents, to raise an estimated $1.25 million by giving out more parking tickets. And the Water Resources Department will hire additional personnel to scout for unreported swimming pools and coin-operated washing machines, to increase water charges by an estimated $1.62 million.

Other proposals call for some apartments, such as the Finance Administration, to achieve economics simply by cutting back on equipment and supplies, eliminating administrative positions, and striving for "excess attrition." No details were provided on how any of this eight be achieved.

Following is a breakdown of the highlights of program and personnel cutbacks affecting major departments, as presented by the Mayor's Budget Bureau:

EDUCATION

Although the plans for cuts in education have not been completed, 495 employees so far are scheduled to be dropped from the payroll, by attrition if possible. Staffs are to be reduced for the members of the Board of Education, the Chancellor, other officials, and the offices of personnel recruitment assignment and training. School safety guards will be cut back. Free transit passes for some pupils living within one mile of their schools will be eliminated. Further reductions must be made to account for $24.3 million.

POLICE

There will be 1,088 personnel eliminations, including 205 civilians. This will mean a reduction in street patrol of 3.5 percent, and decreases in borough task forces and precinct anticrime teams. The detective bureau will be decreased by 4.5 percent. The response to traffic accidents will be reduced by 4 percent, and traffic control in midtown will be lessened. One of the property clerk's auto pounds will be closed.

FIRE

There will be no additional decreases of Fire Department personnel, but some fire companies will be eliminated to deploy a manpower to save $8.32-million in overtime. James A. Cavanagh, the First Deputy Mayor, said that eight fire companies—not yet identified—would be closed. Commissioner John T. O'Hager said the figure of eight companies was not yet firm.

SANITATION

Of 313 persons in the Environmental Protection Administration to be off the payroll, 268 are sanitation men. The agency said that there would be no impact on collection and cleaning schedules, since the reduction would be absorbed in the number assigned to the central office, borough headquarters and other support service units. There will be a reduction in staff for overtime, holiday and Saturday work. In other divisions of the administration, cuts will be made in executive and administrative positions to safeguard a $1 million Federal grant for the Department of Air Resources. Collection of water charges will be stepped up.

SOCIAL SERVICES

Twenty-eight day-care centers will be closed, to save $9 million; nine of them are in Manhattan, 11 in Brooklyn, five in Queens and three in the Bronx. Three centers for the elderly will be closed to save $1.1 million—Shalom in Crown Heights, Brooklyn, Golden Jet in Manhattan's Upper West Side, and the Rockaway in Queens. Revisions will be made in fee schedules for Medicaid and in procedures covering emergency assistance, such as for housing grants, provided to welfare recipients. Inflationary rate adjustments will be frozen for voluntary child-care agencies.

WASHINGTON, D.C.,
November 12, 1975.

Hon. WILLIAM PROXMIRE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR SENATOR PROXMIRE: There are some differences in the Census data used to compile column (4), Table 7 of the Congressional Budget Office report New York City's Fiscal Problem and the numbers reported in the November 13 New York Times. First, the Census data are full-time equivalents (e.g., two half-time employees are added together to get one full-time equivalent) instead of full-time workers. Second, even adjusting for differences in the categories of workers covered, there is a discrepancy of 15,000 full-time workers (the Census figures are higher). To make the New York figures roughly comparable to those for other cities in column (4), the cutbacks from the Times are used on the Census base.

The cutback figures in the Times may underestimate cutbacks on the Census base because part-time workers, transit employees, and many housing employees are not included in the Times data. Also, employment in other cities has undoubtedly changed in the year from October 1974 to October 1975. The direction of this change for other cities is not obvious, however, since the tendency for growth in city employment and the recession are offsetting facors.

Keeping these caveats in mind, the adjustments to the numbers in the Congressional Budget Office report are as follows:

NEW YORK CITY LOCAL GOVERNMENT EMPLOYMENT, PER 10,000 POPULATION

		All governments serving central county	
	City government	Total	Common municipal functions
CBO report October 1974	517.1	528.2	242.9
With cutbacks Dec. 31, 1974 to Oct. 31, 1975	470.2	481.3	216.1
With additional cutbacks proposed by Beame Nov. 12	459.3	470.2	212.9

We have requested data from the New York City budget office that could help revise these figures and include cutbacks in transit, housing, and part-time workers. If and when these figures become available, we will update the above table for you.

Sincerely yours,

PETER K. CLARK,
Fiscal Policy Division.

AXELSON INFUSES CITY AFFAIRS WITH BUSINESS EXPERTISE

(By Francis X. Clones)

"The thing I don't understand is how complicated the city has become since Sept. 15," Deputy Mayor Kenneth S. Axelson, two months removed from the executive inner sanctum of J. C. Penney Company Inc. was saying.

"Until that date, my wife, the doorman in my building, the elevator operator—we all had the answers about what was wrong with the city. But since I was sworn in on Sept. 15, the city has gone to hell and I can't understand it."

Mr. Axelson was offering an ironic summary of the first fact of political life: before you can fight City Hall, you must first understand it.

As one of the principals in the heralded application of business expertise to the fiscal disarray that currently distinguishes self-government in the city, Mr. Axelson is quietly making a place for himself at the side of Mayor Beame.

Even when he is left out, such as at hierarchial arrangement of city fathers flanking the Mayor at a news conference the other day, Mr. Axelson managed to find a stray chair and politely wedge it into place for himself between Mr. Beame and City Council President Paul O'Dwyer.

WILLING TO DO BATTLE

More important, City Hall officials say, Mr. Axelson has shown that he is willing to do battle with fellow business executives who sit across from him at the private sessions of the State Emergency Financial Control Board, which now has the final word on city finances. He speaks with just "a certain taut, firm quality in his voice" according to one witness.

Whether such a total outsider as Mr. Axelson has a chance of taking root in the encusted political corridors of City Hall is still an unanswered question. More and more, First Deputy Mayor James A. Cavanagh—something of a symbol of the old fiscal ways in the eyes of critics—has been noticed speaking up lately on budget details in behalf of the Mayor. A common observation made separately by two officials on Governor Carey's side of the state board table is that Mr. Axelson seems to have become more quiet as he has become acclimated.

But Mr. Axelson is quiet as a matter of style, and friends note that no one person particularly one on leave from the more limited and affluent world of corporate politics, can be a suitable challenger of the great decades-old windmill of the city's budget bureaucracy.

The differences thus far have included the method for settling the new $200 million package of city austerities and the setting of contract review limitations by the state board. Mr. Axelson felt there had been an understanding and tacit approval of the city's issues, according to one professional politician who contended that subsequently "things got a bit political." But a state participant feels these might have been misunderstandings, and Mr. Axelson politely withholds the secrets of his newest board room setting.

As a 53-year-old senior vice president and finance director at J. C. Penney, Mr. Axelson was chosen by the Mayor in part to reassure the city's business community that they would have a voice in the attempt to restore balance to the foundering city budget.

But for the $1-a-year public salary that augments his $143,000 from Penney's, Mr Axelson is not playing the role of a scolding visitor, according to other Beame aides.

From his early days at City Hall, Mr. Axelson has formed cautions directed as much at himself as bureaucrats.

"It is very easy to try and overdo the business approach as applied to public life, to lose sight of what the purpose of government is, particularly in a struggle where you're trying to make cost reductions yet make the best political decisions for society," Mr. Axelson said one recent morning.

"These are terrible decisions, really."

CAR HAS TELEPHONE

He spoke at his 14th-floor office across from City Hall at 250 Broadway, sipping hot black coffee and enjoying the mixture of morning quietude and sunshine.

True to his schedule, Mr. Axelson left his home at the Majestic, Central Park West and 72nd Street, promptly at 7:30 a.m. The city car has a telephone—lately one of the symbols of fiscal excess in the eyes of some critics.

The car stopped at Riverside Drive so Mr. Axelson could pick up his chief aide, Eugene Keilin, the 33-year-old assistant to the deputy mayor for finance. Marie Sweeney, Mr. Axelson's secretary at J. C. Penney who spends half her time in the city office, arrives in a short while.

Mr. Axelson has signed on for one year after which he returns to "the nice, orderly, controlled atmosphere" at Penney's, he says, smiling. Actually, Mr. Axelson, with Penney's since 1963, is credited with bringing the company through a hectic period into the modern merchandising world by enlarging its market into suburban metropolitan areas, opening dozens of new stores, upgrading its line, and introducing a sophisticated customer-credit service replete with trips for foreign financing, large real-estate deals and complicated public financing.

"That's one way I learned about debt," said the accountant, a Chicago native who has lived here with his wife, Roberta, for 17 years.

His city duties include overseeing the three-year plan for rebalancing the budget by means of more than $700 million in cuts. As part of this, he is attempting to eliminate a conflict that is traditional and basic to City Hall politics—the differing accounting methods and claims that are offered by the Mayor's Bureau of the Budget and the City Comptroller's office.

"The financial management and practices in this city in the past were inexcusable," he declares, his tone as straight and composed as his mustache. "It isn't enough to say that and leave it there."

NEW DECISIONS

But as he tries to follow through on this mission, Mr. Axelson runs into new sorts of profit-and-loss decisions, and he admits he is hesitant.

"In business, you focus on the long-range profitability of the enterprises, and within that you put the needs of society as well as employe responsibility," he says. "But here, the long-range profitability is of the people you're supposed to be serving."

City Hall offers more than the rewards of civic sacrifice to the affluent executive; Mr. Axelson is the latest in this year's line of what has been termed "crisis junkies."

"It's frustrating because of the calamitous atmosphere around here," he explains. "But I often feel I'm at the vortex of these great economic problems and you can't help but be stimulated.

"Whatever happens, clearly New York City is right there at the center some place. It's a fascinating experience."

TABLE 7.—NEW YORK CITY COMPARED TO OTHER LARGE CENTRAL CITIES

	(1)	(2)	(3)			(4)			(5)				(6)	(7)	
			Per capita expenditures 1972–73			Local government employment per 10,000 population 1974			Public employee average salaries 1974					Debt outstanding per capita 1972–73	
				All local governments[1] serving central county			All local governments[1] serving central county								
City	Index of central city disadvantage	Fraction of population receiving welfare payments[1]	City government (a)	Total (b)	Common municipal functions[2] (c)	City government (a)	Total (b)	Common municipal functions[2] (c)	Teacher (a)	Police (b)	Fire (c)	Sanitation (d)	Cost of BLS's intermediate family budget (index 1974)	Total (a)	Short-term (b)
New York City[3]	211	12.4	$1,224	$1,286	$435	517.1	528.2	242.9	$17,440	$14,666	$16,964	$15,924	116	$1,676	$352
Boston	198	16.9	858	756	441	378.0	465.0	219.2	16,726	14,352	13,844	10,666	117	1,385	384
Chicago	245	11.1	267	600	383	140.0	352.5	208.4	20,891	14,146	15,525	11,956	103	733	169
Newark	422	14.4	692	827	449	391.1	421.5	258.2	16,464	13,282	13,282	8,473	116	616	112
Los Angeles	105	8.0	242	759	408	162.2	401.1	206.2	15,670	15,833	21,180	13,168	98	650	14
Philadelphia[2]	205	16.2	415	653	395	163.8	414.5	255.2	15,354	14,354	13,869	13,337	103	1,015	101
San Francisco	105	9.1	751	1,073	488	312.5	488.3	224.6	15,743	15,529	17,765	13,023	106	1,225	151
New Orleans[2]	168	11.4	241	431	260	177.3	357.7	217.5	10,458	10,746	10,645	4,170	NA	770	39
St. Louis[2]	231	15.8	310	610	360	241.9	424.6	214.2	17,545	11,748	13,185	9,593	97	731	49
Denver[2]	143	7.2	473	721	375	237.0	410.5	219.3	13,505	12,907	14,198	10,258	95	786	52
Baltimore[2]	256	16.3	806	814	470	434.1	434.1	260.1	12,727	10,098	10,980	8,126	100	609	45
Detroit	210	11.1	357	650	396	194.8	354.3	202.4	22,603	15,636	16,107	13,814	100	658	63

[1] Central county.

[2] Common Municipal Functions include elementary and secondary education, highways, police, fire, sanitation, parks, general control and financial administration.

[3] Boundaries of the city are coterminous with those of the central county.

SOURCES

1. Richard Nathan "The Record of the New Federalism: What It Means for the Nation's Cities." Brookings Institution, 1974.

2. Department of Health, Education, and Welfare, recipients of public assistance money payments and amounts of such payments by program, State, and county. February 1975 DHEW Pub. No. (SRS) 76-03105 NCSS Report A-8 (February 1975). Includes AFDC and general assistance recipients.

3a. U.S. Bureau of the Census, "City Government Finances in 1972–73," GF73, No. 4.

3b, c, 7. U.S. Bureau of the Census, "Local Government Finances in selected Metropolitan Areas and Large Counties 1972–73," GF 73, No. 6.

4. and 5. U.S. Bureau of the Census, "Local Government Employment in Selected Metropolitan Areas and Large Counties 1974," GE74, No. 3.

6. Bureau of Labor Statistics, "Autumn 1974 Urban Family Budgets and Comparative Indexes for Selected Urban Areas." (Apr. 9, 1975).

Mr. MANSFIELD. Mr. President, I want to join with the distinguished Senator from Wisconsin in discussing the New York situation today which, I think it should be emphasized, applies primarily not to the city of New York but to the State of New York. That is a difference which I think we should not lose sight of.

It is hoped that on the basis of the special session called by Governor Carey today, the State of New York will be able to come up with a proposal which will meet with the approval of the administration and the Congress.

I point out that while things are looking better, the pressure is still on New York and what will develop as a result of this special session may well determine in large part whether or not it will be possible for the State, the administration, and the Congress to get together on a reasonable solution to a difficult situation.

I commend the Senator for indicating how much has been done. We must all recognize that a great deal more still has to be done.

Mr. PROXMIRE. Yes, I say to the distinguished majority leader, I could not agree more. A great deal more has to be done, including raising the taxes on the people of New York to help reduce the deficit. As a matter of fact, we require in our bill that one-half of the deficit be paid by increased taxes on the people of New York. I agree wholeheartedly that more has to be done.

I think the administration deserves praise for keeping the pressure on the way they have. I have disagreed with the administration, to a certain extent, because of the pressure they have been putting on, but I think all the pressures have been working in the right direction.

Mr. MANSFIELD. And the pressure is still on.

Mr. PROXMIRE. And it is going to continue on if there is a guarantee until that guarantee is off and until they are on their own with a balanced budget.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Nevada.

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII—H.R. 5900

Mr. LAXALT. Mr. President, I ask unanimous consent that the amendments filed this morning at the desk be considered as read under the provisions of rule XXII in connection with the common situs bill, H.R. 5900.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR VOTE ON CLOTURE MOTION TO BEGIN AT 10:40 A.M. AND END AT 11:20 A.M. TOMORROW—H.R. 5900

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the cloture motion begin at the hour of 10:40 tomorrow morning and extend through the hour of 11:20. In other words, there will be a 40-minute vote, but, because of difficulties which have occurred, this is the best way to face up to a situation, one which will be of the most benefit to the Membership as a whole.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ORDER FOR ROLLCALL ON CLOTURE VOTE TO EXTEND FOR NOT TO EXCEED 1 HOUR—H.R. 5900

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent, with regard to the cloture vote on tomorrow, that the rollcall vote be allowed to extend for not to exceed 1 hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

TIME UNDER CLOTURE RULE TO BEGIN RUNNING ON FRIDAY AT 9:20 A.M.—H.R. 5900

Mr. ROBERT C. BYRD subsequently said: Mr. President, in line with the distinguished majority leader's request that the cloture vote begin on tomorrow at 10:40 a.m. I ask unanimous consent that the 1 hour under the cloture rule begin running at the hour of 9:20 a.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE SESSION

TAX CONVENTION WITH THE REPUBLIC OF ICELAND; TAX CONVENTION WITH THE POLISH PEOPLE'S REPUBLIC; TAX CONVENTION WITH THE SOCIALIST REPUBLIC OF ROMANIA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of calling up three treaties and that they be read to final reading.

The PRESIDING OFFICER. Is there objection;

There being no objection, the Senate, as in committee of the whole, proceeded to consider executive E, 94th Congress, first session, Tax Convention with the Republic of Iceland; executive A, 94th Congress, first session, Tax Convention with the Polish People's Republic; and executive B, 93d Congress, second session, Tax Convention with the Socialist Republic of Romania, which were read the second time, as follows:

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF ICELAND

For the Avoidance of Double Taxation and the Prevention of Fiscal Evasion With Respect to Taxes on Income and Capital.

THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF ICELAND

Desiring to conclude a convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital,

Have agreed as follows:

ARTICLE 1

Taxes covered

(1) The taxes which are the subject of this Convention are:

(a) In the case of the United States, the Federal income taxes imposed by the Internal Revenue Code, hereinafter referred to as the "United States tax", and

(b) In the case of Iceland, the National income tax, National capital tax and municipal income tax, hereinafter referred to as the "Icelandic tax".

(2) This Convention shall also apply to taxes substantially similar to those covered by paragraph (1) which are imposed in addition to, or in place of, existing taxes after the date of signature of this Convention.

(3) For the purpose of Article 7 (Nondiscrimination), this Convention shall also apply to taxes of every kind imposed by the Contracting States, states, political subdivisions, or local authorities. For the purpose of Article 29 (Exchange of Information) this Convention shall also apply to taxes of every kind imposed by the Contracting States.

ARTICLE 2

General Definitions

(1) In this Convention, unless the context otherwise requires:

(a) (i) The term "United States" means the United States of America; and

(ii) When used in a geographical sense, the term "United States" means the states thereof and the District of Columbia. Such term also includes (A) the territorial sea thereof, and (B) the seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over the submarine areas adjacent to the coast which the United States exercises sovereign rights, in accordance with international law, with respect to the exploration for, and exploitation of, the natural resources of such areas, but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation.

(b) (i) The term "Iceland" means the Republic of Iceland; and

(ii) When used in a geographical sense the term "Iceland" includes (A) the territorial sea thereof and (B) the seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which Iceland exercises sovereign rights, in accordance with international law, with respect to the exploration for, and exploitation of, the natural resources of such areas, but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation.

(c) The term "one of the Contracting States" or "the other Contracting State" means the United States or Iceland, as the context requires.

(d) The term "person" includes an individual, a partnership, a corporation, an estate, a trust, or any body of persons.

(e) (i) The term "United States corporation" or "corporation of the United States" means a corporation which is created or organized under the laws of the United States or any state thereof or the District of Columbia or any unincorporated entity treated as a United States corporation for United States tax purposes; and

(ii) The term "Icelandic corporation" or "corporation of Iceland" means a corporation or any entity which is treated as a body corporate for tax purposes under the laws of Iceland and is created or organized under the laws of Iceland.

(f) The term "competent authority" means:

(i) In the case of the United States, the Secretary of the Treasury or his delegate, and

(ii) In the case of Iceland, the Minister of Finance or his authorized representative.

(g) The term "State" means the United States, Iceland, or any other National State.

(h) The term "international traffic" means any voyage of a ship or aircraft operated by a resident of one of the Contracting States except where such voyage is confined solely to places within a Contracting State.

(2) Any other term used in this Convention shall, unless the context otherwise requires, have the meaning which it has under the laws of the Contracting State whose tax is being determined. Notwithstanding the preceding sentence, if the meaning of such a term under the laws of one of the Contracting States is different from the meaning of the term under the laws of the other Contracting State, or if the meaning of such a term is not readily determinable under the laws of one of the Contracting States, the competent authorities of the Contracting States may, in order to prevent double taxation or to further any other purposes of this Convention, establish a common meaning of the term for the purposes of this Convention.

ARTICLE 3

Fiscal residence

(1) In this Convention:

(a) The term "resident of Iceland" means:

(i) An Icelandic corporation, and

(ii) Any person (except a corporation or any entity treated under Icelandic law as a corporation) resident in Iceland for purposes of its tax, but in the case of a partnership, estate, or trust only to the extent that the income derived by such person is subject to Icelandic tax as the income of a resident.

(b) The term "resident of the United States" means:

(i) A United States corporation, and

(ii) Any person (except a corporation or any unincorporated entity treated as a corporation for United States tax purposes) resident in the United States for purposes of its tax, but in the case of a partnership, estate, or trust only to the extent that the income derived by such person is subject to United States tax as the income of a resident.

(2) Where by reason of the provisions of paragraph (1) an individual is a resident of both Contracting States:

(a) He shall be deemed to be a resident of that Contracting State in which he maintains his permanent home;

(b) If he has a permanent home in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of that Contracting State with which his personal and economic relations are closest (center of vital interests):

(c) If the Contracting State in which he has his center of vital interests cannot be determined, he shall be deemed to be a resident of that Contracting State in which he has a habitual abode;

(d) If he has a habitual abode in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of the Contracting State of which he is a citizen; and

(e) If he is a citizen of both Contracting States or of neither Contracting State the competent authorities of the Contracting State shall settle the question by mutual agreement.

For purposes of this paragraph, a permanent home is the place where an individual dwells with his family.

(3) An individual who is deemed to be a resident of one of the Contracting States and not a resident of the other Contracting State by reason of the provisions of paragraph (2) shall be deemed to be a resident only of the first-mentioned Contracting State for all purposes of this Convention, including Article 4 (General Rules of Taxation).

ARTICLE 4

General rules of taxation

(1) A resident of one of the Contracting States may be taxed by the other Contracting State on any income from sources within that other Contracting State and only on such income, subject to any limitations set forth in this Convention. For this purpose, the rules set forth in Article 6 (Source of Income) shall be applied to determine the source of income.

(2) The provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded:

(a) By the laws of one of the Contracting States in the determination of the tax imposed by that Contracting State, or

(b) By any other agreement between the Contracting States.

(3) Notwithstanding any provisions of this Convention except paragraph (4), a Contracting State may tax a citizen or resident of that Contracting State as if this Convention had not come into effect.

(4) The provisions of paragraph (3) shall not affect:

(a) The benefits conferred by a Contracting State under Articles 5 (Relief from Double Taxation), 7 (Nondiscrimination), 25 (Social Security Payments), 26 (Diplomatic and Consular Officers) and 28 (Mutual Agreement Procedure); and

(b) The benefits conferred by a Contracting State under Articles 21 (Teachers), 22 (Students and Trainees), and 23 (Governmental Functions), upon individuals who are neither citizens of, nor have immigrant status in, that Contracting State.

(5) The United States may impose its personal holding company tax and its accumulated earnings tax notwithstanding any provision of this Convention. However, an Icelandic corporation shall be exempt from the United States personal holding company tax in any taxable year if all of its stock is owned, directly or indirectly, by one or more individuals who are residents of Iceland (and not citizens of the United States) for that entire year. An Icelandic corporation shall be exempt from the United States accumulated earnings tax in any taxable year unless such corporation is engaged in trade or business in the United States through a permanent establishment at any time during such year.

(6) The competent authorities of the two Contracting States may each prescribe regulations necessary to carry out the provisions of this Convention.

ARTICLE 5

Relief from double taxation

Double taxation of income shall be avoided in the following manner:

(1) In accordance with the provisions and subject to the limitations of the law of the United States (as it may be amended from time to time without changing the principles hereof), the United States shall allow to a citizen or resident of the United States as a credit against the United States tax the appropriate amount of Icelandic tax, and in the case of a United States corporation owning at least 10 percent of the voting power of an Icelandic corporation from which it receives dividends in any taxable year, shall allow credit for the appropriate amount of Icelandic tax paid by the Icelandic corporation paying such dividends with respect to the profits out of which such dividends are paid. Such appropriate amount shall be based upon the amount of tax paid to Iceland, but the credit shall not exceed the limitations (for the purpose of limiting the credit to the United States tax on income from sources within Iceland or on income from sources outside of the United States) provided by United States law for the taxable year. For the purpose of applying the United States credit in relation to taxes paid to Iceland, the rules set forth in Article 6 (Source of Income) shall be applied to determine the source of income. For purposes of applying the United States credit in relation to the taxes paid to Iceland, the taxes referred to in paragraph (1)(b) of Article 1 (Taxes Covered) other than the national capital tax shall be considered to be income taxes.

(2) In the case of income derived from sources in the United States, relief from double taxation shall be granted in Iceland in the following manner:

(a) Where a resident of Iceland derives income or owns property which, in accordance with the provisions of this Convention may be taxed in the United States or may be taxed in both Contracting States according to Article 16 (Capital Gains), 18 Independent Personal Services), or 19 (Dependent Personal Services), or is exempt from United States tax under Article 21 (Teachers) or Article 22 (Students and Trainees), Iceland shall, subject to the provisions of subparagraph (b) of this paragraph, exempt such incoming or property from tax but may, in calculating tax on the remaining income or property of that resident, apply the rate of tax which would have been applicable if the exempted income or property had not been so exempted.

(b) Except as provided in subparagraph (a), where a resident of Iceland derives income which, in accordance with the provisions of this Convention may be taxed in both Contracting States, Iceland shall allow as a credit against the tax on the income of that resident an amount equal to the tax paid in the United States. Such credit shall not, however, exceed that part of the Icelandic tax, as computed before the credit is given, which is attributable to the income derived from sources in the United States as determined under the rules set forth in Article 6 (Source of Income).

ARTICLE 6

Source of Income

For purposes of this Convention:

(1) Dividends shall be treated as income from sources within a Contracting State only if paid by a corporation of that Contracting State.

(2) Interest shall be treated as income from sources within a Contracting State only if paid by such Contracting State, a political subdivision or a local authority thereof, or by a resident of that Contracting State. Notwithstanding the preceding sentence:

(a) If the person paying the interest (whether or not such person is a resident of one of the Contracting States) has a permanent establishment in one of the Contracting States in connection with which the indebtedness on which the interest is paid was incurred and such interest is borne by such permanent establishment, or

(b) If the person paying the interest is a resident of one of the Contracting States and has a permanent establishment in a State other than a Contracting State in connection with which the indebtedness on which the interest is paid was incurred and such interest is paid to a resident of the other Contracting State, and such interest is borne by such permanent establishment, such interest shall be deemed to be from sources within the State in which the permanent establishment is situated.

(3) Royalties described in paragraph (2) of Article 14 (Royalties) for the use of, or the right to use, property or rights described in such paragraph shall be treated as income from sources within a Contracting State only to the extent that such royalties are for the use of, or the right to use, such property or rights within that Contracting State.

(4) Income from real property and royalties from the operation of mines, quarries, or other natural resources (including gains derived from the sale of such property or the right giving rise to such royalties) shall be treated as income from sources within a Contracting State only if such property is situated in that Contracting State.

(5) Income from the rental of tangible personal (movable) property shall be treated as income from sources within a Contracting State only if such property is situated in that Contracting State.

(6) Income received by an individual for his performance of labor or personal services, whether as an employee or in an independent capacity, shall be treated as income from source within a Contracting State only to the extent that such services are performed in that Contracting State. Income from personal services performed aboard ships or aircraft operated by a resident of one of the Contracting States in international traffic, or in fishing on the high seas, shall be treated as income from sources within that Contracting State if rendered by a member of the regular complement of the ship or aircraft. Notwithstanding the preceding provisions of this paragraph, remuneration described in Article 23 (Governmental Functions) and payments described in Article 25 (Social Security Payments) shall be treated as income from sources within a Contracting State only if paid by or from the public funds of that Contracting State or a political subdivision or local authority thereof.

(7) Income from the purchase and sale of intangible or tangible personal (including movable) property (other than gains defined as royalties by paragraph (2)(b) of Article 14 (Royalties), shall be treated as income from sources within a Contracting State only if such property is sold in that Contracting State.

(8) Notwithstanding paragraphs (1) through (7), industrial or commercial profits which are attributable to a permanent establishment which the recipient, a resident of one of the Contracting States, has in the other Contracting State, including income derived from real proprety and natural resources and dividends, interest, royalties (as defined in paragraph (2) of Article 14 (Royalties)), and capital gains, but only if the property or rights giving rise to such income, dividends, interest, royalties, or capital gains are effectively connected with some permanent establishment, shall be treated as income from sources within that other Contracting State.

(9) The source of any item of income to which paragraphs (1) through (8) are not applicable shall be determined by each of the Contracting States in accordance with its own law. Notwithstanding the preceding sentence, if the source of any item of income under the laws of one Contracting State is different from the source of such item of income under the laws of the other Contracting State or if the source of such income is not readily determinable under the laws of one of the Contracting States, the competent authorities of the Contracting States may,

in order to prevent double taxation or further any other purpose of this Convention, establish a common source of the item of income for purposes of this Convention.

ARTICLE 7

Nondiscrimination

(1) A citizen of one of the Contracting States who is a resident of the other Contracting State shall not be subjected in that other Contracting State to more burdensome taxes than a citizen of that other Contracting State who is a resident thereof.

(2) A permanent establishment which a resident of one of the Contracting States has in the other Contracting State shall not be subject in that other Contracting State to more burdensome taxes than a resident of that other Contracting State carrying on the same activities. This paragraph shall not be construed as obliging a Contracting State to grant to individual residents of the other Contracting State any personal allowances, reliefs, or deductions for taxation purposes on account of civil status or family responsibilities which it grants to its own individual residents.

(3) A corporation of one of the Contracting States, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which a corporation of the first-mentioned Contracting State carrying on the same activities, the capital of which is wholly owned or controlled by one or more residents of the first-mentioned Contracting State, is or may be subjected.

(4) The provisions of paragraph (2) shall not be construed as preventing Iceland from taxing the total profits attributable to a permanent establishment which is maintained in Iceland by a United States corporation. However, the amount of such tax shall not exceed the tax that would be imposed on an Icelandic corporation earning such profits that distributed to its shareholders the same percentage of its profits as such United States corporation maintaining such permanent establishment distributed to its shareholders from its total profits.

ARTICLE 8

Business profits

(1) Industrial or commercial profits of a resident of one of the Contracting States shall be exempt from tax by the other Contracting State unless such resident is engaged in industrial or commercial activity in that other Contracting State through a permanent establishment situated therein. If such resident is so engaged, tax may be imposed by that other Contracting State on the industrial or commercial profits of such resident but only on so much of such profits as are attributable to the permanent establishment.

(2) Where a resident of one of the Contracting States is engaged in industrial or commercial activity in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to the permanent establishment the industrial or commercial profits which would be attributable to such permanent establishment if such permanent establishment were an independent entity engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the resident of which it is a permanent establishment.

(3) In the determination of the industrial or commercial profits of a permanent establishment, there shall be allowed as deduction expenses which are reasonably connected with such profits, including executive and general administrative expenses, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

(4) No profits shall be attributed to a permanent establishment of a resident of one of the Contracting States in the other Contracting State merely by reason of the purchase of goods or merchandise by that permanent establishment, or by the resident of which it is a permanent establishment, for the account of that resident.

(5) The term "industrial or commercial activity" includes the conduct of manufacturing, mercantile, insurance, agricultural, fishing or mining activities, the operation of ships or aircraft, the furnishing of services, the rental of tangible personal property, and the rental or licensing of motion picture films or films or tapes used for radio or television broadcasting. Such term does not include the performance of personal services by an individual either as an employee or in an independent capacity.

(6)(a) The term "industrial or commercial profits" includes income derived from industrial or commercial activity. Such term also includes income derived from real property and natural resources and dividends, interest, royalties (as defined in paragraph (2) of Article 14 (Royalties)), and capital gains but only if the property or rights giving rise to such income, dividends, interest, royalties, or capital gains is effectively connected with a permanent establishment which the recipient, being a resident of one of the Contracting States, has in the other Contracting State, whether or not such income is derived from industrial or commercial activity.

(b) To determine whether property or rights are effectively connected with a permanent establishment, the factors taken into account shall include whether the rights or property are used in or held for use in carrying on industrial or commercial activity through such permanent establishment and whether the activities carried on through such permanent establishment were a material factor in the realization of the income derived from such property or rights. For this purpose, due regard shall be given to whether or not such property or rights of such income were accounted for through such permanent establishment.

(7) Where industrial or commercial profits include items of income which are dealt with separately in other articles of this Convention, the provisions of those articles shall, except as otherwise provided therein, supersede the provisions of this article.

ARTICLE 9

Permanent establishment

(1) For the purpose of this Convention, the term "permanent establishment" means a fixed place of business through which industrial or commercial activity is carried on.

(2) The term "fixed place of business" includes but is not limited to:

(a) A branch;

(b) An office;

(c) A factory;

(d) A workshop;

(e) A warehouse;

(f) A mine, quarry, or other place of extraction of natural resources; and

(g) A building site or construction or installation project which exists for more than 12 months.

(3) Notwithstanding paragraphs (1) and (2), a permanent establishment shall not include a fixed place of business used only for one or more of the following:

(a) The use of facilities for the purpose of storage, display, or delivery of goods or merchandise belonging to the resident;

(b) The maintenance of a stock of goods or merchandise belonging to the resident for the purpose of storage, display or delivery;

(c) The maintenance of a stock of goods or merchandise belonging to the resident for the purpose of processing by another person;

(d) The maintenance of a fixed place of business for the purpose of purchasing goods or merchandise, or for collecting information, for the resident;

(e) The maintenance of a fixed place of business for the purpose of advertising, for the supply of information, for scientific research, or for similar activities which have a preparatory or auxiliary character, for the resident; or

(f) The maintenance of a building site or construction or installation project which does not exist for more than 12 months.

(4) A person acting in one of the Contracting States on behalf of a resident of the other Contracting State, other than an agent of an independent status to whom paragraph (5) applies, shall be deemed to be a permanent establishment in the first-mentioned Contracting State if such person has, and habitually exercises in the first-mentioned Contracting State, an authority to conclude contracts in the name of that resident, unless the exercise of such authority is limited to the purchase of goods or merchandise for that resident.

(5) A resident of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because such resident engages in industrial or commercial activity in that other Contracting State through a broker, general commission agent, or any other agent of an independent status, where such broker or agent is acting in the ordinary course of his business.

(6) The fact that a resident of one of the Contracting States is a related person (as defined in Article 11 (Related Persons)) with respect to a resident of the other Contracting State or with respect to a person who engages in industrial or commercial activity in that other Contracting State (whether through a permanent establishment or otherwise) shall not be taken into account in determining whether that resident of the first-mentioned Contracting State has a permanent establishment in that other Contracting State.

(7) The principles set forth in paragraphs (1) through (6) shall be applied in determining whether there is a permanent establishment in a State other than one of the Contracting States or whether a person other than a resident of one of the Contracting States has a permanent establishment in one of the Contracting States.

ARTICLE 10

Shipping and Air Transport

(1) Notwithstanding Article 8 (Business Profits), income which a resident of the United States derives from the operation in international traffic of ships or aircraft registered in the United States shall be exempt from tax by Iceland.

(2) Notwithstanding Article 8 (Business Profits), income which a resident of Iceland derives from the operation in international traffic of ships or aircraft shall be exempt from tax by the United States.

(3) For the purposes of this article, income derived from the operation in international traffic of ships or aircraft includes:

(a) Income derived by a domestic or international carrier from the lease of ships or aircraft either on a bareboat or full charter basis if such lease is incidental to its business as a carrier; and

(b) Income derived from the use and lease of:

(i) Containers,

(ii) Trailers for the inland transport of containers, and

(iii) Other related equipment,

if such income is incidental to other income described in paragraph (1).

ARTICLE 11

Related Persons

(1) Where a resident of one of the Contracting States and any other person are re-

lated and where such related persons make arrangements or impose conditions between themselves which are different from those which would be made between independent persons, any income, deductions, credits, or allowances which would, but for those arrangements or conditions, have been taken into account in computing the income (or loss) of, or the tax payable by, one of such persons, may be taken into account in computing the amount of the income subject to tax and the taxes payable by such person.

(2) A person is related to another person if either person owns or controls directly or indirectly the other or if any third person or persons own or control directly or indirectly both. For this purpose, the term "control" includes any kind of control, whether or not legally enforceable, and however exercised or exercisable.

ARTICLE 12

Dividends

(1) Dividends derived from sources within one of the Contracting States by a resident of the other Contracting State may be taxed by both Contracting States.

(2) The rate of tax imposed by one of the Contracting States on dividends derived from sources within that Contracting State by a resident of the other Contracting State shall not exceed:

(a) 15 percent of the gross amount actually distributed; or

(b) When the recipient is a corporation, 5 percent of the gross amount actually distributed if:

(i) During the part of the paying corporation's taxable year which precedes the date of payment of the dividend and during the whole of its prior taxable year (if any), at least 10 percent of the outstanding shares of the voting stock of the paying corporation was owned by the recipient corporation, and

(ii) Not more than 25 percent of the gross income of the paying corporation for such prior taxable year (if any) consists of interest or dividends (other than interest derived from the conduct of a banking, insurance, or financing business and dividends or interest received from subsidiary corporations, 50 percent or more of the outstanding shares of the voting stock of which is owned by the paying corporation at the time such dividends or interest is received.

(3) Paragraph (2) shall not apply if the recipient of the dividends, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the shares with respect to which the dividends are paid are effectively connected with such permanent establishment. In such a case, see paragraph (6)(a) of Article 8 (Business Profits).

(4) Dividends paid by a corporation of one of the Contracting States to a person other than a resident of the other Contracting State (and in the case of dividends paid by an Icelandic corporation, to a person other than a citizen of the United States) shall be exempt from tax by that other Contracting State. This paragraph shall not apply if the recipient of the dividends has a permanent establishment in the other Contracting State and the shares with respect to which the dividends are paid are effectively connected with such permanent establishment.

ARTICLE 13

Interest

(1) Interest derived from sources within one of the Contracting States by a resident of the other Contracting State shall be exempt from tax by the first-mentioned Contracting State.

(2) Paragraph (1) shall not apply if the recipient of the interest, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment. In such a case, see paragraph (6)(a) of Article 8 (Business Profits).

(3) Where any interest paid by a person to any related person exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the interest as would have been paid to an unrelated person. In such a case the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

(4) The term "interest" as used in this Convention means income from bonds, debentures, Government securities, notes, or other evidences of indebtedness, whether or not secured and whether or not carrying a right to participate in profits, and debt-claims of every kind, as well as all other income which, under the taxation law of the Contracting State in which the income has its source, is assimilated to income from money lent.

(5) Interest paid by a resident of one of the Contracting States to a person other than a resident of the other Contracting State (and in the case of interest paid by an Icelandic corporation, to a person other than a citizen of the United States) shall be exempt from tax by the other Contracting State. This paragraph shall not apply if:

(a) Such interest is treated as income from sources within the other Contracting State under paragraph (2) of Article 6 (Source of Income), or

(b) The recipient of the interest has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment.

ARTICLE 14

Royalties

(1) Royalties derived from sources within one of the Contracting States by a resident of the other Contracting State will be exempt from tax by the first-mentioned Contracting State.

(2) The term "royalties" as used in this article means:

(a) Payment of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works (but not including copyrights of motion picture films or films or tapes used for radio or television broadcasting), patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights, or knowledge, experience, or skill (know-how), and

(b) Gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amount realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(3) Paragraph (1) shall not apply if the recipient of the royalty, being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment and the property or rights giving rise to the royalty is effectively connected with such permanent establishment. In such a case, see paragraph (6)(a) of Article 8 (Business Profits).

(4) Where any royalty paid by a person to any related person exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the royalty as would have been paid to an unrelated person. In such a case the excess payment may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

ARTICLE 15

Income From Real Property

(1) Income from real property, including royalties in respect of the operation of mines, quarries, or other natural resources and gains derived from the sale, exchange, or other disposition of such property or of the right giving rise to such royalties, may be taxed by the Contracting State in which such real property, mines, quarries, or other natural resources are situated. For purposes of this Convention income and gains from ships and aircraft and interest on indebtedness secured by real property or secured by a right giving rise to royalties in respect of the operation of mines, quarries, or other natural resources shall not be regarded as income from real property.

(2) Paragraph (1) shall apply to income derived from the usufruct, direct use, letting, or use in any form of real property.

ARTICLE 16

Capital Gains

(1) A resident of one of the Contracting States shall be exempt from tax by the other Contracting State on gains from the sale, exchange, or other disposition of capital assets unless:

(a) The gain is derived by a resident of one of the Contracting States from the sale, exchange, or other dispositon of property described in Article 15 (Income from Real Property) situated within the other Contracting State.

(b) The recipient of the gain, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the property giving rise to the gain is effectively connected with such permanent establishment, or

(c) The recipient of the gain, being an individual who is a resident of one of the Contracting States

(i) Maintains a fixed base in the other Contracting State for a period or periods aggregating 183 days or more during the taxable year and the property giving rise to such gains is effectively connected with such fixed base, or

(ii) Is present in the other Contracting States for a period or periods aggregating 183 days or more during the taxable year.

(2) In the case of gains described in paragraph (1)(a), see Article 15 (Income from Real Property). In the case of gains described in paragraph (1)(b), see paragraph (6)(a) of Article 8 (Business Profits).

(3) Notwithstanding Article 8 (Business Profits) and paragraphs (1) and (2) of this article, gains which a resident of one of the Contracting States derives from the sale, exchange, or other disposition of ships or aircraft which are operated in international traffic shall be exempt from tax by the other Contracting State.

ARTICLE 17

Capital Taxes

(1) Capital represented by property referred to in Article 15 (Income from Real Property) may be taxed in the Contracting State in which such property is situated.

(2) Subject to the provisions of paragraphs (3) below, capital represented by assets, other than property referred to in paragraph (1), which are effectively connected with a permanent establishment or fixed base of a resident of one of the Contract States may be taxed in the Contracting State in which the permanent establishment or fixed base is situated.

(3) Ships and aircraft of a resident of one of the Contracting States and assets, other than property referred to in paragraph (1), pertaining to the operation of such ships or aircraft shall be exempt from tax by the other Contracting State.

(4) All other elements of capital of a resident of a Contracting State not dealt with in this article shall be exempt from tax by the other Contracting State.

ARTICLE 18

Independent personal services

(1) Income derived by an individual who is a resident of one of the Contracting States

from the performance of personal services in an independent capacity, may be taxed by that Contracting State. Except as provided in paragraph (2), such income shall be exempt from tax by the other Contracting State.

(2) Income derived by an individual who is a resident of one of the Contracting States from the performance of personal services in an independent capacity in the other Contracting State may be taxed by that other Contracting State, if:

(a) The individual is present in that other Contracting State for a period or periods aggregating 183 days or more in the taxable year.

(b) The individual maintains a fixed base in that other Contracting State for a period or periods aggregating 183 days or more in the taxable year, but only so much of it as is attributable to such fixed base, or

(c) The individual is a public entertainer, such as a theater, motion picture, or television artist, a musician, or an athlete, and the income is derived from his personal services as a public entertainer provided that he is present in that other Contracting State for more than a total of 90 days during the taxable year or such income exceeds 100 United States dollars or its equivalent in Icelandic kronur for each day such person is present for the purpose of performing in the Contracting State in which such services are performed.

ARTICLE 19

Dependent personal services

(1) Subject to the provisions of Articles 21 (Teachers), 22 (Student and Trainees), 23 (Government Functions), and 24 (Private Pensions and Annuities), wages, salaries, and similar remuneration derived by an individual who is a resident of one of the Contracting States from labor or personal services performed as an employee may be taxed by that Contracting State. Except as provided by paragraph (2), such remuneration derived from sources within the other Contracting State may also be taxed by that other Contracting State.

(2) Remuneration described in paragraph (1) derived by an individual who is a resident of one of the Contracting States shall be exempt from tax by the other Contracting State if:

(a) He is present in that other Contracting State for a period or periods aggregating less than 183 days in the taxable year;

(b) He is an employee of a resident of the first-mentioned Contracting State or of a permanent establishment maintained in that Contracting State by a resident of a State other than that Contracting State; and

(c) The remuneration is not borne as such by a permanent establishment which the employer has in that other Contracting State.

(3) Notwithstanding paragraph (2), remuneration derived by an individual from the performance of labor or personal services as an employee aboard ships or aircraft operated by a resident of one of the Contracting States in international traffic or in fishing on the high seas shall be exempt from tax by the other Contracting State if such individual is a member of the regular complement of the ship or aircraft.

ARTICLE 20

Amounts Received for Furnishing Personal Services

(1) Amounts received by a resident of one of the Contracting States in consideration of furnishing in the other Contracting State the personal services of one or more other persons shall not constitute industrial or commercial profits under Article 8 (Business Profits) to the extent that:

(a) (i) The person for whom the services were rendered designated the person or persons who would render the services, whether or not he had the legal right to do so and whether or not the designation was made formally;

(ii) The person for whom the services were rendered had the right to designate the person or persons who would render the services; or

(iii) By reason of the facts and circumstances the arrangement for personal services had the effect of designating the person or persons who would render the services; and

(b) The resident of the first-mentioned Contracting State directly or indirectly pays compensation for such services to any person, other than another resident of the first-mentioned Contracting State or of the other Contracting State who is subject to tax or such compensation.

(2) Paragraph (1) shall not apply to any amount received if it is established to the satisfaction of the competent authority of the other Contracting State with respect to such amount that neither the creation or organization of the resident of the first-mentioned Contracting State (where such person is a corporation or other entity) nor the furnishing of the services through such person has the effect of a substantial reduction of income, war profits, excess profits, or similar taxes.

ARTICLE 21

Teachers

(1) Where a resident of one of the Contracting States is invited by the Government of the other Contracting State or by a university or other recognized educational institution in that other Contracting State to come to that other Contracting State for a period not expected to exceed 2 years for the purpose of teaching or engaging in research, or both, at a university or other recognized educational institution, and such resident comes to that other Contracting State primarily for such purpose, his income from personal services for teaching or research at such university or educational institution shall be exempt from tax by that other Contracting State for a period not exceeding 2 years from the date of his arrival in that other Contracting State.

(2) This article shall not apply to income from research if such research is undertaken primarily for the private benefit of a specific person or persons.

ARTICLE 22

Students and Trainees

(1) (a) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in the other Contracting State and who is temporarily present in that other Contracting State for the primary purpose of:

(i) Studying at a university or other recognized educational institution in that other Contracting State, or

(ii) Securing training to qualify him to practice a profession or professional specialty, or

(iii) Studying or doing research as a recipient of a grant, allowance, or award from any governmental, religious, charitable, scientific, literary, or educational organization.

shall be exempt from tax by that other Contracting State with respect to amounts described in subparagraph (b) for a period not exceeding 5 taxable years from the date of his arrival in that other Contracting State.

(b) The amounts referred to in subparagraph (a) are:

(i) Gifts from abroad for the purpose of his maintenance, education, study, research, or training;

(ii) The grant, allowance, or award; and

(iii) Income from personal services performed in that other Contracting State in an amount not in excess of 2,000 United States dollars or its equivalent in Icelandic known for any taxable year.

(2) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State as an employee of, or under Contract with, a resident of the first-mentioned Contracting State, for the primary purpose of:

(a) Acquiring technical, professional, or business experience from a person other than that resident of the first-mentioned Contracting State or other than a person related to such resident, or

(b) Studying at a university or other recognized educational institution in that other Contracting State,

shall be exempt from tax by that other Contracting State for a period of 12 consecutive months with respect of his income from personal services in an aggregate amount not in excess of 5,000 United States dollars or its equivalent in Icelandic kronur.

(3) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State for a period not exceeding 1 year, as a participant in a program sponsored by the Government of that other Contracting State for the primary purpose of training, research, or study, shall be exempt from tax by that other Contracting State with respect to his income from personal services in respect of such training, research, or study performed in that other Contracting State in an aggregate amount not in excess of 10,000 United States dollars or its equivalent in Icelandic kronur.

(4) The benefits provided under Article 21 (Teachers) and paragraph (1) of this article shall extend only for such period of time as may reasonably or customarily be required to effectuate the purpose of the visit. In a case where an individual qualifies for benefits under both provisions, the benefits provided therein shall not extend for more than a total of 5 years from the date of his arrival. The benefits provided under Article 21 (Teachers) shall not be available to an individual for any period immediately following a period for which the benefits of paragraph (1) of this article are available to that individual.

ARTICLE 23

Governmental Functions

Wages, salaries, and similar remuneration, including pensions or similar benefits, paid by or from public funds of one of the Contracting States, or a political subdivision or local authority thereof, to a citizen of that Contracting State for labor or personal services performed for that Contracting State, or for any of its political subdivisions or local authorities, in the discharge of governmental functions shall be exempt from tax by

ARTICLE 24

Private Pensions and Annuities

(1) Except as provided in Article 28 (Government Functions), pensions and other similar remuneration paid to an individual who is a resident of one of the Contracting States in consideration of past employment shall be taxable only in that Contracting State.

(2) Alimony and annuities paid to an individual who is a resident of one of the Contracting States shall be taxable only in that Contracting State.

(3) The term "pensions and other similar remuneration", as used in this article, means periodic payments made after retirement or death in consideration for services rendered, or by way of compensation for injuries received in connection with past employment.

(4) The term "annuities", as used in this article, means a stated sum paid periodically as stated times during life or during a specified number of years, under an obligation to make the payments in return for adequate

and full consideration (other than services rendered).

(5) The term "alimony", as used in this article, means periodic payments made pursuant to a decree of divorce, separate maintenance agreement, or support or separation agreement which is taxable to the recipient under the internal laws of the Contracting State of which he is a resident.

ARTICLE 25

Social Security Payments

Social security payments and other public pensions paid by one of the Contracting States to an individual who is a resident of the other Contracting State (or in the case of such payments by Iceland, to an individual who is a citizen of the United States) shall be taxable only in the first-mentioned Contracting State. This article shall not apply to payments described in Article 23 (Governmental Functions).

ARTICLE 26

Diplomatic and Consular Officers

Nothing in this Convention shall affect the fiscal privileges of diplomatic and consular officials under the general rules of international law or under the provisions of special agreements.

ARTICLE 27

Investment or Holding Companies

A corporation of one of the Contracting States deriving dividends, interest, royalties, or capital gains from sources within the other Contracting State shall not be entitled to the benefits of Article 12 (Dividends), 13 (Interest), 14 (Royalties), or 16 (Capital Gains) if:

(a) By reason of special measures the tax imposed on such corporation by the first-mentioned Contracting State with respect to such dividends, interest, royalties, or capital gains is substantially less than the tax generally imposed by such Contracting State on corporate profits, and

(b) 25 percent or more of the capital of such corporation is held of record or is otherwise determined, after consultation between the competent authorities of the Contracting States, to be owned directly or indirectly, by one or more persons who are not individual residents of the first-mentioned Contracting State (or, in the case of an Icelandic corporation, who are citizens of the United States).

ARTICLE 28

Mutual agreement procedure

(1) Where a resident of one of the Contracting States considers that the action of one or both of the Contracting States results or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of the Contracting States, present his case to the competent authority of the Contracting State of which he is a resident. Should the resident's claim be considered to have merit by the competent authority of the Contracting State to which the claim is made, it shall endeavor to come to an agreement with the competent authority of the other Contracting State with a view to the avoidance of taxation contrary to the provisions of this Convention.

(2) The competent authorities of the Contracting State shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the application of this Convention. In particular, the competent authorities of the Contracting States may agree:

(a) To the same attribution of industrial or commercial profits to a resident of one of the Contracting States and its permanent establishment situated in the other Contracting State;

(b) To the same allocation of income, deductions, credits, or allowances between a resident of one of the Contracting States and any related person;

(c) To the same determination of the source of particular items of income; or

(d) To uniform accounting for income and deductions.

(3) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of this article. When it seems advisable for the purpose of reaching agreement, the component authorities may meet together for an oral exchange of opinions.

(4) In the event that the competent authorities reach such an agreement, taxes shall be imposed on such income, and refund or credit of taxes shall be allowed, by the Contracting States in accordance with such agreement.

ARTICLE 29

Exchange of information

(1) The competent authorities of the Contracting States shall exchange such information as is pertinent to carrying out the provisions of this Convention and of the domestic laws of the Contracting States concerning taxes covered by this Convention. Any information so exchanged shall be treated as secret and shall not be disclosed to any persons other than those (including a court or administrative body) concerned with assessment, collection, enforcement, or prosecution in respect of the taxes which are the subject of this Convention.

(2) In no case shall the provisions of paragraph (1) be construed so as to impose on one of the Contracting States the obligation to:

(a) To carry out administrative measures at variance with the laws or the administrative practice of that Contracting State or the other Contracting State;

(b) To supply particulars which are not obtainable under the laws, or in the normal course of the administration, of that Contracting State or of the other Contracting State; or

(c) To supply information which would disclose any trade, business, industrial, commercial, or professional secret or trade process, or information, the disclosure of which would be contrary to public policy.

(3) The exchange of information shall be either on a routine basis or on request with reference to particular cases. The competent authorities of the Contracting States may agree on a list of information which shall be furnished on a routine basis.

(4) The competent authorities of the Contracting States shall notify each other of any amendments of the tax laws referred to in paragraph (1) of Article 1 (Taxes Covered) and of the adoption of any taxes referred to in paragraph (2) of Article 1 (Taxes Covered) by transmitting the texts of any amendments or new statutes at least once a year.

(5) The competent authorities of the Contracting States shall notify each other of the publication by their respective Contracting States of any material concerning the application of this Convention, whether in the form of regulations, rulings, or judicial decisions by transmitting the texts of any such materials at least once a year.

ARTICLE 30

Assistance in collection

(1) Each of the Contracting States shall endeavor to collect on behalf of the other Contracting State such taxes imposed by that other Contracting State as will ensure that any exemption or reduced rate of tax granted under this Convention by that other Contracting State shall not be enjoyed by persons not entitled to such benefits. The competent authorities of the Contracting States may consult together for the purpose of giving effect to this article.

(2) In no case shall this article be construed so as to impose upon a Contracting State the obligation to carry out administrative measures at variance with the regulations and practices of either Contracting State or which would be contrary to the first-mentioned Contracting State's sovereignty, security, or public policy.

ARTICLE 31

Entry into force

This Convention shall be ratified and instruments of ratification shall be exchanged at Washington, D.C. as soon as possible. It shall enter into force 1 month after the date of exchange of the instruments of ratification. The provisions shall for the first time have effect with respect to income and capital of calendar years of taxable years beginning (or in the case of taxes payable at the source, payments made) on or after January 1, of the year following the year in which the instruments of ratification were exchanged.

ARTICLE 32

Termination

(1) This Convention shall remain in force until terminated by one of the Contracting States. Either Contracting State may terminate the Convention at any time after 5 years from the date on which this Convention enters into force provided that at least 6 months prior notice of termination has been given through diplomatic channels. In such event, the Convention shall cease to have force and effect as respects income and capital of calendar years or taxable years beginning (or, in the case of taxes payable at the source, payments made) on or after January 1 next following the expiration of the 6-month period.

(2) Notwithstanding the provisions of paragraph (1), and upon prior notice to be given through diplomatic channels, the provisions of Article 25 (Social Security Payments) may be terminated by either Contracting State at any time after this Convention enters into force.

ARTICLE 33

Extension to territories

(1) Either one of the Contracting States may, at any time while this Convention continues in force, by a written notification given to the other Contracting State through diplomatic channels, declare its desire that the operation of this Convention, either in whole or in part or with such modifications as may be found necessary for special application in a particular case, shall extend to all or any of the areas (to which this Convention is not otherwise applicable) for whose international relations it is responsible and which impose taxes substantially similar in character to those which are the subject of this Convention. When the other Contracting State has, by a written communication through diplomatic channels, signified to the first-mentioned Contracting State that such notification is accepted in respect of such area or areas, and the notification and communication have been ratified and instruments of ratification exchanged, this Convention, in whole or in part, or with such modifications as may be found necessary for special application in a particular case, as specified in the notification, shall apply to the area or areas named in the notification and shall enter into force and effect on and after the date or dates specified therein. None of the provisions of this Convention shall apply to any such area in the absence of such acceptance and exchange of instruments of ratification in respect of that area.

(2) At any time after the date of entry into force of an extension under paragraph (1), either of the Contracting States may, by 6 months prior notice of termination given to the other Contracting State through diplomatic channels, terminate the application of this Convention to any area to which it has been extended under paragraph (1), and in such event this Convention shall cease to apply and have force and effect, beginning

on or after the first day of January next following the expiration of the 6-month period, to the area or areas named therein, but without affecting its continued application to the United States, Iceland, or to any other area to which it has been extended under paragraph (1).

(3) In the application of this Convention in relation to any area to which it is extended by notification by the United States or Iceland, reference to the "United States" or "Iceland", as the case may be, shall be construed as referring to that area.

(4) The termination in respect of the United States or Iceland of this Convention under Article 32 (Termination) shall unless otherwise expressly agreed by both Contracting States, terminate the application of this Convention to any area to which the Convention has been extended under this article by the United States or Iceland.

DONE at Reykjavik, in duplicate, in the English and Icelandic languages, the two texts having equal authenticity, this 7th day of May, 1975.

FOR THE
UNITED STATES OF AMERICA,
FREDERICK IRVING.
FOR THE REPUBLIC OF ICELAND,
EINAR AGUSTSSON.

CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The Government of the United States of America and the Government of the Polish People's Republic, desiring to further expand and facilitate mutual economic relations, have resolved to conclude a Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and have agreed upon the following:

ARTICLE 1

Scope of Convention

This Convention shall apply to persons who are residents of one or both of the Contracting States.

ARTICLE 2

Taxes covered by the Convention

(1) This Convention shall apply to taxes on income imposed by each Contracting State.

(2) The taxes existing at present, to which the Convention applies, are:

(*a*) In the case of the Polish People's Republic:

(*i*) The income tax,

(*ii*) The tax on salaries and wages, and

(*iii*) The equalization tax (surtax), and

(*b*) In the case of the United States of America, the Federal income taxes imposed by the Internal Revenue Code (other than employment taxes imposed by chapters 2 and 21).

(3) The Convention shall also apply to any individual or substantially similar taxes which are subsequently imposed in addition to, or in place of, the existing taxes.

(4) For the purpose of Article 21, this Convention shall also apply to taxes imposed at the national, state, or local level, subject to any limitation contained in paragraph (4) of Article 21.

(5) The competent authorities of the Contracting States shall notify each other of any amendments of the tax laws referred to in paragraph (2) and of the adoption of any taxes referred to in paragraph (3) by transmitting the texts of any amendments or new statutes at least once a year.

ARTICLE 3

General definitions

(1) In this Convention, unless the context otherwise requires:

(*a*) The term "Poland" means the Polish People's Republic, and when used in a geographical sense the term "Poland" includes:

(*i*) The territorial sea thereof, and

(*ii*) The seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which Poland exercises sovereign rights, in accordance with international law, for the purpose of exploration for and exploitation of the natural resources of such areas, but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation.

(*b*) The term "United States" means the United States of America, and when used in a geographical sense the term "United States" means the States thereof and the District of Columbia and also includes:

(*i*) The territorial sea thereof, and

(*ii*) The seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which the United States exercises sovereign rights, in accordance with international law, for the purpose of exploration for and exploitation of the natural resources of such areas, but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation.

(*c*) The terms "Contracting State" and "the other Contracting State" means the Polish People's Republic or the United States of America as the context requires.

(*d*) The term "person" includes an individual, a trustee or administrator, a company or juridical person, and any other body of persons.

(*e*) The term "company" means any corporate body or any entity which is treated as a corporate body for tax purposes.

(*f*) (*i*) The term "Polish company" means a corporation, or any unincorporated entity treated as a Polish corporation for purposes of Polish tax, which is created or organized under the laws of Poland; and

(*ii*) The term "United States company" means a corporation, or any unincorporated entity treated as a United States corporation for purposes of United States tax, which is created or organized under the laws of the United States or any state thereof or the District of Columbia.

(*g*) The term "resident of Poland" means:

(*i*) A Polish company, and

(*ii*) Any person (except a company or any entity treated under Polish law as a company) resident in Poland for purposes of its tax, but in the case of a partnership, trustee or administrator only to the extent that the income derived by such person in that capacity is subject to Polish tax as the income of a resident.

(*h*) The term "resident of the United States" means:

(*i*) A United States company, and

(*ii*) Any person (except a company or any entity treated as a corporation for United States tax purposes) resident in the United States for purposes of its tax, but in the case of a partnership, trustee or administrator only to the extent that the income derived by such person in that capacity is subject to United States tax as the income of a resident.

(*i*) The terms "enterprise of a Contracting State" and "enterprise of the other Contracting State" mean, respectively, an enterprise carried on by a resident of a Contracting State and an enterprise carried on by a resident of the other Contracting State.

(*j*) The term "competent authority" means:

(*i*) In the case of Poland, the Minister of Finance; and

(*ii*) In the case of the United States, the Secretary of the Treasury or his delegate.

(*k*) The term "State" means any national State, whether or not one of the Contracting States.

(*l*) The term "tax" means any tax imposed by the United States or Poland, whichever is applicable, to which this Convention applies by virtue of Article 2.

(*m*) The term "international traffic" means any voyage of a ship or aircraft operated by a resident of a Contracting State except where such voyage is confined solely to places within that Contracting State.

(2) Any other term used in this Convention and not defined in this Convention shall, unless the context otherwise requires, have the meaning which it has under the laws of the Contracting State whose tax is being determined. Notwithstanding the preceding sentence, if the meaning of such a term under the laws of one of the Contracting States is different from the meaning of the term under the laws of the other Contracting State, or if the meaning of such a term is not readily determinable under the laws of one of the Contracting States, the competent authorities of the Contracting States may in order to prevent double taxation or to further any other purpose of this Convention, establish a common meaning of the term for the purposes of this Convention.

ARTICLE 4

Fiscal residence

Where by reason of the provisions of paragraphs (1) (g) and (h) of Article 3 an individual is a resident of both Contracting States:

(*a*) He shall be deemed to be a resident of that Contracting State in which he maintains his permanent home. If he has a permanent home in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of that Contracting State with which his personal and economic relations are closest (center of vital interests);

(*b*) If the Contracting State in which he has his center of vital interests cannot be determined, he shall be deemed to be a resident of that Contracting State in which he has a habitual abode; and

(*c*) If he has a habitual abode in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of the Contracting State of which he is a citizen.

ARTICLE 5

General rules of taxation

(1) A resident of one of the Contracting States may be taxed by the other Contracting State on any income from sources within that other Contracting State and only on such income, subject to any limitations set forth in this Convention.

(2) The provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded—

(*a*) By the laws of one of the Contracting States in the determination of the tax imposed by that Contracting State, or

(*b*) By any other agreement between the Contracting States.

(3) Notwithstanding any provisions of this Convention except paragraph (4), a Contracting State may tax a citizen of that Contracting State or a resident (as determined under Article 4) of that Contracting State as if this Convention had not come into effect.

(4) The provisions of paragraph (3) shall not affect:

(*a*) The benefits conferred by a Contracting State under Articles 20, 21, and 22; and

(*b*) The benefits conferred by a Contracting State under Articles 17, 18, 19, and 24 upon individuals who are neither citizens of, nor have immigrant status in, that Contracting State.

(5) The competent authorities of the two Contracting States may prescribe regulations necessary to carry out the provisions of this Convention.

ARTICLE 6

Permanent establishment

(1) For the purposes of this Convention, the term "permanent establishment" means a fixed place of business in which the business of an enterprise is wholly or partly carried on.

(2) The term "permanent establishment" shall include especially:

(*a*) A branch;

(*b*) An office;

(*c*) A factory;

(*d*) A workshop;

(*e*) A mine, quarry, or other place of extraction of natural resources;

(*f*) A building site or construction or assembly project which exists for more than 18 months.

(3) Notwithstanding paragraphs (1) and (2), a permanent establishment shall not include a fixed place of business used only for one or more of the following:

(*a*) The use of facilities for the purpose of storage, display, or delivery of goods or merchandise belonging to the enterprise;

(*b*) The maintenance of a stock of goods or merchandise belonging to the enterprise for the purpose of storage, display, or delivery;

(*c*) The maintenance of a stock of goods or merchandise belonging to the enterprise for the purpose of processing or reprocessing another enterprise;

(*d*) The maintenance of a fixed place of business for the purpose of purchasing goods or merchandise, or for collecting information, for the enterprise; or

(*e*) The maintenance of a fixed place of business for the purpose of advertising, for the supply of information, for scientific research, or for similar activities which have a preparatory or auxiliary character, for the enterprise.

(4) A person acting in a Contracting State on behalf of an enterprise of the other Contracting State, other than an agent of an independent status to whom paragraph (5) applies, shall be deemed to be a permanent establishment in the first-mentioned Contracting State if he has, and habitually exercises in that State, an authority to conclude contracts in the name of the enterprise, unless his activities are limited to the purchase of goods or merchandise for the enterprise.

(5) An enterprise of a Contracting State shall not be deemed to have a permanent establishment in the other Contracting State merely because it carries on business in that other State through a broker, general commission agent, or any other agent of an independent status, where such person is acting in the ordinary course of his business, whether or not such broker or agent acts exclusively for one or more principals.

(6) An enterprise of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because such enterprise sells at the termination of a trade fair in such other Contracting State goods or merchandise which such enterprise displayed at such trade fair.

(7) The fact that a company which is a resident of a Contracting State controls or is controlled by a company which is a resident of the other Contracting State, or which carries on business in that other Contracting State (whether through a permanent establishment or otherwise), shall not of itself constitute for either company a permanent establishment of the other.

ARTICLE 7

Income from real property

(1) Income from real property, including royalties and other payments in respect of the exploitation of natural resources and gains derived from the sale, exchange, or other disposition of such property or of the right giving rise to such royalties or other payments, may be taxed by the Contracting State in which such real property or natural resources are situated. For purposes of this Convention, interest on indebtedness secured by real property or secured by a right giving rise to royalties or other payments in respect of the exploitation of natural resources shall not be regarded as income from real property.

(2) Paragraph (1) shall apply to income derived from the usufruct, direct use, lettering, or use in any other form of real property.

ARTICLE 8

Business profits

(1) The profits of an enterprise of a Contracting State shall be taxable only by that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. If the enterprise carries on business as aforesaid, the profits of the enterprise may be taxed by the other Contracting State but only so much of them as is attributable to that permanent establishment.

(2) Where an enterprise of a Contracting State carries on business in the other Contracting State through a permanent establishment situated therein, there shall in each Contracting State be attributed to that permanent establishment the profits which it might be expected to make if it were a distinct and separate enterprise engaged in the same or similar activities under the same or similar conditions and dealing wholly independently with the enterprise of which it is a permanent establishment.

(3) In the determination of the profits of a permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the permanent establishment, including executive and general administrative expenses so incurred, whether in the State in which the permanent establishment is situated or elsewhere.

(4) No profits shall be attributed to a permanent establishment by reason of the mere purchase by that permanent establishment, or by the enterprise of which it is a permanent establishment, of goods or merchandise for the enterprise.

(5) Where profits include items of income which are dealt with separately in other articles of this Convention, the provisions of those articles shall, except as otherwise provided therein, supersede the provisions of this Article.

ARTICLE 9

Shipping and air transport

(1) Notwithstanding Articles 8 and 14, income which a resident of Poland derives from the operation in international traffic of ships or aircraft shall be exempt from tax by the United States.

(2) Notwithstanding Articles 8 and 14, income which a resident of the United States derives from the operation in international traffic of ships or aircraft registered in the United States shall be exempt from tax by Poland.

(3) For purposes of this Article, income derived from the operation in international traffic of ships or aircraft also includes—

(*a*) Income derived from the charter of ships or aircraft operated in international traffic if such income is supplementary to other income described in paragraph (1) or (2); and

(*b*) Income delivered from the use, maintenance, and lease of—

(*i*) Containers,

(*ii*) Trailers for the inland transport of containers,

(*iii*) Lighters operated in the lighters-aboard-ship system, and

(*iv*) Other related equipment

in connection with the operation in international traffic of ships or aircraft by the resident described in paragraph (1) or (2).

ARTICLE 10

Related persons

(1) Where:

(*a*) An enterprise of a Contracting State participates directly or indirectly in the management, control, or capital of an enterprise of the other Contracting State, or

(*b*) The same persons participate directly or indirectly in the management control, or capital of an enterprise of a Contracting State and an enterprise of the other Contracting State,

and in either case conditions are made or imposed in their commercial or financial relations which differ from those which would be made between independent enterprises, then any profits which would, but for those conditions, have accrued to one of the enterprises, but, by reason of those conditions, have not so accrued, may be included in the profits of that enterprise and taxed accordingly.

(2) Where an adjustment has been made by one Contracting State to the income of one of its residents in accordance with paragraph (1), then the other Contracting State shall, if it agrees with such redetermination, make a corresponding adjustment to the income of a person in such other Contracting State related to such resident. In the event the other Contracting State disagrees with such redetermination, the two Contracting States shall endeavor to reach agreement in accordance with the mutual agreement procedure in Article 22.

ARTICLE 11

Dividends

(1) Dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed by that other Contracting State.

(2) However, such dividends may be taxed in the Contracting State of which the company paying the dividends is a resident, and according to the law of that State, but the tax so charged shall not exceed:

(a) 5 percent of the gross amount of the dividends if the recipient is a company which holds directly at least 10 percent of the outstanding shares of the voting stock of the company paying the dividends,

(*b*) In all other cases, 15 percent of the gross amount of the dividends.

This paragraph shall not affect the taxation of the company in respect of the profits out of which the dividends are paid.

(3) The provisions of paragraph (2) shall not apply if the recipient of the dividends, being a resident of a Contracting State, has in the other Contracting State, of which the company paying the dividends is a resident, a permanent establishment with which the holding by virtue of which the dividends are paid is effectively connected. In such a case, the provisions of Article 8 shall apply.

ARTICLE 12

Interest

(1) Interest arising in a Contracting State and paid to a resident of the other Contracting State shall be exempt from tax by the first-mentioned Contracting State.

(2) Paragraph (1) shall not apply if the recipient of the interest, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment. In such a case, the provisions of Article 8 shall apply.

(3) Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of interest paid, having regard to the debt claim for which it is paid, exceeds the amount which would have been agreed upon by payer and the recipient in the ab-

sence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

(4) The term "interest" as used in this Convention means income from bonds, debentures, Government securities, notes, or other evidences of indebtedness, whether or not secured and whether or not carrying a right to participate in profits, and debt-claims of every kind, as well as all other income which, under the taxation law of the Contracting State in which the income arises, is assimilated to income from money lent.

(5) Interest shall be treated as arising in a Contracting State only if paid by such Contracting State, a political subdivision or a local authority thereof, or by a resident of that Contracting State. Notwithstanding the preceding sentence—

(*a*) If the person paying the interest (whether or not such person is a resident of one of the Contracting States) has a permanent establishment in one of the Contracting States in connection with which the indebtedness on which the interest is paid was incurred and such interest is borne by such permanent establishment, or

(*b*) If the person paying the interest is a resident of one of the Contracting States and has a permanent establishment in a State other than a Contracting State in connection with which the indebtedness on which the interest is paid was incurred and such interest is paid to a resident of the other Contracting State,

such interest shall be deemed to arise in the State in which the permanent establishment is situated.

ARTICLE 13

Royalties

(1) Royalties arising in a Contracting State and paid to a resident of the other Contracting State shall be taxable by that other Contracting State.

(2) Royalties may be taxed in the Contracting State where they arise, and according to the law of that State, but the tax so charged shall not exceed 10 percent of the gross amount of the royalty.

(3) The term "royalties" as used in this Article means—

(*a*) Payments of any kind received as consideration for the use of, or the right to use, any copyright of a literary, artistic or scientific work, including copyrights of motion picture films or radio or television broadcasting tapes, any patent, trademark, design or model, plan, secret formula or process, or for information concerning industrial, commercial, or scientific experience or skill (know-how), and

(*b*) Gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(4) The provisions of paragraph (2) shall not apply if the recipient of the royalties, being a resident of a Contracting State, has in the other Contracting State in which the royalties arise, a permanent establishment with which the right or property giving rise to the royalties is effectively connected. In such a case, the provisions of Article 8 shall apply.

(5) Royalties shall be deemed to arise in a Contracting State only to the extent that such royalties are payments made as consideration for the use of, or the right to use, property or rights described in paragraph (3) within that Contracting State.

(6) Where, owing to a special relationship between the payer and the recipient or between both of them and some other person, the amount of the royalties paid, having regard to the use, right, or information for which they are paid, exceeds the amount which would have been agreed upon by the payer and the recipient in the absence of such relationship, the provisions of this Article shall apply only to the last-mentioned amount. In that case, the excess part of the payments shall remain taxable according to the law of each Contracting State, due regard being had to the other provisions of this Convention.

ARTICLE 14

Capital gains

(1) A resident of one of the Contracting States shall be exempt from tax by the other Contracting State on gains from the sale, exchange, or other disposition of capital assets unless—

(*a*) The gain is derived by a resident of one of the Contracting States from the sale, exchange, or other disposition of property described in Article 7 situated within the other Contracting State,

(*b*) The recipient of the gain, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the property giving rise to the gain is effectively connected with such permanent establishment, or

(*c*) The recipient of the gain, being an individual who is a resident of one of the Contracting States is present in the other Contracting State for a period or periods aggregating 183 days or more during the taxable year.

(2) In the case of gains described in paragraph (1)(a), see Article 7. In the case of gains described in paragraph (1)(b), the provisions of Article 8 shall apply.

ARTICLE 15

Independent personal services

(1) Income derived by a resident of a Contracting State in respect of professional services or other independent activities may be taxed by that Contracting State. Except as provided in paragraph (2), such income shall be exempt from tax by the other Contracting State.

(2) Income described in paragraph (1) which is derived by an individual who is a resident of one of the Contracting States from the performance of personal services in an independent capacity in the other Contracting State may be taxed by that other Contracting State if the individual is present in that other Contracting State for a period or periods aggregating 183 days or more during the taxable year.

(3) The term "professional services" includes especially independent scientific, literary, and artistic activities, as well as the independent activities of physicians, lawyers, engineers, architects, dentists, journalists, and others.

ARTICLE 16

Dependent Personal Services

(1) Salaries, wages, and other similar remuneration derived by a resident of a Contracting State in respect of an employment shall be taxable only by that Contracting State unless the employment is exercised in the other Contracting State. If the employment is so exercised, such remuneration as is derived therefrom may be taxed by that other Contracting State.

(2) Notwithstanding the provisions of paragraph (1), remuneration derived by a resident of a Contracting State in respect of an employment exercised in the other Contracting State shall be taxable only by the first-mentioned Contracting State if:

(*a*) The recipient is present in the other Contracting State for a period or periods in the aggregate less than 183 days during the taxable year concerned, and

(*b*) The remuneration is paid by, or on behalf of, an employer who is not a resident of the other Contracting State, and

(*c*) The remuneration is not borne by a permanent establishment which the employer has in the other Contracting State.

(3) Notwithstanding paragraph (2), remuneration derived by an individual from the performance of labor or personal services as an employee aboard ships or aircraft operated by a resident of one of the Contracting States in international traffic shall be exempt from tax by the other Contracting State if such individual is a member of the regular complement of the ship or aircraft.

ARTICLE 17

Teachers

(1) Where a resident of one of the Contracting States is invited by the Government of the other Contracting State, a political subdivision or a local authority thereof, or by a university or other recognized educational institution in that other Contracting State to come to that other Contracting State for a period not expected to exceed 2 years for the purpose of teaching or engaging in research, or both, at a university or other recognized educational institution and such resident comes to that other Contracting State primarily for such purpose, his income from personal services for teaching or research at such university or educational institution shall be exempt from tax by that other Contracting State for a period not exceeding 2 years from the date of his arrival in that other Contracting State.

(2) This Article shall not apply to income from research if such research is undertaken not in the public interest but primarily for the private benefit of a specific person or persons.

ARTICLE 18

Students and trainees

(1)(*a*) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and, who is temporarily present in that other Contracting State for the primary purpose of—

(*i*) Studying at a university or other recognized educational institution in that other Contracting State, or

(*ii*) Securing training required to qualify him to practice a profession or professional specialty, or

(*iii*) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization, shall be exempt from tax by that other Contracting State with respect to amounts described in subparagraph (b) for a period not exceeding 5 taxable years from the date of his arrival in that other Contracting State.

(*b*) The amounts referred to in subparagraph (a) are—

(*i*) Gifts from abroad for the purpose of his maintenance, education, study, research, or training;

(*ii*) The grant, allowance, or award;

(*iii*) Any other payment from the Contracting State of which the individual is a resident, except income from the performance of personal servces; and

(*iv*) Income from personal services performed in that other Contracting State in an amount not in excess of 2,000 United States dollars or its equivalent in Polish zlotys for any taxable year.

(2) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in that other Contracting State as an employee of, or under contract with, a resident of the first-mentioned Contracting State, for the primary purpose of—

(*a*) Acquiring technical, professional, or business experience from a person other than that resident of the first-mentioned Contracting State or other than a person related to such resident, or

(b) Studying at a university or other recognized educational institution in that other Contracting State

shall be exempt from tax by that other Contracting State for a period not exceeding 1 year with respect to his income from personal services in an aggregate amount not in excess of 5,000 United States dollars or its equivalent in Polish zlotys.

(3) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State for a period not exceeding 1 year, as a participant in a program sponsored by the Government of that other Contracting State, for the primary purpose of training, research, or study, shall be exempt from tax by that other Contracting State with respect to his income from personal services in respect of such training, research, or study performed in that other Contracting State in an aggregate amount not in excess of 10,000 United States dollars or its equivalent in Polish zlotys.

(4) The benefits provided under Article 17 and paragraph (1) of this Article shall, when taken together, extend only for such period of time, not to exceed 5 taxable years from the date of arrival of the individual claiming such benefits, as may reasonably or customarily be required to effectuate the purpose of the visit. The benefits provided under Article 17 shall not be available to an individual if, during the immediately preceding period, such individual enjoyed the benefits of paragraph (1) of this Article.

ARTICLE 19

Governmental Functions

(1) Wages, salaries, and similar remuneration, including pensions, annuities, or similar benefits, paid from public funds of one of the Contracting States to a citizen of that Contracting State for labor or personal services performed as an employee of the national Government of that Contracting State, or any agency thereof, in the discharge of functions of a governmental nature shall be exempt from tax by the other Contracting State.

(2) Labor or personal services performed by a citizen of one of the Contracting States shall be treated by the other Contracting State as performed in the discharge of governmental functions if such labor or personal services would be treated under the internal laws of both Contracting States as so performed.

ARTICLE 20

Relief from double taxation

Double taxation of income shall be avoided in the following manner:

(1) In accordance with the provisions and subject to the limitations of the law of Poland (as it may be amended from time to time without changing the general principles hereof), Poland shall allow to a resident of Poland as a credit against the Polish tax the appropriate amount of taxes paid to the United States.

(2) In accordance with the provisions and subject to the limitations of the law of the United States (as if may be amended from time to time without changing the general principles hereof), the United States shall allow a citizen or resident of the United States as a credit against the United States to tax the appropriate amount of taxes paid to Poland and, in the case of a United States company owning at least 10 percent of the voting power of a Polish company from which it receives dividends in any taxable year, shall allow credit for the appropriate amount of taxes paid to Poland by the Polish company paying such dividends with respect to the profits out of which such dividends are paid. Such appropriate amount shall be based upon the amount of tax paid to Poland, but the credit shall not exceed that portion of the United States tax which such citizen's or resident's net income from sources within Poland or on income from sources outside of the United States bears to his entire net income for the same taxable year. For purposes of applying the United States credit in relation to taxes paid to Poland, the taxes referred to in paragraph (2)(a) of Article 2 shall be considered to be income taxes.

ARTICLE 21

Nondiscrimination

(1) A citizen of a Contracting State who is a resident of the other Contracting State shall not be subjected in the other Contracting State to any taxation or any requirement connected therewith which is other or more burdensome than the taxation and connected requirements to which citizens of that other Contracting State in the same circumstances are or may be subjected.

(2) A permanent establishment which a resident of one of the Contracting States has in the other Contracting State shall not be subject in that other Contracting State to more burdensome taxation than a permanent establishment of a resident of a third State carrying on the same activities. However, this paragraph shall not require a Contracting State to grant to permanent establishments of residents of the other Contracting State tax benefits granted by special agreements to permanent establishments of a third State.

(3) A company of one of the Contracting States, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected with taxation which is other or more burdensome than the taxation and requirements to which a company of the first-mentioned Contracting State carrying on the same activities, the capital of which is wholly or partly owned or controlled by one or more residents of a third State, is or may be subjected. However, this paragraph shall not require a Contracting State to grant to companies which are wholly or partly owned by residents of the other Contracting State tax benefits granted by special agreements to companies which are wholly or partly owned by residents of a third State.

(4) In this Article the term "taxation" means taxes of every kind and description, with the exception of the Treasury residence registration fee (oplata skarbowa za zameldowanie). The contribution for the retirement fund (skladka na cele emerytalne) made by Polish citizens shall be regarded as a tax.

ARTICLE 22

Mutual agreement procedure

(1) Where a resident of a Contracting State considers that the actions of one or both of the Contracting States result or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of those States, present his case to the competent authority of the Contracting State of which he is a resident or citizen.

(2) The competent authority shall endeavor, if the objection appears to it to be justified and if it is not itself able to arrive at an appropriate solution, to resolve the case by mutual agreement with the competent authority of the other Contracting State, with a view to the avoidance of taxation not in accordance with the Convention.

(3) The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the interpretation or application of the Convention. They may also consult together for the elimination of double taxation in cases not provided for in the Convention.

(4) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of the preceding paragraphs.

(5) In the event that the competent authorities reach such an agreement, taxes shall be imposed on such income in accordance with the agreement. Notwithstanding any procedural rule (including statutes of limitations) applicable under the law of either Contracting States, refund or credit of taxes shall be allowed, as appropriate, by the Contracting States in accordance with such agreement.

ARTICLE 23

Exchange of information

(1) The competent authorities shall exchange such information as is necessary for carrying out the provisions of this Convention or for the prevention of fraud or for the administration of statutory provisions concerning taxes to which this Convention applies, provided the information is of a class that can be obtained under the laws and administrative practices of each Contracting State with respect to its own taxes.

(2) Any information so exchanged shall be treated as secret, except that such information may be—

(*a*) Disclosed to any person concerned with, or

(*b*) Made part of a public record with respect to,

the assessment, collection, or enforcement of, or litigation with respect to, the taxes to which this Convention applies.

(3) No information shall be exchanged which would be contrary to public policy.

(4) If specifically requested by the competent authority of a Contracting State, the competent authority of the other Contracting State shall provide information under this article in the form of depositions of witnesses and copies of unedited original documents (including books, papers, statements, records, accounts, or writings), to the same extent such depositions and documents can be obtained under the laws and administrative practices of each Contracting State with respect to its own taxes.

(5) The exchange of information shall be either on a routine basis or on request with reference to particular cases. The competent authorities of the Contracting States may agree on the list of information which shall be furnished on a routine basis.

ARTICLE 24

Diplomatic and consular officers

Nothing in this Convention shall affect the fiscal privileges of diplomatic or consular officials of the other Contracting States under the general rules of international law or under the provisions of special agreements.

ARTICLE 25

Entry into force

This Convention is subject to ratification and shall enter into force 30 days after the date of exchange of the instruments of ratification, which shall be done at Warsaw. The provisions of the Convention shall have with respect to income of calendar years or taxable years beginning (or in the case of taxes payable at the source, payments made) on or after January 1, 1974.

ARTICLE 26

Termination

(1) This Convention shall remain in force for an indefinite period of time. It may be terminated after 5 years from the date of entry into force provided that 6 months prior notice of termination has been given.

(2) In the case of termination the Convention shall cease to have force with regard to income of calendar years or taxable years beginning (or in the case of taxes payable at the source, payments made) on or after January 1, next following the expiration of the 6-month period.

DONE at Washington this 8th day of October, 1974, in duplicate, in the English and Polish languages, the two texts having equal authenticity.

For the Government of the United States of America:

HENRY A. KISSINGER,
Secretary of State.

For the Government of the Polish People's Republic:

STEFAN OLSZOWSKI,
Minister of Foreign Affairs.

CONVENTION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA WITH RESPECT TO TAXES ON INCOME

The Government of the United States of America and the Government of the Socialist Republic of Romania, desiring to conclude a convention for the avoidance of double taxation of income and property and the prevention of fiscal evasion, have agreed as follows:

ARTICLE 1

Taxes covered

(1) The taxes which are the subject of this Convention are:

(a) In the case of Romania, the income taxes imposed under Romanian law, in particular the income taxes imposed on:

(i) wages, salaries, fees, copyrights, and income from any other source received by individuals;

(ii) profits of mixed companies;

(iii) enterprises other than mixed companies or state enterprises;

(iv) agricultural activities;

(v) rentals; and

(vi) nonresidents.

(b) In the case of the United States, the Federal income taxes imposed by the Internal Revenue Code (other than social insurance taxes imposed by chapters 2 and 21).

(2) This Convention shall also apply to taxes substantially similar to those covered by paragraph (1) which are imposed in addition to, or in place of, existing taxes after the date of signature of this Convention.

(3) For purposes of paragraph (5) of Article 7 (Business Profits), this Convention shall also apply to taxes other than income taxes imposed at the national level of a Contracting State on insurance and reinsurance premiums paid to a resident of the other Contracting State. For the purpose of Article 22 (Nondiscrimination), this Convention shall also apply to taxes of every kind imposed at the national, state, or local level.

(4) The competent authorities of the Contracting States shall notify each other of any amendments of the tax laws referred to in paragraph (1) and of the adoption of any taxes referred to in paragraph (2) by transmitting the texts of any amendments or new statutes at least once a year.

ARTICLE 2

General definitions

(1) In this Convention:

(a) (i) The term "Romania" means the Socialist Republic of Romania; and

(ii) When used in a geographical sense the term "Romania" also includes:

(A) The territorial sea thereof, and

(B) The seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which Romania exercises sovereign rights, in accordance with international law, for the purpose of exploration for and exploitation of the natural resources of such areas but only to the extent that the person, property, or activity to which this Convention is being applied is connected with such exploration or exploitation.

(b) (i) The term "United States" means the United States of America; and

(ii) When used in a geographical sense, the term "United States" means the states thereof and the District of Columbia. Such term also includes:

(A) The territorial sea thereof, and

(B) The seabed and subsoil of the submarine areas adjacent to the coast thereof, but beyond the territorial sea, over which the United States exercises sovereign rights, in accordance with international law, for the purpose of exploration for and exploitation of the natural resources of such areas, but only to the extent that the person, property, or activity to which the Convention is being applied is connected with such exploration or exploitation.

(c) The term "Contracting State" means the United States or Romania, as the context requires.

(d) The term "person" includes an individual, a partnership, a corporation, an estate, or a trust.

(e) (i) The term "Romanian corporation" means any juridical person, including a mixed corporation which is incorporated and organized under Romanian law or any other legal entity created under Romanian law which is treated as a jurisdical person according to Romanian taxation laws.

(ii) The term "United States corporation" means a corporation, or any entity treated as a corporation for United States tax purposes, which is created or organized under the laws of the United States or any state thereof or the District of Columbia; and

(f) The term "competent authority" means:

(i) In the case of Romania, the Minister of Finance or his delegate, and

(ii) In the case of the United States, the Secretary of the Treasury or his delegate.

(g) The term "tax" means tax imposed by the United States or Romania, whichever is applicable, to which this Convention applies by virtue of Article 1 (Taxes Covered).

(h) The term "international traffic" means any voyage of a ship or aircraft operated by a resident of one of the Contracting States except where such voyage is confined solely to places within a Contracting State.

(2) Any other term used in this Convention and not defined in this Convention shall, unless the context otherwise requires, have the meaning which it has under the laws of the Contracting State whose tax is being determined. Notwithstanding the preceding sentence, if the meaning of such a term under the laws of one of the Contracting States is different from the meaning of the term under the laws of the other Contracting State, or if the meaning of such a term is not readily determinable under the laws of one of the Contracting States, the competent authorities of the Contracting States may, in order to prevent double taxation or to further any other purpose of this Convention, establish a common meaning of the term for purposes of this Convention.

ARTICLE 3

Fiscal residence

(1) In this Convention:

(a) The term "resident of Romania" means:

(i) A Romanian corporation (as defined in paragraph (1)(e)(i) of Article 2 (General Definitions)), or

(ii) Any other person resident in Romania, but in the case of a partnership, estate, or trust only to the extent that the income derived by such person is subject to United States tax.

(b) The term "resident of the United States" means:

(i) A United States corporation (as defined in paragraph (1)(e)(ii) of Article 2 (General Definitions)), or

(ii) Any other person resident in the United States, but in the case of a partnership, estate, or trust only to the extent that the income derived by such person is subject to United States tax.

(2) Where by reason of the provisions of paragraph (1) an individual is a resident of both Contracting States:

(a) He shall be deemed to be a resident of that Contracting State in which he maintains his permanent home. If he has a permanent home in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of that Contracting State with which his personal and economic relations are closest (center of vital interests);

(b) If the Contracting State in which he has his center of vital interests cannot be determined, he shall be deemed to be a resident of that Contracting State in which he has a habitual abode;

(c) If he has a habitual abode in both Contracting States or in neither of the Contracting States, he shall be deemed to be a resident of the Contracting State of which he is a citizen; and

(d) If he is a citizen of both Contracting States or of neither Contracting States, the competent authorities of the Contracting States shall settle the question by mutual agreement.

ARTICLE 4

General rules of taxation

(1) A resident of one of the Contracting States may be taxed by the other Contracting State on any income from sources within that other Contracting State and only on such income, subject to any limitations set forth in this Convention.

(2) The provisions of this Convention shall not be construed to restrict in any manner any exclusion, exemption, deduction, credit, or other allowance now or hereafter accorded—

(a) By the laws of one of the Contracting States in the determination of the tax imposed by that Contracting State, or

(b) By any other agreement between the Contracting States.

(3) Notwithstanding any provisions of this Convention except paragraph (4), a Contracting State may tax its citizens or residents (as determined under Article 3 (Fiscal Residence)) as if this Convention had not come into effect.

(4) The provisions of paragraph (3) shall not affect:

(a) The benefits conferred by a Contracting State under Articles 17 (Social Security Payments), 21 (Relief from Double Taxation), 22 (Nondiscrimination), and 23 (Mutual Agreement Procedure); and

(b) The benefits conferred by a Contracting State under Articles 18 (Governmental Functions), 19 (Teachers), 20 (Students and Trainees), and 25 (Members of Diplomatic Missions and Consular Offices) upon individuals who are neither citizens of, nor have immigrant status in, that Contracting State.

(5) The competent authorities of the two Contracting States may prescribe regulations necessary to carry out the provisions of this Convention.

ARTICLE 5

Permanent establishment

(1) For the purpose of this Convention, the term "permanent establishment" means a fixed place of business through which the business of a resident of one of the Contracting States is wholly or partly carried on.

(2) The term "permanent establishment" includes but is not limited to:

(a) A branch;

(b) An office;

(c) A factory;

(d) A workshop;

(e) A warehouse;

(f) A mine, quarry, or other place of extraction of natural resources; and

(g) A construction or installation project which exists for more than 12 months.

(3) Notwithstanding paragraphs (1) and (2), a permanent establishment shall not include a fixed place of business used only for one or more of the following:

(a) The use of facilities for the purpose of storage, display, or delivery pursuant to a sales contract, of goods or merchandise belonging to the resident;

(b) The maintenance of a stock of goods or merchandise belonging to the resident for the purpose of processing by another person;

(c) The maintenance of a fixed place of business for the purpose of purchasing of goods or merchandise, or for collecting information, for the resident;

(d) The maintenance of a fixed place of business for the purpose of advertising, for the supply of information, for scientific research, or for similar activities which have a preparatory or auxiliary character, for the resident; or

(e) The maintenance of a construction or installation project which does not exist for more than 12 months.

(4) A person acting in one of the Contracting States on behalf of a resident of the other Contracting State, other than an agent of an independent status to whom paragraph (5) applies, shall be deemed to give rise to a permanent establishment in the first-mentioned Contracting State if such person has, and habitually exercises in the first-mentioned Contracting State, an authority to conclude contracts in the name of that resident, unless the exercise of such authority is limited to the purchase of goods or merchandise for that resident.

(5) A resident of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because such resident engages in industrial or commercial activity in that other Contracting State through a broker, general commission agent, or any other agent of an independent status, where such broker or agent is acting in the ordinary course of his business.

(6) A resident of one of the Contracting States shall not be deemed to have a permanent establishment in the other Contracting State merely because such resident sells at the termination of a trade fair or convention in such other Contracting State goods or merchandise which such resident displayed at such trade fair or convention.

(7) In determining whether a resident of one Contracting State has a permanent establishment in the other Contracting State there shall not be taken into account the fact that such resident may be related to either a resident of the other Contracting State or to any other person who engages in business in that other Contracting State.

(8) The principles set forth in paragraphs (1) through (7) shall also be applied in determining whether there is a permanent establishment in a State other than one of the Contracting States or whether a person other than a resident of one of the Contracting States has a permanent establishment in one o fthe Contracting States.

ARTICLE 6

Income from immovable property

(1) Income from immovable property, including royalties and other payments in respect of the exploitation of natural resources and gains derived from the sale, exchange, or other disposition of such property or of the right giving rise to such royalties or other payments. may be taxed by the Contracting State in which such immovable property or natural resources are situated. For purposes of this Convention, interests on indebtedness secured by immovable property or secured by a right giving rise to royalties or other payments in respect of the exploitation of natural resources shall not be regarded as income from immovable property.

(2) Paragraph (1) shall apply to income derived from the usufruct, direct use, letting, or use in any other form of immovable property.

ARTICLE 7

Business profits

(1) Industrial or commercial profits of a resident of one of the Contracting States shall be exempt from tax by the other Contracting State unless the resident has a permanent establishment in that other Contracting State. If the resident has a permanent establishment in that other Contracting State, tax may be imposed by that other Contracting State on the industrial or commercial profits of the resident but only on so much of them as are attributable to the permanent establishment.

(2) Where a resident of one of the Contracting States has a permanent establishment in the other Contracting State, there shall in each Contracting State be attributed to the permanent establishment the industrial or commercial profits which would reasonably be expected to have been derived by it if it were an independent entity engaged in the same or similar activities under the same or similar conditions and dealing at arm's length with the resident of which it is a permanent establishment.

(3) In the determination of the industrial or commercial profits of a permanent establishment, there shall be allowed as deductions expenses which are reasonably connected with such profits, including executive and general administrative expenses, whether incurred in the Contracting State in which the permanent establishment is situated or elsewhere.

(4) No profits shall be attributed to a permanent establishment of a resident of one of the Contracting States in the other Contracting State merely by reason of the purchase of goods or merchandise by that permanent establishment, or by the resident of which it is a permanent establishment, for the account of that resident.

(5) Insurance or reinsurance premiums derived from sources within one Contracting State by a resident of the other Contracting State shall not be subject to income tax or any other tax in the first Contracting State unless such income is effectively connected with a permanent establishment of the resident in that Contracting State.

(6) The term "industrial or commercial profits" includes, but is not limited to, income derived from manufacturing, mercantile, banking, insurance, agricultural, fishing or mining activities, the operation of ships or aircraft, the furnishing of services, and the rental of tangible personal (movable) property. Such term does not include the performance of personal services by an individual either as an employee or in an independent capacity. Such term also includes any other income effectively connected with a permanent establishment which the recipient, being a resident of one of the Contracting States, has in the other Contracting State.

(7) To determine whether property or rights are effectively connected with a permanent establishment, the factors taken into account shall include whether the rights or property are used in or held for use in carrying on an activity giving rise to industrial or commercial profits through such permanent establishment and whether the activities carried on through such permanent establishment were a material factor in the realization of the income derived from such property or rights. For this purpose, due regard shall be given to whether or not such property or rights or such income were accounted for through such permanent establishment.

(8) Where industrial or commercial profits include items of income which are dealt with separately in other articles of this Convention, the provisions of those articles shall, except as otherwise provided therein, supersede the provisions of this article.

ARTICLE 8

Shipping and air transport

(1) Notwithstanding Article 7 (Business Profits) and Article 13 (Capital Gains), income derived by a resident of one of the Contracting States from the operation in international traffic of ships or aircraft registered in that Contracting State and gains derived from the sale, exchange, or other disposition of ships or aircraft used in international traffic and which are registered in that Contracting State shall be exempt from taxation by the other Contracting State.

(2) For purposes of this article, income derived from the operation in international traffic of ships or aircraft includes—

(a) Income derived from the rental of ships or aircraft operated in international traffic if such rental income is incidental to other income described in paragraph (1); and

(b) Income derived from the use, maintenance, and lease of containers and other related quipment in connection with the operation in international traffic of ships or aircraft by the resident described in paragraph (1).

ARTICLE 9

Related persons

(1) Where a person subject to the taxing jurisdiction of one of the Contracting States and any other person are related and where such related persons make arrangements or impose conditions between themselves which are different from those which would be made between independent persons, any income, deductions, credits, or allowances which would, but for those arrangements or conditions, have been taken into account in computing the income (or loss) of, or the tax payable by, one of such persons, may be taken into account in computing the amount of the income subject to tax and the taxes payable by such person.

(2) Where a redetermination has been made by one Contracting State to the income of one of its residents in accordance with paragraph (1), then the other Contracting State shall, if it agrees with such redetermination, make a corresponding adjustment to the income of a person in such other Contracting State related to such resident. In the event the other Contracting State disagrees with such redetermination, the two Contracting States shall endeavor to reach agreement in accordance with the mutual agreement procedure in paragraph (2)(b) of Article 23 (Mutual Agreement Procedure).

(3) For purposes of this Convention, a person is related to another person if either person owns or controls directly or indirectly the other, or if a third person or persons own or control directly or indirectly both. For this purpose, the term "control" includes any kind of control, whether or not legally enforceable, and however exercised or exercisable.

ARTICLE 10

Dividends

(1) Dividends paid by a corporation of one of the Contracting States to a resident of the other Contracting State may be taxed by both Contracting States.

(2) The rate of tax imposed by the first-mentioned Contracting State on such dividends shall not exceed 10 percent of the gross amount of the dividend.

(3) Paragraph (2) shall not apply if the recipient of the dividends, being a resident of one of the Contracting States, has a permanent establishment in the other Con-

tracting State and the shares with respect to which the dividends are paid are effectively connected with such permanent establishment. In such a case, paragraph (6) of Article 7 (Business Profits) shall apply.

ARTICLE 11

Interest

(1) Interest derived by a resident of one of the Contracting States from sources within the other Contracting State may be taxed by both Contracting States.

(2) Interest derived by a resident of one of the Contracting States from sources within the other Contracting State shall not be taxed by the other Contracting State at a rate in excess of 10 percent of the gross amount of such interest.

(3) Notwithstanding paragraphs (1) and (2), interest beneficially derived by (a) one of the Contracting States, or by an instrumentality of that Contracting State, not subject to tax by that Contracting State on its income, or (b) a resident of such Contracting State with respect to indebtedness guaranteed, insured, or indirectly financed by that Contracting State or instrumentality thereof, shall be exempt from tax by the other Contracting State.

(4) Paragraph (2) shall not apply if the recipient of the interest, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the indebtedness giving rise to the interest is effectively connected with such permanent establishment. In such a case, paragraph (6) of Article 7 (Business Profits) shall apply.

(5) Where an amount is paid to a related person which would be treated as interest but for the fact that it exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the amount as would have been paid to an unrelated person. In such a case, the excess amount may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

(6) The term "interest" as used in this Convention means income from bonds, Government securities, notes, or other evidences of indebtedness, whether or not secured and whether or not carrying a right to participate in profits, and debt-claims of every kind, as well as all other income which, under the taxation law of the Contracting State in which the income has its source, is assimilated to income from money lent.

(7) Interest shall be treated as derived from sources within a Contracting State only if paid by such Contracting State, a political subdivision or a local authority thereof, or by a resident of that Contracting State. Notwithstanding the preceding sentence—

(a) If the person paying the interest (whether or not such person is a resident of one of the Contracting States) has a permanent establishment in one of the Contracting States in connection with which the indebtedness on which the interest is paid was incurred and such interest is borne by such permanent establishment, or

(b) If the person paying the interest is a resident of one of the Contracting States and has a permanent establishment in a State other than a Contracting State in connection with which the indebtedness on which the interest is paid was incurred and such interest is paid to a resident of the other Contracting State, and such interest is borne by such permanent establishment, such interest shall be deemed to be from sources within the State in which the permanent establishment is situated.

ARTICLE 12

Royalties

(1) Royalties derived by a resident of one of the Contracting States from sources within the other Contracting State may be taxed by both Contracting States.

(2) Royalties derived by a resident of one of the Contracting States from sources within the other Contracting State shall not be taxed by the other Contracting State at a rate in excess of 10 percent of the gross amount of cultural royalties or at a rate in excess of 15 percent of the gross amount of industrial royalties.

(3) For purposes of this article—

(a) Cultural royalties are payments of any kind made as consideration for the use of, or the right to use, copyrights of literary, artistic, or scientific works, including copyrights of motion picture films or films or tapes used for radio or television broadcasting;

(b) Industrial royalties are payments of any kind made as considerations for the use of, or the right to use, patents, designs, models, plans, secret processes or formulae, trademarks, or other like property or rights, or for knowledge, experience, or skill (know-how);

(c) Cultural royalties and industrial royalties include gains derived from the sale, exchange, or other disposition of any such property or rights to the extent that the amounts realized on such sale, exchange, or other disposition for consideration are contingent on the productivity, use, or disposition of such property or rights.

(4) Paragraph (2) shall not apply if the recipient of the royalty, being a resident of one of the Contracting States, has in the other Contracting State a permanent establishment and the property or rights giving rise to the royalty is effectively connected with such permanent establishment. In such a case, paragraph (6) of Article 7 (Business Profits) shall apply.

(5) Where an amount is paid to a related person which would be treated as royalty but for the fact that it exceeds an amount which would have been paid to an unrelated person, the provisions of this article shall apply only to so much of the amount as would have been paid to an unrelated person. In such a case, the excess amount may be taxed by each Contracting State according to its own law, including the provisions of this Convention where applicable.

(6) Royalties shall be treated as income from sources within a Contracting State only to the extent that such royalties are payments made as consideration for the use of, or the right to use, property or rights described in paragraph (3) (a) and (b) within that Contracting State or gains described in paragraph (3)(c) from the sale, exchange, or other disposition of such property or rights.

ARTICLE 13

Capital gains

(1) A resident of one of the Contracting States shall be exempt from tax by the other Contracting State on gains from the sale, exchange, or other disposition of capital assets (whether acquired by inheritance, gift, or any other manner) unless—

(a) The recipient of the gain, being a resident of one of the Contracting States, has a permanent establishment in the other Contracting State and the property giving rise to the gain is effectively connected with such permanent establishment, or

(b) The recipient of the gain, being an individual who is a resident of one of the Contracting States is present in the other Contracting State for a period or periods aggregating 183 days or more during the taxable year.

(2) In the case of gains described in paragraph (1)(a), paragraph (6) of Article 7 (Business Profits) shall apply.

ARTICLE 14

Independent personal services

(1) Income derived by an individual who is a resident of one of the Contracting States from the performance of personal services in an independent capacity may be taxed by that Contracting State.

(2) Income derived by an individual who is a resident of one of the Contracting States from the performance of personal services in an independent capacity in the other Contracting State may also be taxed by that other Contracting State, but only if the individual—

(a) Is present in that other Contracting State for a period or periods aggregating 183 days or more in the taxable year,

(b) Maintains a permanent establishment in the other Contracting State with which the income is effectively connected, or

(c) Is an entertainer, such as a theater, motion picture, radio or television artist, a musician, or an athlete, and is present in that other Contracting State for a period or periods aggregating more than 90 days in the taxable year or the gross income derived from his personal services as an entertainer in an independent capacity in that other Contracting State exceeds in the aggregate 3,000 United States dollars or its equivalent in Romanian lei during the taxable year.

(3) Paragraph (2)(c) shall not apply to an entertainer described in paragraph (2)(c) who is a resident of one of the Contracting States and who is present in the other Contracting State pursuant to a specific arrangement agreed to by the two Contracting States.

ARTICLE 15

Dependent personal services

(1) Except as provided in Articles 18 (Governmental Functions), 19 (Teachers), and 20 (Students and Trainees), wages, salaries, and similar remuneration derived by an individual who is a resident of one of the Contracting States from labor or personal services performed as an employee, including income from services performed by an officer of a corporation or company, may be taxed by that Contracting State. Except as provided by paragraphs (2) and (3), such remuneration derived from labor or personal services performed in the other Contracting State may also be taxed by that other Contracting State.

(2) Remuneration described in paragraph (1) derived by an individual who is a resident of one of the Contracting States shall be exempt from tax by the other Contracting State if—

(a) He is present in that other Contracting State for a period or periods aggregating less than 183 days in the taxable year;

(b) He is an employee of a resident of the first-mentioned Contracting State or of a permanent establishment maintained in the first-mentioned Contracting State by a resident of the other Contracting State;

(c) The remuneration is not borne as such by a permanent establishment which the employer has in that other Contracting State; and

(d) In the case of an entertainer, such as a theater, motion picture, radio or television artist, a musician, or an athlete, he is present in that other Contracting State for a period or periods aggregating less than 90 days in the taxable year and the gross income he derives as an employee in that other Contracting State aggregates less than 3,000 United States dollars or its equivalent in Romanian lei during the taxable year.

(3) Paragraph (2)(d) shall not apply to an entertainer described in paragraph (2)(d) who is a resident of one of the Contracting States and who is present in the other Contracting State pursuant to a specific arrangement agreed to by the two Contracting States.

(4) Notwithstanding paragraph (2), remuneration derived by an individual from the performance of labor or personal services as an employee aboard ships or aircraft operated by a resident of one of the Contracting States in international traffic shall be exempt from tax by the other Contracting State if such individual is a member of the regular complement of the ship or aircraft.

ARTICLE 16

Private pensions and annuities

(1) Except as provided in Article 18 (Governmental Functions), pensions and other similar remuneration paid to an individual in consideration of past employment shall be taxable only in the Contracting State of which he is a resident.

(2) Alimony and annuities paid to an individual who is a resident of one of the Contracting States shall be taxable only in that Contracting State.

(3) A resident of one Contracting State who receives child support payments from a resident of the other Contracting State shall be exempt from tax on such payments in both Contracting States.

(4) The term "pensions and other similar remuneration", as used in this article, means periodic payments other than social security payments covered in Article 17 (Social Security Payments) made (a) by reason of retirement or death in consideration for services rendered, or (b) by way of compensation for injuries received in connection with past employment.

(5) The term "annuities", as used in this article, means a stated sum paid periodically at stated times during life, or during a specified number of years, under an obligation to make the payments in return for adequate and full consideration (other than services rendered).

(6) The term "alimony", as used in this article, means periodic payments made pursuant to a decree of divorce or compulsory support, separate maintenance agreement, or support or separation agreement which is taxable to the recipient under the internal laws of the Contracting State of which he is a resident.

(7) The term "child support payments", as used in this article, means periodic payments for the support of a minor child made pursuant to a decree of divorce, separate maintenance agreement, or support or separation agreement.

ARTICLE 17

Social security payments

Social security payments and other public pension paid by one of the Contracting States to an individual who is a resident of the other Contracting State shall be exempt from tax in both Contracting States. This article shall not apply to payments described in Article 18 (Governmental Functions).

ARTICLE 18

Governmental functions

Wages, salaries, and similar remuneration, including annuities or similar benefits, paid from public funds of one of the Contracting States to a citizen of that Contracting State for labor or personal services performed as an employee of the national government of that Contracting State, or any agency thereof, in the discharge of functions of a governmental nature shall be exempt from tax by the other Contracting State. Labor or personal services performed by a citizen of one of the Contracting States shall be treated by the other Contracting State as performed in the discharge of governmental functions if such labor or personal services would be treated under the internal laws of both Contracting States as so performed.

ARTICLE 19

Teachers

(1) Where a resident of one of the Contracting States is invited by the Government of the other Contracting State, a political subdivision, or local authority thereof, or by university or other recognized educational institution in that other Contracting State to come to that other Contracting State for a period not expected to exceed 2 years for the purpose of teaching or engaging in research, or both, at a university or other recognized educational institution and such resident comes to that other Contracting State primarily for such purpose, his income from personal services for teaching or research at such university or educational institution shall be exempt from tax by that other Contracting State for a period not exceeding 2 years from the date of his arrival in that other Contracting State.

(2) This article shall not apply to income from research if such research is undertaken not in the public interest but primarily for the private benefit of a specific person or persons.

ARTICLE 20

Students and trainees

(1)(a) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State for the primary purpose of—

(i) Studying at a university or other recognized educational institution in that other Contracting State, or

(ii) Securing training required to qualify him to practice a profession or professional specialty, or

(iii) Studying or doing research as a recipient of a grant, allowance, or award from a governmental, religious, charitable, scientific, literary, or educational organization.

shall be exempt from tax by that other Contracting State with respect to amounts described in subparagraph (b) for a period not exceeding 5 taxable years from the date of his arrival in that other Contracting State.

(b) The amounts referred to in subparagraph (a) are—

(i) Gifts from abroad for the purpose of his maintenance, education, study, research, or training;

(ii) The grant, allowance, or award; and

(iii) Income from personal services performed in that other Contracting State in an amount not in excess of 2,000 United States dollars or its equivalent in Romanian lei for any taxable year.

(2) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State as an employee of, or under contract with, a resident of the first-mentioned Contracting State, for the primary purpose of—

(a) Acquiring technical, professional, or business experience from a person other than that resident of the first-mentioned Contracting State or other than a person related to such resident, or

(b) Studying at a university or other recognized educational institution in that other Contracting State.

shall be exempt from tax by that other Contracting State on his income from personal services for a period not exceeding 1 year and only in an amount not exceeding in the aggregate 5,000 United States dollars or its equivalent in Romanian lei.

(3) An individual who is a resident of one of the Contracting States at the time he becomes temporarily present in the other Contracting State and who is temporarily present in that other Contracting State for a period not exceeding 1 year, as a participant in a program sponsored by the Government of that other Contracting State, for the primary purpose of training, research, or study, shall be exempt from tax by that other Contracting State with respect to his income from personal services in respect of such training, research, or study performed in that other Contracting State in an aggregate amount not in excess of 10,000 United States dollars or its equivalent in Romanian lei.

(4) The benefits provided under Article 19 (Teachers) and paragraph (1) of this article shall, when taken together, extend only for such period of time, not to exceed 5 taxable years from the date of arrival of the individual claiming such benefits; as may reasonably or customarily be required to effectuate the purpose of the visit. The benefits provided under Article 19 (Teachers) shall not be available to an individual if, during the immediately preceding period, such individual enjoyed the benefits of paragraph (1) of this article.

ARTICLE 21

Relief from double taxation

Double taxation of income shall be avoided in the following manner:

(1) In accordance with the provisions and subject to the limitations of the law of Romania (as it may be amended from time to time without changing the general principles hereof), Romania shall allow to a citizen or resident of Romania as a credit against Romanian tax the appropriate amount of income taxes paid to the United States. Such appropriate amount shall be based upon the amount of tax paid to the United States but shall not exceed the portion of Romanian tax which such citizen's or resident's net income from sources within the United States bears to his entire net income for the same taxable year.

(2) In accordance with the provisions and subject to the limitations of the law of the United States (as it may be amended from time to time without changing the general principles hereof), the United States shall allow to a citizen or resident of the United States as a credit against the United States tax the appropriate amount of taxes paid to Romania. Such appropriate amount shall be based upon the amount of tax paid to Romania, but the credit shall not exceed the portion of United States tax which such citizen's or resident's net income from sources within Romania or on income from sources outside of the United States bears to his entire net income for the same taxable year. For purposes of applying the United States credit in relation to taxes paid to Romania, the taxes referred to in paragraph (1)(a) of Article 1 (Taxes Covered) shall be considered to be income taxes.

ARTICLE 22

Nondiscrimination

(1) A citizen of one of the Contracting States who is a resident of the other Contracting State shall not be subjected in that other Contracting State to more burdensome taxes than a citizen of that other Contracting State who is a resident thereof.

(2) A citizen of one of the Contracting States who is a resident of the other Contracting State or a permanent establishment which a resident of one of the Contracting States has in the other Contracting State shall not be subject in that other Contracting State to more burdensome taxes than are generally imposed in that other Contracting State on citizens or permanent establishments of residents of third States carrying on the same activities. However, this paragraph shall not require a Contracting State to grant to citizens or permanent establishments of residents of the other Contracting State tax benefits granted by special agreements to citizens or permanent establishments of a third State.

(3) A corporation of one of the Contracting States, the capital of which is wholly or partly owned or controlled, directly or indirectly, by one or more residents of the other Contracting State, shall not be subjected in the first-mentioned Contracting State to any taxation or any requirement connected with taxation which is other or more burdensome than the taxation and requirements to which a corporation of the first-mentioned Contracting State carrying on the same activities, the capital of which is wholly or partly owned or controlled by one or more residents of a third State, is or may be subjected. However, this paragraph shall not require a Contracting State to grant to corporations

which are wholly or partly owned by residents of the other Contracting State tax benefits granted by special agreements to corporations which are wholly or partly owned by residents of a third State.

ARTICLE 23

Mutual agreement procedure

(1) Where a resident of one of the Contracting States considers that the action of one or both of the Contracting States results or will result for him in taxation not in accordance with this Convention, he may, notwithstanding the remedies provided by the national laws of the Contracting States, present his case to the competent authority of the Contracting State of which he is a resident or a citizen. Should the resident's claim be considered to have merit by the competent authority of the Contracting State to which the claim is made, it shall endeavor to come to an agreement with the competent authority of the other Contracting State with a view to the avoidance of taxation not in accordance with the provisions of this Convention.

(2) The competent authorities of the Contracting States shall endeavor to resolve by mutual agreement any difficulties or doubts arising as to the application of this Convention. In particular, the competent authorities of the Contracting States may agree—

(a) To the same attribution of industrial or commercial profits to a resident of one of the Contracting States and its permanent establishment situated in the other Contracting State;

(b) To the same allocation of income, deductions, credits, or allowances between a resident of one of the Contracting States and any related person and to the readjustment of taxes imposed by each Contracting State to reflect such allocation;

(c) To the same determination of the source of particular items of income; or

(d) To the same characterization of particular items of income.

(3) The competent authorities of the Contracting States may communicate with each other directly for the purpose of reaching an agreement in the sense of this article. When it seems advisable for the purpose of reaching agreement, the competent authorities may meet together for an exchange of opinions.

(4) In the event that the competent authorities reach such an agreement, taxes shall be imposed on such income, and refund or credit of taxes shall be allowed, by the Contracting States in accordance with such agreement.

ARTICLE 24

Exchange of information

(1) The competent authorities shall exchange such information as is necessary for carrying out the provisions of this Convention or for the prevention of fraud or for the administration of statutory provisions concerning taxes to which this Convention applies provided the information is of a class that can be obtained under the laws and administrative practices of each Contracting State with respect to its own taxes.

(2) Any information so exchanged shall be treated as secret, except that such information may be—

(a) Disclosed to any person charged with the assessment, collection, or enforcement of, or litigation with respect to, the taxes to which this Convention applies, or

(b) Made part of a public record with respect to the assessment, collection, or enforcement of, or litigation with respect to, the taxes to which this Convention applies.

(3) No information shall be exchanged which would be contrary to public policy.

(4) If specifically requested by the competent authority of a Contracting State, the competent authority of the other Contracting State shall provide information under this article in the form of depositions of witnesses and copies of unedited original documents (including books, papers, statements, records, accounts, or writings) to the same extent such depositions and documents can be obtained under the laws and administrative practices of each Contracting State with respect to its own taxes.

(5) Depositions and evidence which may be furnished in accordance with this article shall not be withheld by reason of any doctrine of law under which international judicial assistance is not accorded in tax matters.

(6) The exchange of information shall be either on a routine basis or on request with reference to particular cases. The competent authorities of the Contracting States may agree on the list of information which shall be furnished on a routine basis.

ARTICLE 25

Members of diplomatic missions and consular offices

Nothing in this Convention shall affect the fiscal privileges of members of diplomatic missions and consular offices under the general rules and norms of international law or under the provisions of special agreements.

ARTICLE 26

Assistance in collection

(1) Each of the Contracting States shall endeavor to collect on behalf of the other Contracting State such taxes imposed by that other Contracting State as will ensure that any exemption or reduced rate of tax granted under this Convention by that other Contracting State shall not be enjoyed by persons not entitled to such benefits.

(2) In no case shall this article be construed so as to impose upon a Contracting State the obligations to carry out measures at variance with the laws or administrative practices of either Contracting State with respect to the collection of its own taxes.

ARTICLE 27

Entry into force

This Convention shall be subject to ratification and instruments of ratification shall be exchanged at Bucharest as soon as possible. It shall enter into force 1 month after the date of exchange of the instruments of ratification. The provisions shall for the first time have effect with respect to income of calendar years or taxable years beginning (or in the case of taxes payable at the source, payments made) on or after January 1, 1974.

ARTICLE 28

Termination

(1) This Convention shall remain in force until terminated by one of the Contracting States. Either Contracting State may terminate the Convention at any time after 5 years from the date on which this Convention enters into force provided that notice of termination has been given through diplomatic channels at least 6 months' prior to the end of the calendar year. In such event, the Convention shall cease to have force and effect as respects income of calendar years or taxable years beginning (or, in the case of taxes payable at the source, payments made) on or after January 1, next following the expiration of the 6-month period.

(2) Notwithstanding the provisions of paragraph (1) and upon prior notice to be given through diplomatic channels, the provisions of Article 17 (Social Security Payments) may be terminated by either Contracting State at any time after this Convention enters into force.

DONE at Washington, in duplicate, in the English and Romanian languages, the two texts having equal authenticity, this fourth day of December, 1973.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

GEORGE P. SHULTZ.

FOR THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF ROMANIA:

The PRESIDING OFFICER. Without objection, the treaties will be considered as having passed through their various parliamentary stages, up to and including the presentation of the resolutions of ratification, which the clerk will state.

The resolution of ratification of executive E was read, as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Republic of Iceland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital, signed at Reykjavik on May 7, 1975 (Ex. E, 94–1).

The resolution of ratification of executive A was read, as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Polish People's Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Income, and a Related Exchange of Notes, signed at Washington on October 8, 1974 (Ex. A, 94–1).

The resolution of ratification of executive B was read, as follows:

Resolved, (Two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the Government of the United States of America and the Government of the Socialist Republic of Romania with respect to Taxes on Income, signed at Washington on December 4, 1973 (Ex. B, 93–2).

Mr. MANSFIELD. Mr. President, these conventions were reported unanimously by the Committee on Foreign Relations. I ask unanimous consent to place in the RECORD explanations of the conventions.

There being no objection, the explanations were ordered to be printed in the RECORD, as follows:

SUMMARY OF MAJOR PROVISIONS

At the request of the Committee on Foreign Relations, the staff of the Joint Committee on Internal Revenue Taxation prepared an explanation and analysis of each of these conventions. Set forth below is a summary of the more important features of each of the conventions which was submitted by the Joint Committee staff:

1. CONVENTION WITH ICELAND

There is presently no income tax convention between the United States and Iceland. Adoption of the proposed convention will help promote more economic and cultural contracts between the two countries.

The proposed convention follows the model tax convention of the Organization for Economic Cooperation and Development (OECD) and the recent tax conventions of the United States (for example, the Belgian, Japanese, and Norwegian Conventions). Thus, the proposed convention with Iceland generally follows the approach of other U.S. income tax treaties.

One of the most significant features of the proposed convention is the adoption of the "effectively connected concept" in place of the so-called "force of attraction" doctrine which appeared in earlier treaties of the United States. Accordingly, a resident of one country who derives investment income from the other country will be entitled to the reduced rates of tax provided by the proposed convention even though he has a permanent establishment in the source country as long as the income is not effectively connected with the permanent establishment. This feature is embodied in The Foreign Investors Tax Act of 1966 and other recent U.S. tax treaties.

The other more important features of the proposed convention are the following:

(1) The United States and Iceland are defined to include their respective continental shelves insofar as income arising from the exploration and exploitation of natural resources on the continental shelf is concerned. The effect of this provision is to recognize a country's jurisdiction to tax income arising in connection with natural resource activities on the country's continental shelf. A definition of this type is found in other recent income tax conventions (e.g., Trinidad and Tobago, Belgium and Norway). In addition, a similar provision was added to the Internal Revenue Code by the Tax Reform Act of 1969.

(2) The reciprocal exemption for international ship and air transportation income includes income from the use of containers and trailers for the inland transport of containers in connection with the international operation of a ship or aircraft.

(3) Generally, income from dividends will be subject to a 15 percent rate of tax, but, in the case of dividends where the recipient has at least 10 percent ownership interest in the paying corporation (which is not an investment-type company), such income will be subject to a 5 percent rate of tax.

(4) A special rule is provided under which Iceland will allow a deduction for dividends paid with respect to the income of a United States permanent establishment in Iceland because Iceland has a dividends paid deduction in their domestic system.

(5) Interest income will be exempt from tax unless effectively connected with a permanent establishment in the source country.

(6) Income from industrial and artistic royalties will be exempt from tax unless effectively connected with a permanent establishment in the source country.

(7) Income from equipment rentals will be exempt from tax unless effectively connected with a permanent establishment in the source country.

(8) No exemption is provided on income from the furnishing by an organization of services of individuals who may be designated by the recipient of the services where the effect of furnishing the services through the organization is a substantial reduction of income taxes.

2. CONNECTION WITH POLAND

There is presently no income tax convention between the United States and Poland. In recent years Poland has substantially increased its involvement in international commerce. As a result, its tax system has become relatively sophisticated in its treatment of foreign investors, thus making a tax treaty useful to obtain consistent tax treatment of foreign investment in both countries. Also, it can be expected that there will be increasing economic as well as cultural contacts between Poland and the United States which will generate an increasing number of tax problems.

The proposed convention follows the model tax convention of the Organization for Economic Cooperation and Development (OECD) and the recent tax conventions of the United States (including the Japanese and Norwegian Conventions). Thus, the proposed convention with Poland, in general, follows the approach of other U.S. income tax treaties.

The most significant feature of the proposed convention is the adoption of the "effectively connected" concept contained in most recent U.S. treaties and embodied in the Foreign Investors Tax Act of 1966. This replaces the so-called "force of attraction" doctrine which appeared in earlier treaties of the United States. Under the newer concept, a resident of one country who derives investment income from the other country is entitled to the reduced rates of tax provided by the proposed convention for such income even though he has a permanent establishment in the other country as long as the income is not effectively connected with the permanent establishment.

Other important features of the proposed convention include the following:

(1) The United States and Poland are defined to include their respective continental shelves for purposes of taxing income arising from the exploration and exploitation of natural resources on the continental shelf. The effect of this provision is to recognize a country's jurisdiction to tax income arising in connection with natural resource activities on that country's continental shelf. A definition of this type is found in other recent income tax conventions (e.g., Belgium and Norway). In addition, a similar provision was added to the Internal Revenue Code by the Tax Reform Act of 1969.

(2) The reciprocal exemption for income from transportation by ship and aircraft is extended to gains arising on the sale of the ships or aircraft and to income from the use of containers in connection with the use of ship or aircraft.

(3) The tax on dividend income from direct investments is limited to a 5-percent rate, and the tax on any other dividends limited to a 15-percent rate.

(4) Interest income is generally exempt from tax unless that income is effectively connected with a permanent establishment in the country from which the interest is paid.

(5) Income from royalties (including cultural and industrial royalties) is generally limited to a 10-percent rate of tax.

The proposed convention does not include a provision exempting from tax social security payments (and other public pensions) paid by one country to residents of the other country. This provision is contained in most other recent U.S. conventions.

3. CONVENTION WITH ROMANIA

There is presently no income tax convention between the United States and Romania. Adoption of the proposed convention is desirable for a number of reasons. Over the years Romania has had extensive involvement in international commerce with the result that its tax system is relatively well developed with respect to the treatment of foreign investors. Also, it can be expected that there will be an increasing amount of economic as well as cultural contacts between the two countries which will generate an increasing amount of tax problems.

Due to the fact that Romania tax authorities are familiar with the concept of income taxation used in the United States and Western Europe it was possible for the proposed convention to follow the model tax convention of the Organization for Economic Cooperation and Development (OECD) and the recent tax conventions of the United States (for example, the Japanese and Norwegian Conventions). Thus, the proposed convention with Romania, in general, follows the approach of other U.S. income tax treaties.

The most significant feature of the proposed convention is the adoption of the "effectively connected concept" in place of the so-called "force of attraction" doctrine which appeared in earlier treaties of the United States. Accordingly, a resident of one country who derives investment income from the other country will be entitled to the reduced rates of tax provided by the proposed convention even though he has a permanent establishment in the source country as long as the income is not effectively connected with the permanent establishment. This feature is embodied in The Foreign Investors Tax Act of 1966 and other recent U.S. tax treaties.

The other more important features of the proposed convention are the following:

(1) The United States and Romania are defined to include their respective continental shelves insofar as income arising from the exploration and exploitation of natural resources on the continental shelf is concerned. The effect of this provision is to recognize a country's jurisdiction to tax income arising in connection with natural resource activities on the country's continental shelf. A definition of this type is found in other recent income tax conventions (e.g., Belgium, Norway and Trinidad and Tobago). In addition, a similar provision was added to the Internal Revenue Code by the Tax Reform Act of 1969.

(2) The reciprocal exemption for income from ship and air transportation is extended to gains arising on the sale of the ships or aircraft and to income from the use of containers in connection with the use of a ship or aircraft.

(3) The tax on income from dividends is limited to a 10-percent rate.

(4) The tax on interest income is generally limited to a 10-percent rate with an exemption on interest paid in connection with indebtedness guaranteed, insured, or indirectly financed by one of the countries or an instrumentality thereof.

(5) The tax on income from cultural royalties (including films) is limited to a 10-percent rate and the tax on income from industrial royalties is limited to a 15-percent rate.

(6) Income from the equipment rentals are subject to tax only if effectively connected with a permanent establishment in the source country.

(7) Insurance or reinsurance premiums are not to be subject to any tax at the national level unless the premium is effectively connected with a permanent establishment which the recipient has in the source country.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, the Senate will return to legislative session.

THE NEW FORGOTTEN MAN

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from North Carolina (Mr. MORGAN), together with an article from today's Wall Street Journal, be printed in the RECORD.

There being no objection, the statement and article were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORGAN

As Chairman of the Senate Subcommittee on Small Business, I am in a position to hear some of the problems small businessmen have, and I think that is a position more senators ought to be in. The big companies are the ones who can make themselves heard above the roar, and they get more than their share of attention.

What I have heard has confirmed me in beliefs I have held for a long time—that the troubles of small businesses in America, and the rise of economic giantism, is at least as great a tragedy as the growth of big government and the decline of state power.

Today's Wall Street Journal has an excellent article by Professor Irving Kristol of New York University on the problems of the small businessman and the possible consequences of continued neglect.

If Congress is going to begin to do better by the small businessman—and hereby the whole country—it will have to begin to think of the effect we have on small business, as a matter of routine procedure and habit.

Mr. President, I ask that Professor Kristol's article be printed in the RECORD.

[From the Wall Street Journal, Nov. 13, 1975]

THE NEW FORGOTTEN MAN

(By Irving Kristol)

It was about a hundred years ago that the American social theorist William Graham Sumner coined (or popularized) the phrase, "the forgotten man." He was referring to the average taxpayer, not poor enough to be the object of official compassion, not rich enough to remain basically unaffected by official depredations. There never was any popular animus against such a person; the political process simply ignored him, even as it afflicted him.

The phrase caught on, and those of us of a certain age can well remember the standard cartoon, on the editorial pages of the more conservative press, in which a naked John Q. Citizen, his nudity concealed only by a barrel, pathetically clutched the last few dollars of his after-tax income and desperately pleaded that attention be paid to him.

During the years of the post-war boom, 1945–1965, this image rather faded from the popular imagination. Taxes grew steadily in this period, to be sure, but incomes rose even faster, and the average citizen was not perceived to be suffering much, nor did he himself seem to feel any particular distress. In the late '60s of course, all this began to change, as inflation took hold, economic growth slowed down, and the spirit of a taxpayer's rebellion began slowly to intrude itself into the political consciousness. The average taxpayer, a relatively small minority of the population in Sumner's day, is now the overwhelming bulk of the citizenry. He may remain, in 1975, an unduly afflicted being, but no one can say that he has been forgotten. The level of taxation has become a major political issue, which even the most spendthrift of politicians has to take account of.

Meanwhile, however, a whole new class of forgotten men has emerged. Like his counterpart of yesteryear, today's forgotten man is—if the opinion polls are to be believed—a fairly respected and well-regarded citizen. No one is leading a crusade against him, and it is probable that no one really wants to. He is merely being chivvied, harassed, ruined, and bankrupted by a political process that takes him for granted and is utterly indifferent to his problematic condition. I refer to the small businessman.

AN INVISIBLE FIGURE

It is astonishing and dismaying how little interest there seems to be in the condition of small business in the United States today. Big business is in the spotlight to such a degree, and is the focus for such passionate concern (pro or con), that the smaller businessman is an invisible figure, offstage somewhere.

One can understand why and how this has happened. Big business is certainly far more important today, economically and politically, than it ever was. Economically, because the overall health of the economy, in terms of investment, economic growth, employment, hinges very much on the health (or lack thereof) of big business. Politically, because the struggle for control over the decision-making process of the large corporation—which is what "regulation" is all about—will certainly have a profound effect on the ultimate status of the private sector vis-a-vis the political sector, in our still-mixed economy. Both our collective prosperity and individual liberty, therefore, are very much at issue in the current controversies over the ways in which big business should be organized and operated.

But if small business is of lesser economic significance than it used to be, its economic role is still terribly important. And the fact that the future of the large corporation involves the future of our private sector should not obscure the more basic fact that small business preeminently is the private sector.

Economically, small business plays a critical role in the process of innovation. When one surveys the new products and new processes of the past 25 years, it is extraordinary how many of them were introduced by aggressive entrepreneurs or smaller business firms. The Xerox copier, the Polaroid camera, the mini-computer, high-fidelity recordings, frozen foods, wash-and-dry clothing, etc.—the list is long and impressive. Nor is it only product innovation that small business is so good at. It also rates high marks for conceptual innovation, for coming up with a new way of organizing older services. Containerization; the discount store; the motel; franchising the sale of hamburgers, fried chicken, and other food products—these, among others, were ideas in the head of an individual that proved fruitful and beneficial because our economic system permitted them to compete with existing ideas as to how things should be done. Obviously, not all the innovations of entrepreneurs succeed; indeed, most of them fail, as they are bound to, in a high-risk, high-payoff situation. But this brash willingness to risk failure is itself one of the major merits of a system of "free enterprise."

The large corporation may be the end-product of "free enterprise" but it is not its quintessential representative, either in theory or practice. It is true that, in the United States as compared with the Soviet Union, the large corporation is relatively innovative, does preserve an entrepreneurial aspect. (To the degree that government gets involved in decision-making, it is always the avoidance of risk that will take priority.) But even at its best, the large corporation will never be as enthusiastic about innovation as its tiny competitors. It has a huge investment in existing products and procedures that it would prefer not to write off too quickly. It usually makes more economic sense for it to seek marginal improvements in productivity rather than to concentrate on a new product that may or may not sell, or a new process that may or may not work. And its vast bureaucracy is always, to some extent, a conspiracy against innovation: layer upon layer of experts—lawyers, engineers, marketing men—are at hand to point out all the things that can go wrong. These objections will have both merit and force; a corporate officer will have to take them seriously. Only the entrepreneur, with little to lose, can boldly ignore them.

But small business is even more important politically than economically. It is integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society. It is the small businessman who builds up those large fortunes which then sustain the not-for-profit sector—the universities, foundations, philanthropies—which is so important a buffer between the public and private sectors. (Corporate executives almost never accumulate that amount of capital, despite their high salaries.) It is the successful small businessman who maintains his roots in a local community, becomes a visible symbol of success to everyone, gives the politicians in our smaller towns and cities their own access to funds (and therefore a greater independence from national organizations), supports all those local activities—social or cultural—which keeps community morale high. And it is in the small business sector that those who are discriminated against, whether it be for their politics, race or religion, can find, and have traditionally found, sanctuary.

Indeed, when we talk about "liberal capitalism," we are talking specifically about a political-economic system in which small business is given the opportunity not only to survive, but to prosper. If Yugoslavia or Russia were, tomorrow, to permit their major nationalized industries to sell shares to the public, in order to raise capital, it would not involve any grand reformation of their systems. On the other hand, if they gave entrepreneurial freedom to small business, it most certainly would. Then, and only then, could one talk seriously about "liberalization."

Similarly, in the "capitalist" countries the very largest of our corporations are already, and will surely remain, "quasi-public" institutions. That is the way they are described in all the business-school texts; that is the way they are referred to casually by politicians and the media; and, in truth I have yet to hear the chairman of a major corporation publicly insist that what he commands is a species of private property, in the traditional sense of that term. (The exact meaning of "quasi-public," of course, is unclear, and its definition is what the fighting is all about.)

DIFFERING ATTITUDES

Small business, in contrast, even where there is public ownership of shares, is still generally perceived to be a species of private property and to possess the legitimacy which most Americans are still willing to concede to private property. In this respect, the United States is very different from Western Europe. Here, it is only big business that public attitudes are likely to be hostile to. There, all business falls under a shadow of distrust and disfavor. Popular opinion there is inclined to be antibusiness per se—i.e., anti-capitalist. We are still, in principle and to a large degree in actuality, a liberal-capitalist society. And it is small business that makes it so.

It is therefore all the more paradoxical that, in our taxation and regulatory policies, so little attention is paid to the needs of small business. I note that the House Ways and Means Committee has just decided to continue a lower tax rate on the first $50,000 of corporate income, after which the full 48% rate applies. What a pitiful gesture! Why shouldn't the corporate income tax be far more graduated than this, so that the full 48% rate applies only when a firm reaches say, the $2 million income level? *That* would make a difference. Why doesn't a Republican administration, concerned about the survival of liberal capitalism, press for such a reform? Why does it persist in trying to lower the tax ceiling for all corporations—a proposal which Congress will certainly ignore, while it just might be willing to give smaller business a break? The answer, I suggest, is that it is so concerned—we are all today so concerned—about "macroeconomic" phenomena that the economic and sociological and political importance of the smaller businessman or smaller business firm has simply been overlooked.

One also may properly wonder why no greater efforts are made to protect smaller businesses from the horrendous burden which the newer regulatory agencies impose on them. Big business finds it difficult enough to cope with all the expensive changes required to meet new rules governing air pollution, water pollution, noise, safety, etc. But, in the end, big business has the resources to survive this experience, harrowing as it is. Small business will not survive it, and is not. All over the nation, smaller firms are being pushed into liquidation of mergers by their inability to cope with these new burdens. They need more time, more generous (albeit temporary) exemptions. Why don't we hear more voices, and louder ones, demanding that they receive such differential treatment?

If small business is going to survive in this country, it is going to have to organize itself more effectively so that its interests are respected. Just why it has so far failed to do this, I do not know. But I do know that unless it does, it will perish from neglect. And much that is precious to the American way of life will perish with it.

PROPOSED ARMS SALES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Alabama (Mr. SPARKMAN) and three notifications received by him relating to proposed arms sales be printed in the RECORD.

There being no objection, the statement and material were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SPARKMAN

PROPOSED ARMS SALES

Section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the Chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask to have printed in the Record the three notifications I have just received.

WASHINGTON, D.C.,
November 7, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76–20, concerning the Department of the Army's proposed Letter of Offer to Germany for Two anti-tank weapon systems, and ancillary equipment estimated to cost $32.3 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 76–20

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended.)

a. Prospective Purchaser: The Federal Republic of Germany (FRG).

b. Total Estimated Value: $32.3 million

c. Description of Articles or Services Offered: One-Hundred-Seventy-Seven (177) tow anti-tank weapon system launchers, 4000 tow missiles and ancillary equipment.

d. Military Department: Army

e. Date Report Delivered to Congress: 7 Nov 1975.

WASHINGTON, D.C.,
November 7, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76–16, concerning the Department of the Army's proposed Letter of Offer to Kuwait for I Hawk training at an estimated cost of $28.7 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF, Director, Defense Security Assistance Agency and Deputy Assistant Secretary (IBA), Secretary Assistance.

TRANSMITTAL NO. 76–16

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended.)

a. Prospective Purchaser: Kuwait

b. Total Estimated Value: $28.7 million

c. Description of Articles or Services Offered: Training in U.S. schools of Kuwait Air Force personnel; contractor logistics support in the training program; repair and refurbishment of equipment used during training, and target support in support of the Kuwait I Hawk Missile program.

d. Military Department: Army

e. Date Report Delivered to Congress: 7 NOV 1975.

WASHINGTON, D.C.,
November 7, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirement of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76–1, concerning the Department of the Army's proposed Letter of Offer to Kuwait for an estimated cost of $55.8 million. Shortly after this is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH,
Lieutenant General, USAF Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance.

TRANSMITTAL NO. 76–1

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended.)

a. Prospective Purchaser: Kuwait.

b. Total Estimated Value: $55.8 million.

c. Description of Articles or Services Offered: Tooling and equipment, operating supplies, contractor logistics engineering and technical assistance for the control maintenance and supply complex associated with the Improved HAWK System being established under FMS in Kuwait.

d. Military Department: Army.

e. Date Report Delivered to Congress: 7 Nov 1975.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILL AND JOINT RESOLUTION

A message from the President of the United States announced that on November 12, 1975, he had approved and signed the following enrolled bill and joint resolution:

S.J. Res. 134. Joint Resolution to extend the authority for the direct purchase of United States obligations by Federal Reserve banks; and

S. 584. An act to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes.

PROPOSED MOTOR CARRIER REFORM ACT—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Commerce:

To the Congress of the United States:

Throughout our history, an effective transportation system has played a vital role in promoting the economic growth and development of this Nation. Yet, over the years in response to a variety of economic and political pressures, the Federal Government has become increasingly involved in the management of our transportation industries. We have built up a patchwork of economic regulation which shapes and controls competition in industries which are naturally competitive. As a consequence, these industries have come to rely on regulation to protect them from meaningful competition. It is now clear that this patchwork regulatory structure has not kept pace with changes in the industry and the economy. We have permitted regulation designed in theory to protect the public interest to become in practice the protector of special industry interests.

I have observed a growing public and congressional concern over the need to eliminate outdated regulation and to restore our regulatory system to its original purpose of serving consumers. In response to this concern, I have sent two previous transportation proposals to the Congress. Today I am sending to the Congress the Motor Carrier Reform Act which will modernize the regulation of another major transportation industry.

Like the Railroad Revitalization Act and the Aviation Act of 1975 which are already before the Congress, the basic thrust of this proposed motor carrier legislation is to improve performance of our transportation industry by replacing Government regulation with competition. Together, these three bills will produce a regulatory system that responds to the needs of the consuming public instead of to the interests of the regulated industries.

Under the current regulatory system, carriers, shippers and passengers alike are confronted with a web of Government restrictions and regulations which discourage innovation, promote inefficient transportation service and artificially distort rates and fares. The prices of many consumer products are higher than necessary because Government regulations and restrictions permit price fixing and produce inefficiencies such as empty backhauls and circuitous routing. Too often bus passengers pay higher fares because the Federal Government sanctions efforts by a few firms to block the entry of new companies into the market. Archaic and artificial regulatory constraints also force unecessary usage of significant quantities of energy and other valuable resources.

This legislation will benefit American consumers in several ways. For example, it will have a direct effect on the traveling public by encouraging a greater variety of bus transportation services at a wider range of prices. Also, it will enable interstate household moving companies to be more responsive to customer needs and give the public a choice of services. Individuals who want quick moving service and are willing to pay a premium will be able to do so. Others who prefer to pay less for moving services that are not so immediate will find such alternatives available.

These are two examples of how the bill will benefit consumers directly. Other less visible results will have an even greater impact. For example, the bill will provide trucking firms with more freedom to adjust prices to meet market conditions. It will remove artificial entry barriers and encourage new companies to enter markets and to compete on the basis of innovative services and lower prices. It will allow smaller trucking firms—owner operations and contract carriers—to compete more effectively and to grow in response to normal market demand. It will strengthen the common carrier system and enable small businesses to better meet their transportation needs. Such actions will enable some manufacturers to lower the costs of distributing goods and thereby help reduce consumer prices. The removal of uneconomic restrictions on the goods and commodities a truck is permitted to carry and the specific routes it must travel also will help eliminate wasteful energy consumption and avoid empty backhauls which raise prices unnecessarily.

In summary, the bill will reduce or eliminate many of the inefficiencies which have crept into the motor carrier industry during 40 years of regulatory control. Where regulation is acknowledged as necessary to protect the public interest, the bill will streamline and improve such regulation. For instance, the bill eliminates gaps in present safety enforcement statutes to improve the already high overall safety record of the motor carrier industry.

The importance of regulatory reform to improve our transportation system cannot be overemphasized. I urge the Congress to give this measure serious consideration at the earliest possible date.

GERALD R. FORD.

THE WHITE HOUSE, *November 13, 1975.*

MESSAGES FROM THE HOUSE

At 10:08 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action, in which it requests the concurrence of the Senate.

At 2:29 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. FOLEY, Mr. POAGE, Mr. DE LA GARZA, Mr. VIGORITO, Mr. JONES of North Carolina, Mr. JONES of Tennessee, Mr. MELCHER, Mr. WAMPLER, Mr. SYMMS, and Mr. KELLY were appointed managers of the conference on the part of the House.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

Report of the Soldiers' and Airmen's Home

A letter from the Secretary of the Army transmitting, pursuant to law, the annual report of the U.S. Soldiers' and Airmen's Home for fiscal year 1974, together with the inspection report for 1975 (with accompanying reports); to the Committee on Armed Services.

Report of the National Railroad Passenger Corporation

A letter from the Vice President of the National Railroad Passenger Corporation transmitting, pursuant to law, a report on the operations of Amtrak for the months of June and July 1975 (with an accompanying report); to the Committee on Commerce.

Proposed Act by the Council of the District of Columbia

A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, a copy of an act adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

Proposed Regulation by the Department of Health, Education, and Welfare

A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare transmitting a copy of the final regulations for the Elementary and Secondary Education Act of 1965 (with accompanying papers); to the Committee on Labor and Public Welfare.

William Phillips v. United States

A letter from the Chief Commissioner of the U.S. Court of Claims transmitting, pursuant to law, copies of the opinion and findings of fact in the case of William Phillips v. United States (with accompanying papers); to the Committee on the Judiciary.

Proposed Supplemental Appropriations for the U.S. Railway Association—(S. Doc. No. 94–128)

A communication from the President of the United States transmitting a proposed supplemental appropriation for the fiscal year 1976 in the amount of $404,100,000 and for the transition quarter in the amount of $302,000,000, and for the fiscal year 1977 in the amount of $1.4 billion for the U.S. Railway Association (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

Report of the Department of Health, Education, and Welfare

A letter from the Commissioner of Education transmitting the annual report of the Commissioner of Education for the fiscal year 1974 (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Department of Agriculture

A letter from the Secretary of Agriculture transmitting, pursuant to law, a report on a violation by an officer of the Forest Service (with an accompanying report); to the Committee on Appropriations.

Report of the Export-Import Bank

A letter from the President of the Export-Import Bank of the United States transmitting, pursuant to law, a report on certain transactions supported by Eximbank during September 1975 to Communist countries (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Budget of the National Transportation Safety Board

A letter from the Chairman of the National Transportation Safety Board transmitting, pursuant to law, a copy of the budget of the Safety Board for the fiscal year 1977 (with an accompanying report); to the Committee on Commerce.

Report of the Department of the Treasury

A letter from the Assistant Secretary of the Treasury transmitting, pursuant to law, a report pertaining to the Treasury Department's acquisition of test terminals and the subsequent submission of a request for proposal of a terminal system (with an accompanying report); to the Committee on Finance.

Report of the Commission on Civil Rights

A letter from the Chairman of the Commission on Civil Rights transmitting, pursuant to law, a report entitled "The Federal Civil Rights Enforcement Effort—1974" (with an accompanying report); to the Committee on Government Operations.

Report of the Comptroller General

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "The Government Can Save More Under the Composite Check Program" (with an accompanying report); to the Committee on Government Operations.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following petitions, which were refered as indicated:

A resolution adopted by the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"RESOLUTIONS MEMORIALIZING THE UNITED STATES GOVERNMENT TO USE ITS GOOD GRACES AND INFLUENCES TO STABILIZE PEACE IN LEBANON

"*Whereas,* During this period of global unrest, a secured peace in the Middle East is necessary if the world is to avoid a third World War with its resulting nuclear holocaust; and

"*Whereas,* A strong stabilized government in Lebanon is necessary for this secured peace; and

"*Whereas,* At the present time the Christian community in the country of Lebanon is under severe attack by communist influence groups thereby threatening the stability of this country; and

"*Whereas,* A threat to the stability of the Lebanese government is a threat to the peace of the world; therefore be it

"*Resolved,* That the Massachusetts House of Representatives respectfully requests the United States government to use its good graces and influences to bring this internal fighting in Lebanon to a halt and thereby guarantee the humane and religious rights of the inhabitants of this country; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the Clerk of the House of Representatives to the President of the United States, to the presiding officer of each branch of Congress and to each member thereof from this Commonwealth."

A resolution adopted by the Municipal Council of Saipan, Mariana Islands; to the Committee on Appropriations:

TWENTY-FIFTH SAIPAN
MUNICIPAL COUNCIL,
Saipan, Mariana Islands, August 21, 1975.

PRESIDENT OF THE SENATE,
Washington, D.C.

DEAR SIR: Enclosed you will find certified copy of Resolution No. 25-10-1975, entitled, "A Resolution respectfully requesting the United States Department of Interior to establish guidelines for the payment of claims under Title II of the Micronesian Claims Act", duly and regularly adopted by the Twenty-Fifth Saipan Municipal Council during its First Special Session, 1975.

Sincerely yours,
VICENTE T. CAMACHO,
Speaker.

"A resolution requesting the United States Department of the Interior to establish guidelines for the payment of claims under Title II of the Micronesian Claims Act

"Whereas, after twenty-five years, the United States of America provided for the payment of Micronesian War and Post-Secure Claims by the enactment of the Micronesian Claims Act; and

"Whereas, Title II of the said Act authorized the appropriation of $20 million for the payment of claims arising after the dates on which the several islands of Micronesia were secured by United States forces, until the time when the islands were returned to civilian administration; and

"Whereas, although definite procedures have been established for the payment of War Claims arising under Title I of the Act, and although successful claimants have been paid the first $1000 on wards for wrongful death and 16% of awards based on other types of war claims, and despite the fact that $1.4 million has already been appropriated out of the $20 million authorized to be appropriated for the payment of Post-Secure Claims, no procedure for the payment of Post-Secure Claims awards has yet been established by the Department of the Interior, with the result that no payment has been made to awardees under Title II of the Micronesian Claims Act; and

"Whereas, although $20 million has been authorized for the payment of Post-Secure Claims, some $13.6 million has not yet been appropriated; now, therefore,

"Be it resolved, by the Twenty-Fifth Saipan Municipal Council, First Special Session, 1975, that the Secretary of the Interior is hereby respectfully urged and requested to establish procedures for the payment of awards made by the Micronesian Claims Commission on claims arising under Title II of the Micronesian Claims Act, in order that the awardees might be able to enjoy the said awards at the earliest possible opportunity; and

"Be it Further Resolved, that the Secretary is hereby respectfully urged and requested to seek the appropriation of the unappropriated balance of $18.6 million of the $20 million authorized to be appropriated under Title II of the Micronesian Claims Act; and

"Be it Further resolved, that certified copies of this Resolution be transmitted to the Secretary of the Interior; to the Chairman of the United States House of Representatives Subcommittee on Territories and Insular Affairs and Senate and House Committees on Interior; to the President of the Senate and the Speaker of the House of Representatives of the Congress of Micronesia; to the presiding officer of each district legislature of the Trust Territory of the Pacific Islands; and to the High Commissioner."

A resolution adopted by the City Council of the City of Garden Grove, California, opposing special Federal financial assistance for New York; to the Committee on Banking, Housing and Urban Affairs.

A petition from a citizen of Richmond, Virginia, relating to the proposed Transportation Pricing Reform Act; to the Committee on Commerce.

A letter from the Board of Directors of the Transportation Association of America relating to the final system plan adopted by the U.S. Railway Association; to the Committee on Commerce.

A resolution adopted by the Council of the City of Elizabeth, New Jersey, relating to the revenue-sharing program; to the Committee on Finance.

A resolution adopted by the Board of Commissioners of Martin County, Minnesota, relating to general revenue sharing; to the Committee on Finance.

A resolution adopted by the County Legislature of Suffolk County, New York, urging the defeat of H.R. 5247; to the Committee on Post Office and Civil Service.

REPORT OF COMMITTEES

The following reports of committees were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, with amendments and an amendment to the title:

S. 2568. A bill to amend the Atomic Energy Act of 1954, as amended, to revise the method of providing for public remuneration in the event of a nuclear incident, and for other purposes (together with additional views) (Rept. No. 94-454.)

By Mr. RANDOLPH, from the Committee on Public Works:

S. Res. 301. An original resolution authorizing supplemental expenditures by the Committee on Public Works for inquiries and investigations. Referred to the Committee on Rules and Administration.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

John L. McLucas, of Virginia, to be Administrator of the Federal Aviation Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. RIBICOFF, from the Committee on Government Operations:

Lucius D. Battle, of the District of Columbia;

Herbert Brownell, of New York; and

Ernest R. May, of Massachusetts, to be members of the National Study Commission on Records and Documents of Federal Officials.

Jack M. Eckerd, of Florida, to be Administrator of General Services.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. STENNIS, from the Committee on Armed Services:

Donald Rumsfeld, of Illinois, to be Secretary of Defense.

Edward Alan Miller, of Massachusetts, to be an Assistant Secretary of the Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably a list of 11 permanent appointments in the Army to the grade of brigadier general and ask that this list of names beginning with Brig. Gen. Lee E. Surut be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. In addition, there are 278 in the Army and Reserve of the Army for promotion to the grade of colonel and below; in the Navy and Naval Reserve there are 514 for promotion to the grade of captain and below; in the Marine Corps there are 1,009 for appointment to the grade of lieutenant colonel and below; and, in the Air Force and Reserve of the Air Force there are 3,939 for appointment and promotion to the grade of colonel and below. Since these names have already appeared in the CONGRESSIONAL RECORD, and to save the expense of printing again, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of September 24, 29, October 6, 7, and 20, 1975, at the end of the Senate proceedings.)

CONCURRENT RESOLUTION PLACED ON THE CALENDAR

The concurrent resolution (H. Con. Res. 466) revising the congressional budget for the U.S. Government for the fiscal year 1976, and directing certain reconciliation action, was placed on the calendar.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HUMPHREY:

S. 2662. A bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. HUMPHREY (for himself and Mr. Mondale)

S. 2663 A bill for the relief of Mrs. Indranie Weeraoon. Referred to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. Fannin, Mr. Gravel, Mr. Haskell, and Mr. Hatfield):

S. 2664. A bill to amend the Internal Revenue Code of 1954 to provide the same tax exemptions and general tax treatment to Indian tribes performing government functions as are applicable to other governmental units. Referred to the Committee on Finance.

By Mr. WILLIAMS (for himself and Mr. Case):

S. 2665. A bill to amend section 218 of the Social Security Act to include New Jersey in the list of States which may establish a divided retirement system for purposes of providing social security coverage of State and local employees under Federal-State agreements. Referred to the Committee on Finance.

By Mr. BIDEN (for himself, Mr. Brooke, Mr. Case, Mr. Hathaway, Mr. Kennedy, and Mr. Muskie):

S. 2666. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and clean-up costs caused by oil pollution, and for other purposes. Referred to the Committees on Commerce, Interior and Insular Affairs, and Public Works, jointly, by unanimous consent.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HUMPHREY:

S. 2662. A bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes. Referred to the Committee on Foreign Relations.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1975

Mr. HUMPHREY. Mr. President, I am introducing today a bill to make major changes in U.S. arms export policies. This bill is intended to be an alternative to the President's security assistance proposals other than those for the Middle East. No specific dollar figures for military grants and credit sales have been included in the bill pending further study of the President's request.

This bill is in response to growing public concern over U.S. arms sales and grant programs. For a number of years congressional dissatisfaction with foreign military assistance programs has been increasing, reflected in the votes in both bodies on foreign aid bills. This year, for the first time since the beginning of our post-World War II aid program, Congress will handle foreign development assistance and military assistance in separate bills, a step long supported by the Foreign Relations Committee and the Senate.

Fallout from the disastrous war in Indochina, coupled with the policy of détente toward the Soviet Union and steps toward normalization of relations with China, have brought about a general reappraisal of the traditional tools of America's postwar foreign policy. The tools of foreign policy must be geared to the needs of today and the future, not the past. The bill I am introducing looks to the future. It will revise the statutory framework for all military exports—grants and sales—Government and commercial.

Since World War II the emphasis of U.S. military assistance programs, born of the cold war, has been on expediting the flow of our arms and ammunition to non-Communist nations around the world. Arms control considerations were secondary. In the last three decades, America has given away or sold some $110 billion in military equipment and supplies to foreign countries. This bill, recognizing evolving U.S. security interests and the danger to world peace from runaway arms sales, shifts the policy emphasis from expanding arms exports to strengthening controls, especially congressional controls.

Let me summarize the major provisions of this bill:

It phases out the grant military assistance programs and U.S. military missions over the next 2 years.

It repeals the President's authority to draw on Defense Department stocks for military aid purposes.

It strengthens statutory controls over commercial and government-to-government military exports and combines those controls in a new Arms Export Control Act.

All government-to-government sales contracts will be a matter of public record.

The use of military and civilian U.S. Government personnel in connection with sales activities abroad will be minimized.

Restrictions will be imposed on sales to foreign governments from U.S. military stocks, with reports to Congress required on all sales which could impair U.S. combat readiness.

The sale of Department of Defense services to foreign countries will be limited to training and other services incidental to the sale of military hardware.

The President will be required to submit an annual country-by-country justification to Congress for government-to-government military sales.

Congress will be allowed to reject certain proposed export licenses for commercial sales, as it may now do in the case of government-to-government sales.

Public reports will be required on payments of agents' fees in connection with arms sales abroad.

All hidden subsidies will be eliminated from the sales program.

All sales contracts or export licenses can be revoked or suspended by Congress, if, in its judgment, the national interest required such action.

This bill will save the taxpayers $469,600,000 or more annually when fully implemented.

The major purpose of this bill is to bring about centralized and more effective control within the executive branch over, and a stronger voice for Congress in U.S. arms exports, Government and commercial. The Arms Control and Disarmament Act states that the policy of our Nation is to seek "a world which is free from the scourge of war and the dangers and burdens of armaments * * *." This bill will put that policy into practice.

Arms sales, for good or evil, have become a major tool of American foreign policy. The United States is far and away the world's leading arms merchant, selling or giving away twice as much as our nearest rival, the Soviet Union. In the last fiscal year the U.S. Government sold $9.5 billion in military equipment and supplies to 71 nations. In addition, $601 million in arms were sold through commercial channels and $584 million given away in grants.

The current military sales program is not the product of a careful and deliberate policy arrived at through joint action by Congress and the executive branch; it has developed through its own momentum. This lack of a coherent policy on arms sales is not the fault of the executive branch alone. Congress bears a measure of the responsibility as well because of its failure to give more effective policy guidance and to exercise proper oversight on arms sales matters. This bill will help to fill that vacuum.

The basic statutory framework for arms exports is outdated. Commercial sales, which now comprise only about 5 percent of all U.S. arms exports, are governed by one section of the old 1954 Mutual Security Act, a provision devoid of policy guidance that gives complete discretion to the President. It is an anachronism of an era when Congress chose to leave major foreign policy matters to the President.

The Foreign Military Sales Act, which controls government-to-government sales, is also a product of a bygone era. Although that act was enacted less than 10 years ago, experience has shown that this statute conferred broad and sweeping powers on executive branch officials. The 1975 government sales chart is vastly different in quantity and geography from that of 1968. Arms sales by the U.S. Government have increased nearly 10-fold since then. At that time the bulk of U.S. arms sales were to our NATO allies. Today, the volatile Persian Gulf, not Europe, is the heart of the market. This bill will update, consolidate, and strengthen the statutory framework for the control of U.S. arms exports—both by the Government and through commercial channels.

I am not one of those who contends that the sale of arms to foreign countries is evil per se. The United States has important security and foreign policy interests in the sale of arms to many countries. The sale of F–16 aircraft or other weapons to our NATO allies clearly promotes important U.S. security and economic interests. But the massive influx of American arms to the Persian Gulf area, which is largely responsible for the great leap in U.S. arms sales totals, must be viewed in a different light. American interests will vary from country to country and from case to case. My bill will not stop—nor necessarily curtail—arms sales. But this bill will improve the scrutiny given to the foreign policy aspects of arms sales proposals, both within the executive branch and the Congress.

A major feature of this bill is to bring American arms exports issues out into the open. This is a "sunshine" bill for arms sales. A major fault of the past policy, which has led to the present state of distrust, is that too much of the sales program in the past has been conducted in secrecy, without the knowledge of Congress or the public. Even after the enactment of the Nelson amendment last year, requiring submission to Congress of all proposed sales above $25 million, there have been too many cases where facts that are essential to public discussion have been unnecessarily classified. Recently a notice of a proposed sale was sent up to Congress with even the name of the purchasing country stamped "confidential." This bill would require that all government-to-government contracts be available for public inspection and that data in quarterly and other reports be unclassified. Nothing is so essential to rebuilding confidence in governmental processes as public exposure. In this post-Vietnam, post-Watergate climate, excessive secrecy in such an important program as foreign arms sales makes public support impossible. To be accepted by the American people, arms sales programs must stand up under the light of public opinion. Our defense budget is a matter of public record, insuring the availability of facts essential to public debate. And for years we have urged the Soviets to reveal more details about their defense budget in the interests of lessening suspicions and furthering prospects for world peace. I believe that shining the public spotlight on arms sales will help to bring about a more rational, publicly acceptable policy.

Another major feature of this bill is to bring all controls over arms exports into one statute, the Arms Export Control Act. Under the new act, the Department of State will have primary authority for licensing all arms exports, Government and commercial.

Mr. President, enactment of this bill will mark the end of an era. Since the beginning of the Greek-Turkish aid program which marked the initiation of our post-World War II foreign assistance effort, the United States has provided $63 billion in grant military assistance to nations throughout the world. Much of this money went to build a strong NATO alliance and to strengthen other friendly nations. The military aid program served a useful purpose in many countries. But its day is over. Passage of this bill will phase out the grant military program during the next 2 fiscal years. Under it, no grant assistance can be provided after September 30, 1977, except for limited types of military training, unless aid is authorized by Congress for a specific country in an emergency situation such as was done in the case of Israel after the 1973 Yom Kippur war.

For many years the Foreign Relations Committee has attempted to reduce the military aid program and bring it under more effective congressional control. Last year the Senate voted to phase out the grant aid program but, because of the adamant opposition of the House conferees, the mandatory feature was eliminated and a sense of the Congress provision substituted which stated that "except for training, the program should be reduced and terminated as rapidly as possible." This bill will carry out that congressional expression of policy and implement the timetable set in the Senate bill last year.

Along with the phaseout of military grant aid, the bill will also terminate the 44 U.S. military missions and groups abroad, as well as other similar units. The residual functions of the military missions, such as the monitoring of end use and other requirements, will be assumed by defense attachés or other units of the U.S. Embassy. The continuation or initiation of any military mission after September 30, 1977, must be authorized by specific law.

In requiring a phaseout of these missions, I do not contend that under no circumstances should we have a military mission anywhere in the world. There may be cases where there is a valid U.S. security or foreign policy need for continuing an old mission, or for establishing a new one. But if there is such a need, the executive branch must come to the Congress and make a case for it.

The fact of the matter is that these missions have lived on long after the need for them has passed. Many exit solely because of bureaucratic inertia. What possible need is there for a U.S. military mission in Denmark, France, Italy, Japan, or Germany? None of these missions has been justified directly to the Congress. If there is a valid reason to continue any of them after the 2-year phaseout period, let the executive branch come to Congress to justify their existence.

The new bill will allow limited types of training to be furnished on a grant basis after the phaseout, training in service schools and general indoctrination—goodwill visits. But it will not, without specific authorization, permit free training for the operation of hardware. That type of training must be bought and paid for. In addition, the bill prohibits any training outside the United States without congressional authorization. This will force the Congress to take a hard look at training operations, such as the schools operated in the Panama Canal Zone for training Latin American military personnel.

I do not contend that this bill is perfect as it is. During its consideration by the Subcommittee on Foreign Assistance, suggestions for changes by all interested parties will be given careful consideration.

We are approaching the Bicentennial of our Nation's birth. It is important that Congress reflect on what we as a people want America to stand for. The values and principles we live by as a nation will be what history will remember America for, not the sophistication or quantity of our weapons. The United States, as the leading actor, has a great capacity for leadership in the control of trade in conventional weapons. It is not sufficient to say that everyone else is selling arms. Surely we can do better than allow our policies in this field to be captive to the policies of others. And, as the No. 1 salesman, the United States has a special leadership responsibility. Our Nation's military assistance and sales statutes, with their conflicting potential for preserving peace and promoting war, need a thorough overhaul. This bill will accomplish that.

I ask unanimous consent that the text of this bill, a section-by-section analysis, a summary of its major provisions, and an estimate of savings be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2662

A bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Security Assistance and Arms Export Control Act of 1975".

TITLE I—MILITARY ASSISTANCE

AUTHORIZATION

SEC. 101. Section 504(a) of the Foreign Assistance Act of 1961 is amended by striking out "$600,000,000 for the fiscal year 1975" and inserting in lieu thereof "$———— for the fiscal year 1976 and $———— for the period from July 1, 1976, through September 30, 1976.".

WAIVER OF INELIGIBILITY

SEC. 102. Section 505(d) of the Foreign Assistance Act of 1961 is amended as follows:

(1) Immediately after "(d)" insert "(1) (A)".

(2) At the end thereof add the following:

"(B) A country shall be deemed to be ineligible for further assistance if the President so states in writing to the Congress or the Congress so finds by concurrent resolution.

"(2) A country shall remain ineligible in accordance with paragraph (1) of this subsection until such time as—

"(A) (i) the President determines that such violation has ceased;

"(ii) the country concerned has given assurances satisfactory to the President that such violation will not recur; and

"(iii) if such violation involved the transfer of weapons without the consent of the President, such weapons have been returned to the country concerned; or

"(B) the President determines and certifies in writing to the Congress that continued assistance to such country is vital to the security interests of the United Sates, and such certification has taken effect.

Such certification shall be transmitted to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day.

"(3) Such certification shall take effect thirty days after the certification has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the certification is transmitted, Congress adopts a concurrent resolution disapproving the certification.

"(4) Such resolution shall be considered in accordance with the provisions of section 301(b) of the International Security Assistance and Arms Export Control Act of 1975.

"(5) Thus term 'resolution', as used in section 301(b) of such Act, means, for the purposes of this subsection, only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress does not approve the certification of intent to waive the provisions of section 505(d) of the Foreign Assistance Act of 1961 with respect to ———, transmitted to the Congress by the President on ———, 19, 19 .', the first blank space therein being filled with the name of the foreign country to which such certification pertains; and the second blank therein being filled with the date of the transmittal of such certification; but does not include a resolution specifying a certification with respect to more than one country.".

PROHIBITION AGAINST DISCRIMINATION

Sec. 103. Immediately after subsection (f) of section 505 of the Foreign Assistance Act of 1961 add the following new subsection:

"(g) No assistance may be provided under this chapter to any foreign country, the laws, regulations, or governmental practices of which prevent any person of the United States from participating in the furnishing of defense articles or defense services procured under this Act on the basis of race, religion, national origin, or sex.".

REPEAL OF DRAWDOWN AUTHORITY

Sec. 104. Section 506 of the Foreign Assistance Act of 1961 is repealed.

ROLE OF ARMS CONTROL AND DISARMAMENT AGENCY

Sec. 105. Section 511 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new sentence: "In making such decisions, the views of the Director of the Arms Control and Disarmament Agency regarding the above items, and his comments on other pertinent factors, shall be taken into account.".

TERMINATION OF AUTHORITY

Sec. 106. (a) Chapter 2 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"Sec. 516. Termination of Authority.—(a)(1) The President shall gradually reduce assistance (other than military training) provided under this chapter so that, not later than September 30, 1977, no assistance (other than military training) shall be provided under this chapter.

"(2) Paragraph (1) of this subsection shall not apply to funds obligated prior to October 1, 1977.

"(b) For each of the fiscal years 1976 and 1977, the President is authorized to finance procurements of defense articles and defense services (other than military training) by any foreign country, other than South Vietnam, Cambodia, or Laos, receiving defense articles or defense services during fiscal year 1975 under this chapter on terms providing for payment to the United States Government in United States dollars (1) of the value of such articles and services which value shall not exceed during each such fiscal year the value of such articles and services (other than military training) furnished that country in fiscal year 1975 under this chapter, (2) at a rate of interest of not less than six per centum a year, and (3) within ten years after delivery of the defense articles or rendering of the defense services.

"(c)(1) Not later than September 30, 1977, all the functions of a military assistance advisory group, a military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission, shall be transferred to the Chief of the United States Diplomatic Mission to that country. Upon the transfer of such functions, that group, mission, or organization, as the case may be, shall cease to exist.

"(2) On and after October 1, 1977, the total number of military attachés and supporting staff assigned or detailed to the United States Diplomatic Mission of a foreign country shall not exceed by more than twenty-five per centum the total number of military attachés and staff authorized to be assigned or detailed to that mission on June 30, 1975.

"(3) Notwithstanding any other provision of law, on and after October 1, 1977, no military assistance advisory group, military mission, or other organization of the United States Government in a foreign country performing activities similar to any such group or mission shall be established or continued unless such group, mission, or organization is authorized by law specifically for that country."

(b) Effective October 1, 1977—

(1) the heading of chapter 1 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 1—Providing Military Education and Training";

(2) sections 501 and 502A of the Foreign Assistance Act of 1961 are repealed;

(3) section 502 of the Foreign Assistance Act of 1961 is amended by striking out the caption "Utilization of Defense Articles and Services" and inserting in lieu thereof "Providing Military Education and Training", and by striking out the text "Defense articles and defense services" and inserting in lieu thereof "Military education and training";

(4) the heading of chapter 2 of part II of the Foreign Assistance Act of 1961 is amended to read as follows:

"Chapter 2—Military Education and Training";

(5) sections 503–505 of the Foreign Assistance Act of 1961, as amended by sections 101–103 of this Act, are stricken out and the following inserted in lieu therof:

"Sec. 503. General Authority.—(a) The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine, military education and training to military and related civilian personnel of any friendly foreign country or international organization. Such training and eduaction may be provided through—

"(1) attendance at military educational and training facilities in the United States (other than Service academies); and

"(2) observation and orientation visits to military facilities, and related activities, in the United States.

"(b) Funds for such education and training shall be appropriated for each fiscal year pursuant to authorization for that fiscal year. After September 30, 1977, no such training shall be conducted outside the United States unless specifically authorized by law.";

(6) section 511 of the Foreign Assistance Act of 1961 is amended by striking out of the section caption "Assistance" and inserting in lieu thereof "Education and Training", and by striking out the words "military assistance" and "such assistance" and inserting in lieu thereof "military education and training" and "such education and training", respectively;

(7) Section 622 of the Foreign Assistance Act of 1961 is amended as follows:

(A) in subsection (b), in the second sentence, strike out "assistance (including civil action)" and insert in lieu thereof "education and training"; and

(B) subsection (c) is amended by striking out "military assistance programs" and inserting in lieu thereof "military education and training programs"; and by striking out "military assistance (including civil action)" and inserting in lieu thereof "military education and training";

(8) section 623 of the Foreign Assistance Act of 1961 is amended as follows:

(A) in subsection (a)(4), immediately after the word "military", insert the words "and related civilian"; and

(B) in subsection (a)(6), strike out the word "assistance" and insert in lieu thereof "education and training";

(9) section 636(g) of the Foreign Assistance Act of 1961 is amended as follows:

(A) in paragraph (1), strike out "defense articles and defense services on a grant or sales basis" and insert in lieu thereof "military education and training"; and

(B) in paragraph (2) strike out "personnel" and insert in lieu thereof "and related civilian personnel"; and

(C) in paragraph (3), strike out "personnel" and insert in lieu thereof "and related civilian personnel"; and

(10) section 644(m) of the Foreign Assistance Act of 1961 is amended by striking out paragraph (1); by striking out "nonexcess" wherever it appears in paragraphs (2) and (3); by striking out the semicolons in paragraphs (2) and (3) and inserting in lieu thereof (in each such paragraph) a comma and the following: "plus the gross cost incurred by the United States Government in repairing, rehabilitating, or modifying the article, except that for purposes of section 632(d) such actual value shall not be taken into account;"; and by redesignating paragraphs (2) and (3) to be paragraphs "(1)" and "(2)".

(c) Section 644(i) of the Foreign Assistance Act of 1961 is amended to read as follows:

"(i) 'Military education and training' means professional military education programs designed to improve the general abilities of commissioned and non-commissioned officers, instructor training, and English language training, but does not include education and training related directly to the operation or maintenance of specific items of equipment or that conducted for the purpose of carrying out the provisions of the Arms Export Control Act."

APPLICABILITY OF SPECIAL AUTHORITIES

Sec. 107. Section 614 of the Foreign Assistance Act of 1961 is amended as follows:

(1) In subsection (a), in the first sentence thereof—

(A) strike out "The" and insert in lieu thereof the following: "Except for the purposes of chapter 2 of part II hereof, the"; and

(B) strike out "and the furnishing of assistance under section 506."

(2) Subsections (b) and (c) are repealed.

ANNUAL FOREIGN SALES REPORT

Sec. 108. Section 657 of the Foreign Assistance Act of 1961 is amended as follows:

(1) The section caption is amended by inserting after "Foreign Assistance" the words "and Sales".

(2) Paragraph (1) of subsection (a) thereof is amended to read as follows:

"(1) the aggregate dollar value of all foreign assistance, foreign military sales, credit sales, and guarantees provided or made by the United States Government by any means to all foreign countries and international organizations, and the aggregate dollar value of such assistance, sales, credit sales, and guarantees by category provided or made by the United States Government to each such country or organization during that fiscal year;".

(3) Paragraph (3) of subsection (a) is amended—

(A) by striking out "under any export license,"; and

(B) by striking out the semicolon at the end thereof and inserting in lieu thereof a comma and the following: "and specifying whether such export was sold under chapter 2 of the Foreign Military Sales Act or was one for which a license was granted pursuant to chapter 3 thereof.".

(4) Subsection (b) is amended by striking out the last two sentences thereof.

(5) Subsection (c) is amended by striking out in each place where it appears "or supplemental".

TITLE II—ARMS EXPORT CONTROLS

CHANGE IN TITLE

SEC. 201. The first section of the Foreign Military Sales Act is amended by striking out "The Foreign Military Sales Act" and inserting in lieu thereof "The Arms Control Export Act".

REDUCTION IN INTERNATIONAL ARMS TRADE

SEC. 202. Section 1 of the Foreign Military Sales Act is amended by adding at the end thereof the following new paragraphs:

"It shall be the policy of the United States to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war and to lessen the danger of outbreak of regional conflict and the burdens of armaments. United States programs for a procedures governing the export, sale, and grant of arms and munitions to foreign countries and international organizations shall be administered in a manner which will carry out this policy.

"It is the sense of the Congress that the President should seek to initiate multilateral discussions among the principal arms suppliers and other countries with respect to the control of the worldwide trade in armaments. It is further the sense of Congress that the President should work actively with all nations to check and control the international sales and distribution of conventional weapons of death and destruction."

ROLE OF ARMS CONTROL AND DISARMAMENT AGENCY

SEC. 203. Section 2(b) of the Foreign Military Sales Act is amended by—

(1) inserting "(1)" immediately after "(b"; and

(2) adding at the end thereof the following new paragraph:

"(2) The views of the Director of the Arms Control and Disarmament Agency shall be taken into account in considering whether to make sales or issue export licenses under this Act.".

PROHIBITIONS AGAINST DISCRIMINATION

SEC. 204. Section 3(b) of the Foreign Military Sales Act is amended by—

(1) inserting "(1)" immediately after "(b)"; and

(2) adding at the end thereof the following new paragraph:

"(2) No sales may be made, or credits (including participation in credits) or guarantees extended, under this Act to or on behalf of any foreign country the laws, regulations, or governmental practices of which prevent any person of the United States from participating in the furnishing of defense articles or defense services procured under this Act on the basis of race, religion, national origin, or sex.".

WAIVER OF INELIGIBILITY

SEC. 205. (a) Section 3(c) of the Foreign Military Sales Act is amended as follows:

(1) Immediately after "(c)" insert "(1)".

(2) At the end thereof add the following new paragraph:

"(2) A country shall be deemed to be ineligible for further cash sales, credits, or guarantees, and no licenses shall be effective for export to such country, under section 38 if the President so states in writing to the Congress or the Congress so finds by concurrent resolution.".

(b) Section 3(d) of such Act is amended to read as follows:

"(d)(1) A country shall remain ineligible in accordance with subsection (c) of this section until such time as—

"(A)(i) the President determines that such violation has ceased;

"(ii) the country concerned has given assurance satisfactory to the President that such violation will not recur; and

"(iii) if such violation involved the transfer of weapons without the consent of the President, any weapons involved have been returned to the country concerned; or

"(B) the President determines and certifies to the Congress that continued assistance to such country is vital to the security interests of the United States, and such certification has taken effect.

Such certification shall be transmitted to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day.

"(2) Such certification shall take effect thirty days after the certification has been so transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the certification is transmitted, Congress adopts a concurrent resolution disapproving the certification.

"(3) Such resolution shall be considered in accordance with the provisions of section 301(b) of the International Security Assistance and Arms Export Control Act of 1975.

"(4) The term 'resolution', as used in section 301(b) of such Act, means, for the purposes of this subsection, only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress does not approve the certification of intent to waive the provisions of section 3(d) of the Arms Export Control Act with respect to ———, transmitted to the Congress by the President on ———, 19 .', the first blank space therein being filled with the name of the foreign country to which such certification pertains; and the second blank therein being filled with the date of the transmittal of such certification; but does not include a resolution specifying a certification with respect to more than one country.".

USE OF CIVILIAN CONTRACT PERSONNEL

SEC. 206. Section 4 of the Foreign Military Sales Act is amended by adding at the end thereof the following: "In order to minimize the involvement of military or civilian officers or employees of the United States Government, the President shall, to the maximum extent possible, use civilian contract presonnel to carry out Government sales activities under this Act in any foreign country. Nothing in this Act may be construed to authorize the establishment in any foreign country of a military mission or similar body to carry out any program under this Act."

SALES FROM STOCKS

SEC. 207. Section 21 of the Foreign Military Sales Act is amended to read as follows:

"SEC. 21. SALES FROM STOCKS.—(a) The President may sell defense articles from the stocks of the Department of Defense, including related training, packing, handling, and transportation services, to any friendly country or international organization if such sale is important to the security of the United States and such country or international organization agrees to pay—

"(1) in the case of a defense article not intended to be replaced at the time such agreement is entered into, not less than the actual value thereof in United States dollars;

"(2) in the case of a defense article intended to be replaced at the time such agreement is entered into, the estimated cost of replacement of such article, including the contract or production costs less any depreciation in the value of such article; or

"(3) in the case of the sale of training, packing, handling, and transportation services related to the sale of a defense article, the full cost to the United States Government of furnishing such service.

"(b) Payment shall be made in advance or, if the President determines it to be in the national interest, upon delivery of the defense article or rendering of the defense service.

"(c) Each contract for the sale of defense articles or allowable services under this section and section 22 shall include appropriate charges for administrative services, use of plant and equipment owned by the United States, proportionate costs incurred for research and development, and any other cost incurred directly or indirectly by the United States with respect to such contract.

"(d) Any contracts entered into between the United States and a foreign country under the authority of this section shall be made available for public inspection.".

SALES FROM STOCKS AFFECTING UNITED STATES COMBAT READINESS

SEC. 208. Section 21 of the Foreign Military Sales Act, as amended by section 206 of this Act, is further amended by adding at the end thereof the following new subsection:

"(d)(1) Sales of defense articles and allowable services which could adversely affect the combat readiness of the Armed Forces of the United States shall be kept to an absolute minimum. The President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on the same day a written, unclassified statement giving a complete explanation with respect to any proposal to sell, under this section, any defense articles or services if such sale could adversely affect the combat readiness of the Armed Forces. Each such statement shall include an explanation relating to only one such proposal to sell and shall set forth—

"(A) the country or international organization to which the sale is proposed to be made;

"(B) the amount of the proposed sale;

"(C) a description of the defense article or service proposed to be provided;

"(D) a full description of the impact which the proposed sale will have on the Armed Forces of the United States;

"(E) a justification for such proposed sale, including a certification that such sale is important to the security of the United States.

"(2)(A) No delivery may be made under any agreement or contract to sell under this section unless the certification required to be transmitted by clause (E) of paragraph (1) of this subsection is in effect.

"(B) Such certification shall take effect on the date the certification has been so transmitted and shall remain in effect until the end of the fiscal year in which it is transmitted unless, before the end of the first period of thirty calendar days of continuous session of Congress after the date on which the certification is transmitted, Congress adopts a concurrent resolution suspending the certification.

"(C) Such resolution shall be considered in accordance with the provisions of section 301(b) of the International Security Assistance and Arms Export Control Act of 1975.

"(D) The term 'resolution', as used in section 301(b) of such Act, means, for the purposes of this section, only a concurrent resolution, the matter after the resolving clause of which is as follows: "That the Congress suspends the certification transmitted pursuant to section 21(b)(1)(F) of the Arms Export Control Act with respect to ———, to the Congress by the President on ———, 19 .', the first blank therein being filled with the name of the foreign country to which such certification pertains, and the second blank therein being filled with the date of the transmittal of such certification; but does not include a resolution specifying a certification with respect to more than one country or international organization.".

PROCUREMENT FOR CASH SALES

Sec. 209. (a) Any contract entered into between the United States and a foreign country under the authority of this section shall be available for public inspection.

(b) Section 22(b) of the Foreign Military Sales Act is repealed.

ANNUAL JUSTIFICATION FOR SALES PROGRAM

Sec. 210. Immediately after section 24 of the Foreign Military Sales Act, add the following new section:

"Sec. 25. Annual Justification for Sales Program.—(a) The President shall transmit to the Congress, as a part of the presentation materials for foreign assistance programs proposed for the fiscal year 1977, and for each year thereafter, an unclassified report which sets forth—

"(1) an estimate of the amount of sales expected to be made to each country under sections 21 and 22 of this Act, including a detailed exploration of the foreign policy and United States national security considerations involved in expected sales to each country;

"(2) An estimate of the amount of credits and guaranties expected to be extended to each country;

"(3) any finding which is in effect on the date of such transmission made by the President pursuant to section 3(a)(1) of this Act, including a full and complete explanation how sales to each country with respect to which such finding has been made will strengthen the security of the United States and promote world peace.".

AUTHORIZATION

Sec. 211. (a) Section 31(a) of the Foreign Military Sales Act is amended by striking out "not to exceed $405,000,000 for the fiscal year 1975" and inserting in lieu thereof a comma and the following: "and not to exceed $———— for the fiscal year 1976 and $———— for the period from July 1, 1976, through September 30, 1976.".

(b) Section 31(b) of the Foreign Military Sales Act is amended by striking out "$872,500,000 for the fiscal year 1975 of which not less than $300,000,000 shall be available to Israel only." and inserting in lieu thereof "$———— for the fiscal year 1976, and $———— for the period from July 1, 1976, through September 30, 1976.".

REPORTS OF COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS

Sec. 212. Section 36(a) of the Foreign Military Sales Act is amended as follows:

"Sec. 36. Reports on Commercial and Governmental Military Exports.—(a) The President shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate not more than thirty days after the end of each quarter an unclassified report containing—

"(1) a listing of all letters of offer to sell any defense articles or services under this Act, if such offer has not been accepted or canceled;

"(2) a cumulative listing of all such letters of offer to sell that have been accepted during the fiscal year in which such report is submitted;

"(3) the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 made before the submission of such quarterly report and during the fiscal year in which such report is submitted;

"(4) a cumulative statement with respect to all licenses issued during the fiscal year for the commercial export of defense articles and defense services in excess of $100,000, which statement shall set forth—

"(A) the items to be exported under the license;

"(B) the quantity of each such item to be furnished; and

"(C) the name and address of the consignee and of the ultimate user of each such item.

"(5) projections of the dollar amounts, by foreign country and international organization, cash sales expected to be made under sections 21 and 22, credits to be extended under section 23, and guaranty agreements to be made under section 24 in the quarter of the fiscal year immediately following the quarter for which such report is submitted;

"(6) a projection with respect to all cash sales expected to be made and credits expected to be extended to each country and organization for the remainder of the fiscal year in which such report is transmitted; and

"(7) an estimate of the number of officers and employees of the Government and United States civilian contract personnel present in each such country at the end of that quarter in connection with sales and commercial exports under this Act.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (A) the foreign country or international organization to which the defense article or service is offered, (B) the dollar amount of the offer to sell under paragraph (1) or of the completed sale under paragraph (2), (C) a description of the defense article or service offered, (D) the United States Armed Force which is making the offer to sell, (E) the date of such offer, (F) the date of any acceptance under paragraph (2), (G) an estimate of the number of officers and employees of the United States and civilian contract personnel expected to be needed in such country to carry out such contract, (H) the name of each person of the United States expected to provide the defense article or defense service to be sold (if known on the date of transmittal of such report), and (I) in the case of a letter of offer to sell nuclear technology or a weapons system having a nuclear capability, and the specific elements and capabilities involved.

"(b)(1) In the case of any letter of offer to sell any defense articles or services under this Act for $25,000,000 or more, or which involves the sale of defense articles or services, or technical data relating to production abroad, before issuing such letter of offer the Secretary of State shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate an unclassified, numbered certification with respect to such offer to sell containing the information specified in subparagraphs (A) through (I) in subsection (a) together with a brief description of the capabilities and sophistication of any defense article. The letter of offer shall not be issued if the Congress, not later than thirty calendar days after receiving any such certification, adopts a concurrent resolution stating that it objects to such certification, unless the President in his certification states that an emergency exists which requires such sale in the national security interests of the United States.

"(2) Such resolution shall be considered in accordance with the provisions of section 301(b) of the International Security Assistance and Arms Export Control Act of 1975.

"(3) The term 'resolution', as used in section 301(b) of such Act, means, for the purposes of this subsection, only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress object to the proposed sale to ————, numbered ————, transmitted to the Congress by the President on ————, 19 .', the first blank space therein being filled with the number of the statement; and the third blank therein being filled with the date of the transmittal of such certication; but does not include a resolution specifying a certification with respect to more than one sale.

"(c)(1) In the case of an application by a person (other than an officer or employee of the United States Government) for a license for the export of defense articles or defense services, including technical data relating thereto, valued in excess of $25,000,000, or which involves the use of such defense articles, defense services, or technical data for production abroad, before issuing such license the Secretary of State shall submit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate an unclassified numbered certification with respect to such license specifying (1) the foreign country or international organization to which such export will be made, (2) the dollar amount of the items to be exported, (3) a description of the items to be exported, including a description of their capabilities and sophistication, and (4) an estimate of the total number of United States personnel expected to be needed in the foreign country concerned in connection with the articles or services to be exported. The license shall not be issued if the Congress, within thirty calendar days after receiving any such certification, adopts a concurrent resolution stating that it objects to such certification, unless the President in his certification states that an emergency exists which requires the issuance of such license in the national security interests of the United States.

"(2) Such resolution shall be considered in accordance with the provisons of section 301(b) of the International Security Assistance and Arms Export Control Act of 1975.

"(3) The term 'resolution', as used in section 301(b) of such Act, means, for the purpose of this subsection, only a concurrent resolution, the matter after the resolving clause of which is as follows: 'That the Congress objects to the certification ————, numbered transmitted to the Congress by the President on ————, 19 .', the first blank space therein being filled with the number of the statement; and the second blank therein being filled with the date of the transmittal of such certification; but does not include a resolution specifying a certification; but does not include a resolution specifying a certification with respect to more than one license.

"(d) The President shall transmit promptly to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate—

"(1) in the case of any letter of offer to sell any defense articles or services under this Act to any country to which no articles or services were sold during the previous calendar year, a statement with respect to such offer to sell containing the information specified in subparagraphs (A) through (I) subsection (a) of this section; or

"(2) in the case of an application for a license for the export of defense articles or defense services, including technical data relating thereto, to a country to which no such items were exported during the previous calendar year, a statement with respect to such license containing the information specified in paragraphs (1) through (4) of subsection (c) of this section.".

REPORTS ON CONTRIBUTIONS AND PAYMENTS TO FOREIGN PERSONS

Sec. 213. (a) The section caption of section 36 of the Foreign Military Sales Act is amended by striking out the period and inserting in lieu thereof a semicolon and "PAYMENT OF FEES AND CONTRIBUTIONS."

(b) Such section, as amended by section 212 of this Act, is further amended by adding at the end thereof the following new subsection:

"(e)(1)(A) Any person of the United States who offers or agrees to produce, distribute, sell, or otherwise provide any defense article or defense service with respect to any foreign country or any person of any foreign country, and who offers or argues to make any contribution, pay any fee, or give anything of value in connection therewith, shall report to the Secretary of State—

"(i) such offer or agreement to make any such contribution or pay any such fee or give anything of value not less than thirty days after such offer or agreement has been made; and

"(ii) such contribution, payment, or gift not less than thirty days after such contribution or payment has been made;

together with the information specified in subparagraphs (A) through (D) of paragraph (2) of this subsection. All such information shall be made available to the public by the Secretary of State.

"(B) No such contribution or payment may be included, in whole or in part, in the amount paid under any contract entered into under section 21 or 22 of this Act.

"(C) Any person who willfully violates any provision of this paragraph (1) or any rule or regulation issued under this subsection, or who willfully, in a report required to be made under this paragraph, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, shall upon conviction be fined not more than $25,000 or imprisoned for not more than two years, or both.

"(2) The President shall include in each quarterly report required to be transmitted by subsection (a) of this section a description of each contribution or payment reported to the Secretary of State the previous quarter under paragraph (1) of this subsection, including—

"(A) the name of person who made such contribution, payment, or gift;

"(B) the name of person to whom such contribution, payment, or gift was made;

"(C) the date and amount of such contribution, payment, or gift; and

"(D) the reason such contribution, payment, or gift.

"(3) The Secretary of State shall promulgate such rules and regulations as he may deem necessary to carry out the provisions of this subsection.

"(4) The provisions of this subsection shall take effect sixty days after the date of enactment of this subsection.".

CONTROL OF LICENSES WITH RESPECT TO ARMS EXPORTS AND IMPORTS

SEC. 214. (a) Section 414 of the Mutual Security Act of 1954 (Public Law 83-665; 68 Stat. 832) is repealed.

(b) Chapter 3 of the Foreign Military Sales Act is amended by adding at the end thereof the following new section:

"SEC. 38. CONTROL OF ARMS EXPORTS AND IMPORTS.—(a) In furtherance of world peace and the security and foreign policy of the United States, the President, through the Secretary of State, is authorized to control the export and import of defense articles and defense services, including technical data relating thereto, and to provide foreign policy guidance to persons of the United States involved in the export and import of such articles and services. The President is authorized to designate those items which shall be considered as defense articles and defense services, including technical data relating thereto, for the purposes of this section and to promulgate regulations for the export of such articles and services. All such experts shall be subject to the provisions of sections 3 and 4 of this Act.

"(b)(1) As prescribed in regulations issued under this section, every person (other than an officer or employee of the United States Government acting in an official capacity) who engages in the business of manufacturing, exporting, or importing any defense articles or defense services, including technical data relating thereto, designated by the President under subsection (a) shall register with the Department of State and shall pay a fee for each license to export or import such defense articles or services, including technical data relating thereto. Such fees shall be set at a rate sufficient to pay for all administrative costs for the control of nongovernmental exports and imports of defense articles and services. Such regulations shall prohibit the return to the United States for sale in the United States (other than for the Armed Forces of the United States and its allies or for any State or local law enforcement agency) of any military firearms or ammunition of United States manufacture furnished to foreign governments by the United States under this Act or any other foreign assistance program of the United States, whether or not enhanced in value or improved in condition in a foreign country. This prohibition shall not extend to similar firearms that have been so substantially transformed as to become, in effect, articles of foreign manufacture.

"(2) No defense articles or defense services, including technical data relating thereto, may be exported or imported without a license for such export or import, issued in accordance with this Act and regulations issued under this Act, expect that no license shall be required for items for official use by a department or agency of the United States Government.

"(c) Any person who willfully violates any provision of this section or any rule or regulation issued under this section, or who willfully, in a registration or license application, makes any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statement therein not misleading, shall upon conviction be fined not more than $25,000 or imprisoned not more than two years, or both.

"(d) This section applies to and within the Canal Zone.".

(c) The Foreign Military Sales Act is amended as follows:

(1)(A) Section 3(a) of such Act is amended by inserting immediately before the word "unless—" a comma and the following: "and no license issued under section 38 of this Act for the benefit of such country or international organization shall be effective,".

(B) The first sentence of subsection (b) of such section is amended by inserting after the words "to any country" a comma and the following: "and no license issued under section 38 of this Act for export to any country or international organization shall be effective,".

(C) Subsection (c) of such section is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and any license issued under section 38 of this Act for export to such country shall be immediately suspended.".

(D) Subsection (d) of such section is amended by inserting after the words "shall remain ineligible" the words "and any such license shall remain suspended".

(2) The first sentence of section 4 of such Act is amended by inserting immediately after "to friendly countries" a comma and the following: "and licenses shall be issued under section 38 of this Act for export to such countries,".

CANCELLATION AND SUSPENSION OF LICENSES AND CONTRACTS

SEC. 215. Section 42 of the Foreign Military Sales Act is amended by adding at the end thereof the following new subsection:

"(e)(1)(A) Each contract for sale entered into under sections 21 and 22 of this Act shall provide that such contract may be canceled in whole or in part, or its execution suspended, by the United States at any time under unusual or compelling circumstances if the national interest so requires.

"(B) Notwithstanding such voidability, each such contract shall be binding with respect to each party thereto unless such contract is canceled by the United States.

"(2) Each license issued under section 38 of this Act shall provide that such license may be revoked or suspended in whole or in part by the United States under compelling circumstances if the national interest so requires.

"(3) Each such contract and license shall further provide that, in the event of the cancellation, revocation, or suspension thereof, as the case may be, any deliveries not yet made thereunder on the date of such cancellation, revocation, or suspension may be suspended or terminated.

"(4) The Congress may, if it determines that unusual or compelling circumstances and the national interest so require—

"(A) so cancel any such contract;

"(B) so revoke or so suspend any such license; and

"(C) so suspend or so terminate any such deliveries under such contract or such license;

by concurrent resolution."

ADMINISTRATIVE EXPENSES

SEC. 216. (a) Section 43 of the Foreign Military Sales Act is amended to read as follows:

"SEC. 43. ADMINISTRATIVE EXPENSES.—Administrative expenses incurred by any department or agency of the United States Government (including any mission or group) in carrying out functions under this Act shall be fully reimbursed from amounts received for sales under sections 21 and 22 and from fees for licenses issued under section 38 of this Act. No appropriated funds may be expended for such expenses unless provision has been made for prompt and complete reimbursement from such amounts and fees.".

(b) Section 636(g)(1) of the Foreign Assistance Act of 1961 is amended by striking out "or sales".

DEFINITION OF "DEFENSE ARTICLE"

SEC. 217. Section 47 of the Foreign Military Sales Act is further amended as follows:

(1) Paragraph (2) thereof is amended to read as follows:

"(2) 'value' means, in the case of an excess defense article, the actual value of the article but not less than 33⅓ per centum of the acquisition cost thereof (unless such article is sold solely for scrap purposes).".

TITLE III—GENERAL

EXPEDITED PROCEDURE WITH RESPECT TO RESOUTIONS OF APPROVAL OR DISAPPROVAL OF CERTAIN PRESIDENTIAL CERTIFICATIONS

SEC. 301. (a)(1) The provisions of subsection (b) of this section shall apply with respect to the consideration of any resolution required by law to be considered in accordance with such provisions.

(2) Any such law shall—

(A) state whether the term "resolution", as used in subsection (b) of this section, means, for the purposes of such law—

(i) a resolution of either House of Congress, in which case the provisions of paragraph (10) of subsection (b) of this section shall not apply; or

(ii) a concurrent resolution;

(B) set forth the text of the matter after the resolving clause of such resolution; and

(C) specify the Presidential certification to which such resolution shall apply, which shall be included in such text.

(b)(1) For purposes of this subsection—

(A) the continuity of a session is broken only by an adjournment of the Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated.

(2) Paragraphs (3) through (10) of this subsection are enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(3) If the committee, to which has been referred a resolution disapproving a certification has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the certification which has been referred to the committee.

(4) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the certification), and debate thereon is limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(5) If the motion to discharge is agreed to, or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same certification.

(6) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a certification it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(7) Debate on the resolution is limited to not more than two hours, to be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(8) Motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to a certification, and motions to proceed to the consideration of other business, are decided without debate.

(9) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to a certification are decided without debate.

(10) If, prior to the passage by one House of a concurrent resolution of that House, that House receives from the other House a concurrent resolution of such other House, then—

(A) the procedure with respect to the concurrent resolution of the first House shall be the same as if no concurrent resolution from the other House had been reecived; but

(B) on any vote on final passage of the concurrent resolution of the first House the concurrent resolution from the other House shall be automatically substituted.

SECTION-BY-SECTION ANALYSIS OF THE INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1975

TITLE I—MILITARY ASSISTANCE

Section 101. Authorization

Section 101 authorizes the appropriation of $—— for FY 1976, and $—— for the transition quarter, for grant military assistance to foreign countries.

Section 102. Waiver of ineligibility

Section 102 establishes a procedure under which either the President or the Congress could find a country ineligible for further grant military assistance when that country has violated provisions of military aid agreements entered into under the Foreign Assistance Act. The section also sets forth criteria and procedures for restoration of a country's eligibility for assistance.

Under subsection 102(2) a country would be ineligible for further assistance if the President so notifies the Congress in writing or if the Congress makes such a determination by concurrent resolution. Under existing law there is no provision for a Congressional finding of ineligibility because of a country's violation of military aid agreements entered into with the U.S. under the Foreign Assistance Act. Although section 617 of the Act permits Congress to terminate assistance to a country by passage of a concurrent resolution, section 102 will permit Congress to suspend military aid, a far less drastic measure.

The new paragraph (2) to be added to 505(d) sets forth a procedure for restoration of a country's eligibility for further assistance, filling a gap in existing law. It provides that a country will remain ineligible until the President determines that (a) the violation has ceased; (b) the country concerned has given assurances satisfactory to the President that the violation will not recur; and (c) the weapons involved have been returned to the country concerned if the violation involved the transfer of weapons without U.S. consent. These requirements are similar to the provisions of section 3(d) of the Foreign Military Sales Act relative to resumption of sales following a suspension.

Notwithstanding a country's violation of an agreement entered into under the Act and its failure to meet the requirements for resumption of aid, assistance may be resumed nevertheless if the President certifies in writing to the Congress that continued assistance to the country is vital to the security interests of the United States, and Congress does not within 30 days reject the President's certification by passage of a concurrent resolution. An expedited procedure for the handling of concurrent resolutions of disapproval, and similar resolutions provided for in other sections of the bill, is contained in section 301 of the bill.

Section 103. Anti-discrimination policy

Section 103 adds a new subsection (g) to section 505 of the Foreign Assistance Act. It prohibits grant military assistance to any country whose laws, regulations, or governmental practices prevent any citizen or business concern of the United States from participating in the furnishing of defense articles or defense services procured under the Foreign Assistance Act on the basis of race, religion, national origin, or sex.

Section 104. Repeal of drawdown authority

This section repeals section 506 of the Foreign Assistance Act, the authority for the President to draw on Department of Defense Foreign Assistance Act, the authority for the gress each year, to supplement appropriations available for grant military assistance. Prior to 1973 section 506 required that the President find that use of the drawdown authority was "vital" to the United States and, as a consequence, the authority had not been used for many years. In 1973 Congress amended the law to require only that the President find that providing military aid through this device was "in the security interests of the United States," a far less demanding criterion. This change was made for the express purpose of allowing the drawdown authority to be used to provide additional aid to Cambodia, and it was used only for that purpose in FY 1974 and FY 1975.

The Senate has voted to repeal this provision for each of the last two years, only to have the proposal rejected in conference.

Section 105. Role of Arms Control and Disarmament Agency

Section 105 amends section 511 of the Act to require that the views of the Director of the Arms Control and Disarmament Agency be taken into account by executive branch officials in the making of decisions regarding military grant assistance.

Section 106. Termination of authority

Section 106 adds a new section 516 to the Foreign Assistance Act which phases out the major elements of the grant military assistance program by the end of FY 1977. No new grant military assistance, other than for limited types of training, could be provided after September 30, 1977. All U.S. military assistance missions, groups and similar organizations would also be phased out by that date. In 1974 the Senate voted to terminate the military grant assistance program but the provision was not accepted by the House.

During the phase-out period, countries now receiving grant aid could obtain credit at a concessional rate of interest of not less than six percent, within specified limits. After September 30, 1977, any grant assistance, other than training, for a country must be specifically authorized by Congress, as was done in the case of Israel in 1973. Similarly, continuation of any U.S. military mission or group after that date must also be specifically authorized by Congress. The section also prohibits the training of foreign military forces outside the United States after September 30, 1977, unless specifically authorized by Congress.

Paragraph (1) of subsection (a) of the new section 516 requires the President to gradually reduce assistance, other than military training, so that, not later than September 30, 1977, no assistance, other than training, shall be provided to a foreign country.

Under the new paragraph (2), deliveries could continue to be made after September 30, 1977 of military assistance for which obligations were made prior to the cutoff date.

The new subsection 516(b) authorizes the President in each of the fiscal years 1976 and 1977 to finance the procurement of defense articles and defense services, other than training, by any foreign country (other than South Vietnam, Cambodia, or Laos) which received military grant assistance during fiscal year 1975. Interest would be at a rate of not less than six percent and payment completed not more than ten years after delivery. Credit under this provision would be limited in each of the two fiscal years to not more than the amount of military grant assistance furnished to that country in FY 1975.

The new paragraph (c)(1) phases out U.S. military missions, groups, and similar organizations by not later than September 30, 1977. By that date all the functions of those military assistance organizations shall be transferred to the Chief of the United States Diplomatic Mission in each country.

This provision is designed to cover the phase-out of all types of military personnel, other than military attachés, assigned to foreign countries who are engaged in activities involving the foreign military assistance or sales programs. The use of special units of U.S. military personnel in connection with the foreign military sales program is to be phased out along with regular military missions and groups. After September 30, 1977, sending any such personnel to a foreign country must be specifically authorized (see section 206).

New paragraph (2) limits the number of military attaches who can be assigned to a U.S. diplomatic mission. It provides that on and after October 1, 1977, the total number of military attaches and supporting staff assigned to the United States diplomatic mission shall not exceed by more than 25 percent the total number of military attaches and staff authorized to be assigned to that mission on June 30, 1975. The purpose of the provision is to prevent the ballooning of military attache units as the military grant and sales missions and groups are phased out, if the residual functions of the mission or group is assumed by attaches. The residual functions could, of course, also be performed by other embassy personnel, such as the staff of the political section.

New paragraph (3) requires that on and after October 1, 1977, no military assistance advisory group, military mission, or other such organization of the United States Government in a foreign country shall be established or continued unless the group, mission, or organization is authorized by law specifically for that country.

Subsection (b) makes appropriate changes in the Foreign Assistance Act effective on October 1, 1977, in order to carry out the policy encompassed in the preceding provisions. In addition subsection (b) provides general authority, effective on that date, for the conduct of a military education and training program, the only activity to remain after the termination of the other elements of the grant assistance program. The President would be authorized to furnish military education and training to military and related civilian personnel of friendly foreign countries or international organizations. Training and education can be provided through attendance at military educational and training facilities in the United States (other than Service academies) or observation and orientation visits to military facilities and related activities, in the United States.

Funds for the education and training program are to be appropriated for each fiscal year pursuant to an authorization for that fiscal year. In order to insure better Congressional control over training activities abroad, after September 30, 1977 no training shall be conducted outside the United States except by specific authorization of law.

Subsection (c) defines "military education and training." The term means professional military education programs designed to improve the general abilities of commissioned and noncommissioned officers, instructor training, and English language training.

It does not include education and training related directly to the operation or maintenance of specific items of equipment or education or conducted for the purpose of carrying out the provisions of the new Arms Export Control Act. Grants for training in the use of equipment and weapons is not authorized since, with the termination of the grant assistance program, all military services relating to equipment and weapons acquired after September 30, 1977, must be obtained on a sales basis.

Section 107. Applicability of special authorties

Section 107 amends section 614 of the Foreign Assistance Act.

Section 614(a) of the Foreign Assistance Act authorizes the President to waive restrictions or other provisions of the Act (unless specifically prohibited) in furnished assistance to foreign countries, up to $250,000,000 each year, when he "determines that such authorization is important to the security of the United States." This subsection provides what is commonly referred to as the President's general waiver authority for foreign assistance.

Paragraph (1) of section 107 would prohibit use of the waiver authority in connection with the grant military assistance programs authorized under Chapter II of part II of the Act. This section is consistent with the general thrust of the bill to restrict or repeal the vast discretionary power that in the past Congress has given to the President over foreign military assistance and sales matters. Paragraph (1) also conforms section 614 to reflect the repeal of section 506 of the Act by section 104 of the bill.

Paragraph (2) repeals subsections (b) and (c) of section 614. Subsection (b) is obsolete and subsection (c) contains discretionary spending authority, without public accountability, which is not appropriate or desirable public policy.

Section 108. Annual foreign sales report

This section amends section 657 of the Foreign Assistance Act, which requires an annual report on foreign assistance, military exports and similar activities.

Paragraph (2) amends paragraph (1) of section 657(a) to require that complete information concerning all military assistance and sales programs be included in the annual report.

Paragraph (3) amends paragraph (3) of section 657(a) to require information concerning the annual volume of all military exports, government and commercial, in order to appraise the total flow to foreign countries of U.S. military equipment and services.

Paragraphs (4) and (5) strike out the provisions of subsections (b) and (c) of section 657 which allows submission to Congress, on a classified basis, of portions of the information required. Under the new provision all information required under the section will be available to the public.

TITLE II—ARMS EXPORT CONTROLS

Section 201. Change in title

This section changes the title of what is now the Foreign Military Sales Act to the Arms Export Control Act to reflect the changes in policy encompassed in this bill, designed to emphasize greater control over U.S. arms exports.

Section 202. Reduction in international arms trade

Section 202 adds a new statement of policy to section 1 of the Foreign Military Sales Act, which will now become the Arms Export Control Act (hereafter referred to as the Act).

It states that the policy of the United States shall be to exert leadership in the world community to bring about arrangements for reducing the international trade in implements of war and thus lessen the danger of outbreak of regional conflict and the burdens of armaments. United States programs for the sale and grant of arms and munitions to foreign countries and international organizations and the issuance of export licenses are to be administered in a manner which will carry out that policy.

The second paragraph states the sense of the Congress that the President should seek to initiate multilateral discussions among the principal arms suppliers and other countries with respect to the control of the worldwide trade in armaments and that the President should work actively with all nations to check and control the international sales and distribution of conventional weapons of death and destruction.

Section 203. Role of the Arms Control and Disarmament Agency

Section 203 requires that the views of the Director of the Arms Control and Disaramament Agency be taken into consideration in the decision making process on military sales and export matters.

Section 204. Anti-Discrimination policy

Section 204 is similar to subsection 103 of the bill. It prohibits government-to-government sales or the extension of credits or guarantees to any government whose laws or practices prevent U.S. citizens from participating in the furnishing of defense articles or services procured under the Act because of their race, religion, national origin, or sex.

Section 205. Waiver of ineligibility

Section 205 sets forth a procedure for declaring a country ineligible for further government military sales or commercial military export licenses and provides for a Congressional role in restoration of a country's eligibility for sales or exports. It is comparable to section 102 of this bill which applies to the grant military assistance program.

Section 205(a) amends subsection 3(c) of the Act to provide that, upon violation of an agreement entered into under the Act, a country shall be ineligible for further cash sales, credits and export licenses guarantees if the President so states in writing to the Congress or the Congress makes such a finding by concurrent resolution.

Section 205(b) amends section 3(d) of the Act to provide that a country shall remain ineligible until such time as the President determines that the violation has ceased; that the country concerned has given assurance satisfactory to the President that the violation will not recur; and that any weapons involved have been returned to the country concerned, if the violation involved the transfer of weapons without the consent of the President.

As an alternative, a country's eligibilty can be restored if the President certifies to the Congress that continued assistance to the country is vital to the security interests of the United States, and Congress does not, within 30 calendar days of continuous session, pass a concurrent resolution rejecting the President's certification.

Section 206. Use of civilian contract personnel

Section 206 amends section 4 of the Act by adding at the end a requirement designed to minimize the involvement in foreign military sales related activities of military or civilian personnel of the United States Government. It requires that civilian contract personnel be used to the maximum extent possible to carry out Government sales activities in a foreign country. The section also makes it clear that nothing in the Act shall be construed to authorize the establishment in any foreign country of a military mission or similar body to carry out any program under the Act.

Section 207. Sales from stocks

Section 207 amends section 21 of the Act relating to sales of defense articles and services from Department of Defense stocks. Section 21 would be amended to limit the scope of the Department of Defense services that could be sold to foreign countries to those involving packing, handling, and transportation of military equipment or weapons sold from Defense stocks and training related to that equipment or weapon. It would not permit the sale of other services that could be rendered by the U.S. armed forces, as now allowed under existing law.

The President would be authorized to sell defense articles from the stocks of the Department of Defense, including related training, packing, handling and transportation services, for not less than the value of the article if it is not to be replaced.

In the case of a defense article intended to be replaced at the time it is sold, the sales price shall be at least the estimated cost of replacement of the article, including the contract or production costs, less any depreciation in the value of the article. In the case of the sale of training, packing, handling, or transportation services related to the sale of a defense article, the price shall be the full cost to the United States of the service.

The new subsection (b) provides that payment shall be made in advance or, if the President determines it to be in the national interest, upon delivery of the defense article or rendering of the defense service. This repeals a provision in existing law which allows payment up to 120 days after delivery of the article or service sold.

The new subsection (c) requires that each contract for the sale of defense articles or allowable services under sections 21 and 22 shall include appropriate charges for administrative services, use of plant and equipment owned by the United States, proportionate costs incurred for research and development, and any other cost incurred directly or indirectly by the United States with respect to the contract. This provision is to insure that there shall be no element of subsidy in the government-to-government sales program authorized under the Act.

The new subsection (d) requires that all contracts entered into between the United States and a foreign country for the sale of defense articles or defense services under section 21 be available for public inspection.

Section 208. Sales from stocks affecting United States combat readiness

Section 208 amends section 21 of the Act concerning the sale of defense articles and allowable services that would have an adverse effect on the combat readiness of the U.S. armed forces.

The section requires that the sale of defense articles and allowable services which could adversely affect the combat readiness of the Armed Forces of the United States be kept to an absolute minimum. In the event such a sale is contemplated, the President shall transmit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a written, unclassified statement giving a complete explanation about any proposal to sell any defense articles or services if the sale could adversely affect the combat readiness of the Armed Forces of the United States. Each statement shall set forth—(A) the country or international organization to which the sale is proposed to be made; (B) the amount of the proposed sale; (C) a description of the defense article or services proposed to be provided; (D) a full description of the impact which the proposed sale will have on the Armed Forces of the United States; and (E) a justification for the proposed sale, including a certification that the sale is important to the security of the United States.

Congress could reject the certification by concurrent resolution and thus halt deliveries of the articles or services. An expedited procedure for consideration of resolutions of disapproval is provided under section 301(b) of the bill.

Section 209. Procurement for cash sales

Subsection (a) of section 209 requires that all contracts entered into between the United States and a foreign country under section 22 of the new Arms Export Control Act be available for public inspection.

Section 209(b) amends section 22 of the Act by repealing section 22(b) of the Act which permits deferred payments by the purchasing country for up to 120 days after delivery of the defense article or the rendering of the defense service. This provision is being repealed in order to eliminate any possibility for an indirect subsidy to the purchasing nation.

Section 210. Annual justification for sales program

Under this section the President is required to transmit to the Congress, as a part of the presentation materials for foreign assistance programs proposed for the fiscal year 1977, and for each year thereafter, an unclassified report which sets forth—

(1) an estimate of the amount of sales proposed to be made to each country under sections 21 and 22 of the Act, including a detailed explanation of the foreign policy and national security considerations involved in sales to each country;

(2) an estimate of the amount of credits and guaranties expected to be extended to each country; and

(3) any finding which is in effect on the date of the transmission made by the President pursuant to Section 3(a)(1) of the Act, including a full and complete explanation of how sales to each country with respect to which a finding has been made will strengthen the security of the United States and promote world peace.

Section 211. Authorization

Section 211(a) authorizes the appropriation of $—— in FY 1976 and $—— for the transitional quarter for credits and guaranty reserves for sale of defense articles and services to foreign countries.

Section 211(b) sets a ceiling of $—— on the total amount of direct credits that may be extended and private credits that can be guaranteed in FY 1976. $—— is set as a ceiling for the transitional quarter.

Section 212. Reports on commercial and governmental military exports

Section 212 amends the reporting requirements of section 36 of the Act.

Under the amended section the President would be required to submit an unclassified quarterly report to the Congress containing more detailed information than is now required under existing law. The report shall contain:

(1) a listing of all offers to sell any defense articles or services under the Act, if the offer has not been accepted or canceled;

(2) a cumulative listing of all letters of offer to sell that have been accepted during the fiscal year in which the report is submitted;

(3) the cumulative dollar amounts, by foreign country and international organization, of credit sales under section 23 and guaranty agreements under section 24 made before the submission of the quarterly report and during the fiscal year in which the report is submitted;

(4) projections of the dollar amounts, by foreign country and international organization, of sales expected to be made and credits and guaranties to be extended in the quarter of the fiscal year immediately following the quarter for which the report is submitted;

(5) a projection of all cash sales expected to be made and credits expected to be extended to each country for the remainder of the fiscal year in which the report is transmitted;

(6) an estimate of the number of officers and employees of the Government and United States civilian contract personnel present in each such country at the end of that quarter in connection with sales and commercial exports under this Act; and

(7) a statement with respect to all licenses issued for the commercial export of defense articles and services in excess of $100,000, which shall set forth the items to be exported under the license; the quantity of each such item to be furnished; and the name and address of the consignee and of the ultimate user of each such item.

The provision also revises and expands on the current requirements of the Nelson Amendment. For each letter of offer to sell on a government-to-government basis under paragraphs (1) and (2), the report shall specify (A) the foreign country or international country or international organization to which the defense article or service is offered; (B) the dollar amount of the offer to sell under paragraph (1) or of the completed sale under paragraph (2); (C) a brief description of the defense article or service offered; (D) the United States Armed Force which is making the offer to sell; (E) the date of such offer; (F) the date of any acceptance under paragraph (2); (G) an estimate of the number of officers and employees of the United States and civilian contract personnel expected to be needed in such country to carry out such contract; (H) the name of each person or firm of the United States expected to provide the defense article of defense service to be sold (if known on the date of transmittal of such report); and (I) in the case of a letter of offer to sell nuclear technology or a weapons system having a nuclear capability, and the specific elements and capabilities involved.

In the case of any letter of offer by a government agency to sell any defense articles or services under the Act for $25,000,000 or more, or which involves articles, services or technical data relating to production abroad, before the letter of offer is issued the Secretary of State shall submit to the Speaker of the House of Representatives and to the Chairman of the Committee on Foreign Relations of the Senate an unclassified, numbered certification with respect to the offer containing the information specified in subparagraphs (A) through (I) in subsection 36(a), and a description of the capabilities and sophistication. The letter of offer shall not be issued if the Congress, within thirty calendar days after receiving the certification, adopts a concurrent resolution stating that it objects to the certification, unless the President in his certification states that an emergency exists which requires such sale in the national security interests of the United States.

Any concurrent resolution of disapproval that is introduced under subsection (b)(1) shall be considered under the expedited procedure prescribed in section 301(b) of this bill.

The new subsection (c) allows a Congressional review procedure for the proposed issuance of licenses for commercial military exports of more than $25,000,000 or which involve the sale of materials, services or technical data relating to production abroad, similar to that under (b) for government-to-government sales.

The subsection provides that in the case of an application by a commercial concern for a license for the export of defense articles or defense services, or technical data relating thereto, valued in excess of $25,000,000, or which involves the use of such articles, services or technical data in production abroad, before issuing the license the Secretary of State shall submit to the Speaker of the House of Representatives and to the Chairman of the Committee on Foreign Relations of the Senate an unclassified numbered certification with respect to the license specifying (1) the foreign or international organization to which the export will be made, (2) the dollar amount of the items to be exported, (3) a brief description of the items to be exported, including a description of their capabilities and sophistication, and (4) an estimate of the total number of U.S. personnel expected to be needed to serve in the foreign country concerned in connection with the articles or services to be exported. The license shall not be issued if the Congress, within thirty calendar days after receiving the certification, adopts a concurrent resolution stating that it objects to the proposed license, unless the President in his certification states that an emergency exists which requires the issuance of the license in the national security interests of the United States. As with subsection (b), an expedited procedure for concurrent resolutions of disapproval is provided under section 301(b) of this bill.

Section 213. Reports on contributions and payments to foreign persons

This section amends section 36 of the Act to set up a procedure for the reporting of agreements to pay fees, and data concerning fees paid, in connection with the sale or export of U.S. military equipment and services.

The new subsection (d) provides that any person of the United States who offers or agrees to produce, distribute, sell, or otherwise provide any defense article or service with respect to any foreign country or any person of any foreign country, and who offers or agrees to make any contribution or pay any fee in connection therewith, shall report that offer or agreement to the Secretary of State not less than thirty days after the offer or agreement has been made, and the contribution or payment not less than thirty days after the contribution or payment has been made, together with certain additional information. All of this information shall be made available for public inspection by the Secretary of State.

No contribution or payment may be included, in whole or in part, in the amount paid under any contract relating to government-to-government sales.

Any person who willfully violates any provision of the requirement, or any rule or regulation issued pursuant to it, or who, in a required report, willfully makes any untrue statement of a material fact or omits to state a pertinent fact, shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than two years, or both.

The President shall include in each quarterly report required to be transmitted by subsection (a) a description of each contribution or payment reported to the Secretary of State the previous quarter, including the name of person who made a contribution or payment, the name of person to whom the contribution or payment was made, the date and amount of the contribution or payment, and the reason for the contribution or payment.

Paragraph (3) requires the Secretary of State to promulgate such regulations as he deems necessary to carry out this subsection. Paragraph (4) makes the subsection effective 60 days after date of enactment.

Section 214. Control of arms exports and imports

Section 214 authorizes, and sets forth requirements for, the control of exports and imports of all military equipment and services, whether sold on a government-to-government basis or through commercial channels. It is designed to replace section 414 of the Mutual Security Act of 1954, now the basic authority for control of military related exports and imports. This brings the statutory controls on all arms exports and imports, government and commercial, under one act, the new Arms Export Control Act. A basic purpose of this change is to bring about centralized control over licensing of all arms exports under the Department of State, thus strengthening foreign policy controls over arms exports.

Subsection (a) would repeal section 414 of the Mutual Security Act of 1954.

Subsection (b) would add a section 38 to the new Arms Export Control Act. This section becomes the basic authority for, and sets forth the new requirements concerning, controls over arms exports and imports.

Subsection (a) of the new section 38 would be the basic authority for control of exports and imports of military related materials and services. It provides that, in furtherance of world peace and the security and foreign policy of the United States, the President, through the Secretary of State, is authorized to control the export and import of defense articles and defense services, including technical data, and to provide foreign policy guidance to U.S. citizens and business firms involved in the export and import of such articles and services. The President is authorized to designate the items which shall be considered as defense articles and defense services, including technical data, and to promulgate appropriate regulations. All exports shall be subject to the restrictions of sections 3 and 4 of the Foreign Military Sales Act, which heretofore have applied only to government-to-government sales, although by administrative practice, they have been applied to commercial arms exports.

Subsection (b) requires that every private person or business firm engaged in the business of manufacturing, exporting, or importing any designated defense article or defense service, including technical data, register with the Department of State and shall pay a fee for each export or import license. Fees shall be set at a rate sufficient to pay all administrative costs for the control of nongovernmental exports and imports. Regulations must be issued which prohibit the return to the United States for sale in the United States (other than for the Armed Forces of the United States and its allies or for any State or local law enforcement agency) of any military firearms or ammunition of United States manufacture furnished to foreign governments by the United States under the Foreign Military Sales Act or any other foreign assistance program of the United States. The prohibition shall not extend to similar firearms that have been transformed as to become, in effect, articles of foreign manufacture.

Paragraph (2) prohibits any person from exporting or importing any defense article or service, including related technical data, without a license that has been issued in accordance with the Act and regulations issued under it, except that no license shall be required for items for official government use.

Subsection (c) sets forth the criminal penalties for violation of section 38 or regulations issued under it. Any person who willfully violates any provision of section 38 or any rule or regulation issued under it or any person who in a registration or license application willfully makes any untrue statement of a material fact or omits to state a material fact required to be stated therein, or necessary to make the statements therein not misleading, shall upon conviction be fined not more than $25,000 or imprisoned not more than two years, or both.

The new subsection (d) specifies that section 38 applies to and within the Canal Zone.

Subsection 211(c) amends the Foreign Military Sales Act in a number of respects to conform the Act to the inclusion of the new section 38.

Section 215. Cancellation and suspension of licenses and contracts

Section 215 would add a new subsection 42(e) to the Act. The new subsection (e)(1) would permit the United States to cancel or suspend any government-to-government contracts it had entered into under sections 21 and 22 of the Arms Export Control Act if the national interest so required because of unusual and compelling circumstances. This gives statutory sanction to what is now administrative practice.

Notwithstanding the voidability feature, each contract shall be binding on each party unless the contract is canceled by the United States.

Paragraphs (2) and (3) require that a similar voidability feature be added to each export license granted for commercial sales under section 38 of the Act.

Each license issued under section 38 must provide that the license may be revoked or suspended in whole or in part by the United States under compelling circumstances if the national interest so requires. Each contract and license shall also provide that, in the event of the cancellation, revocation, or suspension, any deliveries not yet made on the date of cancellation, revocation, or suspension may be suspended or terminated.

Paragraph (4) provides that Congress may, if it determines that unusual or compelling circumstances and the national interest require, cancel any government-to-government contract, or revoke or suspend any commercial export license, and suspend or terminate any deliveries under a contract or license by passage of a concurrent resolution.

Section 216. Administration expenses

Section 216 amends provisions of the current Foreign Military Sales Act and the Foreign Assistance Act relating to administrative expenses in connection with military sales and export licenses. Section 43, as revised, would require that administrative expenses incurred by any department or agency of the United States Government (including any mission or group) in carrying out functions under the Act shall be fully reimbursed from amounts received for sales under sections 21 and 22 and from fees for licenses issued under section 38 of the Act. No appropriated funds may be expended for administrative expenses unless provision has been made for prompt and complete reimbursement from sales proceeds and license fees.

Under existing law, a portion of the administrative expenses for government-to-government sales are paid out of funds appropriated for the grant military assistance program and regular Department of Defense accounts.

Subsection (b) amends section 636(g)(1) of the Foreign Assistance Act to prohibit use of grant military assistance funds to pay administrative costs of the sales program.

Section 217. Definition of defense article

Section 217 amends section 47 of the Act to define "value," in the case of an excess defense article as the actual value of the article but not less than 33⅓ per centum of the acquisition cost thereof (unless the article is sold solely for scrap purposes).

Section 301. Expedited procedure with respect to resolutions of approval or disapproval of certain Presidental certifications

Section 301 sets forth a procedure for expediting the consideration by Congress of concurrent resolutions of disapproval of certain Presidential certifications under the Foreign Assistance Act and the new Arms Export Control Act.

SUMMARY OF THE MAJOR PROVISIONS OF THE INTERNATIONAL SECURITIES ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1975

I. GRANT MILITARY ASSISTANCE PROGRAM

1. It phases out the foreign military grant assistance program over the next two years (by Oct. 1, 1977). Only grants for limited types of training would be permitted after that date (sec. 106).

2. All U.S. military missions and similar groups abroad would be terminated by Oct. 1, 1977, unless continuation of a specific mission is subsequently authorized by (sec. 106).

3. It prohibits the training of foreign military personnel outside the United States after Oct. 1 1977, unless specifically authorized by law (sec. 106).

4. It sets forth a procedure for finding a country ineligible for further grant assistance and for restoration of eligibility, with a Congressional role in the process (sec. 102).

5. It repeals the authority for the Presi-

dent to draw on Defense Department stocks for military aid purposes, as was done in the case of Cambodia (sec. 104).

6. It establishes an anti-discrimination policy which prohibits military aid and government sales to countries whose laws and practices result in preventing U.S. business concerns from being eligible to provide goods procured for grant or sale to foreign countries because of race, religion, national origin, or sex (secs. 103, 204).

7. The President's general waiver authority for foreign assistance programs could no longer be used in connection with matters relating to grant military assistance (sec. 107).

8. The views of the Director of the Arms Control and Disarmament Agency must be considered in deciding whether to provide military grant assistance (sec. 105).

II. GOVERNMENT MILITARY SALES AND COMMERCIAL EXPORTS OF ARMS

1. Under the new Arms Export Control Act, which replaces the Foreign Military Sales Act, emphasis will be placed on public disclosure of arms sales matters and on bringing about restraint in the international trade in arms.

2. Statutory requirements for controls over commercial and government-to-government military exports would be revised and combined in a new Arms Export Control Act so that all military export matters would be governed under one statute (secs. 201, 214).

3. All restrictions applicable to government-to-government sales (i.e., prohibition on third country transfer without U.S. approval, etc.) would be made applicable to commercial sales (sec. 214).

4. The Department of State would be assigned the responsibility for licensing all arms exports, including those arising from sales through the Department of Defense, thus insuring stronger foreign policy control over arms exports (sec. 214).

5. The views of the Director of the Arms Control and Disarmament Agency would be taken into account on important military sales and export matters (sec. 203).

6. The use of military or civilian U.S. government personnel abroad in connection with sales activities would be minimized and emphasis put on the use of civilian contract personnel (sec. 206).

7. Restrictions would be imposed on sales to foreign governments from U.S. military stocks, with reports to Congress required on all sales which would impair U.S. combat readiness (sec. 208).

8. The sale of Department of Defense services of foreign countries would be limited to training, packing, and transportation services incidental to the sale of military hardware (sec. 207).

9. The President would be required to submit an annual country-by-country justification to Congress for the government-to-government military sales program (sec. 210).

10. All government-to-government sales contracts would be made public (secs. 207, 209).

11. Reporting procedures for military sales and exports would be expanded and improved (sec. 212).

12. Congress would be allowed to reject certain proposed export licenses for commercial sales, as it may now do on government-to-government sales (sec. 212).

13. Reports would be required on all agreements to pay agents fees, and data concerning fees actually paid, in connection with military sales abroad (government and commercial), with criminal penalties provided for willful violation of the requirements (sec. 213).

14. All administrative expenses for government sales would, in the case of government sales, be paid by the purchasing countries and, in the case of commercial sales, the costs of the licensing process would be paid out of license fees (sec. 216).

15. All sales contracts or export licenses could be revoked by Congress if, in its judgment, the national interests required such action (sec. 215).

ESTIMATE OF ANNUAL SAVINGS

1. Savings from abolition of military grant assistance (estimated at level of fiscal 1976 request)	$422,600,000
2. Savings from abolition of military missions	50,000,000
Less: Cost of additional attaches or other personnel	7,500,000
Net Savings	42,500,000
3. Savings from imputed interest costs[1]	4,500,000
Total Estimated Annual Savings	469,600,000

[1] Does not include savings from abolition of other subsidies in the sales program, such as the failure to charge pro rata research and development costs, which are impossible to estimate from available data.

By Mr. PACKWOOD (for himself, Mr. FANNIN, Mr. GRAVEL, Mr. HASKELL, and Mr. HATFIELD):

S. 2664. A bill to amend the Internal Revenue Code of 1954 to provide the same tax exemptions and general tax treatment to Indian tribes performing government functions as are applicable to other governmental units. Referred to the Committee on Finance.

INDIAN TRIBAL GOVERNMENT TAX STATUS ACT

Mr. PACKWOOD. Mr. President, today I am introducing, for myself and Senators FANNIN, GRAVEL, HASKELL, and HATFIELD, the Indian Tribal Government Tax Status Act. This act would amend the Internal Revenue Code of 1954 to provide Indian tribal governments with tax treatment similar to that provided non-Indian local governments.

This act will reaffirm and strengthen the governmental role of Indian tribes. It will further the goal of self-determination for Indians and Alaskan Natives.

Recent Federal legislation has recognized the governmental role fulfilled by Indian tribes. For example, the State and Local Fiscal Assistance Act of 1972, 31 U.S.C. 1227(b)(4) provides revenue-sharing funds for Federal or State-recognized Indian tribes and Alaskan Native villages that perform substantial governmental functions. The governmental role of Indian tribes has also been recognized by the Housing and Urban Development Act, 42 U.S.C. 1451(c); the Economic Opportunity Act, 42 U.S.C. 2790(f) the Juvenile Delinquency Prevention and Control Act, 42 U.S.C. 3891 (2); and the Omnibus Crime Control and Safe Streets Act, 42 U.S.C. 3781(d).

The Indian Tribal Government Tax Status Act—herein after referred to as "the act"—provides Indian tribes with tax status similar to local governments, in the following respects:

First. Section 3 of the act provides that income received from retirement operated for employees of Indian tribes shall be treated as public retirement system income for purposes of computing the retirement income credit under section 37 of the Internal Revenue Code.

Second. Sections 41 and 218 of the Internal Revenue Code allow an individual to elect a limited tax credit or tax deduction for cash contributions to candidates, or for political parties presenting candidates, for Federal, State, or local elective offices. Section 4 of the act would make these tax incentives available to candidates, or political parties presenting candidates, for Indian tribal office.

Third. Section 5 of the act would broaden section 103(a) of the Internal Revenue Code, which excludes interest from certain State and local municipal bonds from Federal gross income, to include bonds issued by Indian tribes. Section 5 of the act would also broaden section 103(c) of the Internal Revenue Code, which excludes interest from certain industrial development bonds from Federal gross income, to include such bonds issued by Indian tribes, provided that all of the proceeds of the bonds are used in the area reserved by Federal statute or treaty to the Indian tribe issuing the bond.

Fourth. Section 117 of the Internal Revenue Code allows exclusion of certain scholarships and fellowships from gross income, including those received by nondegree candidates if provided by the United States or a State or local government, territory, or possession. Section 6 of the act would classify an Indian tribe as a government for purposes of this provision.

Fifth. Section 164 of the Internal Revenue Code allows a deduction for most State and local taxes. Section 7 of the act would extend this treatment to taxes imposed by an Indian tribal government.

Sixth. Sections 8, 11, and 12 of the act would classify Indian tribes as governments for purposes of sections 170(c)(1), 2055(a)(1), 2522(a)(1), and 2522(b)(1) of the Internal Revenue Code, which allow income, estate, and gift tax deductions respectively for gifts to the United States, its possessions, the District of Columbia, and the State and local governments.

Seventh. Section 403(b)(1)(A)(ii) of the Internal Revenue Code allows beneficiaries of annuities purchased by charitable organizations, or by State or local governments for employees of educational institutions, to exclude contributions from their gross income under certain circumstances. Section 9 of the act would classify Indian tribes as a state or local government for purposes of Section 403 (b)(1)(A)(ii).

Eighth. Section 10 of the act would expand Section 511(a)(2)(B) of the Internal Revenue Code, which subjects colleges and universities operated by governments to the tax on unrelated business income, to include colleges and universities operated by Indian tribes.

Ninth. Sections 13 to 17 of the act would extend to Indian tribes the exemptions available to State and local governments from various excise taxes applicable to gasoline and other fuels, trucks and accessories, tires and tubes, sporting goods, firearms, and communications services.

Tenth. Section 18 of the act provides that an elective or appointive official of an Indian tribe is a government official for purposes of the excise tax on self-dealing between disqualified persons and private foundations under section 4941 of the Internal Revenue Code.

Eleventh. Section 19 of the act would extend the exemption from the excise tax on diesel fuel or special motor fuels now available in case of resale to a State or local government to resale to Indian tribes.

Twelfth. Sections 6420, 6421, 6424, and 6427 of the Internal Revenue Code establish a procedure for claiming refunds or credit of excess payments of certain excise taxes on gasoline, special fuels, and lubricating oils. Sections 20 to 23 of the act provide that the procedure used by governments and exempt organizations would also be used by Indian tribes.

Mr. President, this legislation will further recognize and bolster the vital governmental role fulfilled by Indian tribal governments. I urge the Senate to act favorable on this proposal.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2664

A bill to amend the Internal Revenue Code of 1954 to provide the same tax exemptions and general tax treatment to Indian tribes performing governmental functions as are applicable to other governmental units

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as "The Indian Tribal Government Tax Status Act".

(b) Whenever in this Act an amendment is made to a section or other provision, the amendment is to a section or other provision of the Internal Revenue Code of 1954.

Sec. 2 Findings and declaration of purpose.

The Congress finds that—

(a) the governmental status and powers of Indian tribes have been repeatedly recognized and affirmed by the Congress, the executive branch, and the courts from the earliest days of the Republic, and

(b) notwithstanding such recognition, Indian tribes are subject to certain Federal taxes from which States and subdivisions of States are exempt, and

(c) the exemption of Indian tribal governments from such taxes would be consistent with the Federal laws and treaties recognizing the governmental status of Indian tribes and with the role of Indian tribes in providing public service to Indians.

Sec. 3. Retirement income.

Subsection (f) of section 37 (relating to the credit given for receipt of retirement income from a public retirement system) is amended by inserting after "a possession of the United States", "an eligible Indian tribe,".

Sec. 4. Contributions to candidates for public offices.

Paragraph (4) of subsection (c) of section 41 (relating to the credit given for political contributions) is amended by striking out the word "States" and inserting in lieu thereof "States, eligible Indian tribes".

Sec. 5. Interest on governmental obligations.

Section 103 (relating to the exclusion from taxation of interest on certain governmental obligations) is amended in the following respects:

(a) Section 103(a) is amended by striking out "or a possession of the United States," in paragraph (1) and inserting in lieu thereof "a possession of the United States, or an eligible Indian tribe,".

(b) Subparagraph (A) of paragraph (3) of subsection (c) of section 103 is amended by inserting after "a governmental unit", "(including an eligible Indian tribe)".

(c) Section 103(c) is amended by inserting at the end thereof the following new paragraph:

"(8) BONDS ISSUED BY ELIGIBLE INDIAN TRIBE.—Irrespective of any other provisions of this subsection, any industrial development bond issued by an eligible Indian tribe shall be treated as an obligation not described in subsection (a)(1), if all or any part of the proceeds of which are to be used in any trade or business carried on outside of the area reserved by Federal statute or treaty to the Indian tribe issuing the bond.".

Sec. 6. Scholarships and fellowship grants.

Subparagraph (A)(iv) of paragraph (2) of subsection (b) of section 117 (relating to the exclusion of scholarships and fellowship grants from gross income) is amended by striking out "or a possession of the United States," and inserting in lieu thereof "possession of the United States, or an eligible Indian tribe,".

Sec. 7. Deduction for taxes.

Paragraph (3) of subsection (b) of section 164 (relating to the deduction of certain taxes for Federal income tax purposes) is amended by inserting after "a possession of the United States," "an eligible Indian tribe,".

Sec. 8. Charitable contributions.

Subsection (c) of section 170 (defining the term "charitable contribution") is amended by inserting after "a possession of the United States," in paragraph (1) "an eligible Indian tribe," and by striking out "or any possession of the United States;" in paragraph (2)(A) and inserting in lieu thereof "any possession of the United States, or any eligible Indian tribe;".

Sec. 9. Taxation of employee annuities.

Subparagraph (A)(ii) of paragraph (1) of subsection (b) of section 403 (relating to the taxation of contributions of certain employers for employee annuities) is amended by inserting after "a political subdivision of a State," "an eligible Indian tribe,".

Sec. 10. Tax on certain unrelated business income.

Subparagraph (B) of paragraph (2) of subsection (a) of section 511 (relating to the taxation of colleges or universities that are agencies or instrumentalities of governments or their political subdivisions) is amended by inserting at the end thereof the following new sentence: "For purposes of this subparagraph, on eligible Indian tribe shall be deemed a government.".

Sec. 11. Transfers for public uses.

Paragraph (1) of subsection (a) of section 2055 (relating to deductions from taxable estates by transfers to certain governmental bodies) is amended by inserting after "Territory," "eligible Indian tribe,".

Sec. 12. Charitable and similar gifts.

Section 2522 (relating to deductions from taxable gifts of the amounts of gifts to governmental bodies) is amended in the following respects:

(a) Paragraph (1) of section 2522(a) is amended by inserting after "Territory," "eligible Indian tribe,".

(b) Paragraph (1) of section 2522(b) is amended by inserting after "Territory" "eligible Indian tribe,".

Sec. 13. Retailers' excise tax.

Section 4055 (relating to exemptions from the retailers' excise tax) is amended by inserting after "Territory of the United States," "eligible Indian tribe,".

Sec. 14. Manufacturers' excise tax.

Subsection (a) of section 4221 (relating to exemptions from the manufacturers' excise tax) is amended by striking out the word "or" at the end of paragraph (4), inserting the word "or" at the end of paragraph (5), and by inserting the following new paragraph:

"(6) to an eligible Indian tribe for its exclusive use,".

Sec. 15. Registration.

Paragraph (1) of subsection (b) of section 4222 (relating to registration for certain tax-free sales) is amended by striking out "or local government" in each instance it appears and inserting in lieu thereof'. local government, or eligible Indian tribe".

Sec. 16. Services and facilities tax.

Section 4292 (relating to exemption from the communications excise tax) is amended by inserting after "Territory of the United States," "eligible Indian tribe,".

Sec. 17. Definitions.

Paragraph (1) of subsection (c) of section 4482 (relating to definitions with reference to the use tax on certain highway motor vehicles) is amended by inserting after "a Territory of the United States," "an eligible Indian tribe,".

Sec. 18. Disqualified person.

Paragraph (5) of subsection (c) of section 4946 (relating to the definition of "government official" for purposes of the taxes on self-dealing between a private foundation and a disqualified person) is amended by inserting after "possession of the United States," "eligible Indian tribe,".

Sec. 19. Certain taxes on sales and services.

Subparagraph (C) of paragraph (2) of subsection (b) of section 6416 (relating to overpayments of certain taxes on sales and services) is amended by striking out "or local government" in each instance in which it appears and inserting in lieu thereof ", local government, or eligible Indian tribe or subdivision thereof".

Sec. 20. Gasoline used on farms.

Subparagraph (A) of paragraph (1) of subsection (h) of section 6420 (relating to payments by the Secretary in connection with gasoline used on farms) is amended by striking out "or an agency or instrumentality of one or more States or political subdivisions," and inserting in lieu thereof "an agency or instrumentality of one or more States or political subdivisions, or an eligible Indian tribe or subdivision thereof,".

Sec. 21. Gasoline used for certain nonhighway purposes or by local transit systems.

Subparagraph (A) of paragraph (1) of subsection (i) of section 6421 (relating to payments by the Secretary in connection with gasoline used for certain nonhighway purposes or by local transit systems) is amended by striking out "or an agency or instrumentality of one or more States or political subdivisions," and inserting in lieu thereof "an agency or instrumentality of one or more States or political subdivisions, or an eligible Indian tribe or subdivision thereof,".

Sec. 22. Lubricating oil not used in highway motor vehicles.

Subparagraph (A) of paragraph (1) of subsection (g) of section 6424 (relating to payments by the Secretary in connection with certain lubricating oil used otherwise than in a highway motor vehicle) is amended by striking out "or an agency or instrumentality of one or more States or political sudivisions." and inserting in lieu thereof "an agency or instrumentality of one or more States or political subdivisions, or eligible Indian tribe or subdivision thereof,".

Sec. 23. Fuels not used for taxable purposes.

Subparagraph (A) of paragraph (1) of subsection (f) of section 6427 (relating to payments by the Secretary in connection with fuels not used for taxable purposes) is amended by striking out "or any agency or instrumentality of one or more States or political subdivisions," and inserting in lieu thereof "any agency or instrumentality of one or more States or political subdivisions, or any eligible Indian tribe or subdivision thereof,".

Sec. 24. Definition of eligible "Indian tribe".

Subsection (a) of section 7701 is amended by inserting at the end thereof the following new paragraph:

"(35) Eligible Indian tribe.—The term 'eligible Indian tribe' means any federally or State recognized tribe, band or group of Indians or Alaskan Natives, including those tribes, bands or groups terminated since 1940, which is recognized by the Secretary of the Treasury as performing governmental functions."

Sec. 25. Effective dates.

(a) The amendments made by sections 3 through 10 of this Act shall apply to taxable years beginning after the date of enactment of this Act.

(b) The amendments made by section 11 of this Act shall apply to estates of decedents dying on or after the date of enactment of this Act.

(c) The amendments made by section 12 of this Act shall apply to gifts made after the date of enactment of this Act.

(d) The amendments made by sections 13 through 16 and 18 through 23 of this Act shall apply to transactions occurring on or after the first day of the first month which begins more than 20 days after the date of enactment of this Act.

(e) The amendment made by section 17 of this Act shall apply to use during and after the first month beginning more than 20 days after the date of enactment of this Act.

By Mr. WILLIAMS (for himself and Mr. Case):

S. 2665. A bill to amend section 218 of the Social Security Act to include New Jersey in the list of States which may establish a divided retirement system for purposes of providing social security coverage of State and local employees under Federal-State agreements. Referred to the Committee on Finance.

DIVIDED SOCIAL SECURITY COVERAGE

Mr. WILLIAMS. Mr. President, today I join my distinguished colleague from New Jersey, Senator Case, in introducing legislation which would add the State of New Jersey to a list of 21 States allowing a public retirement system coverage group to obtain social security coverage under the divided retirement system provision of the Social Security Act. Under this provision, a State at its option may divide a public retirement group and extend social security coverage to those employees who elect to acquire coverage and exclude those who vote against coverage. In addition, an identical measure is being sponsored by the entire New Jersey delegation in the House of Representatives.

An identical provision was adopted by the Senate as an amendment to H.R. 3153 in the 93d Congress. Due to the unusual legislative situation existing at the time, the conference committee never completed action on H.R. 3153. It is my understanding that the committee did not reflect any judgment concerning the merits of the provision relating to State and local employees in New Jersey.

Groups of public employees covered by specific retirement systems have been permitted to participate in social security if a majority of the retirement system members voted in favor of coverage. In the past several years, for example, the New Jersey Essex County Board of Education Employees Pension Fund has had two referendums to permit members to elect social security coverage. Although a majority of those voting favored this proposal, a majority of the entire membership was not achieved and the proposal failed.

Today I received over 5,000 signed letters from the Essex County Board of Education Employees Pension Fund advocating the extension of social security benefits to workers and officials throughout Essex County. Clearly, there is abundant support for this legislation.

Mr. President, this measure provides a major benefit for public employees in New Jersey, and I am confident that my colleagues in the Senate will again support it. I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2665

A bill to amend section 218 of the Social Security Act to include New Jersey in the list of States which may establish a divided retirement system for purposes of providing social security coverage of State and local employees under Federal-State agreements

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 218(d)(6)(C) of the Social Security Act is amended by inserting "New Jersey," after "Nevada,".

Mr. CASE. Mr. President, I am cosponsoring legislation today with my colleague from New Jersey (Mr. Williams), which will have the effect, if enacted, of righting an existing inequity in the retirement coverage afforded to State and local public employees in New Jersey. Similar legislation passed the Senate in the 93d Congress but, unfortunately, final action was not taken and our amendment did not become law.

Identical legislation is also being put in on the House side today, with the cosponsorship of the entire House delegation from New Jersey.

Our proposal would permit public employees to elect to participate in the social security program on an individual basis. Existing law permits such employees to elect to receive social security coverage only if a majority of the membership of individual pension funds votes for such coverage. I have heard from a number of individuals in New Jersey who wish to participate in the social security program, but who have not been able to do so. The law has been amended in the past to permit public employees in other States who wish to do so to obtain this divided coverage, and I hope it will be possible for us to act to extend the same option to New Jerseyans.

By Mr. BIDEN (for himself, Mr. Brooke, Mr. Case, Mr. Hathaway, Mr. Kennedy, and Mr. Muskie):

S. 2666. A bill to establish a uniform and comprehensive legal regime governing liability and compensation for damages and cleanup costs caused by oil pollution, and for other purposes. Referred to the Committees on Commerce, Interior and Insular Affairs, and Public Works, jointly, by unanimous consent.

Mr. BIDEN. Mr. President, I am introducing today, on behalf of myself, Senator Brooke, Senator Case, Senator Hathaway, Senator Kennedy, and Senator Muskie, the Federal Oil Pollution Liability and Compensation Act of 1975. This legislation is designed to provide a comprehensive and coordinated liability and compensation law to replace the several varied and narrowly focused laws that now govern the field of oil pollution liability.

The specter of oil washed shores, devastated fish and wildlife resources and polluted waters is another one of the terrible consequences we endure as a result of our Nation's dependence on petroleum supplies. Yet, while our dependence on this resource has developed over the last century, our appreciation for the problems of preventing and containing oil pollution from the various operations by which we receive our supplies is a relatively recent event. Only since the *Torrey Canyon* shipwreck disaster of 1967 caused extensive and pervasive damage to the English and French shores has the problem of oil spill prevention been seriously addressed by national and international policymakers and the industries involved in the production, processing and transportation of petroleum.

This Nation began concerted efforts to reduce the damages and control the discharge of oil from offshore and onshore facilities and vessels in 1970 with passage of the Water Quality Act of 1970. Additional safeguards have been provided through the Ports and Waterways Safety Act of 1972 and the Federal Water Pollution Control Act Amendments of 1972. In addition the special risks presented by the transportation of oil from Alaska's North Slope, and by the prospect of deepwater port development in the United States have lead to the enactment of increasingly more stringent liability and compensation laws dealing with these specific operations. Provisions of the Transalaska Pipeline and Deepwater Ports Acts thus provide equitable means of compensating the victims of oil pollution while providing greater incentives for oil spill prevention and control from these sources.

Most recently, the Senate, in passing legislation to amend the Outer Continental Shelf Lands Act of 1954, put into statutory language a requirement that has existed in regulations since 1969, to make operators on the Outer Continental Shelf liable without limit for all cleanup costs associated with a spill. This provision also placed additional liability to a limit of $22,000,000 on OCS operators to compensate victims who suffer damages to real or personal property as a result of an oil spill. Language from the Deepwater Port Act of 1975, to enable Federal and State governments to recover funds they need to restore or rehabilitate public resources damaged or destroyed by an oil pollution incident was also incorporated in the OCS amendments.

Mr. President, the legislation I am introducing today incorporates the best provisions of each of these measures to which I have referred, in addition to providing even greater safeguards and incentives for oil pollution prevention and control on a more comprehensive scale than has ever existed before. Similar legislation has been introduced by Congressman STUDDS in the House.

The bill covers spills from vessels, onshore and offshore facilities, pipelines and deepwater ports.

It imposes unlimited liability for all cleanup costs on the owner and operator of the vessel, facility or port from which a spill occurs.

Additional liability to cover damages caused by the spill is also imposed. In addition, a $250 million fund generated by a 5 cents per barrel charge on oil produced in or transported to the United States is available to compensate for costs which exceed the liability of the responsible party or to compensate for cleanup costs and damages in cases where the source or party responsible for the spill cannot be determined.

Mr. President, I ask unanimous consent that a section-by-section analysis and the text of the bill be printed at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. The legal regime now governing oil pollution prevention, liability and compensation is fragmented and complex. The administrative and enforcement burden on both Federal and State governments is immense as a result and yet, according to a speech by Environmental Protection Agency Deputy Administrator, John Quarles, this Nation has been recording upward of 14,000 spills annually. Latest available figures show that in 1973 the Coast Guard recorded 13,328 spills of oil and hazardous substances from various land and water sources. This resulted in a total spilled volume of 24,314,918 gallons. Figures available for 1974 demonstrate a recorded 13,966 spill incidents resulting in a discharged volume of 16,916,308 gallons; 95 percent of the substances spilled in these incidents is oil or oil products.

The Coast Guard reports further that of 1,106 tanker accidents at sea in the period from 1969–73, more than three-fourths occurred within 50 miles of the U.S. coastline.

Adjacent to my own State of Delaware, where close to 70 percent of oil imported to the east coast comes to port, nearly 40 discharges ranging from 100 to 200,000 gallons occur annually.

With cleanup costs that the Environmental Protection Agency estimates easily run as high as $25 per gallon, the immediate economic consequences of oil pollution are readily appreciated. But cleanup costs are only part of the economic impact accompanying a spill. Damage to private property, fisheries resources, public beaches, and coastline features also exact a high economic toll both in terms of current value and future productivity lost. These costs can amount to millions of dollars. Additional social costs, such as the loss of esthetic values, and the destruction of bird and other wildlife species are borne by us all in the wake of a spill.

Mr. President, actions by various governmental agencies, regardless of the diligence with which they are pursued cannot possibly hope to deal effectively and completely with the oil spill problem. For example, the Environmental Protection Agency alone is charged with administering and enforcing oil spill prevention regulations which apply to:

About 30,000 oil storage terminals, tank farms, and bulk plants.

About 285 oil refineries.

Several thousand production facilities, both onshore and offshore. The number changes almost daily as old oil fields are reopened, stripped, and closed or abandoned.

Large numbers of bulk oil consumers such as apartment houses, office buildings, schools, hospitals, farms, and Federal facilities.

The U.S. Coast Guard is charged with the responsibility for preventing and controlling oil spills from vessel and oil transfer facilities, pipelines, railroads, and tank trucks. These sources of oil pollution are involved in literally thousands of operations a day.

It is obvious to me that Government regulation and enforcement is not the answer to the oil pollution problem. Until those persons responsible for the equipment and operations involving petroleum are made directly responsible for preventing spills the problem will not be solved.

As petroleum operations increase, the potential for spills and massive polluting incidents will grow proportionately worse, and the effectiveness of Government administration and enforcement efforts to control oil pollution will decrease.

Those of us who live on the Atlantic and Pacific Coasts are especially sensitive about the consequences of accelerated Outer Continental Shelf leasing. In addition, even in light of hopes for reduced oil imports, expectations for increased vessel transportation of petroleum supplies by new large capacity ships bring added concerns over massive oil spills.

For example, the Office of Technology Assessment has stated that:

> Domestic shipment of oil within the United States will undoubtedly grow substantially by 1980 principally because of the introduction of new production from Alaska, estimated to total 2 million barrels per day by 1980. This oil will be shipped from the Alaskan North Slope to Valdez by pipeline and then to West Coast ports by tanker. Since this trade will equal all of the present U.S. coastwise trade by tanker, it will mean a significant increase in domestic tanker demand and use. If other oil is discovered in Alaska (such as in offshore regions) even greater demands for tanker trade will undoubtedly follow.

Mr. President, we have ample indication that in spite of past efforts, the oil spill problem will continue to plague us and may irretrievably destroy our valuable ocean and coastal resources unless we take concerted action now.

When I spoke in favor of amendments I cosponsored to strengthen the liability provisions of Outer Continental Shelf Lands Act amendments, I entered a news article concerning oil spill incidents from OCS operations in the CONGRESSIONAL RECORD. According to this July 1975 account:

> Twelve of the 20 oil firms which nominated areas for leasing in the Atlantic off Delaware have been responsible for more than half the accidents, including six deaths, at offshore operations in the Gulf of Mexico during the past year.
>
> The dozen firms were involved in 74 of the 138 accidents reported between June 1, 1974, and May 31, 1975, according to inspection of monthly records at the U.S. Geological Survey (USGS) national center in Reston, Va.
>
> Two of the fatal accidents occurred on Sun Oil Co. operations.
>
> The other were on rigs or platforms operated by Cities Service, Exxon, Shell and Kerr McGee.
>
> In what's called "an uneventful period" by USGS workers, most of the oil spills resulting from the accidents were only a few barrels in size. The largest was an estimated 2,213-barrel spill from a Shell pipeline that was not checked for damage after a hurricane ripped through the Gulf of Mexico.
>
> Among the dozen companies, there were also 19 fires—about half of them related to careless welding—and six times work boats collided with oil equipment.
>
> Most of the small spills were blamed on pipeline corrosion, malfunctioning sump pumps, failure of pressure sensors to shut protective valves, and human error or carelessness.

Insofar as the vessel transportation of petroleum supplies is concerned, recent events this year serve as a constant reminder of the severe threat of oil pollution from this source. I ask unanimous consent that the bill and various reports concerning these incidents be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I believe that the importance of this legislation to the welfare of the American people cannot be overemphasized, and I look forward to its thoughtful consideration by the Members of this body.

S. 2666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Oil Pollution Liability and Compensation Act of 1975".

DECLARATION OF POLICY

SECTION 2. (a) FINDING.—The Congress finds and declares that—

(1) The damages and cleanup costs resulting from oil spills are matters of major national concern.

(2) The transportation, production, and

handling of oil in, on, or near inland and ocean waters create environmental risks, and may impair the rights of shoreline property owners and harm the general health and welfare of citizens of the United States.

(3) Existing law with respect to liability and compensation for oil pollution damage is inconsistent, inadequate, incomplete, inefficient, and inequitable.

(4) the legal rules applicable to oil pollution liability and compensation need to be rationalized and reformed to assure that adequate and timely compensation is available for oil pollution from all sources.

(b) PURPOSES.—It is therefore declared to be the purpose of the Congress in this Act to—

(1) enact a comprehensive national law governing oil pollution liability and compensation;

(2) maximize the incentive for all persons producing, transporting, or handling oil to take all steps necessary or appropriate to prevent the discharge of oil;

(3) establish a strict liability standard for cleanup costs and damages resulting from the discharge of oil;

(4) create a single and all-inclusive compensation fund to pay for all cleanup and damages resulting from such a discharge;

(5) provide adequate funds and an expeditious procedure to compensate those injured by such a discharge; and

(6) provide for the restoration, rehabilitation, or replacement of the natural resources damaged by a discharge of oil.

DEFINITIONS

SEC. 3. As used in this Act, unless the context indicates otherwise, the term—

(1) "Administration" means the Federal Oil Pollution Liability and Compensation Administration;

(2) "Administrator" means the chief executive of the Administration;

(3) "aquatic and terrestrial environment" includes but is not limited to the navigable waters of the United States (including the lands therein and thereunder), the adjacent shorelines (including waters therein and thereunder), the waters of the contiguous zone, the waters within the safety zone around a deepwater port, and waters superjacent to the Continental Shelf of the United States and any other lands or waters of the United States; the fish, wildlife, and other living resources of such lands and waters; and the recreational and scenic values of such lands, waters and resources;

(4) "barrel" means 42 United States gallons at 60 degrees Fahrenheit;

(5) "cleanup costs" means all actual costs, including, but not limited to administrative and other costs to the Federal Government, to any State or local government, to any foreign governments, or to their contractors or subcontractors, of (A) removing or attempting to remove, or (B) taking other measures to prevent, reduce, or mitigate damages to the public health or welfare, or to public and private property including but not limited to shorelines, beaches, and the natural resources of the aquatic and terrestrial environment;

(6) "contiguous zone" means the entire zone established or to be established by the United States under article 24 of the Convention on the Territorial Sea and the Contiguous Zone (15 UST 1606; TIAS 5369) or otherwise by law or treaty;

(7) "damages" means all direct and proximate damages, except cleanup costs, suffered by any person as a result of a discharge of oil, including—

(A) the value of any loss or injury at the time such loss or injury is incurred, with respect to any real or personal property that is damaged or destroyed as a result of a discharge of oil;

(B) the cost of restoring, repairing or replacing any real or personal property that is damaged or destroyed by a discharge of oil; any income necessarily lost during the time such property is being restored, repaired, or replaced; and any reduction in the value of such property thereafter, by comparison with its value prior to such discharge;

(C) any loss of income or impairment of earning capacity due to damages to real or personal property including natural resources, without regard to ownership of such property or resources, that is damaged or destroyed by a discharge of oil, if the claimant derives at least 50 per centum of his earnings from activities which utilize the property or natural resources.

(D) any costs and expenses incurred by the Federal or any State government in the rehabilitation of natural resources that are damaged or destroyed by a discharge of oil;

(E) any loss to citizens of any use of real property or of natural resources as a result of a discharge of oil, if such property or resources are owned, managed, held in trust, or otherwise controlled by the Federal or any State government; and

(F) any loss of tax revenue by a State or local government due to injury to real or personal property directly resulting from oil contamination.

(8) "deepwater port" has the meaning set forth in section 3(10) of the Deepwater Port Act of 1974 (33 U.S.C. 1502 (10));

(9) "discharge" includes, but is not limited to, any spilling, leaking, pumping, pouring, emptying, or dumping, regardless of whether it occurred intentionally or unintentionally;

(10) "facility" includes, but is not limited to, any oil refinery, drilling platform, oil storage or transfer terminal, pipeline, or any appurtenances related to any of the foregoing, that is used, or is capable of being used, to refine, drill for, pump, produce, store, handle, transfer, process, or transport oil; the term does not include a vessel or a deepwater port;

(11) "Fund" means the Federal Oil Pollution Compensation Fund;

(12) "licensee" means a person who holds a valid license for the ownership, construction, and operation of a deepwater port;

(13) "natural resources" means land, fish, wildlife, biota, air, water, and other such resources owned, managed, held in trust, or otherwise controlled by the Federal or any State government;

(14) "offshore facility" means any facility located in, on, or under the navigable waters of the United States or waters of the contiguous zone, or any facility utilized in oil exploration or production activities on the Outer Continental Shelf of the United States;

(15) "oil" means petroleum, including crude oil or any fraction or residue therefrom;

(16) "onshore facility" means any facility located in, on, or under any land within the United States other than submerged land;

(17) "owner and operator" means (A) with respect to a vessel, any person owning, operating, or chartering by demise, such vessel; (B) with respect to an offshore or onshore facility, any person owning or operating such facility, whether by lease, contract, or other form of agreement; and (C) with respect to any abandoned facility, the person who owned or operated such facility immediately prior to such abandonment;

(18) "person" means an individual, a public or private corporation, partnership or other association, or a government entity;

(19) "person in charge" means the individual immediately responsible for the operations of a vessel, onshore or offshore facility, or deepwater port;

(20) "safety zone" means the safety zone around a deepwater port as defined pursuant to section 10(d) of the Deepwater Port Act of 1974 (33 U.S.C. 1509(d));

(21) "Secretary" means the Secretary of Transportation;

(2) "State" includes each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Canal Zone;

(23) "transfer" or "transferred" includes, but not limited to, both onloading and offloading between a facility and a vessel, between vessels, between facilities; or between a vessel and a deepwater port; and

(24) "vessel" means every description of watercraft or other contrivance that is used, or capable of being used as a means of transportation on water, whether self-propelled or not.

PROHIBITION, NOTIFICATION, AND CLEANUP

SEC. 4. (a) (1) The discharge of oil in harmful quantities as determined by the President under section 311(b) (4) of the Federal Water Pollution Control Act is prohibited.

(2) The owner or operator of a vessel, onshore or offshore facility, or licensee of a deepwater port, from which oil is discharged in violation of this section shall be assessed a civil penalty of not more than $10,000: *Provided, however,* That such owner, operator, or licensee shall not also be assessed a civil penalty, under section 311(b) (6) of the Federal Water Pollution Control Act or section 18(a) (2) of the Deepwater Port Act of 1974, for the same discharge.

(b) Any person in charge of a vessel, onshore or offshore facility, or deepwater port shall, as soon as he has knowledge of any discharge of oil from such vessel, facility, or port in violation of this section, immediately notify the appropriate agency of the United States Government of such discharge. Any such person who fails to notify immediately such agency of such discharge shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than 1 year, or both: *Provided, however,* That no person convicted under this section shall also be convicted for the same failure to notify under section 311(b) (5) of the Federal Water Pollution Control Act or under section 18(b) of the Deepwater Port Act of 1974. Notification received pursuant to this section or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

(c) (1) Whenever any oil is discharged, the President shall act to remove or arrange for the removal of such oil, unless he determines such removal will be done properly and expeditiously by the owner or operator of the vessel onshore or offshore facility, or deepwater port, from which the discharge occurs.

(2) Removal of oil and actions to minimize damage from oil discharged shall, to the greatest extent possible, be in accordance with the National Contingency Plan for removal of oil and hazardous substances established pursuant to section 311(c) (2) of the Federal Water Pollution Control Act.

(3) Whenever the President acts to remove a discharge of oil pursuant to this subsection, he is authorized to draw upon the money available in the Fund established pursuant to this Act. Such money shall be used to pay promptly for all cleanup costs incurred by the President in removing or in minimizing damage caused by such oil discharge.

LIABILITY FOR DISCHARGES OF OIL

SEC. 5. (a) CLEANUP.—All cleanup costs, incurred by the President, Secretary or any other Federal, State, or local official or agency, or any other person, in connection with a discharge of oil shall be borne by the owner and operator or licensee of the vessel, facility or deepwater port from which the discharge occurred.

(b) VESSELS.—(1) Notwithstanding any other provision of law and except as provided in subsection (d), the owner and operator of a vessel shall be jointly and severally liable, without regard to fault, for damages which result from a discharge of oil from such vessel. Such liability shall not exceed $150 per gross ton, except that if it can be shown—

(A) that such discharge was the result of gross negligence or willful misconduct, within the knowledge and privity of the owner, operator or person in charge;

(B) that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of cleanup costs and damages.

(2) The owner and operator of a vessel carrying oil which has been transported through the trans-Alaska pipeline and loaded on such vessel at the terminal facilities of the pipeline, shall be jointly and severally liable, without regard to fault, subject to the limits and conditions contained in this subsection, to residents or the government of Canada for cleanup costs and damages resulting from the discharge of oil from such vessel.

(c) ONSHORE AND OFFSHORE FACILITIES AND DEEPWATER PORTS.—Notwithstanding any other provision of law and except as provided in subsection (d)—

(1) The owner and operator of an onshore facility shall be held jointly and severally liable without regard to fault, for damages which result from a discharge of oil from such facility. Such liability shall not exceed $50,000,000 except that if it can be shown that (A) such damages were the result of gross negligence or willful misconduct within the privity and knowledge of such owner or operator, or of the person in charge of such facility; or (B) that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of such damages.

(2) The owner and operator of an offshore facility shall be held jointly and severally liable without regard to fault, for damages which result from a discharge of oil from such facility. Such liability shall not exceed $50,000,000, except that if it can be shown that (A) such damages were the result of gross negligence of willful misconduct within the privity and knowledge of such owner or operator, or of the person in charge of such facility; or (B) that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations; such owner and operator shall be jointly and severally liable for the full amount of such damages.

(3) The licensee of a deepwater port shall be liable without regard to fault for damages which result from a discharge of oil from such deepwater port. Such liability shall not exceed $100,000,000, except that if it can be shown that such damages were the result of gross negligence or willful misconduct within the privity and knowledge of the licensee or any person in charge of such port, or that such discharge was the result of a violation of applicable safety, construction or operating standards or regulations, such licensee shall be liable for the full amount of such damages.

(d) DEFENSES.—Liability for costs and damages resulting from a discharge of oil shall not be imposed on any person pursuant to subsection (a), (b), or (c), if the owner, operator, or licensee involved establishes that such discharge was caused solely by an act of war. In addition, liability with respect to damages claimed by a damaged party shall not be imposed under subsections (b) and (c) of this section if the owner, operator, or licensee involved establishes that such discharge was caused solely by the negligence or intentional act of such damaged party.

(e) SUBROGATION.—(1) In any case in which the owner and operator of a vessel are held liable, pursuant to subsection (a) or (b), for cleanup costs and damages resulting from a discharge of oil, such an owner or operator shall be subrogated, if such discharge was caused by negligence on the part of the owner or operator of an onshore or offshore facility or on the part of the licensee of a deepwater port, to the rights of any person who is entitled to recover any damages against such owner, operator, or licensee.

(2) In any case in which the owner and operator of an onshore or offshore facility are, or in which the licensee of a deep-water port, is held liable, pursuant to subsection (a) or (c), for cleanup costs and damages resulting from a discharge of oil, such an owner, operator, or licensee shall be subrogated, if such discharge was the result of the unseaworthiness of a vessel or the negligence of a vessel's owner or operator, to the rights of any person who is entitled to recover any damages against the owner or operator of such vessel.

(3) The provisions of this section shall not in any way affect or limit any rights that an owner or operator of a vessel, an onshore facility, an offshore facility, or a licensee of that Fund may have against any third party whose acts may have caused or contributed to a discharge of oil.

(4) In any case in which the owner and operator of a vessel, onshore or offshore facility are, or in which the licensee of a deepwater port, is held liable, pursuant to subsection (a), (b), or (c), for costs and damages resulting from a discharge of oil that was caused solely by negligence on the part of the Federal Government in failing to maintain adequate aids to navigation, such owner, operator, or licensee shall be entitled to recover cleanup and damage expenditures from the Federal Government. In such cases, the Fund shall also be entitled to seek recovery from the Federal Government for cleanup and damage expenditures by the Fund.

THE FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ADMINISTRATION

SEC. 6. (a) ESTABLISHMENT.—There is hereby established in the Department of Transportation an agency which shall be known as the Federal Oil Pollution Liability and Compensation Administration.

(b) OFFICERS.—(1) There shall be at the head of the Administration the Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level IV of the Executive Schedule pay rates (5 U.S.C. 5315). The Administrator shall report and be responsible to the Secretary, except that decisions of the Administrator shall not be subject to review, delay, reversal, or other action by the Secretary or any other officer or employee of the Department of Transportation.

(2) There shall be in the Administration a Deputy Administrator of the Federal Oil Pollution Liability and Compensation Administration. The Deputy Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316). The Deputy Administrator shall perform such functions as the Administrator shall from time to time assign or delegate, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

(3) There shall be in the Administration a General Counsel who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for level V of the Executive Schedule pay rates (5 U.S.C. 5316).

(c) FUNCTIONS.—The Administrator shall—

(1) establish and maintain the Fund, in accordance with section 7;

(2) act as trustee of the natural resources of the marine environment, in accordance with section 8;

(3) require financial responsibility, in accordance with the provisions of section 9;

(4) establish regulations and provide for the fair and expeditious settlement of claims, in accordance with section 10;

(5) provide public access to information and conduct public education programs, in accordance with section 11;

(6) submit an annual report, in accordance with section 12; and

(7) perform such other functions as are prescribed by law or by the Secretary.

(d) POWERS.—In the performance of his functions, the Administrator is authorized to—

(1) appoint, fix the compensation, and assign the duties of such officers and other personnel as may be necessary or appropriate, and to delegate authority of the Administrator to any such personnel;

(2) utilize, with the consent of the agency concerned, the services or personnel, on a reimbursable basis or otherwise, of any Federal Government agency, of any State or local government agency, or of any organization, to perform such functions on behalf of the Administrator as are necessary or appropriate;

(3) make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act;

(4) conduct such studies and investigations, obtain such date and information, and hold such meeting or public hearings as may be necessary or appropriate to facilitate the exercise of any authority granted to, or the performance of any function imposed on, the Administrator under this Act;

(5) enter into such contracts, agreements, and other arrangements as are deemed necessary or appropriate for the acquisition of material, information, or other assistance related to, or required by, the implementation of this Act; and

(6) issue and enforce orders during proceedings maintained pursuant to this Act including, but not limited to, issuing subpenas, administering oaths, compelling the attendance and testimony of witnesses and the production of books, papers, documents, and other evidence, and the taking of depositions.

THE FEDERAL OIL POLLUTION COMPENSATION FUND

SEC. 7. (a) ESTABLISHMENT.—There is established within the administation a Federal Oil Pollution Compensation Fund. The Fund shall be a nonprofit corporate entity which may sue or be used in its own name.

(b) DISBURSEMENTS.—(1) Moneys in the Fund shall be disbursed for the following purposes and no others:

(A) administrative and personnel expenses of the Fund, after appropriation in an appropriation bill;

(B) cleanup costs resulting from the discharge of oil incurred (i) pursuant to section 3 of this Act, (ii) pursuant to section 311 of the Federal Water Pollution Control Amendments Act of 1972 (Public Law 92-500), (iii) pursuant to any State or local law, or (iv) by the owner or operator of a vessel or onshore or offshore facility or a licensee if it can be shown that such discharge was caused solely by an act of war or negligence on the part of the Federal Government in establishing and maintaining aids to navigation;

(C) all damages not actually compensated pursuant to section 3 of this Act, and for damages whenever the source of the discharge cannot be determined or is beyond the jurisdiction of the United States; and

(D) research into methods for preventing, containing, and removing discharges of oil.

(2) Payment of compensation by the Fund shall be subject to the Fund acquiring by subrogation all rights of the claimant to recovery cleanup costs or damages from the discharger. The Fund shall diligently pursue recovery for any such subrogated rights.

(3) Notwithstanding the above, the Fund shall not be liable to pay cleanup costs and damages of any claimant whose negligence or intentional act was the sole cause of the discharge.

(c) Reimbursements.—In all claims or actions by the Fund against any owner, operator, licensee, or other person providing financial responsibility, the Fund shall recover (1) the amount the Fund has paid to the claimant or to any governmental entity undertaking cleanup operations, without reduction, and (2) interest on that amount, at the existing commercial interest rate, from the date upon which the request for reimbursement was issued from the Fund to the owner, operator, licensee, or other person, to the date upon which the Fund is paid by such owner, operator, licensee, or other person.

(d) Fee Collection.—(1) The Fund shall be provisioned through the levy and collection by the Administrator of a 5-cent-per-barrel fee imposed on the owner of oil when the oil is transferred between (A) a vessel and an onshore or offshore facility, (B) offshore or onshore facilities, or (C) a vessel and a deepwater port. All moneys in the trans-Alaska pipeline liability fund and the deepwater port liability fund shall be placed in the Fund. Any oil upon which a fee has once been levied pursuant to clause (A), (B), or (C) of this paragraph shall not be subject to a subsequent levy under this paragraph.

(2) The collection of the fee shall continue until the fund reaches $250,000,000 whereupon collection shall be suspended. The collections shall be resumed when the Fund is reduced below $200,000,000 and shall continue until the Fund again reaches $250,000,000. All sums recovered by the Fund from the party or parties responsible for a discharge under the provisions of this Act shall be deposited in the Fund and included in calculating the balance. All sums not needed for the purposes specified in subsection (b) of this section shall be prudently invested in income-producing securities issued by the United States and approved by the Secretary of the Treasury. Income from such securities shall be applied to the principal of the Fund.

(3) Each person responsible for contributing to the Fund in accordance with this subsection shall keep such records and furnish such information as the Administrator shall prescribe in regulations. Collection will be at such times and such manner as shall be prescribed in such regulations.

(4) Whenever the money in the Fund is less than the claims for cleanup costs and damages for which it is liable under this section, the Fund shall borrow the balance required to pay such claims from the United States Treasury at an interest rate determined by the Secretary of the Treasury.

Sec. 8. Trustee of Natural Resources.—The Administrator, or the authorized representative of any State, shall act on behalf of the public as trustee of the natural resources to recover for damages to such resources. Sums recovered shall be used to restore, rehabilitate or acquire the equivalent of such natural resources by the appropriate agencies of Federal or State government.

FINANCIAL RESPONSIBILITY

Sec. 9. (a) General.—Each owner or operator of a vessel or an onshore or offshore facility and each licensee shall establish and maintain under rules and regulations prescribed by the Administrator, evidence of financial responsibility based on the tonnage of the vessel, the capacity of the facility or deepwater port, and other relevant factors. Financial responsibility may be established by any one, or a combination of, the following methods acceptable to the Administrator: (1) evidence of insurance, (2) surety bonds, (3) qualification as a self-insurer, or (4) other evidence of financial responsibility satisfactory to the Administrator.

(b) Direct Action.—Any claim for cleanup costs and damages by any claimant or by the Fund may be brought directly against the bond, the insurer, or any other person providing financial responsibility.

(c) Failure To Comply.—(1) Any person who fails to comply with the provisions of this section or any regulation issued thereunder shall be subject to a fine of not more than $25,000.

(2) The Secretary of the Treasury may refuse the clearance required by section 4197 of the Revised Statutes of the United States, as amended (46 U.S.C. 91), to any vessel subject to this section which has not furnished evidence of financial responsibility to the Administrator.

(3) The Secretary, in accordance with regulations promulgated by him, shall (A) deny entry to any port or place in the United States or navigable waters to and (B) detain at any port or place in the United States from which it is about to depart for any other port or place in the United States any vessel subject to this section, which, upon request, does not produce evidence furnished by the Administrator that the financial responsibility provisions of paragraph (a) of this section have been complied with.

(d) The Administrator shall increase the requirements established under this section and under subsection (b) and (c) of section 4 annually, by an amount equal to the annual percentage increase in the Consumer Price Index.

CLAIMS, SETTLEMENT, AND ADJUDICATION

Sec. 10. (a) Rules and Regulations.—The Administrator shall prescribe and may from time to time amend, regulations for the filing, processing, settlement, and adjudication of claims for cleanup costs and damages resulting from the discharge of oil.

(b) Procedure.—(1) Upon receiving information regarding a discharge of oil, the Administrator shall publish and distribute in the area of the discharge information and material on the filing of claims.

(2) Claims shall be filed with the Administrator not later than 2 years after the date of discovery of damage nor later than 6 years after the date of the incident which caused the damage. The Administrator shall prescribe appropriate forms and details for such claims, which shall include a provision requiring the claimant to make a sworn verification of the claim to the best of his knowledge. Each person's damage claims arising from one incident shall be stated in one form. Damages not included in the claim at the time compensation is made shall be deemed waived. Upon receipt of any claim, the Administrator shall as soon as practicable inform all affected parties of the claim.

(3) If the source of the discharge can be determined and liability is conceded, the claimant and the Administrator or the person responsible for the discharge may arrange a settlement which shall be final and binding upon the parties. If liability is not conceded or if a settlement on the amount of damages cannot be negotiated, any party may request a hearing before an Administrative Law Judge.

(4) If the source of the discharge is unknown or cannot be determined, the claimant and the Administrator shall attempt to arrange a settlement under procedures contained in regulations promulgated by the Administrator. If a settlement cannot be negotiated, the claim shall be submitted to an Administrative Law Judge.

(c) Administrative Hearings.—(1) The Administrator shall promulgate regulations for hearings before an Administrative Law Judge. The Administrative Law Judge shall have the power to administer oaths, and subpena the attendance and testimony of witnesses, the production of books, records, and other evidence relative or pertinent to the issues presented for determination.

(2) Upon receipt of a request for a hearing, the Administrative Law Judge shall promptly schedule a hearing to determine the amount and validity of the damage claim. The hearing shall be held in the area where the damage occurred.

(3) Upon a decision by the Administrative Law Judge and without a request for judicial review, the amount shall be certified to the Administrator who shall promptly disburse the award. Such decision shall not be reviewable by the Administrator or the Secretary.

(d) Judicial Review.—(1) Any person suffering legal wrong, or who is adversely affected or aggrieved by the decision of an Administrative Law Judge may, no later than 60 days after such decision is made, seek judicial review of such decision in the United States court of appeals for the circuit in which damage occurred or for the District of Columbia.

(2) In any case in which the person responsible for the discharge, or the Administration, seeks judicial review, attorneys' fees and court costs shall be awarded to the claimant if the decision of the Administrative Law Judge is affirmed.

(e) Class Actions.—(1) The Attorney General may act on behalf of any group of damaged citizens the Administrator determines would be more adequately represented as a class in the recovery of claims under this section. Sums recovered shall be distributed to the members of such groups.

(2) If, within 90 days after a discharge of oil in violation of this Act has occurred, the Attorney General fails to act on behalf of a group who may be entitled to compensation in accordance with section 3 any member of such group may maintain a class action to recover such damages on behalf of such group. Failure of the Attorney General to act in accordance with this subsection shall have no bearing on any class action maintained in accordance with this subsection.

(3) In any case where the number of members of the class exceeds 1,000, publishing notice of the action in the Federal Register and in local newspapers serving the areas in which the damaged parties reside shall be deemed to fulfill the requirement for public notice established by rule 23(c)(2) of the Federal Rules of Civil Procedure.

(f) Representation.—The Administrator shall initially request the Attorney General to promptly institute court actions and to appear and represent the Administration or the Fund for all claims under this Act. Unless the Attorney General notifies the Administration that he will institute such action or will otherwise appear within a reasonable time, attorneys appointed by the Administrator shall appear and represent the Administration.

PUBLIC ACCESS TO INFORMATION

Sec. 11. (a) General.—Copies of any communication, document, report, or information transmitted between any official of the Federal Government and any person concerning liability and compensation for damage resulting from the discharge of oil shall be made available to the public for inspection, and shall be available for the purpose of reproduction at a reasonable cost, to the public upon identifiable request.

(b) RELEASE.—Nothing contained in this section shall be construed to require the release of any information of the kind described in subsection (b) of section 552 of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

ANNUAL REPORT BY ADMINISTRATOR

SEC. 12. Within 6 months after the end of each fiscal year, the Administrator shall submit to the President of the Senate and the Speaker of the House of Representatives (1) a report on the administration of the fund during such fiscal year; (2) a summary of the management and enforcement activities of the Administration; and (3) recommendations to the Congress for such additional legislative authority as may be necessary to improve the management of the fund and the administration of the liability provisions under this Act.

RELATIONSHIP TO OTHER LAW

SEC. 13. (a) STATE LAW.—This Act shall not be interpreted to preempt the field of liability or to preclude any State from imposing additional requirements or liability for any discharge of oil resulting in damages or cleanup costs within the jurisdiction of any State.

(b) DOUBLE RECOVERY.—Any person who receives compensation for damages or cleanup costs pursuant to this Act shall be precluded from recovering compensation for the same damages or cleanup costs pursuant to any other State or Federal law. Any person who receives compensation for damages or cleanup costs pursuant to any other State or Federal law shall be precluded from receiving compensation for the same damages or cleanup costs under this Act.

(c) COURT JURISDICTION.—The United States district courts shall have original jurisdiction of cases and controversies arising under this Act, and proceedings with respect to any such case or controversy may be instituted in the judicial district in which any defendant resides or may be found, or in the judicial district in which the damages occurred.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 14. There is authorized to be appropriated for the administration of this Act $10,000,000 for the fiscal year ending June 30, 1976; $2,500,000 for the transitional quarter ending September 30, 1976; $5,000,000 for the fiscal year ending September 30, 1977; and $5,000,000 for the fiscal year ending September 30, 1978.

[From the Baltimore Sun, Aug. 11, 1975]

OIL SPILL DIRTIES HARBOR—RECORD LEAK OF 150,000 GALLONS FOUND

Coast Guard, state and private craft were working last night to contain the largest oil spill ever recorded in the Outer Harbor after 150,000 gallons of heavy No. 6 residual oil leaked from a Shell Oil barge.

The leakage, from the barge Shamrock, being filled at Wagners Point, was noticed about 8 A.M. yesterday, according to the Maryland Port Administration, which cited "negligence" as a factor.

By last night the oil had spread east from Wagners Point across the mouth of the Patapsco to Dundalk Marine Terminal and the eastern approaches of the Outer Harbor Crossing.

The Coast Guard had laid down more than a mile of floating booms to deflect the spill toward shore and said more booms were on the way.

A Coast Guard spokesman said there appeared to be no danger that the oil would escape into the bay proper, but noted that it had washed onto the land of several homes near the marine terminal.

No assessment of the spill's impact on the ecology of the harbor area could be obtained last night, although the Coast Guard's marine environmental protection officer for the port said there was no doubt that "most" of the oil would be cleaned up.

The chemicals dumped onto the spill are "oleophilic and hydrophobic," he explained, meaning they attract oil and repel water, contracting the oil into chunks which can be skimmed from the water and shoveled from the shores.

Shell Oil Company refused any comment on the spill, as did Harbor Towing Company, the private firm Shell contracted to help clean up the mess.

The Coast Guard yesterday sent five craft to work with the oil spill. They were aided by three boats of the Maryland Port Administration.

Additional help was to arrive this morning from a special "oil spill strike team" being sent from North Carolina by the Coast Guard. It will be the first time the team, the only one on the Atlantic Coast, has been used in the Chesapeake Bay area.

The residual oil stopped oozing from the Shamrock, moored at the Shell terminal at Wagners Point, by midmorning yesterday, the Coast Guard confirmed. The reason for the spill was not immediately determined.

The Coast Guard said it would conduct an investigation into the spill to ascertain where responsibility for it lies. Federal penalties for causing an oil spill include a maximum fine of $15,000; and Maryland law provides maximum civil penalties of $10,000 and criminal penalties of up to $25,000.

The barge's cargo of No. 6 fuel oil was described as "very heavy [and] viscous—what is left after all the other distillates have been skimmed off."

There was little danger that the oil would ignite, however, according to authorities, who said its flash point is between 500 and 600 degrees.

Winds were light yesterday, aiding in the spill's containment.

In July, 1970, a 67,000-gallon oil spill from an Exxon barge in the Outer Harbor spread 15 miles to Riviera Beach in Anne Arundel county before it was contained.

Only fast action saved Joseph W. Krimmelbain's crab feast from the oil yesterday.

Mr. Krimmelbein, 48, a truck driver who lives at 8 Patapsco avenue, near the Dundalk terminal, said he had pots in the water in anticipation of a cookout last night, when a neighbor told him the oil was headed his way.

"We saved all but about three-fourths of a bushel," he said last night, seated at a wooden table on his pier littered with crab shells and slightly redolent of oil.

"Kids would throw stones at it [the oil] and they'd hit with a 'plunk,'" he said.

Oil trucks trailing long hoses snuffled around the shorelines below the port facility, sucking up the mucky residual as the booms deflected it ashore.

Ida A. Sober, 57, of 109 Woodland street, said the oil washing onto her property was the worst she has seen in 50 years at her house.

"It used to be like Atlantic City here," she lamented.

[From the Washington Post, Aug. 16, 1975]

TANKER HITS PLATFORM, 6 MISSING

GALVESTON, TEX.—Six crewmen were missing yesterday after a 33,000-ton British tanker crashed into an offshore drilling platform, spilling much of the ship's 350,000 barrels of crude oil into the Gulf of Mexico.

Forty-one of the ship's 47 crewmen were rescued by tugs and other commercial vessels. Coast Guard rescue vessels searched the area for the missing men.

The vessel, owned by Tankers Bahamas Ltd., was manned by Filipino seamen with Norwegian officers. The ship was chartered by Exxon and was en route from the West Indies to Baytown. Tex.

The ship's captain, Noral E Strangeland, 39, of Somme, Norway, escaped uninjured. Ten crewmen were injured, two seriously. The captain and crewmen told of coming on deck amid roaring flames and falling debris. At least three of the crewmen jumped into the ocean rather than face the raging fire.

Officials with Chevron, owners of the partially completed drilling rig, said there were no working wells on the platform. There had been reports the rig and the oil slick had caught fire.

Strangeland told newsmen at the hospital he saw no lights on the rig. The Chevron spokesman said flashing, battery-operated navigation lights were functioning properly.

[From "Oil Spills and Spills of Hazardous Substances," Report of the Environmental Protection Agency, March 3, 1975]

OIL SPILLS

CORINTHOS SPILL

In January 1975, the tanker Corinthos, while offloading crude oil at Marcus Hook below Philadelphia, was struck by the tanker Edgar M. Queeny. The Corinthos exploded and burned, leaving three dead and 27 missing. The Corinthos carried approximately 13 million gallons of light crude. The Queeny, with its cargo of phenol, gasoline, paraffin, and vinyl acetate monomer, suffered relatively light damage.

Flames from the fire reached 500 feet into the air and could be seen for over 15 miles in the heavily industrialized and populated area. Favorable winds kept the flames from reaching the tank storage area near the unloading terminal. The oil slick immediately began to spread down river, and the Coast Guard provided an on-scene coordinator for spill containment and clean-up. The chairman of the National Response Team flew over the spill area and noted that approximately 50 miles of the Delaware River were covered with oil.

EPA's Regions II and III provided technical support in the response operations and EPA's NERC Las Vegas provided aerial surveillance. EPA placed booms to protect three wildlife areas from oil, warned downstream water users to close their intakes, directed six clean-up contractors, made additional aerial photography and surveillance of the spill areas, and suggested and assisted in establishing bird-cleaning operations.

Approximately 2,000 waterfowl died from the effects of the oil slick. The cost of cleanup was over $1 million.

METULA SPILL

The Metula, a supertanker carrying 64 million gallons of crude oil, ran aground off the Coast of Chile in August 1974, spilling 16 million gallons of its cargo. The incident occurred at night during a high wind.

Oil spread for 1,000 square miles, into an estuary and along 75 miles of Chilean coast. A team from the Coast Guard flew in with special equipment to offload some of the crude oil from the Metula into a smaller tanker. Winds of 50 miles per hour and intense cold hampered the process. Refloating and removal of the supertanker was delayed until late September because of high winds. No attempt was made to clean up the spill.

Five months later a joint study team from the United States, including a marine biologist from EPA, conducted a field investigation of the affected shorelines and islands to document some of the environmental effects. At that time at least half of the stranded oil was still on the shore and in estuarine areas. The fate of the oil in the water and on the bottom was not established. Because of the low rate of biodegradation in this cold climate, the stranded oil could be a source of oil pollution for a longer period than for a spill in a warmer climate. Massive environmental damage was recorded by the team.

Biden Comprehensive Oil Spill Liability Bill—Section by Section Analysis

Section 1. Provides for the Act to be titled "The Federal Oil Pollution Liability and Compensation Act of 1975," and describes as its purpose the establishment of a uniform and comprehensive legal regime governing liability and compensation for clean-up costs and damages caused by oil pollution of the aquatic and terrestrial environment.

Sec. 2. Findings and Declaration of Policy. This section expresses the national importance of and need for establishing a comprehensive uniform liability law and declares that it is the purpose of the Act to provide such a law and maximize the incentive for preventing oil pollution by establishing a strict liability standard for clean-up costs and damages resulting from a discharge of oil; to create a single all-inclusive compensation fund to pay for all clean-up costs and damages resulting from a discharge of oil that exceed the liability of the responsible party or for which the party responsible for a spill cannot be identified; to provide adequate funds and an expeditious procedure for compensating oil pollution victims; and to provide for the restoration of natural resources damaged by an oil pollution incident.

Sec. 3. This section defines the terms used in the Act. The phrase "aquatic and terrestrial environment" is defined to include all lands, waters and natural resources of the United States including waters of the contiguous zone, within the safety zone around the deepwater port or superjacent to the Outer Continental Shelf. The term also refers to the fish, wildlife, other living resources and the recreational and scenic values of such lands, waters and resources.

"Clean-up costs" are defined to include the costs of Federal, State, local and foreign governments that are incurred in removing, attempting to remove, or taking other measures to prevent, reduce, or mitigate damages to the public health or welfare or to public or private property and natural resources by an oil discharge.

In addition, "damages" as defined means costs other than clean-up costs suffered by any person due to a discharge of oil including: loss in value of real or personal property; loss of income or impairment of earning power; costs to Federal or State governments of rehabilitating natural resources; and loss of tax revenues to State or local government.

"Facility" includes but is not limited to any oil refinery, drilling platform, oil storage or transfer terminal or pipeline or any appurtenance related to any of the foregoing that is used to refine, pump, drill for, produce, store, handle, transfer, process, or transport oil.

Sec. 4. Prohibits the discharge of oil in harmful quantities as determined pursuant to the Federal Water Pollution Control Act. A civil penalty of not more than $10,000 is established for violations of this provision. Under this section a person in charge of an onshore or offshore facility, vessel, or deepwater port is required to report a discharge of oil as soon as he has knowledge of such an incident. Failure to report can result in a fine no greater than $10,000 or one year imprisonment or both.

This section also requires the Federal Government to act immediately to clean up a discharge unless it can be ascertained that the party responsible will act accordingly. Funds used by the government to clean up a spill can be made available immediately from the liability fund established pursuant to a subsequent section of the Act.

Sec. 5. Places unlimited liability for all **cleanup costs on the vessel, deepwater port,** offshore or onshore facility from which the discharge of oil occurs. In addition, liability for damages is limited for these various sources as follows: vessels—$150/gross ton; offshore facilities—$50 million; onshore facilities—$50 million; deepwater ports—$100 million.

If, however, it can be shown that the spill occurred as a result of gross negligence or willful misconduct within the privity and knowledge of the owner, operator or person in charge of the facility, vessel or deepwater port involved, or because of the violation of applicable safety, construction or operating standards or regulations, liability for both clean up costs and damages is unlimited. Liability for costs and damages resulting from a discharge of oil is not imposed if it can be shown that the spill resulted solely from an act of war, or by the negligence or an intenational act of the damaged party.

The rights of any person held liable pursuant to the Act are subrogated if the discharge of oil in question was caused by the owner or operator of any other facility, vessel or deepwater port subject to liability under the Act.

This section also enables any person held liable pursuant to the Act, and the Fund to seek compensation from the Federal government if the oil discharge in question was caused solely by negligence on the part of the Federal government in maintaining aids to navigation.

Sec. 6. Establishes the Federal Oil Pollution Liability Administration within the Department of Transportation and provides for the Administrator, Assistant Administrator and General Counsel to be appointed by the President with the advice and consent of the Senate. This section also prescribes the responsibilities, functions, and powers of the Administrator.

Sec. 7. Establishes a $250 million Federal Oil Pollution Compensation Fund and describes the procedures by, and circumstances under which payments from the fund are made and the manner in which the fund is maintained. Money in the fund is provided by a 5¢ per barrel charge on oil which is transferred between a vessel and an onshore or offshore facility, between vessels or facilities, or between a vessel and a deepwater port. This section also provides that only one such 5¢ fee shall be levied against any barrel of oil.

Sec. 8. Empowers the Administrator of the Fund or the authorized representative of any State to act on behalf of the public as trustee of the terrestrial and aquatic environment to recover such money as may be necessary to restore, rehabilitate or acquire the equivalent of any natural resources damaged by a discharge of oil.

Sec. 9. Establishes standards and enforcement powers for the demonstration of financial responsibility sufficient to meet the liabilities imposed by the Act. Those who violate this provision are subject to a $25,000 fine.

Sec. 10. Empowers the Administrator to establish, and when necessary revise, regulations for the filing, processing, settlement and adjudication of claims made pursuant to the Act, and sets forth various time and procedural guidelines to be implemented by these regulations. Hearings before an Administrative Law Judge are prescribed for cases in which the source of a discharge cannot be determined. Judicial review of decisions made by such Judge is also prescribed.

In addition, the Attorney General of the United States is empowered to act on behalf of any group of persons who would be more adequately represented as a class, to recover damages under the Act.

Sec. 11. Assures public access to information relating to liability and compensation for damages under the Act.

Sec. 12. Requires the Administrator to submit an annual report concerning implementation of the purposes and provisions of the Act to the President and the Congress.

Sec. 13. Assures that State law is not preempted by the Act, but prevents a person from recovering compensation for the same damages under both State and Federal law. In addition, this section provides that the United States District Courts will have jurisdiction over cases and controversies arising under the Act.

Sec. 14. Authorizes the appropriation of funds to administer the Act.

Mr. BROOKE. Mr. President, those of us from coastal States remember too well dramatic examples of oil slicks that ruined our beaches and inflicted slow, painful death to our wildlife. But the problem of oil spills is not confined to offshore pollution. All parts of the country have been exposed to accidents on transportation routes and at oil terminals which spoiled hundreds of thousands of acres of earth and inland waterways.

Unfortunately, our present oil spill liability laws, which were written ad hoc and are often at cross purposes, do not adequately protect our citizens. The administration and Members of both parties agree that these laws need recodification and strengthening. And we agree that we must establish a Federal oil pollution fund which can be tapped at once if an oil spill emergency occurs.

The measure which Senator Biden is introducing today and which I am cosponsoring, and which my colleague Congressman Gerry Studds of Massachusetts introduced in the House, will accomplish these goals. Furthermore, I think it is the clearest and strongest legislative package before the Senate. For one thing, it has the broadest liability coverage. All persons or corporations who spill oil or who violate safety and construction standards of oil facilities so as to cause spills are liable for damages. For another, private industry contribution to the Federal Oil Pollution Compensation Fund is greater than in any other bill before the Senate because a greater variety of oil transfers are taxed.

But most important, I believe this is the legislation best able to assure that our land and waters stay clean and that, if a spill does occur, it gets cleaned up thoroughly and quickly. Because the bill puts no limit on the amount of cleanup cost for which spillers can be charged, there is the strongest possible incentive to avoid spills and to clean them up fast before they spread.

The other legislation proposed to deal with oil spill liability insurance limits liability for both cleanup and damages to a maximum of $100 million. But in this past year alone, cleaning up ocean spills in the United States cost as much as $25 per gallon and close to 17 million gallons were spilled. These costs will go up, and there is no reason all taxpayers should pay them. In fact, limits on cleanup liability might be seen as a signal to polluters that, beyond a certain point, it becomes a matter of indifference how bad the mess is.

This measure is a vehicle by which the Congress can send a message to those who ship, handle, and store our petroleum resources on land and sea. It will say clearly to the industry that it cannot afford to ignore any precautions or safety measure. And it will leave no doubt that the Government will protect the environment and the consumer from the ravages of oil spills and place the responsibility for safety squarely where it should be—with the oil industry.

Mr. President, as we enter an era in which every drop of oil is precious and in which we recognize the great value of all our remaining natural resources, we must be protected by such a law. I urge my Senate colleagues to enact this measure expeditiously.

Mr. ROBERT C. BYRD subsequently said: Mr. President, I ask unanimous consent that a bill introduced by Mr. Biden and other Senators earlier today, relating to damages and cleanup costs caused by oil pollution, be referred jointly to the Committees on Commerce, Interior and Insular Affairs, and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 858

At the request of Mr. Hansen, the Senator from Wyoming (Mr. McGee) was added as a cosponsor of S. 858, a bill to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of cemeteries for veterans.

S. 1847

At the request of Mr. Humphrey, the Senator from Maryland (Mr. Mathias) was added as a cosponsor of S. 1847, to authorize the 101st Airborne Division Association to erect a memorial in the District of Columbia or its environs.

S. 2163

At the request of Mr. Abourezk, the Senator from New Hampshire (Mr. McIntyre), the Senator from Minnesota (Mr. Humphrey), and the Senator from South Dakota (Mr. McGovern) were added as cosponsors of S. 2163, a bill to establish a Solar Energy Loan Administration.

S. 2170

At the request of Mr. Muskie, the Senator from California (Mr. Tunney) was added as a cosponsor of S. 2170, the Congressional Right to Information Act.

S. 2227

At the request of Mr. Mondale, the Senator from New Hampshire (Mr. Durkin) was added as a cosponsor of S. 2227, a bill to amend the National Labor Relations Act.

S. 2540

At the request of Mr. Humphrey, the Senator from Minnesota (Mr. Mondale) was added as a cosponsor of S. 2540, the Federal Reserve System Modernization Act.

S. 2578

At the request of Mr. Philip A. Hart, the Senator from Idaho (Mr. Church), the Senator from Indiana (Mr. Hartke), the Senator from Oregon (Mr. Hatfield), the Senator from Maine (Mr. Hathaway), the Senator from Kentucky (Mr. Huddleston), the Senator from Maryland (Mr. Mathias), the Senator from Minnesota (Mr. Mondale), the Senator from Missouri (Mr. Symington), and the Senator from South Carolina (Mr. Thurmond) were added as cosponsors of S. 2578, a bill to provide assistance to farmers who have suffered financial loss because of toxic chemical contamination to their livestock.

S. 2596

At the request of Mr. Packwood, the Senator from Connecticut (Mr. Ribicoff) and the Senator from Oregon (Mr. Hatfield) were added as cosponsors of S. 2596, a bill to amend the Real Estate Settlement Procedures Act.

S. 2608

At the request of Mr. Fannin, the Senator from Wyoming (Mr. Hansen), the Senator from Arizona (Mr. Goldwater), the Senator from Mississippi (Mr. Eastland), the Senator from Utah (Mr. Garn), and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 2608, a bill to provide tax incentives for geothermal resources.

S. 2643

At the request of Mr. Bartlett, the Senator from Arizona (Mr. Fannin) was added as a cosponsor of S. 2643, a bill to provide for the gradual reduction of the U.S. contribution to the United Nations.

SENATE RESOLUTION 104

At the request of Mr. Hathaway, the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), and the Senator from New Jersey (Mr. Williams) were added as cosponsors of Senate Resolution 104, relating to the Select Commitee on Small Business (to provide limited legislative authority.)

SENATE CONCURRENT RESOLUTION 66

At the request of Mr. Hatfield, the Senator from Massachusetts (Mr. Brooke) was added as a cosponsor of Senate Concurrent Resolution 66, declaring as national policy the right to food.

SENATE RESOLUTION 301—ORIGINAL RESOLUTION REPORTED AUTHORIZING SUPPLEMENTAL EXPENDITURES BY THE COMMITTEE ON PUBLIC WORKS

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH, from the Committee on Public Works, reported the following original resolution:

S. RES. 301

Resolved, That Section 2 of S. Res. 44, Ninety-fourth Congress, agreed to July 26th, 1975, is amended by striking out "$848,600" and inserting in lieu thereof "$868,600".

AMENDMENTS SUBMITTED FOR PRINTING

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS—H.R. 5900

AMENDMENTS NOS. 1070 THROUGH 1074

(Ordered to be printed and to lie on the table.)

Mr. LAXALT submitted five amendments intended to be proposed by him to Amendment No. 1058, proposed to the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

AMENDMENT NO. 1078

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENTS NOS. 1079 THROUGH 1084

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted six amendments intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENTS NOS. 1091 AND 1092

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted two amendments intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENTS NOS. 1093 AND 1094

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted two amendments intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENT NO. 1095

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS submitted an amendment intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENT NO. 1096

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS (for himself and Mr. Javits) submitted an amendment intended to be proposed by them jointly to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENT NO. 1097

(Ordered to be printed and to lie on the table.)

Mr. BEALL submitted an amendment intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

AMENDMENTS NOS. 1098 THROUGH 1105

(Ordered to be printed and to lie on the table.)

Mr. HELMS submitted eight amendments intended to be proposed by him to Amendment No. 1058 proposed to the bill (H.R. 5900), supra.

SUSPENSION OF DUTIES ON CERTAIN YARNS OF SILK—H.R. 7727

AMENDMENTS NOS. 1075 AND 1076

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY. Mr. President, I submit for printing two amendments to H.R. 7727, an act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarns of silk. These are the same as amendments numbered 1032 and 1033, which I planned to offer to H.R. 5559. The text and an explanation of these amendments appears at page 34683 of the Record for November 3.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976—H.R. 9861

AMENDMENT NO. 1077

(Ordered to be printed and to lie on the table.)

Mr. McCLELLAN submitted an amendment intended to be proposed by him to the bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

NOTICE TO SUSPEND RULE XVI

Mr. McCLELLAN submitted the following notice in writing:

I hereby give notice in writing, pursuant to Rule XL of my intention to move to suspend Rule XVI of the standing rules of the Senate to present the following amendment:

AMDT. No. 1077

On page 60, line 7, insert the following:

SEC. 752. Unless otherwise specified and during the current fiscal year, and the period July 1, 1976, through September 30, 1976, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese refugees paroled into the United States between January 1, 1975 and the date of enactment of this Act: *Provided,* That, for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further,* That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than $4,000 or imprisoned for not more than one year, or both: *Provided further,* That the above penal-clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further,* That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

AMENDMENT NO. 1085

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY (for himself and Mr. DOLE) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9861), supra.

AMENDMENT NO. 1036

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 9861), supra.

AMENDMENT NO. 1088

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY. Mr. President, the amendment I submit today would strike from the Defense Appropriation bill of 1976 a provision that has impeded the Federal Government's efforts to provide jobs to workers in labor-distressed areas.

As all of my colleagues are aware, the unemployment rate in this country was 8.6 percent in October of this year. There are currently 795 areas of the country which the Labor Department has designated as having substantial or persistent unemployment.

A primary responsibility of the Congress ought to be to find ways to make more jobs available in these high-impact areas. I wish to strike the Maybank amendment which has impeded Congress pursuit of this responsibility. It states that—

No funds shall be used for the payment of a price differential on contracts made for the purpose of relieving economic dislocations.

This language has been interpreted by the General Accounting Office to mean that defense procurements cannot be totally set aside for award to firms located in labor surplus areas, and its effect has been to severely limit the Government's program of aiding areas of high unemployment.

The labor surplus area program was initiated in 1952 to encourage full utilization of existing production facilities and workers. By channeling Government contracts into areas of high unemployment, the program helps preserve management and employee skills, maintains productive facilities, improves utilization of the Nation's total manpower, and helps assure timely delivery of required goods and services.

Under the program, certain Government contracts are set aside for bidding solely by firms in labor surplus areas. The Maybank amendment, however, requires that any contract awarded as a result of preference procedures to firms qualifying for labor surplus area assistance be awarded at the lowest possible price.

To meet this requirement of the lowest possible price, every procurement set-aside for labor-surplus-area firms must be split, under the GAO's interpretation of the Maybank amendment. One part of the procurement is open for unlimited competitive bidding by any firms. The other part is set aside for exclusive award to labor-surplus-area firms.

Once the price has been established for the part of the procurement that is open to competitive bidding throughout the country, that is the highest price the Government will pay for the remaining part of the procurement made available to firms in labor-surplus areas.

This complicated procedure greatly inhibits the intent of the labor-surplus-area program by making only partial set-asides, rather than total set-asides, available to labor-surplus-area firms. The GAO criterion that a procurement be divisible into two or more economic production runs greatly reduces the number of procurements that can be placed in a partial set-aside program.

The procedure of restricting competition for Government contracts to certain categories of business is not unique to the labor-surplus-area program. The Small Business Act, enacted in 1952, recognizes the desirability of the maintenance of large numbers of small, independently owned enterprises. That act makes provision for a small business set-aside program, under which $3.1 billion was awarded to small contractors during fiscal year 1975. The set-aside procedure is widely recognized as a necessary device to help small firms compete with larger firms for a share of the Government's multimillion-dollar annual purchases.

It is no less important to our economy that we attempt to mitigate some of the disparities in employment throughout our country. When the labor-surplus-area program was first instituted in 1952, unemployment was 3 percent compared to the 8.6 percent we are facing today. Removal of the Maybank amendment would unshackle a very worthwhile program, the purpose of which is to use an existing need, the procurement of goods and services for the operation of the Federal Government, to meet another need, jobs for people in areas which have been particularly hard hit by unemployment.

It is unfortunate that the Maybank amendment has been used to curtail the labor-surplus-area program. The amendment was introduced by Senator Burnet R. Maybank in 1953. At that time the New England textile industry was moving south, and in an effort to ameliorate the economic impact on New England, the Defense Department at times awarded contracts at higher prices to New England mills than to southern mills. The Maybank amendment was intended to prevent this.

Since many of the textile mills have now moved south and labor costs have become more constant nationwide, the problem to which the Maybank amendment was addressed is no longer significant. A new problem of localized high unemployment has taken its place.

There are currently 795 areas in this country which qualify as labor-surplus areas, and under a revitalized total labor-surplus area set-aside program, thousands of small and large firms located in these areas would be able to compete with each other for Government contracts. This active competition would not result in the Government's paying higher prices for goods and services purchased under a total labor-surplus-area program than it might otherwise be forced to pay.

During consideration of the annual appropriations bill during the last session of the 93d Congress, Senator PASTORE and I offered an amendment to delete the Maybank provisions, which the Senate accepted. Unfortunately, the amendment was not accepted in conference.

Increasing the amount of Government contract dollars going to firms located in labor distressed areas would greatly assist those communities in which unemployment is severe. We should not let any existing tool for revitalizing areas of heavy employment go unused. The labor surplus area program holds out promise for relief of our current unemployment problem. I urge my colleagues to join with me in striking from the defense appropriations bill the language which has encumbered this program.

AMENDMENT NO. 1089

(Ordered to be printed and to lie on the table.)

Mr. EAGLETON (for himself, Mr. MATHIAS, Mr. CRANSTON, Mr. KENNEDY, and Mr. PROXMIRE) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 9861), supra.

AMENDMENT NO. 1090

(Ordered to be printed and to lie on the table.)

Mr. ABOUREZK submitted an amendment intended to be proposed by him to the bill (H.R. 9861), supra.

ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 1023

At the request of Mr. MONDALE, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of amendment No. 1023 intended to be proposed to S. 2097, a bill to provide for the establishment of the Minnesota Valley National Wildlife Recreation Area.

ADDITIONAL STATEMENTS

PROPERTY RIGHTS ARE THE VERY BASIS OF FREEDOM

Mr. HELMS. Mr. President, respect for the rights of property is one of the most deeply rooted traditions of the American heritage. In State and Federal documents, in major public addresses of our leading statesmen, in our laws and in our customs, we have demonstrated time and again our fundamental belief that property and freedom are inseparably connected. Almost instinctively, Americans have always known that economic leveling is not progress, and that once private property is separated from private possession, liberty is gone.

With the rights of property protected, the individual enjoys economic freedom, the freedom that is so essential to the individual who wishes to determine his own way of life and to be a thinking and valuing person. When this right is subverted, however, all other rights are compromised; for the individual loses his most important means of enjoying his other freedoms. What is the value of freedom of the press, for example, if the individual does not have the economic freedom to own a newspaper and is compelled to write and publish for the pleasure of the government in power?

The general trend in recent years, as reflected in Supreme Court decisions and laws enacted by Congress, shows that there has been a noticeable decline of property rights. Indeed, there are those in positions of responsibility who not only applaud these developments, but publicly espouse policies that will drive us further into the coffin of socialism.

In defense of property, John D. Lofton has written in a recent column that one of the fundamental flaws of the antiproperty mentality is its inability to grasp the significance of property rights as an integral part of the general scheme of liberty.

Mr. President, I share the view and I ask unanimous consent that John Lofton's article of October 21, 1975, entitled "Don't Demean Property Rights," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rocky Mountain News, Oct. 21, 1975]

DON'T DEMEAN PROPERTY RIGHTS

(By John D. Lofton, Jr.)

If Ramsey Clark ever had an original thought, he has yet to share it with us.

The former attorney general—who is one of those "terrible simplifiers" historian Jacob Burckhardt warned us against—says he is thinking about running for the U.S. Senate against New Yorker James Buckley. The reason: Buckley "stands for property rights over human rights."

But the formulation is fraudulent. Actually, there is no distinction between property rights and human rights. The term property, as Paul Poirot of the Foundation for Economic Freedom points out in "Cliches of Socialism," has no significance except as it applies to something owned by someone. Property itself has neither rights nor value, save only as human interests are involved. There are no rights but human rights, and what is called "property rights" are only human rights of individuals to property.

As U.S. Supreme Court Justice George Sutherland has observed:

"It is not the right of property which is protected, but the right to property. Property, per se, has no rights; but the individual—the man—has three great rights, equally sacred from arbitrary interference: The right to his life, the right to his liberty, the right to his property. . . . The three rights are so bound together as to be essentially one right. To give a man his life, but deny him his liberty, is to take from him all that makes his life worth living. To give him his liberty but take from him the property which is the fruit and badge of his liberty, is to still leave him a slave."

The importance of property rights has been acknowledged by individuals as diverse in their political views as G. K. Chesterton, French existentialist Jean Paul Sartre and author James Fenimore Cooper.

Chesterton has said: "Property is merely the act of democracy. It means that every man should have something that he can shape in his own image."

Sartre has written: "I draw the collection of my surroundings into being with myself. If they are taken from me, they die as my arm would die if it were severed from me."

And Cooper, in his clasic defense of the American Republic from the Federalist point of view, "The American Democrat," declares: "Property is the base of all civilization, its existence and security are indispensable to social improvement. . . Property is desirable as the groundwork of moral independence, as a means of improving the faculties, and of doing good to others, and as the agent in all that distinguishes the civilized man from the savage."

Writing a few years ago in the American Bar Association Journal in an article titled "Men and Things: The Liberal Bias Against Property," Thomas Shaffer tells his favorite image of men and things.

In a scene in the movie, "The African Queen," Humphrey Bogart is chugging down the fetid jungle river with Katherine Hepburn. The boat's ancient steam engine jams and rattles and scatters hot steam. Bogart jumps up, runs to the boiler and kicks it. The boiler begins to work again.

Hepburn asks what was the matter with the boiler, and Bogart says: "I left a screwdriver in it one day when I was working on it, and the screwdriver jams a valve." Hepburn asks why he doesn't take it apart and take the screwdriver out? Bogart replies, "I could do that, Miss, but I like to kick her. She is all I got."

Ramsey Clark says he wants to serve in the Senate because "we need new vision." Indeed we do. But Clark hasn't got it. And the last thing the U.S. Senate needs is some more visionless vapidity like himself spouting socialist shibboleths.

As far as the Congress is concerned, "new vision" means electing Jim Buckley, and electing men and women like him.

JUSTICE WILLIAM O. DOUGLAS—CHAMPION OF FREE SPEECH

Mr. McGEE. Mr. President, the resignation of Supreme Court Justice William O. Douglas delivers an unrecoverable loss not only to American jurisprudence but to the Nation as a whole. To relinquish the position on the highest court in the land, held for a record 36 years, was probably a most bitter defeat. Justice Douglas is not accustomed to "stepping down."

As a boy with legs withered by polio he climbed mountains. As an attorney and Justice he led the way, bringing the underprivileged with him, to the top of the mountain of individual freedoms. His libertarianism and freedom-fighting were not without the huge obstacles of the times. But he is a man and legend in his own time—his accomplishments and ideals unprecedented.

He overcame the obstacles cast in his way by a reluctant society. The only hardship he could not win over, although he battles it beyond the point most men could, is the ravage of his physical condition.

The foundation for the Justice's legal decisions and personal life is the Constitution. The most basic of freedoms; speech, press, and self-determination are his commandments. He has never altered or relinquished those beliefs, and for that reason he is one of America's greatest and most noble of men.

"I think the court has been a moving force in bringing one nation out of many races," Justice Douglas said Wednesday night. The statement rings of a vision shared by the great and noble Americans who first made solid our democracy.

As James E. Clayton said in his Washington Post article:

> William O. Douglas is one of those rare persons who has done it all.

Mr. President, I wish to extend to Justice Douglas an appreciation which has no bounds for his service to the Supreme Court and to the people of this country, and I wish him recovery from illness and a happy and fruitful retirement.

I ask unanimous consent that "Champion of Free Speech," by James Clayton be printed in the RECORD as a brief but meaningful summary of the career of Justice William O. Douglas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHAMPION OF FREE SPEECH

(By James E. Clayton)

William O. Douglas is one of those rare persons who has done it all. He served longer on the Supreme Court than any other justice in American history and stamped his personal imprint deeply on large parts of the nation's jurisprudence.

That is what he will be remembered for, but that is only a part of Justice Douglas. This remarkable man once ran a major regulatory agency and, at least once, came close to being President.

He has traveled all over the world and lived constantly in a swirl of controversy. He has written more books and articles than many professional authors. And he has been, at the same time, a part of the sophisticated world of the East Coast and of the mountains of the West.

It was those mountains—the Cascades of Washington state—that shaped this justice's views and life. He has been just as robust as they in his belief in free speech and the other guarantees contained in the Bill of Rights. And just as rugged and free-spirited as they are in his personal life.

It is hard to recall now that when Douglas came to Washington—in 1936 to serve on the Securities and Exchange Commission—the constitutional issues facing the country involved the power of the federal government to govern.

But it was in that area that Douglas made his first major contributions to American law. He believed, unlike many of his predecessors on the court, that the Constitution granted power to Congress to run the place. He put that belief into action on the SEC, thrusting it deeply into supervision of the money markets, and later on the court, where he voted consistently to uphold government regulation of business and industry. He was the champion of the small firm or investor, much like the justice he succeeded, Louis D. Brandeis.

But, like Brandeis, Douglas soon became best known as an ardent champion of free speech. He and the late Hugo L. Black paired up regularly in the 1950s with dissents that paralleled those of the first great team of civil libertarians on the court—Brandeis and Oliver Wendell Holmes.

Again and again, Douglas spoke sharply against the abuses of government loyalty and security programs, libel and obscenity laws, government snooping, unfair criminal procedures, and any kind of enforced conformity in speech or thought.

In some of these areas, particularly in the early years, his views were indistinguishable from those of Black. But as time went on, their symmetry began to crumble, with Douglas arguing for positions ever more liberal.

Unlike his colleagues on the bench, Douglas carried the fight for the things in which he believed off the bench and into the public arena. He spoke out about national issues and world affairs with seemingly little regard for his position as a justice. Eventually, it was these outside activities that triggered the effort to impeach him in 1970.

In his early years on the bench, the influence of Douglas on the rest of the New Deal court was substantial. He knew more about the kinds of issues then before the justices—regulation of business, corporate finance, and so on—than most of his colleagues and he frequently spoke for the majority.

Later, his influence appeared to wane and, in recent years, he has been found more and more frequently in a dissenting posture unshared by any other member of the court.

Some of his critics have attributed this not so much to the positions he espoused as to the way in which he reached them. He had less reluctance than most justices to break out of the court's beaten paths and to use his opinions as vehicles for comment on public, as well as legal, issues.

For some of these critics, the 36½ years Justice Douglas spent on the court have been years of unfulfilled expectations. They regard him as a man of monumental ability and energy who never devoted all he could have to the court's work.

To other court observers, Douglas has been a fitting heir to the seat of Brandeis. They regard his unorthodoxy in legal matters and his constant grappling with problems not before him as reflective of his own search for a real sense of what the law ought to be.

They see this search in his willingness, in recent years, to have the court consider more questions than it actually has about the military draft and the war in Vietnam and in his eagerness to have the court decide matters not so much in terms of the language of the Bill of Rights but in the spirit of those amendments.

Perhaps Douglas' greatest contribution to the court has been as a spur against complacency. He was ready, first, to expand the legal rights of the poor. He was always a foe of racial discrimination. And almost any case attracted his interest if it contained what he saw to be a social or political injustice.

Much of this arose, no doubt, from the experiences Douglas had in his youth. Born in Minnesota, he grew up in Yakima, Wash., in a poor family. An early case of polio led him into mountain-climbing to regain his strength and to work in the wheat fields where he encountered much of the radical rhetoric of the Wobblies of that era.

To this was later added undergraduate schooling at Whitman College in Walla Walla, Wash., the gloss of a Columbia law school education and two years of work in a Wall Street law firm. Then came teaching at Columbia and Yale before he came to Washington as one of the bright young men of the New Deal.

These two differing views of the world came together in Douglas' eagerness both to spot injustice and to find a way to cure it, Justice Black once remarked, after working with Douglas for years, that the first cry Douglas uttered when he was born "must have been a protest against something he saw at a glance was wrong or unjust."

Those protests—so often spoken so passionately—undoubtedly reduced his influence on the court and may have decreased the prestige of the court itself with some Americans.

But they have also carved out for him in the court's history an unusual niche and made him a hero of those whose rights he sought to protect—the poor, the powerless and the heretics.

CLINTON P. ANDERSON

Mr. FANNIN. Mr. President, I was saddened to learn of the death Tuesday of a personal friend and truly great American, Clinton P. Anderson.

It was my good fortune to have known Senator Anderson for more than 30 years, dating back to the time when he was an outstanding president of Rotary International.

His service as a Congressman, as Secretary of Agriculture in the Truman administration, and as a leader of the Senate was nothing short of magnificent.

It was my privilege to serve with him on the Finance Committee where he gave great leadership on health and welfare programs. His counsel over the years was extremely helpful to me, and I know that he assisted many other Members of this body in their assignments.

He was a hard worker and effective spokesman for New Mexico and for the entire West. American agriculture owes him a great debt.

In addition, he was a foremost advocate of a strong national defense.

Mr. President, few men who have served in the Senate have done so much for their country as Senator Anderson. Mrs. Fannin and I extend our condolences to his wife Henrietta, and to his two children.

ALTERNATIVE METHODS OF SEWAGE DISPOSAL

Mr. MUSKIE. Mr. President, the American taxpayers spend billions of dollars each year to build and operate wastewater treatment plants to purify the millions of gallons of public drinkink water mixed with domestic wastes and dumped daily into our municipal sewage systems. We concentrate on how to deal with these wastes once they enter the system, and how to transport them all to one location—but we do not concentrate on ways to eliminate the problem in the first place.

Many counties around the country have been forced to impose bans on new sewer hookups because of overloaded sewage treatment facilities. At the same time, new technologies have been developed to provide for the handling of ordinary domestic wastes without requiring the use of a municipal sewer system, and thousands of gallons of water. These systems not only avoid overuse of sewage treatment facilities but they also avoid costly collection and transportation costs. Most importantly, many of these new technologies treat or compost domestic wastes to render them suitable for recycling as fertilizers or other beneficial uses.

None of these new technologies is revolutionary in its concept, and in most cases they can be adopted without causing disruption in the ordinary daily habits of the average American home.

Mr. President, the November issue of the Bulletin of the Atomic Scientists features an excellent article by Harold H. Leich entitled "The Sewerless Society." This article discussed the types of sewerless domestic waste systems currently available. It is an enlightening and interesting piece, on a subject that has been ignored for too long.

The article's opening sentence makes a telling point—

> To a visitor from another planet it would seem incredible that human beings who are intelligent enough for space travel solve their problems of personal hygiene by putting their body wastes into the public drinking water and then spend billions in futile efforts to restore the water to its original condition.

Perhaps the more encouraging part of this article is the fact that these systems are making some headway towards moving us away from the traditional sewage treatment syndrome. Essentially, our technology for waste treatment has not changed in 60 years. I am finally beginning to sense a growing search for new solutions, solutions that we tried to spur with the 1972 Clean Water Act, and that we hope to continue encouraging. Domestic wastes can be handled on an individual unit basis and successfully reused—to the overall benefit of the environment.

The small town of Greenville, Maine, located on the majestic and pristine Moosehead Lake is now experiencing serious problems because of a lack of technological options. Because of sewage problems, caused primarily by vacationers, they built a conventional sewage treatment system, with collection and primary, secondary and tertiary treatment, ultimately discharging through an outfall into the lake. If the costs had not been fully borne by the State and Federal Governments, the costs would have been $1,250 per person, or $5,000 per household.

Now, with the system fully installed and paid for, other residents around the lake are questioning the system—they claim that, even after all that treatment, it is going to pollute the lake, and the town is stuck. Nobody ever gave them any alternatives, nobody tried to show them a different way to do this. The EPA, the State, and the consulting engineers all pointed them in this direction even though there are now serious questions. We cannot turn the clock back; we cannot stop our momentum in cleaning up our rivers and lakes; we must get the best use out of the systems we have already built; but we can and must start looking ahead and improve our technology, even if that means simplifying it.

I would like EPA, the States, the cities and towns, and the consulting engineers to begin to focus on the alternatives mentioned in this article and another article from the November 3, 1975 issue of Newsweek, which also describes some sewerless toilets.

I ask unanimous consent that each of the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE SEWERLESS SOCIETY

(By Harold H. Leich)

(NOTE.—Harold H. Leich is a white-water canoeist and a free lance writer on conservation subjects since his retirement in 1972 as Chief of the Policy Development Division of the U.S. Civil Service Commission. He was chairman of a water protection workshop at the 1972 U.N. Conference on the Human Environment in Stockholm. This article is based in part on a paper he presented to the National Home Sewage Disposal Symposium during the 1974 conference of the American Society of Agricultural Engineers.)

To a visitor from another planet it would seem incredible that human beings who are intelligent enough for space travel solve their problems of personal hygiene by putting their body wastes into the public drinking water and then spend billions in futile efforts to restore the water to its original condition. It is scientifically possible but financially infeasible to restore water completely once it has been contaminated by body wastes.[1]

The flush toilet, long considered the very symbol of modern sanitation and progress, wastes about 40 percent of all water piped into the home and befouls waterways from the muddy Potomac to the blue Mediterranean. Despite the money and energy spent on sewage treatment, traditional disposal methods are at a dead end—more sewers for more people, more billions for more treatment plants, more refined methods of intensive treatment, and still the effluent damages water quality downstream. Adverse effects of present sewage disposal systems include the following:

Risk of transmitting diseases to water users downstream. Chlorination effectively kills bacteria in the drinking water but there is less certainty about killing viruses, which cause diseases such as polio and infectious hepatitis and are suspected as one cause of cancer.[2] Recent findings in the Mississippi River basin indicate that chlorination to kill bacteria from toilets upstream may itself create carcinogenic substances in the drinking water.[3]

Waste of large quantities of purified drinking water to carry away small quantities of body wastes. The average toilet flush uses about five gallons of water. In one year the typical user of a flush toilet contaminates 13,000 gallons of fresh water to carry away 165 gallons of body wastes.

Enormous expenditures for sewer lines and treatment plants. A recent estimate states that complete sewage treatment for one small river basin—the Potomac—will cost $1.4 billion in addition to the substantial sums already invested in recent decades. But even this huge expenditure will not make the river swimmable. (In 1965 President Johnson, in signing a water quality bill, pledged to reopen the Potomac for swimming by 1975.)

Accelerated eutrophication of lakes and estuaries. Even advanced treatment does not completely remove the dissolved unwanted nutrients from the effluent.

Leakage of raw sewage. Aging sewer lines can allow leakage into the ground water supply or into surface waters.[4] The reverse, ground water leaking into sewer lines, can also happen.

Build-up of large amounts of sewage sludge. The sewage sludge produced at the Blue Plains Plant serving the Washington, D.C., area, for example, is expected to reach 2,400 tons a day when fully operational. Rural residents do not look with favor on receiving the growing waste load.[5]

In an effort to overcome environmental problems caused by the flush toilet, sanitation authorities have developed excessively centralized systems—the collection of human wastes from hundreds of thousands and even millions of people into one place for disposal. Such centralized systems are vulnerable to power failures, equipment breakdowns, employee strikes, and by-passing during flooding or high water—all of which can send millions of gallons of raw sewage downstream.

The present situation is bad enough, but what of the future? In 1970 the Council on Environmental Quality estimated that municipal sewage loads would nearly quadruple within 50 years. The Environmental Protection Agency received estimates in 1973 from municipalities for more than $60 billion to build sewage treatment facilities by 1990, but cautioned that the estimates might include inflated costs because 75 percent of the amount would come from Federal funds. Winfield M. Kelly, Jr., of Prince Georges County, Md., stated that 1985 sewage-flow estimates for a huge proposed regional treatment plant for that county exceeded the available water supplies for the area by 321 million gallons a day.

Thus it is increasingly apparent that sanitary engineers and public health officials took the wrong turn in the road in the nineteenth century when they encouraged widespread adoption of the flush toilet. The tens of billions now programmed in this country for sewage disposal merely take us further down the same road. Sanitation authorities should also take a hard look at the kitchen garbage grinder, which puts a heavy load of organic wastes into the public water supply. Now is the time to stop this new threat to our rivers, lakes, and oceans.

The solution to these water-supply and sanitation problems seems elementary: (1) body wastes should not be put into the public water supply, and (2) sewage disposal systems should be decentralized with wastes disposed of in the individual house, apartment building, or factory. Before the days of 'modern' plumbing, societies had systems for recycling body wastes back to the land—crude, perhaps, but more ecologically sound for the long run than flushing them into the water supply of the next town downstream.

A quiet revolution in sewage disposal is fortunately now taking place in Sweden and the United States. New methods promise to solve the sewage problem by disposing of wastes on or near the site without the use of large quantities of water. They offer us the chance to decentralize human sanitation without going back to the evils of the outhouse. If widely adopted they would drastically cut down water consumption and could eventually eliminate costly sanitary sewers and treatment plants.

Waterless toilets were developed several decades ago for owners of homes where water and sewer connections were not available. Because it is now forbidden by law to discharge body wastes into harbors and other confined waters there is a need for sewage disposal systems aboard inland and ocean-going vessels, and several large companies are now investing millions in this field. It is only a step to adapt this new marine technology for use in year-round dwellings and high-rise buildings ashore.

There are at least seven different types of sewerless toilets or sewage disposal systems on the market or under development at this time. (The author has not personally tested any of these systems.)

INCINERATING TOILETS

Several Swedish and U.S. companies make individual incinerating toilets, fired by oil, electricity, or piped or bottled gas.[6] They quickly reduce body wastes to a sterile ash. Prices range from $400 to $600 a unit. Tens of thousands have already been installed in vacation homes, houseboats, and other places where a sewer connection is not possible, such as the watch tower of a penitentiary, forest lookout towers, a high hut on the Matterhorn, and a basement recreation room where the sewer line is above floor level. But these devices are not just being installed in vacation houses or at unusual sites, an increasing number are being installed in year-round houses, especially in Australia, New Zealand, and Japan. Incinerating toilets have also been selected to serve crews building the Alaska pipeline, so body wastes will be disposed of under extremely cold conditions.

These devices consume considerable amounts of energy but completely solve the water pollution problem. Inevitably though there is some release of gases and odor to the air. One manufacturer, however, is working on a new unit that will discharge nothing but carbon dioxide and water vapor to the air.

COMPOSTING TOILETS

A Swedish inventor, Rikard Lindstrom, has developed a composting toilet that uses no energy or water and depends on the mild heat of composting to drive off the water content in the wastes.

A large fiberglass container about nine feet long with a slanting bottom is installed in the basement, and two vertical chutes lead down from the floor above, one for the toilet and one for kitchen garbage. When the unit is installed a layer of peat moss, grass clippings, and soil is placed along the bottom to begin the composting process. Pathogenic organisms in the wastes are slowly consumed by aerobic bacteria in the compost. A natural draft system ventilates the wastes, keeps the process aerobic rather than septic, and carries away any odors through a vent pipe rising above the house roof. When the lid to the toilet or garbage chute is raised, air moves down into the basement container and thus odors do not come into the house.

The container and its contents need no attention during the first two years; then

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Footnotes at end of article.

the dried compost, which has slowly worked its way down the slanting bottom, is ready for the garden or other disposal. It measures only about five percent by volume of the waste materials deposited many months before. Tests by Swedish health authorities have shown it to be free of pathogenic organisms.

More than a thousand of these units have been installed in Scandinavia, mostly in vacation homes, and recently a U.S. company obtained rights to make and sell the units in this country.[7] The price ranges around $950 to $1,300, depending on size of the container; mass production may bring the price down, however.

The Clivus-Multrum company in Sweden is working to adapt the system to apartment houses, by means of lateral pipes enclosing electrically operated screw-augers which will move the wastes to a central container for composting.

Other competing manufacturers in Scandinavia and the United States are beginning to make composting toilets. These use smaller containers in the base of the commode itself rather than in the basement and, therefore, need electrical heating and ventilating systems to maintain the composting process. Prices run from about $300 to $700 each.

BIOLOGICAL TOILETS

One U.S. manufacturer makes a recycling toilet which is based on biological principles of waste digestion: body wastes and toilet tissues are turned into water by the action of enzymes and bacteria, both aerobic and anaerobic.[8] Flushing after each use is done by a hand pump. The company states that the resultant effluent, about one quart a week for each user, is clear, odorless water containing no pathogenic organisms. It is readily disposed of in a small drain field or dry well beside the house. No sludge removal is needed; the only maintenance is the weekly addition of a freeze-dried package of enzymes and bacteria, at a cost of 25 cents, and a renewal of the charcoal filters once every two years.

The toilets come in a variety of forms for use in mobile homes, boats, vacation houses, and construction sites. Many are installed deep in coal mines. The company states that they are readily adaptable for high-rise buildings. Prices are in the $300 to $400 range; one model is now listed in the current Sears Roebuck catalog. More than 4,000 are in use and production is running at 1,000 a month.

Ordinarily no water, electrical, or sewer connections are needed; but if the unit is to operate in temperatures below 50° F, an electrical heating element is added to allow the biological action to continue.

Montgomery County, Maryland, is trying out 18 of these units in "Project Inside," to replace outdoor privies in rural homes under a grant from the National Water Demonstration Project. In July 1975 a similar project in Fairfax County, Va., with 16 units in rural homes was reportedly failing because of complaints from some of the users about odors. The manufacturer believes the problem was caused by the use of chlorine-based cleansers in the commode.

An Irish company, Biodynamics Ltd., makes a biological toilet which apparently operates on principles similar to the one described above.

OIL-FLUSHED TOILETS

A large U.S. company, Chrysler Corp., has developed a closed-loop toilet system that uses a white, low-viscosity mineral oil as the flushing medium. Wastes from the commodes are carried by the flushing oil to a gravity separation tank where the oil floats to the top and the water-saturated wastes sink to the bottom. The oil is drawn off from the top through a series of filters and is then recirculated to the commodes. It remains clear and odorless indefinitely and bacteria are controlled to nearly zero. Wastes are periodically drained from the bottom of the tank and incinerated to a sterile ash or they can be held for other disposal: removal to a municipal treatment plant or aerobic digestion and drying. One advantage of the system is that it can be installed in existing toilets.

This system has U.S. Coast Guard approval and many marine installations have already been made; for example, a tug boat in New York harbor, a Corps of Engineers snag boat, and a service vessel with a crew of 20 working with oil rigs in the North Sea. Land installations have often been made at parks and campgrounds, and the system can be used for high-rise buildings. The toilets are also installed at a naval barracks in Annapolis and at two Army posts.

A Japanese company, Sumitomo Shoji Kaisha Ltd., has recently been licensed to manufacture the equipment in Japan for the residential, commercial, and marine markets.

Another U.S. company, Monogram Sanitation Products, is marketing an oil-flushed system that has been tested and accepted for use in visitor centers in many national parks and forests. It is also well adapted for single-family homes, where a 400-gallon holding tank has the capacity to store the contents of 6,000 toilet flushes (or 4.1 flushes per day per person), which is a capacity sufficient for one year for a family of four. When filled the tank is pumped into a truck for disposal. A professor of architecture has suggested to the company that it develop a home methane generator to utilize the wastes. Unusual site installations include a four-fixture toilet 500 feet down in a Kansas salt mine and rest-room facilities on an island in a water reservoir in California. The equipment is being installed in a new community surrounding a lake in Connecticut.

HOUSEHOLD COLLECTION SYSTEMS

The adoption of waterless indoor toilets with the wastes going directly into canisters has been suggested.[9] Twice a week the canisters would be tightly sealed and placed outside for collection by municipal workers. In one case the canisters would go to a bio-gas plant nearby, where the wastes would be used for generating methane gas and the spent material would be spread as a fertilizer. In the other case the canisters would be made of biodegradable material so they could be buried in farmland, where the wastes would serve as a deep fertilizer. Odors in the house would be controlled by spreading powder or dirt over each deposit.[10] These suggested systems are not in operation and are cruder than the others listed here, but they are cheaper to install and may find a place in rural areas.

The concept of a waterless indoor toilet is not new; it goes back to the "earth closet" used in Britain before the "water closet" or flush toilet took over.[11] In 1872 a British author, William Eassie, penned what he called a "Hymn of Praise to Mother Earth":

> The advantages claimed for the earth system are many, and amongst others the following: that it leaves unpolluted the natural springs and watercourses; that it allows the rainfall to be collected in a pure state; that it is a great saving of water, and, unlike the water closet, is independent of winter frosts; that it is inexpensive and not apt to get out of order; that it dispenses with underground drainage, or considerably narrows it down, and robs it of its dangers; that it generates no smell; that it is an auxiliary to health, or rather a prevention of zymotic disease; and that it is a source of profit to the patron, either in money or in increased farm or garden crop.[12]

VACUUM SYSTEMS

Several Swedish and American companies make toilet systems that use the vacuum principle to transport body wastes from the toilet bowl to a collection tank for disposal.[13] An electric pump maintains a vacuum in the line. More than 20,000 of such toilets are now in use throughout the world. The system uses only a liter of water per flush, since differential air pressure moves the wastes through the line. The system can be adapted to a variety of needs from single-family houses to apartments, factories or whole new towns. In addition to greatly reducing water consumption, the system uses pipes that are much smaller than in traditional systems and they can run uphill where necessary. Ultimate disposal of wastes from a vacuum system can be through on-site incineration, removal to a rural area for use as fertilizer, or piping to a municipal treatment plant.

The system is well adapted to marine use, and several U.S. and Canadian destroyers have been so fitted. The new *Delta Queen*, a steampowered excursion boat on the Mississippi, uses 320 vacuum toilets, and an island development off the west coast of Florida will have the toilets installed in 60 new houses. A classroom building at the University of Michigan will use 80 vacuum toilets. The system is often placed in mobile units that can be moved temporarily to camp grounds or athletic events.

AEROBIC TANKS

The problems of septic tanks are well known. Recently a number of U.S. companies have marketed disposal systems that depend on aerobic rather than anaerobic action to digest waste materials in the tanks and drain fields. They differ in cost and design but have in common the use of small electric pumps that periodically mix air into the tanks to break up solids and speed up digestion of the wastes. In contrast to a septic tank, the aerobic action does not generate foul orders,[14] and the effluent going into the tile drain field carries a charge of dissolved oxygen which helps to prevent clogging of the field. Some manufacturers claim that their systems do not build up a load of sludge that would require periodic removal as with a septic tank. Others claim merely that the cycle for pumping out sludge is greatly lengthened as compared with a septic tank.

The Maryland Environmental Health Administration concluded in 1974 a two-year trial of aerobic systems from six manufacturers in suburban homes in Oakland in the Alleghenies. This area was chosen in order to give the units a severe test because of the cold climate, heavy rainfall, low winter temperatures, and heavy clay soil. The units were installed at homes where septic tanks had failed. The test was considered to be successful, although one unit failed to meet standards.[15] The Health Administration has recommended a number of aerobic systems to county health departments, which have final approval authority.

Some public health authorities look with skepticism on the new aerobic systems because they require a greater degree of care by the householders than do septic tanks.[16] One answer to this problem is to set up a public maintenance service with costs charged to the householder.

True enough such aerobic systems use as much water going through the flush toilets as do traditional methods and thus cannot match the water-saving benefits of the six preceding categories. But one manufacturer, Multi-Flow, Inc., has developed an aerobic tank system which filters the effluent to the point where it can be safely recycled back to the flush toilets, with consequent water saving in the home.

Another cure for failing septic systems has been introduced by another U.S. company—LLMD, Micro-bio Product Company, 632 N. Washington St., Alexandria, Va. 22314. This involves biological rather than electromechanical action. For many years efforts have been made to grow bacterial cultures that could be placed into septic tanks to stimulate the digestion of body wastes. These efforts often failed because the bacteria died

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Footnotes at end of article.

during transportation from the producer to the home. A new biological discovery keeps the bacteria alive but in a dormant state for an indefinite period. Then when they are placed into a septic tank, sewage lagoon, or other waste receptacle, the bacteria become active and feed on the wastes. Each gallon of liquid supplied by the company is said to contain about 50 billion microorganisms, both aerobic and anaerobic. By their action in attacking body wastes and grease, they accelerate the digestion process and eliminate foul odors. After they are initially established in a waste receptacle, additional quantities are added periodically to maintain the biological action.

One advantage of vacuum toilets and aerobic or septic tanks over the other categories described above is that they can be designed to dispose of all wastewater from the home or larger building: 'black water' from the toilets and 'gray water' from basins, sinks, baths, and washing machines. But if black water can be safely disposed of by the five other systems above, then it should be a fairly simple matter to develop home filtration devices to cleanse the gray water since such drainage does not carry a heavy load of pathogenic organisms. After filtration the water could be used for non-drinking purposes such as watering lawns and washing cars, with further reduction of domestic water use. Any excess could be led away to storm drains or streams with no ecological damage. One company is devoting a major research effort to the development of such a home filtration system.

New non-polluting technology is thus solving the problems of sewage disposal and promises to eliminate the need for expensive sanitary sewers and treatment plants. It may be that not one of the systems described above will be the best answer. But on the other hand perhaps each one of these systems will find a niche in the sewerless society of the future, or perhaps some wholly new idea will sweep the field. What is highly encouraging is that ingenious people have already produced what seems to be workable systems and manufacturers are investing millions to perfect and market them.

Concern about the wasteful use of energy is one element that must be kept in mind in evaluating these new systems. On this element the highest rating goes to the Swedish composting toilet, since it requires no electricity, gas, pumped-in water, or any other form of energy once it is installed. The biological toilet is a close second; it requires no fuel or water, except for an initial amount, but does require the weekly addition of bacteria and enzymes. The two household collection systems use no energy in themselves but require the expenditure of energy to operate the bi-weekly collection system. One of the systems might pay for itself by the production of methane gas, which could be sold for household or industrial use.

All other devices in the categories above require some use of electricity, oil, or gas and, in addition, the vacuum toilet uses small amounts of pumped-in water. It would take a detailed study of each system in actual use by many families for a period of months to make valid rankings among them, and to compare their total energy requirements in a city of, say, 100,000 people with the great amount of energy needed for pumping millions of gallons of fresh water and sewage a day through the traditional centralized disposal system of that city.

The economics of the new equipment may favor a sewerless society over traditional methods. In some places it now costs a builder from $1,000 to $1,700 to connect a new house to a sewer line, in addition to the cost of commodes and waste lines in the house. Such costs would go a long way to pay for the new devices. But even if present costs were doubled, the new equipment would be worth installing because of its great ecological benefits.

Clearly the transition to the sewerless society will be a task which will take decades. As a first step the new devices could be installed where no sewer lines exist; and they could be installed as original equipment in our growing suburbs and new towns. Finally they could be used as replacement equipment in existing cities and towns, block by block, with the help of public funds in whole or in part.

In the meantime, what about the tens of billions already programmed for new sewer lines and treatment plants? We have no choice but to proceed with building these facilities, even though they will be only an interim clean-up measure. When the sewerless society arrives sewage treatment plants can be converted to cleaning off-street storm drainage, in itself a heavy ecological burden for rivers and lakes to absorb.

While awaiting the sewerless society we can make better use of centralized sewage sludge than stockpiling it in its old quarries, burning it, or dumping it in the ocean off our bathing beaches.[17] For many years Milwaukee has dried it and sold it in 50-pound bags as a garden fertilizer under the name "Milorganite". The U.S. Department of Agriculture has an encouraging experiment under way at its Beltsville, Maryland, station to compost sludge from the Blue Plains treatment plant in Washington. The sludge is heated for 10 days and is then mixed with wood chips and composted for about three weeks. The temperature in the heaps rises to 150 degrees F, and the resultant product is said to be odorless and nearly sterile. Nevertheless the White House turned down an offer to spread the finished compost on the south lawn.

A few experiments are under way to pipe liquid sewage to farmlands and forests, where it is sprayed as a fertilizer.[18] This has a double advantage: the waste is recycled to the land and the water, filtered by the soil, replenishes the water table. But the long-range effect is not yet clear; there may be an undesirable buildup of heavy metals and toxic chemicals in the soil, and air drift of pathogenic organisms is possible. Such land treatment for all municipal sewage would require immense tracts of land near large cities; for example, about 124,000 acres near Washington, D.C., and more than one million acres near New York City.[19]

Agricultural use of sludge and compost from household sources like vacuum, oil-flushed, and composting toilets would involve less danger of accumulating heavy metals and toxic chemicals in the soil than would sludge from municipal plants since the harmful contaminants generally come from factories that dump their wastes into municipal sewers. But regulations to discourage householders from dumping paints, pesticides, and crankcase oil into their toilets might still be needed.

Another use of sludge would be for methane production. Plans for the new headquarters building of the U.N. Environmental Programme, Nairobi, Kenya, call for generating methane gas from many waste sources such as leaves and manure.

Sewerless systems would offer developing nations the chance to avoid the sanitation errors of the industrialized ones. These systems would also be far more economical to install, if the expenses of sewer lines and treatment plants are taken into account. As an Environmental Protection Agency representative in New York City said, "If we had to do it all over again, we might do it differently, but we're kind of stuck with the system now."[20] With no investment in sewer lines or treatment plants, the developing nations can leapfrog the flush toilet and go right to the new non-polluting technology. The government of Nigeria has approved the use of the biological toilet.

It is encouraging that more attention is now being paid to the major environmental problems created by the flush toilet. Several articles in widely read publications have recently discussed this subject. At the School of Architecture at McGill University in Montreal, study of alternatives to the flush toilet identified 60 alternative systems.[21] On the other hand, the voluminous 1973 study of sewage problems by the National Water Commission did not contain a word about sewerless disposal methods.[22]

As the next step, official U.S. agencies might take a more positive view of the new technology. Certain public bodies such as the Maryland state government, Montgomery County, Md., and Fairfax County, Va., should be commended for their open-minded testing of new sewerless devices. The EPA has an experiment under way to try an incinerating toilet system in an Eskimo village in Alaska. But a more concerted effort, taking only a minute fraction of the funds being devoted to building sewers and treatment plants, would be fruitful.

For example, EPA could coordinate a nationwide testing program through state and local sanitation agencies to insure that every promising sewerless device is tested on a large scale in actual use and carefully monitored. Part of the evaluation would involve relative costs of installation and operation and energy needs. The results could then be discussed at a national conference of sanitation authorities and, hopefully, measures would be taken to encourage rapid adoption of the successful systems.

But if the tests show that no existing commercial product can do the job, then a major federal research project should be launched in view of the great ecological and financial benefits to be achieved if a sewerless solution is found. Surely the brilliant scientists of the National Aeronautics and Space Administration and the National Bureau of Standards have a contribution to make on waterless waste disposal. Federal millions are going into energy research. Sewerless waste disposal, however, is equally important to our nation's future as well as to modern society which must soon adopt methods for non-polluting disposal of human body wastes for the world's growing population.

FOOTNOTES

[1] A task force headed by Ralph Nader, however, concluded that after the United States had spent $3.5 billion in a 15-year water clean-up effort, the level of filth had not been reduced in a single major body of water.

[2] Washington Post, July 29, 1971; International Herald Tribune, Nov. 13, 1972.

[3] Washington Star-News, Nov. 8, 1974.

[4] At the height of the 1975 tourist season the National Park Service closed Crater Lake National Park in Oregon because several hundred people became ill when sewage leaked into the water supply (Washington Post, July 12, 1975).

[5] "Containing the Flow of Sewage Sludge," *Environmental Science and Technology*, Aug. 1974, p. 702.

[6] See p. 41 for names and addresses of companies who make incinerating toilets.

[7] Clivus Multrum USA, 14 A Eliot St., Cambridge, Mass. 02138.

[8] The 'Bio-Flo' recycling toilet is manufactured by the Pure Way Corp., 301–42nd Ave., East Moline, Ill. 61244.

[9] Robert Mueller, "Getting Rid of Sewage—Isn't There a Better Way?" *Environmental Action*, 6:22 (March 29, 1975), 3; and John Shuttleworth, "Make Waste Pay Off," Washington Star, (July 30, 1975). The latter article described a methane-generation system for rural areas which would not require household collections because the wastes would be utilized on the site.

[10] Harold H. Leich, "A Challenge to the En-

vironment Pro," *Environmental Science and Technology*, 5:1 (Jan. 1971), 11.

[11] Sam Love, "An Idea in Need of Rethinking: The Flush Toilet," *Smithsonian Magazine*, May 1975, p. 61. Love describes a British earth closet of around 1860, invented by the Rev. Henry Moule, which shifted dry earth into the toilet bowl when a lever was pulled. See also George R. Stewart *Not So Rich As You Think* (New York: New American Library), p. 35.

[12] *Healthy Houses, a Handbook to the History, Defects, and Remedies of Drainage, Ventilation, Warming and Kindred Subjects* (New York: D. Appleton and Co., 1872), p. 81.

[13] The 'Envirovac' sewage system, for example, which is manufactured by Colt Industries in Beloit, Wisconsin 53511.

[14] *On Site Waste Water Disposal for Homes in Unsewered Areas*. Small Scale Waste Management Project, University of Wisconsin, Sept. 1973, p. 10.

[15] Merrill B. Glasser, "Garrett County Home Aeration Wastewater Treatment Project," Draft (Baltimore, Md.: Environmental Health Administration, May 1975).

[16] Anthony T. Voell and Richard A. Vance, "Home Aerobic Wastewater Treatment Systems, Experiences in a Rural County," *Ohio Home Sewage Conference Proceedings*, Ohio State University, 1974, pp. 26–36.

[17] For an excellent discussion of ocean dumping, see Tracy Kidder, "Sludge," *Atlantic Monthly*, April 1975, pp. 62–70.

[18] For example, "Using the Land for Sewage Disposal," *World*, Dec. 19, 1972, p. 48; and Paul W. Eastman, "The Muskegon County, Mich., Waste Water Management System," *Potomac Basin Reporter*, Interstate Commission on the Potomac River Basin, Oct. 1973, p. 4.

[19] Mid-Atlantic Region, Environmental Protection Agency, *Draft Environmental Impact Statement for the District of Columbia Water Pollution Plant*, April 1972.

[20] Kenneth Walker, as quoted in New York Times, July 26, 1971.

[21] Witold Rybozynski and Alvaro Ortega, *Stop the Five Gallon Flush*, (4th ed.; Montreal: Minimum Cost Housing Group, School of Architecture, McGill University, March 1973).

[22] National Water Commission, *Water Policies for the Future*, Final Report to the President and to the Congress, Washington, D.C., June 1973. Another voluminous study by David Zwick and Mary Benstock, with an introduction by Ralph Nader, also did not contain a word about sewerless disposal methods (*Water Wasteland* (New York: Grossman Publishers, 1971)).

ECOLOGY: FLUSH TIMES

It was perhaps inevitable in this age of ecological concern that someone would get around to taking a hard look at toilets. For one thing, Americans waste billions of gallons of water every day flushing them. And for another, in many parts of the country the expansion of sewer systems simply hasn't kept up with the demand for new buildings, and septic tanks have been ruled out because the soil isn't porous enough to absorb sewage. The frequent result: a moratorium on the construction of badly needed new homes.

LITTLE JOHN

Sure enough, a number of companies are jumping into the market with new toilet systems that either cut down the water used in flushing or use no water at all. Household systems range in price from a $4,000 unit made by Chrysler Corp.'s space division, which gave the world the Saturn 1B rocket, to a $5 set of plastic inserts called, appropriately enough, the Little John.

The most advanced systems so far are made by Monogram Industries, Inc., Chrysler and Colt Industries. The Monogram and Chrysler systems both use mineral oil instead of water to flush waste into an underground tank. The oil, which is lighter than the waste, rises to the top of the tank and then is cleaned and recycled for use again and again. Monogram's Magic Flush tanks are usually pumped out once a year; users of Chrysler's Aqua Sans system burn the waste in an attached incinerator. Either way, says Monogram executive Fred Stone, the sewerless toilet is the wave of the future: "It's creative, it's environmental, you wear the white hat."

Colt Industries' Envirovac system uses water, but only 3 pints per flush, compared with 4 to 7 gallons for conventional toilets. Rather then employing a standard flush apparatus, a vacuum system sucks the waste out of the bowl and forces it into a tank for pickup or routing into the local sewer system. Among conventional toilet makers, American Standard Inc. has developed a new model that uses only 3 gallons per flush. But the cheapest and simplest water saver is Metropolitan Watersaving, Inc.'s Little John. The plastic inserts reduce the capacity of the toilet tank without impairing the siphoning action. Metropolitan Watersaving maintains that Little John reduces the average flush to less than 3 gallons. White House plumbers—the real ones—were sufficiently impressed to install Little Johns in the rest rooms of the West Wing.

A third system has been developed by Clivus Multrum USA, operated by heiress Abby Rockefeller. It uses no water at all; instead, human and kitchen wastes are forced by gravity to flow through a fiber-glass compost box. Over a three-year period, 90 per cent of the waste is vaporized and escapes through an outside vent. What's left at the end of the process is largely odorless humus that can be used for fertilizer.

Any of the systems can help reduce the 52,000 gallons of water a year the average American family of four uses to flush away its 400 gallons of waste. They also will cut water costs. Except for Little John, however, none of the systems is cheap. For example, Monogram (the manufacturer of nearly all toilets used on jetliners) sells its Magic Flush for $3,000, but the company hopes to have the price down to $2,000 in a year. That is still far above the $600 to $800 cost of installing a conventional toilet. Colt says the cost of its system works out to about $800 each for a 150-home development. However, its electric-powered vacuum system can cost as much for power as it saves in water.

SALES

Still, all the companies are confident of future growth—if for no other reason than that conventional toilets cannot be installed in many areas because of restrictions on sewage disposal. Little John sales, for example, are expected to reach approximately $1 million this year, up from $100,000 two years ago. Among the major firms, Monogram Industries is conceded to have the sales lead thus far; the company has nearly 1,000 units installed on sites ranging from a private home in Santa Fe, N.M., to a sixteen-toilet facility that serves 4,000 visitors a day at the Rocky Mountain National Park in Estes Park, Colo. But Chrysler, which was the first to develop the mineral-oil toilet and is now testing it in about 35 installations, is confident of closing the gap; it considers Monogram a Johnny-come-lately.

LET US STOP COURTING OUR ENEMIES AND START PAYING ATTENTION TO OUR FRIENDS

Mr. GOLDWATER. Mr. President, I am disturbed to see that a growing number of congressional delegations are making visits to Communist China without making an immediate comparison with the remarkable economic and democratic progress by the Free Chinese on Taiwan.

These groups, who have made one-sided observations, generally return home bearing pictures of Red China as having a system that works. One Senator even reported to the Committee on Foreign Relations, after having spent 3 weeks on the mainland, that communism, based on the theories of Mao, "is here to stay." The same Senator indicated that:

> Food and clothing are plentiful and low priced. The people appear healthy and well-fed.

A recent delegation of seven Members of Congress, including four Senators and three of our colleagues from the other House, returned with an impression that the economy of Red China in the countryside "has done quite well." Another observation placed in the CONGRESSIONAL RECORD is that their public works were impressive.

Mr. President, I think the blunt question has to be asked: How do these observers know how well the Red Chinese have done if they do not compare what they have seen on the mainland with current activities and results in Free China? We do know that food is rationed in Communist China. We do know that the per capita income of people living on the mainland is lower than most Asian nations and, in fact, is barely one-third that of the Free Chinese. We do know that tens of thousands of Chinese people flee from Red China to freedom in Hong Kong every year.

Mr. President, I urge my colleagues to stop closing their eyes to the accomplishments of our friends on Taiwan. I urge fellow Members of Congress to hold their judgment on the propaganda they are given by the Communist regime and to see for themselves the healthy and dynamic country which the Republic of China has created in Taiwan, based upon an extensive system of representative government and human liberties.

Further, I remind my colleagues that it is wrong to put any advances the present mainland regime may have made in the context of a situation which existed in 1949. It presents a totally distorted picture to compare circumstances on the mainland today with those that existed then, which was a period immediately following two major wars, one by the Chinese people against Japanese invaders and the other against the Communist Revolution. A balanced and honest appraisal of the results of Communist rule can only be made by placing side by side the achievements which each of the two Chinese political systems have made under their respective rule since those wars and by examining the human costs or gains of those achievements.

Mr. President, I suggest to any of my colleagues who may have visited Red China and have returned with a view for withdrawing recognition of the Republic of China as the legitimate government of the Chinese people, that such a position is completely out of tune with American public opinion. It is proper at this point in my remarks to call attention to the latest Gallup Study of Public Attitudes Toward Nations of the World, which finds that 70 percent of

Americans favor continued recognition of Nationalist China and that 70 percent of Americans oppose diplomatic relations with Communist China on condition that the United States should withdraw recognition from Nationalist China. Only 10 percent of Americans felt that the United States should withdraw recognition from Nationalist China in order to establish relations with Red China.

Mr. President, in light of this overwhelming opinion of the American people in support of Nationalist China and the fact that the Republic of China is the government which the United States recognizes as the legal and proper representative of the Chinese people, I repeat my strong belief that Members of Congress and government officials, up to and including President Ford, should realize it is time to stop courting our enemies and to start paying attention to our friends. It is long past the time for Americans to acknowledge this country's debt to Nationalist China for its friendship and its support over these many years.

SENATOR STEVENSON TELLS WHY NEW YORK IS THE NATION'S RESPONSIBILITY

Mr. PROXMIRE. Mr. President, an article by the distinguished Senator from Illinois (Mr. STEVENSON), which appeared recently in the New York Times, makes a convincing argument that "New York is a national responsibility" and the Federal Government cannot walk away from the city's financial crisis.

The Senator was a primary architect of the legislation reported out of the Senate Banking Committee, S. 2615. The bill provides for a limited Federal guarantee of New York obligations, under a number of stringent conditions, and for a restructuring of much of the city's debt into longer-term, lower interest rate securities. Federal assistance would be phased out gradually and would be eliminated by July 1, 1979. As Senator STEVENSON points out, this bill "offers an opportunity to avoid bankruptcy and to achieve fundamental reforms without cost if New York is unable to work out its problems on its own."

The article exposes the fundamental weakness of the President's position.

> Despite Presidential rhetoric, no one is proposing a bailout for New York except the President. The fact is that once the city goes into bankruptcy, as the President proposes, Federal assistance is inevitable, as he recognizes. So the real question is whether assistance should come before default in order to avoid bankruptcy, or after.

It makes a strong case for passage of the legislation reported out of the Banking Committee, to get New York City back on its feet and avoid the "prolonged uncertainty and social disintegration" which bankruptcy would bring with it.

Mr. President, I ask unanimous consent that the full text of Senator STEVENSON's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 5, 1975]

BANKING ON A CAPITOL BALLAST

By Adlai E. Stevenson 3d

WASHINGTON.—The crisis of New York is more than financial: It is a crisis of leadership. Regardless of who is to blame—and there are many—we cannot walk away from New York. New York is a national responsibility.

This is not to excuse New York City. For years it has knowingly and inexcusably been living beyond its means. Fiscal management fell victim to politicians' promises. Payrolls exploded. Benefits ballooned to unheard of levels. Lucrative pension plans, which hid the true cost of public employment, forced people into retirement before middle age. Services that the rest of the country pays for were provided free.

Because the resources were not there to back up its misguided generosity, New York turned to borrowing to meet every conceivable need, regardless of whether there were revenues to back up those borrowings.

These practices are, and should be, condemned. Politicians, aided and abetted by banks and other sophisticated investors, are responsible for perhaps the greatest swindle in our history. The nation at large is, therefore, understandably skeptical about coming to the city's assistance now.

But a bailout is not the real issue. Despite Presidential rhetoric, no one is proposing a bailout for New York except the President. The fact is that once the city goes into bankruptcy as the President proposes. Federal assistance is inevitable, as he recognizes. So the real question is whether assistance should come before default in order to avoid bankruptcy, or after.

New York is insolvent and only a major restructuring of its debt and fundamental reform of its fiscal policies can restore its health. The question is how to achieve that objective quickly, with fairness, with the least disruption of essential service, and at the least cost to the country.

It may be that there is no alternative to bankruptcy. And in that event, revisions of the bankruptcy laws are in order. But default for a city like New York is so fraught with dangers and uncertainties that to refuse to consider alternatives betrays a bankruptcy of leadership more profound by far than New York's present plight.

Efforts to stave off default might not succeed, but if they did, they would eliminate the risks that a default by the nation's largest city entails. And it would cost nothing. While the risks of default are difficult to estimate, it can be safely said that the collapse of New York City, accompanied by the collapse of the nation's second largest state, could have serious political as well as economic implications both at home and abroad.

A bill that the Banking Committee has reported to the Senate offers an opportunity to avoid bankruptcy and to achieve fundamental reforms without cost if New York is unable to work out its problems on its own.

The mechanism is a maximum of $4-billion in Federal guarantees of one-year securities issued to meet current borrowing needs while New York puts its financial house in order. Such guarantees would be secured by a first lien on city revenues. Thus, if the Federal Government had to make good on any guaranteed security, repayment would be made in full.

Before any such guarantee could be issued, the city would be required to meet stringent conditions, including Federal approval of a detailed financial plan providing for a balanced budget within two years. In addition, holders of large numbers of maturing New York securities would be effectively required to swap those securities for lower-interest long-term securities.

The burden for debt restructuring would be placed where it should be—on the sophisticated moneylenders who, by meeting New York's insatiable credit demands long after the brink of disaster had been reached, perpetuated the fiction that New York City was sound. In addition, city pension costs, which have skyrocketed to unsupportable levels, would have to be reduced.

All of these are minimum conditions. A three-member Federal board established by the bill, headed by the Secretary of the Treasury, could impose such additional conditions as are necessary to put the city on a sound financial footing. If voluntary reorganization failed to stave off default, then the bill would make assistance available to finance the delivery of essential city services on an emergency basis.

New York offers a lesson for us all. The crisis provides an opportunity for other cities and states to reexamine their own behavior, it provides an opportunity for the Federal Government to re-examine policies of its own that may led New York down this path.

The President's plan is a bailout—and a cop-out. It shifts responsibility for the hard decisions needed for reform to a judge with limited power, who would in effect assume many of the responsiblities of mayor.

By putting the complex issues facing New York into the legal thicket of bankruptcy proceedings, the President's plan masks the political nature of the issues involved. It raises the specter of prolonged uncertainty and social disintegration. In the long run, New York could end up a semipermanent ward of the Federal Government.

It is ironic that an Administration that now seeks more than $4 billion in new foreign aid and that has billions in Government-guaranteed foreign loans outstanding through the Export-Import Bank and otherwise, cannot take it upon itself to explore humane, rational and costless solutions for New York. It is ironic, too, that an Administration that opposes judicial meddling in matters of education would turn over this pressing social and economic problem to a Federal district judge. Such ironies are lost on those who play politics with human lives.

REGULATORY REFORM: SELECTION AND QUALITY OF REGULATIONS

Mr. PERCY. Mr. President, Congress has taken up the enormously complex task of reassessing and reforming Government regulation of the economy. There is a growing sentiment in both Houses that we can no longer afford to smother our economy under a crazy quilt of outdated and anticompetitive rules and regulations.

Committees in both the Senate and the House are now beginning to attack the hard substantive questions concerning what should be done to remedy specific regulatory problems. The Senate Government Operations and Commerce Committees have begun a yearlong joint inquiry, authorized by Senate Resolution 71, into seven specific problem areas. The study is expected to result in specific legislative proposals for reform.

The committee and others have identified as a principal concern the quality of regulators. Despite the importance of the task they perform, the commissioners' qualifications for holding office have all too often been subject to question, although their political credentials are all too often unimpeachable. This has certainly not been true of all Federal regulators; many have been and are fine public servants. But overall, excellence has been the exception.

A slightly different but related issue concerns the structure of Government regulation. A number of blue-ribbon panels and commissions over the years have blamed the structure of regulatory agencies for a wide range of shortcomings in Government regulation. The studies argue that the collegial form, consisting of several coequal commissioners and a chairperson, contributes to unreasonable delay, a general failure to formulate clear policy, overemphasis on trivia, and a lack of public accountability. Conversely, a single-administrator form, it is argued, would attract top executive talent, facilitate decisionmaking and priority-setting, and increase agency accountability.

To deal effectively with both of these issues—the quality of regulators and the structure of regulatory agencies—we need to know just what and who we are talking about.

Who have the regulators been, where did they come from? To help answer those questions, I requested the Congressional Research Service to compile a list of regulatory agency appointments over the last two decades. I ask unanimous consent that this list be printed in the RECORD, in hope that Members of Congress and staff presently working on these problems will find this information helpful.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, D.C., November 5, 1975.

To Senator CHARLES H. PERCY.

From Ronald C. Moe, Senior Analyst, Government and General Research Division (Frederick L. Scott, Assistant Division Chief).

Subject Regulatory agency appointments: 1961–1975.

This memorandum is in response to your request of October 22, 1975, for a listing of regulatory agency appointments since 1961. The agencies you requested were; Interstate Commerce Commission, Federal Maritime Commission, Civil Aeronautics Board, Securities Exchange Commission, Federal Communications Commission, Federal Trade Commission, Federal Power Commission, Consumer Products Safety Commission, Nuclear Regulatory Commission, Federal Drug Administration, Environmental Protection Agency, National Highway Safety Traffic Administration, and the Federal Aviation Administration.

The data provided in the attachments was compiled by analysts, Stephanie Smith, Fred Kaiser, Bob Washington and Ronald Moe.

We trust this information meets your needs and if we may be of further assistance, please do not hestitate to call.

CIVIL AERONAUTICS BOARD

The Civil Aeronautics Board was originally established under the Civil Aeronautics Act of 1938 (52 Stat. 973; 49 U.S.C. 1321) and continued by the Federal Aviation Act of 1958 (72 Stat. 731; 44 U.S.C. 171). The Board has broad authority to promote and regulate the civil air transport industry within the United States and between the United States and foreign countries in the interests of the foreign and domestic commerce of the United States, the postal service, and the national defense.

The Civil Aeronautics Board is composed of five members appointed by the President and confirmed by the Senate for terms of six years. Not more than three members may belong to the same political party. The President annually designates one member as Chairman and another as Vice Chairman.

Appointees	Appointment date	Termination date
Boyd, Alan S	Nov. 16, 1959	June 1, 1965
(Chairman)	Feb. 10, 1961	June 1, 1965
Murphy, Robert T	Mar. 15, 1961	Oct. 15, 1973
Minetti, G. Joseph	June 11, 1956[1]	Dec. 31, 1979
Gillilland, Whitney	Nov. 16, 1959	Apr. 21, 1975
(Chairman)	May 2, 1960	Feb. 9, 1961
Gurney, Chan	Mar. 12, 1951	Dec. 31, 1964
Murphy, Charles S	June 1, 1965	Mar. 11, 1968
(Chairman)	June 1, 1965	Mar. 11, 1968
Adams, John G	Apr. 30, 1965	Dec. 31, 1970
Crooker, John H	Mar. 11, 1968	Sept. 30, 1969
(Chairman)	Mar. 11, 1968	Sept. 30, 1969
Browne, Secor D	Oct. 8, 1969	Mar. 1, 1973
(Chairman)	Oct. 8, 1969	Mar. 1, 1973
Timm, Robert D	Jan. 11, 1971[1]	Dec. 31, 1976
(Chairman)	Mar. 2, 1973	Jan. 1, 1975
West, Lee	Nov. 21, 1973[1]	Dec. 31, 1978
O'Melia, Richard J	Nov. 26, 1973[1]	Dec. 31, 1980
(Acting chairman)	Jan. 1, 1975	Apr. 21, 1975
Robson, John E	Apr. 21, 1975[1]	Dec. 31, 1977
(Chairman)	Apr. 21, 1975	------------

[1] Incumbents.

CONSUMER PRODUCTS SAFETY COMMISSION

The Consumer Products Safety Commission was established by Act of October 27, 1972 (86 Stat. 1207). The Commission has primary responsibility for establishing mandatory product safety standards, where appropriate, to reduce the unreasonable risk of injury to consumers from consumer products.

In addition to the new authority created by the Act, the Commission assumes responsibility for the Flammable Fabrics Act (67 Stat. 111; 15 U.S.C. 1191), the Poison Prevention Packaging Act (84 Stat. 1670), the Hazardous Substances Act (74 Stat. 372; 15 U.S.C. 1261), and the Act of August 2, 1956 (70 Stat. 953; 15 U.S.C. 1211) which prohibits the transportation of refrigerators without door safety devices.

The Consumer Products Safety Commission is composed of five members appointed by the President and confirmed by the Senate for terms of seven years. Not more than three members may belong to the same political party. The Chairman is designated by the President and serves until the expiration of his term of office as Commissioner.

Appointees	Appointment date	Termination date
Simpson, Richard C. (Chairman)	May 10, 1973	Oct. 26, 1975
Kushner, Lawrence M	May 10, 1973	Oct. 26, 1976
Pittle, R. David	Sept. 17, 1973	Oct. 26, 1977
Newman, Constance E	May 10, 1973	Oct. 26, 1978
Franklin, Barbara H	May 10, 1973	Oct. 26, 1979

The regular term of office will be seven years, except that the initial members have been appointed for staggered terms of three, four, five, six, and seven years.

FEDERAL COMMUNICATIONS COMMISSION

The Federal Communications Commission was created by the Communications Act of 1934 (48 Stat. 1064; 15 U.S.C. 21; 47 U.S.C. 35, 151–609) and was given additional regulatory responsibilities by the Communications Satellite Act of 1962 (76 Stat. 419; 47 U.S.C. 701–744). The purpose of the Commission is to regulate "interstate and foreign commerce in communication by wire and radio" to provide the people of the United States with a rapid, efficient, nationwide and worldwide wire and radio communication service. The Commission endeavors to insure the more effective use of radio, television, and wire communications in the public interest.

Members of the Commission are appointed by the President, confirmed by the Senate, and the Chairman is designated by the President. Not more than four of them may be members of the same political party.

Appointees	Appointment Date	Termination Date
Hyde, Rosel H	Apr. 17, 1946	Oct. 31, 1969
(chairman)	Apr. 18, 1953	Apr. 18, 1954
(chairman)	June 27, 1966	Oct. 31, 1969
Bartley, Robert T	Mar. 6, 1952	June 30, 1972
Lee, Robert E	Oct. 6, 1953[1]	June 30, 1982
Craven, T.A.M.	July 2, 1956	Mar. 25, 1963
Ford, Frederick W	Aug. 29, 1957	Dec. 31, 1964
(chairman)	Mar. 15, 1960	Mar. 1, 1961
Cross, John S	May 23, 1958	Sept. 30, 1962
King, Charles H	July 19, 1960	Mar. 2, 1961
Minow, Newton N	Mar. 2, 1961	June 1, 1963
(chairman)	Mar. 2, 1961	June 1, 1963
Henry, William F	Oct. 2, 1962	May 1, 1966
(chairman)	June 2, 1963	May 1, 1966
Cox, Kenneth A	Mar. 26, 1963	Aug. 31, 1970
Loevinger, Lee	June 11, 1963	June 30, 1968
Wadsworth, James J	May 5, 1965	Oct. 31, 1969
Johnson, Nicholas	July 1, 1966	Dec. 5, 1973
Lee, H. Rex	Oct. 28, 1968	Dec. 31, 1973
Burch, Dean	Oct. 31, 1969	Jan. 3, 1972
(chairman)	Oct. 31, 1969	Jan. 3, 1972
Wells, Robert	Nov. 6, 1969	Nov. 1, 1971
Houser, Thomas J	Jan. 6, 1971	Oct. 5, 1971
Reid, Charlotte T	Oct. 8, 1971[1]	June 30, 1978
Wiley, Richard E	Jan. 5, 1972[1]	June 30, 1977
(chairman)	Mar. 8, 1974	------------
Hooks, Benjamin L	July 5, 1974[1]	June 30, 1979
Quello, James H	Apr. 30, 1974[1]	June 30, 1980
Robinson, Jr. Glen O	July 10, 1974[1]	June 30, 1976
Washburn, Abbott	July 10, 1974[1]	June 30, 1982

[1] Incumbents.

FEDERAL MARITIME COMMISSION

The Federal Maritime Commission was established by Reorganization Plan No. 7, effective August 12, 1961, as an independent agency to administer the functions and discharge the regulatory authorities under the Shipping Act 1916; Merchant Marine Act, 1920; Intercoastal Shipping Act, 1933; and Merchant Marine Act, 1936. The Commission also administers certain provisions of the act of November 6, 1966 (80 Stat. 1356; 46 U.S.C. 362) and the Federal Water Pollution Control Act Amendments of 1972 (86 Stat. 816; 33 U.S.C. 1151).

The purpose of the Commission is to protect the interests of the public by regulation of waterborne shipping in the foreign and domestic offshore commerce of the United States. Its general functions include: (1) regulation of services, practices, and agreements of common carriers by water and other persons engaged in foreign commerce of the U.S.; (2) consideration of tariff filings of common carriers engaged in foreign commerce; (3) regulation of rates, fares, and practices of common water carriers in domestic offshore trade of the United States; (4) investigation of discriminatory rates, charges, classifications, and practices in waterborne offshore commerce; and (5) rendering decisions, issuing orders, and making rules governing common carriers by water, terminal operators, freight forwarders, and other persons subject to shipping statutes.

The Commission is composed of five members appointed by the President and confirmed by the Senate to five year terms. No more than three of the members may be of the same political party. The Chairman is designated "from time to time" by the President; the Vice Chairman is elected by the Commission.

Appointees	Appointment date	Termination date
Patterson, John S	Feb. 12, 1962	June 30, 1966
Barrett, Ashton C	Feb. 12, 1962[1]	June 30, 1977
Stakem, Thomas E	Feb. 12, 1962	June 30, 1964
(Chairman)	Feb. 27, 1962	Aug. 26, 1963
Harllee, John	Feb. 12, 1962	Sept. 1, 1969
(Chairman)	Aug. 26, 1963	Sept. 1, 1969
Day, James V	Feb. 12, 1962[1]	June 30, 1979
Hern, George H	July 22, 1964	June 2, 1975

Appointees	Appointment date	Termination date
Bentley, Helen D	Oct. 8, 1969	June 30, 1975
(Chairman)	Oct. 8, 1969	[2] June 30, 1975
Fanseen, James F	Apr. 20, 1967	Oct. 11, 1971
(Acting chairman)	Sept. 5, 1969	Oct. 8, 1969
Morse, Clarence	Oct. 12, 1971	[1] June 30, 1976
Bakke, Karl E		(3)

[1] Incumbents.

[2] Chairman Helen Bentley requested that she not be reappointed and agreed to serve as chairman until her successor was nominated, confirmed, and designated as chairman by the President.

[3] Karl Bakke was nominated Sept. 19, 1975, by the President. As of Oct. 31, 1975, the Senate has not confirmed the nominee.

Note: 1 vacancy, Oct. 31, 1975.

FEDERAL POWER COMMISSION

The Federal Power Commission is an independent agency operating under the Federal Power Act (16 U.S.C. 791a–825r), as amended. This act was originally enacted as the Federal Water Power Act of June 10, 1920 (41 Stat. 1063), and subsequently amended by Title II of the Public Utility Act of 1935 (49 Stat. 838), and the Natural Gas Act, enacted June 21, 1938 (52 Stat. 821–833), as amended; 15 U.S.C. 717–717w). Additional responsibilities have been assigned by subsequent legislation and Executive orders. The Federal Power Commission regulates the interstate aspects of the electric power and natural gas industries and has the authority to issue permits and licenses for non-Federal hydroelectric power projects, to regulate the rates and other aspects of interstate wholesale transactions in electric power and natural gas, to issue certificates for interstate gas sales and construction and operation of interstate pipeline facilities, and to require maximum protection of the environment in the construction of new hydroelectric projects and natural gas transmission lines.

The Commisison is composed of five members appointed by the President and confirmed by the Senate to five year terms. No more than three members may be members of the same political party. The Chairman is designated by the President and a Vice Chairman is elected each year by the members of the Commission. Each chairman acts as such until the expiration of his term of office.

Appointees	Appointment date	Termination date
Kuykendall, Jerome K	May 15, 1953	Jan. 1, 1962
(Chairman)	May 15, 1953	July 1, 1961
Stueck, Frederick	July 9, 1954	July 15, 1961
Kline, Arthur	June 23, 1956	Aug. 13, 1961
Sweeney, Paul A	July 15, 1960	Apr. 15, 1961
Swidler, Joseph C	June 28, 1961	Dec. 30, 1965
(Chairman)	July 1, 1961	Feb. 30, 1965
Morgan, Howard	June 28, 1961	Aug. 29, 1963
O'Connor, Lawrence J	Aug. 14, 1961	Sept. 1, 1971
Ross, Charles R	Sept. 29, 1961	Sept. 24, 1968
Woodward, Harold C	Mar. 3, 1962	Aug. 4, 1964
Black, David S	Aug. 30, 1963	Sept. 12, 1966
Bagge, Carl E	May 27, 1965	Dec. 31, 1970
White, Lee C	Mar. 2, 1966	July 31, 1979
(Chairman)	Mar. 20, 1966	July 31, 1969
Carver, John A	Sept. 13, 1966	June 15, 1972
Brooke, Albert Bush	Oct. 16, 1968	Mar. 31, 1975
Nassikas, John N	Aug. 1, 1969	Oct. 20, 1975
(Chairman)	Aug. 1, 1969	Oct. 20, 1975
Walker, Pinkney	May 26, 1971	Dec. 31, 1972
Moody, Rush	Nov. 19, 1971	Mar. 15, 1975
Springer, William L	June 14, 1973	[1] June 22, 1977
Smith, Don S	Dec. 13, 1973	[1] June 22, 1978
Holloman, John H	Sept. 3, 1975	[2] June 22 1976
Dunham, Richard L	Oct. 20, 1975	[1] June 22, 1980
(Chairman)	Oct. 20, 1975	

[1] Incumbents.

[2] Filling unexpired term of Rush Moody.

Note: 1 vacancy, Oct. 31, 1975. On Apr. 9, 1975, the President announced his intention to nominate James G. Watt as a Commissioner of the Federal Power Commission. The Senate has not acted on that nomination.

FEDERAL TRADE COMMISSION

The Federal Trade Commission was created in 1915 by the Federal Trade Commission Act of 1914 (38 Stat. 717; 15 U.S.C. 41–41). Subsequent laws have delegated additional duties to the Commission. The five-member board is appointed by the President and confirmed by the Senate. Under a 1950 change in the law, the President also designates the Chairman. Not more than three of the members of the Commission may be members of the same political party.

The primary purposes of the Commission are: (1) to promote free and fair competition in interstate trade through prevention of price restraints, unlawful price discrimination etc.; (2) to safeguard the life and health of the consuming public by prevention of false advertisements of drugs, cosmetics, devices etc.; (3) to regulate packaging and labeling to prevent consumer deception; and (4) to make available to the Congress, the President, and the public factual data concerning economic and business conditions.

Appointees	Appointment date	Termination date
Robert T. Secrest	Sept. 27, 1954	Sept. 26, 1961
Sigurd Anderson	Sept. 12, 1955	Mar. 1, 1964
William C. Kern	Sept. 26, 1955	Oct. 18, 1962
Earl W. Kintner	June 9, 1959	Mar. 20, 1961
(Chairman)	June 11, 1959	Mar. 20, 1961
Philip Elman	Apr. 21, 1961	Oct. 18, 1970
A. Everette MacIntyre	Sept. 26, 1961	June 30, 1973
John R. Reilly	Jan. 28, 1964	Dec. 1, 1967
James M. Nicholson	Jan. 5, 1968	Dec. 1, 1967
David S. Dennison, Jr	Oct. 13, 1970	Dec. 31, 1973
Mary Gardner Jones	Oct. 29, 1964	Nov. 2, 1973
Miles W. Kirkpatrick	Sept. 14, 1970	Feb. 20, 1973
(Chairman)	Sept. 14, 1970	Feb. 20, 1973
Caspar W. Weinberger	Dec. 31, 1969	Aug. 6, 1970
(Chairman)	Dec. 31, 1969	Aug. 6, 1970
Lewis A. Engman	Feb. 23, 1973	[1] Sept. 25, 1976
(Chairman)	Feb. 23, 1973	(2)
Paul Rand Dixon	Mar. 21, 1961	Sept. 25, 1981
(Chairman)	Mar. 21, 1961	[1] Mar. 1, 1970
Mayo J. Thompson	July 12, 1973	[1] Sept. 1, 1975
M. Elizabeth Hanford	Dec. 4, 1973	[1] Sept. 25, 1980
Stephen Nye	May 29, 1974	[1] Sept. 25. 1977

[1] Incumbents.

[2] Still serving.

INTERSTATE COMMERCE COMMISSION

The Interstate Commerce Commission was created as an independent agency by an act of February 4, 1887 (24 U.S.C. 379; 49 U.S.C. 1–22). Subsequent legislation has broadened and strengthened its authority. Members of the Commission are appointed by the President subject to Senate confirmation. Under Reorganization Plan No. 1 of 1969, the President designates the Chairman; the Vice Chairman is chosen by rotation among the members. Not more than six of the Commission members may belong to the same political party.

The Commission regulates rail, motor, water carriers; freight forwarders; and oil pipelines. It prescribes rates and regulations; authorizes carriers to issue securities; and prescribes safety regulations.

Appointees	Appointment date	Termination date
Howard G. Freas	Aug. 18, 1953	Dec. 31, 1966
(Chairman)	Jan. 1, 1958	Dec. 31, 1958
Everett Hutchinson	Feb. 1, 1955	Mar. 31, 1965
(Chairman)	Jan. 1, 1961	Dec. 31, 1961
Kenneth H. Tuggle	Dec. 30, 1955	July 31, 1975
(Chairman)	Jan. 1, 1959	Dec. 31, 1959
Laurence K. Walrath	Mar. 29, 1956	Mar. 31, 1969
(Chairman)	Jan. 1, 1963	Dec. 31, 1963
Donald P. McPherson, Jr	June 4, 1956	Mar. 26, 1963
Abe McGregor Goff	Feb. 12, 1958	July 30, 1967
(Chairman)	Jan. 1, 1964	Dec. 31, 1964
Charles A. Webb	Sept. 30, 1958	Mar. 31, 1967
(Chairman)	Jan. 1, 1965	Dec. 31, 1965
Clyde E. Herring	Sept. 21, 1959	May 25, 1964
John W. Bush	Apr. 3, 1961	Oct. 31, 1972
(Chairman)	Jan. 1, 1966	Dec. 31, 1966
William H. Tucker	Mar. 3, 1961	Dec. 31, 1966
(Chairman)	Jan. 1, 1967	Dec. 31, 1967
Paul J. Tierney	May 25, 1964	Feb. 28, 1970
(Chairman)	Jan 1, 1968	Dec. 31, 1968
Willard Deason	Sept. 8, 1965	July 31, 1975
Grant E. Syphers	July 31, 1967	Feb. 5, 1968
Wallace R. Burke	Aug. 21, 1968	June 28, 1969
Donald H. Jackson	Mar 20, 1969	June 30, 1972
W. Donald Brewer	July 23, 1970	June 30, 1974
Chester M. Wiggin, Jr	Oct 24, 1972	July 31, 1973
Rodolpho Montejano	Nov. 3, 1972	Mar. 2, 1973
George M. Stafford	Apr. 26, 1967	[1] Dec. 31, 1980
(Chairman)	Jan. 1, 1970	(2)
A. Daniel O'Neal	Mar. 12, 1973	[1] Dec. 31, 1979
Rupert L. Murphy	Dec. 30, 1955	[1] Dec. 31, 1978
(Chairman)	Jan. 1, 1962	Dec. 31, 1962
Virginia Mae Brown	May 25, 1964	[1] Dec. 31, 1977
(Chairwoman)	Jan. 1, 1969	Dec. 31, 1969
Dale W. Hardin	July 31, 1967	[1] Dec. 31, 1977
Robert C. Gresham	Dec. 15, 1969	[1] Dec. 31, 1981
Alfred T. MacFarland	Nov. 1, 1972	[1] Dec. 31, 1978
Charles L. Clapp	Mar. 14, 1974	[1] Dec. 31, 1980
Robert J. Corber	Mar. 13, 1975	[1] Dec. 31, 1976

[1] Incumbents.

[2] Still serving.

Note: 2 vacancies as of Oct. 31, 1975.

NUCLEAR REGULATORY COMMISSION

The Nuclear Regulatory Commission was established by Title II of the Energy Reorganization Act of 1974 (88 Stat. 1242; 42 U.S.C. 5841) and Executive Order 11834, of January 15, 1975, effective January 19, 1975. Transferred to the NRC were all licensing and related regulatory functions formerly assigned to the Atomic Energy Commission, which was established by the Atomic Energy Act of 1946 (60 Stat. 755) as amended by the Atomic Energy Act of 1954 (68 Stat. 919; 42 U.S.C. 2011 et seq.), as amended.

The Nuclear Regulatory Commission's purpose is to assure that the civilian uses of nuclear materials and facilities are conducted in a manner consistent with the public health and safety, environmental quality, national security, and the antitrust laws. The major share of the Commission effort is focused on the use of nuclear energy to generate electric power.

The Commission consists of five members appointed by the President and confirmed by the Senate. The term of office is 5 years. The President selects the Chairman of the Committee.

Appointees	Appointment date	Termination date
Anders, William (chairman)	Oct. 29, 1974	June 30, 1976
Gilinsky, Victor	Dec. 12, 1974	June 30, 1979
Kennedy, Richard	Dec. 12, 1974	June 30, 1980
Mason, Edward A	Dec 12, 1974	June 30, 1978
Rowden, Marcus	Dec. 12, 1974	June 30, 1977

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission was established under authority of the Securities and Exchange Act of 1934 (48 Stat. 881; 15 U.S.C. 78a to 78j), and was organized on July 2, 1934. The Commission also has certain responsibilities under section 15 of the Bretton Woods Agreements Act of 1945 (59 Stat. 512; 22 U.S.C.A. 286–286k) and section 8151(e) of the Internal Revenue Code of 1954 (68A Stat. 3; 26 U.S.C.A. 851(e)). The general objective of the statutes administered by the Securities and Exchange Commission is to provide the fullest possible disclosure to the investing public, and protect the interests of the public and investors against malpractices in the securities and financial markets.

The Commission consists of five members appointed by the President with the advice and consent of the Senate to five year terms. Not more than three members may belong to the same political party. The Chairman is designated by the President.

Appointees	Appointment date	Termination date
Hastings, Earl F	Mar. 11, 1956	Aug. 31, 1961
Gadsby, Edward H	Aug. 20, 1957	Aug. 4, 1961
(Chairman)	Aug. 20, 1957	Mar. 26, 1961
Woodside, Byron D	July 15, 1960	Apr. 30, 1967
McCauley, Daniel J	Oct. 24, 1960	Mar. 26, 1961
Frear, J. Allen	Mar. 15, 1961	Sept. 30, 1963

Footnotes at end of table.

Appointees	Appointment date	Termination date
Cary William L	Mar. 27, 1961	Aug. 20, 1964
(Chairman)	Mar. 27, 1961	Aug. 20, 1964
Cohen, Manuel F	Oct. 11, 1961	Feb. 22, 1969
(Chairman)	Aug. 20, 1964	Feb. 22, 1969
Whitney, Jack M	Nov. 9, 1961	June 15, 1964
Owens, Hugh F	Mar. 23, 1964	Nov. 20, 1973
Budge, Hamer H	July 8, 1964	Jan. 2, 1971
(Chairman)	Feb. 22, 1969	Jan. 2, 1971
Wheat, Francis M	Oct. 2, 1964	Sept. 30, 1969
Smith, Richard B	May 3, 1967	July 30, 1971
Needham, James J	July 10, 1969	July 14, 1972
Herlong, Albert Sydney	Oct. 29, 1969	June 30, 1973
Casey, William J	Apr. 14, 1971	Feb. 2, 1973
(Chairman)	Apr. 14, 1971	Feb. 2, 1973
Loomis, Philip A	Aug. 13, 1971	[1] June 5, 1979
Evans, Philip A	Aug. 13, 1973	[1] June 5, 1978
Cook, John R	Mar. 3, 1973	May 16, 1973
(Chairman)	Mar. 3, 1973	May 16, 1973
Garrett, Ray	Aug. 6, 1973	Oct. 28, 1975
(Chairman)	Aug. 6, 1973	Oct. 28, 1975
Somer, A. A	Aug. 6, 1973	[1] June 5, 1976
Pollack, Irving M	Feb. 13, 1974	[1] June 5, 1980
Hills, Roderick	Oct. 28, 1975	[2] June 5, 1977
(Chairman)	Oct. 28, 1975	[2] June 5, 1977

[1] Incumbents.

[2] Filling unexpired term of Ray Garrett.

ENVIRONMENTAL PROTECTION AGENCY

The Environmental Protection Agency was established in the Executive Branch as an independent agency pursuant to Reorganization Plan No. 3 of 1970, effective December 2, 1970. The Environmental Protection Agency was created to permit coordinated and effective governmental action on behalf of the environment. The Agency activities include abatement and control of pollution through proper integration of a variety of research, monitoring, standard setting, and enforcement activities. As a complement to its other activities, it coordinates and supports research and anti-pollution activities by State and local governments, private and public groups, individuals, and educational institutions. The Agency also reinforces efforts among other Federal agencies with respect to the impact of their operations on the environment, and it is specifically charged with making public its written comments on environmental impact statements and with publishing its determinations when those hold that a proposal is unsatisfactory from the standpoint of public health or welfare or environmental quality.

The Environmental Protection Agency is headed by an Administrator, who is appointed by the President by and with the consent of the Senate. There is no specified term of office for the Administrator, who serves at the pleasure of the President. Following is a list of Administrators and Acting Administrators of the Agency since its inception. Acting Administrators are appointed by the President.

Appointees	Appointment date	Termination date
Ruckelshaus, William D	Dec. 2, 1970	Apr. 30, 1973
Fri, Robert W.[1]	Apr. 30, 1973	Aug. 14, 1973
Quarles, John W.[1]	Aug. 14, 1973	Sept. 14, 1973
Train, Russell E	Sept. 14, 1973	(2)

[1] Acting administrator.

[2] Incumbent administrator.

FEDERAL AVIATION ADMINISTRATION

The Federal Aviation Administration, formerly the Federal Aviation Agency, became a part of the Department of Transportation in 1967 (80 Stat. 932).

The FAA was created to provide for the regulation and promotion of civil and military aviation by allocating airspace, making and enforcing air traffic rules and developing a common system of air navigation facilities.

The Administrator issues and enforces the rules and regulations of the Administration. He is appointed by the President, by and with the advice and consent of the Senate.

Appointees	Appointment date	Termination date
N. E. Halaby	Mar 3, 1961	July 1, 1965
Gen. W. F. McKee, USAF	July 1, 1965	Mar. 31, 1967
	Apr. 1, 1967 [1]	June 31, 1968
John H. Shaffer	Mar. 24, 1969	Mar. 14, 1973
Alexander P. Butterfield	Mar. 14, 1973	Apr. 1, 1975

[1] General McKee was the Administrator of the Federal Aviation Agency and became the 1st Administrator of the new Federal Aviation Administration.

[2] As of Nov. 4, 1975, John L. McLucas has not been confirmed by the Senate to become the new Administrator of the FAA. Deputy Administrator James E. Dow is currently Acting Administrator.

FOOD AND DRUG ADMINISTRATION

The Food and Drug Administration was first provided by the Agriculture Appropriation Act of 1931, approved May 27, 1930 (46 Stat. 392), although similar law-enforcement functions had been carried on under different organizational titles since January 1, 1907, when the Food and Drug Act of 1906 (34 Stat. 768; U.S.C. 1–15) became effective.

The Food and Drug Administration's (FDA) activities are directed toward protecting the health of the Nation against impure and unsafe foods, drugs and cosmetics, and other potential hazards.

Appointees	Appointment date	Termination date
Larrick, George P	Aug. 12, 1954	Jan. 6, 1966
Goddard, James L., M.D	Jan. 17, 1966	June 30, 1968
Ley, Herbert L., Jr., M.D	July 1, 1968	Dec. 11, 1969
Edwards, Charles G., M.D	Dec. 10, 1969	July 19, 1973
Schmidt, Alexander M., M.D	July 20, 1973	

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

The National Highway Traffic Safety Administration was established by the Highway Safety Act of 1970 (84 Stat. 1739). The Administration carries out programs relating to the safety performance of motor vehicle drivers, under the respective National Traffic and Motor Vehicle Safety Act of 1966 (80 Stat. 718), as amended, and the Highway Safety Act of 1966 (80 Stat. 731), as amended. Under the authority of the Motor Vehicle Information and Cost Saving Act (86 Stat. 947), the Administration carries out programs and studies to foster competition in the motor vehicle industry aimed at reducing economic losses in motor vehicle crashes and repairs, establishing diagnostic inspection projects, administering the Federal odometer law, and a uniform national maximum speed limit.

The National Highway Traffic Safety Administration was established to carry out a congressional mandate to reduce the mounting number of deaths, injuries, and economic loses resulting from traffic accidents on the Nation's highways, and to provide motor vehicle damage susceptibility and ease of repair information, motor vehicle inspection demonstrations, and protection of purchasers of motor vehicles having altered odometers.

Administrator appointments	Appointment date	Termination date
Toms, Douglas [1]	Dec. 31, 1970	Mar. 31, 1973
Wilson, James E. (acting)	Apr. 1, 1973	Aug. 5, 1973
Gregory, James	Aug. 6, 1973	Present.

[1] Douglas Toms was appointed Director of the Bureau of National Highway Satefy in the Federal Highway Administration, Mar. 22, 1970, the Bureau being the predecessor organization to the National Highway Traffic Safety Administration.

THE NEED FOR IMPROVED CLIMATE FORECASTING AND A GRAIN RESERVE SAFEGUARD

Mr. HUMPHREY. Mr. President, I would like to call the attention of my colleagues to an article by Henry Lansford entitled "Climate Outlook: Variable and Possibly Cooler," which appears in the November issue of Smithsonian magazine.

The author emphasizes, and I totally agree with him, that our agriculture policies, which are based on the assumption of continued stable and warm climate, are totally inadequate to ensure an ample food supply at reasonable prices.

Climatologist Reid Bryson, director of the Institute for Environmental Studies at the University of Wisconsin, suggests that what we are using as the norm for climate may represent a period "that is unlikely to prevail again any time in the foreseeable future." Other atmospheric scientists, such as Stephen Schneider, deputy head of the climate project at the National Center for Atmospheric Research, warn that while we are not certain if the climate is changing for the worse, it is risky to proceed hoping for good weather without having adequate food reserves.

The author points out that despite disagreement among scientists over climate change, there is agreement that we are more vulnerable now than before. Lansford states:

> Regardless of the long-term prognosis, the immediate situation is precarious . . . the scientists who believe that a major climate change is occurring and those who see recent weather extremes as nothing more than fluctuations agree that the high variability of climate presents a serious threat to food production.

Furthermore, climate variability is greater in arid and semi-arid land. As more and more marginal land is brought into production in an effort to feed the rapidly multiplying population, the effect of climate fluctuations is going to have greater impact.

Because of this and for many other reasons, the United States should take a leading position in setting up a grain reserve system. When the World Food Conference ended last November, the participating nations agreed to establish an international system of nationally held reserves. We have not yet completed the initial steps in doing this, nor has the United States gone ahead and set up a domestic reserve system. Lacking both a reserve system and a comprehensive food and agriculture policy, the United States will not be able to deal responsibly with the impact of climate variations.

Mr. President, the long range weather implications are exceedingly important in relation to our food policies. Accordingly, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CLIMATE OUTLOOK: VARIABLE AND POSSIBLY COOLER

(By Henry Lansford)

Climatic variability—droughts, floods and other anomalies—very probably will cause major crop failures in the next ten years.

And, "if national and international policies do not take such failures into account, they may result in mass deaths by starvation and perhaps in anarchy and violence that could exact a still more terrible toll."

That is the conclusion of a meeting of experts in such diverse fields as climatology, agricultural economics and political science called by the International Federation of Institutes for Advanced Study (IFIAS), part of the Federation's examination of the impact of climate change on human life.

Government policies on agriculture and grain reserves generally have assumed that a relatively warm and stable climate is normal and can reasonably be expected to last indefinitely. This optimistic view is based on the experience of the first half of this century, a period when, in spite of some setbacks such as the dust-bowl years of the 1930s, climatic conditions were generally benign for agriculture in the great North American "breadbasket" as well as many other major agricultural regions of the world.

Until fairly recently most climatologists, accustomed to considering ice ages and other massive climatic changes that occur on scales of centuries and millennia, tended to agree that climate remains fairly constant, at least in terms of immediate human concerns. The average of the 30-year period between 1930 and 1960 was generally accepted as the climatic norm.

But now some atmospheric scientists are disagreeing emphatically with this complacent view. Reid Bryson, a climatologist who directs the Institute for Environmental Studies at the University of Wisconsin, describes the first half of the 20th century as "the most abnormal period in a thousand years" and maintains that our society has adapted to a climatic "norm" that is unlikely to prevail again any time in the foreseeable future. Bryson believes that the climate is changing now in ways that may have catastrophic impacts—"like a half-a-billion people starving."

Another atmospheric scientist who is deeply concerned about potential human impacts of climate change is Stephen Schneider, a physicist who is deputy head of the climate project at the National Center for Atmospheric Research (NCAR) in Boulder, Colorado. Schneider feels strongly that we must increase food reserves to prepare for unfavorable climate trends.

Even though we do not have certain knowledge that the climate is changing for the worse, Schneider asks if we can afford to gamble that we will not have a series of years like 1972 and 1974, when droughts, floods and early frosts drastically reduced crop yields. He advocates a food reserve policy that he calls the "Genesis strategy," after the Biblical book that tells how Joseph advised Pharaoh to store grain during seven years of plenty so there would be food for the people during the seven years of famine that followed.

What is happening to the climate? Is it in fact changing in ways that presage global catastrophe? If so, is it possible for society to prepare for the effects of climatic change and thus reduce their impact?

Most climatologists agree on one documented fact—the Northern Hemisphere has been cooling off for the last quarter-century or so, especially in higher latitudes. This decrease in average temperature is slight—less than one degree for the Northern Hemisphere as a whole, and between four and five degrees for some northern locations such as Iceland. This cooling, which began in the 1940s and became more pronounced after 1960, followed a warming trend that had begun in the 1880s.

Although an average temperature change of less than a degree may seem insignificantly small, Hubert Lamb, director of the Climatic Research Unit at the University of East Anglia, has pointed out that the length of the growing season in England increased by two or three weeks during the warming period and has dropped back by about two weeks since 1945. In addition to the direct effects of the cooling, some scientists see evidence that it has caused greater climatic variability—more floods, droughts and freezes like those that plagued U.S. farmers last year. By increasing the temperature contrast between the equatorial and polar regions, this theory goes, the high-latitude cooling has altered the large-scale circulation patterns of the atmosphere. Bryson believes that this has produced a change in the summer position of the circumpolar vortex—the great band of high-altitude winds that circles the northern hemisphere—blocking the summer monsoons that bring life-giving rains to many heavily populated regions of the world. The sub-Sahara region of Africa known as the Sahel, which has suffered from severe drought over the past six years, is one of these monsoon-dependent areas.

Then there is the question of whether the cooling is a trend that will probably continue or a random fluctuation that is likely to reverse itself at any time. There are some recent indications that, at least in the North Atlantic region, the temperature may be starting to rise again. One school of opinion holds that trends like the warming and cooling during the last century must be viewed as fluctuations rather than climatic changes. As Helmut Landsberg of the University of Maryland puts it: "Atmospheric conditions as a whole, while mildly oscillating from year to year, have a fair amount of stability. They pendulate around averages that change only slowly."

But other atmospheric scientists disagree. Walter Orr Roberts, who formerly headed NCAR and now directs the IFIAS climate project, describes the views of this second school like this:

"We feel that the downturn of temperature since 1950—and rapidly in the '60s—probably represents a trend and isn't just a short-term chance fluctuation, with next year or the year after likely to return to the conditions of the 1940s. We feel that it's more likely that these colder average temperatures in the Northern Hemisphere will continue for 20 or 30 years, and therefore we consider it a significant climate effect that the world will probably have to contend with for a long time."

We need to know more about the past to resolve the issue. Precise instrumental measurements of the factors that define climate—temperature, precipitation and others—are available only for the last century or so. Earlier climatic history has been reconstructed from such sources as tree rings, records of grape harvests in France, sea ice around Viking ports in Iceland, and contemporary references to events such as ice-skating on the River Thames, which has not frozen over in recent times. It is possible to trace climatic changes even further back into prehistory by using fossil evidence of pollens, beetles, oceanic organisms and other climate-sensitive life forms.

This paleoclimatological evidence indicates that, over the last million years, the Earth's climate has swung repeatedly back and forth between glacial and interglacial periods. During the cold glacial periods, or ice ages, ice sheets crept south over North America and Europe, and temperate forests gave way to frozen tundra over vast regions ahead of the ice. It seems fairly certain that about six of these cold periods, have occurred during the past 500,000 years, and there is some evidence that the pattern goes back for several million years. During the interglacials, the climate grew warmer and the ice retreated poleward. Climatologists refer to our present epoch as interglacial.

The most recent glacial period started about 70,000 years ago and reached its maximum about 20,000 years ago, when an estimated 44 million square kilometers of land was ice-covered, compared with 15 million today. High mountain ranges were buried in ice, and a massive sheet of ice extended down from the Arctic across North America as far south as the present course of the Missouri River. Other regions were affected too, as great quantities of water were locked up in the ice and the level of the oceans fell.

About 15,000 years ago, the glaciers began to retreat. By 3000 B.C. the climate in the temperate zones was a little warmer than it is today. From about that time on, surprisingly enough, climate information is available from records that were kept deliberately and more or less systematically by humans. Chinese records are available for the period from about 3000 B.C. to A.D. 1000, and records from Europe are available after that. Increasingly detailed records have been kept since weather services were founded in many countries in the 19th century.

From a variety of European evidence, Lamb and others have called the cold period centered on the 17th and 18th centuries the "Little Ice Age." During that time, sea ice increased off the coast of Iceland, and farms that had been established in Greenland by Viking colonists were abandoned. Alpine glaciers, which had shrunk between A.D. 750 and 1200, began to grow again.

A French historian, Emmanuel Le Roy Ladurie, has studied Alpine glaciers carefully and has presented meticulously documented evidence that the glaciers advanced almost continuously between 1590 and 1850. In the last years of the 19th century, as the warming trend began that was to continue into the 1940s, the Alpine glaciers began a slow retreat. A comparison of mid-20th century photographs with 19th-century engravings of glaciers such as the Argentière glacier near Chamonix, France, clearly shows the effect of the warming (page 151). In recent years, some glaciers show signs of a new advance.

Looking at the paleoclimatological records, climatologists generally agree that our present climate is considerably warmer than the average of the past several centuries, and that those centuries were warmer, and more ice-free, than the average of the past million years. It also appears that earlier climatic epochs as warm as the present one have been relatively short. This all suggests that we may reasonably expect a return to cooler conditions, but climatologists hasten to point out that the record of the past does not tell us when or how rapidly such a cooling might occur. Although the onset of warm periods generally seems to have been more rapid than the transitions to cold epochs, the most recent cooling trend, which began about 120,000 years ago, developed almost as rapidly as the warming trend that preceded it.

Many theories have been proposed to account for the alternating pattern of glacial and interglacial periods that characterize the Earth's past climate. Most fall into three main groups: Astronomical theories that attribute climate changes to shifts in the Earth's orbit or rotation on its axis; solar theories that propose that the Earth's climate varies in response to changes in the activity of the sun (SMITHSONIAN, September 1975); and geophysical theories that link climatic changes to events and interactions within the land-ocean-atmosphere system.

One geophysical factor that almost certainly plays a role in global temperature changes is the composition of the atmosphere. It has been pretty well established, by Lamb and others, that the climate tends to be cooler after periods of intense volcanic activity. The great quantities of ash and dust that are thrown high into the atmosphere by volcanoes can stay aloft for a long time, screening out some of the solar energy that otherwise would warm the Earth.

The opposite result, a warming trend, tends to accompany an increase in carbon dioxide in the atmosphere, through the so-called "greenhouse effect." Like the glass roof of a greenhouse, carbon dioxide is nearly transparent to incoming shortwave solar radiation, or sunlight. It is more opaque, however, to the long-wave radiation that is emitted by the land and the oceans as they are heated by the sun. Thus, an increase in atmospheric carbon dioxide would be expected to produce warming temperatures in the atmosphere.

Reid Bryson and other scientists have invoked these two mechanisms to explain the warming and cooling trends of the last century. According to this theory, carbon dioxide produced by the increased burning of coal, oil and other fossil fuels since the late 1800s caused the warming that continued through the 1940s. But at that point, smoke, dust, and other particulate matter from industrial smokestacks, slash-and-burn agriculture and other human activities reached such high levels in the atmosphere that their screening out of solar energy counterbalanced and then overrode the greenhouse effect, starting the temperature going back down. Many scientists doubt, however, that human influences on climate are as simple or as substantial as this suggests.

It seems doubtful that any single mechanism is responsible for major climatic changes, which appear to result from an incredibly complex set of processes, interactions and feedback mechanisms involving sun, atmosphere, oceans, land and ice. Many atmospheric scientists believe that the only way to understand climate change is through experiments with numerical models, which portray atmospheric features as equations that can be solved on a computer. Mikhail Budyko of the Soviet Union, William Sellers at the University of Arizona, and other climate researchers have used simple models of the energy balance of the Earth atmosphere system to study climatic stability.

Other modelers at institutions such as NCAR and the National Oceanic and Atmospheric Administration (NOAA) Geophysical Fluid Dynamics Laboratory have used models of atmospheric circulation to do climate experiments.

Although there obviously is more controversy over climate changes than real understanding at this point, there is general agreement among atmospheric scientists that the human race is more vulnerable than ever before to vagaries of climate.

The basic problem is that population is increasing faster than food production, although the rate at which population and food are converging is not at all clear.

Regardless of the long-term prognosis, the immediate situation is precarious. As Walter Orr Roberts points out, both schools of thought on climate—the scientists who believe that a major climate change is occurring and those who see recent weather extremes as nothing more than fluctuations—agree that the high variability of climate presents a serious threat to food production.

"Climatic variability is very large in arid and semiarid lands," Roberts says, "and increasing population is accompanied by increasing use of semiarid lands. If you had a lot of really good agricultural land in the world and only needed to use 20 percent of it, then you could pick the 20 percent with the most stable climate. But when you've got to crowd onto every acre of the Earth, you obviously go into areas that have much more fluctuation and therefore your total crop yield is much more dependent on climate."

This increasingly heavy use of marginal land is a major factor in the severity of the impact of the Sahelian drought. As the drought advanced over the past six years, the carrying capacity of the land was strained beyond its upper limits by increases in the numbers of people and cattle on the available grassland. The result was destruction of vegetation by over-grazing, followed by starvation, malnutrition and disease.

A less dramatic but potentially more serious situation might develop in the Great Plains of the United States, where a great deal of the land that had been taken out of cultivation during the years of grain surpluses is now being farmed again. The semiarid plains west of the 100th meridian have suffered from drought every 20 to 22 years throughout the recorded history of the region. Although the causes of these periodic droughts are not understood, the next one is overdue if in fact they do recur on a 20-to-22-year cycle.

There are also important agricultural areas that are highly susceptible to temperature changes. Landsberg estimates that if the average temperature drops a degree or two in the region above the 40th parallel in North America, it could completely eliminate wheat and corn production in some major growing districts of Canada. However, such a cooling trend might also result in increased crop yields in areas further south where high summer temperatures are a limiting factor.

The climate trends that some scientists are predicting could bring us to a point of catastrophic convergence between increasing population and inadequate food supplies much sooner than many people expect. But even if no long-term changes in climate are forthcoming, the immediate potential for widespread famine appears to be deadly serious. World grain reserves are down to less than a 30-day supply. Several thousand people die each week from lack of food, and hundreds of millions more suffer from malnutrition.

It will not take an apocalyptic climatic event such as the onset of a new ice age to bring great human suffering from famine. As Addeke H. Boerma, director general of the United Nations Food and Agriculture Organization, puts it: "The chances of enough decent food for millions of human beings may depend simply on the whims of one year's weather."

NOTICE OF STAFF PARTICIPATION IN EDUCATIONAL EXCHANGE PROGRAM

Mr. GOLDWATER. Mr. President, in accordance with the procedure announced by the Senate leadership on July 16, 1974, and published in the CONGRESSIONAL RECORD at page S12633, I am inserting notice in the CONGRESSIONAL RECORD of the participation by Mr. J. Terry Emerson of my staff in an educational exchange program between the United States and the European Community-European Parliament.

Mr. Emerson has been selected to participate in a study program on European economic community affairs and activities of the European Parliament, during the period from November 14 to December 7.

This is a reciprocal program to U.S. programs for bringing foreign officials and civil servants to this country.

In fact, I am informed that well over 4,000 Europeans have visited the United States under our State Department's "leader grant program" since its inception. At least half of the participants in our Government's program have been officials of national governments in Europe and some 130 were officials of the European communities.

The Department of State advises me that it believes the European community's reciprocal program "should have beneficial and positive effect on trans-Atlantic understanding," and I share this view. In addition, I believe the program will serve to enhance the capacity of my assistant to perform his duties as a member of my staff.

As an attorney, he has assisted me in several matters of great concern to Arizona and the United States in the field of international trade, including the preparation of legal briefs presented for me before hearings of the U.S. International Trade Commission and the Trade Policy Staff Committee relating to the multilateral trade negotiations now being held in Europe. Mr. Emerson will take up these same matters during his meetings and discussions with Europeans. Accordingly, his participation in the study program is directly related to the duties he is performing on my staff and clearly meets the criteria established by the Senate leadership for such programs.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, there are those who oppose ratification of the Genocide Convention on the grounds that it would be using the treaty power of the Senate to enact substantive legislation.

I appreciate this concern, Mr. President. The power to legislate is, of course, reserved for the point action of both Houses of Congress. However, this convention will not be a self-executing treaty since, after ratification, it must be given effect by subsequent implementing legislation. Thus Senate ratification of the treaty would not make genocide a criminal offense in the United States. Both Houses must act to amend the Criminal Code before genocide would technically be a crime. Therefore, prosecution of any American citizen for alleged genocide would still be subject to the full array of procedural and substantive safeguards provided for in the Constitution and applicable judicial codes.

Mr. President, genocide is among the most despicable of all human acts. Senate ratification of the treaty will be the first and most important step in condemning such acts. I urge the Senate to ratify the Genocide Convention.

THE U.N. ZIONIST RESOLUTION

Mr. PACKWOOD. Mr. President, on November 10, the United Nations General Assembly approved an Arab-inspired resolution equating Zionism with racism and racial discrimination. The next morning, the Senate unanimously passed a resolution condemning and denouncing the action and calling for hearings to begin immediately on the question of U.S. participation in the United Nations. As an original cosponsor of the resolution, I spoke in support of it on the floor a few days ago. But, Mr. President, I am still outraged.

How can an organization which was created out of the ashes of World War II, out of the tragedies of Buchenwald, Auschwitz, and Dachau so quickly forget its origins? By unleashing a torrent of anti-Semitism we are negating the humanitarian principles upon which the

United Nations is based; we are unleashing a great evil. The U.N. has enough trouble maintaining a modicum of world peace and desperately clinging to credibility without propagating vicious lies and casting salt into divisive wounds.

It is bitterly disillusioning to see an international organization of the stature of the U.N. General Assembly stoop to such ignoble pursuits. These pursuits, the venting of a vehemence unmatched since Hitler's time, do not do justice to the noble principles in which the U.N. was conceived.

The preamble of the U.N. Charter raises men's hopes for a better future, a future where war, poverty, and oppression give way to world peace, world prosperity, and freedom and respect for all nations and peoples of the world. Article I of the charter states that one of the purposes is:

> To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms, for all without distinction as to race, sex, language, or religion.

Where is the respect for human rights and for fundamental freedoms in the ignominious resolution passed the night of November 10 by the General Assembly?

Mr. President, I have long been a staunch supporter of the U.N. The Charter of the U.N. is one of the most lofty and exalted texts of political history incorporating mankind's greatest hopes. The uniqueness of this document, and the organization it created, is its widespread acceptance. The U.N. has provided and maintained a forum for airing the problems of the world and has proven that nations in disagreement can reason with each other to solve their differences.

But this widespread acceptance, this basic presumption of the existence and worthiness of the U.N. is fragile. Pushed beyond their limits or to the depths of their convictions nations will quit the organization. If the resolution passed by the General Assembly last night is an indication of the general intolerance pervading the U.N., the widespread acceptance of the organization may evaporate and countries may resort to the isolationism and distrust which has thrown preceding generations into the scourge of war.

Mr. President, the United States will never agree to abandon or pervert the noble ideals upon which the U.N. is based. Nor will the United States ever acquiesce to tyranny, even should it appear in the guise of a U.N. mandate. However, if it is determined that the U.N. is no longer living true to its charter, then the United States should consider withdrawing its membership. I think it is time for the United States to assess its role in the U.N. to determine whether or not continued participation is in the best interests of the United States.

If the attempt of the resolution was to ostracize Israel, that thrust has failed. Israel will not lose U.S. friendship, because of this resolution; indeed if the attempt was to isolate Israel and her friends, I say let it be so. Let us see who are Israel's friends. Let us see who are our friends. And then let us stand together on principles and ideals sound and true.

Mr. President, I cannot condone the irresponsible, spiteful action of the U.N. General Assembly in passing a resolution designed to thwart the interests of peace and sow the seeds of discontent, for, in the words of Secretary General Waldheim, we may indeed lose the future through discord and confrontation.

THE CIA DIRECTOR DETERMINES THE ROLE OF THE CIA

Mr. CHURCH. Mr. President, as I said in the Senate on November 11, the Central Intelligence Agency, if it is to play its intended role, must be nonpartisan, professional, and sufficiently independent of outside pressures to stand firmly behind its assessment of foreign intelligence information.

This does not mean that persons who have held public office are disqualified from serving as the Director of the CIA. Elliot Richardson, for example—having demonstrated the capacity to withstand great pressures within the Government, and the personal strength to take issue with the President, himself, when he felt it necessary—is a man who would be eminently qualified to serve in this office. There are many others.

But a person whose political experience has been highly partisan in character—such as the Chairman of the Republican National Committee—cannot be said to meet this test.

When the picture is further complicated by the apparent intention that the directorship of the CIA is to be used as a springboard for higher office, then it is impossible to conceive that the nominee could discharge his responsibilities in a proper fashion.

These fatal flaws in the nomination of George Bush to be the new Director of the CIA are strongly underscored in two columns which appeared yesterday morning in the Washington Post: one by George F. Will entitled, "George Bush: Political Ambitions" and the other by Rowland Evans and Robert Novak entitled, "And Overlooked Political Realities."

These columnists clearly demonstrate why, under the circumstances, the nomination of George Bush to be Director of the CIA raises such serious questions of impropriety.

I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

GEORGE BUSH: POLITICAL AMBITIONS

(By George F. Will)

When nominated to be Director of the Central Intelligence Agency, George Bush said he did not think that being Director would forever prevent him from seeking political office. Obviously he hopes it will not, and his hope was stroked by President Ford's declaration that Bush is not excluded from consideration as his 1976 running mate.

Bush may not have to worry about a CIA attachment becoming a political handicap. The Senate may refuse to confirm him.

Like some other ex-Congressmen (he served two terms), Bush is one of Mr. Ford's guys, which is fine. But at the CIA he would be the wrong kind of guy at the wrong place at the worst possible time.

The CIA is under a cloud of dark suspicion based on proven misdeeds. The suspicion is that the CIA is a threat to civil liberties, and perhaps to tranquility, because it is insubordinate or otherwise immune to proper control.

But lack of control over the CIA is no longer the gravest problem. Congress, awakened from its long sleep, is alert to its oversight duties. And the executive branch, having been reminded of the law, can keep the CIA operating this side of criminality.

Today the most pressing problem is not to prevent the CIA from doing what is forbidden. Rather, the problem is to see that it does what it is supposed to do, which is gather and report accurate information.

But gathering and reporting are different operations. And it is possible to imagine situations in which the CIA would be pressured to suppress inconvenient information, or to report things convenient to the political purposes of an administration.

Imagine an administration looking to the next election and determined to celebrate detente as its finest achievement. Imagine that the administration is excessively anxious to achieve another strategic arms agreement with the Soviet Union.

Suppose the administration triumphantly signed an agreement limiting the number of strategic vehicles—missiles and bombers—on each side. Critics might say the limit is a false ceiling. Critics might charge that the limit is as high as the Soviet Union can or wants to go during the term of the agreement. Therefore, the agreement is an empty exercise, a limit that does not limit. (That is what Senator Henry Jackson said about the 2,400-vehicle limit agreed to at Vladivostok.)

Then the administration would appreciate a CIA report arguing that the Soviet Union has the ability to surpass the limit in the near future, and would do so if there were no agreement.

Or suppose the administration wanted an intelligence report minimizing this or that verification problem—say, the difficulty of verifying Soviet compliance with range limits on cruise missiles.

Or suppose the administration could get a CIA report supporting the hitherto unsupported Soviet contention that the Soviet Backfire bomber—which can deliver nuclear weapons over intercontinental distances—nevertheless lacks the strategic significance, and should not count against the Soviet total of 2,400 strategic vehicles permitted by the Vladivostok agreement. Such a CIA report would concede a Soviet point without seeming to be a concession, and could grease the skids for a pre-election agreement.

Recent events have made it wise to worry about the possibility that the CIA will become compliant to political pressures in reporting intelligence information, especially information that might tarnish the image of detente.

Defense Secretary Schlesinger, an apolitical man, was the foremost critic within the administration of Secretary Kissinger's policy in negotiating with the Soviet Union—sometimes called "the policy of preemptive concession." Mr. Ford wants to replace Schlesinger with Donald Rumsfeld, another vice presidential aspirant. Thus it is all the more imperative that the CIA be run by a man not susceptible to political considerations or pressures.

The problem with Bush is less that he has a political past than that he so obviously and avidly wants to have a political future.

As chairman of the Republican National Committee during Watergate Bush was very considerate about the man who appointed him. In spite of all the available evidence, he never expressed independent judgments inconvenient to Richard Nixon.

It might be rash to expect Bush to display at the CIA a capacity for politically inconvenience independence in judging intelligence. That is why the Senate may ask Mr. Ford for another nominee.

OVERLOOKED POLITICAL REALITIES

(By Rowland Evans and Robert Novak)

The wholly predictable storm over President Ford's nomination of former Republican National Chairman George Bush to head the CIA has forced the White House into a dangerously overdue calculation of political realities, with withdrawal of the nomination now a possibility.

The political realities, apparently never considered by the President or the very few top aides privy to his secret plans to replace Central Intelligence Director William Colby with Bush, boil down to this essential: to avoid possible refusal of the strongly Democratic Senate to confirm Bush, he or President Ford must absolutely rule out any possibility of Bush winding up as Mr. Ford's Vice Presidential running mate.

Such a condition has now reached the stage of gospel inside the Democratic Senate establishment, and particularly with Democrats on the Senate Armed Services Committee. Although Sen. John Stennis, conservative chairman of the Committee, has said nothing at all, intimates of the highly influential Mississippian fully agree that all Vice Presidential doors must be closed to Bush to avoid an inflammatory confirmation battle.

Failure of the President to consider this aspect of his appointment of Bush, a highly regarded and extremely popular politician, was further exacerbated during Mr. Ford's appearance on Meet the Press last Sunday. Instead of seeking to calm the boiled waters when asked if he should not eliminate both Bush and Secretary of Defense-designate Donald Rumsfeld from all consideration for second place on the 1976 Republican ticket, Mr. Ford bristled.

"I don't think people with talent, ought to be excluded from any further public service," he replied cooly.

Thus, the President's gravely mistaken reading of the political impact of the Sunday Morning Massacre continues in his failure to perceive that to the controlling Democrats on Capitol Hill (and many Republicans as well), the Director of CIA must be above political suspicion.

But some Presidential aides are more keenly tuned in to Congressional frequencies. It is no accident that even though Bush's nomination has been formally sent to the Senate for confirmation hearings, no hearings are now scheduled for several weeks at best—and possibly not until next year.

That raises the question of a deliberate stall, based on the President's suddenly-expressed desire to keep Bush at his present post in Peking at least until Mr. Ford's China trip. If, as presently assumed, Mr. Ford goes to China within the next month, Bush would not be available for his confirmation hearing until well into December.

With Congress eyeing either December 12 or December 19 for the start of the Christmas recess, it now looks doubtful that Bush could be confirmed before next year. By then, with far deeper understanding of the anti-Bush sentiment, the President could make another mid-course correction, giving Bush a different post that would keep him available for a possible Vice Presidential nomination next summer (the job Mr. Ford came within a whisker of giving Bush instead of Nelson Rockefeller last year) and naming some one else to succeed Colby.

Precisely that probability was instantly perceived by Capitol Hill operatives when Mr. Ford summoned Colby back to the White House last week and asked him to stay at the CIA until a successor had been confirmed by the Senate. Earlier, when Colby left Mr. Ford's oval office on the morning of Sunday, Nov. 2, he was preparing to pack out of the CIA instantly.

Still one of Washington's darker mysteries is why the President chose to put the long-suffering Bush through such a wringer without understanding the political realties. White House aides normally involved with CIA affairs, including the Congressional probes, knew nothing of Colby's sudden sacking or his replacement by Bush until too late.

Indeed, on top of the CIA's long misery is the grip of Congressional investigations and press exposes, the Bush nomination is regarded by some intelligence experts as another grave morale deflator. They reason that any identified politician, no matter how resolved to be politically pure, would aggravate the CIA's credibility gap. Instead of an identified politician like Bush—former Member of the House, twice-defeated Senate nominee from Texas and Vice Presidential aspirant—what is needed they feel, is a respected nonpolitician, perhaps from business or the academic world.

Not all experts agree. One former CIA official wants the CIA placed under political leadership capable of working closely with Congress. But even that distinctly minority position rebels against any Presidential scenario that looks to the CIA as possible stepping-stone to the Vice Presidential nomination.

OIL, GAS, AND CONGRESS

Mr. MATHIAS. Mr. President, as our energy problem becomes more complex and more partisan with each passing day, it becomes difficult to comment with clarity, wisdom, and foresight. Nevertheless, the Washington Post editorial of Thursday, November 6, entitled "Oil, Gas, and Congress" meets this test.

As we face the expiration of price controls, shortages of natural gas, and actions by the OPEC countries to hike oil prices, it would be well for Senators to reflect on the thoughts so well expressed by the Post in its lead editorial of November 6. I ask unanimous consent that the text of that editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OIL, GAS, AND CONGRESS

Once again the law controlling oil prices is about to expire. Once again Congress is in the final stages of enacting an extension. But no one knows exactly what form it will take, or whether the President will sign it. The administration seems optimistic that the new bill will be, by its terms, acceptable. But for both consumers and producers, the present situation only deepens the extreme uncertainty that hangs over every aspect of fuel and energy policy in this country. Since a great deal of complex legislation is now proceeding simultaneously, it is helpful to separate the main lines of the debate.

First issue: How much should oil and gasoline cost, and who should decide? Congress likes to carry on this kind of battle in moral terms, but it is essentially a sectional issue. The rising costs of fuel mean a tremendous shift of wealth and power into the states that produce oil and natural gas, at the expense of those that consume it. The prices of some crude oil and all oil products are regulated by the federal government under the last remnant of President Nixon's wage-price control apparatus. That last remnant was to expire in August. Earlier in the summer President Ford proposed gradual decontrol. But the House of Representatives voted it down and supported, instead, more stringent rules to roll back prices. A month after the controls expired, the President and Congress got together on a compromise providing a brief retroactive extension giving Congress time to work out a permanent law. That extension expires on Nov. 15.

The conference on the permanent law is now in its final stages. The President has said that he is willing to extend controls to all domestic oil, somewhat below the current market level, if Congress will agree to peel off all controls gradually over the next several years. He considers higher prices necessary to encourage greater production and to enforce conservation. But the congressional conferees are sharply divided over the principle of eventual decontrol.

One point, at least, is unarguable: it would be wantonly dangerous to let all controls end abruptly on Nov 15, with an immediate jump upward of all prices to the world level. That jolt could well destroy the present economic recovery and throw the country back into renewed recession. But the effect of permanent controls would also be deeply harmful. Over the long haul, controls tend to turn into price-fixing and cartelization agreements. Worse, holding prices down means letting imports rise unnecessarily high. To the extent that the United States has an oil policy these days, that—by default—is it. This country is importing more oil now than before the Arab embargo, and a higher proportion of it is coming from the Persian Gulf. The wisest solution is a bill that will prevent any sudden drastic jump in oil prices, but will commit the country to decontrolling steadily over a period of two or three years. The President is right on this crucial choice, the Democratic majority in the House is wrong.

Second issue: What about the price of natural gas and the shortages in the industrial Northeast? For more than 20 years the federal government has regulated the price of gas sold across state lines, but not within states. The current federal ceiling is one-third the unregulated price within the gas-producing states and one-fourth the equivalent cost of oil. When you think about those disparities, the present shortages in this part of the country—which depends upon interstate sales—are not hard to understand.

The Senate has passed an excellent bill, permitting short-term emergency sales at higher prices this winter and, next spring, beginning the deregulation of prices. Since this deregulation would apply only to new gas production as it comes onto the market, the bill threatens no abrupt surge of costs. But the bill has now gone to the House Commerce Committee, whose chairman, Rep. John D. Dingell (D-Mich.), is evidently determined not to report the half of the bill that provides permanent deregulation. That makes a hard choice for the administration and the Senate majority: Should they settle only for a jerry-rigged emergency sales procedure, or use the shortage as a lever to to try to get the whole Senate bill? Probably, on balance, it's better get get whatever can be passed quickly. There are jobs at stake, and a legislative stalemate here would be very bad for public morale. But not much gas is going to be sold under short-term emergency procedures, and Mr. Dingell's tactics are already contributing to a further gas shortage in the winter of 1976–77.

Third issue: Should Congress enact unfocused multibillion dollar subsidies for the production of synthetic fuels? The President and Sen. Henry M. Jackson (D-Wash.) are enthusiastically allied in favor of this one and they are both wrong.

The authorization bill for the Energy Research and Development Administration was in conference a few weeks ago when the Senate members began pasting in a generous $6 billion fund for loans and guarantees to sup-

> port synthetic fuel development. Rep. Ken Hechler (I-W.Va.) protested that there had been no hearings on this huge fund and obtained a brief recess. When the conference reconvened, the Ford-Jackson bonanza had magically swelled to $11 billion, with money now in it for price supports—to subsidize the energy companies for producing fuel too expensive to sell competitively.
>
> There you see, brightly illustrated, the federal government's present awkward posture on energy. It is currently using controls and regulation to hold down the prices of oil and gas. Lower prices mean higher imports from the Middle East. But everyone agrees that greater dependence on the Middle East is unwise. The answer? An appropriation of $11 billion to manufacture extremely expensive synthetics to meet a shortfall of domestic production that is being aggravated and widened by, of course, the price controls.

CHALLENGING VIEWS ON FUTURE U.S. ECONOMIC GROWTH

Mr. HUMPHREY. Mr. President, I wish to draw the attention of my colleagues to highly informative hearings the JEC recently held on October 23 and 24, on future U.S. economic growth. The purpose of these hearings was to aid some of the major contending viewpoints on how fast, and in what ways, this country can and should grow in the future.

The JEC will be examining this topic quite extensively over the coming year in a major study series titled "U.S. Economic Growth from 1975–1985: Prospects, Problems and Patterns." Over 50 authors will be analyzing 30 issues related to future economic growth rates and patterns in this country. Most of the issues will be addressed from two quite diverse perspectives. The first can be identified as the more traditional; it basically accepts the conventional wisdom related to economic growth and uses standard techniques of analysis. This, of course, has proved to be useful for many years and I expect that many analytical and empirical studies which will be of great use to the committee and to Congress will result from the study series.

On the other hand, I think we all recognize that economists operating in this mode will not capture all the insights needed to meet the new challenges facing our economy. As much as I like them and learn from them, my Keynesian economist friends simply do not have all the answers regarding the key forces operating in the economy.

Thus, this study series will break from past JEC tradition by having a substantial number of noneconomists contributing to it. Physicists, political scientists, technologists, biologists, futurists—we have them all. In all, fourteen noneconomists, who have done a great deal of thinking on how the forces operating in their particular disciplines interact with the economy and shape its growth patterns, will participate in this study.

These "challengers of conventional economic growth wisdom" are joined in the study series by a still rare breed, but one that is growing: economists who question conventional patterns of growth, the inevitability of growth, and even the desirability of future economic growth. For the most part, these economists have backed off away to see how the economy operates within the broader natural sphere which enables them to question the standard economic assumptions and policy prescriptions. This, by the way, is not really a new development, but economics as it was back in its earliest days.

ECONOMISTS' VIEWPOINTS

Three such economists testified before the JEC on the first day of the hearings. The three, E. F. Schumacher, Ezra Mishan, and Herman Daly have long been identified as economists who have not gone along with the standard assumptions and prescriptions.

E. F. Schumacher is an extremely well-known economist in England his homeland, and is becoming increasingly recognized in this country through his very popular book, "Small Is Beautiful." In the hearing, he stressed to the committee that his vehicle of smallness, "appropriately-scaled technology," is not only applicable to developing countries but could have wide application in this and other advanced nations. Thus, his emphasis was on new ways in which to grow which would be less capital and resource intensive. It would make possible in reality the principal he espouses, "economics as if people mattered."

The other two panelists are among the most articulate and forceful of the economists who maintain that aggregate economic growth not only will, but should, come to a halt in the United States.

Professor Daly put it directly to us:

> We seem to be trapped in a growth-dominated economic system that is causing growing depletion, pollution, and disamenity, as well as increasing the probability of ecological catastrophe. We must open our collective fist and let go of the doctrine of perpetual growth, or else we will be caught by the consequences.

He also upheld Schumacher's small scale concept when he said that we must realize that "in the long sweep of history, stability and small scale are the norm and that the present large scale growing industrial economy is a temporary aberration."

In advocating a steady-state economy, he suggested three institutions which seemed to provide the necessary control with the minimum sacrifice of individual freedom. First, he cited the need for a distributist institution which would set minimum income and maximum income and wealth limits for individuals and families, and a maximum size for corporations. Depletion quotas, to be auctioned in conveniently divisible units by the Government, would limit the aggregate depletion of each of the basic minerals. His third institution was some mechanism of population control, his preference being a transferrable birth license scheme.

Professor Mishan, also an English economist, is a highly regarded expert in welfare economics. He has written numerous articles and books over the past decade on the costs of economic growth.

As true of Daly, Mishan pulled no punches in his views on future economic growth:

> It seems to me, then, that our two hundred years' pilgrimage along the growth path is drawing to a close—with neither Mecca nor Medina in sight. The only choice that faces humanity today is whether to recognise the signs and the portents in time and attempt a transition to a more viable society or whether instead to ignore them; to nail our colours to the scientific mast and to go down bravely.

Although I certainly do not share many of his dire thoughts over what growth and technology has brought about, I did find myself in general agreement with the thrust of his closing remarks:

> In sum, the question of whether we can continue to expand GNP, and if so at what rate, without great peril, may be only of secondary significance. Of more critical import is the prior question, whether there is any further advantage to society in pursuing this aim. I put it to the Committee that the emerging debate on the quality of life should take precedence over any debate on the prospects for further economic growth. The time has come to be less preoccupied with the speed of advance and more preoccupied with the destination toward which we are moving.

It should be well understood that these types of viewpoints are still a distinct minority within the economics profession. The vast majority of their professional colleagues do not support the main points in their arguments. Nevertheless, these types of views, though perhaps not in such extreme form, are being increasingly expressed in many sectors of our society.

CORPORATE LEADERS' VIEWPOINTS

This was brought to light in the hearing on the following day when we had three corporate leaders addressing the topic of how the business community views future U.S. economic growth. The three were: Louis Lundborg, chairman of the board—retired—Bank of America, Jack Busby, president, Pennsylvania Power & Light Co. and George Mitchell, Energy & Development Corp.

Perhaps the most significant point raised during the hearing was the agreement among all three panelists that our present exponential rate of industrial growth, based on nonrenewable natural resources, cannot be sustained. Mr. Busby went even further by questioning whether we should continue to grow as fast as we have in the past:

> From a philosophical standpoint, however, the growth rate level should be somewhat less than the 4.5% attained during the 1960's. He also paid some homage to Prof. Daly's steady-state economy idea when he said "the rate of future growth should not preclude exercise of our options for a steady-state economy if such is needed—say within a period of 25 years."

Another theme sounded by the economics panel that received enthusiastic endorsement from all three businessmen as well was, as Mr. Lundborg stated:

> There must be a great shifting away from resource-consuming and other capital intensive pursuits to resource-conserving and other labor-intensive activities.

These are not the types of viewpoints usually ascribed to businessmen. However, I am convinced that much of the serious thinking on the future course of our economy and how it will be quite different from the past is being done across the country by business leaders.

LIMITS TO GROWTH 1975 CONFERENCE

A striking example of this was the "Limits to Growth 1975" conference held outside of Houston last month. One of the JEC witnesses, Mr. George Mitchell, initiated this conference due to his strong belief that businesses must carefully consider in what specific ways their growth in the future may be constrained.

This international conference attracted some 500 individuals who formed a fascinating amalgamation of businessmen, academics, Government people, private researchers, et cetera. Thus, it was one of the largest and most representative of the numerous seminars and conferences held in the past 3 years since the book "Limits to Growth" was published. This book, based on computer studies by a MIT team, predicted "a rather sudden and uncontrollable decline" in world civilization if five key variables, such as population growth and consumption of natural resources, continue at their present accelerating rates.

This conference indicated clearly the extent to which the "limits" debate has progressed. Most of the earlier discussion focused on the physical limits to growth, whereas the new wave of articles and speeches both at this conference and elsewhere, focus on the economic, social, political, and simply human limits to future growth as made evident in our 2 days of hearings.

One of the most interesting developments in the conference came from a futures exercise that involved all the conferees. They were asked to choose from among 64 cards those statements which most accurately described their views of the future in terms of "good news," "bad news" and the "research agenda."

Most of the bad news concern centered on long-term problems and planning. Specifically, the statements were: "Our biggest problem is the mismatch between our complex and long-ranged problems and our short-term reward system. Neither our present political leaders nor our current institutions can provide long-term support to solutions" and "The problem in the United States is that national centralized planning is not consistent with personal liberty and a vigorous capitalism, and will not be undertaken unless and until things get a lot worse."

However, what I find the most fascinating is the idea that dominated both the good news category and the research category: the need to develop a new economics. This would take into account the full range of forces at work in the world, including biological and thermodynamic realities. The conferees felt this was needed because the current methodology of economics is insufficient to deal with the complex problems of interdependence among living systems. The conferees also felt that the new economics would help resolve the issue of appropriately scaled technology.

I have brought out a host of new and challenging ideas, many of which I agree with. Obviously, there are some which I do not share and there are others which I feel require a great deal more analysis and debate. I am confident that the JEC study series, because of its comprehensive and unique nature, will fill much of this research gap and will indicate some of the first principles and policy prescriptions of "the new economics."

EXPOSE JOURNALISM

Mr. GOLDWATER. Mr. President, when all of our feelings are really boiled down I guess Americans are fairly parochial people. The Easterner is fond of the East, the Southerner likes the South, and I can tell you the Westerner likes the West. I suppose I am as bad in this general field as anyone else being an Arizonan and being in love with my State, but unlike others, I have had the privilege and the pleasure of living in different parts of America and of visiting every State in the Union, not once, but many, many times. I must confess after a lifetime of travel that almost wherever one travels in the United States one finds people who are compatible, friendly, in fact, just like the folks back home. One place I have found for certain where you will find this kind of a person is in what is called the Eastern Shore area of Maryland and Virginia and parts of Delaware, but particularly Maryland because that is the part I know best. Unfortunately, a lot of attention has been focused on this part of our country because some people feel that one goose can cause a Congressman or a member of the military to expend hundreds of millions of dollars on an airplane. But that is beside the point; the point is that if people object to corporations or companies or individuals writing off expenses of doing business on their taxes, then let us change the tax laws and, frankly, knowing that this privilege is abused here and there, I think possibly it should be modified; but during the course of all of this flap about goose hunting all kinds of innuendos, scandals, and so forth, have filtered down upon these good people of the Eastern Shore. Mr. Dickson Preston a very capable and talented reporter and writer whose articles appear in the Star Democrat one of the oldest newspapers in the United States, has written a complete and accurate story as a result of his investigation covering from what is it about to conclusions. I thought the best of the articles by far was the one that appeared in the issue of Thursday, November 6 of this year and because it sort of sums up all of the traumatic things that the citizens of the Eastern Shore have been exposed to, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

The Great Goose Hunt Scandal: "Expose Journalists" Draw Talbot County Caricatures

(By Dickson J. Preston)

One unfortunate side effect of the goose hunt investigation is the leering and ludicrous caricature of Talbot County and Talbot Countians which the instant experts of national journalism have presented to the world.

We learn from The Washington Post, for instance, that we are "taciturn" people over here who "seldom cross the Bay Bridge" and who "tolerate outside invasion only once a year" when the geese are "roosting" here.

Our inns and restaurants are supported entirely by hunters, including big shots from Washington who come here to get drunk, cuss up a storm and indulge in orgies.

It is a picture so utterly unreal that it would be funny if it weren't so unfair. But in these days of expose journalism, unfairness is the name of the game to all the hungry young reporters eager to win a Pulitzer Prize.

In recent weeks, Talbot County has become a mecca for them. Like vultures attracted by the smell of carrion, they flock to the scene of what they conceive to be high level corruption waiting to be exposed.

Many make a beeline for The Star-Democrat, where they are treated with the reserved courtesy which befits a 176-year-old resident of the Eastern Shore.

They want to know all sorts of things. How do you spell Oxford? Is Wittman an Easton suburb? How can they find a colorful local character from whom to get a quick interview? And above all, where is the Northrop "hunting lodge in Easton" at which the Pentagon brass and those big defense contractors held their orgies and plotted their secret deals.

We suggest there is no such place, at which they look at us with patient scorn. They know better, having read about Northrop's Easton hunting lodge in Time, Newsweek, The Post and The Washington Star-News.

An NBC film crew arrives just three hours before sundown to film a picture story combining local color and informed footage on what went on here, where and why.

They are a bit weary, having driven all night from Detroit, where they spent the previous day training their cameras on men fruitlessly digging up a field in hopes of finding the body of Jimmy Hoffa.

The crew chief has about 15 minutes in which to shake off the morbid memory of Michigan and become an expert on the dirty doings and the haughty insularity of the Eastern Shore. What can he film, he wonders, that will help tell the story pictorially?

We recommend that he drive out toward Oxford, where one can usually find Canada geene feeding in the fields this time of year.

"Geese? Real geese?" he cries, and goes racing happily out to the NBC station wagon to head for the Oxford road.

Later we see the NBC treatment of the great goose hunt scandal in Easton, Maryland, and sure enough it shows Canada geese here. Presumably they are waiting around to be shot by Northrop executives and Pentagon admirals while they sip whiskey and consummate billions of dollars worth of illicit deals.

Time Magazine calls up in a panic. They must have a picture right away of the Easton hunting lodge, also of the other hideaways where Northrop wined and dined the generals, admirals and congressmen.

The Star-Democrat is always willing to oblige. One of our reporter-photographers takes pictures of the Tidewater Inn, the Easton Manor Motel and a house on Island Creek which Northrop used to rent for a few weeks each year. He puts it on a Trailways bus to New York, where it is in Time's impatient hands the next day.

Time doesn't use any of the pictures after all. We speculate that the Tidewater Inn's impressive facade doesn't fit the Time editors' conception of a goose hunter's hideaway.

ABC, tardily behind NBC as usual, telephones from Washington. A film crew is coming over. How can they find Wye Island, and is Whitman nearby?

We suggest a road map. We also suggest that if it is Wittman they're talking about, they'd better keep a sharp lookout as they drive down the Tilghman Island road. It isn't exactly Bethesda or Arlington.

The ABC man has a bright idea. "Maybe we should get some footage of the local liquor stores," he says. "Those guys must have bought plenty of booze."

Not having seen the ABC treatment, we don't know whether or not Harrison's or the Chelsea Cupboard was immortalized on national TV.

A young lady reporter from The Washington Post arrives on a Sunday morning. She has been assigned to visit the Wye Island and Easton hunting lodges, interview the neighbors, and write a mood piece about Talbot County under the hot spotlight of national publicity.

Patiently we explain once more that there is no such thing as a Northrop hunting lodge in Easton. As for the Wye Island Gun Club, we point out, she's going to have a hard time finding any neighbors to interview.

Over a cup of coffee at the Tidewater Inn, we tell her a bit about Talbot County, its people, its history and its attitude toward the rest of the world. We remind her that she's sitting in one of the very spots where the Washington brass, according to the news media, were entertained and corrupted by the businessmen.

She looks unbelievingly at the well-dressed and urbane people arriving for Sunday brunch at the Tidewater's Crystal Dining Room. Clearly they are not the salty character types she was sent over here to find.

Later we read that she had written about "isolated" Talbot County and its "taciturn" people whose "social attitudes are those of the Old South . . . who seldom take trips across the Chesapeake Bay Bridge to Washington."

We learn that we Talbot Countians only tolerate outside invasion once a year, "when the geese stop to feed and roost on their way down the Atlantic flyway."

We also learn that the hunters attracted by the geese which roost here support the county's inns and restaurants, and that when a big shot from D.C. "comes for a shoot . . . he drinks from the minute he gets here. He can cuss up a storm, and if he wants a woman he can have one."

We decide there is a good deal we do not know about Talbot County, its people, its history and its attitude toward the rest of the world.

And we wonder how the young lady reporter from The Washington Post could possibly have learned so much that was so wrong about Talbot County in only one day.

But we try to accept such things philosophically. It is all part of being in the national eye in these days of instant experts, electronic journalism, and reporters determined to win a Pulitzer by exposing wrongdoing in high places whether or not there is any wrongdoing to expose.

SUPPORT FOR FUNDING FOR THE RURAL HIGHWAY PUBLIC TRANSPORTATION DEMONSTRATION PROGRAM

Mr. CHURCH. Mr. President, as chairman of the Senate Committee on Aging, I am pleased that the fiscal 1976 transportation appropriations bill includes $15 million for the rural highway public transportation demonstration program.

In addition, H.R. 8365 provides $12.5 million for the transition period—July 1, 1976 to September 30, 1976—because of the change in the beginning of the fiscal year under the Congressional Budget and Impoundment Control Act.

Hearings conducted by the Committee on Aging have made it abundantly clear that transportation problems are especially acute for elderly persons residing in rural areas.

Many older Americans are dependent upon public transportation because only about 47 percent are licensed to drive.

Yet, public transportation is frequently unavailable in rural areas. Many rural communities, for example, have no buses, taxis, or other public transportation.

One elderly witness described his situation as a form of "solitary confinement."

The net impact is that far too many rural aged are cut off from vital services.

Routine tasks for most Americans—such as shopping, going to the doctor, or visiting friends—become formidable obstacles for the elderly.

However, funding for this demonstration program can help to make transportation more readily available and accessible for older Americans and others.

This measure, it seems to me, represents a positive and constructive step in response to a mounting problem.

For these reasons, I reaffirm my support for the funding of the rural highway public transportation demonstration program.

DEPARTMENT OF TRANSPORTATION CONFERENCE REPORT

Mr. TAFT. Mr. President, I would like to take this opportunity to thank the members of the Appropriations Committee and their staff for the time and careful attention given to the needs of the National Highway Traffic Safety Administration—NHTSA.

In particular, the Senate conferees acted convincingly in conference to provide necessary funds for leasing space and purchasing equipment for testing of automotive safety standards and safety defects at the engineering facility. As stated in the conference report, NHTSA is directed to fund the facility from the amount appropriated. It is my understanding that agents of the Transportation Center of Ohio, where the engineering facility is to be located, have already signed the necessary documents for leasing arrangements, and I urge Administrator Gregory act promptly to conclude the lease agreement so that safety testing may begin at the earliest possible time.

LET'S NOT FORGET THE OPEC RIP-OFF

Mr. HUMPHREY. Mr. President, as we have worked week after week in committee and on the floor putting together the many individual components of a national energy policy, we have lost our perspective. We have become, I am afraid, so concerned with finding a straight path through the energy trees, that we have lost sight of the forest.

We have become so concerned with developing a fair oil-pricing scheme and energy conservation measures that we have come to meekly accept OPEC's rip-off of the American economy.

The Congress should be leading the fight to force oil prices down and Mr. Charles Bluhdorn has correctly redirected our attention to that point. Mr. Bluhdorn, chairman of Gulf & Western Industries, Inc., was recently interviewed on this and other issues regarding our relationship with OPEC. The interview appeared in U.S. News & World Report, October 13, 1975. I would like to share that very thoughtful and informed exchange with my colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

LATEST OIL HIKE: "ONE MORE STEP ON THE ROAD TO DISASTER"

Q. Mr. Bluhdorn, the oil cartel has just increased the price of petroleum by 10 per cent. As an American businessman, do you think this country can live with these continuing increases in the cost of energy?

A. I do not. I am absolutely flabbergasted by worldwide reaction to this increase. Some people are actually relieved. They thought that things could have been a lot worse!

These OPEC [Organization of Petroleum Exporting Countries] fellows are the greatest public-relations people I have ever seen. One starts out by saying he wants 35 per cent. Then another says that he doesn't want any increase, and even though he finally surrenders to the other, he ends up as a hero to the Western world. This is like a comic opera.

In the end a "statesmanlike" 10 per cent increase is proclaimed, which actually is the equivalent of a 40 per cent increase. All you have to do is take 10 per cent of the 400 per cent increase imposed two years ago and you have a total of 440 per cent.

Q. What do you see as a consequence?

A. This is just one more step on the road to disaster. It is another turn of the screw that has put not only the U.S. but the entire Western world in a vicious economic squeeze. We are confronted with the greatest challenge this country has faced since World War II.

These nations in the oil cartel are threatening the security of America. The Western Alliance is in total disarray. These are harsh words, but I am choosing them very carefully.

The Shah of Iran sits on his throne and pontificates about how we can't control inflation here in the U.S. The fact of the matter is that the prices of most other commodities have been coming down very rapidly during the past year, including even the price of the so-called mythical gold. At the cost of a tremendous recession, we have succeeded in bringing down the inflationary spiral which is now being reactivated by its OPEC originators.

Not long ago OPEC didn't want to take U.S. dollars any more because they felt our currency had gone to pot. Now that the dollar has strengthened, they shifted gears quickly and, momentarily at least, are willing to give the U.S. another chance. When has such hypocrisy ever been seen in our lifetime?

Obviously, this whole operation is assured of success as long as we're willing to underwrite it.

Q. What do you mean by that?

A. I mean that the U.S. and its allies are undercutting each other in their eagerness to deal with the Shah and the sheiks. We have given up any effort to escape this blackmail.

Does the Shah want atomic power plants? We race to fill the order. Does he want F–15s or F–16s or F–17s? We are here to serve. We can't wait to sell all these fellows our latest technology and equipment, even if it hasn't been supplied to our own armed forces.

It looks as though we have decided to make the Middle East a testing ground for our weaponry. And we're in competition with our Western allies on this score. Adolf Hitler would turn in his grave—with envy—if he knew about the weaponry and nuclear plants that we are building up over there.

What we're saying to the blackmailers is this: "Go ahead, rob our bank. Then we'll give you the weapons so that you can rob us a little more." This is really infamous!

Q. What's to be done, in your view?

A. For one thing, I think American businessmen should give some thought to what is happening. For my part, I don't want to make profits for Gulf & Western this way.

People say: "Well, power plants don't give them nuclear weapons." That's baloney. You saw what happened in India after they got an atomic power plant. They exploded a nuclear bomb and joined the atomic club of the world. We don't want to compete for that type of business, and we sure wouldn't pay a commission for it.

We have stopped sending our movies to Iran because they want to pay us the same price that we received 10 years ago. I am sick and tired of this double standard of continuously shortchanging the United States of America.

Q. What do you see happening next?

A. It is already happening. All the other nations in the world with commodities to sell are trying to figure out a similar scheme and how to make it work.

Nobody in Washington wants to admit what is going on. I've tried to discuss it with the President and with members of Congress. I must say that on this point the Secretary of the Treasury [William E. Simon] is in full accord with my point of view. I tried to warn Secretary [of State] Kissinger about this a long time ago, but nobody seems to care. It's the greatest *laissez faire* attitude I've ever seen in this country.

We are in an era of holdups—and the biggest Jesse James is the OPEC oil cartel.

Q. Do you think the average American is worried about what you say is going on?

A. No—because nobody has the guts to tell the people what is happening.

Unfortunately, there are a lot of people in this country who believe the whole thing was a plot by the oil companies to give them an excuse to push up the price of oil and increase their profits.

Our own Government has preferred to take the easy way instead of alerting the nation to the facts of life. Go ask any college student in the United States why we have high prices for oil today, and he will likely tell you that it is because the greedy oil companies have harvested a bumper crop of profits at the expense of American citizens who are suffering as a result of the ensuing inflation.

When I spoke out against OPEC at a meeting of The Conference Board, people all over the United States wrote me hundreds of letters saying: "It's about time." But I didn't see any other big businessmen speak out. You know why? Because they were so anxious to do business with all of these countries that are raking in our billions.

Q. The OPEC natons said that $11 a barrel for oil was justified because it had been so low during the 1950s and 1960s when the cost of most other things was rising—

A. Let us examine this situation. I am well aware that the OPEC blackmailers say that they are only getting a just and fair price. They also say that they are the first nations to use their income to help their less-fortunate brothers in the "third world."

Well, I think the time has come to remind the Shah and the sheiks of some recent history. Never in the history of mankind has there been a more-generous nation than the United States of America. The fact is that after World War II, we helped to rebuild the entire free world. Even our former enemies were given open-handed aid. Under various aid programs—including the Marshall Plan—we freely contributed both economic and military assistance in the amount of some 200 billion dollars, to which we might add 50 billion dollars of Lend-Lease during World War II.

Why doesn't somebody ask the members of the oil cartel where they would be today had it not been for the United States? There is no question in my mind where they would be. I believe we saved Iran from Communism—and all the Middle East for that matter.

American equipment and know-how developed the Mideast oil fields in the first place. We also provided substantial aid to those very countires that now claim they were exploited by us.

I have dug out some figures that you don't hear mentioned in these days when we seem to be apologizing to these blackmailers every time we turn around. Since World War II, we have supplied aid to Saudi Arabia of over 325 million dollars; to Libya, over 200 million; to Iraq, 100 million. Oh, yes, and almost 1 billion dollars to Egypt.

The OPEC countries as a whole—leaving aside Iran—have been helped out to the tune of 5 billion dollars in American aid since World War II.

I would like these oil producers in the Mideast to tell me what price per barrel they think Russia would pay them if they had come into the Soviet orbit.

The Shah of Iran would not be sitting on his plush throne today and lecturing us if it had not been for the support of the United States. Yet here he is, stating that the world is going to have to be restructured on new terms. His Government has received 3.3 billion dollars in aid from the U.S. since World War II. Now, when he comes to Washington, we roll out the red carpet. He generously offers to bail out Pan American Airways, then decides he won't go through with the deal. Even so, he gets a chorus of applause.

Ten years ago, if I had written a scenario like this, they would have put me in a padded cell. But here today, in 1975, it has become a true story.

SAUDIS OUGHT TO FINANCE NEW YORK

Q. According to official reports from such agencies as the World Bank, the OPEC countries don't have nearly as much money to spend as originally predicted. Do you agree?

A. No, but nothing surprises me.

During the past year you could go into most offices in Washington and hear people say that $11 a barrel was not all that bad a price for oil. It is this permissiveness which gave impetus to this new 10 per cent increase.

As a matter of fact, the Algerian Oil Minister quoted one of our high American Government officials as having O.K.'d this price increase in advance. I can see what will happen now. They will purchase 10 per cent more military hardware, and then some theorists are going to predict that it won't be long before these cartel nations will actually be in the red.

This is a real "Catch-22" situation if I ever saw one. Dr. Strangelove must be running the computers of those people who are optimistic about the flow of oil money.

The Shah is trying to outspend himself to go into the red, but even he will not be able to do it. The Saudis absolutely don't know what to do with it all. They are the ones who ought to finance the city of New York. That would be one way to get back part of the loot.

All I can add is that I know how to read a balance sheet, and I tell you that if present price levels for oil continue, there is absolutely no way to keep the Western world from going from debt to ever-deeper debt. I can also read history which tells me that this can't continue indefinitely without leading to total depression or war.

I refuse to live in this dream world in which people who should know better tell us that we can avoid disaster, and are willing to accept the fact that we are now being charged *100 times* the amount that it costs to bring this oil out of the ground in Saudi Arabia. This has got to be the biggest profit operation in the history of mankind.

We are told that the OPEC countries will handle their funds with a great sense of responsibility. As far as I can see, this huge accumulation of billions of dollars in tribute being paid by us constitutes the largest political slush fund ever accumulated by any one group in history. It is no secret that they are using the power of this money every day to enforce their political aims in the Middle East, and at the same time to assemble a massive military arsenal with our eager help and support. In other words, they are creating an enormous potential volcano that we, in effect, are faithfully constructing for them—and just because it hasn't erupted yet, we are all being lulled to sleep.

Q. What do you recommend as a way out of this crisis?

A. A long time ago I said that we had to demand a reduction in the price of oil rather than to accept an increase. When one considers the drop in the price of most other commodities, I can assure you that $5 and $5.50 a barrel is actually excessive under today's market conditions.

Now, I admit that $5 a barrel may not be enough to put an F-14 in every sheik's hangar, or to fill Swiss bank accounts to overflowing. But it is surely enough to meet the needs of the people in OPEC nations in adequate measure, if devoted to that purpose.

The difference between $5 and $11 for a barrel of oil is an outright subsidy provided by Western countries for the ultimate destruction of mankind.

Q. But what should be done?

A. What we should have said to the OPEC countries at the very beginning was something like this:

"Why not co-operate as part of the family of nations on this globe that modern science has made so small? Don't use oil as a political weapon. If $5 a barrel is not right, then let free supply and demand set the market price. The U.S. has sold gold at auction for sealed bids Why don't you do the same thing with oil, and let us see where the price comes out?

"You have an opportunity to inject a new breath of confidence and spirit into the world. While a substantial reduction in the price of oil would not solve all the world's problems overnight, such a step would mark the beginning of a de-escalation in the price of all raw materials. Once you remove fear from the minds of people, restoration of confidence begins."

Q. But what happens now, since the OPEC leaders have refused to charge less for oil?

A. Before the October [1973] Middle East war, I pleaded that we should take measures to prevent the potential blackmail from destroying the economic health of the free world. In the past, I have made the following specific suggestions, which still apply today:

1. Let's get cracking on development of coal and nuclear power as alternative energy sources to OPEC oil. We have the coal—enough for hundreds of years and, in terms of energy content, more than OPEC has in oil. The country that unlocked the secret of atomic power through a Manhattan Project during World War II can certainly build nuclear power plants fast enough to end the hemorrhage we now suffer by paying for OPEC oil.

2. The people of this country have got to be told that they can't go on using energy as if there were no tomorrow. In December of 1973, in the middle of the oil embargo, I said in a speech in Denver that the only thing we had to fear was the fear of the lifting of the embargo itself, because it was only during that period that we understood

the true nature of the crisis. At that moment we should have been working around the clock to get moving with a 40 or 50 mile-per-gallon automobile.

As I look at things two years later, I wonder where has all this American incentive to succeed gone? If we cannot depend on Washington to lead the way, it should be the desire, the determination and the duty of American industry to lead the way in a futuramic conservation drive in every aspect of energy. Nowhere have I seen an enthusiastic attitude to win this battle in the old American fashion.

3. To get people out of the big cars, the Government should raise the price of gasoline at the pump and rebate on a fair method to lower-income families so that they do not suffer undue hardship. Along with this, let's slap a substantial horsepower tax on automobiles to remind everybody that this is no time for luxury.

4. We must launch a massive federal program to spur building of mass transportation on a scale never before envisioned anywhere in the world. We don't need new highways—they don't save gas. Mass transportation does. There should be sufficient incentives to make it so attractive to ride the bus or the subway or the commuter train that people will reduce usage of their private automobiles.

This program recognizes that America runs on wheels. But we must remember that the greater the load that is placed on those wheels, the heavier will be the eventual burden that we must inevitably pay on this country's balance of payments.

THE "GOLDEN OPPORTUNITY" FORD LOST

Q. You mention a Manhattan-type project for energy. Do you think the Energy Independence Authority proposed by President Ford, with 100 billion dollars to be spent over 10 years, would do the job?

A. When President Ford became President of the United States under the most extraordinary circumstances in our nation's history, he had a 30-day period during which the entire country rallied behind him after the debacle of Watergate. He had a greater following and more sympathy than was accorded President Johnson after the tragedy of November, 1963.

Timing is everything. Then and there was the one moment when the new President could have called on the American people to make any and all sacrifices. At that moment in time he could have pushed through a far-reaching conservation and domestic resource-development program. It would have been a wartime-like plea, and it would have met with a unified and massive response of unconditional grass-roots support by the American people. They were looking for leadership and restoration of confidence.

There is no doubt in my mind that the President lost that one golden moment of opportunity.

Now I believe it is difficult to get any major plan moving forward. However, I do agree that it is better to spend 100 or 200 billion dollars on developing our domestic energy reserves than to pump this money into places like Vietnam, as we did readily in the past, or into new military weapons going to the Middle East, as we are doing now. Any price and any program is worth paying for if it avoids the potential of blackmail or ultimate military confrontation and destruction.

I think the Government should give strong incentives to private enterprise to get on immediately with research and development. These incentives should not be to fatten the corporate coffers, but to get American ingenuity moving.

A divided Washington can only confuse business and will get us no place. However, I must say regretfully that, if all fails, then I am in favor of a Government-type agency that would get on with the job. Any day, I would rather have American bureaucracy as against OPEC blackmail.

USING ANTITRUST LAWS TO BREAK OPEC

Q. You have proposed a way of breaking the oil cartel through U.S. antitrust laws. Is this realistic?

A. Don't take this suggestion lightly. It is high time the members of this international oil cartel were alerted to the fact that Americans are fed up with practices that are not only totally impermissible in our society, but threaten its very doom.

OPEC has covered itself in an offshore cellophane wrapper containing properties of the U.S. oil companies that it has expropriated. I say this wrapper could be pierced by our antitrust laws. The Sherman Act was passed in 1890 to curb such practices. The monopolies that existed then were mere child's play compared with the monopolistic power that is being weilded by OPEC. They have taken over American property and now proceed to defy the basic principle of supply and demand.

Q. How would your plan to use the antitrust laws work?

A. We have commissioned a legal study of the situation by two eminent national law firms. The result is a brief that explains how the Sherman Act can reach the illegal and conspiratorial commercial conduct of OPEC. This has been presented to U.S. Attorney General Edward H. Levi. In my letter to him on July 22, I stated:

"Respectfully I say that what it takes is for your Department to consider this most carefully and then to act with firmness and determination for the sake of our national interest. . . . How often has the course of history proved that when blackmail is freely paid, it invariably leads to more blackmail?"

I hope and pray that the Attorney General will give this matter all serious consideration.

Many people are dubious that the legal process will ever work. I say that our whole way of life and the viability of our free-enterprise system is under attack, and we must defend ourselves by all means at our disposal. We have to organize our own anti-blackmail commando unit, and we have to start pricking away at the ever-growing OPEC balloon. I don't know which point of the needle will make that balloon finally burst, but it is clear that the more needles we stick into it, the better the chance for a quicker ending to this monstrosity.

There seems to be an almost-mythical obsession everywhere with the comings and goings of these OPEC fellows. Magazine covers and headlines of Western journals are fascinated with this billion-dollar game the sheiks are playing. Our stock markets go up or down to the whim of these blackmail artists. It is OPEC who rules the tape on Wall Street.

To me this is a national disgrace. How can we call ourselves a giant when we allow domestic squabbles to legitimize this affront to our survival?

It is high noon in Washington and throughout our great and proud land. We must get on the job—in the interests of ourselves, our children and future generations to come.

That is the only way we can stand tall as we enter our 200th year.

THE PROPOSED CONSTITUTIONAL AMENDMENTS TO PROHIBIT BUSING FOR THE PURPOSES OF SCHOOL DESEGREGATION

Mr. BROOKE. Mr. President, on Tuesday, November 11, I testified before the Senate Judiciary Committee on the proposed constitutional amendments to prohibit busing for the purposes of school desegregation.

In my testimony, I discussed many of the misconceptions that surround busing, outlined my objections to the specific proposals before the Judiciary Committee, and suggested a number of positive actions that local, State, and Federal leaders may take to achieve equality of educational opportunity.

Because of the importance and the controversial nature of the busing issue, I would like to share my remarks with my colleagues.

I ask unanimous consent that my remarks be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR EDWARD W. BROOKE IN OPPOSITION TO THE PROPOSED CONSTITUTIONAL AMENDMENTS PROHIBITING BUSING FOR SCHOOL DESEGREGATION

Mr. Chairman, I thank you and the distinguished members of this committee for the opportunity to testify regarding the proposed constitutional amendments to prohibit busing for the purpose of school desegregation.

While I appreciate the opportunity to testify, I find it regrettable that we have to have these hearings. For it is yet another indication of the failure of America's leadership on this important issue.

If busing has become a problem, it is not because of any inherent defect in the United States Constitution. It is not because of any tyranny practiced by the federal courts. It is because the political leaders of this country have failed to lead.

In particular, local, state, and federal public officials have been either unable or unwilling to present accurately the issue of busing to their constituents. In addition, they have allowed irresponsible and self-serving political rhetoric to distort the facts. And as a result, few Americans understand the law regarding busing or the role of the federal courts in interpreting and implementing that law.

First, I would like to dispel some of the misconceptions that surround busing, then discuss my objections to the specific proposals before the Judiciary Committee, and finally, suggest some positive actions that local and federal leaders may take to achieve equality of educational opportunity.

I. Removing the Myths Regarding Court-Ordered Busing

Much of the opposition to current court efforts to desegregate the nation's public schools stems from a fundamental misunderstanding of the reasons for the court decisions. One common assertion, for instance, is that the courts have gone far beyond *Brown* v. *Board of Education,* 347 U.S. 483 (1954), and are now seeking to achieve a racial balance in the classroom for no other reason than to accomplish what they deem to be a desirable social objective. The decisions make clear, however, that this is not what the courts have done or what the courts are doing.

In *Swann* v. *Board of Education,* 402 U.S. 1 (1971), the major decision involving busing, the Supreme Court emphasized that the courts are empowered to act only to remedy legal wrongs. Specifically, the Supreme Court stated that the task of the court "is to correct by a balancing of individual and collective interests, the condition that offends the Constitution. In seeking to define in even broad and general terms how far the remedial power extends, it is important to remember that judicial powers may be exercised only on the basis of a constitutional violation". And in *Keyes* v. *School District No. 1,* 413 U.S. 189 (1973), the Court stressed that racially segregated schools in Denver were in violation of the Constitution only because they came about as a result of the deliberate acts of school officials.

Lower federal court rulings have been consistent with *Swann* and *Keyes*. In the Boston case, for example, the district court ordered desegregation because officials of the school district had engaged in a series of segregate acts. *Morgan* v. *Hennigan*, 307 F. Supp. 410 (D. Mass. 1974). Among other things, they overcrowded white schools and under utilized black schools. They frequently built new facilities for white students rather than Blacks. They administered racially discriminatory vocational entrance exams. They assigned black teachers only to black schools and placed in those schools a lower proportion of experienced teachers and a higher proportion of provisional teachers. And they drew attendance zones and student feeder patterns so as to maintain segregation.

In other words, it was the deliberate segregation of the Boston public school system by public officials that ultimately led to court-ordered busing. For court orders in school cases such as Boston's are neither the product of judicial whim or caprice, nor of a motive on the part of individual judges to foster social reform, but are instead an exercise by the courts of their duty to insure that all children are accorded their constitutional right to an equal educational opportunity.

A second assertion is that busing is a failure because it has failed to produce quality education. But busing is not a remedy designed primarily to improve the quality of a child's education. Rather it is a remedy designed to assure every child an equal educational opportunity. This point is widely misunderstood. Certainly, quality education is a legitimate, and necessary concern, but it is not the reason for desegregation.

The Constitution demands not quality education but equal educational opportunity. Quality education is a matter of local, state, and federal policy; equal educational opportunity is a matter of constitutional law.

And the law is clear: equal educational opportunity cannot be achieved through separate educational opportunity. ". . . In the field of public education", the Supreme Court held in the *Brown* case in 1954, "the doctrine of 'separate but equal' has no place. Separate educational facilities are inherently unequal."

Yet some 20 years later the "separate but equal" doctrine seems to be re-emerging, particularly among some liberals, under the rubric of "quality education." But if my years in public life have taught me anything, it is that nothing in this nation is separate and equal. And nothing could be worse for our country and our children than the resurrection of this immoral and illegal doctrine.

The public school systems now under court orders to bus have suffered for many years from *both* segregation and poor educational quality, the former by design, the latter by negligence. The Federal District Courts are trying to remedy the first grievance, using busing as a tool of last resort. Public officials must remedy the lack of educational quality.

Desegregation remedies, including busing, can ensure equal educational opportunities, but only a massive and united effort by local, state and federal governments can ensure that these opportunities will be superior in quality.

A third assertion, one that we have heard many times recently, has been that the courts are ignoring viable alternatives to student busing, specifically those set out in Title II of the Education Act Amendments of 1974. This criticism is also unfounded. The Court in *Swann* indicated that busing was only one of the constitutional tools that may be used to secure to school children their right to a desegregated education. But the rulings of the lower courts in several recent cases indicate that busing is being used only as a remedy of last resort where other means cannot effectively eradicate the effects of past discrimination.

In the Boston case, Judge Arthur Garrity employed many of the remedies authorized by the 1974 Act. His order required the alteration of student attendance boundaries, the closing of old schools and the construction of new schools, and the establishment of a large scale magnet or citywide group of 21 schools, attended voluntarily by about 14,000 students. But he found that some busing was still necessary "to remedy adequately the denial of plaintiff' constitutional rights and to eliminate the vestiges of a dual school system in Boston".

Likewise Judge James Gordon instructed the school board to consider the 1974 law in formulating a school desegregation plan for the Louisville, Kentucky school system. The final plan approved by the court made extensive use of school closings and the remedial altering of attendance zones "to insure the maximum desegregation of the schools without the use of any other remedy, including transportation". *Newburg Area Council, Inc.* v. *Board of Education of Jefferson County*, No. 7045 (W.D. Ka. 1975). Judge Gordon further observed that in issuing his order he had "meticulously followed the priorities and remedies set forth in the Equal Educational Opportunity Act of 1974."

Thus, it is clear that the courts have acted neither excessively or irresponsibly in their use of busing as a school desegregation technique. They have ordered busing only where no other means would adequately redress violation of constitutional rights. Even then, they have exercised their authority with admirable restraint and in a fashion consistent with congressionally declared policy.

II. ARGUMENTS IN OPPOSITION TO THE PROPOSED CONSTITUTIONAL AMENDMENTS

The proposals before the committee carry the potential for inhibiting virtually all efforts to desegregate the nation's public schools. Two of these proposals, S. J. Res. 40 and S. J. Res. 60 would bar all assignments of students to the schools on the basis of race, color, or national origin. Another, S. J. Res. 29, is somewhat less restrictive and would prohibit specifically requiring the "transportation" of students on these bases. S. J. 137 would require in effect that all students be assigned to the schools nearest their place of residence. Although these proposals employ some differences in wording, the probable effect of each would be about the same—that is, they would prohibit the courts and federal agencies from taking race into account in formulating remedies to desegregate the schools. In this sense, they would effect a *pro tanto* repeal, and I use the term "repeal" quite literally, of the Equal Protection Clause of the Fourteenth Amendment to the Constitution by forbidding even such race conscious student assignments as are necessary to accomplish the final abolition of segregated school systems ordered by *Brown* and its progeny.

For instance, does the "race conscious" placement of a new school, or closing of an old one, so as to promote integration involve the prohibited assignment or transportation of students?

Is reassignment of students within a school forbidden?

Is the reformulation of attendance boundaries, even without requiring transportation, prohibited?

In my judgment these proposals would clearly prohibit all busing for purposes of desegregation, even where there is no overall increase in the total amount of busing before desegregation. Beyond this, they might also prohibit virtually every step that could possibly be taken to further integration, however innocuous such a step might be, because any step in aid of integration, as the Supreme Court said in *McDaniel* v. *Barresi*, 401 U.S. 38 (1971), "will almost invariably require that students be 'assigned differently because of race.' "

While these proposals would have their greatest impact on federally enforced school desegregation, their effect would not end at that point. They would also reach plans voluntarily adopted by state and local educational authorities.

For these reasons, adoption of any of these amendments would be tragic. *Brown* v. *Board of Education* marked an historic moment in the evolution of the conscience of the nation. But the promise of a desegregated education which it held out to hundreds of thousands of black children went unfulfilled for nearly two decades. Finally, after a generation of procrastination, the Supreme Court ordered that *Brown* be effectively enforced. Now, a few short years later, we are considering various amendments which would nullify that decision, just as the impact of *Brown* is being felt in the North as well as the South.

Other considerations of a broad and fundamental nature militate against amending the Constitution in the manner proposed. The amending process has been properly invoked in the past and should only be invoked in the future to remedy basic defects in our constitutional structure or doctrine—not as a means of altering or influencing judicial interpretation of basic constitutional guarantees. There is grave danger inherent in adopting specific constitutional amendments to deal with specific matters of public or political concern. One of the prime values of our constitutional system is that the Constitution speaks in fundamental principles which have an enduring generality. This practice, coupled with the power of the Supreme Court to apply these great principles to specific problems, gives our political ideals a permanence not subject to alteration by violent surges of public feeling or the desire of officeholders for short term political advantage.

It is to America's credit, and a source of national strength and unity, that none of our constitutional guarantees of individual liberty have throughout history been taken away, in whole or part, by the amending process. This tradition of restraint in the use of the amending process has been the mainstay of a constitutional heritage which places paramount importance on the rights of the minority and majority alike. Indeed, without such restraint, none of our rights or freedoms would be safe for long.

The proposals before the committee are wholly at odds with this tradition. They seek to deal in long range terms with a specific issue on which public attitudes may change with the passage of time. More fundamentally, however, they seek to deal with the issue in a fashion that will inhibit rather than promote the realization of the rights of our minorities. Such an amendment, passed at a time when the mood of Congress and the American people is hardly conducive to the cautious deliberation for which this grave action calls, can only have disastrous consequences for the cause of racial equality and the stability of those enduring values embodied in the Constitution.

III. THE NEED FOR POSITIVE PROPOSALS TO ACHIEVE EQUALITY OF EDUCATIONAL OPPORTUNITY

We cannot begin to articulate new positive approaches to school desegregation and to the issue of busing until American leaders are honest with the American people. Not only has the public been misled regarding the legal issues involved but it is also unaware of the history of busing in our school systems. Simply put, busing is a universal means of transportation to school and, what is more, when used to achieve desegregation, it is generally accepted.

For example, it is widely believed that the busing of students is some type of aberration and that most students attend a neighborhood school. But, in fact, busing has been an integral component of our educational system for almost half a century.

Every school day 20 million American school children, 40 per cent of all public school pupils, ride to public schools on buses. In addition, another 25 per cent of our students use public transportation to get to school. Added together, that is 65 per cent of the school children in our country who ride to school on either school buses or public transportation. And less than five per cent are bused for the purpose of desegregation.

An interesting footnote to this discussion is that, in some instances, busing for the purposes of desegregation has entailed less time and distance traveled by students than they experienced under the dual school systems where black children were bused past all-white schools to all-black schools miles away and vice-versa. The United States Civil Rights Commission has documented many such cases.

Public officials and the press have also failed to tell the American people the many instances where busing for the purposes of desegregation has worked. The public only sees or hears about the negative side of busing. When we turn on the nightly news or glance at the local newspaper, we see only the relatively few examples of violent antibusing protests. But busing for the purposes of desegregation has been peacefully accepted and is effective in many cities across the country, including Charlotte, North Carolina; Jacksonville, Florida; Pontiac, Michigan; Racine, Wisconsin; Denver, Colorado; and in Pasadena, California.

Denver, which began busing 23,000 of its 80,000 students in September 1974, has an excellent example of a successful busing plan. It has been successful, in large part, because the federal district court judge did a careful job of planning, including appointing advisory groups of Whites and Blacks to assist in defusing tensions. This same technique was used successfully in Jacksonville, Florida when it began busing in 1972, and in many other cities.

Where public officials have explained busing responsibly and undertaken the necessary preparations, busing has invaribly worked. I am confident that if this were done nationwide, many of the misconceptions regarding busing would disappear and the American people would readily accept busing as one of several constitutional tools in the national effort to eliminate unlawful segregation in our public schools.

I might add that congressional action on busing has been essentially negative in character. The emphasis in both houses of Congress has been on placating antibusing sentiment, not on seeking alternative ways of solving the problem that court ordered busing was designed to cure in the first place.

It is time that Congress assume a constructive and positive role in this area. The Education Act Amendments of 1974 were a useful first step toward a comprehensive legislative progam to guide the courts as they choose from a wide range of remedies for denial of equal protection. These provisions instructed the judiciary to consider a number of tools for desegregation before choosing busing plans. By joining forces with experts in the educational community, the Congress may formulate even more comprehensive proposals to guide the courts in the future in order to further minimize the need for busing while not totally foreclosing it as an option where no other alternative is available. Early on, Congress left the courts to "go it alone" in implementing *Brown* and it must not now act to obstruct accomplishment of that goal—by constitutional amendment or otherwise. Instead, Congress should become an active partner with the courts in pursuit of our common objective—the best education for all our children.

Other steps we can take include providing new federal funds to extend more Emergency School Aid funding to school districts that are desegrating. We could, also, provide stronger backing for the programs of magnet schools so that students will voluntarily move to integrate and exciting educational institutions. And, we may wish to enact new incentives for states to equalize expenditures among school districts.

Once our leaders and the news media take such positive steps and present the issues related to busing fairly we can begin to move away from the bitter divisions busing has come to symbolize.

IV. CONCLUSION

H. L. Mencken once said that "For every difficult and complex problem, there is an obvious solution that is simple, easy, and wrong".

Assuring equal educational opportunity for every child in America is, indeed, difficult and complex. And Mr. Chairman the proposed constitutional amendments before this committee are simple, easy, and wrong. And, I ask this distinguished Committee to reject them.

MINNESOTA HEARING ON RAIL ABANDONMENT

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues the testimony of the Minnesota Commissioner of Agriculture, Jon Wefald, at the Interstate Commerce Commission hearing on November 3 in Mankato, Minn.

The purpose of this hearing was to receive testimony regarding the application of the Chicago & North Western Transportation Co. regarding the proposed abandonment of 24.6 miles of railroad in Blue Earth and Faribault Counties.

Commissioner Wefald spoke in opposition to this abandonment. He suggested that we look beyond the issue of losses by the rail system. He indicated that abandoning the rail lines would contribute significantly to the deterioration of the rural economy by leading to the elimination of competition and higher transportation costs.

The commissioner suggested that Minnesota and America need more commercial transportation resources to meet a growing population and an increasing world reliance on our agricultural products.

In the last 8 years, the railroads have been permitted to abandon over 1,043 miles of transportation artery in Minnesota alone. The commissioner suggested that these abandonments have left 68 Minnesota cities orphaned to an inadequate highway transportation system.

The commissioner pointed out the volume of grain involved in the areas affected by the proposed amendments. And he pointed out the number of trucks required to move this volume of grain. In light of the national energy crisis, we should think carefully about any further railroad abandonments.

The transportation task force study on grain movement costs in southwestern Minnesota last year indicated that farmers lost up to 30 cents per bushel when forced to move their grain by truck rather than by rail.

While proposed rail abandonment requests continue, the Government continues to make investments to upgrade and expand its highway system. We should recognize the need for an integrated road, rail and water transportation system to meet our rural and international requirements.

Mr. President, I ask unanimous consent that this informative statement by Commissioner Wefald be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY STATEMENT BY MINNESOTA AGRICULTURAL COMMISSIONER JON WEFALD

(Regarding Docket No. AB–1 (Sub. No. 20), the Application of the Chicago and North Western Transportation Company for a Certificate of Public Convenience and Necessity authorizing the abandonment of a line of railroad in Blue Earth and Faribault Counties of Minnesota.)

As a concerned official of the State of Minnesota, I appreciate this opportunity to testify before the Interstate Commerce Commission on this application for railroad abandonment.

Let me state at the outset that I am opposed to the serious consideration or granting of this application, and most of the 20 pending additional applications for railroad abandonments in Minnesota.

My opposition is not limited to Minnesota, but motivated by a genuine and increasing apprehension and concern on behalf of agriculture, the rural community, the quality of our environment and, indeed, our total economy.

I fully appreciate the uncomfortable position in which the Interstate Commerce Commission has been placed in these abandonment applications. The legal amenities of existing federal laws and regulations must be observed, until those laws and regulations have been amended or set aside.

The application before you today is part of a blueprint for economic havoc, for farmers, for consumers, and for the economy.

On its face, the Chicago & North Western Transportation Company request to abandon 24.6 miles of railroad in Blue Earth and Faribault Counties appears to be inconsequential.

The maintenance and financial statements, for example, verify that this particular section of the line is a loser in every way.

But most of the arguments for abandonments, we suggest, are invalid.

Abandonment will serve only the public inconvenience not the public convenience.

Maintenance and operation of the line, too long neglected, is the necessity.

Abandonment of the line will contribute significantly to the deterioration of the rural economy in the form of higher transportation costs by eliminating competition.

Abandonment of the line will contribute significantly to a more rapid depletion of limited energy resources.

Abandonment of the line will contribute significantly to increased pollution damage to the environment.

Minnesota and America need more commercial transportation resources—not less—to meet the needs of a growing population and an increasing world reliance upon our agricultural and industrial productivity.

Yet, the record shows that the one major, historic, established vital transportation artery, our national rail system, is being dismantled to carry out virtually unrestrained its blueprint for national disaster.

In just the last eight years, the railroads have been permitted to abandon over 1,043 miles of transportation artery in Minnesota alone. These abandonments left 68 Minnesota cities with a 1970 population of nearly

24,000 orphaned to an inadequate highway transportation system.

This application and the 20 others pending will add another 450 miles of key alternative transportation artery and another 29 cities to the blueprint for economic havoc in Minnesota, forcing another 9,000 citizens to rely entirely on limited and seasonally restricted highways for all of their transportation requirements.

A map of Minnesota marked with the abandonments approved to date, and those pending, shows well this blueprint for economic havoc in Minnesota.

Please examine the important agricultural area that this section of railroad line has and, properly maintained and managed, could more effectively serve.

While the line occupies only Blue Earth and Faribault Counties, it serves the needs of a larger area, including significant portions of neighboring Watonwan and Martin Counties.

Agriculture is the principal industry of this area and the State of Minnesota.

Agriculture is the industry that provides mankind essential food and fiber.

The transportation logistics of the agriculture and its related food and fiber input, service, marketing, processing and distribution industries are increasing, not receding.

In these four counties agriculture in a normal year, like 1973, produces over 59.2-million bushels of corn, 25-million bushels of soybeans, 3.2-million bushels of oats, plus over 542,000 bushels of wheat and barley. This grain production alone, represents a commercial transportation logistic of 2.5-million tons.

To move all of this grain by rail would require 27,502 90-ton hopper cars, or 550 50-car unit trains per year. The transportation need and revenue potential is there, if the service was provided and maintained.

To move this volume of grain from the four counties by 20-ton trucks would require 123,761 semi-trailer units, a single caravan that would stretch bumper-to-bumper for nearly 1,300 miles, or 339 trucks on the road each and every day of the year.

It is legitimate to point out that not all of this grain moves to market in that form . . . but it all does move to market as grain or in value added livestock and poultry products. In fact, the total food production from these four counties in one year represents some 3.12 million tons to be moved into processing, marketing and distribution channels by some form of commercial transportation.

The national energy crisis alone should be a strong argument for retention of this and all other sections of the railroad system.

According to the Minnesota Transportation Task Force, which made a special study last year on the economic and energy impact of railroad abandonments on grain transportation, these abandonments are contributing damage to the local economy, damage to the environment and unnecessarily accelerating dissipation of critically short petroleum energy resources.

This study revealed that 23.6% more fuel will be required to move farm grain by trucks than is presently consumed, if only half of the existing railroad mileage is abandoned. In these four counties, it would represent an additional 525,000 gallons of motor fuel.

In addition to the increased fuel consumption, there is attendant environmental concern for the increased volume of air pollutants that would be discharged by the truck exhaust systems.

The economic losses of a forced increase in reliance upon truck transportation for the movement of bulk materials essential to agriculture and consumers will be extremely regressive.

The Transportation Task Force study of grain movement costs in southwestern Minnesota last year revealed that farmers lost up to 30 cents per bushel when forced to move their grain by truck rather than rail.

At an average increased transportation cost of 15 cents per bushel for truck movement of grain, over the cost of rail transportation, farmers in the four-county area affected by this proposed abandonment could lose some $1.3-million annually.

None of this loss in farm income would be passed along to consumers. In fact, consumers also would have to pay more for the processed food and fiber products, again because of the higher costs of truck transportation compared to rail, in the distribution system.

Farm income losses on higher transportation costs are not limited to grain sales.

Every production input requirement of agriculture also will carry a higher transportation cost . . . petroleum fuels for tractors and combines, fertilizers for field crops, and for the new machinery and replacement parts, foremost among the hundreds of industrial products required by modern farming.

I repeat, we need more efficient transportation resources, not less.

The railroad system, branch lines as well as main lines, are part of the interstate transportation network, even though the owners and managers have allowed great parts of this system to deteriorate terribly.

The State of Minnesota presently has a total of 762 miles of interstate highways.

That is only half the interstate transportation artery that the railroads have abandoned and seek to abandon in applications currently pending.

I have seen and heard no proposal from any local, state or federal government agency proposing abandonment of a single mile of highway, where the maintenance and revenue problems are at least if not much more severe than those experienced by the railroads.

In fact, government continues to upgrade and expand its highway system, recognizing that inadequate as it is and will probably continue to be, that it is an essential component of a total, integrated land and water transportation system required to meet the mounting needs of a growing population and an increasing world reliance on American agricultural and industrial productivity.

We need a complete overhaul of national transportation policy to insure the development rather than the dismantling of essential transportation resources.

I urge the members of the Interstate Commerce Commission to deny this application for abandonment by the Chicago & North Western Transportation Company and to take a bold role in prompting the Congress and the administration to place top priority on shaping a new, comprehensive, total transportation-energy policy that will best serve the public interest.

EDWIN THOMAS BOOTH

Mr. JAVITS. Mr. President, Edwin Thomas Booth was widely acknowledged to be the greatest actor in America during the 19th century. His performances brought Booth international acclaim and helped establish the proud tradition of American theater. I believe it would be fitting during our Bicentennial year for the Postal Service to issue a stamp commemorating Booth's great contributions which have had such a profound impact upon American theater arts.

I ask unanimous consent that my letter to the Postmaster General and a biographical sketch of Booth be printed in the RECORD.

There being no objection, the letter and biography were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, D.C., October 30, 1975.

Hon. BENJAMIN F. BAILAR,
Postmaster General, U.S. Postal Service, Washington, D.C.

DEAR MR. POSTMASTER GENERAL: I would like to add my name to the many requests you have received asking consideration for a commemorative stamp honoring Edwin Thomas Booth, the great American actor of the 19th century.

As a firm believer in the power of the arts to uplift and ennoble man's spirit, I know a Booth commemorative stamp would be a fitting tribute not only to a great American actor, but also to the role theatre has played in American history.

I am pleased to join with the Players Club of New York, former Postmaster General James Farley, and the distinguished public servant Robert Moses in requesting the high honor of a commemorative stamp for Edwin Thomas Booth.

With best wishes,
Sincerely,
JACOB K. JAVITS.

BIOGRAPHY OF EDWIN THOMAS BOOTH (1833–93), AMERICAN ACTOR

He was the greatest American actor of the 19th century and the first to win international recognition. Performing simply and naturally, and giving interpretations that were thoughtful, imaginative and deeply moving. Booth specialized in Shakespearean tragedy and was considered by many critics to be the finest Hamlet of his time. Among his other memorable roles were Iago, Othello, Lear and Macbeth.

Booth was born near Belair, Md. on November 18, 1833, the son of the famous actor Junius Brutus Booth (q.v.). As a boy he often accompanied his father on theatrical tours and made his stage debut in Boston in 1849, playing Tressel to the elder Booth's Richard III. In 1851, when his father failed to make a performance, Edwin went on as Richard III. He thus began a career devoted almost entirely to classic roles, depicting tragic or darkly grotesque characters.

Booth traveled widely, both in the United States and abroad. In 1889, he founded the Players Club as an organization devoted to his ideals. Booth presented his fine home in New York City's Gramercy Park to the Players as their permanent home. He died in his quarters at the club on June 8, 1893.

ZIONISM

Mr. MONDALE. Mr. President, on November 10, the General Assembly of the United Nations, in adopting a resolution denouncing Zionism, took a step the New York Times has properly characterized as "offensive, spiteful, and futile, and stupid as well."

The resolution attempts to equate Zionism with racism. It is as fundamentally false and dishonest in substance as it is transparent in intent. The charges are, in fact, reminiscent of the smear tactics that have fueled anti-Semitism for centuries. But the greatest tragedy is that the supporters of this resolution have only served to further discredit the United Nations as an instrument of peace and to undercut the voices of moderation in the Middle East.

An editorial published in yesterday's New York Times discusses the resolution on Zionism and the two related votes on the participation of the PLO in Middle East peace talks and on procedures for Palestinian Arabs to press their point of view in the United Nations. The editorial offers a forthright assessment of Monday's actions and it also addresses the question of what the response by the United States ought to be.

Yesterday afternoon I, with many other Senators, supported a resolution that not only strongly condemns the General Assembly's equation of Zionism with racism, but encourages a strong effort by all those concerned with adhering to the original purposes of the U.N. Charter to work for a reconsideration and removal of the subject of Zionism from the General Assembly resolution. The Senate resolution also asks that the Committee on Foreign Relations and the Commitee on International Relations begin immediate hearings to reassess the U.S.'s participation in the U.N. General Assembly.

In view of the disturbing events at the General Assembly meeting, I wish to share the New York Times editorial with my colleagues in the Senate. It is well worth our closest consideration.

Mr. President, I ask unanimous consent that the New York Times editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE U.N. VOTE

The vote of the United Nations General Assembly yesterday in condemnation of one member-state's national movement, Zionism, was offensive, spiteful and futile and stupid as well. Whatever the perverse satisfaction that Arab governments, and their Communist and Third World supporters, may have given themselves in this vote, it will be short-lived. An irresponsible majority in the world body has taken itself one large step closer to its own demise as a constructive force in international affairs.

Fair-minded observers might hope that the anti-Zionist resolution, like so many previous examples of empty and partisan rhetoric, could just be ignored and consigned to an infamous oblivion. But it may not be that easy. The United Nations plays a integral role in the search for peace in the Middle East; though the General Assembly is hardly the branch that counts, more responsible instrumentalities of the U.N. will necessarily be tainted.

The anti-Zionist vote came atop two other one-sided resolutions allegedly supporting the rights of the Palestinian Arabs—without the slightest attempt to acknowledge the complexities or practical consequences of such simple-minded stands. This is not the diplomacy of conciliation; it will give comfort only to extremist ideologues on all sides, and tragically so since the first signs of moderation among the belligerents seemed to be coming to fruition.

Pressure will now be great in the United States Congress, and among broad segments of the population, to have done with the United Nations. If the Arab states have cut off their nose to spite their face, the United States must beware of committing the same folly. For all its faults, the United Nations is an essential element in world diplomacy—particularly so as a peacekeeping force in the Middle East.

Those governments supporting the anti-Zionist campaign should be left in no doubt of the scorn and disdain with which this country views their actions. But hasty sanctions, financial or political, against the United Nations itself could only redound against this country's broader foreign policy interests, and those of an interdependent community of nations.

TALE OF A BROKEN DOOR: WHO IS RESPONSIBLE?

Mr. PERCY. Mr. President, I have never been awakened by the sound of sledgehammers battering down my front door, and I never hope to be. But that was how a pregnant woman named Paulette Grayson started her day last Tuesday, November 4, when the Metropolitan D.C. police raided her Northeast apartment looking for narcotics and stolen property. According to a front page Washington Post account, she opened her eyes and an armed stranger stood in the bedroom door, telling her to put up her hands.

But the police had made a simple mistake; they had misread their warrant and raided the wrong apartment. They then ran upstairs and battered down another door, to William Earle's apartment. The officers searched for half an hour, but found nothing.

Everybody makes mistakes. The police apologized to the Grayson's for smashing down the wrong door, and promised to reimburse them for the damage. But William Earle was not so lucky. Because his address was correctly noted on the warrant—although his name was not—the D.C. police department will not assume responsibility for replacing his wrecked door.

This policy strikes me as exceedingly strange. When the police make a simple mistake all by themselves, as they did in raiding the Grayson apartment, they will repair the damage; but when misinformation—possibly even due to dishonest or vindictive informants who remain anonymous—leads the police to make a mistake, the department denies responsibility.

As ranking minority member of the Permanent Subcommittee on Investigations, which exercises oversight jurisdiction over the Drug Enforcement Administration, I inquired into DEA's policy on reimbursing victims of mistaken raids. That Agency's answer disturbs me: If DEA breaks into a residence "pursuant to a validly authorized search warrant," DEA will not reimburse for damages, regardless of whether the agents find anything or not. Only if a court finds the Government negligent in securing the warrant or establishing probable cause will DEA reimburse. However, "where equity indicates that an innocent property owner has suffered damage to his premises * * * discretionary reimbursement may be authorized."

This policy does not sufficiently protect the rights of innocent citizens. Victims of a misdirected raid should not have to clear their names and reputations with the same agencies which broke down their doors in the first place, before collecting simple compensation. Nor should they have to battle the Federal Government in court at tremendous personal expense to recover damages where law enforcement officers have made a mistake.

Our system of laws presumes a person innocent until proven guilty. But the presumption of the Metropolitan Police and the DEA seems to run in the opposite direction. To paraphrase their policies: If a person lives at an address for which a search warrant has been issued, he must be doing something wrong. Therefore, if he cannot be arrested and convicted for what the warrant implies he might have done, he should at least be forced to pay for smashed doors and windows.

Such reasoning is not lost on those who must face its consequences. An attitude of this sort can only have the effect of angering and alienating the very people upon whom the success of local and Federal law enforcement efforts depend. Relations between the community and the police are delicate enough without patently unfair policies breeding added resentment.

I would have thought that the dual actions which the Congress took last session at the urging of Senators Ervin, NELSON, and myself—repealing the no-knock laws and severely restricting the sovereign immunity defense with respect to intentional abuses by Federal law enforcement officials—would have changed the climate as to matters such as this. Apparently, they have not. Accordingly, I shall continue to make every effort to call public attention to the unwillingness of Government officials and agencies, including law enforcement agencies, to be accountable for their actions and particularly for their errors. Failure on the part of law enforcement agencies to accept responsibility for their blunders, however well-motivated, can only nurture lawlessness on the part of some officials, and disrespect for the law on the part of the innocent victims of their acts.

And I shall continue to make every effort to change such policy where inequity is the clear result.

Mr. President, I ask unanimous consent that the November 7, article on the northeast D.C. raids—excellently researched and written by Washington Post staff writer Leon Dash—be printed in the RECORD, together with a November 10 Post editorial on this subject and a statement of DEA policy on reimbursement under circumstances such as this. I also ask unanimous consent that an enlightening column on this subject by the distinguished Washington Post columnist William Raspberry entitled "Police Raids: Who Should Pay for the Damage?" and appearing in this morning's edition also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 7, 1975]

POLICE BLUNDER ON RAID

(By Leon Dash)

Metropolitan police department detectives battered down the front door of the wrong apartment during a drug raid early Tuesday morning and held three frightened occupants at gunpoint before realizing their error.

Shortly after the first breakin, the police burst into an adjoining apartment, which originally had been targeted for the raid, but found no narcotics and made no arrests.

Inspector Robert L. Zink, head of the intelligence division, said the raid on the apartment at 1257 16th St. NE "was in error." The second apartment raided, located at 1257 A 16th St. NE, was the correct apartment, Zink added.

The entrances to both apartments are adjacent to each other on the ground floor of a two-story red brick building, Zink said, which caused the confusion.

James Grayson, who rents the first apartment raided, said he was sleepily dressing for work about 6:45 a.m. when he was startled by a piercing shout of "police" followed by the loud slam of a sledgehammer against his wooden front door.

"I rushed to the front door to keep them from waking up my pregnant niece, who was sick," Grayson said. But he jerked to a halt when the sledgehammer hit the door a second time and splintered wood and fragments of glass flew into his face.

At a third blow, the door flew open and a plainclothes detective—gun in hand—burst into the living room, put his gun to Grayson's head and said "Don't move!" Grayson said.

After holding Grayson, his pregnant niece, Paulette Grayson, and a friend of Grayson's Roscoe Grant who had stopped by to pick up Grayson for work, at gunpoint for a few seconds, the police realized their error and broke into William Earles' apartment next door.

"It was an error," Insp. Zink said yesterday. "We hit the wrong door."

The raid, led by Lt. Garrett Kirwin, was targeted for Earles' apartment, Zink added. "It was unfortunate that we broke into (Grayson's) apartment and we've made arrangements to replace the door," he added.

"I'm still aggravated," Miss Grayson said, "because someone could have gotten hurt. They could've upset my pregnancy," added Miss Grayson who is four months pregnant.

Miss Grayson said she was asleep when she was awakened by the sound of breaking glass. "Suddenly there was a man with a gun in his hand standing in the bedroom door." she said as she looked up from her bed.

"I asked him 'What the hell is going on here?'" she remembered, "He said 'Put up your hands and put on some clothes,'" she added.

"The first thing I thought was please don't shoot because I'm pregnant," she added. "I only thought of death."

"That's when they said they had the wrong house," she added.

"When someone said they were in the wrong house they all ran out and went next door," Grayson said.

Earles, whose apartment is located above Grayson's, said he jumped out of bed when he heard the police banging on the downstairs door. He looked out of his back window and saw some policemen outside.

"The next thing I heard was banging on my front door and then I was greeted by a man with gun drawn rushing up the stairs" from the ground-floor entrance, Earles said.

The police officers told him they had a search warrant for this apartment in the name of Victor Allen Johnson alias Earl Grady. After a half-hour search of his apartment for narcotics and stolen property, Earles said, they left empty-handed.

Earles who said he is the renter of the apartment, said he does not know the Johnson named in the warrant and did not know why the police raided his apartment. He also said the police told him they did not have to fix his door because the warrant specified his apartment as the location of the raid.

Insp. Zink said that although the police will replace the Grayson's front door, the "police department does not assume the responsibility" of replacing Earles' door because his apartment was the correct location raided.

Lt. Kirwin "said he was sorry about raiding our apartment," Grayson said, "but told us that things happen that way. I feel it was just a sloppy job."

[From the Washington Post, Nov. 10, 1975]

BROKEN DOORS

Everybody makes mistakes, including police officers. All the same, there is something especially compelling about the recent case of the misdirected narcotics raid by the metropolitan police. The case suggests that, before smashing down the doors of citizens, the police should take great care to be quite certain they have the right door—and when they find out they don't, they should be quick to assure the residents that damaged property will be repaired.

The case began at 6:45 the other morning at the Northeast apartment of James Grayson, a District government employee, who was dressing for work at the time. Mr. Grayson heard someone shout "police" and then the sound of smashing wood and glass. In a few minutes, the police were in his home, first holding guns on the family, including a pregnant niece, and soon discovering they were at the wrong house. It turns out that the warrant was for the house next door. Off the police went and smashed open another door at the home of William Earles.

In the case of the Graysons, the police had the wrong door and the wrong party. In the case of Earles, his was the right address, but the police found no evidence of narcotics.

The result was a wasted morning for the police and two sets of broken doors, to say nothing of a number of very frightened citizens.

What the police did next is also disturbing. They told the Graysons they would repair their door because it wasn't the address on the warrant. Mr. Earles, however, was given different news. He was told that since his address, unfortunately, was on the warrant, he would have to pay for the repairs of his door himself. By what twist of logic the police arrived at that conclusion, we cannot even guess. That it is wrong we have no doubt. Neither Mr. Earles nor the Graysons should have to suffer one more minute of cost or discomfort as a result of this misbegotten adventure. To say the least, their property should be repaired. An apology from a high-ranking police official would not be an excessive expression of concern either, in our opinion.

In narcotics cases and certain kinds of gambling cases, the police make a valid argument when they said that there is a danger of loss of evidence if they have to wait outside too long after identifying themselves. Evidence has been known to be flushed down toilets or burned in fireplaces. Because that is true, every so often, the police are more hasty than they should be. The Northeast incident falls into that category and can be understood up to the point at which the police attempt to absolve themselves of responsibility for a mistake. Their information was wrong and they should admit it, repair the damage and apologize for the inconvenience. That is not too much to expect.

MEMORANDUM

To: Rick Weiss, Acting Chief, Congressional Relations Section.

From: Donald E. Miller, Chief Counsel.

Subject: Forcible entry into residences by DEA agents—reimbursement for damage.

When agents of the Drug Enforcement Administration, while lawfully carrying out their official responsibilities under the Controlled Substances Act, forcibly enter a premises for the purpose of searching for and seizing narcotic contraband, the Drug Enforcement Administration will reimburse the owner of the premises so entered, for any damage caused by the DEA agents to the premises, in the following situations:

1. When forcible entry is made to a premises other than that listed in the search warrant, reimbursement for the damage incurred to the premises will be made by DEA.

2. When the premises listed in the warrant is a hotel room, or the equivalent thereof, and forcible entry occurs, DEA will generally reimburse the hotel owner for the damage to the premises, since he is an innocent and unwitting third party. If the circumstances demonstrate that the hotel owner or manager knew or should have known that illegal activities were occurring within his premises, reimbursement will not be made. This general principle is followed without regard to the discovery of contraband within the subject's hotel room as a result of the search.

3. Where forcible entry is made to an apartment or residence pursuant to a validly authorized search warrant, DEA will generally not make reimbursement to the owner of the premises for the damage incurred, without regard to the discovery of contraband within the premises as a result of the ensuing search. Where it can be demonstrated that DEA agents involved were negligent in the security of the underlying probable cause, reimbursement will be made. The Federal Tort Claims Act does not confer absolute liability upon the United States when forcible entry is made pursuant to a valid search warrant. Only when the Government has been negligent in the securing of the search warrant, or the probable cause, which support it, does liability attach. The law is clear that under given circumstances, such as danger to the lives of the investigating agents or an attempt by the occupants to dispose of the contraband before entry, federal agents may use all reasonable means to forcibly gain entry into the premises. Case law is similarly clear that the validity of a search warrant and the appropriateness of its execution is not contingent in any way upon the discovery of contraband as a result of the ensuing search.

4. Where equity indicates that an innocent property owner has suffered damage to his premises as a result of the lawful execution of a search warrant, the matter will be reviewed by DEA. Based upon the particular facts of the individual case, discretionary reimbursement may be authorized.

[From the Washington Post, Nov. 13, 1975]

POLICE RAIDS: WHO SHOULD PAY FOR THE DAMAGE?

(By William Raspberry)

What should the police do when their raiding party breaks through the wrong door in search of contrabrand? What should they do when they hit the right door but fail to find what they are looking for?

You may consider the questions fraught with all manner of legal and moral difficulties. But to Asst. Chief Theodore Zanders, nothing could be easier.

"If the officers go in on the basis of misinformation or erroneous judgment," he said, "we fix the door. If the probable cause is good and the address is right, we don't fix the door."

The Metropolitan Police Department, as a result of that policy, agreed to repair one of two doors they smashed through just over a week ago. Detectives on a narcotics raid first knocked down the door at 1257 16th St. SE. Once inside, they discovered that they were mistaken, that they should have been at the adjacent 1257–A. They apologized for their error and then smashed their way into the second apartment. They didn't find what they were looking for and no one was arrested.

The authorities later told the resident of the first apartment that they would make repairs. The resident of the second apartment, the one named in the warrant, had less luck. The department "does not assume responsibility" because the address was correct, an inspector explained.

That's the policy, and Asst. Chief Zanders says he has no problem with it.

John Suda, an assistant corporation counsel who has handled a number of claims against the city growing out of such raids, said he was unaware of the police department policy. But so far as the city is concerned, he said, the standard is "reasonable conduct on the part of the officer."

That is, if the warrant is validly issued in the first place, and if the officer executing the warrant does what an officer might reasonably be expected to do—including breaking through doors in some cases—the city assumes no additional liability merely because the officer does not find what he is looking for.

"The person raided is entitled to the presumption of innocence," Suda agreed, "but that isn't the question. The question is one of reasonable conduct."

Any raid victim who believes the police acted unreasonably is entitled to bring civil action against the city, Suda said, adding that more than 90 per cent of the actions so brought are settled through money payment.

"The standard (for settlement) is: What would a jury do to us in X case? In other words, what does the community think about our actions?"

Don Miller, chief counsel for the Justice Department's Drug Enforcement Administration, says his agency's policy is similar to that of the D.C. police.

"The general policy—the law, in fact—is that the government is responsible for the torts of its agents. That has to do with negligence, as distinguished from mere failure to find what they are looking for."

For example, he said, if federal agents stop a car suspected of transporting contraband into the United States from Mexico, they may, even without a warrant, undertake a search of the car. Such a search might entail ripping up carpets, tearing out seat covers or deflating spare tires. If the officers fail to turn up any contraband, they are not required to undo the damage they cause, so long as there was probable cause for undertaking the search in the first place.

Miller said he believes the policy is sound. "What reaction would there be if (law officers) knew they had an absolute liability" for damage caused during fruitless raids? "Would they search only the most obvious places? In my opinion, it would cause immobility and timidity on the part of the agents."

He cited a three-year-old New York case in which agents, acting on a tip that heroin was concealed in the walls of a house, stripped off the wallpaper and much of the plaster. They found nothing.

Yet, he says, the tip was from the same informant who previously had told them of heroin being hidden in the walls of another house. That information led to the seizure of a substantial amount of illegal narcotics, he said. "We don't believe we should have to rebuild a house just because we don't find the stuff," he said.

"If we make a mistake and hit the wrong door, we make every effort to correct it without making the person come down to the courthouse and fill out claims forms and so on. We don't like being in the newspapers either.

"But in the absence of negligence, we aren't required to do anything. That's what the law says right now, and I'm not inclined to change it."

CEA CHAIRMAN GREENSPAN AND SECRETARY OF THE TREASURY WILLIAM SIMON TESTIFY ON ADMINISTRATION'S $28/$28 TAX AND SPENDNG PROPOSAL

Mr. HUMPHREY. Mr. President, on October 29, 1975, Alan Greenspan, Chairman of the Council of Economic Advisers, and on November 7, 1975, William Simon, Secretary of the Treasury, testified before the Joint Economic Committee on the President's proposal for a $28 billion tax cut and $28 billion in expenditure cuts.

Many of us in Congress find the President's proposal very hard to understand. The tax cut would come in January 1976, causing a stimulative impact on the economy for 9 to 10 months, and then the brakes would be slammed on with a $28 billion cut in expenditures in October. The administration has repeatedly stated that it wants to decrease the deficit and that with the recovery well underway, no fiscal stimulus is needed. And yet, for most of next year the proposed tax cut will create a larger deficit and greater stimulus to the economy than the extension of the 1975 tax cut. In Dr. Greenspan's words:

> Should the spending curtailment lag the tax cut, the deficit for the first nine months of calendar year 1976 would of course, be increased, and this in itself is admittedly undesirable. Additional fiscal stimulus does not seem to be necessary considering the extent of the economic recovery now underway.

Here we have a situation where the administration has been stressing the dangers of deficits and they come in and propose a larger one. They have said we really do not need the tax cut for fiscal stimulus and then they propose a larger one.

Frankly, the purpose of this program has me baffled. The timing is also very perplexing. Dr. Burns has stated that the tax cut and the spending cuts ought to be concurrent. And yet, the President's proposal would make the tax cut operative in January—giving the economy tremendous stimulus right up until election time—when the brakes would be slammed on with the expenditure cuts. The economy would not begin to feel the impact of these cuts until after the election. As my colleague, Representative Long from Louisiana, pointed out, a failure to recognize the political implications of the timing of this proposal has caused great consternation among many people in Congress.

The President has based his proposed expenditure cuts on OMB Director Lynn's projections of spending in fiscal year 1977. Mr. Lynn has testified that without the $28 billion expenditure reduction his projection for spending in fiscal year 1977 is about $423 bllion. However, projections by the Congressional Budget Office and the OMB's current services budget submitted November 10 both indicate that baseline spending is more on the order of $415 billion or less for 1977. The administration is employing a now-familiar scare tactic of starting out with an exaggerated estimate of spending trends.

Another worrisome aspect of the President's proposal is that it does not give us an inkling of where these spending cuts are going to come from. The President has asked Congress to approve a tax cut and expenditure cut, and yet he has not given us any ideas of where those cuts would be made. I am afraid it would mean cutting money for social security and school lunch programs and other social programs necessary for the wellbeing of our people. We cannot cut back expenditures that are crucial for providing basic necessities for our citizens.

I see no reason for making a foolhardy leap headfirst into a program that is so questionable. The economy is showing welcome signs of recovery. It seems sensible to continue a program that has been working. Why not continue the current tax reductions? Why replace them with a package combining excessive fiscal stimulus now and excessive fiscal restraint later? If the administration is serious about wanting to reduce the trend growth of Federal spending, why do they not come forward with some specific reforms of specific programs, reforms which might save far more than $28 billion in future years? I am concerned about the growth of Federal spending. So is every other Member of Congress. Serious proposals to save the public money will meet a welcome reception in Congress. But we have not received such proposals.

Mr. Simon stated: "the economic recovery now underway is going to provide us with satisfactory growth," reaffirming Chairman Greenspan's position and adding to the mystery as to why the administration is proposing first a tax cut that will stimulate the economy and then a budget cut that would sharply slow the economy, if the recovery is moving along satisfactorily. Unfortunately, Mr. Simon's testimony shed no more light on what the President's proposal will accomplish than Mr. Greenspan's. Yet, Secretary Simon insisted that the President would veto any tax bill not tied to a spending ceiling.

At our hearing, Congressman Garry Brown of Michigan presented the administration with a sensible compromise proposal. He suggested extending the 1975 tax cuts and then enacting any further tax cuts later when they could be tied to spending cuts. This suggestion was completely rejected by Secretary Simon. It is beginning to seem to many of us in Congress that the administration is unwilling to try to work with Congress to come up with a sensible plan for achieving a strong, sustained economic recovery and holding down excessive spending.

Mr. Greenspan and Mr. Simon, as always, provided the committee with a lucid and factual evaluation of the state of the economy and they exhibited great skill and good humor in attempting to answer the committee's questions about the President's program. However, they did not give us satisfactory answers. There are no satisfactory answers, because the President's proposals are not satisfactory proposals.

I ask unanimous consent that my opening statements at the Joint Economic Committee hearings on October 29 and November 7, Mr. Greenspan's statement and portions of Secretary Simon's statement to the committee be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Opening Statement: Senator Hubert H. Humphrey, Tuesday, October 28

This morning our witness is Alan Greenspan, Chairman of the President's Council of Economic Advisers. We are very grateful to you, Mr. Greenspan for agreeing to be here this morning to discuss the President's recent tax cut and expenditure reduction proposals.

I want to get one thing straight right at the beginning. This hearing is about economics, not politics. There has been much discussion of whether the President's proposals will or will not help him politically. That is not the business of this Committee. This Committee has only one question to examine: Will these proposals be beneficial to the economy?

I do not see any benefit. The tax cut, if taken alone, might be beneficial in insuring that economic recovery continues at a rapid pace next year. Coupled with an expenditure reduction which would sharply reduce economic growth in the final quarter of next year, I can see no benefits. This economy has been on a roller coaster long enough. It is time to get off.

If this tax and spending package is not beneficial to the economy, then why was it proposed? That is the sixty-four dollar question. Mr. Greenspan, you are privy to the internal deliberations at the White House, and I am not. I must tell you that to those of us looking at the question from the outside, it does not appear that the President is listening to his economic advisers.

I call your attention to a recent article by James Gannon, the Washington correspondent of the Wall Street Journal who, in an article entitled "Who's in Charge Here, Anyway?", writes:

"Whose advice on economic matters is President Ford relying upon, now that it's obvious that he is often ignoring the counsel of his economic advisers?"

Both the Ways and Means Committee and the House Budget Committee have indicated that they will support extension of the tax withholding rates which are presently in effect and that this extension of the 1975 tax reduction should not be tied to any arbitrary limit on 1977 spending—as distinguished from responsible, carefully considered spending reduction actions under the budget control process that has been implemented by Congress. The economy needs a tax reduction in 1976. It needs it for the short-run purpose of keeping a vigorous economic recovery underway.

Whether we also need a large permanent tax reduction and to what extent it should be coupled with expenditure reductions is a separate question and a complicated one. According to information which has just been supplied to me by the Treasury Department, the tax cut proposed by the President would cost $29.5 billion in 1976, but by 1980 the revenue loss would grow to over $37 billion. Now, that may be appropriate. It may be that we need a tax cut of that magnitude—or even larger—to offset the effect of inflation in pushing up tax liabilities.

But before I commit myself to supporting any such major tax reduction, I want to see what it will do to the balance in the budget. With the existing tax structure and existing spending programs we can balance the budget at full employment. I regard that as a prime test of fiscal responsibility. Surely we have to be able to look forward to the day when this recession will be behind us, the economy will be at high employment, and the budget will be balanced.

Before I support tax reductions I want to know whether we will still be able to balance that full-employment budget and at the same time meet legitimate public needs. I am very much in favor of achieving reductions on the spending side of the budget. Indeed, I have yet to meet the person who is not in favor of eliminating "wasteful" and "unnecessary" spending. But most of what the government spends is legitimate and necessary. We are not going to eliminate it. We must not cut taxes so much that we cannot finance the legitimate functions of government.

These are the issues which must be analyzed in connection with the President's recent proposals. So far the Administration has failed to supply the information needed to make this analysis. We don't know what the President wants to cut. We don't know the Administration's assessment of the economic impact, and, until I wrote to Secretary Simon, we did not know the full cost of the proposed tax cut.

I ask consent that the article by James Gannon from the Wall Street Journal of October 21, 1975 and the correspondence which I received from Acting Secretary of the Treasury Stephen Gardner on October 23 be placed in the hearing record at this point.

STATEMENT OF ALAN GREENSPAN, CHAIRMAN, COUNCIL OF ECONOMIC ADVISERS

I am pleased to appear before this Committee today to discuss the economic impact of the President's tax and expenditure proposals for next year. As necessary background however, I should like to begin by touching first upon some of the recent evidence on the state of the economy and the recovery which has been underway for six months.

The surge in industrial production and gross national product indicate that the rebound in economic activity from the depressed levels of last April has been running ahead of forecast. Over the same period, there has been an excellent gain in total employment and a more rapid decline in joblessness than we had expected last spring. Equally important, the flareup in prices during June and July abated during the past two months, and the easing of pressures in the farm product markets have served to allay partially the wide-spread concern regarding an early renewal of strong inflationary pressures. One result has been the restoration of a much better expectational climate in the money and capital markets and a retreat in interest rates from this summer's highs. The recovery is underway and in its initial stages at least, it is stronger than we could have prudently expected.

The course of the economy this year has been dominated by sharp movements in business inventory investment, as I have pointed out before this Committee on earlier occasions. The preliminary estimates indicate a very sharp inventory swing in the third quarter. Although inventories were still being run down the much slower pace of liquidation accounted for more than half of the gain reported in GNP. We have known for some time that the inventory liquidation of earlier in the year was simply unsustainable and that its reversal was inevitable, as the excessive inventory overhang which was built up last year was worked off. Moreover just as inventory movements accentuated the recession earlier in the year they will continue to be a source of strength—although a decline one—over the next two or three quarters at least.

One impressive aspect of the third quarter figures is the strength in final demand. Final sales in real terms rose at an annual rate of 4.4 percent, just about as rapidly as in the second quarter of the year, laregly because of a continued strong rise in personal consumption expenditures. Consumer outlays in real terms rose at a 7 percent annual rate—slightly more rapidly than the 6.3 percent rate of advance during the second quarter.

I should point out that some of these growth rates are exaggerated by a quirk in the statistical techniques used to put the GNP in constant dollars. The real GNP gain during the third quarter would be closer to 9 percent than 11.2 percent if more updated techniques were used in removing the effects of inflation from the current dollar GNP levels.

Perhaps more important to the immediate outlook, the evidence to date for October indicates that the pickup in economic activity has continued into the present quarter. Retail sales of durable goods are exhibiting special strength as automobile sales, following the introduction of the new models, are continuing the pattern of increase which began in the first quarter of the year. The strength in final demand is laying a solid foundation for a further recovery next year and this is more important that the precise pattern and timing of the inventory swing which we are now experiencing.

A second encouraging aspect is that recent evidence suggests a somewhat earlier bottoming out in business capital investment outlays than many have anticipated. Business fixed investment in real terms held even during the third quarter despite the wide margins of excess capacity which prevails throughout the economy. Nor is this development without support. Following the sharp declines of late last year, the inflow of new orders for capital goods in August was up by 12 percent from the March low and this level held up in September. Production of business equipment in the industrial production index rose at a nearly 10 percent seasonally adjusted annual rate between June and September. There are also indications of a more favorable upturn in corporate earnings in the second half and this would facilitate the recovery in investment. There are still reasons, however, to question the speed and the timing of the upturn in business investment next year but the evidence continues to provide support for the possibility of an earlier and a more substantial upturn in capital outlays than past experience might indicate.

As one would expect the sharp pickup in production has resulted in a correspondingly marked improvement in the employment situation. Between March and September civilian employment, as measured in the monthly household survey, rose by 1.5 million. In recent months, and especially since June, rising employment in the household survey has been accompanied by a significant pickup in nonfarm payroll employment. Although the labor force has continued to expand at a rapid 2.0 percent annual rate since December, the level of unemployment has declined, and the decline from the second quarter peak has been more rapid than we had anticipated.

Of course there are problem areas and we all recognize them. The recovery in housing has lagged expectations. Housing starts in September were at a seasonally adjusted annual rate of 1.24 million units, a full 41 percent above the levels of December, 1974. Nonetheless they were still below our earlier expectations for this time and the levels consistent with the country's long-term housing needs and a healthy residential construction sector. Mortgage interest rates have moved upward in the past several months, and by September the rise in short-term interest rates seemed to imperil the inflow of funds into the mortgage lending institution. Although mortgage interest rates remain at very high levels, short-term rates have come down. The savings flow data now indicate resumed inflow and a more reassuring outlook for the availability of mortgage financing in the months ahead. Accordingly we expect the gradual recovery in housing to continue in 1976.

Even with the easing of the June and July price flareup, consumer prices have risen at a 7 percent annual rate so far this year, a rate which is too high in comparison with historical standards and the requirements for a stable prosperity. High inflation and inflationary expectations moreover have their direct counterpart in high interest rates. Perhaps most important of all consumers and businessmen are not yet convinced that economic recovery can be achieved without setting off another set of forces which will quickly recreate the virulent inflationary conditions of 1973 and 1974. These are problems which policy must recognize and deal with.

But it is important to recognize that economic conditions have undergone a marked improvement in recent months. Quite apart from the inventory swing, the recovery appears to be resting upon solid enough foundations to suggest a continuation during the present quarter and into next year as well.

Now that the recovery is underway it is even more important to focus upon the problems which we are going to confront in the next year and beyond. Unless we carefully assess the risks that are involved with alternative policies we may exacerbate the problems which we will face by late next year and greatly increase the chances of setting off another inflation-recession cycle.

The dilemma is how to achieve recovery without recreating inflation. At this juncture in the recovery, ideally, one would want assurance that fiscal and monetary policy will be adequate to support the continuation of a healthy recovery. At the same time the improvement in the economy makes it even more important to assure that the thrust of fiscal and monetary policy does not have embedded in it the seeds of future inflation.

A second and, in a sense, more difficult problem, is that consumers and businessmen are not convinced that the dilemma of achieving recovery without inflation can be resolved. Recent experience has made them wary, watchful and mindful of the risks which the various policy alternatives pose for the future. Past experience indicates that it is easy to continue expansive policies, but it is very difficult to curb budget deficits and hold monetary expansion to rates which are appropriate for high employment price stability. Rightly or wrongly our past mistakes have created a situation in which recovery itself is dependent upon confidence that policy will become significantly less expansive when and as circumstances require.

Fiscal and monetary policies are, in my judgment, generally suitable for present circumstances. But as circumstances change, policy must also change. The budget deficit must be closed as the recovery proceeds and unless we are able to rein in the rapid rise in federal outlays I do not believe that we can count on the passive growth in revenues from the recovery to fully close it.

In fact it is this longer-term fiscal problem to which the President's program, to tie a $28 billion cut in the growth in federal outlays to a comparable cut in taxes, was addressed. It was not proposed for its short-term effects—although the discussion and the criticism has tended to concentrate upon these aspects. The major economic thrust of the President's program is directed at what we perceive to be one of the most important long-term economic problems confronting the United States. It is directed at what is clearly an accelerating and increasingly uncontrollable rate of increase in federal outlays. The flexibility, or so-called controllability, of our expenditures has sharply decreased during the last decade. Nearly three-fourths of the budget now is in outlays for programs for which payment is required under existing law or contracts. These payments must be made unless substantive law is changed. Government payrolls make up an additional one-sixth of the federal budget. The largely discretionary remaining one-tenth includes mainly nonpayroll purchases of goods and services. In 1967 when such analyses were first initiated, a fifth of the budget was discretionary.

An even more important problem is that the rate of increase in nondefense budget outlays, in real terms, in recent years, has exceeded the real growth in the economy.

Payments to individuals in real terms for example, rose at a 10.9 percent annual rate between fiscal 1965 and fiscal 1975. Real outlays for all nondefense programs excuding NASA and interest payments rose at an annual rate of more than 8 percent.

The size of the developing problem has been obscured for years by the decline in real defense outlays following the Vietnam War peak. Between fiscal years 1968 and 1975 such outlays declined by an average of 6.4 percent per year. The sharp shift in the underlying composition of outlays in the budget and practical realities of the forces that have produced it, clearly suggest three choices—a sharp curb in the growth of domestic programs, a further gradual dismantling of our defense establishment, or significant tax increases. Even should we, as a nation, short-sightedly opt for either of the latter two courses of action, we would be only postponing again, the inevitable confronting of the unsustainable real rise in domestic programs.

The full significance of this acceleration in outlays became particularly evident during the spring and summer of this year as the fiscal 1977 budget began to take shape. As the magnitude of the increases in outlays which would have to take place under existing law became clear, the President directed the Office of Management and Budget to devise measures and ways by which the expenditure growth could be slowed. He further directed that any savings be refunded to the American taxpayer in order to maintain private purchasing power and job creation.

One problem that the President had in formulating his program was that the temporary tax cut for calendar year 1975 expired on December 31st. Unless the new permanent tax structure were put in place as of January, income tax rates would have risen automatically. In order to reduce the uncertainty with respect to taxes, he decided to recommend his tax legislation to be effective as of January 1, 1976.

Should the spending curtailment lag the tax cut, the deficit for the first nine months of calendar year 1976 would be increased and this in itself is admittedly undesirable. Additional fiscal stimulus does not seem to be necessary considering the extent of the economic recovery now underway. As a consequence, the President has indicated that he would support further curbs in fiscal 1976 expenditures.

In any event, the deficit increases are certainly not large when compared with a program of an extension of the current tax withholding rates and prospective outlays. As a consequence, the impact on the path of economic recovery would not be significant.

What would be significant are the effects on the levels of federal outlays during the fiscal years 1978, 1979 and beyond. The $28 billion cut in the fiscal 1977 rate of increase in outlays, which the President has proposed, would help insure that the dangerous acceleration in federal spending would be dramatically slowed. This would be a major first step toward defusing the very strong inflationary bias that has gripped our economy.

OPENING STATEMENT OF SENATOR HUBERT H. HUMPHREY, FRIDAY, NOVEMBER 7, 1975

Our witness this morning is Secretary of the Treasury William Simon. We appreciate his being here this morning to answer our quesions regarding the President's recent recommendations for a $28 billion tax cut beginning in 1976 and an equivalent program of spending restraint beginning in fiscal 1977.

Mr. Secretary, so far no one has made a very good case for the specific proposals made by the President. There is widespread agreement that some tax reduction is needed in 1976 and there is universal agreement that spending restraint is desirable not only in fiscal 1977, but on a continuing basis. But the prevalent opinion certainly seems to be that there are better ways to cut taxes and better ways to restrain spending than those recommended by the President. However, we want to give you the opportunity this morning to persuade us that the Administration program is the best available approach.

Mr. Secretary, in a recent letter you wrote to the Washington Post you listed five "basic economic needs" which the President's tax and spending cuts are designed to address. I must say that if this is the strongest case you can make for the President's proposals I find it a very weak one. The first "need" you list is "to make more certain the sustainability of the economic recovery that got underway in late spring." This seems to contradict testimony given this Committee last week by Mr. Alan Greenspan. He said that the President's proposals would have very little impact on the economic recovery and he has not revised his forecast of economic growth or unemployment based on the President's proposals. Not only that, he also said the temporarily enlarged deficit the President's program would imply is "admittedly undesirable."

The second "need" you list is "to avoid a negative psychological reaction to increases in tax withholding rates which might disrupt the strong pace of personal spending which is so important to the strength and durability of recovery." The tax increase could of course be avoided by simply extending current withholding rates as Congress may very well do. The President's program is certainly not necessary to achieve this need.

The third "need" you list is "to return to individuals the opportunity to personally decide how they will spend a larger share of their family earnings." The President's proposal would achieve this for some individuals, but not for others. Because the President's proposals do not include extension of the earned income credit, families earning $5,000 or less would have as much as $300 less disposal income under his proposal than they do under 1975 tax law.

The fourth "need" you list is "to take some meaningful actions to encourage capital formation which is needed in the short run to sustain the recovery and in the long run to create the necessary jobs for this nation's growing labor force." This may be a legitimate need, Mr. Simon, but if so I don't think your proposals meet the need. In the President's proposals only $2.2 billion—the result of a 2 percent corporate rate reduction—is new. The other business tax cuts you have proposed are all extensions of the '75 Act or special provisions for utilities which have previously been proposed. I find it difficult to believe that the $7 billion package of business tax cuts contained in the Administration's bill will have a large impact on sustaining the recovery or creating additional jobs. However, I would be very pleased to have any information that you can give the Committee to substantiate your claims.

The fifth "need" you listed was "to reverse the trend of rising Federal spending which has been based on the false assumption that the American people support the sharp expansion of the role of government in their lives." I just don't believe your charge that there has been a sharp expansion in the role of Federal Government in people's lives can be substantiated. In the first place, according to the 1976 budget, the size of the Federal bureaucracy has actually declined by about 187,000 people since 1969. While it is true that total government employment has increased, this is because of the rapid increase in State and local government employment and not because of the Federal Government. Secondly, you and I both know that the rapid rise in Federal spending can be largely attributed to programs which are tied to inflation or to the rise in unemployment and not to the provision of additional services.

In summary, Mr. Simon, I would repeat that if this is the strongest case you can make for the President's proposals, it's a very weak one indeed.

I place in the record at this point your letter to the Washington Post from which I have quoted.

I know you have to leave early, Mr. Secretary, and we will have Commissioner Shiskin here at 11:00 to discuss the employment situation. So please proceed with your statement and then we will have a few questions.

Excerpts From Statement of the Honorable William E. Simon, Secretary of the Treasury

Mr. Chairman and Members of this Distinguished Committee:

I am pleased to appear before you today to review current economic conditions and policies. My analysis will hopefully contribute to a better understanding of the economic recovery now underway and the policy initiatives required for achieving long-term economic goals regarding inflation, unemployment and national output. Policy initiatives now under consideration will affect both the near-term pattern of recovery and the longer-term outlook for achieving the basic objective of national economic policy, as set forth in the Employment Act of 1946: "To promote maximum employment, production, and purchasing power" through actions consistent with "other essential considerations of national policy" in ways "calculated to foster and promote free competitive enterprise and the general welfare . . ." The disappointing inflation and unemployment performance of the past decade indicates the basic need for a longer-term perspective in setting current policies. This is a difficult adjustment but if it is not made, future economic developments will be even more disappointing and the margin for error will diminish.

Given the basic importance of economic issues in shaping the future of our Nation, the Joint Economic Committee has a unique role in influencing the decisions of Congress. I hope that our joint analysis of the current problems and policy initiatives will contribute to more reasoned and effective decisions and I look forward to working with this Committee toward that goal.

FISCAL POLICY RECOMMENDATIONS

After carefully reviewing the progress of economic recovery to date and near-term prospects, the President recently proposed a balanced package of Federal tax and spending recommendations. We hope that Congress and the general public will seriously consider these proposals as a means of sustaining the current recovery and, more fundamentally, of correcting the long-term pattern of rapidly rising government spending and chronic budget deficits. The increased spending and cumulative deficits have increasingly eroded our fiscal flexibility and created serious economic distortions which, in turn, have contributed to the unfortunate boom-and-recession sequences during the past decade. We believe that the President's recommendations provide a meaningful step toward regaining fiscal control and greater equity by returning more decision-making discretion to individuals and families to determine how they will allocate their incomes and personal financial resources.

The President's recommendations involve two basic actions: (1) a permanent reduction in Federal taxes totaling approximately $28 billion in 1976 with three-quarters of the relief for individuals and one-quarter for business firms; and (2) a slowing down of the upward momentum of Federal spending through cooperative efforts of Congress and the Administration to hold down spending during the rest of this fiscal year and by establishing a spending ceiling of $395 billion for Fiscal Year 1977 that begins October 1, 1976. It is important to consider these actions as a package if we are to maximize the long-term benefits.

The proposal to establish a spending ceiling of $395 billion for Fiscal Year 1977 would still result in a large budget increase of $25 billion, or 6.8 percent, above the anticipated outlays of $370 billion this year. Therefore, Federal outlays will continue to rise; our realistic goal must be to slow down the rapid growth of spending. Unless such action is taken, spending in Fiscal Year 1977 could increase by approximately $53 billion without adding any new programs according to preliminary estimates by the Office of Management and Budget. This unfortunate surge of spending would result from the cumulative pressures we have legislated into our system. In Fiscal Year 1966 Federal budget outlays totaled $134.7 billion. In just nine years they doubled, rising to $268.4 billion in Fiscal Year 1974 (see Table 1). If outlays actually rise to $370 billion during the current fiscal year, that would represent an increase of $101.6 billion, or 38 percent, in just two fiscal years. Therefore, it should not be surprising that a large Federal budget deficit of $43.6 billion was recorded in Fiscal Year 1975 and an even larger deficit of at least $70 billion is expected this year.

Some analysts have suggested that deficits of this size are not particularly burdensome if they are compared to the current GNP totals. This mechanistic view of comparing a residual figure against the total level of economic activity ignores the fundamental issues: (1) the increased government claims against future output; (2) the inflationary impact of increased Federal spending that occurs if additional claims are added to total demand when resources are already fully employed even though the original government spending decisions may have been made during earlier periods of economic slack; and (3) the serious disruptions in the financial markets that result when such massive deficits must be financed.

Some analysts also claim that the surge of government spending and deficits are only temporary and that more moderate outlay growth rates and budget balance will return as soon as economic conditions stabilize. It is true that part of the budget outlay increases can be traced to the "automatic stabilizers" that should respond to recession problems. For example, unemployment compensation benefits have increased from $6 billion in Fiscal Year 1974 to over $19 billion this fiscal year. However, a review of the actual budget figures or the recommendations included in the First Concurrent Resolution to the Congress prepared by the Congressional Budget Committees clearly indicates that large spending increases are occurring across the traditional programs of the entire Federal Government (see Table 2). These spending increases cannot realistically be considered as "temporary" since government programs are rarely eliminated or curtailed.

It has also been claimed that the President's program is unrealistic because he has indicated that the slowdown in the upward momentum of spending should occur across all existing programs. This is an ironic criticism when the record of fourteen deficits in the last fifteen fiscal years or the near quadrupling of outlays from $97.8 billion in Fiscal Year 1961 to approximately $370 billion this year is considered. Is it realistic to believe that we will balance the Federal budget annually or over the economic cycle in the future when that disappointing record is examined? Nor has the full-employment budget concept prevented deficits from being reported using those definitions. In short, there is certainly a need for discipline but the guidelines of the past have not provided the necessary realism.

The President has also emphasized that establishing a spending ceiling of $395 billion for Fiscal Year 1977 does not remove the need for discipline in holding down current government spending between now and October 1, 1976. Last January the President proposed a budget for Fiscal Year 1976 calling for outlays of $349.4 billion. Since then the bulk of the budget recisions and deferrals have been rejected by Congress and numerous spending increases have been legislated. The President has vetoed many of these spending initiatives which he considered to be excessive and most of his vetoes have been sustained. Nevertheless, Fiscal Year 1976 spending continues to rise steadily beyond the levels he has asked for. The President is now asking for spending discipline this year and next year and into the future. In a meeting with several news media representatives held on October 14, 1975 he commented on the claim that the formal spending ceiling for Fiscal Year 1977 might imply a relaxation of the discipline he has asked for during the past year:

"If the Congress is concerned about this, there is no reason why they can't cooperate in a number of the authorizations and appropriation bills that they and I will be considering between now and January 1, which will have an impact on the spending in the first six months or nine months of calendar year 1976."

"As a matter of fact, we are probably going to have that struggle during that period of time anyhow, and our emphasis will be, as it has been, to hold the line on some of these spending proposals, whether it is an authorization, appropriation, or substantive legislation."

So, in effect, I will be seeking to put some lid on the second half of fiscal year 1976 spending," (The White House Briefing by the President, William E. Simon, Secretary of the Treasury, Alan Greenspan, Chairman of the Council of Economic Advisers, and James T. Lynn, Director of Office of Management and Budget for Eighteen Newspaper Columnists, Office of the White House Press Secretary, October 14, 1975, pp. 6–7.)

The President has emphatically stated that spending discipline by the Federal Government must be applied across the board and has instructed his budget officials to work toward the spending ceiling goal in developing the Fiscal Year 1977 budget which will be represented in the January Budget Message to Congress. The Office of Management and Budget is already working with the individual departments and agencies to determine what spending programs can be moderated. These specific actions will be indicated in the regular budget publications in January. And Congress and its Budget Committees will have the usual opportunities and responsibilities to evaluate and adjust those budget recommendations. The call for cooperation in setting a spending ceiling for Fiscal Year 1977 is simply that—a cooperative effort to introduce a sense of realism into regaining fiscal control. This approach does not disrupt the normal budget preparation process of the Executive Office nor does it usurp or disrupt the functions of the Congress or its new Budget Committees. Each body retains the same responsibilities and powers. Setting a realistic target does not change the ultimate responsibilities; instead, it provides a necessary foundation for the tax relief recommendations.

The second part of the package of recommendations involves extensive and permanent tax relief action beginning in 1976. The recommended changes in the individual and business income tax structure are as follows:

Individual tax cuts

[In billions]

Increase personal exemption from $750 to $1,000	$10.1
Replace $1,300 low income allowance and $2,000 maximum standard deduction with flat amount standard deduction of $2,500 for married couples ($1,800 for a single person)	4.0
Reduced tax rates	6.6
Total individual tax cuts	20.7

Business tax cuts	
Extension of 1975 corporate rate and surtax exemption changes	1.5
Permanent extension of investment credit increase (from 7–10; 40–10 for utilities)	3.0
2 pct corporate rate reduction (48–46 pct)	2.2
Utilities tax relief previously proposed (see Annex C)	0.6
Total business tax cuts	7.2
Total tax cuts	27.9

Source: Office of the Secretary of the Treasury, Office of Tax Analysis, Revised, October 24, 1975, Note: Numbers may not add to totals due to rounding.

As indicated, three-quarters of this permanent reduction would be provided for individuals and one-quarter to business firms. Even the one-quarter share allocated to businesses will directly benefit individuals by providing incentives for capital investment which will create jobs and contribute to increasing personal income. Capital investment is also needed to create the productive capacity required if our future economic goals of lower unemployment, moderate price increases and improved productivity are to be achieved.

Analysis of the President's tax reduction proposals indicates the distributional effects which are summarized in Tables 3 through 13. As summarized in Table 3, personal income taxes would be reduced by $20.7 billion from the $129.4 billion amount that would otherwise be collected if we revert back to the 1972–74 tax statutes. The distribution of tax reductions and the percentage reduction in tax liabilities for each adjusted gross income class compared with the 1972–74 law are summarized in Table 3. The specific types of reductions by adjusted gross income class are shown in Tables 4 and 5. Comparisons of the President's recommendations with the Tax Reduction Act of 1975 are summarized in Table 6. The proposed impact of additional tax relief recommended by the President on different types of individuals and families is summarized in Tables 8 through 12. Finally, a comparison of proposed business tax changes with the 1975 Act reductions is shown in Table 13. The various tables indicate that the low- and middle-income categories receive a larger share of the tax reduction recommended and a larger percentage reduction of their tax liabilities compared with the 1972–74 laws and the Tax Reduction Act of 1975.

Analysis of the tax changes recommended in Tables 3 through 13 indicates that the President's recommendations would provide even more benefits to individuals, an additional $11.8 billion above the relief provided by the 1975 Act (Table 6) and $2.5 billion additional relief for businesses (Table 13). We believe that this amount of tax relief will help sustain the economic recovery now underway, particularly the strong personal spending, and provide necessary incentives for increasing future capital investment. We also believe that the changes are equitable because the reductions are concentrated in low-income tax brackets where the impact of inflation is particularly severe and in the middle-income tax brackets where the bulk of tax payments are collected.

Those who are already paying heavy taxes should obviously participate in the relief as a matter of equity and to provide incentives for continuing to work hard to provide for personal and family financial security. The "progressive" nature of the tax system is clearly emphasized by minimizing the percentage distribution of the tax reductions to higher income brackets (see Tables 3 and 6). In fact, the extremely low percentage reduction in the tax liabilities of higher-income tax classes might raise questions about equity and incentives but it was felt that the proposed distribution of tax relief properly reflects current needs. Both the 1975 Act and the President's proposals emphasize the importance of offsetting part of the debilitating impact of inflation which has significantly increased the "real" tax burden by pushing tax payers into higher marginal tax brackets even though the eroding effects of price increases have held down their "real" gains over much of the past decade.

In developing this balanced package of proposals we felt strongly that the fundamental policy requirement at this time is to regain fiscal control so that the economic distortions of the past decade can be moderated. We also believe that the potential benefits should result in tax relief for the American taxpayer to maintain private purchasing power and for businesses as an incentive to increase capital investment to create jobs. Therefore, the two proposals are inextricably tied together. Action on taxes is obviously required at this time to avoid reverting back to the 1972–74 tax statutes because the Tax Reduction Act of 1975 was a temporary law. While it is popular to propose tax reductions, it would be irresponsible to reduce revenues without simultaneously considering the difficult job of slowing down spending—during the rest of this fiscal year and in Fiscal Year 1977. To act only on tax reductions would increase the enormous deficit we already face and that distortion would ultimately lead to even more undesirable inflation and employment.

It would be most unfortunate to have excess stimulus in the form of tax cuts, which are usually popular, without corresponding action on spending. The lagged impact of economic policies would lead to unwanted overheating of the economy if a nine-month gap between tax reductions and the initiation of necessary spending discipline is allowed to occur. We have needed budget discipline for some time and we certainly require it now. The President has repeatedly acted to hold down spending over the past year and this effort will continue. The identification of a spending ceiling for Fiscal Year 1977 would not change that effort nor would it disrupt the normal budget processes of the Congress or the Executive Office as they develop specific spending proposals and legislative decisions within the general guidelines adopted.

What it would do is indicate our serious intent to finally take some meaningful action. The American people would welcome some positive signal that the Congress and the Administration will cooperate in strong and realistic actions. The familiar rhetoric of the past is hardly persuasive when compared with the actual results of rising government spending, chronic deficits which vary only in size over the economic cycle, excessive inflation and economic distortions that lead to recession and unemployment. The Congress and the Executive Office have jointly established spending targets in the past and it is obvious that our serious fiscal situation requires similar responsible action at this time. We have already talked ths issue to death; the American people want some results.

THE ECONOMIC IMPACT OF THE RECOMMENDATIONS

Although economic recovery is well underway there is concern in some quarters about its sustainability. The American public, labor and business leaders and other nations repeatedly express their concern about long-term prospects. Therefore, the major economic thrust of the President's program is directed at what we perceive to be the long-term economic problems confronting the United States. It has two goals: (1) to slow down the upward momentum of government spending and eliminate the chronic Federal budget deficits that have occurred in fourteen of the last fifteen fiscal years—or, in thirty-eight of the last forty-six years; and (2) to return more of the decision-making power to individuals and families in determining how they will use their income. These actions would help to improve the efficiency of the economy and the permanent changes would create additional stability which would enable individuals and business firms to plan for the future with more confidence.

Turning the basic direction of fiscal policy will not be easy because of the legislative momentum that has been accumulated over the years. Budget experts continually describe the "uncontrollable nature" of most of the Federal budget which rises each year as the number of programs multiply and the number of participants in those programs increase. It is now estimated that nearly three fourths of the budget is committed to programs for which payment is required under existing law or contracts. These payments must be made unless substantive changes in the laws occur. Government payrolls make up an additional one-sixth of the Federal budget and the residual one-tenth involves mainly nonpayroll purchases of goods and services. These facts make the job of regaining fiscal control difficult. They do not make it impossible. We have listened to so many economists describe why things cannoot change that too many people are beginning to believe them.

I do not believe that there is any such thing as an "uncontrollable" Federal budget commitment because they all depend upon legislative priorities. I do believe that there are different priorities and that all good things are not equally good. There is a solution to the problem if the Congressional Budget Committee discipline will require more careful consideration of these priorities and the elimination or curtailment of ineffective programs during the annual appropriations process. We must correct the historical approach of merely continuing existing outlays so that any new claims are always "add-ons". But for that process to occur the underlying discipline of economics in matching priority claims and limited resources must occur. The Joint Economic Committee can provide that economic leadership for the rest of Congress.

Although the major thrust of the President's program is to emphasize long-term goals, a major policy change of this sort affects the near-term pattern of economic activity as well. In a $1½ trillion economy, there obviously are uncertainties in predicting potential changes in economic activity and the specific impact of fiscal policy recommendations. In preparing the President's balanced package of policy initiatives we analyzed the probable course of economic developments that would result if existing government spending trends were to continue and if the tax relief provided by the Tax Reduction Act of 1975 were to be continued in essentially its present form, except for an upward modification of approximately $4 billion which is necessary to maintain existing personal withholding rates. Since the Administration strongly believes that the existing growth rate of government spending must be curtailed and that changes in the distribution of tax relief should occur, a second forecast based on the President's recommendations was also prepared.

Under either set of assumptions, economic recovery would move forward over the next year with an annual rate of growth of real GNP of approximately 7 percent, gradual reduction of unemployment to the 7 to 7½ percent zone by yearend 1976 and a continuation of the current pattern of consumer price increases of inflation 6 to 7 percent over the next two quarters. Comparing the two forecasts, we find that under the President's program the quarterly path of "real" GNP is slightly higher between now and mid-1976 and slightly lower subsequently as the government spending restraints take effect. These forecasts are subject to the usual caveats with respect to forecasting errors, particularly when the differences are so small relative to the gross national product. Therefore, the President's program must be judged in terms of its long-term benefits since economic forecasts indicate that there will not be significant economic stimulus or restraint in the immediate future as a result of the President's policy recommendations.

SUMMARY

The process of governing is never easy as Members of this Committee well know. Nevertheless, a challenging set of fiscal policy decisions must be made in the near future. The current recovery from the recession is likely to proceed during the coming months but the long-term outlook for achieving our basic national economic goals is clouded by the cumulative pressures of past policy decisions. Although the issues are stated in economic terms they really involve the entire political process required to coordinate the diverse interests represented in our Nation. If we do act now, we can regain fiscal control and restore balance to the Federal budget which is required if we are to stabilize economic activity and provide the necessary environment for savings and investment in the future. Positive action on the President's recommendations could lead to the desired Federal budget balance, perhaps within three years. If we do not act now the disappointing record of economic instability and chronic Federal budget deficits will continue into the future.

We strongly believe that maximum long-term benefits will result if we act now to slow down the upward momentum of government spending, restore balance to the Federal budget and extend broad tax relief to the American taxpayers so they can decide how to allocate more of their financial resources and to businesses as an incentive to increase capital investment as a means of creating more jobs. This is all familiar rhetoric which one can listen to every day coming from diverse sources. However, our actions have never matched our well-intentioned rhetoric. This gap results from the extreme difficulty of making decisions on individual spending programs and tax policies and the compromises that occur. We believe that the President has presented a balanced package of tax and spending proposals that make economic sense by emphasizing longer-term goals. I hope that you will consider carefully these economic arguments as the decision-making processes unfold over the next few weeks.

Thank you.

THE RIGHTS AND RESPONSIBILITIES OF WOMEN

Mr. PERCY. Mr. President, one of the most important issues being considered in the Nation today is that of the rights and responsibilities of women. To this end, Secretary Mathews deserves much credit for continuing the Federal Advisory Committee on the Rights and Responsibilities of Women at the Department of Health, Education, and Welfare. The Advisory Committee is noteworthy, because its purpose is to advise the HEW Secretary on policies, programs, and other activities of the Department relating to the status of women.

Secretary Mathews has invited me and my colleagues in the House and the Senate to the swearing in ceremony of five new members to the Advisory Committee. I regret that Senate duties will prevent my attending. I am particularly pleased, however, that Dr. Judith S. Bensinger will be sworn in to serve as a member of this committee.

Dr. Bensinger, presently, serves as a physician with Head Start Health Services in Chicago. She is a member of the Illinois Women's Political Caucus, the American Association of University Women, the Urban League of Chicago, and is president of the Chicago Symphony Orchestra. In 1974, Dr. Bensinger was selected as the outstanding woman of Illinois, and one of the 10 outstanding young women of America. Previously, she was head of medical services for Goodwill Industries in Springfield, Ill; a member of the State of Illinois Commission on Children, Committee on the Early Care and Location of Handicapped Children; and a delegate to the Regional Conference on Implementation of the 1970 White House Conference on Children. I know that Dr. Bensinger's experience and knowledge will be an asset to the committee, and especially to the women at HEW.

Again, my congratulations to Secretary Mathews for appointing these outstanding women to serve on his Advisory Committee. Because of the quality reflected in them, I expect the committee to provide strong leadership in behalf of women's rights and responsibilities.

KAREN SILKWOOD AND THE PLUTONIUM ECONOMY

Mr. GRAVEL. Mr. President, 1 year ago today, 28-year-old Karen Silkwood was killed in an automobile accident as she drove to a secret meeting with a New York Times reporter.

Ms. Silkwood was a union activist at the Kerr-McGee plutonium fuel assembly plant in Cimarron, Okla. She believed the company was taking safety shortcuts with the deadly element they were working with, and she intended to present her case to the Times.

The police have said that Silkwood's death was accidental. Her union has found evidence that the young woman's car may have been run off the road deliberately. There remain many unresolved questions in the case—perhaps the most important is, what became of the documentary evidence Silkwood was to bring to the Times reporter? Police said the documents were not found in the car.

Mr. President, it is ironic that just 1 year after the Silkwood death, the Nuclear Regulator Commission has given an apparent go-ahead for the use of plutonium as a reactor fuel. NRC Chairman William Anders announced yesterday that interim licenses will be available to fuel processors.

The question of using plutonium as a fuel is too serious to be left to a regulatory agency. Plutonium is the stuff of atomic bombs and it is among the most deadly of carcinogens. In a plutonium economy, hundreds and thousands of tons of this material would be in use and transport. It is the Congress that should decide the issue of "plutonium recycle," as proposed by Senator Tunney in a bill that I have the pleasure of cosponsoring.

Today, the anniversary of Karen Silkwood's death, there are antinuclear demonstrations planned in New York City and Boston. I hope that my colleagues, too, will stop today to reflect on the perils of a "plutonium economy."

Mr. President, I ask unanimous consent to have printed in the Record two articles: "Interim O.K. Given on Nuclear Fuel Pending Study" from yesterday's Washington Star; and "The Case of Karen Silkwood" from Ms. magazine.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Interim O.K. Given on Nuclear Fuel Pending Study

(By John Fialka)

The Nuclear Regulatory Commission announced today that it will issue special "interim" licenses to companies that process plutonium fuel for nuclear power plants while the agency works to reach a final decision on whether it is safe to allow general industry to use the fuel.

NRC Chairman William A. Anders told a press conference that the move would not "foreclose" an eventual decision by the agency that plutonium fuel might be unsafe. He also emphasized that granting an interim license would not "grandfather" any company against later regulation changes.

"This is not a green light or a red light, it's an amber light," said Anders, explaining that a strong response from the nuclear power industry prompted the decision to speed up the agency's decisions on plutonium fuel.

Anders also announced that his agency may now reach a final decision on the fuel about 18 months before it had expected to. The agency's timetable originally called for the decision to be reached in late 1978. Anders said "streamlined procedures" might permit a safeguards blueprint and general permission for plutonium base fuel early in 1977.

The principal beneficiary of today's decision appeared to be Allied General Nuclear Services, a company now completing a plutonium separation facility in Barnwell, S.C. Company officials have complained about delays in the licensing process and have said that their plant could begin operation by late 1976. The firm is a partnership between companies, Gulf and Royal Dutch Shell.

The nation has two other plutonium separation facilities, but neither of them, according to industry spokesman, could be ready before 1979, at the earliest.

Plutonium is created in the uranium based fuel assemblies of currently operating nuclear plants, by the process of fission, the chain reaction that creates heat that generates steam.

However, used fuel assemblies are currently stored in large, swimming pool-like facilities because there is no operating process to extract the plutonium.

Plutonium acts much in the same way as the uranium isotope U-235 and can be used as the base ingredient for fuel assemblies. However, the use of plutonium could also create widespread hazards because plutonium can also be fashioned into nuclear weapons. Current uranium-based fuel assemblies do not present that hazard because they contain only a small percentage of U–235.

The Barnwell facility will have the capability of chemically separating the plutonium from other nuclear waste in the used fuel facilities. The plutonium thus separated would be turned into a powdery substance, plutonium oxide, for shipment to a plant capable of putting the plutonium into new fuel assemblies.

Such a plant is being planned by the Westinghouse Electric Corp. near Anderson, S.C.

NRC commissioners would not be specific

about whether Westinghouse might also apply for a special, interim license. Such a license, if granted, one of them noted, would allow Westinghouse to get the permits to begin construction. Westinghouse says its fuel fabrication plant is not likely to be in operation until after 1980.

Commissioner Marus A. Rowden, when asked about the small number of companies who are in a position to apply for the interim licenses, remarked: "Obviously we did not disregard the realities of the commercial world in making the decision."

To operate under an interim license a company must show it is prepared to go ahead without a general NRC decision to permit plutonium usage.

An applicant according to the NRC's criteria, must also show that the effective delay would harm the "overall public interest."

Allied General Nuclear Services officials have stressed that their plan, when permitted to operate, will be capable of recycling nuclear fuel that is the energy equivalent of some $2.9 billion worth of crude oil a year.

Because the nuclear power industry is currently running out of places to store used fuel assemblies, the company has argued that in 1977, nuclear plants will either have to shut down or to build new storage facilities if the plant is not allowed to open up.

THE CASE OF KAREN SILKWOOD

(By B. J. Phillips)

(The death of a nuclear powerplant worker raises the specter of murder and a terrifying technological reality.)

The small white car going toward Oklahoma City on State Highway 74 would never travel farther than a few hundred yards past a small crossroads. In seconds, the car lay on its side, the front end crumpled into the concrete wing of a drainage culvert, its driver—the sole occupant—dead of massive injuries. Half an hour later, a truck would drive by, slow, and come to a stop. A man would peer into the wreckage, then hurry to alert the police.

A mystery was beginning, a mystery that has enveloped in controversy a government agency, a powerful corporation, and a labor union. It is a mystery yet to be solved. There are no answers, only questions, the most important of which is whether or not this country could suffer a nuclear catastrophe—not through the madness of war, but from the peaceful use of atomic energy to heat and light our homes, offices, and factories.

Karen Gay Silkwood, age 28, a laboratory worker in a plant that manufactured highly radioactive plutonium fuel for nuclear reactors, died in that wreck on November 13, 1974. She was traveling to meet a New York Times reporter and an official of the Oil, Chemical, and Atomic Workers International Union to document alleged irregularities in the plant where she worked, the Kerr-McGee Corporation's Cimarron Facility.

A six-months-long chain of events brought her to her journey. But in a real sense, it began before she was born with the detonation of atomic bombs over two Japanese cities. What Tacitus had said of the ancient Roman legions, "They make a desert and call it peace." had taken on a terrifying technological reality. Mankind had unleashed a power from which it could only recoil in horror. Or turn to benefit. So the dream of "harnessing the atom for peaceful purposes"—a catch-phrase of the pre-energy-crisis fifties when Arab oil was still cheap—started to take shape.

The Atomic Energy Commission (AEC) was created in 1946 to oversee the development of these goals, principally the building of reactors to generate electricity. A multibillion-dollar industry sprang up: uranium mining and processing, reactor manufacturing with its myriad of components ranging from special wiring to 750-ton containment vessels. At the forefront in the fledgling industry was an Oklahoma-based company, Kerr-McGee. Founded in 1929 to drill for oil, the company was a perfect blend of two gifted men, the late Senator Robert S. Kerr, "the uncrowned king of the Senate," and Dean A. McGee, often acknowledged to be one of the most technically brilliant and visionary men in the energy industry. Political clout and the long view. Kerr-McGee began to explore for, mine, and process uranium—first for the nuclear weapons program, then for reactors. When planning began in the late sixties on the Liquid Metal Fast Breeder Reactor—the ultimate dream, a power source that creates, "breeds," more fuel than it consumes—the company contracted to produce plutonium fuel pins for the test version of the LMFBRs.* In 1970, a plutonium-processing plant went up alongside a uranium plant near Crescent, Oklahoma, thirty miles north of Oklahoma City. The plant took its name, Cimarron Facility, from the nearby river.

It is doubtful that Karen Silkwood knew more about the background of the nuclear power industry than the average American—which is to say very little—when she went to work for Kerr-McGee in the summer of 1972. It was a job certain to attract her, for it involved laboratory work, her forte since her high school days. Born on February 19, 1946, in Longview, Texas, she had grown up in Nederland, a town halfway between Port Arthur and Beaumont. Nederland is in the heart of the Texas petrochemical region and, as in its larger neighboring cities, the night sky is lit by the floodlights and tall torches of oil refinery stacks burning off gaseous waste. A maze of pipes and storage tanks stretches across the flat terrain. Her grandfather worked in one of the refineries and was the family's first member of the Oil, Chemical, and Atomic Workers union.

Her father, a paint contractor, and her mother, a bank teller, recount the ordinary childhood of their eldest daughter. She rode her bike, played tennis, and was very much a big sister to Rosemary, six years younger, and Linda, born 12 years after Karen. As a small child, she had an asthmatic condition, so perhaps she naturally turned to playing nurse with her dolls. Shortly before her death, she was to tell a union official that her early illness had instilled in her an interest in health.

In high school, she played flute in the band, played on the volleyball team, belonged to the Future Homemakers of America. She turned down a place in the majorette corps, however. "Her band teacher," her mother remembers, "told her it was much more important for her to stay in the band than get out there and kick her legs up, so she took his advice." It was as a student that she left her mark. She was a member of the National Honor Society, and one of 22 honor graduates in the Class of 1964. She excelled in science, especially chemistry, and when she went to Lamar College in Beaumont to study medical technology, she paid her expenses with a scholarship from the Business and Professional Women's Club.

Her best friend throughout childhood recalled that Karen was a good person to ask for notes when someone had missed class. "She took clear, concise, and well-organized notes," Karen Miller Patterson says. "In school she was precise and meticulous." A decade later, notes she had taken would trigger an AEC investigation.

But she was best remembered, her friend said, for other qualities. "As I remember Karen, she was the kind of person who, if something was wrong, was not going to stand by and ignore it. She was not afraid to stick her neck out. When she went into anything, she put everything into it and she stayed with it. It was like that in the band, in sports—even down to batting a volleyball around in my driveway at night. She was intensely loyal. She'd stick up for her friends. And she had a great capacity for having a good time, for laughing. I think that's the one thing most people from school would remember about her."

After her first year in college, Karen went to Kilgore, Texas, to spend the summer with her grandmother. There she met Bill Meadows, and they eloped. They had three children. Meadows worked for one of the oil companies, and the young family moved from one town to another across Texas and Oklahoma oil fields. There were financial difficulties leading to bankruptcy, and marital problems that led to separation. Their marriage broke down after six years, and Karen left with the children to begin life on her own, working in hospitals. When her husband decided to remarry, he filed for divorce, citing incompatibility. She gave him custody of the children while retaining visiting privileges, telling her parents and friends that she felt it was better for the children to grow up in the more stable atmosphere of her former husband's new marriage. She was alone now. She moved to Oklahoma City and went to work for Kerr-McGee.

Compared to the final months of her life, the first 20 months or so at Kerr McGee were rather uneventful for Karen. Unlike the majority of workers, she joined the union, perhaps out of memory of her grandfather's stories about the early organizing days of the OCAW. When the union went out on strike in the fall of 1972, she walked the picket lines. The strike was brief, nine weeks, and, from the union's viewpoint at least, difficult. The picket lines were crossed; production wasn't stopped; and, in the end, the union was forced to accept Kerr-McGee's original offer, the one they had struck against. Around that time, she met Drew Stephens, a fellow laboratory analyst who was among the plant's original employees. Stephens was married when they met, but was sued for divorce a few months later. His relationship with Karen was a factor in the end of his marriage.

The couple began to draw one another into their respective enthusiasms. Stephens was a sports-car freak. He taught Karen to drive in competitions and rallies; she went on to earn trophies. She was an excellent driver. They collected records—rock, and Country and Western. And they shared an ardent interest in union activities. In the late spring of 1974, Karen was elected one of three governing committee members of the OCAW local. It was at this point that Karen's life began to change sharply. As would the plutonium fuel she helped to manufacture, Karen Silkwood began to implode, to turn inward a concentrated power, a power intense enough to set off a chain reaction.

What held Karen's concentration was the health and safety of herself and her co-workers who handled plutonium at Kerr-McGee. There is no substance which more deserves concern, for plutonium is the most toxic substance known. It is 20,000 times more lethal than cobra venom, and in very small amounts—a single particle the size of a grain of pollen—it has been shown to cause cancer in laboratory test animals. Furthermore, plutonium retains its radioactivity for 250,000 years. Exposure to high levels of radiation can sicken and kill; in small doses, radioactive particles can lie latent for years with the possibility of triggering cancer.

The connection between radiation and cancer has been known for 100 years. As early as the 16th century, miners of pitchblende (a form of uranium ore) in German and Czechoslovakian mines were known to develop fatal diseases of the lung. The miners called it *Bergkrankheit*, mountain sickness, the disease that gave them an average life expectancy of less than 20 years from the day they entered the mines. Pitchblende contains little plutonium, since plutonium's presence in the natural state is very rare. (Plutonium, a transuranic element, is transmuted from uranium during fission reaction. It must then be extracted from reactor waste to produce significant quantities.) Our experience with plutonium has been limited to the past 35 years, not enough time to firmly establish its carcinogenic (cancer-causing) effects in humans. Still, the toxicity of plutonium is known, and laboratory tests indicate that, like other radioactive materials, it is carcinogenic.

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*Fuel pins are eight-foot-long, pencil-thin metal rods containing small pellets of concentrated plutonium. Inserted into the reactor core, they provide fuel for a continuous fission reaction. The rods manufactured by Kerr-McGee were for use in the Fast Flux Test Facility near Richland, Washington. The FFTF is the experimental forerunner of the LMFBR.

In the four years that Kerr-McGee's plutonium plant had been in operation, there had been 17 contamination incidents, involving 77 employees. In one instance, two men left the plant "hot" and went into a restaurant in Crescent. In another, seven workers received more than the AEC-defined permissible levels of airborne plutonium (and a heated controversy is under way about whether or not those levels are, indeed, low enough to protect human health). During the first week in January, 1974, an employee had, in the words of a report to the AEC, "a small portion of skin excised to remove plutonium in a wound."

Twice Kerr-McGee shipped radioactive wastes in improper containers. In another incident, some drugs of waste being stored on a flatbed truck leaked. The truckbed, axle, and tires had to be cut up, the ground underneath it dug up, and everything put into barrels for burial in a nuclear dump. So there was already an alarming history with an extremely hazardous substance when Karen Silkwood assumed her union duties.

As the summer of 1974 opened, Karen and some of her co-workers started to notice what they considered to be a production speedup and a concomitant decline in standards and safety. Additionally, there was a rapid personnel turnover, certainly attributable in part to long work shifts (often 12 hours) and changes from day- to night-work on short notice. Whatever the cause for the high turnover (99 of 287 workers left between January 1 and October 31, 1974, 35 percent of the payroll), it seems axiomatic that such a turnover would cause the experience and skill levels of the work force to decline. Karen began to take notes on occurrences inside the plant. She started to become obsessed with the Cimarron Facility.

On the night of July 31/August 1, 1974, Karen was working a 4 P.M. to 4 A.M. shift in the Emission Spectography Laboratory. When the two air sample filter papers from the room in which she worked were analyzed on August 1, they indicated that radioactive material had escaped into the room between 4 P.M. and midnight. When urine samples collected from Karen during the following week were analyzed, they showed that she had received some contamination. A full awareness of the implications had not yet come to Karen.

By the end of September, the ramifications were quite real, and Karen had fallen into the spiral of events that led to her death. With two other union committee members, she flew to Washington, D.C., on September 26 to meet with national officials of the OCAW. A contract was coming up for renewal on December 1, and the union local was locked into a struggle for survival. A campaign to decertify the OCAW at Cimarron had begun; an election to determine whether or not the union would continue to represent workers was scheduled for October 16. There was no love lost on either side. Kerr-McGee had a hard-line history on unionization. A strike of OCAW miners at its major uranium mines in New Mexico the previous year had lasted six long, bitter months. But the three union officials from Cimarron came with other worries as well: a series of allegations about health and safety conditions and falsification of quality-control information. The allegations were based largely on notes taken by Karen Silkwood. The OCAW has a record of vigorous concern for occupational safety, and officials in Washington viewed the charges with alarm. Steve Wodka, a member of the Washington staff, recalled their reaction. He feared that if the charges were true, "the consequences here were very deep and very grave, not only for the people in the plant, but for the entire atomic industry and the welfare of the country. If badly made pins were placed into the reactor without deficiencies being caught, there could be an incident exposing thousands of people to radiation."

The following day, the delegation from Cimarron Facility, accompanied by Wodka, recounted their charges to AEC officials. Wodka then asked them to return and attempt to further document their allegations. Almost parenthetically, Wodka told them that plutonium was thought to cause cancer. It was the first time any of the Oklahomans had been specifically told this important information.

Karen took the role of recordkeeper upon herself. She began to carry a notebook around constantly. At the same time, Stephens had quit working at Kerr-McGee. His interest in issues there had worn thin, and he was bewildered by Karen's single-minded dedication to the happenings at the Cimarron Facility. "I felt it was consuming everything she had, mentally and physically," Stephens said. "She just lived it, couldn't let it go and relax, particularly in the last month she was alive." He speaks now with regret for not offering her more help and support in her project, but people live their lives as they happen and without the benefit of hindsight. "I never accepted it," he said. "The good times that we'd had together before were being lost to what happened at the plant. I didn't think it was good for either of us, especially for Karen on the basis of the physical considerations. I told her this. She said, 'They need me.' "

Stephens had reason to worry about Karen's physical condition. She started to lose weight; in approximately four months, she would drop from 112 pounds to 94. She had never slept well. "She'd always stay up late with her daddy watching the 'Late Show,' " her mother recalls. "She just couldn't seem to go to sleep before midnight or one o'clock." This, coupled with shift work and growing tension at the plant perhaps led to a series of doctor-prescribed sleeping pills. She was progressively given Placidyl, a hypnotic used for insomnia that carries lengthy warnings of possible psychological and physical dependence in standard medical reference books; followed by prescriptions for Parest and Quãālude, both brand names for the generic drug methaqualone, another sedative and hypnotic that has occasionally been known to produce psychological dependence and, more rarely, physical dependence. It is a sequence of prescriptions that is unwise, if not baffling. It is, unfortunately, within the regrettable, but all-too-common, propensity of American medicine to overprescribe such drugs, and the special tendency to dispense tranquilizers to women. In any event, how much of the drugs she took, how often, and how far back the prescription history goes is impossible to gauge in the absense of confidential medical records. Stephens maintains that she had begun to take them, however, for tranquilization, not for sleep, especially during the last confusing week of her life.

The union won the decertification contest in mid-October. The final tally was 80 to 61 in favor of the OCAW; only 60 workers belonged to the union at that point. Karen kept up her note-taking. On Tuesday, November 5, she returned to work after four days off. She started work at 1:20 p.m. in the Metallography Lab, performing a number of operations. At approximately 6:30, she took her hands out of a glovebox, a sealed box in which one handles radioactive materials with built-in gloves). She checked her hands on a monitoring instrument, and the machine read out contamination. A health physics technician was called and found contamination on her coveralls up to 20,000 disintegrations per minute. (Kerr-McGee's limit is set at 500 d/m. If the limit is exceeded, decontamination procedures are begun.) She was taken to a shower for decontamination, a procedure that calls for scrubbing three times with a mixture of Tide and Clorox. Her left hand, right wrist, upper arm, neck, face, and hair showed levels above 500 d/m. According to an AEC report, kits for taking urine and fecal samples were prepared, marked with her name, and left unattended in a rack outside the shower for an hour. Finally, she showed safe levels again, went back to work for a few more hours, and left at 1:10 a.m. When the glovebox in which she had worked was checked, the reading was positive contamination.

"She was hysterical over the telephone," he recalled. "When she got here [to his house], she was a crying, shaking nervous wreck, wondering where all the people had gone. It's the kind of thing where you go back to the apartment and you wonder if it all really happened. There was nobody there, compared to 20 people and this whole splendid show going on when she left. She was convinced at that point that she was going to die of plutonium contamination. She just sat and shook." It was inconceivable to him that she could have brought the entire episode upon herself by adulterating her biosamples. Her awareness of the hazards, he said, and her fear for her life were genuine.

That morning, Wednesday, she came to work at 7:50 A.M. An hour later, she was scheduled to attend a contract negotiating meeting, but once again a check with a monitor revealed contamination. She went back to the health physics department, and this time there were indications of exposure on her right forearm, neck, and face. She went through another scrubbing. Wodka recalls her relating the procedure. "The most eloquent line in this whole sad thing," he said, "was when she was telling the AEC investigators about the decontamination procedure with these harsh chemicals. She said, 'By Thursday, it hurt to cry because the salt in my tears burned my skin.' "

Fecal and urine samples taken Tuesday night and Wednesday morning showed the presence of new levels of plutonium in her body. On Thursday, November 7, she brought in additional samples that reached extremely high levels. The AEC, in a report issued after her death, concluded that some unknown person, for some unknown reason, had added plutonium to key samples after the urine was excreted. How that came to pass and by whose hand remain two of the unanswered questions of the case. The AEC's inability to reach a conclusion as to how the adulteration occurred—while understandably a conclusion cannot be found in test tubes and radiation counters but in the minds of people—has left the field open to two diametrically opposed theories: that Karen contaminated the sample herself to embarrass the company or that someone else did it to frighten or discredit her.

By Thursday noon, it was decided to check her apartment for contamination. Health physics personnel went to the apartment she shared with Sherri Ellis (another Kerr-McGee employee), took preliminary readings in street clothes, then rushed back to the plant to don overalls, cloth booties, and respirators. Her apartment was hot with contamination.

The highest levels were in the bathroom

and kitchen, the logical places in which it would be found—the bathroom because plutonium, particularly plutonium that has been ingested rather than breathed, is largely eliminated by normal body processes, and the kitchen because traffic is heavy there. The hottest items of all were some bologna and cheese in the refrigerator. When the decontamination squad returned in their science-fiction suits, they began to survey and remove anything that showed radiation. Clothes, cosmetics, personal effects were dumped into drums for burial. The carpet was ripped up, the refrigerator and kitchen cabinets were taken out, the ventilation system was dismantled. Meanwhile, Karen was in a car outside with two lawyers for Kerr-McGee. She was questioned by them and signed a statement. That it was signed under stress is evidenced by the fact that she had become too distraught to remember its contents beyond the general recollection that she had been questioned about smuggling plutonium out of the plant. The AEC and FBI have found no proof that any plutonium was diverted in this manner. After her death, the statement was located. It concluded: "I have no knowledge of what happened, but I feel the contamination is coming out of my body."

Her roommate had received lesser contaminations, and concern now grew for Stephens, who had spent the previous night in the apartment. His house was likewise surveyed for radiation that night. No contamination was found. After she got out of the car containing the company lawyers, Karen drove off by herself. From pay telephones she placed telephone calls to Wodka in Washington and to her parents. Her mother remembers their conversation. "She called me on Thursday night and told me she had this radiation and thought she was dying from it. The child was crying and saying she was dying." Karen asked Wodka to come to Oklahoma City to help her handle a cascade of events which, by this time, had her clearly terrified. (After questioning AEC officials about the incident, he left for Oklahoma the next morning.) Then she returned to the apartment where shortly before a score of people had been filling and carting away barrels of contaminated items. It was deserted. She called Stephens.

In a statement released in late January, the OCAW suggests that Karen was intentionally contaminated by someone else. The union cited an AEC finding that two key urine samples had been improperly labeled so that their identities and dates are uncertain. Additionally, the adulteration of two other urine samples and the presence of high radiation counts in some of Karen's food led the union to conclude that poisoning is a possibility. (According to the AEC report, while preparing her lunch, Karen carried the package of bologna into the bathroom briefly after she had spilled some of a urine sample. The bologna was then returned to the refrigerator.)

Karen Silkwood lived six more days. All but the last day were spent talking to investigators from the AEC and the Oklahoma State Health Department, attempting to determine how she was contaminated and how badly. From November 10 through the evening of November 12, she, Stephens, and her roommate, Sherri Ellis, were in Los Alamos, New Mexico, the place where the atom was first unleashed. Today, this country's most sophisticated equipment for studying radiation is there. All three were placed in an underground vault where extremely sensitive counters would begin to assess how much radiation had remained inside their bodies. One of the ironies of the use of nuclear materials is that the equipment for measuring radiation far outstrips our knowledge of its effects on the human organism. It is known to cause death, induce cancers, trigger genetic damage. But how much radiation? For how long? The broad limits are known, but uncertainties still exist, experimentation continues. Karen, Stephens, and Ellis entered the vault right after the beagles and just before the Rhesus monkeys.

Prior to leaving Los Alamos on the afternoon of November 12, they had a conference with doctors who interpreted the preliminary data. The doctors were able to reassure Karen that she was in no imminent danger. Her studies indicated what the AEC later termed "a small amount of plutonium, less than one half of the maximum permissible body burden." The maximum permissible body burden is the cumulative amount which cannot be exceeded without risk. What neither the scientists at Los Alamos nor anyone else could tell her was precisely how her present body burden would affect her in 20 or 30 years, the latency period for the development of lung cancer among uranium miners. Yet her mind was put somewhat to rest about the short-term outlook, and she returned to Oklahoma to pick up her work.

Wednesday, November 13, she reported to work for the 8 A.M. shift. A good part of the day was taken up in contract negotiations. For the last time, she wrote in her notebook: "Try to be able to reach a contract by November 26. . . . Meet again Thursday, November 21, 1974, 10 A.M." At 4 P.M., she left the plant and went to the Hub Café in Crescent for a meeting of the negotiating committee. At 6 P.M., she called Stephens to confirm that she would meet Wodka and New York *Times* reporter David Burnham at a Holiday Inn on the northwest edge of Oklahoma City, approximately 30 miles from Crescent. As the meeting in the café drew to a close, she began to discuss her worries about her health. Fellow committee member Jack Tice relates that "she did become a bit emotional toward the end of the meeting." He added, "She shed tears out of concern for her health. It wasn't an emotional outburst, just a few tears. I didn't think any more about it." Another member offered to drive her home. She declined, saying she'd be all right.

One of the last people to see her alive recounts in a sworn affidavit that Karen clenched her hand around a brown manila folder and a large notebook. The affidavit continues: "She then said there was one thing she was glad about, that she had all the proof concerning the health and safety conditions in the plant, and concerning falsification. As she said this, she clenched her hand more firmly on the folder and the notebook she was holding. She told me she was on her way to meet Steven Wodka and a New York *Times* reporter to give them this material. Karen appeared to be somewhat weary on that day, but she was alert, speaking clearly and acting normally, and it would never have crossed my mind that she might not be capable of driving a car safely. I was shocked when I learned the next day that she had been killed in a car accident. It seemed impossible to believe, especially since she had been so determined to deliver the material she had to Mr. Wodka and the newspaper reporter."

Karen got into her 1973 Honda Civic Sedan and started down State Highway 74. It was a dark, windy night. Karen was traveling at 50 to 55 miles an hour on an absolutely straight highway built along the grids drawn with a ruler when Oklahoma was opened to the land rush. The car went off the road 7.3 miles south of Crescent on the left side of the road. It traveled 240 to 250 feet down the shoulder, went over a concrete wall flaring from the northern edge of a culvert running beneath the road. The car slammed head-on into the southern wall. Karen Silkwood apparently died instantaneously.

On that much there is agreement. But there the accord ends. A private accident investigator, A. O. Pipkin Jr., of Dallas, was hired by the OCAW to investigate the crash. He has done more than 2,000 such investigations and has testified in more than 300 court trials. An Oklahoma State Highway patrolman, Rick Fagan, investigated the accident that night. His investigation has since been reviewed by officials of the Highway Patrol, who stand by its conclusions. The two reports could scarcely vary more.

According to the Highway Patrol, Karen went to sleep at the wheel, drove off the road, left two sets of rolling tracks with no evidence of having attempted to brake or control the car; the Honda was airborne for 24 feet after crossing the northern wall, and plowed into the southern wall three feet above the ground. The Pipkin report, on the contrary, holds that the car went off the road out of control, leaving three tracks because the car was skewed into an attitude that had aligned the right rear wheel with the left front wheel. The car flew over the northern wall, was airborne 20 feet, skidded four feet into the wall. Tread prints taken at the scene on Sunday, November 17—the day Karen was buried in Kilgore, Texas—matched those on the Honda, according to Pipkin. A small, fresh dent on the rear bumper, which under magnification proved to have scratch marks leading from the rear of the car toward the front, indicated to Pipkin that the car had been struck by another vehicle. In this version, either the blow itself or the collision combined with driver overreaction forced the car out of control and caused the fatal accident. The Highway Patrol says that the dent and scratches occurred when the car struck the concrete culvert while being removed by a wrecker. For many technical reasons, Pipkin and Dr. B. J. Harris, a structural engineer called in as a consultant, maintain that the dent could not have happened during removal from the crash scene and subsequent towing.

Later microscopic examinations by consulting experts retained by Pipkin revealed no concrete fragments in the dent. Rather, their report indicated contact with another metal surface, and a smudge believed to have come from rubber bumper stripping.

A Highway Patrol spokesman called the crash "a classic" example of a driver asleep at the wheel. There is disagreement here, too, because barring severe wheel misalignment, drivers who fall asleep go off the road on the right. Highways slope away from the centerline, or crown. The crown is designed into a road so that the downward angle and the pull of gravity will gently tug automobiles toward the right shoulder and away from a collision course with approaching vehicles.

The Highway Patrol's claim of sleep is buttressed by an autopsy report showing methaqualone in the blood, stomach, and liver. There was a trace of alcohol, but the level is so slight that it can be considered insignificant. The methaqualone levels, on the other hand, are consonant with normal metabolization of a large but still therapeutic dose ingested within an hour of her death. The methaqualone cannot definitely be said to have caused sleep, but it would probably have impaired her reactions. This is particularly so if a person had used the drug frequently and had developed the tolerance that could be expected from such usage. It is certain that Karen took the drug with some frequency during her last, extremely stressful days. Whether or not enough was taken often enough to develop a tolerance is not known.

The uncertainty about the drug's effect on Karen is but one anomaly. One wrecker was dispatched to the scene by the Guthrie Police when the first report came in. Halfway there, he was called on his radio and told to return, another wrecker had been sent by the Highway Patrol dispatcher. A mixup, it is explained, between two different agencies. But the truck driver's report was of someone pinned in a wreck, and speed would be crucial.

It is known that Kerr-McGee personnel went to the accident scene. Another Kerr-McGee official was at the hospital where her body was taken. (A macabre extension of her contamination is the fact that the ambulance attendants who picked up her body were checked by the AEC for contamination. Results were negative.)

Whatever the coincidences, the variations, a human being was dead and the shock of that fact had to be absorbed by those who knew and loved Karen Silkwood. In Nederland, Texas, two policemen—one of them a high school classmate of Karen's—came to knock on the Silkwood's door. Her parents were aroused from sleep and told the news. At the Holiday Inn outside Oklahoma City, Stephens, Wodka, and reporter Burnham waited for Karen. Finally, around 10 p.m., they began calling to locate her. When Wodka reached a friend in Crescent, he was told that Karen's car had been towed into town and that she was dead. It was left to Wodka to tell Drew Stephens.

They drove out to the now-deserted accident scene, locating it by headlights when they found her paycheck lying on the ground. They found no notebooks containing information of any consequence then or later when her personal effects were released. Union officials remain convinced that some of Karen's notes are missing. The brown manila folder and notebook referred to in the affidavit have never been found.

Outside the garage in Crescent where Karen's car had been towed, then locked up, Drew Stephens put his head against the wall and wept. In Nederland, Bill Silkwood ran about trying to find an open telegraph office so that he could cable a message he did not know how to phrase At 2:36 a.m. on November 14, he dispatched his telegram: Request autopsy Karen Gay Silkwood. Bill Silkwood, Father.

The ripples spread from family and friends to the press, the AEC, and eventually, to the FBI and the Justice Department. Attention was focused as it had never been before on the nuclear power industry, its safety in view of the terribly toxic materials it used, and, indeed, beyond, to questioning the wisdom of building reactors when a serious accident could endanger the lives of thousands.

There are risks inherent in current plans to rely on nuclear power for electricity. This is the specter raised by the life and death of Karen Silkwood. In a more immediate sense, her presence still haunts Kerr-McGee's Cimarron Facility. Nearly two months after her death, the AEC released reports of its investigations into allegations developed from information she provided. Of 39 charges concerning health and safety, 20 were substantiated wholly or in part. Three violations of AEC regulations dealing with health and safety were found. Among the allegations that were confirmed were the company's failure to set up a routine procedure for assuring that respirators were properly functioning (respirators are the only defense against inhaling plutonium when it has escaped into the air, and an incident in which plutonium was stored in unsafe amounts (since plutonium can reach critical mass—the point at which a nuclear chain reaction can begin—there is a risk of a nuclear explosion if it is improperly handled or stored). Additionally, the report confirmed that operating errors had resulted in worker contamination. Furthermore, in the area of quality control, it was shown that photographic negatives had been touched up with a black felt-tip pen, a fact which many consider significant but the AEC does not; and that some analytic data had been misused.

Two other contamination incidents occurred at the Cimarron Facility on December 17, and five employees were exposed to radiation. Kerr-McGee promptly closed the plant, charging that "some of the recent incidents . . . have been contrived." This is an allegation that remains unproved, except for the still-mysterious adulteration of Karen's urine samples. All the workers were laid off for 10 days and production ceased. The company then began administering polygraph tests to several of its employees. The questions workers were asked while hooked up to the lie detector delved into such areas as whether or not they had ever talked to Karen, belonged to the union, stolen anything from Kerr-McGee (a question that would show up the same on a polygraph, for a pencil or 50 pounds of plutonium), used narcotics, talked to a reporter, had an affair with another employee.

After the lie-detector tests, the staff of an isolated warehouse reportedly trebled when eight workers were transferred there. Among them were the chairman of the union local and a former committeeman. They were told that they were forbidden to go to any other area of the plant and that a supervisor had to be with them at all times, even when they went to the bathroom. The OCAW has filed a complaint with the National Labor Relations Board about the lie-detector tests. The polygraph tests are continuing at this writing.

In Oklahoma City, two state legislators have called for an investigation into Kerr-McGee's plutonium plant. A similar move is under way in the Congress. Drew Stephens searches his memory for the key that will unlock the mystery surrounding Karen's death. In Nederland, Texas, the Silkwood family waits for an explanation of what happened to Karen, and why.

Karen Silkwood's story remains star-crossed. On New Year's Eve, Trooper Rick Fagan, the highway patrolman who investigated Karen's accident, patrolled State Highway 74. A few miles from the place where she died, he was struck from behind by a drunken driver and was critically injured.

GUTTING THE HATCH ACT

Mr. FONG. Mr. President, I wish to call attention to a timely article on the Hatch Act which appeared in Monday's Washington Star over the byline of John Cramer in the "Federal Column."

Bills that would gut the Hatch Act, already passed by the House, are now pending in the Senate Post Office and Civil Service Committee. Proponents claim that their legislation is designed to protect Federal civil service workers from political coercion when, in fact, it would be well nigh impossible to write such bill language to fit many situations. On the contrary, their legislation would open up partisan politics in the merit system and put potential political pressures on the 2.8 million employees who are now protected by the Hatch Act.

The flaws in the proponents' claim were demonstrated in testimony given the Senate Committee last week by Carl F. Goodman, General Counsel of the Civil Service Commission.

Mr. Cramer's column highlights the excellent points made by Mr. Goodman in demolishing the argument of the bills' proponents.

I ask unanimous consent to have John Cramer's article of November 10 printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POTENTIAL FLAW SHOWN IN HATCH PROPOSAL

(By John Cramer)

A persuasive argument against House-approved legislation that would gut the Hatch Act, with its long-standing restrictions on partisan political activity by federal employes, came the other day in testimony to the Senate Civil Service Committee by Carl F. Goodman, Civil Service Commission general counsel.

Goodman pointed out that the House bill theoretically protects U.S. workers against political "coercion" by their superiors. Then he cited three examples to demonstrate the virtual impossibility of writing into law truly protective language:

"A 'superior' is known to be actively campaigning for candidate X. One of his subordinates, who is generally known to be personally close to the superior, or who is known to be the superior's 'right-hand man,' but is not actually superior to the employes, approaches other employes in front of the building, or in the parking lot, or at their residences, (note: the House bill prohibits fund solicitations in federal buildings) and solicits contributions for candidate X.

"The solicited employes must decide if it is expedient for them to contribute or decline to contribute, being aware of the possibility that the superior may learn whether or not a contribution was made.

"They would also be aware that it would be extremely difficult, if not for all practical purposes impossible, to prove that any particular employe is promoted or passed over for promotion, because he made a political contribution or failed to.

"There is no evidence to indicate that the superior instructed or even suggested to the subordinate that contributions should be solicited . . . unlikely that such evidence could be obtained."

"An employe is aware of a vacancy which would be promotion for him. He also is aware that the person who will make the selection is actively supporting a particular candidate. Add to that the fact that another employe who will be in competition for the vacancy is also working actively on behalf of the same candidate.

"Our first employe must now make a decision with respect to his own activity. Can he really afford not to also campaign for that candidate? Or can he afford to exercise his 'right' of choice by actively campaigning for the opposition?

"What is at play here is internal coercion—the employe is caught between the proverbial rock and the hard place.

"Today he need not be concerned about making this no-win choice—he is hatched; he is protected."

"How about the employe engaged in political management who suddenly finds that the opposition candidate is his boss; or worse yet that the candidate he just successfully helped defeat now is boss and is responsible for his promotions, work assignments, leave, etc.?

"Are all political activists of such pure heart that they can and will completely overlook the fact that subordinates deprived them of elective offices they worked so hard to obtain?"

NATIONAL SPIRITUAL FITNESS PROGRAM

Mr. TALMADGE. Mr. President, there has recently come to my attention an excellent message, in the form of a letter to the President of the United States, calling for a spiritual renewal in our country.

Mr. Stan Carey, who is serving as interim pastor of the Free Methodist Church in Macon, Ga., urges, at this time of Bicentennial, a regeneration of the American spirit and a return to the fundamental religious values upon which our Nation was founded and under which it has prospered in freedom. Chaplain Elson of the Senate and Chaplain Latch of the House of Representatives both complimented Mr. Carey on his message and I agree with them that it is certainly worthy of wide dissemination.

I commend Mr. Carey's message to the attention of the Senate, and ask unanimous consent that it be printed in the Record.

There being no objection, the message was ordered to be printed in the Record, as follows:

To the President of the United States—Subject: National Spiritual Fitness Program

(By Stan Carey)

Mr. President, some say there is no simple solution—but there is: It is difficult only when trying to convince our leaders that it will work:

I am greatly encouraged by your personal efforts in prayer groups—and church attendance in Washington and other cities—plus the influence of your son studying for a divinity degree.

We may never know for certain, but if such a plan as I am suggesting, had been put into operation when I first suggested it to President Johnson and President Nixon, we might not have experienced the assassinations of Martin Luther King, Senator Robert Kennedy, and others, as well as the attempted assassination of Governor Wallace—plus the thousands of Americans who died in Viet Nam, as well as other tragedies in other areas of our society.

I wonder why we, as an alleged "God-fearing" nation, limit God in all of these areas: Do we think our problems are too big for God to handle? Do we feel that a handful of men can direct the destiny of America and her allies, without asking God to sit at the consultation table?

Because of my concern for our country that is so great, and because of my concern for the many serious problems we are facing, I offer this proposal for your most serious consideration. And if it has any merit, I would like it to come from you.

Some members of my own family do not know of this action. Even the young lady who engraved "The President" on the Thompson chain reference Bible I sent you—does not know. It's your idea.

Quite some time ago, my wife and I visited with an old friend of yours, on the porch of his home, on the outskirts of Milledgeville, Georgia, his name—Carl Vinson—the distinguished veteran of fifty years in the Congress of the United States.

This was before the general outbreak of riots and lawlessness that seemed to sweep over our beloved land . . . and before we increased our forces in Viet Nam to such an extent . . . and before casualties mounted so high.

I posed the idea of a national spiritual fitness program—and I expressed the feeling that it should be brought to the attention of the President.

His answer was short: "You're shooting too high. Everyone wants to start at the top. Everybody wants to get to the President and get him to endorse everything. It ought to start at the bottom. Take a couple of blocks and work up from there."

In all honesty, I was unhappy with his answer. But . . . suddenly his suggestion took on a new and different meaning. It really didn't matter where those two blocks were located.

As an American citizen, I remembered some real estate I own in Washington, D.C. So I decided on two special blocks.

One is on Capitol Hill . . . and the other is located at 1600 Pennsylvania Avenue. I also realized that, in reality, as we approach our two hundredth birthday—I was the landlord—along with more than 210 million partners—including my three grandchildren—who also own a share of this property, and the entire population will be much more, when the lease comes up for renewal in 1976.

I felt I had a right to address these thoughts to you directly—and as Mr. Vinson said, it could build and spread from just two blocks—and these are the two blocks I have chosen.

Mr. President—I am not an authority on Government. . . . However, I have followed it very closely for 36 years as a Radio-TV newscaster with nearly 25 thousand newscasts to my credit.

I am an active Christian layman—and for nearly 40 years I have filled the pulpits of most of the major denominations in America—and have broadcast God's "Good News" around the world—even behind the iron curtain.

Not as a pessimist, but as a realist, I know the great monster of apathy can devour us, along with all the principles upon which this nation was founded nearly 200 years ago.

We can't deny it—we have lost respect in the world, because we have lost respect for God and that which is right.

Senator Herman Talmadge—speaking to a Senate prayer breakfast—said: "The course of events which are propelling this nation farther down the road of blatant lawlessness must be reversed."

May Craig—the respected reporter from Maine—said: "Unless there is a change deep down in the American people . . . we are witnesses to the decline and fall of the American Republic."

General Eisenhower cited the case of Rome, which became licentious, and disappeared as an empire.

The Chicago Tribune—in its lead editorial, "Decline and Fall?"—warned of much the same thing, saying: "The decay of a people's moral fiber has through history, always been the prelude to the collapse of a civilized society. It was so in imperial Rome—and the rule still governs today."

The fall of nations is not a theory . . . it is a fact of history. They fell when they forgot God!

Another fact of history is that God has always honored the people who have honored Him.

Today, the Golden Rule is tarnished. . . . The Ten Commandments is just a motion picture—not something to live by.

We were once a God-fearing Nation . . . and our only hope for America is to return to the faith of our Founding Fathers.

Abraham Lincoln—when asked if he thought God was on our side, said: "That isn't the issue . . . the important thing was—are we on God's side." President Lincoln also said: "Tear down the flag of Christ, and Old Glory will sink of its own weight."

Mr. President—I wish to present to you a positive program, that I believe can lead us to a solution of some of our Nation's major problems.

Americans well remember President Kennedy's physical fitness program—with fifty mile hikes—and exercises to improve the physical deficiency of our Nation.

Mr. President—I would like to suggest that the United States—through you, as the Chief Executive—initiate a spiritual fitness program!

I am certain history would long remember you as the man who brought his Nation back to God through the spiritual fitness program!

America has left God out of its life and program, and we have been reaping war . . . crime . . . scandal . . . hatred . . . lawlessness . . . and assassinations. But regardless of differences and discord among our people . . . a common meeting ground must be sought and found. I am confident this program can do just that.

The spiritual fitness program would suggest that all Americans do what their creed demands of them—but do it to the fullest.

Every minister . . . rabbi . . . or priest . . . of every race . . . would carry to his people, the truth of the Bible—as they know it to be—without compromising their own religious beliefs.

Every layman would then put into practice forgotten doctrines . . . and . . . shunning the very appearance of evil . . . do only those things they know to be right and acceptable before God and their fellowman.

Pastors and leaders would no longer fear to preach the truth of the Scriptures . . . for they would now have the backing . . . urging . . . authority . . . and cooperation of the President of the United States.

Riots . . . disobedience to the law . . . and marches . . . are not the answer. The answer is found in John 8:32—"and the truth shall make you free." This should be preached from the pulpits, and not at the front of any mob—black or white.

Some are born to lead, while others will not follow, unless they have a leader. Some leaders meaning the clergy—will not lead (from the pulpit) unless they themselves are led. They, too, need to be prodded. However, when they use such weapons as the Bible and truth—they can lead their members into a spiritual battle against the things they are now doing, that is causing unrest. But many will not assume responsibility in this field on their own.

The battle we face is not war . . . civil rights . . . or even inflation and unemployment. It is against the idols of self and greed. These have taken God's rightful place in our Nation.

But when a man gets right with his God, he gets right with his fellowman. All these problems are then seen in a new light, and men are able to solve them, because they would then approach each and every problem with the welfare of the other individual in mind.

We need to take the battle off the street . . . and every campus . . . and take the problems to the church—not for politics—but where God can lead us. And then, and only then, will such problems be solved.

God is color blind, he doesn't know the difference between a black man or a white man . . . or a white lie and a black lie.

However, the man—black or white—who talks of nonviolence—uses it at times as a "weapon" thus causing violence, and the result can be death . . . bombings . . . etc.

Mr. President—I can't—nor would I even suggest—forcing my particular teaching on those who do not believe as I do. But basically, most religions contain love and peace in their fundamental doctrine. However, people for the most part—are no longer preaching or living their doctrine.

Delinquent members make a delinquent church . . . delinquent parents make delinquent children . . . delinquent individuals make delinquent cities, states, and nations, thus ending with a delinquent world which has forgotten God.

The program I am suggesting, should not be handled in any way by any such organized group as the National Council of Churches.

It must be led by dedicated laymen, who represent the various denominations and of more government facilities and services. . . . feeling the entire responsibility is that of the clergy.

If all we had were generals . . . we would never win a battle, let alone the war. yes, we need to have generals, but we must have soldiers also . . . and together they can win the war.

The reason I feel this program should originate with you, Mr. President—is because you are the nation's number one layman . . . and as such, can speak with the urgency and authority that most Americans would accept . . . but would not be accepted if spoken by their minister . . . priest . . . or rabbi . . . because they have heard it so often from them.

I feel this program must begin at the top: from any other source, it would not be effective.

However . . . coming from the President of the United States, the program would have a direct bearing on the Cabinet . . . Members of Congress . . . Governors . . . State officials . . . and on to the local community and its citizens. All because of your integrity and influence and Christian witness.

A Presidential announcement-endorsement . . . in some form . . . would immediately gain nation-wide support . . . and do what crime committees . . . the Pentagon . . . State Department . . . or the UN cannot do.

It would be a bi-partisan effort. And non-denominational in every aspect . . . with a nation returning to God . . . the only issue.

It will succeed only to the extent that our leaders of the national and local level—set the example . . . and the general citizenry works at the job.

Just think of the influence on the nations of the world, as the President of the United States, with the Bible I sent to you—or any other Bible—placed on your desk in the Oval Office—as a witness—and carry it to church every Sunday—thus inspiring some 210 million constituents to do the same, as they also take their Bible in hand, and attend the church of their choice.

It is true that one woman and eight of the nine justices on the United States Supreme Court, changed the prayer habit in school. However, those who have objected to the Supreme Court's decision on school prayer, now would have no excuse under the spiritual fitness program.

Atheists could not say they were being persecuted, for the program would be voluntary. It must be voluntary for it to work. It cannot be a forced issue. But it must be initiated, and the opportunity given for God to work.

Dr. Russell DeLong, in one of his books, calls our attention to the fact that there are two kinds of atheists—the philosophical, theoretical (such as Communists) . . . and the practical.

The Communist says: "I don't believe in God," and acts like it. And millions of Americans say: "I do believe in God," and ignore him. They never pray (as you and your colleagues do). They never go to church (as is your habit). They never recognize him in their everyday life.

Some years ago—a Louis Harris poll indicated that although 97 percent of Americans believe in God, only 36 percent of United States citizens go to church once a week.

If we would defeat atheistic communism . . . Mr. President . . . we must bring God back alive in our homes . . . our schools . . . our churches . . . our businesses. But most important—in our lives.

According to a congressional report on religious developments in iron curtain countries, we learn that the Communists have stepped up organized harassment of churches.

In iron curtain countries, there is a government sponsored institute, whose job is to substitute a doctrine of scientific atheism for all religious faiths and beliefs.

In Russia, at Red universities, they are setting up professorial chairs in scientific atheism, and they also back clubs for young atheists.

A drive of another sort is on in Bulgaria. A special section for giving atheist training to the kindergartens and schools, has been set up by the authorities.

Everything possible is being done to eradicate the influence of religion. That must not happen here in America—hence, this detailed report and suggestion, Mr. President.

I know this program would not solve all of our problems, for all would not participate.

But I do feel very strongly, sir, that if the spiritual fitness program (in some form) is put into effect—we would have the following possibilities:

This immoral nation could become a moral country.

Those who talk of peace, could see at least a portion of it come to pass—in spite of recent developments.

Law enforcement officers would once again have the respect of the community.

Guns would be stilled.

Lives would be saved.

The crime rate would decrease greatly.

Rape would be on the decrease.

Obscene literature would become distasteful.

Dirty movies would become almost non-existent, for people would not patronize them.

Fathers and mothers would once again have the respect of their children.

Then—and only then—will we see our nation on the road back to God!

Utopia? . . . No! . . . But they are goals worth striving for if we would exist as a major power.

In the past—President Johnson was chided about a statement relative to turning out the lights in the White House (although I believe "our house" should be well-lighted, and economize elsewhere).

But you, sir, could turn such a phrase to your own advantage: "Keep the lights on in the White House, and turn them back on in the churches!"

Then churches will hold their own crusades or revivals . . . others will hold mid-week prayer meetings once again . . . darkened churches will return to the habit of holding Sunday evening services . . . closed churches will be re-opened for all services . . . Americans will begin to read and study their Bibles.

All churches would put on a Sunday School drive to reach our youth, for as Senator Hatfield said: "It is a proven fact that boys and girls who regularly attend Sunday School, give the fewest problems to our society."

Businesses will begin devotional services at work—on a voluntary basis—such as was once done at the White House.

Radio . . . television . . . newspapers . . . and magazines . . . will give free advertising to the spiritual fitness program . . . but only if you, Mr. President . . . take that initial step that will reach all Americans eventually. Perhaps in the form of a "fireside chat"—in the manner of President Franklin D. Roosevelt.

The influence of such a program could reach from the White House to every home in the United States . . . then to Red China . . . the Middle East . . . Cyprus . . . and other trouble spots in the world . . . for with God, all things are possible:

We may not be able to reach certain world leaders . . . but God can . . . If we as a Nation, return to him.

I like to think of the Old Testament character, David, in this instance . . . for he was not only physically fit . . . but spiritually fit.

David took a sling and five smooth stones—though he needed but one. And I like to think that you and I might make this application.

America could be likened to David, who depended on God. The stone would be represented by the spiritual fitness program. And the slaying of Goliath, as victory in the racial problems . . . war . . . lawlessness . . . riots . . . etc.

One minister put it this way: "If you have no greater problem than that of raising Jesus from the dead—then, you have no problem."

I remember when I was just a young boy—I disobeyed my father. He took the strap in his "ministerial" hand, and I made one of the biggest mistakes of my life, when I tried to out-run him, for when he caught me, he doubled the dose.

Mr. President . . . there is no need for us to put our heads in the sand. We must face facts. Our Nation has disobeyed God, and rejected him, and I believe he is chastising his people at this time in history—and with good reason.

The Creator who gives us the very air we breathe . . . and formed these remarkable bodies of ours . . . can certainly help our Nation in this time of crisis . . . if . . . this Nation follows the admonition of Second Chronicles 7:14, which says: "If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways: Then will I hear from Heaven, and will forgive their sin, and will heal their land."

Thus . . . bowing at the altar of God . . . which knows no denomination.

The eyes of the world are upon us, and even though Gerald Ford is an individual . . . yet . . . as the President of the United States—in the eyes of the world—you are the Nation:

And if you set the plan of attack . . . 210 million and more Americans, will follow your example . . . and once again, God will take his rightful place in the hearts of men . . . and that alone, will bring peace to all areas. Nothing else:

Many presidents have quoted scripture, such as the words of Jeremiah: "Call unto Me, and I will answer thee, and show thee great and mighty things which thou knowest not."

We have a very sick patient—and that patient is the United States of America.

The old law of "cause and effect" is becoming more evident every day.

The effect is crime . . . lawlessness . . . riots . . . poverty . . . inflation . . . unemployment . . . assassinations . . . etc.

The cause was suggested by Mr. J. Edgar Hoover—the late director of the F.B.I.—who posed this very important question to a Washington audience: "Is America as a nation being swept by an epidemic of spiritual malnutrition?"

We know what the effect is on the patient; we know what the probable cause is; now we need the proper prescription to bring the patient back to health and peace.

Guns . . . soldiers . . . bombs . . . planes . . . peace feelers—as in the past—may be put into emergency use, however, I do believe that you, sir, as the President of the United States, hold the key to any situation, in your hands—perhaps without even realizing it is there.

I am very much impressed—as is the nation, by its response—when the President calls for a "day of prayer."

However, after that day is passed, it reminds me of a man I once knew, who sent his mother a card on mother's day, saying: "Every day is mother's day to me." There was only one thing wrong. She did not hear from him the other 364 days of the year.

Mr. President . . . another man who lived in the White House, actually gave us the remedy when he spoke in Austin, Texas, in 1963, at the dedication of the congregation Agudas Achim synagogue.

At that time—President Johnson said: "Our Constitution wisely separates church and State, separates religion and government. But this does not mean that men of government should divorce themselves from religion. On the contrary, a first responsibility of national leadership, as I see it, is spiritual leadership."

So, the prescription would be a certain combination of various ingredients that would make up the spiritual fitness program, which would affect all Americans.

It would be entirely voluntary . . . and . . . the great American principle of separation of church and State would not be violated.

It could be the answer to the "prayer in public school" issue.

It means our nation has turned its back on God, and we must reverse our course, and give Him the honor that is due Him! And then America will be blessed once again.

Mr. President . . . I believe this is a foolproof solution to most of our major problems.

However, it is like medicine prescribed by the doctor. You have to take it to do you any good. Just having it . . . leaving it on the shelf unused . . . could result in the death of the patient.

Many may say: "It won't work." But they will never know until they have tried it. And it's quite painless.

That is how every invention was born. That's how every piece of legislation you sign, is proven. By trying it . . . by putting it into practice.

Mr. President . . . you have accomplished many things during your years as a public servant. And now you are in command of the White House—and have already taken many bold steps. But this is one of the most important things you will be called upon to consider as President. Because it concerns God . . . we, his children . . . and the great creation he has entrusted to our care.

Edmund Burke has said: "All that is required for the triumph of evil, is that good men remain silent and do nothing."

If it is important enough to have a physical fitness program, for these bodies of ours, that are going to die . . . deteriorate . . . rot . . . and go back to dust—then, it is even more important to have a spiritual fitness program for the soul that will never die.

Perhaps a program, as such, is not needed. Maybe just a "Presidential talk to his people" along these lines . . . leaving out political cliches . . . and making it so simple, that all will be able to understand. But don't pull any punches.

Even though every American will not agree with every action you take—it is worth the try—if it should prove to be in the best interest of the country.

No matter how hard we try . . . we can't please everyone. There was only one perfect man, and he couldn't please them all—but he tried—and we can not do less. That man—Jesus Christ—has shown us the way, and it is up to us to lead and follow.

Mr. President . . . I am sold on my product . . . and I will be more than happy to lend assistance to you, or to such a program—if I can help.

As far as the Constitution is concerned—you, sir, have the power to initiate this, or a similar program.

It could be activated during these next crucial months—and I feel certain that Republicans and Democrats would not object to it being called "The Ford Spiritual Fitness Program." If it does the job that needs to be done.

Although you probably have several bibles, I hope you find yourself in agreement with me, Mr. President . . . and will find a place on the desk in the Oval Office of the White House—for the enclosed personal copy of the Bible, which has been appropriately engraved "The President."

It will be handy for immediate reference, when needed, for inspiration . . . wisdom . . . and a witness to all who visit with you . . . reporters . . . members of the White House staff . . . or visiting heads of state . . . especially during this Bicentennial year.

Thank you, Mr. President . . . and may God bless you.

BALANCE BETWEEN AGRICULTURE AND THE ENVIRONMENT

Mr. HANSEN. Mr. President, I was happy to see the unanimous passage yesterday of H.R. 8841, extending the Federal Insecticide, Fungicide, and Rodenticide Act. The Agriculture Committee approved several important amendments which I hope will increase balance and objectivity in the implementation and administration of FIFRA.

One of the most important balancing sections for agricultural interests would provide new procedures requiring consultation with the Secretary of Agriculture prior to issuance of proposed and final regulations under FIFRA. At least 60 days prior to signing any proposed regulation for publication in the Federal Register, the Administrator must supply the Secretary of Agriculture a copy of the regulation for comment. This will give the Secretary of Agriculture the opportunity to enter his comments for consideration before the public comment period begins. This provision would appear to indicate the Congress intended to give agricultural interests greater weight in the drafting of regulations than has been the case in the past, and this will help assure a fundamental balance. The committee report states:

> The Committee concurs in the House position that EPA has not always given adequate consideration to agriculture in its decisions.

To further protect agricultural considerations, the bill would require EPA to consider the effect of cancellation notices on agricultural production and retail food prices. This action will lend weight to agricultural considerations so urgently needed today when our agriculture makes such an important contribution to our national productivity and employment.

To further provide for objectivity in decisionmaking from EPA, an amended section would mandate comment on regulations by a scientific advisory panel. This would provide a scientific data base upon which to compare final regulations.

Increased input should result from an amendment to section 18 which would require that the Administrator consult with the Secretary of Agriculture and the Governor of any State concerned, if they request such a determination, when an exemption is sought under section 18 because of emergency conditions. An emergency may often take the form of an excessive economic loss with relatively little environmental damage. In this case, consultation with the Secretary of Agriculture and the Governor, who is near the problem, would be an invaluable informative device.

The amendments made by the Agriculture Committee appear to be valuable in providing a balance between protecting the environment and at the same time continuing the agricultural productivity so necessary to the survival of our economy and the agricultural way of life.

FISCAL YEAR 1976 BUDGET—THE CRUCIAL TEST

Mr. MOSS. Mr. President, I invite the attention of Senators to the editorial in the Washington Post on November 11 entitled, "Congress and the New Budget Process." Referring to the second concurrent budget resolution for fiscal 1976, the article noted:

> Congress is now approaching the crucial test of its extremely promising new budget process.

For the first year, Congress will vote on the budget as a whole and set a ceiling on expenditures, the amount of the deficit, the appropriate levels of revenue and the public debt. The measure once adopted by Congress will become applicable to all subsequent legislation affecting this fiscal year.

The second concurrent budget resolution is scheduled to be considered by the Senate next week. Members of this body will have an opportunity to vote on how much we are to spend altogether. The Budget Reform Act of 1974 would permit us to put off this concurrent resolution and the discipline which it implies for another year, but the state of the Nation will not, for we have not yet fully recovered from the worst recession the United States has experienced in a generation. People want an end to the harsh cycles of recession and inflation that has dominated the economy for a decade.

Last May in the first concurrent budget resolution, the first stage of the new budget process, Congress adopted target figures for the budget and in the intervening period the potential effectiveness of the new system and the discipline which it implies has been demonstrated. And not a moment too soon. The second stage, the second concurrent budget resolution reaffirms or revises these figures and they become binding for the fiscal year.

I believe that the new system is one of the most significant and positive changes in government in decades. It represents a major step toward bringing the Federal budget under control, establishing national priorities, and improving fiscal responsibility. It will enable us to move in the direction of a balanced budget. But despite all its promise, the new system is not automatic. It will not be painless, if it is effective. It cannot do for us what we are unwilling, individually and collectively, to do for ourselves.

As the editorial suggests, the period ahead and particularly the outcome of the second concurrent budget resolution for fiscal 1976 will be a "crucial test" of the promising budget process. The Members of this body do not need to be reminded about the shortfalls of the old system. It is clear that the new budget process must succeed if the Congress is to exert effectively its influence over the Nation's financial affairs and lay the groundwork for recovery and long-term stability.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Congress and the New Budget Process

Congress is now approaching the crucial test of its extremely promising new budget process. Unlike the votes that it took on spending limits and revenues last spring, the votes coming over the next two weeks will be binding. Any bill pushing spending beyond the limit will be out of order, and can be blocked by one member's objection. If the current tax bill does not raise enough money to meet the revenue requirement, Congress will either have to send it back to the tax committees or vote to raise the deficit.

For the first time in its long history, Congress is having to vote on the budget as a whole, and on the deficit. The result is a profound change in the way that Congress thinks about money. If the 535 unruly and highly individual members can summon up the cohesion and stamina to enforce this machinery—and so far the prospect seems unexpectedly hopeful—the new budget law will accomplish more than any event of this century to bring Congress back into a genuine share of the authority and responsibility for making national economic policy. Spending and taxing is no longer being left to the disparate and fragmented purposes of the separate committees and their individual chairmen. It is a remarkable example of the influence of a procedural reform on the substance of politics.

Last May, Congress adopted advisory figures for the budget and over the past six months the budget committees in the two houses have carried on an astonishingly effective campaign to enforce them. It is symbolized by the unlikely alliance struck in the Senate between the committee's chairman, Sen. Edmund S. Muskie, and the ranking Republican, Sen. Henry L. Bellmon. They have vigorously defended the spending targets against both the defense appropriations that the administration wants, and the expanded social programs that many of the Democrats urgently support. In the House the Budget Committee's chairman, Rep. Brock Adams, has evidently managed to establish cooperative relations with the traditional committee chairmen who might have been expected to be his natural competitors and adversaries.

Throughout this month Congress will take the new procedure a great deal farther, demolishing a number of comfortable but irresponsible old customs as it goes. The most interesting example is likely to arise in the handling of revenue. The House Budget Committee, in the resolution that it has just reported, is counting on $1 billion in additional revenue during this fiscal year from tax reform, which means closing loopholes. The Senate Budget Committee, less optimistic, expects no new revenue from tax reform. The resolution will go to conference, where the difference will be compromised. But meanwhile the tax bill seems to be losing altitude rapidly as it flies along toward the usual tempest at the end of the session. The Ways and Means Committee changed its mind last week and threw out of the bill all the reforms on which the budget specialists were counting to raise that $1 billion. In the Senate, the Finance Committee gives some indication of preparing to insert new loopholes that would bring revenues out well below even the Senate Budget Committee's modest expectations.

What happens if, sometime around Christmas Eve, the tax bill finally emerges in final form designed to raise less than the amount that the budget resolution requires? Nobody is entirely sure. That is where the real test comes. Under the new law, Congress cannot end the session until it has closed the gap. At that point, it will either have to send the bill back to committee or acknowledge a bigger deficit. Whichever it chooses, it will have to take full responsibility for it in a record vote.

Other tests of the new procedure, and the new responsibility, will follow. It will be a good deal less comfortable to play the old game in which Congress loudly cuts a department's budget and then quietly restores part of the money in a supplemental appropriation bill. Under the law now in effect, any supplemental that exceeds the budget limit will be out of order unless Congress is prepared to raise the budget total first. Congress can still increase appropriations whenever it chooses. But it will have to declare explicitly the changes that it is making in a fiscal policy that is no longer the President's alone.

One reason for the unexpected momentum of this new procedure is unquestionably the increasingly cautious public attitude toward spending, deficits and inflation rates. Congress did not need the election returns, with the multitude of defeated bond issues, to tell it that the wind was changing. But there is another reason for the new budgetary rigor, one not well understood outside Congress itself. Rep. Adams puts it very clearly. In the past seven years, under two conservative Presidents, he observes, the federal budget has doubled and the deficit has soared. And yet, Mr. Adams points out, this vast outpouring of money has brought no new social programs at all. The country, for example, still has no comprehensive health insurance coverage. Unless Congress can get a handle on the old programs, he argues, there will never be any money for new ones.

The former budget process, permitting Congress to ignore the cumulative effect of its fragmented fiscal votes, was working exceedingly badly from almost everybody's point of view. The new process—if the members have the will to sustain it—promises to transform the nature of congressional politics, and congressional power as well.

SECOND CONCURRENT RESOLUTION

Mr. **MUSKIE**. Mr. President, the Budget Committee has reported the second concurrent resolution on the budget and has filed its report on the resolution.

When the second budget resolution is adopted, Congress will be placing legally binding ceilings on Federal spending—on its own spending—for fiscal year 1976. Under the provisions of the Budget Act, legislation which would cause those ceilings to be breached may be subject to a point of order.

On May 14 of this year, Congress adopted its first budget resolution. We agreed that the Nation's budget goals could best be met with spending levels of $367 billion and revenues of $298.2 billion that would produce a fiscal year 1976 deficit of $68.8 billion.

For the first time, we acted to set before the Nation our comprehensive view of national priorities and a plan for Federal spending that would promote economic recovery and stable long-term growth.

We adopted spending priorities somewhat different from those of the administration last May. While some increases were allowed for defense, the committee rejected administration proposals for major cutbacks in social programs and has allowed for increases, particularly where programs meet needs that are aggravated by the recession.

Congress has followed the program set forth in the first budget resolution. The Congress has not enacted more spending programs than anticipated in that budget. In the 6 months since the first resolution, the Budget Committee and the Members of the Senate have demonstrated that Congress has the discipline to exert its influence over the Nation's financial affairs and to lay a foundation for long-term recovery and stability.

The second resolution, as reported today by the committee, provides:

Revenues of $300.8 billion;
Budget authority of $406.2 billion;
Outlays of $375.6 billion;
Deficit of $74.8 billion, and
A public debt ceiling of $623.2 billion.

The resolution generally adheres to the priority decisions we made last May. It is designed to accommodate the remaining appropriations bills, and some important legislative initiatives which remain before the Congress this fiscal year.

The committee believes that these spending and revenue limits will provide a sound fiscal policy to meet our urgent national goals in an economy recovering from recession.

The second budget resolution raises the spending target of the first resolution by $8.6 billion and the deficit target by $6 billion. These increases derive essentially from higher estimates of the cost of existing programs and not from new spending programs. These automatic increases exceed $12 billion, an amount greater than the difference between the first and second resolutions.

Room has been allowed for funding of high priority areas identified in the first budget resolution—job creating programs, railroad finance, and energy initiatives. Nevertheless, the result is an extremely tight budget which means that the spending discipline Congress has shown to date must continue.

At the urgent request of the administration, the committee considered the President's security assistance request including the pending Middle East package. The committee voted to increase its previously adopted totals by $1.6 billion in budget authority and outlays by $0.5 billion. This increase will accommodate the amounts by which the new Middle East request exceeds the amounts requested in the President's February budget. The committee took no position on the merits of the Middle East proposal, but did not want to delay the expeditious consideration of this request.

The resolution also provides totals for the transition quarter, based on estimates by the Congressional Budget Office which reflect the committee's priority recommendations for fiscal 1976 and the fiscal and economic assumptions underlying the budget resolution's fiscal 1976 totals.

As I am sure my colleagues have observed, the House of Representatives has just passed its version of the second concurrent resolution. For the information of my colleagues, the spending and deficit total in the Senate version of the resolution are lower than the figures voted by the House, when comparable assumptions are made. The House committee, for example, assumed higher estimates of revenues from offshore oil leases and tax reform legislation. When these assumptions are accounted for, the totals in the Senate resolution are $291 million less in outlays and $291 million less in deficits than their House counterparts.

Under the present Senate floor schedule, our hope is that the Senate budget resolution will be taken up by the Senate next Tuesday, with debate limited by statute to 15 hours.

Mr. President, the budget resolution has received bipartisan support in the Budget Committee. It represents a workable and working plan for promoting economic recovery and for putting Federal dollars where they are most needed. It reaffirms the priorities which Congress established in the first resolution, priorities which the Senate has honored since last May.

I urge my colleagues to study the resolution and report. Public confidence in congressional economic policy requires decisive action, and I ask the support of all Senators for this historic and promising resolution.

NEW YORK CITY

Mr. JAVITS. Mr. President, Theodore White is one of America's most influential and creative journalists. Although I do not share all of the views expressed in the article he wrote for the November 10 issue of New York magazine, I consider it most worthy of inclusion in the Record as informed, innovative, and provocative. I think it belongs in the Record because it portrays the trauma of a great city paying the price for a past for which it carries a big responsibility but which is also linked to social conscience and an attempt to deal justly with the great issues of health, welfare, and an open society.

Mr. White addresses his remarks to the congressional Democratic majority. I think myself that we on this side are under an equal obligation to consider the picture he paints of the plight of New York and its implications in the years to come for cities across the country.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

An Open Letter to the Democratic Majority: New York City Is the Test

(By Theodore H. White)

Gentlemen: I write to you from New York City, where we face disaster.

Last week, President Ford proposed, in the guise of help to our city, that you spread the sheets for us on which to lie down in bankruptcy. How you Democrats respond will test whether you are fit to govern this country in 1976 or ever again—for what he really suggested was a constitutional change in the way we govern ourselves.

History requires you to respond on a constitutional level, for what is going on in our town is beyond conventional politics. The problem is not simply the bankruptcy of one city as Ford sees it, but a crisis of our civilization, of how we govern all our cities.

You are probably by now drenched in the outpouring of figures from New York—shifting figures, real figures, rubber figures, phony figures. But the figures are not all that important, and the quality of your decisions must come by instinct, by history, by philosophy. What is required before you take action is an act of recognition of what has happened in New York. So let me help by telling you something of the politics of the city in which I live.

First of all, gentlemen, take my word for it, New York City has now reached the point where it is entirely incapable of self-government. Stripped of the hypocrisy that our local public figures find necessary to describe us to ourselves, the situation is this:

We are a city of 8 million people burdened by an enormous underclass—a dependent, hapless, and increasingly predatory underclass. In order to pacify and control this underclass we pay not only huge sums in welfare but extraordinary benefits to a body of 260,000 civil servants. Those city employees who protect the stable middle- and working-class citizens from the predators, the others who try to "accumulate" the underclass in our public schools, charge extortionately for their services. They do nasty, sometimes dangerous work. We pay five and a half times as much to police this city as we did in 1955 (a jump from $160 million to $880 million). Our population was larger in 1955—but, in the twenty years since, our murder rate has jumped from less than one murder a day in the city to four murders a day. You see why the police have us by the short hairs.

There are over a million people on welfare in this city. Our 260,000 city employees have wives, or husbands, and children. Most of them vote—and they are all united in one great purpose: "More." No one can be elected in this city who promises "Less." So all our politicians for twenty years have promised more—more police, more schools, more playgrounds, more guidance counselors, bigger pensions, more hospital beds, more admissions to our university system. Together the welfare population and the city employees dominate our electoral politics. As in a giant soviet, they elect their bosses and paymaster. In our last mayoral election, only 1.7 million of our 3.4 million registered voters bothered to vote; Mayor Beame got 1 million of those votes—chiefly from city employees and the underclass.

No one can publicly oppose the cry for "More." Our entire social tradition insists on it. We are not the big, rough, tough city you think we are. We are not Carl Sandburg's Chicago, "stormy, husky, brawling, City of the Big Shoulders . . . fierce as a dog . . . cunning as a savage." We are the City of the Soft Touch. Folklore tells us that when the Irish first came here, the Protestant bosses of Tammany deeded to them, free, the choice piece of Fifth Avenue real estate on which St. Patrick's Cathedral now stands. When the Irish took Tammany over, and the Jews came along, the Tammany Irish built for them the first municipal bathhouses. When the Jews achieved their influence in this city, they pushed social conscience to the outer limit of good will. But way back in 1847, even before the Irish and the Jews came and long before New York State even dreamed of a university system, New York City had set up a city college of its own with free tuition for anyone qualified to attend. No other city in the world, except London, offers what New York does—from cutrate ballet (the best in the world) to free dentistry, to one of the three greatest research libraries in America, open to multinational corporations for market surveys, or music students who want to look up all the scores of Mozart and Beethoven.

New York is all things to all men, for we have spun the boastful legends that beguile you: Headquarters City, Sin City, Fun City, Style Center of America, Finance Capital of the World. But we are also Slob City. If you wanted it, our politicians gave it to you—More.

Only now there is no more. New York can't give any longer. It promised too much and has run out of the resources to meet its promises. Some of you pay only a federal income tax. Most of you pay both a federal and a state income tax. We here pay a federal income tax, a state income tax, and a city income tax. Then, on top of that, those of us who work for ourselves without a corporate shelter are penalized by what is, in effect, a fourth income tax; it's called the unincorporated business tax. This fourth tax, the U.B.T., falls alike and unfeelingly on rich lawyers in paneled law firms, on successful writers, on famous artists—and on the little papa-and-mamma stores where they sell newspapers, groceries, cutlery, underwear, bicycles, Armenian pastry, and Jewish delicatessen. For example, I, like all residents of the city, pay an 8 per cent sales tax on almost everything I buy, the highest sales tax in the nation. I even pay a tax at quick-lunch counters for hot dogs and hamburgers. I own a house fifteen feet wide—less frontage than many a garage in the suburbs. In 1955, when I bought the house, the taxes were $1,300; today I pay $5,750. Then, after that, I pay the four income taxes, too. I am quite comfortable this year, thank you, and can afford it. But a lot of good ordinary people in New York can no longer bear the taxes needed to keep the promises they voted for.

Let me give you a figure which, I hope, you will not think of as racist. But it's basic for you to get the picture. Between 1960 and 1970 almost 1 million white middle-class and working-class residents left this city, to be replaced by the same number of blacks and Latins, underprivileged people who came here seeking the promises we made. The census tells us that since then, in the first three years of this decade, the flight of white people has speeded up. We were a city still 62.5 per cent white in 1970. Three years later that figure had fallen to 56.8 per cent. Our best estimate now is that every year 125,000 white working-class or middle-class residents leave us—2,400 every single week from the Bronx, from Flatbush, from Queens. If we try to turn the tax ratchet up even one tiny notch, more will leave the city; fewer will be left to support the underprivileged.

Most important of all—the small manufacturers leave us. New York City has been traditionally the incubator of small businesses, making everything from chewing gum to flags to ladies' bras. When they prospered and outgrew our lofts, they normally moved out to the flatlands of Long Island or the Midwest, to be replaced by other infant factories starting up. Now, when they move out, they are not replaced and they take the jobs with them. And lack of jobs underlies the whole crisis of our underclass.

Internal taxation in New York City has reached the point not only of diminishing returns, but of downright cruelty. We raised the subway fare to 50 cents two months ago. That means a dollar a day in carfare for a garment worker (if he is lucky enough to live in a one-fare zone) whose take-home pay, after deductions, will net him $110–$115 a week. If he supports a family of four, he could get more by going on relief.

It is all unreasonable, of course. But it comes from a wild excess of good will. No local politician can run against Emma Lazarus—she was the poet, you recall, whose verse is inscribed on the base of the Statue of Liberty: "Give me your tired, your poor/ Your huddled masses yearning to breathe free." Local politicians are as trapped by this rhetoric as they are by the due dates of payrolls, bonds, and tax-anticipation notes. In New York, good will has not only run its course, but sped beyond all legal or social speed limits.

Left to itself, New York will still vote "More." Thus, for the foreseeable future, it is incapable of self-government; self-government in this kind of society does not work.

This crisis is not very much of a problem for Gerald Ford and the Republicans. Despite his ringing statements, Ford will probably have to sign any emergency act you pass. But the Republicans have an itch to let this city play out a morality drama for the nation. You know how the old ethic reads—waste not, want not; sin must be punished; balance your budget or face the consequences; he who sells what isn't his'n must pay up or go to prison. Ford's morality is sharp, coherent—and blindly short-sighted. But you can't deny either its appeal or its political shrewdness.

Yet how about the Democratic ethic? I have heard so many of you stumping this country chanting in your various regional accents the roll call of "our great humanitarian leaders, Franklin D. Roosevelt, Harry Truman, and John F. Kennedy." The Democratic party, for 40 years, has been the party that said government must take care of the people. But what does that mean? How far does the thought go? I notice that no one on the stump adds the name of the greatest of all "humanitarians," Lyndon B. Johnson, to that list—because everyone knows that L.B.J. pushed "humanitarianism," by war abroad and by the Great Society at home, far beyond the limits of reasonable government. So it is time to examine what the Democratic party is all about, and New York shoves that problem at you Democrats, now.

Good will as well as the national interest requires that this city be saved—in the next few weeks. You have to help, or you have betrayed your own tradition of 40 years. But if you help in the wrong way, you will only have compounded the disaster. You have to be very tough yet very responsible—for thinking about this problem gets you to the puzzle of how we preserve local self-government everywhere in the country. You have to think constitutionally. For, if you don't think constitutionally, you, Senator Kennedy, will be pleading for Boston next; and you, Senator Stevenson, will be pleading for Chicago; and you, Congressman Bolling, will be pleading for Kansas City and St. Louis. This is a problem that reaches to the heart of how American government works.

Let me repeat the reasons you already know for helping us, the reasons you can give your voters back home for helping us—the reasons of national interest.

Our spokesman in Washington have said much about the danger to the national and international economies from a New York City collapse. Actually, the danger is worse than they tell you. If they described the situation clearly, there would be panic in a week. No one says it aloud, but our banks are shakier than they have been since the Great Depression. I am not a financial reporter, but I follow the gossip. Our banks are not only sitting on hundreds of millions of dollars in dubious municipal paper. They are also deeply extended in loans to the two shakiest economies in Europe—Britain and Italy. They are, furthermore, sitting on hundreds of millions of what they call "suspense" accounts—loans to great corporations and real-estate trusts that can no longer afford to pay interest. And they are, to their credit, trying to restrain the inflow of hot Arab money, which could be withdrawn tomorrow if panic spread. If you leave our banks stuck with depreciated municipal bonds, and if their loans in Italy or, more likely, England go sour, they could collapse. And the bang of that collapse would make the collapse of the Credit-Anstalt in 1931 echo like that of a popped balloon.[1] The entire Western trading system rests on the New York banks; if they go, the whole structure of international trade goes, and we are back in 1932. Ford wants you to take that gamble.

But what you ought to be thinking about more immediately is the future of your own cities—and what the collapse of the municipal bond market would do to them. All cities do their housekeeping out of local taxes. But future of every big city depends on its ability to borrow. This ability to borrow is the ability to plan the future—whether it's a farmer borrowing on the green crops in his fields, or a young couple hunting a mortgage for their first house, or a community planning to build new hospitals, new bridges, new pollution controls. It's true that, for now, New York City must be deprived of this ability to borrow on its own. But to let it go into default to its creditors now will suspend the future for your cities, too. Eventually, I think, even if New York City defaults, it will not repudiate its loans—it will pay them back someday, five years or ten years from now. But during that period no one will buy the bonds of your cities either. Your cities will find the credit markets closed to them—or else so costly as to prohibit any reasonable local planning for the future until New York comes back to health.

These are the reasons you can give your voters, wherever they live.

But there are other, emotional reasons which, if you had the courage to speak aloud, might persuade your voters to look beyond their town limits.

You owe us a lot, gentlemen. Long before there were any National Institutes of Health, the civil servants of New York City, with our money, began the pioneer scientific work on tuberculosis in this city's laboratories. In 1950, in our local Staten Island Sea View Hospital, we licked it. When modern engineering was just beginning, the civil servants of New York, with our money, developed the technology of underwater ventilation which made the Holland Tunnel possible—and every long-distance underwater tunnel in this country and abroad is the beneficiary of that technology.

You, there, in Washington, passed our immigration laws, but New York had to cope with their effect. We took in the strangers and taught them English and made citizens of them. You, in Washington, welcomed Puerto Rican labor for the war industries back in the forties, but they pooled here and we accepted them. You beat up and dispossessed your blacks down South, so they fled here because we promised help. You passed the immigration act of 1965—in which our own New York senators and congressmen joined—which resulted in the illegal Caribbean immigration which floods us now. You passed the enlightened international-trading acts of the past twenty years, which made Peoria (Caterpillar tractors) and Seattle (Boeing planes) prosperous from their exports; but we got the dirty end of the bargain. Our garment workers have to compete with Hong Kong, Taiwanese, and Korean workers who get paid coolie wages. When I say you did this, I mean you liberal Democrats did this and we Democrats in New York paid the price.

There is also a final thing to say, one which will not appeal to your constituents, but which is inescapable. New York shapes the culture of this country—a glorious, explosive, wild, sometimes infamous one. We write most of your songs here, produce your drama, style your fashions, foster your art. We pump out from this culture center a lot of filth and trash. But remember, also, that in one ten-block stretch on the East Side of Manhattan we maintain the world's greatest medical complex, the headquarters of the war on cancer; and you all benefit from it. New York is the home of the greatest art museum in the world, performs the finest music in the world, publishes your literature. Culture is a major industry here. If our culture-workers grow alienated from the American system you represent, it will embitter our politics more than you can imagine.

In short, New York is one of the nation's greatest assets. Only it is too big an asset to be left to New Yorkers to run anymore. Its local politics and local population cannot manage the city. Someone else has to take over.

The only agency that can effectively take over New York City is New York State.

The initial proposals offered by your Senate Finance Committee two weeks ago were preposterously complicated—that you guarantee this punch-drunk city government $6 billion in direct borrowing power and that the federal government set up a three-man fiscal supervisory board. But Gerald Ford's proposal is worse—that New York City be declared bankrupt and that a referee of the federal court decide what vital services the city delivers from Riverdale to Bedford-Stuyvesant. The federal courts have already messed up more cities in the past ten years with their sterile social directives than is tolerable. A court-appointed referee would have to enlist a new corps of assistant bureaucrats, whose ears could detect neither the promise nor the peril in the wailing of the sirens in our city night. The more federal bureaucrats involved in managing this city, the more unreal will be the decisions made. And you will be held responsible, ultimately, for their judgments and blunders. This is in neither your interest nor ours.

The only sensible way to give us help in this crisis is the simple way—directly, via the state government—in short, a return to the old federal doctrine of states' rights and responsibilities. There is enough fiber in this state as a whole to govern New York City, enough hard-nosed Republicans and Democrats upstate to hold the city to account. So you have to devise a way to help New York State save New York City—now, fast.

What is required is a federal guarantee of something like $5 billion to $6 billion in borrowing power over a three-year term—borrowing power for either New York State or Big MAC, with the explicit understanding that this is one-shot money to get the city straightened out; and that within the next three years New York City, define its future, curb its appetites, override its local politics until it accepts a budget it can honestly support. A federal guarantee will cost nothing. Indeed, if interest on any new guaranteed loans is made taxable income, it may increase federal revenues rather than diminish them.

If you don't guarantee the interim money to let New York State straighten out New York City, we are helpless. We are not, in Governor John Winthrop's phrase, the City on the Hill. We are a City on a Raft. Unless someone throws a rope to pull us ashore, some degree of chaos is certain. There is not only the possible wrecking of the financial structure of the United States, but worse than that. Poor people, old people, little children will be hungry in New York. People may die in cold, unheated apartments this winter. The banks may survive—but there are thousands of aging wage-earners in this town and elsewhere who hold from $5,000 to $50,000 of New York City bonds or notes, all their life savings, who will be put in jeopardy. When you come to pick a candidate here next July in your convention, you could be meeting a city that mocks all your fervid speeches about humanitarianism. The quadrennial money-raising rondeau of your party's presidential candidates through the parlors of the East Side rich is now in full swing. But they, and you, ought to visit the South Bronx, to see misery. The South Bronx, flatly, is the most squalid community in American life today. If the relief-and-survival system which the city pumps into the South Bronx were suspended for even two weeks, it would make Belfast look like the City of Heavenly Tranquillity.

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[1] The Credit-Anstalt of Vienna was not only Austria's greatest bank, but the most important bank of Central Europe—what the Morgan Guaranty is today to Atlantic trade. The Credit-Anstalt collapsed in May of 1931. Germany's Darmstadter-und-National Bank tumbled after it like a ninepin in July, 1931. And then the international banking system spiraled downward for eighteen months, until the American banking system collapsed in February of 1933.

So the first step, the emergency step, in the next few weeks is for you to guarantee New York State's borrowing power to let it help New York City. Then two more steps must follow—one of them up to us, the other up to you.

The second step, up to us, should be divorced from your consideration of the details. New York State and City have to sort out their tangled responsibilities—from the administrative to the sacerdotal. To cite just one example, it means, on a level of emotional pain no out-of-towner can possibly understand, that the state university system has to absorb the city university system. This, of course, is a euphemism for liquidating both the city's control of its university and its commitment to the open admissions policy. For you, as Congress, to police that operation would be ridiculous—you would be considered either hard-hearted in New York City or patsies in Denver, Chicago, Los Angeles, or Boston, which maintain no free municipal universities of their own. Ultimately, New York City's power over itself has to be limited to housekeeping—living within what moneys it can raise in the five boroughs, keeping the streets clean, the public places policed, the schools and libraries open and staffed, the hospitals tended. But its future has to be removed from its hands. We in New York will argue passionately in the next few months about the cruel surgery necessary. But, before surgery can be performed, the patient has to be sustained, fed, tranquilized, bedded down for the operation. You have to guarantee the interim cost of this care.

Then, beyond that, comes the third step—the toughest step—which is up to you as national Democrats. You have to realize that the issue is not just the bankruptcy of one city. It is the bankruptcy of the goals and thinking of the 1960's, a decade you dominated, the decade of unreckoning good will. The election of 1976 could be one of the great watersheds in American life—or it could be meaningless. To give it meaning, either one or the other of the parties has to express some new philosophical direction. You, the leaders of the national Democratic party, have the opportunity to define, belatedly, your direction for the seventies and the eighties—and you haven't much more than six months to do that.

You are the party of the big cities and the workingmen who live in those cities—and those cities are the frontier of American government today. The governmental gadgetry for dealing with the cities, installed in the fifties and sixties, is obsolete. You all know that the Department of Housing and Urban Development is a blob of nothing in the federal bureaucracy. You know, too, that the Department of Health, Education and Welfare is unmanageable. So, at least, you have to dismantle those and other ramshackle departments and agencies and erect, in their place, some new federal machinery to deal with American metropolitan life as it is.

There are a half-dozen overdue measures you must take to make your oneshot financial guarantee meaningful, to make worthwhile the time you buy for this particular city, New York. For example, it is a truism to say that since the economic system is national, its distresses are national. But the distress pools in the cities—therefore all cities, not just New York—need a uniform national welfare policy, so that whether you live in San Juan, San Diego, San Francisco, or Boston, you get relief equivalent to that in New York City. All big cities are distressed areas—they are the centers where the minorities and underprivileged congregate. You passed special legislation for the TVA 40 years ago, for Appalachia within the last decade. We now need special regional legislation to make it worthwhile for industry to invest in factories and jobs in any city where the welfare rolls exceed 10 per cent of its total population for more than two years. Underneath all the debate about New York is the fact that to many of our people don't have jobs. That is also the case in Detroit and Boston and Chicago.

I can run through a laundry list of bills and acts which you can propose and enact that will give your campaign of 1976 some coherent direction. Some are specific. For example, you must revise or, at the very least, tighten the enforcement of our immigration acts. We in this city cannot police the immigration act of 1965, but since we are the largest port in the country, we must care for those who slip in and cannot make it here—as well as their wives and children. In New York today we have at least a quarter of a million illegal immigrants, and in our metropolitan area we have, at the least, another million illegals. We must educate their children and take care of their sick, even though we cannot afford to educate or nurse our own. Further—however much it twinges your liberal conscience—you must protect us from the courts by new busing legislation. This concerns many troubled cities across the country But if you let the courts introduce and impose compulsory busing on the remaining white working-class people of New York, the present white flight from the city will become a rout. In short, after giving us the one-shot help we need, you must consider New York as the grotesque symbol of the metropolitan problem of the entire nation. It is in the metropolis, not the countryside, that America lives today. Suburbs and city together in recognized metropolitan districts make up 74 per cent of our national population, and the most urbanized state in the country today is not New York but California.

This crisis in New York is a crisis of history. As a city of good will we can only look for aid to the party that claims to be the party of good will. The founding father of Democratic liberalism, three-quarters of a century ago, was William Jennings Bryan, a primitive liberal who was far more often right than wrong in his politics. It was Bryan who electrified your convention in 1896 by his challenge to the big-city people: "Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country." He was right then; such were the realities of his time. There is another reality now, and, I think, if he could come and speak to your convention in New York next year, he might rephrase that call: "If you let our cities wither and die, then the grass will grow in the streets of every suburb of those cities and the countryside will be a pasture unsafe for any man or any civilization."

So then: You, the party leaders, must move now, swiftly, to help New York State save New York City. Then you must define how this country can manage a metropolitan, urban civilization. You must act with both good will and restraint, with generosity and cruelty. If you cannot in Congress define where the party stands, I, an enrolled Democrat of the 100th Election District, of the 66th Assembly District of New York, would just as soon vote for Gerald Ford. At least I know where he stands—and I can plan my future accordingly.

ADVANCED TECHNOLOGY CREATES A NEW U.S. INDUSTRY

Mr. MOSS. Mr. President, the benefits of advanced technology often reach business and consumers in ways that were impossible to foresee when the technology was first created. For example, small, reliable, low-cost electrical devices that are a direct outgrowth of the space program have created a new U.S. watch industry.

A recent article in Business Week magazine describes how the growing use of U.S. electronics technology gives American companies an excellent chance to get a majority share of the $4.5 billion world watch market now dominated by Swiss and Japanese firms. Thus, our technology has created a new industry with a product that did not exist 5 years ago.

I believe it is important for my colleagues to be aware of how our technology is creating new products and markets here and abroad for U.S. companies and, therefore, I ask unanimous consent that the Business Week article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DIGITAL WATCHES: BRINGING WATCHMAKING BACK TO THE U.S.

In just one day last month a store on Zurich's Bahnhofstrasse sold 100 Pulsar watches. The astonishing thing about it was that the $300 digital watches were made by Time Computer Inc. in Lancaster, Pa. Selling that many U.S.-made watches in the stronghold of the giant Swiss watch industry was no fluke, however, and it clearly shows the current topsy-turvy state of the world's $4.5 billion watch business.

Watchmaking is going through a revolution, and the Pulsar that is selling so briskly in Zurich is an early example. The shift is to U.S. electronics technology, and the accelerating trend gives the U.S. industry an excellent chance to dominate the new market in solid-state digital watches.

"There's no doubt now that the digital watch will bring the watch business back to the U.S.," predicts Stewart Carrell, group vice-president at Texas Instruments Inc., the giant semiconductor maker that intends to play a major role in the impending international competition. Most of the 50 million or so watchces now sold in the U.S. are made either in Switzerland or in Japan. Few U.S. watches are sold overseas except for low-priced Timex models.

As so often happens when a new technology shakes up a competitive marketplace, the established companies are not leading the way. In fact the watch industry—from the entrenched Swiss watchmakers to local U.S. jewelry stores—has resisted the digital watch. The driving force has come from U.S. semiconductor companies and other American newcomers to the watch business.

This is the year that the newcomers are making their big breakthrough. Digital watch producers have been pushing up their production steadily, yet nearly all of them are sold out for 1975. In just the past 60 days activity has grown surprisingly intense and retail sales are shooting up dramatically.

At the 620 stores of Zale Corp., the largest U.S. jewelry chain, watch sales are up 20% this year, thanks to the digital watch. At Emporium's 11 department stores in Northern California, digitals already account for nearly half of watch sales. "Digitals are a very hot item at Sears," says Thomas D. Neal, who heads Sears Roebuck's Boston retail group. Like many retailers, he worries that he may not get enough of them to meet Christmas demand.

With this kind of activity, it is no wonder that the new technology is turning the watch business upside down. The cast of characters in the industry now consists of:

THE NEW BREED OF WATCHMAKER

The digital watch has attracted a group of aggressive U.S. semiconductor makers who seem determined to dominate this new market. But many of them are ignoring traditional watch business practices, slashing profit margins, and engaging in price wars at a time when they cannot even keep up with demand. The semiconductor makers, brought up in an industry where new products change things overnight, work with strategies that are completely alien to the watch market, where, until now, product acceptance has taken a decade. Charles E. McDonald, a vice-president at Fairchild Camera & Instrument Corp., notes the $25 million in sales that Pulsar, the leading digital watch, will bring in for Time Computer this year and exclaims: "My God, if I don't do that by the end of the year, I'll be gone."

THE ALARMED SWISS AND JAPANESE

The world's largest watch exporters have been shocked by the rapidly declining prices of U.S.-made digital watches and the speed with the new type of timepiece is catching on with U.S. consumers. Both the Swiss and Japanese have been sitting on the sidelines while the U.S. newcomers struggled to get into volume production. They viewed the digital watch as a "U.S. fad," and at best, another specialty model along with battery-powered conventional watches. "Now the Swiss have changed their minds from 'It won't be an important part of the industry,' to 'What should we do about it?' " says John M. Bergey, president of Time Computer, an HMW Industries' subsidiary.

THE ANGRY U.S. WATCHMAKERS

The established companies say that the semiconductor makers are going after market share at the expense of profits, as if they were in another calculator price war. They worry that digital profits will disappear just as calculator profits did this year. Says Eugene Gluck, president of E. Gluck Corp., an Armin Corp. division and a major watch company: "I told Litronix [currently the price leader] that by cutting their digital watch by $10, they just threw $5 million in the garbage pail this year."

THE FRIGHTENED JEWELER

The digital watches are scaring the daylights out of jewelers and other retailers with high selling expenses. Digital watchmakers are putting the squeeze on retailers; they are not financing inventories and are dropping margins from the traditional 50% or "keystone" level. Jewelers will also have less service to offer customers because the watchmakers themselves will handle what little service or repair is needed on digitals. But jewelers worry most about what they see as a lack of quality and price stability. "If manufacturers take the calculator approach to the digital watch, it could kill the watch market for quality jewelry stores," says Marvin Rubin, Zale's group vice-president in charge of the jewelry store division.

THE HAPPY CONSUMER

The digitals offer the first significant improvement in wristwatches since they became popular after World War I and wiped out pocket watches. Because the new watches have no moving parts to wear out, they normally need little or no servicing or repair and are far more accurate (within a minute per year) than the most expensive mechanical watch. U.S. makers are convinced that within a few years they can bring the new watches to market at prices as low as the least expensive mechanical watches, or in the $20-and-under range.

THE EARLY DISASTER

The traditional watch industry was caught off-balance by the boom in digitals this year chiefly because it was lulled into a sense of complacency by the disastrous market entry of the digital watch in 1972. A handful of small companies had rushed their watches to market, and with few exceptions the products were premature—poorly designed, big and ugly, and so defective that returns ran as high as 60%.

The biggest problem was in the digital time displays, which were unreliable and often unreadable. They used an unproven technology, called liquid crystal (LCD), because it was (and still is) the only way to provide a continuous display of the time on a watch. But since it only reflected ambient light, the LCD watch could not be read in low light conditions.

Only one or two watches initially used light-emitting diodes (LEDS), the other time display available. The LEDS, already being used in large quantities in calculators, generate bright red numbers in the form of tiny dots or bars. But this display consumed so much power that the LED watch was designed to be turned on by pushing a button; only in this way could the tiny batteries operate for a year. Most of the traditional watchmakers rejected LEDS because they believed that the average person would not push a button to read the time. But it turned out that the consumer did like this feature, and since it was relatively easy for the semiconductor industry to increase its LED production, LED watches soon began outselling those with liquid crystal displays by as much as 10 to 1.

At Sears Roebuck, the LED watch outsells the LCD by a 3-to-2 margin, says Marvin A. Meyer, a watch buyer, because of "the attraction of the blank dial and the sense of power the customer gets in being able to push a button and turn on the time." Such reasons show the difficulty that the watch industry has in predicting customer preference.

Parts shortages and production difficulties held down digital sales last year to about 700,000, triple the 1973 total but still only a fraction of the 215 million watches of all types sold worldwide last year. But a series of developments rapidly changed the picture this year. In a move reminiscent of the calculator business, producers suddenly slashed module prices in half, pushing them as low as $20. "This caught everybody flatfooted, including us," says Victor K. Kiam II, president of Benrus Corp. Lower watch prices quickly followed.

At the same time, digital watch makers were making rapid technical progress. They brought out the smaller women's module, they made LCD displays more reliable and easier to read (they can now be read at night), and they added new features. So now the two-function watch, which displays hours and minutes, is rapidly being replaced by five-function models which also show month, date, and seconds.

Along with improving technology came sharper styling. Many of the established watch companies did not believe digital styling would ever be as good as conventional watch designs. For all the operating simplicity of the electronic digital watch, the components were bulky and cases had to be larger than normal to accommodate them. "A year ago we couldn't be as creative with LED watches," says Armin's Gluck, who has been a style leader in mechanical watches for many years. "But now with the lady's modules and the new thin module," he says, "we can do everything and anything" in digital watch styling.

MUCH MORE THAN A FAD

The widening variety of improved digital watch styles and features has set the stage for what retailers call the "hottest single item in retail stores this fall." At least 77 brands, most of them unknown until a year or two ago, are pouring into stores. Despite the recession, which has caused sales of conventional watches to slump this year, digital models are selling at four times last year's pace. The biggest factor in the higher sales, of course, is lower price tags, which are half of what they were last fall.

Nearly all of the digital models are American-made and marketed. Conspicuous by their absence, except for token quantities, are Swiss and Japanese brands. In fact, more than three out of four digital watches sold worldwide this year will be U.S.-made.

The Swiss have simply "missed the boat," says I. Thomas Saldi, president of Integrated Display Systems Inc., a watch module producer jointly owned by General Electric Co. and Solid State Scientific Inc. "For years, they have told us that the digital watch was a fad and that it would go away."

Last year, in the price levels at which it was targeted, the "fad" began taking 50% of the U.S. watch business. It is continuing to do the same this year, even though lower prices will pit it against a larger share of the total market. The fad label also seems to be disproven by the customers' response. A survey of 1,000 digital watch owners in May showed that only 5% would not buy another digital, according to California watch industry consultant H. Kenneth Lake. By 1977, mechanical watch sales will start "falling significantly" as digitals increase their market share, predicts Thomas M. Hyltin, president of Micro Display Systems Inc., a Texas digital watch maker.

It seems doubtful that foreign companies will be able to compete against the long U.S. lead in the LED watch market. The Japanese and Swiss, however, have not shown much interest in this watch because they believe the continuous display LCD watch will dominate. U.S. producers do not necessarily disagree, but in either case, the U.S. is expected to hang onto the lead throughout the decade. By 1980 U.S. companies should still account for at least half of worldwide digital watch sales and as much as two-thirds of the production of uncased watch modules. It should be big business by then.

In a major study to be published next month, Creative Strategies Inc., a California market research firm, predicts that the worldwide production of digital watches by 1980 will reach 85 million units, selling at retail for a total of $2.8 billion, an astounding increase from this year's sales of about 3.5 million watches worth $266 million at retail. The 1980 figure would account for about 28% of total watch sales and 40% of the industry's total retail dollar volume. No one believes that digital watches will totally replace mechanical watches. But by the early 1980s Time Computer's Bergey expects digital watches to dominate the world market in both dollars and unit sales.

This is pretty heady stuff for a business that did not sell a nickel's worth of product five years ago. But it is just the kind of forecast that the Swiss and Japanese have disagreed with from the beginning. Part of the reason might be the unpredictability of the consumer, and the effect that U.S. semiconductor makers are having on the market.

"The drop in digital watch prices this year came a lot faster than most authorities projected," says Bergey, "because the controlling factors came out of the wildly gyrating semiconductor industry." Semiconductor makers are pricing their watches and watch modules on the "cost learning curve," which means that prices will drop as production builds up. They also are lowering production costs by reducing the number of parts and squeezing more of the electronic circuitry into the main LSI circuit. This same technique enabled U.S. semiconductor makers to eliminate most of the labor in assembling calculators and to recapture that business from the Japanese two years ago.

SLOW-MOVING ESTABLISHMENT

Now the semiconductor makers are moving ahead so rapidly in digital watches that it already may be too late for most of the traditional watch industry to respond in time. The old-line companies had their chance earlier when the newcomers came knocking on their doors with proposals to team up. Watch companies think in terms of years, and semiconductor companies feel "decisions should be made yesterday," says Gordon E. Moore, president of Intel Corp., an IC manufacturer making LCD watches. The original strategy was to join up with the watch companies, "but now it is to lick them."

While the established watch industry is deciding what to do, the electronics companies have acted. They solved their production problems, hired watch designers and watch marketing specialists by the hundreds and are integrating their manufacturing.

The only way to produce the low-cost digital watch needed to penetrate the mass market "is to totally control the technology and the manufacturing steps," says Bruce Blakkan, president of Litronix Inc. He says that most of the Swiss, together with Timex Corp. and Bulova Watch Co., will have a tough time "vertically integrating fast enough to have much impact on the digital watch market."

Since low cost in the semiconductor business means mass production, producers are dramatically expanding their production, both here and at overseas assembly plants. National Semiconductor Corp. claims it will be producing "hundreds of thousands of watch modules per month," and Hughes Aircraft Co., currently producing 120,000 a month, says it will increase that rate substantially over the next year.

Surprisingly, the message in all this activity has been missed most of all by the Swiss, who have the most to lose. The Swiss effort is still to preserve and save the mechanical watch industry, says Paolo Spadini, the outspoken president of Nepro Watch, about the only Swiss company to move strongly into digitals. "The digital watch market is moving much faster than the Swiss see it," he admits, "and it may well be a tragedy for them."

For the Swiss, the digital watch is the third, and most likely the strongest, U.S. counterattack on their watch business during the past three decades. Timex carried out the first assault in the 1950s with its inexpensive pin-levered models. Timex is now the world's largest maker of watches, producing 40-million pieces a year. In the 1960s it was Bulova's turn to shake the Swiss at the other—the high-priced—end of the business. Bulova introduced the Accutron, a hybrid model that gained the U.S. sales lead in watches selling for more than $100.

The concept of a quartz-regulated digital watch did not come as any surprise to the Swiss. As far back as 1962, they were working in the lab on quartz watches. But the Swiss saw these watches only as a high-priced watch extending their product line, not as a low-priced, high-volume competitor to Timex. The Swiss goal was to come up with a watch more accurate than the Accutron, which uses a tuning fork as the time base to provide its one-minute-a-month accuracy. But the Swiss were not successful in getting their watch into production.

TROUBLE IN THE ALPS

The boom in digital watches this year could not have come at a worse time for the Swiss watch makers. They are suffering from several problems: stronger competition across the board from Japan, the U.S., and Russia; a runup in the value of the Swiss franc, which is worth 40% more in dollars than it was in 1971; and the recession.

Swiss watch exports were down 25% to 30% in the first half of this year, and some 50,000 workers in the watch industry, more than two-thirds of the total work force, are working a short work week. Last year more than 87 million watches and movements were produced by the Swiss. But this amounts to only 40% of the world market, down from the 50% share that the Swiss had only a decade ago. The scene is described as a "difficult period all around" by Paul Tschudin, vice-president of Ebauches, the world's largest manufacturer of watch movements.

As far as the digital watch is concerned, Tschudin maintains that "the rest of the world is just not as excited" about it as the U.S. is. But that does not seem to be the case. True, few digital watches have been sold in Britain, but the reason is that there have not been many to buy. "If anybody could lay their hands on 100,000 of them, they could sell them by Christmas," says Roland Baker, whose Global Watches Ltd. is the No. 2 British watch marketer.

Despite its professed lack of excitement, Ebauches took a step further into digital watches earlier this year when it signed an estimated $30 million agreement with Hughes. The U.S. module producer will supply a production line to mass produce integrated watch circuits. Ebauches says it will be in production by mid-1976, but some believe it will take another year.

Some U.S. experts maintain that the Hughes deal will not help Ebauches. Henry I. Boreen, chairman of Solid State Scientific, says that no one can support a semiconductor manufacturing plant or produce ICs at a competitive price by building only one product, even if they make 10 million watch circuits. Time Computer's Bergey agrees. "It was a bad deal," he says. "The only way it will happen for the Swiss is for them to acquire a company that already has the capability."

A good many U.S. digital watch producers are not overly concerned with the Swiss as competitors. "I worry a lot more about the Japanese than the Swiss in the world market," says Greg Reyes, the Fairchild vice-president who heads consumer products. "Japan will be the toughest market for the U.S. to penetrate," he says, "because they have all the resources, from integrated circuits through cases and marketing."

In Japan, however, there is confusion over the fast pace of change in the U.S. digital market, and it is difficult to elicit much enthusiasm for the new watch technology from Japanese companies. Japan's largest watch company, K. Hattori & Co., makers of the Seiko watch, has no plan to push digital watches in the U.S. or any market, says Yukio Asano, general manager of its merchandising department. He says the U.S. digital watches "lack reliability." He insists that U.S. consumers are "digital crazy," and adds that digital watches are a fad that would never displace conventional watches.

Hattori is heavily committed to the analog quartz watch, a hybrid electronic watch that combines an integrated circuit and quartz time base with a tiny motor and gears that drive conventional hands. It expects to sell 1.3 million pieces this year worldwide, including 150,000 in the U.S. But Armin's Gluck calls the analog quartz watch a "stillborn baby."

But despite their current lack of interest, the Japanese are still watching the U.S. market very closely, particularly pricing trends. If digital watch prices come down to between $25 and $30 in the next few years, "then the whole market in the developed world will change," says Yasuo Okamoto, manager of overseas trade for Citizen Trading Co., the marketing arm for Citizen Watch Co., Japan's No. 2 producer. He admits that the U.S. companies would undoubtedly be in the driver's seat because of their technological lead in electronics.

CHAOS IN THE MARKET

If the watch industry was thrown into a turmoil this year by the digitals, then next year will be chaos. Sales will easily double, and perhaps even triple to 10 million as U.S. semiconductor companies crank up their production lines. "At least seven companies have the potential of producing more than 1 million modules next year," says consultant Kenneth Lake.

Digital watch sales outside the U.S. will be significant too for the first time next year. As many as 3 million digitals will be sold overseas, mostly in Europe, and many of them will come from U.S. producers. "Europe is two years behind the U.S.," says William B. Heye Jr., manager of Texas Instruments' Time Products Div. "Just wait until they get the right product at the right price." That will not be too far off so far as Heye is concerned, since TI will begin shipping some watches to Europe this month. But the company's real push will be next year.

TI's program was delayed a year because management was not satisfied with either the module design or the watch appearance and ordered them back into redesign. But TI seems to have used the extra time well. Its new module has an extremely simple design with only five parts, far fewer than most other modules now in production. It takes only a few minutes to assemble the module; other production lines can take 45 minutes or more to do the job. TI has made a major investment to automate assembly operations. It has borrowed automated processes that it uses in its IC production lines. In fact, TI's watch module is basically one big integrated circuit, with most of the assembly done automatically.

This means that once TI begins running the Dallas line at the designed speed, it could build up to a production rate of several million a year. TI is following the example of Timex when it first entered the market. "The Timex approach was mass production of a low-priced watch—marketing came later," says TI's Heye.

At the rate that U.S. production capacity is increasing, the $30 digital watch is a certainty next year, just as a $20 watch is in 1977. With this kind of market momentum, the pressure is really on companies that still want to enter the market. "There will always be the borderline guys buying $25 modules, slapping them in cases, and selling them," says Armin's Gluck. However, the lower the price, the harder it will be for nonvertically integrated companies to compete. "In the under $60 range, it will be very difficult," Fairchild's Reyes says.

There are three different watch markets with separate channels of distribution. The jewelry, or high-priced, end of the market is where the retailer needs higher profit margins to support increased customer services. So far, Pulsar has owned this part of the digital watch market.

The second watch market is the feature-oriented, middle-priced area where watch functions and styling are provided at a price. Most digitals are now being sold in this market. But the established watch companies say that the semiconductor makers have a lot to learn. "A watch is not a calculator," says Irving Gutin, vice-president of Armin. "A watch is bought on the basis of status and style. Unless the electronics companies learn how to style and to merchandise here, they are not going to be selling into this market."

The third, and by far the largest, watch market is the low-priced or true mass market now dominated by Timex with its pin-level mechanical watches. Digital watches will not be competing here for another two years, but this is the prime target area for most semiconductor companies, which say that they are out to become the "Timex of the digital watch business." And there are quite a few in the industry who agree with Time Computer's Bergey, who says, "There will be one, and it probably won't be Timex.

Timex has the same problem that Bulova does—it can't start fresh."

TIMEX AND DIGITALS

Most watch industry experts believe that Timex, with sales of 22 million watches in the U.S., is the most vulnerable of all to digital watches. Timex currently has an $85 LCD watch on the market, but the company has suffered through management problems (BW–Aug. 18) and difficulties in assembling the watches and marketing them at what for Timex is a high price. But with 150,000 retail outlets, no one is counting them out. The big watch company reportedly is thinking about acquiring a semiconductor maker.

Acquisition of an integrated circuit capability seems to be the only way that traditional watch companies will be able to survive in this market. Troubled Bulova took the joint venture route in July. Bulova's current problems go beyond the digital watch. The inflated value of the Swiss franc is seriously eroding the cost competitiveness of its Swiss-produced watches, and its watch inventories have soared because of the recession (BW–June 16).

Until recently, Bulova strongly resisted the digital watch, though it has had a few token models on the market. This is partly because it has so much money invested in the Accutron and its production equipment. It formed the joint company, Computron Time Corp., with Integrated Display Systems. The new Bulova Computron LED line, priced at between $90 and $180, will go on sale early next year, and LCD and women's models will follow in May. Bulova is targeting 1976 sales at 250,000 pieces.

The new company is really a shell, made up of IDSI's production lines and Bulova's marketing force. "Bulova's downside risk is minimal," comments IDSI's Saldi, who is also president of the joint venture. "They don't have to invest in a semiconductor plant or R&D," he adds. IDSI gets the 170-man Bulova field sales force and what Armin's Gutin calls "Bulova's sensational brand identification," two advantages that no other electronics company has today.

Integrated Display Systems has another deal cooking, and if it goes through it could stretch the small company to the breaking point. It is now working with Gillette Co. on a digital watch design. The big consumer products company missed getting into the calculator market, so it is anxious.

Gillette will say nothing about its plans, but insiders report that it has already made the decision to go ahead. Production would not begin until midyear, but the 1976 goal would be 3% of the digital watch market at a watch price of "considerably less than $60. "The real question is can IDSI get down the production learning curve," says Wall Street analyst Salvatore F. Accardo of William D. Witter Inc.

With U.S. semiconductor and display technology playing the major role in digital watches, it seems certain that the U.S. can retain a leadership position for the next five years. But if technological change slows in the 1980s, U.S. watchmakers could find themselves hard pressed to hold a market edge. Time Computer's Bergey says that if U.S. companies want to continue dominating the world digital watch market, they "must become a lot more knowledgeable about international marketing."

New Contenders in the U.S. Watchmaking Business

At least 60 companies are now selling digital watches in the U.S. Many of them, including traditional watch companies, simply buy modules and fit them into cases in the same way that many producers of mechanical watches buy Swiss movements to fit into their own cases. But a surprising number of U.S. digital watch companies have started their own manufacturing and assembly processes. It is this group—which includes the nine companies detailed below—that will bring the watch business back to the U.S.

Texas Instruments Inc. is the new competitor that most worries the established watch industry. The giant Dallas company, the world's largest producer of semiconductors, has been shipping watches for only a few weeks, but it is determined to be the largest consumer electronics company, and that means becoming No. 1 in digital watches. Many companies want to be the "Timex of the electronics watch business," says John M. Bergey, president of Time Computer Inc., "but TI has the best chance of succeeding. They damn near buy a market—they learned that from the Japanese." TI stumbled around a bit in the past year. It lost millions of dollars in calculators, a market it took over in just 15 months, and management delayed the company's entry into the watch business. Now though, TI is getting the last bugs out of a line that could be turning out watch modules by the millions next year.

National Semiconductor Corp. last fall became the first major semiconductor maker to enter the watch market. Despite problems in getting production rolling, it will be a major challenger for the mass watch market. Charles E. Sporck, National's president, fired the manager of the Novus consumer products division last August because profits were too low, and since then Sporck has been running the division himself. Now he claims that production of watch modules will be "much in excess of 500,000 units" this year. National, with two different watch lines, is going after both the jewelry store business, using keystone markups and distributors, and the mass merchandisers. With a group of experienced marketers and watch designers pirated from the watch industry, National seems to be in for the long haul.

Litronix Inc. surprised many people last year by succeeding in the calculator business. In fact, 54% of its $36 million sales was in calculators. Now it is trying to do it again in digital watches. In March, Litronix turned the digital market into a turmoil by entering with a $50 LED watch. Now it has begun shipping a $40 two-function watch to continue in its role as the price leader. Bruce Blakkan, Litronix' president, claims that his company is now turning out more than 100,000 watch movements a month and "increasing at a very rapid rate." Litronix was originally formed in 1970 to make LED displays, but it is now vertically integrating its watch manufacturing. It makes most of its own ICs and some quartz crystals and cases. But even though Litronix got a fast start in watches, some observers question whether it has the financial muscle to compete with the giants over the long run.

Hughes Aircraft Co. is the world's largest producer of watch modules at its Newport Beach (Calif.) Microelectronic Products Div. Current production is running at 120,000 modules a month, and production in 1975 will be 800,000 or more. Hughes has decided to remain strictly a module supplier and will not sell its own watches. "Hughes knows nothing about the retail end," William K. Weakland, associate division manager, says. But some watchmakers question Hughes's approach. "Hughes survival depends on its ability to hook up with people who will be a major factor in the market over the long run," says one company president, "and that will be tough to do."

American Microsystems Inc. is the latest semiconductor company to enter the digital watch derby, introducing its own brand of LCD watches on Sept. 29. But the $75 million semiconductor maker is no newcomer to the business. It has supplied components, modules, and cased watches to other companies for four years. Last year AMI shipped more than 125,000 watches and modules, and Bernard T. Marren, its president, says that his goal this year is a 30% to 40% share of the 900,000 LCD watches that he expects will be sold. AMI introduced its own watch line "to round out our marketing program," he says. The company is not building a big marketing capability yet because business is so good. "Right now," says Ralph Swanson, AMI sales manager, "our $39.95 Instar watches [a private label] sell themselves."

Fairchild Camera & Instrument Corp. plunged into digital watches only three months ago. It made a major commitment by buying a digital watch maker, an LCD display producer, and a tiny casemaker. Fairchild is going after "the middle tier of the market and looking to the top, Tiffany tier," says Greg Reyes, consumer group vice-president. It offers its line at keystone margins. Fairchild watches have been slow to show up on store shelves, but Reyes denies that he is having module assembly problems. "I'd be very embarrassed if we produced only 100,000 modules this year," he adds. So far, Fairchild is the most cautious and business-like of all the semiconductor companies to get into the business, says one watch company president.

Intel Corp. acquired Microma Inc., a pioneer LCD watch producer, in 1972 but had a long string of product reliability and management problems. It tried to sell Microma last year when it was unable to sell modules. After losing $1 million in 1974, new management has moved Microma into the black by selling its own watch line. Intel will build 150,000 watches this year. Selling Microma now is "not a possibility," says Intel Chairman Robert N. Noyce, but critics question Intel's dedication to this market.

Time Computer Inc.'s Pulsar means digital watch to many people. It is the pioneering brand that started the business rolling less than four years ago. The profitable Pulsar has led all other brands in dollar sales ever since and today owns the high-priced end of the business. This year sales will increase 50% to $25 million. "Pulsar did well because it was a reliable instrument with jewelry styling," admits competitor Harry B. Henshel, chairman of Bulova Watch Co. Pulsar will not compete on price but instead will add features and retain its present $285-and-up price structure, says John M. Bergey, president of its builder, the Time Computer Inc., subsidiary of HMW Industries Inc. For example, the LED display on this fall's model can be turned on by a flick of the wearer's wrist. A tiny switch eliminates the need to push a button. Some of Pulsar's retailers believe the competition will get difficult as prices keep falling, but HMW President Jerome W. Robbins says that "low-priced digitals will no more replace Pulsar than the Pinto replaced the Cadillac."

E. Gluck Corp., a subsidiary of Armin Corp., is virtually unknown outside the watch industry, yet its LED models dominate the Christmas catalogue of Bloomingdale's, Manhattan's *avante garde* department store. Gluck appears to have made the transition to digitals faster than any other traditional watch company. Gluck is No. 3 in U.S. watch sales and will sell 2.7 million watches of all types this year. Last year Gluck got into the digital watch business by acquiring a small Texas electronics company. It has steadily increased production from 1,000 a month in November to 50,000 LED watches this month. "We will sell no less than 300,000 digital watches this year," maintains Eugen Gluck, president. Styling is the company's primary strength, and Gluck is emphasizing the same in digital models, adding that he has "no problem in getting $10 more for a digital watch because of better styling."

JUSTICE WILLIAM O. DOUGLAS

Mr. HUMPHREY. Mr. President, the news that Justice William O. Douglas will no longer serve on the Supreme Court elicits in me, and I know in the hearts and minds of my colleagues, a deep sense of loss. We all owe him so much for his many years of dedicated public service.

Plagued by the lingering effects of the stroke he suffered some months ago, Justice Douglas has determined that he no longer is able to keep up the strenuous physical activity that service on the High Court demands and which has been so characteristic of his long career.

His departure from the Court signals the loss to American jurisprudence of a staunch and persistent defender of personal liberty, a compassionate and ardent spokesman for the poor and disadvantaged, and the possessor of one of the most brilliant, incisive minds of our time.

I am proud to be able to remind my colleagues that Justice Douglas is a native of my State of Minnesota and the inheritor of a personal philosophy—borne of struggle and hardship by those who settled the great Midwest and Pacific Northwest—which stressed self-determination, optimism, hope, and a deep sense of public service.

His life is a living testimony to the realities of the American dream, and the promise it holds for young people of courage, imagination, and perseverance.

After the death of his father, when young William was only 6 years old, the family moved to Washington State and in the face of poverty and adversity set about to build a new life in the Pacific Northwest.

As a young child he was struck by infantile paralysis and threatened with loss of the use of his legs. But with that special courage and perseverance which have marked his long service on the Court, the young Douglas designed for himself a rigid course of physical therapy and was able not only to regain the strength of his limbs but, in the course of his long hikes, to develop what proved to be a life-long devotion to hiking and an attendant love of nature and wildlife.

With a brilliant mind and an indomitable spirit, he was able despite severe financial pressures to make his way through college and the Columbia School of Law, where he was graduated second in his class.

After practicing law on Wall Street, he taught law at Columbia and then at the Yale Law School until he was summoned to Washington to work for the new Securities and Exchange Commission.

He was made a member of the Commission in 1936 and, 1 year later, he became its Chairman. Viewed by some as a radical reformer, the brilliant young man expressed his philosophy very simply:

> I think that from the point of view of investors the one safe, controlling and guiding stand should be conservative standards of finance—no monkey business. I am the kind of conservative who can't see why stockholders shouldn't get the same kind of fair treatment they would get if they were big partners instead of little partners in industry.
>
> I can't see eye-to-eye with those whose conscience lets them deal themselves two or three hands to the investor's one, or perhaps who deal themselves two or three without even giving the investor any deal at all. I don't see why it isn't possible to have a completely honest relationship between finance, industry and the investors.

These statements reveal not only his philosophy of the world of finance, but his overriding concern that the individual in our society not have the cards stacked against him. He believed then, and continues to demonstrate his belief that everyone, regardless of circumstance, is entitled to be dealt a fair hand.

This philosophy stood him well in the administration of Franklin Delano Roosevelt. And, having won the respect and confidence of that great President, he was appointed to the highest Court in the land in March of 1939. He sailed through confirmation proceedings and in April joined three other Roosevelt appointees on the Court at the age of 41, the youngest Supreme Court Justice in more than 125 years.

In this way began the remarkable career which has spanned more than 36 years—years which have brought about vast changes in our American society.

Justice Douglas not only witnessed these changes, but he was able to have an important role in protecting the rights of the individual, threatened with domination or oblivion in a brave new world of technological wizardry and the changing social and moral forces which attended this rapid proliferation of technoligical capability.

Justice Douglas was on the Court from the earliest days of the civil rights struggle of the 1960's, when our Nation, plagued by a history of racial separation and vastly unequal opportunity, set about to right the wrongs of the past. He was a primary participant in the development of a judicial philosophy which acknowledged the role of the courts in defining equality for every American.

He is a total person, whose love for law and justice is enhanced by a special understanding of nature and an abiding reverence for humanity. Among the Nation's foremost environmentalists and outdoorsmen, he was, in better health, an avid hiker. His travels to many parts of the world produced a good number of the many volumes he has published.

It is impossible, in this brief space, even to summarize adequately the contributions William O. Douglas has made to the enhancement of civil justice in America. History will recall his single-minded determination to fight back the forces which would compromise the vigorous enforcement of the Bill of Rights. His service on the Court will remain a symbol to Americans of coming generations of the role the Judiciary must play in the protection of our constitutional liberties.

His name will be remembered in the annals of the law along with Oliver Wendell Holmes and Justice Brandeis, Justice Hughes, Justice Marshall, and others of that caliber and character.

There can be no question that he leaves a profound void in the Court. Mrs. Humphrey joins me in expressing hope for Justice Douglas' full recovery in the days to come. We have known Bill Douglas as a personal friend and hold him in admiration and affection.

Mr. President, I want to share with my colleagues an article by John P. Frank which appears in volume IV of "The Justices of the U.S. Supreme Court 1789–1969, Their Lives and Major Opinions." This piece offers an interesting perspective on the life and career of this man who has given so much of his life to public service. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILLIAM O. DOUGLAS

(By John P. Frank)

One of the most dynamic books of the 1960's was Rachael Carson's *Silent Spring*. The book tells of man's unwitting, careless, and devastating destruction of his world by the chemicals and poisons that he puts into the air, the water, and the ground. The book cites no President of the United States, no senators. It does quote from Charles Darwin, a doctor from the citrus experiment station in Riverside, California, from scientists at the British Royal Navy Physiological Laboratory, and four times from Mr. Justice Douglas.

William O. Douglas, "Bill" to his friends and to those who camp, travel, and fish with him, is one of the most effective and influential Justices in the history of the Supreme Court. Because of his exceptional youth at the time of his appointment, which came in 1939 when he was only forty-one, the likelihood is great that he will have the longest service of any Justice since 1789. This long service, coupled with his large volume of work, may well give him more opinions than any Justice of the twentieth century.

But length of service and quality and quantity of output are not Douglas' only distinctions. He is also the foremost conservationist, naturalist, and traveler in the history of the Court. He has written more books, mainly on conservation and travel, than any figure, judicial or otherwise, on the American scene. In the course of his travels he has filled some two hundred little black notebooks with his jottings. His collection of the flora of Iran is in the National Herbarium in Washington. Douglas is the only Justice whose picture is likely to appear, as it has, in *Field and Stream* magazine singing "The Song of Sergeant Parker" with obvious gusto.

Douglas has been a foremost exponent of individual liberty, and particularly of freedom of speech. In his mind, the commitment to man's freedom and nature's glory are parts of the same thing. They are certainly completely a part of him. As he developed in an essay The Anatomy of Liberty, "Theory and life always go together." For Douglas, "Running fast-water rivers, or exploring chains of lakes by canoe, hiking ridges, scaling cliffs, traversing a glacier with the aid of ice axes, foraging for food in the Alpine Basins—these are activities that build character; and they are vital in the American saga."

Douglas has done them all, and often.

Douglas once observed that "Man's most exciting journey must have been that of Lewis and Clark at the beginning of the last century, up the Missouri and then went over a trackless continent to the Pacific." The formative years of his own life were spent in the northern parts of the Louisiana Territory which the great explorers traversed. Douglas was born on October 16, 1898, at Maine, Minnesota, in Ottertail County, near the North Dakota border. His father, William, was a home missionary for the Presbyterian Church. The family moved early in his life to Estrella, California, and then, in 1904, to the village of Cleveland, fifty miles from

Yakima, Washington and about thirty miles north of the Columbia River. Cleveland was a town of one hundred people, about 3,000 feet above sea level; the family moved there for the father's health, which was poor. The father had the pastorate for the villages of the area.

The move was unavailing; later in the year 1904, the father died. For a six-year-old boy, his father can have been only a small influence, but the figure who comes through Douglas' own recollections was a figure of great serenity and strength of character. Douglas tells a brief tale of the security he felt in his father's presence when he was menaced by some dogs. The great mountains of the region, Mount Rainier and Mount Adams, could be seen from the Douglas home. Douglas recalls that "it was at father's funeral that Mount Adams made its deepest early impression on me." In some mystical way, the towering mountain became a sort of substitute father figure.

The poverty-stricken mother moved to Yakima, where a house in which the family lived for twenty years was built for a few hundred dollars. When Douglas was a boy, he delivered newspapers and on Saturdays he worked in stores, creameries, and cold storage plants. In summers he worked in packing houses and orchards, thinning fruit, spraying, irrigating, picking, making boxes, packing fruit and working in refrigerator cars.

As a small child, Douglas had infantile paralysis. The local doctor thought he would lose the use of his legs and prescribed a fifteen minute massage every two hours each day for weeks. Douglas's mother gave the massages. Up to the age of thirteen, he looked puny and was humiliated by the other school children. He set out first to be a good student and then to build himself up by climbing in the mountains and reconstructing his legs. Neither the boy nor the Justice ever learned how to be a loser, and indomitability has been a lifelong characteristic. He hiked the mountains to rebuild his legs, and he could soon go up to two miles at a fast pace. Following the hikes the muscles of his knees would twitch, making sleep difficult. But it was worth it. He felt an increasing flow of health in his legs and a growing sense of contentment in his heart.

For all the years of his boyhood and young manhood, Douglas made trips into the Cascade Range of Washington with a pack on his back. On one of those trips, friends provided a horse on which he had his first horseback ride—a frightening runaway on mountain slopes. After four miles of terrifying flight, he was badly skinned and had lost all use of his legs. But on recovery he went back to hiking and riding again. One year he took a twenty-five mile hike with a thirty pound pack on his back and the next summer he tried for forty.

Learning to swim was a more severe hazard than learning to ride horseback. At the age of ten or eleven he tried it in the Yakima Y.M.C.A. pool. Someone threw him into the deep water before he could swim and he very nearly drowned. It gave him a water fear for some years which became a kind of hysteria. In later years he became determined to learn, got an instructor, and spent some time in a pool, supported by a pulley. Finally he developed the ability to swim for miles. There were other perils in those youthful years—a boulder rolling down a mountain almost hit him; an avalanche just missed; and on occasion there was the danger of the cougar in the night.

In the youthful days, Douglas considered alternative careers. Perhaps he could become a conservationist like Gifford Pinchot; or he might become a reclamation engineer. But he was also developing an interest in becoming a lawyer, visiting courtrooms occasionally. He considered going into public life; Senators Hiram Johnson of California and William Borah of Idaho were natural early heroes for a northwestern boy of those days.

In 1916, Douglas entered Whitman College at Walla Walla, Washington. His college years were interrupted by undramatic military service in World War I, drilling at the Presidio in San Francisco. He taught school in 1920 and 1921, hoping to earn enough to go to law school. He finally realized that on a Washington teachers' salary he would never save enough, and in September, 1922 Douglas left Washington, regardless of funds, to become a student at Columbia Law School. The trip was not exactly the equivalent of today's jet jump across the country. Douglas left on a freight train from Wenatches, Washington with 2,000 sheep, as one of the crew engaged to handle them. In Idaho a railroad strike stopped the train, and the sheep had to be taken out of the cars and herded while they waited. It took eleven days to cross to the point of sale in the Middle West.

By this time Douglas was an experienced freight train traveller. He had hitchhiked on the freights up and down the Yakima Valley to work in the hay and wheat fields and in the orchards. He found the literal riding of the rods uncomfortable; this meant riding under boxcars or passenger cars on small platforms of boards laid across rods that ran lengthways beneath some cars. It was a cramped and dusty way to travel. A better system was to catch a ride in an empty boxcar, although there one was subject to being robbed or to being thrown off by the freight yard police, whom Douglas learned to call yard bulls. The yard bulls were armed and Douglas was afraid of them; their method was to hit first and arrest later.

On the trip to law school, after he had left the sheep, Douglas continued to hitchhike. He paid the crew of another freight train fifty cents apiece, but at a new division, where a replacement crew came on, he had to pay an additional dollar to a new brakeman and still another to a new conductor. By the time he reached the Chicago railyards, he had only a few dollars left and had not had a hot meal for seven days or been to bed for thirteen nights; he was filthy and without a change of clothes, He needed a bath, a shave, food and sleep. Rather than pay still another dollar, he jumped off the train, his palms bleeding and full of cinders and his knees skinned.

In his hitchhiking travels, Douglas got meals where he could find them, sometimes in hobo jungles. There the hobos met, contributed food to the pot, and cooked their meals. Douglas was never allowed to go hungry in a hobo jungle, whether or not he could contribute. His recollections of that companionship and friendliness have given him a sentimental attitude toward vagrancy, which undoubtedly makes him the vagrant's best friend on the Supreme Court of the United States. He has no sympathy for statutes such as a District of Columbia provision that "any person wandering abroad and lodging in the open air not giving a good account of himself . . ." is a vagrant and subject to arrest; he thinks vagrancy arrests are simply a device to make it easier for the police to hold people on suspicion without any real charge. In a lecture given at the University of New Mexico in 1960, he recalled that as a youth he knew the casual laborers of the Pacific West, rode freight cars with them, shared their meals at the railroad bridges, and slept with them outdoors.

Douglas worked his way through Columbia Law School and graduated second in his class in 1925. Professor Underhill Moore, a student of the relation to law to business, was a strong influence on Douglas at Columbia. Other aspects of his relationship later became Douglas' own specialty. Douglas went to work for two years in one of the greatest of the Wall Street firms, then called Cravath, de Gersdorff, Swaine & Wood. He returned to Yakima to practice, but a year later went East again to become a full-time teacher of law at Columbia. Dissatisfied with what he felt was Columbia President Nicholas Murray Butler's interference in law school matters, Douglas resigned and moved to Yale, where Robert M. Hutchins was Dean of the Law School. From 1929 to 1934, when he went to the Securities and Exchange Commission in Washington, D.C., Douglas taught law at Yale.

In the Columbia and Yale years, Douglas made some of the most meaningful friendships of his life. At Columbia, there was Karl Llewellyn, a great source of ideas who in later years was to be more responsible than any other one man for the commercial law adopted throughout the various states. When Douglas joined the Columbia faculty in 1927, he began a friendship with Llewellyn which lasted for all of Llewellyn's life.

Douglas's relations with his oldest friends often took the form of banter and teasing. In later years, when Llewellyn had moved to Chicago, Douglas met with a group of students there to talk about the United States Supreme Court. Llewellyn sat in the back of the room and at the end of the meeting said, "I clocked you." Douglas asked for what and Llewellyn replied, "On the time it would take you to divert the group from the United States Supreme Court to India—only one minute and fifty seconds."

But the real friends of Douglas's most lightsome years were at Yale. One friend there was Charles E. Clark, Dean of the Law School and later Judge of the Court of Appeals for the Second Circuit. This was a relation more of work than of conviviality, for Clark was not a high jinks type of companion. The two did a book on partnership together and worked together in the late 1920's for the Wickersham Commission on Law Observance and Enforcement. Also a lifetime friend from the Yale years was Robert Hutchins. But the horseplay and real foolishness of the Yale years was with Thurman Arnold, later famed as a trustbuster, judge, and practicing lawyer, and with Wesley Sturges, later Dean of the Yale Law School. Douglas' first real visit with Sturges came in the stacks of the law library of the former Yale Law School building about midnight when Sturges was putting the finishing touches on a chapter. That night in the law library and later in an all night restaurant with a cup of coffee, the two fashioned the first bonds of friendship. Here was a trio that could think together, work together, and play together with all the joyous exuberance of maturing and energetic young men.

The three had a point system developed by the ingenious Arnold by which each could earn points towards a nonexistent but immensely valued prize. A mention of one of their works in a court decision was good for one point, a mention in the New Haven papers was good for two points, a mention in *The New York Times* was good for three points, and a picture in *The New York Times* meant the jackpot. Douglas was winning all of the honors, so he decided to give the other two a break. One evening when Sturges happened to be speaking to an audience in New Haven and Arnold happened on the same night to be speaking to an audience at Bridegport, Arnold received a wire as he was about to go on the platform, saying, "Please mention me in your speech," signed by Wesley Sturges. He dutifully did so without understanding why, only to discover on his return that Sturges had also received a wire signed Thurman Arnold and saying, "Please mention me in your speech."

Douglas' work at Columbia and Yale was in the field of corporate law. In the spirit particularly of Yale under Hutchins and Clark he was forging new means of understanding corporate business, going beyond the rules of law to the realities of actual business life and experience. By the time President Roosevelt took office, the young Douglas was recognized as one of the financial law experts of the country. One of the first acts of the administration was the creation of the Securities and Exchange Commission, and the beginning of regulation of the securities industry. The legislation was based primarily on the earlier thinking of Justice Brandeis, who before his appointment to the Supreme Court twenty years earlier had advocated complete disclosure of the truth about securities as a protection for the purchasing public. Douglas at first thought the new legislation nineteenth century stuff of a secondary usefulness, far short of the sort of rigorous control which the New Deal contemplated for other sections of the economy. But a little practical experience brought him to another point of view. In 1934 he left Yale for the SEC, never to return. His first task was to direct a study for the Commission which led to new legislation still in effect concerning reorganization appropriations. In 1936 he became a member of the SEC and in 1937 he became its chairman.

Douglas in his five years at the SEC did important work. He ran an administration which the securities industry came to regard as strong but not destructive. He was more anxious to have the stock exchange reform itself than to use his full power to regulate it. The investigation of the brokerage firm of Richard Whitney & Company revealed that the senior partner of this concern, who had been a President of the Exchange, had been embezzling for many years and that the firm was insolvent. The combination of that expose and pressure from Douglas caused the Exchange to reoragnize itself in 1938. The commission also took strong action to insure that purchasers of securities would have an opportunity to know the truth about what they were buying. It added fuel to the fire for securities reform with an investigation exposing the financial abuses in the McKesson & Robbins Drug Company. His law school teaching and SEC experience gave Douglas permanent views on fairness in securities dealings which stayed with him on the Supreme Court. For example, in *Blau* v. *Lehman*, 368 U.S. 403 (1962), a majority of the Court declined to extend the prohibitions of the Securities Exchange Act to the dealings of an investment banker and brokerage house in the stock of a concern in which one of the brokerage partners was a director.

There was no showing of "inside knowledge" that could be attributed to the brokerage house, as distinguished from possible inside knowledge of the director-partner. Douglas, dissenting, objected to what he considered a ruling to eliminate "the great Wall Street trading firms" from the act. He drew on what "everyone knows" about the organization of investment banking, talked of the history of directorships, and discussed the purposes of the act, all with the easy familiarity of one who had lived with the subject.

During his early period on the Commission, Douglas was regarded as anti-business. However, a November 1938 speech, in which he stressed the improvement of the exchanges as a result of their own efforts, was thought by *The New York Times* to be "sincerely conciliatory." In November, 1937 Douglas observed that reforms within the exchanges would require the SEC to supply only a "police escort" for their activities.

More important than any friends Douglas may have made in Wall Street as a result of his government experience were the friends he made in the Roosevelt administration itself. The Douglas of the 1930's enjoyed the Washington social life; he turned up, for example, at a dinner for the Chinese ambassador, a dinner for the ambassador from Spain, and a little affair given by the then young congressman from Texas named Lyndon Johnson, who became a lifelong friend. Douglas developed a reputation among New Dealers for being a tough and effective fellow, but also for being good company, a good storyteller and a good companion on a party. In his relations with others, he was thoroughly congenial. At the SEC he made a friend of a much younger staff member, Abe Fortas, later his associate on the Supreme Court. Another friend was the much older and even tougher dean of the New Deal, Secretary Harold Ickes of the Interior Department. Ickes prided himself on his ability to give a good party. President Roosevelt needed occasional relief from the sheer tedium of government, and his secretary, Missy LeHand, helped arrange occasional parties at the Ickes house in nearby Maryland. The affairs were dinner and small stake poker games. Some of those included were Presidential Advisor Tommy Corcoran (who occasionlly brought his accordion), Presidential Secretary Paul Watson, Presidential Advisor Harry Hopkins, Secretary of Treasury Henry Morganthau, Douglas, and others.

Ickes took his parties seriously and found that the quick wit of Douglas made them better affairs. As Ickes reported it with some satisfaction, "These parties at my house always go off fairly well. The President comes early. We have a good dinner and then, unless the weather is too warm, we play poker in the living room with the fire going in the open grate. It is a congenial crowd, which explains in a large measure why we have such a good time."

Douglas continued in these parties after he was on the Supreme Court and Ickes reported that "Bill Douglas is lots of fun at these parties. He is bright and quick and plays good poker. He is always introducing some new hand. One he called 'bushy' (meaning Chief Justice Hughes), and he has a particularly mean one that he calls 'McReynolds.' "

In the light of later circumstances, perhaps the oddest of the social affairs which Douglas attended in the New Deal days was a luncheon at the Interior Department one afternoon in January, 1939 to celebrate the appointment of Felix Frankfurter to the Supreme Court. Secretary Ickes had strongly backed the then Harvard professor and gave a victory luncheon to celebrate the President's choice. Among those present were Frank Murphy, Tom Corcoran, who brought two magnums of champagne, Harry Hopkins, Robert Jackson, Douglas, and a few others. Within a few years, Douglas and Frankfurter were to develop a deep distaste for each other and Douglas would not look forward to any social engagements with Jackson.

As a combined result of the job he did, the friends he made, and the man he was, by 1939 Douglas was an inner-circle New Dealer, a key man of the Roosevelt administration. In that year, when Justice Brandeis retired from the Supreme Court, Douglas was a natural to be considered, but by no means a certainty for appointment. The President wanted a westerner, and the likely possibility was Senator Lewis Schwellenbach of Washington, who was close to Justice Black, a Roosevelt appointee already on the Court. Douglas, as a Yale professor in Washington, was from Connecticut. But Douglas had strong friends in the Senate, including Senator La Follette of Wisconsin and Senator Borah of Idaho, his boyhood hero. La Follette persuaded Borah to hold a press conference and claim Douglas as a far-westerner. On March 7, 1939, Douglas invited Secretary Ickes to lunch with President Robert Hutchins and Mrs. Hutchins of the University of Chicago, along with Presidential Advisor Lowell Mellett. Hutchins had come to Washington to ask Douglas to leave the SEC to take the deanship of the University of Chicago Law School at $15,000 a year. Ickes reports, "The luncheon turned out to be a sparring match between Hutchins and Douglas with respect to the vacancy in the Supreme Court. They are old and devoted friends and nimble-witted. It seemed clear to me that both of them were more than willing to go on the Supreme Court. I took the position that we needed both of them in Washington to take part in the last-stand fight that the liberals are making under President Roosevelt's leadership."

Ickes decided that Douglas should go to the Supreme Court and Hutchins should become chairman of one of the federal regulatory agencies.

On March 8, Ickes lunched with the President and discussed the Supreme Court vacancy. He thought that the President was leaning strongly in favor of Senator Schwellenbach, being concerned that while Douglas had been born in the West, he had lived in the East for fifteen or twenty years. Another possibility discussed was Dean Wiley Rutledge of the University of Iowa Law School, who did go to the Court a few years later. When Ickes found that the President was not particularly inclined to appoint Douglas, he suggested Hutchins. But on March 20, 1939, the President did nominate Douglas. The next day there was a poker party at the Ickes house with the President and the new appointee.

Confirmation of the Douglas appointment came easily. As between Douglas and Senator Schwellenbach, Douglas was regarded as the more conservative, a judgment which the subsequent history of both men showed to be totally wrong, but one which was to the advantage of Douglas in 1939. Arthur Krock, conservative columnist for *The New York Times*, said "Of the names before Mr. Roosevelt for consideration that of Mr. Douglas was the most reassuring in many ways."

At the hearing on the Douglas appointment, the only opposition came from the Prohibition party. It had no particular objection to Douglas but felt that it was entitled to a representative on the Supreme Court. It therefore opposed anyone from that 99.99 per cent of the country outside its own ranks.

The Senate Committee met only briefly on the appointment, received a group of endorsement letters presented by Senator Bone of Washington and then quickly approved the nomination. On April 4, 1939 Douglas was confirmed by a Senate vote of sixty-two to four, the dissenters who expressed themselves taking the view that Douglas was a reactionary tool of Wall Street. The degree of error was extraordinary.

When Douglas was appointed at the age of forty-one, he was the youngest Justice to have been appointed since Joseph Story in 1811. He came to the Court as the fourth New Deal appointee, following Justices Black, Reed, and Frankfurter; but the entire group had been appointed within two years of each other, and clearly all were facing a brave new world of constitutional interpretation together.

At the same time, Douglas followed the Brandeis tradition. Each Justice is, of course, himself; there is no duplication from one to another. But there can be close comparisons. Douglas did more than take the Brandeis seat. He continued, so nearly as it was relevant in changing times, the Brandeis point of view. As he developed his own legal doctrine, he drew first and most often on Brandeis, particularly in rate-making, antitrust, and freedom of speech cases.

In rate-making, Douglas has had one of the greatest successes of his judicial career. In all the Court's long history, there is no tale more remarkable than that of its dealings with the prices at which utilities sold their services or commodities. In the 1870's the Court concluded that nothing in the

Civil War constitutional amendments gave it any responsibility to control these matters. But the rise of regulation in the last quarter of the nineteenth century and the conservative response to it brought a different view, and by 1900 the Court had firmly, if freshly, established a rule of law that the Constitution forbade a legislature or a utility commission to set prices below the standard which the Court regarded as "reasonable." This development of a law of "reasonableness" of the standards to be applied had many ramifications. The most astounding of these was that the rate fixed must take into account and allow a return on the wholly fictitious reproduction cost of the utility. With prices generally on a rising curve in the United States, this meant that utilities were guaranteed a return based on an assumption that a utility might be reconstructed at higher prices than were ever expended in building it in the first place. In 1923 Justice Brandeis, joined by Justice Holmes, had unsuccessfully urged the Court to take a wholly different approach. He believed that in determining the return, the figure to be used was the amount actually "prudently invested" in the utility, and that the allowable return should not be some fixed percentage applicable to all utilities, but rather an amount necessary for the particular utility to conduct its business efficiently.

Douglas had been a close student of utilities and utility rates, dealing constantly with utility financing, ownership and management at the SEC. In 1942, he had joined in a concurrence with Justices Black and Murphy in *Federal Power Commission* v. *Natural Gas Pipeline Co.*, 315 U.S. 575 (1942), and in 1944 he wrote the opinion of the Court in *Federal Power Commission* v. *Hope Natural Gas Company*, 320 U.S. 591 (1944), which since has been the touchstone for all serious discussion of rate-making. In *Hope Natural Gas*, the Federal Power Commission fixed a rate at six and a half per cent on the depreciated actual investment in the company. This came to some $34,000,000. The company claimed that it was entitled to depreciated reproduction costs, a figure of about $66,000,000, and asked a return of eight per cent. The difference in return was roughly double.

Douglas, in an opinion of admirable terseness, led the Court squarely toward the earlier position of Justice Brandeis. Junking the old formulas entirely, the opinion said that not the method of reaching a rate but that method's result was the crucial test. Rate-fixing, he said, "involves a balancing of the investor and the consumer interest." The investor and the company legitimately want to see enough revenue for expenses and capital costs of the business, and for payment of debts and dividends. The return "should be sufficient to assure confidence in the financial integrity of the enterprise, so as to maintain its credit and to attract capital."

Douglas then turned his talents for economic analysis to the problem at hand. He found that the company had an actual investment of $17,000,000 and that it had paid $97,000,000 in dividends and had a surplus of $8,000,000 as well. It had accumulated reserves of some $46,000,000 and had been paying ten percent dividends. With the lower rates in effect, its dividends had gone to seven and a half percent. He found that the commission order would permit the company to earn well over $2,000,000 annually and that this would be quite enough for an effective public service operation. In the circumstances, the Commission was "wholly justified" in the method it chose.

The *Hope Natural Gas* opinion is a particularly good illustration of Douglas at work. The subject matter is business regulation, the object of the controversy to find a method of doing business which was fair to the business and fair to the public. Douglas, more than any other member of the Court on which he was serving, had years of solid and intensive training in analyzing those objectives. The opinion is concise, totally knowledgeable both of the facts and the law, and completely comprehensible. Its clarity makes it authoritative; rate-making has been what it ought to be, a serious problem for legislatures and for public utility commissions since 1944, but not for the Supreme Court.

A second Douglas opinion in a wholly different field, also illustrating the Brandeis tradition, is the dissent in *Dennis* v. *United States*, 341 U.S. 494, (1951). If Douglas' admirers were compelled to choose one single expression as his outstanding utterance on the Supreme Court, this might well be it. In *Dennis* the issue was the validity of the Smith Act of 1940 as applied to the national officers of the Communist party. The defendants were charged with advocating forcible overthrow of the government by organizing a group which in turn would advocate such overthrow.

More precisely, the charge was not that the defendants themselves had advocated or organized such action, but that they had conspired to organize and teach others to do so by teaching from books written by Marx, Lenin, Stalin and others, who in turn were asserted to have advocated forcible overthrow of the government. The statute, as construed and applied to support the conviction of these defendants, was upheld by the majority of the Court. Justice Douglas dissented. He would have no difficulty, he said, if the defendants had been teaching people to commit sabotage, or asssassinate the President or steal public documents, or plant bombs. But he found no evidence in the record that anything of the sort had ever occurred. What this record showed was that the defendants had promoted the works of Stalin, Lenin, Marx, and Engels. Douglas said:

"Those books are to Soviet Communism what Mein Kampf was to Nazism. If they are understood, the ugliness of Communism is revealed, its deceit and cunning are exposed, the nature of its activities becomes apparent, and the chances of its success less likely. That is not, of course, the reason why petitioners chose these books for their classrooms. They are fervent Communists to whom these volumes are gospel. They preached the creed with the hope that someday it would be acted upon." [*Dennis* v. *United States*, supra *at* 582]

But, as he pointed out, the opinion of the Court did not hold that these books could not be on library shelves.

"The crime then depends not on what is taught but on who the teacher is. That is to make freedom of speech turn not on what is said, but on the intent with which it is said. Once we start down that road we enter territory dangerous to the liberties of every citizen." [Id. at 583]

The trouble with the charge, as Douglas saw it, was that:

". . . [W]e deal here with speech alone, not with speech plus acts of sabotage or unlawful conduct. Not a single seditious act is charged in the indictment." [Id. at 584]

Such speech, as Douglas saw it, must remain free if the American tradition was to be preserved. He embraced with lengthy quotation an eloquent earlier passage of Justice Brandeis to the same effect and then stated his own doctrine and the limitations on it:

"Free speech has occupied an exalted position because of the high service it has given our society. Its protection is essential to the very existence of a democracy. The airing of ideas releases pressures which otherwise might become destructive. When ideas compete in the market for acceptance, full and free discussion even of ideas we hate encourages the testing of our own prejudices and preconceptions. Full and free discussion keeps a society from becoming stagnant and unprepared for the stresses and strains that work to tear all civilizations apart."

* * * * *

"There comes a time when even speech loses its constitutional immunity. Speech innocuous one year may at another time fan such destructive flames that it must be halted in the interests of the safety of the Republic. That is the meaning of the clear and present danger test. When conditions are so critical that there will be no time to avoid the evil that the speech threatens, it is time to call a halt. Otherwise, free speech which is the strength of the Nation will be the cause of its destruction." [Id. at 584–589].

Douglas is militantly opposed to World Communism. He is a direct enemy of the Communists and is regarded as such by them. When Douglas has traveled in Iran and Afghanistan, the Communists have denounced him as an American spy; his comprehensive travels in Asia, both outside of Russian and within it, have given a factual basis for incisive denunciations of the destruction of freedom in those lands. From his own observation in the states of India, he believes that exposure to Communism is as likely to depreciate its acceptance as to increase it. As he said in an article on Russia and the superman myth in the Saturday Review of October 15, 1960, "Russia's official attitude toward her neighbors is one of bullying and arrogance." He has also said, "The desire to make each nation a Soviet or Chinese satellite alienates people."

These attitudes and this knowledge is reflected in his Dennis opinion, where he said:

"The nature of Communism as a force on the world scene would, of course, be relevant to the issue of clear and present danger of petitioners' advocacy within the United States. But the primary consideration is the strength and tactical position of petitioners and their converts in this country. On that there is no evidence in the record. If we are to take judicial notice of the threat of Communists within the nation, it should not be difficult to conclude that as a political party they are of little consequence. Communists in this country have never made a respectable or serious showing in any election. I would doubt that there is a village, let alone a city or county or state, which the Communists could carry. Communism in the world scene is no bogey-man; but Communism as a political faction or party in this country plainly is. Communism has been so thoroughly exposed in this country that it has been crippled as a political force. Free speech has destroyed it as an effective political party. It is inconceivable that those who went up and down this country preaching the doctrine of revolution which petitioners espouse would have any success. In days of trouble and confusion, when bread lines were long, when the unemployed walked the streets, when people were starving, the advocates of a short-cut by revolution might have a chance to gain adherents. But today there are no such conditions. The country is not in despair; the people know Soviet Communism; the doctrine of Soviet revolution is exposed in all of its ugliness and the American people want none of it.

"How it can be said that there is a clear and present danger that this advocacy will succeed is, therefore, a mystery. Some nations less resilient than the United States, where illiteracy is high and where democratic traditions are only budding, might have to take drastic steps and jail these men for merely speaking their creed. But in America they are miserable merchants of unwanted ideas; their wares remain unsold. The fact that their ideas are abhorrent does not make them powerful."

". . . To believe that petitioners and their following are placed in such critical positions as to endanger the Nation is to believe the incredible. It is safe to say that the followers of the creed of Soviet Communism are known to the F.B.I.; that in case of war with Russia they will be picked up overnight as were all prospective saboteurs at the commencement of World War II; that the invisible army of petitioners is the best known, the most beset, and the least thriving of any fifth column in history. Only those held by fear and panic could think otherwise." [Id. at 588, 589]

The two opinions just discussed are deliberately chosen to illustrate Douglas's roots in an older tradition of American liberalism, represented by Brandeis. But the picture must be balanced by Douglas' treatment of the new problems of later years, problems which the preceding generation of judges never considered very seriously at all. The Connecticut birth control case, *Griswold* v. *Connecticut*, 381 U.S. 479 (1965), is an illustration. Connecticut had an extraordinary statute forbidding the use of contraceptive devices. A Planned Parenthood League official and a doctor at the Yale Medical School, who had counseled birth control, were charged with assisting in the violation of that statute. Justice Douglas for the Court held that the statute unconstitutionally invaded the right of marital privacy.

Of course the battle over birth control has a lengthy history, and the Connecticut statute had reached the Supreme Court before, only to be avoided on procedural grounds. But by the 1960's, the underlying problem demanded attention, and the Court dealt with it on the merits for the first time. None of the Justices had respect for the statute itself; as one of the dissenting Justices said, it was "an uncommonly silly law." But even a silly law is not necessarily unconstitutional, and the problem was what provision, if any, of the Constitution it violated.

Justice Douglas, for the Court, began by making it clear that it was not the function of the Supreme Court to pass on the wisdom of the laws of any state. The case was not presented as a matter of the freedom of speech of the doctors, but nonetheless Douglas related it to the right of freedom of speech because the basic freedoms of the First Amendment depended upon the associations of people; it extended to "freedom of inquiry, freedom of thought, and freedom to teach." In its big breakthrough, the opinion then said that "the First Amendment has a penumbra where privacy is protected from governmental intrusion." The privacy of the marital association was thus entitled to First Amendment protection. Giving an immensely expansive interpretation of the Bill of Rights, Douglas said:

". . . [S]pecific guarantees in the Bill of Rights have penumbras, formed by emanations from those guarantees that help give them life and substance." [at 484]

Moreover, many of the provisions of the Bill of Rights recognizes a right of privacy, or a right to be let alone, particularly the freedom of unreasonable searches and seizures. Hence he found that the Connecticut statute violated the right of marital privacy, concluding:

"We deal with a right of privacy older than the Bill of Rights—older than our political parties, older than our school system. Marriage is a coming together for better or for worse, hopefully enduring, and intimate to the degree of being sacred. It is an association that promotes a way of life, not causes; a harmony in living, not political faiths; a bilateral loyalty, not commercial or social projects. Yet it is an association for as noble a purpose as any involved in our prior decisions." [at 486]

The birth control case is intermediate between an old world and the new one. The problem of Negro protests by demonstration, whether a sit-in at a restaurant, a stand-in in a library, or a mass meeting outside a jail presents a legal problem essentially new to the 1960's. In *Adderley* v. *Florida*, 385 U.S. 39 (1966), the Supreme Court, dividing five to four, upheld a conviction for trespass by student demonstrators who gathered on a jail grounds to protest city segregation policies and related arrests. Justice Douglas dissented for four Justices.

One issue was whether a jail area is a proper place for protests. Douglas declared it to be "one of the seats of government whether it be the Tower of London, the Bastille, or a small county jail." Hence, when he posed the question of whether it was a proper place for protests, he found that:

". . . [W]hen it houses political prisoners or those whom many think are unjustly held, it is an obvious center for protest. The right to petition for the redress of grievances has an ancient history and is not limited to writing a letter or sending a telegram to a congressman; it is not confined to appearing before the local city council, or writing letters to the President or Governor or Mayor." [at 49–50]

Douglas faced squarely the fundamental problem; he found mass protest an essential of modern life if people are to be heard.

"Legislators may turn deaf ears; formal complaints may be routed endlessly through a bureaucratic maze; courts may let the wheels of justice grind very slowly. Those who cannot afford to advertise in newspapers or circulate elaborate pamphlets may have only a more limited type of access to public officials. Their methods should not be condemned as tactics of obstruction and harassment as long as the assembly and petition are peaceable, as these were." [at 50–51]

On the facts, Douglas found the jail-grounds meeting perfectly peaceable without any violence or threat of violence or attempted jailbreak, and without a plan or plot to do any of these things. He found no shoving, pushing, or disorder. Closely analyzing the facts, Douglas found no disturbance or obstruction at all.

Douglas was not advocating the use of public places for protest meetings if they would disturb the normal function of those places. He would not approve a noisy meeting at the state capitol or in a courthouse and was perfectly prepared to adjust the right of petition to fit the necessities of public property. But he was not willing to let the person in charge of public property decide who could assemble there; the Constitution, and not a sheriff, must be the final arbiter of the time and place of a public gathering. Douglas found it too easy to justify persecutions for political views by use of the rationalization that a prosecution was really for breach of the peace. As he concluded:

". . . [B]y allowing these orderly and civilized protests against injustice to be suppressed, we only increase the forces of frustration which the conditions of second-class citizenship are generating amongst us." [at 56]

The four cases just cited illustrate the most important function of Douglas in his three decades on the Supreme Court. He has been a bridge from an old liberalism to a new, spanning almost a third of a century with a consistent freshness of outlook. He has been at his best when writing on a clean slate, when dealing with a new problem. A dramatic illustration is *United States* v. *Causby*, 328 U.S. 256 (1946), involving the consequences of airplane movement over private property. The old doctrine was that a man owned his land, and owned it to the center of the earth, and owned the air above his land as far as it would go.

This was clearly a rule which developed when only birds moved through the air; if it were seriously applied in the contemporary United States, then every air flight would be a thousand trespasses

The question confronting Douglas in the *Causby* case was whether any portion of this old rule should be allowed to remain. The Causby family had a chicken farm near a government airport in North Carolina. The planes used not merely the air remotely above the Causby land; they also used the air directly and immediately over the land as a glide-away for military planes taking off and landing, ruining the land for its primary use as a chicken farm. The situation was intellectually difficult if approached in terms of who owned the air, but clearly cried for a practical solution and the Douglas opinion for the Court gives it. The opinion said:

"We have said that the airspace is a public highway. Yet it is obvious that if the landowner is to have full enjoyment of the land, he must have exclusive control of the immediate reaches of the enveloping atmosphere. Otherwise buildings could not be erected, trees could not be planted, and even fences could not be run. . . . The landowner owns at least as much of the space above the ground as he can occupy or use in connection with the land. . . . The super-adjacent airspace at this low altitude is so close to the land that continuous invasions of it affect the use of the surface of the land itself. We think that the landowner, as an incident to his ownership, has a claim to it and that invasions of it are in the same category as invasions of the surface." [at 264–65]

Douglas' freshness of outlook crops up in specialized, narrow problems, as well as in enormous ones. For illustrations of important matters at this second rank, see the Douglas opinions in *United States* v. *Powelson*, 319 U.S. 266 (1943) (the method of compensation for land taken for government purposes where the land had a potential for private power development but could be developed for that purpose only if its owner were to acquire still other land by exercising a taking power); *Clearfield Trust Company* v. *United States*, 318 U.S. 363 (1943) (the source of law to be applied when a government check is forged); *Case* v. *Los Angeles Number Co.*, 308 U.S. 106 (1939) (priority of distribution of assets in a corporate reorganization). By dissenting freely and then holding to major positions, Douglas has on occasion lost a fight and lived to win the battle.

See, for example, *Perez* v. *Brownell*, 356 U.S. 44 (1958), in which Douglas dissented from a decision upholding a provision of an act of Congress that an American citizen could lose his nationality by voting in a political election in a foreign state. In the view of Douglas, a citizen should not be divested of citizenship unless he voluntarily acquired another citizenship by doing so. As Douglas saw it,

". . . [C]itizenship, like freedom of speech, press, and religion, occupies a preferred position in our written Constitution, because it is a grant absolute in terms. The power of Congress to withhold it, modify it, or cancel it does not exist. One who is native-born may be a good citizen or a poor one. Whether his actions be criminal or charitable, he remains a citizen for better or for worse, except and unless he voluntarily relinquishes that status. While Congress can prescribe conditions for voluntary expatriation, Congress cannot turn white to black and make any act an act of expatriation." [at 84]

In *Afroyim* v. *Rusk*, 387 U.S. 253 (1967), the Supreme Court reconsidered and overruled the *Perez* decision, adopting the views earlier expressed by Douglas and by Chief Justice Warren in his own dissent in the *Perez* case.

Anyone dealing with problems at the margin of the law, and passing on a thousand or more cases a year, is bound to make some mistakes. Douglas has been particularly free in recognizing what he thought were errors of his own. In *Minersville School District* v. *Gobitis*, 310 U.S. 586 (1940), he voted to uphold the constitutionality of a state-imposed flag salute on school children. Upon more mature judgment, he came to the opposite view, freely recognizing what he felt had been his error. See *Board of Education* v. *Barnette*, 319 U.S. 624 (1943). In *Dennis* v. *United States, supra*, discussed earlier, Douglas in a casual sentence expressed the view that obscenity was not protected by the First Amendment. Later, when his attention was more fully directed to the subject, he came to the opposite conclusion. In *A Book, etc.* v. *Attorney General* (*Fannie Hill* case), 383 U.S. 413 (1966), Douglas noted his view that ". . . the First Amendment does not permit the censorship of expression not brigaded with illegal action." (426) Judges, he felt, were incapable of determining the literary questions involved:

"We are judges, not literary experts or historians or philosophers. We are not competent to render an independent judgment as to the worth of this or any other book, except in our capacity as private citizens." [at 427]

In Everson v. Board of Education, 330 U.S. 1 (1947), Douglas joined in a five to four opinion of the Court upholding the legality of the expenditure of public funds for bus transportation of students to parochial schools. But the problem of state financial involvement and religious activities grew progressively more disturbing, and a phase of the matter was again involved in Engel v. Vitale, 370 U.S. 421 (1962). The latter case involved the reciting of a prayer to begin each day's classes in New York schools, and the Court held the practice invalid. Justice Douglas, concurring with the result, made clear that he had thought the matter over and was now prepared to join the dissenting position in the Everson case; it, rather than his earlier position, seemed to be "durable First Amendment philosophy."

What these three reconsiderations have in common is that all of them are in the direction of expanding the scope of constitutional liberty. And Douglas, as he ages, finds the Constitution ever more a protecter of American liberty. His whole social philosophy is against the nation of rigidity; as he has said,

". . . There is only an illusion of safety in a Maginot Line. Social forces like armies can sweep around fixed positions and make it untenable."

In this view, expressed in an address to the Association of the Bar of the City of New York in 1949, Douglas referred to the Court as "part of the dynamic component of history." It cannot live aloof from the turbulence of the times. As he once observed of a small change of Court practice, it was to the "eternal credit" of Chief Justice Vinson that he altered the order of proceedings in the Supreme Court, as he in his capacity of Chief Justice thought he should, without first taking it up with the other Justices. This does not in the slightest degree mean that Douglas does not rigidly adhere to basic values; it means merely that he wants to be sure that the values truly are basic. In the process of law he would never give up the tradition that "trial should take place in a calm, unhurried atmosphere."

He has no intention of allowing cameras, radio, television, or any other circus devices into the courtroom. He would never limit a defendant's right to face the witnesses against him, or the right of cross-examination or the right of jury trial. See *Arizona's New Judicial Article*, 2 *Arizona Law Review* 159 (1960). From the beginning of his Court service, he has been one of the most adamant members of the Court in favor of guaranteeing the right to counsel to all persons, and would never allow a person to be tried for a criminal offense without a lawyer simply because he could not afford one. He said:

"Certainly he who has a long purse will always have a lawyer, while the indigent will be without one. I know of no more invidious discrimination based on poverty. [Symposium, 45 Minnesota Law Review 693" (1961).] Douglas regards the right to counsel particularly important from having observed the want of it in the Soviet system. But above all else, he espouses freedom of speech and freedom of press, and with this goes the freedom to distribute books, and to have them largely dispersed; he has decried the national passion for "sifting books in school libraries to find ideological strays." See "The Bill of Rights and The Free Society: An Individual View," 13 *Buffalo Law Review* (1963). He believes that the very being of America depends on such freedom, and that any restrictions of it are worse than wrong, they are body blows to America's creativity. Hence, he totally opposed loyalty oaths, government employment purges, and sensational investigations of the McCarthy era of post-World War II America. As he put it.

"The witch-hunts of the fifties handicapped us in innumerable ways. It narrowed our vision, lowered our tolerance, lessened our creative impulses. That spiritual ordeal—coupled with a mounting standard of living—made us indolent. We became insensitive to injustices and complacent of wrongdoing." ["Russia and the Superman Myth," Saturday Review, October 15, 1960]

For a time after he went to the Supreme Court in 1939, Douglas kept an interest in politics, or, at least, politicians kept an interest in him. In 1940, it appeared that President Roosevelt might not run for re-election, and there was a little loose talk of the possibility of Douglas as a replacement; but while this occurred at high places, it was not substantial. Douglas was more seriously considered as a vice presidential possibility in 1940. Secretary Ickes reported that President Roosevelt told him that those he considered in addition to Henry Wallace, who was chosen, were Douglas and a couple of others, including Secretary of State Hull. In July 1940, Presidential Advisor Thomas Corcoran thought that Douglas was the President's first choice.

While Douglas was not chosen as a running mate, when World War II created major needs for high-quality personnel, President Roosevelt did look to the Supreme Court. Justice Byrnes resigned from the Court to become Assistant to the President; Justice Murphy performed a little military service; Justice Roberts later became the principal investigator of the Pearl Harbor disaster; and in the Truman Administration, Justice Jackson became the principal prosecutor of war crimes at Nuremburg. In late 1941, the President thought extensively of choosing a single person to direct war production and considered many possibiliies. Roosevelt's impulse to appoint Douglas peaked in early September, 1941 toward the end of the Court recess, when the President reached Douglas by phone in a little town in Oregon. The only phone in town was in a grocery store, and it was a more than usually exciting event to receive a telephone call from the President of the United States. Douglas found himself standing in the midst of crowded room having a conversation with the President, who wanted him to come to Washington right away and who said that Douglas could guess what he wanted to talk to him about. He felt that Douglas should be involved in more active service than the Supreme Court afforded him. Douglas replied that he felt that he was doing a pretty good job on the Court and didn't want to say yes or no over the phone, but agreed to talk it over with his wife and come to Washington immediately. While Douglas was preparing to come to Washington, word came from the President that he was going on to sea and that the matter could wait until Douglas's normal return to Washington. The President did not raise the subject again, but let the matter drop.

In early January, 1942 President Roosevelt discussed with Harry Hopkins, his principal advisor, a possibility (developed to the President by his advisor, Bernard Baruch) of appointing a committee composed of the 1940 Republican presidential candidate, Wendell Wilkie, Douglas, and Mr. Donald Nelson of Sears, Roebuck, to review the entire matter of war production and advise him on it. Hopkins demurred, feeling that neither Wilkie nor Douglas had the requisite experience in production, and sponsored instead the appointment of Nelson to become the chairman of the War Production Board, and this was eventually done.

In 1944, the vice-presidential nomination was, as subsequent events proved, far more important than in 1940. The President reluctantly decided to replace Vice-President Wallace, and Douglas and Senator Harry Truman of Missouri were the front-runners as the alternatives. The matter was settled at a White House conference held on July 11, 1944. The persons present were the President, Democratic National Committee Chairman Robert Hannegan, Postmaster General Frank Walker, Mayor Kelly of Chicago, the President's son-in-law, and two or three others. House Speaker Rayburn, Senate Majority Leader Alben Barkley, Deputy President James Byrnes, Truman and Douglas were discussed from the standpoint of their political strength and their assistance to the ticket. There are varying accounts of the conclusion and the degree of firmness of the President's choice. Judge Samuel R. Rosenman, who was not there but who had intimate accounts of the meeting, reports that at the end of the meeting the President said, "It's Truman." He appeared to have more vote-getting strength than Douglas. Certainly he had the strong support of Chairman Hannegan who like Truman was from Missouri. On the other hand, another account indicates that Douglas was a preferred choice. Since Hannegan, but not the President, was to be at the impending National Convention, the President gave Hannegan a note, dated July 19, the opening date of the Convention, reading:

"You have written me about Harry Truman and Bill Douglas. I should, of course, be very glad to run with either of them and believe that either of them would bring real strength to the ticket."

There has been some talk that the President originally put Douglas' name first and that Hannegan later got a reverse order note from him, but the close inspection of the documents by Judge Rosenman indicates that this is not so. Harry Hopkins, another principal Roosevelt advisor, on the day of President Roosevelt's funeral gave what is probably the most accurate summary of the matter:

"I am certain that the President had made up his mind on Truman long before I got back to the White House last year. I think he would have preferred Bill Douglas, because he knew him better and he always liked Bill's toughness. But nobody really influential was pushing for Douglas. I think he'd gone off fishing out in Oregon or someplace. And Bob Hannegan was certainly pushing for Harry Truman, and the President believed he could put him over at the Convention. So the President told him to go ahead and even put it in writing when Bob asked him to."

Roosevelt's son, James, also thought that his father preferred Douglas as the vice-presidential nominee, but not enough to fight over whether it should be Douglas, or Byrnes, or Truman. The labor leaders rejected Byrnes, who in recording his own conversation, recalled the President as having said, "I hardly know Truman. Douglas is a poker partner. He is a good in a poker game and tells good stories." Hannegan put it over for Truman.

Douglas continued to be regarded as a

candidate for another four years. In 1948, President Truman wanted Douglas to run for vice-president with him. Once again, the matter arose when Douglas was in a remote western place. President Truman arranged for Mrs. Roosevelt to call Douglas and ask him to run. After full consideration, Douglas finally told the President that he preferred to stay on the Court. He also declined to leave to become Secretary of the Interior in the Truman Administration. This time the negotiations were carried on by Secretary of Defense Forrestal, who urged Douglas that it was his patriotic duty both to serve and to provide a link between the conservative and liberal elements of government. Douglas felt that the President really wanted relief from inconvenient political embarrassment more than he wanted Douglas. In any case, he did not take the position.

All of these political and appointment talks were essentially the flirtations of a man whom the Supreme Court job could not keep busy. There is great unevenness in the rapidity with which individual Supreme Court Justices can do their jobs. Douglas has never felt that the Court was overworked, stressing in public statements that during his time of service there has been a marked decline in the number of opinions produced by each Justice in a year. Beginning in 1955, the Court abandoned its system of arguments for five days a week and a conference to decide the cases on Saturday, substituting argument on four days a week with conferences on Friday. This Douglas found "symbolic of a slower pace," so that "we have fewer oral arguments than we once had, fewer opinions to write, and shorter weeks to work." Hence, as he said in 1960,

"I do not recall any time in my twenty years or more of service on the Court when we had more time for research, deliberation, debate, and meditation." Without doubt, if the Court decided twice as many cases a year as it has recently, Douglas could do twice as many opinions a year himself and, when the docket was heavier, he did.

The practical consequence of the schedule has been to permit Douglas to travel, write, and study nature; he is by a very wide margin the most traveled and the most published Justice in the history of the Court; in this respect, no other Justice can even be compared. These travels have involved little trips, as for example, one reported in the July, 1963 Field & Stream magazine, "Why We Must Save the Allagash," an account of a Maine river of great natural beauty deteriorating from overuse. Douglas pleaded for park status for the Allagash:

"The Allagash needs friends more than it ever needed them before. Roadbuilding would bring in hordes of debris-scattering picnickers that shortly would ruin it as a wilderness sanctuary. Builders of dams would put the glories of the river under dark waters from now until eternity. The Allagash needs protection from both aggressions. All who hunt or fish or canoe; all who stalk game with a camera; or who are hikers or bird watchers; all who enjoy the still quiet of a wilderness—these and more must join hands if we are to find a sane, practical way to preserve the Allagash in its pristine condition for all time."

Douglas' book publications run some twenty volumes; when assembled together they extend for more than a foot and a half. They include Strange Lands and Friendly People (1951) reporting travels throughout all of the Arab world except Saudi Arabia and Egypt, and including a visit to Israel. The book shows exceptional flair in picking up personal descriptions of such simple people as the sheep and goat herder in Iran who gave Douglas the hospitality of his tent for a nap. Beyond the High Himalayas (1952), reporting exploration of Central Asia, ranges from a meeting with Nehru in Delhi to visits to native courts, to dinner with the Wali of Swat, and to extended visits with individual Afghans whom he found "the most friendly and hospitable people I have met." Other travel books include North From Mala (1953), and an exploration of Russia, entered from Soviet Central Asia. The works touch on such colorful small details as the service of the head of the lamb, "seared and shrunken, as repulsive a dish as I ever faced"; and go into legal practices, particularly in criminal justice, wherever he saw them. Douglas has picked up firsthand information on the questioning of prisoners, on secret trials, and on conditions in labor camps. In 1958 he took a 7,000 mile auto trip from Karachi in West Pakistan to Istanbul, Turkey.

From all these experiences, Douglas has developed his own philosophy that Americans should make things better rather than simply underwrite the status quo in the countries of the world. He developed his views in *Democracy's Manifesto* (1962), resisting the policy of containment of communism because it puts the problem of communism in negative terms. He believes rather that there should be a counterplan of grand design, such as the Alliance for Progress in South America. The common people, as he found them in the countries around Russia, want to avoid having their country become the battleground of the giants. He reports the masses of these countries are largely illiterate but intelligent all the same, "when it comes to their own needs and their own welfare." He reports that he feels that America is maintaining conditions as they are in lands of constant hunger and of constant exploitation, and sadly reports that "I have never visited a village of Asia where America was revered as a symbol of freedom and justice." American aid, he believes, should be conditioned on reform.

The fascinations of the world abroad have not diminished Douglas's love for America at home. Two volumes on wilderness areas contain reports on hiking trips from the Sierra Mountains in California north to the Olympics in Washington; on excursions in Alaska; on an area of the Mexican desert south of the border near Tucson; and include chapters on the Everglades in Florida, the White Mountains in New Hampshire, and hikes throughout the mountain areas of the Central Atlantic states. Such explorations were never free of danger: on one occasion he appeared to have been seriously lost in the snow of New Mexico. But his greatest injury came in a horseback riding accident in October, 1949 near Tipson Lake in Washington. Douglas has given his own description of the accident:

"Then the accident happened. I had ridden my horse Kendall hundreds of miles in the mountains and found him trustworthy on any terrain. But this morning he almost refused, as Elon led the way up a steep 60 degree grade. Knowing my saddle was loose, I dismounted and tightened the cinch. Then I chose a more conservative path up the mountain. Keeping in on my left, I followed an old deer run that circled the hillside at an easy 10 degree grade. We had gone only a hundred yards or so when Kendall (for a reason which will never be known) reared and whirled, his front feet pawing the steep slope. I dismounted by slipping off his tail. I landed in shale rock, lost my footing and rolled some thirty yards. I ended on a narrow ledge lying on my stomach, uninjured. I started to rise. I glanced up, I looked into the face of an avalanche. Kendall had slipped, and fallen, too. He had come rolling down over the same thirty precipitous yards I had traversed. There was no possibility of escape. Kendall was right on me. I had only time to duck my head. The great horse hit me. Sixteen hundred pounds of solid horseflesh rolled me flat. I could hear my own bones break in a sickening crescendo. Then Kendall dropped over the ledge and rolled heavily down the mountain to end up without a scratch. I lay paralyzed with pain—twenty-three of twenty-four ribs broken." [Of Men and Mountains (1950).]

Douglas recovered, though the accident almost proved fatal. He was found some twenty minutes after the accident, carried out an hour or so later, and eventually came out of the hospital short half of one lung, but able to go back to the active life.

Douglas has summarized his wilderness philosophy in a Wilderness Bill of Rights (1965), a volume which begins with a chapter entitled "Sewage, Automobiles, Population and the Rights of Man." This is a volume written with knowledge and with passion, and with a particularly grim set of pictures showing fish dead in the rivers, detergent foam in a Pennsylvania stream, and industrial pollution in New England. It is a solid chart of what to do—how to get multiple use of land without exploitation; how to make fair decisions and wise ones about public land uses; how to control fencing, restrict mining claims which will ruin wilderness areas, and protect against sewage and industrial waste. It is a book which is written with feeling for the ivory-billed woodpecker which needs the grub-and-insect-supplying dead or dying logs of a wild area and for the wood duck which needs rotted holes and tree trunks for nesting. He strongly endorses the proposal to preserve the few wild rivers that are left, saying,

"We need all the free-flowing rivers that are left for adventure-loving Americans of the twenty-first century. A decade ahead wil be the one when the fateful decision is made to forfeit them for special interest or to hold them inviolate in perpetuity."

Douglas' personal life has included four marriages, and three divorces. His marriage to the former Mildred Riddle ended in 1953; to the former Mercedes Davidson in 1963. He was divorced from his third wife, Joan Douglas, in 1966, and married Kathleen Heffernan in that year.

Douglas is totally capable of doing his judicial work by himself, and he uses his law clerks probably less than other Justices. He usually writes the first draft of an opinion longhand, preferring this to the method of dictation and frequent revision. Because of his extraordinary brilliance, he is probably the fastest worker of any Justice of this century, except perhaps Justice Holmes. The range of his work is vast, running not merely to great constitutional questions, but also to matters of taxation, matters of business reorganization in bankruptcy, truly difficult and technical questions of law in every area which comes to the Supreme Court. Particularly in business matters, Douglas has been virtually indispensible to the Court for many of his years on it. It is his range which is the most incredible feature of his workmanship; most Justices are richly experienced, but quite possibly no other Justice has ever had so wide a knowledge of so many different things.

Douglas' concentration on writing has given him a flair for style. His power to emphasize with brevity is shown in the *Steel* case where he said, "Today a kindly President uses the seizure power to effect a wage increase and to keep the steel furnaces in production. Yet tomorrow another President might use the same power to prevent a wage increase, to curb trade unions, to regiment labor as oppressively as industry thinks it has been regimented by this seizure."

Douglas often makes his point with a single sentence. Referring to community standards as a test of obscenity, he said, "It creates a regime where in the battle between the liberati and the Philistines, the Philistines are certain to win."

Or, speaking of the exclusion of a doctor from the practice of his profession in New

York, "When a doctor cannot save lives in America because he is opposed to Franco in Spain, it is time to call a halt and look critically at the neurosis that has possessed us."

Douglas can make his point vividly, as for example where a confession was obtained from a fifteen-year-old Negro boy after an all-night interrogation. Dougas observed,

"Age fifteen is a tender and difficult age for a boy of any race. He cannot be judged by the more exacting standards of maturity. That which would leave a man cold and unimpressed can overwhelm a lad in his early teens. This is a period of great instability which the crisis of adolescence produces. Mature men might possibly stand the ordeal from midnight to 5:00 A. M. But we cannot believe that a lad of tender years is a match for the police in such a contest. He needs counsel and support if he is not to become the victim first of fear, then of panic."

The single most important phase of the work of Douglas is in the field of individual liberty. He served on the Court through New Deal days, through World War II, through the McCarthy repression after the war, through the days of integration and the redistricting and reapportionment of American legislatures under the leadership of Chief Justice Warren. Douglas was on the Court when it held that all citizens did not have a right to counsel, and he was on the Court when it reversed itself and held that they did have a right to counsel. For all this time he occupied himself most intensely with man's liberty and freedom. He has not been a figure alone; he has generally been in alliance with Justice Black, and earlier with Justices Murphy and Rutledge. The Chief Justiceship of Earl Warren has created a most hospitable environment for him, and the appointment of Justice Fortas put on the bench an intimate friend of thirty years' standing. But on his own account Douglas has been an extraordinarily dedicated and effective exponent of constitutional liberty for all.

JUSTICE WILLIAM O. DOUGLAS

Mr. RIBICOFF. Mr. President, the retirement of Justice William O. Douglas marks a major turning point in a remarkable career and the end of an era for the Supreme Court. It is the career of a man almost larger than life—a man of stupendous energy, intellect, integrity, and independence. It is really several careers in one, for Bill Douglas has been a dedicated environmentalist and outdoorsman and a prolific author during his years on the Court. Before his appointment, he was an expert attorney, specializing in securities law, and a distinguished public servant, who served as Chairman of the Securities and Exchange Commission.

On the Supreme Court, Justice Douglas' contribution has been truly historic. He has served on the Court longer than any other Justice, a total of 36½ years. During that time he developed a philosophy—a unique personal philosophy—that has had increasing force within the Court and throughout the Nation.

Time and again, he has warned of the encroachment of big institutions—big Government and big corporations—on the freedom of individual citizens. The basic human freedoms, forever endangered, are at the core of his philosophy. He has seen the Constitution, and particularly the Bill of Rights, as providing a measure of essential protection to the individual—as an ultimate, inviolable limit on the power of Government.

A restless, vital, unquenchable man, Bill Douglas himself has personified physical and intellectual freedom. He was a tireless walker during his days of good health, a swinger of birches and climber of mountains, an avid fisherman. He was on the Court long enough to change his mind on a number of legal questions, and he was big enough, confident enough of his intelligence, to confess error in those instances. But the core of his philosophy has remained consistent. His life has been of a piece.

Having struggled hard to overcome impediments—his early years were marked by poverty, polio, and the loss of his father—he is a man of deep compassion. In his youth, he rode the rails and shared campfires with men who knew hard times, men who were made outcasts or classified as vagrants, and Bill Douglas knew that a society which treats the downtrodden as undeserving of the basic freedoms, will soon be unsafe for the well-to-do. He has burned with this belief, this compassion, throughout his life.

Always, and above all, Bill Douglas has had courage. He has known physical pain, and has defied it, repeatedly. His year-long struggle to stay on the Court after his stroke is the latest example. He has known bitter, shrill, strident criticism, and he has borne it with grace and good humor. He has never shrunk from controversy where matters of conviction were at stake.

His decision to leave the Court was courageous. But his retirement will not still his voice. I am confident that Bill Douglas will give us plenty to read, and will tell us plenty about what is right and wrong with our Nation and the world. Anyone who knows him must share that confidence. I wish him well in his recovery, and I look forward to seeing him and his lovely wife, Kathy, again soon.

THE U.S. INTELLIGENCE STRUCTURE

Mr. MATHIAS. Mr. President, the Senate Select Committee's investigation of our national intelligence activities has been underway now for many months and is approaching some conclusions. As I said at the beginning of this inquiry, it is important not so much for us to look back, but rather to look ahead in terms of determining what kind of intelligence structure the United States needs and should have, how it should be built and operated, and how it should be monitored. I am hopeful that the results of the intelligence studies underway by committees of both the Senate and House will be some positive steps in this direction.

An enlightened discussion of the perspective in which we must consider our national intelligence activities was written by Thomas Pepper, a member of the Washington bureau of the Baltimore Sun, and was published in the Sun on October 19. I believe Mr. Pepper's article should be brought to the attention of the Senate and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Revamping the Spy Game: Can the Old Mold Be Broken?

(By Thomas Pepper)

Washington.—As the leaves change color on the trees, and time begins to run out on the two congressional committees investigating United States intelligence activities, it is becoming increasingly apparent that normal standards of government performance are not going to bring great and meaningful change to the intelligence community.

If past precedent is any guide, it will take an extraordinary and concerted effort—on the part of the White House, Congress, and the intelligence agencies themselves—to do anything more than repeat the usual Washington cycle of disclosure, alarm, and inertia.

Indeed, without such an effort—of a sort more systematic, for example, than the current attempts to change regulatory policy—one could hazard a guess that the various intelligence agencies would ride out their current troubles, and be back in business, roughly as before, by mid-1977.

Between now and then, a certain amount of day-to-day difficulty is inevitable. Senate and House investigating committees will continue to demand answers to a host of questions, although the committees will soon have to halt their inquiries and put together their reports; both face deadlines of early next year. President Ford has indicated that he will be instituting reorganization procedures—presumably to check past abuses, but also to head off too much Congressional intervention later next year, when legislative changes arising out of the two investigative reports will be ready for passage. Meanwhile, the intelligence agencies themselves can be expected to do a certain amount of internal house-cleaning.

Thus, by spring, various reorganization plans are likely to be in the works. And with an election campaign underway, the country can expect—and deserves—more debate than normal about the power and quality of its intelligence services.

There will be charges and countercharges, and bitter disagreements over who is protecting the nation more effectively: defenders of relatively unfettered intelligence agencies, or critics of allegedly too powerful intelligence services. Then, no matter who wins the presidency—but particularly if a Democrat wins, and brings with him a wholesale change in executive branch appointments—some further reorganization is likely in early 1977.

But what happens after that? Will the dust settle once again? What form will reorganization take?

The answers to these questions would seem to depend, in the end, on the intelligence agencies themselves. A strengthened system of oversight, though it is now the most obvious and most likely result of the current congressional investigations, is not enough.

The intelligence gathering process, if it is to work, must operate under conditions of greater secrecy than any other part of a democratic government. Unlike grand juries, or regulatory agencies and other quasi-judicial bodies that operate with a certain amount of secrecy, intelligence agencies collect much of their information without the knowledge of the people who first produce that information.

Any sharing of how this is done, even within an agency, is considered a risk perhaps greater than the original risk of seeking the information. The risk is even greater when an intelligence agency engages in so-called "covert action," meaning an attempt not simply to collect information, but to change the course of events in a way that masks the cause of the change.

Any oversight process, particularly one that might involve public disclosure, increases the risk to intelligence operations. Correspondingly, any requirement for a secret oversight process weakens the independence of the oversight body. In extreme situations, something has to give—either the effectiveness of the intelligence operations, or the effectiveness of oversight. With mutual trust, there would be room for give-and-take; the agencies could give up some of their secrecy, and the monitoring bodies could give up some of their need to know, taking the rest on faith.

But that very trust is the missing ingredient at the moment. The succession of super-discreet congressional subcommittees that took care of intelligence oversight up till now tilted heavily in the direction of intelligence activities. In practice, there was less oversight than this year's revelations would seem to have warranted.

Now the atmosphere is different. Beginning with the Watergate revelations of 1973, and continuing into this year with the two congressional investigations and one by an executive branch commission headed by Vice President Rockefeller, public perceptions of the intelligence agencies have changed considerably. As a group, they stand accused of two severe failings:

First, in their efforts to collect information, the agencies admittedly broke various laws and violated constitutional rights of privacy. The primary examples so far revealed are a mail-opening program run by the Central Intelligence Agency aimed at letters to and from Communist nations, and an electronic eavesdropping program run by the National Security Agency on all international telephone, telegraph, and telex traffic. Also, the Federal Bureau of Investigation has admitted that it conducted illegal burglaries against U.S. citizens.

In addition, the agencies often failed—again, by their own admission—to meet standards of quality they themselves had set for gathering accurate information; standards had told the rest of us to expect. Key examples here are the estimates by both the CIA and the Defense Intelligence Agency of the likelihood (or unlikelihood) of a Middle East war in the fall of 1967. As late as one hour after the Egyptian-Syrian attack had begun, these estimates were still telling the President that no general offensive was in the works.

Thus, judging by revelations so far, the major tasks ahead are:

1. On the input side, to curb abuses of the law.

2. On the output side, to force the system to produce higher quality intelligence.

Some would go still further and say that U.S. intelligence agencies should not engage in "covert action."

Any new congressional oversight body that might emerge from this year's investigations is bound to have these matters very much in mind, and to shift away somewhat from the old system of giving the intelligence agencies the benefit of the doubt.

Just how far the balance will shift remains to be seen, however. A Democratic administration could probably count on greater latitude from a congressional committee dominated by Democrats than the present Republican administration could.

Furthermore, any new Congressional panel—say one patterned after the relatively successful Joint Committee on Atomic Energy—would eventually encounter the same obstacles that haunted its subcommittee predecessors. This conflict between secrecy and oversight would also apply to any new White House monitoring group that Mr. Ford might establish.

The burden of change, then, is likely to fall mainly on the agencies themselves. Each has a separate history, and a separate set of problems. But they alone possess the necessary information to accomplish the two key tasks.

Within the CIA, for example, there is a definite feeling of satisfaction about changes the agency introduced on its own in the period just before the congressional investigations began. These changes deal both with the problem of abuses and the problem of faulty intelligence estimates of the sort published just before the Middle East war.

But again, if past precedent is any guide, further improvement will be needed. The next major phase in CIA history—following an inevitable period of caution during the current investigations—will depend on how its next generation of executives is selected.

The group that entered intelligence work in World War II—when such work was an honor and a privilege—is now serving out its last few years. Because the CIA was founded in large measure by these same people (and their like-minded, already-retired elders), the agency has never really had a transfer of power from one generation to another.

This is why the nature of any reorganization that takes place over the next 18 months is so important. If all the disclosures of the past two years lead only to a purge of a few top officials, and to the institution of a new but still politicized White House monitoring group and new but customary congressional oversight, the intelligence agencies could easily revert to their old habits—and understandably so.

THE SECOND CONCURRENT RESOLUTION

Mr. BELLMON. Mr. President, today we have taken another major step in the new budget control process as the Budget Committee has reported out for the first time a second concurrent resolution on the budget. While the first concurrent resolution adopted last May established spending "targets" for fiscal year 1976, the significance of the second concurrent resolution is that it establishes spending "ceilings" for fiscal year 1976. Once adopted, these ceilings become legally binding limits on Federal spending for fiscal year 1976. Thus we are taking another step in the process in gaining control of Federal spending not only for fiscal year 1976 but also the transition quarter which follows.

The second concurrent resolution provides for the following totals:

First. Revenues of $300.8 billion;

Second. Budget authority of $406.2 billion;

Third. Outlays of $375.6 billion;

Fourth. Deficit of $74.8 billion; and

Fifth. A public debt ceiling of $623.2 billion.

These recommended totals were derived from months of analysis, hearings and other efforts by committee members and staff. While the budget authority, outlay and deficit numbers are higher than many of us would have preferred, most of the growth in spending since the first resolution derives from increases in entitlement and other existing programs rather than from new spending initiatives. Many of these entitlement program increases are directly related to the state of the economy such as unemployment compensation, food stamps, medicare, medicaid and veterans benefits. On balance, we believe that the totals in this resolution, give us a basis for continued economic recovery without a reoccurrence of double digit inflation.

Fiscal discipline is a challenging project and the budget represented by the second concurrent resolution will necessitate continued restraint on the part of the Senate in every category of spending. This is a tight budget with no room for slippage and I urge my colleagues to continue their assistance in this historic effort.

OIL SPILL LIABILITY BILL

Mr. KENNEDY. Mr. President, I am pleased to join Senator BIDEN as a cosponsor of the Federal Oil Pollution Liability and Compensation Act of 1975. This bill aims to establish a uniform legal framework governing cleanup and damage compensation for oil spills from vessels, onshore and offshore facilities, and deepwater ports, on land as well as in the marine environment.

I want to commend my colleague, the distinguished Senator from Delaware, Mr. BIDEN, for playing a leading role in pressing for more adequate liability legislation.

To date, oil spill liability has been all but ignored, addressed when necessary in a piecemeal, haphazard fashion. The result is an ill-coordinated patchwork of laws and regulations that are in some ways contradictory and in many ways inadequate. I hope that this bill will spur timely action by the Congress to adopt comprehensive oil spill liability legislation. As the Interior Department presses ahead with plans for accelerated Outer Continental Shelf development, and as mammoth supertankers prepare to approach our shores, the need for such legislation is compelling.

My distinguished colleague from Washington, Mr. MAGNUSON, already has responded to that need with the introduction of a comprehensive liability proposal. The administration also has introduced legislation in this area. It seeks to build a domestic liability arrangement upon two international agreements. The administration's bill, S. 2162, would implement the International Convention on Civil Liability for Oil Pollution and the International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, at the same time creating a domestic "superfund" to plug up some of the many gaps in those agreements. Senator MAGNUSON's bill, S. 1754, creates a single Federal liability scheme.

The measure we are introducing today seeks to build on the model already established by the distinguished chairman of the Commerce Committee.

We believe it will further the key goals of liability legislation: First, encourage potential spillers to prevent oil spills from occurring; second, promote rapid and responsible cleanup of those spills that do occur; and third, enable damage victims to obtain timely and equitable compensation.

This bill would provide strong incentives for potential spillers to prevent accidents by imposing fairly stringent, yet economically feasible, liability requirements. Instead of limiting a spiller's liability for both cleanup and damage costs to a single amount, the bill requires him to pay the full costs of cleaning up his spills. An insurable limit is then placed upon a spiller's liability for damage claims. In terms of spills from vessels—which contribute nearly one-third of the total volume of oil pollution—this bill reinforces the prevention incentive by basing the liability limit solely upon a per-ton standard.

By contrast, the administration bill limits a shipowner's liability to $150 per ton or $20 million, whichever is less. According to that formula, every ship larger than 133,333 tons—only about one-half the size of the largest tankers currently afloat—faces a maximum liability of $20 million.

By establishing a liability limit of $150 per ton, this bill would protect independent shipowners from excessive liability costs while requiring supertankers to bear their fair share of such costs. It would cover spills from onshore and offshore facilities and deepwater ports, as well as vessels. And it further reinforces the prevention incentive by prohibiting a spiller from limiting his liability for spills caused by violations of safety or constructon standards. Senator Magnuson's bill contains such a provision regarding vessel spills, and our bill extends the concept to all sources of oil pollution.

This measure will promote rapid and responsible cleanup of those spills that do occur by requiring spillers to pay the full cleanup costs. A similar requirement, pertaining only to Outer Continental Shelf oil spills, was imposed by Interior Department regulations in 1969. The Senate voted to incorporate the unlimited cleanup liability provision into statutory form on July 30, with the approval of an amendment I offered with Senator Biden and others to the Outer Continental Shelf Management Act (S. 521). This bill would apply that provision to vessels, deepwater ports, onshore facilities, and offshore facilities not situated on the OCS—as well as to OCS activities.

An important effect of this provision of the bill is to avoid the confusion that would otherwise arise when a spiller nears his liability limit in the midst of cleanup operations. If his liability is limited in advance, a spiller may perform a sloppy cleanup job to avoid exceeding his limit, or he may leave the scene after he reaches his limit. The imposition of unlimited cleanup liability both heightens a potential spiller's vigilance against causing oil spills, and fosters responsible cleanup of those spills that will nonetheless take place.

Finally, the bill enables those damaged by oil spills to obtain timely and equitable compensation from either the spiller or the newly-created pollution fund. The administration's bill, on the other hand, compels claimants to seek compensation from the spiller directly, granting them access to the fund only if a settlement is not reached within 90 days.

Many of the commercial fishermen, in Massachusetts and elsewhere, who live a marginal economic existence and depend upon daily catches during particular seasons, cannot afford to wait 3 months for their damage awards. If denied the option to approach the fund directly, such claimants will be tempted to accept less-than-equitable awards. Our bill resembles Senator Magnuson's in this area, permitting claimants to choose whether they want to arrange a settlement with the spiller, or go directly to the fund. And it authorizes damage compensation in oil spills on land as well as those in the marine environment. One of the laws that the new comprehensive scheme will supersede—the Alaska Pipeline Authorization Act—provides for compensation to those damaged by spills from the Alaska pipeline. In order to include those spills—as well as spills on land from other oil facilities—within the new scheme, our bill governs all oil spills.

CLINTON ANDERSON

Mr. RIBICOFF. Mr. President, I was deeply saddended to learn of the death of my friend and former colleague, Clinton P. Anderson, on Tuesday.

When I served as Secretary of Health, Education, and Welfare, I recall with special respect his efforts to assure that our elderly were provided with adequate medical care. No one was more responsible for making our medicare program a living reality.

It was later my privilege to serve with Clinton Anderson on the Senate Finance Committee. There I learned of his understanding and concern for our Nation's less fortunate, and of his commitment to having sound and well-administered Federal programs to help them.

Whether it was medical care for the needy, the development of peaceful uses of atomic energy, or the protection of our natural resources for future generations, Clinton Anderson was sure to be involved.

As Secretary of Agriculture, a Member of the House, and as a U.S. Senator, he showed a unique ability to understand complex issues and problems, and to offer intelligent and constructive solutions to them.

Clinton Anderson's life was a testimony to intellectual achievement, and to an indomitable sense of personal and political courage.

My deepest sympathies to his wife, Henrietta, and to all his family.

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION

Mr. KENNEDY. Mr. President, the 29th session of the Executive Committee and the Council of the Intergovernmental Committee for European Migration—ICEM—is currently underway in Geneva. As Senators know, for more than two decades ICEM has been one of the main forums for international action in the field of national migration and refugee resettlement. Although the bulk of the persons moved and resettled by ICEM have been of European origin, in recent years this international humanitarian organization has become increasingly involved in non-European problems as well.

In light of this development and longstanding suggestions that ICEM offer its services on a truly global basis, in early October the Director of ICEM, Mr. John F. Thomas, convened a group of experts to make recommendations for amending ICEM's constitution and adapting the organization "to the present needs of the world." A report of their findings and recommendations is being submitted to the current meetings in Geneva.

Because of the widespread congressional and public interest in the activities of ICEM, I ask unanimous consent that the text of this special report be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Suggestions for Amendments to the Constitution of the Intergovernmental Committee for European Migration—ICEM

1. Having carefully followed the evolution of the migration trends in the world, the Director of ICEM has repeatedly stressed that the conditions prevailing in Europe and in other continents when ICEM was established in 1951 have radically changed. New refugee problems in several continents, substantial decrease of emigration from Europe, new intercontinental migration flows, great increase of intracontinental movements, especially in Europe and in Latin America, very great growth of movements within each country are only some of the world-wide significant developments (see among others document MC/1033 of 20 October 1972).

2. As a consequence of the outstanding changes mentioned above ICEM has increasingly been requested by governments and international organizations to make its services and its 25 years of experience available for new programmes and in different parts of the world. The recent problems of the Asians from Uganda, the Chileans from Chile, the Indo-China refugees and the technical advice requested on many intracontinental questions are an unquestionable proof that ICEM is needed in various continents and for greatly diversified purposes.

3. In recent years an abnormal situation has also developed, which is characterized by the fact that on one side the so-called traditional programmes of ICEM included in the regular budgets are decreasing or suffering from lack of funds, while, on the other side, the "special programmes" carried out outside of the traditional activities and of the ICEM budget are increasingly growing.

4. Many Member Governments have already pointed out the described situation on the occasion of ICEM's Twentieth Anniversary and in a number of other sessions of the Council and the Executive Committee. Many Member Governments have also frequently stressed the necessity to amend the Constitution of the Committee and to adopt ICEM to the present needs of the world.

5. The Director believes that the time has come for Member Governments to give serious consideration to the amendment of the Constitution. Article 29 of the same clearly establishes the procedure to be followed for the presentation, examination and adoption of the amendments and explicitly foresees that "texts of proposed amendments shall be communicated by the Director to Member Governments". On the basis of the above Article 29 the Director requested Professor Robert Ago, the ICEM Legal Consultant, to convene a group of very high-level experts, mostly specialized in international law, for a study of this matter and the formulation of a report outlining the manner in which the Constitution could be amended. The group of experts, which met in Geneva on 6 and 7 October, prepared the attached report with the annexed suggestions for possible amendments. The experts, although of different nationalities, participated in the study

on a personal basis, in no way representing the governments of their country of origin or of any other country.

6. The Director wishes to point out that the basic amendments are limited to the Preamble and to Chapter I of the Constitution concerning the purpose and functions of the organization. A few minor points are also included. He would like also to stress that no major changes are suggested for the articles concerning the financing of the Committee.

7. The Director is of the opinion that the experts have done excellent work and have outlined some amendments which are in harmony with the reality of the world and the present activities of the Committee. Such amendments imply the possibility of several new governments joining ICEM with the consequent reduction of the administrative charges for the present Member Governments. They would also be in line with the intention of the Director to prepare the 1977 Budget on a programme by programme basis. A final important consideration is that the technical non-political nature of the organization has been fully maintained and even strengthened.

8. The Director, who will greatly appreciate comments and suggestions at the next Council session, intends to communicate to Member Governments the text of the proposed amendments as foreseen in Article 29 of the Constitution. He hopes that the Council, after taking note of the report and having considered the importance of reaching an early decision in view of ICEM's present circumstances, will request the Executive Committee to further study the matter.

Report by the Group of Experts

1. The desirability of revising the ICEM Constitution with a view to bringing it into line with the needs created by the population movements now taking place in the world has been raised on several occasions by different Member Governments at sessions of the ICEM Executive Committee or Council. In this connexion it has been stressed that, whereas hitherto the Committee has been in a position to cope, on a case-by-case basis, with the constitutional problems involved in undertaking the activities it has successively been called upon to perform, the ever more frequent occurrence of situations which do not tally precisely with the latter of the Constitution or the spirit in which it was drafted highlights the inconvenience of constantly postponing the review of the instrument governing the Committee's activities, even though it may be desirable to confine the changes to the necessary minimum. In accordance, therefore, with Article 29 of the ICEM Constitution, which lays down the procedure for amending it, Mr. John F. Thomas asked Professor Roberto Ago, the Committee's Legal Consultant, to call together a group of experts in international law to review the ICEM Constitution and make suggestions on how it might be amended so as to make of it an instrument better aligned with existing conditions and with those which may arise in the future. The following experts met at ICEM Headquarters, Geneva, on 6 and 7 October 1975:

Professor Roberto Ago (Italy):

Professor of international law, University of Rome. Member and former Chairman, International Law Commission of the United Nations. Chairman, Vienna Conference on the Law of Treaties (1968–1969). Vice-Chairman, Institute of International Law.

Professor Georges ABI–SAAB (Egypt):

Professor of international law, Graduate Institute of International Studies, Geneva.

Dr. Donald G. Benn (U.S.A.):

Former minority counsel for the Sub-Committee on Immigration, Citizenship & International Law, Committee on the Judiciary, House of Representatives, Congress of the United States.

Professor Paul DE VISSCHER (Belguim):

Professor of international law, Catholic University of Louvain. Secretary General, Institute of International Law.

Professor Ernesto de LA GUARDIA (Argentina):

Ambassador of Argentina to the Socialist Federal Republic of Yugoslavia. Agent for the Argentine Republic in the Canal Beagle dispute with Chile.

Professor Robert JENNINGS (United Kingdom):

Professor of international law, University of Cambridge. Member of the International Law Commission of the United Nations.

Professor Hermann MOSLER (Federal Republic of Germany):

Professor of international law, University of Heidelberg. Member of the European Court of Human Rights.

Ambassador Román ROJAS (Venezuela):

Director for Frontiers, Ministry of External Relations, Caracas.

Professor Prosper WEILL (France):

Professor or administrative law and international law, University of Paris II. Joint Director, Institut des Hautes Etudes Internationales, Paris.

2. The group of experts, which had previously been briefed on ICEM's activities and their evolution over the years, carefully analyzed the changes in the world migration situation since the time when the functions of ICEM had been defined. They noted in the first place that the resolution adopted at the Brussels Migration Conference of 1951, which led to the establishment of the Committee, revealed that two major problems were at that time occupying the minds of diplomats, sociologists, economists and jurists. One of these was the problem of refugees which, while no longer as massive and as urgent as it had been in the immediate post-war years, had not disappeared but, on the contrary, was showing a disturbing tendency to recur. After years of intensive activity and some exceptionally important achievements, the International Refugee Organization (IRO) was about to be dissolved. It had, indeed, been decided to set up the United Nations organ which still exists: the Office of the High Commissioner for Refugees.

But that body, whose activities have been and continue to be so extremely valuable especially in respect of the legal protection of refugees, of their resettlement—where possible—in the country of first asylum, or of finding a country of final settlement, was not intended to be an organization of an operational type capable of handling such practical tasks as the reunion of refugees, their training with a view to integration into their new homeland, or their movement and final resettlement.

The setting up of ICEM was accordingly designed, on the one hand, to provide for the performance of these complex tasks—and that without limitations as to the location of the refugees. The terms of reference of the new organization were not confined to refugees who fell within the definition of the 1951 Convention on the Status of Refugees, nor to refugees in European countries. It is none the less true that, at the time, the problem was seen as being essentially a European one—as indeed it then was—which, as such, could be linked to the problem of national migrants from European countries.

In the second place, it was hoped, by the establishment of the Committee, to do something to relieve the very difficult situation in a number of European countries which had suffered from the war and possessed a surplus population for whom they could not provide jobs, whereas that surplus population could be extremely useful in overseas countries with inadequate human resources but extensive opportunities for agricultural and industrial development. To arrange for the movement overseas of the large numbers of available workers, thus helping to alleviate the situation in a Europe seeking a balance between its demographic resources and possibilities of economic recovery and, at the same time, helping to reunite families overseas which had remained divided through the interruption of migratory movements during the war and even before it, and, lastly, making a contribution to the economic transformation desired by many overseas countries: such was the second main purpose which prompted the setting up of the Committee. Accordingly, the principal functions of the newly-formed organization were: to transport European emigrants and their families, while providing—both in the country of emigration and in the country of reception—all the necessary facilities of their linguistic and vocational training, for their placement and accommodation and for their general adaptation and integration in their countries of final settlement.

3. The group of experts noted that ICEM had been set up to meet those needs, paramount at the time, and that it had accordingly set out to perform the tasks assigned to it which had been then, somewhat optimistically, regarded as being temporary.

In the course, however, of its more than two decades of existence, it had been found that the exceptional situation for which ICEM had been designed had developed in a way which did not correspond to the original expectations.

When the Committee had been founded in 1951, it had been normal to imagine that the refugee problem would gradually disappear, as the war and its consequences receded into the background. On the contrary, while ICEM had been fulfilling its mission in respect of the refugees remaining in European countries at the time of its inauguration, new groups of persons had appeared on the scene seeking asylum either in Europe or, in increasing proportions, in countries outside Europe. And those situations had often assumed the character of real emergencies. It thus transpired, and the group of experts wished to stress that point, that the first of the two tasks entrusted to the Committee—that relating to the training, transport and resettlement of refugees—so far from being temporary, was a task for whose performance provision had to be made on a permanent basis. Therefore, if only for such a reason, the "provisional" nature of the Committee no longer seemed to be based on a realistic appreciation of the situation.

The group of experts also noted that an even more marked change had been taking place in respect of the second of the two main functions assigned to ICEM. After the first few years of ICEM's activity, unemployment sharply declined in European countries. The economic recovery in Europe has made it possible to find work at home for large numbers of workers for whom, previously, only emigration to another continent—the Americas or Australia—seemed to offer prospects of an acceptable future. On the one hand, large-scale migration opportunities sprang up within Europe itself and, on the other, even greater migratory movements were taking place inside some of the States which had previously made a very great contribution to overseas emigration. Thus the numbers of movements to overseas countries have fallen dramatically. The present recession may lead to some slight revival of overseas migration, but there are no grounds for expecting it to resume its former proportions.

At the same time, certain overseas countries formerly open to almost unlimited immigration, have experienced a sharp reduction in their capacity to absorb manpower from Europe—the more so as large-scale migratory movements, often illegal or uncontrolled, have taken place, particularly in Latin America, between relatively poor countries and those with more promising development prospects. Thus the demand for quantitative immigration has been replaced more and more by a demand for qualitative immigration.

The group of experts noted in the first place, therefore, that ICEM has had to adapt its activities to those new conditions and that the priority originally assigned to "transport" has increasingly been shifted to "services". In addition to, or instead of, the training courses formerly organized in Europe and in Latin America, much more sophisticated forms of assistance have had to be designed and put into operation with a view to creating, in the immigration countries, the infrastructure, services and techniques necessary to enable those countries to take full advantage of selective migration. While migration from Europe is far from having completely ceased, it has been transformed into the migration of limited numbers of highly qualified and specialized personnel. Parallel to this, ICEM has launched a "return of skills" programme for the benefit of the Latin American countries aimed at encouraging and facilitating the return of Latin American technicians to their countries of origin.

4. The changes in migration patterns have also given rise to new requirements, both in the Latin American and in the European countries, and—as the group of experts noted with particular interest—both sets of countries have called upon ICEM to make available the experience and skills it has acquired in seeking ways to meet those requirements. Thus the Committee has been asked: by Argentina, to study the questions raised by movements of persons from neighboring countries; by Italy, to take initiatives in connection with certain aspects of intra-European migration; by the United States, to examine the possibility of movements of skilled migrants from the United States to Latin America; and by Chile and Brazil, to second staff for the selection and transport of workers from their countries going to Europe for vocational training courses, etc.

If the executive bodies of ICEM have been able to give a positive response to these requests, enabling the organization to undertake new activities, this is due to a broad interpretation, rather than a strict application of the letter, of the ICEM Constitution. Furthermore, in view of the growing number of requests from Member Governments, the ICEM Council has acknowledged the pinciple that the organization feels itself entitled to accede to such requests on condition that special funds are allocated for the proposed activities and that, in any event, they are undertaken only with the consent of the Executive Committee or of the Council.

The group of experts warmly appreciated the attitude of the executive bodies of ICEM in the above-mentioned situations. It also acknowledged unanimously that the organization could not, in reality, refuse to make available its skills and operational capacity to meet needs of a humanitarian character concerning which appeals for assistance had been addressed to it. The group of experts felt obliged to point out, however, that the recurrent requests to undertake activities other than those which can be carried out within the framework of its ordinary budgetary provisions made it desirable for ICEM's Constitution to be amended so as to correspond better with the tasks which the Committee was being increasingly called upon to perform. In this connexion it ventured to state its view—which it understands to be in line with that expressed by certain Governments at Council sessions—that it is somewhat abnormal to find that those of ICEM's activities which are financed out of funds placed specially at its disposal should come to be more important than those financed out of the ordinary budget. Nor is it quite normal from a legal standpoint that a large and virtually constant body of activities should remain outside the organization's "regular" functions.

5. The changes which have taken place in the pattern and composition of migratory movements affecting Europe, Latin America and certain other of the major traditional countries of immigration are not the only ones to have impressed the group of experts. Other migratory movements have taken and are taking place in certain countries of Asia and Africa, and particularly North Africa, towards the industrialized countries of Europe and other continents. The scale of such movements and their sometimes disorderly and usually unorganized character have created problems both in the countries of origin and in the receiving countries. In other countries of the Far East, southern and western Asia and Africa, interest has been aroused by migratory movements which, if they could be carried out with the assistance and under the control of an international organization like ICEM might help to relieve the tension due to the existence in certain areas of surplus population, while enabling other areas to implement indispensable economic development projects. In several Middle Eastern and African countries, large-scale development schemes are in progress or planned, for which these countries possess the necessary capital, but need manpower—which, in certain countries, cannot be recruited locally—and a large staff of highly qualified technicians, which at present can be supplied only by the industrialized countries of Europe or other parts of the world.

ICEM is the only international organization possessing the necessary experience and skills to meet the different needs which are making themselves felt. In the view of the group of experts, it would be genuinely regrettable if that skill and experience were not fully utilized for the attainment of these important objectives which, in the final analysis, are of concern to mankind as a whole. But it would not be easy for ICEM to devote itself fully to the numerous and varied activities involved in the attainment of those goals if its operations continued to be confined within the narrow limits imposed by the provisions of the present ICEM Constitution. The objectives and functions of the organization were defined, as we have seen, at a time when circumstances and needs were obviously different from what they are today. It seems clear that, with a view to the performance of new tasks, certain key articles in the Constitution will have to be amended so as to enable other countries to join with those which are already Members of the Committee.

6. In view of all the above, the group of experts examined the question of the most appropriate legal course which might be recommended to the executive bodies of ICEM on the assumption that the latter agreed with its views.

Having carefully examined the Constitution in force since 30 November 1954, the group of experts came to the conclusion that it would be neither necessary nor useful to launch out on the process of adopting an entirely new constitution. In particular, it took note of the wording of Article 29 of the existing Constitution:

ARTICLE 29

1. Texts of proposed amendments to this Constitution shall be communicated by the Director to Member Government at least three months in advance of their consideration by the Council.

2. Amendments shall come into force when adopted by two-thirds of the Members of the Council and accepted by two-thirds of the Member Governments in accordance with their respective constitutional processes; provided, however, that amendments involving new obligations for Members shall come into force in respect of each Member only on acceptance by it.

Article 29 provides the possibility of making all desired amendments to the text of the Constitution by the very flexible procedure set forth in it. Moreover, such amendments may be formulated in such a way that ICEM's new tasks and activities can be undertaken without imposing new obligations on the existing Members of the organization. This makes it very much easier to adopt and bring into force the amendments in question, and precludes the possibility of complicated situations arising.

The group of experts found that only two clauses of the Constitution were in fact out of the date and were longer in harmony with the needs of the present situation: the *Preamble* and *Article 1,* which defines the *Purpose and functions* of the organization. After making a careful analysis of those two provisions and a detailed study of the texts by which they might be replaced, the group of experts drafted the texts given in the annex to this report in the hope that they will meet the approval of the ICEM bodies which will have to take a decision concerning them.

The amendment of the *Preamble* should be accompanied by a change in the name of the organization itself. In this respect, the group of experts thought that, at the very least, the adjective "European" should be deleted, since that term is not only an obstacle to the undertaking of the new activities which it is thought desirable for the Committee to perform, but does not even describe accurately the activities it has been performing for a long time past. The group of experts did not take it upon itself to propose a more drastic change of the organization's name. It will be for the executive bodies to decide whether or not the word "Committee" should be replaced by "Organization" or some similar term, and whether the word "international" should be substituted for the equivalent, but less usual, "intergovernmental."

7. With regard to the other parts of the Constitution, the group of experts came to the conclusion that, in their broad outlines and apart from a few stylistic improvements which might be made in conjunction with more important amendments, they were fully consonant with the new situation. This applies in particular, to the provisions of Chapters II (*Membership*), III (*Organs*), IV (*Council*), V (*Executive Committee*), VI (*Administration*) and VII (*Headquarters*). One amendment would appear desirable to paragraph 1 of Article 12 concerning the *composition of the Executive Committee;* it might be useful to adopt a more flexible wording by which the composition of the Executive Committee could be easily adopted to an eventual increase in the number of ICEM Member Government. A proposed amendment to that effect is also given in in the annex to this report.

With regard to the provisions of Chapter VIII (*Finance*), the group of experts recognized that the division of the ICEM budget into two parts corresponded to the operational character of the organization and had hitherto unable it to carry on its activities in an efficient manner. Consequently, the group saw no reason to alter such a system. In adopting that view, it did not, of course, pass judgment on questions of budgetary practice, such as the desirability or undesirability of altering the system of annual budgets. On the other hand, without proposing specific amendments, it felt bound to draw attention to the two following points: in Article 23, paragraph 2, the words "in an amount" might be more logically replaced by the words "according to a scale"; again, the wording of paragraph 4 of the same article did not seem to make a sufficiently clear distinction between the expenditure to be attributed to the administrative and operational parts of the budget respectively.

With regard to Chapter IX (*Legal status*), the group of experts did think it appropriate to propose new wording for Articles 25 and 26. This proposal, which is also given in the annex to this report, does not in fact change anything of substance in the existing provisions, it simply makes the meaning clearer, thus preventing the confusions and difficulties which have more than once arisen in their practical application. The group of experts considered that this clearer wording might also make it easier for Member Governments to fulfil the obligations defined in those articles within the framework of their respective legal systems.

Apart from what has already been said about the purely formal changes which it might seem necessary to make if a decision was taken to amend the Constitution, the group of experts did not feel the need to propose any amendments to Chapter XI (*Miscellaneous provisions*). Having regard, however, to the text of Article 30, the group of experts wondered whether it might not be desirable to prescribe also a procedure for the settlement of disputes between ICEM and one or more Member Governments.

ANNEX—SUGGESTED AMENDMENTS

PREAMBLE (NEW)

The member governments of the Intergovernmental Committee for European Migration, bearing in mind the steady increase of migratory movements throughout the world, and the particularly serious and often urgent problems arising periodically from the existence of considerable numbers of refugees;

Noting the interdependence of the various forms of migration—intercontinental, interregional or internal—and of the various factors relating to them;

Aware of the importance of a harmonious solution to migration problems for the effective enforcement of human rights;

Convinced that migration may be instrumental in improving the distribution of human resources, particularly through the orderly transfer of technology to developing countries;

Considering that experience has shown that the realization of such purpose calls for a policy of assisted migration and for increased international action, which should be extended in scope to cover the world;

Do hereby establish the Intergovernmental Migration Committee (hereinafter called the Committee) as an international organization to be regulated by this Constitution.

Article 1 (new)

1. The purposes of the Committee shall be to contribute towards the solution of migration problems with a view to promoting both free movement of persons and resettlement of refugees, and economic and social progress throughout the world.

2. To that end, the functions of the Committee shall be, *inter alia:*

(a) to co-operate with Governments and competent organizations in the study of migration problems and the formulation and implementation of co-ordinated migration policies;

(b) to assemble, analyse and disseminate information relating to migration;

(c) to provide, in agreement with the governments concerned, services in the following fields:

(i) technological, economic, social and demographic studies in all matters connected with migration;

(ii) information and guidance to persons wishing to emigrate or who have emigrated, and to those returning to their home countries;

(iii) vocational and linguistic training for migrants;

(iv) the recruiting, documentation, reception and placement of migrants;

(v) the reunion of families;

(vi) housing and other infrastructure required in migration;

(vii) adaptation and integration of migrants in the host country, with due respect for their cultural, linguistic and religious identities;

(viii) resettlement of migrants returning to their home country;

(ix) problems raised by illegal migration;

(d) to provide transport of migrants, and related services;

(e) to prepare and carry out, in co-operation with the interested governments, operational projects to meet emergency situations giving rise to movements of population;

(f) to prepare and carry out, in co-operation with the interested governments, operational projects for the benefit of developing countries, with a view to a better distribution of human resources, and in particular:

(i) to provide such technical co-operation as governments may require in migration matters;

(ii) to facilitate the transfer of technology through migration, while reducing the negative effects of the "brain drain";

(iii) to promote the return of skills to the country of origin;

(g) to take such other measures as may be required for the realization of the purposes of the organization.

3. In addition, the Committee shall have the responsibility for dealing with refugee migration. To that end, arrangements may be made by the Committee with the governments of the countries concerned, including those undertaking to receive them, and with governmental and non-governmental international organizations.

4. The Committee recognizes that admission criteria and admission quotas are matters falling within the domestic competence of governments; in carrying out its functions, it shall conform to the laws, regulations and policies of the emigration and immigration countries concerned.

Article 12 (new)

1. The Executive Committee shall be composed of the representatives of nine Member Governments. That number may be changed by a Council decision reached by a two-thirds majority, provided that number shall never be allowed to fall below nine.

2. (no change)

3. (no change)

4. (no change)

Article 25 (new)

The Committee shall possess full juristic personality in both international law and domestic law. In particular, it shall enjoy the capacity; a) to contract; b) to acquire and dispose of immovable and movable property; c) to receive and disburse public and private funds; d) to institute legal proceedings.

Article 26 (new)

1. The Committee shall enjoy such privileges and immunities as may be necessary for the exercise of its functions and the fulfillment of its purposes.

2. Representatives of Member Governments, the Director, the Deputy Director and the staff of the Administration shall likewise enjoy such privileges and immunities as may be necessary for the independent exercise of their functions in connection with the Committee.

3. The previous paragraphs shall in no way preclude the possibility [for the Committee] to enter into special agreements or other arrangements on the matter.

NEW YORK CITY AND BLACKWELL, OKLA.

Mr. BELLMON. Mr. President, the financial plight of New York City continues to dominate the news, with no easy solution to that municipality's years and years of fiscal irresponsibiltiy yet in sight.

In the interest of informing New Yorkers how one Oklahoma community solved its fiscal problems, Mr. President, I ask unanimous consent that an article which appeared recently in the Wall Street Journal be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal]

CHEER UP, NEW YORK! SEE WHAT HAPPENED TO CITY OF BLACKWELL

(By Danforth W. Austin)

BLACKWELL, OKLA.—Just 3½ years ago the major industry of this little northern Oklahoma town (population 8,600) announced it was closing down, and Blackwell saw a future every bit as bleak as New York faces today: rising unemployment, a falloff in city revenues and a loss of population.

Gloomy New Yorkers might be interested in knowing what has happened to Blackwell since.

In the two-block business section the stores report a retail sales increase of 20% in the last year. In recent weeks particularly "I've noticed that people are really beginning to spend money," says Kenneth Bradley, manager of Hunt's department store.

Down at Ray Hamlin Chevrolet-Cadillac, Mr. Hamlin confidently notes that "even if gasoline does go to 70 cents a gallon, people around here will still buy Cadillacs."

And on the outskirts of town two new shopping centers are going up and new homes and paved streets are rising from land that sprouted grain only a short time ago.

In fact, few of Blackwell's worst fears have materialized since May 1972 when a Wall Street Journal story ("Black Day in Blackwell") detailed the gloom spread across the town by the news that the town's economic mainstay, the aging Blackwell Zinc Co. Smelter, was being closed by its owner, Amax Inc. The smelter employed 800 people, accounting for over half the manufacturing jobs in town, and local commerce relied on its annual $5.5 million payroll.

LUCK AND HARD WORK

Last December the smelter's final few employes left, but instead of a depressed area they faced a prosperous town with a stable population. Blackwell still has its share of economic and financial problems, but they are minor compared with the situation in 1972 when, Mayor Max Rogers recalls, the town was faced with losing half its population.

Partly due to luck and partly due to the town's hard work in attracting new industry, Blackwell stands today as a town that changed almost overnight from being a company town to one with a healthy economic mix. "New industry has really picked up that town," says Will Bowman of the Oklahoma State Employment Service. The town estimates that its unemployment rate is a little over 5%, well below the 6.6% average for the state.

The luck involved in Blackwell's recovery came from the sudden boost to the town's rural economy by the first big Russian grain deal that was negotiated as the smelter was being phased out. In surrounding Kay County, where yields of wheat and other crops are among the highest in the nation, farmers have continued to prosper from Soviet and other foreign grain sales.

It was also fortunate that Amax gradually phased out the plant over about 30 months, giving the town breathing space. Many older employees simply retired. A few left town. But many have found other employment in the town.

The new jobs have been brought to Blackwell through the determined efforts of a team of businessmen and city officials. Paul Hockersmith, who was hired to direct the company recruiting drive, has traveled across the U.S. and Canada in search of prospects. "We follow up on every rumor," he says.

FIVE NEW INDUSTRIES

To date five new industries have come to Blackwell with jobs for more than 200. They expect to double their employees over the next few years. They include United Fabricators, which makes oil storage tanks, and Electron, a producer of castings for electric furnaces (one, however, a small maker of farm implements, has run into financial difficulties and says it may have to close by the end of the year).

John Morehead, who manages the $4.8 million Electron plant, says his company was attracted by the abundance of labor and raw materials, such as scrap steel, available in the area. And because of the smelter's demise there was plenty of energy available, he says. The new companies were also attracted by the fact that they don't have to pay property taxes during their first two years in Blackwell.

"We weren't about to go down the tubes," says Bill Rodgers, Jr., president of Security Bank & Trust and a member of another group of businessmen that has managed to persuade voters to approve $1.2 million in bonds to finance industrial development projects.

Amax has given the town the smelter site and 130 acres of unused land. And the grimy smelter has been pulled down and in its place brightly painted buildings are going up to house Blackwell's new industry.

Not everything is rosy in Blackwell. The city is still staggering under the loss of water and electricity sales to the Amax smelter, which once provided 15% of the city's revenues. City manager Chuck Smith says the city "is having a very difficult fiscal year." So bad, in fact, that a raise promised to city employees last summer has been postponed until January.

Some townspeople are complaining that the tax breaks for industry are depriving the school district of badly needed revenues. Housing also is a problem, even though 73 new homes have been built in the past three years and another seven are going up. "There's a real need here for moderately priced homes," says John Boersma, a beer distributor. But Mr. Boersma says he's so "optimistic" about Blackwell's future that he and a local doctor are developing 92 sites for new homes.

The smelter's former employes also are optimistic once again. "I'm 50 years old, and when they announced the closing it was like having the rug pulled out from under me," remembers Don Porter, who was general foreman of the smelter foundry when he was laid off in early 1974. "I had no idea what I could do." As it happens, plenty. Mr. Porter was hired by Electron as its general foreman only four days after leaving the smelter. "It turned out to be a very easy transition," he says.

A lot of the smelter workers do miss their old employer, if only because of the higher wages that Annex paid. "If I could have stayed until June of 1974 I would have been making $4.04 an hour," says 25-year-old Mike Welch. Now, as a foreman at Oklahoma Investment Casting, a new company making small industrial castings, his salary is only $3.15 an hour. However, he says, "we're still making it."

Times also have changed for the 35 townspeople, mostly farmers, who were widely blamed for closing down the smelter because they had brought an antipollution suit against the zinc plant. Although Amax denied any connection between the litigation and its decision to close, it did note that it would be uneconomical to install antipollution equipment at the smelter. Employees were so embittered by the suit that Calvin Bowling, one of the 35 plaintiffs, said at the time that "on account of my wife and children I doubt if I would do this over again."

But feelings have softened. For one thing some smelter workers themselves have taken their old employer to court seeking compensation for what they claim to be job-related problems.

As for Mr. Bowling, a restaurant owner as well as a farmer, he's still a plaintiff in the suit against Amax (which is due to be heard in Kay County district court next January). He says that while he's still far from being the most popular man on Main Street, these days "about half the people who boycotted my restaurant have come back."

GUNS DO KILL PEOPLE

Mr. RIBICOFF. Mr. President, today's Wall Street Journal carries a perceptive article by Alan L. Otten. This column is based on testimony before the Government Operations Committee. A group of men who are in the frontlines of fighting crime in our cities and Nation testified on the need for effective gun control.

Pollster Louis Harris also brought forth persuasive facts indicating that the huge majority of the population favors mandatory Federal registration of handguns.

The article by Alan Otten is must reading for all of us.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 13, 1975]

GUNS DO KILL PEOPLE

(By Alan L. Otten)

WASHINGTON.—Congress usually likes to listen to experts.

Senate and House committees are always gathering advice from leading economists and businessmen on proper economic policy, from tax experts on changes in tax laws, from military men on new weapons systems or from scientists on medical or space problems. And, to a substantial degree, the lawmakers heed this advice.

In one area, though, Congress turns a deaf ear on the experts: on controlling handguns. FBI directors, Secret Service chiefs, big city police commissioners and others who are directly on the line in fighting murder, robberies and other crime and violence all urge tough handgun laws—and still nothing happens.

This train of thought was prompted by recent testimony to a Senate committee by five key law enforcement officials. The men involved—in charge of police in Los Angeles County, Boston, Atlanta, Newark and San Antonio—can hardly be called woolly-headed criminal coddlers, yet one after the other they pled with the Senators to enact the strictest sort of federal controls on handguns. Their testimony was completely convincing to any remotely open mind.

Over and over they stressed the growing number of violent crimes committed with a handgun—and how much deadlier guns are than any other possible weapon.

Handguns, asserted Boston Police Commissioner Robert diGrazia, are "the main source of violent crime. . . . The handgun is used for nothing except to kill people."

If the country doesn't soon adopt a tough gun control law, warned Los Angeles County Sheriff Peter Pitchess, more and more people will be buying guns in mistaken hopes of self-defense, and soon "we are going to revert to the old law of the West where the fastest gun will prevail." For every robber stopped by an armed homeowner or storeowner, he said, "four homeowners or members of their family suffer death in a gun accident."

Atlanta's Commissioner of Public Safety A. Reginald Eaves said three-fourths of the 161 handgun homicides in his city last year were motivated by "anger and drunken argument, jealousy and revenge—three out of four deaths which I believe could have been prevented, were a handgun not available."

Hubert Williams, police director of Newark, pointed out that handguns are not only being used in more crimes, but escalate the damage caused in those crimes, and "an even more ominous trend . . . is the rapid increase in gun violence by juveniles." In 1974, he reported, one-fourth of Newark's 75 gun homicides were charged to youths between 12 and 18. Mr. Eaves similarly stressed that "teenagers really feel superior with the use of a handgun. Once taken out of their hands, you will cut down the number of teenagers involved in aggravated assaults and homicides."

Police Chief E. E. Peters reported that during the first eight months of 1975, San Antonio had 92 murders, including 60 committed with handguns. Despite state and local laws against carrying firearms, the city has had 595 robberies and 419 assaults with guns.

One after another, the police officials rejected the argument that "guns don't kill people, people kill people." Responded Mr. Pitchess: "If we accept such ridiculous logic, then there is no reason to restrict people from owning machine guns, hand grenades and bombs. After all, we have nothing to fear from such weapons so long as the people who possessed them behave." In most cases, Mr. diGrazia said, "the unavailability of a handgun could mean the noncommission of a violent crime."

Unanimously, the five men found state and local laws incapable of doing the job, since "guns don't observe state boundaries" but flow easily from one place to another. Four of the five urged a federal law outlawing handgun ownership for all but police and military personnel, arguing that mere registration would be ineffective and a waste of time. Mr. Peters endorsed either registration or outlawing handguns.

Why, in the face of such overwhelming expert judgment, doesn't Congress act? The reason, everyone here pretty well agrees, is that the National Rifle Association and other opponents of gun control have managed to establish the notion that the officeholder who backs gun curbs faces certain defeat at the next election. They claim the scalps of former Sen. Joseph Tydings, former Sen. Joseph Clark, and half a dozen others.

Yet if these groups aren't paper tigers, they may be at best cardboard tigers. Pollster Louis Harris told the same Senate committee that his most recent survey, admittedly taken just a few weeks after the two assassination attempts on President Ford, showed a whopping 77% to 19% majority for mandatory federal registration of handguns, up sharply from a 66% to 30% margin in 1971. Even handgun owners, he said, were 61% to 33% in favor.

Groups fighting gun control are politically effective, Mr. Harris suggested, only because candidates fail to mobilize the far more numerous pro-control voters. Any candidate making tough gun controls a major campaign issue will win, he predicted. In the same vein, the U.S. Conference of Mayors calls the political clout of gun control opponents a "myth," and says that "most of the alleged NRA victories over political foes can be attributed to factors other than the issue of gun control and NRA power."

The pattern of congressional interest in gun control has been a flurry of concern right after some dramatic event: the assassination of John Kennedy, the assassination of Martin Luther King and Robert Kennedy, the attempts on Mr. Ford. Then the events recede in time, and congressional concern ebbs.

This hasn't quite happened yet, but there are signs it may be about to happen. Gun control advocates in Congress are squabbling among themselves on the proper approach, and the closer election day comes, the slimmer the chances of action.

Perhaps, though, it really is time for Congress to listen to the gun control experts. Maybe the people are more in line with the experts than Congress thinks.

NEW YORK CITY BANKRUPTCY PROSPECTS

Mr. MATHIAS. Mr. President, last Thursday, the Committee on the Judiciary met to take up consideration of S. 2597, a bill to reform the Federal Bankruptcy Act for major municipalities of over 1 million in population. While six large U.S. cities would be covered under this proposed legislation, there can be little doubt that its prime immediate focus was on one in particular: New York City.

Representatives of both the Ford administration and the congressional leadership have stressed the urgency of swift action on this legislation as part of our effort to shape some sort of solution to New York City's growing fiscal crisis. Nevertheless, I expressed serious reservations about the wisdom of moving ahead with such a bill at that time and—for the first time in my 6 years as a member of that committee—exercised the option provided by the rules to delay action on it for at least 1 week.

There is little dispute that the existing Federal law covering municipal bankruptcy—chapter IX of the Bankruptcy Act—is inadequate and badly in need of reform. The National Bankruptcy Commission so recommended 2 year ago, and the judiciary committees of both the House and Senate have been carefully considering appropriate changes in the intervening time. This work should go forward.

It seemed to me last Thursday, however—and is even more clear today—that even the most perfectly drafted revised bankruptcy law can not and should not be advanced as a possible viable alternative path for the city of New York out of its impending fiscal morass.

On Tuesday of this week, November 11, Senator PROXMIRE and I made public a report we have received from Mr. Ira Millstein, one of the principal attorneys retained by the city of New York to provide counsel on the legal questions which will face the city in the event of default. Mr. Millstein has worked closely with both the House and Senate Judiciary Committees in the deliberations on municipal bankruptcy reform and has earned widespread respect for his efforts. His report, detailing the immense practical and legal problems which will face the city even under an "ideal" Federal bankruptcy statute, confirms the worst of my fears as to what default and bankruptcy would mean for the city of New York and the Nation as a whole. I commend this report to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MATHIAS. Mr. President, the economic consequences of default for municipal bond markets throughout the land have been fully explored in recent Banking Committee hearings and can only be described as utterly uncertain but potentially grave. But regardless of whether one finds plausibility in the dire predictions or the calm reassurances which have been put forth on this subject, another crucial human side of this crisis appears to have been overshadowed in all the debate over bond markets, credit ratings, interest costs, and balanced budgets. And that is: What would the effect of bankruptcy be on life in the city of New York? How would the city—its 8 million citizens, its hospitals, schools, police, fire, and sanitation services—function during the process? And how long would this process take?

An essential related question for all U.S. taxpayers must also be faced: in the long run, would this approach end up costing all Americans more—in terms of dollars and the erosion of our federal system—than if we took emergency action now, with appropriate stringent conditions, to avert the city's default?

The answers to all these questions which begin to emerge are chilling, at best, particularly when contrasted with the soothing description of New York City bankruptcy as an "orderly process for the reorganization of its debt" which the administration and some of my colleagues have offered in recent weeks.

Since we have no clear precedent to go on, of course, much involves speculation. But some things are clear:

Because of the very nature of the bankruptcy process, it will take at least 8 to 10 years to complete, which is the average time consumed by major corporate bankruptcies in the Federal jurisdiction covering New York: the Penn Central bankrupcy is still being litigated more than 5 years after filing, and they are not even close to approval of a mere plan for debt reorganization, much less actual execution. Anyone familiar with the quality of Penn Central's service in the interim must also wonder how much better a city government—which provides not only transportation services, but the entire range of other human services as well—would function under comparable circumstances.

The stakes are so high—$12 billion in long- and short-term bonded indebtedness to be reorganized, almost four times the amount involved with Penn Central—that virtually every decision to spend money for "essential government purposes" pending the approval of a final plan will be litigated, dragging the process out endlessly and subjecting simple budget priorities to constant judicial review.

A single Federal bankruptcy judge, armed with two law clerks, will have the responsibility of deciding on short notice a maze of legal challenges—many of which are outlined in today's report—and presiding over the organization of the city's creditors, who are unprecedented in mass and complexity: 160,000 bond- and note-holders, 260,000 city employees, and countless vendors of goods and services—such as utilities, hospital suppliers, and landlords of space leased to the city—must be organized into committees, which will then troop constantly before the judge to be heard on every disputed question. Are milk deliveries to schools and hospitals really essential? How many schools and hospitals should be closed? What about the 70th police precinct? Or three firehouses in the Bronx?

On the very day the city files for bankruptcy, its capacity to meet operating deficits will be frozen, and even the judge's approval of interim financing to provide essential services will be subject to litigation. As a result, the Federal Government will inevitably be required to infuse substantial sums if complete and utter chaos is to be avoided. The Penn Central experience is again instructive: A petition of bankruptcy does not provide any funds; Federal funds were and still are needed to keep the service running, even at an inadequate level.

In the long run, the bankruptcy route assures only one outcome: a lifetime of legal fees for an army of lawyers. The crisis will remain, tied up in constant litigation by creditors, whose interests can only be protected by resort to the adversary process. And in the interim, only the Federal Government will have the resources to allow essential services to continue. That is when the true bailout will become inevitable, with a crazy-quilt patchwork of governmental lawyers overseeing the operations of the city: The State control board already supervising New York State's substantial investment; a Federal Control Board to oversee the use of Federal loans and grants sure to be necessary; the bankruptcy judge approving the essentialness of any interim financing; and countless creditors' committees objecting to every decision to spend money. The prospect is not a happy one.

In too many crises in the past, Congress has displayed a disturbing tendency to simply throw the problem into the courts, rather than confront it directly. We appear to be facing precisely the same choice today. If we do simply throw the New York City problem into the courts, by failing to provide the responsible predefault relief which only Federal resources can muster, we invite chaos, and save not a penny in long-term costs to our taxpayers.

There has been much talk in recent months about the need to make any federal solution painful enough for the city of New York to assure that no other municipality will be tempted to seek the same course out of its debts or past indulgences. Bankruptcy, it is said, will teach them—and all other cities—a useful lesson. I fear that if bankruptcy is the only course left open to New York, the pain inflicted will be predictably harsh, as will the lessons we all learn—marching down an irreversible and uncharted road, with legal tangles involving literally billions of dollars dragging on for a decade or more, with services available to 8 million citizens stripped to the bare minimum for the duration, and with all our taxpayers forced to choose between allowing the city to disintegrate or providing a constant stream of funding until a Federal judge forges a court-ordered solution to a crisis which Congress found too complex to address.

EXHIBIT 1

[Weil, Gotshal & Manges Memorandum, November 11, 1975]

DEFAULT, SOME PROBLEMS AND LITIGATION—A DISCUSSION MEMORANDUM PREPARED FOR THE CITY OF NEW YORK

("Default" as referred to herein is the filing of a petition in court by the City of New York asserting its insolvency or inability to pay its debts as they mature, and its desire to effect a plan to adjust its debts.)

A. SOME IMMEDIATE PROBLEMS UPON FILING A DEFAULT PETITION

1. Administrative and Operational Problems—

a. Obtaining ongoing vendor credit for food, materials, supplies, etc.

b. Securing interim financing to cover immediate operating shortfalls (from whom, how much, how quickly, and on what terms?)

c. Stabilizing the City's operations (e.g., assurances to citizens re levels of protective and other services; assurances to employees re status and salaries; assurances to recipients of services such as welfare, medical, day care, etc.)

d. Total diversion of executive time from regular functions.

e. Attempting to evolve priorities for various services and activities depending upon uncertain projected levels of income and possibly developing scrip plans or other alternatives, if operating shortfalls are not met and, therefore, existing levels of service and activity cannot be maintained.

2. Applications to Modify Stay of Suits—

The filing of the petition operates to stay all suits against the City. There are literally thousands of litigations pending against the City. There will be an immediate flood of applications by litigants seeking to annul or modify the stay as to their respective litigation. A series of hearings will have to be held promptly to determine the broad classes of suits which should proceed (e.g., negligence, tax certiorari, other special proceedings). These hearings will occupy considerable court time in the initial stages.

3. Will the court permit the City to use the revenues it is receiving for "essential services" while litigations relating to United States and State constitutional and statutory construction problems proceed (see "C" below) particularly as many of the litigation issues involve the very question of who has a right to "first revenues" received by the City.

4. Confusion and litigation as to who will represent the hundreds of thousands of creditors. Creditors will have to be broken into a variety of classes, about which classes there will be dispute. Lawyers will have to be selected for the various classes. It is not difficult to envision initial creditors' meetings being held in Shea Stadium. It may take months to settle organizational problems.

5. Beginning to Prepare a Plan of Composition—

a. The first need in developing a plan is to have something resembling an accurate cash flow projection. Problems:

(1) how to project the effect of default on tax revenues.

(2) how to project the effect of default on all other sources of income such as federal and state revenue sharing and grant arrangements.

(3) how to project the effect on revenues after default of set-offs by creditors such as banks and taxpayers.

It may take months or years to determine the long-range effect of default on the revenue stream and this will impede the ability to develop a plan of composition.

b. It may take years of litigation to determine the priorities as between various creditors (see "C" below) and this too will impede the ability to develop a plan of composition.

B. SOME GENERAL PROBLEMS UNDER A NEW FEDERAL BANKRUPTCY STATUTE (REGARDLESS OF HOW DRAFTED)

1. The certificate of indebtedness—

a. Will the court uphold the provisions for issuance of certificates as constitutional, or will it hold that their issuance is an interference with the state under the 10th amendment to the United States Constitution?

b. To what extent can the court intervene in fixing total amounts to be raised through use of certificates and the uses to which the proceeds are put, and thereby indirectly become involved with the business of the City's governance (all of this puts to one side the question of whether or not such certificates can be marketed in the first place)?

c. To what extent will existing creditors litigate these issues and delay use of the certificates for immediate interim needs?

2. Are the priorities set out in the proposed statute constitutional (e.g., is it constitutional to provide that vendors who have sold to the City within the two months prior to default have priority over so-called secured creditors)?

3. Are provisions permitting the court to effectuate a plan of composition without creditor approval (the so-called "cram-down" provisions) constitutional in these circumstances? If a "cram-down" provision were ultimately used to attempt to obtain confirmation of a plan, litigation concerning its application, alone, could consume years. On the other hand, absence of a "cram-down" provision might mean no plan could ever be approved.

4. Are "anti-set-off" provisions constitutional?

5. Should the City seek to avail itself of provisions dealing with the rejection of executory contracts such as collective bargaining agreements, and the like, the ensuing litigation would be of significant complexity, and could cause a lengthy delay in developing a plan of composition.

6. Will the 10th amendment affect the statute's effort to assert jurisdiction over the City's assets wherever located?

7. Are provisions making unenforceable certain contract clauses—such as bankruptcy clauses—constitutional?

8. The statute envisions the classification of creditors for priority purposes in a plan of composition. One can anticipate complex litigation on the issue of priority since the hierarchy of creditors is of critical significance to all concerned. Aside from obvious questions relating to priorities as between bondholders and noteholders, there are other questions such as the position of many other creditors including employees, landlords, vendors, etc.

C. SOME SPECIAL PROBLEMS DURING PENDENCY OF THE ATTEMPT TO DEVELOP A PLAN

1. There are State constitutional limitations on the amount and type of permitted debt. Under the 10th amendment, contentions may be made that a federal statute cannot preempt these limitations, and, accordingly, that both the plan of composition as well as any interim financing have to comply with these limitations. This may be a source of litigation.

2. The State constitution contains certain provisions regarding the use of "first revenues" received for debt and debt service under certain circumstances. These constitutional provisions may raise a number of litigable issues among which are:

a. Are these "first revenue" provisions preempted by the Bankruptcy Act or does the 10th amendment prohibit preemption?

b. Is anyone (e.g., a bondholder) covered by these provisions a "secured creditor" for priority purposes?

c. Will "offering circulars" and representations made concerning lien rights be considered by the court in construing priority status under the State constitution or otherwise?

3. There are "sinking funds" for certain types of the City's debt including: water, transit and transit unification. Roughly $1 billion may be involved.

a. Are these arrangements trusts which cannot be touched?

b. Will sinking fund contributions have to be continued following default?

c. Will these debt holders claim acceleration and seek the purported trust funds now, rather than waiting?

d. If purported trust funds have been placed in securities unsatisfactory to these debt holders, can they demand cash in lieu of those securities?

4. There are State constitutional provisions dealing with the use of City real estate taxes for operating purposes. It has been asserted that no more than 2.5% can be used for operating purposes with the balance to be applied to debt and debt service.

a. Can a federal statute preempt these limitations?

b. If not, and the City fails to service its debt, does the City lose its ability to assess more than 2.5% in real estate taxes?

c. Can revenues in excess of 2.5% be collected and escrowed to service debt in the future under a plan of composition?

5. Does the "first revenue" language of the State constitution apply to federal assistance funds and other similar sources of revenue?

6. There is detailed legal research yet to be done on the effect of default on projected revenue streams, both state and federal, emanating from reimbursement programs, revenue sharing programs, and grant programs.

7. There is detailed legal research yet to be done, and negotiations to be had, on the entire structure of the City's banking relationships should there be a default.

8. There is detailed legal research yet to be done on the agencies and authorities of the City with which the City has ongoing contractual relationships. The effect of default on these relationships is being studied.

The foregoing list is not intended to be remotely exhaustive; nor is it certain that every issue mentioned will ultimately be litigated; nor is it implied that any issue mentioned is one which must or should be litigated. The list is simply intended to give a fair impression of the types of problems and litigation which can be anticipated.

SOME CONCLUSIONS—DEFAULT PROBLEMS AND LITIGATION

1. Default legislation, in and of itself, provides no assurance of financing as the City balances its budget and attempts to evolve a plan of composition for its existing debt.

2. Should the Federal Government have to, following default, aid the City to obtain financing, as appears reasonably certain, the City will have at least some potential masters, over and above its elected officials: a state control board; a federal control board;

a supervising judge; and a variety of disputatious creditors' committees. Running the City in these circumstances is hard to envision.

3. There will be vast and continued confusion and uncertainty for the citizens of the City and its service recipients.

4. There will be interminable litigation about the process of running the City, and about evolving a plan of composition.

5. The litigation will be vastly expensive, in and of itself.

6. The litigation will delay for many years a plan of composition. The Penn Central reorganization case is now in its 6th year. In the Southern District of New York, reorganization cases average 8 years in duration, and are not always successful.

7. If there is a default, the City may not be able to reenter the capital market for additional years subsequent to the period taken by the evolution and approval of a plan of composition.

THE RETIREMENT OF MR. JUSTICE DOUGLAS

Mr. KENNEDY. Mr. President, the retirement of Justice William O. Douglas is a sad day for the country, for the Supreme Court and for the Constitution. In intellect and wisdom, he ranked with the greatest Justices of the past. His concern for the first amendment is a legend. With Justice Black, his dissents kept the flame of the first amendment alive in the dark days of the McCarthy era. Long before it was popular and fashionable, he was a champion of the environment in his eloquent books and writings and decisions. For generations to come, his reputation will endure as one of the great liberal voices of 20th century America.

His arrival on the Court in 1939 was auspicious. Justice Douglas had been nominated to the Supreme Court by President Franklin Roosevelt to fill the seat left vacant by the retirement of Justice Louis Brandeis. His 36 years of service were longer than the service of any other Justice. Throughout those years, he filled the Brandeis seat with spirit, honor, and distinction. Most of all perhaps, he believed in the worth of the individual. In many respects, Brandeis was his model. As he wrote in his recent autobiography of his early years, "Go East, Young Man:"

> There is in Brandeis a universal note. We can reach the moon and top all secrets of the universe and yet not survive if we do not serve the soul of man. We serve the soul of man only when we honor individual achievements and respect individual idiosyncrasies. We serve the soul of man only when a man's worth—not his race, creed, or ideology—becomes our basic value.
>
> The nation or the world can be smothered and controlled by a military-industrial complex or by a socialist regime or by some other totalitarian group. But in time the individual will rebel. Man, though presently enmeshed, will seek freedom just as he does today in Russia and in Czechoslovakia, and just as he did in the Watts area of Los Angeles. The struggle is always between the individual and his sacred right to express himself on the one hand, and on the other, the power structure that seeks conformity, suppression, and obedience. At some desperate moment in history, a great effort is made once more for the renewal of individual dignity. And so it will be from now to eternity.
>
> These ideas of freedom did not of course originate with Brandeis. But through his opinions as well as the example of his life, he articulated them and showed they could be practical. That is why Brandeis will always remain a revolutionary symbol.
>
> When I learned, after the event, that Brandeis had gone to FDR and asked that I be named to take his place on the Court when he retired on February 13, 1939, I was the proudest human alive.

In praising Justice Douglas for his lifetime of service to the Constitution, I also praise him for the courage he displayed so often—not only the courage of his views and fine dissents but also the courage of his many lonely struggles against serious injury and illness. Never was this personal courage more evident than in his struggle this year to overcome his latest tragedy and continue on the court. Even as we regret his decision to retire, we also hope that now, relieved of the heavy burden of his responsibilities to the Court, his recovery will be enhanced, so that he may resume the brilliant and productive contributions he has made so often to the contemporary life and thought of our society.

He was also a friend, and so his retirement brings a special sense of sadness to me and all the members of my family. He served with my father on the Securities and Exchange Commission in the 1930's. I have known him since my childhood, and some of my earliest memories are of his visits to our home. I have spent many happy hours with him, especially in recent years, and I look forward to spending many more. As much as anyone in public life, he personifies the rugged individuality that symbolizes the spirit and promise of America.

Mr. President, one of the most eloquent assessments of Justice Douglas' career is contained in John P. Frank's book "The Warren Court," published in 1964. I ask unanimous consent that the chapter on Justice Douglas may be printed in the Record.

I also ask unanimous consent to have printed in the Record a series of four brief articles on Justice Douglas' contributions to the law. The articles appeared in the April 1974 volume of the Columbia Law Review, commemorating the Justice's 35th anniversary on the Supreme Court.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From "The Warren Court"]

Mr. Justice William O. Douglas

(By John P. Frank)

CHAPTER FOUR

There is in the State of Oregon the world's shortest railroad. Set in the center of a recreation area, it consists of a few feet of track running from the edge of a mountain to nowhere at all. On the rock behind it is painted a great black oval for a tunnel and a single caboose gives the appearance either of emerging from or going into it. The name of the line is W.O.D. and D.J.T. Railroad, and its great advantage over a good number of other railroads in the United States is that at least it is not losing any money. President of the line is William O. Douglas.

The Lonesome Road, as it is also called, is considerably more stationary than its president. At any given moment, Bill Douglas may be in his office in the Supreme Court Building in Washington. On the other hand, he may have traveled to some remote corner of the United States to make a speech in behalf of the Israeli cause, by which he sets great store. An inveterate hiker, he may be off in some wilderness area. There has not been such a believer in the genuinely strenuous life in high public office in the United States since Theodore Roosevelt. In 1954, Douglas made a 180-mile hike along the Chesapeake and Ohio Canal to protest the prospect that this old landmark might be turned into a highway. The protest was successful, and each year subsequently, he leads a fifteen-mile hike along a part of the same pathway. The hike has become, in a rather vigorous way, a Washington social event, and last year two hundred hikers went along with him.

There are no territorial limitations on Douglas. The only continent he has not toured is Antarctica, and he may well do that. When the Court is out of session, Douglas is likely to head for some little-known corner of Russia, or a hike in Afghanistan, or a trip into India. These are no luxury tours with the recumbencies of leisurely travel. Douglas covers his miles by jeep or by foot, and his only use for the beaten track is as a point of departure.

Along with this hyperthyroid energy, his endless curiosity, and his passion for the obscurest and highest corners of the outdoors, Douglas is an infinitely productive Supreme Court Justice. His productivity, his interests, his accomplishments on the Bench are immense; but if a man had to stand for eternity on one single act, Douglas might choose a particular dissenting opinion. Douglas succeeded on the Court to the seat which was held by Justice Louis Brandeis. There is in this matter of succession normally no particular significance. Justice Black, for example, succeeded a Justice whose views were almost totally opposite from his own and the judicial inheritance is usually purely sentimental, if even that.

But for Douglas, the inheritance is a very pleasant sentiment because Douglas is in outlook and in skill the closest approximation to Brandeis in the America of the mid-twentieth century. Particularly in matters of individual liberty, in matters of antitrust law, and in problems of business law, Douglas carries on the tradition and the philosophy of his great predecessor.

Never was this more true than in Douglas' dissent in *Dennis* v. *United States*. The great issue was what action, if any, should be taken against the leaders of the American Communist Party. Douglas followed the views expressed by Justice Brandeis a quarter of a century before. That Justice had expounded the principle that speech could be punished in the American tradition only where a serious and immediate injury would be done to the country by allowing the speech to run on. Brandeis had said, and Douglas agreed, that "if there be time to expose through discussion the falsehood and fallacies, to avert the evil by the processes of education, the remedy to be applied is more speech, not enforced silence."

Applying these principles, Douglas turned to the Communists in the United States as they existed in 1951. He listed the works of Marx and Lenin, works in which, as he saw them, "the ugliness of Communism is revealed, its deceit and cunning are exposed, the nature of its activities becomes apparent, and the chances of its success less likely." He then recited his own most basic belief about America:

"Full and free discussion has indeed been the first article of our faith. We have founded our political system on it. It has been the safeguard of every religious, political, philosophical, economic, and racial group amongst us. We have counted on it to keep us from embracing what is cheap and false; we have trusted the common sense of our people to choose the doctrine true to our genius and to reject the rest. This has been the one single outstanding tenet that has made our institutions the symbol of freedom and equality. We have deemed it more costly to liberty to suppress a despised minority than to let them vent their spleen."

Douglas accepted the Brandeis view that "when conditions are so critical that there will be no time to avoid the evil that the speech threatens, it is time to call a halt," but he found nothing of the sort in the case before him. "Communism has been so thoroughly exposed in this country that it has been crippled as a political force," he said. "Free speech has destroyed it as an effective political party. It is inconceivable that those who went up and down this country preaching the doctrine of revolution which petitioners espouse would have any success. . . . The doctrine of Soviet revolution is exposed in all of its ugliness and the American people want none of it."

In such circumstances, he believed, the advocacy of domestic Communism presented no clear and present danger. "Some nations less resilient than the United States, where illiteracy is high and where democratic traditions are only budding, might have to take drastic steps and jail these men for merely speaking their creed. But in America they are miserable merchants of unwanted ideas; their wares remain unsold."

Douglas declared that "the followers of the creed of Soviet Communism are known to the F.B.I.; that in case of war with Russia they will be picked up overnight as were all prospective saboteurs at the commencement of World War II; that the invisible army of petitioners is the best known, the most beset, and the least thriving of any fifth column in history. Only those held by fear and panic could think otherwise."

Douglas concluded, "Vishinsky wrote in 1938 in *The Law of the Soviet State*, 'In our state, naturally, there is and can be no place for freedom of speech, press, and so on for the foes of socialism.' Our concern," said Douglas, "should be that we accept no such standard for the United States. Our faith should be that our people will never give support to these advocates of revolution, so long as we remain loyal to the purposes for which our Nation was founded."

Douglas has devoted his judicial life to this philosophy.

Whatever the quality of toughness means, Douglas has it. He believes in free speech as the most vital element of the American tradition. But action is something else again. A person may be entitled to speak against the best interests of the United States because other speech should nullify what he says. But anyone who *acts* against the United States is in a wholly different position, and Douglas would unhesitatingly give punishment where punishment is due. The treason case of 1945 is an example. During World War II, a group of German saboteurs were brought to this country by submarine and were landed with explosives and money on the Florida coast. An American citizen named Cramer helped them in various ways, and Cramer was charged with treason. Here was no matter of speech; Cramer's was a plain act against the United States. Yet the Constitution provides that any person charged with the crime of treason may be convicted of this offense only on the testimony of two witnesses to an act of treason. In this case, the witnesses could prove only that the citizen had met with two of the saboteurs in a public restaurant. That meeting could have been perfectly harmless by itself.

Because of the absence of two witnesses to a specific act of treason, a majority of the Court held that Cramer could not be convicted. Justice Douglas dissented in a strong and persuasive opinion. He found the evidence against the citizen "overwhelming," and thought it immaterial that the two saboteurs were old friends of Cramer. "Loyalty to country cannot be subordinated to the amenities of personal friendship," he said. He believed that Cramer did not need to know precisely what the saboteurs were up to; it was enough that he knew that they were up to no good. It was immaterial that the particular act which was observed was by itself harmless, for "the grossest and most dangerous act of treason may be, as in this case, and often is, innocent on its face. Cramer clearly, by his own admission, held the saboteurs' money for them and lied to protect them when he was arrested. To fail to uphold these convictions," he said, was "neither good sense nor good law."

These two cases illustrate Douglas' tolerance of difference of opinion but not of deeds against his country. In each, Douglas was a dissenter. In each, the Court later, in other cases, came close to the position Douglas had taken in the first place.

Another striking similarity of Douglas to Theodore Roosevelt is that each took up exercise as a youngster to recover from illness. As an infant Douglas had infantile paralysis, and when it was over he had to learn to walk again. Climbing in the mountains near Yakima, Washington, in his growing years helped to give strength. His family had come to the Yakima region, with a short stopover in California, while he was still a baby. He was born in Ottertail County, Minnesota, on October 16, 1898. His father, a Presbyterian Church home missionary, died when Douglas was only six, and the family support was left to the enterprise of his mother and the children.

The family financial situation early put Douglas on his own. At an age when Justice Goldberg's father was selling fruit in Chicago, the young Douglas may possibly have been picking it. He earned his way through Whitman College at Walla Walla, Washington, with odd jobs in the winters and full-time employment in the summers. There he continued with some interruption for activity as an Army private in World War I until he graduated in 1920. For two years he taught high school, trying to save enough to go on to law. In 1922, Douglas worked his way to New York to enter the Columbia Law School. He arrived with only a few dollars, worked his way through, and was graduated in 1925.

Three years of practice, two of them with a great New York law firm, followed. He also taught a little law at Columbia and then moved to the Yale Law School in 1928, practicing some law at Yakima, Washington, in the meantime.

Douglas' years at Yale were an exciting time for the law school and a time for great change for America. At school, when he came, Robert Hutchins was Dean. When Hutchins left in 1930 to become President of the University of Chicago, he was succeeded by Charles E. Clark, later a United States Court of Appeals Judge. These were days of great classes and a great faculty when the school went through a period of both genuine intellectual ferment and happy horseplay. In that distinguished group Douglas was himself distinguished, being regarded by his fellow faculty members as very special. Partly this was because he worked incredibly hard. But his work was not of a sort which precluded his share of foolishness.

Douglas was a member of a triumvirate composed of Wesley Sturges, later President of the American Arbitration Association and Dean of the Law School, and Thurman Arnold, later famed both as a trust buster and as a United States Court of Appeals Judge. The years 1930 to 1935 were in the carefree youth of all three, and they became close and constant companions. When Arnold came home from a trip he found a note in his box to tell him to call a certain number and ask for Yvonne, who had met him at a party in San Francisco and wanted to spend more time with him. It was no real surprise to Arnold to have the New Haven morgue answer his eager call and to discover that Douglas had sent the note.

The three had a point system developed by the ingenious Arnold by which each could earn points toward a score which had a nonexistent but immensely valued prize. A mention of one of their works in any court decision was good for one point, a mention in the New Haven papers was good for two points, a mention in the *New York Times* was good for three points, and a picture in the *New York Times* meant the jackpot. Douglas was winning all the honors, so he decided to give the other two a break. One evening when Sturges happened to be speaking to an audience in New Haven and Arnold happened on the same night to be speaking to an audience in Bridgeport, Arnold received a wire as he was about to go on the platform saying "Please mention me in your speech," signed by Wesley Sturges. He dutifully did so without understanding why, only to discover on his return that Sturges had also received a wire signed Thurman Arnold and saying 'Please mention me in your speech."

Meanwhile the great depression came to America. Countless Americans lost everything, and many went into bankruptcy. Douglas was a teacher of business law, and for three years he was engaged in special bankruptcy studies. On the Supreme Court he has most frequently been its voice on that subject.

Finally, at the bottom of the depression, Franklin D. Roosevelt was elected President. The debacle of the stock market which had accompanied the depression had revealed great inadequacies in the securities laws of the United States. The exchanges of those days were, as Douglas once put it, nothing but glorified gambling casinos.

A first step of Roosevelt's New Deal was a law creating the Securities and Exchange Commission to deal with stock sales and to regulate the exchanges. Many of the provisions of the Act derived from writings of Justice Brandeis, some dating back to his pre-Supreme Court work. From 1934 to 1936 Douglas was in charge of a special study for the Commission. From 1936 to 1939 he was a member of the Commission, serving the last two years as it chairman.

Douglas' three years at the Commission were among the most turbulent of his life. The early administration had been largely tied up by court orders. When the Supreme Court upheld some of the principal powers of the Commission, it was free to get to work and it did. Effective regulation of stock exchanges began during Douglas' administration. The policy of requiring that the public be given full information about the securities it buys, a policy of full disclosure in which Brandeis had deeply believed, was effectively enforced.

A part of Douglas' accomplishment at the Commission was inducing the exchanges to make some effort for their own self-regulation. It was during this period that Richard Whitney, a former President of the New York Stock Exchange, went to prison for misuse of funds, a condition which was revealed in part as a result of Commission activities. This incident plus Douglas' attitude of encouragement toward self-regulation did encourage the exchanges to take steps to put their own houses in order. During the early period of his service, Douglas was regarded as antibusiness. However, in November, 1938, a speech he made stressing the improvement of the exchanges as a result of their own efforts was thought by the *New*

York Times to be "sincerely conciliatory." Douglas had expressly observed in November, 1937, that reforms within the exchanges themselves would permit the SEC to supply only a "police escort" for their activities.

In 1939, President Roosevelt moved Douglas to the Supreme Court. There is no fixed or even traditional geographical requirement for the spread of Supreme Court Justices; they may come from any part of the country. But it seems to most Presidents that as a commonsense matter they ought to be scattered. Applying this standard, it was time for a Westerner, and a likely Western possibility was Senator Lewis Schwellenbach of Washington, who was a good friend of Justice Black, the Roosevelt appointee already on the Court. Douglas was not considered seriously because he was then a resident of Connecticut. However, he had powerful friends in the Senate, including Senators La Follette of Wisconsin and Borah of Idaho. La Follette persuaded Borah to hold a press conference and claim Douglas as a Far Westerner in view of the circumstances that for so large a part of his life, Douglas had been a resident of the State of Washington. Borah did just that, and Roosevelt did choose Douglas. However, his commission as a Justice was necessarily made from a residence in Connecticut.

The Douglas appointment was extremely well received. Conservatives had been frightened at the possibility of Schwellenbach, whom they regarded as a dangerous radical. Douglas was in fact considerably more a liberal than Schwellenbach, but this was not the public image of the two men; such a conservative columnist as Arthur Krock of the *New York Times* responded to Douglas' appointment by saying, "Of the names before Mr. Roosevelt for consideration that of Mr. Douglas was the most reassuring in many ways."

The Senate hearing on the Douglas appointment was perfunctory. The only letter of opposition came from the Prohibition Party, which felt that it deserved a representative on the Supreme Court and therefore opposed all non-prohibitionists on principle. The Senate Committee received a collection of endorsement letters presented by Senator Bone of Washington and within a few minutes approved the nomination. On April 4, 1939, Douglas was confirmed by a vote of sixty-two to four, the dissenters who expressed themselves taking the view that Douglas was a reactionary tool of Wall Street. Rarely has a larger mistake been made than that of the dissenters.

When the Justice was appointed and confirmed, he was the youngest man to have gone to the Supreme Court since Justice Joseph Story, appointed in 1811. Twenty-five years later, we know where the Justice stands on all of the issues which come before the Court. The opinion summary following is almost word for word in his words, lines from his opinions with the quotation marks dropped off for convenience.

The policy of legislation, Douglas believes, its wisdom, its needs, or the appropriateness of the remedy chosen are no matters of judicial concern. Differences of opinion on such matters are for Congress or the states; the Court does not sit as a superlegislature to weigh the wisdom of legislation nor to decide whether a policy which it expresses offends the public welfare.

To make it possible for Congress to legislate, it may—indeed it must—delegate many responsibilities. This the Court will permit, but, where activities or enjoyment, natural and often necessary to the well-being of the American citizen, such as travel, are involved, the Court will construe narrowly all delegated powers that curtail or dilute those privileges. The delegation of the power of Congress must never be unlimited; for the law has reached its finest moments when it has freed man from the unlimited discretion of some ruler, some military official, some bureaucrat. Discretion is a ruthless master, more destructive of freedom than any of man's other inventions.

In approaching his task, the judge must respect precedent without being awed by it. One hesitates to overrule cases, even in the constitutional field, that are of an old vintage; but the Court has always been willing to re-examine and overrule constitutional precedents which history has shown have outlived their usefulness or were conceived in error. The Justice has advocated the overruling of many earlier decisions.

With this free outlook, the Justice is at his best in a case of first impression, one with no precedents to construe or principles previously expounded to apply. He loves to write on a clean slate. But he is not a reckless innovator. He harkens to the lessons of history. Among his predecessors he draws first and oftenest on Brandeis, as in rate making (Mr. Justice Brandeis concurring); antitrust (where the lessons Brandeis taught on the Curse of Bigness have largely been forgotten in high places); on Brandeis the Justice in his classic statements on freedom of speech, and on Brandeis the private citizen. For Douglas, Brandeis' great colleague Justice Holmes is less of a household god.

Douglas likes to learn from English and early American history, whether dealing with a historic civil liberty like the right to trial by jury; or contempt of court; or the long history behind the decision that the law should not be used to pry open one's lips and make him a witness against himself. Of his many books, one which Douglas must have enjoyed doing particularly is *An Almanac of Liberty*. This volume of fragments and readings put together by Douglas is broken into units for each day of the year. In it, Douglas collects all sorts of historical memories such as the trial of Anne Hutchinson in 1637 for heresy or the trial of Sir Walter Raleigh in 1603—or the loyalty case against Dorothy Bailey, which was just as much of an enormity, in 1948.

Yet to Douglas the realities of the situation are more common mentors than the history books. He supports the power of Congress to make broad delegations of authority on the hardheaded practicality that otherwise it cannot perform its functions. When asked whether an airplane can cross through the air over the land of another without thereby committing a trespass, he says of course it can—common sense revolts at the idea that planes can be trespassers. In the antitrust field, choices must be made not on the basis of abstractions but of the realities of modern industrial life. Such practical considerations may occasionally trench even on basic values; for example, to say that the military should have taken the time to weed out the loyal from the disloyal Japanese-Americans at the beginning of World War II would be to assume that the nation could have afforded to take time to do so.

This practical perception is most often used to sustain, not limit, individual rights. Douglas says that the fact that the very thought of a particular procedure is certain to raise havoc with academic freedom is a reason for not permitting it, particularly where youthful indiscretions, mistaken causes, misguided enthusiasms—all long forgotten—will thereby become the ghosts of a harrowing present.

Turning to the right of free speech, Douglas believes that the First Amendment was designed to preclude courts as well as legislators from weighing the values of speech against silence. The First Amendment puts free speech in the preferred position. Freedom of speech can be suppressed only where it is so closely brigaded with illegal action as to be an inseparable part of it. Free speech, free press, free exercise of religion are placed separate and apart; they are above and beyond the police powers; they are not subject to regulation as are the matter of factories, slums, apartment houses, production of oil, and the like.

With regard to other basic rights, Douglas finds the list of those rights of the citizen which are entitled to careful protection a long one. He thinks it not without significance that most of the provisions of the Bill of Rights are procedural. It is procedure that spells much of the difference between rule by law and rule by whim or caprice. He believes that the federal loyalty program violates a host of rights. The loyalty boards decide on evidence which they cannot even appraise. The critical evidence may be the word of an unknown witness who may be a paragon of veracity, a knave, or the village idiot. His name, his reputation, his prejudices, his animosities, his trustworthiness are unknown both to the judge and to the accused. The accused has no opportunity to show that the witness lied or was prejudiced or venal. Without knowing who the accusers are, he has no way of defending.

If one is to be tried for an offense, he has the right of being tried by a jury of both men and women, for the truth is that the two sexes are not fungible; the subtle interplay of influence of one on the other is among the imponderables. As for other rights, Douglas believes as strongly as Black and has stood with Black for more than twenty years in the belief that a defendant who may be innocent desperately needs a lawyer to help extricate him from a charge. He also believes that in protecting against unlawful searches and seizures, the courts should throw their weight on the side of the citizen and against the lawless police.

Douglas recognizes other less conventional but equally basic rights. He regards the right of privacy as one of the unique values of our civilization. Liberty as used in the Fifth Amendment must include privacy as well as the more conventional rights if it is to be a repository of freedom. Also important is the right to work, the most precious liberty that man possesses. Man has as much right to work as he has to live, to be free, to own property. Immediately connected with both of these—that is, the right to be let alone and the right to work—is the right to be free of wrongful deportation, for deportation visits a great hardship on the individual, depriving him of the right to stay and live and work in this land of freedom. Douglas is the great traveler of the Court, and he believes that the right to travel is a part of the "liberty" of which the citizen cannot be deprived without due process of law. Freedom of movement across frontiers in either direction, as well as inside frontiers, is part of our heritage.

Douglas believes not only in individual liberty but in economic liberty, and to him economic liberty requires free competition. He is against having little, independent units gobbled up by bigger ones. Such power as that of the United States Steel Company, for example, can be benign, or it can be dangerous; he believes it should not exist. Certainly a company as big as that, with its tremendous leverage on the economy, is big enough. In April of 1964, he had the immense satisfaction of writing for the Court an opinion which adopted what had been dissenting views of his own a decade earlier in one of the steel antitrust cases. He thinks it bad for the country to allow independent businesses to be swallowed up by absentee owners. There follows a serious loss of citizenship. He who is a leader in the village becomes dependent on outsiders for his action and policy. Clerks responsible to a superior in a distant place take the place of resident proprietors beholden to no one.

And so wherever he can, Douglas would interpret the antitrust laws in favor of the maintenance of free enterprise. This is particularly true in the patent field, where he would harmonize the statutes as closely as possible with the policy of the antitrust laws.

The most striking quality of Douglas is his restless brilliance. As a boy, he was the top student at his high school and he won a scholarship to his college. He was graduated from his college with Phi Beta Kappa and honors. He was second in his class at law school. He quickly became one of the youngest and probably one of the highest-paid professors of law in the United States. He was a young and splendidly successful Securities and Exchange Commissioner; he was one of the youngest Justices ever to come to the Court.

On the Court, Douglas has been one of the tremendous workhorses. In the early part of his service, when the Court handled more cases, he was comfortably capable of turning out thirty majority opinions of uniformly high quality each year. He uses his law clerks probably less than other Justices. He writes the first draft of his opinions in longhand and these are not likely to be much changed by the time they are printed for circulation to the other Justices. He can never be comfortable until his work is behind him, and when the Chief Justice assigns him an opinion it is very likely to be finished within the week. Probably no one but Justice Holmes in this century has worked so fast.

Fast can mean good-fast or careless-fast. With Douglas it is the former. Moreover he is no mere specialist within the Court; he plays the entire field. Colorful opinions in civil liberties fields have been mentioned; but the work of the Supreme Court is more than a constant seminar on the rights of the American people. There is plain hard work to be done on matters of taxation, matters of business reorganization and bankruptcies, matters of public acquisition of lands, truly difficult and technical questions of what law is to be applied in many situations. In all these, Douglas has made major contributions, and in some of them he has been virtually indispensable to the Court for many of his years of service.

The speed of Douglas gives him time for a wholly separate career as a traveler and as a writer. He has turned out twenty books since he has been on the Court. Other Justices over the years have done little outside writing; that other young Justice, Joseph Story, in the first part of the nineteenth century did a good deal. But no one has ever approached anything like the Douglas output. Indeed, there is scarcely a full-time professional author in the United States who can compare with him.

Some of these are travel books. "Strange Lands and Friendly People," "Beyond the High Himalayas," and "Russian Journey" are examples. Some deal with the American West, such as "My Wilderness," the "Pacific West," or "Muir of the Mountain." Others deal with political philosophy or history, such as "The Right of the People" or "Mr. Lincoln and the Negroes."

The most remarkable feature of the Douglas work, in court and out, is its incredible range. This is the man who truly knows more about more different things than any other public figure in America. His interests are well described in a description by a former clerk:

"The buzzer for me from the Justice's Chamber, or the note from the bench or conference, would usually mean that I was asked to find a particular citation or, perhaps, to write a memorandum on some narrow point of law. But, at times, I might be asked to ascertain the height of a Himalayan Peak, the reign of a Roman emperor, or whether the Pennsylvania Constitution of 1776 had been ratified. The breadth of the man was best illustrated to me by our occasional talks, particularly on Saturday when we would have lunch across the street from the Court Building. During the walk over, he might stop and chat with the gardener about the most efficient method to maintain the shrubbery about the building. He might point out to me some obscure plant, name it and comment that it was an excellent representative of its species. At lunch we might discuss a legal point involved in a pending case or incidents in the Court's recent history. But the discussion would often range much further than the work of the Court—from the art of hiking and the necessity of preserving wilderness areas inviolate to the problems of land reform in Pakistan, American foreign policy and the current Presidential campaign. He would speak with informed authority about the flora of Iran (of which he has presented a personal collection to the National Herbarium in Washington), as well as the intricacies of corporate finance."

The Douglas opinions benefit from his writing experience, for as the only regularly best-selling author ever to sit in the Supreme Court, he gives to his judicial work much of the same flair which he displays in the bookstalls. This includes the power to emphasize with brevity as in the *Steel* case where he said, "Today a kindly President uses the seizure power to effect a wage increase and to keep the steel furnaces in production. Yet tomorrow another President might use the same power to prevent a wage increase, to curb trade unions, to regiment labor as oppressively as industry thinks it has been regimented by this seizure."

Douglas often makes his point with a single sentence. Referring to community standards as a test of obscenity, he said, "It creates a regime where in the battle between the literati and the Philistines, the Philistines are certain to win." Or, speaking of the exclusion of a doctor from the practice of his profession in New York, "When a doctor cannot save lives in America because he is opposed to Franco in Spain, it is time to call a halt and look critically at the neurosis that has possessed us."

Douglas can make his point vividly, as for example where a confession was obtained from a fifteen-year-old Negro boy after an all-night interrogation. Douglas observed, "Age fifteen is a tender and difficult age for a boy of any race. He cannot be judged by the more exacting standards of maturity. That which would leave a man cold and unimpressed can overwhelm a lad in his early teens. This is a period of great instability which the crisis of adolescence produces. Mature men might possibly stand the ordeal from midnight to 5:00 a.m. But we cannot believe that a lad of tender years is a match for the police in such a contest. He needs counsel and support if he is not to become the victim first of fear, then of panic."

The brilliance and the speed of Douglas are both a blessing and a curse because sometimes they make him restless. At times there appears to be *no* scene large enough to give play to all his energy. Hence there are sporadic suggestions that he may sometime leave the job to do something else. In 1944, President Roosevelt gave the Democratic Convention its choice of Harry Truman or Douglas as Vice Presidential candidates; had the Convention made the other choice, presumably even Douglas would have been busy enough. There have been occasional stories that he might leave the Court to become Secretary of the Interior (this because of his love for and intimate knowledge of the West) or Secretary of State (because of his prodigious knowledge of international relations) or something else. All this talk is a gossipy byproduct of the extraordinary breadth of the Justice's interests. He is interested in the problems of the Interior and he does have deep-felt beliefs, which he occasionally expresses, about parks and wilderness.

He does feel freer than many of the other Justices to discuss non-legal matters, and particularly those relating to international relations; he does learn on his trips, and this experience he wants to contribute. But the fact that Douglas maintains more interests than one is no abandonment of his primary love for the law. It does mean that he sees America whole, and is not satisfied to see the country fall short of the perfection to which he thinks it can rise.

Douglas is alarmed because he sees his fellow countrymen smug, complacent, and drifting. He sees a school system which he thinks inadequate, with underpaid teachers. "Research on disease lags. Slum clearance and urban developments suffer. While our population is burgeoning, our recreational facilities are inadequate and little is being done about them. We are reducing year by year our wilderness areas and making cesspools out of our rivers. We are far behind the Russians in exploring space. Their rate of growth is much greater than ours. We have indeed no national growth policy. Yet unless we launch one we will never be able to handle continuously the great expenditures for military purposes and the increasing amounts needed for social and educational ends," he has said.

In Douglas' mind, these conditions cannot be separated from the law. He finds complacency, mediocrity, and intolerance the greatest enemies of the country, and he finds legal institutions fostering all three of these. From the day Douglas hopped a freight train heading for the Columbia Law School, and even before, he has never been a conformist. Douglas feels that legal actions such as loyalty programs put a premium on conformity, causing men to believe that they can get ahead in the world only by being as much like everyone else as possible. But the world's progress is not made by so many lookalikes; it depends on the brilliant individual who can find a new way. This is the man who can have the "flash of genius" (a phrase Douglas has used in the field of industrial patents) necessary to spark progress. Douglas is against a legal system which makes that kind of progress impossible by extolling conformity and thereby promoting the mediocre.

Twenty-five years of experience show Douglas as thoroughly competent in his work, and by no means approaching the point of slackening productivity at which retirement should be, or is likely to be, considered. For year in, year out competence he stands at the top among any Justices, past or present; not only in views but in stature he is fairly comparable to Brandeis.

The opinions of 1963–1964 show him hard and typically at his work. One was an election case involving the method of nominating the United States Senator and Governor, as well as other statewide officers in Georgia. Under the Georgia law, as it was when this suit was filed, 938 people in the smallest county had as much influence on the result as 92,721 people in the largest county. A single resident of the smallest county had ninety-nine times the voting power of a resident of the largest. While the suit was pending the law changed, but not by enough to change the principle of the discrimination; the residents of the smaller counties still had a greatly disproporionate influence in the choice of a Governor and a Senator.

Douglas wrote the opinion of the Court holding this system unconstitutional. The resultant opinion is brisk, workmanlike, decisive, and clear. It runs a dozen pages, the first of which state the facts, clearly and distinctly. The next few paragraphs dispose of important technical jurisdictional questions as to court procedures in cases of this kind. Then comes the argument, which is written with such extraordinary simplicity that a bright child could easily follow it; and yet this is the simplicity which conceals art for it uses all the proper legal building blocks to make a sound structure. Douglas observes that no state can abridge the right of a Negro or of a woman to vote, so that "if a state in a statewide election weighed the male vote more heavily than the female vote, or the white vote more heavily than the Negro vote, none could successfully contend that that discrimination was allowable."

If this is so, he continued, how can one person be given twice or ten times the voting power of another person in a statewide election merely because he lives in a rural area or because he lives in the smallest rural county? Reviewing other decisions, Douglas shows that every voter is entitled to vote and that every voter is entitled to have his vote correctly counted and reported. The underlying principle of this must be "that every voter is equal to every other voter in his state. . . . The conception of political equality from the Declaration of Independence to Lincoln's Gettysburg Address to the Fifteenth, Seventeenth, and Nineteenth Amendments can mean only one thing—one person, one vote." Nor will equality of numbers alone satisfy him; in a 1964 dissent he objected to the apparent Manhattan Island practice of having fairly equal numbers in the four Congressional districts but of drawing the boundaries so as to put almost all the Negroes and Puerto Ricans into a single district.

This essay began by quoting from the expression of Douglas on individual liberty in 1951 and may conclude with his return to that theme and his re-expression of the same Brandeis belief in 1963. In one 1963 case, the issue was whether Florida could require the local chapter of the National Association for the Advancement of Colored People to turn over its membership lists to a state legislative investigating committee. The opinion of the Court held that, on the facts of this particular case, these records need not be revealed. Justice Douglas agreed in a separate opinion.

Douglas began by restating his faith that as part of the American way of life, people must be allowed to be different. One way to permit difference is to permit people to gather together in small groups, as the NAACP did in Florida; as Douglas sees it, this freedom of association for lawful purposes is a right of the citizen protected by the First Amendment. The freedom of association, he believes, is a part of the freedom of assembly which is expressly protected in the Constitution and which underlies the insatiable American desire to gather together in organizations. These endless organizations are not much subject to investigation because the legislature could not legally pass laws about them, and therefore there is nothing proper to investigate.

Much depends, says Douglas, upon protecting the right of privacy of the individual, a right which was given its start in American law by Brandeis in the 1890's. As always, Douglas sees the matter practically: "Unpopular groups, like popular ones, are protected. Unpopular ones, if forced to disclose their membership lists may suffer reprisals or other forms of public hostility. But whether a group is popular or unpopular, the right of privacy implicit in the First Amendment creates an area into which the government may not enter."

This is true because "the views the citizen entertains, the beliefs he harbors, the utterances he makes, the ideology he embraces and the people he associates with are no concern of government." If an organization were engaged in some criminal conduct, then it could be prosecuted and its members could be investigated. But there was no suggestion of anything criminal about any of the activities of the NAACP. The possibility that it may have some members who have committed crimes is immaterial; "one man's privacy may not be invaded because of another's perversity."

Referring to Orwell's frightful anticipation of life in a totalitarian state in 1984, when a head of state called Big Brother would punish not merely the deeds or the words but also the thoughts of any citizen, Douglas concluded, "Where government is the Big Brother, privacy gives way to surveillance. But our commitment is otherwise. By the First Amendment we have staked our security on freedom to promote a multiplicity of ideas, to associate at will with kindred spirits, and to defy governmental intrusion into these precincts.

For twenty-five years, William O. Douglas has stood on the ramparts in defense of the liberties of the individual American citizen. He has had his successes and his failures; these have been hard years. But if the symbolic 1984 never comes, and if Big Brother never does get his grip on the throat of every American citizen, no person will deserve more credit for the resistance than William O. Douglas.

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JUSTICE DOUGLAS' CONTRIBUTION TO THE LAW

During his thirty-five years of service on the Supreme Court of the United States, Justice Douglas has had an opportunity to write opinions on an extraordinary variety of subjects embracing virtually every area of the law. His views in some areas have directed the law's course of development. And even where the Court majority has pursued a different path, Justice Douglas has forcefully left his mark in a multitude of separate opinions. In four short articles below, based on addresses delivered in Washington, D.C., this fall at a Convocation honoring Justice Douglas for his record tenure on the Supreme Court, "Professors Emerson, Dorsen, Ares, and Countryman discuss some of the Justice's most important contributions in the areas of, respectively, the first amendment, equal protection of the laws, constitutional criminal law, and business regulation."

THE FIRST AMENDMENT

(By Thomas I. Emerson*)

Many of Justice Douglas' contributions to first amendment law are well known and, while often criticized, are widely appreciated.[1] As did Justice Brandeis, he starts from broad philosophical premises that envision the first amendment as the keystone of an open democratic society. He looks upon the specific guarantees of the first amendment—freedom of speech, press, assembly and petition[2]—as but concrete examples of the more fundamental right to full freedom of expression in all its manifestations. And he has never been reluctant to interpret the first amendment in ways which make its great underlying principles meaningful in the light of contemporary events.

Justice Douglas' views, in terms of specific first amendment doctrine, have also been the subject of extensive comment. Like other liberals of his time, he initially endorsed the clear and present danger test as the measure of the government's right to restrict expression. In his dissent in *Dennis v. United States*,[3] the first Smith Act prosecution to reach the Supreme Court, he even assembled detailed factual data to show that the teachings and writings of the American Communist Party did not in any way threaten overthrow of the government. Shortly after that decision Justice Douglas, following Justice Black, moved to the so-called "absolutist" position. His view was, and still is, that any conduct that constitutes expression and is not so "closely brigaded with illegal action as to be an inseparable part of it[,]"[4] is entitled to full protection against government prohibition or regulation. Moreover, unlike Justice Black, Justice Douglas took a broad view of what constitutes "expression." The Black-Douglas position has been vigorously denounced as totally unworkable. Nevertheless, assuming one adopts a common sense, functional definition of expression, the full-protection test is not only wholly viable but also better able to effectuate the purposes of the first amendment than any other doctrine yet devised.

It is unnecessary to comment here in detail upon Justice Dougas' fired-up commitment to the principles of the first amendment, his boundless energy in defending that constitutional guarantee in the Supreme Court, and his immense courage in holding to his position without compromising his views to fit the current pressures. All these characteristics of his work are likewise known and appreciated.

There are two aspects of Justice Douglas' contribution to the first amendment, however, that have received less attention than those just mentioned. The first of these is his remarkable ability to grasp the realities of the system of freedom of expression and to formulate legal doctrine which takes those realities into account.

Most constitutional principles have a tendency to lose their vitality on the long journey from the Supreme Court to the streets, to the police station, to the prosecutor's office, and to the local courts. The rules are handed down from on high, in broad and abstract phrases. There is often a failure of communication, however, somewhere between the source and the human beings at the site of application. Moreover, there is an inevitable proclivity in local power structures to ignore, to evade, or to pay lip service only. An institution such as the Supreme Court must engage in a never-ending struggle both to formulate workable rules and to keep a constant counter-pressure upon those who respond by inaction or evasion. The great capacity of the Warren Court to function on this level was one [illegible] its principal glories. These efforts have been frequently denounced as "activism" but, in fact, they are essential to transform constitutional principles into effective working rules for everyday life.

Justice Douglas, together with Justice Black, was in the forefront of this movement on the Warren Court and still continues his fight for the reality principle. Nowhere has this approach been more important than in the first amendment area. Justice Douglas has not only grasped the theory of the first amendment; he has also understood the apparatus of repression and sought to attack it at every point. There are countless examples in Justice Douglas' opinions, but two extracts will suffice.

Dissenting in *Adler v. Board of Education*[5] in 1952, for example, Justice Douglas perceived the pernicious effects of loyalty oaths for teachers and classroom discussion:

"What happens under this law is typical of what happens in a police state. Teachers are under constant surveillance; their pasts are combed for signs of disloyalty; their utterances are watched for clues to dangerous thoughts. A pall is cast over the classrooms. There can be no real academic freedom in that environment. . . . A problem can no longer be pursued with impunity to its edges. Fear stalks the classroom. The teacher is no longer a stimulant to adventurous thinking; she becomes instead a pipe line for safe and sound information. A deadening dogma takes the place of free inquiry. Instruction tends to become sterile; pursuit of knowledge is discouraged; discussion often leaves off where it should begin."[6]

Footnotes at end of article.

Or take note of his description in 1972 of the current encroachment on our liberties, as he concurred in the Court's decision that the executive branch could not conduct national security wiretaps without regard to normal constitutional protection. This opinion, it should be remembered, was written before the disclosures of Watergate:

"[W]e are currently in the throes of another national seizure of paranoia, resembling the hysteria which surrounded the Alien and Sedition Acts, the Palmer Raids, and the McCarthy era. Those who register dissent or who petition their governments for redress are subjected to scrutiny by grand juries, by the FBI, or even by the military. Their associates are interrogated. Their homes are bugged and their telephones are wiretapped. They are befriended by secret government informers. Their patriotism and loyalty are questioned. . . .

"When the Executive attempts to excuse these tactics as essential to its defense against internal subversion, we are obliged to remind it, without apology, of this Court's long commitment to the preservation of the Bill of Rights from the corrosive environment of precisely such expedients." [7]

To some critics, Justice Douglas' sense of reality has seemed overwrought; they have argued that he has overstated the facts and overemphasized the threat to first amendment freedoms. But history has surely vindicated him. To the extent that our system of freedom of expression shows vitality, we owe a great debt to the clear vision and insistent realism of Justice Douglas' opinions.

The second feature of Justice Douglas' analysis in the first amendment field that has not been widely recognized is his emphasis upon the amendment's personal fulfillment aspects. This development stems ultimately, I believe, from Justice Douglas' comprehension of the way in which our society tends to succumb to its own institutions and vested interests. He has observed how we seem to be losing the capacity to direct our own lives according to rational plan, and how we appear overwhelmed by a managerial structure that is taking us toward disaster according to its own bureaucratic laws rather than being guided by human choice. Justice Douglas has responded sympathetically to those forces in American life that have sought to resist these trends. Thus, he has understood the deeper significance of the civil rights movement, the black revolution, the organizers for peace and, above all, the youth culture. He sees these social phenomena as legitimate strivings toward a more open, more fraternal, more rational, and more self-fulfilled society. And he has sought to transform the basic principles of constitutional law in order to protect and foster these new values against society's effort to suppress them.

All this is reflected in Justice Douglas' view of the first amendment. He sees the first amendment as much more than a weapon to prevent the government from interfering with freedom of speech, press, assembly and petition in narrow terms. He views it not only in Mill's sense as performing a social function in maintaining a marketplace of ideas,[8] or in Meiklejohn's sense as essential to the working of the democratic process,[9] but also as supplying the constitutional grounds for protecting each person in seeking to realize his or her individual potential as a man or woman. He would, through the first amendment, guarantee to each person freedom of the mind, freedom of conscience, freedom of lifestyle, and freedom to expand, grow and be oneself. He is utilizing the first amendment as a counter to all the pressures of modern life toward conformity, bureaucracy and a purely plastic existence. In this respect, Justice Douglas has given a totally new dimension to the first amendment.

One of the earliest statements of these views appears in Justice Douglas' dissenting opinion in *Public Utilities Commisson v. Pollak*,[10] arguing in 1952 for a right of privacy:

"Freedom of religion and freedom of speech guaranteed by the First Amendment give more than the privilege to worship, to write, to speak as one chooses; they give freedom not to do nor to act as the government chooses. The First Amendment in its respect for the conscience of the individual honors the sanctity of thought and belief. To think as one chooses and to believe what one wishes are important aspects of the constitutional right to be let alone." [11]

A more positive statement appears in Justice Douglas' concurring opinion in *Aptheker v. Secretary of State*,[12] holding invalid the provision of the Internal Security Act that forbade the issuance of passports to members of the Communist Party:

"This freedom of movement is the very essence of our free society, setting us apart. Like the right of assembly and the right of association, it often makes all other rights meaningful—knowing, studying, arguing, exploring, conversing, observing and even thinking." [13]

Similarly, the essence of Justice Douglas' views in the obscenity cases lies in his total conviction that different preferences in literature, art and entertainment, different tastes, and different lifestyles must be protected against government censorship. And he sums up this position when he says, dissenting in a recent conscientious objector case: "I had assumed that the welfare of the single human soul was the ultimate test of the vitality of the First Amendment." [14]

It is true that Justice Douglas' views of the first amendment as protecting each person's right to his own vision of life raise difficult problems in formulating appropriate legal doctrines. The full-protection test loses some of its relevancy here. The balancing test, as always, affords ill protection. Many of these legal issues remain unresolved, but the magnitude of Justice Douglas' contribution in leading the way to constitutional protection of personal fulfillment—in its widest and most modern reaches—can hardly be overestimated.

Finally, speaking both of Justice Douglas' realism and of his modernity, one cannot fail to note one unifying factor: the way he has constantly grown in judicial office. Throughout his life he has been listening and learning. He has kept abreast of what is happening. He gets out and around. And he is amazingly in touch with the world, its achievements, and its struggles. Justice Douglas came into office as one of the youngest Justices ever appointed. He remains among the youngest of us all today.

FOOTNOTES

[*] Lines Professor of Law, Yale University, A.B. 1928, LL.B. 1931, Yale University.

[1] *See* Powe, *Evolution to Absolutism: Justice Douglas and the First Amendment*, 74 Colum. L. Rev.—(1974).

[2] U.S. CONST. amend. I. Because this article focuses exclusively upon Justice Douglas' treatment of the amendment's provisions relating to free expression, I have omitted textual reference to the free exercise of religion and the establishment clauses.

[3] 341 U.S. 494, 581 (1951).

[4] Roth v. United States, 354 U.S. 476, 514 (1957) (Douglas, J., dissenting).

[5] 342 U.S. 485 (1952).

[6] *Id.* at 510.

[7] United States v. United States Dist. Court, 407 U.S. 297, 329–32 (1972) (footnotes omitted).

[8] *See* J. MILL, ON LIBERTY (1859).

[9] *See* A. Meiklejohn Political Freedom (1948).

[10] 343 U.S. 451 (1952).

[11] *Id.* at 467–68.

[12] 378 U.S. 500 (1964).

[13] *Id.* at 520.

[14] Gillette v. United States, 401 U.S. 437, 469 (1971).

EQUAL PROTECTION OF THE LAWS

(By Norman Dorsen*)

The last clause of the first section of the fourteenth amendment to the Constitution prohibits the states and, by interpretation, the federal government from denying any person "the equal protection of the laws." The history of the law against discrimination in the Supreme Court emanates from these few delphic words. In this history Justice William O. Douglas has played a considerable part.

Professor Kenneth Karst has characterized Justice Douglas as "an egalitarian activist," that is, a judge willing to use "whatever judicial tools may be at hand—or may be created—to promote the ends of equality of opportunity." [1] The description is apt because for 35 years he has struck many libertarian blows for the freedom of underdogs—political, racial and economic minorities who have needed the Supreme Court's help. And he has done so, moreover, with a remarkable consistency of doctrine and commitment.

The Justice's philosophy is easily described. In summary, he believes that governmental action directed against weak minorities is invalid unless justified—as it rarely can be—by an overriding interest of the state. Similarly, governmental action that impairs fundamental interests of a particular group—such as its right to cast votes, procure adequate housing, or receive an education—is also invalid unless justified by an overriding state interest.

Some of us may compliment Justice Douglas. But there are others who have regarded his attempts to promote equality as unsupported in constitutional law and a manifestation of what Justice Robert Jackson once described—and he did not mean it as a compliment—as the work of "[a] cult of libertarian judicial activists" who fail to pay proper respect to decisions of the elected branches of government.[2]

At the present, when the courts are being led by public opinion to face up to the absence of equality in American society, it is easy to forget that the Supreme Court, until very recently, was remarkably inhospitable to such claims. Justice Oliver Wendell Holmes, in a famous passage, deprecated the equal protection clause as "the usual last resort of constitutional arguments." [3] It is less well known that he also repudiated the passion for equality as "unphilosophical" and as a "disguise for less noble feelings," specifically, envy.[4]

Following the lead of Justice Holmes, the Supreme Court, except in race cases, applied the so-called "rational relationship" test and consistently upheld legislative classifications challenged into the courts. A typical formulation summed up the essential elements of the test as follows:

"A classification having some reasonable basis does not offend against [the equal protection] clause merely because it is not made with mathematical nicety. . . . When the classification in such a law is called into question, if any state of facts reasonably can be conceived that would sustain it, the existence of that state of facts at the time the law was enacted must be assumed." [5]

The net effect was that equal protection claims were simply unavailing in the federal courts—a situation amply demonstrated by the fact that in the first volume of the Supreme Court's official reports in which Douglas participated (Volume 307), there is not a single equal protection claim even discussed by the Court.

The law of the fourteenth amendment has changed dramatically since 1939, and Dou-

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Footnotes at end of article.

glas' opinions have played an important role in the transformation. As early as 1942, in *Skinner v. Oklahoma*,[6] he wrote for the Court in striking down a law that required the sterilization of a person who was convicted three times of a felony "involving moral turpitude," but exempted embezzlement and other white collar offenses from the sterilization sanction. Douglas ruled that interference with the right to bear children required "strict scrutiny" by the Court; that larceny—one of the defendant's crimes—was intrinsically the same as embezzlement; and that sterilization of a thief but not a white collar embezzler violated the equal protection clause. He then went on to say:

"When the law lays an unequal hand on those who have committed intrinsically the same quality of offense and sterilizes one and not the other, it has made as invidious a discrimination as if it had been selected a particular race or nationality for oppressive treatment." [7]

This decision may seem obvious in 1974, but in 1942 it was a notable achievement to place the burden on a state to justify the line it drew between larceny and embezzlement, and to invalidate a statute because the state could not meet that burden. The key lay in recognition of the defendant's fundamental right to be free from sterilization without a compelling justification. In later cases the Court expanded this concept of fundamental interest to include, among other things, the right to vote [8] and the right of criminal defendants to equal treatment within the judicial process.[9]

The other major new development—the so-called "suspect category"—also may be traced in part to the early views of Justice Douglas. In 1947, he dissented from a ruling upholding a Louisiana law that in effect limited employment as river pilots to relatives and friends of those already licensed.[10] Douglas joined a dissent that condemned the law because blood relationship was the crux of the discrimination. Eventually, a majority came around to this view and struck down similar laws, including those that discriminated against persons because of their ancestry,[11] their illegitimate birth [12] or their alienage.[13]

Then there is discrimination on account of sex. In 1948, Justice Douglas refused to join the Court in upholding a law prohibiting the licensing of women as bartenders unless the woman was the wife or daughter of a male owner.[14] This law obviously discriminated against female owners of bars, but the majority upheld it under the rational basis test. Spurred by the feminist movement, the Supreme Court has recently begun to outlaw sex discrimination and, among other things, has in effect overruled the earlier case.[15]

A principal theme in Justice Douglas' equal protection opinions is his desire to protect the despised and the defenseless—and especially the penniless—in American society. In his opinion for the Court invalidating Virginia's poll tax, Justice Douglas said:

"Wealth, like race, creed, or color, is not germane to one's ability to participate intelligently in the electoral process. Lines drawn on the basis of wealth or property, like those of race . . . are traditionally disfavored. . . . To introduce wealth or payment of a fee as a measure of a voter's qualifications is to introduce a capricious or irrelevant factor. The degree of the discrimination is irrelevant.[16]

Following this theme, Justice Douglas has been particularly sensitive to financial barriers that prevent poor people from gaining access to the courts to have their cases heard. And he has insisted, in furthering the end of eliminating such barriers, that the equal protection clause, not the due process clause, is the appropriate ground of decision.[17] From the beginning to the present day he has resisted the use of "elastic" notions of due process as unduly interfering with legislative prerogatives.

In recent years a majority of the Supreme Court has not followed where Douglas would lead. It has declined to provide the very poor with the judicial protection it has accorded other weak minorities. And it has refused to take account of the fact that a minimal standard of living, minimally adequate housing, and an adequate education are absolutely necessary for all persons living in this country. A consequence of the approach taken by the Supreme Court majority is that government can, without apparent restriction, deny poor people housing, education and cash payments for food and other necessaries that the wealthier segments of the community enjoy as a matter of course.

Justice Douglas in dissent has strongly protested against this line of cases. His approach may be traced in part to Chief Justice (then Justice) Harlan Fiske Stone's famous footnote in the 1938 *Carolene Products* case,[18] where it is suggested that "prejudice against discrete and insular minorities" who do not have adequate access to the political process should call for "exacting judicial scrutiny." [19] But Douglas has not rested excusively on judicial precedent. He has also made use—perhaps more than any Justice in our history—on empirical data and social science findings to demonstrate how disadvantaged the poor in fact are in the United States.

It would be well to make explicit what seem to me to be the philosophical underpinnings of the Justice's egalitarian views. It is not that equality is synonymous with justice or capable of providing answers to the ultimate question of what rights individuals should have in society. After all, all persons improperly imprisoned for crimes they did not commit are treated equally but unjustly; similarly, if one such innocent person were released while the others remained confined, he would be treated justly even if unequally. The point is that once society grants or accords certain rights or material benefits to some, the concept of equality informs us that these are, at least presumptively, valid criteria of what rights or material benefits society should grant to others. Like most general principles, this one does not allow for every variation in the facts. But the premise is sound: if government treats the rich in one way, the poor have a prima facie claim to equal treatment.[20]

In canvassing the corpus of Justice Douglas' views on equal protection, two controversial cases in which he rejected an equal protection claim seek our understanding. In one of these he voted with a majority of the Court to sustain a World War II law that excluded persons of Japanese descent from the West Coast because of a perceived fear of espionage.[21] More reecntly, he dissented from a ruling that prohibited a newspaper from running its want ads by sex, that is, "Jobs—Male Interest" and "Jobs—Female Interest." [22] I have no doubt that the Justice pondered these problems long and hard. Although many libertarians would have voted otherwise in both instances, the cases surely represent the ultimate test of equal protection principles. In the Japanese Exclusion case the governmental action rested on the vast war power during a war duly declared by Congress,[23] and in the sex discrimination case the newspaper defended its advertising policy by relying on the freedom of press guaranteed by the first amendment.

We have a long way to go in the development of doctrine under the equal protection clause. The Court must refine its analysis so that it can more realistically take account of the varied forms of discrimination. More and more clearly, individual Justices are recognizing that the sharp dichotomy between the rational basis and strict scruting tests produces back-door evasions of the two-tiered formula, and that the Court in fact uses what has been called a "spectrum of standards" to review discrimiiations under the equal protection clause.[24] And soon the Court will have to wrestle with the difficult problems presented by the benign quota and compensatory treatment for historically disadvantaged minorities.[25] Few issues are more fraught with emotional overtones and the potential for social divisiveness.

Some years back, Archibald Cox observed that, "[o]nce loosed, the idea of Equality is not easily cabined." [26] We can be sure that as long as he continues his distinguished service on the Court, Justice William O. Douglas will continue to champion that idea.

FOOTNOTES

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[1] Karst, *Invidious Discrimination: Justice Douglas and the Return of the "Natural-Law-Due-Process Formula,"* 16 U.C.L.A. L. REV. 716, 717 (1969).

[2] *See* R. JACKSON, THE SUPREME COURT IN THE AMERICAN SYSTEM OF GOVERNMENT 57 (1955).

[3] Buck v. Bell, 274 U.S. 200, 208 (1927).

[4] 2 HOLMES-LASKI LETTERS 942, 1089 (M. Howe ed. 1953).

[5] Lindsley v. Natural Carbonic Gas Co., 220 U.S. 61, 78 (1911).

[6] 316 U.S. 535 (1942).

[7] *Id.* at 541.

[8] *See* Harper v. Virginia Bd. of Elections, 383 U.S. 663 (1966) (Douglas, J.).

[9] *See* Douglas v. California, 372 U.S. 353 (1963) (Douglas, J.); Griffin v. Illinois, 351 U.S. 12 (1956).

[10] Kotch v. Board of River Port Pilot Comm'rs, 330 U.S. 552, 564 (1947) (Rutledge, J.).

[11] Oyama v. California, 332 U.S. 633 (1948).

[12] Levy v. Louisiana, 391 U.S. 68 (1968) (Douglas, J.); Weber v. Aetna Gas. & Sur. Co. 406 U.S. 164 (1972).

[13] Graham v. Richardson, 403 U.S. 365 (1971).

[14] *See* Goesaert v. Cleary, 335 U.S. 464 (1948).

[15] *See* Frontiero v. Richardson, 411 U.S. 677 (1973); Reed v. Reed, 404 U.S. 71 (1971). *But see* the recent opinion for the Court, per Douglas, J., which upheld a Florida law granting all widows but not widowers a property tax exemption of $500.00. Kahn v. Shevin, 42 U.S.L.W., 4591 (U.S. April 24, 1974).

[16] Harper v. Virginia Bd. of Elections, 383 U.S. 663, 668 (1966).

[17] *See* Boddie v. Connecticut, 401 U.S. 371, 383–86 (1971) (Douglas, J., concurring).

[18] United States v. Carolene Prods. Co., 304 U.S. 144, 152–53 n.4 (1938).

[19] *Id.* at 152–53 n.4.

[20] *See* Freedman, *Equality in the Administration of Criminal Justice,* in EQUALITY 250, 253–56 (J. Pennock & J. Chapman, eds. 1967).

[21] Korematsu v. United States, 323 U.S. 215 (1944).

[22] Pittsburgh Press Co. v. Human Relations Comm'n, 413 U.S. 376, 397 (1973) (Douglas, J., dissenting).

[23] Justice Douglas recently discussed the decision in the Japanese Exclusion Cases at length in his dissenting opinion in De Funis v. Odegaard, 42 U.S.L.W. 4578, 4585–86 n.20 (U.S. April 23, 1974).

[24] *See* San Antonio Independent School Dist. v. Rodriguez, 411 U.S. 1, 98 (1973) (Marshall, J., dissenting).

[25] The moment will come, despite the decision of a bare majority of the Court to dismiss the *De Funis* case on the ground of mootness, 42 U.S.L.W. 4578 (U.S. April 23, 1974).

[26] Cox, *Foreword: Constitutional Adjudication and the Promotion of Human Rights,* 80 HARV. L. REV. 91 (1966).

CONSTITUTIONAL CRIMINAL LAW

(By Charles E. Ares*)

To examine Justice Douglas' criminal law opinions is to celebrate the Court's great record in leading the nation (perhaps *pushing* is a better word) toward a more decent criminal process. It is startling to compare today's system of criminal justice with the one in effect before April 17, 1939, the day on which Justice Douglas' tenure began. State courts were upholding the admissibility of confessions quite clearly obtained by torture, trickery, or oppressive questioning. Policemen searched and seized on mere suspicion, and ransacked homes and businesses, secure in the knowledge that evidence so obtained was nevertheless admissible. Defendants charged with the most serious crimes were forced to stand trial without a lawyer, since poverty was regarded as an unfortunate irrelevance so far as the criminal courts were concerned. All-white juries routinely passed judgment on black defendants, while members of the black community were systematically excluded from jury service. A defendant whipsawed between state and federal charges could not claim the protection of the fifth amendment's double jeopardy clause.

The Bill of Rights existed, but the Supreme Court found little occasion to apply its provisions to state criminal cases. In October Term 1938, only five "real" criminal cases were decided by the Court, and only one, *Lanzetta v. New Jersey*,[1] warrants more than a passing glance. But the neglect suffered by the criminal process was ending, and in the next Term the Court's decisions addressed issues of wiretapping,[2] the right to counsel,[3] the privilege against self-incrimination,[4] and coerced confessions.[5]

While no one would claim that William O. Douglas was responsible for the "criminal law revolution," he clearly had an enormous impact on the course of the Supreme Court's decisions. His special sensitivity to the condition of the poor, the friendless, and the unpopular soon made his an especially insistent voice for the courts to practice what the Bill of Rights preaches.

I will not here attempt to fully explore the Justice's philosophy in criminal law. It is enough to suggest that his opinions reflect the view that under our Constitution every individual, whoever or whatever he may be, is entitled to remain free until the state, *with no help from him*, makes a compelling showing of its right to deprive him of his freedom. To this end, he called for application to the states of all the procedural safeguards of the Bill of Rights in their full vigor and, in fact, urged that they be viewed more broadly than in the past. While many agreed that the criminal process required improvement, few applied the terms of the Constitution quite so unreservedly in the face of the cries for law and order. Douglas approached the problems of the administration of criminal justice from what his late friend, Edmond Cahn, called the "consumer perspective."[6]

His opinions in fifth amendment cases dramatically demonstrate his view of the importance of the protection of individual rights. In *Ullman v. United States*,[7] he wrote in dissent:

"The guarantee against self-incrimination contained in the Fifth Amendment is not only a protection against conviction and prosecution but a safeguard of conscience and human dignity and freedom of expression as well. My view is that the Framers put it beyond the power of Congress to *compel* anyone to confess his crimes. The evil to be guarded against was partly self-accusation under legal compulsion. But that was only a part of the evil. The conscience and dignity of man were also involved. So too was his right to freedom of expression guaranteed by the First Amendment. The Framers, therefore, created the federally protected right of silence and decreed that the law could not be used to pry open one's lips and make him a witness against himself.[8]

In another respect, an early Douglas view of the sweep of the fifth amendment privilege has also had a powerful effect. Over the years, the Court struggled with an increasing stream of coerced confession cases in which it sought to apply the test of "voluntariness," requiring a peculiarly factual determination, to confessions whose origins were almost always disputed. Very early Justice Douglas argued that the ban on involuntary confessions rested on the privilege against sef-incrimination, a view drawn from the Court's 1897 opinion in *Bram v. United States*,[9] and he believed, with Justice Black, that the fifth amendment privilege was made applicable to the states by the fourteenth amendment.[10] Therefore, he urged that the Court, rather than wallowing in the factual bog of "coercion" as a test, should apply the more objective test of whether the decision to confess amounted to a free and knowledgeable choice. Ultimately, the Court adopted this view in *Malloy v. Hogan*,[11] noting that, implicitly if not explicitly, it had already been invalidating confessions in state cases for many years on the ground that their use violated the privilege against self-incrimination.

The right to counsel cases show a parallel development. *Betts v. Brady*[12] had decided that the right to counsel, as such, was not necessarily fundamental to the notion of due process, and that the states need appoint counsel only when all the circumstances of the case indicated that a trial without counsel would be fundamentally unfair. Douglas joined the dissent and repeatedly urged in subsequent opinions that *Betts* was wrong and unworkable and should be overruled. In *Crooker v. California*,[13] for example, he argued in dissent that the confession taken by the police after the defendant had requested access to counsel should be held inadmissible. Ultimately, of course, *Gideon v. Wainwright*[14] overruled *Betts*, and *Escobedo*[15] and *Miranda*[16] established that the criminal suspect who does not knowingly waive his constitutional rights cannot be interrogated in the absence of counsel. Thus, the protections of the fifth and sixth amendments were broadened and made fully applicable to the states. As a result, the admissibility of most confessions has come to depend on whether the police followed procedures designed to protect the defendant's right to silence and right to counsel rather than on the amorphous test of voluntariness.

Douglas' recognition of the individual's increasing vulnerability to governmental intrusions has led him to urge tighter restrictions on police searches. While approving the extension of the exclusionary rule to the states in *Mapp v. Ohio*,[17] his concurring remarks suggested a preference for the additional requirement that search warrants be obtained in all cases—unless prior applicatiton to a magistrate is utterly impracticable.[18] Later, he protested *Terry's* authorization of a search on less than probable cause[19] and he has continued to object to the use of unidentified informers to justify searches and seizures.[20]

Justice Douglas has written with particular urgency about the threat to privacy posed by governmental surveillance. As he observed eight years ago in *Osborn*.[21]

"We are rapidly entering the age of no privacy, where everyone is open to surveillance at all times; where there are no secrets from government. The aggressive breaches of privacy by the Government increase by geometric proportions. Wiretapping and "bugging" run rampant, without effective judicial or legislative control.

"Secret observation booths in government offices and closed television circuits in industry, extending even to rest rooms, are common. Offices, conference rooms, hotel rooms, and even bedrooms are "bugged" for the convenience of government. Peepholes in men's rooms are there to catch homosexuals. Personality tests seek to ferret out a man's innermost thoughts on family life, religion, racial attitudes, national origin, politics, atheism, ideology, sex, and the like. Federal agents are often "wired" so that their conversations are either recorded on their persons or transmitted to tape recorders some blocks away. The Food and Drug Administration recently put a spy in a church organization. Revenue agents have gone in the disguise of Coast Guard officers. They have broken and entered homes to obtain evidence."

These examples and many others demonstrate an alarming trend whereby the privacy and dignity of our citizens is being whittled away by sometimes imperceptible steps. Taken individually, each step may be of little consequence. But when viewed as a whole, there begins to emerge a society quite unlike any we have seen—a society in which government may intrude into the secret regions of man's life at will.[22]

There is a great deal of controversy over the wisdom, and the efficacy, of the Court's criminal law decisions. We obviously do not have a perfect system, but we have an immensely more decent one than we had before the Court began to apply the Constitution rigorously to the criminal process. And this gain in decency owes much to the insistent urgings of William O. Douglas, whose opinions reflect the view that the Court's primary duty in this area is to insure governmental observance of the individual criminal suspect's constitutional rights—not to insure the administrative efficiency of the criminal justice system. Opinions written from that perspective frequently do not satisfy the academic purists for whom tight, dry logic is a higher value than right results. But in few areas of the law has the legal realist's sense of what the law means on the street, in the police station, and in the trial court been of more telling importance. Justice Douglas has that sense, and that is why—more often than not—he has been right. And being right is, in terms of impact on the Court and on society, what really counts.

FOOTNOTES

* Professor of Law, University of Arizona, J. D., University of Arizona, 1952. Law Clerk to Mr. Justice William O. Douglas, October Term 1952.

[1] 306 U.S. 451 (1939).

[2] Nardone v. United States, 308 U.S. 338 (1939); Weiss v. United States, 308 U.S. 321 (1939).

[3] Avery v. Alabama, 308 U.S. 444 (1940).

[4] Bruna v. United States, 308 U.S. 287 (1939).

[5] *E.g.*, Chambers v. Florida, 309 U.S. 227 (1940).

[6] *See* Cahn, *Law in the Consumer Perspective*, 112 U. PA. L. REV. 1 (1963).

[7] 350 U.S. 422 (1956).

[8] *Id.* at 445–46 (footnote omitted).

[9] 168 U.S. 532, 543–44 (1897).

[10] *See* Adamson v. California, 332 U.S. 46, 68 (1947) (Black, J., with whom Douglas, J., joined, dissenting).

[11] 378 U.S. 1 (1964).

[12] 316 U.S. 455 (1942).

[13] 357 U.S. 433 (1958).

[14] 372 U.S. 335 (1963).

[15] Escobedo v. Illinois, 378 U.S. 478 (1964).

[16] Miranda v. Arizona, 384 U.S. 436 (1966).

[17] 367 U.S. 643, 666 (1961) (Douglas, J., concurring).

[18] *See* McCray v. Illinois, 386 U.S. 300, 314 (1967), where Douglas' dissenting opinion expressly incorporated this view into his reading of the search and seizure clause.

[19] Terry v. Ohio, 392 U.S. 1, 35 (1968) (Douglas, J., dissenting).

[20] *See* Draper v. United States, 358 U.S. 307, 314 (1959) Douglas, J., dissenting).

[21] Osborn v. United States, 385 U.S. 323, 340 (1966) (Douglas, J., dissenting).

[22] *Id.* at 341–43 (citations and footnotes omitted).

BUSINESS REGULATION

(By Vern Countryman *)

Justice Douglas arrived on the Supreme Court in time to strike his own parting blow at the notion that a concept of substantive due process of law entitled the Court to invalidate any legislative economic regulation a majority deemed "unreasonable," [1] and he was also in time to join the Court in laying to rest the notion that the federal commerce power was inadequate to reach "purely local activity" regardless of its effect on interstate commerce.[2] Since that time the Court has been actively involved in the interpretation and implementation of governmental regulation of business activities and Justice Douglas has left his mark on this area of the law. I will confine my remarks on his contributions in this field to three selected topics.

I. The antitrust laws

Without doubt, Justice Douglas' greatest contribution to antitrust was his 1940 opinion in the *Socony-Vacuum Oil Co.* case,[3] holding that a combination to fix prices was a per se violation of the Sherman Act. That opinion, which has laid the foundation for the development of an effective antitrust policy for the last three decades, reveals a profound commitment to the policy of free competition underlying the Sherman Act:

"Those who fixed reasonable prices today would perpetuate unreasonable prices tomorrow. . . . Those who controlled the prices would control or effectively dominate the market. And those who were in that strategic position would have it in their power to destroy or drastically imperil the competitive system. But the thrust of the rule is deeper and reaches more than monopoly power. Any combination which tampers with price structure is engaged in an unlawful activity. Even though the members of the price-fixing group were in no position to control the market, to the extent that they raised, lowered, or stabilized prices they would be directly interfering with the free play of market forces. The [Sherman] Act places all such schemes beyond the pale. . . .[4]

His views, unfortunately in my opinion, have not always prevailed. In *Columbia Steel*,[5] for example, the Court found no violation of the Sherman Act when the United States Steel Corporation, the country's largest producer of unfinished rolled steel and a manufacturer of fabricated steel products, acquired the largest independent steel fabricator on the West Coast. Revealing his anathema for undue concentration of power in corporate hands, Justice Douglas dissented in the following language:

"We have here the problem of bigness. Its lesson should by now have been burned into our memory by Brandeis [in his book *The Curse of Bigness*] . . . . [A]ll power tends to develop into a government in itself. Power that controls the economy should be in the hands of elected representatives of the people, not in the hands of an industrial oligarchy. Industrial power should be decentralized. It should be scattered into many hands so that fortunes of the people will not be dependent on the whim or caprice, the political prejudices, the emotional stability of a few self-appointed men. The fact that they are not vicious men but respectable and social-minded is irrelevant. That is the philosophy and command of the Sherman Act. It is founded on a theory of hostility to the concentration in private hands of power so great that only a government of the people should have it." [6]

Because of such manifest antipathy for "bigness," some observers have concluded that Justice Douglas is a hopeless doctrinnaire. That proposition was demolished, I believe, in the 1949 *Standard Oil* decision.[7] The Court there held that Standard Oil, the largest seller of gasoline on the West Coast, which distributed some of its products through its own service stations and some through independent stations, violated the Clayton Act by requiring the independent stations to buy from it all petroleum products. To be sure, this corporation was incredibly large and wielded enormous power—economic and otherwise. Nevertheless, Justice Douglas, dissenting, protested that the Court's decision prescribed a formula which "promises to wipe out large segments of independent filling-station operators. The method of doing business under requirements contracts at least keeps the independents alive. . . . The situation is not ideal from either their point of view or that of the nation. But the alternative which the Court offers is far worse from the point of view of both."

". . . Today there is vigorous competition between the oil companies for the market. That competition has left some room for the survival of the independents. But when this inducement for their survival is taken away, we can expect that the oil companies will move in to supplant them with their own stations. There will still be competition between the oil companies. But there will be a tragic loss to the nation. The small, independent business man will be supplanted by clerks. . . ." [8]

II. The patent system

Anyone concerned with the antitrust laws must be concerned also with the patent system which, under powers granted to the Congress by the Constitution, confers on inventors an exclusive monopoly for seventeen years. Justice Douglas has long insisted that the patent grant must be confined to its constitutional purpose: "To promote the Progress of Scence." [9] Hence, he has complained that the Patent Office has been far too lax in deciding what rises to the level of a patentable invention. Writing for the Court in 1941 in *Cuno Engineering*,[10] he rebuked the Office by finding that a cordless cigarette light for an automobile was not patentable because it did not reveal a "flash of creative genius." [11] And in the *A & P* case,[12] he provided a partial list of the "incredible patents which the Patent Office has spawned," including such "gadgets" as a rubber eraser cap for a pencil, a revolving cue rack, a rubber hand grip for bicycle handlebars, and a metal washer placed on a wire staple.[13] Douglas' flash-of-genius test has stood the test of time; the Court reaffirmed it, despite intervening legislation, as recently as 1966.[14]

Justice Douglas has also long argued in dissent that the patent laws do not entitle the patentee to suppress his patent, to fix the price at which a licensee can market the patented product, or to estop the licensee from challenging the validity of the patent. A few years ago, in *Lear, Inc. v. Adkins*,[15] a majority of the Court finally adopted one of his positions and rejected the doctrine of licensee estoppel to challenge the validity of the patent.

III. The securities laws

In many of the early cases involving the securities laws of the 1930's, Justice Douglas disqualified himself because he had come to the Court in 1939 from his position as Chairman of the Securities and Exchange Commission (SEC) and had been involved in prior stages of the cases that finally reached the Court. That was not true, however, of certain cases that now bear heavily on the SEC's function in corporate reorganizations under Chapter X of the Bankruptcy Act. I refer to two cases under old section 77B of the Bankruptcy Act—the 1939 decision in *Los Angeles Lumber* [16] and the 1941 decision in *Consolidated Rock* [17]—and to one railroad reorganization under section 77—the 1943 decision in *Chicago Milwaukee*.[18] In those cases Justice Douglas wrote for the Court to hold that the statutory requirement, now found in Chapter X, that the reorganization plan be "fair and equitable" meant that "absolute priority" must be preserved. In the order of their seniority, each of the holders of securities of or claims against the old corporation must be fully compensated by distribution under the plan before a junior interest can participate. Since this rule means that the old stockholders are excluded when the valuation of the enterprise will not support a capitalization in excess of the amount of creditors' claims, it is not viewed with favor by the management and stockholders of insolvent enterprises—nor by their counsel. But despite the opponents, Douglas' position has prevailed—at least to date.[19]

In 1962 Justice Douglas finally found a case directly under the Securities and Exchange Act of 1934 in which he could participate, but he had to do so by way of a dissenting opinion—no rarity in his experience. The case, *Blau v. Lehman*,[20] was brought under section 16(b), the provision designed to minimize the problem of "insider trading" by allowing corporate recovery of any profits earned by insiders on "short swing" transactions within any six month period. The *Lehman* case arose out of the practice of investment banking firms of installing partners as directors of corporations whose securities issues the firms handle. Here, Lehman Brothers had partners serving as directors of one hundred corporations; and the firm, but not the partner installed as a director of the company involved, had engaged in "short swing" transactions in the stock of the company and had thereby realized profits of nearly $100,000. On review, the Court held that the partner-director was liable for his proportionate share of the investment banking firm's profit, but neither he nor his firm was held liable for the balance of the profits.

Justice Douglas dissented, contending that the firm itself, rather than the partner, should be treated as a director of the company and hence liable to it for the full $100,000. As he put it:

"We forget much history when we give [the statute] a strict and narrow construction. Brandeis in [his book] *Other People's Money* spoke of the office of "director" as "a happy hunting ground" for investment bankers. He said that "[t]he goose that lays golden eggs has been considered a most valuable possession. But even more profitable is the privilege of taking the golden eggs laid by somebody else's goose. The investment bankers and their associates now enjoy that privilege."

* * * * *

"What we do today allows all but one partner to share in the feast which the one places on the partnership table. They in turn can offer feasts to him in the 99 other companies on which they are directors. . . . This result is a dilution of the fiduciary principle that Congress wrote into . . . the Act." [21]

Once again, Douglas is devastatingly correct. I can only hope that the Court will one day follow his lead on this issue—and it has so often over the years.[22]

FOOTNOTES

*Professor of Law, Harvard University, B.A. 1939, LL.B. 1942, University of Washington. Law Clerk to Mr. Justice William O. Douglas, October Term 1942.

[1] Olsen *v.* Nebraska *ex rel.* Western Reference & Bond Ass'n, 313 U.S. 236 (1941).

[2] Wickard v. Filburn, 317 U.S. 111 (1942).

[3] United States v. Socony-Vacuum Oil Co., 310 U.S. 150 (1940).

[4] *Id.* at 221.

[5] United States v. Columbia Steel Co., 334 U.S. 495 (1948).

[6] *Id.* at 535–36.

[7] Standard Oil Co. v. United States, 337 U.S. 293 (1949).

[8] *Id.* at 319–21 (footnote omitted).

[9] U.S. CONST. art. I, § 8, cl. 8.

[10] Cuno Eng'r Corp. v. Automatic Devices Corp., 314 U.S. 84 (1941).

[11] *Id.* at 91.

[12] Great Atl. & Pac. Tea Co. v. Supermarket Equip. Corp., 340 U.S. 147 (1950).

[13] *Id.* at 156–58.

[14] Graham v. John Deere Co., 383 U.S. 1, 15–17 (1966). Just two years age, in Gottschalk v. Benson, 409 U.S. 63 (1972), Justice Douglas wrote for the Court to hold that the patent laws do not authorize a process patent on a mathematical formula for converting binary coded decimal numerals into pure binary numerals for use in programming digital computers. Frankly, I am not enough of a mathematician to understand the problem presented in this case. I was in enough trouble thirty years ago when, during the early days of my clerkship, the Justice asked me to write a memorandum explaining several of Marconi's patents, the validity of which were at issue in a case then before the Court. Marconi Wireless Tel. Co. v. United States, 320 U.S. 1 (1943). But my faith in Justice Douglas is such that I have not the slightest doubt that he fully comprehends everything about binary numerals.

[15] 395 U.S. 653, 668–71 (1969).

[16] Case v. Los Angeles Lumber Prods. Co., 308 U.S. 106 (1939).

[17] Consolidated Rock Prods. Co. v. Du Bois, 312 U.S. 510 (1941).

[18] Group of Institutional Investors v. Chicago, M., St. P. & Pac. R.R. Co., 318 U.S. 523 (1943).

[19] The opponents have succeeded to some extent before the federal Bankruptcy Commission, which recently submitted a report advocating a watering-down of the absolute priority rule. *See* H.R. Doc. No. 137, 93d Cong., 1st Sess., pt. I, 253–59 (1973). Legislation is necessary, however, before such change can be effected.

[20] 368 N.S. 403 (1962).

[21] *Id.* at 419–20 (footnote omitted).

[22] *See e.g.,* text accompanying note 15 *supra.*

JUSTICE DOUGLAS RETIRES

Mr. WILLIAMS. Mr. President, with the announcement by Justice William O. Douglas that he is retiring from the Supreme Court, we have witnessed the conclusion of one of the most remarkable careers in the history of American jurisprudence. I want to express my great admiration both for Justice Douglas' enormous contribution to our Nation, and for the tremendous courage he displayed right up to his last moments on the bench.

The impact which Justice Douglas has had on so many aspects of our society can be measured fully only by the perspective afforded to historians at a future date, but certainly it will prove to be very great. He sat on our highest court more than 36 years—longer than any other Justice. In addition, his career encompassed the leadership of one of our Federal Government's most important regulatory agencies—the Securities and Exchange Commission—and the authorship of numerous books.

Justice Douglas has, to put it mildly, never been timid about speaking when he perceives injustice. I was amused to read a comment attributed to Justice Black who, after working with him for many years, remarked that the first cry Justice Douglas uttered when he was born "must have been a protest against something he saw at a glance was wrong or unjust."

For three decades, Justice Douglas has been recognized as the great champion on the Supreme Court of individual rights, particularly of free speech. His very broad interpretation of the role of the Court, and of the constitutional protection of individual rights, has made him a hero to some, and a focal point for intense criticism to others. He has been defended passionately by his admirers, and attacked bitterly by his detractors, but always Justice Douglas has steered his own course according to his own guiding principles.

The Court has lost a great and independent voice, and the Nation a dedicated public servant. But I fervently hope that we shall benefit from Justice Douglas' great wisdom and keen perception for many more years.

HERITAGE-SOUTHWEST JEWISH PRESS

Mr. CRANSTON. Mr. President, in the world of publishers of small, independent newspapers a seemingly minor achievement often has significance far greater than the event itself.

Thus it is with a milestone celebrated this month by the 61-year-old Heritage-Southwest Jewish Press—the inauguration of full publication facilities at its Los Angeles plant.

A new press. That is, indeed, a noteworthy event in the life of any newspaper, but especially in the life of the small independent whose voice is vital to the life of our democracy.

For the Heritage it is another milestone—for it becomes the first independent Jewish publication in the English language to incorporate its own modern computerized offset press facility.

The new press, which formerly printed the prestigious Yale Review, will now complement the editorial excellence achieved under guidance of Herb Brin, founder, publisher and editor of Heritage, and his dedicated associates.

Heritage has been consistently honored for journalistic incisiveness and fearlessness. I am proud to join the large company of Heritage's readers and admirers among my fellow Californians and extend my warmest wishes to Mr. Brin and his staff for ever greater success and service in future years.

SENATOR CLINTON ANDERSON

Mr. WILLIAMS. Mr. President, I join my colleagues today in mourning the passing of former Senator Clinton P. Anderson of New Mexico. It was my great privilege to serve in this body for some 15 years with Clint Anderson, and I certainly shared in large measure the deep respect and affection which all those who knew him well, had for him.

Clinton Anderson first came to Congress as a Member of the House in 1941. He was twice reelected and served in the House until June, 1945, when he resigned to become Secretary of Agriculture in President Truman's Administration. In that capacity he was an advocate of the Marshall Plan of aid for post-war Europe, and time has certainly proven the wisdom of his stand.

In 1948, Clint Anderson was elected to the Senate. He was subsequently reelected three times and served a total of 24 years before retiring in January, 1973.

The interests to which Senator Anderson devoted his considerable energy were varied, and his accomplishments were many. Many remember him best for his pioneering efforts, through the Joint Committee on Atomic Energy, to advance the application of nuclear energy to peaceful purposes. In addition, as chairman of the Committee on Aeronautical and Space Sciences, he was an enthusiastic backer of the space program. Furthermore, he was one of the leading supporters of the often unorthodox views of Vice Adm. Hyman Rickover, a man whose vision has now been proven to have been most farsighted indeed.

Mr. President, I think my own strongest memories of Clinton Anderson involve his sponsorship of one of the most far-reaching and compassionate legislative programs ever enacted by Congress—medicare. Throughout the early 1960's, Clint persistently tried to enact legislation that would provide health care for the elderly—a cause that was at that time controversial, to say the least. Finally, in 1965, he co-authored a bill that formed the basis for the medicare program enacted later that year.

Throughout his life, Clinton Anderson suffered from ill health which included tuberculosis, Parkinson's disease, and diabetes. But he never allowed these great obstacles to stand in his way, and his outstanding achievements are all the more memorable for that. I know that all of us who knew and worked with Clint Anderson are deeply saddened by his death, and Mrs. Williams joins me in expressing our most heartfelt sympathy to his wife, Henrietta, and their children.

FISHERIES

Mr. McGEE. Mr. President, during testimony before the Senate Foreign Relations Committee's Subcommittee on Ocean and Atmospheric Affairs, the junior Senator from Alaska (Mr. GRAVEL) raised serious questions as to the effect of S. 961 on our fisheries treaties, international law and the on-going Law of the Sea negotiations.

Although most of the history of ocean fisheries was characterized by few universally accepted rules or principles governing national conduct, the past half-century has produced some legal principles which have become generally accepted as norms with which nations should comply.

In 1930, the French legal historian, Gidet, noted that conservation rules could be adopted by coastal states to maintain the supply of fish resources. However, such claims should not be exclusive, unilateral, or extend beyond a narrow coastal area. In 1945, President Truman proclaimed a fisheries conservation right on the "high seas contiguous to" the coast of the United States. However, Senator GRAVEL, in his testimony, pointed out this claim contained limitations of critical importance. The Truman claim was limited to areas in which only U.S. nationals fished and was limited only to U.S. nationals themselves. Furthermore, nothing in the claim was unilateral or exclusive, in that any conservation regulations for foreign fishing had to be undertaken by negotiations, and coastal fishing was not granted preferential rights. Thus, S. 961 contradicts both such principles as well as arbitration and dispute settlement procedures called for in the Truman proclamation.

The principles enunciated in the Truman proclamation were further clarified by the International Law Commission in 1956, which refused to recognize any exclusive rights of the coastal state to engage in fishing even within the contiguous zone. This principle, along with the Truman proclamation, became the basis for future U.S. bilateral and multilateral fisheries agreements.

In 1958 and 1960, the Geneva Law of the Sea Conference, while not coming to complete agreement, did codify international law on this matter. Louis Sohn, professor of law at Harvard University and one of the most respected legal scholars on these matters, recently stated:

> The 1960 Law of the Sea Conference showed there was a strong majority for a 12-mile fisheries zone extension, the disagreement being limited to the narrow issue of the manner of maintaining historical rights and the abstention of new entrants to coastal fishing. The practice of states since 1960 also shows there is general agreement that a state can extend its fishing limits to 12 miles. The International Court of Justice in the Icelandic Fisheries Cases expressly stated that 'such an extension appears now to be generally accepted.' On the other hand, there is no basis in customary international law for an extension of a fishing zone to 200 miles.

Most nations have adhered to the 1958 and 1960 conferences which are generally considered customary law. The fact that some states have not signed the Convention does not imply rejection of its terms. Louis Henkin, noted international lawyer states:

> Many states did not exist at the time, many are not coastal states or have fishing fleets. In any case, the principles of the Conservation Convention were generally acquiesced in when the treaty was made and have not been seriously challenged since.

In summary, customary law forbids the unilateral or exclusive claim to ocean space beyond a 12-mile contiguous zone.

Senator GRAVEL takes serious exception to the claim that since 1960, there has been a growing trend in international law toward more expansive claims to fisheries jurisdiction which would justify similar U.S. action. Proponents of this view further claim that such extended jurisdiction is useful both in preventing fisheries disputes and enforcing conservation principles.

However, in a recent article in the Reader's Digest, it was pointed out that it is precisely unilateral claims to ocean space that have had such disastrous effects on international relations.

The following are some of the examples cited:

Egypt, in contravention of international law, closed the strait of Tiran to Israeli shipping, setting into motion a war which has haunted the world since 1967.

Ecuadorean naval vessels seized American tuna boats fishing almost 200 miles off the coast of South America. Crews and boats were eventually released, but only after considerable injury and payment of millions of dollars in fines.

Iceland closed its rich fishing grounds to foreign fishermen for a distance of 50 miles. An ensuing "cod war" with Great Britain resulted in Icelandic gunboats and British trawlers exchanging shots and attempting to ram each other.

Certain nations have prepared to drill for underseas oil in the North Atlantic, turning a deaf ear to the protests of the Danish and Irish Government that such areas were not their property.

Mexico unilaterally proclaimed sovereign rights over ocean resources up to 200 miles, in effect preempting development of oil resources explored for by U.S. petroleum companies.

A U.S. mining concern, insisting that the ocean's resources are no one's property, announces it will take the precious minerals from the ocean floor without asking anyone's permission.

An enormous oil tanker collided with rocks in the English Channel, another in the Strait of Magellan. Hundreds of thousands of gallons of crude oil devastate adjoining coasts. Owners and officers go unpunished.

Fearing the effects of such pollution on her fragile northern ecology, Canada has declared the Northwest passage under her sole jurisdiction. If similar action were to be taken by other nations, 116 straits of the world would fall under the sovereignty of nations adjoining them. Spain and Morocco could decide what vessels can reach the Atlantic or Mediterranean through the Strait of Gibraltar. Indonesia and Malaysia could restrict commercial traffic through the Strait of Malacca, through which passes more than 80 percent of Japan's oil. Supertankers could be barred, imperiling $29 billion in U.S. oil shipments. Warships and nuclear submarines could be barred from straits, severely endangering our defense mobility and international peace. In short, freedom of the seas would become a source of potential conflict. This surely presents strong evidence that unilateral claims to ocean space represent potential conflict, rather than enhancing the cause of international peace.

In the recent Icelandic fisheries case, the International Court of Justice noted that existing international law did not grant to coastal states the right to extend is fisheries jurisdiction unilaterally or on an exclusive basis. Far from declaring such practice a growing trend, the court stated:

> The concept of preferential rights is NOT compatible with the exclusion of fishing activities of other states. A coastal state entitled to preferential rights is not free, unilaterally and according to its own uncontrolled discretion to determine the extent of those rights. The characterization of a coastal state's rights as preferential places a certain priority but cannot imply the extinction of the concurrent rights of other states.

The court identified two rules of customary law violated by the Icelandic claim.

First. A coastal state can only assert fisheries conservation jurisdiction over a coastal zone in a manner of recognizing the rights of other states fishing in the area; and

Second. Such fisheries zones, recognized as legitimate cannot be extended beyond 12 miles.

Furthermore, the court ruled that conservation regulations must be implemented by mutuality; and negotiations and the dispute settlement process in article 33 of the U.N. charter must be adopted to settle conflicts. As the court noted, such legislation, in unilaterally adopting and enforcing exclusive fisheries rights, violates both these principles:

> Iceland's unilateral action is an infringement of the principle enshrined in article two of the 1958 Geneva Convention on the High Seas which requires all states to pay reasonable regard to the interests of other states.

Finally, the court asserted that Iceland could neither assert nor enforce exclusive fisheries jurisdiction against either Great Britain or the Federal Republic of Germany.

While one can claim there is a growing awareness of the need for coastal state conservation control over fish resources contiguous to its shores, such control cannot be exclusive. The Law of the Sea Conference is attempting to define exactly what duties, as well as rights, a coastal state has within that zone, and not so much the mere extent of such a zone. Commercial navigation, military transit, pollution regulations, fisheries conservation, full utilization and recognition of historical fishing rights, as well as deep sea mining are all serious issues that must be resolved. I believe S. 961 would be injurious to this effort if enacted into law.

I ask unanimous consent that Senator GRAVEL's testimony before the Foreign Relations Committee be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EFFECT OF S. 961 ON U.S. FISHERIES TREATIES

Section 103(b) of S. 961 calls upon the Secretary of State to initiate negotiations to amend or terminate . . . agreements inconsistent with "the purposes, policy, and provisions of this Act." As a practical matter, this means that all our significant international treaties designed to protect our fisheries will have to be terminated. In short, S. 961 asks us to trade functional multilateral agreements for questionable unilateral claims that would be almost impossible to enforce.

S. 961 would undermine the freedoms of the high seas—navigation, overflight, fishing, and the laying of cables and pipelines—granted by the 1958 Geneva Convention on the High Seas, which we signed along with 43 other nations. Louis Sohn of Harvard Law School has said of S. 961: "The proposed legislation disregards the basic rule of international law, embodied in Article 2 of the Convention on the High Seas of 1958, which provides that in exercising its rights on the high seas each state must pay reasonable regard to the interests of other states in their exercise of the freedoms of the high seas, which include the freedom of fishing.

This was clearly stated by the International Court of Justice in the Fisheries Jurisdiction Case between the United Kingdom and Iceland." Any interference with the ocean transport of energy or military navigation would have serious effects on the U.S. economy and national security.

Professor Sohn also notes that the 1958 Geneva Convention on Fishing and Conservation of the Living Resources of the High Seas would be affected by S. 961. The legislation would violate our obligations under this Convention to follow its detailed provisions in dealing with fisheries conservation matters.

Below are quotes from respected authorities which show how our major fisheries treaties are inconsistent with S. 961, and therefore would have to be terminated if other signatories were not willing to amend them in accord with our unilateral actions.

1952 SALMON TREATY

"Certain provisions of S. 961, if implemented, make it impossible to comply with the Convention . . . would run counter to the letter or spirit of the Convention. For example, implementation of Section 101(b) of S. 961, calling for the exercise of exclusive fishery management authority over anadromous fish spawned in the United States, would appear to be inconsistent with what is implicit in Article V, paragraph 2, and the Annex of the Convention—that Japan is permitted to salmon, even of American origin, if they are west of the line of meridian 175° West Longitude. Also the exclusivity of the fishery conservation zone to be established would not be consistent with the participation of Canada in the framing of the "necessary conservation measures" contemplated by the Convention."

R. R. BAXTER,

Professor of Law, President of the American Society of International Law, Harvard University.

BRAZIL-U.S. SHRIMP TREATY

"I can think of no logical basis upon which we could return to the bargaining table with the Brazilians. You will have removed from the hands of the American shrimp industry the only real lever we have. We will, in effect, be going to the table to talk to the Brazilians not as negotiators but as purchasers. They will be saying to us 'We own the shrimp.' With S. 961 as law, how could the U.S. claim otherwise?"

BILL UTZ,

Executive Director, National Shrimp Congress.

U.S. TUNA TREATIES

"In our opinion, [S. 961] will destroy the IATTC (Inter-American Tropical Tuna Commission) and ICCAT (International Commission for the Conservation of Atlantic Tuna) and will make the creation of new international fisheries organizations an impossible dream. This opinion is supported by factual information developed during the 25 year history of the IATTC.

AUGUST FELANDO.

American Tunaboat Association.

ICNAF

"The proposed legislation would, in particular, violate the International Convention for the High Seas Fisheries in the North Atlantic, as the restrictions on foreign fishing and the unilateral conservation procedures provided for in the legislation do not conform to the provisions of the Convention"

LOUIS SOHN,

Professor of International Law, Harvard University

UNITED STATES FISHERIES TREATIES

Multilateral

International Convention for the Northwest Atlantic Fisheries, February 8, 1949.

International Convention for the Conservation of Atlantic Tunas, May 14, 1966.

Convention for the Establishment of an Inter-American Tropical Tuna Commission with Exchange of Notes, March 3, 1950, May 31, 1949.

International Convention for the High Seas Fisheries of the North Pacific Ocean, with Annex and Protocol, May 9, 1952.

LAW OF THE SEA

Convention on the Territorial Sea and the Contiguous Zone, April 29, 1958.

Convention on the High Seas, April 29, 1958.

Convention on Fishing and Conservation of the Living Resources of the High Seas, April 29, 1958.

Convention on the Continental Shelf, April 29, 1958.

Bilateral

Brazil

Agreement Concerning Shrimp, with Annexes, Agreed Minute and Exchanges of Notes, May 9, 1972.

Canada

Convention for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea, March 2, 1953.

Agreement on Reciprocal Fishing Privileges in Certain Areas Off the Coasts of the United States and Canada, June 15, 1973.

Agreement with Canada Concerning Reciprocal Fisheries Privileges, April 24, 1970.

Convention with Canada for the Preservation of the Halibut Fishery of the North Pacific Ocean and the Bering Sea, October 28, 1953.

Cuba

Convention for the Conservation of Shrimp, August 15, 1958.

Denmark

Agreement Relating to Conservation of Atlantic Salmon, July 6, 1972.

Japan

Agreement Concerning Certain Fisheries Off the Coast of the United States, December 24, 1974.

Agreement Concerning Salmon Fishing, December 24, 1974.

Agreement Concerning the King and Tanner Crab Fisheries in the Eastern Bering Sea, December 24, 1974.

Agreement with Japan on the King and Tanner Fisheries of the Eastern Bering Sea, November 25, 1964.

Agreement With Japan on the Contiguous Fishery Zone, May 9, 1967.

Romania

Agreement Regarding Fisheries in the Western Region of the Middle Atlantic Ocean with Related Letter, December 4, 1973.

Agreement with Romania on Fisheries in the Western Region of the Middle Atlantic Ocean, December 4, 1973.

Korea

Agreement Concerning the Improvement and Standardization of Shellfish Sanitation Practices and Exchanges of Information on Sanitary Controls Applied to the Production and Handling of Fresh or Frozen Oysters. Clams and Mussels, with Related Notes. November 24, 1972.

Poland

Agreement Regarding Fisheries in the Western Region of the Middle Atlantic Ocean, with Annexes and Agreed Minutes, June 2, 1973.

Agreement with Poland Regarding Fisheries in the Western Region of the Middle Atlantic Ocean, June 12, 1969.

USSR

Convention Regarding Navigation, Fishing and Trading on the Pacific Ocean and Along the Northwest Coast of America, April 17, 1824.

Agreement on Certain Fisheries Problems in the Northeastern Part of the Pacific Ocean Off the Coast of the United States, February 21, 1973.

Agreement Relating to Fishing for King and Tanner Crab with Appendix, February 21, 1973.

Agreement Relating to the Consideration of Claims Resulting From Damage to Fishing Vessels or Gear and Measures to Prevent Fishing Conflicts, with Annex and Protocol February 21, 1973.

Agreement with the U.S.S.R. on the Middle Atlantic Fishery, March 21, 1969.

Agreement with U.S.S.R. on Fisheries Operations in the Northeastern Pacific (Gear Conflict), December 14, 1964.

Agreement with the U.S.S.R. on the King and Tanner Crab Fisheries of the Eastern Bering Sea, February 5, 1965.

Agreement with U.S.S.R. on the Contiguous Fishery Zone, February 13, 1967.

Agreement with U.S.S.R. Concerning Claims Resulting from Damage to Fishing Vessels or Gear and Measures to Prevent Fishing Conflicts, February 21, 1973.

South Korea

Agreement with South Korea Concerning Cooperation in Fisheries December 12, 1972.

S. 961 VIOLATES INTERNATIONAL LAW

Claim: S. 961 is consistent with international law.

Fact: S. 961 makes *exclusive, unilateral* claims to ocean space. International law, however, forbids the unilateral or exclusive claim to ocean space beyond a 12 mile contiguous zone. Louis Sohn, Professor of International Law at Harvard University and a leading authority on ocean fisheries matters, states: "The practice of states since 1960 shows there is general agreement that a state can extend its fishing limits to 12 miles. . . . On the other hand, there is no basis in customary international law for an extension of a fishing zone to 200 miles."

Claim: The "Truman Proclamation" on fisheries conservation is a precedent for unilateral action recognized in international law.

Fact: President Truman proclaimed a fisheries conservation right on the "high seas contiguous to" the coast of the United States, at a time when international law was neither codified nor generally agreed to on this matter. Furthermore, this action was not taken in the midst of U.N. negotiations on the matter. In any case, the claim contained limitations of critical importance. It was limited to areas in which only U.S. nationals fished and it applied only to U.S. nationals. Any conservation regulations for foreign fishing had to be undertaken by negotiations.

Claim: S. 961 is consistent with a developing trend in international practice to more extensive claims to fisheries jurisdiction on the basis of "preferential rights" of coastal states.

Fact: In the recent Icelandic Fisheries Case, involving a unilateral claim to a 50-mile fisheries zone, the International Court of Justice noted that existing international law *did not* grant to coastal states the right to extend their jurisdictions unilaterally or on an exclusive basis. Far from declaring such practice a growing trend, the Court stated: "The concept of preferential rights is not compatible with the exclusion of fishing activities of other states. . . . A coastal state is not free, unilaterally and according to its own uncontrolled discretion to determine the extent of those rights. The characterization of a coastal state's rights as preferential places a certain priority but cannot imply the extinction of the concurrent rights of other states."

Claim: S. 961 will help further negotiations at the Law of the Sea by bringing pressure to reach an early agreement.

Fact: U.S. unilateral action, as contemplated in S. 961, will bring unilateral *retaliatory* action by other nations. It is naive to assume that a unilateral and *illegal* assertion over ocean space will be met with a hastened willingness to cooperate at the U.N. negotiations.

Moreover, the Law of the Sea Conference is attempting to define not just the *rights*, but also the *duties* of a coastal state. If the U.S. leads the parade of nations claiming rights like the 200 mile zone without equally claiming defined responsibilities, it stands to reason that other nations will follow, giving even less heed to responsibilities under the unilateral claim.

Commercial navigation, military transit, pollution control, fisheries conservation, full utilization and recognition of historical fishing rights, and deep sea mining all are serious issues that must be resolved. S. 961 will destroy these efforts, which are already well under way at the Law of the Sea Conference. In addition, our action will spur other nations to act in a like manner, each claiming a different right, over wider ocean areas, clearly antagonistic to each other. The clear consensus reached at the last Law of the Sea meeting in Geneva on fisheries, scientific research, pollution and ocean navigation would surely be shattered into a host of conflicting and incompatible national claims and assertions.

Claim: A unilateral 200-mile extension of our fisheries zone is consistent with U.S. action in 1966 which extended our fisheries jurisdiction to 12 miles.

Fact: The 200-mile extension cannot be justified on the basis of the 12-mile extension since the latter was in accord with international law. The 1958 and 1960 Geneva Conventions, while not universally adopted, did become generally accepted international law. Louis Sohn of Harvard Law School has said recently: "The 1960 Law of the Sea Conference showed there was a strong majority for a 12 mile fisheries zone extension, the disagreement being limited to the narrow issue of the manner of maintaining historical rights" and the abstention of new entrants to coastal fishing. "The practice of states since 1960 also shows there is general agreement that a state can extend its fishing limits to 12 miles." The International Court of Justice in the Icelandic Fisheries Cases expressly stated that the concept that had "crystalized as customary law . . . arising out of the general consensus revealed at the Conference," is that coastal states may claim fisheries jurisdiction "up to 12 miles"—an extension that "appears now to be generally accepted."

Louis Henkin, Professor of International Law at Columbia University and an expert on Law of the Sea matters put it this way: "the principles of the Geneva Conservation Convention were generally acquiesced in when the treaty was made and have not been seriously challenged today."

As the President of the American Society of International Law, R. R. Baxter, has written: "There is ample basis for concluding that the extension of our exclusive fisheries zone to twelve miles in 1966 was in accordance with international law and the practice of states."

"Although many nations, like our own, have indicated that they would like to see a 200-mile economic zone become accepted by treaty as the international law of the future, this does not mean that they have accepted it as existing international law without any treaty. I believe that a considerable majority of the Foreign Offices of the world, and of international law scholars and commentators, would agree that unilateral assertion of a 200-mile fisheries zone would violate international law today. And in the event that the question should come before the International Court of Justice, I think that Court would be likely to rule that the proposed unilateral fisheries zone violates the international law of 1975."

WILLIAM W. BISHOP,
Professor of International Law, Michigan University.

It is of course true that at the United Nations Law of the Sea Conference, "there has been much support for agreement on a 200 mile economic zone, but it is generally recognized that this is a proposal for new law which can be valid only on the basis of general agreement through treaty."

PHILIP JESSUP,
Former Justice, International Court of Justice.

"In my view, H.R. 200, if enacted, would not be consistent with the obligations of the United States under existing international law. It is established, and the International Court of Justice has recently reiterated (*in the Icelandic Fisheries Case*) that a coastal state cannot extend its exclusive fishing jurisdiction into the high seas at will, against all. In the *Icelandic* case the Court held that Iceland could not unilaterally assert even a 50 mile exclusive zone against the United Kingdom."

LOUIS HENKIN,
Columbia University, Professor of International Law.

"There is no question, in my mind, that such an extension would be invalid under international law and would violate the rights of other states. It would be in particular inconsistent with our various agreements on fisheries, especially the Northwest Atlantic Fisheries Convention. Such countries as the Soviet Union in the Atlantic and Japan in the Pacific could validly argue that their rights have been grossly violated by such action of the United States. Such legislation would also constitute a violation of the United States obligations under the Convention on Fishing and Conservation of the Living Resources of the High Seas, concluded in Geneva in 1958. This treaty provides various methods for safeguarding of a coastal nation's interests. The proposed legislation does not follow the detailed provisions of the Convention for dealing with the problem.

"In addition, the proposed legislation disregards the basic rule of international law, embodied in Article 2 of the Convention on the High Seas of 1958, which provides that in exercising its rights on the high seas each state must pay reasonable regard to the interests of other states in their exercise of the freedoms of the high seas, which include the freedom of fishing. This was clearly stated by the International Court of Justice in the Fisheries Jurisdiction Case between the United Kingdom and Iceland. As the Court noted, any legislation on the subject must be reasonable and equitable and should take into account the traditional fishing rights of other states. The proposed legislation does not fulfill these conditions."

LOUIS SOHN,
Harvard University, Professor of International Law.

"Very few states have extended their exclusive fisheries zones to 200 miles. What these few states have done does not reflect "international custom, as evidence of a general practice accepted as law," within the meaning of Article 38 of the Statute of the International Court of Justice, dealing with the sources of international law. The great majority of states have been much more restrained in their claims.

R. R. BAXTER,
Professor of Law, President of the American Society of International Law, Harvard University.

EFFECT OF S. 961 ON THE NEGOTIATIONS

Unilateral action on the part of the United States in proclaiming an exclusive and expansive fisheries zone will destroy the Law of the Sea Conference.

(1) We will legitimize past actions of other countries which have made extravagant claims to ocean space. By doing so, we sanction their claims to exclusive fisheries ownership, thus depriving our own tuna and shrimp industry of traditional fishing areas.

(2) We will unilaterally abrogate and terminate the treaties to which we are party and which are the law of the land. This will include existing bilateral and multilateral agreements, as well as the four Geneva Conventions of 1958 and 1960.

(3) We will fly in the face of the practice of 92 other coastal nations which claim 12 or less miles of fisheries zones. We will be sanctioning the claims of only 11 states—states which traditionally have neither obeyed nor accepted basic international legal principles.

(4) If the United States decides unilaterally what type of fisheries jurisdiction it wants, every other nation in the world will do the same. In fact, members of the Law of the Sea Conference—especially the poor, landlocked nations—may retaliate and jeopardize many critical U.S. security and economic interests. If the U.S. is not bound by its treaty commitments, why should other nations feel bound by law or treaty?

(5) S. 961 calls on other nations to provide traditional access to U.S. distant water fishermen. But how can we, in the U.S. Congress legislate unilaterally the possible future actions of other nations? We are providing an open invitation for all other nations to act in any manner they deem necessary to protect their fisheries or other ocean interests. How can we require them to act reasonably or adhere to good conservation practices and reasonable access? Forty percent of the entire ocean, almost half of the entire globe, will be subject to conflicting and antagonistic claims to ocean space. How can anyone assert that such claims will not torpedo the Law of the Sea Conference?

(6) A prime example of the disastrous results of unilateral action in disregard of treaty agreements is the 1973 unilateral declaration by the United States that the northern lobster was a "creature of the continental shelf" under the terms of the 1958 Convention, which had specifically decided to the contrary. That unilateral act by the United States was the justification recently given by the Bahamian Government when it declared the spiney lobster to be a creature of the shelf, thus depriving Florida of a $6 million lobster industry, reducing by 10% the total Florida fish industry, and causing the loss of jobs for 5,000 Floridians.

(7) If the United States, by legislative fiat, can declare the lobster a creature of the Continental Shelf, and declare a 200 mile fisheries zone (both contrary to international law and relevant conventions), why cannot other nations declare shrimp, for example, a creature of the shelf and thus cripple our $240 million shrimp industry, which fishes within 200 miles of their coasts? One cannot have unilateral cake and eat multilateral cake at the same time. We either honor agreements or we don't. We cannot pick and choose which segments of a multilateral agreement we will honor.

(8) Unilateral action by the United States will constitute a direct challenge to the U.N. and the recent resolution adopted in 1969 urging nations not to proclaim unilateral jurisdiction over ocean space. The United States will bear the brunt of accusations that we destroyed the conference and with it one of the most promising developments in the history of humankind. As a result, the emerging consensus toward a global regime to protect and wisely use the resources of the oceans will be shattered into a myriad of conflicting and antagonistic claims.

The above points are well summed up by Professor R. R. Baxter of Harvard University Law School, the current President of the American Society of International Law:

"If the United States were to move unilaterally, many other countries would feel free—indeed obliged **to carve out their own** maritime claims so that they would not be left behind. The flood gates would be open to every sort of unilateral claim that the U.S. has been resisting over the last decade—to 200 miles territorial seas, to control and restriction of traffic through straits, to deep-ocean resources, to uneconomic and politically motivated controls over shipping . . . Unilateral action by the U.S. will be taken as a signal that the U.S. is not really interested in a general multilateral agreement, because the very idea of that sort of agreement is inconsistent with the assertion of unilateral claims by coastal nations. Other nations will rightly conclude that we say one thing and do another. Our actions will speak louder than our words. The frustration and anger of our friends and the joy of those who have been making extravagant unilateral claims all along will be enhanced by the thought that the United States which has been preaching multilateralism under a treaty for the past decade, has gone unilateral. Such action would be the destruction of the Law of the Sea Conference."

"If one nation goes unilateral and then every other nation starts going unilateral, then if these unilateral actions don't mesh and if some nations don't recognize it and abrogate their existing agreements, then we are likely to have chaos and then we are likely to be hurt worse than we are now."

Henry Kissinger.

"We have contested the right of other states unilaterally to claim 200-mile zones for whatever purpose. If we take such unilateral action, we will be discredited and our word will be questioned on other matters as well. Anyone who objects to unilateral price controls of oil by OPEC should object to unilateral control of fisheries on the high seas which for centuries have been considered the common property of all nations. Unilateral action by the United States of this kind would stimulate and justify like action by other states to the injury, not only of the international processes, but also to our own economic interests which insist on freedom of the seas."

Philip Jessup,
Former Judge, International Court of Justice.

"I do not believe anyone would seriously suggest that unilateral action by a significant number of influential nations will help establish an atmosphere favorable to agreement. To the contrary, it is much more likely that the willingness of these nations to seek their own interests through unilateral action will discourage and dampen the positive attitudes that are part of a favorable negotiating climate. More concretely, these actions may harden previously flexible positions and cast doubt upon the inclination, and even the capacity, of some states to reach necessary compromises."

William T. Burke,
Professor of Law, University of Washington.

"Furthermore, the United States, subsequent to passage of this legislation, would be highly vulnerable to counterattack by those states who wish to act unilaterally on law of the sea matters in general and abandon the UN negotiations. No one that I know who is concerned with and has participated in international negotiations, believes that the status quo is changed during the course of negotiations. Unilateral action in anticipation of a negotiated agreement would subject the UN Conference to interminable delay and stalling tactics by nations unwilling to come to an effective and equitable agreement. It would be the height of folly for the United States to take action inconsistent with basic principles of international law and the international negotiating process."

Covey Oliver,
Professor of International Law, University of Pennsylvania.

"I believe that unilateral extension of jurisdiction by the United States at this time could jeopardize international negotiations because of the complex nature of the negotiations and of the various issues at stake. It will be much more difficult to conduct research, and that research will become significantly more expensive. Yet the results of marine scientific research are increasingly necessary both for managing the harvest of living resources and for protecting the marine environment. Unilateral action by the United States is likely to lead to a universal regime of unilaterally extended zones of differing character, making it even more difficult than now to negotiate a uniform regime in which the international community retains a number of rights, including that of carrying out marine scientific research."

Warren Wooster,
Dean, School of Marine and Atmospheric Science, University of Miami.

"One possible approach would have been to allow the development of international law for the oceans, including the law relating to navigation, resource development, fisheries, protection of the marine environment, and scientific research, to proceed through the practice of states, growing into international customary law. A new pattern of order might have emerged late in this century or early in the next through the establishment of an equilibrium between these demands and the resistance of the international community or individual states. But the period of readjustment would have been one characterized by chaos and conflict as states asserted their interests and resisted the claims of others. Open violence could have been expected on numerous occasions, any one of which might turn out to be the spark igniting a global conflict. The other possible strategy—the course adopted by the United States—was to seek the timely establishment of a pattern of order, fairness, and stability in the oceans in the form of a widely accepted treaty arrangement governing the major uses of the oceans. The election of that course reflected a conviction that the United States has in the long run more to gain through the creation of stability and order than through a process of confrontation. H.R. 200 is thus not simply a case of doing now what will ultimately be done anyway under the terms of the treaty. In the words of the popular song of years ago "It's not what you do but the way that you do it." There is a world of difference between a generally agreed 200-mile economic zone, with jurisdiction over the coastal species, under the terms of a general international agreement, and a unilateral grab of a 200-mile fisheries zone, which would be the signal for other states to lay even more sweeping claims over the 200-mile zone, up to and including a 200-mile territorial sea claim. An impatient claim to 200 miles by the United States would thus, under the most optimistic prediction, gain us protection of certain fisheries one year or so earlier than might otherwise be the case. At the worst, it could be the downfall of the Law of the Sea Conference and the destruction of any immediate prospect of a treaty. The price would be the exclusion of our merchant vessels and Navy from large areas of the ocean and the end of certain of our distant-water fisheries—all for having one or two years earlier what we are going to get anyway. That, in my submission, would be the height of folly. [It] 961 is fundamentally incompatible with the realization of a sound, workable, and lasting legal regime for the oceans."

R. R. Baxter,
President of American Society of International Law.

"As the world's leading maritime power, the United States has a very great interest both in establishing an agreed international order for the oceans, and in retaining, as far as possible, freedom of action of all nations throughout the ocean realm. On the other hand, it would be much against our interest for different coastal states each to declare its own version of sovereignty, or jurisdiction short of sovereignty, over an area which might extend several hundred miles off its coast."

Richard Rovere,
Director, Center for Population Studies, Harvard.

"I believe that enactment of such legislation at the present time would seriously jeopardize the chances of our coming out of the current Third United Nations Law of the Sea Conference with the type of treaty which we want and need. Having in mind the difficulties of reaching world-wide consensus on the many important law-of-the-sea issues involved in the current efforts to reach international agreement and frame a "constitution" for the oceans, I believe that the proposed unilateral action by the United States would make it very much more difficult, if not impossible, for the Conference to produce such a treaty which meets our needs."

William Bishop,
Professor of International Law, Michigan University.

"At the close of the Geneva session of the Law of the Sea Conference last spring, Ambassador Amerasinghe, President, to refrain from taking unilateral action in the wake of the Geneva meeting. It would be ironical if the United States, which for so long has supported the principles of international cooperation, should be among the first countries to respond to Conference President's plea by adopting a contrary course of action."

Lewis Alexander,
Director, Law of the Sea Institute, University of Rhode Island.

Progress of Law of the Sea Negotiations

Why have so many members of Congress and the press misinterpreted the progress at the recent Law of the Sea Conferences? I belive it is due to a fundamental misunderstanding of the nature of international negotiations which lead to legislation as opposed to congressional and state legislative practice.

The Law of the Sea Conference in the closing days of its last session in Geneva produced a document called a single negotiating text.

Many people have assumed this text to be like a bill introduced in Congress. They thus conclude that the legislative process is just beginning.

However, this text is not like a bill just beginning its way through the labyrinth of the legislative process. Since international bodies have no sovereignty, they can only proceed to decision by consensus. Before a document can surface in an international conference it must have already traveled the long and tortuous route of negotiations in order to secure a consensus.

The text, floated at the end of the session in Geneva, was just that kind of a document. This text has 80% to 90% agreement within the conference.

Many criticis of the Law of the Sea contend that it has met for years and produced nothing. The fact is that the Law of the Sea Conference has met for a total of 20 weeks; 2 weeks for organization in New York, 9 weeks in Caracas, both in 1974 and 9 weeks in Geneva in 1975. Thus, the total negotiating time for this conference representing the largest convocation of nations in history of mankind, dealing with a subject as complex as one can find, is only 20 weeks.

Comparing this record to that of the U.S. Congress' record on energy for the last 3 years, the Law of the Sea Conference's progress has been remarkable.

"The Geneva Session of the Law of the Sea Conference has done much to vindicate the wisdom of the multilateral approach to the law of the sea, after the somewhat discouraging start at the first and second sessions in New York and Caracas. The work product of the Second Committee, which is dealing with fisheries among other things, has been described as being 90% what the final treaty will look like. The same can be said of the work of the Third Committee, which concerns itself with the protection of the marine environment and scientific research. The regime for the deep sea-bed is still very much in dispute, but substantial progress has been made on dispute-settlement."

"We can look forward with a good deal of confidence to the striking of an overall bargain on the law of the sea, especially if the problem of the deep sea-beds drops away. There is every reason to be optimistic about the outcome of the New York Session in 1976. Provisions implementation of a number of provisions, including those on fisheries, before the overall treaty comes into effect will permit the prompt effectuation of the regime agreed upon by the participants in the Third Law of the Sea Conference."

R. R. BAXTER,
President, American Society of International Law, Harvard Law School.

LAW OF THE SEA SINGLE NEGOTIATING TEXT—ARTICLES RELATIVE TO 200-MILE ECONOMIC ZONE AND HOST COUNTRY CONTROL OF ANADROMOUS FISH

ARTICLE 45

1. In an area beyond and adjacent to its territorial sea, described as the exclusive economic zone, the coastal State has:

(a) sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, whether renewable or non-renewable, of the bed and subsoil and the superjacent waters;

(b) exclusive rights and jurisdiction with regard to the establishment and use of artificial islands, installations and structures;

(c) exclusive jurisdiction with regard to:

(i) other activities for the economic exploitation and exploration of the zone, such as the production of energy from the water, currents and winds; and

(ii) scientific research;

(d) jurisdiction with regard to the preservation of the marine environment, including pollution control and abatement;

(e) other rights and duties provided for in the present Convention.

2. In exercising its rights and performing its duties under the present Convention in the exclusive economic zone, the coastal State shall have due regard to the rights and duties of other States.

3. The rights set out in this article shall be without prejudice to the provisions of Part IV.

ARTICLE 46

The exclusive economic zone shall not extend beyond 200 nautical miles from the baseline from which the breadth of the territorial sea is measured.

ARTICLE 47

1. All States, whether coastal or landlocked, shall, subject to the relevant provisions of the present Convention, enjoy in the exclusive economic zone the freedoms of navigation and overflight and of the laying of submarine cables and pipelines and other internationally lawful uses of the sea related to navigation and communication.

2. The provisions of articles 74, 76 to 97 and 100 to 102 and other pertinent rules of international law shall apply to the exclusive economic zone in so far as they are not incompatible with the provisions of this Part.

3. In cases where the present Convention does not attribute rights or jurisdiction to the coastal State or to other States within the exclusive economic zone, and a conflict arises between the interests of the coastal State and any other State or States, the conflict should be resolved on the basis of equity and in light of all the relevant circumstances, taking into account the respective circumstances, taking into account the respective importance of the interests involved to the parties as well as to the international community as a whole.

4. In exercising their rights and performing their duties under the present Convention in the exclusive economic zone, States shall have due regard to the rights and duties of the coastal State and shall comply with the laws and regulations enacted by the coastal State in conformity with the provisions of this Part and other rules of international law.

ARTICLE 50

1. The coastal State shall determine the allowable catch of the living resources in its exclusive economic zone.

2. The coastal State, taking into account the best evidence available to it, shall ensure through proper conservation and management measures that the maintenance of the living resources in the exclusive economic zone is not endangered by over-exploitation. As appropriate, the coastal State and relevant subregional, regional and global organizations shall co-operate to this end.

3. Such measures shall also be designed to maintain or restore populations of harvested species at levels which can produce the maximum sustainable yield, as qualified by relevant environmental and economic factors, including the economic needs of coastal fishing communities and the special requirements of developing countries, and taking into account fishing patterns, the interdependence of stocks and any generally recommended subregional, regional or global minimum standards.

4. In establishing such measures the coastal State shall take into consideration the effects on species associated with or dependent upon harvested species with a view to maintaining or restoring populations of such associated or dependent species above levels at which their reproduction may become seriously threatened.

5. Available scientific information, catch and fishing efforts statistics, and other data relevant to the conservation of fish stocks shall be contributed and exchanged on a regular basis through subregional, regional and global organizations where appropriate and with participation by all States concerned, including States whose nationals are allowed to fish in the exclusive economic zone.

ARTICLE 51

1. The coastal State shall promote the objective of optimum utilization of the living resources in the exclusive economic zone without prejudice to the provisions of article 50.

2. The coastal State shall determine its capacity to harvest the living resources of the exclusive economic zone. Where the coastal State does not have the capacity to harvest the entire allowable catch, it shall, through agreements or other arrangements and pursuant to the terms, conditions and regulations referred to in paragraph 4, give other States access to the surplus allowable catch.

3. In granting access to other States to its exclusive economic zone under this article, the coastal State shall take into account all relevant factors, including, *inter alia*, the significance of the renewable resources of the area to the economy of the coastal State concerned and its other national interests, the provisions of articles 57 and 58, the requirements of developing countries in the subregion or region in harvesting part of the surplus and the need to minimize economic dislocation in States whose nationals have habitually fished in the zone or which have made substantial efforts in research and identification of stocks.

4. Nationals of other States fishing in the exclusive economic zone shall comply with the conservation measures and with the other terms and conditions established in the regulations of the coastal States. These regulations shall be consistent with the provisions of the present Convention and may relate, *inter alia*, to the following:

(a) licensing of fishermen, fishing vessels and equipment, including payment of fees and other forms of renumeration, which, in the case of developing coastal States, may consist of adequate compensation in the field of financing, equipment and technology relating to the fishing industry;

(b) determining the species which may be caught, and fixing quotas of catch, whether in relation to particular stocks or groups of stocks or catch per vessel over a period of time or to the catch by nationals of any State during a specified period;

(c) regulating seasons and areas of fishing, the types, sizes and amount of gear, and the numbers, sizes and types of fishing vessels that may be used;

(d) fixing the age and size of fish and other species that may be caught;

(e) specifying information required of fishing vessels, including catch and efforts statistics and vessel position reports;

(f) requiring, under the authorization and control of the coastal State, the conduct of specified fisheries research programes and regulating the conduct of such research, including the sampling of catches, disposition of samples and reporting of associated scientific data;

(g) the placing of observers or trainees on board such vessels by the coastal State;

(h) the landing of all or any part of the catch by such vessels in the ports of the coastal State;

(i) terms and conditions relating to joint ventures or other co-operative arrangements;

(j) requirements for training personnel and transfer of fisheries technology including enhancement of the coastal State's capability of undertaking fisheries research;

(k) enforcement procedures.

5. Coastal States shall give due notice of conservation and management regulations.

ARTICLE 52

1. Where the same stock or stocks of associated species occur within the exclusive economic zones of two or more coastal States, these States shall seek either directly or through appropriate subregional or regional organizations to agree upon the measures necessary to co-ordinate and ensure the conservation and development of such stocks without prejudice to the other provisions of this Part.

2. Where the same stock or stocks of associated species occur both within the exclusive economic zone and in an area beyond and adjacent to the zone, the coastal State and the States fishing for such stocks in the adjacent area shall seek either directly or through appropriate subregional or regional organizations to agree upon the measures necessary for the conservation of these stocks in the adjacent area.

ARTICLE 54

1. Coastal States in whose rivers anadromous stocks originate shall have the primary interest in and responsibility for such stocks.

2. The State of origin of anadromous stocks shall ensure their conservation by the establishment of appropriate regulatory measures for fishing in all waters within its exclusive economic zone and for fishing provided for in paragraph 3(b). The State of origin may, after consultation with other States fishing these stocks, establish total allowable catches for stocks originating in its rivers.

3. (a) Fisheries for anadromous stocks shall be conducted only in the waters within

exclusive economic zones, except in cases where this provision would result in economic dislocation for a State other than the State of origin.

(b) The State of origin shall co-operate in minimizing economic dislocation in such other States fishing these stocks, taking into account the normal catch and the mode of operations of such States, and all the areas in which such fishing has occurred.

(c) States referred to in sub-paragraph (b), participating by agreement with the State of origin in measures to renew anadromous stocks, particularly by expenditures for that purpose, shall be given special consideration by the State of origin in the harvesting of stocks originating in its rivers.

(d) Enforcement of regulations regarding anadromous stocks beyond the exclusive economic zone shall be by agreement between the State of origin and the other States concerned.

4. In cases where anadromous stocks migrate into or through the waters within the exclusive economic zone of a State other than the State of origin, such State shall co-operate with the State of origin with regard to the conservation and management of such stocks.

5. The State of origin of anadromous stocks and other States fishing these stocks shall make arrangements for the implementation of the provisions of this article, where appropriate, through regional organizations.

ARTICLE 55

1. A coastal State in whose waters catadromous species spend the greater part of their life cycle shall have responsibility for the management of these species and shall ensure the ingress and egress of migrating fish.

2. Harvesting of catadromous species shall be conducted only in waters in respect of which the State mentioned in paragraph 1 exercises sovereign rights over the living resources and, when conducted in the exclusive economic zone, shall be subject to the provisions of the present Convention concerning fishing in the zone.

3. In cases where catadromous fish migrate through the waters of another State or States, whether as juvenile or maturing fish, the management of such fish shall be regulated by agreement between the State mentioned in paragraph 1 and the State or States concerned. Such agreement shall ensure the rational management of the species and take into account the responsibilities of the State mentioned in paragraph 1 for the maintenance of these species.

ARTICLE 60

1. The coastal State may, in the exercise of its sovereign rights to explore, exploit, conserve and manage the living resources in the exclusive economic zone, take such measures, including boarding, inspection, arrest and judicial proceedings, as may be necessary to ensure compliance with the laws and regulations enacted by it in conformity with the provisions of the present Convention.

2. Arrest vessels and their crews shall be promptly released upon the posting of reasonable bond or other security.

3. Coastal State penalties for violations of fisheries regulations in the exclusive economic zone may not include imprisonment, in the absence of agreement to the contrary by the States concerned, or any other form of corporal punishment.

4. In cases of arrest or detention of foreign vessels the coastal State shall promptly notify, through appropriate channels, the State of registry of the action taken and of any penalties subsequently imposed.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, has morning business expired?

The PRESIDING OFFICER. Morning business has expired.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Under the previous order, the majority leader or his designee is recognized to call up H.R. 9861.

Mr. MANSFIELD. Mr. President, I seek recognition, but I yield first to the distinguished Senator from Wisconsin (Mr. Proxmire).

HOME MORTGAGE DISCLOSURE ACT OF 1975

Mr. PROXMIRE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1281.

The PRESIDING OFFICER laid befor the Senate the amendments of the House of Representatives to the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing.

(The amendments of the House are printed in the Record of October 31, 1975, beginning at page 34579.)

Mr. PROXMIRE. Mr. President, I move that the Senate disagree to the amendments of the House and request a conference with the House on the disagreeing votes of the two Houses thereon and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. Glenn) appointed Mr. Proxmire, Mr. Sparkman, Mr. Williams, Mr. McIntyre, Mr. Cranston, Mr. Tower, Mr. Brooke, and Mr. Packwood conferees on the part of the Senate.

Mr. PROXMIRE. Mr. President, I thank the majority leader.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent to call up Calendar No. 432, H.R. 9861.

The PRESIDING OFFICER (Mr. Stone). The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments.

The PRESIDING OFFICER. The clerk willl report the first committee amendment.

The assistant legislative clerk read as follows:

On page 2, in line 12, strike out the figure and insert in lieu thereof $8,185,666,000.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill, as amended, be considered as original text for the purpose of further amendment, with the understanding that no points of order be considered as having been waived by reason thereof.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments agreed to en bloc are as follows:

On page 2, in line 12, strike out "$8,162,738,000" and insert "$8,185,666,000".

On page 2, in line 14, strike out "$2,062,994,000" and insert "$2,064,644,000".

On page 2, in line 23, strike out "$5,721,114,000" and insert "$5,722,484,000".

On page 3, in line 1, strike out "$1,451,568,000" and insert "$1,451,878,000".

On page 3, in line 10, strike out "$1,802,843,000" and insert "$1,810,335,000".

On page 3, in line 12, strike out "$459,863,000" and insert "$460,190,000".

On page 3, in line 21, strike out "$7,262,661,000" and insert "$7,244,884,000".

On page 3, in line 24, strike out "$1,777,928,000" and insert "$1,764,481,000".

On page 4, in line 8, strike out "$468,700,000" and insert "$469,357.000".

On page 4, in line 10, strike out "$168,120,000" and insert "$164,527,000".

On page 4, in line 19, strike out "$204,390,000" and insert "$189,450,000".

On page 4, in line 21, strike out "$61,935,000" and insert "$54,715,000".

On page 5, in line 5, strike out "$69,320,000" and insert "$71,983,000".

On page 5, in line 7, strike out "$27,850,000" and insert "$28,313,000".

On page 5, in line 16, strike out "$157,500-000" and insert "$152,700,000".

On page 5, in line 18, strike out "$48,260,000" and insert "$47,160,000".

On page 6, in line 11, strike out "$211,218,000" and insert "$212,318,000".

On page 7, in line 12, strike out "$6,984,830,000" and insert "$7,109,630,000".

On page 7, in line 22, strike out "$1,752,542,000" and insert "$1,795,442,000".

On page 8, in line 8, strike out "$7,974,615,000" and insert "$8,108,615,000".

On page 8, in line 22, strike out "$2,121,157,000" and insert "$2,133,557,000".

On page 9, in line 4, strike out "$492,910,000" and insert "$499,210,000".

On page 9, in line 8, strike out "$125,500,000" and insert "$125,856,000".

On page 9, in line 17, strike out "$7,437,079,000" and insert "$7,586,479,000".

On page 10, in line 4, strike out "$1,906,245,000" and insert "$1,897,495,000".

On page 10, beginning with line 8, strike out

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency), as authorized by law; as follows: for the Secretary of Defense activities, $783,653,000, of which $515,041,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services, and $206,791,000 shall be available only for Overseas Dependents Education; for the organization of the Joint Chiefs of Staff, $11,699,000; for the Office of Information for the Armed Forces, $16,242,000; for the Defense Contract Audit Agency, $68,423,000; for the Defense Investigative Service, $21,997,000; for the Defense Mapping Agency, $173,332,000; for the Defense Nuclear Agency, $22,609,000; for the Uniformed Services University of the Health Sciences, $3,981,000; for the Defense Supply Agency, $791,754,000; and for intelligence and communications activities, $566,941,000; in all: $2,460,631,000: Provided, That of the total amount of this appropriation, not to exceed $9,208,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: Provided further, That not less than $26,000,000 of the total amount of this appropriation shall be available only for the maintenance of real property facilities: Provided further, That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

For "Operation and maintenance, Defense agencies" for the period July 1, 1976, through September 30, 1976, as follows: for the Secretary of Defense activities, $193,135,000, of which $130,358,000 shall be available only for the Civilian Health and Medical Program of the Uniformed Services, and $47,618,000 shall be available only for Overseas Dependents Education; for the organization of the Joint Chiefs of Staff, $3,057,000; for the Office of Information for the Armed Forces, $4,097,000; for the Defense Contract Audit Agency, $17,412,000; for the Defense Investigative Service, $5,444,000; for the Defense Mapping Agency, $43,230,000; for the Defense Nuclear Agency, $5,603,000; for the Uniformed Services University of the Health Sciences, $1,254,000; for the Defense Supply Agency, $202,955,000; for intelligence and communications activities, $147,738,000; in all: $623,925,000, of which not to exceed $1,964,500 can be used for emergencies and extraordinary expenses: *Provided,* That the Secretary of Defense may transfer up to 3 per centum of the amount of any subdivision of this appropriation to any other subdivision of this appropriation, but no subdivision may thereby be increased by more than 5 per centum and the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority.

And insert in lieu thereof:

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments and the Defense Civil Preparedness Agency) as authorized by law; including not to exceed $9,208,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes; $2,497,876,000, of which $527,741,000 shall be available only for the Civilian Health and Medical Program of the Uniform Services, and $214,766,000 shall be available only for Overseas Dependents Education: Provided, That not less than $26,000,000 of this appropriation shall be available only for the maintenance of real property facilities.

For "Operation and maintenance, Defense agencies" for the period July 1, 1976, through September 30, 1976, including not to exceed $1,964,500 which can be used for emergencies and extraordinary expenses; $631,855,000, of which $131,558,000 shall be available only for the civilian health and medical program of the uniformed services, and $51,268,000 shall be available only for overseas dependents education.

On page 13, in line 20, strike out "$305,760,000" and insert "$311,460,000".

On page 13, in line 21, strike out "$25,500,000" and insert "$15,500,000".

On page 13, in line 25, strike out "$91,400,000" and insert "$91,100,000".

On page 14, in line 8, strike out "$281,525,000" and insert "$288,125,000".

On page 14, in line 13, strike out "$73,550,000" and insert "$73,250,000".

On page 14, in line 21, strike out "$11,900,000" and insert "$12,000,000".

On page 15, in line 10, strike out "$327,330,000" and insert "$318,530,000".

On page 15, in line 15, strike out "$83,190,000" and insert "$79,590,000".

On page 16, in line 6, strike out "$649,930,000" and insert "$650,330,000".

On page 16, in line 12, strike out "$174,385,000" and insert "$173,285,000".

On page 17, in line 5, strike out "$690,000,000" and insert "$703,400,000".

On page 17, in line 10, strike out "$181,500,000" and insert "$181,200,000".

On page 17, beginning with line 11, strike out:

Army Stock Fund

For the Army stock fund, $94,000,000.

Navy Stock Fund

For the Navy stock fund, $42,000,000.

Marine Corps Stock Fund

For the Marine Corps stock fund, $8,700,000.

Air Force Stock Fund

For the Air Force stock fund, $82,100,000.

On page 17, in line 20, strike out "$250,000,000" and insert "$88,000,000".

On page 17, beginning with line 21, insert:

National Board for the Promotion of Rifle Practice, Army

For the necessary expenses, in accordance with law, for construction, equipment, and maintenance of rifle ranges; the instruction of citizens in marksmanship; the promotion of rifle practice; and the travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions, $233,000, of which amount not to exceed $7,500 shall be available for incidental expenses of the National Board; and without charge to this appropriation, not to exceed $280,000 worth of ammunition may be issued under authority of title 10, United States Code, section 4311.

On page 21, in line 4, strike out "$385,100,000" and insert "$422,600,000".

On page 21, in line 8, strike out "$41,600,000" and insert "$42,600,000".

On page 22, in line 1, strike out "$881,400,000" and insert "$918,700,000".

On page 22, in line 23, strike out "$615,500,000" and insert "$637,200,000".

On page 23, in line 2, strike out "$164,100,000" and insert "$252,800,000".

On page 23, in line 23, strike out "$898,400,000" and insert "$930,500,000".

On page 25, in line 6, strike out "$1,155,100,000" and insert "$1,190,100,000".

On page 25, in line 10, strike out "$314,200,000" and insert "$329,200,000".

On page 26, in line 2, strike out "$602,600,----" and insert $641,300,000".

On page 26, in line 6, strike out "two" and insert "one";

On page 26, in line 6, strike out "tenders" and insert "tender,";

On page 26, in line 7, strike out "$364,500,000" and insert "$201,900,000";

On page 26, in line 7, strike out ", and in addition, $9,500,000 which shall be derived by transfer from "Ship building and conversion, Navy, 1975/1979"";

On page 26, in line 10, strike out "$212,100,000" and insert "$239,400,000";

On page 26, in line 13, strike out "$25,400,000" and insert "$36,200,000";

On page 26, in line 14, strike out "$826,300,000" and insert "$932,400,000";

On page 26, in line 18, strike "$3,832,700,000" and insert "$3,853,000";

On page 26, in line 18, strike "$85,500,000" and insert "$75,000,000";

On page 28, in line 1, strike "$1,810,100,000" and insert "$1,872,700,000";

On page 28, in line 4, strike "$460,100,000" and insert "$469,900,000";

On page 28, in line 17, strike "$275,900,000" and insert "$281,000,000";

On page 29, in line 12, strike "$3,933,200,000" and insert "$3,933,700,000";

On page 29, in line 17, strike "$818,400,000" and insert "$803,100,000";

On page 30, in line 9, strike "$1,694,600,000" and insert "$1,739,500,000";

On page 30, in line 13, strike "$232,000,000" and insert "$245,900,000";

On page 31, in line 6, strike "$2,010,400,000" and insert "$2,133,800,000";

On page 31, in line 10, strike "$345,700,000" and insert "$385,000,000";

On page 32, in line 2, strike "$203,100,000" and insert "$120,100,000";

On page 32, in line 6, strike "$39,600,000" and insert "$20,900,000";

On page 32, in line 18, strike "$1,922,833,000" and insert "$1,995,596,000";

On page 32, in line 23, strike "$464,774,000" and insert "$512,451,000";

On page 33, in line 6, strike out "$3,146,050,000" and insert "$3,269,880,000".

On page 33, in line 11, strike out "$801,419,000" and insert "$826,579,000".

On page 33, in line 18, strike out $3,591,266,000" and insert "$3,584,406,000".

On page 33, in line 23, strike out "$906,946,000" and insert "$900,014,000".

On page 34, in line 10, strike out "$599,100,000" and insert "$557,200,000".

On page 35, in line 3, strike out "$147,000,000" and insert "$138,700,000".

On page 38, in line 14, strike out "$206,791,000" and insert "$214,766,000".

On page 38, in line 15, strike out "$47,618,000" and insert "$51,268,000".

On page 48, in line 24, strike out "including stainless steel flatware,".

On page 49, in line 6, strike out "including stainless steel flatware".

On page 53, in line 5, strike out "$50,000" and insert "$75,000".

On page 57, in line 2, strike out "three hundred and ninety six" and insert "two hundred and fifty".

On page 58, in line 13, strike out "85" and insert "90".

On page 58, in line 22, strike out "50-mile" and insert "30-mile".

On page 58, beginning with line 24, strike out

SEC. 751. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions of section 1079(a) of title 10, United States Code, shall be available for (a) services of pastoral counselors, or family and child counselors, or marital counselors, (b) special education, except when provided as secondary to the active psychiatric treatment on an institutional inpatient basis, (c) therapy or counseling for sexual dysfunctions or sexual inadequacies, (d) treatment of obesity when obesity is the sole or major condition treated, (e) reconstructive surgery justified solely on psychiatric needs including, but not limited to, mammary augmentation, face lifts, and sex gender changes, (f) perceptual or visual training, or (g) any other service or supply which is not medically necessary to diagnose and treat a mental or physical illness, injury, or bodily malfunction as diagnosed by a physician.

And insert in lieu thereof:

SEC. 751. None of the funds contained in this Act available for the Civilian Health and Medical Program of the Uniformed Services under the provisions of section 1079(a) of title 10, United States Code, shall be available for (a) special education, except when provided as secondary to the active psychiatric treatment on an institutional inpatient basis, (b) therapy or counseling for sexual dysfunctions or sexual inadequacies, (c) treatment of obesity when obesity is the sole or major condition treated, (d) reconstructive surgery justified solely on psychiatric needs including, but not limited to, mammary augmentation, face lifts, and sex gender changes, or (e) any other service or supply which is not medically or psychologically necessary to diagnose and treat a mental or physical illness, injury, or bodily malfunction as diagnosed by a physician, dentist, or a clinical psychologist.

On page 60, beginning with line 7, strike out:

SEC. 752. None of the funds appropriated in this Act may be expended bv the Department of the Army for the design, procurement of plant equipment, or construction of new ammunition plant facilities except in areas in which existing ammuniton plant facilities are being closed, placed in layaway, or at which production has been curtailed.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. McCLELLAN. Mr. President, the

Committee on Appropriations has carefully examined H.R. 9861, this year's defense appropriation bill, and has made some hard choices in arriving at its recommendations. We operated under new terms of reference this year—attempting to abide by the will of the Senate as expressed in the first concurrent resolution on the budget. However, we sometimes found that difficult to do, because of the often complex and confusing nature of the new process during this fiscal year.

I wish to emphasize that although the funds included in this bill will hopefully maintain our needed military strength at minimum cost they are definitely not excessive—they are on the lean side. In view of these facts, I believe that this bill deserves the support of every Member of this body. The strong military posture it provides enables us to maintain a preparedness stature that contributes to peace throughout the world.

OVERALL RECOMMENDATIONS

The committee recommends an appropriation of $90,783,349,000 in new budget authority for the Department of Defense for fiscal year 1976. In addition, it is recommending a transfer of $99,300,000 from other accounts so that the total funds actually available to the Department will be $90,882,649,000. For the 3-month period ending September 30, 1976—the "transition quarter"—the committee recommends an appropriation of $21,865,496,000. Since the amounts for the transition quarter approximate one-quarter of those for fiscal year 1976, I see no reason to go into detail about them today.

In fiscal year 1976, the committee's recommended bill would provide $22,661,672,000 for the Department of the Army; $30,259,382,000 for the Navy Department; $27,609,717,000 for the Department of the Air Force; and $3,367,378,000 for the defense agencies and related items. All funds for the Central Intelligence Agency and the intelligence activities for the Department of Defense are also included in this bill.

By title, the committee's recommendations include: $24,756,077,000 for military personnel appropriations; $6,885,200,000 for retired miltiary personnel; $28,366,822,000 for operations and maintenance accounts; $21,339,200,000 for procurement; $9,434,750,000 for research and development, including the small special foreign currency program; and $1,300,000 for the last year of funding of the Defense Manpower Commission. No funds are provided in this bill for military assistance for the South Vietnamese, although $1,293 million was requested in the President's budget. This bill does not include funds for military construction, family housing, foreign assistance, and civil defense—all of which are included in other appropriation bills.

RECOMMENDED REDUCTIONS

The $90,783,349,000 in new budget authority recommended in the bill for fiscal year 1976 is a reduction of $7,074,500,000, or 7.2 percent below the administration's budget request. It is $564,304,000 above the House allowance and $7,344,314,000 above the amount appropriated in fiscal year 1975. The bill recomended by the committee will result in outlay savings of $2,709 million from the President's budget. This compares with outlays savings recommended in the House bill of $3,259 million, so the Senate bill is $550 million above the House bill in terms of outlays.

MAJOR CHANGES FROM THE HOUSE BILL

There is a very large number of changes in the bill before you when compared to the House bill. For convenience, the committee summarized and highlighted the major changes on pages 7 through 10 of its report. I shall insert those pages in the RECORD at the end of my statement, since they provide a convenient summary.

There are some Senators who think that the Committee on Appropriations has merely added funds to the bill that were cut in the House. This is incorrect. The budget request reviewed by the committee contains 720 line items in research and development; 1,670 in procurement; 250 budget programs or project accounts to operation and maintenance; and 800 in military personnel. There also were 12 programs in the funds requested for South Vietnam which were denied. In all, the committee reviewed 3,452 line items. Even these numbers do not reveal the total magnitude, for the operation and maintenance and military personnel accounts are further subdivided into numerous pieces, but these numbers do give some rough idea. Now, with respect to the House actions: the House made adjustments in 518 programs, with reductions totalling $7,638,804,000. The committee reviewed every adjustment made by the House, and of these reductions, restored $1,036,914,000 involving 168 programs. In addition, the committee recommended other reductions totalling $472,610,000 below the House bill in 45 programs. Therefore, the net recommendation in the bill is $564,034,000 above the House bill, and there is a very significant difference in the mix of programs funded and in the dollar amounts. I think it is important for Senators to keep that in mind. The committee did not merely restore money that the House had cut. I shall insert a table at the conclusion of my statement that summarizes these actions and shows the magnitude of the task accomplished by the committee.

SUMMARY OF ITEMS IN THE BILL

The funds recommended in the committee bill buy two basic things: First, day-to-day pay and operating costs of our military forces; and second, investment in new items of military equipment, including both research and development of new weapons and equipment, as well as actual procurement.

This bill carries recommendations of $53,122,899,000 for the pay and operating costs of active duty military, Reserve forces, and DOD civilians. This amount includes $24,756,077,000 for military personnel and $28,366,822,000 for operation and maintenance—which also includes the pay for most of the civilian personnel.

In the first category, the recommended funds will pay for an Active Army of 16 divisions and four separate brigades; a Navy with 494 commissioned ships in the active fleet and 6,133 active aircraft; three active Marine Corps divisions, each with an associated aircraft wing; and an Air Force with 9,447 aircraft and 1,054 intercontinental ballistic missile launchers.

Manpower funded in the bill is: 2,085,709 in the Active Forces and 892,121 in the Reserve components, for a total of 2,977,830. This is still a significant reduction—121,009—from the fiscal year 1975 total of 3,098,839. In addition to the military manpower, funds are included for a total of 1,064,400 civilian employees of the Department of Defense. This is a reduction of 23,537 civilians below the budget request.

It is important to keep in mind the very substantial cost of manpower, which amounted to 53.0 percent of the requested fiscal year 1976 defense outlays.

Now, as to the second aspect of this budget, the development and procurement of new weapons and equipment for our Armed Forces. The committee recommends $30,771,282,000 for these programs which are a key part of modernizing our military establishment—consisting of $9,432,082,000 for research and development and $21,339,200,000 for procurement.

I now highlight the funds in the bill for major programs in procurement and research and development.

The committee recommends a total of $1,995,596,000 for Army research and development. This includes: $19.9 million for advanced forward area air defense; $65.0 million for short-range air defense missile—Roland; $51.8 million for the XM-1 tank; $130.0 million for more complex long range surface-to-air-missile system—Sam-D; and $12.7 million for manpower and human resources technology and development.

A total of $3,269,880,000 is recommended for Navy research and development. This includes: $15.7 million to test the close-in weapon system—Phalanx; $725.5 million for the Trident missile system, including MK-500 maneuvering reentry vehicle—MARV; $10 million for the advanced nuclear engine program; $38 million for the surface effects ship; $110.2 million for the F-18 Navy air combat fighter; and $11.7 million for human resources and manpower effectiveness. The Navy Federal Contract Research Centers were reduced by $7 million.

For Air Force research and development, the committee recommended $3,584,406,000. This includes $597.2 million for the B-1 bomber; $146 million for the F-16 fighter; $51 million for the air-launched cruise missile; $188.6 million for the AWACS in fiscal year 1976 and $54.5 million in the transition period; $22.3 million to rewing the C-5A transport; and $6 million for human resources. Air Force Federal Contract Research Centers were reduced $15 million.

In the area of procurement, some of the major programs include the following:

For the Army, $25.2 million for the procurement of 22 AH-IS Cobra TOW attack helicopters; $37.5 million to procure ground equipment for the Chaparral surface-to-air missile; funds are provided to continue procurement of the following missile systems: Improved Hawk air defense, $72.2 million; Dragon antitank, $106.8 million and TOW anti-tank, $140.2 million; $103.6 million to buy 1,320 M-113A1 armored personnel carriers and $362.8 million for 662 M-60A1 tanks; $637.2 million is included in the bill for procurement of ammunition, including funds to modernize Army ammunition facilities.

For the Navy, the committee recommends almost $3 billion for various aircraft, including $510.3 million to buy 36 F-14A fighter aircraft; for antisubmarine warfare aircraft, $147.5 million is recommended to buy 12 P-3C aircraft and $482.9 million for 41 S-3A aircraft.

Funds are included in the bill for procurement of a variety of Navy missiles, including $120.3 million for the Trident missile program. The following funds are provided to procure air-to-air missiles: $56.4 million to buy 360 Aim-7F III Sparrow missiles, $45.1 million for 800 Aim-9L Sidewinder missiles, and $96.7 million to procure 340 Phoenix missiles to support F-14A fighter aircraft deployment in the fleet.

The committee recommends $3.9 billion for shipbuilding and conversion programs in the Navy. Included are $598.6 million for the construction of one Trident submarine, $439.0 million for two SSN-668 nuclear attack submarines, and $802.5 million for nine PF patrol frigates. One AD destroyer tender, 2 AO fleet oilers, 3 fleet tugs, and 14 smaller service craft are also funded in the program.

For the Air Force, the committee recommends $3.9 billion for various aircraft. This includes $303.5 million to buy 61 A-10 close air support aircraft, $1.3 billion for 96 F-15 fighter aircraft, $335.5 million for the procurement of 6 E-3A AWACS aircraft. In addition, $638.7 million is recommended for modification and modernization of in-service aircraft such as the B-52, FB-111, F-106, and the A-7.

For Air Force missiles, a total of $1.7 billion is recommended. This includes $265.8 million to buy 50 Minuteman II/III intercontinental ballistic missiles and $387.7 million for modernization of the Minuteman force. Other missiles within the recommended program include air-to-air missiles: $80.1 million to buy 620 Aim-7F Sparrow missiles and $39.5 million for 710 Aim-9L Sidewinder missiles. The recommendation also includes $110.7 million to procure 6,000 AGM-65A Maverick air-to-ground missiles.

The bill also includes $6,885,200,000 for retired military personnel. There are over 1,100,000 retired persons on the rolls for fiscal year 1976.

DEFENSE BILL IN RELATIONSHIP TO THE FIRST AND SECOND CONCURRENT RESOLUTIONS ON THE BUDGET

Last year, when the Congress passed the Budget and Impoundment Control Act, I supported that act but expressed some reservations about how well the process would work. On March 22, 1974, I said:

> Possibly the greatest virtue of this particular legislation is that it may serve as a vehicle for trial and error. Experimentation with it for a year or two may demonstrate the serious flaws that it embraces and may indicate how the deficiencies and weaknesses that it contains can be eliminated . . .
>
> Mr. President, this bill, I believe, is so fraught with complexities and so confusing and cumbersome that it will be most difficult, if not impossible, for the Congress, as a practical matter, to comply with its provisions and meet its requirements. It may be destined to simply fail and fall of its own weight. I am apprehensive that, as now written, this measure places such a burden on the legislative and appropriation process that it is impractical and maybe impossible for Congress to comply with its terms and conform to its directives.
>
> I sincerely hope my concern is unwarranted—only time will tell.

I would say that many of the problems we have had this year are a result of experimentation with this new budget law. Applying the law this year has been a "trial run" for us.

Present difficulties in "scorekeeping" the defense bill result largely from the fact that the Appropriations Committee never allocated the functional category targets contained in House Concurrent Resolution 218 into the respective appropriations bill. This is required under section 302(b) of the Budget and Impoundment Control Act.

This puts the defense bill in a bad light for obvious reasons. For example, in the first concurrent resolution, the Congress increased all functions over the President's budget except for national defense and international affairs, both of which were cut substantially. The result was that the early "scorekeeping" reports showed functions other than defense and interantional affairs, to be "under target," while defense was "over target."

I wish to emphasize that the Committee on Appropriations has made every effort to keep in close contact with the Senate Budget Committee and to cooperate with it whenever possible.

Shortly after the House passed the defense bill, I wrote to Senator MUSKIE, the chairman of the Senate Budget Committee and asked him to advise us of the levels of budget authority and outlays that were contemplated in the first concurrent resolution for the defense appropriations bill and to point out the assumptions on which those determinations were premised. Senators MUSKIE and BELLMON responded on October 22, 1975. Copies of that correspondence and related material are included in the committee's report, beginning on page 288.

Mr. President, the committee recommendations are $161 million under the target in budget authority but $1,446 million over the target for outlays as set in the first concurrent resolution as interpreted by that letter.

There have been several changes since October 22 that affect the national defense function in the budget and the defense budget as well. These involve military per diem legislation, the military construction bill, Middle East foreign assistance, revised estimates of outlays occurring from prior year defense appropriations, and markup of the second concurrent budget resolution.

The tables below, which are reproduced on the large charts at the back of the Chamber, show where we now stand in relation to the first concurrent resolution, and also the second concurrent resolution as reported by the Budget Committee last night.

We did not have the benefit of the second budget resolution, Mr. President, of course, as we worked on this bill in committee.

Mr. President, I ask unanimous consent that a table on the first concurrent resolution may be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FIRST CONCURRENT RESOLUTION

NATIONAL DEFENSE FUNCTION

[In billions]

	Budget authority	*Outlay*
First concurrent resolution target	100.7	90.7
Actions to date:		
Prior year/enacted	1.7	23.8
Civil defense (enacted)	.1	.1
Military construction (Senate)	3.7	.8
Foreign assistance*	.3	.3
Public Works/ERDA (House)	1.9	.9
Probable future actions:		
Military/civilian pay raise	1.8	1.7
Miscellaneous legislation	.1	.1
Adjustment prior year outlays	—	(−).3
Remaining for defense bill	91.1	63.3
Defense bill as reported	90.8	64.5
Over (+)/under (−) target	(−).3	(+)1.2

*Excludes aid to Middle East.

Mr. McCLELLAN. Mr. President, I also submit for the RECORD at this point, a table prepared based on the Budget Committees report completed and filed with the Senate last night on the second concurrent resolution, in which the Budget Committee revised its congressional budget and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

2D CONCURRENT RESOLUTION—NATIONAL DEFENSE FUNCTION

[In billions of dollars]

	Budget authority	Outlays
2d Concurrent Resolution Target—Senate	$101.5(+0.8)	$92.1(+1.4)
Actions to date:		
Prior year/enacted [1]	1.7	23.3(−0.5)
Civil defense (enacted)	.1	.1
Military construction (Senate)	3.7	.8
Foreign assistance [2]	1.2(+0.9)	.5(+0.2)
Public works/ERDA (House)	1.9	.9
Probable future actions:		
Military/civilian pay raise	1.8	1.7
Miscellaneous legislation	.1	.1
Remaining for Defense bill	91.0	64.7
Defense bill as reported	90.8	64.5
Over (+)/under (−) target	(−).2	(−).2

[1] Outlays reestimated by President.
[2] Includes aid to Middle East.

Mr. McCLELLAN. Mr. President, it is significant to note that the resolution reported by the Budget Committee last night, the second concurrent resolution required under the Budget Act, after due deliberations, increased—and I think very wisely so—the budget authority over the first resolution by $800 million.

Mr. President, it also increased, very wisely and realistically, outlay increase, or limitations, by $1,400 million.

Bear in mind, this bill that is before

us today is the product of the Appropriations Committee's work operating under the limitations of the first concurrent resolution.

It is very gratifying, Mr. President, that the Budget Committee in its deliberations through last night, came to the conclusion that the limitations that had been placed on this bill by the first concurrent resolution were simply not realistic. They have raised the ceiling now to where we are, Mr. President, with this bill, about $200 million under that ceiling provided in the second resolution on budget authority and also $200 million under the outlay ceiling.

Mr. President, I feel our committee has done an excellent job in trying to work not only with the Budget Committee, but to work to bring about reductions, where possible, in defense spending.

As one can see, the first concurrent resolution target for the total defense function was $100.7 billion in budget authority and $90.7 billion in outlays. The total function includes six bills in addition to the major defense appropriations bill now under consideration. I have indicated actions to date on these other bills, reflecting either House or Senate approved levels, depending on their status. Please note that aid to the Middle East has not been included, since the chairmen of both the House and Senate Budget Committees have stated that this item is beyond the scope of the first concurrent resolution. Possible future actions include the anticipated supplemental for civilian and military pay raises, both active and retired, as well as miscellaneous legislation expected to be enacted within the fiscal year.

This table shows the defense appropriations bill, as reported, is $0.3 billion, actually $296 million to be exact, below amounts remaining within the resolution target. Outlays, however, are $1.2 billion above target levels of the first concurrent resolution.

In order to make very clear the assumptions that have been used by the Appropriations Committee, I shall insert in the Record, at the close of my remarks, two detailed tables—one for outlays, one for budget authority. Both tables spell out the assumptions in the detailed footnotes.

Now, with respect to the problem in outlays that we have in relation to the first concurrent resolution. There are many ways to reduce outlays by $1.2 billion. Here are two illustrations:

First. Terminate the following aircraft programs—Air Force: A–10 close air support aircraft; AWACS; B–1 strategic bomber; F–15 fighter; F–16 fighter; Navy: F–14 fighter and F–18 combat fighter; plus a reduction of 10,000 civilian personnel and a reduction in planned military accessions of 10,000. This combination would kill practically every new aircraft program in the Department of Defense.

Two. Terminate the Army Sam-D missile program; terminate the Patrol Frigate ship program; terminate the Trident submarine and missile programs; reduce civilian strength by 54,000; reduce planned military personnel accessions by 50,000.

Other illustrated combinations of reductions can of course be made, but any combination of such reductions as would be necessary to achieve an outlay total within the ceiling would obviously be quite drastic and I think untenable.

It may well be that some will insist that these proposed outlays for defense be so reduced. However, in view of the prevailing international situation, I do not believe that such critical reductions would be in the national interest. If the majority of the Senate thinks otherwise, they have the prerogative and the power to so amend the bill and to bring the total within the target limit.

THE RAPIDLY INCREASING COSTS OF DEFENSE

I am certain that the Senate is concerned that defense outlays have risen from $78 billion in 1968—when we were fighting a war in South Vietnam—to over $86 billion in fiscal year 1976 when we are no longer at war.

For example:

In World War II, a B–29 bomber cost $680,000. If we buy the B–1 bomber, each one will cost $84 million.

In World War II, a P–51 fighter aircraft cost $54,000. An F–14 of today costs $20.8 million, and an F–15 costs $14.4 million.

In World War II, the price of an M–1 rifle was $50.22. A modern M–16 costs $200.

The annual pay of a recruit in 1950 was $960. Today, a recruit receives annual pay of $4,334—4½ times more.

Only 8 years ago, it cost $1.30 a day to feed a soldier. It now costs $2.83, and the cost of food is still going up.

The following table shows the phenomenal increases in the cost of food:

Cost of food items	Cost in 1964	Cost August 1975	Percent increase
White bread, 1 lb	$0.21	$0.35	66.7
Round steak, 1 lb	1.04	2.02	94.2
Rib roast, 1 lb	.83	2.00	141.0
Chuck roast, 1 lb	.57	1.12	96.5
Pork chops, 1 lb	.88	2.04	131.8
Bacon, sliced, 1 lb	.67	1.92	186.6
Hamburger, 1 lb	.49	.93	89.8
Pork loin, 1 lb	.61	1.56	155.7
Milk, ½ gal	.48	.77	60.4
Butter, 1 lb	.74	1.02	37.8
Coffee, 1 lb	.82	1.28	56.1

Source: U.S. Department of Labor, Bureau of Labor Statistics

Military personnel costs have also escalated in recent years as a result of inflation and the All-Volunteer Force concept. In fiscal year 1976, the President's budget—personnel and related costs—accounted for 52 percent of Department of Defense outlays, or $48.2 billion of the $92 billion he requested. This represented an increase of $2.4 billion in spending on personnel in just 1 year alone. This large increase is necessary to provide for our present much smaller force.

In the past year or 2, other cost increases have been substantial. For example, within the last year, the cost of a "Huey" helicopter has risen 52 percent, an M–60 tank, 69 percent; an M–113 armored personnel carrier, 60 percent; a 105-mm. smoke cartridge, 46 percent; and a tractor, 67 percent.

Inflation in the operations and maintenance account has been even worse. For example, the cost of coal in Europe went up 91 percent and the cost of coal in the United States increased by 357 percent. Purchased electricity costs rose between 31 and 60 percent, depending on geographical area. Cargo transportation rates went up 46 percent.

DEFENSE IN COMPARISON WITH OTHER FEDERAL AGENCIES

Outlays for national defense have shrunk during the 10-year period from 41.5 percent of the total Federal budget outlays in fiscal year 1966 to 24.6 percent in the bill pending before you for fiscal year 1976.

Since fiscal 1966, the cost of the Federal Government has gone up $239.6 billion—from $134.7 to $374.3 billion currently estimated by the Congressional Budget Office for fiscal 1976. Of that total increase, only $36.2 billion—or 15.1 percent—is attributable to national defense spending. The remaining 84.9 percent or $203.4 billion of the $239.6 billion increase is attributable to nonmilitary functions and services, such as human resources and general government.

Since fiscal 1966, nondefense programs including Federal outlays for human resource items—education and manpower; health, including medicare and medicaid; income security, including individual benefits—have increased from 58.5 percent of the budget to 75.4 percent. In dollar terms, the increase in the last 10 years for those functions was $203.4 billion—from $78.8 billion to $282.2 billion.

Thus, while national defense costs were rising by 65 percent over the past 10 years—from $55.9 to $92.1 billion—the total of other Government expenditures was climbing from $78.8 to $282.2 billion—or by 258 percent.

And the defense share of both the total Federal budget and the gross national product continues to decline. In fiscal 1976, for example, proposed national defense outlays constitute only 24.6 percent of the total budget—down almost 17 percent from the fiscal year 1966 level. Between 1966 and 1976, national defense outlays will decline from 7.7 of the gross national product to 5.8 percent. During this same period, outlays for the nondefense portion of the budget rose from 10.9 percent to 17.9 percent of the gross national product.

Moreover, defense spending has been rising far less rapidly than any other major item in the budget.

For example, during the past 10 years:

Federal aid to education, manpower, and social services jumped 380 percent, from $4.1 to $19.6 billion.

Income security programs increased 343 percent, from $28.9 to $128.1 billion.

Health services, including medicare and medicaid, increased by 1,187 percent from $2.6 to $34 billion.

Interest on the national debt increased by 221 percent, from $11.3 to $36.2 billion.

I will insert a table that shows the detail of all these figures in the Record at the conclusion of my remarks.

CUTS IN DEFENSE COMPARED WITH CUTS IN OTHER AREAS

I would like to point out, Mr. President, that in fiscal year 1973 when I first became chairman of the Appropriations

Committee, the Congress was able to reduce the regular Defense Department appropriation requests by $5.2 billion in budget authority. In fiscal year 1974, we made a reduction of $3.5 billion in the military. In fiscal year 1975, we reduced the Defense Department request by $5.0 billion. The committee is recommending a cut of $7.1 billion in this bill.

Over the past 3 years, the Congress has cut the administration's total budget by $18.0 billion in regular appropriations bills. Of this total reduction, $13.7 billion, or 76.3 percent was slashed from the defense budget, while only $4.3 billion, or 23.7 percent of the total was cut from regular appropriations bills for all other Government agencies and departments.

Mr. President, I point out that the greatest percentage of the $4.3 billion reductions made in nondefense areas was made in foreign aid spending. A very small percent, indeed, Mr. President, of the total reductions in this 3-year period have been made from areas other than national defense and foreign aid. Many other agencies of the Government have had their appropriations increased over the President's budget. The chart I shall place in the RECORD will show the pertinent information.

This year, we are cutting over $7 billion. Thus, in 4 years, we will have reduced the military by almost $21 billion. I will place in the RECORD a table showing these items at the conclusion of my remarks.

Mr. President, this trend toward disproportionate cuts in defense spending cannot be continued without seriously impairing our military readiness. The temptation to force only one segment of the national budget to bear the whole burden of reordered priorities and reduced spending should be borne equitably by all departments and agencies of Government—and not virtually all of it be imposed on the Department of Defense alone.

In light of present world conditions, it is imperative that we—our country—maintain a defense posture of deterrent proportions. In doing so, we not only provide for our own security, but we also serve the cause of peace throughout the world. If we do less, we will surely incur unacceptable risks to our own country and invite provocations and impositions that may imperil peace throughout the world.

I think we should stop and meditate as we consider this appropriation bill, Mr. President. We should contemplate what world conditions might be today—bad as they are—how much worse they might be, had not this Government and our country maintained a military posture that has served as a deterrent since World War II.

In conclusion, Mr. President, I am aware that the amounts included in this bill will not please everyone. There will always be some who will say that we have cut too much; others will say that we have not slashed enough. The committee has done the best possible under the limitations that were imposed on the committee by the first concurrent resolution on the budget. I hope the Senate will approve and pass this measure substantially as reported.

I ask unanimous consent that the following charts and documents be printed in the RECORD:

(a) Major Actions on House Bill.

(b) Line Item Reductions and Restorations.

(c) Budget Authority Worksheet, National Defense Functional Category.

(d) Outlays Work Sheet, National Defense Functional Category.

(e) Exhibit A—DOD Supplementals for Pay.

(f) Exhibit B—Congressional Reductions in Military Assistance and Foreign Military Credit Sales Provided through the Appropriations Process.

(g) Budget Outlays by function, ten (10) year Comparison (1966–1976).

(h) Relationship of Budget Authority cuts in Defense and Foreign Assistance Bills to those cuts in other regular annual appropriations acts.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAJOR ACTIONS ON HOUSE BILL

The Committee recommends the following major actions with respect to the House Bill:

Military Personnel:

Recruiting, advertising and support—Restores $52.7 million of House reductions in recruiter personnel and support, advertising and enlistment bonuses.

Education and counselors—Restores $10.1 million for military education programs and career, equal opportunity and drug/alcohol counselors.

Guard and Reserve Forces—Does not fund average strength increases permitted by House, and reduces drill pay status for certain personnel.

Enlisted support to officers—Reduces the number of enlisted aides assigned to general officers, curtails free services provided to officers living in bachelor quarters and eliminates the Navy/Marine Corps closed mess system.

Active duty end-strengths—Reduces 8,084 man years and 14,245 end year personnel, only slightly fewer than reduced by the House.

Operation and Maintenance:

Civilian personnel strength—Funds authorized civilian strength with a different mix from House. Total reduction from budget is—23,537 by September 30, 1976.

Stock fund surcharge cash increase—Adds $432.7 million above House bill to fund fact-of-life price increases and protect cash balances needed to run stock funds.

Safeguard system operations—Adds $40 million above House bill to fund operations as planned in budget; does not cancel as in House bill.

Army depot maintenance operations—Funds increase of $136 million (40 percent) over fiscal year 1975 level of $344 million to reduce backlogs. Also restores 90 percent of civilians reduced by the House in fiscal year 1976.

Commissary subsidy—Sustains House position to add $109 million above President's budget to fully fund $286 million commissary personnel subsidy.

Navy aircraft depot reworks—Funds increase of $65 million over fiscal year 1975 level.

Navy ship alteration, overhaul and repair—Funds full 27 percent increase above fiscal year 1975 level of $1.5 billion in order to reduce ship backlogs. All civilians appealed by Navy also restored.

Air Force Advanced Logistics Data Processing System—Retains program but defers minor items (House cancelled).

Overseas dependent education—Restores all House reductions. Also, disagrees with the House position on geographical managers.

Civilian Health and Medical Program (CHAMPUS)—Restores $13 million consistent with general provision which reinstates certain counselors and visual training. Requests study of contributory system as alternative to CHAMPUS.

Assistant Secretary of Defense (Health and Environment)—Recommends 10 percent staff cut and consolidation.

Assistant Secretary of Defense (Program Analysis and Evaluation)—Recommends 20 percent staff cut and consolidation.

National Board for the Promotion of Rifle Practice—Restores $233,000 deleted in House bill.

Stock fund secondary item buildup—Denies procurement to build up inventories of items that can easily be purchased commercially. Also denies buildup of fuel inventories.

Strategic airlift and tactical fighter crew ratio increases—Denies all increases requested for strategic airlift crew ratios, allows only half of requested increase in tactical fighter crew ratios.

Joint Chiefs of Staff directed and coordinated exercises—Retains program at fiscal year 1975 level, denying increases except those for inflation (fuel costs).

Proficiency flying—Begins reduction in non-productive flying hours.

Defense Mapping Agency—Restores general reduction made by House which would have resulted in personnel cut of 1,000 positions.

Defense Investigative Service—Restores three-fourths of personnel cut made in House bill, and civilianizes additional positions.

Procurement:

Aircraft:

A-10 close air support aircraft—Sustains House in providing funds for buy of 61 aircraft in fiscal year 1976 and 30 aircraft in fiscal year 197T.

B-1 strategic bomber—Deletes $64.0 million in fiscal year 1976 and $23.0 million in fiscal year 197T. Denies all advance procurement funds.

E-3A AWACS aircraft—Restores funds to buy 6 aircraft in fiscal year 1976. Restores advance procurement funds of $15.0 million in fiscal year 1976 and $30.0 million in fiscal year 197T.

F-14A fighter aircraft—Sustains House in providing funds to buy 36 aircraft in fiscal year 1976 and 9 in fiscal year 197T.

F/TF-15A air superiority fighter—Reduces aircraft buy in fiscal year 1976 from 108 to 96 and in fiscal year 197T from 27 to 24.

C-12A utility aircraft—Restores funds to buy 16 aircraft in fiscal year 1976.

Civil Reserve Airlift Fleet—Sustains House in denying funds to initiate modification program.

C-141 aircraft stretch program—Sustains House in providing funds to complete initial soft tooled prototype and to flight test.

Missiles:

Trident I—Restores $35.0 million in 1976 and $15.0 million in fiscal year 197T to fully fund transition of program from development to production.

Chaparral air defense missile system—Restores $37.5 million for buy of 52 fire units in fiscal year 1976.

Ships:

CSGN nuclear powered strike cruiser—Sustains House in denying procurement funds for long lead time nuclear components.

PHM patrol hydrofoil—Sustains House in providing funds to complete second prototype ship.

PF patrol frigate—Sustains House in providing funds for buy of nine ships in fiscal year 1976.

Realignment of shipbuilding program—Deletes funds for one AD destroyer tender, funds one ship in fiscal year 1976. Provides additional funding for the Patrol Frigate authorized in fiscal year 1973 and the PF Patrol Frigates, the AD destroyer tender and the PHM patrol hydrofoils authorized in fiscal year 1975. Fully funds one Trident submarine and two AO fleet oilers authorized in fiscal year 1976.

Tracked vehicles:

M113A1 armored personnel carrier—Restores funds for buy of 1,320 carriers in fiscal year 1976.

Other:

Binary munitions—Sustains House in denying funds to initiate production of 155 mm binary chemical artillery projectile.

Traffic control and landing system, AN/TPN-19—Restores funds for buy of 11 units in fiscal year 1976.

RDT & E:

Advanced Forward Area Defense—Restores $7.0 million, provides $19.9 million.

Short Range Air Defense Missile (Roland)—Restores $20.0 million, provides $65.0 million.

Tank Systems (XM-1)—Restores $8.0 million in fiscal year 1976 and $33.0 million in fiscal year 197T; provides $51.8 million in fiscal year 1976 and $39.0 in fiscal year 197T.

Surface To-Air Missile System (SAM-D)—Restores $14.6 million in fiscal year 197T; provides $40.0 million.

Human Resources—Restores $10.3 million in fiscal year 1976; provides $50.3 million.

Close-In Weapons System (PHALANX)—Restores $15.7 million to program.

TRIDENT Missile System (MA500MARV)—Restores $38.6 million; provides $725.5.

Advanced Design Nuclear Program—Restores $10.0 million to program.

Surface Effects Ship—Restores $17.9 million; provides $38.0 million.

E-3A (AWACS)—Restores $20.8 million in 197T; provides $54.5 million.

Air Launched Cruise Missile—Restores $51.0 million to program.

C-5—Approves $22.3 million for rewinging.

B-1 Bomber—Deletes $75 million in fiscal year 1976 and $39 million in fiscal year 197T. Provides $597.2 million in fiscal year 1976 and $129.0 million in fiscal year 1977.

F-16 Fighter—Deletes $75 million; provides $146 million.

F-18 Fighter—Sustains House position. Provides $110.2 million in FY 1976 and $22.6 million in FY 197T.

Federal Contract Research Centers (FCRC)—Deletes $22 million.

Communications Systems—Restores $30.8 million.

LINE ITEM REDUCTIONS AND RESTORATIONS

	Total number of line items, program elements, or projects in account, all services	Total number of line items or programs where House bill made adjustments	Dollar value of House adjustments (thousands)	Number of programs House cut where Senate restored funds or made adjustments	Dollar value of Senate restorations or adjustments (thousands)
Military personnel	800	93	−$320, 216	41	+$58, 073
Operation and maintenance	250	137	−1, 653, 237	60	+308, 808
Procurement	1, 670	123	−3, 477, 700	28	+341, 600
Research and development	720	153	−894, 651	39	+328, 433
Military assistance, South Vietnamese forces	12	12	−1, 293, 000		
Total	3, 452	518	−7, 638, 804	168	+1, 036, 914

	Number of programs where Senate made adjustments not in House bill	Dollar value of Senate adjustments (thousands)	Total number of programs adjusted by Senate	Total dollar value of Senate adjustments (thousands)
Military personnel	15	−59, 480	108	−321, 623
Operation and maintenance	26	−228, 330	163	−1, 572, 759
Procurement	1	−4, 200	124	−3, 140, 300
Research and development	3	−180, 060	156	−746, 818
Military assistance, South Vietnamese forces			12	−1, 293, 000
Total	45	−472, 610	563	−7, 074, 500

BUDGET AUTHORITY WORKSHEET, NATIONAL DEFENSE FUNCTIONAL CATEGORY (050) FISCAL YEAR 1976

[In millions of dollars]

		Actions/ estimates	President's requests including amendments
Enacted:			
Previous years:			
Trust funds		$6, 807	$6, 807
Offsetting receipts		−5, 139	−5, 139
This session:			
Treasury—Postal Service		100	121
HUD—Independent		38	48
State—Justice		5	5
Military retired pay adjustment		9	0
Total already enacted		1, 820	1, 842
Pending legislation and additional information useful in determining estimates:			
Military construction:			
Limited by authorization to	3, 735	[1] 3, 600	4, 109
House action	3, 519		
Pay raises:			
Provided by law	3, 079		3, 079
Less President's proposals			−1, 847
Less re-estimate	−134		
Less congressional action on pay caps	−932		
Pay raise subtotal	2, 013	[2] 1, 800	
Foreign assistance:			
Middle East		(933)	[5] (933)
All other		334	[6] (556)
Public works—ERDA: House action	1, 852	[7] 1, 925	1, 969
Naval petroleum reserve and	$122		
Offsetting receipts (estimate)	−100	[8] 0	−$347
	22		
Stockpile sales (estimate)	−244	[8] 0	−408
Inventory replenishment (authorization denied)	0	0	300
Other		[9] 82	142
Total pending (excluding DOD appropriations)		7, 801	8, 486
Total enacted and pending (excluding DOD appropriations)		9, 621	10, 328
1st concurrent resolution national defense (050) target		100, 700	(10)
Minus above total, enacted and pending		−9, 621	(10)
Residual available for defense appropriations bill within target		91, 079	(10)
Bill reported by Senate Appropriations Committee		90, 783	(10)
Under target		296	(10)
Middle East		[3] 933	(10)
2d concurrent, resolution national defense (050) target		101, 500	
Minus above total, enacted and pending [11]		−10, 554	
Residual available for defense appropriations bill within target		90, 946	
Bill reported by Senate Appropriations Committee		90, 783	
Under target		163	

[1] Bill as passed Senate.

[2] Assumes 10-percent absorption and cut in final appropriations (including retired pay). See exhibit A.

[3] Military assistance request for Middle East, to the extent not included in the February President's budget should be added to 1st concurrent resolution target, according to floor statements by Chairman Muskie and Adams, hence it is treated separately. It is difficult to estimate the amount included in the February budget request for the Middle East.

[4] Assumes 40-percent cut in final appropriation excluding Middle East, the same percentage cut as in 3 previous fiscal years. (See exhibit B.) See note [3] for Middle East.

[5] Middle East.

[6] All other.

[7] House action plus full appropriation of budget amendments.

[8] No legislation passes this fiscal year.

[9] Military per diem (+$45,000,000) and reimbursement for accrued leave (+$37,000,000); both bills reported by House. Senate Armed Services Committe advises that Senate action likely. Assumes effective date of Jan. 1, 1976.

[10] Memo: President's defense appropriations bill included $97,695 in new budget authority.

[11] This total includes funds for Middle East.

OUTLAYS WORKSHEET, NATIONAL DEFENSE FUNCTIONAL CATEGORY (050)—FISCAL YEAR 1976

[In millions of dollars]

		Actions/ estimates	President's requests including amendments
Enacted:			
Previous years:			
Trust funds		$4,676	$4,676
Prior years		24,452	24,452
Offsetting receipts		−5,139	−5,139
This session:			
Treasury-Postal Service		62	81
HUD—Independent		31	39
State—Justice		5	5
Military retired pay adjustment		9	0
1975 foreign assistance		−159	(1)
Rescissions		−63	(1)
1975 pay supplemental		83	85
Total already enacted		23,957	24,199
Pending legislation and additional information useful in determining estimates:			
Military construction:			
Senate action	830	[2] 830	836
Pay raises:			
Provided by law	3,002		3,002
Less President's proposals			−1,808
Less reestimate	−134		
Less congressional action on pay caps	−917		
Pay raise subtotal	1,951	[3] 1,750	
Foreign assistance:			
Middle East		[4] (170)	[5] 638
All other		[6] 281	
Public Works—ERDA:			
House action	823	[7] 861	880

		Actions/ estimates	President's requests including amendments
Naval petroleum reserve	$35		
Offsetting receipts (estimate)	−100	[8] 0	−$400
Subtotal	−65		
Stockpile sales (estimate)	−244	[8] 0	−408
Inventory replenishment (authorization denied)	0	0	90
Other		[9] $75	138
Total pending (excluding DOD appropriations)		3,797	2,968
Total enacted and pending (excluding DOD appropriations)		27,754	27,167
First concurrent resolution		90,700	
National defense (050) target		[10] +347	(12)
Subtotal		91,047	(12)
Minus above total, enacted and pending		−27,754	(12)
Residual available for defense appropriations bill within target		63,293	(12)
Bill reported by Senate Appropriations Committee		64,524	(12)
Over target		+1,231	(12)
Middle East		[4] 170	(12)
Second concurrent resolution national defense (050) target		92,100	
Minus above total, enacted and pending [11]		−27,424	
Residual available for defense appropriations bill within target		64,676	
Bill reported by Senate Appropriations Committee		64,524	
Under target		152	

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[1] Carried in "Previously enacted".

[2] Bill as passed Senate.

[3] Assumes 10% absorption and cut in final appropriation (including retired pay). See exhibit A

[4] $170 million for Middle East, to the extent not included in February President's budget, should be added to First Concurrent Resolution target, according to floor statements by Chairmen Muskie and Adams, hence it is treated separately. It is difficult to estimate the amount included in the February budget request for the Middle East.

[5] 170 Middle East, 468 all others.

[6] Assumes 40% cut in final appropriation excluding Middle East, the same percentage cut as in three previous fiscal years. See exhibit B. See note 4 for Middle East.

[7] House action plus full appropriation of budget amendments.

[8] No legislation passes this fiscal year.

[9] Military per diem (+$41 million) and reimbursement for accrued leave (+$34 million); both bills reported by House. Senate Armed Services Committee advises that Senate action is likely. Assumes effective date of January 1, 1976.

[10] Uncontrollable increase in prior year outlays per Congressional Budget Office.

[11] Incorporates President's reestimate for prior year outlays (−$500 million), and includes funds. for the Middle East.

[12] Memo: President's defense appropriations bill included 67,233 in outlays from current BA.

BUDGET OUTLAYS BY FUNCTION, 10 YEAR COMPARISON (1966–76)

[In millions of dollars]

	Fiscal year 1966			Fiscal year 1976 (President's budget)					Fiscal year 1976 (actual to date)			
	Amount	Percent of total budget	Percent of GNP	Amount	Percent of total budget	Percent of GNP [3]	Amount and percentage income from fiscal year 1966 to fiscal year 1976	1st Con. Res.	Amount [6]	Percent of total budget	Percent GNP [3]	Amount and percent increase from fiscal year 1966 to fiscal year 1976
National Defense (050)	55,856	41.5	7.7	94,027	26.9	6.0	Up 38,171 or 68%	90,700	[4] 92,100	24.6	5.8	Up 36,244 or 65%.
(Department of Defense—051).	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.7)	(Up 35,62 2or 66%)		[5] (84,200)	(22.5)	(5.3)	(Up 30,022 or 55%).
Education, Manpower and Social Services (500).	4,093	3.0	.6	14,623	4.2	.9	Up 10,530 or 257%	19,850	19,649	5.3	1.2	Up 15,556 or 380%.
Health (550)	2,638	2.0	.4	28,050	8.0	1.8	Up 25,412 or 963%	30,700	33,963	9.1	2.2	Up 31,325 or 1,187%.
Income Security (600)	28,895	21.5	4.0	118,724	34.0	7.5	Up 89,829 or 311%	125,300	128,052	34.2	8.1	Up 99,157 or 343%
(General Retirement and Disability Insurance—601).	(21,435)	(15.9)	(3.0)	(74,356)	(21.3)	(4.7)	(Up 52,92 1or 247%)		(7)	(7)	(7)	(7).
(Public Assistance—604) [1]	(3,400)	(2.5)	(.5)	(18,368)	(5.3)	(1.2)	(Up 14,968 or 440%)		(7)	(7)	(7)	(7).
Interest (900)	11,286	8.4	1.6	34,419	9.9	2.2	Up 23,133 or 205%	35,000	36,200	9.7	2.3	Up 24,914 or 221%.
General Government and all other functions.[2]	31,884	23.7	4.4	59,529	17.0	3.8	Up 27,645 or 87%	65,450	64,301	17.2	4.1	Up 32,417 or 102%.
Total	134,652	100.0	18.7	349,372	100.0	22.2	Up 214,720 [9] or 159%	367,000	374,265	100.0	23.8	Up 239,613 [10] or 178%.

10 YEAR COMPARISON OF DEFENSE OUTLAYS TO TOTAL OUTLAYS

National Defense (050)	55,856	41.5	7.7	94,027	26.9	6.0	Up 38,171 or 68%	90,700	[4] 92,100	24.6	5.8	Up 36,244 or 65%.
(Department of Defense—051).	(54,178)	(40.2)	(7.5)	(89,800)	(25.7)	(5.7)	(Up 35,622 or 66%)		[5] (84,200)	(22.5)	(5.3)	(Up 30,022 or 55%).
Federal Government other than Defense.	78,796	58.5	10.9	255,345	73.1	16.2	Up 176,549 or 224%	276,300	282,165	75.4	17.9	Up 203,369 or 258%.
Total	134,652	100.0	18.7	349,372	100.0	22.2	Up 214,720 [9] or 159%	367,000	374,265	100.0	23.8	Up 239,613 [10] or 178%.

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[1] Includes: Food Stamps, Housing Payments, Supplemental Security Income.

[2] Includes undistributed offsetting receipts.

[3] Using GNP estimate of $1.574 trillion for 1976.

[4] 2d Con. Res. Target as reported by the Senate Budget Committee.

[5] Senate reported figure.

[6] Possible amounts if action underway is completed and pending spending requests are approved as requested.

[7] Figures unavailable.

[9] Of the total increase of $214.7 billion, only 17.8% is attributable to national defense, while 82.2% of the increase is attributable to nonmilitary functions.

[10] Of the total increase of $239.5 billion, only 15.1% is attributable to national defense, while 84.9% is attributable to nonmilitary functions.

Note: Columns may not add due to rounding.

RELATIONSHIP OF BUDGET AUTHORITY CUTS IN DEFENSE AND FOREIGN ASSISTANCE BILLS TO THOSE CUTS IN OTHER REGULAR ANNUAL APPROPRIATIONS ACTS FOR FISCAL YEARS 1973, 1974, 1975 AND 1976

[In millions of dollars]

Enacted by Congress	1973	1974	1975	3-year total	1976	4-year total[5]
Defense cuts	5,221.2	3,535.8	4,961.2	13,718.2	[1] 7,074.5	20,792.7
Foreign assistance cuts	1,510.3	1,212.5	2,272.1	4,994.9	(3)	4,994.9
Subtotal	6,731.5	4,748.3	7,233.3	18,713.1	[5] 7,074.5	25,787.6
Agriculture cuts	−481.8	−408.1	58.7	−831.2	23.2	−808.0
District of Columbia cuts	26.9	15.3	26.6	68.8	(3)	68.8
Housing and Urban Development cuts	372.2	−439.0	221.0	154.2	−565.3	−411.1
Interior and other agencies cuts	−21.8	−72.8	−15.2	−109.8	(3)	−109.8
Labor/HEW cuts	−1,032.4	−1,376.8	485.2	−1,924.0	[2] −1,114.6 [4] −1,110.3	−4,148.9
Legislative cuts	5.6	71.9	14.2	91.7	10.7	102.4
Military construction cuts	338.0	286.0	310.2	934.2	[2] 448.7	1,382.9
Public Works cuts	−15.9	8.1	21.4	13.6	(3)	13.6
State, Justice, and Commerce cuts	23.3	56.9	162.6	242.8	−236.9	5.9
Transportation cuts	41.2	112.3	256.5	410.0	91.0	501.0
Treasury, Post Office cuts	8.8	140.4	57.0	206.2	16.4	222.6
Subtotal	* −735.9	* −1,605.8	1,598.2	−743.5	*[5] −2,437.1	−3,180.6
Total	5,995.6	3,142.5	8,831.5	17,969.6	[5] 4,637.4	22,607.0

[1] Senate reported figure.
[2] Senate passed figure.
[3] Not yet reported in the Senate.
[4] Ed. considered in separate bill in fiscal year 1976.
[5] Reflects only bills passed and reported by the Senate as of Nov. 7, 1975.
*In these years, the 11 other appropriations bills combined were over the President's budget.

Prepared by Congressional Budget Office at the request of the Senate Appropriations Committee.

EXHIBIT A

DOD SUPPLEMENTALS FOR PAY

[In millions of dollars]

Fiscal year	Supplemental request for pay[1]	Enacted	Percent reduction
1975	1,772	1,491	15.86
1974	3,260	3,014	7.54
1973	1,074	930	13.40
1972	2,639	2,339	11.37
1971	2,838	2,685	5.39
Average reduction			10.71

[1] Includes retired pay.

EXHIBIT B

CONGRESSIONAL REDUCTIONS IN MILITARY ASSISTANCE AND FOREIGN MILITARY CREDIT SALES PROVIDED THROUGH THE APPROPRIATIONS PROCESS—Continued

[In millions of dollars]

Fiscal year	Total President's request including supplementals and amendments	Total final appropriation	Percent reduction from President's request
Military Assistance			
1971:			
Executive	690.0	690.0	
Foreign military sales credit	272.5	200.0	27
	962.5	890.0	8
1972:			
Executive	705.6	500.6	29
Foreign Military sales credit	510.0	400.0	22
	1,215.6	900.6	26
1973:			
Executive	780.5	550.9	29
Foreign military sales credits	527.0	400.0	24
	1.307.5	950.9	27
1974:			
Executive	685.0	450.0	34
Foreign military sales credits	525.0	325.0	38
	1,210.0	775.0	36
1975:			
Executive	1,207.0	475.0	61
Foreign military sales credits	555.0	300.0	46
	1,762.0	775.0	56
Average reduction 1971 through 1975			31
Average reduction 1973 through 1975			40
Note: Above numbers exclude aid for Israel and Cambodia, which are as follows:			
1971: Military credit sales, Israel	500	500	
1972			
1973			
1973			
1974:			
Emergency security assistance, Israel	2,200	2,200	
Emergency military assistance, Cambodia	200	150	25
1975			

Mr. McCLELLAN. Mr. President, I now yield to my distinguished colleague (Mr. YOUNG).

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. YOUNG. Mr. President, the defense appropriations bill we are considering today, I believe, represents an acceptable middle-of-the-road position. Some Senators believe its funds are far from adequate for our national security, and some want to make much deeper cuts.

Following the debacle in Vietnam, our credibility as a world power reached a very low level. If the United States would now greatly decrease defense funding, while the Russians continue to spend more and more on arms, it could not help but be interpreted by nations of the world as a sign of weakness.

Mr. President, I cannot help but feel that the House cut this defense bill far too sharply. Under its provisions, many necessary defense programs would have to be even further curtailed.

It is ironic that just this week, the Senate approved the Protocol to the Anti-Ballistic Missile Systems Treaty, which would limit the Soviets and the United States to one anti-ballistic missile system each. At approximately the same time, the House has voted to dismantle our only ABM.

This unilateral action was taken without even attempting to get Russia to take comparable action. Too, this is at a time when the Russians are not only continuing to operate their ABM, but are extending its coverage and modernizing it.

Mr. President, the able chairman of the Senate Appropriations Committee, Senator McCLELLAN, has described very well the provisions of this defense bill.

I commend him for all the work he has done and the good judgment he has put into it.

Thus, I will refrain from discussing the many detailed items of the bill. I am in substantial agreement with the position he takes.

The Senate Appropriations Committee restored $564,304,000 in cuts made by the House. These were for items the committee deemed of paramount importance to our national security. The committee bill is still $7,074,490,000 below the budget. This is a very sizable cut in the defense budget.

Some important items urgently requested by the Department of Defense had to be left out in order to keep the total amount at a level we believe the Senate and the Congress as a whole would accept. My personal view is that the bill, as it now stands, is not adequate to meet our security needs.

Research and development for new weapons had to be cut rather sharply as was operation and maintenance. Some important weapons had to be left out and production slowed down to make this more than $7 billion cut possible.

Most of the increases over the House have to do with improving our conventional defense capability. For years our defense was oriented toward greatly increasing our nuclear war capability. This left us with far from adequate conventional war capability. This was very evident when we became involved in both the Korean and Vietnam wars.

I believe we have enough nuclear capability to meet our needs for 20 years to come—that is, if we were the kind of nation to strike first. We have no history of striking first and probably never will.

All this means that we have to be prepared for second strike nuclear capability should any nation launch a nuclear attack on us. It is this second strike capability that is so important to discourage and deter any nuclear power from attacking us.

I believe with our new weapons, such as the Trident submarine, B-1, and others, that we will continue to have a second strike capability. We must be deeply concerned while Russia continues, as they have in recent years, to feverishly modernize and greatly improve both their nuclear and conventional strike capabilities.

The amount of this bill may seem rather large and it is sizable. The major reason for this is sizable increases in defense costs in most areas. For example:

First. Our all-volunteer military force with its much higher personnel pay is very costly, but the volunteer military system is something the people of the United States wanted. Far over half of our defense budget is for personnel costs alone.

Second. Inflation has had a heavy impact on the cost of modern weapons which are becoming more complicated and sophisticated.

Third. Sharply increased costs of petroleum products of which the Defense Department is a large user is another factor.

Fourth. During the Vietnam war and since, we have failed to replenish our military supplies of all kinds which were drawn down heavily by the war in Vietnam and even the Yom Kippur war.

Fifth. In 1968 we had 976 naval vessels operating, but now we have only 490. This is the lowest since 1939. We are far behind in necessary ship overhauling and repair.

Sixth. To conserve fuel supplies, flying hours have been cut sharply and possibly to a dangerously low level.

Every economy that the Appropriations Committee believed could be imposed upon the Department of Defense is in this bill. It is not a perfect bill, but it does represent the best thinking of both the Senate Subcommittee on Defense Appropriations and the full Senate Appropriations Committee.

Many of the committee members have spent much of their time in the last eight months or more on hearings and careful investigation of our overall military requirements. The one thought we always had in mind was to cut defense appropriations as much as possible and still permit a reasonably adequate defense posture.

Mr. President, I hope this bill will be approved without substantial change.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. McCLELLAN. Mr. President, I would like specifically to invite the attention of Members of Congress and also of the public, particularly those who read the Congressional Record, to two tables which I placed in the Record a few moments ago, tables G and H.

I point out that the figures in these tables are not the calculations of the Appropriations Committee staff. Those figures were prepared by the Congressional Budget Office at the request of the Committee. I think they are very illuminating, Mr. President. With respect to the appropriations cuts in the last few years, they will confirm the statements that I made in my remarks a few moments ago.

In this year's appropriation, Mr. President, it is significant to note that while we are cutting more than $7 billion from the military, the other agencies of Government are presently over the budget by $2,437,100,000. The Defense Department is bearing the brunt of the cuts.

For example, Mr. President, in table G which we placed in the Record, there is information, as compiled not by the staff of the Appropriations Committee but by the Congressional Budget Office, showing where the increases in the cost of government have come from during the past 10 years. I have covered these in my remarks, Mr. President, but I urge my colleagues to examine these tables. They are accurate so far as I know.

They confirm what I have been saying to this body year after year during the past 3 or 4 years. National Defense spending during the past 10 years, Mr. President, has increased only 65 percent, whereas the costs of other Government agencies have gone up between 100 percent to more than 1,000 percent. So it is not the military, Mr. President, that is primarily responsible for the heavy deficit spending today. It is the other agencies of the Government.

I think it is time for us to become cognizant of that and take it into account in our deliberations. Certainly this information should be given to the American people so they may know the truth about what is causing the increased cost of government.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I would suggest that the attaches on both sides notify their Members that we have the defense appropriation bill before us, and that if they are not forthcoming with their amendments, very likely we will get to third reading.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I did not expect to get the floor so quickly. I am delighted to have the opportunity to give this report on behalf of the Committee on the Budget as it relates to the pending legislation.

The defense appropriations bill, as reported by the Committee on Appropriations, fits into the National Defense function ceilings which were adopted by the Committee on the Budget in the second concurrent resolution. On the whole. I believe this measure more than adequately funds the Department of Defense for fiscal year 1976 and the transition quarter.

I say for the benefit of the Senate that the second concurrent resolution is scheduled to come to the floor next week, and I hope we can dispose of it before the recess. So, in a sense, we can in the course of this debate cover the defense function as it will be presented to the Senate then.

In my view, the amount of this large spending bill certainly could have been smaller, although it becomes increasingly difficult to find prudent cuts as the fiscal year progresses. That point was discussed at some length in the markup deliberations conducted by the Committee on the Budget last week.

The House of Representatives passed the Defense Appropriation Bill at a lower level. Representative George H. Mahon, chairman of the House Appropriations Committee, pointed out at that time that the committee's reductions were made with the objective of eliminating unnecessary spending without impairing essential defense programs—he said—

> I believe that most Americans would agree that $90.2 billion for the Defense Department is, if managed and spent wisely, adequate at a time when no United States military forces are engaged in combat and the nation is faced with a huge deficit and an increase in the national debt of $80 billion this year.

I fully share Chairman Mahon's viewpoint.

The Senate Committee on Appropriations chose to go beyond the House levels, and restored $564 million in budget authority and $548 million in outlays to the defense appropriation bill.

I regret these increases, particularly since some of the items put back into the bill, such as the stock funds, are fast spending, and make this year's deficit even higher than it already is.

Our colleagues will want to know how this bill fits into the Budget Committee's calculations. Last week, during the Budget Committee's markup of the Second Concurrent Resolution, the recent action of the Senate Appropriations Committee was a major factor in our consideration of the national defense function. The increases in the defense appropriation bill were taken into account in arriving at the Budget Committee's revised national defense ceilings, and the recommended target for defense effort accommodates the bill before us today. I wish to point out, however, that the House has adopted a defense target which, excluding the Middle East package, is considerably lower than ours. There is every prospect that when the final budget ceilings are adopted, the allowance for defense will be somewhat less than the Senate Budget Committee has recommended. There is then certainly no room for upward amendment of the bill before us, and every reason to make every prudent saving during this debate and in the House-Senate conference on the defense appropriation bill.

For several reasons, the ceilings in the national defense function were raised in the Second Concurrent Resolution, as reported, to $101.5 billion in budget authority and $92.1 billion in outlays. First, the Budget Committee acted to accommodate congressional action on spending legislation as well as congressional inaction to date on naval petroleum reserve production legislation. In the case of potential savings resulting from strategic stockpile sales which could have provided considerable off-setting receipts this fiscal year and which the administration recommended. The administration has chosen not to submit draft legislation.

Second, the Office of Management and Budget failed to anticipate the upward adjustments in outlays from prior-year budget authority amounting to about $500 million. Another $184 million from prior years budget authority for Indochina will be spent during this fiscal year. The Committee on the Budget had assumed there would be no spending for Indochina, and included this amount in our Second Concurrent Resolution. There was considerable discussion of this in the Budget Committee especially by the distinguished Senator from Georgia (Mr. Nunn) who is also a member of the Committee on Armed Services.

The President's request for the security assistance bill submitted just last week also required an upward adjustment of the ceiling. As OMB director James Lynn wrote 2 days ago:

> I recognize the great reluctance we all feel at adding in any way to the already substantial deficits both this year and the next . . . the costs associated with the administration's Middle East proposals will lift those ceilings above what they would otherwise be. Fully recognizing that fact, the administration, nevertheless, urges the action recommended above.

Which action is to provide for the foreign assistance spending proposals in the Second Concurrent Resolution. The Budget Committee has done this with the clear understanding that if Congress subsequently authorizes and appropriates less than the amounts requested by President Ford, the remainder should be deducted from the overall budget totals in the Second Concurrent Resolution and from the totals in the National Defense function, and should not be used for any other purpose.

Because of the Nation's pressing economic problems, it is vital that Congress control and limit expenditures wherever possible in the budget. It is my strong recommendation to the Senate to make every effort to reduce spending programs, whether related to the military or to other programs so that our ceilings are not breached and the deficit is held down.

Finally, I add this personal note: Several weeks ago Chairman McClellan stood on this floor wrestling with the complexities of the new budget process. I think that exercise had us both a little frustrated. Since that time there has been increasingly close cooperation between the members, and staffs of our two committees. And I think I can report from my part, at least, a desire to make the process work.

I think that that cooperation is paying off.

I express my personal appreciation to Senator McClellan and his staff for that cooperation which greatly expedited our work in the Committee on the Budget as we dealt with this function in the second concurrent resolution and which led us to come to the Chamber with numbers that accommodate each other.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MUSKIE. Yes, I do yield.

Mr. McCLELLAN. Mr. President, I am glad the Senator recognizes that the Senator from Arkansas has never opposed the objectives of the budget processes which the Congress has enacted.

My concern was in anticipation of some of the problems that are developing now. Maybe they can ultimately be worked out—I certainly hope so. The Appropriations Committee has tried to work in good faith, under the original first concurrent resolution. Under those limitations, and with respect to budget authority, we were able to hold down budget authority and be under target. But when it comes to expenditures, it is far more difficult to reduce the outlays to within that target limitation without doing violent serious injury, in our judgment, to the military establishment.

The Senator pointed out that he receives information late from the President. It causes him to have to make readjustments. If we had the target proposed by the Budget Committee in the second resolution that the Senator's committee reported last night, it would have made our work much easier.

We make every effort to try to cooperate. I am concerned, and I will continue to be, about trying to get some control of expenditures. Until now, the Defense Department has borne the brunt of reductions in public expenditures. I do not make that statement on my own. I asked our new Congressional Budget Office to give me the figures on this year's appropriation. These are the figures that were reported, and I put the statement in the Record earlier: Defense cuts this year are more than $7 billion. All nondefense functions of Government have an increase up to now over the President's budget of $2.437 billion.

So I want to make it distinctly clear that it is not defense spending that is pushing up the deficit.

Mr. MUSKIE. If the Senator will yield, another point has to be made. With respect to the President's budget, allowances were made for inflation in the defense budget that he did not make in any other functions of the budget. That allowance for inflation amounted to something like $8 billion.

If Congress had undertaken to make some allowance for inflation in other functions, it would have had the effect of demonstrating a reduction in the current services provided by the Government. We may well want, as time goes on, to consider even the current services base of the budget.

In that connection, I remind the Senator that the Office of Management and Budget has just submitted to Congress its first current services budget analysis which we received this week. I have not yet had an opportunity to read it and to analyze it. But the base of the budget is something we really have not been able to probe deeply into this year. We have tried to address ourselves to the President's changes in the budget on current services basis. For that reason, we have not gotten into more fundamental questions that we will have to get into if we are going to get a handle on expenditures.

Mr. McCLELLAN. I thank the Senator. He is correct. If we are going to move toward balancing the budget, we will have to do something about the spending of some of the other agencies, not the military alone.

I mentioned the figures earlier about this year's bill, and I want to point this out to the Senator. According to the figures prepared, not by my staff of the Committee on Appropriations, but by the Congressional Budget Office, National defense spending for 1966 to 1976 will rise by 65 percent. Education, manpower, and social services rise by 380 percent. Health programs rise by 1,187 percent. Income security rises by 343 percent.

I can go on and on. These are the increases in other functions and agencies of Government during the past 10 years. However, the military has increased by 65 percent. Percentagewise, we are not making significant reductions in the other agencies and functions.

Mr. MUSKIE. Was the first year 1966?

Mr. McCLELLAN. Yes.

Mr. MUSKIE. Let me make this point, with respect to that comparison.

In the mid-1960's, many of these social programs, which were addressed to needs which had been neglected at that point for a long time, were just beginning the process of being funded by Congress. However, in the mid-sixties, defense spending, under the impetus of the Vietnam war, had reached a peak. The Senator must consider what his starting point represents. If the Senator represents our present expense for expenditures with expenditures at the peak of the Vietnam war and then against that sets a comparison between social programs——

Mr. McCLELLAN. My first year of comparison is 1966.

Mr. MUSKIE. We were just plunging in. I was over there in 1965, and we already had built up our Armed Forces to 200,000 troops, and by 1966 that had climbed to more than 400,000. It was still not the peak. I agree. I correct that. But it was at a time when spending for the war was climbing fast; whereas, social funding was dropping at that time.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. MUSKIE. I yield.

Mr. McCLELLAN. The Senator is speaking about the Vietnam war. The cost of national defense in 1966 was $55.856 billion in outlays.

Mr. MUSKIE. I understand, but the Senator is talking about $55 billion and we are talking about $100 billion today, and the Defense Department itself rejects that comparison.

Mr. McCLELLAN. We have had inflation.

Mr. MUSKIE. So that in terms of today's dollars, if the Defense Department wants the advantage of this argument on that point, that $55 billion is probably higher than whatever the number is in the defense function today.

Mr. McCLELLAN. That was supporting about a million more personnel in the Armed Forces at that time.

Mr. MUSKIE. I understand, but that was before the Volunteer Army, which I opposed. I have opposed the Volunteer Army consistently. That was before the Volunteer Army and the enormous manpower costs that have had the result of raising defense expenditures and at the same time forcing a reduction in manpower. Many elements have to be taken into account. That is not to say that we should not be digging into the base.

Let me make another point with respect to last year and this year, which I think is a more interesting comparison. The following numbers are a pretty accurate reflection of what has taken place.

In terms of the present numbers, budget authority for defense in 1975 was $92.9 billion, now it is about $101.5 billion in defense. In the international affairs function, until the second concurrent resolution, the 1975 number was $4.7 billion and early this year was set at $4.9 billion in budget authority in the first concurrent resolution. In terms of education, manpower, and social services, which is the big social service function, the 1975 number was $15.9 billion and the first concurrent resolution was $19 billion. In health, the change was from $32 to $33.1 billion. In veterans' legislation, it was $17.1 billion as against $18 billion in budget authority.

I do not think we should be making budgetary decisions on the basis of comparisons of that kind. We should be making decisions in terms of our national needs.

Mr. McCLELLAN. Mr. President, will the Senator yield at that point?

Mr. MUSKIE. I yield.

Mr. McCLELLAN. We hear over and over that military spending is running up the deficit.

Mr. MUSKIE. I am not making the argument.

Mr. McCLELLAN. It is not the military. It is other functions that are running up the deficits in this country. Military is contributing its 65 percent increase, but that must be compared to other increases of hundreds to over a thousand percent increase.

The point I am making is that I want to cut. In a $97 billion defense budget or a $365 billion Federal budget, we will never be able to cut all the places where the cuts should be made. It is humanly impossible. There is waste in the military; there is extravagance in it. There probably are other items in this bill that should be cut, if we knew exactly where. But, overall, our military cannot bear the brunt of reductions necessary to move substantially toward a balanced budget.

If we are ever going to have a balanced budget, we either have to get a whole lot more revenue, or we have to make cuts somewhere other than in the military.

Mr. MUSKIE. I agree with the Senator on several points. First of all, I do not use that rhetoric, that we can save enough on defense, or on finance programs, or any other program, to balance the budget. I do not believe that. We have to look at each function in terms of the relevance to the national need and the effectiveness of the administrative agencies in spending the taxpayers' money wisely. But I can understand the emphasis on defense spending that has taken place.

In the prosecution of an unpopular war, military spending escalated enormously in the 1960's, a war and its accompanying costs which most people now believe was a tragic mistake. Public reaction against an unpopular war has put military spending right in the spotlight of public attention. That is why there has been all this emphasis and the rhetoric on military spending and less on some of the others.

Let me say to the Senator, getting away from military spending, there is one area in the budget where I think we really have to focus attention. That is in the area of Federal grant-in-aid programs, which now number something around 1,000, and consumes something like $55 billion of taxpayers' money. Nobody is effectively monitoring these programs today—nobody, from OMB, through the CBO, through the congressional oversight committees.

Senator BELLMON and I have had one meeting already with Mr. Staats and Mr. Lynn to explore the possibilities of getting a handle on these. We do not know in every case, or in most cases, whether or not a program enacted by Congress is serving the purpose for which it was enacted. We do not know whether, if it is, that purpose is sufficiently important to be funded today. We really have not done a program-effectiveness analysis of these programs, nor are we in a position to do so at the present time. I think that is a very high-priority consideration for the Committee on the Budget and even more so for the Committee on Appropriations and for the authorizing committees which have direct oversight responsibility. So I am going to address myself to that as well, may I say to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. MUSKIE. Yes.

Mr. McCLELLAN. We are talking about the military, their increases in cost. I placed in the RECORD this morning, during my remarks, several comparisons of items that have run up the cost of Government. The Senator referred to the fact that he opposed a Volunteer Army. Of course, we had to increase the pay greatly in order to make it attractive for the volunteers. I think it is interesting to note that in the past 10 years, military pay has risen by 114 percent. Today, we pay a recruit $4,334 a year. Those things are what, primarily—together with inflation—have increased the cost of the military. It is unfortunate, but it is simply a fact of life. I thought I would mention that.

I was just thinking of something else. The Senator talked about grant-in-aid programs. We have that as well as other programs that we have little or no control over. The Senator has little or no control over them, and the Committee on the Budget, and the Committee on Appropriations have little or no control over them. Take revenue sharing—around $6 billion a year. We try to balance the budget, and under the law, I tried to make it subject to review of the Committee on Appropriations every year. We were unsuccessful in that effort. We are basically stuck with $6 billion a year, no matter how critical the situation is here, for revenue sharing alone, unless basic law is changed.

There are other areas that are fundamentally fixed and they run nearly two-thirds of the Federal budget. They are fixed items and we cannot reduce them until we change the basic law.

Mr. MUSKIE. That is right.

Mr. McCLELLAN. And that is something I think we should be looking into, too. I do not believe we shall ever be able to balance the budget until we get better control of the authorizing process, because if we keep authorizing, we will keep incurring and increasing debt. It is like going down to the store and buying something on your account that you cannot pay for now. We keep authorizing more and that runs the cost of Government up.

Mr. MUSKIE. The Senator is correct. One of the benefits of this new concern with the budget, including the process, is going to focus people's attention on the facts that the Senator is laying out. We are learning that in the Budget Committee process, and we look forward to beginning that fundamental kind of work that needs to be done.

Mr. McCLELLAN. We do have a job. It is not just a job for the Senator's committee nor for the Committee on Appropriations. It is the job of all the Members of Congress to try to find a way to legislatively and safely reduce public expenditures in every area.

Mr. MUSKIE. I thank the Senator and thank him again for his cooperation.

Mr. BELLMON. Mr. President, H.R. 9861, the defense appropriations bill, includes budget authority totaling $90.78 billion and projected fiscal year 1976 outlays of $64.5 billion. This bill by itself accounts for almost one-fourth of the total budget authority in the entire Federal Government's budget for fiscal 1976. The outlays in this bill constitute over 17 percent of total Federal Government spending expected in fiscal year 1976. Make no mistake about it, this bill is a very large budget item.

Today the Budget Committee will file with the Senate its report including the recommended spending ceilings for fiscal 1976. It is a tight budget with no room for unexpected contingencies. In the defense category there is room for H.R. 9861, but just barely. The pressure will be on the defense budget as it is on other functions of the Federal Government for the remainder of this year. We are aware that the House version has budget authority and outlays approximately $500 million each below the Senate levels. I am very hopeful that the conference on this bill will result in final totals below the Senate levels we are discussing today. It is certain that any number higher than currently included in the Senate version will cause this function to be in grave danger.

The Nation's economy is in a period of recovery. It will be important in the months ahead that the Government demands on the capital markets begin to move aside as the private sector capital needs for expansion rise. This means that the budget discipline which has been successful thus far in these uncertain times become even more successful in the future. This means that in the future, defense dollars, as with all other Government spending, will need to be spent only in the most prudent and effective ways consistent with essential defense programs.

I intend to vote in favor of this bill but I want my reservations noted and I hope the conference will help cause a downward adjustment in the totals. Soon Congress will vote on budget ceilings and we must continue our efforts to make certain that all spending programs including defense do not cause those ceilings to be broken.

AMENDMENT 1067

Mr. McGOVERN. Mr. President, I call up my amendment No. 1067 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

At the end of the bill add the following new section:

SEC. . Notwithstanding any other provision of law, no funds appropriated herein may be used prior to September 30, 1976, to flight test any cruise missile (other than cruise missiles in operational status and deployed at the time of the enactment of this section) designed to deliver a conventional or nuclear warhead and to have an operational range in excess of two hundred kilometers.

Mr. McGOVERN. Mr. President, I yield to the Senator from California.

Mr. CRANSTON. I thank my colleague for yielding.

Mr. President, I ask unanimous consent that Harold Gross and William Jackson may have the privileges of the floor.

Also, in behalf of Senator KENNEDY, I ask unanimous consent that Mark Schneider and Marc Ginsberg may have the privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McGOVERN. Mr. President, the amendment that has just been stated relates to the flight testing of the so-called long-range cruise missile, which is included in the bill now before us. The amendment would have the effect of simply delaying for about 6 months the flight testing of this weapon. It does not make any attempt to pass judgment on the merits of this system, or on its desirability as a weapon that we may eventually wish to move ahead on. It does make a plea for a few months' additional time so that we can evaluate the impact of the flight testing of this new system on our efforts to reach some agreement with the Soviet Union on the limitation of all strategic weapons systems.

The purpose of the amendment, very simply, is twofold. First of all, I think Congress needs an opportunity to assess the political and the military implications of the deployment of long-range cruise missiles before the opportunity to control that deployment is lost. Senators will remember that, back in 1967, we were faced with a similar decision with regard to the so-called MIRV system, the question of whether we ought to move ahead with testing and deployment of that weapon system, or whether we ought to hold up for a while in the hope that we could negotiate some kind of limitation with the Soviet Union. In that case, our impatience got the best of us and we went ahead with the testing and deployment of the MIRV system before the Soviets had the capability of doing so. The result was inevitable: Once we had gone ahead on a testing program on MIRV's, the Soviets were not far behind and, as a consequence, that weapon system has now been added to the strategic arsenal of both sides, and the best we have been able to do is get an agreement with the Soviets that neither side will exceed 1,320 MIRV weapons. I do not think anyone would argue that either side is any more secure, now that we both have the MIRV and a rather high ceiling on the extent to which it can go.

What I am pleading for here today is not that we give up on the cruise missile, but that we spend another few months' time trying to see if some kind of arrangement cannot be worked out with the Soviets under which this new system would be restrained, or perhaps not deployed at all.

This amendment would delay commitment to the deployment of long-range cruise missiles until we can find out whether the possibility of an agreement is there.

I think there are a good many people, Mr. President, who, if they could do it over again, would now favor what some Senators attempted to accomplish several years ago on the MIRV, and that is to delay any testing on that system and, perhaps, some agreement could have been worked out that would have prevented either the Soviets or ourselves from taking this additional step.

Mr. President, specifically, the amendment would prohibit the spending of any funds appropriated prior to September 30, 1976, to flight-test any cruise missile other than those that are already in operational status and deployed at the time of the enactment of this section.

It would prohibit testing on any missile designed to deliver either a conventional or a nuclear warhead that would have an operational range in excess of 200 kilometers.

It is my understanding, Mr. President, and this is not classified information, that the Defense Department intends to begin testing sometime in the spring, and this amendment would delay those tests until after September 30.

Since the missiles would not be deployed in any number until the 1980's, and since the need is not clear now that we need this system immediately, I cannot see how a delay of several months constitutes any substantial risk at all.

The amendment does not in any way restrict the continued proof-testing of missiles already in the inventory, such as the Hound Dog air-to-surface missile. It does not restrict the testing——

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield without losing his right to the floor?

Mr. McGOVERN. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the vote on the McGovern amendment occur at the hour of 4 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. It is my understanding there will be some other amendments offered in the meantime so this will not preclude the expeditious debate on the pending business.

Mr. McGOVERN. Mr. President, I appreciate the agreement of the Senate on this 4 o'clock voting time. There are several Senators who are necessarily absent, who wish to be here for the vote on this amendment. Obviously the amendment is not going to require from now until 4 o'clock for debate, but I did want it called up, and I appreciate the agreement that the Senate vote at that time.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. McGOVERN. Yes, I yield.

Mr. SYMINGTON. May I say to the able Senator from South Dakota that I am much impressed with some of the logic behind his amendment. But, at one point, we were told we were 90 percent close to a SALT agreement. It is my opinion that we are not at all so close when it comes to a SALT agreement, a meaningful SALT agreement. The two major obstacles at this time would appear to be the Backfire bomber and the cruise missile.

Mr. McGOVERN. Yes.

Mr. SYMINGTON. Does the Senator know whether or not the Soviets have agreed to include the Backfire bomber in the overall package that was agreed to at Vladivostok?

Mr. McGOVERN. I do not, I will say to the Senator, and he may be entirely right that we are not on the verge of a breakthrough on the SALT talks. I have no information to contradict the Senator's skepticism about that.

I am only asking here that we give it a chance, that we add another 6 months to explore that possibility so that we do not foreclose that option. I do not think delaying the testing program, as the Senator knows, at a time when we are way ahead of the Soviets in technology on terrain guidance and other things involved in this system, is going to jeopardize our security in the least and, because I share some of the Senator's skepticism about whether we are going to be able to reach an early agreement, I am not asking us to forego this system. I am simply saying let us give it another few months' time at the negotiating table to see if, realizing the enormous impact this is going to have on destabilizing any hopes we have for long-range controlled strategic systems, we cannot possibly get some kind of a breakthrough.

If we go ahead today and announce we are going to be flight-testing this new weapon within a few months' time, it just seems to me you can forget about weapons control.

Mr. SYMINGTON. Mr. President, will the Senator yield for another question?

Mr. McGOVERN. Yes, I yield to the Senator.

Mr. SYMINGTON. I wish I were more optimistic about a meaningful SALT agreement. It seems to me that the positions of both sides are frozen.

Mr. McGOVERN. The Senator may very well be right.

Mr. SYMINGTON. With that premise, we have heard about limiting the cruise missile to some 600 kilometers which would make it, in effect, a tactical missile.

Then we have had other people who want to extend it to where it would be a strategic missile. Without repeating any history incident to the development of this tremendous potential change in weaponry, I ask the able Senator why he picks 200 kilometers instead of, say, 600 kilometers.

Mr. McGOVERN. The 200 figure, I think the Senator would agree, does make it clearly a tactical system. It keeps it out of the realm of strategic discussion for the time being. I do not know whether 200 is exactly the right figure, but it is a reasonable level signaling that what we are talking about here is foregoing the testing of any new strategic system for a few months' time.

Mr. SYMINGTON. Mr. President, if the Senator will yield for an observation, I would like to have his comments on it. I have been very much interested in the cruise missile, because it presents a major change in the concept of warfare.

Mr. McGOVERN. That is correct.

Mr. SYMINGTON. In effect, it is an unmanned bomber.

Mr. McGOVERN. That is correct.

Mr. SYMINGTON. It could be launched not only from surface ships, submarines and airplanes, but from the land as well. Although I understand from the experts it cannot itself embrace a nuclear booster, in a presumably conventional unit it can carry a nuclear weapon.

Mr. McGOVERN. That is correct.

Mr. SYMINGTON. That being true, it has in it the potential of increasing our security, if anything, at tremendously less cost.

Mr. McGOVERN. Yes.

Mr. SYMINGTON. I would be interested to know why postponing testing for 6 months—I am only asking, not being critical at all, the Senator knows that——

Mr. McGOVERN. Yes.

Mr. SYMINGTON [continuing]. Why postponing for 6 months the testing of it would in any way change the opinion or the thinking of either our own Defense Department or the thinking of any possible enemy.

Mr. McGOVERN. I think the answer to that, I say to the Senator, is that once a nation flight-tests a system, the other side has to presume we are moving to deployment. They are going to be aware of the testing program, we are not keeping it any secret, and following past history, once we have engaged in a series of flight tests, I assume the Soviet planners will make the judgment that we are pressing to deploy and they better go ahead into the race.

Mr. SYMINGTON. Will the Senator yield just once more?

Mr. McGOVERN. Yes.

Mr. SYMINGTON. I appreciate his courtesy.

There is, apparently, a difference of opinion as to just why the Secretary of Defense was relieved of his position, and there are, apparently, differences of opinion about the relative merits of proceeding with this suggested cruise missile.

Might it not be a good idea before we pass an amendment of this character to have both the Defense Department and the State Department come to us and give us their position as to what we should or should not do, so that we do not get caught between possible differences which I believe are becoming increasingly obvious among various branches of the administration on this particular weapon?

Mr. McGOVERN. I see the Senator's point, but I would like to turn that reasoning around so that instead of arguing we need to hear from the State Department and the Defense Department before we agree to postpone flight testing, I think we ought to hear from them before we agree to go ahead on flight testing.

I am asking the Senator if he will not consider the possibility of a 6-month delay so that we can have a little more discussion on the part of our experts in the executive branch and also a little more time for Congress to consider the impact of flight testing on our efforts to arrive at a strategic arms limitation.

This amendment of mine does not forego any option. It leaves all of our options open, but if this bill passes in its present form, the chances are we are going to move into flight testing this spring.

So that I urge the Senator to think about his own argument in terms of this amendment giving us a little more time for the kind of evaluation and interdepartmental debate that perhaps we need to hear before we set the future format of our strategic system.

Mr. SYMINGTON. I appreciate the Senator's position.

May I say that for some time—in the joint committee, in the Foreign Relations Committee—I have been endeavoring to get the facts with respect to what is clearly a very potentially disrupting or destabilizing development incident to the SALT talks, and I have not been able to do so.

I have been thinking about the importance of getting a unified position in the two major departments involved. That is why I asked the question.

I thank the Senator for his courtesy.

Mr. McGOVERN. I think the Senator's questions are very thoughtful, as they always are. We are all in his debt for the effort he has made, more than anyone else in the Senate, to try to focus attention on the need to arrive at some kind of agreement, some kind of ceiling on these weapons systems.

I think the Senator would agree with me that the so-called triad system of bombers and submarines and land-based missiles have moved to the point where we have a fairly good unilateral detection system.

We pretty much know what the Soviets are doing in the way of bombers and missiles and submarines. They have a pretty good idea what our capacity is. Certainly on that basis, both sides have some reasonable confidence in agreeing to arms limitations on those strategic systems, but once these cruise missiles are introduced, we could be standing as close to a cruise missile as the Senator and I are here in this Chamber and neither one of us would be able to tell whether that missile is equipped with a conventional warhead or a nuclear warhead.

That being the case, we do not know whether we are looking at a system that will fire 3,000 miles or whether it will go 200 miles. We do not know what is in those torpedo tubes in the submarines.

Mr. SYMINGTON. Before we agree to postpone the testing of it, and the Senator is making my point, in a way, better than I have, would it not be well to have the State Department directed to approach the Soviet Union and see if we could work out something on cruise missiles now?

Mr. McGOVERN. I would hope we would do that regardless of the outcome of this amendment today, that we would be pressing every day for some agreement with the Soviets on cruise missiles and other matters that are in dispute.

I am simply pleading that we recognize that a 6-month delay on testing this system really does not jeopardize our security.

The Senator knows the Soviets are not within 6 months of our technology on this system, that if they started on it today they could not possibly catch up to us for a considerable period of time. So that we are not really foregoing the edge we have in technology. We are simply saying,

> Let's take a few more months' time to explore the possibility of negotiations with them.

The Senator himself does not expect any imminent breakthrough on the negotiating front.

That being the case, it is a strong argument for a little more patience and a little more time in seeing if somewhere down the road we cannot get that kind of diplomatic break.

Mr. SYMINGTON. If the Senator will yield once more, my basic point is that we have two major problems at this time. One is the Backfire bomber, the other is the cruise missile; and we may want to achieve a package. Clearly they are ahead on the Backfire bomber.

Mr. McGOVERN. Yes, I agree.

Mr. SYMINGTON. Therefore, if we could work it out in a package, it occurred to me that it might be better.

I thank the Senator for his kindness.

Mr. McGOVERN. The Senator's interrogation has been very helpful. I appreciate it.

Mr. President, just to summarize now the remainder of the case that I am trying to make for this amendment, I think that Senators familiar with the strategic arms limitation issues know that the cruise missile issue is now pivotal.

Agreement to restrict cruise missiles is going to be, I think, very difficult to achieve. I do not want to leave the impression that I think this is going to be an easy matter to negotiate. Whether we attempt it now or whether we attempt it this spring or next summer, it is going to be very tough.

The main reason for that difficulty is that both sides realize the incredible implications of this new weapon system.

Both we and the Russians have the industrial and technical capability of deploying cruise missiles by the thousands. They are not very expensive or complicated compared to other systems. The air launched cruise missile could be loaded on penetration bombers of the kind we already have or stand-off aircraft and delivered with very high accuracy against targets in the Soviet Union. The Navy version could be launched from surface ships and submarines. What it comes down to essentially is that each 21-inch torpedo tube in the Navy could pose a strategic threat to the Soviet Union. The same thing is true in reverse. They have the capability of mobilizing literally thousands of new, highly accurate weapons if each side goes into a wholesale testing and deployment of this so-called cruise missile.

Mr. YOUNG. Will the Senator yield?

Mr. McGOVERN. I yield.

Mr. YOUNG. The able Senator from South Dakota said a while ago we were considerably ahead of the Russians in the cruise missiles. I wish that were true. They have the Styx missile, a cruise missile of shorter range, which is a very simple one but very effective. We do not have a missile as effective as the Styx missile, nothing comparable to it. If we wait long enough, the opposite may be true. But the Russians are going ahead, as they are now, in improving the accuracy of their missiles. Of course, we are doing the same thing.

Mr. McGOVERN. I do not want to dispute what the Senator said about the Soviets having certain missiles now that are very competent. We do, too. I was talking about the long-range, so-called terrain guidance system that enables these missiles to move over thousands of miles where they descend to a low altitude, perhaps as low as 200 feet, and then are guided over rivers, mountains and terrain by sophisticated guidance systems. I think the Senator would agree that our capability there is considerably ahead of the Soviets.

Even if I were to concede the Senator's point, I am not asking that we stop the development of this system. I am not asking that work stop on them. I am simply asking that we avoid flight testing for a few months, which is a clear signal to the other side that we are beginning deployment. It is not to give them an excuse for moving ahead with a similar deployment of a system. I think the Senator will agree that once we made the decision to test and deploy the MIRV, the Russians had no other recourse except to begin adding multiple warheads to their systems.

Mr. McCLELLAN. Will the Senator yield?

Mr. McGOVERN. I yield.

Mr. McCLELLAN. Will the Senator be willing to yield for the purpose of my submitting a unanimous-consent request that debate shall be resumed on this amendment at 3:30 this afternoon, with the time equally divided, the 30 minutes between that time and the voting time at 4 o'clock?

Mr. McGOVERN. I would have no objection to that.

Mr. McCLELLAN. I readily agreed to postponing the vote until 4 o'clock. I hope the Senator will agree to this, so that we might have an opportunity to discuss it briefly, at least, on each side before the vote.

Mr. McGOVERN. I think that is a fair request.

UNANIMOUS CONSENT AGREEMENT

Mr. McCLELLAN. Mr. President, I ask unanimous consent that at 3:30 p.m. this afternoon, the time from then until 4 o'clock, the time scheduled for a vote on the pending amendment, be equally divided between the sponsors of this amendment and the manager of the bill.

Mr. GOLDWATER. Reserving the right to object, Mr. President, and I will not object, I have two amendments that I wanted to call up. One I have agreed with the leadership not to call up until next week, Monday. The other I would like to call up today because it is a rather minor amendment. It is to strike the so-called Enforcer from the appropriations bill. Will the chairman ask unanimous consent for time to discuss that amendment? I need only 15 or 20 minutes. I believe Senator THURMOND would like equal time. If we could get that this afternoon with the vote around the same time as the manager is suggesting that would help us.

Mr. McCLELLAN. Mr. President, if I can get a ruling on this unanimous-consent request, I will be glad to discuss the matter with the Senator from Arizona immediately and try to arrive at some agreement about it.

The PRESIDING OFFICER. Is there objection?

Without objection, the unanimous-consent request of the Senator from Arkansas is agreed to.

Mr. GOLDWATER. Mr. President, if the Senator will yield, I do not necessarily need a great deal of time on this amendment of mine. It is not a major amendment. I would like to bring it up after discussion is finished on the present amendment. I would ask unanimous consent that I be permitted to do that.

The PRESIDING OFFICER. The pending amendment has been laid aside by unanimous consent. Therefore, it is in order for the Senator from Arizona to call up his amendment.

Mr. GOLDWATER. I will wait until the Senator has finished his discussion on the missile and then I would like to call it up.

Mr. McGOVERN. I will say to the Senator that I intend to conclude in a few minutes time.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. McGOVERN. Mr. President, I believe Senators are generally familiar with the case that is being made here for a postponement on flight testing. I have sent to every Member of the Senate a brief statement of the purpose of this amendment and what it hopes to achieve.

I would just like to conclude on this note: We are making a very serious decision at the moment we decide to move ahead on the flight testing of the so-called cruise missile. Every surface ship, every bomber, every submarine with a 21-inch tube is capable of becoming a launcher for these pilotless aircraft, some of them capable of flying several thousand miles and hitting targets with incredible accuracy, within as much as 100 feet of the target. They have sophisticated guidance systems which could change the whole security balance between the Soviet Union and the United States and really destroy any capability that either side now has, knowing what the delivery capability of the other side is.

Under those circumstances, it seems to me we have permitted the arms race to rage out of control and lost any really dependable verification system at all.

Our only salvation in this situation is to arrive at an agreement with the Soviet Union that both of us are going to keep a lid and some kind of guidelines on this new weapons system. We talk about controlling a Triad system, where we keep an eye on three different weapons, the bomber, the missile-launching submarine and the land-based missile. But what happens when we have a centipede, when we have 100 different ways of delivering these cruise missiles, all of them capable of carrying nuclear warheads, systems that could be eventually duplicated all over the world by other countries?

I would plead with the Senate today to give serious consideration to this amendment, understanding that it in no way jeopardizes the security interests of the United States. It does not ask us to make any final judgment on the desirability of this new weapons system but simply to buy a little time during which period we would explore the possibility of negotiated arrangements with the Soviet Union.

Mr. President, a number of interesting commentaries have been written on the cruise missile issue. One is by Mr. Richard Burt in the November 9 issue of the Washington Post.

Another commentary prepared by the Arms Control Association entitled "Strategic Cruise Missiles and the Future of SALT," written by Mr. Lawrence Weiler.

An article appearing under the byline of Murrey Marder in the Washington Post of October 26, 1975.

An editorial in the Omaha World Herald of October 27, 1975, supporting the cruise missile.

I ask unanimous consent that all of these supporting materials be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit I.)

Mr. McGOVERN. I also ask unanimous consent that Mr. Alan Chvotkin of Senator Abourezk's staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT I

[From the Washington Post, Nov. 9, 1975]

ARMS CONTROL AND THE CRUISE MISSILE: RECONCILING A DIFFICULT EQUATION

(By Richard Burt)

Debates in the United States over new strategic weapon programs have fallen into a wearisome routine. When the Pentagon approaches Congress for funds for the Air Force's B-1 bomber or the Navy's Trident submarine, dedicated arms controllers swarm over Capitol Hill and warn of the dangers of "destabilizing" the U.S.-Soviet strategic balance by "fueling the arms race." The defense community, for its part, talks in similar knee-jerk fashion of "maintaining the technological initiative" and acquiring "bargaining chips" for arms control negotiations.

It is particularly noteworthy, then, when a new piece of hardware fails to elicit such sure-fire responses and leaves both groups uncertain and somewhat baffled over its impact on the strategic balance and its long-term implications for arms control. This is precisely the state of affairs with the strategic cruise missile program.

Now under joint development by the Air Force and the Navy, the cruise missiles are pilotless, low-altitude rockets that by the early 1980s will reportedly be able to deliver nuclear warheads over ranges exceeding 2,000 miles with extreme accuracy. Less than 15 feet in length and incredibly versatile, they could be launched from the wings of bombers, out of submarine torpedo tubes, from the decks of ships or from launchers on the ground.

Because of the adaptability of cruise missiles, observers have been quick to point out that they pose serious monitoring problems to U.S.-Soviet efforts to place mutual ceilings on weaponry at the Strategic Arms Limitation Talks (SALT). Indeed, the question of whether to include cruise missiles in a SALT arrangement (and how to count them if they are included) is one of the last unresolved issues that stands in the way of a new agreement, a question that appears to have been at the heart of the dispute that ultimately led to James Schlesinger's dismissal last week. But what many analysts appear to have failed to recognize is that the central problem is not what SALT will do to the cruise missile, but what weaponry like the cruise missile will ultimately do to SALT.

The cruise missile is not simply another dubious addition to the American stable of nuclear arms, but the most visible forerunner of a new generation of weapons technology that promises to alter fundamentally how we think about deterrence and defense in the nuclear age.

Negotiators must grapple with the fact that cruise missiles can be fired from a variety of launchers, but a greater problem is that these weapons can be fired at so many different targets by so many different nations. Unlike intercontinental-range ballistic missiles, whose deployment is now regulated by SALT, cruise missiles will be able to perform both strategic and shorter-range tactical missions with equal efficiency. Armed with conventional warheads, they could have the accuracy to undertake numerous missions. For instance, as anti-ship missiles, they might replace far-more-expensive carrier aircraft. Yet these same missiles could be quickly adapted to deliver nuclear weapons, and deployed aboard ships in the North Atlantic or on mobile launchers in Central Europe. They could carry out strategic strikes on the Soviet Union. A tactical weapon one minute would essentially become a strategic weapon the next.

But an even more profound development is perhaps on the horizon. With missile accuracy approaching fantastic limits, there is the possibility that conventionally-armed cruise missiles might be able to engage in strategic strikes against the Soviet Union. Precision guidance and improved conventional munitions would thus introduce a new era of "strategic conventional" warfare—the destruction of strategic targets in the Soviet Union (or the United States) without crossing the nuclear threshold.

In attempting to come to grips with the significance of this development, it is important to emphasize how strategic warfare became synonymous with nuclear warfare in the postwar era. Deterrence of strategic attack rested on the mutual fear of using nuclear weapons. But with the advent of strategic conventional weaponry, this simple equation is undermined.

For arms control the implications appear ominous. In many ways, the ground rules for discussion at SALT reflect the technological and political realities of a vanishing period, when strategic arms could be more easily distinguished from other categories of weaponry and when they were only possessed in great numbers by the two superpowers.

But now criteria for distinguishing between strategic and tactical weaponry are rapidly disappearing. And as strategic conventional war becomes feasible, there is little reason to believe that other nations, especially the NATO allies in Europe, will resist the temptation of arming themselves with weapons that can strike the Soviet homeland but do not bear the onus of triggering a nuclear holocaust.

How should we approach the task of salvaging arms control in the face of new weapons technology like the cruise missile? Initially, a more thorough appreciation of the problems and prospects raised by the blurring of nuclear and conventional weapons is required. A major premium in arms control thinking has been placed on "raising the nuclear threshold." Now there is a possibility that the United States could engage in nonnuclear strikes against the Soviet Union, following a large-scale attack on Europe.

But how would this capability affect prospects for escalation? The caution bred from fear that characterizes the existing superpower military relationship could be dissipated by a new set of strategic conventional options. While perhaps raising the nuclear threshold, weapons like the cruise missile could lower the overall inhibition to use force.

Until more complete answers are available, it will not be possible to fashion a more coherent strategy for arms control. But it does seem clear that continuing along the road paved by SALT won't work. While strategic and tactical roles can be differentiated it may soon be no longer possible to identify weapons that perform these separate missions. Moreover, as distinctions between nuclear and non-nuclear weapons become fuzzier, so will political distinctions between nuclear and nonnuclear powers.

If the Soviet Union and the United States are finally successful in ironing out the details of a new 10-year agreement at SALT, there will be strong tendency to argue that strategic problems have been relegated to the back-burner of superpower relations. This must be resisted, for the real challenges lie ahead.

[From the Arms Control Today, October, 1975]

STRATEGIC CRUISE MISSILES AND THE FUTURE OF SALT

(By Lawrence Weiler)

THE ISSUE AT A GLANCE

The United States is developing a new nuclear delivery vehicle, the strategic cruise missile, which threatens to preclude future progress in the current strategic arms limitation (SALT II) negotiations.

There are two types of strategic cruise missiles currently being developed by the U.S.: the air-launched cruise missile (ALCM) and the sea-launched cruise missile (SLCM). The ALCM will be carried by strategic bombers while the SLCM version is primarily designed to be launched from the torpedo tubes of U.S. attack submarines, although it can be launched from a variety of other platforms. The two cruise missiles will have ranges between 1,200 and 2,000 nautical miles.

Technological advances in guidance and propulsion systems have made it possible to fit these long-range strategic missiles into torpedo tubes, which previously would have only carried short-range tactical missiles. This development could create insurmountable obstacles for the SALT negotiations. Limitations on strategic cruise missiles using such launchers could not be adequately verified. Alternatively, if long-range cruise missiles were excluded from limitation, the result would be to render meaningless the already high levels set on strategic arms at Vladivostok.

In order to achieve verifiable limitations, those strategic cruise missiles capable of being fired from launchers which are not clearly indentifiable as strategic launchers must be prohibited. This means that development of strategic cruise missiles which could use regular torpedo tubes for launchers, such as the present SLCM program, should be discontinued. In addition, some agreed limitations on ranges for cruise missiles should be negotiated in order to limit these missiles to non-strategic ranges.

At a few critical points during the postwar period new weapons developments have carried unusually serious implications for the future, as distinct from their immediate effects on the strategic balance. In each case there was a danger of consequent greater insecurity for both sides and increased problems for future arms control efforts. At such times, arms control efforts have been presented with unusual challenges. This was the case with ICBMs, ABMs, and MIRVs.

The half-hearted effort in the late 1950s to stop intercontinential ballistic missiles (ICBMs) was unsuccessful. ICBMs carried not only the future prospect of a major shift in the strategic relationship between the U.S. and U.S.S.R. but also increased tension and danger of nuclear holocaust through accident or miscalculation. More recently however, the mutual perception of the role that anti-ballistic missiles (ABMs) could play as a catalyst of strategic arms competition helped produce the one case where the challenge was met—through the ABM Treaty.

In the third and most instructive case, multiple independently-targetable reentry vehicles (MIRVs), the challenge was not met. In the late 1960s, a fascination with the short-term advantages afforded by the U.S. lead in new MIRV technology outweighed interest in halting MIRVs in the SALT I negotiations. Inexorably, as a result both sides now wrestle with a perceived increased threat to land-based ICBMs and a quantum jump in the numbers of deliverable warheads. The resulting instabilities and increased asymmetries in the two sides' strategic programs, together with the momentum of on-going MIRV programs, produced the artificially high MIRV levels set at Vladivostok.

THE CRITICAL DECISION ON CRUISE MISSILES

We are now at a similarly critical turning point: the decision concerning strategic cruise missiles. Unlike ballistic missiles, these aerodynamic vehicles are continuously powered and travel at subsonic speeds within the atmosphere at low altitudes which makes detection difficult. They require continuous guidance because of requirements for trajectory changes, differing weather conditions, and variations in performance of the propulsion system. The technical and program details of this system, which the U.S. now has under development, are set forth separately (see *Perspective*, p. 4). Let us here look at the basic features of this system and how they affect the future of strategic arms control.

Developments in long-range cruise missiles are part of a broader technological revolution that affects this class of weapons generally. Cruise missiles are an old weapons system, which in the past were considered marginal or ineffective. In the initial strategic arms negotiations (SALT I), the U.S. made a brief effort to limit the number of short-range Soviet naval cruise missiles but did not press the issue since they were considered marginal in importance and at least as questionable as "strategic systems" as U.S. forward based systems (FBG).

Numerous technological advances have, rather suddenly, changed all this. Improvements in propulsion systems have made possible missiles of extended ranges with relatively less space required for the propulsion system, leaving more room for guidance systems and warheads. Of much greater significance, the guidance systems themselves have been revolutionized by micro-miniaturization of sensors, logic circuits, memory banks, and communication systems. Such systems opened the way for developing the planned long-range (1400–2000 nautical mile), inexpensive cruise missile that, using a terrain matching and recognition terminal guidance system, will have greater accuracy than current ICBMs.

Cruise missiles have become the weapons developer's latest dream. The current U.S. program involves an air-launched (ALCM) and a sea-launched (SLCM) version. The ALCM will be carried by strategic bombers. (The Air Force must resolve competing rationales for the B–1 bomber and cruise missiles since an accurate long-range cruise missile undermines the case for the B–1's increased penetration capability.) A critical feature of the current sea-launched program is that the missile, with its 21–inch diameter, will fit into a standard torpedo tube—the Navy's planned primary launch platform. With the requirements given the weapons' designers, this was a logical decision. For the future of strategic arms limitation, however, it is a potential disaster, since all submarines would become potential launcher platforms, with no way of verifying how many strategic nuclear launchers in submarines exist. Moreover, the torpedo tube launchers would be quickly reloadable. There would be no way, as is the case with ICBMs and SLBMs, of, in effect, equating missile numbers with launcher numbers.

Many factors lay behind the 1972 decision to proceed with the strategic cruise missile program. It was part of the price, together with the Trident program, paid to gain support of the military for the SALT I Interim Offensive Arms Agreement. It also was regarded as a "hedge" or insurance against future Soviet programs or a breakdown of the SALT II negotiations. Some in Washington also viewed it as a SALT "bargaining chip." All this was before the technical developments has become clear to policy makers—and before the arms control implication of cruise missiles were recognized. Yet, to this day, no persuasive military requirement for strategic cruise missiles has been offered by government spokesmen.

At SALT, the Ford administration has argued that strategic cruise missile launchers are not part of the 2400 strategic launchers maximum agreed upon at Vladivostok. Also, the U.S. claims that the Vladivostok accord limiting air-launched missiles to 600 kilometers applies only to ballistic missiles and not to cruise missiles. There is, however, a debate currently taking place within the executive branch concerning the U.S. position. This debate should not be confined to a small circle within the bureaucracy.

The implications of this debate for the future of arms control should be clearly understood. The first result, if the program proceeds and the current U.S. position is held to, may be to preclude a SALT II agreement. The Soviets are unlikely to agree to an exception for this system that would, in effect, allow an unconstrained circumvention of any SALT II "limits." In the unlikely event that Moscow, for political reasons, were to agree to put aside strategic cruise missiles for this upcoming agreement, the result would render meaningless the already high levels set on strategic arms at Vladivostok.

THE IMPLICATIONS OF CRUISE MISSILES FOR SALT

Of even greater importance are two implications for the future of SALT—and most who support Vladivostok do so not for its immediate worth but in the hope that, within its framework, more meaningful future limitations can be achieved. Were we to continue with this program, the result would be to create another weapon system that would complicate efforts to place equal limits on each side's total strategic launchers—much as U.S. forward based systems (FBS) have done in past SALT negotiations. The FBS issue has not yet been resolved but merely put aside in light of the high levels of the Vladivostok accord; and the Soviets have given notice that it will resurface whenever future reductions are considered. Adding cruise missiles to the unresolved problem of forward based systems would create an FBS issue in spades, and would result in a possibly insurmountable barrier to future SALT agreements—and certainly to any reductions.

At the most fundamental level, the present SLCM program would thwart all verification of future strategic launcher levels. Should the Soviets follow suit—and the MIRV experience should teach us that in time they can and probably will—each side would be able to point to potential strategic launchers in all attack submarines, the numbers of which could not be verified unless all torpedo tubes were counted as strategic launchers. (The U.S. now has 65 nuclear-powered submarines with a total of 260—reloadable—torpedo tubes, and the Soviets have about 78 nuclear-powered attack and cruise missile submarines with at least as many cruise missile launchers.) The result will be inability to reach agreement—and because of this we would witness uncontrolled strategic arms competition in all strategic forces. The "inexpensive strategic missile cruise thus could well become one of the most expensive programs ever undertaken.

LIMITING STRATEGIC CRUISE MISSILES

Despite the technical ingenuity which these new missiles reflect, there is no real need for them in the strategic forces of either side. It is important at this time that we place the issue in a larger perspective and that we look beyond the next five years.

Limiting strategic cruise missiles will present some verification problems, and acceptance of some uncertainties in terms of exact range limitations will likely be necessary. But if the problem is viewed in its larger context of the marginal need for these systems and their effect upon the future of strategic arms limitation, solutions can be found. The acceptable quality of verification should be judged in the context of the limited strategic importance of these weapons.

The starting point must be a prohibition on development of cruise missiles that can be fired from launchers other than those that are clearly verifiable as strategic launchers. The peg that has made verification by national means of strategic arms limitations possible has been to count launchers, not missiles (as was attemped in the mid-sixties). This ability must be retained. This means that under a SALT II agreement strategic cruise missiles capable of using torpedo tubes for launchers must not be permitted. The question of what to do about surface-launched naval cruise missiles is another matter that will have to be addressed. Air-launched cruise missiles present less of a problem since their launchers, the strategic bombers, can be counted. I would further argue for placing some agreed limitations on ranges for air and sea-launched cruise missiles. This would be a somewhat loose restriction since range can be extended by trading off warhead and airframe space for enlarged fuel capacity, but a restriction with some "give" in it would be better than no restriction on range. Surface ship launched missiles should be limited to a tactical range, of around 300 to 400 kilometers. A permitted range of less than 1000 kilometers for air-launched cruise missiles would appear to be adequate to redress the asymmetry presented by the large, unrestricted Soviet air defense system.

The exact nature of the specific limitations will involve considerable technical analysis, but we must not allow solvable technical questions to obscure the over-all interest the U.S. and the U.S.S.R. have in preventing strategic cruise missiles from foreclosing the future of the SALT process. So vital is this issue that its resolution must come within a broad, informed consensus, not in secrecy or by default.

SEA-LAUNCHED CRUISE MISSILE: WEAPON IN SEARCH OF A PURPOSE

In collaboration with the Air Force's air-launched cruise missile (ALCM) program, the U.S. is developing a long-range, sea-launched cruise missile (SLCM). The SLCM is being designed primarily for launch from the torpedo tubes of U.S. attack submarines and surface ship launchers, although other platforms such as aircraft, ballistic missile submarines and even the Lance missile ground vehicle will be capable of launching the SLCM. The Navy program will produce not only a strategic cruise missile with a range of 1,400–2,000 nautical miles, but also a tactical cruise missile version with a range up to 300 nautical miles. The strategic version will probably carry a 200-kiloton nuclear warhead while the tactical cruise missile will be armed with a conventional warhead and used for antiship combat. The Defense Department's current estimate of the total program cost for the SLCM is $2.8-billion, with an average cost of about $800,000 for each strategic cruise missile (not including R & D costs). The number of strategic cruise missiles to be produced is reported to be 1,000 missiles. Full-scale flight testing will begin in 1976 and production could commence by 1980.

As discussed in this month's editorial, the strategic SLCM has significant implications for the on-going U.S.-U.S.S.R. strategic arms limitation negotiations. The deployment of the present version of the SLCM would result in insurmountable verification problems which could foreclose a meaningful SALT agreement.

The SLCM may provide the best example of a strategic weapons program which would not have been developed had the strategic arms negotiations not existed. The sea-launched cruise missile program was initiated in 1972 at the direction of Defense Secretary Melvin Laird primarily as an effort to provide another "bargaining chip" for the second phase of the SALT negotiations. Dr. John S. Foster, Jr., Director of Defense Research and Engineering, confirmed this when he testified during June, 1972 that the initiation of the SLCM program was essential in order to both "preserve our position of sufficiency, and to insure that we are in a position of strength to negotiate on this class of strategic weapons during the next round of SALT." The Navy's real interest in pursuing the SLCM program (beyond the Defense Secretary's directive) appears to stem from its desire to obtain the more advanced tactical cruise missile it otherwise would not have funds for.

Even discounting the impact of the SLCM upon the SALT negotiations, the sea-launched cruise missile does not have enough merits of its own to warrant further development and eventual deployment. Defense Department rationales for the SCLM and plans concerning how it would be deployed seem to shift from year to year.

Some new rationales for the SLCMs have appeared this year. In keeping with the new strategic fashion of flexibility, Defense Department officials have portrayed the SLCM as uniquely suitable for an "unambiguous, controllable single-weapon response"—a rationale which has never surfaced until this year. Another change concerns the emphasis upon the Soviet cruise missile capability. In previous year presentations expressed concern over the Soviet advantage in numbers of cruise missile submarines. Contrasting these earlier expressions of concern are recent arguments by some U.S. officials that the U.S. holds a significant advantage over the U.S.S.R. in terms of the technology of highly accurate, long-range missiles and that the U.S. needs to keep ahead of the Soviets.

The Soviets do have cruise submarines which could attack U.S. cities from nearby offshore locations. However, the primary mission of these submarines appears to be for antiship combat. Soviet cruise missile submarines suffer from the disadvantage of having short-range missiles with ranges of 30–450 nautical miles, and most actually have to surface before firing.

Defense Department plans concerning launch platforms for the SLCMs have similarly varied. Initially, in 1972, Defense officials stated that the SLCMs would be vertically launched from the missile tubes of the ten oldest Polaris submarines. By 1974 the Defense Department changed its thinking and began emphasizing the nuclear-powered attack submarine as the *sole* launch platform for the SLCM. Now, after consideration of the cost of buying cruise missiles for such a small number of launchers the Defense Department has redirected its plans to include certain types of surface ships as SLCM launchers as well.

Many of the military arguments for deploying a sea-launched cruise missile are marginal at best. The argument for using the SLCM as a "hedge" would be more convincing if the ABM Treaty did not exist and the U.S.S.R. could deploy an effective ABM system which would create uncertainties concerning the effectiveness of the U.S. ballistic missiles. But the ABM Treaty has precluded that problem. In addition, the current "triad" of land-based missiles, sea-based missiles and strategic bombers can perform equally as well or better any of the SLCM's strategic functions. This is one reason that in the late 1950s the Navy's Regulus II cruise missile was not procured despite its technical success. Placed in the perspective of the already large and diversified U.S. strategic arsenal the arguments for the SLCM pale.

Another consideration is the large cost of developing and producing the strategic SLCM compared to the small number of SLCMs which would be added to the first-line of U.S. strategic forces. Each attack submarine will carry only a handful of SLCMs (about 4 per sub) and even this number will be at the expense of reducing the supply of regular torpedos available to the attack submarine to perform its primary missions. Navy testimony has also revealed that the few SLCMs at sea would be used only as a last resort or as a strategic reserve since the attack submarines' primary missions of sea control and anti-submarine warfare would keep them tied up and out of range of the SLCM's targets in the U.S.S.R. Once the decision to employ the SLCM is made it would take from "hours to one and a half days" before the attack submarines would reach their SLCM launch points off the Soviet coasts. This limits the sea-launched cruise missile's usefulness to "long" nuclear wars.

The combination of the SLCM's unimpressive contribution to the U.S. deterrent forces and the serious difficulties it will produce for the continuing SALT negotiations suggest that further development of this type of strategic weapon must be prohibited.

[From the Washington Post, Oct. 26, 1975]

SALT PACT MAY SLIP TO 1977

(By Murrey Marder)

The United States and the Soviet Union soon must decide if they are prepared to risk a freeze in the nuclear arms talks that can extend to 1977, American strategists acknowledge privately.

This is the most troublesome foreign policy issue inside the Ford administration, insiders agree. The problem is compounded by continuing differences between the State Department and the Department of Defense over the price that should be paid for U.S.-Soviet detente.

It is the Kremlin, however, rather than the White House, U.S. sources say, which now holds the controlling decision on whether any accord will emerge from the strategic arms limitation talks in 1976.

The summit meeting between President Ford and Soviet leader Leonid I. Brezhnev, which has been delayed repeatedly, is tied to a SALT accord. Secretary of State Henry A. Kissinger's recurring extended dates for producing a SALT agreement now have reached "early 1976."

This is the Ford administration's actual deadline for any accord, it was learned. The United States has informed the Soviet Union privately that it will be politically impractical to pursue SALT negotiations beyond early 1976, to avoid the contentious atmosphere of the American presidential election campaign.

If this cutoff is adhered to, it means that if SALT negotiations are inconclusive in the next four months, they would go over to 1977.

With this limitation on negotiations, administration sources concede, the prospects diminish for any SALT accord in 1976 without major Soviet or American concessions soon.

As a political reality, the pressures will grow inside the administration even during this period to resist compromises that could expose President Ford to new attacks from the Republican right on his detente policy, U.S. planners anticipate.

Defense Department partisans initiated a flurry of attacks across the Potomac two weeks ago against Kissinger's SALT diplomacy, although Defense Secretary James R. Schlesinger last week strongly disavowed any attempt to frustrate Kissinger's strategy.

Schlesinger personally shares some of Kissinger's concern about the need to "bind Brezhnev's successors" to agreed nuclear-force ceilings. But Kissinger and Schlesinger long have disagreed about the terms the United States should settle for in the projected 10-year SALT agreement.

A failure to reach a SALT agreement in 1976, many Defense Department strategists and other specialists contend, still would leave in force the five-year limit on American and Soviet strategic weapons that runs to October, 1977.

This would allow adequate time, these sources say, for resuming SALT negotiations after the presidential inauguration in January, 1977.

Kissinger's associates label this an invitation for "panic negotiations," in contrast to the "hasty negotiations" that critics charge Kissinger with conducting. Beyond that hazard, such a delay runs the risk of a "totally uncontrolled nuclear arms race," Kissinger associates caution.

By 1977, these sources say there is almost certain to be a new leader in the Kremlin, even if President Ford remains in the White House. A change in either leadership, it is argued, could provide justification for cancelling the Ford-Brezhnev agreement made at Vladivostok last November, which is the basis for the present SALT negotiations.

Kissinger, therefore, is described as being determined to continue his drive for a SALT accord until the last possible moment, in the hope of inducing the Soviet Union to reach even a partial nuclear compromise.

Time will run out, U.S. specialists now estimate, before the convening of the Soviet Communist Party's 25th congress, scheduled to open in Moscow Feb. 24.

This is where Brezhnev planned on displaying a completed SALT agreement, capped at a Washington summit conference, as the climax of his detente strategy—and, it was speculated, perhaps his political career.

The ailing Brezhnev, however, now may lack the power to produce any new concessions on SALT. In addition, the administration's political timetable for cutting off SALT negotiations may be construed as a deliberate pressure tactic, although U.S. officials have tried to eliminate that suspicion.

The two most intractable obstacles in the path of a SALT agreement continue to be offsetting demands for dealing with two weapons not discussed at Vladivostok last year.

One is the latest Soviet bomber, known in the West as the Backfire B; the other is the American-initiated long-range cruise missile, yet to be test-fired, but already regarded as a major technological breakthrough to a new class of weapon.

Of the two weapons—the American cruise missile is overwhelmingly the most significant.

The Defense Department is pressing the Soviet Union to count Backfire bombers in its force level of 2,400 strategic land, sea or air missiles or long-range bombers. The Soviet Union insists the plane is not an intercontinental bomber, but a medium-range bomber.

The Soviet Union, in turn, demands that the United States count long-range cruise missiles in its total of 2,400 strategic weapons. The United States refuses on grounds that the cruise missile is the equivalent of a low-flying pilotless plane, not a ballistic missile.

In the latest American counterproposal, submitted Sept. 21, which is now the critical offer in the negotiations, the United States proposed a trade-off formula for counting the Backfire and cruise missile in equal numbers, above the force levels set at Vladivostok.

There is little, if any, expectation on the U.S. side that this offer will be accepted as it stands. The question is whether it will be rejected, deadlocking the negotiations long before February, or as Kissinger hopes, it will stimulate an encouraging counterproposal.

Kissinger is prepared to bargain. Schlesinger reportedly is too, but to a lesser extent. The Defense Department has no intention of abandoning what it sees as the technological lead it now can gain to offset what Pentagon strategists regard as American advantages bargained away in earlier SALT agreements.

The ultimate test of whether there will be any SALT agreement in 1976, many U.S. experts believe, will turn less on the pursuit of detente than on the level of Soviet concern that American technology will end up with an uncontrolled advantage in nuclear weapons.

This was the decisive factor in the first, disputed, SALT accord in 1972, which Kissinger justified primarily on grounds that it checked a more dynamic Soviet missile-building program.

[From the Omaha World Herald, Oct. 20, 1975]

THE CRUISE MISSILE

For want of a better designation, it is called the air-launched cruise missile.

The name is not especially imposing, but the defense concept that is prompting the development of this strategic weapon system is.

Behind detente is the United States nuclear deterrent. Without the protection offered by long-range missiles and by submarine-launched rockets and the intercontinental bombers, there probably wouldn't be exchanges of ballet dancers, joint space ventures, troop reductions in Central Europe and, perhaps, grain sales.

Certainly there would be little willingness on the part of Kremlin leaders to sit at the SALT table.

The U.S. deterrent capability must be improved and strengthened in the face of the spectacular strategic weapons advances by the Soviets. Strategic equivalency must be maintained.

This country is moving forward with the Trident submarine missile system. More of the Strategic Air Command Minuteman missiles can be fitted with multiple warheads and probably will be before long. Rapid headway is being made in the testing of the B1 bomber.

Complementing the B1—and the existing B52 fleet as well—would be the nuclear-armed cruise missile.

Relatively cheap because it will be only 14 feet long and will be powered by turbofan engines similar to those used on today's jet airliners, the cruise missile could be built in rather large numbers.

Indeed, it is expected that the B1 would be able to carry 24 cruise missiles internally and the B52 could carry eight internally and 12 on its wings.

Substantial fleets of cruise missiles would be launched from aircraft some distance from the intended targets. The missile would descend to an altitude of less than 200 feet and would follow the terrain, making it difficult for radar to detect it.

The missile would be directed toward its target by a computerized system called terrain comparison guidance. The flight plan would have programmed geographical features to be compared with the features the missile could detect in flight. For example, if it crossed a river a certain distance and direction from a particular mountain, the guidance system would "know" that it was on course.

There are indications that the missile is being designed to impact within 100 feet of its target.

With large numbers of missiles in the air, the defense would be extremely difficult and costly.

The key to the cruise missile is the guidance system and, while the Soviet Union might easily duplicate the missile shell and engine, it is years behind the United States in developing computer related technology and weapons guidance.

Thus, the cruise missile would give this country a distinct advantage over the Soviets, an advantage that enhances our deterrence, reduces the possibility of nuclear war and provides the environment for continuing detente.

Mr. BUCKLEY. Mr. President, considerable attention has been brought to bear on the cruise missile both from an arms control perspective and from the point of view of improving our strategic posture. Inevitably, some have suggested that the best way to deal with the problem of cruise missiles is to pretend they do not exist and seek a ban on the testing of cruise missiles as a means of inhibiting their eventual deployment.

Compared to the Soviet Union, the United States has had little interest in cruise missiles until recently. In the past, the United States has been able to maintain a sufficient advantage over the Soviet Union in submarine launched ballistic missiles, manned bombers, and ICBM's, to make it unnecessary to consider the use of cruise missiles except for the limited purpose of deploying air-launched cruise missiles on the B–52 bomber to facilitate penetration of Soviet air defenses.

Since the massive Soviet buildup began in 1969, the U.S. strategic lead has been wiped out. Now in every measure of the aggregate capabilities of a strategic force, with the exception of the number of re-entry vehicles, the United States is quantitatively inferior to the Soviet Union. As a consequence, the importance of developing strategic cruise missiles has become apparent.

Some of the properties of the cruise missile suggest that it could make a very valuable addition to our strategic nuclear posture if the missile is successfully developed.

Perhaps the most important property of cruise missiles is that they can be used in a highly discriminate manner. That is to say, it now appears that they can be designed so as to dramatically limit the extent of the destruction they would cause. One of the most troublesome properties of many of the strategic nuclear weapons in our inventory is that they involve very large areas of destruction because of large warhead yield and relative inaccuracy. The technology which is now available for cruise missile guidance systems makes it possible to deliver both nuclear and nonnuclear payloads to their targets over great distances with accuracies which make unnecessary the very large areas of destruction which we now associate with ballistic missiles.

Indeed, the improved accuracy of Cruise missiles present some very promising avenues for arms control. Under many conditions, the delivery accuracy which appears to be achievable with Cruise missiles makes it possible to employ nonnuclear explosives, either conventional high explosives or fuel-air explosives, to attack strategic targets. Thus, Cruise missiles provide the Congress with an opportunity to denuclearize many dimensions of nuclear conflict.

Cruise missiles can become a very survivable component of our strategic force as well because of the flexible basing opportunities they provide. Our current strategic systems, particularly land-based ICBM's, must be launched from a known point; a point which can be targeted in advance. Cruise missiles can be deployed on a great many strategic platforms including submarines, aircraft, ships, or land-based.

In the tactical realm, Cruise missiles could be an important alternative to NATO "quick reaction alert" aircraft which now must be located at air bases which may become vulnerable to preemptive Soviet attack. The lower vulnerability of Cruise missiles to preempt, and their great delivery accuracy, may substantially enhance deterrence in Europe while lowering the nuclear "threshold."

Mr. President, we must make our defense decisions on the basis of the realities we face. Among these realities is the fact that the Soviets now have deployed 3,500 Cruise missiles on surface ships and submarines, 2,300 air-launched Cruise mssiles, and have tested two new Cruise missiles having a range of 400 miles at low altitudes and 2,500 miles at optimum cruise altitudes—35,000 feet.

Under the circumstances, the adoption of the McGovern amendment would amount to an act of unilateral disarmament.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. BEALL. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. I yield.

Mr. BEALL. I ask unanimous consent that Tim Miller of my staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. I ask unanimous consent that Mr. Robert Old of the Armed Services Committee staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. I ask unanimous consent that Mr. Kenney of my staff be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I make a similar request with respect to Bob Turner of my staff.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The following proceedings occurred during the subsequent debate on Mr. GOLDWATER's amendment relating to the Enforcer aircraft and are printed at this point in the RECORD by unanimous consent:)

UNANIMOUS-CONSENT AGREEMENT ON GOLDWATER F–18 AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that Mr. GOLDWATER be authorized to call up his amendment dealing with the F–18 today; that there be a time limitation of 1 hour to a side on that amendment; that the vote on the disposition of the amendment occur tomorrow immediately after the disposition of the cloture vote on H.R. 5900.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object, do I correctly understand that this is on condition that we dispose of all other amendments today?

Mr. ROBERT C. BYRD. I should like to see all other amendments disposed of today. The leadership will certainly cooperate in trying to get all other amendments disposed of today.

Mr. McCLELLAN. This is a completely independent request, irrespective of whether or not progress is made on the bill today?

Mr. ROBERT C. BYRD. Every effort will be made to get the cooperation of the Senators——

Mr. McCLELLAN. That means the bill will definitely go over until tomorrow before there is a final vote on it?

Mr. ROBERT C. BYRD. It does.

Mr. McCLELLAN. Is there anything in the Senator's request that precludes further debate or amendments after the F-18 amendment is voted on following cloture tomorrow?

Mr. ROBERT C. BYRD. It would not, in and of itself, preclude action on other amendments following the vote on the F-18 tomorrow, but every effort will be made to encourage Senators to call up their other amendments today, and we shall stay in late today.

Mr. McCLELLAN. I advise the leadership that I am going to cooperate in every way that I can to expedite this measure. I had requests asking my support for it to go over until sometime next week from two or three sources, but I thought the leadership wanted to finish it. I, of course, want to be as accommodating as I can to others, but if it is agreeable will all of the parties who are primarily concerned with it and with the leadership on the minority, I have no objection.

Mr. SYMINGTON. Will the Senator yield?

Mr. ROBERT C. BYRD. If the Senator will allow me to explain to the Senator from Texas, the request is that the debate on Senator Goldwater's amendment on the F-18 occur today, that there be an hour time limit on each side, but that the vote on the amendment itself occur immediately following the vote on cloture tomorrow.

Mr. SYMINGTON. Will the Senator yield?

The PRESIDING OFFICER. Is there objection?

Mr. GLENN. Mr. President, reserving the right to object, does this mean that those who have not yet established a time period will be frozen out unless we can get something out of this 1 hour? If so, I shall object to that unanimous consent request.

Mr. ROBERT C. BYRD. How much time would the Senator like?

Mr. GLENN. I should like about 20 minutes on the F-18.

Mr. ROBERT C. BYRD. Will Senator McClellan or some other Senator agree to some time?

Mr. McCLELLAN. I think we should determine what his position is, whether favorable or opposed, so that time may come out of the time consented to by those controlling the time.

Mr. ROBERT C. BYRD. May I suggest that if the time allotted, with 1 hour to a side, does not permit Mr. Glenn to have 20 minutes, I ask unanimous consent that Mr. Glenn have 20 minutes in addition to that time today.

Mr. McCLELLAN. I have no objection, but reserving the right to object, I think we ought to know the position of the Senator with respect to it because others may make requests.

Mr. GLENN. The Senator from Ohio is in favor of keeping the F-18 in the budget and I wish to speak in support of retaining that.

Mr. GOLDWATER. If the Senator will yield, even though I know his position, I do not think it will take me very long. I may have some time left. I will be glad to yield, though I am opposed to it.

Mr. GLENN. That will be satisfactory, wherever it comes from.

Mr. ROBERT C. BYRD. The Senator is so assured.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMINGTON. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. SYMINGTON. Mr. President, I wish to express my appreciation to the distinguished chairman of the Committee on Appropriations for his understanding in this matter and also to the distinguished Senator from Arizona, who has been very cooperative. Even though we do not agree on this, it is typical of his fairness in a matter of this character.

I also wish to express my appreciation to the assistant majority leader for working it out this way.

Mr. ROBERT C. BYRD. I thank the Senator.

Will the Senator yield further?

Mr. PROXMIRE. Yes.

UNANIMOUS-CONSENT AGREEMENT—CONDOR MISSILE PROGRAM

Mr. ROBERT C. BYRD. Mr. President, I have cleared with Mr. Young and Mr. McClellan the following requests by Mr. Eagleton; that on the Condor missile program, there be a time limit of 20 minutes for each side on that amendment. He will, I think, call it up today.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—DEFENSE SPENDING CEILING AMENDMENT

Mr. ROBERT C. BYRD. Also on an amendment by Mr. Eagleton, providing a ceiling on defense spending, he asks for an hour and a half for each side. I ask unanimous consent that there be a time limitation of not to exceed an hour and a half for each side. Mr. Eagleton says he will not take that long. Mr. McClellan says he will not require that much time. But if I can abide by the limitations laid down in the letter for now, I think we can probably get by with less time.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Reserving the right to object.

Mr. CRANSTON. Reserving the right to object.

Mr. McCLELLAN. The Senator asked for two Eagleton amendments. Which two is the Senator talking about?

Mr. ROBERT C. BYRD. One is the Condor missile program.

Mr. McGOVERN. We have agreed on that.

Mr. ROBERT C. BYRD. The other is the ceiling on defense spending.

Mr. McCLELLAN. I have no objection.

Mr. CRANSTON. When will the ceiling amendment come up?

Mr. ROBERT C. BYRD. That is not a matter that is involved in this request. I have a call in to the Senator from Missouri, in the hope that he will be willing to call it up today.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator from Wisconsin.

UNANIMOUS-CONSENT AGREEMENT ON CERTAIN AMENDMENTS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment relating to the Enforcer, Mr. Goldwater be recognized to call up his amendment on the F-18.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the AWACS amendment there be a time limitation of 40 minutes, 20 minutes under the control of Mr. Eagleton and 20 minutes under the control of Mr. McClellan.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Mr. Eagleton's ceiling on defense spending amendment, the time be reduced to 2½ hours equally divided rather than the 3 hours.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON THE TUNNEY AMENDMENT

Mr. ROBERT C. BYRD. I ask unanimous consent that on the amendment by Mr. Tunney there be a time limitation of not to exceed 1 hour, to be equally divided between Mr. Tunney and Mr. McClellan and that that amendment be called up immediately upon the disposition of the vote on the F-18.

Mr. GOLDWATER. What amendment is the Tunney amendment?

Mr. ROBERT C. BYRD. It deals with construction of ammunition facilities.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

(This concludes the proceedings which occurred during the debate on Mr. Goldwater's amendment relating to the Enforcer aircraft.)

Mr. GOLDWATER. Mr. President, I call up an unnumbered amendment which I shall call Goldwater 1, and ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

> On page 33, lines 6 and 7, strike out "$3,269,880,000" and insert in lieu thereof "$3,265,950,000".
>
> On page 33, line 11, strike out "$826,579,000" and insert in lieu thereof "$824,899,000".

Mr. YOUNG. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. I yield.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. GOLDWATER. I have yielded to the Senator from North Dakota.

Mr. YOUNG. Mr. President, I ask unanimous consent that Mr. Woodward of Senator SCHWEIKER's staff be allowed to remain on the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, before I speak on my amendment, I wish to make a short statement.

During the course of the consideration of the military appropriations bill I will offer two amendments directed toward the elimination of one airplane and the substitution of another with what I consider to be the proper procedure in the acquiring of aircraft.

Before I start offering these amendments, though, I would like to make the record clear about my situation relative to the aircraft industry so that those Pulitzer prize-hunting reporters who abound in this town might understand how a conflict of interest between the industry and me could be considered. I have been flying airplanes for 45 years and during the course of that time, I have known personally most of the great names in the aviation manufacturing field. Donald Douglas, Sr., the Lougheed Brothers which later became Lockheed, the McDonnell family of McDonnell-Douglas, the various heads of the Northrop Corp., and their representatives here in Washington such as Gen. John Alison. I have known both Igor Sikorsky and his son, Serge, and have flown their helicopters as I have the helicopters manufactured by Bell and also their other aircraft.

There are very few of the Boeing aircraft that I have not handled in the sky and one of the great men of that company, Mr. William Allen, is a close, personal friend of mine. Kelly Johnson of Lockheed is another friend for whom I have the greatest admiration and who will be receiving the Wright Brothers Award this year. Then there is Republic Aviation, Grumman and the wonderful airplanes they have built for the Air Force and the Navy down through the years. LTV, whose president is a close, personal friend of mine, and General Dynamics whose officers I have known since the days it was Convair when Reuben Fleet, now deceased, was the head of it and also the founder. Curtiss Wright and then, of course, all of the engine manufacturers and the light plane companies like Beechcraft, Belanca, Cessna, Piper, and all of the others, and great pilots like Gabby Gabriski, Bob Hoover, Fish Salmon, Tony Lavier, Tex Johnston, Herb Fisher, Leon Gray, Vince Johnson, and Ralph Watson.

I have known and flown with many of the greats in aviation, most of whom have worn the uniform for their country, many of whom have retired and work for companies which I have mentioned. I see nothing different in this than former Members of Congress taking up lucrative positions with law firms in the Nation's Capital and using the power they have achieved in the Congress to improving the lot of that particular law firm. I have never been goose hunting, I have ridden on company airplanes and I can assure this body that a goose, a drink or two or an airplane ride or two or three or more is not going to influence my decision on whether the Pentagon should have a certain weapon system or not.

As I said before, I want to point out these manufacturers and my relation to them because I want my listeners to know that I do have an interest in the American aircraft industry, it is the greatest industry we have, it makes it possible for us to do have a plus in the balance-of-payments field. But a conflict of interest, no, I do have an interest and that is the military strength of my country. I want these aircraft manufacturers to continue to be strong, I want them to continue to make profits, to employ people, to develop new products so that America can remain strong in this world which is more and more becoming dominated militarily by the Soviets and economically by other countries. My interest, as I say, is my country, that is why I am offering these amendments: First, to eliminate from the appropriations bill one aircraft which I will explain; second, to change the purchase of the present F–18 to an F–18, or any other designation, after the proper competition has taken place among the industry.

Mr. President, the first amendment I have called up I shall address myself to now.

My amendment deletes $5.6 million from the bill that is to be used for the purpose of procuring and conducting a joint service test of four prototypes of the Enforcer aircraft.

Senator CANNON is a cosponsor of this amendment, and we sent each Senator a letter explaining our position on this program. I will yield to Senator CANNON after I make a few brief remarks about why I believe these funds should be deleted.

Mr. President, there are at least six reasons why this appropriation should not be allowed.

First, and most important, the Department of Defense and in particular the Navy, Marines, and the Air Force have no stated requirement for this aircraft or any similar type aircraft. The services are on record before the House and Senate Armed Services Committees as not needing the Enforcer.

Mr. President, during the Enforcer hearings before our Research and Development Subcommitttee, Air Force witnesses agreed with the performance data attributed to the Enforcer. In other words, Air Force agreed that the Enforcer would perform as claimed, but that does not change the fact that Air Force still has no requirement. In fact, Air Force indicated that further evaluation or operational testing was not required since there was nothing further to be gained. It was felt a valid judgment could be made as to the performance of Enforcer without making an actual operational test.

Second, Mr. David Lindsay, the developer of the Enforcer aircraft indicated to the Senate Appropriations Committee that he was seeking Government testing of the plane in order to qualify the aircraft for sale to foreign countries. He indicated that without such testing and without an official U.S. Government sanction, it was impossible to sell the airplane abroad.

Mr. President, I am absolutely amazed that the Congress would even consider providing what amounts to a private enterprise subsidy. If this program is approved, would we not be somewhat obligated to provide similar funding to others and direct the executive branch to perform qualification or certification testing of that particular item?

Third, the Enforcer has not been authorized by the Armed Services Committee, and while technically this may not be required, it surely violates the spirit of the authorization process. In fact, Mr. President, if the Enforcer funding is allowed to remain in the bill, it will set an unmanageable precedent because everyone with enough political clout will use that precedent as justification to have included in future appropriations bills their favorite something-or-other.

On another point, we are, if Enforcer should remain in this bill, headed toward a sole source contract arrangement. If the DOD requires an aircraft with the performance and characteristics of Enforcer, then those parameters should be properly drawn in a request for proposal and then competed industry-wide.

Mr. President, I have not discussed the performance capabilities of the Enforcer or how it compares to the A–10 on an "equal effective force" basis. These and other comparison data are available in the various hearings I mentioned. I will summarize by saying that, in my opinion, the Enforcer is not the type of aircraft required for air warfare as we know it today.

Mr. President, with no disrespect to this airplane—I have seen it, I was invited to fly it, and unfortunately I could not accommodate myself at that date—it is similar in design and appearance to the Air Force P–51; substituting for the reciprocal engine is a turbine engine with the shaft drive. It is highly maneuverable. It can carry a very substantial load. But in my opinion it is very vulnerable to ground-fire because that particular aircraft in World War II was likewise very susceptible to ground-fire, and it was used as a medium to high altitude intercepter fighter at which it was very good.

As far as this airplane for personal flying, I would enjoy it very much, but, frankly, it is not one that I would want to be shot at if I happened to be in it at that time.

Mr. President, I think there are enough procedural difficulties alone with this particular program to warrant its being dropped from the bill. If at some future time the DOD requests R. & D. funding for an aircraft of this type, then the request can be considered in the normal authorization manner. This is the process that has served us well, and I see no reason to make an exception now.

Summarily, my reasons for opposing the Enforcer aircraft are:

First, Enforcer is not required by the Department of Defense;

Second. Congress should not subsidize a private enterprise product especially in order to qualify that product for foreign sales;

Third. The Air Force states no further testing of Enforcer is required to verify performance data. Air Force accepts the performance data as given by the developer;

Fourth. The Enforcer has not been authorized;

Fifth. To fund this airplane is to direct a sole source procurement; and

Sixth. The Enforcer does not measure up to the A–10 when compared on a force effectiveness basis.

Mr. President, I urge my amendment be adopted and the funds for the Enforcer aircraft be deleted from the bill.

Mr. THURMOND. Mr. President, I rise in support of the $5.6 million in the defense bill for a flight test of the Enforcer aircraft which was approved by the Defense Subcommittee and the full committee.

Some years ago Secretary Packard, and later Secretary Schlesinger, encouraged private industry to develop low cost, effective weapon systems to help ease the spiraling costs of defense preparedness. The developer of the Enforcer was encouraged by Secretary Packard.

COST AND NEED FOR TEST

At the outset I would like to make clear the Enforcer is not being proposed as a replacement for the A–10. However, it could serve in a hi-lo relationship with the A–10 to save money such as now proposed by the development of the F–16 and F–18 as mixes with the F–14 and F–15. In fact, an Enforcer would be one-fourth the cost of its counterpart, whereas the F–16 and F–18 may cost nearly as much as our present inventory planes.

The beauty of this proposal, however, is that prototype development has already been done by private industry and we are merely asking for a triservice test to validate the developer's claims. This test would cost $9.3 million over a 2-year period, and $5.6 million is in the current bill with the remaining $3.7 to be provided next year. That sum represents the cost of about two of the 729 A–10's planned for purchase by the Air Force.

This is an economy proposal as the Enforcer is estimated to cost less than $1 million per copy based on the same acquisition numbers, yet it offers some unique features which have attracted bipartisan support. Besides a number of House Members, Senators Proxmire, Jackson, McIntyre, and Tower joined me last year in asking for a test. Since that time many other Senators have voted in committee or advised me of their support.

Mr. President, to be sure the Senators have all available data on this matter, we have placed on each desk a copy of the hearings in July before the Senate Armed Services Research and Development Committee and other material about this aircraft. However, I would like to summarize the arguments in favor of this test.

FOUR MAIN AREAS

There are four areas which need discussion. First, the general qualities of the Enforcer. Second, its survivability features. Third, why a four-prototype flight test is needed, and fourth, why it was added to the appropriations bill.

GENERAL VALUE OF THE ENFORCER

Low cost of less than $1 million per copy.

Its single jet/prop engine which uses a fraction of the fuel of pure jets, offers greater acceleration than a jet, provides long loiter time and will take the Enforcer at the same speeds and at longer range than the A–10—page 104, 4th line, Senate hearings. Its 3,000-mile unfueled ferry range makes it easily deployable anywhere in the world.

The Enforcer engine, the Lycoming T55–L–9, is interchangeable with the Chinook helicopter, easily maintainable due to simplicity, can operate from the field without an external starter and burns fuel available from ground units. Also, the Army has over 300 of these engines in storage which were removed from Chinooks.

The ability to operate off dirt, rocky or muddy unimproved air strips. The A–10 was proposed to have this capability, but the Air Force now admits its nose wheel landing gear and heavy weight limits it to hard surface fields, most of which would be pretargeted and knocked out the first day of a war in Europe—page 108, 116 General Stewart's statement, Senate hearings.

The Enforcer's 10 ordnance stations will handle anything in the military inventory up to 1,000-pound category. It can carry the Maverick tank-killing missile, as well as electronic countermeasure pods and the Rockeye bomb and Sidewinder—air-to-air defense missile.

The Enforcer is derived, not modified from the P–51 Mustang, and has pilot ejection seats, the Marconi-Elliott headsup display, and is very easy to fly. Two Air Force pilots who testified in the Senate hearings gave it high marks and reported officially it is a very suitable state of the art replacement for the A–1—pages 76, 78, 80, Senate hearings.

SURVIVABILITY FEATURES

The Enforcer has more armor per pound of aircraft than any plane in the world. Its jet-prop engine is armored, a feature totally lacking on the A–10's two larger engines.

Other armor protects the pilot, hydraulic systems, and other vital areas.

This armor, developed by the Bristol Co. in England, will defeat the Soviet quad 23 mm at zero obliquity. Further, it is so effective that when the Air Force learned about it through the Enforcer program, plans for tests and possible application to U.S. aircraft were made. General Stewart also admitted this ceramic armor is probably less costly than titanium armor used on A–10—page 103, Senate hearings.

The Enforcer has redundant stainless steel control cables and the Naval Air Systems Command says "in general the flight controls are considered to be highly survivable, yet inexpensive—page 19, Senate hearings.

Its small size, one third of that of the A–10, means it will take less hits. This is supported by Air Force testimony—page 104, Senate hearings.

Cockpit visability of 360 degrees will enable the Enforcer to guard against air attack, and it can carry the sidewinder plus its internal guns as its air-to-air weapon. However, due to its cost you could have more Enforcers and accept greater losses than with far more expensive aircraft.

The Naval Air Systems Command report found its fuel tank design, internal and external, are good state of the art design and have good survivability. This was confirmed later by the Air Force briefing showing a chart rating the Enforcer as follows: "Survivability, agility, excellent; hardiness good—page 19, Senate hearings.

The Air Force admitted the Enforcer was less vulnerable than the A–10 or A–7 to the heat-seeking Soviet SA–7 missile which brought down so many planes in the recent Middle East war—page 94, chart, Senate hearings.

The small turn radius of the Enforcer, because of its size and acceleration, would enable it to approach targets in contour flying and possibly escape from missiles which larger and heavier planes could not do so effectively.

Less susceptibility to foreign object damage to the engine because of small intake air scoop. In fact, the Boston and New York air disasters—the New York event only yesterday—demonstrate vulnerability of pure jet engines to ingest birds when operating in a low altitude environment.

WHY IS A TEST NEEDED?

To validate the computer studies made by the Air Force and Navy although some validation was provided in the pave coin test.

To see if performance justifies further consideration of the Enforcer for use in a hi-lo mix or by one of our military services.

In the final analysis, it takes a man with a heart and a brain to determine final performance parameters. Any pilot will support that view.

Certain improvements made to the Enforcer since 1971 have not been flight tested.

Detailed reasons for a flight test are given on Page 56 and 57 of the Senate hearings, a copy of which is on the desk of each Senator.

WHY FUNDS WERE ADDED TO THIS BILL

The Senate Armed Services Research and Development Committee was not able to hear testimony on this program until after the authorization bill was passed.

The Senate Appropriations Defense Subcommittee held hearings on this program with Chairman McClellan, ranking minority member Senator Milton Young and others present.

Hearings in the House were confusing because some of the initial Air Force testimony was inaccurate as General Stewart later admitted. However, close votes kept the Enforcer out of the bill with much of the difficulty related to Air Force resistance and inaccurate statements.

The Appropriations Committee Counsel and the Senate Parliamentarian have stated addition of this test to the appropriations bill is legal and proper.

In closing Mr. President, it is my belief the best interests of the taxpayer and the national defense establishment will be served by conducting this relatively inexpensive test, when compared against normal development costs of aircraft. Therefore, I urge my colleagues to support the Appropriations Committee and vote "no" on the pending amendment.

Mr. President, the distinguished Senator from Wisconsin (Mr. Proxmire), who takes the same position as I do, together with others who have asked for the test, has a statement on this matter. I do not see him in the Chamber, so I will read his questions and answers into the Record at this point. These are questions and answers with respect to the Enforcer by the Senator from Wisconsin (Mr. Proxmire).

Questions and Answers On the Enforcer

Q. What is the Enforcer?

A. A cheap, reliable close support aircraft designed to protect ground troops in battle.

Q. What is the present status of the program?

A. Funds for a flight test of the Enforcer are contained in the Defense Appropriations Bill as recommended unanimously by the Defense Subcommittee and approved by the full Committee. Total funding for FY 1976 and transition—$5.6 million. Total test funds required—$9.3 million.

Q. Has the Enforcer been slipped into the bill?

A. No. Five sets of hearings have been held on the Enforcer including two before the House Armed Services Committee, the House Appropriation Committee, the Senate Defense Appropriations Subcommittee and the Senate Research and Development Subcommittee of Armed Services. The Chairman of the Senate R&D Subcommittee has joined in calling for a test of this aircraft.

Q. What is the rationale for adding funds for an aircraft not requested by the Pentagon?

A. As with the light weight fighter program three years ago, which was also opposed by the Defense Department, Enforcer supporters believe that a flight test is necessary to confirm that this plane is the most cost effective close support vehicle available.

Q. Who supports this test program?

A. Senators Proxmire, Thurmond, Jackson, McIntyre and Tower.

Q. Is there any commitment to purchasing Enforcers?

A. None. Sponsors believe that only a reasonable test is warranted at this time. Production judgments can only be made on the basis of a full test program.

Q. How much money has been spent on the Enforcer to date?

A. None. It has been developed entirely with private funds. The Secretary of Defense has called for aerospace corporations to fund their own programs in the national interest. This is the first example of this initiative.

Q. What is the position of the Air Force on the Enforcer?

A. The Air Force is adamantly opposed to the Enforcer. They have released erroneous information as to the characteristics of the aircraft. (See Congressional Record July 1, 1974, p. 21979.) They have conducted an evaluation purporting to prove the Enforcer is not cost effective. This evaluation is in error on a number of significant points (details available) and in fact can be cited to prove the contrary case.

Q. Why is Proxmire supporting the Enforcer?

A. At one fourth the price of existing close support aircraft, and considering the need to retain numbers of aircraft without increasing unit prices, the Enforcer deserves to be tested. Any commitment beyond that is only speculative. It is an economy vote similar to the initial decisions by Congress to move toward a light weight fighter.

Mr. President, those are the questions and answers that the distinguished Senator from Wisconsin made available. I see that he is in the Chamber at this time.

Mr. PROXMIRE. Mr. President, will the Senator yield me 5 minutes?

Mr. THURMOND. There is no time limit.

Mr. PROXMIRE. I thank the Senator.

Mr. President, I support Senator Thurmond in opposition to this amendment.

This amendment may well cost $2 billion to $3 billion, in the guise of saving $6 million.

Let me make it clear that I support a full flight test of this aircraft. Why? For a number of rather uncomplicated but compelling reasons:

First, the last Middle East war taught us one exceedingly important lesson. The fighting consumed enormous quantities of equipment. That means that U.S. forces in the future must be equipped with a sufficient number of aircraft to maintain a battlefield capability. The Enforcer, costing less than $1 million each, shows promise of providing just that kind of economical capability.

Second, this is the first time, to my knowledge, that there has been a response to the Secretary of Defense's call for private funding of new technology. Not a dime of taxpayers funds has gone into this program. Now, with a highly capable aircraft at hand, it only makes good sense that we should test it out and see just how promising it is.

Third, the Enforcer will only cost about one-fourth the price of current close support aircraft. One-fourth the cost. Anything that costs one-fourth the price of other programs yet promises nearly the same capability should not go untested.

Fourth, I can understand why the Air Force is so adamant against this test. After all, they did not develop this plane. They spent $300 million to develop another plane which is now in production at four times the prospective price of the Enforcer. Thus, if the Enforcer pans out, the Air Force will be embarrassed. Such is bureaucratic politics and self-protection.

Fifth, the Enforcer concept has received a thorough hearing in Congress. It has not just popped out of the air at the last minute. This aircraft has been available for test for 2 years. And for 2 years the Air Force has put up every road block possible to even a reasonable flight test program for the Enforcer.

Mr. President, I was saying, when the acting majority leader secured the floor, that the Enforcer concept has not just occurred. There have been hearings on it. We know about it. It is nothing new.

Just this year, there have been hearings before the House Armed Services Committee on two occasions, the House Appropriations Committee, the Defense Subcommittee of the Senate Appropriations Committee, and the R. & D. Subcommittee of the Senate Armed Services Committee. Let us agree that no one has sprung this concept on Congress. Any subcommittee could have held hearings on this matter. Four did. Unfortunately, the hearings before the authorizing committee here in the Senate were conducted after the bill passed. Therefore, this measure was brought up on the Defense Appropriations Bill.

The Defense Subcommittee accepted this flight test without opposition. The full committee accepted this flight test without opposition. It has the support of a bipartisan group of Sentors who have released information about it for over a year. This group includes myself, Senator Thurmond, Senator Jackson, Senator Tower, and Senator McIntyre. We have all called for a flight test program.

Anyone interested in the Enforcer has had ample opportunity to examine and question this concept, in or out of committee. The Wall Street Journal has carried a number of articles about the Enforcer. So have the trade magazines. Hearings have been published. Staff hearings have been conducted. The Air Force has had a complete opportunity to present its case. There should be no question about the openness of this proposal. It has been out for all to see. The very fact that we are debating the subject today is proof of that.

Mr. President, I welcome the challenge to this program proposed by the Senator from Arizona (Mr. Goldwater). I recognize his expertise in this area. I welcome the challenge because the facts are so convincing that the Enforcer should be tested, that the debate will quickly prove that point.

Last, Mr. President, I ask my colleagues to remember back a few years, when we first began discussing the lightweight fighter program. The Air Force was opposed to it and so was the Navy. They wanted to continue buying the more expensive, do-everything-at-any-price aircraft. Today we have a lightweight fighter program—thanks to the initiatives of this body.

Let us not overlook another opportunity to exploit technology that is reasonable in cost and effective in combat. We have limited resources. If we do not use them wisely, as one aerospace corporation president once said, we will fast approach the point when the Air Force will have one plane and let all the officers take turns flying it. Supporting a flight test of the Enforcer is a step back toward financial soundness.

Mr. President, I thank the distinguished Senator from South Carolina and I am happy to support his position.

I yield the floor.

Mr. THURMOND. Mr. President, I thank the Senator from Wisconsin for the excellent statement he has made. I should like to emphasize that this aircraft is not going into development. This plane has been privately developed, it has not cost the Government a dime. This is merely a test—merely a test—to see whether this plane will save the Government money. If this test proves successful and if it should be used, it could save hundreds of millions of dollars. If it turns out that it is not selected, not chosen for the mission, then there are only a few million dollars that have been spent on the test.

I was under the impression that my distinguished friend from Arizona had no objection to this test. I am surprised that he brought up this matter and objected to a test. In 1973, he wrote a letter to Mr. Edward H. Sims that reads:

> DEAR ED: It is good to know that they are going to run tests on the Enforcer, and naturally, I hope they come out well. There is no way a computer can fly an airplane. Somebody with eyes and a brain has to do it.
>
> With best wishes,
>
> BARRY GOLDWATER.

I am sorry my friend has changed his view. He has a right to change it. Certainly back then he favored the test, in 1973. I do not understand why he is offering an amendment today to eliminate the test.

Again, I repeat, this is merely a test, to determine whether or not we can save hundreds of millions of dollars to the Government.

Mr. GOLDWATER. Mr. President, as long as my friend from South Carolina has raised the question, this aircraft has not been authorized by the Armed Services Committee of either the Senate or the House. I have said in my statement, as I have said right along, this is a good airplane. The Air Force agrees with every statement that the builders have made. They accept without test the statements that have been made about it. It is just as plain as the nose on one's face, neither the Air Force nor the Navy nor the Marines have any use for this aircraft.

Now, I have no objection, as I told my friends who developed this, and one of them happens to be one of my strongest supporters in the State of Florida—and if I followed normal procedure I would probably feel I should support him—I have told him my position is, and I hope he understands because we have been friends, that this is plainly and simply an attempt to run around the normal procedures of Congress, and I do not think we should get away from the authorization before appropriations. I think it is a wrong procedure.

If this is allowed, let me tell you there are many aircraft companies in this country that can build an effective low-cost ground-support aircraft, but they will not be effective in combat, and this is the problem which the Air Force has. They have to have something that is going to survive, and the Air Force has not yet, nor has the Navy nor the Marines, said, "We want this airplane." But they will say, "We agree to every statement of performance made by the manufacturer."

So my objection, in answer to my friend from South Carolina, is if he had introduced this in the proper way and fought it through the Subcommittee on Tactical Air, of which he is a member, and then fought it through the full committee, I probably would have been by his side.

I just do not like to see us taking this very, very dangerous step of appropriating for an unauthorized item, particularly in the overcrowded field of the military.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. SYMINGTON. In the beginning I was very much for this airplane from the standpoint of cost-effectiveness. But after getting into it, the nature of its concept and what is planned, I want to join the Senator from Arizona. I think it would be a mistake to pursue the development of an airplane that is an obsolete airplane, re-created solely on the basis of price.

There is one difference between purchasing an airplane and purchasing an automobile, and that has to do with safety. I was impressed with what the Senator from Arizona said about the grave danger from ground fire in the utilization of this airplane.

Mr. THURMOND. Mr. President, I would just like to say this: The point has been raised here that it has not been authorized. I would like to ask the distinguished Senator from Arizona, the distinguished Senator from Missouri, or the distinguished Senator from Nevada—and they are all three on this subcommittee—is it not true that the Tactical Air Subcommittee recommended to the full committee that the F–18 be put in the defense authorization bill although no hearings had been held?

Mr. GOLDWATER. I do not agree to that because the hearings were held, but they were held after the authorization bill was passed, and there was no mention of the F–18.

I am going to discuss that at some length later on.

Mr. THURMOND. Mr. President, I just wanted to show that action was taken and there may have been some justifiable reason for it. Our authorization bill in the Senate, in the Armed Services Committee, was passed before the hearing on the Enforcer was held by the Research and Development Subcommittee. Senator MCINTYRE, who is chairman of the Research and Development Subcommittee, is one of those who has joined in asking for a test of this airplane. So the point on the F–18 is, and I do not know whether there is any hard and fast rule, but when they raised a point that there was no hearing on the F–18 as such, however the Senator from Arizona is a member of the Tac Air Subcommittee, the Senator from Nevada is chairman of it, the Senator from Missouri is a member of it, and this F–18 was put in without any hearing on that particular plane. I just wanted to bring that out.

Mr. GOLDWATER. Mr. President, if the Senator will yield to me, I have an amendment I am going to call up to strike the F–18 on precisely—not precisely—but pretty much the same reasons I am advancing for my position against the Enforcer.

Now, I cannot accept the idea that the F–18 was not properly authorized. It was mentioned as a Navy air combat fighter line item in the Navy request for aircraft. However, we did not hold hearings on the F–18 until after the authorization bill had been passed. We held 7 hours of hearings on that just very recently. But I am as opposed to the F–18—not in general principle as I am opposed to the method of acquiring the Enforcer.

Mr. CANNON. Mr. President, as long as the Senator posed a question to me as the chairman of the subcommittee, I will say he is categorically wrong in what he says. We authorized the Navy air combat fighter, and we provided the funding for it, and then the source selection was held after that period in time, and the source selection then came out with the recommendation for the F–18. So the Senator is wrong in what he has stated there.

Mr. President, I fully support the distinguished Senator from Arizona (Mr. GOLDWATER) in urging deletion of the $5.6 million added to the fiscal year 1976/7T Defense Appropriations bill for R. & D. on prototypes of the Enforcer airplane. This project was not authorized for appropriations as the Senator from Arizona pointed out, and should not be funded. I think we would be establishing a very dangerous precedent in this instance if we were to go ahead and appropriate for something that was not authorized either by the Senate or by the House.

I am sorry the Senator from Wisconsin has left the floor because I am going to comment on a number of items that I think he might have found of interest in light of the statement that he made.

WHAT IS THE ENFORCER?

The Enforcer is a World War II P–51 Mustang fighter plane reengined with a turbo-prop. That is really what it is, a World War II airplane. It is over 30 years old. The P–51 was a great combat airplane in its day—which was 30 years ago—but times have changed and technology has evolved, and modern combat planes are far more capable than those of the second world war.

Mr. President, we have scrapped as obsolete airplanes far more capable than the Enforcer. Let us take the A–1 Skyraider as a case in point. That is one very good example.

The A–1 was developed right after World War II as a close air support dive bomber, and it had a long and useful life. It was even used in the early days of the Vietnam war for the same mission proposed by the backers of the Enforcer, which is dive bombing and strafing in support of ground troops. The A–1 was very effective for this mission early in the Vietnam war, when it was unopposed by anti-aircraft defenses, because it carried a large bomb load and had good loiter time while airborne over the troops in combat. However when modern day air defenses were introduced by the North Vietnamese into the conflict, with radar guided antiaircraft guns, SAM missiles, and SA–7 Strella hand-held missiles, the A–1 was driven out of the high-threat areas and eventually out of our combat forces. Mr. President, the A–1 had to be retired from our own inventory because it is obsolete, it just cannot survive on the modern-day battlefield. And yet the A–1, which we have scrapped, is a new- areas and eventually out of our combat forces. Mr. President, the A–1 had to be retired from our own inventory because it is obsolete, it just can not survive on the modern-day battlefield. And yet the A–1, which we have scrapped, is a newer and much more capable plane than the P–51 Enforcer.

THE A–1 VERSUS THE ENFORCER

Let us look at some comparisons of the A–1 versus the Enforcer. First of all, bomb load capability.

The A–1 has 15 bomb racks under its wings, with a minimum weight capacity per station of 2,000 pounds and a maximum capacity of 3,600 pounds. The Enforcer has 10 bomb stations, ranging in capacity from 1,000 pounds down to 350 pounds.

For practical purposes neither of these planes can carry the maximum bomb load potential, but here are some realistic comparisons: First. For a 50-mile radius close air support mission, the A–1 can carry 8,400 pounds of bombs and the Enforcer can carry 4,800 pounds, just barely over half as much; Second. For a 200-mile mission radius, the A–1 carries 7,300 pounds and the Enforcer only 4,000 pounds: Third. For a 400-mile radius, the A–1 carries 6,000 pounds and the Enforcer only 2,900 pounds. So overall the A–1 has roughly double the range-payload of the Enforcer in bomb carrying capability.

Now let us look at the two airplanes' strafing potential, a most important aspect of a close air-support plane. The A–1 was armed with four 20-millimeter cannons, whereas the Enforcer only has .50 caliber machineguns. With the 20-mm the A–1 at least can shoot up an armored personnel carrier although it cannot defeat tank armor. On the other hand the .50 caliber will not even stop an armored personnel carrier and is good only against personnel or trucks and jeeps. The .50 caliber is an obsolete gun as a strafing weapon.

SERVICES DO NOT WANT ENFORCER

Let me make it very clear that the Enforcer has been flight-tested already by the Air Force, back in 1971.

I am sorry the Senator from South Carolina is not here to hear that remark because he made the statement a few minutes ago, why do we object to having the airplane tested? It has been tested. It was tested by the Air Force in 1971, flight tested.

It has been studied by the Marines, Navy, and Air Force, and all have rejected it as being inferior to the planes they have now. They do not want it.

The Marines' assessment of the Enforcer, in a November 1974 paper, was the following:

> The Marine Corps does not have a requirement for an Enforcer type aircraft, nor could the Marine Corps afford to give up any of its more capable, limited assets for the Enforcer or any aircraft that provides a lesser combat capability.

The Air Force Chief of Staff, Gen. David Jones, wrote to Chairman STENNIS in November 1974 and made the following points:

First. The Enforcer is not as effective or cost-effective as the A–10.

Second. There is no value to be gained from another prototype flight test of the Enforcer as the Air Force has already tested it.

Third. The Air Force has no military requirement for the Enforcer, and if it did have one it could not go sole-source for R. & D. because there are other airplane competitors for the Enforcer-type role.

Mr. President, I ask unanimous consent that the full text of the Air Force letter be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. CANNON. Mr. President, the letter of the Chief of Staff of the Air Force points out in detail that the Enforcer has been very thoroughly considered by the Air Force.

ENFORCER NOT AUTHORIZED

Also, Mr. President, we should recognize the fact that the Enforcer has not been authorized for appropriations.

Knowing the Senator from Wisconsin's long interest in that field, I was rather surprised to hear him say he would support this test, even though it was not carried in the authorization.

Despite numerous hearings before the House and Senate Armed Services Committees, no congressional authorization was added for the Enforcer in this year's bill and there never has been any Defense Department budget request for the Enforcer.

I believe that it would be most unwise to violate our established practices and procedures of the authorization-appropriation process to add money for R. & D. on an item not in the budget request. Inclusion of an Enforcer appropriation in this bill will contravene directly this established practice.

SUMMARY

Mr. President, I do not think any more needs to be said about this Enforcer matter, except in summary to say it will be a blatant waste of the taxpayers' money. I ask unanimous consent that the full text of the "Dear Colleague" letter that Senator GOLDWATER and I wrote concerning the Enforcer be added at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CANNON. Mr. President, I urge my fellow Senators to vote for our amendment to strike out the funds for the Enforcer.

EXHIBIT 1

DEPARTMENT OF THE AIR FORCE,
OFFICE OF THE CHIEF OF STAFF,
Washington, D.C., November 22, 1974.

Hon. JOHN C. STENNIS,
Chairman, Committee on Armed Services, U.S. Senate.

DEAR MR. CHAIRMAN: A number of inquiries from members of Congress and committee staff offices have evidenced interest in the Enforcer aircraft. This letter is to inform you of the results of a study we have completed which examined the Enforcer in a number of applications.

In late summer, Mr. David B. Lindsay wrote soliciting Air Force support for a flight test of the Enforcer. Subsequently I met with Mr. Lindsay and Mr. Edward H. Sims to discuss the letter and to gain a more thorough understanding of their proposal. After this meeting, I was convinced that Mr. Lindsay's concept deserved study because, in principle, it paralleled our thoughts on achieving required mission capabilities at the lowest possible cost. I, therefore, asked Lt. General James T. Stewart, Commander, Aeronautical Systems Division, to conduct an in-depth analysis of the Enforcer in various applications and in comparison to other aircraft possessing characteristics appropriate to those applications. General Stewart was specifically instructed that he was not to be negatively influenced by any previous reports, positions or attitudes relating to the Enforcer.

Over the past several months, General Stewart has personally directed the study which I had tasked. He and his study team have traveled extensively in the United States to examine hardware, discuss engineering details and seek expert advice on various aspects of their examination. In addition, an ASD engineer visited the Bristol Armor Company in England to obtain all available data on the proposed ceramic armor. Mr. Lindsay was contacted several times to insure that full recognition was being given to all specifics and data sources relevant to his proposal and that both he and General Stewart had full understanding of the details of the Enforcer design and the proposed development/test program. Over 40 man months of the best technical competence in the Aeronautical Systems Division were used in the study. General Stewart recently reported the results of his work to me, the conclusions of which are summarized in this letter.

With regard to US Air Force applications, General Stewart studied the Enforcer against other aircraft (A–37, A–7, A–10, OV–10) that are normally related to the counterinsurgency or close air support missions. Cost-effectiveness data was developed on various A–10/Enforcer force mixes using tank kill as the effectiveness measure. Finally, General Stewart examined in detail the value to be gained from a prototype development/test program for the Enforcer, (estimated by ASD to cost approximately $10.8 million), and reviewed other similar aircraft designs that are available or have been proposed to the Air Force over the past few years.

General Stewart indicates that the Enforcer as proposed by Mr. Lindsay should be characterized as a new airplane which would require a full development program, estimated by ASD to cost perhaps as much as $127 million (FY 75 dollars). Assuming the predicted aircraft performance characteristics are achieved in development, the Enforcer will not perform sufficiently well to permit a cost-effectiveness benefit over the A–10.

While the projected unit flyway cost of the Enforcer is lower than the A–10 ($1.06M vs $2.2M, FY 75 dollars, based on a 729 aircraft acquisition program) its effectiveness is disproportionately lower and no overall benefit accrues to the Enforcer in any force mix examined. For example, assuming a force mix of 529 A–10s and 200 Maverick/HUD-equipped Enforcers, the combined combat effectiveness potential would be about 15 percent less than for a total force of 729 A–10s alone.

In a similar vein, assume a force mix of 329 A–10s and 400 Maverick/HUD-equipped Enforcers. The future investment costs (and total AV–10/Enforcer Program Costs) would still be about the same. The total number of people required to man the units of this mixed force and the total annual O&M costs would each be about 15 percent less than for a total force of 729 A–10s alone. The combined combat effectiveness potential would be about 30 percent less than for a total force of A–10s alone.

These conclusions are primarily a result of the greater—and more effective—weapon load and range/loiter capability of the A–10 and the greater vulnerability and lesser survivability of the Enforcer. I am convinced that General Stewart's conclusions are valid and that every advantage was given to the Enforcer in deriving them.

With regard to the issue of a prototype development/test program to examine the Enforcer in flight configuration, General Stewart concludes there is no requirement for such a program. There are, based on flight data from the PAVE COIN tests and calculations of performance possible in the most recent Enforcer design proposal, no unanswered questions regarding Enforcer capabilities. There is no basic disagreement with Mr. Lindsay regarding projected Enforcer performance. Therefore, development and test of the Enforcer would be an unnecessary waste of dollars.

Further, there is no basis for treating the Enforcer as a unique design in terms of its performance characteristics. General Stewart is in possession of a number of proposals for aircraft designs that were specifically tailored to the CAS/COIN missions. In addition, Mr. Charles Dusheck, Director of Marketing, American Jet Industries, has written me recently offering the Super Pinto as a competitor to the Enforcer in the event of Air Force interest in a prototype development program. In view of this known competitive interest, we can find no basis for sole source procurement of an Enforcer development contract.

Contacts by United States representatives with their counterparts in a number of allied governments did not reveal positive foreign military sales interest in the Enforcer. Casual interest was evidenced by only two small countries, presuming the US would develop and produce the aircraft.

I understand the US Army has been asked by the House Armed Services Committee General Counsel to review their requirement for an aircraft with performance capabilities similar to the Enforcer and that they have stated that they would defer to the Air Force regarding the definition of requirements for a particular aircraft to fulfill the CAS mission. Additionally, the Army stated that they are completely satisfied with the Air Force's ability to provide effective CAS and see no reason, whatsoever, to change existing roles and mission agreements.

Despite our continuing interest in reducing the cost of Air Force programs and equipments, the exhaustive study of the Enforcer leaves no doubt in my mind that we would be ill advised to undertake its development. Should you have further questions concerning this issue, a comprehensive briefing is available for your review and my staff is prepared to coordinate a briefing date suitable to all concerned. I have informed the other Chairman of the Armed Services and Appropriations Committees of the above by separate correspondence, and I plan to inform Mr. Lindsay.

Sincerely,

DAVID C. JONES,
General USAF, Chief of Staff.

EXHIBIT 2

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., November 11, 1975.

DEAR COLLEAGUE: We are writing to request your support of our amendment that will delete $5.6 million added to the Fiscal Year 1976 Defense Appropriations bill for R&D on the Enforcer airplane. The funds were added by the Defense subcommittee of the Senate Appropriations Committee during mark-up and would be used to build test prototypes of the Enforcer, a World War II P–51 fighter plane that has been re-engined with a turbo-prop.

The following points can be made against the Enforcer,:

1. The Defense Department does not want the plane. No funding has been requested in the FY 1976 budget, or in any prior budget year, for the Enforcer. Numerous hearings before the House and Senate Armed Services and Defense Appropriations Committees have established the fact that the Air Force, Marines, and Navy have carefully studied the Enforcer and have rejected it as lacking in useful military capability.

2. An Enforcer appropriation has not been authorized for Fiscal Year 1976. Neither the House or Senate Armed Services Committees added funds for the Enforcer to this year's authorization bill, and it clearly lacks line-item authorization. The Senate Appropriations Committee added the money for R&D on the Enforcer, an action which violates the established practices and procedures of the authorization and appropriations process.

3. The Enforcer is not a wise use of the taxpayer's money, particularly at a time when research and development funds are scarce and many worthwhile R&D projects are being slowed or stopped. In our opinion, the Air Force, Navy, and Marines have retired as obsolete planes far more capable than the Enforcer. The A–1 Skyraider is a case in point. This propeller-driven plane had nearly double the bomb payload and range of the Enforcer and was used in the early stages of the Vietnam war. However, it had to be phased out of high threat combat areas as more sophisticated anti-aircraft defenses were introduced, and all remaining A–1s have long since been retired from our forces. To start a development project of a plane less capable than the obsolete A–1, and for which there is no stated requirement, appears to us to be a blatant waste of money.

In summary, the Enforcer is not required or wanted by our military forces. It is not as capable as other planes we have long since retired, and the project has not, in any event, been authorized for appropriations. We hope that the full Senate will reject the funding for the Enforcer and request your support of our floor amendment to delete the funds.

If you need additional information or would like to join us as co-sponsors of this amendment, please contact our staff members, Bob Old or Charles Cromwell, on Extension 42127.

Sincerely,

HOWARD W. CANNON,
Chairman, Tactical Air Power Subcommittee.
BARRY GOLDWATER,
Ranking Minority Tactical Air Power Subcommittee.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, with regard to this plane being tested in 1971, I want to say that in 1971 the Air Force made a test at the contractor's expense. They have not made a full test by the Air Force and since then tremendous improvements have been made in this plane and it is now a much superior plane. We feel, with these improvements that offset some points raised at that time and we believe the plane now is a suitable plane, and worthy of a test.

As to the charge that the A–1 Skyraider now retired is more capable than the Enforcer, I point to the R. & D. Subcommittee hearings, two Air Force pilots who testified view the Enforcer as a replacement candidate for the A–1. Both men flew the Enforcer and stated in testimony that the Enforcer was a very suitable candidate for the A–1 role.

The A–1 has an old piston engine, no armor, requires twice as long a field for takeoff, presents twice as big a target, is slower and lacks acceleration of the Enforcer.

So I just wanted to bring out those points for the benefit of the Senate.

Mr. ROBERT C. BYRD. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arizona.

Mr. THURMOND. Mr. President, I ask for a rollcall vote.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask for a rollcall vote but before the rollcall is made, I ask that the Senator from Florida be allowed to say a few words.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. CHILES. Mr. President, I speak against the amendment that would strike the Enforcer. It seems to me that this is an example, sort of a classic example, maybe, of an opportunity to save money and an opportunity to make and produce a lower cost airplane.

We know that there is a need for a plane like the Enforcer, but right now what we are talking about producing is one that is going to cost way, way more money, so we are going to be able to buy much fewer copies than we would be able to buy, perhaps by the Enforcer.

But again, the purpose of this money that was being put into the bill is to see that a flight test is made of the Enforcer, not to go into production, not to see we are going to do anything in that regard. But because the Air Force has just decided they do not want this cheap plane, they do not want this low-cost version of the plane, they are resisting it, and they have resisted it continually all the way through.

I think the question really resolves, in some stage, we keep telling them we want them to produce a lightweight plane, we want them to produce a cost-effective plane, yet they continue to want to pick up their own versions in the specifications of the plane. What it purports to do is to be able to not burn a lot of fuel, to be able to stay on station for long periods of time, to be able to furnish close support and fly at slow speeds when it needs to fly at those slow speeds, to be able to stay down on the deck or furnish that kind of slow support.

Certainly, it seems to justify the amount of money that we are talking about putting in the bill to allow it to be flight tested.

I think that sufficient work has been done to show that this plane can be effective and can do the kind of things that it purports to be able to do.

But all of that is going to come out and either be proved or disproved when we fight test the airplane.

For those reasons, it seems to make all kinds of sense to me to go forward with it.

Mr. CANNON. Will the Senator yield for a question?

Mr. CHILES. I yield.

Mr. CANNON. What particular airplane is it that the Senator is suggesting this airplane will replace?

Mr. CHILES, It is going to take into the inventory what the Marines have been considering. They first were talking about using Harriers. Now they are talking about whether they are going to use helicopters or not. The Air Force has been determining what kind of plane it wants for the close air support. The Navy has also been working on their version.

Mr. CANNON. But that does not answer my question. What particular airplane would the Senator suggest this airplane replace? Is it an Air Force airplane or a Navy airplane?

Mr. CHILES. It may be able to replace what all three of them are looking for, what they are still talking about getting, that they would not buy Harrier jets that cannot stay on station because of their fuel consumption but they would be able to furnish the close ground support that they are all looking for and do it at a cost that we could afford.

Mr. CANNON. Does the Senator have any idea as to what the development program is estimated to cost, if this airplane were to be developed?

Mr. CHILES. I have seen figures on what the Air Force says it is going to cost. I think those figures are excessive. I do not think the figures that they come up with will be the cost. The figures I have seen by the proponents of the plane show that it would be very reasonable. It would be the cheapest airplane I have heard about in a long, long time that we are talking about putting into the inventory.

Mr. CANNON. I say to the Senator if he wants to bring the A–1's back, we can bring them back for nothing. I am sorry the Senator was not here when I gave the comparative performance of the payload capability and radius of action. It shows the A–1 has a better capability and can travel further with a better bomb load than the Enforcer. Contrary to the statement of the Senator from South Carolina that the A–1 is not armored, the A–1 is armored. So the Senator from South Carolina is incorrect in that particular.

If we are going to get a new airplane of the A–1 type, why not use the A–1's that we have taken out of our inventory now, unless the Senator has in mind replacing the F–15's or the F–14's, or something else.

Mr. CHILES. No; I do not think we are trying to do that at all. But I think this would be a better airplane than the A–10.

Mr. CANNON. Better than the A–10?

Mr. CHILES. That is right. I think it would perform the mission better than the A–10 will perform it in cost effectiveness, as far as being cost effective.

Mr. CANNON. As I also pointed out, I say to the Senator, it has .50-caliber machine guns. It would be OK against personnel, but the A–10 has a capability against armor, against tanks and against weapons carriers. The Enforcer does not have that capability. A .50-caliber machine gun is outmoded for that type of activity because the battlefield has passed it by.

I thank the Senator for yielding.

Mr. THURMOND. Mr. President, will the distinguished Senator yield?

Mr. CHILES. I yield.

Mr. THURMOND. I would like to say that the Enforcer has the Maverick to kill tanks. I am sure the distinguished Senator from Nevada realizes that the Maverick will kill tanks. I believe that answers that point.

As to the A–1, the A–1 has an old piston engine, no armor, requires twice as long a field for a takeoff, presents twice as big a target, is slower, and lacks the speed of the Enforcer. There is no comparison of the two planes.

Mr. GOLDWATER. Mr. President, before we vote, this is really not a question of whether the Enforcer is a good airplane or not. There are two questions. One, it has not been authorized by the Armed Services Committee. If we start off on these wild goose chases of allowing any committee to appropriate money for other committees, we will have destroyed the committee system. I happen to think the Enforcer is a good airplane, but neither the Air Force, the Navy nor the Marines want it.

The Armed Forces will yield and agree to every statement made of its abilities, but they do not find a place for it in their inventories. That is the whole question. It has not been authorized.

Mr. THURMOND. Mr. President, in reply I would just like to say this: I do not think there is any other man in the Senate who has supported the Defense Department more than I have. I have supported the Army, the Air Force, the Navy, and the Marines. But I will say this: If they do not want to give a test where a private individual has put in his own money to develop a plane, and if they will not even give it a test to determine whether it is a suitable plane and could save a lot of money, as it is thought this would do,then it shakes some of my confidence in somebody in the Defense Department.

The Air Force did not come up with this plane. Maybe they do not want to be proven wrong. They have come up with the A–10. They thought they were going to have a close air support plane that would take right off a rough field. But, it is a much heavier plane. It has to have a paved runway.

The Enforcer can take off on a muddy field or unimproved field and it can take off when the Army needs it to take off. All we are asking is a test. If it does not work out, OK. If it does work out, it will save the Government hundreds of millions of dollars.

Mr. CANNON. Mr. President, I hate to keep taking up time, but I cannot leave unchallenged a lot of these remarks that are simply erroneous. The Senator from South Carolina just said that the A–10 has to have a paved runway and that this airplane can operate from an unimproved field. That is not the fact at all. The A–10 was built and developed so that it could work in close support of the troops. It is able to operate from very austere runways. While the Enforcer, I would agree, could, as the P–51 could have in World War II, it is just 30 years too late.

The PRESIDING OFFICER. The question is——

Mr. ROBERT C. BYRD. Mr. President, could we get a time limitation agreement of not to exceed 5 minutes to the side, Mr. Thurmond 5 minutes and Mr. Cannon 5 minutes?

Mr. THURMOND. Make it 2 minutes.

Mr. ROBERT C. BYRD. Not to exceed 2 minutes.

Mr. CANNON. I do not need any more time.

The PRESIDING OFFICER Without objection, it is so ordered.

Mr. THURMOND. Mr. President, the ability to operate off dirt, rocky or muddy unimproved airstrips; that is one quality. The A–10 was proposed to have this capability, but the Air Force now admits its nosewheel landing gear and heavy weight limits it to hard-surface fields, most of which would be pretargeted and knocked out in the first day of a war in Europe.

This is taken from the testimony of General Stewart, who testified before the committee. It is given on page 108 in the hearings.

Mr. WEICKER. Mr. President, aside from the relative merits or performance of one aircraft versus another, the Enforcer presents a question of far-reaching concern to all of us—Members of Congress and taxpayers alike.

I find it difficult to understand why it is that the Department of Defense and the military services have repeatedly denied requests to test the Enforcer and deny a company entry into a competitive arena after it has developed an aircraft on its own and without the luxury of taxpayer support.

It is increasingly difficult to understand a system which has discouraged competition and which denies individual initiative.

The developers of the Enforcer are asking that it be tested. The Enforcer may or may not have a place in the military arsenal; however, we will never know unless it is tried and tested. The funds requested for testing the Enforcer are small indeed when compared to the potential cost savings which would be accrued if it is proven to warrant a slot in the military inventory.

The debate over the size and wisdom of various defense programs grows and intensifies with each year's authorization and appropriations bills. As we in the Congress increase our scrutiny and examination of the programs of civil agencies, we are also dutybound to examine with the same sobriety the programs and operations of the Department of Defense. In recent years, we have learned that the civil agencies do not have a monopoly on inefficiency and waste. The latest selected acquisition report has pointed to an alarming $30 billion growth over planning estimates during the last calendar year on 50 major weapons systems programs.

More intolerable than the overruns themselves is the procurement system which produces and perpetuates such increases. All too often the Defense Department and the military services proceed with an early sole source contract award. Several years down the road, we in the Congress find that the costs have grown and a competitive alternative is either no longer available, or is impracticable from the standpoint of time. At that point, the choices are not easy. We must either terminate the program or go ahead with a program several times more expensive than the planning estimate.

We have an opportunity before us to give individual initiative an opportunity to perform, and at the same time, we keep alive the possibility of a lower cost alternative system to our current close air support aircraft. I, therefore, urge that we give the Enforcer its chance to be proven. In order to do so, we must first defeat this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Alabama (Mr. SPARKMAN), the Senator from Alabama (Mr. ALLEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER), and the Senator from Kentucky (Mr. HUDDLESTON) are absent on official business.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New Jersey (Mr. CASE), and the Senator from Pennsylvania (Mr. SCOTT) are absent on official business.

I further announce that the Senator from New Mexico (Mr. DOMENICI) is absent to attend the funeral of a former Senator.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. SCOTT) would vote "nay."

The result was announced—yeas 56, nays 32, as follows:

[Rollcall Vote No. 483 Leg.]

YEAS—56

Abourezk
Baker
Beall
Bellmon
Brock
Buckley
Bumpers
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Church
Clark
Durkin
Eagleton
Fannin
Ford
Garn
Glenn
Goldwater
Gravel
Griffin
Hansen
Hart, Philip A.
Hartke
Hathaway
Helms
Inouye
Javits
Laxalt
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Moss
Muskie
Nunn
Packwood
Pearson
Randolph
Scott,
  William L.
Stafford
Stennis
Stevenson
Symington
Taft
Talmadge
Tower
Tunney
Williams
Young

NAYS—32

Bartlett
Bentsen
Biden
Brooke
Chiles
Cranston
Curtis
Dole
Eastland
Fong
Hart, Gary
Haskell
Hatfield
Hollings
Hruska
Humphrey
Jackson
Johnston
McClellan
Mondale
Nelson
Pastore
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stevens
Stone
Thurmond
Weicker

NOT VOTING—12

Allen
Bayh
Case
Culver
Domenici
Huddleston
Kennedy
Metcalf
Montoya
Morgan
Scott, Hugh
Sparkman

So Mr. GOLDWATER'S amendment was agreed to.

Mr. CANNON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. Richard Pearl, Mr. Joe Merkel, and Dorothy Fosdick of my staff, be granted privileges of the floor in connection with the pending business.

The PRESIDING OFFICER (Mr. BROOKE). Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I yield to the Senator from Nevada.

EXECUTIVE SESSION

Mr. CANNON. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination which was reported earlier today.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that this not appear on my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate proceeded to the consideration of executive business.

FEDERAL AVIATION ADMINISTRATION

Mr. CANNON. Mr. President, I send a nomination to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of John L. McLucas, of Virginia, to be Administrator of the Federal Aviation Administration.

Mr. CANNON. Mr. President, this nomination was reported by the committee unanimously. I know of no opposition to Mr. McLucas to be Director of the Federal Aviation Administration.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President of the United States be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. CANNON. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976

The Senate continued with the consideration of the bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the expiration of the time on the amendment which Mr. GOLDWATER is about to propose, Mr. EAGLETON be recognized to call up two of his amendments in succession.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. I yield.

Mr. FORD. Mr. President, I ask unanimous consent that Jane Mathias, of my staff, have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I understand that this amendment will not be voted on until tomorrow.

Mr. GOLDWATER. I will explain that when I get through yielding to my various friends who want to say something.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arizona has the floor.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. GOLDWATER. If the Senator from Missouri will withhold his request for a moment, I have an amendment at the desk which I will call up. If not printed, it is called "Goldwater No. 2." I had to revise it because of the success of the last amendment. I believe the chairman has been furnished with a copy, or he will be. There is unanimous consent on this amendment of 2 hours, 1 hour to be controlled by me, and I do not know who is controlling the time on the other side.

Mr. McCLELLAN. I will control it.

Mr. GOLDWATER. The vote will occur tomorrow, immediately after the cloture vote. So there will be no vote on this amendment today.

The PRESIDING OFFICER. The Chair rules that the amendment as drafted amends the language which has just been approved, and it would require unanimous consent.

Mr. GOLDWATER. I ask unanimous consent that the amendment be considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President, how much time does the Senator from Missouri desire?

Mr. EAGLETON. I just have a unanimous-consent request.

Mr. GOLDWATER. I yield.

Mr. EAGLETON. Mr. President, I ask unanimous consent that Mr. Bryan Atwood have the privilege of the floor today and tomorrow, during the pending of the defense appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 33, lines 6 and 7, strike out "$3,265,950,000" and insert in lieu thereof the following: "$3,189,080,000", of which "$46,870,000 shall be available for research, development, testing, and evaluation of the F-104 aircraft engine, $15,000,000 shall be available for research, development, testing, and evaluation of the F-401 aircraft engine, and $15,000,000 shall be available to conduct recompetition for the Navy air combat fighter;".
>
> On page 33, line 11, strike out "$824,-899,000,," and insert in lieu thereof the following "$804,034,000, if which $14,368,000 shall be available for research, development, development, testing, and evaluation of the F-104 aircraft engine, and $6,500,000 shall be available for research, development, testing, and evaluation of the F-104 aircraft engine;".

Mr. GOLDWATER. Mr. President, I yield myself such time as I may require.

My amendment allows no funds for the F-18 and requires the Navy to recomplete through an industrywide competition its requirement for this type of fighter. It also leaves money in the bill to start the recompetition and provides funds to continue development of the F-404 and the F-401 aircraft engines.

My primary concern about the F-18 program is the way it came into existence. It is not an aircraft that was selected as the result of an industrywide competition. Rather, it is an aircraft that came about totally outside of what I consider to be normal or established procurement procedures. Further, it is an aircraft the Navy did not specifically request from Congress, nor is this the aircraft that was authorized. Certainly, the House and Senate Armed Services Committees have not authorized the F-18, per se. Our Tactical Air Power Subcommittee held hearings on the F-18 only last month, but those had no impact on the authorization bill.

As I said, this is not an aircraft that Navy specifically requested. But let me give some data on that point.

In our Armed Services Committee report of May 29, 1974 we commented extensively on Navy's request for a new fighter. Navy was then requesting $34 million in R. & D. funds to start a VFX lightweight fighter development program and we supported that request. Let me read a portion of the committee recommendation on the future Navy fighter, as contained in the report.

> The committee believes that the Navy was entirely responsive to committee direction of a year ago in forming the Navy Fighter Study. The committee also is impressed with the excellent quality of that study and with the potential which appears inherent in the VFX, defined by that group, to be a less expensive but highly capable air superiority fighter for the 1980s for the Navy and Marines. The committee strongly recommends that the Navy proceed immediately with the next step in this program and solicit the aircraft industry for analyses of the VFX design, as defined by the Navy Fighter Study.

The report, it will be noted, referred to VFX and that is what the Navy fighter study addressed. However, only a month earlier than our report, Secretary of Defense Clements endorsed a VFAX program which meant an aircraft capable of both the fighter and the attack mission. So Navy's requirement was modified somewhat.

Let me note again that our committee recommended that—

> Navy proceed immediately with the next step in this program and solicit the aircraft industry for analyses of the VFX design *as defined by the Navy Fighter Study.*

And those last words were in italics for emphasis.

So we recognized that Navy's requirement was for a fighter aircraft, or VFX, but OSD had expanded the requirement to include an attack capability, or VFAX.

Now, recall the Appropriations conference report of September 18, 1974, which killed the VFAX as a separate and distinct line item and directed a new program element be established to be called the Navy air combat fighter. Thus, VFAX, an aircraft that I believe, for the most part and at least at that time represented Navy's requirements, was killed. Instead, Navy was directed to make maximum use of the Air Force lightweight fighter and air combat fighter technology and hardware. The report further stated that adaptation of the selected Air Force air combat fighter to be capable of carrier operations was the prerequisite for use of the funds provided.

That severely limited the Navy in its attempt to get the aircraft it required. Not only that, but in my opinion, the conference report too narrowly defined the parameters of the competition when it directed the selection be made from one of only two contractors.

Mr. President, there is a corollary point here. In the competition LTV submitted three versions of the F-16. Yet Navy judged them all as being "not carrier suitable."

What "carrier suitable" means is an aircraft heavy enough to withstand a catapult and to withstand the terrific forces of landing on a carrier deck—the catapult accelerating from zero to 270 knots in a matter of some 300 feet and the aircraft touching down at a speed of about 150 and coming to a complete stop within a few hundred feet.

So an aircraft that is carrier suitable has to have more weight; we all recognize that. What we have advocated, particularly in the committee, is that any design of any aircraft can be basic to both the ground and the sea if we can provide the additional carrier suitability.

Now, if a company as experienced as LTV could not design a carrier-suitable version of the F-16 then, I ask, who could? The thought then comes to mind that the competition was, in essence, sole-source in that only one contractor had the proper base line that would allow a carrier suitable aircraft design.

Mr. President, the purpose of my amendment is not only to require Navy to recompete for this aircraft but to have an industry-wide competition. I do not see how anyone can say that Navy is getting the best aircraft available for the money if they make a conscientious analysis of the F-18 selection history.

There are a few other points that should be made. I do not fault the objective of Congress with this program. Congress was trying to achieve commonality between the Air Force and the Navy when it addressed the subject in the appropriations conference report. That was an admirable, but elusive goal, to say the least.

However, that commonality has not been achieved nor is it ever going to be achieved. Therefore, why should we saddle the Navy with an aircraft that may not be the best an industrywide competition could produce in terms of both performance and cost?

To me, that is justification enough to recompete this aircraft requirement in the proper way.

Next, I will be the first to agree that my proposal will cost more, at least initially. Navy has advised me it would cost about $40 million to conduct this new competition. However, remember that what is at stake here is a $8 to $15 billion program, depending upon what year dollars are used and how the program is structured.

I believe that, through a proper competitive program, the relatively small cost of recompeting this aircraft will be more than offset by a total program cost that will be less than is now estimated for the F–18 program.

Surely, we can do no less than to assure ourselves and, more importantly, the taxpayers that the best fighter aircraft that industry can competitively provide is obtained.

Mr. President, I contend the F–18 falls short of that goal.

Now let me comment in advance on some points I expect the critics of this amendment will make. I am not unaware of the extremely heavy lobbying efforts that have been made by all those organizations and companies that support the F–18, including the Navy. I am sure each has provided voluminous data to be used to argue against me.

I am certainly aware that Navy has testified that it is satisfied with the F–18. It is now working hard to finalize the design of both the fighter and attack version, as well as the Marine version. To date, there are about 150 trade studies under review which must be finalized prior to final design freeze, so Navy is doing the best it can to make the F–18 a good system. Navy has also indicated that if it were to now conduct an industrywide competition for the VFAX, the resulting aircraft would not be that much different from the F–18.

Personally, I question how that could be because, during our 1973 tactical air power hearings, Navy witnesses indicated that derivatives of either the YF–16 or YF–17, of which the F–18 is a derivative, did not appear to have sufficient capability to be useful in Navy missions. Yet, a little more than 2 years later Navy tells us the F–18 is just what it wants.

Mr. President, I think this is a case of the Navy making the best of a situation it did not want.

Next, it may be asserted that it makes no sense to continue with the development of the F–404 engine without a simultaneous development of the airframe. The staff advises that was the recommendation of the General Electric engine people. I certainly respect that judgment, but the staff was also advised by a Navy engine expert that such simultaneous development was not that critical. So we find that there is an honest difference of opinion between two experts.

Next, it may be contended that a recompetition will unnecessarily delay Navy's need to start replacing its F–4 fleet. That may well be, but does that justify proceeding with an aircraft that may not represent the best, in terms of performance and cost? It is my judgment the timeframe is not that critical.

Mr. President, referring to the funding effect of the amendment, it provides $15 million to begin the recompetition, $46.8 million for development of the F–404 aircraft engine, and $15 million for continuing the development of the F–401 aircraft engine. For the transition period, $14.4 million and $6.5 million are provided for the F–404 and F–401, respectively. All of the amounts are the result of what Navy says it requires if it is to do these three efforts. The net effect, then, is to reduce the amount in the bill by $35 million.

The F–404 aircraft engine, derivative of the J–101, is in the 16,000-pound thrust category and has potential to become a good engine. It can be a candidate engine on any new aircraft selected, and, in any case, should be developed.

As indicated, funds are provided to continue with the F–401 development which will eventually be required to increase the performance of the F–14 fleet. Congress stopped this development program last year as not being required. However, I believe its development should continue as a backup to this entire Navy aircraft procurement problem.

As an aside, I think we make a mistake by trying to identify a specific aircraft before we allow engine development. Too often, aircraft development must await engine development. It should be the other way around.

Mr. President, in summary, Congress attempted to get Navy and Air Force together with a common aircraft, but that objective failed. A further result of that effort was to direct Navy into an aircraft program for which it had not stated a specific requirement. From a review of the efforts of the two competing contractors, it could be judged that the F–18 was a sole source selection.

I believe we must overturn this unorthodox F–18 selection by requiring Navy to conduct an industry-wide competition for the fighter aircraft it requires. This is the only way we can be assured of getting the best fighter in terms of cost and performance. In the meantime, engine development can proceed to insure there is no delay in that regard.

Mr. President, I urge my amendment be adopted.

Mr. President, let me make it abundantly clear that I think the Navy should have a new air superiority fighter and a new attack aircraft to come into the inventory in the middle 1980's. It does not need it before that time. My sole objection here is the means that the Navy used in order, in effect, to acquire this airplane from a sole source. I think Congress has made itself abundantly clear on many occasions that we want to get away from this sole-source development—not that McDonnell Douglas cannot make good airplanes. They probably make as good airplanes as anybody else. All of our airplane manufacturers in this country can make good airplanes. Any one of them can make the Navy fighter that our Navy wants. But I want to see it done through competition.

There is no haste in this program. Neither the Navy nor the Marines needs this type of air superiority fighter until the mid-1980's. I admit that they will need it at that time, but by going into the development of this aircraft in the proper manner, we can assure ourselves of the best aircraft being bought when that time comes.

I urge that my amendment be adopted.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. GOLDWATER. I yield.

Mr. JAVITS. Mr. President, I found it necessary, because of our local interest in my own State, to dig into this question of the F–18, the F–14, and the other highly technical matters upon which Senator GOLDWATER is so outstandingly knowledgeable.

For myself, I think I have shown in hundreds of votes here that I am not parochial in my votes with regard to my own State, but I felt compelled to look into this question very, very deeply. I say to the Senator that I have valued enormously his leadership in this matter, that has confirmed my own judgment of his thorough and objective inquiries. As a lawyer, I was thoroughly persuaded of the justice of his position and the interest of our national defense, which happens, in this case, to be joined with the best economy.

I consider it an important item of evidence on the fact that Congress can, should, and must devote its own judgment to these critically expensive aircraft systems, especially when they get into the judgmental level which this one occupies now. In this regard, notice should be taken of the fact that the Navy has testified that, if it were left to make its own decision, it would choose to procure more F–14's, rather than F–18's. However, that preference has apparently been overridden on the now-revealed-to-be misapprehended premise that the F–18 would be cheaper.

I believe that there are two basic points as to whether the Congress should accept the Navy's request to appropriate $110 million for the F–18 in this fiscal year: cost and military effectiveness. The Navy readily concedes the point that the F–14 is a far more capable aircraft for the fleet defense and air superiority missions, and, indeed, there is a great deal of controversy as to whether the attack version of the F–18 will be so limited as to make it deficient as a replacement for the A–7, which is 50 percent cheaper.

But, even if one uses the Navy's own cost analysis figures, it is apparent that the more capable F–14 can be bought for the same price as the F–18; however, this is assuming that the F–18 will not experience cost increases overruns which in aircraft of this type have varied from 15 to 22 percent in recent history, and it does not take into account that the huge startup and research and development costs of the F–18 would entail an investment of roughly $2.1 billion that could otherwise be put toward F–14 and A–7 procurement.

I wish to draw Senators' attention to excerpts from the October 8 testimony of Mr. George A. Spangenberg, the former Director of the Evaluation Division of the Naval Air Systems Command, before the Senate Armed Services Committee. Mr. Spangenberg is a highly respected expert in the aerospace community.

> Summing up the fighter case, the F–18 has no more capability than the F–4 and costs more; while it has far less capability than an F–14 which costs no more and is available years earlier. There is no way in which the F–18 can be justified as a Navy fighter.

> Although there are other deficiencies in the design as it has been reported, its range performance alone is sufficient to disqualify it for serious consideration as an A–7 replacement. With a 50% higher price and a 50% lower capability than the A–7, the F–18 cannot be justified as an attack plane.
>
> The Navy's goal of reducing carrier types is achievable with a mix of F–14's and A–7's far easier, at less cost and with a greater level of capability than a mix of F–14's and F–18's.

I am very grateful to Senator GOLDWATER that he does bring to us his expertise. Whatever differences he and I may have on many ideological and political questions, I have enormous respect for his attention to the detail involved here and to his vast knowledge on what is the most optimum stance for the security and defense of our country, and I have always supported him very strongly, and I consider it a privilege to support him in this matter.

Mr. GOLDWATER. I thank my friend from New York. Mr. President, I yield the floor at this time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I do not have any requests for time at the moment.

Mr. President, I yield to the distinguished Senator from Ohio 20 minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I rise to support the F–18. To understand this controversy we must go back, however, into the history of the F–18 and how it came about, and the role Congress played in this procurement action.

Congress has pushed through the years for a better procurement policy, and I fully support that. Congress has in the past tried to deal with the problem of getting commonality of airplanes, airplanes procured that would provide a decent fighter airplane, for instance, for both the Navy and the Air Force roles. Back in the days when I was an active Marine Corps test pilot in 1954, we in both the Navy and the Marine Corps were having to adapt Air Force airplanes to a naval role that is necessary to provide the Navy's offshore function for our balanced defense forces.

These attempts never worked before, and are not working today. We have always started out with the Air Force version of the airplane because it was going to be the biggest buy, and naval and Marine were somehow supposed to adapt that airplane. You cannot simply put a tailhook on an Air Force plane, then strengthen the carrythough structure, the landing gear and all the other equipment that must take a carrier launching and a carrier landing. Somehow we were supposed to adapt these planes and make it fly under the Navy and Marine Corps criteria. This has never worked.

Now, I do not blame the Air Force for wanting the highest performance that they can get—a slightly higher performance that is obtained by not making the more rugged airplane that carrier landings require. These requirements for a naval plane include more strength, more carrythough structure, tailhook, increased strength of the landing gear. These are the things that make a Navy aircraft fly, maybe not quite as high as its Air Force counterpart nor quite as fast, but that meet carrier needs. It is that tougher design job that we have never started from that has dictated the failure of the commonality concept up to now. We start with the Air Force airplane and somehow we are to make it adapt to the Navy and Marine Corps role aboard ships. Thus, it is Congress' interest in commonality, that has not worked, and that is a major issue in this debate.

In preparing replacement aircraft for the F–4, A–4, and A–7 series aircraft, the DOD instructed the Department of the Navy to design and acquire planes which could be constructed from the basic plans accepted by the Air Force in the adoption of the branch's lightweight fighter. The Navy originally sought an air arm composed primarily of the expensive and sophisticated F–14. The Secretary of Defense convinced the Navy, however, to adopt a high-low mix, as it is called, in which a relatively few expensive aircraft would be supported by a much larger number of less expensive aircraft. This may have been an error. The demands of the Navy's plane are generally far more rigorous than those of the Air Force's and the selection of the latter's aircraft should have been dependent upon the selection of the Navy.

The Air Force, in preparing its own high-low mix, decided to opt for the F–16, manufactured by General Dynamics/LTV, in Texas.

The Navy, after testing the F–16, found that it was not appropriate for carrier-style operations. The Navy then looked at other aircraft, ultimately selecting the McDonnell Douglas/Northrop designed F–18. LTV complained to the GAO, protesting that the F–18 was improperly chosen because the Navy did not follow either DOD instructions or a legislative mandate of the Congress to buy a lightweight fighter that was a derivative of the Air Force model.

Now, I will not get into the details of that. I think there is quite a case to be made on the LTV side, and that has been discussed, of course, and has been the subject of investigation by the Defense Department and by GAO.

GAO ruled that the Navy was acting properly when it made its selection, due to the major differences in performance capabilities between the carrier model of the F–16 and the F–18.

Many sources, however, sought to either reduce or eliminate the production and distribution of the F–18. Some of these people were in the services involved, the Navy and Marine Corps, who wanted the more expensive but more capable F–14, higher, faster, better weapons mix, and so on—and we will certainly concede that superiority to the F–14—but at low altitude in particular the F–18 does not appear to be that much inferior to the F–14. In fact, in some respects the F–18 has better handling characteristics apparently, and can perform some of the low-altitude speed missions which make it a superior aircraft in straight performance specifications at those lower altitudes.

But a very important factor in this, Mr. President, is the fact that the F–18 is projected to cost 40 to 50 percent less than the F–14, roughly 36 percent less to operate over a lifetime of some 15 years. I want, however, to be very fair here in that these figures are speculative. The F–14 is presently in production, and cost figures for it are much more firm than those for the F–18, which has not advanced beyond the prototype stage of development.

Many alternative mixes of aircraft have been proposed. The most frequently mentioned, and that given support by the Senate Appropriations Committee, would instruct the Navy to acquire in the full buy over the full period of time some 800 of the F–18 aircraft over the next 15 years, allowing the plane to function both in a light attack and fighter role.

The historical aspects of this are that as early as 1968, a high-low mix of aircraft, coupled with the development of a light-weight fighter—LWF—was promulgated, and in 1971, a competitive program was inaugurated by the Air Force involving several companies to determine a design and prime contractor of a LWF. In April of 1972, the competition was narrowed to two planes, the General Dynamics YF–16 and the Northrop YF–17. The former made its first flight in February of 1974 and latter's initial flight was in June 1974.

It was hoped the United States would select one of the aircraft for both the Navy and the Air Force. But, once again, I point out that Congress' own push in trying to get a common version is what has led us into this particular situation. We started with the Air Force making their selection and, as usual, it was not possible for the Navy or Marine Corps to adapt that airplane for the more rugged role that is required aboard U.S. Navy Carriers.

It was hoped that the United States would select one of the aircraft for both the Navy and the Air Force—with the Marines being assigned the Navy's version of the plane—and that the NATO countries would purchase identical aircraft for their air fleets. This would, it was believed, allow sufficient mass production to keep procurement costs down and provide for commonality which would permit low operating costs and easier supply for the armed services of this country and our allies.

The Air Force selected the F–16, noting its generally superior handling capability, slightly better speed, and lesser consumption of fuel when contrasted with the twin engine design of Northrop. The NATO nations initially were predisposed toward the F–17, favoring the twin engine configuration after their bad experiences with the single engine F–104. I do not, however, think we want to get into what all happened with the Europeans' use of the F–104.

But NATO, realizing the need for mass

production of the aircraft, needed the F–16 to maintain low cost production. The F–16 is a lightweight 20,800 pounds, single-seat fighter, designed primarily for gaining air superiority above a battle field and for local air defense. It is not an all weather, all conditions fighter and has marginal utility in an attack or ground support role, it can be adapted for that, however, with further work. The avionics and weapons systems necessary for these more complex missions were eliminated from the attack aircraft in an effort to save weight, cost of construction, and the cost and difficulty of maintenance.

The mission of the F–14 is fleet air against airborne assault and provides an umbrella of protection for naval and marine attack aircraft over enemy territory. Armament includes the Phoenix, Sparrow, and Sidewinder missile systems, Vulcan cannon, and radar and guidance systems which enable the two-man crew to observe, track, and attack several opponents simultaneously.

The F–18 is seen as fitting into twin mission roles, fighter and light attack aircraft, particularly with regard to its use in the Marine Corps. For this last assignment, the plan requires, and has, the ability to carry a wide range of weaponry, sophisticated avionics, agility in handling, and the ability to defend against interdiction by enemy fighters. Both the A–4 and the A–7 are subsonic; the ability of the F–18 to fly and fight at supersonic speeds reduces the need for fighter escort on attack missions. At the low levels and low speeds—comparatively—at which most attack missions are flown, the F–18 has handling characteristics which may be classed, I think, in general, as superior to the F–14.

The cost estimates on the F–18 and other proposed options are a matter of considerable dispute. This is largely because the F–14 is presently in production, while the F–18 remains in the development stage, and no one is certain what impact either inflation or development problems will have on the final costs. Additionally, almost everyone who makes a public comment on what the Navy should be doing suggests a different mix of aircraft, thereby expanding the number of planes Northrop can be expected to build, and reducing or expanding the cost at the margin and the overall per plane cost.

Mr. President, to shorten this, I recommend full support for the initial development of the F–18 fighter/attack aircraft.

In the original plan, the Navy fighter squadrons numbering 24, and Marine numbering 12, were to get F–14's for the Navy in the number of 14 squadrons and the Marine Corps with 4 squadrons, leaving 10 Navy squadrons with F–4's and 8 Marine with F–4's.

However, under a more recent plan adopted, the Marine Corps agreed to let the Navy keep the additional four squadrons of F–14's which the Marine Corps would have had, thereby giving the Navy 18 F–14 squadrons. This left the Marine Corps then with 12 old F–4 squadrons which will begin to be outdated in 1980 and 1981. That is precisely the time period for the phasein of F–18's, which the Marine Corps would be using as both fighter aircraft and as light attack aircraft.

In the first buy that would be made, the Marine Corps would get approximately 270 of the airplanes, which would be most of their fighter and attack airplanes, and the Navy would get 130 aircraft.

The engine to be used in the F–18 is the 404 engine. This was the original engine used in the F–17 before it was transferred into service and changed designation. The GAO and the Navy have commented that at this stage of engine development, the 404 was one of the best engine developments they had seen.

I think there has been engine improvement. Further, I think in this case to have such a comment coming from the GAO and the Navy indicates that this is an engine that we will be able to rely on.

Mr. President, for all these reasons I support continuing the F–18. If we do not go in this direction, we will wind up with a very great hole left in our defenses in the mid–1980's.

I am concerned about only one thing and that has absolutely nothing to do with whose interests are served by placing what contracts in what States. I think it is abominable this has to enter any discussion on the floor of the U.S. Senate. In the nearly a year I have been here, every time some question of that comes up, I keep wanting to jump to my feet and remind people we are U.S. Senators. I have a great concern for only one thing with regard to this program, and that is our combat capabilities in the 1980 time period. We must not be left without adequate airpower. Yet that is what will happen if we sit around debating and renegotiating contracts and reflowing competitions instead of producing airplanes.

Much as I know and like the people in LTV who have raised some of these questions, I cannot agree with them on this. Much as I may agree that they may or may not have been dealt fairly with in the competition, I will still have one goal in mind in what I say here today. That goal is that we make sure we do not eliminate much of what our superior combat potential can be in the mid-1980's by going back to a renegotiating process at this time.

It is that combat capability I want to see maintained and the only way we maintain that combat capability, Mr. President, is if we continue with the F–18 in the budget as it is now.

Mr. President, I yield to the distinguished Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. SYMINGTON. Mr. President, I thank my able colleague from the great State of Ohio.

May I say that there may be some people who have had as much experience with airplanes as he has, but there is certainly nobody in the Senate who has had more. The fact that he is a Marine flyer as well as an astronaut should give great weight to what he has to say on this subject.

I have sympathy for the LTV people.

It is interesting to note, however, that the Deputy Secretary of Defense, who is universally respected for his knowledge of this field and as a businessman, Secretary Wiliam P. Clements, made a statement before the Appropriations Committee of this body on the 21st of October.

Before I read it I want to say that there are many people who think the greatest danger to the United States lies from the possibility of an external attack.

I cannot agree with that. I think today the greatest danger to the United States, as exemplified by the problems in some of our cities is in this country itself: the deterioration of the economy, living conditions, jobs, et cetera.

If that is true, the testimony of Secretary Clements is, to me, decisive in this matter.

As my colleagues know, for some time I have been concerned about the fiscal and monetary problems of this Nation.

Here is his testimony.

The PRESIDING OFFICER. The 20 minutes of the Senator have expired.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to proceed.

Mr. McCLELLAN. I yield the distinguished Senator 2 more minutes.

Mr. SYMINGTON. That will be fine, I thank my able colleague, may I have 3 minutes?

Mr. McCLELLAN. Three minutes.

Mr. SYMINGTON. I read what Secretary Clements said:

> Under the most optimistic circumstances, the unit cost of the F–14 is still at least $5 million higher than the F–18 for equal production rates. For 500 airplanes, this amounts to $2.5 billion favoring the F–18.

Mr. President, there are many more arguments that I could make as the ranking member of the Tactical Air Subcommittee. I know my distinguished colleague, the chairman of that committee, the senior Senator from Nevada, agrees with those of us who believe in the F–18. But I would hope from a cost-effective standpoint, inasmuch as the Defense Department wants this, the Navy wants it, the Marine Corps wants it, and it is going to save the taxpayers billions of dollars as against other planes being considered, that the Senate today will approve the F–18 airplane.

I thank my colleague for yielding.

The PRESIDING OFFICER. Who yields time?

M. McCLELLAN. I yield 4 minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. YOUNG. Mr. President, I do not claim to be an authority on airplanes, but I have listened to testimony on planes in the committee for more than 15 years and I have a great interest in them. I even flew in an F–15 about a month ago. I have listened to both sides of this argument and I think they can make a pretty good case on both sides. But I come to the conclusion that we should go ahead with the F–18. The longer we wait the greater the cost and the more problems we create. If we could afford to buy the F–14 with a bigger engine, which was planned in the first place, that would be the ideal situation. But the cost would be too great.

Mr. President, to open this up again to competition would involve at least five companies and there would be a long delay. I believe it would be unfair to the two companies who were in the first competition and who have spent a lot of money in developing the present F–18.

Mr. President, reluctantly I come to the conclusion that I support the F–18, although I took a somewhat different position in the committee. Having listened to both sides, I believe the best thing to do is to go ahead and build this plane. I support the committee position.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Mr. President, I yield myself a few minutes, maybe 5 minutes.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. In reply to my friend from Ohio, I agree with him. We all agree there is no such thing as creating commonality between a Navy and an Air Force airplane. In fact, this was thoroughly discussed in our tactical air meetings. The reverse happened with the F–4, with which the Senator is so well acquainted.

I remember when Senator CANNON and I first flew the F–4 back in 1958. It was a Navy airplane and we were flying it at the request of the Navy to try and help them convince the Air Force that it was a good airplane. We can go from the Navy to the Air Force. But when I talk about commonality, I am talking about starting at the design beginning.

This amendment has nothing at all to do with LTV, General Dynamics, or anyone else. What I am suggesting here is that the Navy design an aircraft that the Navy thinks it wants and then submit this aircraft to those people who want to compete on it.

What happened here, and I repeat, is that the Navy took what it liked out of the F–17, which is a very good airplane, and they took it over to McDonnell Douglas and said, "Here, make this into a Navy fighter." And, as I said in my statement, the direction of the Congress necessitated this.

This is the only place I find fault. I have no doubt that the F–18 that McDonnell-Douglas would make would be a superb aircraft. But it cuts out Lockheed, it cuts out General Dynamics if they want to go, LTV if they want to go, and Northrup if they want to go. In other words, what we are returning to here is a single source, and it is something that we in the Armed Services Committee have been trying to get away from for years.

I repeat, commonality does not enter into my argument at all. I believe the Navy needs a lightweight fighter and a carry-on attack aircraft for the middle 1980's. But I want to see them acquire this aircraft through competition, not through merely picking what is best from one airplane, going to a superb aircraft manufacturer, and saying, "This is the airplane we want."

Even though the General Accounting Office held that this was perfectly proper, although I think their tongue was in their cheek, I do not believe that it was in the spirit of what the Appropriations Committees of both Houses suggested to the Navy last year.

All I am arguing is that the Navy design a fighter, that we then have competition on it, and we have an airplane by the middle 1980's.

To cap these few remarks off, we are not talking here about something that is a dime store item. The F–14 when it is completed will probably be a $8 billion-plus buy. This aircraft now is a $7.1 billion buy without any allowances being made for continued inflation, where the F–14 program is. We are not talking about a really big difference. When the Navy says a 40 to 45 percent difference, they are wrong, and I believe they know they are wrong. They want a lightweight fighter. I want them to have a lightweight fighter, but I want them to have it after competition. That is the only difference.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. Will the Senator yield for a reply?

Mr. GOLDWATER. I yield. How much time does the Senator want?

Mr. GLENN. Just a couple of minutes.

Mr. GOLDWATER. All right, a couple of minutes.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Thank you, Mr. President. I wish to reply to the remarks of the distinguished Senator from Arizona who has long been in the forefront of considering so many areas of aviation. I brought into this discussion the issue of commonality in that I think that was the key in leading us into some of the problems we are mired in today. Congress, through their interest in trying to get a common airplane, indicated to the Department of Defense that they wanted the services to have a common airplane. It was decided then that the Air Force would be the developer of that airplane.

It would be nice if we could have all airplanes built with no time delay, set them out on the desert, and have a fly-off competition then decide which one was best. But that takes time. Design time and test time to know what we have runs to years, as we all very much aware.

Before I take too much time, I would only like to inject into this discussion what Admiral Holloway, Chief of Naval Operations, has indicated in a letter to the chairman of the Committee on Appropriations (Mr. MCCLELLAN), in which he stated as follows:

> It has been suggested that we should reopen the competition to all of industry in order to get a better aircraft. I feel that a new design would not result in the significant improvement over the F–18; therefore reopening the competition seems unwarranted since it would delay the program approximately one year when it is needed now for economic elimination of the fighter gap which otherwise will occur. During the recent competition, four of the best areospace contractors participated and Navy technical experts agreed that we have a superb design in the F–18.

Mr. President, my concern is that we provide the combat capability for this country in the time period needed. I would be the first to agree if we had no threat from any source to this Nation, then we could sit back and have our competition and go ahead with it on a more leisurely basis. If we, in effect, shoot down the F–18 at this point we are not countering the threat to this country with adequate fighter aircraft in that 1980 time period—when our F–4's will begin to be unavailable by reason of obsolescence.

I would hope that we would have many fighter aircraft to choose from in the future, but now we do not have that luxury. We have an F–18 that is ready to go. It can fill the gap that needs to be filled. And while I wish the other contractors well, and many of them are personal friends of mine through years in aviation industry and in testing, I cannot in all good conscience go along with opening this up again. New competition would delay the plugging of that gap in our Armed Forces during the 1980's time period.

I thank the Senator from Arizona for yielding.

Mr. YOUNG. Mr. President, I yield, on behalf of the Senator from Wisconsin, 4 minutes to the Senator from Nebraska.

Mr. HRUSKA. Mr. President, I rise in opposition to the amendment and in favor of the position on the F–18 which is reflected in the committee bill as well as in the appropriations requested for the Defense Department.

This debate will culminate some 5 or 6 years of effort to modernize the Navy air combat fighter force. It has been a most interesting exercise. The testimony on it has been very prodigious. It has been voluminous, and, of course, highly technical, in many of its aspects.

I agree with the Senator from North Dakota when he observed that a good case can be made on either side. I agree further with the Senator from Ohio that if we had a lot of time and no immediate threat, and wanted to go about this idealistically, maybe we could go about the matter from the standpoint of future industrywide competition. But, Mr. President, that time has come and gone because the proceedings now have reached a point where there has been much consideration given to all of these matters. Admiral Holloway, in his July 8 letter, put it in these words:

> It has been suggested that we should reopen the competition to all of industry in order to get a better aircraft. I feel that a new design would not result in a significant improvement over the F–18; therefore reopening the competition seems unwarranted since it would delay the program approximately one year when it is needed now for economic elimination of the fighter gap which otherwise will occur. During the recent competition, four of the best aerospace contractors participated and Navy technical experts agreed that we have a superb design in the F–18.

Mr. President, I would like to put it in this way: the F–18 is the choice of the Department of Defense, and particularly the Navy and the Marine Corps. They have decided what they want and what they need as a plane satisfying their operational requirements and complying with congressional requests that they select an aircraft to complement the F–14A and replace F–4 and A–7 aircraft.

That decision was based on a thorough competition campaign. There was an industry-wide competition initially; later narrowed down to the F–16 and F–17. The Air Force selected the F–16. The Navy entertained a full scale competitive Source Selection involving three LTV designs (1600, 1602, and 1605) and one McDonnell-Northrop design (F–18).

The other designs were judged not carrier suitable, and finally the F–18 was a clear winner.

On the basis of the entire record, it appears that the Department of Defense—and Navy and Marine Corps—are warranted and justified in persisting that the F–16 and F–18 developments are already based directly on extensive engineering data and test results from the lightweight fighter prototype program. That exercise provided a firm basis for projecting costs and risks.

Further testing or contest, in whatever of the several forms or combination now proposed by unsuccessful bidders, would not yield any benefits or meaningful information to warrant the additional heavy cost in funds and in delay of force modernization.

Now at this point it might prove helpful to this body in its deliberation on this issue if I briefly summarized the background leading to the Navy's decision.

The Navy in 1969, 1971, 1972, and 1973 proposed to modernize its fighter force by replacing its aging F–4's with 722 Grumman F–14 fighters, highly sophisticated, missile-carrying airplanes. Because the F–14 is expensive, however, the Department of Defense has asked Congress for only 390 F–14's through fiscal year 1981. In order to reduce cost of modernization, DOD and the Congress sought a lower cost alternative that would supplement the F–14.

In 1974, Congress authorized a Navy air combat fighter—NACF—program to develop this low-cost alternative. The NACF selected was to be the "lo" of the "hi-lo" mix of cheaper fighters.

In the 1974 conference report of the appropriations bill, Congress directed that its $20 million appropriation must be used for a competition to select a derivative—with commonality—of the Air Force lightweight fighter as the Navy NACF. After NACF designs were submitted, the Navy concluded that a derivative of the Air Force fighter would not be suitable for aircraft carriers. So it awarded the Navy contract to the contractor team of Northrop-McDonnell-Douglas, which submitted the F–18.

The Comptroller General ruled that the Navy award was legal, despite the congressional directive for commonality, because conference report language is not mandatory. In order to be mandatory, Congress would have had to include its directive in the appropriations bill itself.

The conference report leading to the fiscal year 1975 Defense Appropriations Act included the following language:

> The conferees support the need for a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft; however, the conferees direct that the development of this aircraft make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware.

The conference report added that—

> Adaptation of the selected Air Force Combat Fighter to be capable of carrier operations is the prerequisite for use of the funds provided.

This latter was reviewed by the General Accounting Office whose opinion was published favorable to the Navy on October 1, 1975.

Returning to the earlier stated language, the Navy responded by developing the F–18, an excellent naval aircraft, which is a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft. It makes maximum use of the Air Force lightweight fighter and air combat fighter technology and hardware. The assignment given to the Navy was not an easy one. It was only through much work between the aircraft manufacturers and the Naval Air Systems Command that a suitable design was achieved.

The Chief of Naval Operations and the Commandant of the Marine Corps are convinced that F–18 is the airplane they need. They based this conclusion on the following facts:

Navy needs to reduce the types of airplanes on carriers and in Marine Air Wings.

With the technology in the F–14 and F–18, the Navy can do all the tactical aviation jobs required of the carriers.

F–14's will do the more demanding all-weather fleet air defense missions—F–18's will do the "bread and butter" strike, strike escort, and close air support missions where the agility of the smaller F–18 pays off.

Reliability, or availability for combat, is a key requirement of the F–18. The F–18 is desirable because taking advantage of technology it requires at least 25 percent fewer technicians and 40 percent fewer officers and 25 percent less deck space.

The A–7's must be replaced because they will represent a 20-year-old design by 1985. In addition they will not have the capabilities of F–18 which are required for survivability.

Costs. In fiscal year 1975 dollars if 400 F–14's are procured and a new light attack—VALX— developed and 400 procured the cost will be $10.2 billion.

If however, F–18's are developed and 800 procured; the cost will be $7.7 billion.

In addition, major savings will be achieved in operations and support. In above force, estimate savings of over $2 billion by F–18 over 15 years of operations are anticipated.

The F–18 can be built at a more efficient production rate to perform both fighter and attack missions.

There will be a more efficient operation aboard carriers with just two types for tactical missions: F–14's and F–18's.

The Marine Corps has selected the F–18 as less sophisticated than the F–14 yet adequate for their fighter missions.

The F–18 satisfies requirements and a delay getting started costs more and delays force modernization which will be needed because the old F–4's must be replaced at average of 60 per year starting in 1981 and the A–7's need replacement at 48 per year average starting no later than 1984.

The technical risk of modifying YF–17 to F–18 is considered minimal by NAVAIRSYSCOM. This is due to the fact that the YF–17 prototype was very successful, particularly in Navy critical areas. Also, the F–404 engine is the Navy designation for the YJ–101 engine flown so successfully in the YF–17, with relatively nominal improvements. Furthermore, the F–404 uses 80 percent—piece-part count—of YJ–101 components. It is not a "paper engine."

Mr. President, the F–18 is an excellent multimission tactical aircraft. It is the Navy's response to the F–75 appropriations conference report which supported the need for a lower cost alternative fighter to complement the F–14A and replace F–4 and A–7 aircraft.

The key elements of the Navy's proposed F–18 program were summarized by Deputy Secretary of Defense Clements, in his prepared statement before the Subcommittee on Military Appropriations, October 21, 1975.

Regarding the issue of whether there is a valid military need for the F–18, Mr. Clements said:

> First there is a need for the F–18 for its military value.

Aging F–4's must be replaced in the Navy in the early 1980's to avoid a critical gap in combat aircraft aboard our carriers and in the Marine Corps squadrons.

He and the Under Secretary of the Navy, Dr. Potter, both said that in the case of the Navy, the A–7 will require replacement, beginning about the mid-1980's, by a more survivable aircraft with more fighterlike agility. This outlines the operational requirement for the F–18 aircraft. The multimission requirement to replace both F–4 and A–7 aircraft has been well recognized and supported by both sides of the Congress. To provide this multimission aircraft, at a reasonable cost, has been the guidance from Congress and the goal of the Department of Defense. In replacing the F–4, the F–18 will have much better reliability, a more capable radar, and will land aboard ships much more safely.

Replacing the A–7, the F–18 will satisfy range and payload requirements as well as accuracy requirements but with much better agility and aerodynamic performance and therefore enhanced survivability, with the added feature of being able to contribute to fighter missions through self-escort. Mr. Clements pointed out that it is not the DOD concept to compare the F–14 with Phoenix to the F–18. They are complementary in their missions. Those missions which require the Phoenix and a long-range, large-volume radar multishot capability, require the F–14 airplane. It is a superior all-weather fleet air defense interceptor. "Bread and butter" missions such as strike, escort, and close air support do not require the Phoenix missile nor the capabilities of the F–14. For those missions it is prudent and cost effective to use a less sophisticated airplane. With a constrained budget, we simply cannot afford the additional space required aboard ship, additional manpower, and added cost of the F–14 for those missions which do not need the capabilities of that weapons system. This applies to Navy and Marine Corps requirements.

The Commandant of the Marine Corps reviewed his requirements and commitments and decided that the Marine Corps should not operate the F–14, particularly as it applies to their mission where advanced austere bases are used. Moreover, the F–18 will do the jobs the Marine Corps must do in their unique mission. In those fighter missions where performance and agility or dogfighting capability dominate the scene, the F–18 is expected to be better than the F–14. The real value of the F–18 for the Marine Corps is that overall effectiveness within realistic costs and logistic constraints are attained through the use of a multimission, light attack, and escort fighter.

The F–18 is about 60 percent of the weight of the F–14, about 60 percent of the size. It requires about 60 percent of the people to support it as compared to the F–14. The operating costs for the F–18 as compared to the more sophisticated F–14 are about 60 percent as much for a savings in the long term of about a half a million dollars per airplane per year. Operating over a 15–year life on an airplane, this is a substantial amount of money for the numbers of airplanes involved.

Regarding procurement costs, the F–18, after the original R. & D. burden, can be expected to cost about 60 percent as much as the F–14. The multimission role of the F–18, which enables it to replace both F–4 and A–7 aircraft, permits it to be produced economically, at a reasonable production rate of about 108 per year. However, if two separate aircraft were procured, one for the fighter role and the other for the attack role, they could not be procured at an economical rate nor could they be absorbed at that rate by the Navy. A lower production rate would result in a higher unit cost. Comparing the cost of 500 aircraft bought at the rate required for fighters alone, the F–14 would cost about $5 million each more than the F–18.

It seems clear that saving $5 million per aircraft in procurement costs and half a million for each aircraft per year to operate and support amounts to a lot of money which can be saved for a development investment of $1.4 billion. Mr. Clements indicated that the investment of $1.4 billion would return $4.5 billion to $5 billion savings by going with the F–18, and it satisfies the Navy and Marine Corps fighter requirements.

The Navy has already indicated that they will need an airplane to replace the A–7 which will be 20 years old by 1985. The F–18 is designed to be that replacement without another expensive development and test program. The Navy's F–18 program makes good sense and should be supported.

Mr. President by way of summary: I wish to observe that the Department of Defense—and particularly Navy and Marine Corps—have decided that they want and need the F–18 as a plane satisfying their operational requirements, and complying with congressional request that they select a new aircraft to complement the F–14A and replace F–4 and A–7 aircraft.

That decision was based on a thorough competition campaign.

An industry-wide competition initially; later narrowed down to the F–16 and F–17.

Air Force selected the F–16.

Navy entertained a full scale competitive Source Selection involving three LTV designs—1600, 1602, and 1605—and one McDonnell-Northrop design—F–18.

F–18 was a clear winner. The other designs were judged not carrier suitable.

On the basis of the entire record, it appears that the Department of Defense—and Navy and Marine Corps—are warranted and justified in persisting that the F–16 and F–18 developments are already based directly on extensive engineering data and test results from the lightweight fighter prototype program. That exercise provided a firm basis for projecting costs and risks.

Further testing or contest, in whatever of the several forms or combination now proposed by unsuccessful bidders, would not yield any benefits or meaningful information to warrant the additional heavy cost in funds and in delay of force modernization.

The considered judgment of the Department of Defense should be adhered to.

Mr. President, I ask unanimous consent that the statement of the Deputy Secretary of Defense, William B. Clements, before the Committee on Appropriations on October 21, 1975 be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement by Hon. William P. Clements, Deputy Secretary of Defense

Mr. Chairman and Members:

I believe it is time for some plain talk on the F–18.

There have been many hearings, lots of contractor generated data, opinion after opinion on performance and military requirements, many self-interest claims and emotional appeals, and complex financial analyses in which parameters are juggled to "prove" various points. All in all I believe that a straightforward program with very clear objectives has become complicated and confusing to some—and maybe that's what some people want.

So now is the time to strip away this confusion, to get back to fundamentals and address the issues in simple terms.

I believe the issues are these:

1. Is there a valid military need and does the capability of the F–18 satisfy this need?
2. What is its cost and does it save enough taxpayers' money to justify the investment?
3. Does Congress really support the effort in DoD to pursue new avenues for achieving greater military capability at lower cost?

Mr. Chairman, I would like to address each of these questions briefly and simply.

First—as to the need for the F–18 and its military value. Just as in the case of the Air Force, the aging Navy F–4s will lead to a serious gap in combat aircraft in the early 1980s. This has been long recognized and accepted. In addition—in the case of the Navy—the light attack A–7s will require replacement starting in the mid-1980s by a more survivable aircraft having much greater fighter-like agility. These requirements have been discussed with the Congress in the past and formed the basis for the Navy developing the VFAX requirements which envisioned a reasonably low cost aircraft operating in a dual role having both fighter and attack capability. I support these Navy requirements. They are satisfied in all essential respects by the F–18.

Now much has been alleged about the actual capability of the F–18 or the lack thereof both with respect to the aircraft it will replace and with respect to the F–14 which it will complement. By what I consider to be detailed and rigorous Navy analysis, the F–18 is clearly superior to the F–4 and A–7 which it will replace. In the case of the F–4, it will have greatly increased air combat maneuvering performance, a better radar, more reliability, and will come aboard the carrier more slowly and require less deck space. In the case of the A–7, it fulfills the range-payload and accuracy requirements but with vastly increased agility and therefore survivability and capacity to act in a self-escort role.

With respect to the F–14, there has been too much emphasis on which airplane is "superior" or "inferior" in simplistic terms without understanding either their mutually complementary and supportive roles or what the Navy is setting out to achieve overall.

The F–14A with its Phoenix missile system is a superb all-weather fleet air-defense interceptor. This is what it was designed to do and it will be unexcelled in that role for the foreseeable future. It is, of course, excellent also in the more usual fighter roles. But it is large and complex—it is expensive to acquire and to maintain. We simply do not need all of this capability for every role. We simply cannot afford the space, the manpower and the cost of using the F–14 for all these roles. This applies to both the Navy and the Marine requirements.

The F–18 is a relatively small aircraft which, like the Air Force F–16, builds directly on the propulsion and aerodynamics technology developed and demonstrated in the Lightweight Fighter Program and on a new generation of electronic technology. It is clearly superior to the F–14 in air combat maneuvering and, like the F–16, will change the basic tactics of air combat and will meet the threat in this area well into the future. The F–14 system with Phoenix missiles dominates in long range intercept situations while the performance and agility of the F–18 dominate in scenarios involving classical mixed force air combat at shorter range.

Like the F-16, it can operate very effectively in a dual capacity as a fighter and attack aircraft complementing the F-14. The argument, if anything, is even more compelling in this case because of the obvious constraints in manpower and space aboard a carrier. Analogous constraints apply to the field logistics support in the Marine Corps and explains why the Marines have chosen the F-18.

In fact, used with the F-14 with its two man crew and very long range radar, the capabilities of both are multiplied. The overall mix of F-14 fighter-interceptors and F-18 fighter-attack aircraft provide the most relief on space, logistics and support while simultaneously improving mission flexibility and effectiveness.

And, Mr. Chairman, this is my main point. What we are after is overall force effectiveness within realistic cost and logistic constraints as we see them in the future rather than sub-optimization of every individual element of the force. This complementarity and interdependence is a major new concept in our force-structure planning. We believe it is valid.

Now I would like to discuss cost. There has been much confusion in this area with all sorts of numbers and charts floating around. Some of the confusion results from the use of "life cycle costs" and the models used in their calculation. I would propose instead to examine the fundamental cost elements and the comparative costs which have been discussed in many hearings.

In simplest terms, the development cost of the F-18 including eleven test aircraft, testing, test equipment development as well as the aircraft and engine development is estimated at about $1.4 billion in 1975 dollars. This number has been a consistent number in our internal deliberations and in our testimony to Congress.

The next number is the unit cost of one of these aircraft. The number which is least easy to confuse by varying assumptions and ground rules is the unit production of flyaway cost excluding spares and start up costs. This number is $5.8 Million per weapon system, which is the average cost of producing 800 F-18 aircraft in 1975 dollars. Again, this number has been used consistently from the time of source selection and I believe it is valid based on the preparation for the DSARC review now underway.

The other element in the overall cost equation is the operating and support cost. Detailed analyses based on operating experience, and on the engine and avionics design, show a cost slightly under $0.9 Million per year per operational F-18 aircraft. Again, this is a number which has been stable throughout our internal deliberations and testimony. It compares with the optimum anticipated cost of $1.4 Million per year for the F-14A. This is a one-half million dollar annual cost difference between the F-14 and F-18.

One widely discussed comparison is between the cost of a force of F-18s and additional F-14s. Let's consider a minimum program of 800 F-18s and look at the elements of cost difference in simple terms:

Of the total, roughly 500 aircraft will be required to fill the fighter needs. Under the most optimistic circumstances, the unit cost of the F-14 is still at least $5 Million higher than the F-18 for equal production rates. For 500 airplanes this amounts to $2.5 Billion favoring the F-18.

About 70% of these aircraft, or 350, are actually operated at any one time. The operating and support cost savings for 350 F-18s compared to the same number of F-14s then amounts to $175 Million annually or about $2.5 Billion over a 15 year period. We would actually intend to operate the aircraft for longer than this.

For the remainder of the initial 800 aircraft, the F-18s will be used in the attack role. The cost would exceed similarly equipped A-7s by about $400 Million. However, in the absence of the F-18, a new attack aircraft having the same general characteristics as the F-18 would have to be developed and introduced by the mid-1980s. The unit cost of this aircraft would at least equal and probably exceed that of the F-18 because of the lower numbers produced.

Off-setting this roughly $5 Billion savings in the investment cost of $1.4 Billion for the F-18. This is, however, roughly comparable to the $1 Billion plus investment required for a new attack aircraft.

Therefore—in the aggregate—we achieve a net savings in the $4½ to $5 billion range, and this result will not vary significantly for a wide range of assumptions on either side.

There has been a lot of discussion of the so-called "break even point" on this program—the point where the costs incurred in the new product are offset by the savings resulting from this product. My way of getting at this point is to ask "how many F-18s do we need to buy and operate before we start to make a net savings?"

We calculate this "break even" number to be about 250 aircraft—or 350 to 400 if we apply discounting. Since we are planning to buy significantly more than 250 F-18s—probably in excess of 800—and to operate them over longer than the 15 years used in the calculation—probably at least 20 years—this is clearly a sound investment.

Any investment involves front-end cost. The main point here is that the Navy believes this to be a wise investment of our increasingly constrained investment dollars. We have consciously chosen this investment among other priorities because of its large pay-off.

I believe that these relative costs pass any test of reasonableness. For example, the F-18 weighs about 60 percent of the F-14 and has much simpler avionics, so a cost of 60 percent as much is reasonable. The same applies to support and operation, especially since the F-18 uses a new generation of technologies especially applied to reduce these costs. As compared with the Air Force F-16, the unit cost will be roughly $1 million higher, again not surprising in view of its somewhat greater weight and all-weather radar missile and ground attack capability.

In summary, I have tried to convey that we know what we are doing and why we are doing it. And I believe that what we are doing is consistent with the desires of Congress to support us in the development of lower cost approaches to satifying our military capability requirements. In this case, I believe we have been responsive to Congressional directive. We have in the AF F-16 and the Navy F-18 programs reversed the upward cost and complexity trends. We have prototyped and tested these aircraft, providing high confidence in the cost and performance projections of both programs. Both programs warrant your full endorsement and support. The only interests served by denying the requested funds for the F-18 are those of the proponents of expansion of the high end of the mix using the old rationalizations of the past and those of the contractors who stand to lose as a result of this program.

In this program the Navy and Marines are getting what they want and need for their force structure at what I believe to be an appropriate and affordable cost. I support them and applaud them in this effort.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield 4 minutes to the Senator from Nevada (Mr. CANNON).

Mr. CANNON. Mr. President, first I commend the distinguished Senator from Ohio on his remarks, and join with him, the Senator from North Dakota, and the Senator from Nebraska in the position they have taken on this aircraft. The Senator from Ohio is exactly right when he describes the problems we have been up against with the commonality issue over the years, starting with the old TFX program, from which evolved the F-111, which turned out to be a fine airplace for the Air Force, I might add.

The Tactical Air Power Subcommittee has followed for 3 years the Navy's evolving program for a smaller and less costly fighter/attack plane to replace F-4's and A-7's and to complement the F-14. In 1973, the Armed Services Committee rejected Secretary Clements proposal to prototype a Navy F-15 and stripped down F-14 and instead recommended that the Navy study the potential for a new plane for the mission. These Navy studies lead to the statement of an Operational Requirement for a VFAX in 1974, which the committee again endorsed. The F-18 won the competition for the VFAX this year over the F-16 derivatives.

As has been pointed out, that matter was contested, and the GAO has made a ruling on it, so now we are confronted with the F-18 decision itself.

In our own hearings on the F-18 source selection, the following points emerged:

First, the F-18 met or exceeded all of the VFAX operating requirements except one—the carrier landing speed was slightly high.

Second, the F-18 outperformed the F-16 derivatives by a substantial margin.

Third, a new competition could not produce a plane bettering F-18 performance by more than a few percentage points.

Fourth, the F-18 will save billions of dollars over the Navy's only other viable alternative, a force composed of F-14's and VAL-X's—a new replacement for the A-7E.

Fifth, the Navy and Marines fully support the F-18 program and must start it now to avoid a fighter plane inventory shortfall in the early 1980's.

Since the F-18 meets a stated Navy/Marine Corps need, will save significant amounts of money, and can not substantially be bettered by renewed competition.

My personal feeling is that we ought to go ahead with it. The distinguished Senator from Missouri pointed out the position of Secretary Clements, which I thought was a good analysis of the rationale for the decision, and why they ought to go ahead now.

The distinguished Senator from Ohio

has already put into the RECORD, as has the Senator from North Dakota, the position of Admiral Holloway, the Chief of Naval Operations, where he addresses himself precisely to the question of whether we ought to go out on a new competition in this area, which is only going to delay us a material period of time and create a shortfall, as the Senator from Ohio has pointed out.

So I supported the position of the committee and the distinguished Senators who have spoken heretofore on this matter.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. Mr. President, I yield myself 5 minutes.

Mr. President, in my years here, I have not run into anything as strange as the U.S. Navy, and I say that with all due respect to them, because I have respect for them. They have the ability to get things that they never asked for. They go around the bush more times than a mountain goat.

I remind this body that after authorization, with no hearings, they came up with the idea that they needed a new cruiser, a cruiser series that might cost $4 billion on which we had nad no hearings. The President, being a Navy man, said it was a good idea.

I have no fault with this F-18 idea, or whatever it becomes. I think the Navy needs a new lightweight fighter but not tomorrow and not through the selection process we have seen.

Let me tell Senators what the Navy said in hearings, I believe, in 1973: "We will never fly a lightweight fighter." That was George Spangenberg, probably the greatest authority on aircraft any of the flying services ever had in their employ.

Mr. President, if this were a matter of having to have an air superiority fighter the day after tomorrow, I would say let us forget the formal procedures and let us go ahead with what the Navy has come up with with an uncontested airplane. In fact, this airplane is not even tested.

The Senator from Nevada talks about too high a landing speed. We do not know. This is a paper airplane with a paper engine. I have no question that it will fly. Anything that any American aircraft company builds will fly. I also think that we might find one that might fly a little better if we had competition.

Again, we have the F-14, and it was not a year ago the Navy was saying, "This is the greatest fighter plane ever built." Let me as an ex-Air Force man say it probably is. Not only is it a good dogfighter, which they now say it will not do, but a year ago it would do anything. It was even becoming a close air support aircraft. It was getting something like the F-111 when it was able to be a gasoline tank, a bomber, a fighter, a hospital ship, and Lord knows what. The Navy was pushing the F-14 into more and more roles.

Finally, the Marines did not want the F-14. Now they want the F-18.

To get back to this matter of time, the F-14 will be a very, very fine fighter aircraft well into the 1980's and into the 1990's. My argument is the Navy does not need this until about the early 1980's or the middle 1980's. In the meantime, before they develop a new attack aircraft, which we did not know about frankly after the Appropriations Committee had killed the VFAX last year, or the year before, they have now come up with the F-18 which, as I say, we did not know about. We have the A-7, which is probably the finest close air support aircraft ever developed, and yet we find overnight that we have to have a new airplane.

I am not fooling myself for 1 minute that my amendment is going to prevail. I only wish to be on the record as insisting that we procure weapons in the proper way, and I am frankly a little shocked that Republican friends of mine will take the position that expediency can be done so that we might save money.

We will not save money on this. They were talking about at least a $7 billion program. If we are talking about a $7 billion program, all I wish to see is us get the best we can get for our money.

Maybe the F-18 will be the best. I would wish to see some of these other companies that can build just as good aircraft as Northrup or McDonnell-Douglas have a go at this. This is my whole argument.

I repeat, the Navy has a power over this body the likes of which I have never seen, and they can change their spots overnight. They can change their arguments from morning to night. So I will rest my case right now.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield to the distinguished Senator from Massachusetts 12 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. BROOKE. Mr. President, there has been extensive discussion of the F-18 issue in the Senate corridors, actually, in the past several weeks. With the abundance of so-called facts surrounding this issue, I think it is important to point out a few that are not controversial.

The F-18 has the support of senior officials of the Office of the Secretary of Defense. The Secretary of Defense wrote to Congress on September 23 expressing his firm endorsement of the program. The F-18 has the strong support of the procurement and operational senior naval officers. Admiral Holloway, Dr. Currie, Admiral Houser, and others, have testified at length about the merits of the program. Moneys for the F-18 have been authorized by Congress and the appropriation has been approved in the House. The Senate Committee on Appropriations has recommended its funding.

The F-18 program came alive originally with the decision in 1971, by the then-Deputy Secretary of Defense, David Packard, to limit the scope of the F-14A program. This was done by cutting the approved buy to 313 F-14A's in the 5-year defense plan.

In 1973, Deputy Secretary of Defense Clements looked at other alternatives to supplement the F-14 by proposing a prototype fly-off program between a lower cost version of the F-14 and a naval version of the F-15. When Congress rejected this proposal as too expensive, the Navy organized a fighter study group IV to investigate and compare F-14 variants, Navy versions of the F-15, and a new lightweight fighter. Then, in April 1974, the Navy advanced two suggestions to the Secretary of Defense. One proposal was a simplified version of the F-14 without the Phoenix missile but with the ability to incorporate it later. This recommendation was not approved by the Secretary of Defense.

Another proposal was made to look at a lighter-weight, lower-cost, multimission aircraft which would serve to replace some of the F-4's and all of the A-7's in the attack mission. This was accepted by the Secretary of Defense.

Implementing this alternative involved investigating the performance and costs required for this multimission airplane which was at that time called VFAX. The entire aircraft industry participated in developing design characteristics of a suitable airframe. This was done through the issuance of a presolicitation notice in June 1974 to the McDonnell Douglas Corp., Grumman, LTV, Lockheed Aircraft Co., General Dynamics, Rockwell International, Northrop Corp., and Boeing. Most of these companies had been doing conceptual design studies with the Naval Air Systems Command in anticipation of this new development. The important thing to recognize is that all of these companies—with the exception of Boeing and Lockheed—responded and enthusiastically supported the VFAX program and expressed their intent to compete for that program which we now know as the F-18. It was only after they were eliminated from consideration that some of the contractors attacked the F-18 program.

Likewise, the cognizant committees of Congress over the years have encouraged the Secretary of Defense to develop a lower-cost alternate and complement to the F-14 airplane for the U.S. Navy. The latest expression of that encouragement is the language in the conference report on the appropriations bill for fiscal year 1975 supporting the Navy air combat fighter as well as the 94th Congress support of the F-18 program during the authorization process and during the appropriations process in the House of Representatives.

The F-18 procurement activity was protested by LTV to the General Accounting Office; but, as is well known, all bases for the LTV protest were denied after review by GAO. The legality, appropriateness, fairness, and technical quality of the competition that led to the selection of the company to build the F–18 were fully upheld.

The only truly expert testimony opposing the F–18 was that offered by George Spangenberg, previously of the Naval Air Systems Command, recently retired, who appeared before the Senate Tactical Air Power Subcommittee on October 9, 1975. Mr. Spangenberg is well known as a competent engineering evaluator, highly respected for his dedicated service before he retired. He was last involved in the F–14 before his retirement, and this clearly influenced his views. Also, he is out of his field of expertise trying to establish the operational characteristics required rather than evaluate the ability of a design to meet the requirement. Examples include his statements about the inferiority of the F–18 to the McDonnell F–4 and the Douglas A–4M, which are totally misleading.

Probably the biggest confusion has been raised in the matter of costs, and this confusion has been raised, I think somewhat deliberately by F–18 adversaries. By selective use of data with various treatment of R. & D. and investment costs, operating and maintenance costs, different rates and quantities of production, and selective time periods for evaluating the comparisons, quite a wide range of numbers have been produced, most of which can be reconciled by expert cost estimators when normalized to the appropriate comparative parameters. For instance, before the Tactical Air Power Subcommittee, the argument was made that 291 F–14A's could be procured for the cost of the first 117 F–18's plus the associated research and development expense. This is a narrowly-drawn and irrelevant comparison which neglects the true size of the planned F–18 program—800 plus aircraft—that should be considered for the amortization of the R. & D. investment and the advantage of the learning curve which would turn in favor of F–18 for all procurement. It also neglects the very large operational and maintenance savings associated with the smaller and more reliable aircraft—$9 million per aircraft operated for 15 years.

Another shortcoming of arguments of F–18 opponents is that they fail to recognize that the R. & D. expense contemplated for the F–18 is an expense that cannot be avoided anyway. In reality, the Navy is going to have to spend that kind of money to develop the replacement for the A–7. It is the economic blessing of the F–18 program that the need for both fighter and ground attack airplanes is solved by the same basic aircraft. If one discounts the $1.4 billion R. & D. on the F–18 as a necessary expense that is going to be made anyway and then if one recognizes that the F–14A is not really acceptable and what the Navy actually would need is the F–14B, then the proper comparative numbers would look something like this:

	Billions
Acquisition cost of 400 F–14B's (after 390 F–14A's)	$5.8
Acquisition cost of 1st 400 F–18's	4.0
Acquisition savings with the F–18	1.8
15-yr. operating costs of 400 F–14s	8.4
15-yr. operaing costs of 400 F–18's	4.9
Operations savings with the F–18	3.6
Grand total acquisition and operations saving with the F–18	5.4

(All in January 1975 dollars to eliminate distortion of inflation.)

The General Electric Co. has been selected by the Navy to provide the engines for the F–18. I am pleased about this, naturally, because the GE Aircraft engine group does a good deal of work in my State, but also because GE has an outstanding track record in the engine business.

The F–18 program, many do not realize, offers the last opportunity in a number of years for our country to avoid almost total dependence on one engine manufacturer for high performance fighter engines. Currently the engines in the U.S. inventory of high performance fighters, including the F–111, the F–14, the F–15 and the F–16, are all built by one manufacturer, Pratt-Whitney. The GE 404 engine will power the F–18, thereby keeping GE as a viable engine competitor and providing the United States with two sources of supply.

The distinguished Senator from Arizona said that we should have competition; we should not have one engine company doing it all. I think he further said that any company in the United States was capable of producing a good aircraft. I do not think anyone would doubt that.

In summary, the kind of airplane that the F–18 is, is needed by the Navy. This kind of airplane, as an alternate and supplemental to the F–14 and as a replacement for the A–7, has been supported by Congress, has been supported by the aerospace industry as long as they had a chance of participating in it, and has been consistently supported by the Secretary of Defense and his senior officials. The current criticism of the program has arisen only as the industrial participation has been narrowed to the winners of the competition cited as fair and legal by the GAO. The data used as the base for the criticism has been selective and sometimes, unfortunately, misleading and does not properly represent the potential of the F–18 for fulfilling the role desired for it by the Navy at significant cost savings compared to other alternatives.

I am hopeful that my colleagues will reject the amendment of the distinguished Senator from Arizona and allow the F–18 program to move forward as proposed.

I thank the distinguished chairman of the Committee on Appropriations for yielding time.

The PRESIDING OFFICER. Who yields time?

Mr. GOLDWATER. I yield myself 5 minutes.

I ask unanimous consent that the figures in my amendment be amended. Through error, the amendment took out too much. I believe the Chair has the corrected amendment.

The PRESIDING OFFICER. Does the Senator ask to modify the amendment?

Mr. GOLDWATER. I ask unanimous consent that it be corrected.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered. The amendment is so modified.

The modified amendment is as follows:

On page 33, lines 6 and 7, strike out "$3,265,950,000" and insert in lieu thereof the following: "$3,232,652,000, of which $46,870,000 shall be available for research, development, testing, and evaluation of the F–404 aircraft engine, $15,000,000 shall be available for research, development, testing, and evaluation of the F–401 aircraft engine, and $15,000,000 shall be available to conduct recompetition for the Navy air combat fighter;".

On page 33, line 11, strike out "$824,899,000," and insert in lieu thereof the following: "$822,992,000, of which $14,368,000 shall be available for research, development, testing, and evaluation of the F–404 aircraft engine, and $6,500,000 shall be available for research, development, testing, and evaluation of the F–401 aircraft engine;".

Mr. GOLDWATER. Mr. President, I have listened to my friend from Massachusetts, and I am not in disagreement with him. I agree with the figures that the Navy has supplied him. I disagree with the argument that we have offered erroneous material, that we have been influenced by outside sources.

The only thing we are talking about here, and it is not mentioned in the bill, is the F–18. It is mentioned as a Navy air combat fighter.

I am not going to get into an argument about it. All I ask is any Senator to stand on this floor and say that the way the Navy has gone about this will provide the best interceptor aircraft and the best attack aircraft that could be made in this country. No one can make that statement without competition, and there has been no competition. That is my argument.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield 4 minutes to the distinguished Senator from Ohio.

Mr. TAFT. Mr. President, I know that this matter has been covered in considerable detail by others on the committee, but there are one or two aspects of it that I want to bring up.

First of all, we have to recognize, in regard to this matter, that there are two major points that seem to me to have been lost sight of in the welter of arguments put forth.

There is an obvious need to replace the A–7 attack airplane. It is for that purpose we started looking for a new aircraft—not as an alternative to the F–14.

As a look was taken at the problem of replacing the A-7, it was decided an airplane could be designed to do that job and, as a "freebie," to supplement the F-14 in the fighter role. That airplane is the F-18. The driving factor behind our need for it remains the A-7 replacement. Getting a lower-cost fighter out of it is a side benefit, although an important one from the standpoint of the taxpayer. The F-14, by the way, cannot replace the A-7. An A-7 replacement must still be found, if the F-18 is rejected. There is no contest between the F-16 and the F-18, simply because the F-16 cannot be made to land on an aircraft carrier. That is a fact of engineering, not of politics. It cannot land on a carrier. It puts its tail down on the deck first—hard. This is not conducive to reuse of plane or pilot.

These are the facts that seem to me to be important.

We have also seen the cost figures. The study submitted by the Acting Secretary of Defense, Mr. Clements, was most persuasive to me in regard to cost elements. His net figure, which I am sure has been gone into before, and it should be repeated, is that the potential net saving—I believe the figures are sound—will be between $4.5 billion and $5 billion to the American taxpayer.

That being so, it seems to me that the arguments made against proceeding with the F-18 at this time are not sound arguments and should be rejected. I suggest that we retain the F-18 in the budget.

Mr. GOLDWATER. Mr. President, I had made up my mind to say no more, but this is a rather unusual debate.

I agree with everybody who is opposing my amendment. I disagree with some of their facts and figures.

For example, the Senator from Ohio says that it is going to be a great saving. The Navy figures showed $7.1 billion for the F18-A18 program. It is still a paper airplane and a paper engine. The A-18 came into being, I believe, one day at a hearing we were holding, when they decided they could not do much in the way of arguing against the ability of the A-7.

I am arguing only one point, and everybody who stood up to oppose my amendment——

The PRESIDING OFFICER. The Chair hates to interrupt the Senator from Arizona, but the hour of 3:30 having arrived, by previous agreement, the Senate will resume consideration of amendment No. 1067. There will be a half hour of debate, divided between the Senator from South Dakota and the Senator from Arkansas.

Who yields time?

Mr. GOLDWATER. May I have just 1 minute?

Mr. McGOVERN. I am delighted to yield to the Senator 2 minutes.

Mr. GOLDWATER. I thank my friend.

As I said, there have been no arguments made against my position—not one. The Navy and their speech writers have gotten the wrong attack. I think I can attack my own amendment in a much better way, but it has not been made in that way. I defy anybody to tell me that they are going to find the best airplane that can be built in this country through no competition. That is all I am saying.

ADDITIONAL STATEMENTS SUBMITTED ON MR. GOLDWATER'S AMENDMENT

Mr. DOLE. Mr. President, the Senator from Arizona has raised a series of points with which I fully agree.

The Navy should not be forced by the Defense Department, the Congress, or an Air Force preemptive selection to accept an aircraft which does not fill the specific needs of the Navy and Marine Corps.

The costs of weapons systems alone dictate that we cannot afford inferior systems that do not achieve the capability requirements of the services.

The Senator from Arizona has my admiration for fighting to insure that the Nation is getting the needed capability.

However, I have been assured by the Chief of Naval Operations and the Commandant of the Marine Corps that the F-18 will provide the operational capabilities needed by both the services. I am further informed that, if the Senator's amendment were adopted, a serious deficit of fighter aircraft in the Navy and the Marine Corps will result in the 1980's. This deficit will mean a loss of defense capability for our Nation.

Further, recompetition for the aircraft will increase the cost of the resulting weapon system due to escalation, additional engine development and the cost of the competition itself. This increase could be as much as one-half billion dollars.

Third, and most importantly, the expert Navy witnesses and the Chief of Naval Operations have repeatedly testified that a 1- to 2-year delay will not result in an aircraft significantly superior to the F-18 in the same size and cost class.

The only result that I can see, of the amendment on the floor, would be to increase costs and cause a degradation of our country's national defense posture in the early 1980's.

I am certain that the Senator from Arizona does not intend nor desire that result. He is a strong and capable advocate of national defense.

But it appears to this Senator that the time factor and the budget constraints are more pressing than the lack of competitiveness in the development of this aircraft.

Given that the F-18 meets the Navy's requirements, this Senator feels that in this instance we should let this program go ahead.

Mr. KENNEDY. Mr. President, I wish to speak against the amendment to strike funds for the F-18, a plane the Navy has chosen and one which was selected from a competition based on actual flights. It is an aircraft that has been fully authorized by both branches of the Congress and accepted by the President. The House, moreover, has voted full appropriations as did the Senate Appropriations Committee. Finally, a protest against the selection was investigated by the General Accounting Office and denied with a ruling that the Navy's selection was proper.

There have been hundreds of documents filled by now with expert testimony from both sides of this question as to whether the Navy be given its choice or be required to accept the selection of the Air Force's version of the F-16. The Navy has stated its most urgent tactical air problem presently is to assure the maintenance of an adequate fighter force level without relying solely on the enormously more expensive F-14's. Even with a reduced carrier force in the future, there is a need to insure the presence of a low-cost efficient and capable fighter.

As Admiral Holloway stated back in July in a letter to the chairman of the Armed Services Committee:

> In its cost class, the F-18 provides unsurpassed capability to perform the Navy's fighter and attack missions.

There was merit to the congressional policy that, if possible, both services should have been provided with the same lightweight fighter plane. Obviously, the thesis assumes that the same plane would have been capable of meeting the requirements of both services.

This would have been the case if the Department of Defense had insured that the Navy had been given the first choice, since the Navy has special needs not required by the Air Force, particularly the capability of operating from aircraft carriers. Yet the F-16, chosen by the Air Force, cannot effectively manage carrier takeoff and landings. Finally, the F-18 will fit precisely within the concept of smaller aircraft carriers in the future. It is 60 percent of the weight and size of the F-14 which is presently in use. Three F-18's will fit in the same carrier space as two F-14's. And a squadron of F-18's will require 100 fewer Navy personnel to operate, since it has an aircrew of one compared to the two-member F-14 aircrew. In simple terms, the F-18 represents a significant advance toward the long-sought ability to make simple and most cost-efficient the tactical air forces of the Navy and Marine Corps.

The Navy believes that the F-18 will meet its fighter aircraft requirements. As far as this Senator is concerned, the only real alternative, expanding the number of F-14's, is unacceptable. The F-14 costs $500 million more per year to operate than the F-18. Its procurement cost per plane was estimated by the Defense Department to be nearly double the $5.8 million average procurement cost of the F-18.

When one looks at the total cost of the 500 aircraft proposed, the savings in the initial purchase price of the airplanes is on the order of $2.5 billion, if F-18's rather than additional F-14's are purchased.

And over a 15-year period, the Defense Department estimates a total $2.5 billion savings in operations and maintenance of the F-18's, compared to a case where additional F-14's were purchased.

Thus, net savings to the taxpayer when F-18's are purchased, rather than F-14's, will be on the order of $4½ to $5 billion.

When the question is examined in terms of service needs, the Navy argues that the F-18 meets that need. When it is examined in terms of cost, it is evident, from the Defense Department's own statistics, that the F-18 is the most cost-effective way of fulfilling the Navy's fighter aircraft needs.

When the question of the procedure used is examined, it is evident from the General Accounting Office report that—

> The Navy's actions were not contrary to statute or public policy, and that the selection was fair and impartial and in accordance with the established section criteria.

For these reasons, I urge the defeat of the amendment.

Mr. FONG. Mr. President, I rise to express my strong support for and endorsement of the Navy's F-18 fighter program.

As a member of the Defense Subcommittee of the Appropriations Committee, I have had the opportunity to study and listen to the many arguments and opinions on the performance and military requirements of the F-18. I have also read and analyzed a tremendous amount of data, including complex financial analysis in which parameters are juggled to "prove" various points of view.

After digesting and weighing all the information and testimony in my possession, I came to the conclusion that the Senate should go along with the House and provide the requested sum of $110.2 million for fiscal year 1976 and $22.6 million in fiscal year 197T for the F-18 fighter program.

The conference report on the fiscal year 1975 Defense Appropriations Act contained the following charge to the Defense Department:

> The conferees support the need for a lower cost alternative fighter to complement the F-14A and replace F-4 and A-7 aircraft; however, the conferees direct that the development of this aircraft make maximum use of the Air Force Lightweight Fighter and Air Combat Fighter technology and hardware.

The conference report also stated that—

> Adaptation of the selected Air Force Air Combat Fighter to be capable of carrier operations is the prerequisite for use of the funds provided.

In responding to the language of the conference report, the Navy came up with the F-18, an excellent naval aircraft which is a lower cost alternative fighter to complement the F-14A and replace F-4 and A-7 aircraft. It also makes maximum use of the Air Force lightweight fighter and air combat fighter technology and hardware.

In terms of price, the F-18 costs much less than the F-14 for the following basic reason: The F-18 is smaller, lighter, and substantially less complex than the F-14—approximately 33,000 pounds versus 60,000 pounds takeoff weight.

The F-18 has a fixed-wing airframe, while the F-14 is a variable sweep aircraft with the resultant complexity.

The F-14 is a two-man aircraft with a radar operator occupying the rear seat, while the F-18 is a one-man aircraft.

The F-18 uses less expensive materials so that the cost per pound is less than the F-14, which must use more expensive materials to withstand the temperature environment of mach 2.5 flight.

The F-404 engines of the F-18 are substantially less complex than the TF-30 engines of the F-14. The F-18 engines weigh about half as much as those of the F-14, have fewer than half as many parts, and use less expensive materials.

The F-18 avionics performs the functions necessary for effective air combat, using Sparrow and Sidewinder missiles and guns, as well as ground attack. On the other hand, the F-14 avionics are substantially more complex in order to handle the long-range fleet air defense role, with the ability to fire missiles simultaneously at up to six different targets at ranges up to 100 miles. In addition, the F-18 radar and avionics are about 60 percent of the weight and cost of that of the F-14.

Mr. President, the result of this smaller size, weight, and complexity of the F-18 is directly reflected in a lesser cost. According to the Navy, the production cost of the F-18 is half of the F-14. In addition, it is easier and less costly to maintain and operate the F-18 as compared with the F-14.

According to the information presented by the Defense Department, the unit procurement cost for the current 800 aircraft F-14 program is $13.4 million compared to $7.9 million for the F-18 aircraft—both in fiscal year 1975 dollars.

Even more significant is the unit flyaway comparison between the two aircrafts. The unit flyaway cost for each F-14 is $10.9 million while the cost for the F-18 is $5.8 million.

I am told that an F-14 squadron requires 100 more men to maintain and operate than an F-18 squadron. This will result in the reduction of 2,400 Navy/Marine technicians for the 24 squadron complement of F-18's.

Another significant fact that we should keep in mind is that the F-14 requires 70 percent more fuel than the F-18. Over a 15-year period of aircraft operations, each operating F-18 will save $1.2 million for fuel when compared to each operating F-14 at current 1975 prices.

In discussing the F-18, we should keep in mind that it is not an F-14 replacement. Instead, it is a lower cost alternative fighter to complement the F-14A.

The F-14A with its Phoenix missile system is a superb all-weather fleet air-defense interceptor. This is what it was designed to do and the Navy believes that it will be unexcelled in that role for the foreseeable future. However, despite its outstanding characteristics, it is large and complex—it is expensive to acquire and to maintain.

Both the Navy and Marine Corps are convinced that they do not need all of the F-14's capability for every role. They simply cannot afford the space, the manpower, and the cost of using the F-14 for all these roles.

On the other hand, the F-18 is a relatively small aircraft which, like the Air Force F-16, builds directly on the propulsion and aerodynamics technology developed and demonstrated in the lightweight fighter program. I am told that "it is clearly superior to the F-14 in air combat maneuvering and, like the F-16, will change the basic tactics of air combat and will meet the threat in this area well into the future."

Mr. President, for a while I was concerned that maybe the Navy and Marine Corps did not really want the F-18—that they were being forced to accept it by the Congress.

Because of my deep concern that the Armed Forces of our country should not be forced to accept a weapons system that they did not want or need. I personally looked into this problem. I am happy to report to my colleagues that I was assured in no uncertain terms by Adm. James L. Holloway, Chief of Naval Operations, that the Navy not only wants the F-18, but that in fact needs it. Likewise, Gen. Louis Wilson, Marine Corps commandant, gave me the same assurances.

Mr. President, because I am convinced that the Navy and Marine Corps need the F-18 to carry out their missions, and because I am convinced that the F-18 is the best buy for the amount of money we want to spend for a low cost fighter program, I urge my colleagues to defeat the amendment and to give their support to the F-18 fighter program.

The PRESIDING OFFICER. By previous agreement we are to proceed with the McGovern amendment.

Who yields time?

AMENDMENT NO. 1067

Mr. McGOVERN. Mr. President, I yield myself 8 minutes.

This amendment relating to the cruise missile flight testing authorization that is in this bill is a very simple amendment that will simply delay the testing of the so-called cruise missile until September 30. It is my understanding that the Navy intends to flight-test something in the spring, the Air Force possibly a little later on; so we are only calling for a delay of 4 to 6 months, at the most, in the flight testing of this missile. Flight testing of the cruise missile, in my judgment, is the point of no return, ending any further hope of real arms control and preventing the opening of another enormous new escalation in the arms race. Once we make the decision to go to flight testing on this weapon, we might just as well forget about strategic arms control.

We know how to verify the present Triad system. Both the Soviets and the United States have methods of verifying what the other has in the way of intercontinental ballistic missiles. We can verify what the other has in way of bombers. We can do the same with submarines. We can negotiate a ceiling on the production and development of those three major strategic systems. But there is no way, once flight testing has taken place on the cruise missile, that either the Soviets or the United States will know what the other side has in the way of a strategic capability. These cruise missiles can be launched, as Senators know, from a surface ship; they can be launched from the bomb racks or under the wings of existing bombers; they can be launched from every submarine that is equipped with a proper tube. And there is no way anyone can tell whether those cruise missiles are carrying nuclear warheads that are capable of pulverizing a great city or whether they are carrying conventional warheads.

We are talking about a possible 5,000 to 8,000 new warheads that cannot be verified, being introduced on our side and, as quickly as possible, on the other side, if we go down this route.

What I am pleading for here, this afternoon, is not that we make any judgment on whether or not the cruise missile is a good weapon to add to our arsenal. Perhaps it is. What I am asking is that we reserve the decision to flight test that weapon until we use these remaining few months before flight testing could begin, under the terms of this amendment, on September 30 in an all-out effort to try to negotiate some arrangements with the Soviets under which both sides would forego the building of this new, unverifiable weapon.

Mr. President, there is no real military or national security pressure to rush ahead on this decision to flight test. Even the Pentagon has no plans for deployment until sometime in the 1980's. While the Russians have some old, short-range cruise missiles, they are way behind us in the technology involved in the so-called cruise missiles, especially in guidance systems, which are necessary for the long-range terrain matching and recognition terminal guidance systems that make this a formidable weapon. This is the kind of weapon that can be preprogramed over a course of several thousand miles with incredible accuracy and devastating results on targets anywhere in the world.

We are not being pressured by competition from the Soviets to accelerate the testing and the deployment of this weapon. We are galloping ahead by ourselves, with no discernible reason. Mr. President, this is precisely the situation we were in, in the late 1960's, when it was argued on this floor that we ought to move ahead with the MIRV missile system, the multiple warhead system. The argument was that this would give us a bargaining chip in the strategic arms limitation talks; if we had it flight tested and deployed, then it would be easier to persuade the Soviet Union to agree on strategic arms limitations.

We know that it worked just the opposite. We know that once we started to test the MIRV system and deploy it, the Soviets assumed that we were going into this program on a broad scale, which we did; so, instead of deterring another round in the arms race, they followed our example. Now we have gone into the strategic arms limitation talks and have agreed that each side would build up to 1,320 multiple warhead missiles.

This is what Secretary Kissinger had to say about that in retrospect:

> I would say in retrospect that I wish I had thought through the implications of a MIRVed world more thoughtfully in 1969 and 1970 than I did.

The facts are, Mr. President, that there are Senators who stood up here on the floor and warned the Secretary and warned the administration that they would come to that regret. Senator CASE, Senator BROOKE, and others. who offered the same kind of amendment at that time on the MIRV system that I am offering here today on the cruise missile system, pleaded with Members of the Senate to defer the testing and deployment of the MIRV system until we explored with the Soviets whether we might get some agreement for both sides to forgo the building of that enormously expensive system. Nobody can argue that either the Russians or the United States are any more secure, now that we are each authorized to build 1,320 multiple warhead missiles. If we look down the road a few years, no one is going to be able to argue that both sides are safer if each one of us builds 5,000 or 6,000 cruise missiles that neither side can verify but which, once flight-tested, we can assume are going to be deployed.

I would go so far to say this, Mr. President. If we are not willing here this afternoon to defer for a few months while we attempt to negotiate an agreement with the Soviets not to move ahead with this dangerous new weapons system, to work out some kind of an agreement whereby neither side would build it, then I think we ought to have the courage to get up here on the floor and offer legislation to terminate the SALT talks and to quit wasting money on an idle and futile effort.

We can throw the SALT talks out the window if we forego the possibility now to stop the flight-testing of this particular weapons system. So I urgently hope that this amendment will be adopted.

The **PRESIDING OFFICER.** Who yields time?

Mr. McCLELLAN. I yield 5 minutes to the distinguished Senator from New Hampshire.

Mr. McINTYRE. I thank the Chair.

Mr. President, I have personally found no more tangled issue in weapons development and arms control than that posed by the development of modern cruise missiles. The problem is so knotty that objective inquiry and analysis will not reduce it to a simple yes or no, even from the premises on which this amendment rests.

The matter is made even more complex at this particular time, because of its relationship to other decisions which we are as a nation currently making—especially regarding the B–1.

So let me report the best conclusions I have been able to draw on the basis of the evidence and analysis to the R. & D. Subcommittee so far.

The distinguished Senator from South Dakota raises important questions about SALT verification and strategic mission, questions which have troubled the R. & D. Subcommittee from the beginning of the cruise missile programs 3 years ago.

First, the problem of verification. The cruise missile does elude the net of modern SALT verification techniques in counting exact numbers of such weapons.

However, the current verification technology probably gives both sides the ability to detect gross violations at agreed limits.

Both sides could continue to confidently count traditional strategic weapons platforms, strategic bombers and submarines, on which cruise missiles might be deployed and both sides could thereby assess in approximate numbers a potential cruise missile threat so deployed.

Sea-launched cruise missiles could also be deployed in an attack submarine; but if they were, in large threatening numbers, there would be severe military penalties to the violator in diversion from the submarine's primary patrol, loss of capability to perform the attack mission, and increased vulnerability of the submarine compared to the Trident, whose near invulnerability depends on its nearly global patrol range.

If cruise missiles were deployed on other platforms—surface ships or forward land positions—any significant violations in numbers large enough to be a threat, would be detectable.

The numbers of cruise missiles that could go undetected are so small or could be deployed only with such unprofitable military penalties, that the problem of counting numbers of cruise missiles exactly—as we have ICBM's—is probably not a severe threat to a secure SALT agreement.

Second, the potential capability and mission of the cruise missile is also a tangled question. The cruise missile will have, if the terrain following guidance systems will work over flat Russian plains, high accuracy and enough yield to destroy Soviet hardened missile silos. It would be a silo-killer.

So would a manned bomber.

Yet neither is a destabilizing weapon. The long flight time of both make it most improbable that large numbers could reach their targets undetected.

In sum, the cruise missile is just not a good preemptive first strike weapon.

The primary reason I oppose this amendment is that it would hamper the continued development of the air-launched cruise missile—ALCM. I helped to initiate this program 3 years ago against stiff Air Force resistance, because the ALCM will give us an alternative to the B–1.

We have not yet decided to buy the B–1. I have not yet come to a personal conclusion about it. But we have fought in my committee to keep that decision clear and unencumbered for next year.

The decision to buy the B–1 should not be prejudged by preproduction money and this bill recognizes that.

Neither should the B–1 decision be prejudged by damaging the one program—ALCM—which might be a practical alternative to the B–1.

This amendment would tie our hands regarding next year's production decision on the B–1 and virtually lock us into a decision to buy it next year.

Whether I support or oppose the production of the B–1 next year, I want the Senate to decide with a prudent alternative available.

The threshhold of flight testing on which this amendment is based is not a narrow black line, but a broad gray area. This is particularly true with cruise missiles.

We have tested and have in operation the SRAM which is, broadly speaking, in the same weapons family from a verifications point of view. And the Soviets have a short-range cruise missile. Both are subsonic and pilotless. The main difference in verification between these existing systems and the ones under development is range, an important but not definitive step across a threshhold.

High confidence in a long-range cruise missile, especially one with high accuracy, is years and many, many flight tests ahead of us.

In conclusion, I believe we have an overriding need to keep a live alternative to the B–1 next year. The questions of verification, stability, or the significance of flight testing are too inconclusive to outweigh this prime consideration.

At the same time, I want to assure the Senate that its R. & D. Subcommittee is keeping a skeptical eye on this technology. In this year's report to the Armed Services Committee, we said:

> The subcommittee is still to be convinced that this program is technically feasible and cost effective and can compete successfully with other strategic programs. The subcommittee will defer judgment at this early stage of development regarding the implications of any future SALT agreement. This program will incur a much higher burden of proof as it moves further along in development. The subcommittee recommends that these concerns be expressed in the committee's reports.

So, Mr. President, I urge the rejection of the amendment by the distinguished Senator from South Dakota.

Mr. JACKSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STEVENS). The Senator's time has expired.

Who yields time?

Mr. McCLELLAN. I yield 5 minutes to the distinguished Senator from Washington.

Mr. JACKSON. Mr. President, first I want to say that the distinguished Senator from New Hampshire, who is chairman of the R. & D. Subcommittee of the Armed Services Committe, has spent a lot of time on this problem, and I want to commend him for his comments.

May I supplement his remarks by addressing myself to the matter of the SALT agreement, that is, the diplomatic aspect of the problem as we see it?

First, I would say that to adopt the amendment, Mr. President, would be taking the wrong approach to negotiation, the suspension of funds for this particular system, until September of next year provides the Soviet with a disincentive to negotiate, not an incentive to negotiate. I think this is a very important point.

The second observation I would make, and the Senator from New Hampshire alluded to it, is that the cruise missile ranges cannot be verified. We simply do not know what the Soviets are doing in this area. We know they have developed various cruise missiles over the years. But when you look at a cruise missile you do not know what its range is.

Without cruise missiles we will have to scrap the B–52 fleet in the 1980's, and this would virtually compel us to procure and to deploy the B–1 in large numbers. I want to say, Mr. President, that I have real reservations about the B–1, as the Senator from New Hampshire is aware. At the very least, we should keep the B–52 viable in the 1980's.

Just last week the Soviets rejected a U.S. SALT proposal that included limits on cruise missiles. They have rejected it; so if we turn around at this stage of the negotiations, Mr. President, and say to them, "We are not going to go ahead with our testing," what incentive is there for the Soviets then to reach an agreement in this area?

I think it would send the wrong kind of signal. I can only say, Mr. President, that in light of all the circumstances, at this stage of development and at this stage of negotiations——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JACKSON. May I have 30 seconds?

Mr. McCLELLAN. I yield the Senator another 2 minutes.

Mr. JACKSON. At this stage of negotiations, there would be every incentive for the Soviets not to reach an agreement in this area if we act unilaterally. I believe that in order to reach an effective agreement, the course of wisdom is to stick with the testing schedule for the cruise missile.

I hope, of course, that we will be able to reach an agreement along the lines that some of us have suggested, specifically, mutual reductions in——

The PRESIDING OFFICER. The Chair must interrupt the Senator from Washington. The Senator's time has expired. Does the Senator from Arkansas yield the Senator from Washington another minute?

Mr. McCLELLAN. Yes, 2 minutes.

Mr. JACKSON. Mr. President, I have made various proposals for a mutual reduction of strategic arms. The most recent proposal I made last April called for an agreement on both sides to identify one-third of their strategic delivery systems—that is, 800—that both sides would agree not to modernize. Then they would be phased out as they became obsolete.

If we would do that, I think we would be moving in the right direction, in lowering the number of strategic weapons on both sides.

Mr. McGOVERN. Will the Senator yield with the understanding that I will yield?

Mr. McCLELLAN. I yield the Senator such time as he needs.

Mr. McGOVERN. Mr. President, I have been interested in what the Senator has had to say about the relationship of this amendment to the strategic arms limitation talks because that, of course, is the purpose.

Mr. JACKSON. I understand fully.

Mr. McGOVERN. As I understand it, what the Senator is saying is that it is really the old bargaining chip idea, that if we move ahead on the flight testing of the cruise missile this somehow gives us greater bargaining leverage in getting the Soviets to defer further strategic advancements in the arms race, but does the Senator not recall that that same argument was made on the MIRV system?

The PRESIDING OFFICER. Time has expired.

Mr. McGOVERN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator has only 4 minutes remaining.

Mr. McGOVERN. Then I yield myself 4 minutes.

Does not the Senator remember that same argument was used in connection with MIRV; that if we went ahead and tested and deployed it, then we would be in a position to bargain more effectively with the Soviets?

It did not work that way. Once they saw us testing and deploying the MIRV system, soon they had no recourse but to build the same system.

I would suggest that is probably what is happening here again on the cruise missile.

I appreciate the fact that the Senator from Washington has made some constructive criticisms of the lack of progress on the SALT talks, but I do not see how any Senator can stand on this floor and vote for every strategic weapons system that comes along and then complain that we are not making progress toward arms limitation.

This is a destabilizing system. The Senator himself said it is very difficult to verify the nature of cruise missiles.

That is one of the reasons we should not go down this road if we can get some agreement before we start testing and deploying cruise missiles to limit them on both sides.

I realize that we cannot entirely trust the Soviets, anymore than they entirely trust us, but if there is anything at all to the matter of strategic arms limitations talks that are worthwhile, why would it not be better to try to get some agreement on these cruise missiles before we go to the testing and deployment stage which lets the cat out of the bag and would leave the Soviets with no recourse except to accelerate their own program?

Mr. JACKSON. Two comments quickly. First, on MIRV, may I point out that there were no SALT talks underway as we began to test MIRV's. I would point out that the history of this business is that when the Russians decide to go ahead on a given system, they do not talk about it until they have completed it.

The same was true on the hydrogen bomb, as the Senator from Rhode Island recalls. Every effort was made to try to get an agreement there.

But on the MIRVs, we were already in that area and the Russians refused to discuss a limitation on MIRV at the beginning.

Let me point out in connection with the cruise missile, I was informed that just last week the Russians rejected a U.S. proposal that included limits on cruise missiles.

I was the first in this body, I believe, in 1972, to warn that SALT I would result in increases to the defense budget. I called for a rollback in the number of sea-based and land-based missile systems and strategic bombers; and I did so again earlier this year.

I have written to the President, I have met with dozens of experts, I have given speeches—but the Administration refuses to propose reductions.

The PRESIDING OFFICER. The Senator's 4 minutes have expired. The Senator from South Dakota's time has expired.

The Senator from Arkansas still has 2 minutes remaining.

Mr. McCLELLAN. Mr. President, as I view this amendment, it simply would stop the clock for us for a year on the development of the cruise missile.

That, to me, is a step toward unilateral disarmament from our standpoint.

While our clock is stopped and we are not working, the Russians may well be working and making substantial progress. We might have to try to overtake their progress later, maybe too late.

Mr. President, I ask unanimous consent to have printed in the Record at this point certain objections that have been submitted to the committee by the Defense Department regarding this amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

Strategic Cruise Missiles

The proposed amendment will restrict testing of any strategic cruise missile before September 30, 1976.

The amendment implies that initiation of new weapons systems must be with Soviet approval.

The amendment would severely weaken SALT negotiations leverage.

Soviet cruise missiles in existence have ranges greater than 200 km.

No purpose can be achieved by the amendment since no long range cruise missile can be deployed until at least early 1980's.

Program is in advanced development. No decision will be made on full scale development for one to one-and-a-half years.

Delay in the program will be at least six months and will increase costs by $50–100 million.

DOD POSITION ON SEA LAUNCHED CRUISE MISSILE (SLMC) AMENDMENT

Amendment to Defense Appropriation Bill for FY 76/7T to delete all funds for SLMC.

Effect of amendment

The immediate effect of deleting all funding in FY 76 and FY 7T for the Sea Launched Cruise Missile will be to stop all development work. The ultimate effect on the U.S. defense posture will be unilateral disarmament as far as cruise missiles are concerned.

DOD position

The SLCM Program must be continued because:

Currently deployed nuclear armed, strategic Soviet Cruise Missiles threaten the U.S. population.

The Navy cruise missile supports the U.S. position in current SALT talks in that it provides the U.S. with a cruise missile capability to counter the Soviet cruise missile threat.

To halt SLMC development now would be an act of unilateral disarmament.

At present there is no way to distinguish the tactical or strategic character of these Soviet cruise missiles.

Currently deployed Soviet cruise missiles far out range any existing U.S. cruise missile.

Mr. McCLELLAN. I believe, Mr. President, it would be a very unwise step for us to start unilaterally reducing our efforts, in research and development of strategic cruise missiles at a time while the SALT negotiations are going on.

They could very well get the signal that we are no longer going to press for these things and that there is no use to making an agreement with us because we will do it without any agreement.

Mr. President, I submit that the amendment should be defeated.

Mr. JACKSON. Vote!

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from South Dakota (Mr. McGovern). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. Will the Senate please be in order so the Senators may hear their names? Senators will please clear the aisle.

The legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Alabama (Mr. Sparkman), the Senator from Alabama (Mr. Allen), and the Senator from Montana (Mr. Metcalf), are necessarily absent.

I further announce that the Senator from Iowa (Mr. Culver) and the Senator from Kentucky (Mr. Huddleston), are absent on official business.

I also announce that the Senator from New Mexico (Mr. Montoya), is absent attending Funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from North Carolina (Mr. Morgan), is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Morgan), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Hruska), is necessarily absent.

I also announce that the Senator from New Jersey (Mr. Case) and the Senator from Pennsylvania (Mr. Hugh Scott) are absent on official business.

I further announce that the Senator from New Mexico (Mr. Domenici), is absent to attend the funeral of a former Senator.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott), would vote "nay."

The result was announced—yeas 33, nays 55, as follows:

[Rollcall Vote No. 484 Leg.]

YEAS—33

Abourezk
Biden
Brooke
Burdick
Church
Clark
Cranston
Durkin
Eagleton
Ford
Gravel
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Javits
Kennedy
Leahy
Mansfield
Mathias
McGovern
Mondale
Muskie
Nelson
Pell
Percy
Proxmire
Stevenson
Tunney
Williams

NAYS—55

Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Curtis
Dole
Eastland
Fannin
Fong
Garn
Glenn
Goldwater
Griffin
Hansen
Helms
Hollings
Inouye
Jackson
Johnston
Laxalt
Long
Magnuson
McClellan
McClure
McGee
McIntyre
Moss
Nunn
Packwood
Pastore
Pearson
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Stafford
Stennis
Stevens
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Weicker
Young

NOT VOTING—12

Allen
Bayh
Case
Culver
Domenici
Hruska
Huddleston
Metcalf
Montoya
Morgan
Scott, Hugh
Sparkman

So Mr. McGovern's amendment (No. 1067) was rejected.

Mr. McCLELLAN. I move to reconsider the vote by which the amendment was rejected.

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MR. GOLDWATER'S F–18 AMENDMENT

The PRESIDING OFFICER (Mr. Taft). Who yields time?

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. What is the situation? Do we revert to the F–18 discussion at this time?

The PRESIDING OFFICER. We revert to the amendment of the Senator from Arizona. The Senator has 23 minutes remaining.

Mr. GOLDWATER. Mr. President, if I may have the attention of the Senator from Arkansas, I would like to yield 5 minutes to the Senator from New York (Mr. Buckley) and then I am ready to yield back the remainder of my time.

I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield?

Mr. BUCKLEY. I yield.

Mr. MANSFIELD. Mr. President, it is my understanding that after the remarks of the Senator from New York, the Senator from Arizona will yield back the remainder of his time and the Senator from Arkansas will yield back the remainder of his time. Is that correct?

Mr. McCLELLAN. Mr. President, if I may ascertain, if the Senator will permit, does anyone else wish time to speak against the pending amendment of the Senator from Arizona on the F–18?

Mr. EAGLETON. Ten minutes here.

Mr. McCLELLAN. Is the Senator for or against it?

Mr. EAGLETON. Speaking against it, on the time of the Senator from Arkansas.

Mr. McCLELLAN. The Senator wants the time.

Mr. MANSFIELD. Very well.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that Mr. William Schneider of my staff be accorded the privilege of the floor during the entire debate on this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I rise in support of the Goldwater amendment. The F–18 is an aircraft that tries to achieve a compromise between two functions. It tries, on the one hand, to achieve air superiority as a fighter, and, on the other hand, to provide ground attack capability.

Unfortunately it suffers from the defects of any compromise.

Mr. BELLMON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order. Those who wish to converse will go in the cloakroom.

The Senator may proceed.

Mr. BUCKLEY. To be effective the ground attack aircraft must have the capability of carrying large loads of ordnance, an ordnance which, however, creates a burden which will hinder the ability of the aircraft to maintain its capabilities of air superiority.

Another reason why I support the amendment is that in the long run it would prove costly and not provide a savings.

In the first place, it would create another class of aircraft that would have to be accommodated on board our carriers. This would mean extra space would be required for spare parts. It would mean that we would have to train additional pilots and additional maintenance teams to maintain the new aircraft because the existing A–7 light attack aircraft can continue to serve in the ground attack role and the F–4 can continue to serve in the dual air defense and ground attack role until a new ground attack airframe is developed, as provided for by the Goldwater amendment.

I recently visited the 6th Fleet, and I was told on the U.S.S. *Forrestal* that the A–7 is able to maintain quite extraordinary 75- to 90-percent availability. Therefore, this is by no means an obsolete plane that should be automatically eliminated especially if it is eliminated in favor of a compromise that will do neither function at the peak of efficiency that we require.

The lower unit costs of any additional purchases of the F–14 rather than buying some F–14s plus a large number of F–18s will lower the overall life cycle cost of fleet aircraft thereby saving several hundred millions of dollars in the near term in terms of procurement cost and several billion dollars in life-cycle costs, including operating costs.

Finally, the ability of the United States to eventually deploy a superior ground attack aircraft to replace the A–7 in the 1980's will be guaranteed by the Goldwater amendment.

If I may summarize, the pending amendment will permit the Navy:

First, take advantage of the capabilities of existing aircraft while allowing development of a first-line ground attack aircraft to continue, as the amendment permits the continued development of the engine of the F–18;

Second, it allows the Navy to purchase some additional F–14's to replace the F–4's used in the air defense role;

And, finally, it will achieve very substantial savings for the United States.

I thank my friend from Arizona.

Mr. GLENN. Mr. President, will the Senator from Arkansas yield me 2 minutes to reply?

Mr. McCLELLAN. I yield the Senator 2 minutes.

Mr. GLENN. I wish to reply to the distinguished Senator from New York a moment to clarify a couple points.

When he indicates by his statement that he is under the impression that ordnance carried in ground support interferes with an air superiority mission, it is not the way these missions are conducted. Ground support ordnance is normally carried on a ground support mission only and aircraft are used on an air superiority mission with quite a different mix or armament, so they are not exclusive. They do not interfere with each other.

It would also be well to point out that I am sure the Senator from New York would agree with the Senator from Ohio that the F–4 has been a good ground attack airplane and the A–7 has been a superior ground attack airplane, and if we go back into the history of those two airplanes we find that the F–4 was basically an air superiority——

Mr. SYMINGTON. Mr. President, we cannot hear the speaker.

The PRESIDING OFFICER. The Senate will be in order.

Mr. GLENN. That the F–4 started out as a superiority airplane with ground capability which was developed. The A–7 started out as the old F–8U, on which I did some of the early test work personally, and we had a later version of the F8U2 which then was converted over as an A–7. There was a long history of developing of air superiority type aircraft converting them over to close support use or for ground attack use.

I wished to make that point clear.

I feel that, as far as parts aboard the carrier and training to which the Senator referred, it might be well to point out that it is estimated by Marine Corps figures that we would require roughly one-third more personnel to man the F–14, which is a more complex avionics airplane, and that is one of the reasons why the Marine Corps wished to remain with the F–18 instead of going to the mixed bag which would complicate things considerably.

I thank the Senator from Arkansas for his consideration.

Mr. McCLELLAN. Mr. President, I yield 10 minutes to the distinguished Senator from Missouri.

Mr. EAGLETON. Mr. President, I thank the distinguished Senator from Arkansas.

First, I yield to the distinguished Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I am appreciative of the courtesy and cooperation of our colleague.

PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT PROGRAM

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 5247.

The PRESIDING OFFICER (Mr. TAFT) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 5247) to authorize a local public works capital development and investment program, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RANDOLPH. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Senators RANDOLPH, MUSKIE, MONTOYA, BURDICK, RIBICOFF, GLENN, BAKER, BUCKLEY, MCCLURE, ROTH, and JAVITS conferees on the part of the Senate.

EXTENSION OF APPALACHIAN REGIONAL DEVELOPMENT ACT

Mr. RANDOLPH. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4073.

The PRESIDING OFFICER (Mr. TAFT) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 4073) to extend the Appalachian Regional Development Act of 1965 for an additional 2-fiscal-year period, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RANDOLPH. I move that the Senate insist upon its amendments and agree to the request of the House for a conference, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Senators RANDOLPH, MUSKIE, MONTOYA, MORGAN, BAKER, STAFFORD, and MCCLURE conferees on the part of the Senate.

Mr. RANDOLPH. I thank our colleague.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me without time coming out of his time?

Mr. EAGLETON. I yield to the Senator from West Virginia.

UNANIMOUS-CONSENT AGREEMENT ON THE BEALL-MATHIAS AMENDMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment to be offered by Mr. BEALL and Mr. MATHIAS there be a time limitation of 1 hour to be equally divided between Mr. BEALL and Mr. STENNIS, and that the amendment be called up by Mr. BEALL immediately after the disposition of the Ajax amendment, which will be called up next.

Mr. EAGLETON. Mr. President, I wish it were "Ajax," but it is called AWACS.

Mr. ROBERT C. BYRD. AWACS.

Mr. President, did we receive the order for the unanimous-consent request?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. I thank the Senator for yielding.

Mr. EAGLETON. Mr. President, no item in this budget has been scrutinized more carefully by Congress than the request for funds to build the F–18. Nearly every member of this body has been exposed to the pros and cons of the Defense Department's position on this airplane.

The Navy very much wants the F–18. But it is not enough that the Navy wants it. Congress must be satisfied that the F–18 will fulfill a needed mission; that the F–18 is the most effective plane to fulfill that mission; and that it is cost effective—that it will accomplish the mission at a lower cost than other viable alternatives. The Navy's request, therefore, does raise a number of fundamental issues and it is entirely appropriate that the Senate explore these issues to the fullest.

Perhaps the most fundamental question is whether an aircraft carrier force in itself has become outmoded—whether carriers have become obsolete weapons of war.

Mr. President, I note, parenthetically, that the distinguished Senator from Arizona said, with respect to others who spoke on the F–18, that he agreed with everything they said. I call to his attention that he will disagree with almost everything I say in this speech.

I think that as a conventional combat system in an all-out war, the carrier has indeed become outmoded. I am, however, very much in the minority in that belief.

Then there is the question of the carrier's utility as a deterrent to conventional war—as a political weapon to show the flag—as a convenient, moving airstrip in a limited conflict. Here, even critics of the carrier as a weapon of war see its advantages. What we do not see, however, is the need to procure the new, bigger-than-ever carriers to perform that limited role.

We start then from the premise that some number of carriers will be part of our force structure for the forseeable future. The question then becomes "how are these carriers to be equipped?"

I see this problem from two perspectives: cost and military effectiveness. The costs of keeping a carrier today are in my view totally disproportionate to the military value gained.

Our carriers today look like a used car lot and repair shop combined. We have approximately nine types of aircraft on board and a team of technicians for each type to keep them in flying condition.

More importantly, most of the aircraft on board the carrier are there for strictly defensive purposes. They are there to protect the carrier itself from air and sea attack and to protect the few offensive aircraft—the attack planes—during their interdiction missions.

I have considered these important problems in arriving at the position of support I take today on the F–18 program. Let me make it clear that I will not dwell on the specific attributes of the aircraft design created by the McDonnell-Douglas Corp. of St. Louis, Mo. I am sure that my colleagues understand that I am greatly concerned about the large numbers of aerospace workers employed by that company in my home State. Because of that concern, I recognize that my credibility comes under question when I confine my remarks to a discussion of the particular attributes of the aircraft design the Navy has chosen. I feel that I can contribute more to this debate by making general comments about the Navy's choice and, more importantly, about the alternatives to that choice.

The alternative that looms largest in this discussion is the F–14. It is no secret that many in the Navy hierarchy might have preferred an all F–14 carrier force. Within the Pentagon the Navy has fought consistently to increase the total F–14 purchase in spite of a decision by the Secretary of Defense that the Navy would have to fill its carrier inventories with a lower-cost fighter plane . . . in spite of the HI-LO mix concept.

Last year in his posture statement on the fiscal year 1975 budget, former Secretary Schlesinger presented DOD policy on the F–14 question when he said:

> While some minimum number of F–14's is clearly essential for fleet air defense, we cannot afford, nor do we need, an all F–14 carrier or Marine Corps fighter force.

Despite that clear statement of policy, the Navy pressured last year to increase the total planned procurement of the F–14 from the 334 sanctioned in the fiscal year 1975 posture statement to over 500 planes. Secretary Schlesinger finally relented and allowed an increase to 390, the current authorized number. In addition, Secretary Schlesinger later was reported to have told the Navy that they would receive no further increases so long as he was Secretary of Defense.

Mr. President, an all-out effort to increase the F–14 force preoccupied the Navy in the early part of this year. Only those directly assigned to the Navy Air Combat Fighter—NACF—program were early proponents of a low-cost fighter and attack plane. Confusion therefore arose over whether the Navy really wanted the F–18 when it was first chosen over the carrier version of the F–16.

Three things, however—all related to the saleability of the F–14—convinced the Navy that it had no choice but to accept a less costly, less sophisticated aircraft. First came Secretary Schlesinger's edict—no more F–14's. Then came a series of well-publicized crashes of the F–14, all attributed to problems with the 12-year-old TF–30 engine, an underthrust engine the Navy chose to adopt to hurry the F–14 into production even before its F–401 engine had been developed. Parenthetically, that engine was a complete failure—a failure that some would like the Navy to use on the F–14. Lastly, financial troubles at the Grumman Corporation caused another price increase for the already heavily subsidized F–14 program.

Added to these high-visibility factors was the growing awareness that the increasingly heavy F–14 could not compete with modern fighters in air combat situations. Privately, at least, the Navy was beginning to believe the evidence that the F–14's Phoenix missile, adequate for fleet defense when not being jammed, could not be used in a tight-in dogfight situation. In addition, after months of tinkering, it had finally become obvious that the F–14's AWG–9 radar system was so sophisticated that it frequently malfunctioned.

In addition, the Navy had come to realize that the subsonic A–7 attack plane could not stand up to the expected threat of the 1980's. The F–14, not designed for the interdiction role, could not step in to fill this gap.

Mr. President, this brings me to what I consider to be the major advantages of going ahead with the F–18 program in lieu of more F–14's or A–7's.

First, and in my opinion most importantly, with the F–18 we will have a single aircraft which can perform the fighter, attack and Marine Corps roles. We can cut down on the myriad of planes on board the carrier and the technicians schooled to maintain them. And we can cut down on the thousands of square feet of storage space used to keep spare parts on the carrier. Perhaps one day we will even be able to build smaller carriers.

Second, the F–18 will be vastly less complicated than the F–14. I am told that, whereas, the F–14 requires between 250–260 people to keep it flying, the F–18 requires only 150–160.

Third, we will no longer have to send a fighter force out to provide protection for the attack planes on interdiction missions. The attack version of the F–18 will be fully capable of defending itself.

Fourth, it is clear that the proposed Navy program is vastly less expensive than any other alternative mix of fighter, attack and fleet defense aircraft one could place on the carrier. That seems to me to be the central issue we are voting on today. We are not voting on whether we need a carrier force. We will have a carrier force and thus the question is how best to equip those carriers at the least cost to the taxpayer.

The PRESIDING OFFICER. The 10 minutes of the Senator from Missouri have expired.

Mr. EAGLETON. Mr. President, I ask the distinguished Senator from Arkansas to yield me 1 additional minute.

Mr. McCLELLAN. I yield.

Mr. EAGLETON. Mr. President, many of my colleagues would agree with me on point four, but wish to see more competition on choosing the airframe design to be used—the concern expressed by the Senator from Arizona. That is a worthy concern.

Could we achieve a better airframe design than the one now contemplated at less cost? I think even the McDonnell-Douglas people would agree that they might achieve a marginally better design if they started from scratch. But they could not build it without an increased cost to the taxpayer. Someone would have to pay the price of the delay.

It would appear that $200-$300 million would be needed to finance the competition. Add this to the $100 million already invested in the F-17/18 prototype and a sizable sum emerges. But place these costs alongside the Navy's stated need to begin immediately to replace its aging F-4's and the costs become gigantic.

Whether the Navy chooses to buy new F-4's, A-7's or F-14's, it is clear that a delay will mean that money will be spent. And to cause that kind of expenditure simply to obtain a marginally better airframe is simply not worth it.

Mr. President, I hope my colleagues will appreciate these points and join me in opposing efforts to kill the F-18 program. I am firmly convinced that if these efforts were to succeed, they would mean increased defense costs in the future.

Mr. GOLDWATER. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Arizona has 27 minutes remaining. The Senator from Arkansas has 1 minute remaining.

Mr. GOLDWATER. Mr. President, I am willing to yield back the remainder of my time. I just want to say one word about the remarks of the distinguished Senator from Missouri, and then I will yield to the Senator from California.

When the Senator from Missouri rose, he said that he thought I might be in disagreement with him. I am not. He raised a very interesting point—that carriers might be outmoded. I think he used the wrong word—"might." They are.

Mr. EAGLETON. I appreciate the remarks of the Senator from Arizona, and I share his ultimate conclusion with respect to the carrier.

Mr. TUNNEY. Mr. President, will the Senator from Arizona yield me 3 minutes?

Mr. GOLDWATER. I understand that the Senator is going to support me.

Mr. TUNNEY. I hate to inform my friend from Arizona that I am asking his time to oppose his amendment.

Mr. GOLDWATER. I will enjoy the Senator's opposition, because it might make some sense. None of the others has. [Laughter]

Mr. TUNNEY. The advantage of my statement is that it is going to be very brief.

Mr. President, I oppose this amendment. What it promises is a low cost, air superiority fighter for the Navy. But we already have a fighter which reflects the current state of the art of fighter design at a potential cost saving of $5 million per copy—and that is the F-18.

I am not a pilot, as is the distinguished Senator from Arizona. I must depend upon people who know more about the design of fighters than I. But I am depending upon people such as my colleague from Ohio, Senator GLENN, and his expertise is obvious. I also put stock in the fact that one of the Navy pilots who evaluated the F-18, who evaluated and praised its survivability, is a man who spent 6 years in a POW camp in Hanoi because his plane did not survive.

I have had an opportunity to speak to some of the test pilots of the F-18, and they say that it is the finest plane they have ever had the opportunity to fly.

Another point raised by this amendment is cost. Critics of the F-18 question its cost savings. It has been clearly established by the Navy that the F-18 will save $5.5 to $6.5 billion through 1990. Moreover, the recompetition proposed in the amendment will cost $40 million. As I have stated, I do not think it is going to give a better plane.

Finally, those of us who have fought this battle before feel as if we are meeting every objection raised over the F-18, only to have new ones spring up. An example is the GAO report on LTV's contract protest. We were told that if the GAO ruled that the F-18 had been selected properly, the battle would be won. I participated in that debate on the floor several months ago.

Well, the GAO has ruled and it has ruled in favor of the F-18. And here we are, still fighting for a plane which saves money, meets the Navy needs, and is ready to go into production. I think that we ought to put this matter to rest, once and for all. I urge defeat of the amendment and support for the committee's position.

Mr. GOLDWATER. Mr. President, may I inquire if there is any other support for my amendment?

If there is no other support, I say to the distinguished chairman, the Senator from Arkansas, that I am happy to yield back the time that I have left. I think his time is all gone.

Mr. McCLELLAN. Mr. President, I am happy to yield back the 1 minute I have left.

Mr. GOLDWATER. I yield back my time.

AMENDMENTS CONSIDERED AS READ UNDER RULE XXII—H.R. 5900

Mr. BEALL. Mr. President, I have two amendments at the desk. I ask unanimous consent that the amendments be considered as read under rule XXII.

Mr. ROBERT C. BYRD. Reserving the right to object. The Senator does not make reference to germaneness; he makes reference only to the reading requirements?

Mr. BEALL. Yes.

The PRESIDING OFFICER. Is there objection?

The Chair hears none. Without objection, it is so ordered.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976

The Senate continued with the consideration of the bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. The Senator from Missouri is recognized under a previous consent order.

Mr. EAGLETON. Mr. President, I call up my AWACS amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 29, line 12, strike out "$3,933,700,000" and insert in lieu thereof "$3,823,200,000".

On page 29, line 18, strike out "$803,100,000" and insert in lieu thereof "$773,100,000".

On page 33, line 23, strike out "$900,014,000" and insert in lieu thereof "$879,214,000".

Mr. TUNNEY. Mr. President, I ask unanimous consent that two members of my staff, Marty Franks and Mark Moran, be granted the privileges of the floor during consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, during consideration of this bill, I ask unanimous consent that Jim Humphreys of my staff and Roy Werner be granted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I have been before this body on two other occasions to seek amendments which would have provided some insurance to the taxpayer as the Air Force pursues its development of the airborne warning and control system—AWACS. Now I am pleased to note that the House Appropriations Committee has provided that much needed insurance.

The House bill would permit the Air Force to build only two additional AWACS, for a total AWACS force of 11—including the three prototypes. The program would then be terminated until such time as NATO decides to actually purchase a number of aircraft. As the House report states, the 11 aircraft will provide a sufficient quantity for non-NATO U.S. requirements as defined by Defense Department testimony before Congress.

AWACS is a look-down command and control system which at $118 million per unit is the most expensive aircraft ever conceived by man and hopefully never built by man. It was originally designed primarily for defense against a Soviet bomber attack on the United States. When that mission was disapproved in 1973, AWACS was given the difficult task of command and control in Europe—a task which the Air Force has not yet proven AWACS can perform.

Mr. President, AWACS is a highly technical system with an elusive mission. But the issue raised by the House action is totally uncomplicated, that is, will the United States purchase AWACS for its European allies or will NATO purchase the system?

In addition to the clarity of the House committee's action on AWACS, the Senate Armed Services Committee also addressed this important question when it said in its report:

> The committee warns that the United States will not be procuring NATO's share of the AWACS program.

Despite this clear warning, it would appear that the Air Force is marching ahead with its plans to purchase 34 aircraft. As the House committee report states:

> It would appear . . . that the Air Force is determined to buy 34 AWACS aircraft, regardless of the fact that the missions' priority had been changed and that NATO may buy aircraft to support the NATO requirement. This attitude seems to express a wanton disregard for economy.

The House report said that NATO "may buy aircraft to support the NATO requirement." The words "may buy" are the key words. NATO may do lots of things. But no matter what may be said of NATO's long-range intentions, there is no firm, hard commitment for NATO to buy even a single AWACS.

I have suggested publicly that NATO would not purchase AWACS because it is easily jammed in combat and because it is so costly. A recent New York Times article by John Finney seems to bear out my prediction. Mr. Finney writes:

> At a recent Pentagon meeting, according to one participant, Malcolm R. Currie, the Director of Defense Research and Engineering, reported that the European allies were apparently unwilling to make an immediate commitment to buy the plane.
>
> In apparent defiance of the views expressed by the Senate Armed Services Committee and the House Appropriations Committee, Mr. Currie reportedly proposed that the plan be revised so the Air Force could buy all 34 planes, including those needed to meet European requirements, with the hope that eventually the NATO allies would buy some of the planes.

Mr. President, it is apparent that Congress is being railroaded into buying the entire NATO share of the AWACS program despite our clear warnings to the contrary. I think it is obvious that NATO will contribute nothing to this program if we fully deploy sufficient aircraft to cover the NATO air theater. By the time these planes are deployed, we will have lost the leverage needed to get our allies to share the costs of this expensive undertaking.

In addition we will have been denied an important check in the decisionmaking process on this controversial system. The Air Force claims that AWACS is workable—that it will contribute greatly to European defense. The General Accounting Office has presented evidence that strongly refutes these claims.

Why not, then, permit NATO, the organization most directly involved, to decide the fate of AWACS? Why throw away this unique opportunity to provide the American taxpayer with an insurance policy?

Mr. President, the pressure placed on our allies to purchase AWACS has been tremendous, yet the alliance has dragged its collective feet. I see nothing wrong with pressuring our allies to help us pay for a system that is designed to help them. But I do object to making this effort so all-consuming that we incur additional expenses in other defense areas simply to see AWACS.

I learned last week, for example, that in order to convince a reluctant British Defense Ministry to buy AWACS, we offered to purchase 300 to 350 improved Harriers, a vertical or short take-off aircraft made in Great Britain. On the surface even that type of exchange is not objectionable, if we actually needed more Harriers.

There is, however, no official military requirement for additional Harriers. A short time ago in an apparent effort to correct this oversight, Dr. Malcolm Currie, the Defense Department's Director of Research, the man who put the deal together, convened a special Defense Selection, Acquisition and Review Council—DSARC—meeting to create a requirement for 300 to 350 improved Harriers. He has not quite succeeded in convincing his colleagues yet, but he has not given up either.

Mr. President, this activity raises serious questions about how military requirements come about. We have always naively assumed that they relate solely to military contingencies. But apparently these requirements are manipulated to accommodate any number of factors unrelated to the defense of this Nation.

If the effort to "sell" AWACS is so all-consuming as to cause this type of distortion, I think it is time that Congress take action to protect the taxpayer. Fortunately, the House bill contains just the kind of protection needed.

Mr. President, just prior to the submission of the fiscal year 1976 budget, a decision was made within the Pentagon—approved by Deputy Secretary of Defense William Clements—to suspend any further AWACS production until NATO contracts had been executed to purchase AWACS.

I say that was an excellent, wise and prudent decision when it was made not too terribly long ago. In the words of this December 4, 1974 "program budget decision," AWACS procurement would be limited to nine—the six authorized for fiscal year 1975 and the three prototypes. No further production would be permitted unless and until "U.S./NATO agreements on requirements, configuration and cost sharing" are reached.

That decision, unfortunately, was reversed just prior to the submission of the fiscal year 1976 budget to Congress. Nonetheless, it demonstrates clearly that if money is tight, AWACS would not be a top priority item. It also shows that at least some within the Defense Department want to protect the American taxpayer.

The House has adopted an even more moderate position. Instead of terminating AWACS production after 9 aircraft, it would terminate after 11 aircraft, permitting the procurement of 2 planes in fiscal year 1976. But the principle is the same: do not allow the Air Force to buy AWACS for NATO. Let NATO, if they want it, buy it for themselves.

I urge my colleagues to reject the notion implied by the Air Force's planned program that American taxpayers will not only be asked to buy a system of questionable merit, but that they will also have to buy NATO's share of the system. The House report calls the Air Force plan a "wanton disregard for economy."

I agree with that statement in the House report and, I think, the House position on AWACS deserves our support.

I reserve the remainder of my time.

Mr. CANNON. Mr. President, will the Senator yield 5 minutes?

Mr. McCLELLAN. I yield 5 minutes to the Senator from Nevada.

Mr. CANNON. Mr. President, the fiscal year 1976 Defense budget request for the Air Force airborne warning and control system—AWACS—a radar warning and control airplane, is for $199.2 million for R. & D. funds and for $490.5 million for procurement of six airplanes—including initial spare parts. The 3-month transition budget request is for $54.5 million to continue the R. & D. and for $30.0 million advance procurement funds toward the fiscal year 1977 program. This will be the second increment of AWACS production, as six aircraft were approved in fiscal year 1975 and now are in production.

The Armed Services Committee in reviewing the AWACS program this year concluded that the total procurement quantity should be reduced from 34 and that an Air Force program of from 21 to 24 aircraft should provide an adequate level of capability for U.S. forces. So this is quite contrary to the 34 that the Senator from Missouri referred to earlier because we made a reduction in that requested program. The committee position is based on two factors, the increased costs that have occurred and also the question of whether the other NATO countries will buy their share of the AWACS planes that would be needed for complete coverage of the possible NATO battle area.

I must mention the cost increases for the 31-plane program. Whereas a year ago it appeared that a $2.5 billion investment in AWACS would buy the 31-plane force, it now would require $4.0 billion. That appeared to the committee to be too much for this system. The Air Force estimates the procurement—and retrofit—cost of an 18-plane program as $1,578 billion, and the procurement cost of a 21-plane program as $1.827 billion. When the $1.488 billion R. & D.—and three planes—are added, the cost for a 21-plane AWACS force would be $3.1 billion and for a 24-plane AWACS force would be $3.3 billion. I might note ironically the committee's recommendation would raise the unit program price to almost $150 million—and at the same time it would save the taxpayer almost $1 billion.

STATUS OF NATO INTEREST IN AWACS

Dr. Currie, D.D.R. & E., has reported an increased interest by the other NATO nations in procurement of a NATO AWACS force. The highly successful demonstration tour of the AWACS prototype in Europe last spring served to increase this interest.

Two contracts have been funded—total value about $3 million—for studies of a NATO-common AWACS configuration and for a study of the interface with the NATO command and control network. It is expected that the formal decisionmaking steps could be completed by July of 1976 by those countries.

The quantity that the NATO countries would buy is not decided at this time. Prices were requested for quantities of 12 up to 36 airplanes.

The funding of this program is being proposed based on "NATO infrastructure" cost sharing arrangements. In the past, when common items have been bought, such as NATO aircraft shelters or the NADGE radar system, set sharing of the costs has been agreed to. Typically the United States pays between 23 to 30 percent under infrastructure funding.

There are several possibilities for U.S. participation in a NATO AWACS force. One would be for a U.S. commitment to provide a set share of the force level in a NATO conflict. We have used this method with our dual-based F–4's, which normally are based in this country but which are committed to deploy to Europe in the advent of hostilities. Another possible option would be to have the U.S. share in the procurement of the total NATO AWACS program, with the airplanes—including our share—permanently based in that theater.

I want to emphasize that the committee position for a U.S. force level of 21 to 24 planes includes any that will be committed to a NATO AWACS force. Thus if the NATO program totaled 28 planes and the U.S. share was 25 percent, then our 7 would be included in that total of 21 to 24, whether they were dual based or were permanently based in the NATO area.

Now, Mr. President, the Senator from Missouri also referred to the decision of the Deputy Secretary of Defense. That was not the decision of the Deputy Secretary of Defense; that was simply a working paper at the particular time, and it was reviewed and thereafter the decision was different from that which the Senator reported here as being the position of the Deputy Secretary of Defense.

In summary, the Tactical Air Power Subcommittee has followed the AWACS program closely for the last 4 years as it evolved from the prototype phase of R. & D. into engineering development. We reviewed the technical challenges raised by the GAO and in large measure were responsible for the special review and certification made by the Secretary of Defense before a full production start was made on the program. The Armed Services Committee has recommended a total U.S. Air Force procurement total of AWACS planes of from 21 to 24. This total would fulfill U.S. mission needs including protecting U.S. forces in NATO and is independent of whether NATO buys AWACS for its areas of operation.

The House reduction of AWACS from six to two planes is based on the stated rationale that we should wait for a NATO commitment to AWACS. Since nine U.S. planes already are on order, I believe we should buy the six requested this year and probably six more next year for our own forces irrespective of a NATO decision. The House cut and the Eagleton amendment would disrupt AWACS production, and I respectfully urge that the authorized program of six planes be funded this year.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. President, I ask for the yeas and nays on the AWACS amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President, I yield 3 minutes to the distinguished Senator from Washington.

Mr. JACKSON. Mr. President, as the Soviet military build-up continues to erode the strategic position of the United States, I believe that is it more important than ever that we provide an adequate conventional defense for ourselves and the alliances of which we are a part. In my judgment the development and deployment of an airborne warning and control system is essential to the conventional capability that we must have, not only in Europe but in other areas where we have vital interests.

In an earlier period of American strategic superiority it was possible to imagine that we could protect our interests adequately by supplementing our conventional forces with nuclear tactical forces. That is no longer the case for a large number of contingencies. It has become increasingly imperative that we raise the nuclear threshold by augmenting our capability to limit a future conflict to conventional arms for as many purposes and for as long as possible.

In Europe and in the Middle East in particular we require an adequate reconaissance and control capability—one that is not limited to ground-based radars with their inherent limitations of range and their lack of flexibility. AWACS is intended to provide us with the ability to sort out enemy aircraft, to identify them with precision and to enable us to guide interceptor aircraft so as to successfully engage them in combat. Without such a capability we could find ourselves unable to cope with enemy airpower in a future conflict. We could, therefore, find ourselves left with only the nuclear option in situations where conventional combat capabilities are not up to the task. If we fail now to make the decision to provide an adequate conventional capability we may pay a price later that is intolerably high and unacceptably dangerous.

Most often AWACS is thought of in the context of the European theater. It is argued that we ought not to go ahead on AWACS because we do not have a firm commitment from our NATO allies at this moment that they will share the costs of developing and deploying AWACS. I must emphasize that I am concerned that the United States be in a position to defend its security by deterring an attack on Europe and that we desire to do this not as an act of charity for the Europeans but because our security is tied directly to theirs. I am hopeful that the Europeans will eventually share the costs of AWACS with us. But I do not believe that our defense requirements ought to be ignored because they have not yet made that decision.

Mr. President, beyond Europe there is the question of our capabilities in the Middle East. We learned during the Yom Kippur war that we were at a decided military disadvantage in the Eastern Mediterranean. The ability to move quickly to transfer the AWACS capability to such a theater could prove essential to our security in that vital area.

It is argued that the AWACS is vulnerable, that it can be jammed. Under some circumstances any sensor, any communications link can be destroyed or jammed. The issue is whether in a real operational environment the enemy will be able to accomplish the difficult task of jamming a multiplicity of aircraft, radars and communications links simultaneously. That is not so easy. I have confidence enough in the superiority of our technology to believe that in a contest between it and the Soviet jamming technology we will come out on top.

Mr. President, I urge that we press ahead with this program and defeat the amendment before us.

Mr. President, I commend the able Senator from Nevada, who spent a lot of time on this matter in detailed hearings in the Armed Services Committee, and who is an expert professionally in the tactical air problems that we face and to which this system is tied. I think his judgment and his knowledge are invaluable as far as this body is concerned in making the decision.

Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I join with the Senator from Nevada and my colleague (Mr. JACKSON) in their statements on the AWACS.

I must admit, Mr. President, that I am not a complete expert about the sophisticated technology involved in this airplane. But I want to point out to the Senator from Missouri the hearings held by the Appropriations Committee and chaired by the distinguished Senator from Arkansas. All of us were there and listened to the appeals made by the Department of Defense to the House reductions.

The Defense Department agreed to absorb a great amount of the House reductions. On procurement, the House cut appropriations $1.177 billion under the authorized levels and the Department absorbed $492 million of those reductions without appeal. But on those items they appealed, AWACS was their top priority.

This was their first, No. 1 priority and there was no disagreement about it.

There was a lot of conversation about NATO and the Senator from Missouri talked about whether NATO would buy these planes or not. There was a lot of discussion about whether NATO would or would not buy AWACS, but the solid testimony was that regardless of whether NATO buys these planes or does not buy these planes, the United States needs them for our own defense.

That is why the committee came to, I think, a sensible conclusion, that we ought to go ahead with AWACS as recommended in the bill.

The argument now, of course, is over two versus six planes. And that will ultimately be decided in conference with the House.

I have never heard such solid testimony from all of the people involved and the feeling was that this is an airplane we need, whether NATO buys it or not. They said that this program is not as much as they would like, but it was acceptable to keep us going regardless of NATO's intention.

But I understand from people who have been associated, in contact with NATO, that the interest there is very great and the possibilities of NATO wanting some of these planes is great.

So I hope that the Senate will not agree to the amendment of the Senator from Missouri.

Mr. EAGLETON. Mr. President, I shall take 1 more minute and then I think we are prepared to yield back the time on both sides.

Mr. President, as a follow-on to the remarks of our good friend, the distinguished senior Senator from Washington (Mr. MAGNUSON), what this debate today really boils down to is whether NATO will buy it or not.

The House Armed Services Appropriations Committee has determined that the present buy is enough for our own purposes—that 11 planes are sufficient to fulfill the U.S. requirement. Any additional planes would be NATO-related and for NATO purposes.

I will be willing to stand corrected, Mr. President, but I think NATO, insofar as the AWACS is concerned, quite well might observe it, they might fly it, they might ride in it, they might stroke it, they might even love it, but they will never buy it. Mark my words, Mr. President. They are too bright a group over there, they are too tight with a buck to squander their money on this 14-carat white elephant.

Mr. President, I yield back the remainder of my time.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time. We are ready for a vote.

The PRESIDING OFFICER (Mr. DURKIN). All time has been yielded back. The question is on agreeing to the amendment of the Senator from Missouri. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that the Senator from Iowa (Mr. CULVER), and the Senator from Kentucky (Mr. HUDDLESTON) are absent on official business.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BROCK), the Senator from Nebraska (Mr. CURTIS), and the Senator from Nebraska (Mr. HRUSKA) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) and the Senator from Pennsylvania (Mr. HUGH SCOTT) are absent on official business.

I further announce that the Senator from New Mexico (Mr. DOMENICI) is absent to attend the funeral of a former Senator.

On this vote, the Senator from New Jersey (Mr. CASE) is paired with the Senator from Pennsylvania (Mr. HUGH SCOTT). If present and voting, the Senator from New Jersey would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 34, nays 52, as follows:

[Rollcall Vote No. 485 Leg.]

YEAS—34

Abourezk
Biden
Brooke
Bumpers
Burdick
Church
Clark
Cranston
Durkin
Eagleton
Ford
Gravel
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Javits
Kennedy
Leahy
Mansfield
McGovern
Mondale
Moss
Nelson
Packwood
Pell
Proxmire
Randolph
Schweiker
Stevenson
Symington
Tunney

NAYS—52

Allen
Baker
Bartlett
Beall
Bellmon
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Dole
Eastland
Fannin
Fong
Garn
Glenn
Goldwater
Griffin
Hansen
Helms
Hollings
Humphrey
Inouye
Jackson
Johnston
Laxalt
Long
Magnuson
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Nunn
Pastore
Pearson
Percy
Ribicoff
Roth
Scott, William L.
Stafford
Stennis
Stevens
Stone
Taft
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NOT VOTING—14

Bayh
Bentsen
Brock
Case
Culver
Curtis
Domenici
Hruska
Huddleston
Montoya
Morgan
Muskie
Scott, Hugh
Sparkman

So Mr. EAGLETON's amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senator from Louisiana (Mr. LONG) may be recognized for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TEMPORARY DEBT LIMITATION INCREASE

Mr. LONG. Mr. President, the debt limit bill is at the desk now. The Senate gave unanimous consent on yesterday that this matter could be called up from the desk.

I ask that the Chair lay before the Senate the message from the House of Representatives on H.R. 10585, the debt limit bill.

The Presiding Officer laid before the Senate H.R. 10585, an act to increase the temporary debt limitation until March 15, 1976, which was read twice by its title.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

Mr. LONG. The present debt ceiling of $577 billion expires at midnight, Saturday, November 15. Immediately after that, the debt limit will revert to the $400 billion permanent limit.

This bill which we have received from the House raises the debt limit to $595 billion for the period through March 15, 1976. This involves a temporary debt limit of $195 billion, an $18 billion increase. I understand that the increase in the debt ceiling in the House passed bill will accommodate a deficit of about $73 billion for fiscal year 1976. The estimated deficit in the concurrent resolution reported by the Senate Budget Committee is slightly higher than this, so this debt ceiling represents a tight limit for the Treasury.

It is extremely important that we pass this bill with some extension of the temporary debt limitation beyond November 15. If we do not, the immediate result will be that at 12:01 a.m., Sunday morning the legal debt limit will fall to $400 billion, and neither the U.S. Government nor its agencies will be legally able to issue any new debt until outstanding debt has fallen below the $400 level. Since the debt subject to limit is now almost $560 billion, this will take a very long time.

Generally, when the Federal Government is faced with a failure to extend the debt limit bill, it has sufficient funds in its operating cash balance to cover payments for at least several days. This month, however, the situation is different and it may not be possible for the Treasury Department to meet Federal obligations even through Monday, November 17, since on that day outlays of about $7.3 billion for program expenditures and maturing debt will be required. Now the cash balance is about $5 billion, so it will not be large enough to cover these payments.

If the debt ceiling is not passed immediately, sale of savings bonds will have to be suspended including those sold through payroll savings plans and social security contributions cannot be invested in Treasury securities subject to the debt limit as is required by law.

I hope, therefore, that the Senate will move quickly and pass H.R. 10585 to extend the temporary debt ceiling.

Mr. President, on the House side there was a considerable amount of confrontation politics which resulted eventually in a simple extension of the debt limit bill at a minimal figure without any of the amendments the Treasury had asked for to permit the issuance of longer term debt. The reason that it was done in that fashion was because the House having voted down a debt limit extension, was faced with the prospect that the Government was not going to be able to continue to operate.

The Secretary of the Treasury told me, for example, that he could engage in some emergency operations each of which would greatly increase the cost of Government and keep the Government going for a little while longer, perhaps a few days, but that in due course we would just have to quit paying the Government salaries and we would have to quit paying the Government contractors and quit making our welfare payments and the revenue-sharing payments to the States and local governments.

Mr. ROBERT C. BYRD. May we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. LONG. As a practical matter if we do not pass the debt limit bill, we could bring about an economic disaster where there is really nothing to be achieved by doing so.

Therefore, Mr. President, in view of the fact that there has been enough confrontation politics played with this bill on the House side already, I think the Senate would be wise to simply vote for the debt limit bill that came to us.

The Secretary of the Treasury sent his able Deputy Secretary, Mr. Gardner, to us. The Secretary at that time was trying to help resolve the problems of New York City, and he sent his Deputy Secretary who told us that they would like to have a Treasury amendment added to that bill. However, since that time they have been advised by the leadership on both sides of the aisle that it would be a mistake to try to add those amendments because the debt limit bill might fail to pass. It might get tied up between the Senate and the House and we could have a fiscal chaos as a result of the Government being unable to pay its bills.

Recognizing that, I am informed that those who had planned to offer the Treasury amendments will probably decide not to offer them, I would hope they do not because I believe it is important that this bill should go to the President and be signed by Saturday night. Otherwise, I think that we would not be very happy about the results that could happen to this country.

Mr. President, I ask unanimous consent to insert a series of tables prepared for me by the Treasury Department designed to show the importance of the debt relative to other factors. These tables show the estimated gross Government and private debt by major categories, the estimated per capita gross Government and private debt, the estimated gross Government and private debt related to gross national product, the estimated net Government and private debt by major categories, the estimated per capita net Government and private debt, the estimated net Government and private debt related to gross national product, the estimated Federal debt related to population and prices, the privately held Federal debt related to gross national product, and the changes in per capita real gross national product.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 1.—ESTIMATED GROSS GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

[Dollar amounts in billions]

Dec. 31	Private [1]			State and Local	Federal [2]			Total gross debt	Percent Federal of total
	Individual	Corporate	Total		Public	Agency	Total		
1929	$72.9	$107.0	$179.9	$17.8	$16.3	$1.2	$17.5	$215.2	8.1
1930	71.8	107.4	179.2	18.9	16.0	1.3	17.3	215.4	8.0
1931	64.9	100.3	165.2	19.5	17.8	1.3	19.1	203.8	9.4
1932	57.1	96.1	153.2	19.7	20.8	1.2	22.0	194.9	11.3
1933	51.0	92.4	143.4	19.5	23.8	1.5	25.3	188.2	13.4
1934	49.8	90.6	140.4	19.2	28.5	4.8	33.3	192.9	17.3
1935	49.7	89.8	139.4	19.6	30.6	5.6	36.2	195.3	18.5
1936	50.6	90.9	141.5	19.6	34.4	5.9	40.3	201.4	20.0
1937	51.1	90.2	141.3	19.6	37.3	5.8	43.1	204.0	21.1
1938	50.0	86.8	136.8	19.8	39.4	6.2	45.6	202.2	22.6
1939	50.8	86.8	137.6	20.1	41.9	6.9	48.8	206.5	23.6
1940	53.0	89.0	142.0	20.2	45.0	7.2	52.2	214.4	24.3
1941	55.6	97.5	153.1	20.0	57.9	7.7	65.6	238.7	27.5
1942	49.9	106.3	156.2	19.2	108.2	5.5	113.7	289.1	39.3
1943	48.8	110.3	159.1	18.1	165.9	5.1	171.0	348.2	49.1
1944	50.7	109.0	159.7	17.1	230.6	3.0	233.6	410.4	56.9
1945	54.7	99.5	154.2	16.0	278.1	1.5	279.6	449.8	62.2
1946	59.9	109.3	169.2	16.1	259.1	1.6	260.7	446.0	58.5
1947	69.4	128.9	198.3	17.5	256.9	.7	257.6	473.4	54.4
1948	80.6	139.4	220.0	19.6	252.8	1.0	253.8	493.4	51.4
1949	90.4	140.3	230.7	22.2	257.1	.8	257.9	510.8	50.5
1950	104.3	167.7	272.0	25.3	256.7	1.1	257.8	555.1	46.4
1951	114.3	191.9	306.2	28.0	259.4	.8	260.2	594.4	43.8
1952	129.4	202.9	332.3	31.0	267.4	.9	268.3	631.6	42.5
1953	143.2	212.9	356.1	35.0	275.2	.8	276.0	667.1	41.4
1954	157.2	217.6	374.8	40.2	278.8	.7	279.5	694.5	40.2
1955	180.1	253.9	434.0	46.3	280.8	1.4	282.2	762.5	37.0
1956	195.5	277.3	472.8	50.1	276.6	1.7	278.3	801.2	34.7
1957	207.6	295.8	503.4	54.7	274.9	3.2	278.1	836.2	33.3
1958	222.9	312.0	534.9	60.4	289.9	2.4	292.3	887.6	32.9
1959	245.0	341.4	586.4	66.6	290.8	5.7	296.5	949.5	31.2
1960	263.3	365.1	628.4	72.0	290.2	6.4	296.6	997.0	29.7
1961	284.8	391.5	676.3	77.6	296.2	6.8	303.0	1,056.9	28.7
1962	311.9	421.5	733.4	83.4	303.5	7.8	311.3	1,128.1	27.6
1963	345.8	457.1	802.9	89.5	309.3	8.1	317.4	1,209.8	26.2
1964	380.1	497.3	877.4	95.5	317.9	9.1	327.0	1,299.9	25.2
1965	415.7	551.9	967.6	103.1	320.9	9.8	330.7	1,401.4	23.6
1966	444.2	617.3	1,061.5	109.4	329.3	14.0	343.3	1,514.2	22.7
1967	476.3	672.9	1,149.2	117.3	344.7	20.1	364.8	1,631.3	22.4
1968	513.8	779.1	1,292.9	127.2	358.0	15.1	373.1	1,793.2	20.8
1969	548.6	912.7	1,461.3	137.9	368.2	13.8	382.0	1,981.2	19.3
1970	586.2	997.7	1,583.9	149.2	389.2	12.5	401.7	2,134.8	18.8
1971	647.6	1,084.7	1,732.3	167.0	424.1	11.0	435.1	2,334.4	18.6
1972	734.3	1,230.8	1,965.1	181.2	449.3	11.8	461.1	2,607.4	17.7
1973	821.9	1,413.8	2,235.7	193.5	469.9	11.6	481.5	2,910.7	16.5
1974	880.1	1,584.2	2,464.3	209.3	492.7	11.4	504.1	3,177.7	15.9

TABLE 2.—ESTIMATED PER CAPITA GROSS GOVERNMENT AND PRIVATE DEBT(3)

[Amounts in dollars]

Dec. 31	Private [1]			State and local	Federal [2]			Total gross debt
	Individual	Corporate	Total		Public	Agency	Total	
1929	$598	$878	$1,477	$146	$133	$9	$143	$1,767
1930	583	872	1,455	153	129	10	140	1,750
1931	523	808	1,331	157	143	10	153	1,643
1932	457	769	1,227	157	166	9	176	1,561
1933	406	735	1,141	155	189	11	201	1,498
1934	394	716	1,110	151	225	37	263	1,526
1935	390	705	1,096	154	240	44	284	1,534
1936	395	709	1,105	153	268	46	314	1,572
1937	396	700	1,096	152	289	45	334	1,583
1938	385	668	1,053	152	303	47	351	1,557
1939	388	663	1,051	153	320	52	372	1,577
1940	399	671	1,070	152	339	54	393	1,616
1941	415	728	1,143	149	432	57	489	1,782
1942	368	785	1,153	141	799	40	839	2,135
1943	355	803	1,159	131	1,208	37	1,245	2,536
1944	364	784	1,149	123	1,659	21	1,681	2,954
1945	389	708	1,097	113	1,979	10	1,990	3,202
1946	422	770	1,192	113	1,825	11	1,836	3,142
1947	479	890	1,370	120	1,775	4	1,780	3,271
1948	547	946	1,494	133	1,717	6	1,724	3,351
1949	603	936	1,540	148	1,716	5	1,722	3,410
1950	684	1,101	1,786	166	1,685	7	1,693	3,645
1951	738	1,239	1,977	180	1,674	5	1,680	3,837
1952	$821	$1,287	$2,109	$196	$1,697	$5	$1,702	$4,008
1953	893	1,329	2,223	218	1,718	4	1,723	4,164
1954	964	1,334	2,299	246	1,710	4	1,714	4,260
1955	1,085	1,530	2,615	279	1,692	8	1,700	4,595
1956	1,157	1,641	2,799	296	1,637	10	1,647	4,743
1957	1,207	1,719	2,927	318	1,598	18	1,617	4,862
1958	1,274	1,784	3,058	345	1,657	13	1,671	5,075
1959	1,377	1,919	3,297	374	1,635	32	1,667	5,339
1960	1,457	2,020	3,478	398	1,606	35	1,641	5,518
1961	1,550	2,131	3,681	422	1,612	37	1,649	5,753
1962	1,672	2,259	3,931	447	1,627	41	1,668	6,047
1963	1,827	2,415	4,242	472	1,634	42	1,677	6,392
1964	1,980	2,591	4,572	497	1,656	47	1,704	6,774
1965	2,139	2,840	4,979	530	1,651	50	1,701	7,212
1966	2,259	3,140	5,400	556	1,675	71	1,746	7,703
1967	2,396	3,386	5,783	590	1,734	101	1,835	8,209
1968	2,559	3,881	6,441	633	1,783	75	1,858	8,934
1969	2,706	4,503	7,209	680	1,816	68	1,884	9,775
1970	2,861	4,869	7,731	728	1,899	61	1,960	10,420
1971	3,127	5,238	8,366	806	2,048	53	2,101	11,274
1972	3,516	5,893	9,409	867	2,151	56	2,207	12,485
1973	3,906	6,719	10,626	919	2,233	55	2,288	13,834
1974	4,153	7,475	11,629	987	2,325	53	2,378	14,995

TABLE 3.—GROSS GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

Dec. 31	Gross[4] National Product (millions)	Ratios of debt to gross national product (percent)							
		Private[1]			State and local	Federal[2]			Total gross debt
		Individual	Corporate	Total		Public	Agency	Total	
1929	$96.7	$75.4	$110.7	$186.0	$18.4	$16.9	$1.2	$18.1	222.5
1930	83.1	86.4	129.2	215.6	22.7	19.3	1.6	20.8	259.2
1931	66.9	97.0	149.9	246.9	29.1	26.6	1.9	28.6	304.6
1932	56.8	100.5	169.2	269.7	34.7	36.6	2.1	38.7	343.1
1933	60.3	84.6	153.2	237.8	32.3	39.5	2.5	42.0	312.1
1934	68.6	72.6	132.1	204.7	28.0	41.5	7.0	48.5	281.2
1935	77.4	64.2	116.0	180.2	25.3	39.5	7.2	46.8	252.3
1936	86.5	58.5	105.1	163.6	22.7	39.8	6.8	46.6	232.8
1937	87.6	58.3	103.0	161.3	22.4	42.6	6.6	49.2	232.9
1938	87.6	57.1	99.1	156.2	22.6	45.0	7.1	52.1	230.8
1939	94.8	53.6	91.6	145.1	21.2	44.2	7.3	51.1	217.8
1940	107.6	49.3	82.7	132.0	18.8	41.8	6.7	48.5	199.3
1941	138.8	40.1	70.2	110.3	14.4	41.7	5.5	47.3	172.0
1942	179.0	27.9	59.4	87.3	10.7	60.4	3.1	63.5	161.5
1943	202.4	24.1	54.5	78.6	8.9	82.0	2.5	84.5	172.0
1944	217.4	23.3	50.1	73.5	7.9	106.1	1.4	107.5	188.8
1945	196.0	27.9	50.8	78.7	8.2	141.9	.8	142.7	229.5
1946	221.4	27.1	49.4	76.4	7.3	117.0	.7	117.8	201.4
1947	245.0	28.3	52.6	80.9	7.1	104.9	.3	105.1	193.2
1948	261.2	30.9	53.4	84.2	7.5	96.8	.4	97.2	188.9
1949	260.5	34.7	53.9	88.6	8.5	98.7	.3	99.0	196.1
1950	311.3	33.5	53.9	87.4	8.1	82.5	.4	82.8	178.3
1951	338.2	33.8	56.7	90.5	8.3	76.7	.2	76.9	175.8
1952	$361.0	$35.8	$56.2	92.1	8.6	74.1	.2	74.3	175.0
1953	360.8	39.7	59.0	98.7	9.7	76.3	.2	76.5	184.9
1954	379.8	41.4	57.3	98.7	10.6	73.4	.2	73.6	182.9
1955	409.7	44.0	62.0	105.9	11.3	68.5	.3	68.9	186.1
1956	433.2	45.1	64.0	109.1	11.6	63.9	.4	64.2	184.9
1957	438.1	47.4	67.5	114.9	12.5	62.7	.7	63.5	190.9
1958	469.2	47.5	66.5	114.0	12.9	61.8	.5	62.3	189.2
1959	496.8	49.3	68.7	118.0	13.4	58.5	1.1	59.7	191.1
1960	503.5	52.3	72.5	124.8	14.3	57.6	1.3	58.9	198.0
1961	542.8	52.5	72.1	124.6	14.3	54.6	1.3	55.8	194.7
1962	574.7	54.3	73.3	127.6	14.5	52.8	1.4	54.2	196.3
1963	611.8	56.5	74.7	131.2	14.6	50.6	1.3	51.9	197.8
1964	654.0	58.1	76.0	134.2	14.6	48.6	1.4	50.0	198.8
1965	719.8	57.8	76.7	134.4	14.3	44.6	1.4	45.9	194.7
1966	772.6	57.5	79.9	137.4	14.2	42.6	1.8	44.4	196.0
1967	825.0	57.7	81.6	139.3	14.2	41.8	2.4	44.2	197.7
1968	898.6	57.2	86.7	143.9	14.2	39.8	1.7	41.5	199.6
1969	953.7	57.5	95.7	153.2	14.5	38.6	1.4	40.1	207.7
1970	1,009.8	58.1	98.8	156.9	14.8	38.5	1.2	39.8	211.4
1971	1,099.1	58.9	98.7	157.6	15.2	38.6	1.0	39.6	212.4
1972	1,226.8	59.9	100.3	160.2	14.8	36.6	1.0	37.6	212.5
1973	1,351.4	60.8	104.6	165.4	14.3	34.8	.9	35.6	215.4
1974	1,424.0	61.8	111.3	173.1	14.7	34.6	.8	35.4	223.2

TABLE 4.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT, BY MAJOR CATEGORIES

Dec. 31	Private[1]			State and local	Federal[5]	Total net debt	Percent Federal of total
	Individual	Corporate	Total				
1916	$36.3	$40.2	$76.5	$4.5	$1.2	$82.2	1.5
1917	38.7	43.7	82.4	4.8	7.3	94.5	7.7
1918	44.5	47.0	91.5	5.1	20.9	117.5	17.8
1919	43.9	53.3	97.2	5.5	25.6	128.3	20.0
1920	48.1	57.7	105.8	6.2	23.7	135.7	17.5
1921	49.2	57.0	106.2	7.0	23.1	136.3	16.9
1922	50.9	58.6	109.5	7.9	22.8	140.2	16.3
1923	53.7	62.6	116.3	8.6	21.8	146.7	14.9
1924	55.8	67.2	123.0	9.4	21.0	153.4	13.7
1925	59.6	72.7	132.3	10.3	20.3	162.9	12.5
1926	62.7	76.2	138.9	11.1	19.2	169.2	11.3
1927	66.4	81.2	147.6	12.1	18.2	177.9	10.2
1928	70.0	86.1	156.1	12.7	17.5	186.3	9.4
1929	72.9	88.9	161.8	13.6	16.5	191.9	8.6
1930	71.8	89.3	161.1	14.7	16.5	192.3	8.6
1931	64.9	83.5	148.4	16.0	18.5	182.9	10.1
1932	57.1	80.0	137.1	16.6	21.3	175.0	12.2
1933	51.0	76.9	127.9	16.3	24.3	168.5	14.4
1934	49.8	75.5	125.3	15.9	30.4	171.6	17.7
1935	49.7	74.8	124.5	16.1	34.4	175.0	19.7
1936	50.6	76.1	126.7	16.2	37.7	180.6	20.9
1937	51.1	75.8	126.9	16.1	39.2	182.2	21.5
1938	50.0	73.3	123.3	16.1	40.5	179.9	22.5
1939	50.0	73.5	124.4	16.4	42.6	183.3	23.2
1940	53.0	75.6	128.6	16.4	44.8	189.8	23.6
1941	55.6	83.4	139.0	16.1	56.3	211.4	26.6
1942	49.9	91.6	141.5	15.4	101.7	258.6	39.3
1943	48.8	95.5	144.3	14.5	154.4	313.2	49.3
1944	50.7	94.1	144.8	13.9	211.9	370.6	57.2
1945	54.7	85.3	140.0	13.4	252.5	405.9	62.2
1946	59.9	93.5	153.4	13.7	229.5	396.6	57.9
1947	69.4	109.6	179.0	15.0	221.7	415.7	53.3
1948	80.6	118.4	199.0	17.0	215.3	431.3	49.9
1949	90.4	118.7	209.1	19.1	217.6	445.8	48.8
1950	104.3	142.8	247.1	21.7	217.4	486.2	44.7
1951	114.3	163.8	278.1	24.2	216.9	519.2	41.8
1952	129.4	172.3	301.7	27.0	221.5	550.2	40.3
1953	143.2	180.9	324.1	30.7	226.8	581.6	39.0
1954	157.2	184.1	341.3	35.5	229.1	605.9	37.8
1955	180.1	215.0	395.1	41.1	229.6	665.8	34.5
1956	195.5	234.1	429.6	44.5	224.3	698.4	32.1
1957	207.6	249.1	456.7	48.6	223.0	728.3	30.6
1958	222.9	262.0	484.9	53.7	231.0	679.6	30.0
1959	245.0	287.0	532.0	59.6	241.4	833.0	29.0
1960	263.3	306.3	569.6	64.9	239.8	874.3	27.4
1961	284.8	328.3	613.1	70.5	246.7	930.3	26.5
1962	311.9	353.5	665.4	77.0	253.6	996.0	25.5
1963	345.8	383.6	729.4	83.9	257.5	1,070.8	24.0
1964	380.1	417.1	797.2	90.4	264.0	1,151.6	22.9
1965	415.7	463.2	878.9	98.3	266.4	1,243.6	21.4
1966	444.2	517.8	962.0	104.8	271.8	1,338.6	20.3
1967	476.3	562.6	1,038.9	112.8	286.4	1,438.1	19.9
1968	513.8	653.0	1,166.8	122.7	291.9	1,581.4	18.5
1969	548.6	764.8	1,313.4	133.3	289.3	1,736.0	16.7
1970	586.2	836.4	1,422.6	144.8	301.1	1,868.5	16.1
1971	647.6	909.1	1,556.7	162.8	325.9	2,045.4	15.9
1972	734.3	1,030.8	1,765.1	176.9	341.2	2,283.2	14.9
1973	821.9	1,185.7	2,007.6	189.5	349.1	2,546.2	13.7
1974	880.1	1,330.6	2,210.7	205.6	360.8	2,777.1	13.0

TABLE 5.—ESTIMATED PER CAPITA NET GOVERNMENT AND PRIVATE DEBT[3]

Dec. 31	Private[1]			State and local	Federal[5]	Total net debt
	Individual	Corporate	Total			
1916	$356	$394	$750	$44	$11	$806
1917	374	423	797	46	70	915
1918	431	455	886	49	202	1,138
1919	420	509	930	52	244	1,227
1920	451	541	993	58	222	1,274
1921	453	525	978	64	212	1,255
1922	462	532	994	71	207	1,273
1923	479	559	1,038	76	194	1,310
1924	488	588	1,077	82	184	1,344
1925	514	627	1,142	88	175	1,406
1926	534	649	1,183	94	163	1,441
1927	557	682	1,239	101	152	1,494
1928	580	714	1,295	105	145	1,546
1929	598	730	1,328	111	135	1,575
1930	583	725	1,308	119	134	1,562
1931	523	673	1,196	128	149	1,474
1932	457	640	1,098	132	170	1,401
1933	406	612	1,018	129	193	1,341
1934	394	597	991	125	240	1,357
1935	390	587	978	126	270	1,375
1936	395	594	989	126	294	1,410
1937	396	588	985	124	304	1,414
1938	385	564	949	124	311	1,385
1939	388	561	949	125	325	1,400
1940	399	570	969	123	337	1,431
1941	415	622	1,038	120	420	1,578
1942	368	676	1,045	113	751	1,910
1943	355	695	1,051	106	1,124	2,281
1944	364	677	1,042	100	1,525	2,667
1945	389	607	996	95	1,797	2,889
1946	422	658	1,080	96	1,616	2,794
1947	479	757	1,237	103	1,532	2,872
1948	547	804	1,351	115	1,462	2,929
1949	603	792	1,396	127	1,452	2,976
1950	684	937	1,622	142	1,427	3,192
1951	738	1,057	1,795	156	1,400	3,352
1952	821	1,093	1,914	171	1,405	3,492
1953	893	1,129	2,023	191	1,415	3,630
1954	964	1,129	2,093	217	1,405	3,716
1955	1,085	1,295	2,381	247	1,383	4,012
1956	1,157	1,386	2,543	263	1,327	3,134
1957	1,207	1,448	2,655	282	1,296	4,234
1958	1,274	1,498	2,772	307	1,320	4,400
1959	1,377	1,613	2,991	335	1,357	4,684
1960	1,457	1,695	3,152	359	1,327	4,839
1961	1,550	1,787	3,337	383	1,343	5,064
1962	1,672	1,895	3,567	412	1,359	5,339
1963	1,827	2,027	3,854	443	1,360	5,658
1964	1,980	2,173	4,154	471	1,375	6,001
1965	2,139	2,383	4,523	505	1,371	6,400
1966	2,259	2,634	4,894	533	1,382	6,810
1967	2,396	2,831	5,228	567	1,441	7,237
1968	2,559	3,253	5,813	611	1,454	7,879
1969	2,706	3,773	6,480	657	1,427	8,565
1970	2,861	4,082	6,943	706	1,469	9,120
1971	3,127	4,390	7,518	786	1,574	9,879
1972	3,516	4,935	8,451	847	1,633	10,932
1973	3,906	5,635	9,542	900	1,659	12,101
1974	4,153	6,279	10,432	970	1,702	13,105

TABLE 6.—ESTIMATED NET GOVERNMENT AND PRIVATE DEBT RELATED TO GROSS NATIONAL PRODUCT

Dec. 31	Gross national product [4] (millions)	Ratios of debt to gross national product (percent)					
		Private [1]			State and Local	Federal [5]	Total net debt
		Invididual	Corporate	Total			
1929	$96.7	75.4	91.9	167.3	14.1	17.1	198.4
1930	83.1	86.4	107.5	193.9	17.7	19.9	231.4
1931	66.9	97.0	124.8	221.8	23.9	27.7	273.4
1932	56.8	100.5	140.8	241.4	29.2	37.5	308.1
1933	60.3	84.6	127.5	212.1	27.0	40.3	279.4
1934	68.6	72.6	110.1	182.7	23.2	44.3	250.1
1935	77.4	64.2	96.6	160.9	20.8	44.4	226.1
1936	86.5	58.5	88.0	146.5	18.7	43.6	208.8
1937	87.6	58.3	86.5	144.9	18.4	44.7	208.0
1938	87.6	57.1	83.7	140.8	18.4	46.2	205.4
1939	94.8	53.6	77.5	131.1	17.3	44.9	193.4
1940	107.6	49.3	70.3	119.5	15.2	41.6	176.4
1941	138.8	40.1	60.1	100.1	11.6	40.6	152.3
1942	179.0	27.9	51.2	79.1	8.6	56.8	144.5
1943	202.4	24.1	47.2	71.3	7.2	76.3	154.7
1944	217.4	23.3	43.3	66.6	6.4	97.5	170.5
1945	196.0	27.9	43.5	71.4	6.8	128.8	207.1
1946	221.4	27.1	42.2	69.3	6.2	103.7	179.1
1947	245.0	28.3	44.7	73.1	6.1	90.5	169.7
1948	261.2	30.9	45.3	76.2	6.5	82.4	165.1
1949	260.5	34.7	45.6	80.3	7.3	83.5	171.1
1950	311.3	33.5	45.9	79.4	7.0	69.8	156.2
1951	338.2	33.8	48.4	82.2	7.2	64.1	153.5
1952	$361.0	35.8	47.7	83.6	7.5	61.4	152.4
1953	360.8	39.7	50.1	89.8	8.5	62.9	161.2
1954	379.8	41.4	48.5	89.9	9.3	60.3	159.5
1955	409.7	44.0	52.5	96.4	10.0	56.0	162.5
1956	433.2	45.1	54.0	99.2	10.3	51.8	161.2
1957	438.1	47.4	56.9	104.2	11.1	50.9	166.2
1958	469.2	47.5	55.8	103.3	11.4	49.2	164.0
1959	496.8	49.3	57.8	107.1	12.0	48.6	167.7
1960	503.5	52.3	60.8	113.1	12.9	47.6	173.7
1961	542.8	52.5	60.5	113.0	13.0	45.5	171.4
1962	574.7	54.3	61.5	115.8	13.4	44.1	173.3
1963	611.8	56.5	62.7	119.2	13.7	42.1	175.0
1964	654.0	58.1	63.8	121.9	13.8	40.4	176.1
1965	719.8	57.8	64.4	122.1	13.7	37.0	172.8
1966	772.6	57.5	67.0	124.5	13.6	35.2	173.3
1967	825.0	57.7	68.2	125.9	13.7	34.7	174.3
1968	898.6	57.2	72.7	129.8	13.7	32.5	176.0
1969	953.7	57.5	80.2	137.7	14.0	30.3	182.0
1970	1,009.8	58.1	82.8	140.9	14.3	29.8	185.0
1971	1,099.1	58.9	82.7	141.6	14.8	29.7	186.1
1972	1,226.8	59.9	84.0	143.9	14.4	27.8	186.1
1973	1,351.4	60.8	87.7	148.6	14.0	25.8	188.4
1974	1,424.0	61.8	93.4	155.2	14.4	25.3	195.0

TABLE 7.—ESTIMATED FEDERAL DEBT RELATED TO POPULATION AND PRICES

Dec. 31	Outstanding Federal debt			Per capita Federal debt [3]			Real per capita Federal debt [8]		
	Gross [2]	Net [5]	Privately held net [6]	Gross [2]	Net [6]	Privately held net [6]	Gross [2]	Net [5]	Privately held net [3]
1929	$17.5	$16.5	$16.0	$143	$135	$131	$434	$409	$397
1930	17.3	16.5	15.8	140	134	128	452	431	413
1931	19.1	18.5	17.7	154	149	142	547	530	507
1932	22.0	21.3	19.4	176	170	155	698	676	616
1933	25.3	24.3	21.9	201	193	174	794	763	687
1934	33.3	30.4	28.0	263	240	221	1,018	929	856
1935	36.2	34.4	32.0	284	270	251	1,067	1,014	943
1936	40.3	37.7	35.3	314	294	275	1,167	1,091	1,022
1937	43.1	39.2	36.6	334	304	284	1,203	1,094	1,022
1938	45.6	40.5	37.9	351	312	291	1,299	1,154	1,080
1939	48.8	42.6	40.1	372	325	306	1,386	1,210	1,139
1940	52.2	44.8	42.6	393	337	321	1,449	1,244	1,183
1941	65.6	56.3	54.0	489	420	403	1,644	1,411	1,353
1942	113.7	101.7	95.5	840	751	705	2,579	2,307	2,166
1943	171.0	154.4	142.9	1,245	1,125	1,041	3,709	3,349	3,099
1944	233.6	211.9	193.1	1,681	1,525	1,390	4,902	4,447	4,052
1945	279.6	252.5	228.2	1,990	1,797	1,624	5,675	5,125	4,632
1946	260.7	229.5	206.1	1,836	1,616	1,452	4,418	3,889	3,493
1947	257.6	221.7	199.1	1,780	1,532	1,376	3,940	3,391	3,045
1948	253.8	215.3	192.0	1,724	1,462	1,304	3,721	3,156	2,815
1949	257.9	217.6	197.7	1,722	1,452	1,320	3,785	3,193	2,901
1950	257.8	217.4	196.6	1,693	1,427	1,291	3,515	2,965	2,681
1951	260.2	216.9	193.1	1,680	1,400	1,246	3,293	2,745	2,443
1952	$268.3	$221.5	$196.8	$1,702	$1,405	$1,249	$3,308	$2,731	$2,427
1953	276.0	226.8	200.9	1,723	1,415	1,254	3,325	2,732	2,420
1954	279.5	229.1	204.2	1,714	1,405	1,252	3,324	2,724	2,428
1955	282.2	229.6	204.8	1,700	1,383	1,234	3,284	2,672	2,383
1956	278.3	224.3	199.4	1,647	1,328	1,180	3,093	2,493	2,216
1957	278.1	223.0	198.8	1,617	1,296	1,155	2,946	2,363	2,106
1958	292.3	231.0	204.7	1,671	1,320	1,170	2,993	2,365	2,096
1959	296.5	241.4	214.8	1,667	1,357	1,207	2,943	2,395	2,131
1960	296.6	239.8	212.4	1,641	1,327	1,175	2,855	2,308	2,044
1961	303.0	246.7	217.8	1,649	1,343	1,185	2,851	2,321	2,049
1962	311.3	253.6	222.8	1,668	1,359	1,194	2,849	2,321	2,039
1963	317.4	257.5	223.9	1,677	1,360	1,183	2,817	2,286	1,987
1964	327.0	264.0	227.0	1,704	1,375	1,183	2,829	2,284	1,964
1965	330.7	266.4	225.6	1,702	1,371	1,161	2,772	2,233	1,891
1966	343.3	271.8	227.5	1,746	1,382	1,157	2,752	2,179	1,824
1967	364.8	286.4	237.3	1,835	1,441	1,194	2,808	2,204	1,826
1968	373.1	291.9	238.9	1,858	1,454	1,190	2,715	2,124	1,738
1969	382.0	289.3	232.1	1,884	1,427	1,145	2,594	1,964	1,576
1970	401.7	301.1	239.0	1,960	1,469	1,166	2,558	1,917	1,522
1971	435.1	325.9	255.1	2,101	1,574	1,232	2,652	1,987	1,555
1972	461.1	341.2	269.9	2,207	1,633	1,292	2,695	1,994	1,577
1973	481.5	349.1	268.6	2,288	1,659	1,276	2,567	1,861	1,432
1974	504.1	360.8	280.1	2,378	1,702	1,321	2,378	1,702	1,321

TABLE 8.—PRIVATELY HELD FEDERAL DEBT RELATED TO GNP

[Dollar amounts in billions of dollars]

Dec. 31	Gross national product [4]	Privately held debt [6]	In percent	
			Ratio of debt to GNP	Year to year price changes [7]
1929	$96.7	$16.0	16.5	
1930	83.1	15.8	19.0	-6.0
1931	66.9	17.7	26.5	-9.5
1932	56.8	19.4	34.2	-10.3
1933	60.3	21.9	36.3	.5
1934	68.6	28.0	40.8	2.0
1935	77.4	32.0	41.3	3.0
1936	86.5	35.3	40.8	1.2
1937	87.6	36.6	41.8	3.1
1938	87.6	37.9	43.3	-2.8
1939	94.8	40.1	42.3	-.5
1940	107.6	42.6	39.6	1.0
1941	138.8	54.0	38.9	9.7
1942	179.0	95.5	53.4	9.3
1943	202.4	142.9	70.6	3.2
1944	217.4	193.1	88.8	2.1
1945	196.0	228.2	116.4	2.3
1946	221.4	206.1	93.1	18.5
1947	245.0	199.1	81.3	8.7
1948	261.2	192.0	73.5	2.6
1949	260.5	197.8	75.9	-1,8
1950	311.3	196.6	63.2	5.8
1951	338.2	193.1	57.1	5.9
1952	$361.0	$196.8	54.5	.9
1953	360.8	200.9	55.7	.7
1954	379.8	204.8	53.8	-.4
1955	409.7	204.8	50.0	.4
1956	433.2	199.4	46.0	2.9
1957	438.1	198.8	45.4	3.0
1958	469.2	204.7	43.6	1.7
1959	496.8	214.8	43.2	1.5
1960	503.5	212.4	42.2	1.5
1961	542.8	217.8	40.1	.6
1962	574.7	222.8	38.8	1.2
1963	611.8	223.9	36.6	1.6
1964	654.0	227.0	34.7	1.2
1965	719.8	225.6	31.3	1.9
1966	772.6	227.5	29.4	3.3
1967	825.0	237.3	28.8	3.0
1968	898.6	238.9	26.6	4.7
1969	953.7	232.1	24.3	6.1
1970	1009.9	239.0	23.7	5.5
1971	1099.1	255.1	23.2	3.4
1972	1226.8	269.9	22.0	3.4
1973	1351.4	268.6	19.9	8.8
1974	1424.0	280.1	19.7	12.2

TABLE 9.—CHANGES IN PER CAPITA REAL GROSS NATIONAL PRODUCT

Dec. 31	GNP in millions of 1958 dollars	GNP per capita constant 1958 dollars [3]	GNP per capita, change from year ago	
			Constant 1958 dollars	Percent
1929	$203.6	$1,672		
1930	183.5	1,491	−$181	−10.8
1931	169.3	1,365	−126	−8.5
1932	144.2	1,155	−210	−15.4
1933	141.5	1,127	−28	−2.4
1934	154.3	1,221	94	8.4
1935	169.5	1,332	111	9.1
1936	193.0	1,507	175	13.2
1937	203.2	1,577	70	4.7
1938	192.9	1,486	−91	−5.8
1939	209.4	1,600	114	7.7
1940	227.2	1,714	114	7.1
1941	263.7	1,969	255	14.9
1942	297.8	2,200	231	11.7
1943	337.1	2,456	256	11.6
1944	361.3	2,601	145	5.9
1945	355.2	2,529	−72	−2.8
1946	312.6	2,202	−327	−12.9
1947	309.9	2,142	−60	−2.8
1948	323.7	2,199	57	2.7
1949	324.1	2,164	−35	−1.6
1950	355.3	2,333	169	7.8
1951	383.4	2,475	142	6.1
1952	395.1	2,508	33	1.3
1953	412.8	2,577	69	2.8
1954	407.0	2,497	−80	−3.1
1955	438.0	2,640	143	5.7
1956	446.1	2,641	1	.1
1957	452.5	2,631	−10	−.4
1958	447.3	2,558	−73	−2.8
1959	474.9	2,671	113	4.4
1960	487.7	2,699	28	1.1
1961	497.2	2,707	8	.3
1962	529.8	2,840	133	4.9
1963	551.0	2,912	72	2.5
1964	581.1	3,028	116	4.0
1965	617.8	3,180	152	5.0
1966	658.1	3,348	168	5.3
1967	675.2	3,398	50	1.5
1968	706.6	3,521	123	3.6
1969	725.6	3,580	59	1.7
1970	722.5	3,527	−53	−1.5
1971	746.3	3,605	78	2.2
1972	792.5	3,795	190	5.3
1973	839.2	3,989	194	5.1
1974	821.2	3,875	−114	−2.8

[1] Private corporate debt includes the debt of certain federally sponsored agencies in which there is no longer any Federal proprietary interest. The debt of the following agencies are included beginning these years: FLB's in 1949; FHLB's in 1951; FNMA-secondary market operations, FICB's and BCOOP's in 1968. The total debt for these agencies amount to $0.7 billion on Dec. 31, 1947, $3.5 billion on Dec. 31, 1960, $38.8 billion on Dec. 31, 1970, $59.8 billion on Dec. 31, 1973, and $76.4 billion on Dec. 31, 1974.

[2] Total Federal securities includes public debt securities and budget agency securities.

[3] Per capita debt is calculated by dividing debt figures by population of conterminous United States. Beginning 1949, population includes armed forces overseas, Hawaii and Alaska.

[4] Implied level of GNP for end of year. Calculated as an average of the 4th and 1st calendar quarters at seasonally adjusted annual rates for the years 1939 through present. Prior to 1939, averages of 2 calendar year figures are used as the best approximation of Dec. 31 levels.

[5] Borrowing from the public equals gross Federal debt less securities held in government accounts (a unified budget concept).

[6] Borrowing from the public less Federal Reserve holdings.

[7] Measured by all item consumer price index, December to December basis.

[8] Per capita debt expressed in December 1974 prices (consumer price index for all items).

Note: Detail may not add to totals because of rounding.

Source: Federal debt, Treasury Department; cther data, Bureau of Economic Analysis, Commerce Department.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. FANNIN. Mr. President, on behalf of Senator CURTIS, the ranking minority member of the Committee on Finance and myself, I join with our chairman in recommending passage of this legislation to increase the debt limit from $577 billion to $595 billion for an additional temporary period expiring March 15, 1976.

While I shall vote for this legislation, I shall do so reluctantly because the time has long since passed when we should have restored fiscal responsibility to the Federal Government. On a unified budget basis, we had a deficit for fiscal year 1976 of $43.6 billion. The prospects for fiscal year 1976 are even more dismal. Fiscal responsibility must again be made a fundamental principle of government. That this is so is self-evident if we but cast a glance several hundred miles to the north to New York City.

Inflation and unemployment continue to plague us and yet we continue to spend in the false hope that we can resolve these problems in a tidal wave of Federal dollars. Large budgetary deficits are counterproductive. They fuel the fires of inflation and Federal borrowing crowds out private borrowers whose need for funds must be met if business, and therefore employment, are to expand. Earlier in this Congress, I stated that "the greatest spur that we could give to our economy would be to put the Federal Government's house in order." The very fact that this legislation to yet again increase the public debt is now before us shows how little we have accomplished. For these reasons, I continue to believe that the discipline of a constitutionally mandated balanced budget is essential to the restoration of fiscal responsibility.

If, today, we were asked to approve an additional expenditure of $18 billion, I would oppose this legislation vigorously. However, we have already borrowed this money and spent it. This legislation merely permits us to honor the demands of our creditors from whom we borrowed the money. I see no alternative but to authorize the Treasury to pay the bills that have now come due as a consequence of our prior spending decisions. For these reasons, I reluctantly support this legislation.

Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, if there be no further request for time, I yield back the remainder of my time.

SEVERAL SENATORS. Vote! Vote! Vote!

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill H.R. 10585 was ordered to a third reading, was read the third time, and passed.

Mr. LONG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. FANNIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976

The Senate continued with the consideration of the bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

The PRESIDING OFFICER. Under the previous order the Senator from Maryland Mr. BEALL) is recognized.

Mr. BEALL. Mr. President, I call up my amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maryland (Mr. BEALL), for himself and Mr. MATHIAS, proposes an amendment.

The amendment is as follows:

At the end of the bill, add the following new section:

"S53. . None of the funds appropriated in this Act may be expended for any expenses of a relocation of the National Oceanographic Office headquarters of the Navy."

Mr. BEALL. Mr. President, this amendment would prohibit the use of funds under this bill for the relocation of the National Oceanographic Office of the Navy from the National Capital region to the Bay St. Louis, Miss., area.

As most of the Members know, this facility is now located in Suitland, Md.

Mr. President, the location of this facility has been under some debate in recent months, and I think as a result of that debate it has become abundantly clear that the Navy is doing something that they decided to do some time ago and have been rushing headlong trying to find a justification.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BEALL. They have been trying to find a justification for a decision that was previously made.

My colleague (Mr. MATHIAS) and I have been expressing our unqualified opposition to this ill-advised and unnecessary proposal for some time. I think, quite frankly, this move is a waste of the taxpayers' money.

I believe that the Defense Department

has been so preoccupied with its efforts to reduce the Navy's presence in the National Capital Region that it has not considered the centralization alternatives which exist here in this area for this facility. In particular, collocation at the Suitland facility would entail no long distance moves, would result in little or no unemployment and would insure sound fiscal management.

But perhaps most important of all, Mr. President, is the fact that there is no justification whatsoever for the traumatic impact that this move is going to have on the hundreds of employees at the present facilities, as they now face the unpleasant choice of either uprooting their families and moving to an unfamiliar environment or looking for new employment in today's uncertain economy.

At a time when all Government should be working to reduce Federal outlays, it makes no sense whatsoever to waste literally millions of the taxpayers' dollars for no apparent gain, as this move would do.

When the Navy first chose the Bay St. Louis, Miss., site as a location, it was estimated that it would cost approximately $24 million for the one time cost of the move.

Subsequently, in order to justify their own previously announced figures, the Navy announced that they reestimated the move, and it was now costing $17 million.

The General Accounting Office has looked into the matter, and they determined it is going to cost $19.5 million.

While I agree there is a need to centralize the oceanographic program, I cannot agree that the Navy's proposal would be more beneficial than collocating at the Suitland facility. In the first place, the Mississippi proposal would take an operation and squeeze it into a much smaller facility. The present operation at Suitland, or in the Washington area, occupies 372,000 square feet of space.

The Mississippi location would provide only 168,000 square feet of comparable space, with a proposal to fill an additional 87,000 square feet in the future. This reduction seems to be a tremendous sacrifice of space in the name of centralization.

Second, the Navy's own Environmental Impact Statement reveals that, because of close ties to the Washington area, some 450 out of the 1,321 employees currently employed at Suitland, would elect to stay here. A significant number of these employees who will refuse to make the move may well be individuals who presently hold key positions. For example, I have just learned that the Ocean Science and Technology Division—Code 480—which is responsible for managing the Navy's contract research program—and which, through its location in the Washington area provides the Navy with access to the best scientific talent in the Nation—has already lost two of its 12 scientists to other governmental and private scientific endeavors and a third professional is in the process of leaving. Programs such as these, it has been estimated, will take as long as 3 to 10 years to rebuild to current levels of competency. I want to emphasize that we are talking about people in this move. And, while the degree or severity of the detrimental effects may be uncertain, it is only logical to conclude that an unacceptable degree of disruption will occur especially in light of the fact that such disruption could be prevented in the first place.

The Navy has constantly referred to the "stated congressional opposition to a continued high level of the DOD presence in the National Capital Region." The clear implication they give is that Congress has ordered the Navy to reduce its presence in Washington—regardless of the cost.

Mr. President, I would like to set the record straight on this point by providing you some information which is essential to an understanding of just what Congress has mandated.

Last year's conference report of the military construction appropriations bill stated that the Navy should, in preparing its list of candidates for movement out of the Washington area, take into consideration the economies, as well as the overall efficiency, of such moves.

In neither the Navy's draft, nor the final environmental impact statement is any reference made to the conference report. Rather, the draft statement merely indicated that—

> Construction of additional quarters at Suitland . . . would still leave Navy in conflict with congressional wishes to decentralize the Defense activities currently in the NCR.

Then, in the final statement, the Navy quotes only the House of Representatives Military Construction Appropriations Report for fiscal year 1975 which, as I understand it, does not have the force of law.

I believe there is abundant evidence to indicate that the Navy was so preoccupied with its efforts to reduce its presence here that it did not adequately consider either the economies of the move or the overall efficiency to be gained.

With regard to the consideration given to the economies of the move, I found the statements made by Assistant Secretary of the Navy for Research and Development, H. Tyler Marcy, in a recent sworn deposition in the U.S. District Court for the District of Columbia quite instructive.

In his testimony Assistant Secretary Marcy acknowledged that the Navy had never considered any sites in the Washington area because of the congressional mandate for the Navy to reduce its presence here. Specifically, Marcy was asked the following questions to which he gave the following response:

> Q. So is it fair to say that . . . the Suitland site was not seriously considered as an alternative?
>
> A. Because of the combination offered we had been unsuccessful in having any dollars to fix it before for a history of quite a few years, and Admiral Snyder is the person who is really knowledgeable in this area; and because of the Congressional bias toward our not building more bureaucracy of the Navy in the Washington area but rather doing it out of town, these two things were certainly very important to us.
>
> Q. So really as a practical matter the decision that you were going to move somewhere was made at the time, well, before you came on board (Marcy took office in October, 1974)?
>
> A. Well, there must be some legal term about it, defacto type of conclusion that it was highly desirable to move a community if it could be moved.

While Assistant Secretary Marcy made no specific reference to the economy of the move, I believe it is extremely important that I report on the most candid admission made by any Defense official connected with this matter. On July 25, in a briefing to the Maryland delegation in Senator MATHIAS' office, Assistant Secretary Clements was asked by Congresswoman MAJORIE HOLT if the Defense Department was considering the cost of this move as part of its decision-making process. To our astonishment his response was, and I quote, "No." I submit that Secretary Clements had good reason for making this statement.

While the General Accounting Office study on this move has not been completed, their preliminary figures indicate that it cannot be justified as cost-effective. As a matter of fact, the Navy is now developing the attitude that they are not overly concerned about the cost of the move because it was never intended as an economy move.

I strenuously object to this attitude—particularly in light of the fact that the less expensive, less disruptive alternative of updating Suitland has never been seriously considered.

The preliminary GAO report presented on July 23 revealed that: First, the one time cost estimate of the move would be approximately $19.2 million as opposed to the Navy's $17.595 million estimate; and second, that the Navy's net annual savings estimate of $2.7 million was considerably overstated and that the possibility existed that practically no annual savings might result.

Because of these factors we expect the final GAO report to show that the NSTL move cannot be justified as an economy move.

Assistant Secretary Marcy's statement that the Navy "had tried a number of times to get military construction money provided for being able to make adjustments to the present facilities" indicates to me that the Navy recognizes that collocation there would be desirable. However, I am disturbed by his use of the phrase that they had tried a number of times to obtain military construction funds for Suitland. The fact is that the Navy has been asked to substantiate this point on a number of occasions, but has never answered the question. Moreover, I am aware of no such efforts by the Navy to obtain funds for updating the Suitland facility.

It is evident that the Navy made up its mind to move the Oceanographic Office to the National Space Technology Laboratory in Bay St. Louis before it ever considered the cost of the move.

Now they are stuck with the task of convincing the taxpayers and the General Accounting Office that the move is economical. I am terribly concerned that if the green light is given to make the move without the benefit of the complete and impartial analysis, the Navy will have moved beyond the point of no return by the time our concerns can be substantiated by the GAO.

By that time the Navy will have moved its personnel and equipment to Mississippi. Then, next year they will tell the committee that economic merit of the move is a "moot" point and that since they are already down in Mississippi they might as well get the funds in the fiscal year 1977 military construction bill for the additional 87,000 square feet of required additional space.

Mr. President, in light of the serious questions raised, I am convinced that it would be a fiscally irresponsible move by Congress to allow the Navy to make this move without the benefit of the final General Accounting Office report.

In short, the Defense Department's philosophy shows a complete lack of fiscal responsibility and I believe it is now up to Congress to act to stop this ill advised move by denying the funds to implement it.

The fact is that one-third of the people who are now employed at Suitland have indicated that they are not going to make the move because of the traumatic effect it is going to have on them and their families.

Therefore, it seems to me that because there is no economic justification for this move, we should not impose this kind of effect upon loyal and innocent Government employees.

Mr. President, as I have indicated, it has been reported to us that the GAO study will show that the one-time cost of this move will be $19.5 million. Perhaps of greater significance is the fact that the study will show that the Navy, which usually looks for a 3- to 4-year payback period to justify the expense of these moves, is going to find it will take 8 to 10 years to make the payback to justify the move.

So, Mr. President, this figure is at best two times greater, on a payback period basis, than the Navy looks for and, at worst, three times greater.

There is absolutely no cost-benefit justification for the Navy making a move of this sort. In a day when we are trying to conserve all the dollars we can, and when we are trying to get the maximum benefit from our defense expenditures, it seems incredible to me that the U.S. Navy would be making a move for which there is no cost-benefit justification.

Therefore, it seems to me that it is incumbent upon this body to overturn this decision of the Navy, which I said initially has been made on the basis of justifications that have been manufactured after they have made the decision.

I hope that my colleagues will support the efforts of my distinguished senior colleague and me to have this action overturned.

I yield, to my colleague, whatever time he may require.

Mr. MATHIAS. Mr. President, I thank my colleague for yielding me time to speak on this amendment.

At this point, I ask unanimous consent that Marion Morris, of my staff, be given the privilege of the floor during the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATHIAS. Mr. President, it is, of course, a very natural concern to me if a larger employer moves out of Maryland; and I think that that parochial interest should be right on the record at the outset. I believe it is a proper interest of a Senator to consider the welfare of the people he represents.

I am disturbed at the prospect of the loss of a significant employer. However, I do not propose to debate this amendment on that ground, because I believe there is another ground, of serious national consequences, in view of the probable impact on the Nation's oceanographic research program.

I do not know that any of us here have the technical expertise to comment on the function of the Naval Oceanographic Office, but I have spent some years in the Navy and have observed closely the functioning of this office over a period of years, and I think there are some general observations that may be useful.

In addition to any general comment, there are some facts about this move to Bay St. Louis that are disturbing. This, of course, is a very important operation, from multiple points of view. From the points of view of national security, from the points of view of locating potential mineral deposits, potential food preserves, weather prediction, and many important jobs to be done, it will affect us in the future.

The need for research in the field of oceanography is more acute now than ever. As I understand it, the proposed relocation will result in an amalgamation of applied research and basic research. Historically, when there have been similar relocations, the basic research program has suffered, and I am concerned that that might be the case here.

There is the additional consideration of liaison with other Federal installations. I know there has been criticism of the concentration of Federal interest in the national capital area, but the fact is that these organizations are here and that the Naval Oceanographic Office has in the past and will in the future have to consult such agencies as the National Science Foundation, NOAA, NASA, EPA, the Geological Survey, the Smithsonian Institution, and others. Coordination of these groups is extremely important, and it is going to be much more difficult from Mississippi than it is from the present location in Suitland.

Many employees, for personal reasons, probably are not going to relocate, except under the harsh lash of unemployment. This is going to have a very serious effect on morale and, therefore, on the oceanographic program.

Additional factors have to be taken into account. Employees who now occupy 373,000 square feet of space in the Washington area, of which 143,000 is office space, will be asked to move to a location of a total of 168,000 square feet, at Bay St. Louis, of which only 69,000 is office space. Consolidation into less than half the present space would hardly seem to be a measure that would boost morale. There is, of course, a request for 87,000 square feet of new construction, which, even when provided, will result in dramatically reduced quarters.

These are facts that I believe we have to consider when we contemplate the expenditure of about $20 billion, the recovery of which will be extended over a period of 7 or 8 years, which is double the recovery time for most naval operations of a similar nature.

Mr. President, I am concerned that at a time of fiscal austerity, a time in which we watch the unnecessary expenditure of dollars, we are going into a program which not only will spend $20 billion which I do not think needs to be spent, but also, will spend that money under circumstances which will make its recovery difficult and, even by the Navy's own figure, stretched out over twice the normal recovery period.

It will result in an operation that I think certainly will be no more effective but in fact will be less effective because of the lack of coordination with other Federal agencies with which the Oceanographic Office must be in constant contact.

For these reasons, Mr. President, I hope that this amendment will prevail.

Mr. McCLELLAN. Mr. President, I yield to the distinguished Senator from Mississippi such time as he may desire.

Mr. STENNIS. I thank the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Mississippi has control of the time in opposition, under the previous agreement.

Mr. STENNIS. I thank the Chair.

Mr. President, I expect to be brief, and I believe part of the time may be yielded back.

I have no fault to find with our valued colleagues from Maryland. They are interested in and concerned about this matter. We have talked about it many times.

Mr. President, this morning a letter from me was hand carried to the office of every U.S. Senator urging that the pending amendment, which would deny the use of funds for the relocation of the Navy Oceanographic Office, be rejected. The basic issue and the reasons why this is an unwise amendment are set forth in the letter, which I will ask to have printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Armed Services,
Washington, D.C., November 13, 1975.

Dear Colleague: The amendment being offered to prohibit the use of any funds for the relocation of the Navy Oceanographic Office from Suitland, Maryland to Bay St. Louis, Mississippi was rejected by a vote of 17–6 in the Senate Appropriations Committee.

I personally urge that you vote against this amendment.

The basic issue of this amendment is whether the Oceanographic Office will be permitted to relocate in order to substantially upgrade its scientific and technical facilities and improve the efficiency of its personnel now scattered in 19 facilities over a fifty mile radius.

This office will have available to it the most up-to-date scientific and technical facilities—geology, chemistry, and biology labs, which includes an underwater instrumentation test and calibration laboratory which has no equal in the United States. The personnel will be located in eight modern up-to-date buildings all within one mile of each other.

These buildings and facilities are all now in place. This relocation opportunity is possible only because NASA spent over $400 million in the 1960's in order to build this rocket test facility for the Apollo program which, as you know, is now concluded.

For several years Congress has directed NASA to find other suitable federal tenants for this underutilized facility and appropriated $10 million in FY 1971 for this purpose. The Oceanographic Office would, of course, occupy only a portion of these completed facilities.

The oceanographic research for which this office is responsible is critical to naval warfare. Underwater mines, torpedoes, acoustical equipment, submarines—are all affected by the ocean currents, the ocean bottoms, water salinity, and other elements of the sea, all of which are the research responsibility of this office.

The relocation of this office is nothing new. For several years the Navy has seen the need and, in fact, surveys were carried out at ten different federal sites in seven different states.

This amendment poses a basic question as to how far Congress should go in intervening and overriding an executive branch management decision which involves some highly technical assessments. The Department of Defense has reported 2,500 actions to the Congress since 1969 on personnel realignments at what they estimate to be a $4 billion savings. If the pending appropriation rider is to be a precedent, Congress would legislate on all these actions which would be a most unwise task for any legislative body.

The total estimated cost of about $19 million over a three-year period will be recouped in slightly less than 10 years. The overriding issue, therefore, is whether the upgrading of the capabilities of the Navy Oceanographic Office is to be denied.

Sincerely,

JOHN C. STENNIS.

Mr. STENNIS. Mr. President, this is a highly important matter. This identical amendment was presented to the Committee on Appropriations last week, where it was heard and explained, and was then rejected by a vote of 17 to 6 last week. The House also had this matter before it. They voted for it one night by a close vote, but the next morning, on reconsideration, they rejected it by a margin of something like 30 votes.

Mr. President, let us look briefly at the congressional policy.

What are the congressional policy and guidelines with reference to the centralization of disproportionate numbers of Government employees in the Washington area? In 1974, the House Appropriations Committee report and the Senate Appropriations Committee report pointed to this trend and requested that the services and other agencies give it their attention and reverse it.

The Military Construction Subcommittee of the Senate Committee on Appropriations this year, 1975, pointed out this concentration in the Washington area and pointed out several instances where the agencies were to be commended for taking corrective action, specifically including this proposed move by the Navy. The Navy was commended for this move by that recent report of one of our subcommittees and the committee.

I stand on the proposition that the Navy has made a valid, constructive, valuable, and correct selection here. It is going to cost money at first, but in time it will be totally recouped or gained back.

Except for the publicity surrounding this recent move, the Navy Oceanographic Office has not been a widely publicized operation. The Senate should be aware, however, that this Navy operation of some 1,200 people is highly important. The oceanographic research for which this office is responsible is critical to naval warfare. Underwater mines, torpedoes, acoustical equipment, submarines—are all affected by the ocean currents, the ocean bottoms, water salinity, and other elements of the sea, all of which are the research responsibility of this office.

RELOCATION LONG CONSIDERED

The relocation of this office is nothing new for the Navy has long recognized the need for upgrading the scientific and technical facilities of this office, as well as increasing the efficiency of its personnel now scattered in 19 buildings over a 50-mile radius.

I would point out that about 50 percent of the space needed by the Oceanographic Office is of a technical or scientific nature and the remaining half consisting of standard office space. As an example of a need for upgrading the technical space, I would point out that the facilities for repairing instruments used by the Oceanographic Office are now in three separate buildings in the Washington Navy Yard. These buildings still retain in their rafters the dust from earlier years when they were used as foundaries and machine shops for manufacturing gun barrels for Navy ships.

WHAT THE NAVY OCEANOGRAPHIC OFFICE WILL HAVE IN BAY ST. LOUIS

Mr. President, during the 1960's NASA spent over $400 million at the entire facility at Bay St. Louis in order to build a rocket test center for the Apollo program which, as the Senate knows, is now concluded.

For several years the Congress had directed that this underutilized national asset with all its scientific buildings, facilities, and computer capabilities be utilized by other Federal tenants and NASA has been given this task along with a $10 million appropriation in fiscal year 1971 for this purpose.

The Oceanographic Office under the plans would occupy about 25 percent of the space at the National Space Technology Laboratories. Here is what would be available to them. First, the most up-to-date scientific and technical laboratories—chemistry and biology labs—all of which are less than 10 years old. Included in this array is an underwater instrumentation test and calibration laboratory which has no equal in the United States.

In contrast, Mr. President, the underwater instruments are now calibrated in facilities that are not computer controlled and are inadequate in numbers as compared to those already available in Bay St. Louis.

It goes without saying that the relocation of the personnel in 8 buildings in a 1-mile radius will be much more efficient than the present situation with personnel in 19 separate buildings over a 50-mile radius.

BASIC ISSUE

The basic issue, therefore, is whether language should be adopted denying this essential organization the opportunity of upgrading its capabilities by relocating in existing facilities.

SURVEYS IN SEVEN STATES

Mr. President, the relocation of the Oceanographic Office has not been a precipitous action. The Navy has been considering this need over many months. As a matter of fact, 10 separate locations in existing Federal facilities were carefully examined in seven different States. I would emphasize that the need was to use existing facilities. I might point out that these States were: Rhode Island, Pennsylvania, Maryland, Washington, Massachusetts, Louisiana, New Hampshire, and Mississippi.

GSA PLANS TO FILL SUITLAND FACILITY

The implication has been widespread that the Suitland facility presently occupied by the Navy Oceanographic Office will suddenly become vacant. I think it is highly important that this is not to be the case. The General Services Administration, which has charge of most of all the Government space, has officially advised the Navy that the Department of Commerce has already requested that they be permitted to use the vacant space being occupied by the Navy personnel at Suitland. The letter goes on to say that the 5-year plan for the Suitland center also calls for an expansion of existing facilities at that location. I ask unanimous consent to have this letter printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL SERVICES ADMINISTRATION,
Washington, D.C., October 17, 1975.

Commander C. H. BASSETT,
USN, Assistant Chief of Staff for Financial Management, Department of the Navy, 200 Stovall Street, Alexandria, Va.

DEAR COMMANDER BASSETT: The information provided here is in response to your letter of September 30, 1975, regarding plans that the General Services Administration (GSA) has for the Suitland Federal Center in Prince George's County, Maryland. More specifically, this information concerns the possible effect of these plans, short- and long-range, in alleviating the economic impact that the relocation of the Naval Oceanographic Office (NOO) from Suitland to Bay St. Louis, Mississippi might have on Prince George's County.

As you mention, space at the Suitland Center that might be vacated by the relocation of the NOO would be backfilled by GSA. Most important to note, the Department of Commerce has requested that, in case of this relocation, they be permitted to use the vacant space to consolidate Bureau of the Census activities that presently are located in several leased buildings.

Most likely, GSA would place in the NOO as many Federal employees as already occupy this facility. However, it appears that all of the employees who would backfill this space are presently located in leased offices in Prince George's County. Depending on the timing of the relocation plan, the backfilling of the space would not necessarily alleviate the economic impact that the relocation of the NOO would have on this County.

Essentially, the five-year master plan that GSA has in preparation for the Suitland Center (1975–1980) provides for the development of an enlarged Smithsonian Institution Museum Support Facility and a Bureau of the Census Computer Center, along with a program for the continued maintenance of existing facilities at the Suitland Center. The two new facilities are estimated to increase employment at the Suitland Center by approximately 500 people, about 400 of whom would work for the Smithsonian facility, with the remainder in the Bureau of the Census Computer Center.

Nearly all of the 100 persons at the latter facility are expected to be new Federal employees, as will be about 130 of the 400 workers at the former facility. By contrast, the Smithsonian anticipates that about 270 of the 400 individuals at the former facility will be present employees now working in several locations in Washington, D.C.

The total 500 employees who are expected to work at the two proposed facilities at the Suitland Center would seem to partly offset any adverse economic impact that relocation of the NOO would have on Prince George's County. However, the actual economic impact of this potential increase in employment is dependent on such unknowns as the employees' place of residence, income, number of children, and other important factors which would have to be analyzed. For example, if some of the employees that GSA expects would work at the two proposed facilities are already residents of Prince George's County, they might not significantly or directly affect certain economic conditions in the County simply by being assigned or reassigned to the Federal Center.

GSA has a commitment to the long-range expansion of the Suitland Center beyond our five-year master plan. However, the nature and economic consequences of this commitment, we should emphasize, are partly dependent upon factors beyond our control. More specifically, GSA expects that increases in Federal expenditures, employment, and requirements for space throughout the Metropolitan Washington, DC area will continue; and these trends per se may encourage increases in personnel at the Suitland Center. Nevertheless, the long-range development and strength of these trends, especially compared to GSA's actions and policies, cannot be determined with a high degree of accuracy, considering changes in domestic problems and programs; hiring freezes; and budgetary restraints.

In summation, the economic impacts in Prince George's County that result from the relocation of the NOO are not expected to be alleviated by backfilling the vacant space with offices of the Department of Commerce, should we concur in consolidating their leased locations. However, GSA's five-year master plan, with its proposed employment increases at the Suitland Center, has a potential for offsetting these economic impacts, if the previously mentioned unknowns are favorable to this situation. Nonetheless, several important aspects of GSA's proposed actions for the Suitland Center are still only tentative; and the precise economic effects of these actions on the County cannot be ascertained fully at this time.

Sincerely,

JOHN F. GALUARDI,
Regional Administrator.

Mr. STENNIS. The General Accounting Office has been over this thing thoroughly. They have not reported officially yet, but they gave us the benefit of an oral report—including Maryland delegation and others interested—6 months ago. They have reaffirmed their position in the last few days. And they say that there is "no substantial differences or discrepancies with the Navy figures" on money.

Also, the General Accounting Office, an independent agency, looked into the housing, looked into the condition and availability of schools, and into other matters. They approved them all so far as it was within their jurisdiction. They found no fault with them.

What is oceanography? It grows out of the old hydrographic office, as I have understood it. But this work now pertains to submarines and to submarine warfare, in great measure, which I think, Mr. President, is a part of our most dependable deterrent, after all. Polaris, Poseidon, Trident are powerful underwater weapons that can literally hide in the water, and that is their protection. But we have to know about the salinity of the water all over the world, not just here on the shoreline. The salinity, the temperature, the wave movement, the wind movement, and everything that is concerned with that kind of warfare and other matters that pertain to the general subject have grown more in importance than anything I know of in the last 10 or 12 years, with reference to our military programs. In Congress, we have not yet provided suitable quarters for this important work. It is situated now in Maryland, Virginia, and in Washington. There are 21 different locations; whereas, with this relatively small expense, they can go down to these laboratories and shops and administration buildings at this test facility in Mississippi.

The Navy found it there. They came to us. We did not go to them except for the fact that, when the last moonshot was over, I asked all Government agencies—laboratories, shops, administration buildings—to look the situation over with a view to saving some money. That is spelled out in our congressional records here. Committees have mentioned the importance of this. And here is where the Navy found it.

I wish there were a chance to display an enlargement of the pictures of these fine buildings. I do not have an exact estimate, but the best I can find is that there is approximately $60 million worth of buildings down there that, under this move, the Navy will be permitted to use. It already belongs to the Federal Government and was built with Federal money. Land was taken away from the people to construct this huge test facility there.

The Senate should recognize in this vote that some of these people have sold their homes.

Incidentally, Mr. President, one of the statements has been that about 35 percent of employees will refuse to relocate and will seek other jobs. I make two comments on this. First, even if it materializes that this turns out to be a correct percentage, it will not be in excess of the 15 percent annual turnover with the Department of Defense since it is within a 2-year period. Moreover, the Oceanographic Office advises that they already have on hand applications in sufficient numbers and quality to replace the entire 35 percent who might not choose to move.

I would point out that as of November 7, 1975, 70 percent of those who have been asked for a definite commitment have indicated their desire to relocate.

COST

The total estimated cost of about $19 million over a 3-year period will be recouped in slightly less than 10 years. The overriding issue, therefore, is whether the upgrading of the capabilities of the Navy Oceanographic Office is to be denied.

UNWISE PRECEDENT

Mr. President, this amendment poses a basic question as to how far Congress should go in intervening and overriding an executive branch management decision which involves some highly technical assessments. The Department of Defense has reported 2,500 actions to the Congress since 1969 on personnel realinements at what they estimate to be a $4 billion savings. If the pending appropriation rider is to be a precedent, Congress would legislate on all these actions which would be a most unwise task for any legislative body.

Incidentally, Mr. President, it is my understanding that in all of the various moves this year that there would be about 150 employees who would move to Maryland from Philadelphia in connection with the Frankfort Arsenal reduction. Such precedent could lead to freezing these in Philadelphia rather than losing them to Maryland.

CONCLUSION

Mr. President, this is an unwise precedent which was rejected by the full Appropriations Committee, and I urge its rejection by the Senate.

Mr. JOHNSTON. Will the gentleman yield for a question?

Mr. STENNIS. Yes, in just a minute.

$400 million was poured by NASA into the building of these structures that I am talking about. A great deal of that money went for the test stands, but they built these fine laboratories, supply buildings, and all kinds of shops. They have better equipment there now for this kind of work than the Navy has in all of its program now for oceanography. They were prepared to be ready to repair or mend or to fix on the spot, and within a matter of minutes, if possible, anything that went wrong with those missiles.

So, of course, the Federal Government, and everyone who has ever looked into it, is interested in our utilizing those buildings, and also the highly expensive equipment, some of which equals what the Bureau of Standards has in their fine laboratories.

The Navy has been able to work out this plan. NASA has cooperated with them. It has been examined by the General Accounting Office and has been found to stand the test as to money, location, and everything else that goes with the program. It is right there at the front door of the Gulf of Mexico, with all its surrounding waters, and has plenty of space.

These people, these shops and laboratories, are within less than a mile of each other and they are going to utilize a computer. They are going to have to move it. It will cost a little money to move it. But instead of buying additional computers, we are going to have the benefit of using this.

How far are the Committee on Appropriations and the Senate going to go in setting aside the judgment of the executive branch, the Navy, the Department of Defense, and all those that have the responsibility? Are we going to substitute our judgment here on a matter that is not particularly in our field of competence? We are interested in the money part and in every part. But lets look at the facts. Seven sites in all were examined by the Navy. I submit that whatever site they selected under the facts that go along with the problem and with the case and the availability here, they made a good, solid, sound judgment. It meets every test except the convenience of some of the valuable employees.

The top men in oceanography and the headquarters will remain here, where they are. This is what we call a field office, a field operation, that is going to be moved down there. Over 40 of those families have already moved, and 45 additional ones will within 2 weeks. Fifty more, then, are scheduled to go the first 2 weeks in December; and by the end of that December, there will be 130 families there, already at work. Are we just going to stop, right here in the middle of the stream, and try to turn them back?

I am sorry I did not yield sooner. I yield to the Senator from Louisiana. He is familiar with this matter. I yield to him for a question or a brief comment.

Mr. JOHNSTON. Mr. President, if the Senator will yield for a brief comment, followed by a question, I would appreciate it. Would 5 minutes be sufficient?

Mr. STENNIS. Yes. I yield 5 minutes to the Senator from Louisiana.

Mr. JOHNSTON. I thank the distinguished Senator from Mississippi.

The distinguished Senator from Maryland made his confession. Let me make mine. I represent Louisiana, which is about 20 miles from Bay St. Louis, and although our interest is rather tangential, we hope to get some of those folks to come over to New Orleans, share our seafood, look at our dome stadium and, generally, enjoy our hospitality.

But, Mr. President, the point of this matter is the Navy faced a very cold business decision. They had to expand, they had to consolidate. If you look at their facilities now, they are spread all over the countryside. They have got part of it down in Chesapeake Beach. Then you have to go up 40 miles before you get to the next closest facility, which is in Suitland, and then if you keep going in sort of a curlicue straight line you have to go another 11 miles to get to the Washington Navy Yard.

Down in the other direction, the Naval Research Laboratory, it is all here in the Washington area and, for the benefit of those who might be reading this RECORD someday, to say 51 miles in the Washington area is like saying about 500 miles down around southern Mississippi.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. JOHNSTON. Yes; I will.

Mr. LONG. Going the shortest distance among these installations in this oceanographic operation here in the Washington area, it is 180 miles of driving in metropolitan traffic to make the round of the installations of this oceanographic office here in the Washington area—180 miles in city traffic.

Mr. JOHNSTON. If the traffic is anything like I use when I come to work, and I come on the George Washington Parkway, which is one of the most modern, fast-moving arteries around here, sometimes it takes me almost an hour to come about 10½ miles.

I do not know what they would do; I guess they would have to just talk on the telephone if they wanted to get from one end of this complex to the other.

The point is they had to consolidate. They had to upgrade, they had to expand, and what choices did they have? Well, if they were going to consolidate, expand, and upgrade, they had to do it in Suitland, Md.

Now, in Suitland they have got exactly zero square feet available to be used, zero square feet. In Bay St. Louis they have 280,500 square feet of the finest facilities you can find anywhere in this country. The condition in Bay St. Louis, according to this grade of some 10 different places, is excellent, and then they do need some modification, they do need some additional space, but that additional space and modification in Bay St. Louis cost $7.5 million. In Suitland, Md., it costs $23.1 million.

So when you put the two choices side by side it is not a question of keeping things as they are, comfortably as they are, with employees in place. They have got to move, they have got to consolidate, they have got to upgrade, and in order to do that they have got to move somewhere. The question is do you move to Suitland, which is also in the metropolitan area, at three times the cost, or do you move to Bay St. Louis.

One thing I would like to talk about, and that is the morale and the quality of life and that sort of thing. I have been reading these articles in the Washington Post talking about Mississippi. You would think it was the Civil War days. You would think that we mistreated black folks in the southern part of this country and, particularly, in Mississippi, as we once did, and we have confessed our guilt to that.

But, Mr. President, there is a new day in the South; there is a new day in Mississippi. Do you know the State that has got the most elected black officials in the country? It is Mississippi; it is Mississippi.

I would like to compare the housing in Mississippi with housing in the metropolitan Washington, D.C., area. I can tell you you can get a square foot of housing of equal grade down there for less than half the cost in Washington, D.C., and you do not have to be an expert to prove that.

I can tell you that your food is going to cost less.

I do not know how you compare education. I know the schools down in the Bay St. Louis area are very good. I can tell you, as a boy or a young man, I will call myself, from the South, if I had the choice of being an oceanographic employee and living down and around Bay St. Louis and living in the megalopolis up here, I can tell you there is not much choice.

Now, I have got a predisposition, perhaps, to like that part of the country. But if you want to talk about the quality of life, if you want to talk about seafood, if you want to talk about a place to go, like New Orleans, we say come south. Come to Bay St. Louis. Come where you are really welcome, where you can walk on the streets at night and enjoy yourself.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. JOHNSTON. I will certainly yield to the distinguished Senator from Missouri.

Mr. EAGLETON. Like many of my colleagues on the floor, I am enraptured by this travelog.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EAGLETON. Will the Senator yield 1 minute? I want to ask a question.

Mr. STENNIS. I yield 1 minute.

Mr. EAGLETON. The Senator mentioned at the outset of his remarks that his tangential interest was to have some of these fine oceanographic people come over and eat some of the shrimp and to look at the dome stadium.

If the Senator can get the Navy people to look at the dome, does he think he can interest them in buying the dome? [Laughter.]

Mr. JOHNSTON. We would certainly be interested in renting them space in it.

Mr. EAGLETON. I thank the Senator.

Mr. STENNIS. I am going to yield to the Senator from Louisiana, Mr. President, the distinguished Senator from Louisiana, 2 minutes.

Mr. LONG. Mr. President, the fact is that congressional committees have for years been stressing that the Navy should stop its excessive presence in the Washington area. I do not know why it is that we have to put everything here in the District of Columbia. It has gotten so, of course, that Maryland is getting some of the fallout, and so is Virginia because they put so many Federal installations up here now they would have to double-deck the place to put any more Federal employees in the District itself.

But the Navy is the worst offender of them all. They have over 40,000 employees here in Washington, and you cannot get anything but amphibious craft up against the docks here.

If you look at the number of people who have to be overseas to operate the fleet overseas, if you look at the people who have to be at a place like the Norfolk naval operating base, where you can get an aircraft carrier along the dock to be repaired, and that sort of thing, and then you ask how many jobs does the Navy have that could be located just about anywhere, that gets you to about 50,000 jobs, and they have got 40,000, 80 percent of them, here in the District of Columbia or in this vicinity.

The Navy was told by committee after committee that they were the worst offenders in Government in stacking everything they have on top of one another here in the District of Columbia, and they ought to begin to make some plans to move them out before they plan to move things in.

In the bill here, you cannot get across the bridges of the District during rush hours and, notwithstanding that, the bill still carries a university for the Armed Services to be established in the District itself.

So the Navy said, "We ought to move some of this stuff. What should we move?"

Here is an installation with some 19 different buildings, located in a variety of different locations, such that to make the route of the shortest line to get around and inspect what he is supposed to be in charge of, the admiral running this operation would have to drive 180 miles through the District of Columbia and Maryland traffic in order to make the rounds of all this.

So you say, well, this will have to be consolidated anyhow, as my colleague pointed out, so we might as well consolidate it in this area.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. STENNIS. I yield 1 minute.

Mr. LONG. Mr. President, incidentally, the Navy made the decision that they ought to consolidate one place somewhere, so the Senators from Maine said,

> Why don't you go to Maine?

The Senators from Massachusetts, both of them, said,

> Why don't you look at Boston or the Massachusetts area?

I said,

> Why don't you look at Michoud down there at New Orleans, there is a big installation standing vacant, and why don't you consider that in connection with that Mississippi test site?

The admiral looked at it and said, "If we consolidate we ought to consolidate and put it at that test site in Mississippi," where you have all the place you need and where you have a clean-cut operation, and that is what they ought to do, Mr. President.

There is just no reason why the entire Federal payroll ought to be located in the District of Columbia. Why cannot some of it be in Colorado, and a little bit is, thank the merciful Lord. But if you follow the Navy you certainly would not have anything in Colorado.

Why should not some of it be in Missouri? You could just as well put it in Missouri as in the District of Columbia. The Mississippi River has a deeper channel than here. So some of these things need not be in the District of Columbia, and that was a decision that the Navy proposed itself.

The PRESIDING OFFICER. The Senator's time is up.

Mr. LONG. The only reason it involves the Senator from Louisiana is that he thought if you are going to move, if you had to move it somewhere and consolidate it somewhere, you ought to take a look at our area. It turned out they chose Mississippi. Well, more power to them. But that installation is 100 percent superior to what they would have otherwise if they tried to keep it here in this area.

The PRESIDING OFFICER. Who yields time?

Mr. MATHIAS. Mr. President, will my colleague yield me a few additional minutes?

Mr. BEALL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Seventeen minutes.

Mr. BEALL. I am happy to yield 5 minutes to the Senator.

Mr. MATHIAS. Mr. President, let me assure the Senate I will not need very many minutes. I really had not expected to say a great deal more.

I regret we do not have more Senators here, but we have a very select group of Senators here, among them the chairman of the Armed Services Committee, the chairman of the Finance Committee, the chairman of the Judiciary Committee, and the chairman of the Democratic Senatorial Campaign Committee, and that is a very impressive group of Senators.

So to them particularly, I would like to address myself, in particular, to the remarks just made by the two Senators from Louisiana because I think they have raised some points here of importance.

They talk about facilities. Let me say that the place that this is going to be taken provides labs that are small, and not only small, they already have tenants. The EPA is there now and they will have to be moved out of there. They will have to go to some other kind of facilities and they are going to have to be probably put in some temporary facilities. Initially, the Oceanographic labs will have to go to temporary facilities while they are building this new area.

The distinguished senior Senator from Louisiana talked about the need to have a plan to phase people out of the National Capital area.

I am glad he brought that up because in the conference last year, the conference committee considered some language that came from the other body which had the implication that the Navy might move agencies out of the National Capital area. What the conference committee came up with was the fact that the conferees, mindful of the positions taken by the House and Senate Appropriations Committees during the appropriations process for the current fiscal year concerning the question of transfer of naval activities from the Washington area, call on the Navy to share a comprehensive plan during next year's hearings on the military construction appropriations request indicating those measures which may be logical candidates for a movement, taking into consideration economy and the overall efficiency of naval service. This plan is expected to be material in scope.

Now, that is what has not been done. That is why I am glad the distinguished senior Senator from Louisiana brought this subject up, because it has not been done, and he calls attention to the fact that this move is being made not in response to a comprehensive and rational plan, but otherwise.

This is a technical decision, technical decisions directly relating to cost, and I think there is a serious question here as to whether this is a rational plan which is responsive to the very kind of comprehensive plan that the conferees called for last year.

As I said earlier, the normal Navy cost recoupment on a plan of this sort is 4 years. I think it is going to be doubled in this case. I think the cost is too high and I hope the amendment is adopted.

Mr. BEALL. Mr. President, to supplement the remarks just made by my senior colleague from Maryland with regard to the economies of the move, I think Congress has been very specific in its instructions to the Services. When moving the location of their facilities, they should take both the economies and the overall efficiency to be gained into account.

I think it is interesting to note that Assistant Secretary Marcy, who is Assistant Secretary for Research and Development, in a recent sworn deposition in the U.S. District Court for the District of Columbia indicated that economies were not one of the things that were considered in making the move.

I would note once again, Mr. President, the conversation held in Senator MATHIAS' office last July 25, involving the Maryland delegation and Secretary Clements.

Secretary Clements stated at that time that the Defense Department was not even considering the cost of this move as part of its decisionmaking process.

As I said before, we are operating in a time where the Defense budget is under tremendous strain, and it seems to me the Navy should be spending its money to build ships, not to pay moving expenses in relocating people all over this country.

As I pointed out in my initial remarks, the GAO study has found that the cost of moving these facilities to Bay St. Louis, Miss., is estimated to be $19.5 million and the cost of colocating the facilities at Suitland, Md. is under $17 million.

The cost-benefit ratio of this move will take, as my distinguished colleague from Maryland said, about 8 to 10 years to recover, whereas the Navy's usual time of recovery is 3 to 4 years.

So any way we slice it on a cost basis, this move cannot be justified. Therefore, I hope that my colleagues will agree with us and support this amendment.

Mr. STENNIS. Mr. President, I yield myself 1 minute.

I will not take the time of the Senate except to say, Mr. President, that the estimated cost of this move, including

$1.5 million, I think, for one building, has all been gone over by the General Accounting Office.

They worked on it for months and they conclude that there is no substantial difference, no error, no discrepancy in the calculation that the Navy has made. That involves in the neighborhood there of about $18 million, which will be recouped, or repaid, or made back, the GAO says, in 8 or 10 years.

So we submit this matter strictly on the merits of the scientific paraphernalia there, the sophisticated equipment there, and everything that is needed along that line.

I hope the Senate will sustain it, as the committee did.

Mr. McCLELLAN. Vote.

Mr. STENNIS. I yield back whatever time remains.

The PRESIDING OFFICER. Has the Senator from Maryland yielded back his time?

Mr. STENNIS. I will yield back my time if the Senator from Maryland will yield back his time.

Mr. BEALL. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Maryland.

The amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, I call up my Condor amendment.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 25, lines 6 and 7, strike out "$1,190,100,000" and insert in lieu thereof "$1,109,100,000".
>
> On page 25, line 11, strike out "$329,200,000" and insert in lieu thereof "$318,800,000".

Mr. EAGLETON. Mr. President, there will be no rollcall vote on this amendment.

The PRESIDING OFFICER. The Senate will be in order.

Mr. EAGLETON. Mr. President, I will be brief in describing this amendment affecting the Condor missile program. I do not feel that it should be particularly controversial in light of a recent Defense Department decision. In short, my amendment would merely implement this decision by limiting expenditures on the Condor to $10 million.

The decision to which I refer is contained in a November 4 memorandum to the Secretary of Navy from Acting Secretary of Defense William Clements in which Mr. Clements denies the Navy permission to begin production of the Condor missile. In addition, the Clements memorandum orders the Navy to limit Government expenditures to $10 million until an extensive test program is completed and until the Director of Tests and Evaluation certifies that deficiencies in existing missiles are corrected. This process could take as long as 2 years and success may still be elusive.

I applaud the action taken by Mr. Clements in keeping this expensive system from entering production. But the Department's failure to inform the committee of the decision is a serious breach.

The administration's request for the Condor assumed that production of 205 missiles would begin in fiscal year 1976. The Appropriations Committee met on November 5 to mark up this bill. Yet we were not informed that on November 4 a decision was made which had a direct impact on the $101.4 million request for Condor.

Mr. President, the Condor missile is a TV-guided medium range cruise missile which was first conceived 15 years ago. In that time over $260 million has been expended by the Navy and yet the system still does not work.

This year the House Armed Services Committee recommended termination of the program. That committee justified its recommendation in its May 10, 1975, report as follows:

> The Condor missile has a range of 60 miles and carries a conventional warhead of 500 pounds; it costs about $1 million per missile. The Harpoon has a range of 60 miles and carries a warhead of 500 pounds, and costs half as much. The Air Force is developing electro-optical glide bombs and modular guided glide bombs that perform the same mission as Condor. The Air Force weapons can provide day-night, all-weather capabilities, with warheads of 2,000 pounds; the Condor can be used only during daylight, in clear weather, and from an A-6E aircraft. Air Force (glide bombs) will cost around $70,000 per bomb, assuming a buy of 1,000. The Condor's unit cost is over ten times that.

Mr. President, that same message was recently conveyed to the Secretary of Defense by the General Accounting Office in a letter dated November 4. GAO strongly recommended against allowing production and pointed out Condor's high cost and limited utility.

In addition, in an advisory memorandum to Secretary Clements, the Assistant Secretary of Defense for Installations and Logistics recommended against production. His memorandum described:

> Condor as a "nice to have" weapon at best, and only if its cost is low and its reliability high.

He added that:

> The current Condor does not meet these criteria, and called Condor a poorly managed program which is a prime candidate for total cancellation.

I would point out that my amendment does not call for total cancellation, although I personally feel that such action is required. The amendment provides $10 million—the amount Secretary Clements has permitted the Navy to spend—so that one last effort can be made to correct the deficiencies in the Condor missile. This action would save the taxpayers $91.4 million.

Mr. President, I feel that the failure of the Defense Department to inform Congress of action which impacts directly on this budget is inexcusable. I hope I will have the support of the committee and the Senate in taking the necessary corrective action.

I ask unanimous consent that the November 4, 1975, memorandum from Deputy Secretary Clements to the Secretary of the Navy and the memorandum from the Assistant Secretary of Defense for Installations and Logistics to the Deputy Secretary be printed in the RECORD.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., Nov. 4, 1975.

Memorandum for The Secretary of The Navy

Subject: AGM-53-B—CONDOR Missile Program

The CONDOR DSARC III review was conducted on 30 September 1975. The review surfaced concerns relating to:

(1) Demonstrated level of missile reliability.

(2) Overall quality of management of the program by the Navy as evidenced by decisions on reliability testing and quality control during the pre-production phase and by lack of adequate logistic support and production planning.

(3) Weapons system vulnerability and operational use.

I recognize both the requirement of the Navy for capability of the kind provided by CONDOR and the success of the program in meeting its difficult technical performance goals. However, I do not authorize production go-ahead at this time. Expenditures and liability to the Government will be limited until deficiencies have been corrected.

The Navy will provide by 1 December 1975, a plan for correcting the primary program and system deficiencies illuminated by the DSARC. The plan will assure that necessary changes have been defined to improve overall system reliability and to demonstrate by laboratory and flight tests that reliability requirements have been satisfied. The activity in this regard will include the following:

Incorporate improvements and perform appropriate reliability testing of approximately 10 of the existing missiles in accordance with a plan set forth by DD(T&E).

Propose pre-production activity which can provide necessary material support for an initial production rate of five missiles per month. Government exposure relative to commitments for long lead time materials and facilities will be limited to $10 million until certification of accomplishment (i.e., satisfactory results of testing of existing missiles) has been provided by the DD (T&E).

Develop a production plan wherein contractual provisions and commitments are oriented to the accomplishment of goals rather than calendar milestones, including testing to be completed in each phase of the plan.

Submit by 1 December 1975 a detailed test and evaluation plan to the DD (T&E) for review and coordination. The Plan should clearly identify test objectives and evaluation criteria for testing of the existing 10 pilot production missiles.

With regard to the issue of weapon system missile effectiveness, the Navy will undertake a study to evaluate Condor system vulnerability to countermeasures and air defenses including interceptor/fighter forces. This study activity should be supplemented by considering other aspects such as the feasibility of additional testing utilizing penetration aids, tactics and terminal defensive countermeasures, e.g., smoke.

I recognize that due to funding constraints, the Integrated Logistics Support Plan (ILSP) has not been updated to reflect recent program definition in the areas of reliability, spares support, maintenance, and revised ILSP for review and approval. Therefore, the Navy will submit a revised ILSP for review and approval. The ILSP will address reliability demonstration plans and the reflection of these plans on support costs. The ILSP will also address current operational training concepts and provide a description of and an associated development schedule for required trainer equipments. A production readiness review will be accomplished prior to a full production decision. This review will include the general area of support planning.

The draft DCP No. 14, Revision B, will be revised by the Navy to reflect this decision and submitted by 1 December 1975.

Following successful completion of the above actions, including the additional testing on existing pilot production missiles, the Navy will seek DSARC approval to enter into limited production of the missile.

W. P. Clements, Jr.

Assistant Secretary of Defense,
Washington, D.C.

Memorandum for the Deputy Secretary of Defense

Subject: AGM-53-B—CONDOR Missile Program—ACTION Memorandum

On 30 September 1975 a DSARC III review of the CONDOR program was accomplished to determine the readiness of the missile system to proceed into the production phase.

The Navy's recommended program was to proceed into low rate (approximately five missiles per month) production and, in parallel, to complete pre-production qualification and reliability demonstrations deferred from the previous pilot production program. After successful completion of at least a portion of the deferred activities, the CONDOR program would commence full rate production. The Chief of Naval Operations on 12 August 1975 issued a provisional release of the CONDOR missile system for Service use, with a full release to be provided after successful completion of the follow-on testing.

After much deliberation, with regard to the Operational Evaluation reliability test results and the status of overall CONDOR production readiness, the DSARC recommends that a production go-ahead not be authorized until deficiencies have been corrected. The ASD(PA&E) has taken a strong position that CONDOR represents a "nice to have" weapon at best, and only if its cost is low, and its reliability high. Since the current CONDOR does not meet these criteria, he believes that the program should not continue towards production released at this time. It has been a poorly managed program with very limited production buys planned. It is a prime candidate for total cancellation if budget restrictions persist. He believes at best, OSD should investigate "salvaging" parts of the CONDOR seeker as an alternate guidance mode for HARPOON.

The attached memorandum, for your signature, directs the Navy to:

Perform additional appropriate reliability testing.

Propose pre-production activity which can support an initial limited production rate.

The attached memorandum has been discussed with the Under Secretary of Navy.

Mr. EAGLETON. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 5 minutes.

Mr. President, I have studied the amendment offered by the distinguished Senator from Missouri. I think there are some grounds for the apprehensions he has expressed. In view of those apprehensions about this program, Mr. President, I am going to offer, and I send to the desk now, a substitute amendment which would limit the availability of funds to $10 million until the Secretary of Defense determines and advises the Congress that the CONDOR missile system has successfully completed testing and can be released for production.

I ask for the immediate consideration of the substitute amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 25, line 7, after "$1,190,100,000," insert the following: "of which no more than $10,000,000 shall be available for the Condor missile program until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production,"

On page 25, line 11, after "$329,200,000," insert the following "of which no funds shall be available for the Condor missile program until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production,"

Mr. McCLELLAN. Mr. President, today I received a letter from the Secretary of the Navy, Mr. Middendorf. I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of the Navy,
Washington, D.C., November 13, 1975.

Hon. John L. McClellan,
Chairman, Committee on Appropriations, U.S. Senate, Washington, D.C.

Dear Senator McClellan, In view of our mutual interest in the CONDOR program, I thought it appropriate to advise you of the results of the missile's recent DSARC III.

The decision memorandum basically supports the Navy position regarding production of CONDOR. The Deputy Secretary of Defense reaffirmed the operational requirement for CONDOR and recognized the success of the system in achieving its difficult technical goals. However, he expressed some concern about missile reliability.

The decision authorized the Navy to proceed toward a FY-76 production go-ahead and is consistent with recommendations made by the General Accounting Office in its 4 November letter report.

In consonance with these recommendations, we will complete the preproduction laboratory tests that commenced in August 1975. Additionally, we will prosecute a captive carry flight test program utilizing ten of our remaining pilot production missiles. This latter testing will begin next month and will be finished in February 1976.

From a financial standpoint, the DSARC authorized funding to conduct the above tests. It also provides ten million dollars for long-lead materials and facilities to support FY-76 production. The full funding required for procurement of the authorized quantity of missiles will be subject to DSARC review in March or April 1976 after completion of these additional evaluations.

I am pleased to inform you of these developments. The program contains the necessary checks and balances to insure that the hardware received is the very best obtainable and will provide the fleet with a much needed capability. We remain confident that reliable missiles can be produced in FY-76.

Sincerely,
J. William Middendorf, II,
Secretary of the Navy.

Mr. McCLELLAN. Mr. President, I have discussed this substitute amendment with the distinguished Senator from Missouri. I believe it is acceptable to him. I believe by this amendment we will accomplish the objective that the Senator desires without removing from the bill the money that should be available when needed if the testing proves satisfactory.

Mr. EAGLETON. Will the Senator yield for one question with respect to the substitute?

Mr. McCLELLAN. I yield.

Mr. EAGLETON. On the certification that the Deputy Secretary of Defense will make with respect to the Condor, I take it that it is the intent of the Senator from Arkansas that that certification be made to the House and Senate Appropriations Committee.

Mr. McCLELLAN. The amendment's reference to the Congress would mean both Houses, of course.

Mr. EAGLETON. Both. But the receiving person for the certification would be the House Appropriations Committee and the Senate Appropriations Committee, since we are dealing here with an appropriations bill.

Mr. McCLELLAN. Mr. President, I subscribe to what the Senator said. That is the intent. Let the legislative history of this amendment so reflect so there will be no mistake about it. It would be the duty of the Navy to make its report to the Appropriations Committees of both the House and the Senate.

Mr. EAGLETON. One other question simply for the purposes of legislative history. With this certification, I understand it would not be a certification that says, "Dear Senator McClellan, Condor is OK," "Dear Mr. Mahon, the Condor is good."

Rather, along with the certification would be sufficient backup material so as to give us some judgment as to the credibility of the certification which is being sent.

Mr. McCLELLAN. I am sure that is correct. I am sure the Navy understands, Mr. President, that no subterfuge would be satisfactory, and I do not believe they would undertake it.

Mr. EAGLETON. With those two very satisfactory explanations, Mr. President, I am willing to accept the substitute as offered by the distinguished Senator from Arkansas.

Mr. TAFT. Will the Senator from Arkansas yield me 3 minutes?

Mr. McCLELLAN. Yes.

Mr. TAFT. I thank the Senator for yielding. I commend the Senator on his amendment. I believe it has resolved what could really be a gross misunderstanding about what I think is a terribly important project which we have studied in the Armed Services Committee over a considerable period of time.

Condor is one of our most important precision-guided weapons programs. Precision-guided weapons promise to revolutionize warfare. What they mean essentially is that any target can be hit, and that it only takes one weapon fired to make one hit.

Most importantly, we have precision-guided weapons, and the Soviet Union does not. It is one of the few areas left where we retain a clear lead over the Soviets in an important area. Such areas are particularly few in naval warfare, which is what Condor is for.

As to the specifics of the program:

First. The DSARC on the Condor system was favorable and gave the go-ahead for production. That occurred in August of this year.

Second. Following the DSARC, the Deputy Secretary of Defense for Programs Analysis and Evaluation—P.A. & E.—expressed certain technical reservations concerning the program.

Third. It was then decided to undertake further tests before going into production, in order to satisfy the objections raised by the Deputy Secretary. Those tests will begin next month and will be completed by February of 1976. Following the tests, the DSARC will be reviewed, and only if the DSARC is fully satisfied that the questions raised by P.A. & E. have been fully and satisfactorily answered, will production funds be spent.

It seems to me that within those guidelines, the amendment the Senator has worked out with the Senator from Missouri is a satisfactory resolution of the matter, and I trust that the Navy and the Defense Department will move as expeditiously as possible to resolve this question and advise Congress on it, so that the program can proceed, because I think it is extremely vital to our defense needs that it should proceed.

I thank the Senator for yielding.

Mr. McCLELLAN. Mr. President, I understand that the parliamentary situation necessitates a change in procedure. I yield to the distinguished Senator from Missouri.

Mr. EAGLETON. Mr. President, because of the parliamentary difficulty, I ask unanimous consent that I be permitted to withdraw my amendment, and that the Senator from Arkansas may offer his amendment with me as a cosponsor thereof.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I now offer the amendment that I offered as a substitute a while ago as an original amendment, with the Senator from Missouri (Mr. EAGLETON) as a cosponsor.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas (Mr. McCLELLAN), for himself and Mr. EAGLETON, proposes an amendment.

Mr. McCLELLAN's amendment is as follows:

On page 25, line 7, after "$1,190,000," insert the following: "of which no more than $10,000,000 shall be available for the Condor missile program until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production,"

On page 25, line 11, after "$329,200,000," insert the following: "of which no funds shall be available for the Condor missile program until the Secretary of Defense determines and advises the Congress that the Condor missile system has successfully completed testing and can be released for production,".

Mr. McCLELLAN. I ask for its immediate consideration, and I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. EAGLETON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATHAWAY. Mr. President, I would like to bring to the attention of my colleagues a small, but significant aspect of the defense appropriations bill we are debating today. I am referring to that section of title I, the appropriation for military personnel, in which the Senate Appropriations Committee recommends restoring $6.3 million out of a total of $15 million cut by the House for so-called counselor positions.

As a long-time foe of increased military spending, I trust my remarks will carry added weight when I commend my colleagues on the Appropriations Committee for increasing the defense appropriation in this one area. For, included within the overall generic term "counselor," is the core of an increasingly successful—and increasingly necessary—set of programs to treat and otherwise counsel alcoholic and drug-dependent military personnel and their dependents.

As the newly appointed chairman of the Subcommittee on Alcoholism and Narcotics, it is with great pride that I point to the work of my predecessor, Senator Harold Hughes, in attempting to bring about a heightened appreciation of the social and financial costs of alcoholism and drug abuse to the military. Through legislation and oversight, Senator Hughes, who was also a member of the Armed Services Committee, was able to throw out a challenge to the armed services to attempt to alleviate some of those costs. And in the last few years, I am happy to report, the various branches of the military have begun to respond with positive results to that challenge.

In title V of Public Law 92–129, for example, Congress specifically directed the Defense Department to identify, treat, and rehabilitate drug and alcohol dependent members of the armed forces. As a result of this legislation, the Defense Secretary and the various Service Secretaries issued comprehensive directives, resulting in drug and alcohol programs which encompassed prevention, treatment, and rehabilitation. Program refinements and improvements continue. Studies show these programs to be cost effective, and resultant savings of lost time and manpower resources are expected to exceed program expenditures:

The Navy, for example, has trained over 200 medical staff personnel in the recognition and diagnosis of alcoholism, and its medical corps claims to be identifying over 12,000 cases per year among active duty Navy and Marine Corps members. The Navy alone is treating over 4,500 cases each year, with a claimed success rate of 70 percent. I don't have to spell out the intolerably high costs to the taxpayer, and to those individuals, of allowing those cases to go untreated. What's more, over 8,000 Navy personnel were identified as drug abusers during fiscal year 1975. Suffice it to say that any cutback in treatment capacity for those alcoholic and drug dependent individuals would be the most futile of congressional economies.

There are, of course, some legitimate questions to be raised about the larger generic term "counselor" as used by the military in its budget requests, and the inability of the House and Senate appropriations committees to get adequate breakdowns of personnel in each category included under that term. Such categories cover a wide range, and include career counselors, chaplains, equal opportunities counselors, and others, in addition to alcoholism and drug abuse treatment personnel. A study of these questions and of the needs in each specific area, as is recommended by my Appropriations Committee colleagues in both Houses, is clearly appropriate.

Meanwhile, I hope my colleagues will join me in supporting the Senate Committee position, which restores part of the money cut by the House, until such time as the results of those studies are available. To do otherwise may needlessly jeopardize some of the most cost effective programs in a branch of government not ordinarily commended by Congress for cost effectiveness.

NEED FOR A STRONG NATIONAL DEFENSE

Mr. ALLEN. Mr. President, the recurrence of and threats of civil strife in the Middle East, in Africa and in Western Europe serve to underline the fragility of efforts by the United States to establish more cordial relations with Soviet Russia and Red China. The conflicts and threats have particularly ominous connotations in this so-called era of détente, and they serve as a reminder that peace is a fragile state of mankind and that the United States cannot afford to be lulled into a sense of compliant security by international agreements made or the promise of agreements to come.

Given the gravity of world problems we must not weaken our vigilance and sense of purposefulness in defending ourselves against potential enemies abroad. We must not delude ouurselves into thinking that this era of so-called détente guarantees us conditions of security to dwell exclusively on our troubles at home.

It is important for us to recognize that the generation of peace is not yet at hand. There is perhaps more need now than at any time since the Korean war for a strong and flexible U.S. defense. We have had ample demonstration that the leaders of the communist world respect only one thing—and that is power. We have had more than enough experience to show that we can bargain seriously with our Communist rivals only if we do so from a position of strength. It is the only language they understand and respect. For those who would prefer to deal with the Soviet Union and China more trustingly, let me cite a statement of Soviet Communist Party Secretary Leonid Brezhnev, to Eastern European leaders just 2 years ago. He said that the Kremlin's détente with the West only represents a new tactic, not a change in strategy. According to U.S. intelligence reports, Brezhnev allegedly said that the tactic is designed to permit the Soviet Union to achieve overwhelming military superiority in the next decade. He explained that he would use feigned accommodation with the West to advance the international objectives of the Soviet Union.

This statement explains and confirms the substance of a speech delivered by a Politburo member, Michael Suslov, at the Communist Party anniversary meeting after Brezhnev returned from his visit to Washington 2 years ago. Suslov said:

> The ideological struggle, in which there is no peaceful coexistence between socialism and capitalism, and cannot be, is now particularly acute. And it goes without saying that sharp class struggle in the international arena and with the capitalist countries continues.

There are some sections of our society that dismiss these, as well as even more provocative remarks, as internal wrangling or propaganda for home consumption. But the fact is that the Soviet Union is building up its nuclear potential at an accelerated pace, and is involving itself in dangerous, high risk foreign involvements, such as in the Middle East, Africa, Portugal and Spain. One of the most alarming aspects of this stuation has been that, while the Russian leaders have been expanding their military might and capabilities in crash programs, pressure has been building in Washington to make deep cuts in our defense budget. And this appropriations bill now before the Senate represents a bare-boned defense structure, stripped not only of fat but also cutting deeply into needed meat and muscle. I view this bill with trepidation because of the sharp reductions it represents. And I am opposed to any further reductions in defense spending based on détente or any other promise of peace.

It is worth quoting a pertinent and timely admonition made in 1945 by a former Secretary of Defense, Robert Lovett. He said in a somewhat similar context: "You don't take off your overcoat in Washington every time the sun shines in Moscow." More recently, former Secretary of Defense Melvin Laird in his appearance before a congressional committee warned: "Detente without defense is delusion."

Mr. President, these remarks reflect the attitude of caution that we, as a nation confronting many new challenges at home and abroad, must adopt if we are to preserve our freedom and prosperity.

LEGISLATIVE AFFAIRS ACTIVITIES

Mr. LEAHY. Mr. President, I would like to ask Senator McCLELLAN about the discussion of Legislative Affairs Activities that begins on page 26 of the committee's report.

Mr. McCLELLAN. I would be delighted to respond to the Senator's questions. But first, I want to thank and commend him for bringing this matter to the attention of the Appropriations Committee. It was at the suggestion of the Senator from Vermont and with the assistance of him and his staff, that the committee was able to obtain the information and include the material in the committee report. I ask unanimous consent that pages 26 through 32 of the committee report be included in the RECORD at this point.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

LEGISLATIVE AFFAIRS ACTIVITIES

Every year since 1960, the Department of Defense Appropriations Act has included a limitation on the amount of funds that could be used for "legislative liaison" activities. The earliest limitation (fiscal year 1960) was $2.65 million, however this was reduced to $.95 million in fiscal year 1961 and then gradually increased to the level of $1.5 million requested by the Department in this year's bill.

The Committee completed a recent review of the legislative history and present implementation of this limitation, and found that the criteria used in determining expenditures for personnel subject to the limitation are not precise, and exclude a sizeable number of individuals who should be included within the limitation. Specifically, the Department advised that the criteria used in determining expenditures subject to the limitation presently are:

Cost of personnel, assigned to or physically located in the liaison offices on the bill, including clerical personnel

Cost of all other personnel in the offices of legislative affairs who devote an average (on annual basis) of 40 percent or more of their time in contact with the Congress (This time includes all time spent on the Hill in direct contact with members, committees or staffs by telephone or otherwise)

Cost of clerical personnel who spent 40 percent or more of their time assisting persons designated in the previous paragraph.

The Committee was further advised that there are a significant number of individuals who would meet the above criteria, but are specifically *excluded* from the limitation. These principally involve individuals who serve as congressional liaison for the various budget officers in the military departments and the Office of the Secretary of Defense. The Department stated that "because the budget officers are not affiliated with the legislative liaison offices of the three services and the Office of the Secretary of Defense Legislative affairs office, they are not included in the limitation." It is also interesting to note that the Assistant Secretary of Defense for Legislative Affairs, his principal Deputy Assistant Secretary of Defense, along with the Chiefs and Deputy Chiefs of Legislative liaison in each of the military departments has been specifically excluded from the limitation by the Department of Defense even though they are responsible for the respective legislative activities of the Office of the Secretary of Defense and each of the services.

In the past the Department has kept track of legislative affairs personnel in three categories: Legislative Liaison (subject to the limitation), Other Legislative Affairs (not subject to the limitation) and Administration (not subject to the limitation). There nowhere exists a Department of Defense Directive that clearly specifies the interpretation of these categories and they are in fact based on an internal Department of Defense memorandum that was issued in 1962.

Furthermore, although the department keeps track of all three legislative activities, data is provided on a regular basis to the Committee on only the first category—legislative liaison subject to the limitation in the Appropriations bill. Over the past years when the limitation was in effect, this has resulted in a curious situation which is displayed on the following table:

LEGISLATIVE AFFAIRS COSTS, DEPARTMENT OF DEFENSE

[In millions of dollars]

Fiscal year	Public Law limitation	Legislative liaison subject to limitation	Other legislative affairs	Administration	Total, all legislative affairs
1960	2.65				
1961	.95	0.81	0.81	0.92	2.5
1962	.95	.86	.89	1.2	2.9
1963	.95	.73	1.1	1.3	3.1
1964	.95	.82	1.1	1.3	3.2
1965	.95	NA	NA	NA	NA
1966	.95	.85	1.3	1.4	3.5
1967	.95	.93	1.4	1.4	3.7
1968	.95	.94	1.4	1.4	3.8
1969	.95	.94	1.5	1.5	4.0
1970	1.15	1.1	1.7	1.8	4.6
1971	1.15	1.1	1.7	2.0	4.8
1972	1.15	1.1	1.7	2.0	4.9
1973	1.15	1.1	1.9	2.2	5.3
1974	1.3	1.2	1.9	2.7	5.8
1975[1]	1.32	1.3	2.2	2.8	6.3
1976	[2] 1.5	NA	NA	NA	NA

[1] Estimated.

[2] Request.

Note.—Includes only those expenditures for personnel in legislative liaison offices, using records maintained by the Office of the Assistant Secretary of Defense (legislative affairs). NA means not available.

As can be seen from the above table, although the costs subject to the limitation have increased by only 58 percent in the past 15 years, other categories have increased significantly—"Other legislative Affairs" has increased 172 percent during the same time, and administration by 211 percent. *All* Legislative Affairs activities increased by 152 percent during these 15 years It is possible that there has been some "migration" from the legislative liaison category which is subject to the limitation, to the other two categories that are not subject to the limitation, although the Committee is convinced there has been no conscious attempt on the part of DOD to do this. Such migration is a natural tendency of any bureaucracy where one portion is subject to a dollar limitation, but another portion isn't.

To a great extent, the large increase in legislative affairs costs results from the sizeable increase in the Department's legislative workload in the past few years, which is briefly described below.

Appearance of DOD Witnesses Before Congress. One review showed that the requirement for DOD witnesses at congressional sessions rose from 260 in 1964 to over 400 in 1974, an increase of 55 percent. This is shown on the following table:

APPEARANCE OF DOD WITNESSES BEFORE CONGRESS FOR SELECTED CALENDAR YEARS

	1964	1968	1972	1974	Change, 1964–74	
					Number	Percent
Sessions	260	330	370	402	142	55
Total witnesses	630	688	860	870	240	38
Hours of actual testimony	650	3,660	2,376	2,582	1,932	297
Man-hours before Congress	1,575	7,627	5,522	7,746	6,171	392
Approximate length of hearings in words [1]	4,000,000	5,000,000	11,000,000	16,000,000	12,000,000	300

[1] The hearings include only the Senate and House Armed Services and Appropriations Committee hearings on the DOD Procurement and R.D.T. & E. bill.

Congressional Inquiries. There has been an increase during the past decade of 51 percent in written and telephonic queries. In 1974 there were over one million such inquiries in the Washington area alone. This is shown in the following table:

CONGRESSIONAL INQUIRIES FOR SELECTED CALENDAR YEARS

[Numbers in thousands]

Congressional inquiries	1964	1969	1973	1974	[1] 1975	Increase 1964–74	
						Number	Percent
Written	98	178	140	152	175	54	55
Telephonic	568	759	774	855	900	287	51
Total	666	937	914	1,007	1,075	341	51

[1] Estimated on the basis of data for the 1st quarter.

Distribution of Congressional Questions. The number of supplemental questions submitted in hearings to just one witness—the Secretary of Defense—has increased dramatically. (The Service Secretaries, Joint Chiefs and others have similar requests.) In the first quarter of fiscal year 1975, 293 questions were submitted; during the first quarter of fiscal year 1976, 745 questions were submitted—150 percent above the level for the first quarter of 1974. This is shown in the table below:

DISTRIBUTION OF SUPPLEMENTAL QUESTIONS SUBMITTEED TO SECRETARY OF DEFENSE BY CONGRESS DURING BUDGET HEARINGS JANUARY TO MARCH ON FISCAL YEAR 1975 AND 1976 BUDGETS

Category	Fiscal year 1975		Fiscal year 1976		Change 1975–76	
	Number	Percent	Number	Percent	Number	Percent
International environment [1]	99	34	328	44	229	231
Strategic forces	60	20	96	13	36	60
General purpose forces	50	17	100	13	50	100
Manpower	41	14	70	9	29	71
Management	33	11	100	13	67	203
Security assistance	10	3	51	7	41	410
Total	293	100	745	100	452	154

[1] Includes Vietnam.

DOD Legislative Workload. The following table was prepared by the Department in order to quantify the legislative workload in man-hours in the Washington area only for eight major categories for fiscal year 1975. The review of this area, conducted by the Department was incomplete and intended only to depict trends in "ballpark" terms, estimated that approximately 4.9 million man-hours (about 2,300 full man years) were required to handle legislative activities during the year.

MAN-HOURS SPENT ON DOD LEGISLATIVE ACTIVITIES, FISCAL YEAR 1975

Organization	Witnesses testimony (budget)	Congressionals (telephone)	Congressionals (written)	Briefings for Members and staffs	Travel	Congressional notification	Congressional directives studies/reports	Legislative processing	Total
Army	303,730	527,580	738,620	161,180	135,060	31,660	306,324	166,720	2,370,864
Navy	134,622	102,500	354,798	21,882	32,546	4,195	2,484	43,484	696,511
Air Force	276,713		661,832	154,740	2,592	5,371	188,005	20,736	1,309,989
USMC	28,079		79,825	1,374	522	145	7,600	10,035	127,580
ASD (LA)									74,880
ASD (PA)	5,595		5,544					22,464	33,603
ASD (P.A. & E.)	2,600		750			1,150	1,840		6,340
ASD (INT)	4,160		208						4,368
ASD (ISA)	16,710		13,105	589				4,128	34,532
ASD (M. & R.A.)	12,480		37,440	2,080			31,200	10,400	93,600
ASD (I. & L.)									76,960
ASD (H. & E.)	160	450	6,500	80	60	40	80	2,500	9,870
ASD (C)									42,000
Total	784,849	630,530	1,898,622	341,925	170,780	42,561	537,533	280,467	4,881,097

In bringing up this subject as an item of special interest it is the Committee's intent merely to clarify the situation. The Committee firmly believes that to the extent the legislative workload requires it, the Department must be provided funding that will enable it to meet the legislative demands placed on it. The necessary functions of legislative affairs and liaison must be continued in order to assist the Congress in doing business with the Department. However, as shown in the tables and discussion, these workloads have increased dramatically, and every member must recognize that there is a sizeable cost to provide these increasing services for the Congress. The Department's costs in this area can be reduced only to the extent that the demands on it are reduced.

The Committee would like to concur in a special point made in the House committee report on this subject—namely its own relationship with the Department in these matters. Throughout the years, the Committee has funneled most of its inquiries and requests for assistance through the budget officers or comptroller organizations of the DOD or services because of the natural affinity between these organizations and the Appropriations Committee. While always reserving the right to call upon all organizations of the defense establishment for assistance, the primary interface of the appropriations committees and the Department of Defense necessarily must be through the budget offices and comptroller organizations. During the past year, although the demands on those organizations have increased (particularly in response to the new House and Senate Budget committee requirements, those of the Congressional Budget Office, and the new budget process under the Budget and Impoundment Control Act of 1974), these organizations have continued to provide effective support to the Committee. The Committee expects to see such support continued.

As a result of the consideration discussed above, the Committee is directing Department of Defense to revise its accounting for personnel and costs associated with legislative activities. The Department is to issue a DOD Directive not later than January 1, 1976 that provides specific guidance on the categories of legislative activities. The following definitions are appropriate for inclusion in this DOD Directive.

DEFINITIONS FOR LEGISLATIVE ACTIVITIES

I. Legislative liaison

a. All Personnel assigned, permanently or temporarily, to any Legislative Liaison Office (includes all personnel physically located in an office on Capitol Hill.)

b. All personnel and staff of other Department of Defense activities or agencies whose mission it is to promote liaison of their particular activity/agency with the Congress (includes individuals who are performing this function who are assigned to budget offices or program offices).

c. Personnel involved in preparation and execution of congressional travel.

d. Excluded in category I are Departmental Secretaries and their assistants, chiefs of bureaus and agencies, administrators of special departmental programs, budget officers, etc., who are called upon from time to time to participate in the department's business with the Congress.

II. Other legislative activities

a. Those personnel not included in the category "Legislative Liaison" in the various Departments who spend at least 30 man days per year in direct personal contact with committees, staff, and members of the Congress.

b. Personnel involved with the daily routine activities necessary for the preparation of a Legislative program such as tracking legislation, writing analyses and performing research with respect to legislation.

c. Personnel not included above who spend more than 30 man days per year in coordinating and answering Congressional inquiries, constituent letters, and telephone inquiries.

d. All Secretarial and clerical employees who spend at least 30 man days per year assisting those personnel identified above.

The Department is to revise the special exhibit in the justification material, so that the fiscal year 1977 budget submission identifies the personnel strengths and costs associated with the activities shown above. Each justification book is to include this revised special analysis, and OSD Operations and Maintenance Justification book is to include a consolidated summary for the entire Department of Defense, in addition to its own summary of legislative activities.

The Committee is recommending that since it will take some time to identify costs under the new definitions, that the limitation in the bill remain at the $1.5 million level in the House bill, and those subject to the limitation in fiscal year 1976 remain the same as under the present DOD interpretation. The fiscal year 1977 budget submission is to include a revised limitation, based on the new definitions of legislative activities discussed above.

Mr. LEAHY. Is it true, Senator McCLELLAN, that only part of the Defense Department's legislative affairs activities are included under the limitation that has appeared in Defense appropriations acts since 1960, and appears in section 728 of the Senate bill now being considered?

Mr. McCLELLAN. That is correct, Senator. The Department of Defense has interpreted that section to apply only to so-called "legislative liaison" activities.

Mr. LEAHY. Is it true that even under the Defense Department's interpretation of the limitation, they have excluded certain individuals, like budget officers who perform liaison, who really ought to be included based on a reasonable interpretation of the law?

Mr. McCLELLAN. I would say that is correct.

Mr. LEAHY. How much have other legislative affairs and administration increased in the past 15 years, compared with the portion subject to the limitation?

Mr. McCLELLAN. Although the costs subject to the limitation have increased by only 58 percent during the past 15 years, other categories have increased significantly—"other legislative affairs" have increased 172 percent during the same time and "administration" increased by 211 percent. All legislative affairs activities increased by 152 percent during these 15 years. This is shown on the table on page 27 of the committee report.

Mr. LEAHY. Is it the committee's intent to revise the DOD act next year so as to include all of the people discussed in the committee report as being under "Legislative Affairs Activities" in the new definitions and in the limitation?

Mr. McCLELLAN. The department has advised the committee that it will provide the committee with an estimate of costs under the new definitions by May 1, 1976. It is my hope that based on those costs, we will include a revised, and more up-to-date limitation in next year's appropriation act for DOD.

Mr. LEAHY. Would the Senator advise me if it is the committee's intent that under the new definitions certain people now excluded will be included—for example, the Assistant Secretary of Defense for Legislative Affairs, all of his staff, the service chiefs for legislative affairs, all budgetary liaison officers, and all individuals who devote at least 30 man days per year to legislative activities?

Mr. McCLELLAN. The Senator is correct, all of those personnel are to be included under the revised definitions.

Mr. LEAHY. Would this include, for example, people in the field agencies—say at a Naval base, Army base or Air Force base, who met these criteria?

Mr. McCLELLAN. Yes, those personnel, regardless of the office to which they are assigned, and regardless of their geographic location, are to be included in the Defense Department's report, if they meet the criteria shown on pages 32–33 of the committee report.

I would like to say that there is always a great deal of testimony, contact, and explanations provided to Members of Congress by Service Secretaries, Chief of Staff, and program managers, et cetera. We have specifically excluded these personnel from the definition of legislative activities even though you and I know they can be and usually are far more effective in explaining DOD programs and budget requests than any officer who is assigned to a legislative affairs office.

I want to emphasize to all of my colleagues that the DOD budget for legislative affairs will continue to increase each year if the Congress places increasing demands on the Department of Defense. The DOD workload in this area has risen very rapidly in recent years. If my colleagues were to restrain their new demands on the DOD, we could hold funds for legislative activities level or perhaps decrease them if efficiencies could be effected.

Mr. LEAHY. I thank the Senator for his explanations and I hope to be able to place similar limitations on appropriations bills for other departments in the executive branch. I do not believe that DOD should be singled out, although they certainly have the largest budget of any agency for legislative affairs activities.

Mr. BARTLETT. Mr. President, today we are debating the 1976 and 1977 appropriations for the Department of Defense.

The Senate Appropriations Committee, under the very able leadership of its distinguished chairman, has submitted to us an appropriation of approximately $90.87 billion, a figure some $7 billion below the budget estimate.

Mr. President, this is a critical time in our Nation's history. Nations that have traditionally been allied with us for defense purposes have now weakened or severed the ties that once bound our countries. Relations are strained with Turkey; there is a government in Portugal that is unstable and our relationship with that country is tenuous; the situation in Spain is uncertain. In fact, the entire underbelly of NATO is insecure.

The Soviet Union and the People's Republic of China have made large gains in the emerging nations of Africa. Soviet activity on the oceans of the world has increased dramatically over the past few years, especially in the Indian Ocean.

The United States has attempted to negotiate with the Soviet Union limitations on strategic nuclear weapons. Those efforts should continue. However, there are basic philosophical differences between the United States and the Soviet Union, fundamental differences that cannot be negotiated, only appeased.

Peace cannot be gained at any cost. The United States must be militarily vigilant and strong. Allied and neutral nations around the globe look to the United States as a balancing force in the world. They depend on us, Mr. President, to inject stability in those areas that are not stable.

We cannot maintain the preeminence we have had over the years without an adequate defense budget. The money we consider today for our military is a minimum, Mr. President, not an extravagant amount, needed to carry out its defense responsibilities at home and abroad.

Over 43 percent of the funds being considered are for active duty and retired military personnel, not for important operational and research and development functions. Manpower, Mr. President, men and women dedicated to keeping our country strong, make up the largest single category of spending in the budget: Men and women who are contributing to our Nation's economy, not being a drain on it.

Our military is short on weapons systems, such as tanks, because of foreign military sales. These items must be replaced in inventory.

There is little question that the United States cannot maintain personnel under arms on a numerical equivalent with the Soviet Union and certainly not Communist China. It would be undesirable and sheer folly to attempt such an effort. This means then, Mr. President, that we must have more advanced research and development, better weapons systems, and procurement of these systems in adequate numbers to meet our defense needs for our national security.

Unless our national defense posture is strong, we will not be able to continue to enjoy the freedoms and good life we enjoy here in the United States.

I urge my colleagues to vote for this total appropriation and resist cutbacks or ceilings on defense spending. I urge, also, that the Senate conferees not compromise further on reductions in this appropriation.

Thank you.

VOLUNTEER ARMY

Mr. HRUSKA. Mr. President, when the Army began the transition from a force manned largely by draftees to one manned solely by volunteers, the major concern was numbers. The central question was "Can the Army meet its manpower goals relying solely on volunteers?" Many doubted that it could. The Army's public image had been tarnished by Vietnam. Stories of drug, disciplinary and racial problems were commonplace. American youth, conditioned by the Army's largely negative exposure in the media, appeared little inclined to join and less inclined to remain in the Army's ranks.

The formidable task of putting these doubts to rest fell first on the shoulders of Secretary of the Army "Bo" Callaway and his Chief of Staff, the late Gen. "Abe" Abrams. Together, they set out to achieve this task. The impetus they gave this effort has been maintained by Secretary Hoffman and Gen. Fred Weyand.

The results to date are, indeed, impressive. In the past 2 years over 400,000 young men and women from all across America have joined the Army. Reenlistments are on the increase as well—over 70,000 this year alone.

Yet these numbers, impressive though they are, do not tell the whole story of the Volunteer Army's progress to date. We need to look too at the kind of people who are enlisting. They are better educated, better motivated, and better disciplined. This increased quality is a direct result of insistence by the Congress and the Army upon getting better soldiers for the taxpayers' investment. Over 70 percent of the Army's new soldiers have high school diplomas. On the other hand, the percentage of new soldiers in the lower mental category has dropped from 10 percent in fiscal year 1975 to 6.7 percent in the first quarter 1976.

Not only has the Army worked hard to improve its quality; it has concentrated on becoming more representative of the society it is sworn to defend. For example, blacks now account for something like 24 percent of the Army's new soldiers. Women comprise about 9 percent. This speaks well of the opportunities available to these groups in the Army.

As the Army proceeds to build and sustain a quality volunteer force, it is taking a hard look at ways to increase combat strength within existing manpower constraints. Since 1974, the Army has abolished seven major headquarters, slashed the Pentagon staff, and reduced support activities worldwide. These savings are being applied where it counts, by enabling the Army to add three new combat divisions without an increase in manpower levels.

The Army's progress in attracting the people it needs and providing opportunities for their advancement while cutting back on nonessential support functions has been truly remarkable. It did not just happen. It required enlightened leadership, hard work, and last, but by no means least, substantial congressional support.

Having reviewed the Army's progress in these areas, I am convinced that with our help, it is well on its way to becoming the best Army the Nation has ever had. But, much remains to be done. It is up to us in the Congress to assure that the Army's response to our guidance is matched by our continued support.

THE VOLUNTEER ARMY—CHALLENGE AND RESPONSE

Mr. GOLDWATER. Mr. President, as we move toward completing our work in the defense appropriations bill, I think it is altogether fitting that we acknowledge a success story in the making—the success of the Volunteer Army.

As an early skeptic of the volunteer concept, I have closely followed the Army's efforts to make it work. I must admit that I find the progress to date remarkable.

In order to grasp the full significance of the Volunteer Army's success thus far, we need only recall the dismal circumstances which led to the end of the draft and the birth of the Volunteer Army.

The Army, of course, bore the brunt of our long and bitter struggle in Vietnam. As the war dragged on and on, the Army found itself stretched thin and beset by internal strife. Drug, racial, and disciplinary problems rose to disturbingly high levels. Moreover, The Army's internal problems were compounded by the rising crescendo of dissent at home and abroad over the U.S. presence in Vietnam. The pressure to end our involvement in Vietnam and to abolish the draft increased and ultimately prevailed.

These, then, were the challenges the Army faced. The mission, as mandated by the Congress, was to raise and maintain a volunteer force. Skepticism over the Army's ability to accomplish this formidable mission ran high.

What has been the Army's progress to date? With the end of the draft, the Volunteer Army emerged in a series of evolutionary phases. In fiscal year 1974, the Army concentrated on recruiting the right number of people—198,300. In fiscal year 1975, the emphasis was on both numbers—184,700—and quality. The Army's goals for fiscal year 1976 are to recruit the right number of people—175,400—continue the improvement in quality, and put the right soldier in each job at the right time.

Given the temper of the times and the magnitude of the mission, the Army deserves high marks for its efforts thus far. The Volunteer Army is a reality. Manpower quality and combat readiness are both high. The Army has imposed higher preenlistment standards, and reduced the number of enlistees accepted from the lower mental categories from a high of 29.4 percent in July 1973 to a current low of about 7 percent. The Army is also rapidly upgrading its education levels. By the end of fiscal year 1976, 10 percent of the enlisted soldiers will have college experience and 80 percent will be high school graduates.

The Army is sharpening its combat "teeth" by sound internal management. Since mid-1974, the Army has eliminated seven major headquarters, slashed the size of its Pentagon staff, and cut back support activities at virtually every installation. Rigorous management efficiencies have been instituted to reduce the manpower "pipeline," stabilize personnel assignments, and make better use of troop training time. Army reports these efforts will enable it to field three new combat divisions without increasing overall manpower levls.

This success was not achieved by happenstance. To the contrary, it reflects aggressive leadership, sound planning, and just plain hard work at all levels. Secretary Callaway and the late Gen. "Abe" Abrams set the Army on this path to success and Secretary Hoffmann and Gen. Fred Weyand are keeping the momentum at the same pace.

The Army's considerable success in raising and maintaining a quality volunteer force has not gone unnoticed. For example, an article by Kenneth Y. Tomlinson appeared in the October issue of the Reader's Digest entitled "How Good Is Our All-Volunteer Army?" I commend the article to my colleagues and I ask unanimous consent that the article be printed in the RECORD. Mr. Tomlinson concludes, and I agree, that the Army has made dramatic progress. It is up to us in the Congress to assure that this progress is matched by our continued support.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW GOOD IS OUR ALL-VOLUNTEER ARMY?

(By Kenneth Y. Tomlinson)

It is midnight at Fort Stewart, an isolated U.S. Army post in the south Georgia lowlands. Bone-weary from a ten-mile night march, Staff Sgt. Bill Acebes knows he cannot sleep yet. By morning he must complete plans for the destruction of a mock enemy radar site deep in Stewart's vast training area.

Twelve hours later, Sergeant Acebes and his 14-man team are dropped by helicopter into "aggressor-held" territory. For many miles they wade shoulder-deep in swamps and crawl through thick underbrush. At dusk they attack—surprising the defenders and quickly overrunning the enemy position. Minutes later, the sky is illuminated by the flash of TNT blowing up the simulated radar installation. Such is the work of the 1st Ranger Battalion, an elite outfit meant to set high standards of toughness, enterprise and discipline for the rest of the service.

The sharp, cracking sounds of M–16s pierce the forest at Grafenwöhr, West Germany, as a platoon from A Company, 1st Battalion, 7th Infantry, moves through a training obstacle course. They are firing live rounds at camouflaged targets. Suddenly the forest is filled with nauseous gas, and the soldiers scramble for their gas masks, "Good training must be realistic, even dangerous," asserts Capt. Michael Barnes, the company's Oklahoma-born commander. "We're getting back to the basics."

His enlisted men—no elite, but men drawn from the random pool of today's all-volunteer Army—agree. Out of earshot of superiors, they even boast of the challenging standards—including daily runs of at least five miles—that Captain Barnes has brought to their unit. Because of these physical demands, and a crackdown by officers and noncoms, drug use, a big problem in the Army in recent years, has dropped sharply. Racial conflict? "I wish people back in the States acted like the guys over here," says black Pfc. Maxwell Turner of Washington, D.C.

HOPEFUL SIGNS

Not every unit in today's Army is problem-free and approaching peak proficiency. But a recent two-month investigation by The Reader's Digest confirms an undeniable trend: at the very time the Pentagon has been directing the radical transition to an all-volunteer force, the Army's leaders in the field have been reinstituting the fundamental concepts of physical fitness, realistic training and tough discipline. As a result, the Army's 13 active divisions are presently deemed combat-ready. (Without increasing its numerical strength, the Army is currently expanding to 16 combat divisions by reducing the number of personnel assigned to support elements.)

All this is a far cry from the situation of a few years ago. The demands of the Vietnam war, the cost in personnel turnover and reduced training budgets, had stretched the Army's capabilities around the world to a breaking point. By early 1971, it listed less than half its divisions as combat-ready. At home, opposition to the war fueled resentment against both the military and the draft, and led many politicians to press for an all-volunteer force. Some felt that the increased costs of such a program (personnel costs today account for 60 percent of the defense budget) would short-change crucial weapons development; others predicted an army of dropouts and losers who could not find employment elsewhere. Still, a wide majority in Congress was willing to give the volunteer Army a chance.

In 1971, toward that end, Congress increased the pay of first-term privates from $134 a month to $288 (it's $344 today), and allotted bonuses to those accepting three- and four-year commitments to combat arms. In addition, $244 million was allocated for construction of new dormitory-style barracks and renovation of existing facilities, and many of the Army's traditional irritants, such as KP and reveille, were abolished. Also, the military's recruitment advertising budget was raised from $3.1 million in 1970 to $26.7 million for fiscal 1973. And then on January 23, 1973, the Pentagon announced an end to the draft. But could the Army attract enough qualified people to maintain a force of 785,000 men? Could drug addiction and racial conflict, at an all-time high, be controlled? Could preparedness be restored?

NEW CLIMATE

The job of answering these questions fell to two men—Creighton Abrams and Howard "Bo" Callaway. Abrams, the Army's Chief of Staff, was the blunt-talking, cigar-chomping commanding general in Vietnam who had organized the U.S. withdrawal. Callaway, the new Secretary of the Army, was a West Point graduate and Korean war platoon leader before becoming a Congressman and a Georgia businessman.

Abrams sought to bring a new psychological climate to an Army demoralized and defensive over the disappointments of Vietnam. For recruiting, emphasis was placed on the challenges, as well as the benefits, of service. Scornful of "paper-pushers," Abrams pressed a search for budgetary fat, for outdated or duplicated support facilities that could be closed or turned into combat strength. He visited nearly every Army combat headquarters in the world, stressing a single message: This must be a tough, disciplined, well-trained force. Abrams had thought it would take a minimum of five years to restore the Army. "But we're far ahead of that schedule," he said, shortly before his death in 1974.

Meanwhile, the number of volunteers was falling 15 percent short of quotas, and as many as 45 percent of those who did volunteer were high-school dropouts. Army recruiting had long been a dead end for officers and NCOs. Now, Callaway made it a prestigious assignment for lieutenant colonels and below who were fresh from successful tours of duty in command jobs, and for young sergeants not far removed from the age of men they sought to enlist. The Army seized on the sky-rocketing price of education to lure would-be college students with special programs—paying, for instance, 75 percent of off-duty college tuition. Each year, 6500 ROTC university scholarships attract good students for the junior ranks of the officer corps.

Calling Congressmen with large minority constituencies to a Pentagon breakfast, Callaway explained his concern over the high percentage of blacks in enlisted ranks (in the early months of all-volunteer recruiting, nearly 30 percent) and the low percentage of black officers. He outlined plans to attract more black officers and more white enlistees—while guaranteeing that no qualified enlistee would be turned away because of race.

In the spring of 1974, the Army began getting volunteers in the numbers it needed, achieving by late June its 392,000 fiscal-year recruitment goal. In the 1974–75 fiscal year (thanks in part to the recession), volunteers exceeded the 310,000 available slots, and the Army could begin to concentrate on improving quality. The percentage of highschool graduates among those entering the service rose to 65 percent. Meanwhile, Army education programs last year *produced* 20,000 graduates, so that 80 percent of enlisted men now have high-school certificates. And minority enlistments have dropped to about 22 percent of the total.

RELATIVE PEACE

To look beyond the clear statistical success of the all-volunteer Army, I traveled recently to Army posts, throughout the United States and Europe. At an isolated outpost on the East German border, 13 enlisted men talked candidly about drugs. Several admitted that they use marijuana or hashish, but rarely during duty hours or in the barracks, because of the crackdown by officers and NCOs. Speed and acid have lost their popularity because, as one soldier put it, "These days we barely get to sleep as it is." All agreed that the use of heroin has been all but eradicated in their company—a far cry from 1973, when addiction among the enlisted men was widespread.

Compulsory urinalysis, a key feature in the Army's $43.6-million, 2,500-man anti-drug campaign launched in 1972, has helped the service to identify and discharge hard-core addicts.[1] The newly organized drug-education and counseling programs are important, too. But talk to enlisted men throughout the Army, and the conclusion is unavoidable: What has really made the difference is tough superiors and the "back to basics" demands on their bodies and their time.

Race relations have been similarly improved. In late 1972, 40 black GIs assigned to a supply company in Europe staged a midnight protest march. A lieutenant colonel, dispatched that very night from higher headquarters, found justification for many of their complaints. Clerical and supervisory positions were held largely by whites, while qualified blacks were pushing brooms. Leaders were replaced, positions throughout the unit were thoroughly integrated, and relative peace exists in the unit today.

When I asked a black soldier why the situation in this unit had been so markedly improved, he replied that the troublemakers—some of them his friends—had been discharged, and "now we work too damned hard to have trouble."

Statistics bear out the turnabout. In 1972, for example, 29 "large-group racial confrontations" were reported in the Army's European command. Last year, there were only two.

The Army has devoted enormous educational resources to race-relations programs. Every battalion has full-time race specialists, and all personnel are required to spend several hours in anti-discrimination seminars. But a veteran company commander pointed to the key factor late one night in Germany. We saw three grease-stained soldiers—two whites and a black—working feverishly to repair an M-60 tank. "Work—that's the best race-relations program in the Army," the captain said.

"WE'LL GET THERE"

Not all Army units have been blessed with the strong leadership to turn them around. Moreover, a recent cutback in training funds threatens to undermine some of the accomplishments. Reductions in maneuver time and in live-fire training have hurt morale. In Germany, a battery commander on an artillery firing range bemoans the fact that it has been six months since his troops last fired their weapons. Another commander charges that three of his 12 weapons-carrying vehicles could not be moved—even if he had to go to war tomorrow—because he lacks parts.

Inflation has made matters worse. For example, a set of M-60 tank tracks—budgeted at $4700 in 1974—now costs more than $10,000. And despite an 18-percent cutback in petroleum consumption last year, the Army's fuel bill still rose 75 percent.

Congress must offset the effects of inflation with increased military appropriations, and it must recognize that the cost of training will continue to rise with the introduction of increasingly sophisticated weapons. For it is not enough just to pay the salaries of a 785,000-man Army; funds for preparedness must also be provided. Meanwhile, money is not the only answer. During the past year, the single most important "innovation" at many posts has been, quite simply, the restoration of old-fashioned physical training (PT) to the daily schedule.

An army's strength perhaps cannot be determined with certainty until it goes into battle. Nevertheless, we must constantly ask the question: "How good is our Army?" I posed that question to a seasoned captain, standing alongside the steel-fenced communist border of East Germany. His answer sums up the opinions of those who know the institution best. "This is a vastly improved Army," he said. "We are not yet what we should be, but if we continue what we started after Vietnam, we soon will be."

QUALIFICATION OF AMENDMENTS UNDER RULE XXII—H.R. 5900

Mr. BEALL. Mr. President, I ask unanimous consent that two amendments to H.R. 5900 which I just presented at the desk be considered as having met the reading requirements of rule XXII.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. TAFT. Mr. President, I ask unanimous consent that all amendments which I have at the desk to the situs picketing bill be considered as having met the requirements of rule XXII.

Mr. ROBERT C. BYRD. Mr. President, if the Senator will withhold that, at the request of the Senator from New York (Mr. JAVITS), I ask unanimous consent that all amendments at the desk at the time the cloture vote is held tomorrow be considered as having met the reading requirements under rule XXII.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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[1] The Army can now get rid of problem soldiers without the time-consuming court proceedings for dishonorable discharge. It can honorably discharge—in effect, fire—enlistees without their consent during their first 180 days of service; with consent, it can give honorable discharges at any time.

NOMINATION OF DONALD RUMSFELD TO BE SECRETARY OF DEFENSE

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce that the nomination of Donald Rumsfeld to be Secretary of Defense has been reported out unanimously by the Committee on Armed Services. It is the intention of the leadership to call up that nomination on Monday next.

FOREIGN RELATIONS AUTHORIZATION ACT, 1976—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on S. 1517, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. DURKIN). The report will be stated by title.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1517) to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchange; and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all the conferees.

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings in the RECORD of today.)

Mr. MANSFIELD. Mr. President, I move the adoption of the conference report, and in connection therewith I have a statement to make regarding the agreement reached by the conferees.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. MANSFIELD. Mr. President, the conference report on the Foreign Relations Authorization Act, fiscal year 1976, is in my view a sound compromise between the Senate-passed bill and the House amendment thereto. On many matters, the two versions were identical or essentially so. On those matters where a distinct difference existed, I believe the conferees were able to make a prudent accommodation.

This conference report contains the authorization of fiscal year 1976 appropriations for the State Department, for Foreign Service Buildings, and for the Arms Control and Disarmament Agency—ACDA. Also included are fiscal year 1977 authorizations for Foreign Service Buildings, for ACDA, and for a special U.S. contribution to the United Nations University Endowment Fund, the latter being explicitly governed by a restriction that the U.S. contribution may not exceed 25 percent of the total contribution by all countries to the Fund. Originally, Mr. President, the bill also contained fiscal year 1976 authorizations for the U.S. Information Agency—USIA—and the Board for International Broadcasting—BIB—but those authorizations were deleted in conference. The USIA authorization was deleted in anticipation of its later consideration at such time as the House has completed its annual review of that Agency's budget. The BIB authorization was deleted because such an authorization has already been approved by the Congress as a part of a special bill concerning military aid and sales to Turkey.

The bill as it passed the Senate authorized a total for fiscal 1976 of $1.2 billion, including $340 million for USIA and BIB.

May I say, Mr. President, that of all the old line departments in the Government, the Department of State gets by far the smallest amount in the way of appropriations.

The House bill totaled $905 million, not including those two items.

On nonbudgetary matters, Mr. President, the conference report includes a number of provisions. Prominent among them is an extensive provision establishing a grievance system for personnel of the Department of State. This has been an area of congressional concern for some years, but this is the first time that House and Senate conferees have been able to reach agreement on the terms of such a system.

Other prominent provisions of the bill, Mr. President, relate to the Arms Control and Disarmament Agency, and are intended to strengthen that agency's role in the formulation of American foreign policy in areas having a direct or indirect bearing on international arms control. These provisions were initiated in both Houses, and the conference served only to resolve certain differences.

In sum, Mr. President, I believe that this conference report represents a sound compromise, and I recommend on behalf of the distinguished Senator from Alabama (Mr. SPARKMAN) and the ranking Republican member, the Senator from New Jersey (Mr. CASE), that it be agreed to by the Senate.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Mr. President, I was a conferee, and the leader has made a very accurate and exact report.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the printing requirement on the conference report on S. 1517, which the Senate has just agreed to, be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 8:50 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 8:50 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be no more rollcall votes tonight.

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized on tomorrow, Mr. PROXMIRE be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following Mr. PROXMIRE's statement tomorrow morning, under the order entered, there be a period for the transaction of routine morning business not to extend beyond the hour of 9:20 a.m., with statements limited therein to 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER VITIATING MEETING OF THE SENATE SATURDAY, NOVEMBER 15, 1975, AND ORDER FOR ADJOURNMENT UNTIL 10 A.M., MONDAY, NOVEMBER 17, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for a meeting of the Senate on Saturday be vitiated and that the Senate, when it completes its business tomorrow, stand in adjournment until the hour of 10 a.m., on Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RESUMPTION OF CONSIDERATION OF H.R. 9861

Mr. ROBERT C. BYRD. Mr. President, if the majority leader and assistant Republican leader will agree, I ask unanimous consent that on tomorrow, upon the disposition of the cloture vote, the Senate resume consideration of the defense appropriations bill and that the Senate not go back on the situs picketing bill tomorrow following that cloture.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, there will be several rollcall votes tomorrow.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ROLLCALL VOTES ON TAX CONVENTIONS TO OCCUR AT 5 P.M. ON MONDAY, NOVEMBER 17, 1975

Mr. ROBERT C. BYRD. Mr. President, as in executive session, I ask unanimous consent that the votes on the tax conventions, which have already progressed up to and including the reading of the resolutions of ratification, occur at 5 p.m. on Monday, with one rollcall vote for the three conventions to count as three rollcall votes in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR 30 MINUTES OF DEBATE AND A VOTE ON RUMSFELD NOMINATION AFTER DISPOSITION OF TAX CONVENTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, as in executive session, that upon the disposition of the three tax conventions on Monday, there be 30 minutes for debate on the Rumsfeld nomination, to be equally divided between the majority and minority leaders or their designees; and that a vote then occur on that nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 8:50 a.m. tomorrow. After the two leaders or their designees have been recognized under the standing order, Mr. PROXMIRE will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business, with statements limited therein to 3 minutes each, such period not to extend beyond the hour of 9:30 a.m.

At the hour of 9:20 a.m., the Senate will resume consideration of the situs picketing bill, and the 1 hour under the cloture rule will begin running with time divided between Mr. HELMS and Mr. WILLIAMS.

At the close of that hour or, to wit, 10:20 a.m., the clerk will begin to call the roll, which is automatic under the rule, and at the hour of 10:40 a.m., the Senate will begin the cloture vote. Under the order entered, not to exceed 1 hour will be allowed for that rollcall on the motion to invoke cloture on H.R. 5900.

Upon the disposition of that vote, the Senate will resume consideration of the defense appropriations bill with a vote to occur immediately upon the amendment by Mr. GOLDWATER dealing with the F-18.

Upon the disposition of the F-18 amendment, the Senate will take up the Tunney amendment, under a 1-hour time limitation, and there will undoubtedly be a rollcall vote on that amendment.

I think that the prospects at this moment appear to be good in the event cloture is invoked tomorrow on the situs picketing bill and an agreement can be reached to put further action and final action on that bill over until Monday or Tuesday of next week. In that event, it will be the intention of the leadership to continue action on the defense appropriation bill until it is finalized tomorrow and then the Senate would go over until Monday.

ADJOURNMENT TO 8:50 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 minutes to 9 o'clock tomorrow morning.

The motion was agreed to; and at 7:02 p.m. the Senate adjourned until tomorrow, Friday, November 14, 1975, at 8:50 a.m.

NOMINATIONS

Executive nominations received by the Senate on November 13, 1975:

FEDERAL MARITIME COMMISSION

Bob Casey, of Texas, to be a Federal Maritime Commissioner for the remainder of the term expiring June 30, 1978, vice George Henry Hearn, resigned.

IN THE AIR FORCE

The following officer to be placed on the Retired List in the grade indicated under the provisions of Section 8962, Title 10 of the United States Code:

To be lieutenant general

Lt. Gen. Brent Scowcroft, [redacted] FR (major general, regular Air Force), U.S. Air Force.

CONFIRMATION

Executive nomination confirmed by the Senate November 13, 1975:

FEDERAL AVIATION ADMINISTRATION

John L. McLucas, of Virginia, to be Administrator of the Federal Aviation Administration.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

EXTENSIONS OF REMARKS

MR. JIM BLEWETT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mrs. BURKE of California. Mr. Speaker, today I would like to honor one of the foremost students, alumni, teachers, and coaches of Manual Arts High School in Los Angeles., Calif. The person of whom I am speaking is James J. "Sunny Jim" Blewett in whose name the Manual Arts Athletic Field was rechristened Friday, October 24, 1975, in ceremonies preceding the Manual Arts-Dorsey football game.

Jim Blewett was born in the immediate Manual Arts area. He attended Manual Arts High where he graduated as student body president in 1917. During his secondary school career, Jim garnered numerous athletic honors in addition to serving as vice president of the Boys Self-Government Organization during his sophomore year.

Jim's pursuit of a university degree was temporarily waylaid by the outbreak of World War I. Upon completing his tour of duty and later his collegiate studies, Jim returned, in 1920, to Manual Arts as a faculty member. He was to remain there until his retirement in 1964. His stay at Manual was only interrupted by stints as the head coach at Fresno High from 1921-26 and as the UCLA backfield coach and naval lieutenant commander from 1938 through World War II. With the Navy, Jim was director of athletics at St. Mary's Pre-Flight School.

During his Manual Arts coaching career, Jim's teams compiled a phenomenal record of 233 victories, 70 losses, and 10 ties. Nine of his squads were crowned city champions and, in 1962, five of his players were selected to the all-city team. He also coached in seven all-star classics, winning five, losing one, and tying the other contest.

I am honored to insert into the CONGRESSIONAL RECORD the salute to Jim Blewett that appeared in the Manual Arts High School newsletter:

MANUAL SALUTES 'JIM'

> No one man did as much for Manual Arts—its students, its school, its community—in the way of inspiring youth to develop a sense of pride, respect, dignity, responsibility, comradeship; and no one man provided that type of leadership which made young men want to succeed, excel, and want to "imitate their coach in character."
>
> And further, no one man was more deserving of "A Salute" in recognition of his many contributions to our school—his alma mater—than "The Silver Haired Fox"—James "Jim" Blewett.
>
> To you, Jim, all at Manual Arts join in a "Tip-o-the-Toilers' Hat" to you for the many hours of enjoyment and pleasure you have given us through your many successful and exciting football teams. We are equally grateful and appreciative of the inspiration and leadership provided by you which helped develop former students from boyhood into successful, productive manhood.
>
> We shall always treasure your worthy contributions to our educational program. Our wish is for many more enjoyable and relaxing retirement days ahead for both you and your beloved wife and Manual Arts' daughter, Eloise.

Among the honors bestowed upon Jim are: First, selection, as both a player and coach, to the Helm's Foundation Hall of Fame; second, admission to the Players Association Hall of Fame; third, the Breitbard Foundation "San Diego Award" for distinguished service to athletes; fourth, inclusion on the Los Angeles School District's "Who's Who" list of outstanding alumni; fifth, selection to coach in the 1950 Shriners all-star games; sixth, recognition by both the city and county councils; seventh, the Golden Apple from the city's School Retired Teachers Group; and eighth, public notice by the Scholastic Sports Association—Los Angeles Herald-Examiner—for outstanding achievement and devotion to the world of sports.

Jim Blewett was not only noted as a builder of outstanding teams and molder of fine athletes but was also regarded as an eminent educator. The lofty standards he demanded of his athletes were no different than those he demanded of himself. His educational leadership is underscored by the career accomplishments of the men he once coached.

It is most fitting that Manual Arts field be renamed in commemoration of Jim Blewett. The Manual Arts family shall forever be grateful for his immeasurable contribution as an athlete, instructor, leader, and, most of all, an educator, in the truest sense of the word.

EIGHTY-SIX PERCENT OF PUBLIC OPPOSES MANDATORY RETIREMENT

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. FINDLEY. Mr. Speaker, today I want to reaffirm my deep conviction that we must outlaw an ugly and pervasive form of discrimination still remaining in our society—discrimination in employment against older Americans. I have long felt that mandatory retirement age limits are fundamentally wrong. A recent study commissioned by the National Council on the Aging, and conducted by Louis Harris and Associates shows that most Americans—young and old—agree with me. The survey found that 86 percent of the public believes that: "Nobody should be forced to retire because of age if he wants to continue working and is still able to do a good job."

The report, published by the National Council on the Aging under the title "The Myth and Reality of Aging in America," is an important document regarding our country's attitudes and misconceptions concerning the elderly. Following is the section of the report on the Harris survey dealing with mandatory retirement:

HOW PREVALENT IS MANDATORY RETIREMENT?

Sixty-one percent of all working people in this country say that their company or place of work has a pension or other employee benefit plan with a fixed retirement age. This means that 61% of all working people can expect that at a fixed age they will be told to retire from their jobs.

Apart from those with required age, other workers can expect to be influenced, when they approach their mid-60's, by subtle pressures to move over and make room for the young. During the current recession, these pressures on older workers are apt to be greater than normal. Yet the pressures of double-digit inflation are likely to make older Americans more resistant to retirement than they normally are.

That discrimination against older workers exists is suggested not only by fixed retirement policies but by the testimony of those people who say they are responsible for hiring and firing people on their job. Eighty-seven percent of the latter agreed that "Most employers discriminate against older people and make it difficult for them to find jobs."

Those people most in the know about hiring and firing policies are even more aware of discrimination against older people than is the public at large.

THE PUBLIC AND MANDATORY RETIREMENT

By 86% to 12%, the public agreed that "Nobody should be forced to retire because of age if he wants to continue working and is still able to do a good job." Furthermore, a 58% to 36% majority agreed that "Most older people can perform as well on the job as when they were younger."

While largely opposed to putting people out to pasture at a fixed and inflexible age, nearly half of the public recognize some advantages of fixed retirement policies. By 49% to 46%, the public agreed that "Older people should retire when they can, so as to give younger people more of a chance on the job." Likewise many people are aware of the administrative difficulties involved in making retirement decisions on an employee by employee basis; by 49% to 43%, they agreed that "Since many people are ready to retire at 65 years of age, and it's hard to make exceptions for those who are not ready, it makes sense to have a fixed retirement age for everyone." Only 37% of the hiring and firing decision-makers, however, feel a fixed retirement age for everyone makes sense.

The findings suggest that most hiring and firing decision-makers would not be opposed to some kind of individualized method for determining who should be forced to retire and who should not.

OLDER AMERICANS AND MANDATORY RETIREMENT

That people are ready to retire at 65 years of age is, in itself, however, a faulty assumption. While 48% of retired or unemployed people 65 and over said that they in fact looked forward to stopping work, nearly as many (45%) did not. Among those with incomes of under $3,000, a full 61% said they did not look forward to stopping work.

To be sure, retired and unemployed people 65 and over said they missed the money the job brought in when they stopped working. As important as the income the job brought in were the people at work. In addition, majorities of those retired or unemployed said they missed the work itself, the feeling of being useful, and things happening around them.

CONCLUSION

While the country appears to be moving towards younger and younger required retirement age, the public is divided on whether or not this is a positive move. While those 18 to 64 agreed by a plurality (47 to 39%) that younger required retirement is a good thing, those 65 and over disagreed by 47 to 33% (with 20% not sure).

All in all, those who opted for earlier retirement explained, primarily, that it gives people the chance to enjoy their life and do things before they get too sick or too old, and that it makes more jobs for younger people. (Those under 65 are much more likely than those 65 and over to feel that earlier retirement gives people a chance to enjoy their life.) Those opposed to earlier required retirement felt, primarily, that work makes people feel useful and needed, that retirement brings about illness and old age and people should be able to work as long as they want to. (Those 65 and over felt more strongly than the young that retirement ages people.)

That the under 65 are more likely than those 65 and over to think of retirement as a "chance to enjoy life" may suggest a lack of enjoyment opportunities experienced by younger workers.

While a plurality of the young may be in favor of younger retirement for those who want to enjoy the things in life they have never had time for otherwise, the public at large is strongly opposed to an inflexible mandatory retirement system. Those older people who want to continue work into their 60's, 70's and 80's and who are still able to do their jobs (a majority of the public feel most older people are still able) should not be retired against their will. These results represent a strong public mandate for the rollback of mandatory retirement guidelines and practices.

THE HUMAN LIFE AMENDMENT AND THE RAPE-INCEST ARGUMENT

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. OBERSTAR. Mr. Speaker, among the various suggested exceptions from the proposed Human Life Amendment, the argument to allow abortion in cases of rape and incest has a unique appeal. It is grounded in humanitarian concern and a feeling of compassion for the innocent victim of violent sexual assault, or the possibly deformed offspring of an incestuous relationship.

That view, however, is based on inaccurate assumptions and is not substantiated by fact.

Dr. Carolyn F. Gerster, chairman of the Board of the National Right to Life Committee, a renowned medical authority in the field of gynecology, has written a detailed, thoughtful, and enlightening article on this issue. She treats this delicate subject with the respect, the sympathy and understanding, as well as the medical and scientific expertise so complex a subject deserves.

As Dr. Gerster lucidly observes, "Abortion is not a solution to a problem, but the refusal of society to look for a solution."

I would like to share here professional document with my colleagues in the hope that it will resolve doubts and respond to previously unanswered questions about this important issue:

[From the National Right to Life News, November 1975]

WHY NOT KEEP LEGALIZED ABORTION FOR RAPE AND INCEST?

(By Carolyn F. Gerster, M.D.)

I have great sympathy for those individuals who, out of a sense of compassion, wish to add rape and incest to the traditional "life of the mother" exception clause for legal abortion. At first glance, it appears calloused to impose on the innocent victim of a violent sexual assult the added humiliation of nine months of pregnancy and childbirth.

This sympathetic view was held by many Americans and reflected my own feelings prior to my involvement in the abortion controversy. In fact, an early National Opinion Poll[1] in 1965 found that while 83 per cent of the 1484 persons polled opposed abortion on demand, 77 percent opposed abortion for the unwed mother, 80 per cent for financial reasons, 56 per cent of those questioned were in favor of abortion for the rape victim.

The humanitarian exception clauses appeared in the first proposed changes in the traditional abortion laws recommended by the American Law Institute.[2] This revision was the model for the 1967 Colorado statute.

The proposal of the American Law Institute[3] justified abortion in cases of (1) substantial risk to the mother's physical or mental health; (2) grave fetal deformity; (3) rape, incest and other felonious intercourse (including illicit intercourse with a girl below the age of 16).

The Colorado revised law sounded reasonable and humane. Yet, the day that the state considered an exception other than the defense of human life, abortion on demand became a foregone conclusion.

Just as there is no such thing as "a little bit pregnant" or "a little more equal" there is no such thing as "a little more human." The unborn child is either a living human being or a meaningless bit of protoplasm. There are no degrees of humanity.

DEPARTURE FROM PRINCIPLE

In Colorado, in 1967, for the first time in our nation's modern history—since the abolition of slavery—we departed from the principle that the taking of innocent human life was permissible only as the inadvertent result of an attempt to save human life—that is, in self defense (either in a personal or collective sense). There were abuses of this principle, certainly—defensive wars that were not defensive—racial injustice—the inability of the poor to obtain legal counsel. But the intent of equal protection under the law remained constant.

In 1967 we witnessed the first subtle change. It was now permissible to take a life for a social or an economic reason. Therefore, it logically follows that this unborn child must be regarded as "less than a human being."

John Updike[4] observed that "death once invited in, leaves his muddy footprints everywhere." We opened the door to "a little killing" in Colorado. We took that first difficult step. The acceptance of de facto abortion on demand to term and, indeed, infanticide became only a matter of time.

It is now an historical fact that the actual objective of the proponents of the relaxation of the abortion laws was the elimination of all abortion laws. Emotional arguments such as rape and incest were used as a wedge to gain sympathy for the abortion cause.

Once abortion is regarded as an acceptable medical procedure and a solution to a social problem, there can be no logical barrier to abortion on demand.

The rationale behind relaxed laws for "certain cases" is based on the denial of the humanity of the unborn child.

By allowing abortion for rape we abandon the only principle by which we can resist abortion on demand. The unborn child is a living human being—why should he not be regarded as a legal person? Once we abandon that principle the law may be distorted and ultimately abandoned.

PREGNANCY FROM RAPE

Eliminating the cases of freely consented intercourse with a minor (statutory rape), what is the reality of pregnancy from forcible rape? Like all acts of violence, rape is increasing. There has been a 112 per cent rise in reported cases in the past twelve years.[5] Interestingly enough, as in the case of the battered child, the most rapid rise has occurred after the passage of permissive abortion laws. The problems created by rape are not solved by abortion.

There are, oddly, no national statistics on the number of pregnancies from unconsented intercourse. We may, however, take a representative year, 1967. There were 27,100 assaults with rape or intent to rape reported by the FBI Crime Report.[6] Of these, 18,000 were recorded as forcible rape (labial penetration with or without emission whether interrupted or not).

The ovum can be fertilized for only 24 hours after ovulation. The sperm remain viable for only 48 hours. In reality, the possibility of fertilization, as stated by Dr. Guttmacher[7] (under the most optimum conditions) exists from two days prior to ovulation to one half day after (2½ days during the 28 day cycle). Statistically, the chance of rape during fertility would be 10 per cent. The rate of pregnancy from unprotected (consented) intercourse between fertile individuals has been estimated as 3 per cent.[7a]

PERCENTAGE USE INVALID

This figure of 3 per cent (540 pregnancies) for 18,000 rape cases cannot be used for a variety of reasons: (1) Even with penetration, ejaculation may not have occurred or may have been interrupted; (2) Rape victims are in an age range from infancy to 100 years. Only an unknown per cent fall into the fertility range of 12 to 50 years of age; (3) Some victims are sterile or have had a tubal ligation; (4) An unknown number of fertile women are on contraceptive pills or have an IUD, and are thus not "unprotected'; (5) The age of the rapist has been recorded as 12 to 80 years. He may be sterile or have no emission; (6) An increasing number of rapists have had vasectomies,[8] and (7) The most important factor in the rarity of pregnancy from forcible rape is that there is very firm evidence that the severe emotional trauma prevents ovulation (or implantation).

In a macabre experiment during the Third Reich, scientists sent women about to ovulate to a mock execution in a gas chamber. An extremely high percentage of the women failed to ovulate during that cycle.[9]

The second documentation for the suppression of ovulation was the rarity of pregnancy among the young Catholic nuns and female Protestant missionaries raped by marauding soldiers in the Congo. Those about to ovulate, did not.[9]

For the above reasons, pregnancy even from untreated rape is rare. The captain of the Sex Squad of the Washington, D.C. metropolitan police, V. Edward Tate, was able to report only three pregnancies from forcible rape in fifteen years.[10]

CORRECT MEDICAL TREATMENT

Pregnancy after correct medical treatment of rape is zero.

This is substantiated by the documentation of 3,500 cases of treated rape in Minneapolis and St. Paul over a ten-year period,[11] and 1,000 rape victims treated with diethylstilbestrol and reported in the J.A.M.A. October, 1971.[12] There were no pregnancies from the total of these 4,500 cases.

The most common mode of action of diethylstilbestrol, now the usual treatment for rape cases that are promptly reported, is to suppress ovulation, rendering fertilization impossible during that menstrual cycle. And, in view of the recent publicity given to the findings that DES has caused cancer of the vulva in daughters of women who were treated for threatened spontaneous abortion (miscarriage), it should be noted that danger exists only for the pregnancy during which the DES was given. The large dosage given in rape cases prevents 100 per cent of pregnancies from rape. Since it is only the child in utero at the time the DES is given which could be affected, patients need not fear a threat of cancer to subsequent children.

Despite the availability of treatment, only an estimated 30 per cent of rape cases are reported. Much of this failure is due to lack of public education and the improper handling of the rape victim.

BRITISH TEST CASE

Does pregnancy, however rare, still occur among these unreported cases? Of course it does. The most celebrated case was the 1938 trial of Dr. Aleck Bourne, an eminent English gynecologist, who performed an abortion on a 14-year-old girl who had been gang raped by a number of horseguardsmen.[13] Dr. Bourne made this a test case because he honestly believed that the law should permit those abortions in which the doctor, acting in good faith, believed that the pregnancy would result in severe mental or physical damage. This plea was made 37 years ago, before the medical and contraceptive advances of today. However, the so-called "Bourne Principle" was the basis for the 1967 legalization of abortion in England for a myriad of social and economic reasons amounting to de facto abortion on demand. Aleck Bourne was so appalled by the result of what he had envisioned as a provision for a very limited number of abortions for "hard cases" that he became a founding member of the Society for the Protection of the Unborn Child in 1967.

This emphasizes the wisdom of the legal adage "hard cases make bad laws."

As Dr. Jack Willke has pointed out . . . "laws must speak to the general norm. Judges have always allowed certain exceptions to laws or to punishment out of mercy for a hard or tragic case. To our knowledge, no physician has been prosecuted in recent times in the United States or Canada for doing an abortion in such a case though the law forbade it."[14]

From the so-called "humanitarian" exception clauses of the American Law Institute we have progressed to the annual killing of an estimated one million unborn children in eight short years.

IRREFUTABLE ARGUMENTS

In the final analysis, there are two irrefutable arguments against the legalization of abortion for rape: (1) Pregnancy from reported, medically treated rape is zero—rendering the exception clause unnecessary. (2) Unreported rape—after all evidence of penetration has disappeared and without corroborating witnesses—cannot be proved rendering the law unenforceable.

If the court were to accept the statement of the mother weeks or months after the alleged assault, we would be faced with the all too frequent late abortion done now after 28 weeks for rape. A recent example is the death of a 31-32-week-old infant girl on March 19, 1974, in Pittsburgh, Pa.[15] A 27-year-old married woman, whose husband had had a vasectomy, requested an abortion, claiming to have been raped in September, 1973. The request was refused by four physicians at Magee Woman's Hospital after the gestation age of the fetus by sonography was estimated up to 31 weeks. A vaginal hysterectomy was done by Dr. Leonard Laufe, a well known abortion proponent, on March 19, 1974.

There is very substantial evidence, including a three-minute film sequence, that the baby girl was born alive and, as in the Edelin case, not resuscitated. Whether the baby was born alive or not is a moot point in the light of medical ethics. The baby was only 8 or 9 weeks premature and clearly alive a few minutes before the abortion. She would have had an excellent chance of survival in any neonatal intensive care unit. This was clearly infanticide. Dr. Laufe was acquitted by a coroner's jury and has never been brought to trial elsewhere.

A WOMAN'S REACTION

In conclusion, I am not in any way minimizing the physical or psychological damage of rape. As a woman, I am more cognizant than any man, that rape is not a sexual act but the result of a violent and destructive compulsion to humiliate the victim.

I am angry when it is suggested that women invite the assault by their manner or dress—that women actually "enjoy" rape.

I am angry when I learn that many women will not bring charges because the past sexual history of the victim is admitted as evidence by the defense attorney or when I read that only 10 per cent of the apprehended rapists are convicted by the courts.[8]

I am angry when I realize that most hospitals in the United States still do not follow proper procedure for collecting medico-legal evidence or when I hear of cold and unsympathetic treatment of the victim by hospital staff, police or family.

I am angry when I realize that there are too few assault centers with experienced staff to explain the need for loving support to the victim's parents or husband, or when I learn that there are almost no facilities for long term psychiatric follow-up of the

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Footnotes at end of article.

victim whose symptoms of apprehension, self-doubt, guilt, disorientation, nightmares, phobic fears and inability to enjoy normal sexual relations may continue for months or years.[16]

Pregnancy from rape is rare but the other results of rape—venereal disease, loss of self esteem, physical injury, permanent neurosis and disruption of the family—are not rare.

Legalizing the destruction of the child will not apprehend or convict the rapist nor heal the emotional scars of violent assault.

HOW TO HELP VICTIMS

Those who really want to decrease the incidence of rape and are sincerely interested in the welfare of the victim should consider these positive solutions: [17]

(1) Legalization should be enacted to provide severe penalties for conviction of rape with the provision for psychiatric rehabilitation so that the rapist will not be returned to society unless it can be reasonably ascertained that he will not repeat the crime. The privacy of the victim (including the details of her past sexual life) must be assured.

(2) We must provide specially trained Personal Assault Squads (including women officers) sensitive to the emotional needs of the victim and aware of the evidence necessary to document and prosecute the rape case.

(3) Crisis Assault Centers within the hospitals of all cities should be specifically staffed to provide (in privacy):

(a) Immediate care of injuries and their description. A complete physical examination with assessment of the emotional state of the patient and alleviation of psychological damage.

(b) The proper medico-legal documentation for the law enforcement agency, including collection of pubic hair, identification of mobile sperm (with the realization that many rapists have vasectomies negating this evidence), slides and cultures of the cervix, vulva, anus, mouth, vaginal swab for acid phosphotase and serology.

(c) Photographs and collection of clothing to be submitted to police.

(d) Prophylactic antibiotics for syphillis and gonorrhea. Gonorrhea re-evaluation to be repeated in one week. Serology to be repeated in six weeks.

(e) Large dose of estrogen to prevent pregnancy.

(f) The collected evidence, sealed and witnessed, together with the history and physical examination to be given to the officer and delivered to the county crime lab.

(g) Counseling (on site) of family and victim by staff social workers and trained volunteers (often effectively done by a woman who has herself had the past experience of sexual assault) with additional visits scheduled at appropriate intervals.

(h) Facilities available for long term psychiatric follow-up if needed.

(i) Widespread educational programs through schools, clubs, churches and the media to alert women of the availability of the Crisis Assault Center, and instruction in avoiding physical assault.

An Assault Crisis Center has been established at the University of Arizona and a Personal Assault Squad is in operation in the Phoenix police department. This program has been well outlined by Dr. Joseph W. Hanss, Jr., at the 84th annual meeting of the Arizona Medical Association and appeared in the August, 1975, issue of Arizona Medicine. Similar programs should be adopted throughout the nation.

Abortion is not a solution to a problem but the refusal of society to look for a solution.

What of the rare pregnancy from rape? I recalled an example of such a case in Ethel Waters' beautiful autobiography, "His Eye Is On The Sparrow," where she reveals that she, herself, was the result of the rape of her 13-year-old mother at a time when treatment and care were unavailable. Her mother's love and Ethel Waters' value to society were not diminished by the circumstances of her birth.

ADDENDUM

The investigation of abortion for sexual assault was completed when I realized that incest was in no way similar to rape and the two should not be linked together in a legal or ethical sense. The only reason that they are discussed together by proponents of abortion is that both commonly arouse an emotion revulsion which diverts attention from the real issue—the killing of the unborn child.

Incest is described by Webster as "sexual intercourse of kindred within the forbidden degrees." The intercourse is with the consent of both partners or it would be defined as rape.

Some statutes have defined the "forbidden degree" as intercourse between close blood relatives, such as between remote relatives, such as second cousins and some societies have labeled as incestuous intercourse between relatives by marriage, such as between a man and his sister-in-law.

"Incestuous intercourse is seldom reported and when pregnancy does occur, it is not usually reported as being from incest." (1)

(1) Handbook on Abortion: Dr. and Mrs. J. C. Willke, Page 40.

FOOTNOTES

[1] Abortion: the Myths, the Realities and the Arguments, Germain Griesz, page 241.

[2] Not an official organization but a voluntary society of jurists and lawyers.

[3] Moral Penal Code Sec. 230.3—Abortion (approved May, 1962).

[4] Couples, John Updike.

[5] Medical Insight, April, 1974, page 225.

[6] Uniform Crime Reports 1967 (Wash. D.C., 1968) page 13.

[7] Alan Guttmacher, M.D. et al, The Consumer's Union, 1962.

[7a] "Probability of Pregnancy from Single Unprotected Coitus," Fertility and Sterility, Vol. 11 Oct., 1960 pages 485–88.

[8] Dr. Joseph W. Hanss, Jr., 1975, Arizona Medical Associating meeting, Arizona Republic, February, 1975.

[9] A. Hellegers, USCC Abortion Conference, Wash. D.C., October, 1967.

[10] The Abortion Decision, David Granfield, page 107.

[11] "Zero Pregnancies in 3500 Rapes" The Educator, Vol. 11, No. 4, September, 1970.

[12] L. Kuchera, "Post Coital Contraception with Diethylstilbestrol, Journal of the American Medical Association, October 25, 1971.

[13] "Rev. v. Bourne," Lancet, July 30, 1938, 11:280.

[14] Handbook on Abortion, Dr. and Mrs. J. C. Willke, page 41.

[15] Journal of Legal Medicine, September, 1975, page 49.

[16] American Journal of Psychiatry, September, 1974.

[17] "Another Look At The Care of the Rape Victim," Joseph W. Hanss, Jr., M.D., Arizona Medicine, August, 1975, page 634.

CONGRESS CUTS AN ARTERY

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. TEAGUE. Mr. Speaker, on November 10, 1975, the Dallas Morning News carried an editorial regarding our highway trust funds. I hope every Member of Congress will read and heed the warning suggested by the writer. We cannot delay any longer.

The editorial follows

CONGRESS CUTS AN ARTERY

Texas is a vast, diverse state, as anybody who has driven across it knows. It's bigger than all of New England, New York, Pennsylvania, Ohio and Illinois combined.

Only a strong and healthy arterial system—good highways—can feed life into each of its far-flung and varied parts and provide the cohesion needed to draw them all together into one state. Sever this critical artery, and you threaten the economic, cultural and social life of all parts of Texas.

Because of politically inspired inaction, Congress is doing exactly that. To date, it has failed to provide funds to keep highway construction and maintenance going. If those funds are not made available within weeks, much of this work will come to a stop.

Worse than that, the excellent staff of skilled highway builders that has produced one of the country's best road systems will be severely dismembered. Nearly 19,000 jobs would be lost by highway construction and allied industry workers in Texas next year. This would be in addition to the 3,000 State Department of Highways employees who already have lost jobs due to fund shortages.

A third of state highway revenue comes from the Federal Highway Trust Fund, created from highway user taxes to be used solely for highway construction and maintenance.

The last money appropriated to Texas from the trust fund was under the Federal Aid Highway Act of 1973. Highway officials say nearly all of that money has been used up.

No more will be available until Congress acts to extend the trust fund. At the moment it is stalled over whether it should break up the fund to use a large share of it for rapid mass transit systems in the more populous Eastern states.

These advocates of rail transit systems fail to comprehend the size and scope of Texas: It has 25 federally designated metropolitan areas, more than any other state. Two of them are among the 10 largest in the country.

But more critically, those population centers are far apart—from Texarkana to Laredo; from Amarillo to Brownsville. That's like driving from Cincinnati, Ohio, to Hartford, Conn.

No system of transportation, other than highways, is feasible for tying together the cities and towns of Texas. Their people and products have to move on rubber tired wheels that require highways.

Failure by Congress to extend the Trust Fund, thereby severing this vital arterial system, would be the worst sort of neglect and irresponsibility. Its action on this issue is needed without any more delay.

VOTE ON ZIONISM REPUDIATES UNITED NATIONS CHARTER

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ANNUNZIO. Mr. Speaker, the action taken by the United Nations General Assembly, on November 10, equating Zionism with racism is a most deplorable and tragic event in the history of that organization. By this action, the nations which voted in favor of this despicable resolution have effectively repudiated the very Charter of the United Nations on which this inspiring 30-year experiment to better relations and to improve cooperation among the nations of the world is based. Some of the purposes of the U.N. are stated in article 1 as follows:

> To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;
>
> To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion.

Mr. Speaker, on October 22 I cosponsored House Resolution 813 strongly condemning the resolution equating Zionism with racism because I feel that such action mocks the very function of the U.N. itself, which is to make the U.N. a forum for resolving disputes, for discussing common goals in the search for peace, and for developing the means to implement those goals.

Because the U.N. resolution is repugnant to the Charter of the United Nations, and because this resolution only serves to confuse issues which affect peace in the Middle East and also encourages anti-Semitism around the world, I shall support moves in Congress to reassess the value of the U.N. in the community of nations as well as to reassess the extent of the U.S. participation in this organization. The vicious resolution approved on November 10 is only the most recent outrage committed by an irresponsible majority in the U.N. General Assembly. Israel has already been excluded from UNESCO activities and admitted terrorists were allowed to address the Assembly and participate in its proceedings.

The United Nations was founded in the hope that it would contribute to the settlement of disputes peacefully rather than by force of arms. This noble experiment was designed to lessen rather than heighten tension and bitterness. However, these recent negative actions have changed the course of the U.N.'s 30-year history and put the organization on record in the encouragement of dissension rather than the encouragement of cooperation among nations. As a result, the continued usefulness of the U.N. in the search for peace among nations must now be called into question by all reasonable and responsible leaders in all countries around the world.

HOUSE RESOLUTION 855

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HANNAFORD. Mr. Speaker, 30 years after the end of the most destructive war in history, a war fought to end forever the myth of racial superiority, we witness a document of anti-Semitism passed in a representative political organization supposedly dedicated to fostering tolerance and recognition of individual rights. Yes, 3 days ago on November 10, the General Assembly of the United Nations, in a vote of 72 to 35, declared "Zionism a form of racism and racial discrimination."

The failures and mistakes of the United Nations resolution are so apparent that we have no alternative but to condemn it. The resolution, in granting anti-Semitism the appearance of international sanction, encourages and legitimizes anti-Semitism throughout the world and confuses racism with the internationally respected tenets of national self-determination. As our Ambassador to the United Nations pointed out, the decree thus ominously grants symbolic amnesty to the mass murder of the Jewish people in World War II, a fact so evil as to forever mar the history of our generation with its infamy. The resolution documents the most closed-minded of moralities, a morality that fails to put the individual before the state, a morality that fails to put human rights before political ideology. The perpetration of such perverted morality in a United Nations resolution compromises the very principles on which the United Nations was founded. As Americans worthy of our heritage we must question the merit of an organization which would accept a resolution so alien, so hostile to our way of life. Our confidence is shaken, and to try the confidence of the Nation that historically has provided the greatest share of individual and financial support of the United Nations is to endanger the very existence of that organization.

Mr. Speaker, in a time when understanding and communication are of the most desperate importance to the maintenance of world peace, I applaud the Congress of the United States for the wisdom and determination manifest in House Resolution 855 of November 11, 1975.

THE NEW FORGOTTEN MAN: THE SMALL BUSINESSMAN

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. JAMES V. STANTON. Mr. Speaker, I would like to call to the attention of my colleagues an excellent column by Irving Kristol that appeared in today's Wall Street Journal on what he terms the "new forgotten man", the small businessman. The point he makes, that small businessmen, because of their energy and innovative spirit, bring healthy competition to our economy, is exactly that made by the Corporate Citizenship and Competition Act which I introduced earlier this year.

He states,

> The large corporations may be the end-product of "free enterprise" but it is not its quintessential representative, either in theory or practice.

With the latter assertion, I wholeheartedly agree, but I believe we in Congress have a choice on whether the large corporation will indeed be the "end-product" or our free enterprise system. It is my position, as expressed in the Corporate Citizenship and Competition Act, that we need not passively accept the domination of major industries by large corporations, and that we can act to restore to these industries the vigorous competition that small business brings.

The column follows:

[From the Wall Street Journal,

Nov. 13, 1975]

THE NEW FORGOTTEN MAN

(By Irving Kristol)

It was about a hundred years ago that the American social theorist William Graham Sumner coined (or popularized) the phrase, "the forgotten man." He was referring to the average taxpayer, not poor enough to be the object of official compassion, not rich enough to remain basically unaffected by official depredations. There never was any popular animus against such a person; the political process simply ignored him, even as it afflicted him.

The phrase caught on, and those of us of a certain age can well remember the standard cartoon, on the editorial pages of the more conservative press, in which a naked John Q. Citizen, his nudity concealed only by a barrel, pathetically clutched the last few dollars of his after-tax income and desperately pleaded that attention be paid to him.

During the years of the post-war boom, 1945–1965, this image rather faded from the popular imagination. Taxes grew steadily in this period, to be sure, but incomes rose even faster, and the average citizen was not perceived to be suffering much, nor did he himself seem to feel any particular distress. In the late '60s, of course, all this began to change, as inflation took hold, economic growth slowed down, and the spirit of a taxpayers' rebellion began slowly to intrude itself into the political consciousness. The average taxpayer, a relatively small minority of the population in Sumner's day, is now the overwhelming bulk of the citizenry. He may remain, in 1975, an unduly afflicted being, but no one can say that he has been forgotten. The level of taxation has become a major political issue, which even the most spendthrift of politicians has to take account of.

Meanwhile, however, a whole new class of forgotten men has emerged. Like his counterpart of yesteryear, today's forgotten man is—if the opinion polls are to be believed—a fairly respected and well-regarded citizen. No one is leading a crusade against him, and it is probable that no one really wants to. He is merely being chivvied, harassed, ruined, and bankrupted by a political process that takes him for granted and is utterly indifferent to his problematic condition. I refer to the small businessman.

AN INVISIBLE FIGURE

It is astonishing and dismaying how little interest there seems to be in the condition of small business in the United States today. Big business is in the spotlight to such a degree and is the focus for such passionate concern (pro or con), that the smaller businessman is an invisible figure, offstage somewhere.

One can understand why and how this has happened. Big business is certainly far more important today, economically and politically, than it ever was. Economically, because the overall health of the economy, in terms of investment, economic growth, employment, hinges very much on the health (or lack thereof) of big business. Politically, because the struggle for control over the decision-making process of the large corporation—which is what "regulation" is all about—will certainly have a profound effect on the ultimate status of the private sector vis-a-vis the political sector, in our still-mixed economy. Both our collective prosperity and individual liberty, therefore, are very much at issue in the current controversies over the ways in which big business should be organized and operated.

But if small business is of lesser economic significance than it used to be, its economic role is till terribly important. And the fact that the future of the large corporation involves the future of our private sector should not obscure the more basic fact that small business preeminently is the private sector.

Economically, small business plays a critical role in the process of innovation. When one surveys the new products and new processes of the past 25 years, it is extraordinary how many of them were introduced by aggressive entrepreneurs or smaller business firms. The Xerox copier, the Polaroid camera, the mini-computer, high-fidelity recordings, frozen foods, wash-and-dry clothing, etc.—the list is long and impressive. Nor is it only product innovation that small business is so good at. It also rates high marks for conceptual innovation, for coming up with a new way of organizing older services. Containerization; the discount store; the motel; franchising the sale of hamburgers; fried chicken, and other food products—these, among others, were ideas in the head of an individual that proved fruitful and beneficial because our economic system permitted them to compete with existing ideas as to how things should be done. Obviously, not all the innovations of entrepreneurs succeed; indeed, most of them fail, as they are bound to, in a high-risk, high-payoff situation. But this brash willingness to risk failure is itself one of the major merits of a system of "free enterprise."

The large corporation may be the end-product of "free enterprise" but it is not its quintessential representative, either in theory or practice. It is true that, in the United States as compared with the Soviet Union, the large corporation is relatively innovative, does preserve an entrepreneurial aspect. (To the degree that government gets involved in decision-making, it is always the avoidance of risk that will take priority.) but even at its best, the large corporation will never be as enthusiastic about innovation as its tiny competitors. It has a huge investment in existing products and procedures that it would prefer not to write off too quickly. It usually makes more economic sense for it to seek marginal improvements in productivity rather than to concentrate on a new product that may or may not sell, or a new process that may or may not work. And its vast bureaucracy is always, to some extent, a conspiracy against innovation: layer upon layer of experts—lawyers, engineers, marketing men—are at hand to point out all the things that can go wrong. These objections will have both merit and force; a corporate officer will have to take them seriously. Only the entrepreneur, with little to lose, can boldly ignore them.

But small business is even more important politically than economically. It is integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society. It is the small businessman who builds up those large fortunes which then sustain the not-for-profit sector—the universities, foundations, philanthropies—which is so important a buffer between the public and private sectors. (Corporate executives almost never accumulate that amount of capital, despite their high salaries.) It is the successful small businessman who maintains his roots in a local community, becomes a visible symbol of success to everyone, gives the politicians in our smaller towns and cities their own access to funds (and therefore a greater independence from national organizations), supports all those local activities—social or cultural—which helps keep community morale high. And it is in the small business sector that those who are discriminated against, whether it be for their politics, race or religion, can find, and have traditionally found, sanctuary.

Indeed, when we talk about "liberal capitalism," we are talking specifically about a political-economic system in which *small* business is given the opportunity not only to survive, but to prosper. If Yugoslavia or Russia were, tomorrow, to permit their major nationalized industries to sell shares to the public, in order to raise capital, it would not involve any grand reformation of their systems. On the other hand, if they gave entrepreneurial freedom to small business, it most certainly would. Then, and only then, could one talk seriously about "liberalization."

Similarly, in the "capitalist" countries the very largest of our corporations are already, and will surely remain, "quasi-public" institutions. That is the way they are described in all the business-school texts; that is the way they are referred to casually by politicians and the media; and, in truth I have yet to hear the chairman of a major corporation publicly insist that what he commands is a species of private property, in the traditional sense of that term. (The exact meaning of "quasi-public," of course, is unclear, and its definition is what the fighting is all about.)

DIFFERING ATTITUDES

Small business, in contrast, even where there is public ownership of shares, is still generally perceived to be a species of private property and to possess the legitimacy which most Americans are still willing to concede to private property. In this respect, the United States is very different from Western Europe. Here, it is only big business that public attitudes are likely to be hostile to. There, all business falls under a shadow of distrust and disfavor. Popular opinion there is inclined to be antibusiness per se—i.e., anti-capitalist. We are still, in principle and to a large degree in actuality, a liberal-capitalist society. And it is small business that makes it so.

It is therefore all the more paradoxical that, in our taxation and regulatory policies, so little attention is paid to the needs of small business. I note that the House Ways and Means Committee has just decided to continue a lower tax rate on the first $50,000 of corporate income, after which the full 48% rate applies. What a pitiful gesture! Why shouldn't the corporate income tax be far more graduated than this, so that the full 48% rate applies only when a firm reaches, say, the $2 million income level? *That* would make a difference. Why doesn't a Republican administration, concerned about the survival of liberal capitalism, press for such a reform? Why does it persist in trying to lower the tax ceiling for all corporations—a proposal which Congress will certainly ignore, while it just might be willing to give smaller business a break? The answer, I suggest, is that it is so concerned—we are all today so concerned—about "macroeconomic" phenomena that the economic and sociological and political importance of the smaller businessman or smaller business firms has simply been overlooked.

One also may properly wonder why no greater efforts are made to protect smaller businesses from the horrendous burden which the newer regulatory agencies impose on them. Big business finds it difficult enough to cope with all the expensive changes required to meet new rules governing air pollution, water pollution, noise, safety, etc. But, in the end, big business has the resources to survive this experience, harrowing as it is. Small business will not survive it, and is not. All over the nation, smaller firms are being pushed into liquidation of mergers by their inability to cope with these new burdens. They need more time, more generous (albeit temporary) exemptions. Why don't we hear more voices, and louder ones, demanding that they receive such differential treatment?

If small business is going to survive in this country, it is going to have to organize itself more effectively so that its interests are respected. Just why it has so far failed to do this, I do not know. But I do know that unless it does, it will perish from neglect. And much that is precious to the American way of life will perish with it.

ANTI-ZIONISM VOTE IN THE UNITED NATIONS

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ROYBAL. Mr. Speaker, the passage by the United Nations of a resolution that states "Zionism is a form of racism and racial discrimination" is a deplorable action that signals a nadir in that body's history.

The United Nations was founded in the aftermath of a war that had as one of its motivating precepts a brutal anti-Semitism and racism. The founders envisioned the U.N. as a community of nations working in concert to solve their problems and to promote peace on this earth. This feeling was embodied in the first article of the Charter of the U.N., which states:

> The purpose of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion.

The vote by the General Assembly represents a repudiation of the very intent of the founders of the United Nations.

The underlying philosophy of the Zionist movement is dramatically opposed to racism. The movement was begun in 1897 with the goal of establishing a national state for Jewish people of every race. The fruition of that dream came with the establishment of Israel in 1947.

Today, Israel admits people of all races and colors. Thus the action of the U.N. General Assembly is a contemptible contradiction of well-known facts.

The final vote of the General Assembly in reality represents the personal prejudices of certain Middle Eastern nations and third-world countries. Last year, this group spearheaded a drive to oust Israel from the world body. When that failed, they set out to libel her with the sanction of the United Nations.

Neither Israel nor the Zionists were the losers in this week's vote. The real loser was the United Nations. The U.N. has strayed from its historic mission, and that will call into question its very existence. The United Nations was established to promote unity, but now it has promoted disunity. It was meant as a place where nations could rationally discuss their differences, but it has instead become a place where irrationality holds sway. It was meant as a place where nations could seek truth, but unfortunately, it is being used to sanctify an odious untruth.

I support the motion to reassess our role in the United Nations. I believe the policy debate that will ensue is needed to clear the air so that we can better understand what is happening to the United Nations.

INFLATION AGAIN HITS CITIZENS TWO WAYS: HIGHER COSTS AND TAXES

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. COUGHLIN. Mr. Speaker, in reviewing the data on House Concurrent Resolution 466, the second concurrent resolution on the budget for fiscal year 1976, there is one fact which I personally consider most significant: The major increase in budget receipts reflected in this legislation is attributable to an additional $6 billion in individual tax receipts resulting from taxpayers being pushed into higher tax brackets due to inflation.

This $6 billion windfall to the Federal Treasury was not even foreseen at the time that the first concurrent resolution on the budget was considered by the House last spring. As a Congressman who has long been a strong proponent of the tax indexing approach, designed to offset the effects of inflation on the American taxpayer, I am appalled at this statistic.

In just 6 months' time, the Federal Government has reaped this gain, while the average citizen is finding it more and more difficult to cope with the burdens of the rising cost of living. And, at the same time, we in the Congress are finding our own jobs just a little easier, because we now have an additional $6 billion bonanza which we can so generously allocate to another Federal program—perhaps even one of the many programs intended to "stimulate the economy."

Maybe, instead of adding to the ever-burgeoning bureaucracy, we ought to do something that would really help the taxpayer and also focus attention on the realities of our unjust tax structure. The fair approach, at least as I see it, is to adopt a tax system which would require annual adjustments to reflect changes in the cost of living as measured by the consumer price index. These adjustments would apply to income tax rates, the standard deduction, personal exemption, depreciation, and the interest rate on U.S. savings bonds, savings certificates, and certain other U.S. obligations.

The inequities of our present taxing system are not immediately apparent to the average individual, nor is the amount of the benefit which the Government accrues. However, when one encounters a figure such as the $6 billion cited here, the realities of the situation do hit home. Although all of the $6 billion cannot be attributed to inflation and a part of it is related to the startup of economy recovery, I have been advised by the House Budget Committee that a substantial portion of it is, in fact, due to the Federal windfall to which I am so vehemently opposed.

Perhaps if more people were made aware of this hidden tax and its eroding effect on their purchasing power, the public outcry would at long last force the Congress into taking much needed action to restore justice to our Internal Revenue Code. And, in doing so, the Congress would undoubtedly restore some of its own lost credibility, for instead of enacting patchwork tax "reform," it would finally be doing something to provide meaningful and long-lasting tax relief for all American citizens.

MANDATED SEAT BELT USE

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. SCHEUER. Mr. Speaker, every year a significant number of people are killed or injured because of an irrational belief that "It won't happen to me."

I am introducing today a bill to require the States, under penalty of a 10 percent reduction in Federal-aid highway funds, to enact legislation making the use of safety belts mandatory for all citizens at all times, subject to certain State-determined exemptions for reasons of physical or mental infirmity, occupation, or body size. Traffic citations, which would carry fines of between $10 and $25, would be issued for violations of such laws.

The use of safety belts already installed in passenger cars constitutes the single most cost-effective measure for reducing serious injuries and fatalities in motor vehicle crashes.

No one can dispute the efficacy of safety belts in preventing injury and death in automobile accidents—there is a veritable mountain of available evidence on this point. And since the necessary safety equipment is already installed, not one additional dollar need be spent on this invaluable means of preventive medicine.

The National Highway Traffic Safety Administration—NHTSA—an arm of the Department of Transportation, estimates that in 1974, 13,530 deaths and 1,260,000 serious injuries could have been avoided if 80 percent of all motorists wore safety belts. In 1975, estimates would be even higher due to the establishment of the 55 mph speed limit—the lower the speeds, the more effective the safety belts.

In addition to the dramatic physical benefits of safety belt use, moreover, there are tremendous financial advantages involved. NHTSA estimates that $12.6 billion would have been saved in 1974 alone if 80 percent of all motorists "buckled up," and again, 1975 estimates would be even higher due to reduced speeds.

The importance of wearing safety belts is also underscored by the recent trend toward the manufacturing of smaller, lighter weight vehicles which are substantially less able to withstand collision impacts than the larger cars which comprise the majority of the present fleet. NHTSA estimates that such a shift to smaller cars, resulting from the tremendous increase in the price of gasoline as well as from energy and clean air legislation presently before the Congress, could lead to an increase of up to 25 percent in the rate of serious injury and death. The shift could also send the annual cost-savings figure soaring over $16 billion.

Yet if we only doubled the present usage rate of about 29 percent, we would more than offset the harmful results to safety of energy conservation policies and legislation promoting the use of smaller cars. As we conserve our energy resources, surely we have a moral obligation to consider the precious human resources which will inevitably be lost if compensatory safety measures are not taken.

At a time when we are spending $120 billion annually, or more than 8 percent of our total GNP, on health care, at a time when we are moving toward funding a program of national health insurance which will give further impetus to these soaring costs, the Congress and the American taxpayer should be particularly conscious of—and adamantly opposed to—vast needless and clearly avoidable expenditures on claims for health care, lost work or death. No taxpayer should be forced to bear the costs of another's gross negligence.

Furthermore, these expenditures do not even take into account the diversion of such valuable, and limited, resources as police, ambulance and medical services from other areas in which prevention—of crime, for example, or of serious illness—is far more difficult, and far more costly.

Finally, Mr. Speaker, we must not forget while studying these dramatic statistics that numbers cannot possibly convey the terrible human tragedies involved in any serious injury or death, particularly if such tragedies are pointless and easily preventable.

There is a great need for leadership, for concern, for open-minded awareness in this area. The experiences of other nations, such as France, Australia, and New Zealand, have been spectacular, and have exceeded all expectations. Seat belt usage rates have shot up—and stayed up—and serious injuries and deaths have dropped dramatically.

In Australia, for example, each of the States has had regulations concerning the compulsory wearing of safety belts for 3 years. The rate of use has increased from about 25 percent to over 85 percent. Deaths have dropped by over 25 percent, with an accompanying reduction of 30 percent in serious injuries.

Yet, in this country, we ignore the problem of safety belt use as unfortunate but not worth the inconvenience of solving. I find it difficult, Mr. Speaker, to understand how inconvenience can excuse the waste of over 13,000 lives and nearly $13 billion annually.

President Ford declared to the country last year:

> I give my strongest recommendation that all Americans follow the sound advice which tells us to "buckle up for safety."

Yet the President was not wearing his safety belt on October 15 of this year when his limousine was struck by another car in Hartford, Conn.

The Secret Service has enough difficulty protecting Mr. Ford already; surely Mr. Ford has an obligation to the Nation to protect his own life as much as possible.

Clearly, President Ford has not provided the necessary leadership in the area of safety belt use. Demonstrably, the American people do not voluntarily "buckle up." In fact, over 70 percent of the motorists in this country do not regularly wear their safety belts, although a recent Gallup survey indicates that 53 percent of the American people are already in favor of legislation requiring the use of safety belts.

Apparently, the only solution is mandatory usage legislation.

Mr. Speaker, there is too much at stake here—too many lives and too many dollars—to balk at inconvenience. Every 25 seconds one American will be needlessly injured on our Nation's roads because he was not wearing his safety belt. One American will be killed unnecessarily every 38 minutes.

If other safety mechanisms can be developed in a cost-effective manner, I will be the first to have them installed in my car. But in the meantime, we cannot sit back in the driver's seat and hope that this problem will disappear. What will vanish, Mr. Speaker, are valuable resources we can scarcely afford to lose—billions of dollars and something even more precious, the lives of tens of thousands of our citizens.

WITHDRAWAL FROM U.N. WOULD SERVE NO USEFUL PURPOSE

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HARRINGTON. Mr. Speaker, I rise to say that, in my view, the passage of the U.N. resolution equating Zionism with racism, was, in itself, a form of racism and should be condemned.

Traditionally, the United Nations has promoted the peaceful resolution of international disputes and has thereby, over the years, won the respect of the international community. This action, however, represents a tragic departure from the goals the organization has striven for in the past and the principles of universal peace included in article I of the Charter.

By allowing itself to be used as an instrument for the achievement of partisan foreign policy goals of some of its members, the U.N. has debased its original ideals and brought discredit upon itself as an international forum dedicated to the peaceful settlement of international conflict.

It is my feeling that U.S. withdrawal from the U.N. would, at this time, serve no useful purpose. On the contrary, through continued membership the United States can promote the purposes for which this organization was originally established and, more specifically, urge U.N. reconsideration of this resolution.

Clearly the U.N. has the potential to make a significant contribution to lasting peace in the Middle East. Its actions, however, gravely undermined its future role as a peacemaker.

TABULATION OF BANKS HOLDING NEW YORK SECURITIES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ROSENTHAL. Mr. Speaker, I am today making public the results of a consolidated survey, by State and by total bank deposits, of commercial bank holdings of New York City, New York State and New York State agencies obligations. The survey was conducted by the Federal Reserve Board, the Comptroller of the Currency and the Federal Deposit Insurance Corporation between late August and early October 1975. Also being made public today is a consolidated statement of holdings of these obligations by the member banks of the New York Clearinghouse Association.

With the preparation of this consolidated statement, which was compiled at the request of the Commerce, Consumer and Monetary Affairs Subcommittee, which I chair, data now exist on the entire New York debt holdings of all U.S. commercial banks. With this consolidated statement Congress will be better able to evaluate the effects of a New York default on the U.S. banking system and the communities affected. It will also be possible for the Congress to make a more informed judgment on the need for Federal assistance to New York.

This State-by-State tabulation shows:

First, the number of banks in each State holding all New York securities in an amount equal to 20 to 50 percent and over 50 percent of gross capital;

Second, the total deposits of the affected banks in each State;

Third, the dollar amounts of all New York obligations held by banks in each State; and

Fourth, the aggregate holdings of New York securities relative to gross capital of the 11 largest banks in New York City, the members of the New York Clearinghouse Association.

The data contained in the consolidated statement show 546 banks across the country hold significant amounts of New York securities. This is approximately 100 more banks than had been previously known to hold such securities. The total deposits of these 546 banks amount to roughly one-third of the Nation's currency and demand deposits, its primary money supply.

It is now apparent from an examination of this data that a default could have three adverse effects:

First, there would be a reduction of $15 billion of credit in those communities served by banks with significant holdings of New York securities. This will result from a write-down in the value of assets and capital in these banks. The write-down might be postponed by Federal bank examiners but not by private auditors who must prepare annual reports for bank stockholders. The nationwide average "asset to capital" relationship of 15 to 1 means that for every dollar charged off against capital as a result of default, total assets must be reduced about $15. The force of these effects will be softened by the fact that New York securities will not drop completely in value and by the presence of Federal Reserve discount window advances to financially strapped banks. The advances, however, must eventually be paid back leaving those affected communities with a level of credit lower than it would be if default had not taken place.

Second, default will affect the implementation of national monetary policy. Because a default will require the Fed to lend money to affected banks and offset its loans with decreases in the money supply by significant but unpredictable amounts, default could have an adverse effect on the economic recovery.

Third, there will be an adverse effect on the problem of bank capital. Concerns have been widely expressed that bank capital is inadequate to assure bank soundness. A default and consequent reductions in capital would aggravate existing capital adequacy problems.

All of these potentially serious problems are, of course, in addition to problems widely discussed about the availability and cost of credit to States and municipalities around the country. Governor Carey, of New York, has announced a $6 billion dollar plan involving State tax increases, budget restructuring and Federal loan guarantees that would avert default. The data being released today underscores the need for Federal cooperation to bring about a constructive solution to New York's financing problems.

FEDERAL RESERVE SYSTEM,
Washington, D.C., November 12, 1975.

Hon. BENJAMIN S. ROSENTHAL,
Chairman, Subcommittee on Commerce, Consumer and Monetary Affairs Committee on Government Operations, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The enclosed material compiled from data supplied jointly by the Board of Governors, the Comptroller of the Currency, and the Federal Deposit Insurance Corporation (FDIC) is transmitted in response to your request of November 3, 1975, for consolidated survey findings by state and by total bank deposits of commercial bank holdings of New York obligations. The surveys to which reference is made are those conducted respectively by the three Federal bank regulatory authorities between late August and early October of 1975. You also request a consolidated statement of similar obligation holdings for the member banks of the New York Clearinghouse Association.

Regarding the two enclosed tables, particular attention should be given to the fact that the 950 selected banks involved in the FDIC survey included all insured non-member banks that had reported holdings of New York City obligations amounting to 20 per cent or more of gross capital. Therefore, although the FDIC data is for a sample rather than the universe of non-member banks, it would appear that virtually all of the non-member banks that hold significant concentrations of City issues are included.

I would further note that the fact that the enclosed tables compare the holdings of New York City and State obligations to the capital of the banks is in no way indicative of the extent to which write-offs against capital may ultimately be required.

Thus, the fact that 179 banks reported holdings exceeding 50 per cent of capital should not be taken to mean, practically speaking, that anything like half or more of capital is at risk in these investments.

It is my judgment that the survey data provided in the enclosed tables represent a full response to your November 3 request. The contest and form of data presentation reflected in the enclosed tables have been approved by the agencies that supplied the data. As you know, these agencies are each conducting a current survey of holdings of New York obligations. As the results of these surveys are compiled, your staff will be contacted with a view to furnishing updated information of the nature contained in the enclosed tables.

Sincerely yours,

ARTHUR F. BURNS.

HOLDINGS OF NEW YORK OBLIGATIONS BY THE NEW YORK CLEARING HOUSE BANKS

[Dollar amounts in millions]

	Gross capital	Total deposits [1]	New York State obligations [2]	New York agencies obligations	New York City obligations [3]	Total New York obligations
New York City clearing house banks	$11,610	$102,436	$955	$679	$1,695	$3,329

[1] Deposits are as of June 30, 1975.

[2] Includes agency issues for national banks.

[3] Includes City Agency issues and MAC obligations.

Note: The above data reflects information for all New York clearinghouse banks including those banks in which holdings of New York obligations amount to less than 20 percent of their capital.

Source of data: The data for State member banks were obtained from a review of examination worksheets conducted during July and August at the district offices. The data were subsequently verified and updated by telephone contact with the banks. The data for national banks was obtained by telephone contact with the regional administrator of national banks for the Second National Bank region.

DISTRIBUTION BY STATE OF SIGNIFICANT HOLDINGS BY COMMERCIAL BANKS OF NEW YORK OBLIGATIONS

							Number of banks with total New York obligations constituting—	
State	Number of banks	Total deposits [1]	New York State obligations	New York agencies obligations [2]	New York City obligations	Total New York obligations	20 to 50 percent of their capital	Over 50 percent of their capital
Alabama	26	591,335	7,128	24,595	11,999	43,722	16	10
Arkansas	32	472,273	4,117	1,975	14,899	20,991	19	13
Colorado	4	112,188	500	400	3,035	3,935	4	----------
Florida	65	2,501,499	19,001	15,968	90,131	125,100	34	31
Illinois	45	1,057,128	3,437	4,565	27,413	35,415	34	11
Iowa	6	340,952	680	665	14,989	16,334	4	2
Kansas	11	106,333	----------	535	2,705	3,240	10	1
Louisiana	21	586,361	4,326	2,795	13,160	20,281	17	4
Maryland	6	2,011,224	24,047	660	18,588	43,295	2	4
Massachusetts	5	322,072	875	4,335	8,380	13,590	3	2
Michigan	7	445,055	6,020	1,875	9,830	17,725	3	4
Minnesota	8	154,189	3,471	530	2,061	6,062	5	3
Mississippi	13	1,070,246	825	3,150	24,749	28,724	12	1
Missouri	39	619,766	8,112	1,622	14,574	24,308	28	11
Montana	6	166,902	171	425	2,700	3,296	6	----------
Nebraska	5	43,618	----------	----------	952	952	5	----------
New York	93	86,269,362	1,208,403	875,577	1,399,805	3,483,785	52	41
North Dakota	9	60,012	76	330	2,388	2,794	5	4
Oklahoma	6	102,695	285	540	2,069	2,894	5	1
Pennsylvania	13	5,659,767	32,435	7,465	10,623	50,523	8	5
South Dakota	6	92,155	1,087	140	2,353	3,580	4	2
Tennessee	24	354,459	290	2,175	10,594	13,059	19	5
Texas	21	412,209	576	775	11,886	13,237	17	4
Virginia	7	205,750	1,645	815	2,880	6,340	6	1
West Virginia	21	401,917	2,514	1,913	15,936	20,363	13	8
Wisconsin	8	452,977	900	4,050	9,133	14,083	6	2
All others [3]	39	6,141,494	58,856	35,700	66,143	160,699	30	9
Total	546	110,753,938	1,389,777	994,575	1,793,975	4,178,327	367	179

[1] Deposits are as of June 30, 1975.

[2] Data do not reflect agency obligations held by national banks.

[3] Includes 19 States and Puerto Rico.

Source of data: The data for State member and national banks were obtained from a review of examination worksheets conducted during July and August at the district and regional offices. The data were subsequently verified and updated by telephone contact with the banks. The data for State nonmember banks were obtained from a survey conducted by the FDIC during September and October encompassing a field of approximately 950 specifically selected banks.

PARAGUAY

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. COLLINS of Texas. Mr. Speaker, when America thinks of good friends, I am always grateful to hear about Paraguy. I passed through Florida this past weekend and read an interesting report by George Beebe, who is the associate publisher of the Miami Herald. He had an excellent statement regarding our continued strong bond with Paraguay.

It was pointed out that Paraguay continues to be a peaceful country where people are safe to walk the streets day and night. Most of the nation's strength lies in the firm leadership of President Stroessner.

We are reminded that Paraguay was one of the first South American nations to support the United States in the 1962 Cuban missile crisis. Paraguay contributed a 200-man OAS peace force in the Dominican Republic. Paraguay offered to send troops to Bolivia when Guevara was on the loose. Paraguay has always backed the U.S. position on imposing OAS sanctions against Cuba.

Paraguay continues to grow and develop pointing toward an economic boom with the completion of the hydroelectric plant. Jointly in construction with Brazil this dam completion in 1980 will see a dam which is the largest in the world and five times larger than our Grand Coulee.

General Stroessner provides dynamic leadership for Paraguay through his hard-working personal example. He has a receptive ear to all people, yet he also stays in close contact with his military leaders so that there have been no Communist inroads in this nation. President Stroessner has provided the leadership for stability and progress in Paraguay that maintains the close relations with the United States.

WILDLIFE RESTORATION-EDUCATION BILL ASSAULTED

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. DINGELL. Mr. Speaker, the "Outdoor News Bulletin," published by the Wildlife Management Institute, carries an excellent report in its November 7, 1975 publication as to the importance of a bill which I am supporting, H.R. 9067, as reported by the House Merchant Marine and Fisheries Committee. It is a bill to provide additional funds to the States for carrying out wildlife restoration projects and programs, and for other purposes, including education and training for sportsmen who have contributed so much to the preservation of the wilderness and wildlife habitat. It is a good bill for the benefit of the general public.

However, errors in certain reports in the print media have most unfairly maligned a good bill and the conscientious author of the bill in the House, Congressman JOE KARTH, and the cosponsors.

The "Outdoor News Bulletin" report which I insert at this point is an excellent correction of the erroneous media reports in certain publications regarding H.R. 9067.

The article follows:

WILDLIFE RESTORATION-EDUCATION BILL ASSAULTED:

An important bill to help wildlife and those who enjoy that resource is under attack, the Wildlife Management Institute reports. Several groups, which apparently have little regard for wildlife, are joined with some reporters, who seem equally unconcerned, to generate a national newspaper slur for defeating the much-needed legislation.

The bill, H.R. 9067, proposes to amend the Federal Aid in Wildlife Restoration Act and establish an 11 percent manufacturers' excise tax on component parts of handloaded ammunition. It would direct that one half of the receipts from this source and one half of those received from similar taxes imposed earlier on handguns and archery equpiment be used for wildlife restoration purposes. The other 50 percent initially would support education programs and the construction of public recreational shooting ranges. As the need for new ranges is filled, those funds would be diverted to education and/or wildlife.

The Federal Aid in Wildlife Restoration Program was initiated in 1937. It has been funded since that time by an 11 percent excise tax on sporting firearms and factory-made ammunition. The tax is collected at the manufacturers by the federal government which keeps enough to pay administrative costs. The remainder is divided among the states to pay for 75 percent of approved wildlife projects. The states furnish 25 percent of the costs. All the money goes for wildlife restoration. Accomplishments under the Act are without parallel. As of July 1, 1975, that program alone had produced more than $592 million solely for wildlife throughout the U.S.

In 1970, Congress bolstered that effort by redirecting the long-standing 10 percent excise tax on handguns from the general treasury to the federal aid program. Unlike the tax established in 1937 on sporting arms and ammunition, which can be used only for wildlife purposes, one half of the handgun tax can be used for education and shooting range purposes, with the remainder going for wildlife. In 1972, Congress imposed an 11 percent tax on certain items of archery equipment to be used just like the handgun tax. The proposed component parts tax of H.R. 9067 would be another addition.

Education programs fostered under the 1970 and 1972 amendments are important. They teach the public more about wildlife and how to protect and enjoy it. They promote good ethics and thus good recreationist-landowner relationships. Birdwatchers, hunters, and hikers are finding it increasingly difficult to gain access to private land because some unthinking individuals do not respect the owner's property. Only recently one of Arizona's prime birding spots was closed because birdwatchers trampled through private property without asking permission. Similar instances happen with hunters, hikers and other wildlife users.

Firearms and archery safety instruction, which generally is part of the education programs, has helped reduce human injury in shooting sports. Since the new grant-in-aid program began in 1971, more than 2.5 million people have received safety training.

Ranges built under the program are used to support the entire education effort. They also are available for public recreational shooting. There is a growing need for such recreational shooting facilities, especially in highly developed regions. Skeet and trap shooting are honored and popular sports. But in populous areas they must be pursued in safe, specifically designed facilities.

Fifty states now have education programs underway. To date 44 states are using grant-in-aid funds for education and range purposes. The overall program's record is good. It will get better with the passage of H.R. 9067.

In essence, H.R. 9067 would merely add an additional $6.4 million a year to already established wildlife, education, and shooting range programs. The additional money would be paid by those who purchase powder, primers, cases, and other ammunition components, not the general public.

Detractors, namely the National Council for a Responsible Firearms Policy and the Committee for Humane Legislation, evidently are trying to sabotage the bill by fabricating claims that it is designed to "construct public target ranges for the training of amateur sharpshooters." A gullible reporter spouting that theme in a recent Chicago Sun-Times article insinuated that the bill would train sharpshooters to kill the President. "If only she would have had the proper training, and a neighborhood target range to practice on," he said, referring to one of the women who reportedly tried to shoot President Ford recently.

That reporter, a Bob Greene, and the groups leading him have ignored completely the wildlife restoration and education provisions of H.R. 9067. They focused only on recreational shooting range construction. And their paranoid comments on that aspect are classic ignorance on that subject.

Greene claims the bill's sponsors are enthusiastic for "setting up a national network of target ranges and training programs on the craft of shooting guns." That of course is completely false. The bill is designed to provide additional funding for wildlife protection, improve already established wildlife-related education programs, and provide additional funding for states to construct recreational shooting ranges. The ranges are not to train assassins any more than driver education facilities are to train proficient hit and run maniacs. That is too ridiculous to dwell on. The ranges are for the recreational use and safety training of some 20 million shooters who enjoy competing in such activities as trap and skeet.

Greene claims the ranges would be "all built by a willing and eager government." He quotes one source which claims the program would be a federal subsidy for shooting ranges. Those claims also are false. None of the funds would come from the federal treasury. They would be derived by excise taxes paid by the purchasers of certain firearms, ammunition, and archery equipment. Anyone who does not buy such items would contribute nothing, as in the past.

It is unfortunate for wildlife and recreationists that the mania of certain groups and their media mouthpieces have hindered the progress of wildlife restoration, recreation, and education programs as has been the case with H.R. 9067. Conservationists agree that its main sponsor, Congressman Joseph E. Karth (Minn.), has been subjected to unwarranted ridicule because of lies spread so indiscriminately. Mr. Karth has understandable reason to be shaken over such wild accusations. His motives in introducing the bill obviously were to strengthen existing wildlife restoration, education, and shooting recreation programs, as his introductory statement clearly shows. It is despicable that some would twist such efforts to bolster their own purposes.

CHANGES IN NOMINATION PROCEDURE FOR U.S. SERVICE ACADEMY APPOINTMENTS

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. LITTON. Mr. Speaker, I am today introducing a bill to amend title 10 of the United States Code so as to relieve Members of Congress from the responsibility of making nominations for appointments to the various U.S. service academies and for other purposes.

The defense of our Nation is too serious to permit political patronage to play a role in the selection of our future military leaders.

My bill would enable a candidate for a U.S. service academy to be selected in order of merit as established by competitive examinations. Competitive examinations to include either the College Board Scholastic Aptitude Test or the American College Testing Assessment, the taking of which shall be the responsibility of the applicant seeking appointment.

In selecting persons for appointment, the Superintendents of the U.S. Air Force, Naval, and Military Academies, and the Secretary of Commerce shall establish such other standards for rating academic and leadership potential—including, but not limited to, high school academic rank, extracurricular activities, participation in community affairs, and part-time employment—as they deem necessary and appropriate.

The bill which I am introducing would give every youngster in our country the opportunity to compete for an appointment to a service academy of his or her choice regardless of the politics of the candidate's parents and based on one's own merit and qualifications. My nominations of candidates from the Sixth

District of Missouri have always been made on the basis of merit.

Shortly after I was elected to Congress, I announced the appointment of a 41-member bipartisan committee of citizens within my district who would interview candidates for academy appointments. I was determined then that politics should not play a role in the selection of those who receive academy appointments from my office.

My bill would retain the present geographic distribution of appointees and the academies would make their appointments with regard to the congressional districts as is the case now. Under my bill, the merit system would not only be extended to Members of the House and the Senate, but also to the appointments presently available to the Vice President, the Secretaries of the Air Force, Navy, Army and Commerce, the Governor and Resident Commissioner of Puerto Rico, the Governor of the Panama Canal Zone, and the delegates to Congress from Guam, American Samoa, the Virgin Islands, and the District of Columbia.

This legislation would be applicable to the Air Force, Naval, and Military Service Academies and would also change the selection procedures to the Merchant Marine Academy allowing appointments to be made solely on the basis of an annual nationwide competition with no congressional appointments or geographical quotas involved as is the present selection policy at the U.S. Coast Guard Academy.

I hope my bill can receive the support of many of my colleagues in the House of Representatives. It would establish a procedure whereby appointments would be based on merit where the best qualified and most deserving applicants would receive the service academy appointments each year.

The amendments made by this act shall be effective with respect to appointments made for the academic year 1977–78 and academic years thereafter to the several academies to which such amendments apply.

FARMERS UNION CALLS FOR FOOD INVESTIGATION

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. PRESSLER. Mr. Speaker, this past weekend I was privileged to go to New York with two of my urban colleagues to try to bring about a better understanding of problems faced by the farmers and ranchers of this country. Congressman KOCH and Congressman DOWNEY were very gracious hosts and I want to express my sincere thanks for the hospitality which was extended to me, the ranchers from South Dakota—Les Blomberg, Faith; Francis Veal, Meadow; and Robert Samuelson, Faith; and members of my staff.

One of the serious problems facing the consumer is the high costs at the grocery market. Recently, the East River Guardian, a fine publication by the East River Electric Power Cooperative, called attention to a proposal for an investigation of the business operations of food processors. The article cited Robert G. Lewis, national secretary of the Farmers Union, who urged a look into the social efficiency of food companies. Lewis points out the wide disparity between grain prices charged by farmers and those charged by supermarkets in the form of finished products. We have talked about this price spread for a long time but have never come to the point of finding specific causes and solutions.

I insert the Guardian article in the RECORD:

FARMERS UNION CALLS FOR FOOD INVESTIGATION

The National Farmers Union has called for a hard-boiled investigation of the overall business operations of food companies to determine whether they are giving "socially efficient" service to consumers and farmers.

Robert G. Lewis, national secretary of the Farmers Union, testified recently in hearings of the Senate Select Committee on Nutrition and Human Needs.

Lewis said most economic studies of the "price spread" between what farmers get and consumers pay for food are restricted to the question of profits and overlook huge inefficiencies that are hidden in "what the middlemen call their 'costs'."

As an illustration, he said a local supermarket is "asking $75.04 per bushel of corn and $110.40 per bushel for wheat" in the form of breakfast cereal foods.

"I don't care whether General Mills makes 90 percent profit, or 50 per cent or 1 per cent or goes broke on its Coca Puffs. I think that charging consumers $75.04 a bushel for corn represents a monumentally inefficient performance for consumers," Lewis declared.

He also criticized food and medicine advertising and referred to charges that consumers in New York pay up to 61 cents a pound more for the same cuts of meat as in Chicago, although the freight cost is only 2 to 3 cents from Chicago to New York.

"This illustrates the unreliability of any analysis of 'marketing margins' that simply takes the word of the firms concerned about what their 'costs' are. We need some hard-boiled cost accountants in our economic research teams to add some backbone and down-to-earth realism," Lewis declared.

"Lewis said questions about the social efficiency of food companies' operations must be investigated aggressively "if we mean to do something about the 'price spread' and not merely go on talking about it."

PERSONAL EXPLANATION

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. SYMINGTON. Mr. Speaker, on page 34562 of the CONGRESSIONAL RECORD of October 31, 1975, I am listed as being paired against an amendment to delete section 103 of title I of H.R. 10024, the Depository Institutions Amendments of 1975. This amendment passed by a vote of 218 to 134. Apparently an error was made since I had requested that I be paired in favor of this amendment and if I had been able to be present on October 31, 1975, I would have voted in favor of this amendment.

I regret this error and respectfully request that this statement be included in the RECORD in order to clarify this matter for the permanent RECORD.

FACTS ABOUT BUSING

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. RANGEL. Mr. Speaker, whether a relatively small segment of this Nation's young people should be transported to a public school beyond that nearest their home in order to bring about integrated education continues to divide this country like no other issue before it. It is indeed tragic Mr. Speaker, that much of the debate on this issue has centered around the merits of busing per se as opposed to the merits of school integration. I find even more alarming the fact that over one-half of our children are bused in this country but only 7 percent are transported to bring about racial integration. One seldom hears the protest associated with the busing controversy from the remaining 93 percent even though the adjustments that must be made are no different. My colleague AUGUSTUS HAWKINS from California gives his view on the controversy in an article which appeared in the Boston Globe entitled "Ninety-Three Percent Bused For Non-Racial Reasons." I commend his insightful comments to my colleagues at this point:

93 PERCENT BUSED FOR NON-RACIAL REASONS

(By AUGUSTUS HAWKINS)

When a school desegregation case gets to court, and the court orders busing, the court has listened to a great deal of evidence.

The court has to decide what is best for the welfare of the school children involved and it must weigh the matter of how to desegregate a school, on the basis of the educational value of such busing. When it has decided that busing is the only way to equalize educational opportunity, and it mandates the transportation of school children, it also realizes the pitfalls inherent in its action.

At this point, it is then up to the citizens to obey the court, even if they disagree with it. This is the American way. And it is the only way in which this nation can survive.

Busing is not a new element in education. American school children have always been involved in some kind of busing. In 1974–75, 50.2 percent of the nation's 41.4 million school children were bused. And of this percentage, only 7 percent were being bused for reaons of racial desegregation.

In other words 93 percent of those being bused were being bused for non-racial reasons.

This is really an amazing fact, especially when one considers the furor raised just at the mention of the word busing. The concern for the issue then, abounds in a special kind of hypocrisy when one realizes that of 41.4 million school children, only 2.9 million are transported to schools outside of their immediate communities for race-balancing reasons.

If there was genuine concern for every form of busing, then the anti-busing people would be equally uptight about those 17.8 million children who also get bused daily to schools of their immediate communities for reasons having nothing to do with racial balance.

I have not heard of any such confrontations. It makes one wonder.

But all is not lost in the effort to use busing as a tool among many others to enhance a child's education.

Most communities in America, facing the busing issue, have done it head on, and with a great deal of honesty and valor. To their enormous credit, even under tremendous anxiety and stress, they have realized that adjustments can be made and that the major goal is providing all youngsters with maximum opportunities in this multi-racial, multi-ethnic society.

In this regard, the city of Berkeley, Calif., has had much to be proud of in a desegregation effort that was relatively quiet and efficient. Its educational system is one of the best in the nation; the varied colors of their school populations have enhanced their commitment.

Sacramento, Calif., also has much to commend it, for its fine efforts in achieving a desegregated school system. The vast majority of school children now attending formerly segregated schools have had the benefit of effective leadership, which was not stampeded by the emotionalism of the busing issue.

This leadership constitutes the good guys. We need more of them.

SAN JOSE JOB CORPS CENTER

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. EDWARDS of California. Mr. Speaker, the San Jose Job Corps Center has recently been highly rated by a review team from the U.S. Department of Labor. I wish to congratulate the staff and students at the San Jose Center for their fine efforts which have made our job corps center a success. I insert the following article from the San Jose Mercury to be inserted in the RECORD:

JOB CORPS CENTER AMONG TOP THREE IN U.S.

The San Jose Job Corps Center has been rated among the top three centers in the nation by a review team from the U.S. Department of Labor National Job Corps Office in Washington, D.C.

The seven-person team visited the San Jose Center at 201 S. 11th St. Oct. 14, 15 and 16, exploring all aspects of its operation, including vocational and academic training and health, logistic, food and support service areas.

"The center staff, under the leadership of an aggressive and performance-oriented center director (John Acquilano) is carrying out its duties in an excellent manner," noted the report of Tom Modisett, co-chairman of the national review team.

"This report is as good as the news of our recent ($1.3 million) contract renewal," said Acquilano, who noted that the inspection team made only 10 negative findings at the San Jose Center.

A similar inspection three years ago unearthed more than 60 deficiencies.

The use of "contract training" by the San Jose Center drew particular praise from the inspection team. Under this concept, nearly all vocational, and some academic training is contracted out by the Job Corps Center to various training sites.

"You are the only center in the nation to make the concept of contract training work effectively," said team co-chairman Dan Lawry.

Job Corps is a job training program for disadvantaged young men and women aged 16 through 21. The San Jose Job Corps Center has been training students since June 1972.

Students reside at the center while learning a job skill. If they lack a high school diploma, they may earn one while at the center. Job Corps students receive complete dental and medical care, room and board, a stipend, clothing allowances, plus vocational, academic and personal counseling.

When they complete their training they are placed in jobs.

INTERGOVERNMENTAL EMERGENCY ASSISTANCE ACT

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. PATTERSON of California. Mr. Speaker, the current financial crisis in New York City has been the subject of controversy and emotional rhetoric in the past few weeks. As Members of Congress, we have a responsibility to decide what the most prudent course of action should be in possible cost to the Federal taxpayer, and for the fiscal well-being of every city in this Nation.

I have prepared a brief summary of key provisions of H.R. 10481, with my commentary explaining how the bill answers the objections that have been raised to help for New York City, and I am pleased to insert it into the RECORD at this point for the information of my colleagues:

BRIEF ANALYSIS OF NEW YORK CITY DEBT CRISIS LEGISLATION

H.R. 10481.—The intergovernmental Emergency Assistance Act.

Title I.—Sets forth the circumstances under which federal aid in the form of a guarantee of state obligations may be made available.

Section 102.—Creates Intergovernmental Emergency Assistance Board made up of:

Secretary of the Treasury; Secretary of Housing and Urban Development; Secretary of Health, Education, and Welfare; Chairman of the Board of Governors of the Federal Reserve System; Chairman of the Securities and Exchange Commission.

This board is vested with the discretion to issue guarantees under this Title.

Section 104.—The Board may make guarantees only for two purposes:

(1) to enable the municipality to continue to provide essential public services and facilities;

(2) to prevent or mitigate serious adverse effects of a default on general economic conditions or on the marketability of municipal bonds.

Commentary.—A default or bankruptcy by New York City would have a serious effect on the interest rates and availability of municipal bonds around the country, thus affecting monies available for capital expenditures by many cities.

Lack of money in the bond market, or prohibitive interest rates are likely to lead to local tax increases to meet those capital needs and a loss to the GNP of up to 9%.

Section 105.—Conditions of Eligibility.

A loan guarantee will be made only if:

(1) the city and state are "effectively unable to obtain credit in the private market or elsewhere"

(2) the city submits a plan to balance its budget by the beginning of the second fiscal year following the application for assistance

(3) the State has the authority to control the fiscal affairs of the city for the entire period of the federal guarantee

(4) The state also makes a grant or loan to the City in an amount determined by the Board, but not more than ⅓ of the city's anticipated operating deficit.

Commentary.—These conditions are the "teeth" that guard against municipalities choosing deficit spending and default in anticipation of federal assistance. It is inconceivable that a city would voluntarily work itself into a position of abdicating control of its fiscal affairs for a period of years.

For those who argue that the federal government should not usurp those local controls, we should point out that if bankruptcy occurs, a federal court will be in control of the fiscal affairs of the bankrupt city until the terms of the bankruptcy proceedings are carried out.

Eligibility condition #4 also makes the state assume a large portion of the financial responsibility as a condition for federal guarantees.

Section 106.—Provides for a guarantee fee of three-quarters of one percent per annum to the federal government.

Commentary.—¾ of one percent of a loan guarantee of $5 billion would bring $37.5 million into the federal government. ¾ of one percent on loan guarantees of $7 billion would bring into the federal government $52.5 million.

Section 107.—Limitations on amount of guarantees outstanding.

(1) $5 billion maximum in long-term guarantees (to 1989)

(2) $3 billion from 1989–1999

(3) $2 billion additional short-term (prior to October 1, 1978 and not to exceed 11 months).

Commentary.—These are outer limits which presuppose a post-default situation in which the nonguaranteed private market would be effectively closed to the city for an indeterminate but substantial period of time. They are intended for use under a financial plan which contemplates full payout without resort to refunding.

Section 108.—Obligations callable after three years. This is an incentive for the city to refund its federally-guaranteed taxable debt as soon as the market will accept the city's tax-exempt obligations at a substantially lower rate.

Section 109.—Additional terms and Conditions. This section requires the Board to insist that outstanding obligations be renegotiated as a precondition to the Federal guarantee.

Commentary.—This is the section that assures that the original investors are bearing their share of the burden and risk and not reaping windfall profits from the federal loan guarantee.

Section 110.—Audits. Authorizes audits by the GAO.

Section 111.—Emergency Municipal Debt Guarantee Fund. Creates a fund to be the receptacle for guarantee fees imposed under Section 106 and would be the source for any payments which might be required to fill the Board's obligation.

Section 112.—Federal Reserve Banks as fiscal agents.

Section 113.—Protection of the Government's interest. Reserves for the United States, the right to offset future federal revenue sharing or other similar funds due to the state or municipality for whose benefit any guarantee is made, the amount in whole or part of any payment actually made by the U.S. pursuant to any such claim.

Also authorizes the Board to increase the guarantee fee (to a maximum rate of 2.25% per annum) if the state or city is not paying its obligations or the guarantee is called.

Title II.—Amendment to Internal Revenue Code of 1954.

Provides that these federally guaranteed notes will be taxable.

Commentary.—It has been estimated that

$6 billion of federally guaranteed loans at a rate of 8½% per annum would bring in to the federal government $150-$200 million per year.

Title III.—Amendment to the Bankruptcy Act.

Commentary.—This is a title *only*, for possible inclusion of an amendment from the Judiciary Committee to revise the federal Bankruptcy Act to make it possible for a municipality to become eligible for treatment as a bankrupt with consent of a majority of its known, noticed and voting creditors. This bankruptcy amendment would be similar to the new bankruptcy law requested by the President.

THE SMALL SAVER'S ACT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. GILMAN. Mr. Speaker, I am pleased today to introduce a measure similar to one that I sponsored last session which would exclude from taxable income the first $500 of interest on individual savings accounts and the first $1,000 on joint savings accounts. This legislation would significantly contribute to our housing and construction industry and would enhance our economy in the following manner:

First, this legislation would provide the impetus for helping to resurrect the depressed housing industry. The tax exclusion will mean a net increase of approximately $12 billion or more in deposits in financial institutions. Roughly half of these funds go to savings and loans and mutual savings banks that, by law, invest primarily in the construction industry.

Second, by encouraging savings the bill would take a major step in dampening the tenacious inflation that has been plaguing our economy, while at the same time increasing the amount of money available for capital formation and accelerated productivity.

Third, the bill helps fight unemployment. The new money injected into the housing and construction industry could result in the creation of more than a half million new jobs in the construction industry and related fields.

Fourth, the bill would have a positive impact for small savers. By excluding the first $500 of interest earned—$1,000 for joint returns—the yield to savers will approach many market instruments.

Fifth, the bill will have a downward impact on interest rates. By restoring the flow of funds to the ailing financial institutions, the bill will result in better terms and lower interest rates for borrowers, especially in the home lending market.

Sixth, the bill would have the effect of injecting more money into the general revenue. Rather than result in a revenue loss, this tax exclusion will generate revenue gains through tax collection from the greatly increased construction activity and also from the restoration of construction related employment.

Mr. Speaker, our Nation is still facing difficult times which call for the best of our efforts. Innovative and direct solutions are necessary to combat our economic problems. This legislation is an effective and relatively easy means of pumping into our savings and loans and commercial banks the new life's blood they need to revive our housing market and our construction industry.

Ours is a dynamic and growing Nation. Construction has led the pace over the last quarter century and, given the resources it needs, the construction industry can lead our Nation out of the economic wilderness in which we are now wandering.

This proposal is by no means any final or complete solution to these problems. But it is a start, a first step on a long, difficult, but necessary journey.

Accordingly, I urge all of my colleagues to earnestly support this legislation, which I respectfully request to be printed in full at this point in the Record:

H.R. 10731

A bill to amend the Internal Revenue Code of 1954 to exclude from gross income the interest on deposits in certain savings institutions.

Be it enacted by the Senate and House of Representatives of the United States of Amerca in Congress assembled, That (a) part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as section 125 and by inserting after section 123 the following new section:

"Sec. 124. Interest on Savings.

"(a) Exclusion.—In the case of an individual, gross income does not include amounts received as dividends or interest on deposits or withdrawable accounts in—

"(1) a bank (as defined in section 581),

"(2) a mutual savings bank, cooperative bank, domestic building and loan association, or other savings institution chartered and supervised as a savings and loan or similar institution under Federal or State law, or

"(3) a credit union,

the deposits or accounts in which are insured under Federal or State law.

"(b) Limitation.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $500 ($1,000 in the case of a joint return under section 6013)."

(b)(1) Paragraph (2) of section 584(c) of such Code (relating to dividends and partially tax exempt interest from common trust funds) is amended—

(A) by striking out "in the amount of partially tax exempt interest on obligations described in section 35 or section 242" and inserting in lieu thereof "in the amount of dividends or interest to which section 124 applies"; and

(B) by amending the paragraph heading to read as follows: "Dividends and interest on certain savings deposits.".

(2) Section 643(a) of such Code (defining distributable net income) is amended by inserting after paragraph (7) the following new paragraph:

"(8) Interest on savings.—There shall be included the amount of any dividends or interest excluded from gross income under section 124 (relating to interest on savings.)"

(3) Section 702(a)(5) of such Code (relating to income and credits of partner) is amended by adding at the end thereof the following: "and dividends and interest with respect to which there is provided an exclusion under section 124,".

(4) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking out the item relating to section 124 and inserting in lieu thereof the following:

"Sec. 124. Interest on savings.

"Sec. 125. Cross references to other Acts.".

(c) The amendments made by this section shall apply with respect to taxable years beginning after December 31, 1974.

CLERGY SPEAK OUT ON THE HUMAN IMPACT OF A NEW YORK DEFAULT

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. DELANEY. Mr. Speaker, I felt that this eloquent statement by Terrence Cardinal Cooke of the Archdiocese of New York and Bishop Francis J. Mugavero of Brooklyn, in the name of the New York State Catholic Conference, should be brought to the attention of my colleagues from across the country:

Joint Statement of Cardinal Cooke and Bishop Mugavero on the Urban Crisis

We are issuing this statement both as religious leaders and as citizens because we are deeply concerned about the present crisis affecting the lives of eight million people of New York City. This present crisis is not simply a fiscal problem. In its true dimensions, it is a human problem as well.

Our purpose is to call to the attention of our national leaders, both in the executive and legislative branches, the deep moral and human issues that are involved. We do so because we are firmly convinced that the next two weeks will be unparalleled in the history of our City. They will be decisive in the search for an equitable and just solution to our unprecedented and monumental problem.

We are firmly convinced that default and bankruptcy are not the answer. Default will mean that human life in New York City will be seriously damaged. Municipal services will be paralyzed. Assistance in human services for the poor and the dependent, the young and the aged, the sick and the infirm who need this help so desperately will all but cease to exist. Hospitals may well have to suspend their services, furlough their staffs, discharge their patients and close their outpatient departments; nursing homes for the aged may have to shut down. Senior citizen centers are already cut back, and the daily hot meal for the helpless senior citizen may become a thing of the past. Schools, day care centers, and child care facilities may not be able to stay open and serve children. If New York City goes bankrupt, where will the poor and those who cannot find jobs, obtain food and clothing and a roof over their heads?

We are not unaware of the many factors which have contributed to New York City's problem. The dire effects of recession and inflation, the loss of thousands of jobs, the erosion of our City's tax base and the overwhelming costs of municipal services and human services to sustain the less fortunate have all contributed to our plight. We are also aware of the serious charges that poor judgments, over-spending, political opportunism and at times inefficient management have all played their part and must be corrected.

We call upon all city employees and those in the voluntary sector for heroic efforts and a generous concern to serve the people of our great City. We call upon the Catholics of the City and all our fellow citizens to do all that they can by renewed volunteer efforts to close the gaps in human services already necessitated by austerity. We call upon our national leaders and the people of the nation to support our City as just and equitable solutions are sought. At this critical moment, there is no room for sectionalism and partisanship. There is a pressing need for the leaders of our major parties as well as elected officials to move in a spirit of commitment to human priorities in the working out of this grave situation.

Any solution will depend upon the necessary time for the City's problems to be cured. Federal guarantees—not default—are the answer. We do not see any other answer to this most urgent human problem.

MONTROSE CHURCH CELEBRATES 130TH BIRTHDAY

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. McDADE. Mr. Speaker, on November 16, the United Methodist Church of Montrose, Pa., will be celebrating its 130th birthday. I would like to commemorate this happy occasion by bringing it to the attention of my colleagues.

Methodism was brought to the community of Montrose in about 1841, when interested persons began to hold regular meetings in schoolhouses or homes. A church was erected in 1845 and it is from this date that the congregation marks its beginnings.

Services were held once a Sabbath for 20 years, when a revival was held and many new members joined. In 1875 a new place of worship was erected at the site of the old church and is still in use by the congregation, which now numbers about 500 individuals.

Over the years improvements to the church have met the needs of a growing, active congregation. In fact, digging the basement for added space for Sunday school classes and a chapel was at one time considered an impossibility, since the ground was solid rock. However, this formidable task has been accomplished and the added space allows the congregation to open the rooms for many community activities.

Members of the United Methodist Church have played an integral role in the community's history and throughout the years have provided invaluable service to the area. The celebration on Sunday will be a momentous event, attended by former ministers and their wives, former members and friends of the church, and clergy of the area, in addition to regular worshipers and their minister, the Reverend Arthur Mayo.

Accordingly, I beseech my colleagues to join me in honoring the United Methodist Church of Montrose on its 130th birthday.

THE 50TH ANNIVERSARY OF GRAND OLE OPRY

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. EVINS of Tennessee. Mr. Speaker, one of the Nation's most famous entertainment programs—the Grand Ole Opry of Nashville, Tenn.—is celebrating this year its 50th anniversary.

Certainly I want to take this means of commending and congratulating the officials and entertainers on radio station WSM and the Grand Ole Opry for originating and developing this mecca of country music into a national institution.

I also want to honor the memory of George D. Hay and Jimmy Thompson who originated the first hour-long program of country music called the WSM Barn Dance on November 28, 1925—and the memory of other entertainers who participated in those early programs.

At 8 p.m. on November 28, George D. Hay signed on and introduced himself as the "solemn old judge"—a name that was to be associated with each program of the Grand Ole Opry for many years.

Two years later Hay called the program the Grand Ole Opry and this name stuck. The response was overwhelming—people enjoyed what they heard and they wanted to see and hear the entertainers in action.

From smaller studio to larger studio to a theater—to the War Memorial Auditorium in Nashville—to the Ryman Auditorium—and finally last year to the new, spacious Grand Ole Opry building in the new Opryland entertainment complex—this was the story of the fantastic growth of the world capital of country music, the heartbeat of the people set to music, sympathizing with their joys, their sorrows, their lost loves, their new loves, the human world of trials, tribulations, heartache, and happiness.

Among the original entertainers on the Grand Ole Opry were Uncle Dave Macon, the Crook Brothers, Arthur Smith and his Dixie-Liners, the Binkley Brothers and their Clod-Hoppers, the Ole Timers, the Delmore Brothers, Jack Jackson and the Bronco Busters.

Instrumental music was the basic program of the Opry until 1938 until a tall, black-haired, craggy-faced figure stepped on the stage and sang for the first time on the Opry a religious song called the Great Speckled Bird. That song rocketed Roy Acuff to fame, along with the Wabash Cannonball, and introduced a new dimension to the Grand Ole Opry—the era of big singers—Eddy Arnold, Pewee King, Ernest Tubb, Red Foley, Cowboy Copas, and Hank Williams and others.

In the forties and fifties came more outstanding talent—Lester Flatt and Earl Scruggs, Hank Snow, Loretta Lynn, Ray Price, Matty Robbins, the great Johnny Cash, my own constituent, and George Morgan and others.

And during this period comedy took on added importance at the Grand Ole Opry with the debut of the lady from Grinders' Switch, the popular and beloved Minnie Pearl—in real life, Mrs. Henry Cannon.

Minnie Pearl with her raucous voice and country jokes spiced with familiar rural references became a fixture on the Grand Ole Opry—and recently she was named to the Country Music Hall of Fame, a deserved tribute.

It was at about this time—in 1939—that the National Broadcasting Co. began carrying the show on its network—and country music began sweeping the country.

During World War II the Grand Ole Opry and country music were standard fare on Navy ships, Army bases, Marine Corps barracks and Coast Guard stations as the boys from Tennessee, Kentucky, Alabama and other border and Southern States introduced their buddies to country music.

Also during and after the war millions of Americans from these same States out-migrated to the big metropolitan areas to work in war plants and other industries. With these Tennesseans, North Carolinians, and Arkansans went country music and the impact of country music continued to spread across the Nation.

The Grand Ole Opry continued to prosper, its capacity never large enough for the demand for tickets for three shows.

In the 1960's more top talent came to the Grand Ole Opry—Dottie West, Connie Smith, Jack Greene, Dell Reeves, Jim Ed Brown, Charlie Pride, among many others.

With thousands of musicians flocking to Nashville and with thousands of people coming to town for the Grand Ole Opry, Nashville gradually began to develop as a music and recording center—not only for country music but for all types of music.

Today Tennessee's capital city, Nashville, is one of the recording capitals of the world.

Another evolution was in the changes which occurred in some styles of country music which was mixed and blended by some groups with rock, jazz, soul, pop and other types of music—and the fiddles and the guitars were supplemented by electric guitars, brass, drums and cymbals.

Thus there is some style of music related to the old country-style music to suit the taste of almost any American these days.

The fundamentalists insist on the bluegrass and the old basic country music—many young people like the "Nashville sound" which is country music blended with other types.

In any event, country music has developed into an institution during the last half-century and the Nation is indebted to the founders of the Grand Ole Opry for 50 years of wholesome grand entertainment.

My congratulations to the officials and entertainers of the Grand Ole Opry for their splendid achievements and accomplishments—as well as the management of WSM—the parent station of the Grand Ole Opry—which is also celebrating this year its 50th birthday anniversary.

FBI DIRECTOR WARNS ON DOMESTIC SECURITY

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. YOUNG of Florida. Mr. Speaker, over the past few months the FBI and CIA have been subjected to relentless public scrutiny and criticism, and as a result I have been increasingly concerned over possible impairment of these agencies' national and domestic security functions. We must not lose sight of the fact that the enemies of our system remain active and dedicated to the overthrow of our freedoms, and that the CIA and FBI stand between us and these adversaries.

To bring this point into sharper perspective, I would like to draw my colleagues' attention to a speech delivered by FBI Director Clarence Kelley on November 4. Discussing the threats to our domestic security, Mr. Kelley noted that the number of terrorist bombings by new left revolutionaries had jumped from 24 in 1973 to 45 last year, and that during the first 6 months of this year alone there were 46 such bombings. He further stated that police officers continue to be the primary targets of urban guerrillas—since 1971, the deaths of 43 officers and the wounding of 152 others have been linked to these terrorists.

Mr. Kelley's speech also contains a number of examples of FBI domestic security work which has blocked terrorist activities, and I believe this information provides a much-needed counterbalance to the attacks of those who would cripple the effectiveness of the FBI. I urge my colleagues to take careful note of this important speech and to support the efforts of the FBI to protect our freedoms. The speech follows:

"WHAT IS OUR AIM?"

(An address by Clarence M. Kelley, Director, Federal Bureau of Investigation, at the Lubbock Chamber of Commerce Annual Banquet, Lubbock, Tex., Nov. 4, 1975)

I bring you the best wishes and warmest regards of the men and women of the FBI.

It's always a special pleasure for me to address an audience of people who devote so much of their time and energy and intellect to the business, professional and cultural lives of their community—who willingly shoulder responsibility.

And the involvement and efforts of people like you throughout the United States provide the support and guidance so vital to a healthy, vigorous and free society.

I want you to know my associates and I consider it extremely important that responsible Americans such as you have a clear understanding of the objectives and policies of the FBI—particularly in the area of domestic security.

We are concerned that the highly publicized scrutiny and criticism of our domestic intelligence operations in recent months will undermine the trust Americans traditionally have placed in the FBI. We must continue to have that trust if we are to function effectively in the future.

Much of the criticism has been well intentioned. Some perhaps justified; yet in the vast majority of instances such criticism stems from actions the FBI took many years ago in extraordinarily turbulent times. Many people have forgotten the tenor of those times.

But my purpose here today is not to criticize our critics. An agency such as ours must be accountable to the people, and we willingly submit to impartial evaluations of our operations and policies.

But I would be less than candid with you if I did not point out that impartial inquiry and evaluation of national security are considerably different from the relentless bombardment we have been subjected to in the public forum for so many months.

And the danger is that excessive restraints crippling to our domestic security efforts could be imposed on us.

I, other Bureau representatives, and officials of other agencies charged with national security responsibilities have worn a path to Capitol Hill to report, explain, and to seek legislative assistance—difficult tasks in an atmosphere of righteous official indignation.

An appreciable amount of our resources at FBI Headquarters has been demanded to research and prepare detailed reports for these appearances on the Hill—to the detriment of more productive investigative activities.

But that is the nature of things in today's climate of opinion. Perhaps our operations will derive benefit from the unprecedented surge of news media and official interest in the FBI.

But we must fervently hope that domestic extremists and foreign agents committed to the destruction of our democracy will not be the ultimate beneficiaries.

We are all too often cast by certain elements of our society as a potential Gestapo, a menace to constitutionally guaranteed liberties.

But unfortunately relatively little public exposure has been given to a real threat to our liberties—the threat posed by lethal bands of revolutionaries, hate groups and extremists who openly espouse violence and hostility to our system of government.

These are the targets of our domestic security investigations.

The discerning and responsible American people must decide who constitutes the true potential threat to democratic society.

You must decide whether it is the FBI or extremists and terrorists who menace Americans' 200-year tradition of liberty.

And in making your decision, look across the oceans to those unfortunate countries in Europe and in the Middle East where indiscriminate murder, bombings and kidnapings have become an everyday horror of living. Look toward certain violence-torn countries in South America.

Terrorism—the use of violence and fear of violence to accomplish political, personal and ideological objectives—is global.

We cannot permit ourselves to think it couldn't happen here. Americans got a taste of widespread violence and dissension in the Sixties. It was a bitter taste. Public officials and private citizens alike were alarmed. Emotions ran rampant over reason and order.

A judge told one of hundreds arrested for looting:

"You're nothing but a . . . thieving looter. It's too bad they didn't shoot you." That was a judge speaking.

A newspaper columnist declared that to deal with rioters, "What the cops need . . . are plenty of flamethrowers . . . nothing could stop bloodthirsty savages quicker than reducing them to cinders."

The mayor of a large city ordered police "to shoot to kill any arsonist or anyone with a Molotov Cocktail in his hand, because they are potential murders, and to shoot to maim or cripple anyone looting."

In public and in private, influential citizens and government officials demanded action. Well, the FBI took action; and though the actions we took were much more temperate than many urged, we have since been castigated for taking them.

We have pledged never to use many of the counterintelligence tactics of disruption we used then; even though they were used to prevent actual violence and bloodshed. We have further pledged that in any event we will never use any disruptive tactics without express approval of the Attorney General.

The Department of Justice has proposed guidelines for our domestic security activities. We in the FBI welcome them and we are pleased we have had an opportunity to assist in drafting them.

Attorney General Levi has stated publicly that the proposed guidelines "accept the proposition that in limited circumstances carefully controlled FBI activity which directly intercedes to prevent violence is appropriate."

I heartily agreed. And I remain convinced that legislative guidelines should be established specifically permitting us to act promptly and effectively when domestic security is imperiled as it was in the Sixties.

I have said that I would not be averse to reporting at regularly scheduled intervals, under oath, as to our performance and compliance with rules established for us.

But in considering such guidelines, and most certainly before considering any further restraints, the total picture should be clarified. The total picture must be presented to the American people for it is the security of the American people that is ultimately affected by these restraints.

And I don't think the picture has been presented in proper perspective to date.

In the flow of news emanating from Washington, too often a miscue by an FBI Agent is inflated to represent massive assault on individual rights by the Bureau.

There have been assaults on the rights and the tranquility of the people, but not by the FBI.

Let's consider a few.

An organization calling itself the New World Liberation Front has claimed at least 14 terrorist bombings in California this year alone.

The self-styled Continental Revolutionary Army boasts of three bombings in Denver, Colorado, this year—a government office, a bank, and the home of a government official were the targets.

The Weather Underground claimed it was responsible for the September 5th bombing of the Kennecott Copper building in Salt Lake City, Utah. This group declares it is waging war and will seize power. Its members claimed four bombings of government and corporate targets last year.

The Black Liberation Army, which grew out of the Black Panther Party, boasted in its first "communique" that the group had "no hangups about dealing with fascist pig cops."

Police officers have been the primary target of urban guerrillas. Since 1971, the deaths of 43 officers and the wounding of 152 others have been linked to these terrorists.

In 1971, attacks on police reached epidemic proportions. There were 12 ambushes, 27 snipings and 50 other shooting confrontations.

But you are more likely these days to hear about the number of doors an FBI Agent breaks through in search of an armed fugitive revolutionary than statistics on terrorist activity. So let me cite a few more figures regarding the latter.

From 1971 through 1974 there were 634 reported incidents—such as bombings, firebombings, ambushes, and police killings.

In 1973 there were 24 bombings by New Left revolutionaries. Last year the number of terrorist bombings increased to 45. During the first six months of this year, there were 46 such bombings, one more than in all of 1974.

New terrorist groups emerge as others pass into obscurity. And we face new challenges in combating their activities. Some of these groups have adopted tightly controlled cell systems to prevent infiltration. Some have become expert in fashioning false identifications. And they are able to vanish in an entire subculture of communes that extends across the United States.

You should be aware that terrorists have vowed to "bring the fireworks" to our nation's Bicentennial celebration next year. I believe some will try and the FBI and all law enforcement must be legally capable of doing something about it.

Last January, four persons were killed and 53 were injured in a lunch-hour bomb blast at historic Fraunces Tavern in New York City. This colonial landmark figured in Bicentennial plans. Responsibility for the explosion was claimed by the Armed Forces of Puerto Rican Liberation group.

Many feel this savage bombing in New York could be a prelude to more devastation as July 4, 1976, approaches.

The American people rightfully expect law enforcement to anticipate and prevent wholesale bloodshed and destruction of property.

And it is our grave responsibility to try to do so with all the resources and vigor and lawful techniques available to us.

The FBI's accomplishments on the ill-defined battlefield of domestic security rarely come to the public's attention and are seldom included in the "picture" they are given.

In fact, news reports of a recent audit of the FBI's domestic security programs made much of the fact that only four convictions resulted from 676 domestic intelligence investigations in 1974.

To me this indicates a callous lack of understanding of what our domestic security work is all about. Our accomplishments in the field lie primarily in the terrorist bomber who is thwarted, the arsonist who is deterred, the potential assassin who is frustrated.

Permit me to give you some examples:

In June, 1974, we learned through our domestic intelligence efforts that a white-hate activist planned to bomb two blocks in an unidentified city. We learned also he had diagrams of the sewer and water systems of Washington, D.C., and had targeted the Internal Revenue Service Building for bombing. He was arrested with a number of associates in New Jersey in possession of an arsenal of weapons and some chemical components.

There is no question in my mind in averting this bombing many lives were saved.

One of our security inquiries in New Haven, Connecticut, resulted in identifying persons responsible for 15 arsons, one which resulted in a death. We also learned that this group planned to burn a dwelling occupied by 18 persons, 13 of whom were children.

We provided this information to local authorities, and thereby several lives undoubtedly were spared.

In another inquiry we determined that a Klansman planned to dynamite the home of the head of the Anti-Defamation League in New Orleans, Louisiana. This information enabled New Orleans police to arrest the Klansman in possession of a bomb. It was quite a bomb. It was capable of destroying not only the home of the intended victim but those of surrounding neighbors.

The Secret Army Organization is an ultraconservative, paramilitary organization founded in 1971 by former members and supporters of Minutemen. Its purpose is to conduct urban guerrilla-type warfare against "left-wing" groups and suspected "enemies of the United States."

We were able to develop information which enabled local authorities to arrest eight members of this organization. The charges ranged from attempted murder to the possession and storage of illegal quantities of gunpowder. Also seized was a frightening cache of explosives, rifles, handguns, thousands of rounds of ammunition and—please note—a *flame thrower*.

I could list accomplishments such as these from now until midnight, with some left over. But suffice it to say prevention of bloodshed and destruction, the maintenance of order and the stability of our government, are the priority objectives of our domestic security work—not convictions.

And you can be certain the FBI has no desire to oppose legitimate dissent. An individual does not become the target of an FBI security investigation simply because he or she opposes government policy or because he exercises his constitutional rights of protest or dissent.

It is the extremist who preaches a litany of violence against government, against private enterprise, against ethnic groups, against religious orders, who is the target of these investigations.

Unchecked, these peddlers of death and destruction represent a very genuine threat to the freedom and tranquility of people like you—law-abiding and productive citizens throughout our nation.

The FBI's aim is to diminish that threat insofar as we are able to do so within the parameters of law and reason.

It is a tough assignment, particularly in the climate of opinion created by the many issues currently being raised regarding domestic intelligence. We need and solicit your understanding and support.

If outrage over government excesses of the past, or misunderstanding of our motives and objectives, ultimately results in our being divested of investigative techniques essential to doing our job, then each of you, and *every law-abiding*, peace-loving American, stands to be the loser.

I'm hopeful our legislators and their constituents will not permit this to happen.

I'm hopeful that the press who have strived to fairly provide you the total picture will receive your support—tell them you appreciate their honesty and appreciate their efforts to fully inform you.

In any case, I pledge that as long as I am Director, the FBI will continue to vigorously discharge its domestic security responsibilities with whatever lawful resources we have.

We will not abdicate our responsibility to protect Americans from extremist violence, no matter how vociferous our critics may be.

To do our share in maintaining tranquility, orderly government, an environment in which Americans can continue to freely enjoy their legacy of liberties—that is our aim.

Thank you.

PETER FOSCO, LABOR LEADER

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. MAZZOLI. Mr. Speaker, it is with deep regret that I learned of Peter Fosco's death.

Through his many positions in the labor movement—general president of the Laborers International Union since 1968; a vice president of the AFL-CIO—Mr. Fosco had devoted more than 50 years of his life for the betterment of America's working women and men.

Peter Fosco will be remembered well by a host of people in my State of Kentucky. His untiring efforts to improve conditions—and to better all of American society—left an indelible mark not to be forgotten.

I extend my deep sympathies to Peter Fosco's family.

ST. JOSEPH, MO. PROVIDES HISTORICAL INCENTIVE FOR RESOLUTION OF POSTAL DILEMMA

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. LITTON. Mr. Speaker, one of the cities of my district, St. Joseph, Mo., provides a historical perspective to the present-day dilemma of our Postal Department. Amid the confusion of the debt-ridden Postal Service are cries from people all over America for the return of dedicated public postal service. Every citizen of the United States exposed to our country's elementary school system has heard and is somewhat familiar with the nostalgic history of the Pony Express. Perhaps a recounting of the events leading up to and during the existence of the Pony Express in St. Joseph will provide direction to our considerations regarding this country's contemporary postal plight.

St. Joseph, Mo., began as a trading post at the beginning of the 19th century. Joseph Robidoux, for whom the city was named, established its prominence as a fur trading center which soon became the western terminus for the first railroad to reach the Missouri River. Indeed, as history indicates, postal officials from St. Joseph planned and introduced railway mail service in the United States. The first railway mail car was placed into operation on the Hannibal to St. Joseph Railroad as a result of their efforts.

As the western terminus of all railroads originating in the East, St. Joseph became the logical disseminator of mail headed for the Far West. Subsequently, in April of 1860, the Pony Express Headquarters was established in St. Joseph. The transfer of mail to the Pony Express from the railroad is best described in this sentence from "Nineteenth Century St. Joseph, Mo.", as written by its Historical Society; "Mail from the East was rushed by train to the mochilas of the small riders and headed across the plains, mountains, and deserts for California."

An indication of the monumental task faced by the Pony Express rider is found in this ad from 1860:

> WANTED
>
> Young Skinny Wiry Fellows, not over eighteen. Must be expert riders willing to risk death daily. Orphans preferred. Wages $25 per week. Apply Central Overland Express.

A total of 400 young men met those qualifications and rode the 2,000 miles between St. Joseph and San Francisco. The Pony Express was in operation for only 18 months when it was put out of business by the telegraph, but it had left an indelible imprint on America's postal history.

Understandably, Mr. Speaker, I am sensitive to all of my constituents' complaints about our present postal system, but I am especially sensitive to those originating from St. Joseph, Mo. Its history has proven that it is an area which dedicated itself to making postal service more efficient by initiating the first U.S. railway mail car and the Pony Express. It is the task of the Congress, today, to initiate a program which restores faith in our Postal Department. We must learn from the precedent set by the community of St. Joseph because we are a more mobile, technological, and communicative society now in dire need of solutions to the very same problems faced by them more than 100 years ago. Perhaps the 94th Congress will become the "terminus" from which a new era of dedicated public postal service will begin.

THE AGENCY FOR CONSUMER ADVOCACY

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HAGEDORN. Mr. Speaker, half the legislative battle is sometimes won when a piece of legislation is named by its sponsors. It is always difficult to explain one's opposition to bills establishing agencies for consumer protection. There are few among us totally without consumers in our districts.

Nevertheless, there are few bills coming before Congress which promise as much as does H.R. 7575 yet achieve so little. At a time when the public has grown so weary of big government and so intolerate of overbearing Federal regulation, we propose to engraft upon our system still another layer of bureaucracy. Supporters of the Agency for Consumer Advocacy contend that theirs is a "nonregulatory" agency. At present, it has no powers to promulgate rules or regulations. Apart from the inevitability of the ACA coming before us again in the near future and claiming that rulemaking authority has become necessary to more effectively carry out their mandate, this argument misses one of the basic points of Government regulation. The ACA may have individuals subpenaed, they may intervene in administrative proceedings and may initiate their own judicial appeals, they have the power to receive and publicize consumer complaints, and they may conduct extensive surveys and investigations. Whether or not they are empowered, at this point, to issue formal rules or regulations, they possess all the trappings of other Federal regulatory agencies which the American public have grown to hold in such low esteem.

The basic premise of the ACA is that there is a distinct, common consumer interest. In my opinion, the most basic and fundamental interest of the consumer is in a strong, free, and productive economy. Only in such an economy is the consumer sovereign. He is not limited to the one brand of toothpaste, or the one make of car that the consumerists believe is most desirable for him. The professional consumerist contends that the consumer is gullible and essentially ill equipped to make his own decisions without the assistance of countless governmental agencies. The Government must protect such individuals against their own unwise and irrational decisions in the marketplace. This can best be accomplished by limiting their ability to choose among competitive products. The less discretion to choose, the less likelihood of making an incorrect decision.

It is this consumer mentality that I fear will come to be identified with the ACA position. This is a consumerism based, not on a belief in the free market, freedom of choice, and competition, but rather upon the need for Government interference in the marketplace, presumptions of guilt placed upon the businessman, hostility against the producing segments of our economy, and a basic distrust of the ability of the consumer to act in his own best self-interest. The professional consumer advocates purport to speak for all consumers, yet completely fail to recognize that what may be in the best interest of some consumers may not be in the best interests of others. By identifying the position of the professional consumer advocate with "real" consumer interest, we are merely preferring one political viewpoint to another and pretending that competing consumer interests are illegitimate.

This discretion to select from among consumer interests those which it prefers to advocate in effect invests much discretion in the ACA to involve itself in controversies on the basis of other nonconsumers interests that it deems important. Does Ralph Nader speak for all consumers when he urges the installation of devices in automobiles which contribute hundreds of dollars in additional costs? Do those who want to eliminate nonprescription vitamins from the market speak for all consumers? Do those who want to ban vending machines which dispense "junk food" speak for all consumers? And do those who cry for price controls and rent controls, ignoring their effect upon supplies of the controlled products, speak for all consumers? Do not we all have legitimate interests as producers also? Is the ACA going to weigh these interests also?

Even assuming that there were a clear consumer interest to be identified and advocated, why is the structure of the ACA such that they will fare any better in protecting this interest than the dozens of earlier Federal agencies which have also been charged with this responsibility? Because these earlier agencies have failed, it is now argued that it is necessary for a new superagency to oversee their activities. Those of us distrustful generally of the efficacy of governmental action can only gaze in wonder at this response by the Congress. If $20 billion in Federal expenditures will not cure poverty, end disease, or promote brotherhood among men then perhaps $30 billion or $40 billion are necessary, and if a dozen Federal agencies cannot protect the consumer as they deserve to be protected, then maybe several more are needed. It is the height of absurdity to have a new Federal bureaucracy trying to whip in line those other bureaucracies not fulfilling their duties. If an agency is not performing its job, then reform the agency, reform the personnel, or do away with it entirely and start over. But why must we create another layer of unnecessary bureaucracy, especially one that is going to cost the taxpayer $60 million over the first 3 years, and add hundreds of thousands of additional employees to the public payrolls.

Other objections which I have to the ACA are as follows:

First. The ACA is deceptively named and will not benefit the individual consumer having difficulties with a neighborhood shopkeeper or car dealer. It is designed to assist the collective consumer, meaning of course the consumer as the ACA bureaucrats define him. The consumer is to be the consumer who never appears.

Second. The ACA has tremendous potential influence, but because this influence extends so deeply into virtually all crevices of government, it is going to be extremely difficult to assess their accountability for increased or decreased consumer costs. Very likely, their activities will consist of a series of guerrilla actions purportedly on behalf of the consumer but which result in higher consumer costs, each one succeeding the previous one and unaccompanied by rational assessments of the costs and benefits of their advocacy.

Third. The processes of government decisionmaking will be rendered even slower than is presently the case, threatening to intimidate still further those uncertain as to whether or not to stand up to the actions of Federal bureaucrats. Each agency will have to file reports with the ACA, listen to ACA spokesmen, involve themselves in controversies with the ACA viewpoint, and generally wade through an additional bureaucratic layer before reaching final decisions. Even at that point, the ACA could proceed with their own appeals.

Fourth. There has been no ground swell of public support for the ACA concept, most of the lobbying in its behalf stemming from the professional consumerists all of whom recognize the increased influence that they would wield under the act. A recent poll by Opinion Research showed that 81 percent of the public familiar with the ACA concept opposed it, and only 7 percent supported it.

Fifth. The ACA will undoubtedly venture quickly into areas never intended for it by Congress as has, for example, the Consumer Product Safety Commission. It is difficult to conceive of many areas of Government or business activity which have no conceivable bearing upon "consumer" interests, however indirectly. Should the ACA be able to intervene in State Department Middle East negotiations because the availability of oil might be affected thereby? What about foreign grain sales?

Sixth. The ACA is going to be allowed to prosecute individuals and businesses before other agencies at the same time that prosecutors from the other agencies are also pursuing these persons. A sure result is contradictory, and conflicting administrative questions, with serious due process considerations. Pity the poor businessman up against two prosecutors each out to outprosecute the other.

Seventh. The information gathering functions of the ACA are enormous. They will have the power to issue court-enforced interrogatories to virtually any business, or tradesman in the country. There are inadequate protections against the disclosure of trade secrets.

Eighth. There are currently 1,000 consumer-related programs in some 33 Federal agencies and departments, including an Office of Consumer Affairs located within the Executive Office. Countless more similar programs exist at the State, county, local, and private levels. Among the consumer-oriented offices in Minnesota are:

LIST OF CONSUMER-ORIENTED OFFICES

STATE OFFICES

William H. Kuretsky, Assistant Attorney General, Consumer Protection Division, Office of Attorney General, 102 State Capitol, St. Paul, Minnesota 55155.

Sherry Chenoweth, Director, Minnesota Office of Consumer Services, Department of Commerce, Metro Square Building, 7th & Roberts St., 5th Floor, St. Paul, Minnesota 55119.

BRANCH OFFICES

Marilyn A. Krueger, Investigator, Duluth Regional Office, 332 West Superior Street, Duluth, Minnesota 55802.

Berton W. Heaton, Commissioner, Consumer Advocacy Program, Insurance Division, Department of Commerce, 7th & Roberts Streets, St. Paul, Minnesota 55101.

COUNTY OFFICES

Hennepin County

Floyd B. Olson, Assistant County Attorney/Chief, Citizen Protection Division, Hennepin County Attorney's Office, 248 Hennepin County Courthouse, Minneapolis, Minnesota 55415.

CITY OFFICES

Minneapolis

John G. Gustafson, Director, Consumer Affairs Division, City Department of Licenses & Consumer Service, 101A City Hall, Third Avenue & 4th Street, Minneapolis, Minnesota 55415.

St. Paul

Robert W. Mattson, Director, City Office of Consumer Affairs, 179 City Hall, St. Paul, Minnesota 55415.

Ninth. The bill H.R. 7575 is wrought with special interest exceptions that are designed solely to encourage political support of powerful outside groups. Worst, and least justifiable of these exceptions is the labor exemption which eliminates labor disputes and collective bargaining matters from the jurisdiction of the ACA. It cannot be argued that the decisions of the NLRB, or of Federal mediating agencies do not affect the consumer. To eliminate such concerns from ACA scrutiny eliminates from their focus a process accounting for well over 50 percent of the final cost of the average consumer purchase.

TRIBUTE TO MR. WILLIAM ANTHONY "TONY" HILL

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mrs. BURKE of California. Mr. Speaker, on November 5, 1975, Mr. William Anthony "Tony" Hill, a world-renowned artist whose ceramics were known around the world, died of cardiac arrest. Mr. Hill was stricken at the Cairo Airport on November 3 and died 2 days later.

Interment will be in the American Cemetery in Cairo, Egypt. A tribute service will be held at the Church of Christian Fellowship, 2085 S. Hobart, Los Angeles, Calif., on Sunday, November 16, 1975, at 4 p.m.

Mr. Hill is survived by his brother, Dr. Henry Hill, and his nephew, Anthony Hill, of Boston, Mass.

REGULATORY REFORM, OSHA—PART 1

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ARCHER. Mr. Speaker, one of the best commentaries written on the cost and problems associated with indiscriminate and unreasonable Government regulation is "Government Mandated Price Increases," by Murray L. Weidenbaum. He speaks eloquently about a number of concerns to many of us and I thought his research pertaining to the Occupational Safety and Health Administration was particularly revealing. I think every Member of Congress would greatly benefit by reading his comments. The article follows:

HIGHER COSTS OF INDUSTRIAL PRODUCTION

(. . . the Main Street merchant who recently attended an Occupational Safety and Health Act seminar was asked the next day if he had profited from the meeting. He replied "Oh, yes, I've already bought the sign required by OSHA. . . . The one that is so high and so wide and says, 'For Sale.' "—SENATE COMMITTEE ON SMALL BUSINESS)

The Occupational Safety and Health Act is one of those regulatory innovations whose objectives are so worthy that critics questioning the actual conduct of the effort are put on the defensive to prove that they are not devoid of human compassion. After all, who is not in favor of improving a work environment in which over 14,000 Americans were killed in 1973 in job-related accidents? But, on the other hand, by what stretch of the imagination does an OSHA rule calling for daily cleaning of spittoons help to reduce the number of casualties?

Even so sympathetic an organization as the Federation of American Scientists has chided the administration of OSHA. It made the following criticism in a statement issued in 1973:

"Regulations are voluminous and complex; the language is convoluted beyond recognition except by a scientist or lawyer. Worse yet, there is no provision for a penalty-free consultation with an Occupational Safety and Health Administration inspector. . . .

"The Occupational Safety and Health Act, in short, has surfaced at least as many problems as it was designed to solve." [1]

OSHA's regulations are so lengthy and tedious that the agency's own representatives are not always aware of them all. For example, when my research assistant checked the reference to spittoons, he was assured by the area representative (and in fairly colorful language) that no such provision existed. That assurance notwithstanding, the OSHA regulations as published in the *Federal Register* contain the following statement: "Cuspidors are considered undesirable, but, if used, they shall be of such construction that they are cleanable. They shall be cleaned at least daily when in use (Title 29, Section 1910, 141(a)(z)(ii))."

The most severe criticism of the Occupational Safety and Health Administration has come not from businessmen or labor but from within the federal government itself, namely, from Chairman Robert D. Moran of the Occupational Safety and Health Review Commission, the independent agency created to hear appeals from rulings by OSHA inspectors: "far too many standards are, to paraphrase Winston Churchill, 'riddles wrapped in mysteries inside enigmas.' They don't give the employer even a nebulous suggestion of what he should do to protect his employees from whatever-it-is, also left unexplained, which represents a hazard to their safety and health." [2] After citing one vague and general standard, Moran lamented: "What do you think it tells us to do? I have no idea—and I don't think OSHA could tell you, either, before an inspection, citation, complaint, hearing and post-hearing brief." [3] Moran concluded: "I submit that there isn't a person on earth who can be certain he is in full compliance with the requirements of this standard at any particular point of time." [4]

A major problem arises when the small employer needs help in interpreting the standards promulgated by a federal regulatory agency such as OSHA. He normally cannot afford to employ a staff of experts, so he logically looks to the government for guidance about his obligations. In the case of OSHA, he is given a singularly unhelpful pamphlet which devotes twenty-four pages of fine print merely to list the applicable standards for "general industry." The descriptive material is quite sparse. In fact, the session on "How to Use This Guide" is quoted below in its entirety!

"To be used effectively, this Guide must be considered as a:

"1. companion piece to the master document, 29 CFR 1910, Occupational Safety and Health Standards for General Industry.

"2. key index to all the standards in 29 CFR 1910, which have been classified under the six categories, and the administrative regulations drawn from Parts 1903, 1904, 1905, 1911, and 1912.

"To find the desired information the user should first read the introductory statement to each category. Then, he should analyze the hazard and classify it according to the workplace, machines and equipment, materials, the employee, a special process, or a power source. By looking up the applicable category, the location of the applicable standard in 29 CFR can be found. Since hazards may be logically classified in more than one category, look under each category which might apply to your situation." [5]

It is hardly surprising that William S. Lowe, chairman of the board of A. P. Green Refractories Company, told a House subcommittee on environmental problems that OSHA "is presently creating more concern within the small business community than any other legislation passed in recent years." [6]

LADDERS, EXITS, AND OTHER TRIVIA

Nevertheless, let us attempt to follow the procedure described in the OSHA guide cited above. As the guide instructs, the standards themselves are in something called "29 CFR 1910." Let us assume that somehow we know that this is legalese for the Code of Federal Regulations and that we are to turn to Title 29, which deals with labor, and that we ultimately get to Part 1910, which deals with occupational safety and health standards.

But brace yourself. Document 29 CFR 1910 contains 455 pages of fine print, including algebraic and trigonometric equations. Let

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Footnotes at end of article.

us skip over the obviously technical parts and turn to the section dealing with something supposedly simple—ladders. To begin with, we are offered a definition: "a ladder is an appliance usually consisting of two side rails joined at regular intervals by crosspieces called steps, rungs, or cleats, on which a person may step in ascending or descending." [7] However, that just initiates our education into the subject. We next have to identify the various types of ladders. Our old friend the stepladder is, we are informed, "a self-supporting portable ladder, nonadjustable in length, having flat steps and a hinged back. Its size is designated by the overall length of the ladder measured along the front edge of the side rail." We are then led through similar detail on the single ladder, the extension ladder, the sectional ladder, the trestle ladder, the extension trestle ladder, the special-purpose ladder, the trolley ladder, and the side-rolling ladder. Thereupon, perhaps still amused that a tax-supported official has had the time and inclination for this type of activity, we find a bloated but unhelpful definition of "wood characteristics." The reader is informed the "wood characteristics are distinguishing features which by their extent and number determine the quality of a piece of wood." [8]

By now, the reader's eye may begin to wander. But OSHA's authors seem to have anticipated that, for in the very next column of fine print they have produced once again a definition of ladder—word for word the same definition from the previous page and followed by identical definitions of step ladder and all the other types of ladders previously enumerated, including the trolley ladder and the side-rolling ladder. Thereafter, in the very next column, comes yet another complete rendition of all of the definitions of the types of ladders.

The determined reader may push on to another section of the regulations of this supposedly simple subject. If he is lucky, he will pass over the following gem:

The angle (a) between the loaded and unloaded rails and the horizontal is to be calculated from the trigonometric equation:

$$\text{Sine a}=\frac{\text{Difference in deflection}}{\text{Ladder width}}$$ [9]

Let us assume that, on this first reading, our typical small businessman finds the subject of ladders just too complicated. Turning pages, he comes across an item that seems like it would be simpler—"Exit." For a starter, he learns that "Exit is that portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this subpart to provide a protected way of travel to the exit discharge." [10] Our typical businessman, being a persevering fellow, realizes that this subject, too, is more complicated than he had thought. Clearly, he must learn about "means of egress" and "exit discharge." OSHA does not disappoint him:

"A means of egress is a continuous and unobstructed way of exit travel from any point in a building or structure to a public way and consists of three separate and distinct parts: the way of exit access, the exit, and the way of exit discharge. A means of egress comprises the vertical and horizontal ways of travel and shall include intervening room spaces, doorways, hallways, corridors, passageways, balconies, ramps, stairs, enclosures, lobbies, escalators, horizontal exits, courts, and yards.

"Exit discharge is that portion of a means of egress between the termination of an exit and a public way." [11]

At this point, our small businessman may be forgiven if he closes the OSHA guide and turns to his dictionary. There he finds solace: no mention of means of egress or exit discharges, and no definitions of exit which contain the word exit. Exit is simply "a passage or way out"! [12]

In the words of the Federation of American Scientists, "businessmen who have no legal or scientific training are unable to understand OSHA regulations. Unfortunately, few efforts are being made to translate this information into readable language. . . . Equally unnerving to the businesses is the sheer volume of the regulations—thousands of them apply to one small operation." [13]

The result of OSHA's activities—and of other new federal regulatory efforts as well—is to increase the overhead expenses of many manufacturers. In fact, a growth market has developed for organizations that provide services to companies that are trying to accommodate to ever more complex agency instructions.

LACK OF SENSE OF PROPORTION

In a recent interview, Chairman Moran of the Occupational Safety and Health Review Commission stated that many of OSHA's regulations are out of date. Further, according to Moran, the worst flaw is that many regulations are so lacking in uniformity that employers do not know how to comply and employees are not in a position to know when a regulation has been violated.[14]

Part of OSHA's problem apparently is not being able to distinguish between serious health hazards and mere trivia. Most citizens will support the agency's efforts to eliminate work environments which are associated with lethal hazards,[15] but will wonder, in exasperation or even alarm, why the agency wastes its time promulgating and rescinding a variety of standards concerning the specific dimensional requirements for partitions between toilets!

Take the case of the rubber gloves, one that the author pursued personally. After unnecessary OSHA standards for electrical rubber gloves, the author requested detail from a knowledgeable Missouri engineer who had worked for half a century in the electrical field. The relevant parts of the engineer's reply follow:

"During all that period, I have never observed or heard of an accident due to failure of electrical rubber gloves in service. One must understand, I believe, the procedures, practices and daily use of these gloves to understand this record.

"First, each glove is electrically tested by the manufacturer before shipment. Upon receipt of these gloves they are again electrically tested by the utility or a testing laboratory and stamped with a number. Then each lineman is issued at least two pairs of gloves—and the numbers recorded. He uses one pair and before using it in his daily work he gives it an "air test" which is done by twirling the cuffs and forcing the entrapped air into the fingers. Obviously—if there is a hole—the air escapes. Meanwhile—his second pair is on test and he changes gloves once every week or two weeks.

"After usage—there are of course gloves that fail on test and are replaced. But it is the continual testing that I have described that prevents accidents while gloves are being used.

"I hope this information may be of interest to you. I am sure you are aware that a leather protector glove is worn over the rubber gloves when in use." [16]

Perhaps more striking is the case of the government standards on mechanical presses. These standards distinguish between new and old installations, giving manufacturers additional time to make the expensive changes in brake and electrical systems required to bring their old installations into compliance. However, a supplementary directive states that if an employer moves a press more than "a short distance, for example, to provide additional aisle space," then the press qualifies as a new installation and therefore has to comply as if it were new. One result, in the words of a small industry executive, is that the small businessman is placed in a position where "he feels that moving his equipment around in his shop to accommodate production or expanded facilities must be done in a clandestine manner. . . ." [17]

At times, it may be difficult to justify the record-keeping burden imposed on very small firms. Consider the case of the small printing shop with three employees. The statistics of the National Safety Council show that the disabling injury rate of the printing and publishing industry is 9.72 per 1 million man-hours of work. This means, assuming our small employer is average for his industry that his three-man work force is likely to suffer one disabling injury every sixteen years.

Some OSHA rules clearly appear to be contradictory. For example, OSHA mandates backup alarms on vehicles at construction sites. Yet simultaneously it requires some employees to wear earplugs as a protection against noise, thus making it extremely difficult to hear the alarms.[18]

Perhaps even more serious than the inefficiency in the job safety and health program is the possibility of biased decision making. One example relates to the U.S. National Institute for Occupational Safety and Health (NIOSH), the agency that does the basic research underlying new OSHA regulations. Because of "budget limitations," NIOSH signed an agreement with the Amalgamated Clothing Workers under which an official federal study of safety and health hazards in the clothing industry is to be conducted by a union employee and financed by the union. The union agreed to pay the salary of an industrial hygienist, Dr. Peter J. Nord, to perform the study. In the words of the OSHA publication reporting the undertaking, "Although Nord will work full-time within NIOSH, he is an employee of the union rather than of the federal government. . . . The union will help obtain the cooperation of plant managers." [19] The agreement appears to be authorized by existing statute. Section 22(e)(6) of the Occupational Safety and Health Act provides that NIOSH may "accept and utilize the services of voluntary and noncompensated personnel." Perhaps the statute needs to be amended to require NIOSH to use common sense in applying it, although a mere administrative proclamation to guarantee impartiality should suffice.

IS THE OBJECTIVE TO PUNISH OR TO IMPROVE CONDITIONS?

The implementation of the Occupational Safety and Health Act provides a pertinent example of how administrators can lose sight of their assigned objective. Because the act makes no provision for "courtesy inspections," a company cannot request an inspector to come to the plant without laying itself open to instant citations for some infraction of the OSHA rules and regulations. In order to get around this problem, one regional office of OSHA suggests that companies send photographs of their premises for off-site review by OSHA inspectors. After all, if the inspectors do not actually "see" the violation, they cannot issue a citation for it.[20]

The basic purpose of the Occupational Safety and Health Act is not to punish businessmen or to seek out the most costly method of meeting the statutory requirements, but rather to achieve a higher level of job safety. One would think that OSHA would welcome voluntary requests by business firms seeking to know whether their facilities meet safety standards. Because small firms usually lack the in-house safety departments maintained by larger companies, it is not surprising that it is the smaller companies that are frequently cited by OSHA inspectors for violations.

Without much public attention, the administration of the Occupational Safety and Health Act appears to have placed the responsibility for an individual's actions in safeguarding his or her own well-being entirely on the employer. In one case, the OSHA hearing officer held that merely providing earmuffs was not enough. "To avoid violation, the equipment also must be 'used,' and the final responsibility to assure that use rests with the employer."[21] The agency's regulations shift other responsibilities in a similar way: "Where employees provide their own protective equipment, the employer shall be responsible to assure its adequacy, including proper maintenance, and sanitation of such equipment."

FOOTNOTES

[1] "Statement of the Council of the Federation of American Scientists," *FAS Newsletter*, June 1973, p. 1.

[2] Robert D. Moran, "Our Job Safety Law Should Say What It Means," *Nation's Business*, April 1974, p. 23.

[3] Ibid, p. 25.

[4] Ibid.

[5] U.S. Occupational Safety and Health Administration, *Guide for Applying Safety and Health Standards, 29 CFR 1910, General Industry*, 1972, p. 1.

[6] Statement by William S. Lowe before the Subcommittee on Environmental Problems Affecting Small Business of the House Select Committee on Small Business, 92d Congress, 2d session (June 21, 1972), p. 1.

[7] *Federal Register*, vol. 37, no. 202 (October 18, 1972), p. 22105.

[8] Ibid., p. 22106.

[9] Ibid., p. 22118.

[10] Ibid., p. 22130.

[11] Ibid.

[12] *The American Heritage Dictionary of the English Language* (Boston: Houghton Mifflin Co., 1969).

[13] *FAS Newsletter*, June 1973, p. 4. See also Jack R. Nicholas, Jr., "OSHA, Big Government, and Small Business," *MSU Business Topics*, Winter 1973, p. 61.

[14] Pamela Meyer, "Even Its Own Chairman Frustrated, Confused By Controversial OSHA," *St. Louis Post-Dispatch*, March 1, 1974, p. 5C.

[15] See Paul Brodeur, "Annals of Industry: Casualties of the Workplace," *New Yorker*, November 19, 1973, pp. 87–149.

[16] Letter to the author dated June 17, 1974, from Clarence H. LeVee, retired vice president of engineering, A. B. Chance Company.

[17] Statement by Lowe, p. 8.

[18] "OSHA Under Attack," *Time*, July 8, 1974, p. 48.

[19] "Unique Agreement Signed for Study of Clothing Industry," *Job Safety and Health*, March 1974, p. 31.

[20] "Get an OSHA 'Inspection' without Citation Risk," *Industry Week*, September 17, 1973, p. 9.

[21] James C. Hyatt, "Complex Issues Raised by Job Safety Act—Like Earmuff Dispute—Flood Commission," *Wall Street Journal*, January 30, 1973, p. 40.

MR. KISSINGER, WHOSE SECRETARY OF STATE?

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ASHBROOK. Mr. Speaker, on the ABC News of November 12, Secretary of State Kissinger was quoted as answering no to the question, Could the United States diplomatically recognize both the Republic of China on Taiwan and the People's Republic of China?

Let us go back several years to the admittance of Communist China and the expulsion of free China from the United Nations. Who made the condition that Communist China would not accept membership unless Free China was kicked out? The Communist Chinese, that is who made that policy choice.

Is the Secretary of State now allowing the Communist Chinese to dictate to the United States what this country's foreign policy will be? Why does the Secretary of State have to accept Communist Chinese formulations of policy?

I am sure the Secretary of State can arrive at formulae that would continue full diplomatic recognition and security assurances to the Republic of China on Taiwan. Mr. Kissinger is supposed to be the Secretary of State of the United States. Whose Secretary of State is he?

U.S. POLICY ON THE PALESTINIAN ISSUE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues a significant statement by the Department of State on the Palestinian issue. This statement was presented on November 12, 1975, by Harold Saunders, Deputy Assistant Secretary of State for Near East and South Asian Affairs, to the House International Relations Subcommittee on Investigations.

Mr. Saunders' testimony represents probably the most important and comprehensive statement on this issue made by our Government.

His remarks follow:

STATEMENT BY HAROLD H. SAUNDERS

Mr. Chairman:

A just and durable peace in the Middle East is a central objective of the United States. Both President Ford and Secretary Kissinger have stated firmly on numerous occasions that the United States is determined to make every feasible effort to maintain the momentum of practical progress towards a peaceful settlement of the Arab-Israeli conflict.

We have also repeatedly stated that the legitimate interests of the Palestinian Arabs must be taken into account in the negotiation of an Arab-Israeli peace. In many ways, the Palestinian dimension of the Arab-Israeli conflict is the heart of that conflict. Final resolution of the problems arising from the partition of Palestine, the establishment of the State of Israel, and Arab opposition to those events will not be possible until agreement is reached defining a just and permanent status for the Arab peoples who consider themselves Palestinians.

The total number of Palestinian Arabs is estimated at a little more than three million. Of these, about 450,000 live in the area of Israel's pre-1967 borders; about one million are in the Israeli-occupied West Bank, East Jerusalem and Gaza; something less than a million, about 900,000, are in Jordan; half a million are in Syria and Lebanon; and somewhat more than 200,000 or so are elsewhere, primarily in the Gulf states. Those in Israel are Israeli nations. The great majority of those in the West Bank, East Jerusalem and Jordan are Jordanian nationals. Palestinian refugees, who live outside of pre-1967 Israel and number 1.6 million, are eligible for food and/or services from the United Nations Relief and Works Agency (UNRWA); more than 650,000 of these live in camps.

The problem of the Palestinians was initially dealt with essentially as one involving displaced persons. The United States and other nations responded to the immediate humanitarian task of caring for a large number of refugees and trying to provide them with some hope in life. In later years there has been considerable attention given to the programs of UNRWA that help not only to sustain those people's lives but to lift the young people out of the refugee camps and to train them and give them an opportunity to lead productive lives. Many have taken advantage of this opportunity, and an unusually large number of them have completed secondary and university education. One finds Palestinians occupying leading positions throughout the Arab world as professionals and skilled workers in all fields. The U.S. has provided some $620 million in assistance—about sixty-two percent of the total international support ($1 billion) for the Palestinian refugees over the past quarter of a century.

Today, however, we recognize that, in addition to meeting the human needs and responding to legitimate personal claims of the refugees, there is another interest that must be taken into account. It is a fact that many of the three million or so people who call themselves Palestinians today increasingly regard themselves as having their own identity as a people and desire a voice in determining their political status. As with any people in this situation, there are differences among themselves, but the Palestinians collectively are a political factor which must be dealt with if there is to be a peace between Israel and its neighbors.

The statement is often made in the Arab world that there will not be peace until the "rights of the Palestinians" are fulfilled, but there is no agreed definition of what is meant and a variety of viewpoints have been expressed on what the legitimate objectives of the Palestinians are:

Some Palestinian elements hold to the objective of a binational secular state in the area of the former mandate of Palestine. Realization of this objective would mean the end of the present state of Israel, a member of the United Nations, and its submergence in some larger entity. Some would be willing to accept merely as a first step toward this goal the establishment of a Palestinian state comprising the West Bank of the Jordan River and Gaza.

Other elements of Palestinian opinion appear willing to accept an independent Palestinian state comprising the West Bank and Gaza, based on acceptance of Israel's right to exist as an independent state within roughly its pre-1967 borders.

Some Palestinians and other Arabs envisage as a possible solution a unification of the West Bank and Gaza with Jordan. A variation of this which has been suggested would be the reconstitution of the country as a federated state, with the West Bank becoming an autonomous Palestinian province.

Still others, including many Israelis, feel that with the West Bank returned to Jordan, and with the resulting existence of two communities—Palestinian and Jordanian—within Jordan, opportunities would be created thereby for the Palestinians to find self-expression.

In the case of a solution which would rejoin the West Bank to Jordan or a solution involving a West Bank/Gaza state, there would still arise the property claims of those Palestinians who before 1948 resided in areas that became the State of Israel. These claims have been acknowledged as a serious problem by the international community ever since the adoption by the United Nations of Resolution 194 on this subject in 1948, a resolution which the United Nations has repeatedly reaffirmed and which the United States has supported. A solution will be further complicated by the property claims against Arab states of the many Jews from those states who moved to Israel in its early years after achieving statehood.

In addition to property claims, some believe they should have the option of returning to their original homes under any settlement.

Other Arab leaders, while pressing the importance of Palestinian involvement in a settlement, have taken the position that the definition of Palestinian interests is something for the Palestinian people themselves to sort out, and the view has been expressed by responsible Arab leaders that realization of Palestinian rights need not be inconsistent with the existence of Israel.

No one, therefore, seems in a position today to say exactly what Palestinian objectives are. Even the Palestine Liberation Organization (PLO), which is recognized by the Arab League and the United Nations General Assembly as the representative of the Palestinian people, has been ambivalent. Officially and publicly, its objective is described as a binational secular state, but there are some indications that coexistence between separate Palestinian and Israeli states might be considered.

When there is greater precision about those objectives, there can be clearer understanding about how to relate them to negotiations. There is the aspect of the future of the West Bank and Gaza—how those areas are to be defined and how they are to be governed. There is the aspect of the relationship between Palestinians in the West Bank and Gaza to those Palestinians who are not living in those areas, in the context of a settlement.

What is needed as a first step is a diplomatic process which will help bring forth a reasonable definition of Palestinian interests—a position from which negotiations on a solution of the Palestinian aspects of the problem might begin. The issue is not whether Palestinian interests should be expressed in a final settlement, but how. There will be no peace unless an answer is found.

Another requirement is the development of a framework for negotiations—a statement of the objectives and the terms of reference. The framework for the negotiations that have taken place thus far and the agreements they have produced involving Israel, Syria, and Egypt, has been provided by United Nations Security Council Resolutions 242 and 338. In accepting that framework, all of the parties to the negotiation have accepted that the objective of the negotiations is peace between them based on mutual recognition, territorial integrity, political independence, the right to live in peace within secure and recognized borders, and the resolution of the specific issues which comprise the Arab-Israeli conflict.

The major problem that must be resolved in establishing a framework for bringing issues of concern to the Palestinians into negotiation, therefore, is to find a common basis for the negotiation that Palestinians and Israelis can both accept. This could be achieved by common acceptance of the above-mentioned Security Council resolutions, although they do not deal with the political aspect of the Palestinian problem.

A particularly difficult aspect of the problem is the question of who negotiates for the Palestinians. It has been our belief that Jordan would be a logical negotiator for the Palestinian-related issues. The Rabat Summit, however, recognized the Palestinian Liberation Organization as the "sole legitimate representative of the Palestinian people."

The PLO was formed in 1964, when 400 delegates from Palestinian communities throughout the Arab world met in Jerusalem to create an organization to represent and speak for the Palestinian people. Its leadership was originally middle class and relatively conservative, but by 1969 control had passed into the hands of the Palestinian fedayeen, or commando, movement, that had existed since the mid 1950's but had come into prominence only after the 1967 war. The organization became an umbrella organization for six separate fedayeen groups: Fatah; the Syrian-backed Saiqa; the Popular Democratic Front for the Liberation of Palestine; Popular Front for the Liberation of Palestine; the General Command—a subgroup of the PFLP; and the Iraqi-backed Arab Liberation Front. Affiliated with the PLO are a number of "popular organizations"—labor and professional unions, student groups, women's groups and so on. Fatah, the largest fedayeen group, also has a welfare apparatus to care for widows and orphans of deceased Fatah members.

However, the PLO does not accept the United Nations Security Council resolutions, does not recognize the existence of Israel, and has not stated its readiness to negotiate peace with Israel; Israel does not recognize the PLO or the idea of a separate Palestinian entity. Thus we do not at this point have the framework for a negotiation involving the PLO. We cannot envision or urge a negotiation between two parties as long as one professes to hold the objective of eliminating the other—rather than the objective of negotiating peace with it.

There is one other aspect to this problem. Elements of the PLO have used terrorism to gain attention for their cause. Some Americans as well as many Israelis and others have been killed by Palestinian terrorists. The international community cannot condone such practices, and it seems to us that there must be some assurances if Palestinians are drawn into the negotiating process that these practices will be curbed.

This is the problem which we now face. If the progress toward peace which has now begun is to continue, a solution to this question must be found. We have not devised an American solution, nor would it be appropriate for us to do so. This is the responsibility of the parties and the purpose of the negotiating process. But we have not closed our minds to any reasonable solution which can contribute to progress toward our overriding objective in the Middle East—an Arab-Israeli peace. The step-by-step approach to negotiations which we have pursued has been based partly on the understanding that issues in the Arab-Israeli conflict take time to mature. It is obvious that thinking on the Palestinian aspects of the problem must evolve on all sides. As it does, what is not possible today may become possible.

Our consultations on how to move the peace negotiations forward will recognize the need to deal with this subject. As Secretary Kissinger has said, "We are prepared to work with all the parties toward a solution of all the issues yet remaining—including the issue of the future of the Palestinians." We will do so because the issues of concern to the Palestinians are important in themselves and because the Arab governments participating in the negotiations have made clear that progress in the overall negotiations will depend in part on progress on issues of concern to the Palestinians. We are prepared to consider any reasonable proposal from any quarter, and we will expect other parties to the negotiation to be equally openminded.

AMERICAN COMPUTER TECHNOLOGY LEADS WORLD

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. GRADISON. Mr. Speaker, in these days when many American manufacturing industries are being hard-pressed to meet foreign competition, it is important to those of us concerned with the making of public policy to take note of the fact that the United States continues to hold a commanding lead in the design, production and marketing of high technology equipment—particularly computers.

Even during recent worldwide economic difficulties, American computer companies have continued to increase their worldwide sales and their contribution to the U.S. balance of trade and balance of payments. Furthermore, the cost of computer computation has continued its rapid decline as a result of continuing, remarkable breakthroughs in technology.

I was particularly impressed by a recent article in the Economist, presenting a perspective on the U.S. computer industry and comparable firms in Europe, Japan, and Russia, as seen through the eyes of an astute and knowledgeable foreign observer. The "Computer Survey," prepared by Derek Bamber and included in the September 13, 1975, issue of the Economist, presents a fascinating account of the manner in which foreign companies and foreign governments have attempted to emulate the success of American computer manufacturers.

The survey outlines in some detail the many ways in which foreign governments have tried to develop effective competitors to match the skills of American firms—utilizing huge subsidies, protected markets for local producers, and government-sponsored mergers of all varieties, as well as antitrust and other roadblocks thrown at the U.S. subsidiaries, particularly those of IBM.

It is significant, I believe, that all of these attempts by foreign governments to establish local competence in research, production and marketing have not thus far reduced the lead which American companies have earned and are continuing to earn. Indeed, as Mr. Bamber emphasizes in his survey, the governmental attempts have often been counterproductive; the difficulties faced by foreign computer manufacturers have frequently stemmed more from political factors and governmental control than from difficulties in the marketplace.

When the computer industry is viewed through the eyes of a foreigner, what most clearly is the enormous asset enjoyed by the United States as a result of the skills, the energies, and the competitive vigor of the American firms in this field. I commend the "Computer Survey" in the Economist to members of Congress and others interested in preserving the competitive vigor and leadership of the United States in high technology industry. The following is an abbreviated version of the "Computer Survey."

COMPUTER SURVEY

(By Derek Bamber)

The computer industry is on the brink of another revolution, making the tenth—or is it eleventh?—in an industry that is still less than 25 years old. This time, they say, the computer will explode into every business in the civilised world. They are great forecasters in the computer industry; optimism rarely dims.

Sales revenues of less than $100m in 1952, when things were only starting, had jumped to $20 billion last year.

Dollars are used here because the Americans have such domination of the industry, it is the Americans who call the tune, and it was an American who said that "if man's ability to fly had developed as fast as electronic data-processing, we would have reached the moon a week after the Wright brothers' flight at Kitty Hawk." Certainly, the computer is a marvel of electronic engineering skill that has made tremendous technological strides in the last few years; and it is just about as difficult to understand and operate on as the central nervous system. But because they have come to rely on computers, governments regard their ability to make the machines as some sort of test of their masculinity, and fret when American manufacturers call the tune.

American domination means, of course, IBM domination, though that company would argue that the two are not the same thing: it has, in fact, recently reshaped itself to put considerable real power, under its old French boss, in the Paris headquarters of IBM Europe. And much recent computer history is the history of attempts to break out of IBM's hold.

One of these attempts is the three-company European link-up, Unidata. Or rather, it was. This European dimension in computers, founded on government fears and ideology, rather than business expediency, only fleetingly looked like being successful. The strongest of the European companies, Britain's International Computers (ICL), was not in the group. It is doubtful if any group that included Siemens, ICL and Compagnie Internationale pour l'Informatique (CII), as was originally dreamed up, could have been made to work. CII was always going to be the weak link, as it was in the union that eventually emerged, with Philips taking ICL's place and with Siemens remaining as the third partner.

Unidata was formed without ICL, and some agreement was reached on who should build the individual computers in the range that was supposed to take over from the three previously different machines that its members were turning out. Some of the machines were actually built and sold, but not without some vicious in-fighting. The three partners were to handle marketing of the Unidata computers in their respective domestic markets, and the French, most people think rightly, thought that Siemens was not making any particular effort to sell the French-made machines in West Germany. Siemens felt, again rightly, that it was deprived of potential sales there by CII's inability to get the biggest computers in the range either designed or built. CII had been willing to go into the venture only on condition that it had the right to the big machines.

Meantime, ICL sailed serenely on its own way, with only the odd blast against it delivered from the wings. It produced a tiny computer to start with, which smashed, very successfully, into the broad, small-machine base that Unidata was so assiduously building on for its future well-being. ICL then got its really big computers onto the market and started winning orders for them throughout Europe.

Political pressure played a big part in the formation of both ICL and CII and subsequently Unidata. Lack of political interference has allowed ICL to become a strong company, whereas political stresses have led to the demise of Unidata. The nationalism that was evident when CII was formed from the remnants of the French industry, after the (American) General Electric Company (GE) had taken control of Machines Bull, came to the fore again when the opportunity arose to get a French majority share in a link-up of CII and Honeywell Bull (successor of Machines Bull after Honeywell had bought out GE's computer interests). That is what the French government, after much agonising, opted for this year. Unidata is now effectively dead. Only the name still survives.

So Honeywell has been persuaded to merge its Honeywell Bull (HB) subsidiary—Honeywell owned two-thirds of it, various French interests owned the rest—with CII, and, in return for only $60m, given up control of the new company. It now owns 47% of CII-Honeywell Bull, provided the French national assembly backs the deal with approval of $290m in direct grants spread over three years, to help the marriage along, and the promise of about $900m worth of public sector orders. But what does that do for the advancement of either the European or French computer industries?

It certainly puts the new combine into second place in the European market (on the basis of the combined total of last year's sales, behind IBM) and it gives Honeywell a much bigger slice of the public sector in France. But there the advantages end.

On the surface it is a coup for the French government; in reality it is the Americans rescuing the French industry. CII had just reported a disastrous first half-year—Honeywell's first quarter was not so good either—with heavy losses that do not get injected into the new group. And no matter what the French claim on shareholder control, it will be the Honeywell bull that will trample all over the French cockerel.

The EEC commission so far has stayed out of direct involvement in the European industry, but it is strongly in favour of a get-together between ICL, Siemens, and, less strongly, Philips. It would also like to make some provision to bring in companies like Nixdorf of West Germany, which makes small computers, and Olivetti, which is also involved at that end of the market. Apart from letting such thoughts be known, the commission has got involved in the industry in two ways. It has tried to work out an EEC policy for data-processing, and it too has started an anti-trust investigation into IBM.

The policy has not got very far. Brussels has allowed the individual states to carry on with their policies of aid to the industry, and it now proposes that that aid be supplemented by community funds for supposedly key projects. It has listed five of these, none very inspiring.

The commission is not likely to get far now with another prong of its future policy. That is a system of inter-governmental collaboration on purchasing policy, standards and applications. In its draft policy document, the commission did allow for collaboration with one of the American computer companies, but the manner in which Honeywell became the vehicle of collaboration in France is not likely to make either the Germans or the Dutch too keen to follow CII. And the British government would be opposed to Siemens and Philips virtually handing their markets over to Honeywell and leaving ICL out in the cold. (Sperry Univac, yet another American firm, is still waiting to make its move.)

The commission may be forced to take a stronger line. The European market is going to be a nasty place over the next few years. It is under-computerised in comparison with either the Japanese or American markets, and will be the main battleground for the giants.

And it is not just IBM that Brussels has to worry about. Companies like ICL and Siemens rely almost entirely on computer memory discs supplied by Control Data Corporation (CDC). In future, CDC's discs will be manufactured by a new company, Magnetic Peripherals, owned 70:30 by CDC with Honeywell. Honeywell's share will be increased later when the former Honeywell Bull disc factory in Germany gets traded in. That will result in a de facto standardisation of discs in Europe.

ICL is negotiating with CDC and National Cash Register (NCR) for a one-third share in another company, Computer Peripherals, formed in 1972 as a joint venture between CDC and NCR. It manufactures magnetic tapes and punched card equipment and printers.

Even if the commission's competition department manages to cut IBM down to size, that would only ease the pressure slightly. In fact, the competition department does not look likely to come up with a case against IBM that would stand up in the European court. When the investigation was first announced, the competition office said that it was not based on any specific complaints against IBM, but that the company's size—it is supposed to hold at least 60% of the total European computer market—warranted an investigation.

What does the competition office hope to find? Certainly that IBM has the biggest market share; but that is not a crime, and the degree of domination will depend entirely on how the market is defined. If the commission does decide that IBM is abusing its dominant position, what can it do? Fine it, yes, and then? Advise governments to buy elsewhere (Honeywell, Univac or Burroughs?). Tell IBM to lower prices? Competing firms have enough trouble selling cheaper than IBM as it is and even when they cut prices, they do not win orders.

IBM may be the world's big brother, but it has been made to fight for every one of its innumerable dollars, whatever critics may say. When enough of those critics screamed loud enough the United States Justice Department was persuaded to start an anti-trust investigation of IBM, in January, 1969. The case eventually got into court last May, but even at that stage the Justice Department was struggling to decide just what the case was that justified its wish to see the company broken up.

The Justice Department's case seems to be along three main lines: (1) what it calls IBM's fighting machines; (2) bundled pricing; (3) servicing policy and educational support. The overall charge is that IBM has monopoly power in the computer industry and exercises that dominance unfairly in the computer systems market. An addition to that charge, filed after Telex Corporation won a civil anti-trust case against IBM for dominating the computer peripherals market (the decision was reversed on appeal), seeks to find IBM guilty of the use of monopoly power in peripherals and in computer leasing.

The mass of documentary evidence produced by Telex showed that IBM is not always the benevolent avuncular but always highly professional organization that is the image it likes to put forward. It also showed, as one New York securities analyst put it, that: "If you are not tough enough, or resourceful enough, to play in the same game as the big boys, then stick to the minor league. It takes a real clown to expect to take somebody's candy away without some form of retaliation. That is what happened with Telex." What it didn't show was actions unlawful in themselves rather than unlawful because of

IBM's size. When other companies reacted to competition that was hurting them, by cutting prices, that was acceptable. So was the offering of fixed-period leases on equipment. Most competitors were offering such leases long before IBM decided to do so to counter the big drop in its market share for the peripheral equipment plugged into its computers.

Detailed internal IBM studies showed that if IBM did nothing, the independent peripheral companies' share of the IBM computer market for discs would rise from 14.5% in 1971 to 28.7% of the market for older discs and 48% of the market for a new range of discs by 1976. The independents' penetration of the magnetic tape market would rise from 13.7% to 19%. IBM's reaction was the fixed-term plan which quickly won it 95% of peripheral installations with its computers even though the opposition also cut prices. At no time has it been suggested that IBM cut its prices to the point where it made a loss.

On IBM's policy of bundled prices, which it stopped in 1969, the Justice Department is not too sure about what it wants to do. It has not spelled out how bundled pricing—the practice of charging an overall price for the computer, systems software, support, education, some applications programmes and some maintenance, either as part of the sales price or included in monthly rentals—actually broke the law. If it is illegal, then it is not only IBM that should be charged. Some of its competitors still do it.

The department is, in fact, in a pickle over the IBM case. It will most likely just run out of steam long before the case has run its full course. The talk in New York is that it is acutely embarrassed by its performance so far and would desperately like a consent decree that would allow it to save some face—but that IBM, fed up with attacks from disgruntled competitors and glory-seeking trust-busters who filed the case before doing their homework, is ready to let the department stew.

Meantime, IBM's competitors suffer. Those other computer manufacturers—Honeywell, Univac and NCR—who asked for some restraint to be placed on IBM until the final outcome of the trial is known, and did not get it, are probably wishing they had stayed in the background. It is noticeable that IBM's most successful competitors, Burroughs and Digital Equipment Corporation, did not go along with the other three companies. Neither wants the breakup of IBM. Nor do many of its customers.

While the makers dance, what about the computer user? The average user still gets into an awful muddle, but by the time he realises it he already has the machine and is trying to put work onto it.

One educated guess is that upwards of half the computer users in the world are discontented—but that three-quarters of those have only themselves to blame. Too many data-processing managers have been allowed to build empires without having to justify it.

In one sense, though, even the crabbiest user can hardly complain. It is hard to find another industry that can show the same consistent decline in prices or improvements in performance. Take the IBM ranges of computers from the first machines in 1952 to the present-day giants. The memory size for 1m characters has dropped from 400 cu ft to just over 200 cu ins. The memory capacity hired for $1 of rental has increased 43.5 times; the storage capacity of magnetic tape for $1, 158 times. The cost of performing 100,000 multiplications has dropped from $1.26 to about one cent. Other manufacturers can produce equally impressive figures. One small company in America, Micro-Bit Corporation, is collaborating with CDC on a memory that costs less than a fifth of what is now available on the market.

In terms of hardware costs, the user is well looked after, and on the applications programming side he ought to be well catered for, even though some manufacturers, whose programmes are not always the best, still include some programmes in the price of their machines. IBM claims that 95% of applications programmes are now written either by the user or by independent software houses. In either case only the user is to blame if he does not get what he wants. Nor is it true that only the big users get a good deal out of the manufacturers. If the user, any user, knows what he wants, then he can get it.

Biggest news for users today concerns the small business computer: IBM has recently gone after this new market. The company announced the System 32 in the United States in January, with first deliveries scheduled for March. In the three months after the announcement, it sold over 2,000 machines against the established small business computer manufacturers, Burroughs and NCR. Burroughs has been selling its system since 1973 and NCR for a lot longer, yet Burroughs is only claiming 1,500 sales so far of System 32's most direct competitor. But following its philosophy that a market can be usefully opened up by IBM, Burroughs is not too worried.

The machines for the small business market, the System 32 and Burroughs B700, along with NCR machines, are aimed at the company with between 20 and 400 employees that has probably never used anything more sophisticated than an accounting machine in its life. And, say the makers, even the dumbest customer can hardly go wrong with them. Various projections for the small business computers put the installed value in the United States at $6½ billion and in Europe at $8 billion by 1980. Burroughs will continue to dominate both markets but in a short period IBM is likely to capture a significant share, possibly as much as 25%.

The competition in Europe will be even more intense than in the United States because of the number of companies able to operate throughout Europe. Philips, Nixdorf, Olivetti, ICL and a few others will fight it out with the Americans.

The opening up of the Japanese market to foreign computers officially starts at the end of this year. It is not an act of charity. The decision was taken only after it was clear that the Japanese manufacturers could meet the opposition on equal terms; and now a strategy is on their drawing boards for launching their products on to the markets in Europe and the United States.

Predictably, it is government-backed. In June, Japan's Ministry of International Trade and Industry (Miti) let it be known that more government cash will be available to the computer companies when the current subsidised programme of development ends next year.

Government money on a generous scale has usually made the Japanese companies see things the government's way. That was why the six main manufacturers got together in three groups (Fujitsu/Hitachi; Mitsubishi/Oki Electric; Nippon Electric/Toshiba) to develop large machines, but to continue, if they wished, to develop and market their own small machines.

Fujitsu and Hitachi are the big challengers to established western makers, being the only one of the three groups that has managed to develop a large machine.

These two companies were also the only ones of the six main Japanese manufacturers not to be significantly linked to American technology; Hitachi once had a license from RCA, which died when RCA's computer activities ended. Fujitsu never had technology licenses, but took a 41% stake in the Amdahl Corporation in the United States in return for helping finance the development of Amdahl's range of super-computers.

Through the Amdahl connection, Hitachi and Fujitsu have gained access to the techniques of building large machines and making advanced components in bulk.

The first Amdahl computer is installed at the National Aeronautics and Space Administration's Institute for Space Studies at Columbia University, replacing a large IBM machine. The programmes from the IBM computer should be able to be transferred straight across to the new machine. If no major problems occur, then the Japanese should have no problems with software for IBM computers have more tried and tested software than any others.

The Russians have been involved in computers since about 1949, but have come up with little more than promises ever since. Many different series of computers have been designed and built, and a lot more just designed. But so far, the Russian computer industry has been a debacle. Comecon partners show more aptitude and ability, although hampered by the demands of Moscow.

Of the 20,000 installations in the Comecon area, about 15,000 are in Russia, and Russia has reserved for itself the production of the biggest machines in the latest range of computers, the Rjad, based on the IBM 360 Series. It is not even a good copy.

There is little good either to be said for the programme of development and manufacturing that is supposed to be shared by all countries in the block—not even that the computers work, because mostly they do not. The Russian user, when he eventually gets his machine, has to learn to programme it himself, as well as service and maintain it, usually without anything more than the most rudimentary documentation and frequently no spare parts. Only strategic and prestigious installations get any sort of service.

Users outside those two categories with a demonstrable need for computers, such as Aeroflot, with a seat reservation system, usually try to get an American or western European machine with all its software, education, support and maintenance.

The problem with that solution is that the purchase has to be approved by numerous committees and then get past the Nato restrictions on what type of equipment can be sold to the Russians. The combination of those two has cost western manufacturers many good orders. One way round the problem is for a western computer company to sell the Russians a factory, the necessary equipment and knowledge on manufacturing. At various times Univac has been reported as trying for that sort of deal. The latest negotiations are with ICL, in a deal worth over $50m.

With all its past growth and promising future, the world computer industry is in a slump. Shipments of general-purpose computers in the United States are likely to be down this year by nearly 12% on the 1974 level, from about $4.58 billion to just over $4 billion. If the pattern of previous recessions is followed, that drop will be absorbed by IBM. Any fall in the value of shipments of general-purpose machines will be more than offset by a near 27% jump in shipments of small business systems from just under $2 billion to over $2½ billion and an even bigger rise in telecommunications systems from $2.03 billion to $2.66 billion, including terminals and control equipment.

User expenditure on computer equipment in the United States is expected to grow this year by only 13.6%, compared with a mid-1974 expectation of growth of well over 20%. That still leaves expenditure up by $630m, instead of $950m as originally expected, at $13.16 billion.

The effects of the recession in Europe are much more difficult to quantify because of the different aspirations of the various countries. The CH-Honeywell Bull situation will have an adverse effect on the French market, with potential customers waiting to see what is going to happen. Europe is also complicated because more equipment is rented than in America. New equipment orders have certainly slowed down, but the software houses and consultancies in Britain are doing well.

ICL is reasonably well insulated from the effects of recession, with its new range of computers going, as expected, to big companies and government institutions. It is in the government's interests to see that ICL suffers no setbacks. The company's range of small machines for the first-time user or as local computing power in a network is aimed at the two sectors of the market that do not seem to be too badly affected by the economic recession.

The computer industry is under the microscope as it has never been before. The industry now has the chance of gaining maturity instead, as it used to do, of racing helter-skelter after the next technical breakthrough, or the next piece of revolutionary software.

It is the question of the usage of computers, just as much as their usefulness, that clouds their future. It has been shown that in the right hands they are about as far-reaching in their importance as many of the inventions of the industrial revolution. Unfortunately, the capable users of them are thin on the ground.

The average user will take no more trouble over learning how to get the best out of his machine than the people who have been using computers for years. Computers are no panacea for improving business performance, and used badly they will make bad worse. That can be avoided by more attention to education in the use of computers and discipline when they are in use.

200TH ANNIVERSARY OF THE U.S. MARINE CORPS

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. LLOYD of California. Mr. Speaker, today I would like to pay tribute to the U.S. Marine Corps on this, their 200th anniversary.

The Marines represent the spirit of the United States. They embody the principle that freedom and democracy are inalienable rights, and are to be defended at all times and at all costs. In their 200 years, Marines have always been at the ready to defend freedom around the world.

The concept of the Marines, a versatile fighting force equally at home in the water as on land, has proven to be a most necessary element in the total makeup of our military forces. We are strong as a nation today, in no small measure, because of the Marines, and the Nation is grateful.

The Marines are a proud group, and it has been my pleasure to associate with many in the Marine Corps for more than 30 years.

I congratulate the Marines in their 200th year on behalf of my colleagues and constituents, and I believe the spirit and tradition of the Marines can be summed up with the inscription on the Iwo Jima Marine Memorial statue:

"Uncommon valor was a common virtue."

STOP THE ROT

HON. FERNAND J. ST GERMAIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ST GERMAIN. Mr. Speaker, as you will recall, on October 31, we debated and passed the bill H.R. 10024, subsequently adopting S. 1281, as amended by the House. Increased public awareness of the arbitrary disinvestment of entire neighborhoods, commonly known as "redlining," by some financial institutions, led to the adoption of title III, which requires financial institutions to publicly disclose home mortgage lending practices. As was evident from the floor debate on title III, the disclosure information required will assist both public officials and private citizens to identify the beginning stages of "redlining," the point at which a neighborhood can be saved.

As we prepare to go to conference on S. 1281, I thought my colleagues would find of interest a very timely editorial which appeared in the November/December 1975 issue of Trial, published by The Association of Trial Lawyers of America. The article, appearing as a message from the president of the association, Ward Wagner, Jr., is entitled "Stop the Rot" and quite convincingly favors "redlining" disclosure laws. I commend the article to my colleagues, as follows:

"STOP THE ROT"

(By Ward Wagner, Jr)

"Redlining" is said to occur when a bank official draws a line around a geographic area of a city which he believes is in decline. Thereafter, the bank will automatically refuse mortgages and home improvement loans for property located within the "redlined" area, despite the financial ability of the owner or the condition of the property. Other banks in the area will also "redline" the section and the homeowner will have no place to turn.

Bankers deny that they "redline." They say they have valid reasons for refusing loans in certain areas. They call this "urban disinvestment" and claim that this occurs after decline has set in and is more of a symptom than the cause of the decline.

However, many community groups suspect their neighborhoods are being arbitrarily "redlined." They have formed an organization called National People's Action on Housing, with chapters in 39 states and 104 urban areas.

Some of these neighborhood groups are fighting back with a technique called "greenlining." Group members use the threat of mass withdrawal of their deposits to force the bank into releasing mortgage money to their neighborhoods.

They seek full disclosure of mortgage lending practices, mortgage terms similar to those available in better-off neighborhoods and open disclosure of a bank's willingness to make housing loans to neighborhood depositors.

Bankers respond by saying the activists are naive and that depositors will pull their money out if they think the bank is making risky loans. Moreover, bankers believe that interference in their lending policies is a threat to the free flow of capital and the beginning of credit allocation (credit rationing). And they don't like that at all.

A bill (S. 1281) designed to disclose the existence of "redlining" was passed in the Senate lately. The bill requires banks to disclose the mortgage and rehabilitation loans they make within each zip code area of a city during the next three years.

Sen. William Proxmire (D-Wisc.), sponsor of the bill, has said, "Perfectly sound neighborhoods are dying premature death for lack of mortgage credit . . . If it ['redlining'] exists let us report it . . . let us do something about it. What we are asking to do about it is very mild . . . Let it be known, so that a depositor will know when he puts his deposit in a bank whether or not that bank is discriminating against his own neighborhood . . ."

The AFL–CIO, the US Conference of Mayors, and consumer and civil rights organizations backed the measure.

Few states have any laws against "redlining." Those that do are Illinois, Massachusetts, and California.

House Banking chairman Henry S. Reuss (D-Wisc.) has said that the suburbs will inherit the housing blight of the central cities unless attempts are made to "stop the rot."

"Reuss told the Conference on Neighborhood Conservation that by rejuvenating deteriorating inner city neighborhoods the government can help encourage a return to the central cities where there already is an ample supply of sound housing and an infrastructure of facilities," the *Boston Globe* reported.

"Redlining" is a Draconian solution to the problems of declining neighborhoods. It can lead to the abandonment of entire neighborhoods.

The individual homeowner faced with refusal of mortgage and rehabilitation loans merely because he lives in a certain area is at a considerable disadvantage. It is only fair that he be given a chance to try to reverse this practice.

If "redlining" disclosure laws give him that chance, they should be encouraged.

MASSACHUSETTS GUN LAW HAS LITTLE EFFECT

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. MIKVA. Mr. Speaker, I would like to bring to my colleagues' attention a news story that appeared in the Washington Post on November 10, entitled "Mass. Gun Law Has Little Effect." The Massachusetts law, which features mandatory sentences for the illegal use of handguns, was widely heralded when it went into effect 6 months ago as a tough-minded approach to this country's handgun problem. But the early results show clearly that the new law has had virtually no impact on the problem, and further underscores the necessity of a Federal law that will—one that bans the manufacture and sale of all handguns, except for the police, military, and licensed pistol clubs.

Mr. Speaker, at this point I insert the Washington Post newsstory.

MASS. GUN LAW HAS LITTLE EFFECT

(By Edward Schumacher)

BOSTON.—The toughest gun control law in the nation, a Massachusetts statute that mandates an automatic one-year prison sentence for carrying a handgun without a license, has had little effect here in its first six months.

According to Boston Police Department figures, the number of reported murders, robberies, and assaults committed with a handgun from April, when the law was implemented, through September is about the same as the number in the same period last year.

Twenty-six of 61 murders were committed with handguns in that period this year compared with 26 of 59 last year. The armed robberies decreased slightly from 953 to 939 and assaults with guns decreased from 313 to 261, drops that police officials say are too small to be significant or to attribute to any one factor.

The law was rushed through the legislature last year with the support of most gun clubs and police associations in the state, but its strongest detractors have been some of the state's leading gun-control advocates, who argue that mandatory sentences are ineffective.

Ernest Windsor, a staff attorney for the Massachusetts Law Reform Institute, said also that the mandatory provision "perverts the judicial system" by forcing judges either to impose prison terms or circumvent the law when mercy seems more appropriate.

For example in August Bessie Stanton, a 70-year-old evangelist who was arrested for having a derringer in her shopping bag, was released after the judge ruled that the search was illegal.

The number of arrests and convictions in the state under the law has not been compiled yet, state police and court officials say.

But now the law is being challenged in the courts as unconstitutional, and even the state chapter of the American Civil Liberties Union, a leader in the fight for gun control, is likely to join the case to argue that it violates both the state and national constitutions, a spokesman for the organization said.

The case involves Angelo Jackson, 20, who was arrested in Boston for carrying a handgun without a license. Defense attorney Lawrence A. Shubow argued in Suffolk County Superior Court for dismissal on grounds that the mandatory sentence violates the power of the state judiciary, is "cruel and unusual punishment" for simply not getting a license, and violates the defendant's protection under due process of law by not requiring proof of criminal intent.

But Suffolk County Assistant District Attorney Richard Voke argued that mandatory sentences are required for other crimes such as breaking food and drug regulations that do not require a criminal intent. He added in an interview that "the certainty of punishment is necessary as a deterrent."

Boston Police Commissioner Robert J. diGrazia, who wants to ban handguns, says the new penalty law has "no deterrent effect whatsoever."

"It is another half-way measure that tries to satisfy the anti-gun control lobby," he said. "But if someone wants to use a weapon, he's going to use it."

DiGrazia is leading a petition drive to place a proposal on the state ballot next year that would ban hundguns from all but the police and military. A legislative aide to Gov. Michael S. Dukakis said the governor "in all likelihood" will also seek a law next year to ban handguns.

A number of federal gun-control bills are being considered in Congress. The gun-control proposals submitted by the Ford administration would ban so-called "Saturday night specials" and impose a mandatory one-year prison sentence for federal felonies committed with a gun.

A national Gallup Poll released recently on the Massachusetts law reported that nearly 80 per cent of the people surveyed approved of licenses to carry a handgun and 53 per cent approved of the mandatory one-year prison sentence for not having the license.

HOUSE OF REPRESENTATIVES—*Friday, November 14, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord is the strength of my life.—Psalms 27: 1.

Eternal Spirit, the light of all that is true, the strength of all that is good, and the glory of all that is beautiful, we lift our hearts unto Thee that we may receive love, power, and wisdom sufficient for the needs of this day. Help us to live in the light, to be ruled by the right, to walk in the ways of the wise, and to share our strength with others that we may play our full part in the life of these troubled times. May we now and always think clearly, plan creatively, speak confidently, and act courageously that this day may be a better day because of our devotion to duty and to Deity.

May Thy Spirit enter the lives of all people, delivering them from bitterness, malice, and ill will and leading them to live together in peace, with good will for all.

In the spirit of Christ, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 10585. An act to increase the temporary debt limitation until March 15, 1976.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1517) entitled "An act to authorize appropriations for the administration of foreign affairs; international organizations, conferences, and commissions; information and cultural exchanges; and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5247) entitled "An act to authorize a local public works capital development and investment program," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MUSKIE, Mr. MONTOYA, Mr. BURDICK, Mr. RIBICOFF, Mr. GLENN, Mr. BAKER, Mr. BUCKLEY, Mr. MCCLURE, Mr. ROTH, and Mr. JAVITS to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4073) entitled "An act to extend the Appalachian Regional Development Act of 1965 for an additional 2-fiscal-year period," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RANDOLPH, Mr. MUSKIE, Mr. MONTOYA, Mr. MORGAN, Mr. BAKER, Mr. STAFFORD, and Mr. MCCLURE to be the conferees on the part of the Senate.

PERMISSION FOR COMMITTEE ON BANKING, CURRENCY AND HOUSING TO FILE REPORT ON S. 2327

Mr. BARRETT. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing may have until midnight tonight to file a report to accompany the bill S. 2327, a bill to amend the Real Estate Settlement Procedures Act of 1974.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ERA DEFEAT MAY BE A BOON TO WOMANHOOD

(Mr. CARTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARTER. Mr. Speaker, the equal rights amendment, it seems, after the voting in New York and New Jersey, may very well go down the drain. And in truth, this may be a boon to all womankind.

And actually, it would free all men from many burdens they bear.

I recall the toast:

Here's to the Garden of Eden
Which Adam was always a-weedin',
Till Eve by mistake
Got bit by a snake
Who on the ripe pippins was feedin'.

Then a longin' it seemed to possess her,
For clothing sufficient to dress her;
And ever since then
It's been up to us men
To pay for her dresses—God bless her!

* * *

Here's to Solomon and David, with their merry, merry lives,
And their many, many girl friends and their many, many wives.
Till old age came a-creepin' with its many, many qualms.
Then Solomon wrote the Proverbs and David wrote the Psalms.

APPOINTMENT OF CONFEREES ON S. 1281, HOME MORTGAGE DISCLOSURE ACT OF 1975

Mr. REUSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1281) to improve public understanding of the role of depository institutions in home financing, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Messrs. REUSS, ST GERMAIN, ANNUNZIO, BARRETT, PATTERSON of California, ROUSSELOT, and JOHNSON of Pennsylvania.

CALL OF THE HOUSE

Mr. WYLIE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 700]

Abdnor
Ambro
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Badillo
Beard, R.I.
Bell
Bergland
Brademas
Brooks
Broomfield
Broyhill
Burke, Calif.
Burke, Fla.
Burton, Phillip
Casey
Cederberg
Clancy
Cleveland
Conable
Conlan
Conyers
Corman
Cotter
Dent
Diggs
Duncan, Oreg.
Eckhardt
Erlenborn
Esch
Eshleman
Fary
Flynt
Foley
Ford, Mich.
Fraser
Gaydos
Giaimo
Hagedorn
Hammerschmidt
Harrington
Hays, Ohio
Hébert
Heinz
Horton
Howard
Jacobs
Jarman
Karth
Keys
Landrum
Lent
Lujan
McClory
McEwen
Macdonald
Martin
Mathis
Matsunaga
Metcalfe
Milford
Moorhead, Pa.
Mosher
Moss
Murphy, N.Y.
Nichols
Obey
O'Neill
Pattison, N.Y.
Peyser
Pickle
Quillen
Rhodes
Riegle
Risenhoover
Roberts
Rogers
Roncalio
Rosenthal
Roybal
Runnels
St Germain
Scheuer
Shuster
Sikes
Stanton, James V.
Stark
Steelman
Stephens
Teague
Thompson
Tsongas
Udall
Van Deerlin
Waxman
Whalen
Wydler
Zeferetti

The SPEAKER. On this rollcall 333 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2667. An act to extend the Emergency Petroleum Allocation Act of 1973.

GREETINGS AND BEST WISHES TO MRS. MAMIE EISENHOWER ON HER 79TH BIRTHDAY

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I know our colleagues will want to join me today in offering our very warmest greetings and best wishes to the ever-gracious and warm former First Lady, Mrs. Mamie Eisenhower, on the occasion of her 79th birthday.

She was a wonderful First Lady, and the great admiration I have for those who have succeeded her in that position cannot diminish the special feeling I shall always have for her, remembering as I do that it was she who first welcomed me to the White House when I was a freshman Congressman back in 1957.

The great good humor and sunny disposition that she has always displayed have made her a favorite of the American people, even as her husband was. America loves Mamie, and for good reason.

She was born in Boone, Iowa, 79 years ago today, the second of four daughters in the family of John Doud, a prosperous meatpacker. She married Lt. Dwight Eisenhower in 1916 and spent the ensuing decades as an Army wife, constantly packing and unpacking, constantly moving from post to post. The White House was their home for longer than any had been before, and the farm at Gettysburg where she now lives is the only home they ever owned themselves.

In her retirement, she finds contentment I am sure in knowing the warmth that the whole Nation feels for her, and it is in token demonstration of that warmth that I offer these birthday greetings to her on her special day.

REQUEST FOR CONSIDERATION OF S. 2667, EMERGENCY PETROLEUM ALLOCATION ACT EXTENSION

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2667) to extend the Emergency Petroleum Allocation Act of 1973, and I ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. KETCHUM. Mr. Speaker, reserving the right to object, back in September, almost 29 days after the controls had expired, a similar, very similar unanimous-consent request was run through the House when there were about 12 or 14 people on the floor.

Mr. Speaker, it does not seem to me that the country was in any great jeopardy in that period of time. I understand this extension is being asked for simply because we have a conference report before us. But the last time we were asked to extend controls—and I do not happen to be for controls, but I went along with it the last time—was because we were promised, and the President was promised that there was going to be something on his desk.

Here we are at the final hour again being asked to extend these controls for another 15 days, as I understand it.

Mr. Speaker, we got along pretty well in those 29 days, and we would probably get alone fine if this would come up on the calendar.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I respect the concern of the gentleman from California (Mr. KETCHUM), but I would say we did go through a period after the last expiration of the Emergency Petroleum Allocation Act for something like 29 days, when we had no extension of the Act, and it was 29 days of confusion and doubt as to what was going to happen to the price of petroleum products. Industry was discombobulated, consumers were discombobulated, and those who had the responsibility of the administration of the legislation were also concerned about what they were supposed to do in that period of time.

We are trying to avoid that at this period because—and the gentleman has perhaps some right to be concerned about this—the Congress has not gotten around to completing action on more comprehensive legislation by the deadline which we now have before us, the 15th of November.

The fact of the matter is, we do not have a conference report before us at this moment, because even though the conference has completed its work it is going to require the staff another few days to put together the agreements that have been reached in the conference in formal language so the House will have the opportunity to study what the conference did and take rational action on that.

Mr. Speaker, last night some of us who were on that conference had the opportunity to visit with the President and suggested to him—and he agreed that it was prudent—that we have a straight, simple extension of the Emergency Petroleum Allocation Act until the 15th of November. This would allow the Congress to have an opportunity to have before it the legislation that came out of the conference as it it written down and will become law, and so that the President will have the opportunity to sit down and look at that legislation and determine, after the Congress has acted and given all the votes on the legislation—I assume the House will pass it and I assume the Senate will pass it—that after he had that legislation put before him he would have the time to study it and make a determination as to whether he would veto it.

So this simple extension is designed only to cover that period until the 15th of December, by which time those things should have occurred. The House and the Senate will have been able to act, the President will have been able to act, and during that time the same rules that have been applied over the last several months will continue to apply and we will not go through that doubtful period of 29 days that we had before when the industry, the producers, the consumers, the marketers, and the administrators of the program did not really know what the rules were.

That is all this is. It is not anything else, and there is nothing tricky about it. It has been agreed upon by Senator FANNIN and the leaders on the majority side in the Senate. The gentleman from West

Virginia (Mr. STAGGERS), the gentleman from Michigan (Mr. DINGELL), and I agreed on it in the House, and the President agreed to the simple extension last night as a matter of merit.

I see no reason not to go ahead and have the extension.

Mr. Speaker, I think the points raised by the gentleman from California (Mr. KETCHUM) are perfectly appropriate, that it would have been nice if we had gotten this job done so we would not have to do this and we would have a decision up or down on whether or not we were going to have any kind of continuing legislation. But, unfortunately, the time ran out on us in that regard.

Mr. KETCHUM. Mr. Speaker, further reserving the right to object, I would only say that we have been up and down this hill since 1973. While I, of course, have great respect for the opinions and decisions of the President of the United States, I am sure that the body is not unaware of the fact that the President's assistants have been privy to every conversation that has gone on regarding this legislation.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, I thank the gentleman for yielding.

I think we got by for 30 days without these controls last fall, earlier in the fall, and I think we would get by fine if we got rid of all this foolishness about controlling prices and go back to the marketplace.

So, Mr. Speaker, if the gentleman from California (Mr. KETCHUM) does not intend to object, I can assure him that the gentleman from Idaho does.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. Mr. Speaker, I shall object, but first I yield to the chairman of the committee.

Mr. STAGGERS. Mr. Speaker, I might say to the gentleman from California that this only prolongs the matter for these few days. All I ask is that we be allowed to bring the bill up and discuss the merits of it. I am not asking unanimous consent that we pass the bill but only that we have a chance to talk about it and go into its merits. If it is needed, we could have a vote on the bill. Otherwise, we will have to put it off until Monday.

I will say to the gentleman that by accommodating us and allowing us to do this, he would be doing a service for America now; he would not just be saying we are going to let these things happen, because maybe certain things could happen in the interval.

Mr. Speaker, I would like to point out to the gentleman that much time has been put into this bill. There were days and days and days and even nights spent during conference. It was a hard bill to come up with, but I think we have a bill now that the President will sign. It is a good bill, and I would hope that the gentleman would let us discuss it here today, bring out the merits of the bill, and then perhaps vote on it.

Mr. KETCHUM. Mr. Speaker, further reserving the right to object, I must say that I resent the implication of the chairman of the committee that I would do anything to damage the United States of America. That bothers me a great deal.

This whole procedure bothers me, Mr. Speaker, and I do object.

The SPEAKER. Objection is heard.

ANNOUNCEMENT OF CONSIDERATION NEXT WEEK OF S. 2667, EMERGENCY PETROLEUM ALLOCATION ACT EXTENSION

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, I shall ask for the attention of the chairman of the Committee on Interstate and Foreign Commerce because these comments relate very directly to matters of concern to him.

Mr. Speaker, it is to be noted for the benefit of my colleagues that the legislation concerning which the unanimous consent request has just been objected to is scheduled for consideration under suspension of the rules on Monday next, and we will have an opportunity to vote on that bill at that particular time.

I make this announcement, Mr. Speaker, partly to notify my colleagues and partly to serve notice on the industry and other affected persons that it is the intention of the Congress to see to it that this act do be exended and that there not be a hiatus with regard to the enforcement of the law. I do this in order to make it very plain that no person may escape his responsibilities under this statute because there will be a day or so in time during which the Emergency Petroleum Act will not be in being.

I would refer any interested parties to debate on this point at the time that the House had the previous extension of the Emergency Petroleum Allocation Act before us. Court cases carry warnings interpreting statutes expiring and then extended under circumstances such as now before the House.

REQUEST FOR PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may I know what the reports of the committee are?

Mr. BOLLING. In answer to the gentleman, Mr. Speaker, the reports that will be submitted, I expect, based on a meeting this afternoon, will be those on H.R. 10481 from the Committee on Banking, Currency, and Housing and the Committee on Ways and Means, entitled, "The Intergovernmental Emergency Assistance Act."

Mr. BAUMAN. Is this the bill which is intended to aid New York City?

Mr. BOLLING. The gentleman is correct.

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PROVIDING FOR CONSIDERATION OF H.R. 5512, NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 797 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 797

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Merchant Marine and Fisheries now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, at one time there was some controversy over the matter of the rule because of a jurisdictional conflict. As far as I know, that controversy has subsided. I am not aware of any opposition to the rule; and therefore, since it is an open, 1-hour rule, I reserve the balance of my time.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 797 is the rule making it in order for the House to resolve itself into the Committee of the Whole for the consideration of H.R. 5512, the National Wildlife Refuge System Administration Act Amendments of 1975. The rule provides for 1 hour of general debate and makes in order the amendment in the nature of a substitute recommended by the Committee on Merchant Marine and Fisheries now printed in the bill as an original bill for the purpose of amendment under the 5-minute rule.

The intent of this legislation is to assist in protecting and conserving the fish and wildlife resources of the Nation. To accomplish this goal, the bill provides that all areas which are included in the National Wildlife Refuge System as of January 1, 1975, and thereafter shall continue to be a part of the System, and in general cannot be transferred or otherwise disposed of except pursuant to an act of Congress. Additionally, the legislation would require that all areas within the System be administered by the Secretary of Interior through the U.S. Fish and Wildlife Service, except for the Kofa, Charles M. Russell, and Charles Sheldon Ranges, which could continue to be jointly administered by the Service and the Bureau of Land Management.

I urge the adoption of this rule for consideration of an important piece of conservation legislation.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 10031, DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 860 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 860

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10031) to amend the Defense Production Act of 1950. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Currency and Housing, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 10031, the Committee on Banking, Currency and Housing shall be discharged from the further consideration of the bill S. 1537, and it shall then be in order in the House to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 10031 as passed by the House.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), pending which I yield myself such time as I may consume.

Mr. Speaker, the resolution makes in order House consideration of H.R. 10031, a bill to amend the Defense Production Act of 1950.

This is an open rule providing 1 hour of general debate. It waives no Rules of the House and provides for the bill—together with any amendments adopted—to be insured under the number of a similar bill already acted on by the other body.

The bill has been proposed because many of the programs necessary to provide defense preparedness would violate antitrust laws.

The bill reported by the Committee on Banking, Currency and Housing will enable defense contractors to enter into cooperative agreements for supplying our Nation's defense needs in times of war or national emergency.

While this could be dangerous, the committee has gone to great lengths to provide safeguards against abuses. The committee has worked very closely with the Committee on the Judiciary to avoid any jurisdictional question and gain the benefit of that committee's vast background in the area of antitrust legislation.

Mr. Speaker, I urge adoption of House Resolution 860 so that the House may work its will on this bill.

Mr. ANDERSON of Illinos. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 860 is a 1-hour open rule making in order the consideration of the bill, H.R. 10031, the Defense Production Act Amendments of 1975. I am pleased to report to my colleagues that for a change we have a very clean and simple rule, unfettered and uncomplicated by waivers or special preferences or procedures for the consideration of committee amendments, or substitutes or extraneous matters. This is also a noncontroversial bill and rule. The bill was reported from the Banking and Currency Committee by a voice vote and there are no minority views in the report. In the Rules Committee we heard supportive testimony from the gentleman from Ohio (Mr. ASHLEY) and the gentleman from Pennsylvania (Mr. JOHNSON). The rule was adopted on a unanimous voice vote. The administration supports this bill. I make all these points because it is a real pleasure to bring such a refreshingly clean, simple, and noncontroversial matter to the floor on a Friday, after the week we have just been through.

Mr. Speaker, H.R. 10031 would extend for 2 years the Defense Production Act of 1950 as amended. This act provides the authority for a number of programs aimed at maintaining the national defense industrial production base, at preparing mobilization programs, at providing uniform cost accounting standards for contractors, and at examining national policy with regard to materials supplies and shortages. This bill also contains amendments to section 708 of DPA which provides authority for granting immunity from antitrust action to voluntary agreements, which the President may request from representatives of business, financing, agriculture, labor, and other interests in order to further the objectives of this act. The amendments contained in this bill provide for strengthened procedural safeguards for the development of voluntary agreements, in order that exemptions from antitrust immunity may not be granted without adequate assurance that they are in the best interest of the Nation as a whole. In this regard, it should be pointed out that the committee report contains a letter from the chairman of the House Judiciary Committee noting that these amendments are actually within the jurisdiction of that committee. However, the chairman goes on to note in his letter that he has been consulted on the matter and approves the provisions of the bill.

Mr. Speaker, before I conclude my remarks, I do want to indicate to the chairman of the Banking and Currency Committee and my colleagues that I intend to offer a simple amendment to this bill which would require the Cost Accounting Standards Board to submit to the Congress a cost-benefit analysis of any proposed standard or major rule or regulation it promulgates or prescribes. I think this is necessary because the Board is under the legislative rather than the executive branch and therefore not subject to the inflationary impact statement requirements of Executive Order No. 11821. My amendment in effect extends the requirements of that Executive order to the Cost Accounting Standards Board. It is especially important that we in the Congress have such information since we are now required by law to review each standard, rule and regulation and, by concurrent resolution may disapprove such standards, rules and regulations. I will have more to say on this amendment at the appropriate time.

Mr. MOAKLEY. Mr. Speaker, I urge adoption of House Resolution 860 so that the House may work its will on this bill.

At this time, Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT

Mrs. SULLIVAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5512, with Mr. YATES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentlewoman from Missouri (Mrs. SULLIVAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the primary purpose of H.R. 5512 is to make clear what my committee has always contended the law to be, that all units of the National Wildlife Refuge System are to be administered by the U.S. Fish and Wildlife Service. In fact, we were satisfied that this was the case until February of this year when the then Secretary of the Interior, Rogers C. B. Morton, issued a secretarial order proposing to place three game ranges in the Western part of the United States under sole jurisdiction of the Bureau of Land Management. The ranges involved were the Kofa in Arizona, the Charles Sheldon in Nevada and Oregon, and the Charles M. Russell in Montana.

Naturally, this caused the members of my committee great concern when we heard about this secretarial order since my Committee on Merchant Marine and Fisheries has jurisdiction over all units in the National Wildlife Refuge System—of which these three ranges are a part—and we had not been consulted by the Secretary or his staff on these transfers. We also heard that if the Secretary was successful in placing BLM in the sole control of these ranges, it would be merely a matter of time before other such transfers would follow.

In order to correct this misunderstanding of the law, my committee decided to report, and did report, H.R. 5512 which in general would prevent any transfers of this nature from taking place in the future. In fact, as of January 1, 1975, all units in the system, as well as those hereafter added to the system, would be required to be administered by the Secretary through the U.S. Fish and Wildlife Service; however, with respect to the three ranges proposed to be placed under the sole management of BLM, the legislation would allow the Secretary to jointly manage these areas through the U.S. Fish and Wildlife Service and BLM, just as they have been managed in the past.

Mr. Chairman, I strongly support this legislation. It was reported by my committee unanimously, and it has the strong support of every major national wildlife, conservation, and environmental organization throughout the country.

Mr. Chairman, I urge its prompt passage.

Now, Mr. Chairman, I would like to yield to the chairman of our subcommittee that reported this legislation, Mr. Leggett, for such time as he may consume, who will explain the legislation in more detail.

Mr. Chairman, I now yield such time as he may consume to the chairman of our subcommittee that reported this legislation, the gentleman from California (Mr. Leggett) who will explain the legislation.

Mr. LEGGETT. Mr. Chairman, H.R. 5512 has as its purpose to assist in protecting and conserving the fish and wildlife resources of this Nation.

Briefly explained, the legislation would provide that all areas which were included in the National Wildlife Refuge System as of January 1, 1975, would continue to be a part of the system and, in general, could not be transferred or otherwise disposed of except pursuant to an act of Congress. In addition, the legislation would require all areas within the system to be administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service. However, an exception would be made with respect to those areas within the system as of January 1, 1975, that were jointly administered by the Secretary through the U.S. Fish and Wildlife Service and another Federal agency—such as the Bureau of Land Management—or a State governmental agency so as to allow such joint administration to continue.

Also, the legislation would require the Secretary, when disposing of lands acquired with funds from the migratory bird conservation fund, to collect the fair market value or the acquisition costs of such lands, whichever is greater. Present law only requires the acquisition costs to be collected, whatever that might be, even though the lands may have appreciated in value considerably since the date of acquisition. In addition, the legislation would prohibit the transfer of any such lands in the future by the Secretary without the prior approval of the Migratory Bird Conservation Commission. Present law requires the Secretary to only consult with the Commission before disposing of such lands.

Mr. Chairman, the introduction of this legislation by Mr. Dingell, Mr. Reuss, and myself was prompted by an announcement by the Secretary of the Interior in February of this year pursuant to a secretarial order, that effective July 1, 1975, the Bureau of Land Management would assume sole management authority for the Charles Sheldon Antelope Range in Nevada and Oregon, the Charles M. Russel Wildlife Range in Montana, and the Kofa Game Range in Arizona.

Since the creation in the 1930's by President Roosevelt, these wildlife ranges have been included as units of the National Wildlife Refuge System and have been jointly administered by the U.S. Fish and Wildlife Service and the Bureau of Land Management, two agencies within the Department of the Interior.

It must be remembered that the lands within the System, including these ranges, have been set aside primarily to protect the resident wildlife and their habitat. My subcommittee is fearful that, if the Secretary of the Interior succeeds in transferring sole management responsibility of these ranges to BLM, wildlife protection on the ranges will become secondary and it might be only a matter of time before other units within the System are transferred to BLM. All acknowledge that the law requires that fish and wildlife be first priority on these three ranges.

Mr. Chairman, the main reason for this concern is that BLM has administered these lands in the past by encouraging multiple uses other than fish and wildlife. It has particularly emphasized commercial uses, such as grazing and mining, which produce an economic return. In contrast, the U.S. Fish and Wildlife Service's primary responsibility both by law and in fact is to provide protection for wildlife and for wildlife habitat on the lands under its jurisdiction. Consequently, there have been constant conflicts between the two agencies concerning how to manage these ranges because of the different emphasis—on grazing and mining, on the one hand, and wildlife on the other irrespective that the law requires fish and wildlife emphasis.

Another reason for opposing the transfer of management of these areas to BLM was that, in our opinion, such transfer would constitute a major Federal action, thereby necessitating the preparation of an environmental impact statement pursuant to section 102(2)(C) of the National Environmental Policy Act. Incidentally, in July of this year, the U.S. District Court of the District of Columbia, in a suit entitled the Wilderness Society, et al. against Mr. Hathaway, the former Secretary of the Interior, has found that an EIS should have been filed prior to the attempted transfer of these areas to BLM. The court also found that failure to prepare an environmental assessment is contrary to the Department's own regulations. The court issued an order enjoining the Secretary from affecting the proposed transfer to BLM until the plaintiff's application for a permanent injunction has been determined by the court.

Mr. Chairman, our committee is in agreement with the Secretary of the Interior that joint administration of these three ranges by BLM and the U.S. Fish and Wildlife Service has been less than satisfactory. But, if such joint administration is to be terminated, the only logical alternative for lands whose primary purpose is wildlife protection is sole administration by the U.S. Fish and Wildlife Service. However, in a spirit of cooperation and because we recognize that continued joint administration with all its limitations would be far superior to the possible results of sole management by BLM, the committee included a single exception in this legislation which would permit continued joint administration over these three ranges, if the Department so desires. All other elements of the System would be required to be administered exclusively through the U.S. Fish and Wildlife Service.

Mr. Chairman, this legislation has the the strong support of some 25 conservation and environmental organizations throughout the country, as indicated by a telegram sent to the President in February of this year protesting former Secretary Morton's proposed transfer of these three areas to BLM. The list of these organizations appear on pages 3 and 4 of the committee report on this legislation. In addition, more than 50 Members of the House have joined Congressmen Dingell, Reuss, and myself in cosponsoring identical legislation to H.R. 5512, as introduced.

Mr. Chairman, I think this is a most important piece of conservation legislation and that it should be passed at the earliest possible moment in order that the valuable fish and wildlife resources of this Nation and the habitat which supports such resources are given the protection to which they are entitled.

Now, Mr. Chairman, I would like to make some additional remarks concerning this legislation.

The ranges established by President Roosevelt in the 1930's by Executive order and included in the National Wildlife Refuge System were the Cabeza Prieta Game Range in Arizona, consisting of 861,000 acres; the Charles M. Russell Wildlife Range in Montana, consisting of 1,007,000 acres; the Charles M. Sheldon Antelope Range in Nevada and Oregon, consisting of 541,000 acres; and the Kofa Game Range in Arizona, consisting of 660,000 acres.

The reason that the ranges were withdrawn from the public domain was to segregate important wildlife habitat from the applicability of the public land laws, and to protect and preserve the areas for wildlife. In doing this, the ranges were placed under the primary jurisdiction of the principal wildlife agency of the 1930's—the U.S. Biological Survey in the Department of Agriculture, a predecessor agency of the U.S. Fish and Wildlife Service. Under this setup, the Agriculture Department was designated as the agency to manage the wildlife values and the Bureau of Land Management within the Department of the Interior was designated as the agency to manage the livestock grazing, mining, and mineral leasing.

As pointed out in the Executive order, these ranges were established for the primary purpose of "conservation and development of the natural resources and the protection and improvement of public grazing lands and natural resources." The order specifically stated that the natural forage resources on the ranges were to be first utilized for wildlife and the remainder made available for domestic livestock.

In 1940, the functions of the Department of Agriculture with respect to the units within the National Wildlife Refuge System were transferred to the Department of the Interior and, since that time, all units within the System have been administered solely by the U.S. Fish and Wildlife Service, except for the Kofa, Sheldon, and Russell Ranges, which continue to be jointly administered by the U.S. Fish and Wildlife Service and the Bureau of Land Management. The Cabeza Prieta Range was placed under sole jurisdiction of the U.S. Fish and Wildlife Service earlier this year.

In fact, the House Appropriations Committee, in its report on H.R. 8773, to provide funds for the Department of the Interior for fiscal year 1976, made it clear that joint management of the three ranges should continue. On page 14 of the report, the following language appears:

> . . . that management responsibility for these areas should be listed as before, jointly with the U.S. Fish and Wildlife Service and the Bureau of Land Management and the committee directs that the Secretary not transfer administrative jurisdiction over these refuges to the BLM unless and until authority for such transfer is provided by appropriate legislation.

Mr. Chairman, the House has already spoken on this issue when it passed H.R. 8773 earlier this year. The mandate at that time was that joint administration of these areas should continue. Funds would be appropriated under the legislation to the U.S. Fish and Wildlife Service and the Bureau of Land Management at the same general level of funding as for fiscal year 1975.

Mr. Chairman, H.R. 5512 is in conformity with that legislation in that H.R. 5512 would allow the Secretary of the Interior, at his option, to continue the joint administration of these areas.

Mr. Chairman, now I would like to emphasize that H.R. 5512 would prevent duplication of effort in the administration of the units in the National Wildlife Refuge System and also it would result in a savings to the taxpayers of this country. If units of the Refuge System were parceled out to other agencies than the Fish and Wildlife Service, then those agencies would have to handle their part of the Refuge System separately through the budget process, and parallel sets of regulations for the System would have to be established and kept current. H.R. 5512 bars this unnecessary and duplicative effort by assigning to the Fish and Wildlife Service the primary responsibility for the Refuge System.

This saving is directly applicable to the Kofa, Sheldon, and Russell wildlife ranges, because the proposed transfer of these ranges to BLM would require exactly this kind of duplicative effort and expenditure.

In addition, the bill stops the expenses of unnecessary interagency transfers. Whenever one Federal agency is ousted and replaced by another Federal agency, the taxpayers foot the bill for the movement of employees on and off the area in question.

Mr. Chairman, many of the units in the National Wildlife Refuge System were established by administrative action or executive order. Under present law, these could be revoked, modified, or transferred to other agencies by a unilateral action of the executive branch, without even consulting the Congress. Just this kind of unilateral action was taken by the Interior Department in February 1975, in the case of the Kofa, Sheldon, and Russell Wildlife Ranges.

The Department planned to oust the U.S. Fish and Wildlife Service from these large wildlife ranges, which total over 2 million acres, and place them under the sole jurisdiction of the Bureau of Land Management, an agency with a very poor record of wildlife habitat management. According to BLM's own figures as of 1974, 55 percent of BLM-managed big game habitat was in unsatisfactory condition, and it was going downhill fast. BLM figures on overall range condition showed 83 percent of BLM-managed rangeland is in unsatisfactory condition.

The proposed transfer of these wildlife ranges is only one example. During the Nixon administration, the White House directed the Interior Department to identify 10 percent of the National Wildlife Refuge System to be sold to private ownership. Only an outraged public and Congress stopped that move. Again in 1973, a confidential Interior Department memo recommended that—

> Some of the 14 Big Game Refuges should be turned over to the States.

In the face of these moves to dismantle the National Wildlife Refuge System, legislation to restrict the present broad authority of the executive branch is clearly needed. H.R. 5512 is a response to this need.

Mr. Chairman, I would like to point out at this time a major problem that has been faced by the U.S. Fish and Wildlife Service in carrying out its mission of providing for the well-being of our Nation's wildlife resources. It has to do with funding. For many years, the National Wildlife Refuge System has not been funded or staffed at a level sufficient to meet the system's needs. The backlog of maintenance work in refuges continues to grow. New national laws—such as the National Environmental Policy Act, the Endangered Species Act, and the Marine Mammal Act—have added new responsibilities. Insufficient funds over the years have resulted in reduced maintenance and rehabilitation of refuge facilities. Many of these facilities are in an alarming state of disrepair and the deterioration is accelerating.

The U.S. Fish and Wildlife Service has indicated that there are over 3,000 facilities in need of immediate corrective action. To develop the refuges to a point of being able to maintain facilities and to provide the most essential benefits for the purposes for which the refuges were established would require approximately $60 million. Also, it is estimated an additional $12 million in operations and maintenance and 600 man-years of labor would be needed annually.

The Interior Department's 1976 budget request only provided for some $1.6 million for meeting this backlog. The Appropriations Committee wisely added some $1.3 million for rehabilitation of certain existing refuge facilities. Unfortunately, these moneys fall far short of meeting this most pressing need.

The Appropriations Committee, in its report on H.R. 8773, indicated concern over reports that funds appropriated to the Fish and Wildlife Service were not being used for programs for which they were appropriated. This is a concern I share and I am sure you share. It is a situation that can hardly be avoided when funds are not provided to do the job that must be done in an orderly, well planned manner. It is my understanding the Fish and Wildlife Service has had to operate by diverting funds and manpower from one program to meet an emergency in another area. The results are obvious. This is a situation that we cannot and must not continue to tolerate.

Many of my colleagues may remember that I offered an amendment to H.R. 8773 to increase the appropriation by $5 million for fiscal year 1976 and $1.25 million for the transition period for operation and maintenance and rehabilitation of the facilities of these areas. Although my amendment failed to pass by voice vote, I do feel strongly that additional funds are immediately needed if the U.S. Fish and Wildlife Service is ever going to meet its obligations to properly manage these resources. I plan to offer a similar amendment next year to the 1977 appropriation bill and I sincerely hope my colleagues will support me in my efforts to obtain these necessary funds for the Service at that time.

Now, Mr. Chairman, I would like to comment on the argument that there is a desire to gradually phase out grazing on wildlife refuges and ranges. This is simply just not true. In many refuges, grazing is needed to promote habitat conditions beneficial to wildlife. Grazing is universally regarded as an appropriate use of Charles Sheldon and C. M. Russell wildlife range, so long as it is kept within limits compatible with the needs of wildlife. On Kofa Game range, the U.S. Fish and Wildlife Service has stated explicitly—in a memorandum dated October 8, 1974, to the Arizona State Director of BLM:

> Our statement for the record indicated a willingness to continue grazing under our regulatory authority whenever there was excess forage for livestock above that needed for wildlife.

I might point out that this is entirely consistent with President Roosevelt's Executive order that established this range.

Mr. Chairman, I would like to make it clear that under H.R. 5512, grazing in the three wildlife ranges would continue to be managed by BLM so long as the Secretary chooses to retain BLM in that role. H.R. 5512 would not affect grazing in the wildlife ranges, but would leave it in status quo.

For detailed information on the extent of grazing that has taken place on these ranges, I refer my colleagues to pages 84, 85, and 86 of the committee hearing record on this legislation. Their condition is not good.

Finally, Mr. Chairman I would like to comment on the argument that BLM has a master plan for these ranges that will result in the same standards and criteria to be followed in the administration of these areas that the U.S. Fish and Wildlife Service follows in the administration of other areas within the system. Mr. Chairman, this argument is not valid. It is inconsistent with the findings of the court in the Wilderness Society case against Hathaway when the court found that—

> . . . in contrast, the BLM is having to adopt the regulations and policies of the Service which are inconsistent with its traditional policies. It, therefore, appears that the Secretary of Interior perceives, at the least, a difference in emphasis under administration by the BLM rather than the Service. . . .

Also the court found that—

> . . . the affidavit of Assistant Secretary of the Interior Kyl, submitted in support of defendents opposition to the motion for Preliminary Injunction, admits that the ranges were transferred to the BLM precisely because they were valuable for grazing and recreational use and so that the Bureau would administer them according to its multiple use policy. Another memorandum from the Arizona State Director of the Bureau argued that the Kofa Range, which at that time was proposed to be transferred to the Service, should be transferred to the BLM rather than the Service so that grazing and other commercial uses could be allowed rather than administering the ranges primarily for the protection of wildlife. . . .

Furthermore, the court found that—

> . . . while there is no evidence suggesting that the promise of defendent to give priority to wildlife in the operation of the ranges is not made in good faith, the adoption of identical policies and regulations by the officials of the Department of the Interior cannot assure that administration will actually be the same in the field.

Mr. Chairman, my subcommittee has before it for consideration legislation that would rewrite the laws relating to the administration and management of the units within the National Wildlife Refuge System by the U.S. Fish and Wildlife Service and provide it with a more comprehensive organic act.

The system now constitutes a national network of wildlife environments containing the most widely distributed public land resources in the United States and represents the most comprehensive wildlife habitat management and preservation program in the history of mankind.

Since its inception, the system has grown opportunistically and sporadically in response to changing national needs to acquire and administer habitat required by a wide variety of wildlife for survival. Federally owned lands in the State of Alaska will offer, what will probably be, the last great opportunity to add additional natural wildlife habitat from the public domain to this great System.

There is an urgent need to provide a comprehensive policy direction setting forth goals and principles by which each unit within the system will be organized, administered, and managed, and my subcommittee plans early in the next session of this Congress to hold hearings on—and subsequently report—legislation that is designed to accomplish this purpose.

Mr. Chairman, I would like to comment on the dear-colleague letter recently circulated by the gentlemen from Arizona, Mr. STEIGER and Mr. RHODES, concerning this legislation. This letter contains many erroneous and misleading assertions. All the matters mentioned in the letter were brought up in hearings of our committee, and we examined them thoroughly before acting on H.R. 5512. I would like to go through the letter point by point to demonstrate that these objections are completely lacking in substance.

Next, the letter claims that the bill restricts the Secretary's authority to determine the "best possible management" of areas in the National Wildlife Refuge System. Indeed, it restricts the Secretary's authority, but only to what has long been understood by the Congress—that the best agency to administer the Refuge System is the U.S. Fish and Wildlife Service. The authors of the letter evidently wish to change this existing policy, but there is no precedent for what they propose—to oust the Fish and Wildlife Service from units of the Refuge System.

Next, the letter asserts that the Secretary had authority to delegate management of these wildlife ranges to another agency. The committee emphatically rejected this assertion. Besides, this is an issue that is presently before the Court for a decision. Therefore, I would like to make it exceedingly clear that this bill is not intended in any way to be a congressional determination on the issue of whether or not the Secretary of the Interior has the authority to transfer the game ranges to the sole jurisdiction of the BLM under present law or whether, if he does have such authority, on the issue of whether he may do so without preparation of a NEPA statement. These questions are presently in litigation and it is our intention that the court should reach its legal conclusions without regard to this bill.

Since the Interior Department apparently interprets these laws differently, H.R. 5512 explicitly states what the committee has all along understood to be the case—that the U.S. Fish and Wildlife Service shall administer the National Wildlife Refuge System.

The letter asserts that at public hearings in Arizona "the vast majority of residents strongly favored BLM management" of the Kofa Game Range. The record of the public hearings does not bear this out. In the first place, the hearings were on a proposal to assign Kofa solely to the Fish and Wildlife Service, not to BLM. According to a memorandum from the regional director of the Fish and Wildlife Service, the idea of transfering Kofa to BLM "was not even an issue at the public hearing." The same memorandum continues: "Also, to our knowledge, only one person made such a recommendation at the hearings."

The controversy at those Arizona hearings was over the proposed withdrawal of Kofa from mineral entry and the proposed transfer to sole management by the Fish and Wildlife Service. These are not even at issue at this time, since no such withdrawal or transfer is proposed or contemplated by the Interior Department, and H.R. 5512 in no way affects the Secretary's authority in either of those matters. The opinions of Arizona residents favoring BLM management of the Kofa Range are consistent with H.R. 5512, which allows the Secretary to continue BLM in its role of administering grazing and mining in Kofa, the principal matters in controversy at the time of the Arizona hearings.

The letter implies that exclusive BLM management "would allow multiple use programs to remain in effect on the Kofa Game Range." These would also remain in effect under H.R. 5512, because the bill in no way affects mining, mineral leasing or grazing.

The letter next claims that "it is the practice to gradually phase out grazing on refuges and ranges." This is definitely not true, and the Committee on Merchant Marine and Fisheries would not stand for such a practice. Grazing is an essential management tool on many refuges, and is needed to create conditions beneficial to many wildlife species.

Next the letter argues that BLM would "carry out the same management intent, philosophy, and level" as before. This is an empty promise, because it is not the general policy, but its on-the-ground implementation, that will determine the future well-being of wildlife habitat. These field decisions will be influenced by the priorities and loyalties of the agency that is in charge. BLM does not have the longstanding record of refuge management that the Fish and Wildlife Service has.

The letter claims that "the majority of wildlife species are resident; that is, non-migratory, animals." This is simply not true. On all three wildlife ranges the majority of the species are migratory, including numerous species of ducks, geese, hawks, doves, and others. The resident species are in the minority, mainly deer, antelope, rabbit, elk, bighorn sheep, and grouse.

The letter argues that it "makes good sense to consolidate and integrate management" by turning the ranges over to BLM. Our committee disagrees. While minor amounts of time might be saved by eliminating joint decisionmaking, the BLM takeover of the ranges would involve the far larger added time and expense of maintaining duplicate administration of the National Wildlife Refuge System and maintaining separate regulations for the System. This precedent would also undoubtedly lead to other interagency transfers, finally resulting in a chaotic situation which would greatly complicate both the effective oversight of the System by Congress and the budgeting and appropriations for the System. No funds would be saved by the so-called consolidation, because, according to information submitted by BLM, the Bureau of Land Management intends to maintain or increase the staffing of the wildlife ranges.

Next the letter cites BLM's administration of "374 million acres of big game habitat, 391 million acres of small game habitat and 451 million acres of nonwildlife habitat." The figures are misleading, inasmuch as BLM administers a total land area of only 453 million acres. Our committee also considers the crucial question to be not how much habitat BLM manages, but how well it has managed that land. Part of the answer appeared in a memorandum dated March 31, 1975, in which the chief of BLM's Division of Wildlife wrote that there is "an accelerating trend in the deterioration of wildlife habitat" managed by BLM. According to the same memorandum, all of BLM's big game habitat will be in unsatisfactory condition by 1990 at the present rate of deterioration.

The letter mentions several BLM wildlife areas as evidence of BLM's concern for others than miners and cattlemen. Actually, these areas in total represent less than 1 percent of the lands administered by BLM, and most of even these are open to mining and grazing. The smallness of these areas and the continued mining and grazing confirms BLM's solicitude for nonwildlife uses.

Finally, the letter implies that the Steiger amendment is necessary to let the Secretary "retain full authority to administer components of the National Wildlife Refuge System." Not so. Under H.R. 5512 the Secretary will have full authority to administer the Refuge System, but not the freedom to summarily kick the U.S. Fish and Wildlife Service out of units of the Refuge System.

In summary, the letter from Messrs. Steiger and Rhodes contains not a single valid argument for the completely new policy which they advocate. In the absence of convincing evidence to the contrary, it is the opinion of the Merchant Marine and Fisheries Committee that the policy should be continued of having the Fish and Wildlife Service administer the National Wildlife Refuge System. That is basically what H.R. 5512 does.

Mr. FORSYTHE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, when the first wildlife refuge was created by President Theodore Roosevelt in 1903, its purpose was to protect and preserve wildlife. Seventy-two years later the purpose of this Nation's wildlife refuges remains the same—the protection and preservation of threatened animal species. The legislation before us today, H.R. 5512, raises the fundamental issue of whether the Bureau of Land Management or the Fish and Wildlife Service can best manage the wildlife values of the National Wildlife Refuge System.

I submit that it is the Fish and Wildlife Service which should be charged with the responsibility for wildlife management within the Refuge System. Let me add that I do not say this to denigrate BLM—however, that Agency does have conflicting missions, such as mining, logging, livestock grazing, and fossile fuel development, which often conflict with wildlife management. In performing these conflicting missions, BLM is forced to set its priorities and frequently is unable to devote sufficient attention to the needs of wildlife.

Further BLM's funding and personnel levels are inadequate to the task of wildlife management. Standing in contrast to BLM's varied missions is the fact that the Fish and Wildlife Service is the only Federal agency which has as its basic mission the protection and enhancement of wildlife values—and it must be remembered that the protection and enhancement of wildlife values was the reason the National Wildlife Refuge System was created.

To transfer sole management authority for the Kofa, Sheldon, and Russell Ranges to BLM could very well result in the downgrading of wildlife protection efforts.

A report recently prepared by the Bureau of Land Management, entitled "Effects of Livestock Grazing on Wildlife, Watershed, Recreation and Other Resource Values in Nevada," clearly points out how BLM's conflicting missions can lead to a downgrading in wildlife management. One of the report's conclusions was that in developing range management plans, "Full consideration was not given to the—protection and enhancement of wildlife." The report also found that "esthetic, recreation and cultural values have not had sufficient emphasis." Of particular concern is the fact that when the Nevada report was first issued, the Director of BLM indicated that similar problems existed in several other States.

Reflecting the low priority given wildlife management by BLM is the fact that according to the recently published Range Condition Report, 83 percent of BLM-managed grazing lands are in unsatisfactory condition. The report also predicts that the productive capability of these lands could decrease by as much as 25 percent in the next 25 years. For the many species of wildlife which depend on these grazing lands for food, the adverse implications of these figures and trends are obvious.

Of equal concern are the findings of a paper entitled, "The Bureau of Land Management's Wildlife Program: Missions, Challenges, and Funding." That paper indicates that between 1968 and 1973, the amount of unsatisfactory wildlife habitat on BLM lands increased between 8 percent and 23 percent depending upon which animal species you were talking about.

Clearly, because of conflicting missions and inadequate resources, the record of BLM's wildlife management has not been an encouraging one.

However—the primary reason for establishing the National Wildlife Refuge System was to improve this Nation's wildlife management program. In my view, the Fish and Wildlife Service, whose sole mission is the protection and preservation of wildlife, is best equipped to accomplish the goals of our refuge system. Therefore, I urge the adoption of H.R. 5512, which will insure that the Fish and Wildlife Service will continue to manage the wildlife values or the Kofa, Sheldon, and Russell Ranges.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. FORSYTHE. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona (Mr. Steiger).

Mr. STEIGER of Arizona. Mr. Chairman, Mr. Speaker, I think this thing ought to be put in perspective; this momentous matter we have ought to be put in perspective at least for the purposes of the Record.

What we have here, I think, is a classic example of the lack of the effectiveness of divided jurisdiction over the agencies, bureaus, and departments that we supervise.

I do not think it is coincidental that the sponsors of this bill, the prime sponsors, the gentleman from Michigan (Mr. Dingell), the gentleman from California (Mr. Leggett), and the gentleman from Wisconsin (Mr. Reuss), who sponsored the bill, the chairperson of the full committee, the gentleman from the Republican side who is handling the bill, all come from either urban districts or eastern districts.

Mr. LEGGETT. Mr. Chairman, I reserve the right to object.

Mr. STEIGER of Arizona. I apologize to my friend, the gentleman from California, who is a well-known country boy the world over, and who could not spell Kofa until this very moment. I do apologize to my friend for characterizing him as urban.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I have great respect for the gentleman in the well and he is my friend, even though we have this difference. But it ought to be observed that the gentleman is a transplanted easterner.

Mr. STEIGER of Arizona. That is right.

Mr. DINGELL. And I happen to be a transplanted westerner. I was born in Colorado.

Mr. STEIGER of Arizona. I suspect it raised the level of both communities.

Mr. DINGELL. If the gentleman will yield further, I would agree with the gentleman if he refers to both of us.

Mr. STEIGER of Arizona. At any rate, what we have here is specifically a very, very parochial argument. We have a gentleman in the Department of the Interior, whose name is Nathaniel Reed, who is the deputy something-or-other, among whose responsibilities is the Fish and Wildlife Department.

For some strange, mad purpose Fish and Wildlife are under the joint supervision of the interior committees and the Committee on Merchant Marine and Fisheries. And, of course, we get into this jurisdictional nonsense because Secretary Morton, in his wisdom, made a decision that the Bureau of Land Management and Fish and Wildlife should not jointly manage anything—and I agree—and so he divided areas which were jointly managed by Fish and Wildlife and BLM, some to be managed by Fish and Wildlife and some to be managed by BLM.

One of the processes which he engaged in, which is being entirely ignored by this process here today, was a series of public hearings in which people expressed a desire for one agency or the other to supervise and indeed were allowed to express opinions for joint management of Kofa and Cabeza Prieta.

In Arizona there were four of these hearings held, and they overwhelmingly rejected the will of the folks.

The gentleman from Tucson, Ariz. (Mr. UDALL), who represents Arizona's Second Congressional District, joined in this arrangement in joining this negotiation. It should be pointed out that the gentleman from Arizona (Mr. UDALL) is now a supporter of this bill, which will undo the gentleman's own endorsed program, but I suspect that is not so much a question of the gentleman from Arizona (Mr. UDALL) having second thoughts as the conservationists having been instructed that this is a deathly an earthshaking conservation issue.

The fact is, of course, that this is not a deathly and earthshaking conservation issue.

My friend, the gentleman from California (Mr. LEGGETT), alluded, in rather moderate terms I must agree, that the BLM is not really the agency to manage wildlife.

That is interesting, when one considers that BLM now manages a 374 million acre habitat; and if we are going to be concerned about this 200 acres, then we really have to be concerned about 374 million acres.

The fact is, this bill is not going anywhere because in the Senate they do not have this problem of divided jurisdiction. The Interior Committee has jurisdiction. And even Senator JACKSON, who I think is not willing to be reflected as going out on a limb on my behalf, I might point out, would not support a position I would support on that basis.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. FORSYTHE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Arizona (Mr. STEIGER).

Mr. STEIGER of Arizona. Mr. Chairman, the fact is, this bill is not going anywhere because of a jurisdictional problem. I would tell my friends that when reason prevails and they vote against this matter here, regardless of what their conservation friends tell them, this is not a conservation issue.

There are more bighorn sheep in the Kofa now than there are in the Cabeza Prieta. The reason there are more bighorn sheep in the Kofa is that the cowmen there have developed water, have managed the pastures, have increased the feed, have kept down the coyotes—have been able to protect the herd of bighorn sheep. The bighorn sheep would not exist in the Kofa if it were not for the presence of the cowman.

But that is not the issue. The issue is: Are we going to permit the House to be used as an instrument in a personal feud between Nat Reed and the now departed Secretary Morton?

Secretary Morton looked at all the facets of this, with all rhetoric aside, was influenced by the public hearings and the politicians, and made a judgment that the Committee on Merchant Marine and Fisheries is now trying to undo.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, the gentleman has made some rather bold statements about politics here and the fact that the bighorn sheep are of very much concern and in dominance in one of these ranges.

But is the gentleman aware that in the Kofa we have 160 different varieties of birds, 30 different varieties of mammals, and 3 threatened species; that in the Sheldon Range we are concerned with 145 different varieties of birds, 53 mammals, and 3 threatened species; and that in the Russell Range there are 227 different varieties of birds, 45 mammals, and 3 threatened species?

This is not a matter of light concern. I know that the gentleman from Arizona probably has considerable concern as to how many cattle might be feeding there and what their rights might be. I do not have those figures, very frankly. However, I believe that we must have some concern for these noncommercial entities, and I say that this is not just a political matter that is before us.

Mr. STEIGER of Arizona. Mr. Chairman, I will tell the gentleman, No. 1, that I assume by implication at least the gentleman is saying all these other species are threatened by the existence of the cattle.

Would the gentleman tell me this: On his last visit to Kofa how many of the other species was he able to see? I might ask the same question about Sheldon or Russell or Cabeza Prieta.

Mr. LEGGETT. In Russell, we were looking from about 40,000 feet in the air.

Mr. STEIGER of Arizona. Has the gentleman ever had an opportunity to be on the ground at either Kofa or Sheldon or Russell?

Mr. LEGGETT. I will say that I have not had that privilege. Has the gentleman from Arizona been there?

Mr. STEIGER of Arizona. Yes, I have. I will tell the gentleman that I have.

Mr. Chairman, what I want to tell my friends is that the Members of this House are reversing a Secretary's decision. They are doing so based on emotion and based on testimony that was biased because it meant prerogatives for the agency that was testifying and ignoring completely the full Interior Committee. At no time was this matter permitted to be heard before the full Interior Committee, and at no time was the full Interior Committee consulted.

I will simply advise my friends that this will be remedied when the matter reaches the Senate, because there I expect all the facts will be laid bare. We are being used in this matter and used in what I think is an awful waste of time of the House. This is a matter which has been improperly described to us.

Mr. Chairman, a calm and dispassionate "no" vote will cleanse your soul of the wrongs you have done today.

Mr. FORSYTHE. Mr. Chairman, I yield 1 minute to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 5512

Mr. Chairman, I voice not only my personal support of the National Wildlife Refuge System Administration Act, but the hope that my colleagues will join me in approving this legislation.

This measure represents a rational step toward proper management of the four major wildlife ranges presently under our National Wildlife Refuge System. Joint management of the Kofa, Russell, Sheldon, and Cabeza Prieta wildlife ranges by the Bureau of Land Management and the U.S. Fish and Wildlife Service has not proven satisfactory. The conflicting responsibilities of these two agencies has made the joint administration of wildlife ranges particularly difficult. It is right that the Congress transfer the sole administrative duties to that agency responsible for the protection and enhancement of wildlife, the U.S. Fish and Wildlife Service.

It should be the duty of the Congress to assure that our wildlife refuges are correctly managed. Given the failure of the Interior Department to advise the Merchant Marine and Fisheries Committee of the intent to divide the exclusive authority over the ranges, it is proper that the Congress mandate that future transfers be approved by this body. Especially since jurisdiction over three of the ranges was to be transferred to BLM despite reports indicating the inability of BLM to properly handle the task. In our efforts to maintain and protect wildlife refuges, we must see that the job is handled in the most proper and best possible manner.

Mr. FORSYTHE. Mr. Chairman, I yield 5 minutes to the gentleman from Alaska (Mr. YOUNG).

Mr. YOUNG of Alaska. Mr. Chairman,

I have the privilege of serving on both committees. Let me first commend the chairman of my Subcommittee on Fish and Wildlife and the chairman of my full Committee on Merchant Marine and Fisheries, because I do believe they are sincere in their efforts here.

However, I have a problem with this legislation that I think should be brought to the attention of the Members. It was brought to our attention by the gentleman from Arizona (Mr. STEIGER). The problem is that under the jurisdiction of the Secretary of the Interior we have not only BLM but we have the Fish and Wildlife, and Park Service.

For the last 4 years we have had no program that has any unity at all within that Department.

We have not had a captain on that ship for a long time. We have just now acquired a new Secretary, and I worry to some degree, when we are asked as a committee, the committee on which I serve, the Committee on Merchant Marine and Fisheries, to truly be involved in an internal battle within the Department.

I think the philosophy today of the gentleman who does head the Fish and Game Department has not been one of management. I believe the refuges can be managed for the benefit of wildlife, but management means many things. It does not mean the preservation and total reliance on Mother Nature. It does not mean taking vast acreages and locking them up just for the benefit of wildlife to live as Mother Nature wanted them to, because I happen to be one who believes that man can improve upon Mother Nature. He has done it in the past and is doing it right now.

Some Members may wonder why I am speaking today on this legislation. We are faced with the problem in my State of vast acreages being proposed to be turned into wildlife refuge areas. These areas, to my knowledge today, have not been managed to the fullest extent with respect to wildlife.

We have the Kodiak bear refuge. I know that today we have fewer bears under their management than we had before. I can prove to the Members that the bears that are shot for sport are much smaller than those that were shot in the past under the management of the State.

I wonder whether we should get involved in deciding the family arguments of one agency against the other agency. When we do that, the concept of good management goes out the window.

The Secretary has made a decision, and I think we should consider it. He has control over the parks and over BLM. He made this decision.

I heard the arguments of the Committee on Merchant Marine and Fisheries. I heard those arguments. The Department itself opposes this legislation. The environmental groups support it because they know that the philosophy of the Fish and Game Department today is one of preservation and not one of management.

We must remember that if we do not manage these natural resources, the wildlife we have on these areas, we will lose ground with respect to this question.

An example is the Arctic wildlife range in Alaska, which is 7.5 million acres. It is not managed correctly. Last year we had 180 people visit that one area.

Mr. Chairman, I say to the Members, as a member of the Alaskan delegation, with respect to the decision of the Secretary—and I commend my chairman of the subcommittee—let us find out really what is the philosophy of the Interior Department concerning wildlife. Is it one of locking up, preservation, or is it one of true management and helping the wildlife resources that we have on these lands?

Let us consider what we are doing here today.

Again, let me say that I do not question the sponsors' motives, nor those of the chairman, because I do believe they are sincere. However, I do not think that by acting on this legislation today, we are achieving the objectives that we are all seeking. That is a strong, viable wildlife program that we must have in this society today.

Mr. LEGGETT. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska. Yes, I yield to the gentleman from California.

Mr. LEGGETT. Mr. Chairman, the gentleman in the well has made some general statements as to the work of our committee and the work of the Fish and Wildlife Service and about the fact that we need more organization and more orientation.

That is exactly what we intend to do in January, to get into the nuts and bolts of what makes a refuge system work and what we ought to do.

I think with respect to this particular case in Alaska, since there are some groups which have rather large designs on large segments of that State—and maybe even our committee has—certainly Alaska ought to know what it is getting when it cooperates in any program.

We, of course, can have skepticism today because, very frankly, we are fresh out of dollars, and this is not one of the major priorities of the last several administrations, I might state.

If we had money in this area and had personnel and had talent, and had creativity, I think we would get rid of some of the skepticism and some of the concerns.

Mr. YOUNG of Alaska. Mr. Chairman, I agree, but until we know the philosophy of the Department of the Interior more specifically, I would say we would be spending money not too wisely. We have to know the philosophy. Presently, the philosophy is one of preservation and not one of management, and that is what we need.

Mr. LEGGETT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, what do we have before us? We have before us an attempt to stop raiding the fish and wildlife refuges of the United States.

Why have we done this? The committee has brought forth a bill to stop a raid which was made without hearings, without appropriate investigation inside the department, without any legislation, without any administrative action to support what has transpired inside the agency.

The reason we have done so is because the public interests demand it. Why? Take a look at the way the Bureau of Land Management administers the land entrusted to them. They are understaffed. Their habitat, according to their own documents, is grossly in need of restoration. The Bureau of Land Management's own paper, entitled "The Bureau of Land Management Wildlife Program" points out that from 1968 to 1973 the percentage of unsatisfactory habitat of the Bureau of Land Management jumped from 38 percent to 47 percent; small game from 21 percent unsatisfactory habitat to 38 percent unsatisfactory habitat; water fowl from 14 percent unsatisfactory habitat in 1968 to 37 percent unsatisfactory in 1973. During the lamented days of a previous Secretary who was sent west to retire and to run against Wayne Morse, in certain expectation by the then Administrator that Secretary Doug McKay would lose the race and retire from public life, the Interior Department said they would clear exchanges in lands affecting refuges and changes in refuges status with the Committee on Merchant Marine and Fisheries. It was never done.

The Speaker sent a letter to the chairman of the Committee of the Interior and pointing out to that committee that the handling of refuge matters is clearly within the jurisdiction of the Committee on Merchant Marine and Fisheries.

For the benefit of my good friend the gentleman from Arizona (Mr. STEIGER) and I will yield to him, I want to point out that, thank God, some few easterners and westerners around here are concerned with matters that exist purely in the West. This is not a refuge that belongs to the State of Arizona or to the gentleman from Arizona, this is a refuge that belongs to all of the people.

What does the bill do? It finally lays to rest the question as to which agency will administer the refuges. They will be administered by the Fish and Wildlife Service by the legislation before us, which is the way the committee has always interpreted the existing law.

And to help the gentleman from Arizona, we have said that there could be, and I hope there will not be, continuation of joint refuge administration in the three refuges particularly under consideration.

I would point out to my colleagues further that if they will look at the hearings which were conducted by the Committee on Merchant Marine and Fisheries they will see that we went into the matter carefully. I had hoped that the Committee on the Interior would have exercised similar consideration. Unfortunately that was not to be.

The bill was reported unanimously both from the subcommittee and the full Committee on Merchant Marine and Fisheries. This bill has the unanimous support of every conservation organization.

This committee recognizes that the Bureau of Land Management cannot administer lands of this kind.

Let us take another look since the gentleman from Arizona has indicated that the Fish and Wildlife Service is a preservationist organization. They are and praise God they are so.

But I would point out that mining, grazing, mineral extraction, and other things are permitted on the refuge system, however consistent with a recognition of the primary purpose for which the refuges were constituted. Let us not forget the primary purpose for which the refuges were constituted is the preservation of fish and wildlife.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEGGETT. Mr. Chairman, I yield 2 additional minutes to the gentleman from Michigan.

Mr. DINGELL. So the grazers will continue to be able to keep on grazing; the miners are going to be able to keep on mining; mineral extraction, if such there be, will continue, but under the controls which protect public interests and which do not match the sorry record of the Bureau of Land Management in administering and protecting its habitat.

If the gentleman from Arizona and others who oppose this legislation could show that the Bureau of Land Management was worthy of the trust, that they had the money, that they had the philosophy, that they had even an organic act, which they do not have, then perhaps we could trust them with this precious reserve. If the gentleman from Arizona and the others who are opposed to this legislation really want to do something to make the Bureau of Land Management worthy of trust, let them get out and get us a Bureau of Land Management organic act which will enable the public of the United States to trust the BLM with the public land.

They have not done so, and I would say that if we are concerned with environment, if we are concerned with the Fish and Wildlife Refuge System, if we want to protect the refuge system from raids, from special interest pressures, and things of that kind, then let us pass this legislation.

If we want to rap some knuckles of some people in Arizona who need to have their knuckles rapped, and if we want to rap some knuckles of some bureaucrats down in the Department of the Interior who are delighted to flow with the pressures, then pass this legislation. We will serve the public interest; we will contribute to conservation; and we will vote in accordance with the views of every conservation organization in the United States.

Mr. FUQUA. Mr. Chairman, I rise to express my total and unequivocal support of H.R. 5512. In the interest of proper management of wildlife on federally owned land it is essential for the U.S. Fish and Wildlife Service to remain in control of all wildlife ranges. The Bureau of Land Management is a nonwildlife agency and should not be responsible for wildlife ranges. Logic and efficiency beg for the control of wildlife by the U.S. Fish and Wildlife Service.

Also, this legislation bars the transfer of any lands in the National Wildlife Refuge System without the explicit approval of Congress. This, too, is necessary to insure the proper consideration and study of all property transfers. Mr. Chairman, I urge the passage of this bill without weakening amendments.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEGGETT. Mr. Chairman, I yield 2 minutes to the gentleman from Wyoming (Mr. Roncalio).

Mr. RONCALIO. I thank the gentleman for yielding.

Mr. Chairman, I just want to add my support and my help to the gentleman from Michigan, (Mr. Dingell) and to his cosponsors of the legislation, because I think I am not quite so critical of the Bureau of Land Management or its management policies, particularly where they are involved in oil and gas leasing, in leasing public domain. I, nevertheless, feel that the precedent set here if we do not pull off the raids is a very dangerous one and, therefore, I think the bill has to be passed.

The integrity of the Fish and Wildlife Service must be kept sacrosanct in those areas where it has long operated, and it would be, I think, terribly detrimental in Wyoming if legislation of this kind were to set the precedent that could result, for example, in the Forest Service's encompassing and extinguishing the National Park Service's jurisdiction, say, from the Grand Teton National Park, merely because of the fact that the Forest Service happens to literally encompass the national park now.

Mr. Chairman, the Steiger amendment would, in effect, oust the U.S. Fish and Wildlife Service from three of the Nation's largest units of the National Wildlife Refuge System, and allow former Secretary Morton's orders to take effect; thus turning the Kofa, Charles Sheldon, and C. M. Russel Wildlife Ranges over to exclusive management by the Bureau of Land Management.

This action, if allowed to stand, would be the equivalent of ousting the National Park Service from Yellowstone and Grand Teton National Parks and turning management over to another agency, such as the Forest Service, simply because the Forest Service administers nearby lands, similar in character.

Congress established the National Park Service specifically to protect, and to provide for the public enjoyment of, the National Park System. It would defeat this goal to turn them over to a multiple-use land management agency. Yet, that is exactly what the gentleman from Arizona would ask us to do with our National Wildlife Refuge System.

In Wyoming, Mr. Chairman, we know BLM well, because it administers more than 17 million acres of public lands within our State; and the citizens of Wyoming depend on BLM's stewardship of these lands. Yet, in Wyoming and Montana, the BLM is rapidly becoming an energy agency, as coal development on Federal lands continues to escalate. No use is more single purpose, Mr. Chairman, than strip mining. Believe me.

I cannot advocate turning any of Wyoming's national parks or wildlife refuges over to a multiple-use agency. These Federal lands require specialized management by those agencies with the specific mission, experience, and trained personnel appropriate to them. I urge my colleagues to join me in voting against the Steiger amendment to H.R. 5512.

Mr. CONTE. Mr. Chairman, as a concerned conservationist and as a cosponsor of this legislation, I rise in strong support of this bill.

Put in its bluntest terms, this bill would prohibit the Department of the Interior from transferring three wildlife ranges from the joint jurisdiction of the Fish and Wildlife Service and the Bureau of Land Management to the sole jurisdiction of the BLM. The wildlife refuges concerned are enormous. Together, the land areas of the Charles M. Russell National Wildlife Range in Montana, the Charles Sheldon Antelope Range in Nevada and Oregon, and the Kofa Game Range in Arizona add up to more than 2 million acres.

These refuges were established by President Franklin Roosevelt during the 1930's to protect several species of endangered animals. These included the big desert big-horn sheep, the pronghorn antelope, the bald eagle, the peregrine falcon, and the prairie falcon.

I oppose the transfer of these ranges into the Bureau of Land Management because of the Bureau's shockingly poor history of managing wildlife habitats. For my colleagues who want to verify this record, I refer them to pages 7 and 8 of the committee report.

This report summarizes two documents prepared by the Bureau of Land Management that are highly critical of the Bureau's own practices. One BLM document, called "The Range Condition Report," states the unhappy fact that only 17 percent of federally owned public grazing lands are in satisfactory condition. That means that 83 percent of our public grazing lands—or 135 million acres—are in unsatisfactory condition. In fact, one-third of these public grazing lands are considered to be in poor or bad condition, and the trend is toward further deterioration.

A second report prepared by the Bureau of Land Management, concerning the effects of livestock grazing in Nevada, outlines the shocking neglect with the Bureau for Preservation of Wildlife Habitats. The Bureau even admits that it has not given "sufficient emphasis" to the "protection and enhancement of wildlife, esthetic, recreational, and cultural values." Unfortunately, this neglect is not limited to just Nevada, but it seems to be pervasive throughout ranges managed by the Bureau of Land Management.

Mr. Chairman, if the Congress is committed to preserving wildlife refuges—as I believe it consistently has been since the administration of President Theodore Roosevelt—then it should pass this bill. The Fish and Wildlife Service of the Department of the Interior is dedicated to one mission—the protection and enhancement of wildlife.

On the other hand, the Bureau of Land Management is directed to carry on this mission in addition to its mining, logging, livestock grazing, and fossil fuel development tasks. All too often, the Bureau—which is woefully understaffed and underfunded—feels compelled to compromise its wildlife habitat preservation mission in favor of another task.

I do not find this acceptable. This bill provides the appropriate remedy.

With the legislation enacted, the Department of the Interior would be barred from shuffling jurisdiction over national wildlife refuges without an act of Congress.

I urge my colleagues to support this bill.

Thank you, Mr. Chairman.

Mr. BADILLO. Mr. Chairman, I support the substantive provisions of H.R. 5512, the National Wildlife Refuge System Administration legislation. Three of our Nation's refuge ranges are currently under the joint control of the Bureau of Land Management and the Fish and Wildlife Service; it has been proposed by the Department of the Interior that the responsibility for the management of these areas be transferred to the BLM for their exclusive control. I feel that such a transfer could result in decreasing the number and diminishing the welfare of our already endangered wildlife species. Our national wildlife ranges need the attention and expertise of an agency dedicated to the enhancement and salvation of the wildlife habitat.

H.R. 5512 would protect these ranges from such a transfer and continue to provide for their ultimate protection and preservation. BLM and FWS have encountered irreconcilable difficulties in their joint management of these areas. BLM's primary concern is energy and resource development, and they concentrate on the grazing and mining aspects of the land. FWS, on the other hand, is totally dedicated to the management of these lands in tune with the purpose for which they were founded—to salvage our wildlife from impending doom. It seems logical, then to bestow the responsibility of conserving these lands to an agency who advocates that purpose.

We have never paid adequate attention to our wildlife resources, and have continued to deplete and endanger them. We have focused on progress, industrialization, construction, all at the expense of our environment. It seems a pity that our children will not have the opportunity to enjoy nature, as it should be, unless we take substantial steps to insure the preservation of what is left of our wildlife.

It is ironic that now, after years of setting these lands aside and endeavoring to safeguard against the depletion and destruction of our wildlife and their habitats, we are risking the danger of annihilating what we have worked to insure. A transfer of these lands into the hands of an agency, which has other interests than the preservation of our wildlife, and other goals to reach and aspects to consider, is at best an undermining of our efforts. It may eventually lead to the disappearance of these refuges, and would certainly jeopardize the habitudes of those animals we have been trying so hard to protect.

I urge my colleagues to give H.R. 5512 their full and wholehearted support.

Mr. LEGGETT. Mr. Chairman, I have no other requests for time.

Mr. FORSYTHE. Mr. Chairman, I have no requests for time.

The CHAIRMAN. There being no further requests for time, under the rule, the Clerk will now read the amendment in the nature of a substitute now printed in the bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (a) of section 4 of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(a)) is amended to read as follows:

"(a)(1) For the purpose of consolidating the authorities relating to the various categories of areas that are administered by the Secretary of the Interior for the conservation of fish and wildlife, including species that are threatened with extinction, all lands, waters, and interests therein administered by the Secretary as wildlife refuges, areas for the protection and conservation of fish and wildlife that are threatened with extinction, wildlife ranges, game ranges, wildlife management areas, or waterfowl production areas are hereby designated as the 'National Wildlife Refuge System' (referred to herein as the 'System'), which shall be subject to the provisions of this section,

Mr. LEGGETT (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. HALEY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

and shall be administered by the Secretary through the United States Fish and Wildlife Service, except that any such area which was administered jointly on January 1, 1975, by the Secretary through the United States Fish and Wildlife Service and any other Federal or State governmental agency may continue to be so jointly administered.

"(2) No acquired lands which are or become a part of the System may be transferred or otherwise disposed of under any provision of law (except by exchange pursuant to subsection (b)(3) of this section) unless—

"(A) the Secretary of the Interior determines with the approval of the Migratory Bird Conservation Commission that such lands are no longer needed for the purposes for which the System was established; and

Mr. LEGGETT (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California.

Mr. HALEY. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

"(B) such lands are transferred or otherwise disposed of for an amount not less than—

PARLIAMENTARY INQUIRY

Mr. STEIGER of Arizona. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STEIGER of Arizona. Mr. Chairman, I have an amendment and the reading has already passed the point at which my amendment will apply. Would it be appropriate for me to interrupt the reading at this point and offer the amendment or wait until the Clerk finishes the reading?

The CHAIRMAN. The Chair will advise the gentleman from Arizona that his amendment will be in order when the section in which he is interested is completely read.

Mr. STEIGER of Arizona. I thank the Chairman.

The CHAIRMAN. The Clerk will complete the reading of the section.

The Clerk read as follows:

"(i) the acquisition costs of such lands, in the case of lands of the System which were purchased by the United States with funds from the migratory bird conservation fund, or fair market value, whichever is greater; or

"(ii) the fair market value of such lands (as determined by the Secretary as of the date of the transfer or disposal), in the case of lands of the System which were donated to the System.

Mr. GUDE. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The motion of the gentleman from Maryland is not in order until the Clerk finishes reading the section.

The Clerk will read.

The Clerk read as follows:

The Secretary shall pay into the migratory bird conservation fund the aggregate amount of the proceeds of any transfer or disposal referred to in the preceding sentence.

"(3) Each area which is included within the System on January 1, 1975, or thereafter, and which was or is—

"(A) designated as an area within such System by law, Executive order, or secretarial order; or

"(B) so included by public land withdrawal, donations, purchase, exchange, or pursuant to a cooperative agreement with any State or local government, any Federal department or agency, or any other governmental entity.

shall continue to be a part of the System until otherwise specified by Act of Congress, except that nothing in this paragraph shall be construed as precluding—

"(i) the transfer or disposal of acquired lands within any such area pursuant to paragraph (2) of this subsection;

"(ii) the exchange of lands within any such area pursuant to subsection (b)(3) of this section; or

"(iii) the disposal of any lands within any such area pursuant to the terms of any cooperative agreement referred to in subparagraph (B) of this paragraph.".

The CHAIRMAN. The Chair will advise the gentleman from Arizona that it is now proper for him to offer the amendment.

Mr. STEIGER of Arizona. I thank the Chairman.

AMENDMENT OFFERED BY MR. STEIGER OF ARIZONA

Mr. STEIGER of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Arizona: Page 3, line 7, after the word "Secretary" insert a period, and strike the remainder of the sentence through line 12.

Mr. STEIGER of Arizona. Mr. Chairman, this is not a simple technical amendment. This amendment will gut the bill. The purpose of this amendment is to restore both sanity and equanimity to a situation which has been loaded with rhetoric and misinformation. What this amendment does is permit Secretary Morton's decision to stand unaffected and pledges involvement.

I will tell the House that a procedure that I thought would be called to somebody's attention in the interest of dispensing information, either by the gentleman from California, the gentleman from Michigan, or the gentleman from New Jersey; but there is pending before the courts now this entire issue as to whether this is an appropriate matter of the House to be included, not only in the proper procedure by the Secretary, but in litigation in the courts. This legislation will make that litigation moot.

This bill is intruding into the committee process of the House and the administrative process in the Interior Department and in the judicial process in the Federal courts.

I will tell my friends, interestingly enough, this is done just because "this guy" downtown has got enough time and money to thwart the will of orderly process at every turn. I am speaking of Deputy Nat Reed, who is not an administrator, but an advocate, an advocate well-heeled, an advocate with an adoring small band of admirers. It really is not amusing, for those who are watching and listening.

The fact is that the House, I really believe, the House is being used. I think my friends who are advocates of this are being deluded.

My friend, the gentleman from Michigan, has spoken time and again of the horrible effort and the horrible record of the Bureau of Land Management. My friend, the gentleman may know a lot about it, but even if the gentleman is right, how is this bill going to remedy this horrible record? Not at all.

The fact is that the bill represents an emotional attempt of an issue that was oversold by Nat Reed to the gentleman from Michigan. The gentleman from Michigan in turn sold it to the committee, who was willing to accept it just as presented by Nat Reed.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. Yes, certainly, I am happy to yield.

Mr. DINGELL. Mr. Chairman, I introduced the original legislation jointly in sponsorship with the gentlemen of the subcommittee and other Members without having a word from Nat Reed.

Mr. STEIGER of Arizona. It shows how insidious it is. The gentleman did not even know he had been gotten to.

Mr. DINGELL. Quite to the contrary, I knew exactly what was going on, more so than the gentleman in the well.

Mr. STEIGER of Arizona. At any rate, I will tell my friends, I want to remind this House that this amendment remedies the committee's interference in the question of prerogatives. It remedies the committee's interference in the judicial process. It remedies the committee's interference in the administrative process.

It is a gutting amendment and it is intended to be a gutting amendment.

Mr. Chairman, I urge support of the amendment.

Mr. LEGGETT. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, this amendment would gut this legislation. This is what the legislation is all about.

This amendment would eliminate the provision in the bill that requires the Secretary of the Interior to administer each unit within the National Wildlife Refuge System through the U.S. Fish and Wildlife Service.

The action taken by former Secretary of the Interior Morton in February of this year that would provide for the Kofa, Sheldon, and Russell Game Ranges to be administered in the future solely by the Bureau of Land Management is what prompted the introduction of this legislation. H.R. 5512 would prevent exactly what the amendment is designed to accomplish; that is, it would subject the administration of the refuge units within the system to political pressures. The legislation, as reported by the Committee on Merchant Marine and Fisheries, would remove the administration of this system from the political arena.

Also, the amendment would remove the language in the bill that allows these three game ranges to continue to be jointly administered by the U.S. Fish and Wildlife Service and the Bureau of Land Management.

These areas have been jointly managed since the issuance of an Executive order by President Theodore Roosevelt in the early 1900's, and the legislation would allow this joint management to continue.

It should be pointed out that this issue is now pending before the U.S. District Court of the District of Columbia in the suit broght by the Wilderness Society and others against Mr. Hathaway, the former Secretary of the Interior. It is argued by the plaintiffs that the Secretary did not have the authority to transfer jurisdiction over these units—which are a part of the National Wildlife Refuge System—to the Bureau of Land Management.

Since this amendment is designed in effect to implement the Secretarial order of former Secretary of the Interior Morton, and since the legislation would allow the status quo to continue to apply to these areas, I think the amendment should be defeated and then let the court decide this issue.

Also, the legislation would allow the Secretary, with respect to three areas, to continue their joint administration by the U.S. Fish and Wildlife Service and the Bureau of Land Management. Should he decide that he does not wish to continue this joint administration or that the joint administration is not working out too well, then he would have the option of allowing the U.S. Fish and Wildlife Service to manage these areas by itself. The amendment would remove this option of Secretary and, in addition, create a situation whereby the Secretary could turn over complete management of these areas to the BLM, which is exactly what this legislation is trying to prevent.

The wildlife concerned in those three ranges and personnel from the two agencies that administer these ranges are as follows:

THE THREE RANGES

KOFA

Antelope.
Bighorn Sheep.
Mule Deer.
White-ringed Dove.[1]
Gambel Quail.
Golden Eagle.
Bald Eagle.
Peregrine Falcon (Endangered).
Prairie Falcon (Endangered).
Only native palms in Arizona.

SHELDON

Bighorn Sheep.
Antelope.
Mule Deer.
Sage Grouse.
Bobcat.
Mountain Lion.
Peregrine Falcon (Endangered).
Lahonton Cutthroat Trout.[2]

RUSSELL

Elk.
Bighorn Sheep.
White-tailed Deer.
Mule Deer.
Antelope.
Sharp-tailed Grouse.
Sage Grouse.
Black-footed Ferret (Endangered).
Doves.
Prairie Dogs.
Peregrine Falcon (Endangered).
Prairie Falcon (Endangered).
Osprey.
Kit Fox.
Burrowing Owl.

Number of species

Kofa:	
Birds	160
Mammals	30
Threatened species	3
Sheldon:	
Birds	145
Mammals	53
Threatened species	3
Russell:	
Birds	227
Mammals	45
Threatened species	3

Mr. Chairman, I have almost pity for the Fish and Wildlife Service for the very skimpy budget they are given by OMB to run our wildlife program.

I am not proud of what we have done or really of the overall program; but I do know this, with respect to these three ranges, we have a total of one person in the BLM that works at the Sheldon Range. We have 2.3 persons for the Bureau of Land Management that work at the Kofa Range.

We have six people from the Bureau of Land Management who work at the Russell Range. That is a total of 9.3 people, and those 9 people are able to manage 93 man-months of work on these 2 million acres of critical national habitat. The BLM makes available from their professional wildlife animal personnel, a total of zero man months for the Sheldon Range currently; a total of zero man-months for the Kofa Range currently, and a total of 10 man-months for the Russell Range, for a total of 10 man-months of professional services out of a total of 93 man-months for these three ranges.

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[1] Said to be important production area plus one of few places in Arizona where they are not heavily hunted.

[2] Catnip Reservoir holds brood stock of Lahonton Cutthroat Trout—used by State for stocking program (Endangered).

Now, the Fish and Wildlife Service does better. Again, I am not playing a brass band about what they do, but they have a total of 3½ people on the Sheldon Range; 3 people on the Kofa Range; 10 people on the Russell Range, so that makes 16½ people versus 9 people for BLM. Instead of spending 93 man-months, as BLM spends on this range, they spend 186 man-months. Instead of spending just 10 man-months on fish and wildlife matters, as does the BLM, they spend 85 man-months on these three ranges for fish and wildlife matters.

As a result, they spend 8½ times, currently, the effort for fish and wildlife and game management matters than does the Bureau of Land Management.

I think, because this matter is in the courts, because the courts have said they must submit an environmental impact statement before any transfer can take place; because this Congress has previously said no transfer should take place until this Congress acts, and since our committee is going to act on an Organic Act next January, I think this amendment, which guts this bill, should be laid to rest at this point.

Mr. FORSYTHE. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment and to the premise on which it is based. The thrust of the gentleman's argument is that the Bureau of Land Management can better manage a game range—ranges—in question than can the Fish and Wildlife Service. I cannot agree.

In the first place, BLM lacks the ability to effectively protect wildlife because the agency does not have the statutory authority to enforce its regulations. Thus, BLM may promulgate any regulation it wishes, but it must depend on local authorities to enforce it. The Fish and Wildlife Service, on the other hand, has authority to enforce its regulations directly and has the personnel to do so.

Second, BLM does not have as many wildlife specialists as does the Fish and Wildlife Service. While BLM has only one professional biologist for every 4.6 million acres of land, the Fish and Wildlife Service has one biologist for every 63,000 acres.

Third, while the Fish and Wildlife Service devotes virtually all of its budget to wildlife management, BLM expends only 1 percent of its budget on wildlife management.

Mr. Chairman, I recognize that with additional funding and staff, and with the enactment of legislation giving BLM enforcement authority, that agency's wildlife management record and capability could improve somewhat. However, it is essential to recognize that BLM's conflicting missions which I discussed earlier will always result in the setting of priorities which could relegate wildlife management to a permanent secondary role. The percentage of BLM's budget devoted to wildlife management, the number of wildlife specialists presently employed by BLM, and the current status of many of its range lands clearly indicates the effects of priority setting. By definition of mission, it is clear that the Fish and Wildlife Service is better able to manage these ranges than is BLM.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I thank the gentleman from New Jersey for yielding. I also oppose the amendment and agree with the Chairman. My colleague from Arizona (Mr. STEIGER) is proposing an amendment to H.R. 5512 that would indeed gut the bill. His amendment, to put three wildlife refuges under the single administration of the Bureau of Land Management, would accomplish exactly what was attempted by the administration's very unfortunate decision earlier this year.

Mr. STEIGER claims that "a great deal of study" went into the decision to transfer these refuges from joint administration by BLM and the U.S. Fish and Wildlife Service to the sole administration of the BLM. If this were the case, the "great deal of study" would have emphatically directed the transfer to the sole administration of the Fish and Wildlife Service, not the BLM. The BLM, by its own admission, states that there is "an accelerating trend in the deterioration of wildlife habitat" on lands controlled by the BLM. Wildlife habitat is the primary reason for a wildlife refuge.

If, as Mr. STEIGER claims, the BLM will manage the wildlife ranges with wildlife as the dominant use, why is there any need for a transfer of jurisdiction? Also, the BLM's "Policy and Management Criteria" is too vauge for anyone to have confidence in the BLM's management of these lands for the benefit of wildlife.

The National Wildlife Refuge System was established in an effort to protect diminishing habitats for a wide variety of wildlife species. These habitats are constantly being encroached upon by human activity. Many of the wildlife refuges protect habitats that are almost nonexistent outside the refuges. Many of the species of wildlife existing today on these refuges would have been eliminated if these refuges were not available.

To transfer three western refuges to the Bureau of Land Management would be utter folly. The purpose of the BLM is one of multiple use of its lands. Wildlife refuges do not adapt themselves to multiple use since the reasons for their existence is that the species thereby protected cannot tolerate man's activities. Multiple use calls for mineral exploration and exploitation, grazing, farming, and energy development, to name a few. These are incompatible with wildlife species that demand remote spaces and large amounts of undisturbed habitat.

If this amendment is adopted, we might as well discontinue discussion of H.R. 5512 and propose a new bill that would disband the National Wildlife Refuge System. If this amendment passes, the administration will have the precedent for immediately transferring all wildlife refuges to the BLM and to the multiple use concept. The BLM already "manages" huge amounts of the Nation's public lands—let us save a few acres for our wildlife heritage so that future generations will know what a wild animal looks like.

Anyone who has ever admired the independence, the freedom, the beauty of a wild animal cannot accept this amendment. I most sincerely urge every one of my colleagues to oppose this amendment for the sake of our Nation.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FORSYTHE. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I rise in strong opposition to the Steiger amendment to the bill to amend the National Wildlife Refuge System Administration Act of 1966 (H.R. 5512).

The amendment is drafted to provide that the Kofa Game Range in Arizona, the Charles Sheldon Antelope Range in Nevada and Oregon, and the C. M. Russell National Wildlife Range would be exempt from the provisions of this bill and come under the jurisdiction of the Bureau of Land Management rather than the U.S. Fish and Wildlife Service. I must strongly oppose this measure.

As a member of the Migratory Bird Conservation Commission, I have been involved in oversight of the National Wildlife Refuge System. It has been hard enough to protect this great national system even with the U.S. Fish and Wildlife Service managing the refuges. These wildlife areas are regularly assaulted by those who want to build a highway through a refuge, increase livestock grazing or allow oil development. The Fish and Wildlife Service has been able to strike a balance between these land uses and the needs of the wildlife.

The Bureau of Land Management, on the other hand, has demonstrated little ability to keep wildlife habitat in good condition.

The Bureau of Land Management reported earlier this year that 55 percent of its big game habitat, 56 percent of its small game habitat, and 51 percent of its stream habitat were in unsatisfactory condition, and all were getting worse. I should further like to point to a statement in the RECORD of July 23, 1975, page 24350, where we find statements by the Chief of the Bureau of Land Management's Chief of the Division of Wildlife to the effect that there is "an accelerating trend in the deterioration of wildlife habitat" managed by the Bureau. At that same page the gentleman from California (Mr. EDWARDS) cites the BLM Division of Wildlife Chief as stating that "all BLM big game habitat would be unsatisfactory by 1990."

It is clear that the Bureau of Land Management does not place wildlife conservation at the top of their priorities. This is said not in criticism but in reality. Conservation of wildlife is not the predominant statutory responsibility of the Bureau of Land Management as it is for the U.S. Fish and Wildlife Service. In support of this I should like to quote a September 9, 1975, statement of Curt Berklund, Director of the Bureau of Land Management on this issue. He said "Energy is the Bureau's No. 1 priority, grazing is the second."

Passage of the Steiger amendment could well give wildlife conservation on these three wildlife ranges the back seat to exploitation of energy resources.

During hearings of the Subcommittee on Fisheries and Wildlife Conservation of the House Committee on Merchant Marine and Fisheries the gentleman from Michigan (Mr. DINGELL), pointed out that the U.S. Fish and Wildlife Service, the Under Secretary and the Deputy Assistant Secretary for Land Management all favored retaining the Kofa Range in Arizona to remain under the jurisdiction of the U.S. Fish and Wildlife Service. These recommendations were passed over by then Secretary Morton who assigned Kofa to the Bureau of Land Management. Secretary Morton overruled similar objections with regard to the Antelope Range and the C. M. Russel Wildlife Range. I should further like to advise that as of this date no environmental impact statement has yet been filed.

As the gentleman from California (Mr. EDWARDS) has pointed out previously on the floor—RECORD at page 24350, July 23, 1975—only 1 percent of the Bureau of Land Management budget is devoted to wildlife management.

I should finally like to address myself to the question of the statutory authority of the Secretary of the Interior to transfer these wildlife ranges from the U.S. Fish and Wildlife Service to the Bureau of Land Management. This is extremely controversial—it is the subject matter of a civil action in the U.S. district court for the District of Columbia, *Wilderness Society et al.* v. *Hathaway*, in docket No. CA. 75–1004. I should like to advise that on July 28, 1975, the court issued a preliminary injunction against the Department of the Interior from allowing the transfer. The preliminary findings of fact and conclusions of law make it clear that such a move is questionable and will prove to be of imminent danger to the well being of the animals in the ranges.

This Steiger amendment is clearly intended to obviate the pending case in the courts. It is in the nature of an ex parte action and is clearly irresponsible legislation. As an attorney, Congressman, environmentalist, conservationist, and cosponsor of this bill—I oppose this untimely and ill-advised pie amendment.

I urge my colleagues to defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. STEIGER).

The amendment was rejected.

The CHAIRMAN. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. YATES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes, pursuant to House Resolution 797, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HARKIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 341, nays 10, not voting 82, as follows:

[Roll No. 701]

YEAS—341

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clay
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conte
Conyers
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Mazzoli
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pettis
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Ruppe
Russo
Ryan
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Simon
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Steed
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Traxler
Treen
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Weaver
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—10

Clawson, Del
Haley
Johnson, Colo.
McKay
Meeds
Melcher
Santini
Steiger, Ariz.
Wiggins
Young, Alaska

NOT VOTING—82

Abdnor
Andrews, N. Dak.
Armstrong
Badillo
Bell
Bergland
Boggs
Brooks
Broomfield
Broyhill
Burke, Fla.
Casey
Clancy
Cleveland
Conable
Conlan
Corman
Cotter
Dent
Diggs
Duncan, Oreg.
Eckhardt
Erlenborn
Esch
Eshleman
Fary
Flynt
Fraser
Gaydos
Giaimo
Hammerschmidt
Hansen
Harrington
Hays, Ohio
Horton
Howard
Jacobs
Karth
Keys
Krueger
Landrum
Lujan
McClory
McEwen
Macdonald
Martin
Mathis
Matsunaga
Metcalfe
Milford
Mosher
Moss
Nichols
O'Neill
Pattison, N.Y.
Peyser
Pickle
Quillen
Rhodes
Riegle
Roberts
Rogers
Rosenthal
Roybal
Runnels
St Germain
Sikes
Sisk
Stanton, James V.
Stark
Steelman
Stephens
Symms
Teague
Thompson
Tsongas
Udall
Van Deerlin
Waxman
Whalen
Wilson, Tex.
Zeferetti

The Clerk announced the following pairs:

Mr. Dent with Mr. Bell.

Mr. Thompson with Mr. Brooks.

Mr. O'Neill with Mr. Bergland.

Mr. Matsunaga with Mr. Armstrong.

Mr. Pattison of New York with Mr. Broyhill.

Mr. Badillo with Mr. Erlenborn.

Mr. Zeferetti with Mr. Corman.

Mr. Hays of Ohio with Mr. Esch.

Mr. Krueger with Mr. Burke of Florida.

Mr. Howard with Mr. Diggs.

Mr. Cotter with Mr. Abdnor.

Mr. Eckhardt with Mr. Fary.

Mr. Casey with Mr. Broomfield.

Mr. Giaimo with Mr. Runnels.

Mrs. Keyes with Mr. Andrews of North Dakota.

Mr. Landrum with Mr. Quillen.

Mr. Duncan of Oregon with Mr. Harrington.

Mr. Macdonald of Massachusetts with Mr. Flynt.

Mr. Riegle with Mr. Jacobs.

Mr. Gaydos with Mr. Roberts.

Mr. Mathis with Mr. Clancy.

Mr. Metcalfe with Mr. Karth.

Mr. Moss with Mr. Pickle.

Mrs. Boggs with Mr. Lujan.

Mr. Nichols with Mr. Martin.

Mr. Rogers with Mr. Cleveland.

Mr. Rosenthal with Mr. McClory.

Mr. Sikes with Mr. Fraser.

Mr. Roybal with Mr. McEwen.

Mr. Sisk with Mr. Conlan.

Mr. James V. Stanton with Mr. Eshleman.

Mr. Stark with Mr. Milford.

Mr. Teague with Mr. Conable.

Mr. Waxman with Mr. Peyser.

Mr. Van Deerlin with Mr. Symms.

Mr. Stephens with Mr. Hammerschmidt.

Mr. Udall with Mr. Steelman.

Mr. Tsongas with Mr. Hansen.

Mr. Charles Wilson of Texas with Mr. Whalen.

Mr. Horton with Mr. St Germain.

Mr. BALDUS changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 5512, just passed by the House.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. ASHLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10031) to amend the Defense Production Act of 1950.

The SPEAKER. The question is on the motion offered by the gentleman from Ohio (Mr. Ashley).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10031, with Mr. Gibbons in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Ohio (Mr. Ashley) will be recognized for 30 minutes and the gentleman from Connecticut (Mr. McKinney) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. Ashley).

Mr. ASHLEY. Mr. Chairman, the Defense Production Act is basically a preparedness measure. Its original titles provide for programs which will improve the readiness of the Nation's industrial base in peacetime and for programs which can be initiated or expanded in the event of mobilization.

The importance of this legislation to our national preparedness and national defense cannot be overemphasized. It contains the basic authorities provided the President to act in stimulating production and in assuring priority use of vital supplies should the Nation be faced with a serious emergency at any time. It contains provisions that would require immediate implementation should the Nation be attacked or otherwise have to move quickly to full wartime preparedness. It also provides necessary support to current defense production of key weapons systems and other essentials.

The untimely lapse of the act not only could seriously jeopardize essential defense and atomic energy programs, but could cause serious slippage in meeting the tight construction schedules for the Alaska pipeline and delay the starting time for the delivery of much needed crude oil from Alaska's North Slope.

Among the more significant of the ongoing programs are the Defense Priorities System, the Defense Materials System, the Machine Tool Trigger Order Program, the borrowing authority established for the expansion of productive capacity and supply, the Defense Production Act Inventory, the National Defense Executive Reserve, and the authority to grant immunity from antitrust action for voluntary agreements requested by the President.

While the Congress has made substantial alterations in the act over its lifetime—deleting the titles authorizing wage and price stabilization, labor dispute settlement, and control of consumer and real estate credit and adding titles authorizing uniform cost accounting standards and a temporary National Commission on Supplies and Shortages—the basic provisions relating to industrial production for the national defense have remained unchanged. The Congress has regularly seen fit to extend the life of these basic authorities, normally at intervals of 2 years, ever since original enactment in 1950. Without this extension, the Nation's sole authority for industrial preparedness for mobilization would lapse and the readiness programs cited above would be terminated.

The principal purposes of H.R. 10031, the "Defense Production Act Amendments of 1975," are three-fold. The major purpose is to extend for the customary period of 2 years the titles of the Defense Production Act of 1950, as amended. These titles provide the authority for a number of programs aimed at maintaining the national defense industrial production base, at preparing mobilization programs, at providing uniform cost accounting standards for contractors, and at examining national policy with regard to materials supplies and shortages.

A second purpose of H.R. 10031 is to amend section 708 of the Defense Production Act. Section 708 provides authority for the granting of immunity from antitrust action to voluntary agreements, which the President may request from representatives of industry, business, financing, agriculture, labor and other interests in order to further the objectives of the act. The amendments provide for strengthened procedural safeguards for the development and implementation of voluntary agreements, in order that exemptions from antitrust immunity may not be granted without adequate assurance that they are in the best interest of the Nation as a whole.

The giving of antitrust immunity, by statute, to participants in such voluntary agreements is extraordinary and should be accompanied by detailed procedural safeguards.

The purpose of section 708 of the Defense Production Act is to authorize voluntary agreements among defense contractors and others "to help provide for the defense of the United States through the development of preparedness programs and the expansion of productive capacity and supply beyond levels needed to meet essential civilian demand."

Agreements of this sort would ordinarily contravene the antitrust laws, so a new section 708(i) would provide a defense to the antitrust laws for acts or omissions taken in the course of developing, or taken pursuant to, an authorized voluntary agreement. The defense is qualified by the requirement that the acts or omissions must be taken "in good faith."

The purpose of section 708(i) is to allow participants in a voluntary agreement who adhere to the agreement, fully comply with the act and the regulations promulgated thereunder, and act in good faith, to have an affirmative defense under this act from prosecution under the antitrust laws.

"Good faith" means an honest intent to comply with the law and not to seek an unconscionable advantage. It means to act without subterfuge. It means that the motive that actuated the conduct in question was in fact what the actor ascribes to it.

The meetings called to develop voluntary agreements should not be used as a forum for reaching agreements which exceed the scope of the proposed agreement defined by the appropriate Government official at the outset.

Thus, if an act or omission does not appear to come within the ambit of an agreement, an interested party or the Government might bring an antitrust action, and the defendant company could demonstrate its good faith by disclosing records pertinent to the development or carrying out of voluntary agreements. Such records should include all items such as minutes and other documents from the meetings, corporate memoranda about the meetings, communications with other participants in the meetings and similar evidence that would demonstrate the conformity of the act or omission to the agreement or proposed agreement. In addition, all documents, memos, records, phone logs, meeting logs, minutes of conferences, telex messages, telegrams, and letters that are generated outside of or after the public meetings—and which relate to the development or implementation of a voluntary agreement or program—must be made available to the Government or any interested party.

The Banking Committee has worked closely with the House Committee on the Judiciary in the drafting and consideration of the antitrust provisions of this legislation. We have solicited the suggestions and assistance of Mr. Rodino, chairman of the Subcommittee on Monopolies and Commercial Law, and chairman of the full committee, and have included those provisions of the legislation which he has suggested. The Banking Committee wishes to express its appreciation to Mr. Rodino for his assistance on this legislation.

In terms of the specific provisions of the Defense Production Act Amendments of 1975, the justification for extending the act for 2 years seems self-evident. It will continue to give the Congress the opportunity to review and, where necessary, amend the Defense Production Act on a regular, biennial basis.

The procedural steps provided for in section 708 as amended and added by H.R. 10031 are aimed at providing a mechanism whereby the national interest in preserving a free enterprise economy can be weighed against other imperatives, such as military preparedness and energy shortages, and a determination can be made, in specific situations, as to which national objective should prevail in terms of taking specific actions. These procedures also seek to ensure that such immunity from the antitrust laws extends only to those actions absolutely essential to meeting the goals which are considered to override normal antitrust restraints.

Unlike the present law, the bill sets forth strong procedural safeguards—attendance of Federal officials at all meetings held to develop or carry out voluntary agreements, extensive participation by the Attorney General, the Chairman of the Federal Trade Commission, the administrator of the voluntary agreements, the Secretary of State, and affords an opportunity for interested persons to attend such meetings and to examine minutes and other data related to such agreements.

The mechanisms established in section 708 as amended and added by H.R. 10031 require review of regular reporting on voluntary agreements and actions stemming therefrom by the appropriate officials of Government, so that the appropriate balance between the antitrust interest and the national defense interest can be monitored and maintained.

Mr. Chairman, the bill also amends section 720 of the Defense Production Act, which authorized the creation of the National Commission on Supplies and Shortages, by further extending the life of the Commission from October 1, 1976, to March 31, 1977, and amending the authorization of appropriations for the Commission from $500,000 to $1,484,000. The bill provides that the Commission shall report not later than December 31, 1976, to the President and the Congress on specific recommendations to aid in the examination and analysis of the supplies and shortages in the economy of the United States and in relation to the rest of the world.

Mr. Chairman, this is urgently needed legislation essential to our defense preparedness and ought to be adopted by the House now.

Mr. RODINO. Mr. Chairman, H.R. 10031 does not grant immunity from the antitrust laws to participants in voluntary agreements or programs established under the Defense Production Act of 1950 unless they are in "good faith." This requirement of "good faith action" is not vague, unusual, or burdensome. It is presently to be found in 335 sections of the United States Code, which are spread throughout 35 of the 50 different subject titles of the code. Indeed, the sheer number of times that the phrase is found in Federal statutes indicates that the term is both very common and not difficult for the courts to interpret. It should also be pointed out this "good faith" test does not require the impossible; that is, it does not require the oil companies, or any other participants in these programs, to prove a negative by proving the absence of any bad motive on their part.

A good number of its usages are relevant. At least 33 statutes grant immunity for actions "taken or omitted in good faith" to comply with, in reliance upon, or in conformity with statutes, regulations, administrative orders, opinions, or other rulings. Additionally, the phrase is applied to all collective bargaining efforts covered by Federal labor laws. Good faith is also contained in the Robinson-Patman Act, and while it is true that the term is modified by other language, much of this other language was created to narrow the availability of the defense.

For example, 42 U.S.C. 2000e-12(b), governing discriminatory employment practices, provides that—

> In any action based on any alleged unlawful employment practice, no person shall be subject to any liability or punishment on account of (1) the commission by such person of an unlawful employment practice *if he pleads and proves that the act or omission complained of was in good faith,* in conformity with, and reliance on any written interpretation or opinion of the (Equal Employment Opportunity) Commission. . . .

Similarly, 29 U.S.C. 259(a) of the Portal to Portal Pay Act provides that in certain actions to recover a minimum wage, "no employer shall be subject to any liability or punishment—if he pleads and proves that the act or omission complained of was in good faith in conformity with and in reliance on any written administrative regulation, order, ruling, approval, or interpretation" of the Department of Labor.

As a final illustration, 18 U.S.C. 2520, authorizing civil damages for illegal wiretapping, provides that—

> Good faith reliance on a court order or legislative authorization shall constitute a complete defense to any civil or criminal action brought under this chapter or under any other law . . .

In conclusion, any grant of antitrust immunity is extraordinary, and it should for that reason be carefully and narrowly drawn. I think that the careful procedures set forth in H.R. 10031, together with the requirement of "good faith action," substantially accomplish this vital goal.

Mr. ASHLEY. Mr. Chairman, I thank the very distinguished gentleman from New Jersey, with whom I have worked closely on this matter.

What is involved of course is a balance of interests as far as the United States is concerned because on the one hand we most certainly want to prevent vigorously any monopoly or anticompetitive practices that are attempted in our competitive society. On the other hand we do want to make provision for these kinds of voluntary agreements that are necessary to carry out the purposes of the act. This does require a delicate balance. I am frank to say that without the guidance of the chairman and the full Committee on the Judiciary we would not have been able to strike what I think is a good balance to the extent it has been done in the legislation which is before us. I do thank the gentleman very warmly for his help.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague yielding.

Could the gentleman define for us why it is necessary or justifiable to increase the amount from $500,000 to $1.4 million? That is quite a jump. What is this Commission doing that is so extraordinary, that they need that kind of increase?

Mr. ASHLEY. Let me, if I may, yield to the gentleman from California (Mr. Rees) who has been closely associated with this Commission and is a member thereon.

Mr. ROUSSELOT. I thank the gentleman.

Mr. REES. Mr. Chairman, the gentleman from Ohio (Mr. Stanton) and I are two members of the Commission from the House of Representatives. The purpose of the Commission is to look into our down-the-line depending on natural resources. We created this Commission and then there was about a 9- or 10-month delay because the administration did not appoint the private sector members. The private sector members were appointed in August and the Commission had its first meeting in September. It was felt that since the initial $500,000 had never been utilized, that it would be best to put a fixed termination date on the Commission, which would be March 31, 1977, and to authorize the appropriation for the entire life of the Commission.

That was decided at a meeting with Mr. Lynn, of the Office of Management and Budget, who was there, as a member of the Commission, and that was more or less approved.

Mr. ROUSSELOT. So this is an authorization for a longer 2-year period?

Mr. REES. It is, because there was a delay originally in appointing the Commission, so it was decided that the authorization should be for the entire life, and not just for a period of a year.

Mr. ROUSSELOT. So the annual expenditure will be anticipated of roughly $700,000?

Mr. REES. Yes.

Mr. ROUSSELOT. The gentleman is saying not $500,000 for a year, but from $500,000 to $700,000?

Mr. REES. Yes. That is what they felt was necessary for the staffing of the Commission.

Mr. ROUSSELOT. Are these members on the Commission of Defense Production paid salaries?

Mr. REES. No. The Commission members, I believe, are paid, I am not sure, I do not have the Defense Production Act here.

Mr. ROUSSELOT. Is it a per diem Forum of Consideration?

Mr. REES. I think it is a per diem situation. They are not paid on a permanent basis. They are paid for the meetings they go to.

Mr. ROUSSELOT. Mr. Chairman, I thank both my colleagues.

Mr. ASHLEY. Mr. Chairman, let me say that both the majority and the minority worked very closely on this legislation. My recollection is that there was not a dissenting vote against it when it was reported by the subcommittee and the same is true when it was reported by the full committee.

It is urgently needed legislation, essential for Defense preparedness. I would hope it would be passed by this body with prompt dispatch.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague yielding.

Now, we had a great deal of discussion in this Congress and in the past Congress about more accountability and more sunshine and all that kind of thing. Why does the Commission itself consider it necessary to be exempted from the normal public disclosure and advertising provisions of the law that normally apply to this kind of thing?

Mr. ROUSSELOT. I wonder if my colleague, the gentleman from California (Mr. Rees) could explain in a little more detail the reason and necessity for these exemptions?

Mr. REES. Mr. Chairman, if the gentleman will yield, the exemptions were required by the Commission and then I had a note from the Budget Committee that they wanted me to strike line 4, section 3648, revised statutes, and so forth, from the bill. I had agreed to that amendment and had an amendment at the desk.

Mr. ROUSSELOT. Mr. Chairman, I appreciate my colleague's response. I am not sure that I fully appreciate the reason for these exemptions and why the Commission requested them. I certainly do not want to interrupt my colleague further.

Mr. REES. Mr. Chairman, the Commission is not known as one of the most dynamic agencies in the Federal Government.

Mr. ROUSSELOT. Well, that is an interesting statement. It appears to me we need to strike this portion of the bill and I will do so when we reach the amendment stage.

Mr. McKINNEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as ranking minority member of the Economic Stabilization Subcommittee, I wish to associate myself with the comments of Mr. Ashley.

This most important piece of legislation extends the Defense Production Act for a 2-year period and modifies rules for the development and implementation of agreements designed to maintain our defense production capacity and supply in times of emergency.

However, most importantly, the committee has provided for strengthened procedural safeguards for the development of voluntary agreements, in order that exemptions from antitrust immunity may not be granted without adequate assurance that they are in the best interest of the Nation. The bill would allow participants in a voluntary agreement, who, adhere to the agreement, fully comply with the act and the regulations, and act in good faith, to have an affirmative defense from prosecution under the antitrust laws.

Without such safeguards the many firms who join together in what would ordinarily be considered "actions in restraint of trade," would be liable under antitrust law and would be unwilling and unable to participate in a program so important to the security of our Nation.

The antitrust provision of section 708 represents a careful and proper balance between a desire to accomplish the immediate purpose of the Act, namely, the maintenance of defense production capacity, and the need to protect the public from anticompetitive practices.

Unlike the present law, the bill sets forth strong procedural safeguards—attendance of Federal officials at all meetings held to develop or carry out voluntary agreements, extensive participation by the Attorney General, the Chairman of the Federal Trade Commission, the administrator of the voluntary agreements program, and, in the case of international voluntary agreements, the Secretary of State, and affords an opportunity for interested persons to attend such meetings and to examine agreements.

These safeguards were thoroughly studied and developed by the subcommittee in close contact with all of the agencies concerned with the implementation and supervision of these voluntary agreements.

In addition Mr. Rodino and his Subcommittee on Antitrust and Monopolies have been most cooperative in providing assistance in clarifying any language definitional problems in this most complex area of the law.

Therefore, Mr. Chairman, I urge our colleagues to support this most important piece of legislation knowing that the delicate balance between the protection of the public interest and continual emergency preparedness of this Nation has been embodied in H.R. 10031.

Mr. GONZALEZ. Mr. Chairman, will the distinguished gentleman yield for a question?

Mr. McKINNEY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, the gentleman was referring to antitrust laws. Under this act, may I ask which antitrust provisions are being suspended?

Mr. McKINNEY. I would refer the gentleman, I think, to the author of this particular chapter for the answer to that question. I yield to the gentleman from California (Mr. Rees).

Mr. REES. Mr. Chairman, in answer to the gentleman's inquiry, it would be basically the Sherman and Clayton Acts. They are listed on page 2, and there are six different acts that are suspended in terms of voluntary agreement.

Basically, they are those acts that affects antitrust laws in the United States. That is the purpose of the voluntary agreement, to have a very strictly supervised agreement where there would be a waiver of the antitrust law. In the act it states that there shall be a representative of the Federal Government at the original meeting when they set up the agreement, and also attend every meeting in dealing with the agreement.

Mr. GONZALEZ. If the gentleman will yield further, who is going to be that representative from the Federal Government?

Mr. REES. The representative is a designee of the President, and also can be the Attorney General or the Chairman of the Federal Trade Commission. We already have voluntary agreements. The purpose of this act is to tighten up the voluntary agreement act to see that there will be someone representing the public at the meetings and all rulemaking sessions of voluntary agreement.

Mr. GONZALEZ. But we do now have a suspension of antitrust provisions?

Mr. REES. Yes, we do.

Mr. GONZALEZ. Then why is this provision in this bill? Why is it needed?

What this is, this is essentially a recodification of the present act, and the reason we recodified it is that we wanted to rewrite it and we also wanted to make it very specific, and we wanted to put in the restrictions as to what those people would have to do who were participating in the voluntary agreement. As the law is now, the Defense Production Act already allows for this suspension.

Mr. McKINNEY. Mr. Chairman, I am going to reserve the balance of my time because I have several requests.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman's yielding to me.

On page 17 of this bill, we see the following:

> "(3) The Commission is authorized to contract with public or private agencies, institutions, corporations, and other organizations and with individuals without regard to section 3648, Revised Statutes (31 U.S.C. 529), and section 3709, Revised Statutes (41 U.S.C. 5), for purposes of this Act.".

The problem with that provision is that it exempts this Commission from the normal advertising procedures which would have to be followed by any other agency.

Can we all be enlightened as to why this Commission needs that kind of exemption? We are constantly criticized in the Congress because we do not put enough careful definitions and restrictions on some of these commissions. Then later we find out they are letting contracts, and no one knows what they are doing.

Can the gentleman explain?

Mr. REES. Mr. Chairman, if the gentleman will yield, the reason the Commission wanted this exemption is that it will be a relatively short-lived Commission, and it would be very difficult to go through all of the procedures of competitive bidding to get minimal consulting services that they wanted to contract for. So they asked that they be given this Commission, that the Commission will self-destruct in about a year and a half. We do not want to build up a large Federal bureaucracy in this Commission.

Mr. ROUSSELOT. I do not disagree with that. But if the services for which they are going to be contracting are so minimal, then they will fall under the limits of existing law 41 U.S.C. sec. 5, which has a $10,000 threshold. As for larger contracts, I do not see why advertising procedures to satisfy the law would be so difficult to follow; and if deadlines were put on for a month or 2 months I do not see why we should be exempting them from the present United States Code.

We are constantly criticized as a Congress that we give agencies undue powers, and no one seems to know when and why they are letting contracts. This is where we get into trouble. Why should the National Commission on Supplies and Shortages be treated any differently from any other commission? I know they have asked for this authority, obviously.

Mr. REES. If the gentleman will yield further, their reason was that the types of services they get are technical services dealing with technical aspects of supplies, raw materials, et cetera, that they wanted to get these services as soon as possible because there has been a delay in putting together a staff. We thought it would be far cheaper.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SCHULZE. Mr. Chairman, I yield 1 additional minute to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Chairman, I thank my colleague for yielding.

So far as the technicality of the kind of contract work that is needed, there are plenty of trade journals which carry the advertising on a regular basis. The procedure which I am suggesting should be followed is not an unusual one, and provides special exemptions for highly technical work.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. ROUSSELOT. I will yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, I thank the gentleman for yielding.

I will point out to the gentleman that the statute which is sought to be waived completely here already allows a partial waiver for obtaining contracts for technical information and for professional services. This wide-open waiver allows this agency to contract for almost any kind of goods or services in amounts of $10,000 and over; anything up to $10,000, they already do not have to advertise. These waivers are usually used in cozy relationships where commission members or agencies want to place business with friends or others. It would be very easy to do so without going through the process now required by Federal law. That is the crux of the matter.

Mr. SCHULZE. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. Coughlin).

Mr. COUGHLIN. Mr. Chairman, section 712 of the Defense Production Act authorizes the Joint Committee on Defense Production, and I think it is important not to confuse that Joint Committee on Defense Production with the National Commission on Supplies and Shortages.

When the Joint Committee on Defense Production came before the Legislative Appropriations Subcommittee with its supplemental request for additional staff, many of the members of the Legislative Subcommittee raised serious questions as to what that Joint Committee on Defense Production did and why it was necessary. Originally the Joint Committee on Defense Production was created back in 1950 to oversee the administration of the act and to help to evaluate the needs and demands that the Korean war placed on the economy and to forestall the possibility that certain resources would not be available for defense purposes. The committee has been in existence ever since that time.

When we inquired as to what the Joint Committee on Defense Production had done in recent years, we found that in fiscal year 1972, for example, the Joint Committee held 3 days of hearings, it prepared 5 studies, and it prepared the 21st annual report.

In fiscal year 1973 the Joint Committee on Defense Production held no hearings, it monitored 3 days of hearings by other committees, and it prepared the 22d Annual Report.

During fiscal year 1974 the Joint Committee on Defense Production held no hearings, and it prepared the 23d Annual Report; and during fiscal year 1975 the Joint Committee on Defense Production held no hearings but prepared another report, the 24th annual report.

Mr. Chairman, what is the nature of the reports that were prepared? From what I have best been able to observe, what the Joint Committee on Defense Production did each year was to write all of the various departments and agencies and ask them what they were doing to implement the Defense Production Act, and then it took the responses from all of those departments and agencies and compiled them in a book and put that beside the book of the previous year.

It is very questionable to me whether anyone has ever read any of those books, and I challenge my colleagues as to what they know and what they have heard about the Joint Committee on Defense Production and as to what they know about the reports it has made and the annual reports it has compiled.

In fact, Senator Proxmire, who is now the vice chairman of the Joint Committee on Defense Production, said last year the following, and I quote:

> As usual, I find the annual report very difficult to digest. It seems disjointed and certainly not a little difficult to read. Perhaps this is the consequence of compiling the submissions of the various agencies involved instead of an attempt to analytically distill the information.

Mr. Chairman, I submit to the Members that when we in this body talk about frugality, we should recognize that perhaps frugality should begin at home, and perhaps it could begin with the Joint Committee on Defense Production, which is a vestigial element of something that happened back during the Korean war but which has carried on for years since.

At the proper time I may introduce an amendment which would in fact provide that that agency, the Joint Committee on Defense Production, self-destruct on July 1, 1976.

Mr. ASHLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from South Carolina (Mr. Derrick).

Mr. DERRICK. Mr. Chairman, I would like to address a question to the manager of this bill: Am I correct in my understanding that nothing in this measure would permit the entering into contracts or assuming of any other obligations prior to obtaining appropriations through an Appropriations Act?

Mr. ASHLEY. Mr. Chairman, the gentleman raises a good question.

It has been brought to my attention recently that in the basic authority in the bill there has been, over the years, certain contract authority that might obviate the appropriations process. For that reason, I am going to offer an amendment that would strike that language so that there will be no question whatever but that the appropriations process must be followed.

Mr. DERRICK. Mr. Chairman, I thank the gentleman for his answer. As a member of the Budget Committee, I was concerned that the provision at the top of page 17 of the bill might have been construed to authorize payments in advance of appropriations. The gentleman has reassured me on that point.

Mr. ASHLEY. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. Gonzalez).

Mr. GONZALEZ. Mr. Chairman, I rise principally for the purpose of asking a couple of questions, because it seems to me that if I interpret the sections correctly, the attempts that are being made in other areas do away with the antitrust provisions or antimonopoly provisions of Sherman-Clayton and the amendments to Clayton, such as the Robinson-Patman, which are, in effect, being sanctioned right here.

It seems to me that it might be safer if this committee were to ask for a simple extension of the act for 2 years.

Mr. ASHLEY. Mr. Chairman, may I ask the gentleman why.

Mr. GONZALEZ. Let me ask the gentleman a question. On page 3, subsection (2) says:

> The authority granted to the President in paragraph (1) may be delegated by him to individuals who (1) are appointed by and with the advice and consent of the Senate, or (2) are holding offices to which they have been appointed by and with the advice and consent of the Senate.

Mr. ASHLEY. Mr. Chairman, I do not understand what the problem of the gentleman is.

The Defense Production Act, without any amendments, without what we are doing today, provides for voluntary agreements. The authority makes it clear, and it has been on the statute books for some years and has been made use of. It is clear that the authority is to be utilized at the behest of the President, who can delegate the responsibility for the promulgation and implementation of a voluntary agreement where the President finds this to be necessary to our national security.

Mr. GONZALEZ. That is true, but then we would not have put in section 708(a) on the first page, section (3) of section 708, where each of the exemptions is provided.

What I am saying is that the language with respect to those exemptions is very, very general and dangerous because, obviously, this must have been anticipated. I say that because when we go to page 11, we have subsection (j), which says, "The Attorney General and the Federal Trade Commission." Incidentially, both are dedicated right now to either doing away with or to diluting the antitrust features.

Mr. ASHLEY. I make no such assumptions.

Mr. GONZALEZ. I am not making an assumption. I am stating a fact. They are now processing presentations that we are sure they are going to present to the Congress. They have some suggested changes that have been given us in another committee to the effect that that is what they are asking.

Obviously that is feared as a result of the enactment of these amendments because it says that the Attorney General and the Federal Trade Commission shall each make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power.

In other words we are saying, go ahead, and maybe this will bring about this undue concentration, maybe it will eliminate more businesses than we are hearing about in an endless litany day after day in our subcommittee. Then we must have a study, if that happens. A study by whom? By the Attorney General and the Federal Trade Commission who are the ones who are doing it to begin with.

Mr. ASHLEY. If the gentleman will yield, Mr. Chairman, I must say that I am most surprised at the vehemence of the gentleman from Texas. The gentleman serves on the full committee. The gentleman was there the day we marked up the bill in the full committee and reported it out without a dissenting vote. Whence cometh this sudden change?

Mr. GONZALEZ. If the gentleman from Ohio will read the RECORD he will find I was presiding over another committee hearing on a cross section of American small businessmen, about how they are being threatened with extinction, so I could not be there for the markup.

Mr. ASHLEY. Further, I did not find any dissenting views by the gentleman. All I am saying is that this is the first time that the gentleman has brought his views to the attention of either the subcommittee or the full committee.

Mr. GONZALEZ. In all truth this is the first opportunity I have had to put my hands on the perfected bill. But that has nothing to do with whether my presence was there or not. We have this bill here and now, alive and kicking. Are my contentions correct or incorrect? That is what I wish to address myself to.

Mr. ASHLEY. Mr. Chairman, if the gentleman will yield further, I will say they are incorrect for this reason that the amendments to section 708 seek to do two things, they seek to assure that the procedures that are followed in the promulgation and implementation of a voluntary program come under a long and intense and continuing scrutiny.

A voluntary agreement is no license to steal or to take advantage of the antitrust, anticompetitive laws of the United States. On the contrary, we subject to a magnifying glass the actions that are taken pursuant to a voluntary agreement.

Mr. GONZALEZ. Mr. Chairman, let me ask the gentleman from Ohio for some assurances. Let me put it this way: I respect the competence of the gentleman from Ohio and I do not consider the gentleman to be an enemy of small enterprises or small businesses. I am disturbed by this section here which obviously is there because somebody thinks there might be some problems about undue concentration.

Mr. ASHLEY. The gentleman is absolutely right. We are concerned that there might be.

Mr. GONZALEZ. Therefore let me ask the gentleman this, if he can assure us, and I mean insofar as he can, because I know that he cannot go further than that and that is why I say insofar as he can assure us, assure us that the amendments in this act which actually constitute the bulk of this bill that is here presented, are not in any way whatsoever intended to dilute or to ameliorate against an effective compliance with the Sherman-Clayton and Robinson-Patman Acts?

Mr. ASHLEY. Yes, I will give the gentleman that absolute assurance. I will say to the gentleman that the existing law with the provisions of section 708 was much looser and the gentleman has every reason to be alarmed at that. The purpose of the amendments to section 708 in the present bill before us is to tighten up the provisions for the very reasons the gentleman suggests.

Mr. GONZALEZ. Mr. Chairman, I am delighted. That is the reason I am asking the questions because I think they should be fully brought out for the RECORD.

Mr. SCHULZE. Mr. Chairman, I yield 8 minutes to the gentleman from Illinois (Mr. ANDERSON).

Mr. ANDERSON of Illinois. I thank the gentleman from Pennsylvania for yielding.

Mr. Chairman, the amendment which I will offer is relatively simple and, I think, necessary. My amendment would require the Cost Accounting Standards Board, which was established as an arm of Congress to promulgate uniform cost accounting standards for defense contractors and subcontractors, to prepare cost-benefit evaluations of all proposed cost-accounting standards, and major rules and regulations, and transmit these to the Congress at the same time the proposed standards, rules and regulations are transmitted.

Mr. Chairman, I think this amendment is necessary for two major reasons. First, the CASB is under the legislative, rather than the executive branch, and we therefore have a very special responsibility for its conduct. While the President has required all executive branch departments and agencies to prepare inflationary impact statements on all major legislation and regulations proposed by them, we in the Congress have not done so with respect to our own Cost Accounting Standards Board which does make rules and regulations which are binding on all defense contractors and subcontractors doing business with the Federal Government. I have therefore drafted this amendment, drawing mainly on Executive Order No. 11821, and OMB Circular No. A-107 which prescribes guidelines for the implementation of the Executive Order. The President's Executive Order 11821 of November 27, 1974, grew out of the White House Conference on Inflation last fall which revealed the extent to which Government rules and regulations do have an impact on inflation. It seems to me that a rulemaking agency of the legislative branch has similar inflationary potential and therefore should not be immune from similar inflationary evaluation reporting requirements.

Second, Mr. Chairman, we have a very special responsibility to perform under section 719 of the Defense Production Act. Subsection (h)(3) gives the Congress the responsibility for reviewing all proposed cost-accounting standards and rules and regulations of the Cost Accounting Standards Board. And, within 60 days after those standards, rules or regulations are transmitted to us, we may, by adoption of a concurrent resolution, disapprove them. It therefore seems to me that we must have all possible available data, not only on the rationale for the proposed standards, rules and regulations, but also on their probable impact on businesses, Government and the economy. The adoption of my amendment would insure that we will have that necessary information on which to base our decisions.

Mr. Chairman, I do not offer this amendment to in any way be frivolous, or simply for the sake of consistency with requirements now made of executive branch agencies. If I did not think these standards had some adverse impact, I would not be offering this amendment. But I have received letters from a firm in my district complaining that the CASB is not achieving the vast savings its proponents claimed it would, and moreover, it is putting awesome and costly new burdens on those businesses which are required to implement its standards, follow its rules and regulations, and file its required disclosure statements.

The firm in my district, which is by no stretch of the imagination a large company or major defense contractor, has provided me with a detailed assessment of how it is costing them to comply, to the letter, with the promulgated and proposed standards of the CASB. While I obviously have no independent means of verifying the estimates, I was nevertheless shocked to learn that the total one time charge came to $250,000, and the annual recurring costs amounted to $140,000. Multiply this by all the firms in this country which are subject to the CASB standards, and I think the potential inflationary impact would be considerable.

Mr. Chairman, I am not an expert in this area and have no way of knowing just how beneficial this Board and these standards are in comparison with what they are costing industry and the economy. That is why I am offering this amendment. I think we ought to know these things. I asked a representative of this firm to attend a CASB evaluation conference held in Chicago last June, and he did so. He reported back to me, and I quote:

> Generally, it was the opinion of those attending the conference and those presenting the papers, that little or no benefit had come from the first six standards. There is need for application of materiality judgments and investigation of cost impact before promulgation on all standards.

I wrote a letter to CASB Chairman Elmer B. Staats last June and asked him to comment on the complaints I received. He responded with a very detailed letter, and I think he ably presented his side, as he always does. Among other things, I had asked him whether the CASB should be required to prepare inflationary impact statements on its standards. He responded that the Board—

> Now and in the past has prepared equivalent statements and incorporated them in the prefatory comments which it issues with respect to each standard.

He went on to state:

> Under Public Law 91-379 the Board must, prior to promulgating a Standard, consider its probable costs and benefits.

Section 719(g) does indeed require that—

> In promulgating such standards the Board shall take into account the probable costs of implementation compared to the probable benefits.

But unfortunately, Mr. Chairman, the present law does not require a detailed evaluation of such matters; nor does it require that the Board submit such cost-benefit assessments to the Congress along with its proposed standards, rules, and regulations.

To quote again from a letter received from a firm in my district:

> As far as cost effectiveness or cost justification, the subject was very well covered by the speakers at the Evaluation Conference and it was judged that such studies had been inadequately performed.

And so, Mr. Chairman, I think there clearly is a need to write such a requirement into the law and to insure that we are provided with more detailed information on the probable impact of the actions taken by the CASB.

Mr. Chairman, I do not enjoy bringing up amendments on the floor which have not been considered in committee. But in my defense I think I should make two points. First, the amendment I am offering is virtually identical to the language now contained in the Executive order under which all executive agencies are now operating. And second, I did write to the chairman of the Subcommittee on Economic Stabilization, the gentleman from Ohio (Mr. ASHLEY), back on June 2, 1975, calling these matters to his attention. I regret that I have not yet received a response to that letter and that there are no oversight findings on the CASB contained in this report. In my letter, I urged that oversight hearings be conducted on the operation of the CASB, and I also suggested that a committee staff person might benefit from attending the evaluation conference in Chicago later that month. I also wrote, and I quote:

> Since it (CASB) is an arm of the Congress, it is exempt from the Executive Order requiring inflation impact statements on regulations, and the committee may wish to consider whether such a requirement should be extended to the board in connection with the submission of its proposed standards to the Congress.

I went on to write, in that letter to the chairman, and I quote:

> In addition, the committee may wish to conduct its own cost/benefit analysis of the CASB standards already in effect, or to assign this responsibility to the GAO or private consulting firm. You will recall that when the board was first being touted in the Congress, it was claimed that its standards could save the government $2-billion. Has it matched up to this promise?

And so, Mr. Chairman, I am not offering this amendment as a surprise or as something new. I made this proposal to the committee back in June of this year. I think my amendment is a very reasonable and logical proposal and moreover a necessary one if we in the Congress are to obtain from one of our own creations and agents the type of information we now expect to get out of executive branch departments and agencies. I therefore urge adoption of my amendment.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. ASHLEY. If the gentleman is curious and is interested in the saving of $2 billion by virtue of the promulgation of the cost-accounting standards he would have to acknowledge, I suppose, that if those $2 billion were to be saved they have got to come from some place, and it seems to me what the gentleman has heard is a squeal from one of the sources that the $2 billion in taxpayers' savings is coming from. The gentleman cannot have it both ways.

Mr. ANDERSON of Illinois. The gentleman has heard the cry go up in this country about regulatory reform. It may be necessary to let agencies issue rules and regulations, but in heaven's name make them at least tell us in the Congress what the impact will be. That is not unreasonable. That is only carrying out the responsibility we have. If we want the power we have given ourselves, under section 719(g) of the Defense Production Act or (h) (3), of reviewing things or possibly disapproving them within the 60 days time, in heaven's name then we are entitled to a little detailed information on what the impact will be.

I urge passage of the amendment.

Mr. SCHULZE. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Chairman, I thank my colleague for yielding.

All the gentleman from Illinois is asking by his proposed amendment is that there shall be some cost accounting standards promulgated by this Commission and that they let us know what standards are so it is not just by guess and by golly. Is that correct?

Mr. ANDERSON of Illinois. Mr. Chairman, if the gentleman will yield, that is precisely so. As I said earlier in my remarks when the Chairman of the Cost Accounting Standards Board, who is Mr. Staats, replied to my letter last June he claimed the Board now is supposed to consider the probable costs and benefits. All I am asking is, fine, just do not consider them, but let us know what their consideration led them to and give it to the Congress, put it in writing and send it to the Congress at the same time they send us the standards.

Mr. ROUSSELOT. I see nothing objectionable in what the gentleman is trying to achieve. We have heard a great many speeches on the floor time and time again about that kind of cost accounting responsibility by Commissions. I certainly think the amendment offered by the gentleman is most appropriate. I appreciate the gentleman taking the time to be in touch with the General Accounting Office and the others to make sure that the Congress is approaching this procedure in a correct manner.

I really think we ought to begin applying this procedure to many other commissions and agencies which are supposed to be producing all this valuable research and development material.

I thank the gentleman for his comments.

Mr. McKINNEY. Mr. Chairman, I have no further requests for time.

Mr. ASHLEY. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Defense Production Act Amendments of 1975".
>
> SEC. 2. The first sentence of section 717(a) of the Defense Production Act of 1950 (64 Stat. 822) is amended by striking out "September 30, 1975" and inserting in lieu thereof "September 30, 1977".
>
> SEC. 3. Section 708 of the Defense Production Act of 1950 is amended to read as follows:
>
> "SEC. 708. (a) Except as specifically provided in subsection (i) of this section, no provision of this Act shall be deemed to convey to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.
>
> "(b) As used in this section, the term 'antitrust laws' means—
>
> "(1) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 290), as amended;
>
> "(2) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other pur-

poses', approved October 15, 1974 (38 Stat. 730), as amended;

"(3) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' (38 Stat. 717), as amended;

"(4) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(5) the Act of June 19, 1936 (49 Stat. 1526); and

"(6) the Act entitled 'An Act to promote export trade and for other purposes' (40 Stat. 516), as amended.

"(c)(1) Upon finding that conditions exist which may pose a direct threat to the national defense or its preparedness programs, the President may consult with representatives of industry, business, financing, agriculture, labor, and other interests in order to provide for the making by such persons, with the approval of the President, of voluntary agreements to help provide for the defense of the United States through the development of preparedness programs and the expansion of productive capacity and supply beyond levels needed to meet essential civilian demand in the United States.

"(2) The authority granted to the President in paragraph (1) may be delegated by him to individuals who (1) are appointed by and with the advice and consent of the Senate, or (2) are holding offices to which they have been appointed by and with the advice and consent of the Senate.

"(d)(1) The individual or individuals referred to in subsection (c)(2) shall (after consultation with the Attorney General and the Chairman of the Federal Trade Commission) promulgate rules on the record after opportunity for a hearing under the provisions of sections 556 and 557 of title 5 of the United States Code incorporating standards and procedures by which voluntary agreements may be developed and carried out.

"(2) Notwithstanding section 553 of title 5 of the United States Code—

"(A) general notice of the proposed rulemaking referred to in paragraph (1) shall be published in the Federal Register, and the notice shall include—

"(i) a statement of the time, place, and nature of the public rulemaking proceedings;

"(ii) reference to the legal authority under which the rule is being proposed; and

"(iii) either the terms of substance of the proposed rule or a description of the subjects and issues involved;

"(B) the required publication of a rule shall be made not less than thirty days before its effective date; and

"(C) the individual or individuals referred to in paragraph (1) shall give interested persons the right to petition for the issuance, amendment, or repeal of a rule.

"(3) The rules promulgated pursuant to this subsection incorporating standards and procedures by which voluntary agreements may be developed shall provide, among other things, that—

"(A) such agreements shall be developed at meetings which include—

"(i) the Attorney General or his delegate,

"(ii) the Chairman of the Federal Trade Commission or his delegate, and

"(iii) an individual designated by the President in subsection (c)(2) or his delegate,

which are chaired by the individual referred to in clause (iii);

"(B) at least seven days prior to any such meeting, notice of the time, place, and nature of the meeting shall be published in the Federal Register;

"(C) interested persons may submit written data and views concerning the proposed voluntary agreement, with or without opportunity for oral presentation;

"(D) interested persons may attend any such meeting unless an individual designated by the President in subsection (c)(2) finds that the matter or matters to be discussed at such meeting falls within the purview of matters described in subsection (b) of section 552, title 5, United States Code;

"(E) a full and verbatim transcript shall be made of any such meeting and shall be transmitted by the chairman of the meeting to the Attorney General and to the Chairman of the Federal Trade Commission;

"(F) any voluntary agreement resulting from the meetings shall be transmitted by the chairman of the meetings to the Attorney General and to the Chairman of the Federal Trade Commission; and

"(G) any transcript referred to in subparagraph (E) and any voluntary agreement referred to in subparagraph (F) shall be available for public inspection and copying, subject to subsection (b) of section 552, title 5, United States Code.

"(e)(1) A voluntary agreement may not become effective unless and until—

"(A) the individual referred to in subsection (c)(2) who is to administer the agreement approves it and certifies, in writing, that the agreement is necessary to carry out the purposes of subsection (c)(1); and

"(B) the Attorney General (after consultation with the Chairman of the Federal Trade Commission) finds, in writing, that such purpose may not reasonably be achieved through a voluntary agreement having less anticompetitive effects or without any voluntary agreement.

"(2) Each voluntary agreement which becomes effective under paragraph (1) shall expire two years after the date it becomes effective (and at two-year intervals thereafter, as the case may be), unless (immediately prior to such expiration date) the individual referred to in subsection (c)(2) who administers the agreement and the Attorney General (after consultation with the Chairman of the Federal Trade Commission) makes the certification or finding, as the case may be, described in paragraph (1) with respect to such voluntary agreement, in which case, the voluntary agreement may be extended for an additional period of two years.

"(f) The Attorney General and the Chairman of the Federal Trade Commission shall monitor the carrying out of any voluntary agreement to assure that—

"(1) the agreement is carrying out the purpose of subsection (c)(1);

"(2) the agreement is being carried out under rules promulgated pursuant to subsection (d); and

"(3) participants are acting in accordance with the terms of the agreement.

"(g) The rules promulgated under subsection (d) with respect to the carrying out of voluntary agreements shall provide—

"(1) for the maintenance, by participants in any voluntary agreement, of documents, minutes of meetings, transcripts, records, and other data related to the carrying out of any voluntary agreement;

"(2) that participants in any voluntary agreement agree, in writing, to make available to the individual designated by the President in subsection (c)(2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission for inspection and copying at reasonable times and upon reasonable notice any item maintained pursuant to paragraph (1);

"(3) that any item made available to the individual designated by the President in subsection (c)(2) to administer the voluntary agreement, the Attorney General, or the Chairman of the Federal Trade Commission pursuant to paragraph (2) shall be available from such individual, the Attorney General, or the Chairman of the Federal Trade Commission, as the case may be, for public inspection and copying, subject to subsection (b) of section 552 title 5, United States Code; and

"(4) that the individual designated by the President in subsection (c)(2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission, or their delegates, may attend meetings to carry out any voluntary agreement;

"(5) that a Federal employee (other than an individual employed pursuant to section 3109 of title 5 of the United States Code) shall attend meetings to carry out any voluntary agreement;

"(6) that participants in any voluntary agreement provide the individual designated by the President in subsection (c)(2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission with adequate prior notice of the time, place, and nature of any meeting to be held to carry out the voluntary agreement;

"(7) for the attendance by interested persons of any meeting held to carry out any voluntary agreement, unless the individual designated by the President in subsection (c)(2) to administer the voluntary agreement finds that the matter or matters to be discussed at such meeting falls within the purview of matters discussed in subsection (b) of section 552, title 5, United States Code;

"(8) that the individual designated by the President in subsection (c)(2) to administer the voluntary agreement has published in the Federal Register prior notification of the time, place, and nature of any meeting held to carry out any voluntary agreement, unless he finds that the matter or matters to be discussed at such meeting falls within the purview of matters discussed in subsection (b) of section 552, title 5, United States Code, in which case, notification of the time, place, and nature of such meeting shall be published in the Federal Register within ten days of the date of such meeting;

"(9) that—

"(A) the Attorney General (after consultation with the Chairman of the Federal Trade Commission and the individual designated by the President in subsection (c)(2) to administer a voluntary agreement), or

"(B) the individual designated by the President in subsection (c)(2) to administer a voluntary agreement (after consultation with the Attorney General and the Chairman of the Federal Trade Commission),

may terminate or modify, in writing, the voluntary agreement at any time, and that effective immediately upon such termination any antitrust immunity conferred upon the participants in the voluntary agreement by subsection (i) shall not apply to any act or omission occurring after the time of the revocation; and

"(10) that participants in any voluntary agreement be reasonably representative of the appropriate industry or segment of such industry.

"(h) The Attorney General and the Chairman of the Federal Trade Commission shall each promulgate such rules as he deems necessary or appropriate to carry out his responsibility under this section.

"(i) There shall be available as a defense for any person to any prosecution or civil action brought for violation of the antitrust laws (or any similar law of any State) with respect to any act or omission to act to develop or carry out any voluntary agreement under this section that—

"(1) such act or omission to act was taken in good faith—

"(A) in the course of developing a voluntary agreement under this section, or

"(B) to carry out a voluntary agreement under this section; and

"(2) such person fully complied with this section and the rules promulgated hereunder, and acted in accordance with the terms of the voluntary agreement.

"(j) The Attorney General and the Federal Trade Commission shall each make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this section. Such surveys shall include studies of the voluntary agreements authorized by this section. The Attorney General shall (after consultation with the Federal Trade Commission) submit to the Congress and the President at least once every year reports setting forth the results of such studies of voluntary agreements.

"(k) The individual or individuals designated by the President in subsection (c)(2) shall submit to the Congress and the President at least once every year reports describing each voluntary agreement in effect and its contribution to achievement of the purpose of subsection (c)(1).

"(l)(1) In the case of any international voluntary agreement—

"(A) the rules promulgated pursuant to subsection (d) incorporating standards and procedures by which voluntary agreements may be developed shall provide—

"(i) that any such agreement shall be developed at meetings which include the Secretary of State or his delegate,

"(ii) that a full and verbatim transcript shall be made of any such meeting and shall be transmitted by the chairman of the meeting to the Secretary of State,

"(iii) that any such voluntary agreement resulting from the meeting shall be transmitted by the chairman of the meetings to the Secretary of State,

"(iv) interested persons may not attend any such meeting if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing that on account of the matter or matters to be discussed at such meeting it would be detrimental to the foreign policy interests of the United States to permit such persons to attend such meetings, and

"(v) any transcript of a meeting held to develop any such voluntary agreement may not be made available for public inspection and copying if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing, that to do so would be detrimental to the foreign policy interests of the United States;

"(B) such agreement may not become effective unless and until the Secretary of State finds that such agreement is consistent with the foreign policy interests of the United States;

"(C) the rules promulgated under subsection (d) with respect to the carrying out of voluntary agreements shall provide—

"(i) that participants in any such agreement shall agree, in writing, to make available to the Secretary of State for inspection and copying at reasonable times and upon reasonable notice any item maintained pursuant to subsection (g)(1) with respect to such agreement,

"(ii) that any item referred to in subsection (g)(1) with respect to such agreement may not be made available for public inspection and copying if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing, that to do so would be detrimental to the foreign policy interests of the United States,

"(iii) that the Secretary of State or his delegate may attend meetings to carry out any such agreement,

"(iv) that participants in any such agreement provide the Secretary of State with adequate prior notice of the time, place, and and nature of any meeting to be held to carry out any such agreement, and

"(v) interested persons may not attend any such meeting if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing, that on account of the matter or matters to be discussed at such meeting it would be detrimental to the foreign policy interests of the United States.

"(2) The requirements which are made applicable specifically in the case of international voluntary agreements under paragraph (1) of this subsection shall be in addition to any requirements made applicable to voluntary agreements generally under the other subsections of this section; except that if any requirement under paragraph (1) of this subsection is inconsistent with the correspondent requirement under any other subsection of this section, the latter requirement shall be considered to be modified to the extent necessary to give effect to the requirement under paragraph (1) of this subsection.

"(3) For the purposes of this subsection, the term—

"(A) 'international voluntary agreement' refers to—

"(i) the Voluntary Agreement and Program Relating to the Agreement on an International Energy Program signed by the United States on November 18, 1974; and

"(ii) any voluntary agreement developed under rules promulgated pursuant to subsection (d) to carry out the purpose of subsection (c)(1) and which is certified by the Secretary of State as necessary to carry out the purposes of an international agreement to which the United States is a party or as necessary to implement a program of international cooperation between the United States and one or more foreign countries.

"(B) 'foreign country' means any country other than the United States.".

Sec. 4. Any voluntary agreement entered into under section 708 of the Defense Production Act of 1950 prior to the effective date of this Act and in effect immediately prior to such date shall continue in effect but shall be carried out in accordance with that section as amended by this Act.

Sec. 5. This Act and the amendments made by it shall take effect on the one hundred and twentieth day beginning after the date of its enactment, except that the amendment made by section 2 shall take effect upon the date of enactment of this Act.

Sec. 6. Section 720 of the Defense Production Act of 1960 is amended—

(1) in subsection (h) thereof by striking out "March 31, 1976" and inserting in lieu thereof "December 31, 1976" and by striking out "October 1, 1976" and inserting in lieu thereof "March 31, 1977";

(2) in the last sentence of subsection (i) (2) by striking out "not to exceed $75,000 to remain available until October 1, 1976" and inserting in lieu thereof "not to exceed $150,000 to remain available until March 31, 1977";

(3) in subsection (e) thereof by striking out "not to exceed $500,000 to remain available until October 1, 1976" and inserting in lieu thereof "not to exceed $1,484,000 to remain available until March 31, 1977".

Mr. ASHLEY (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first four committee amendments.

The Clerk read as follows:

Committee amendments: On the first page, lines 7 and 8, strike out "September" and insert "November".

Page 16, line 18, strike out "and".

Page 16, line 19, strike out "(e)" and insert "(1)".

Page 16, line 22, strike out the period and insert in lieu thereof "; and".

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: Page 16, after line 22, insert the following:

(4) in subsection (j) thereof by inserting the following new paragraph:

"(3) The Commission is authorized to contract with public or private agencies, institutions, corporation, and other organizations and with individuals without regard to section 3648, Revised Statutes (31 U.S.C. 529), and section 3709, Revised Statutes (41 U.S.C. 5), for purposes of this Act."

AMENDMENT OFFERED BY MR. REES TO THE COMMITTEE AMENDMENT

Mr. REES. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Rees to the committee amendment: Page 17, line 3, after "Organization" insert a period and strike the balance of that line and all of lines 4, 5 and 6.

Mr. REES. Mr. Chairman, earlier, my colleague, the gentleman from California (Mr. Rousselot) and I had a colloquy about the two exemptions that were included in this program that would exempt the Commission in contracting from the two provisions of the code which require notice and competitive contracts which to them would be an exemption from the appropriations process.

This amendment would put a period after "organizations" on line 3 and delete those two exemptions we were discussing.

I agree with the gentleman when the gentleman objected to the free spending administration. It probably is going to require that the Commission go through the normal process of advertising for contractual help; so all the committee amendment does now is authorize the Commission to contract with public and private organizations or institutions, and so forth, and other organizations; but they would have to go through the normal advertising and appropriations procedure.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to my colleague, the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding, because had he not offered this amended, I intended to do so after the discussion in which we both engaged. The gentleman from Ohio (Mr. Ashley) and the gentleman from California (Mr. Rees) have agreed that the present law making provisions for advertising in the bidding procedures contains adequate exemptions to which the gentleman from California (Mr. Rees) has addressed himself. I clearly support this amendment, and the Members on this side of the aisle also support it.

Mr. Chairman, does the gentleman from California object to striking the whole section?

Mr. REES. No; I do not want to strike the whole section, because the beginning of the section really gives the Commission the authority to contract.

Mr. ROUSSELOT. Do they not have that authority now?

Mr. REES. No; they do not. They have to have the specific authority.

I appreciate the gentleman's remarks. It seems that we have been working in tandem on amendments and I am glad to see this tradition being expanded.

Mr. ROUSSELOT. I wish to thank my colleague for offering this amendment. I think it is important that we do continue to utilize the normal law as it relates to advertising for contracts.

Mr. REES. Fine; I agree with the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. REES), to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: On page 1, line 8, strike the period and insert the following: "*Provided,* That all authority hereby or hereafter entended under Title III of the Defense Production Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation acts."

Mr. ASHLEY. Mr. Chairman, the reason I offer this amendment is to make it absolutely clear that there is no backdoor financing in the existing Defense Production Act, or any intent in existing law, now or as amended, to violate the normal appropriations process. This amendment merely assures and reaffirms the fact that no purchases or contracts to expend funds can be considered unless the Congress has duly appropriated such funds.

Mr. MAHON. Mr. Chairman will the gentleman yield?

Mr. ASHLEY. I yield to the distinguished chairman of the Appropriations Committee.

Mr. MAHON. Mr. Chairman, I just want to commend the gentleman from Ohio for his alertness in looking into this matter, and for offering this amendment, which I think is a step in the right direction.

Mr. ASHLEY. I appreciate the comments of the distinguished gentleman from Texas.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I appreciate the gentleman yielding to me. I would like to ask the gentleman from Texas (Mr. MAHON) if we can be assured that we are going to continue to fight this attempt to avoid the appropriation process. I know my colleague from Ohio wishes to eliminate that kind of avoidance of the appropriation process in any bill, and if the gentleman from Texas will continue his vigilance to make sure we do not do this in any other bill, I think that would be most worthwhile.

Mr. MAHON. If the gentleman will yield, I will say that I have been very much impressed and pleased throughout the session—not just today—with the alertness and dedication of the gentleman of Ohio, the gentleman from California, and other Members of the House with respect to this matter of following the procedures of the House and eliminating unnecessary backdoor spending. The Budget Committee also has been especially helpful in this regard.

I think we are making real progress, and I am highly encouraged about it. I think that by cooperating together we have a chance to see a better handling of the public business.

Mr. ASHLEY. Let me say that the gentleman from Texas, as we all acknowledge, is to be particularly commended in this respect.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHLEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: On page 11, line 5, after the word "faith" insert the following: "by that person".

Mr. ASHLEY. Mr. Chairman, this is, by any definition, a technical amendment. It very recently has been brought to my attention that section 708(i)(1) could be construed as requiring a participant in a voluntary agreement to demonstrate not only his good faith, but the good faith of other participants, in order to obtain an affirmative defense.

That was not the intent of the committee, and the proposed amendment, which has been cleared with the gentleman from New Jersey (Mr. RODINO), as well as the minority, simply clarifies that the good faith of a participant is to be determined on an individual company basis.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. ASHLEY).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of Illinois: On page 16, immediately after line 7, insert the following new Section 6 and renumber succeeding sections accordingly:

SEC. 6. Section 719 of the Defense Production Act of 1950 is amended—

"(1) in subsection (h) thereof by inserting the following new paragraph (3) and by redesignating the existing paragraph (3) as paragraph (4):

"(3)(a) The Board shall establish criteria and procedures for evaluating the probable costs compared to the probable benefits of implementation of cost-accounting standards promulgated under subsection (g) and major rules and regulations prescribed under this section. The evaluation should include, where applicable:

"(1) an analysis of the principal cost or other inflationary effects of the proposed standard, rule or regulation on markets, consumers, businesses or Federal, State or local government, and, where practical, an analysis of secondary cost and price effects. These analyses should have as much quantitive precision as necessary and should focus on a time period sufficient to determine economic and inflationary impacts;

"(2) a comparison of the benefits to be derived from the proposed standard, rule or regulation with the estimated costs and inflationary impacts. These benefits should be quantified to the extent practical; and

"(3) a review of alternatives to the proposed standard, rule or regulation that were considered, their probable costs, benefits, risks, and inflationary impacts compared with those of the proposed standard, rule or regulation.

"(b) The Board shall conduct an evaluation of each standard, rule or regulation in accordance with the criteria and procedures established pursuant to paragraph (3)(a).

"(c) The Board shall prepare a statement certifying that the probable costs and benefits of the proposed standard, rule or regulation have been carefully evaluated, and shall transmit each statement and evaluation to the Congress with a copy of the proposed standard, rule or regulation in accordance with the procedures established by paragraph (4)."

(2) in subsection (k) thereof by adding the following sentence:

"The Board shall include in its annual report of August 15, 1976, a summary of all evaluations conducted pursuant to subsection (h)(3) as well as a cost-benefit evaluation of all standards and major rules and regulations promulgated prior to the implementation of subsection (h)(3)."

Mr. ASHLEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ANDERSON of Illinois. Mr. Chairman, this is the amendment that I spoke to just a few minutes ago during general debate. I think it is necessary for two reasons.

The Cost Accounting Standards Board is under the legislative, not the executive, branch. We, therefore, have a very special responsibility to make sure that we thoroughly understand the impact and the effect of the regulations, rules and standards that it issues.

The executive branch already is requiring departments of that branch and agencies of the executive branch to prepare inflationary impact statements of all major legislation and regulations proposed by them. This is simply extending that principle to an organization which we have established as an arm of the Congress.

I do not want to be repetitious, but again, when an evaluation conference on the work of the CASB was held in Chicago in June of this year, it was said that, as far as cost effectiveness or cost justification, the studies that had been done by the Cost Accounting Standards Board had been inadequately performed.

I do not enjoy bringing up amendments on the floor which have not been considered in the committee. But I want to point out again to the members of the committee that the amendment that I am offering is virtually identical to the language now contained in the executive order under which all executive agencies are operating.

And, second, I wrote to the chairman of the subcommittee, the gentleman from Ohio (Mr. ASHLEY) on June 2, 1975, calling these matters to his attention and urged oversight hearings on the operation of CASB. I even suggested that a committee staff person might benefit from attending the evaluation conference that was to be held in Chicago later that month. Let me quote to the Members a sentence or two, before I conclude, from the letter which I sent to the chairman of the subcommittee at that time:

> Since it is an arm of the Congress, it is exempt from the executive order requiring inflation impact statements on regulations, and the committee may wish to consider whether such a requirement shall be extended to the Board in connection with a submission of its proposed standards to the Congress.

I repeat, ladies and gentlemen of the committee, that this is a small business amendment. This is simply an effort to make sure that an agency directly responsible to us does not simply promulgate standards, rules, and regulations without first giving us the benefit of detailed studies, detailed evaluations as to what the cost of benefit ratio of that standard or regulation is going to be.

This is eminently reasonable, and I think it is properly labeled as one of those small business amendments that every member of this committee ought to support.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I will yield to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. I appreciate my colleague yielding.

Mr. Chairman, I wish to suggest to the gentleman that many of us on the Committee on Banking, Currency and Housing have looked at this amendment and feel that it is something that we should do in all general legislation. I wish to compliment the gentleman from Illinois for the time and effort that he has taken to think this amendment out.

Mr. Chairman, I am grateful that the gentleman has offered the amendment so that we can, hopefully, add to this legislation.

Mr. ANDERSON of Illinois. I appreciate the gentleman's remarks very much, and I appreciate his support.

Mr. ASHLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Anderson amendment adds two provisions to section 719 on the Defense Production Act, which established the Cost Accounting Board. The first provision is both unnecessary and undesirable; the second provision is inadequate.

The first provision, adds a new subparagraph (h)(3) to the law, which would require the Board to analyze with respect to each proposed standard and major regulation the cost or other inflationary effect, including estimates of probable costs and benefits from the proposed standard or regulation.

This first provision is unnecessary because the Board is already required under section 719(g) to consider the probable costs and benefits of each standard which it issues. The Board has adopted research procedures which enable it to meet this requirement. The result of these procedures is discussed in the prefatory comments issued publicly by the Board when it promulgates a standard and submits that standard to the Congress for consideration. A similar requirement for consideration of probable costs and benefits does not apply to the rules and regulations promulgated by the Board, but such rules and regulations must under section 719(h) be designed to implement standards, and therefore the Board conducts a similar analysis of each proposed regulation prior to adopting it.

Additionally, the first provision in the Anderson amendment requires gathering of data and precision of estimating which is inherently impossible when standards having future effects are promulgated. Standards are incorporated upon their effective date in the contracts of as many as 5,000 to 6,000 national defense prime contractors, and they may be under the terms of section 719 incorporated into as many as 20,000 to 25,000 subcontracts under those prime contracts.

While the Board can and has, in fact, made estimates of the probable cost of the standards, those estimates are not based on data gathered from this entire universe of prime and subcontractors. But such estimates would appear to be required under the terms of the Anderson amendment. Any such requirement would delay the Board's research process to the point that standards could only very seldom be issued, and thousands of contractors would be required to submit estimates of probable cost.

The benefits which the Board has often mentioned for proposed cost accounting standards are usually not quantifiable. These include the facilitating of negotiations by removing from controversy issues involving cost accounting which have often required very considerable amounts of time by both government and industry negotiators. The Board also fully anticipates that the establishment of cost accounting standards will reduce in the long run the number of disputes required to be considered by the Armed Services Board of Appeals and other administrative bodies and courts. Furthermore, the use of standards by all affected contractors provides a better basis for comparability among competing offers and a greater assurance that predictions of future costs are more reliable. These benefits are considerable, but they do not lend themselves readily to quantification.

There are other difficulties in estimating benefits which are inherent in standards. Thus, a standard requires all contractors to change a cost-accounting practice which many, but not all of them, may have followed prior to the standard. How is the benefit to the government to be measured? Should the Board assume that the practices required to be changed because of the standard would have continued indefinitely in the plants of certain companies? And should the Board assume that the same volume of defense procurement would be present indefinitely at those plants?

The second provision in the Anderson amendment, an amendment to subsection (k), would require only that the progress report submitted to the Congress by the Board on August 15, 1976, contain an evaluation of standards issued during the prior fiscal years. This requirement should apply not only to the 1976 progress report but to all progress reports hereafter submitted by the Board, if the Anderson proposal were incorporated into section 719.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I do not think the gentleman was listening very closely when I talked about this earlier, because I said that although he is correct in saying section 719(g) requires that they take into account the probable costs of implementation compared to probable benefits, there is no requirement under the law that, No. 1, they provide the Congress with a detailed evaluation of such matters; and, No. 2, there is no requirement that the Board submit that to the Congress at the same time it submits its proposed standards.

All I am trying to do is to flush out section 719(g) and give it some meaning and some practical actuality so far as this Congress is concerned.

Mr. ASHLEY. Mr. Chairman, it really gets down to whether we want to throw some impediments in front of the efforts of the Cost Accounting Standards Board or whether we do not. Let the gentleman say what he will, that is what we are really talking about.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield further?

Mr. ASHLEY. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, I simply cannot believe that my friend—and he is my friend—the gentleman from Illinois (Mr. ASHLEY) is serious when he says that there must lurk the suspicion in somebody's mind that I am somehow trying to delay the implementation of standards promulgated by the Board, because all I suggest is that before those standards are put into effect and at the time they are sent to the Congress the Board give us the benefit of its very best evaluation and its detailed thinking on what the cost implementation is going to be.

They are supposed under the law to take that into consideration now. So what is wrong with saying, "At the time you send us the standards, give us the benefit of your thinking and send with the standards the reasons why you think they are desirable and what kind of costs you want to implement"? That is all I am asking.

Mr. ASHLEY. I would never question the motives of the gentleman, but we have a very significant difference of opinion with respect to the practical aspects and the consequences of the amendment.

It is my judgment that this would require a kind of clarity that would so definitely constrict the operability of the board that it would not be able, in a timely fashion, to promulgate standards.

The gentleman feels to the contrary.

I simply feel sufficiently that, in my judgment in this matter, supported as it is by the board and by General Staats, is more reasonable and more probable, so that I must oppose the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ANDERSON).

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 26, noes 25.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. COUGHLIN

Mr. COUGHLIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. COUGHLIN: Page 17, immediately after line 6, insert the following new section:
>
> SEC. 7. Effective July 1, 1976, section 712 of the Defense Production Act of 1950 (relating to the Joint Committee on Defense Production) is repealed.

Mr. COUGHLIN. Mr. Chairman, as I indicated during the general debate, the legislation before us at this moment would effectively extend the life of the Joint Committee on Defense Production. What my amendment would do would be to self-destruct the Joint Committee on Defense Production effective July 1, 1976.

If between now and that time, we found that this committee was serving a useful purpose, it could be reinstated. If between now and that time, the committee was active, it could be reinstated.

However, Mr. Chairman, when that committee came before the Legislative Subcommittee of the Committee on Appropriations in connection with its supplemental requests, many Members on both sides of the aisle questioned what that committee was doing and what its reason for existence was.

As I pointed out in the general debate, the committe was created back in 1950 with, among other things, the mission of reviewing our economic potential at that time to cope with the Korean war. The Korean war has been over for many years.

As I pointed out in the general debate, during the last few fiscal years the Joint Committee on Defense Production has been essentially a moribund institution.

In fiscal year 1972 it held only 3 days of hearings throughout the entire year and produced its 21st annual report.

In fiscal year 1973 it held no hearings at all, but produced its 22d report.

In fiscal year 1974 it again held no hearings, but again produced another report.

The reports themselves, even according to Senator PROXMIRE, who is the vice chairman of the Joint Committee on Defense Production, have little or no use.

In the general debate I did make a mistake because in fiscal year 1975 the joint committee did hold 2 days of hearings and heard four witnesses in the entire year, and this fiscal year it has held 2 days of hearings and heard another four witnesses.

Let me reemphasize my amendment does not immediately terminate the Joint Committee on Defense Production. It does say that that committee will terminate next June 30 unless this Congress acts otherwise in its wisdom to say that that committee has performed a useful function.

I challenge my colleagues in this body to tell me where the Joint Committee on Defense Production has ever provided them with any useful or interesting information and where they have felt that it made a contribution to our Nation. I challenge them even to tell me what it does.

Mr. ROUSSELOT. Mr. Chairman, if the gentleman will yield, I do not recall too many reports, but we have received a couple. But, to the best of my knowledge, they do not meet too often. I think the gentleman makes an excellent point that this is the time to let it come to a proper expiration and I compliment the gentleman for trying to eliminate unnecessary committee action.

Mr. COUGHLIN. I thank my colleagues.

Mr. BIESTER. Mr. Chairman, will the gentleman yield?

Mr. COUGHLIN. I yield to the gentleman from Pennsylvania.

Mr. BIESTER. Mr. Chairman, I want to commend the gentleman from Pennsylvania for offering this amendment. There are a host of commissions and committees engaged in so-called activities in this city that do not really perform any useful service to the taxpayers and I believe this to be one of them. I support the gentleman's amendment.

Mr. COUGHLIN. I thank the gentleman.

Mr. REES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the last two amendments to this bill are amendments that were never considered during the deliberations of the committee. We were dealing basically with the antitrust effect of voluntary agreements. Now they are coming out with amendments on which we have held no hearings, the first referring to cost accounting standards and this one abolishing the joint committee without any hearings on them having been held. I think this is very difficult.

The gentleman from Texas (Mr. PATMAN) who is on the Committee on Banking, Currency and Housing, has been chairman of that joint committee and he is not here, and in the other body Senator PROXMIRE is the chairman, and this is an alternating chairman type of thing. Frankly I wish that the gentleman from Texas (Mr. PATMAN) might have been alerted, so that he might have been able to be here so as to give additional information to the Members prior to abolishing the Commission.

Frankly, the first time I saw this amendment was about an hour ago. Even though I can see many positive things in the distinguished gentleman's discussion on the joint committee, I hope we would vote down this amendment so that we can deal with this matter in the committee so that the committee might be able to give full consideration to this matter.

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield, has the gentleman ever had or been provided with any specific information from this group that he could name that would be of assistance to him?

Mr. REES. They sent me copies of their annual reports.

Mr. COUGHLIN. Did the gentleman read their annual reports?

Mr. REES. I do a lot of work in the area of the Defense Production Act and National Stockpile and I have read the reports, yes. They were of help to me in dealing with various problems connected with the National Commission on Supplies and Shortages.

Mr. COUGHLIN. I might say that the reports that I read consist mostly of the letters they have sent out to the various agencies involved and asking them what they were doing to implement the Defense Production Act, and then publishing it and that volume would be put beside the previous volume, and those volumes keep marching down the shelf.

Mr. REESE. I have a 5-foot shelf of those.

Mr. McKINNEY. Mr. Chairman, if the gentleman will yield, it is interesting to see the ranking member of the Committee on Banking, Currency and Housing, and a member of the committee does not object to its being dissolved, because it has never met.

Mr. REES. I am not sure that it has met or not, but I would say that I think that in the interests of courtesy to Members of the House and members of the joint committee, who, because they were not informed ahead of time as to the amendment so that they could have been here to discuss the amendment, that this amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. COUGHLIN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DINGELL: Page 3, line 1, strike out "Upon" and insert in lieu thereof "Except as otherwise provided in subsection (1)(4), upon".
>
> Page 15, line 22, strike the quotation marks and second period, and insert after such line the following:
>
> "(4) If S. 622, Ninety-four Congress (the Energy Policy and Conservation Act) is enacted, then (effective on the effective date of the provisions of S. 622 which relate to international voluntary agreements to carry out the International Energy Program) this section shall not be applicable to (A) any international voluntary agreement described in paragraph (3)(A)(i), or (B) any international voluntary agreement described in paragraph (3)(A)(ii) which relates to crude oil, residual fuel oil, or refined petroleum products.".

Mr. DINGELL. Mr. Chairman, a copy of the amendment has been made available to my good friends, the senior minority member, and also the distinguished chairman of the subcommittee. I am advised by them that the amendment meets their approval.

Mr. Chairman, the amendment is very narrow in scope. It does not change the substance of the legislation before us in any particular, but it changes the fashion in which the legislation now before us would apply to agreements in which American citizens or American corporations are parties. After the passage of the Energy Policy and Oil Conservation Act (H.R. 7014), on which conference has just been completed, the provisions of that statute relating to international agreements and antitrust exemptions executed thereunder would cover if it is signed into law.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my good friend, the gentleman from Ohio (Mr. Ashley), for such comments as he chooses to make.

Mr. ASHLEY. I thank the gentleman for yielding.

I would like to say that he describes the situation quite accurately. We have a number of committees that are concerned with such matters that overlap, and that is really what we are concerned with here.

Mr. DINGELL. The gentleman is correct.

Mr. ASHLEY. In the energy bill that the gentleman has been intimately concerned with for many, many months, the area of international voluntary agreements having to do with oil and petroleum products logically falls within the domain of the committee that the gentleman represents. What his amendment in effect says is that at such time as the energy bill does become law, if it does, then the provisions that are in the Defense Production Act amendments before us will be superseded by the provisions in the Energy Act that at that time will have been signed by the President.

Mr. DINGELL. But only as to the provisions which relate to international agreements with regard to oil.

Mr. ASHLEY. Precisely so.

Mr. DINGELL. We are not trying to intrude into the affairs of the gentleman which properly we should not intrude into. I thank my good friend, the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to my good friend, the senior minority member of the subcommittee, the gentleman from Ohio (Mr. Brown).

Mr. BROWN of Ohio. I appreciate the chairman of that subcommittee's yielding to me, and say that I also have no objection to the amendment that he proposes, and I congratulate him on the proposal of the amendment. The assumption of the final enactment of S. 622 may be just a touch premature, but if it is in fact a matter of law before this year is out, his amendment will take care of the situation that is dealt with in that piece of legislation.

Mr. DINGELL. I thank the gentleman from Ohio.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Dingell).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Gibbons, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 10031) to amend the Defense Production Act of 1950, pursuant to House Resolution 860, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. McKINNEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 318, nays 1, not voting 114, as follows:

[Roll No. 702]

YEAS—318

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Ashbrook
Aspin
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cochran
Cohen
Collins, Tex.
Conte
Conyers
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Danielson
Davis
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hannaford
Harkin
Harris
Hastings
Hawkins
Hayes, Ind.
Hébert
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Koch
Krebs
LaFalce
Lagomarsino
Latta
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McCloskey
McCollister
McDade
McDonald
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Mazzoli
Meeds
Melcher
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
Ottinger
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pettis
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Ruppe
Russo
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki

NAYS—1

Hechler, W. Va.

NOT VOTING—114

Abdnor
Alexander
Ambro
Andrews, N. Dak.
Armstrong
Ashley
AuCoin
Badillo
Bell
Bergland
Bevill
Brodhead
Brooks
Broomfield
Broyhill
Burke, Fla.
Casey
Clancy
Cleveland
Collins, Ill.
Conable
Conlan
Corman
Cotter
Daniels, N.J.
de la Garza
Dent
Diggs
Downing, Va.
Duncan, Oreg.
Eckhardt
Erlenborn
Esch
Eshleman
Fary
Flowers
Flynt
Fraser
Gaydos
Giaimo
Hammerschmidt
Hanley
Hansen
Harrington
Harsha
Hays, Ohio
Helstoski
Horton
Howard
Jacobs
Johnson, Pa.
Karth
Keys
Kindness
Krueger
Landrum
Leggett
Lehman
Lujan
McClory
McCormack
McEwen
Martin
Mathis
Matsunaga
Metcalfe
Meyner
Michel
Milford
Mink
Mosher
Moss
Mottl
Murtha
Neal
Nichols
O'Brien
O'Neill
Passman
Patman, Tex.
Pattison, N.Y.
Peyser
Pickle
Quillen
Rhodes
Riegle
Roberts
Rogers
Rosenthal
Roybal
Runnels
Ryan
St Germain
Schneebeli
Sikes
Simon
Sisk
Spence
Stanton, James V.
Stark
Steed
Steelman
Stephens
Symms
Thompson
Tsongas
Udall
Ullman
Van Deerlin
Waxman
Whalen
Wilson, Tex.
Winn
Zeferetti

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Steed.
Mr. Dent with Mr. Bell.
Mr. Thompson with Mr. Ashley.
Mr. Hays of Ohio with Mr. Armstrong.

Mr. Badillo with Mr. Broyhill.

Mr. Zeferetti with Mr. Erlenborn.

Mr. Hanley with Mr. Esch.

Mr. St Germain with Mr. Abdnor.

Mr. Krueger with Mr. Broomfield.

Mr. Pattison of New York with Mr. Runnels.

Mr. Howard with Mr. Andrews of North Dakota.

Mr. Cotter with Mr. Quillen.

Mr. Brooks with Mr. Harrington.

Mr. Casey with Mr. Flynt.

Mr. Giaimo with Mr. Jacobs.

Mrs. Keys with Mr. Clancy.

Mr. Landrum with Mr. Karth.

Mr. Duncan of Oregon with Mr. Pickle.

Mr. Mathis with Mr. Lujan.

Mr. Riegle with Mr. Martin.

Mr. Gaydos with Mr. Cleveland.

Mr. Metcalfe with Mr. McClory.

Mr. Nichols with Mr. Fraser.

Mr. Rogers with Mr. McEwen.

Mr. Rosenthal with Mr. Conlan.

Mr. Sikes with Mr. Eshleman.

Mr. Roybal with Mr. Milford.

Mr. Sisk with Mr. Conable.

Mr. James V. Stanton with Mr. Peyser.

Mr. Stark with Mr. Hammerschmidt.

Mr. Waxman with Mr. Hansen.

Mr. Van Deerlin with Mr. Whalen.

Mr. Ambro with Mr. Horton.

Mr. AuCoin with Mr. Charles Wilson of Texas.

Mr. Mottl with Mr. Udall.

Mr. Murtha with Mr. Alexander.

Mr. Neal with Mr. Bergland.

Mr. Moss with Mrs. Collins of Illinois.

Mr. Downing of Virginia with Mr. de la Garza.

Mr. Matsunaga with Mr. Brodhead.

Mr. Bevill with Mr. Passman.

Mr. Corman with Mr. O'Brien.

Mr. Dominick V. Daniels with Mr. Broyhill.

Mr. Diggs with Mr. Ryan.

Mr. Simon with Mr. Spence.

Mr. Stephens with Mr. Steelman.

Mr. Tsongas with Mr. Burke of Florida.

Mr. Eckhardt with Mr. Symms.

Mr. Fary with Mr. Harsha.

Mr. Flowers with Mr. Johnson of Pennsylvania.

Mrs. Mink with Mr. Kindness.

Mrs. Meyner with Mr. Michel.

Mr. Leggett with Mr. Winn.

Mr. Roberts with Mr. Schneebeli.

Mr. Patman with Mr. McCormack.

Mr. Lehman with Mr. Helstoski.

Messrs. DON H. CLAUSEN and HILLIS changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The **SPEAKER**. Pursuant to the provisions of House Resolution 860, the Committee on Banking, Currency and Housing is discharged from the further consideration of the bill S. 1537, to amend the Defense Production Act of 1950, as amended.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MRS. SULLIVAN

Mrs. **SULLIVAN** moves to strike out all after the enacting clause of the Senate bill S. 1537 and insert in lieu thereof the provisions of H.R. 10031, as passed, as follows:

That this Act may be cited as the "Defense Production Act Amendments of 1975".

SEC. 2. The first sentence of section 717(a) of the Defense Production Act of 1950 (64 Stat. 822) is amended by striking out November 30, 1975" and inserting in lieu thereof "November 30, 1977": *Provided,* That all authority hereby or hereafter extended under Title III of the Defense Production Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

SEC. 3. Section 708 of the Defense Production Act of 1950 is amended to read as follows:

"SEC. 708. (a) Except as specifically provided in subsection (i) of this section, no provision of this Act shall be deemed to convey to any person any immunity from civil or criminal liability, or to create defenses to actions, under the antitrust laws.

"(b) As used in this section, the term 'antitrust laws' means—

"(1) the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890 (26 Stat. 290), as amended;

"(2) the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1974 (38 Stat. 730), as amended;

"(3) the Act entitled 'An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes' (38 Stat. 717), as amended;

"(4) sections 73 and 74 of the Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894 (28 Stat. 579), as amended;

"(5) the Act of June 19, 1936 49 Stat. 1526); and

"(6) the Act entitled 'An Act to promote export trade and for other purposes' (40 Stat. 516), as amended.

"(c)(1) Except as otherwise provided in subsection (1)(4), upon finding that conditions exist which may pose a direct threat to the national defense or its preparedness programs, the President may consult with representatives of industry, business, financing, agriculture, labor, and other interests in order to provide for the making by such persons, with the approval of the President, of voluntary agreements to help provide for the defense of the United States through the development of preparedness programs and the expansion of productive capacity and supply beyond levels needed to meet essential civilian demand in the United States.

"(2) The authority granted to the President in paragraph (1) may be delegated by him to individuals who (1) are appointed by and with the advice and consent of the Senate, or (2) are holding offices to which they have been appointed by and with the advice and consent of the Senate.

"(d)(1) The individual or individuals referred to in subsection (c)(2) shall (after consultation with the Attorney General and the Chairman of the Federal Trade Commission) promulgate rules of the record after opportunity for a hearing under the provisions of sections 556 and 557 of title 5 of the United States Code incorporating standards and procedures by which voluntary agreements may be developed and carried out.

"(2) Notwithstanding section 553 of title 5 of the United States Code—

"(A) general notice of the proposed rulemaking referred to in paragraph (1) shall be published in the Federal Register, and the notice shall include—

"(i) a statement of the time, place, and nature of the public rulemaking proceedings;

"(ii) reference to the legal authority under which the rule is being proposed; and

"(iii) either the terms of substance of the proposed rule or a description of the subjects and issues involved;

"(B) the required publication of a rule shall be made not less than thirty days before its effective date; and

"(C) the individual or individuals referred to in paragraph (1) shall give interested persons the right to petition for the issuance, amendment, or repeal of a rule.

"(3) The rules promulgated pursuant to this subsection incorporating standards and procedures by which voluntary agreements may be developed shall provide, among other things, that—

"(A) such agreements shall be developed at meetings which include—

"(i) the Attorney General or his delegate,

"(ii) the Chairman of the Federal Trade Commission or his delegate, and

"(iii) an individual designated by the President in subsection (c)(2) or his delegate,

which are chaired by the individual referred to in clause (iii);

"(B) at least seven days prior to any such meeting, notice of the time, place, and nature of the meeting shall be published in the Federal Register;

"(C) interested persons may submit written data and views concerning the proposed voluntary agreement, with or without opportunity for oral presentation;

"(D) interested persons may attend any such meeting unless an individual designated by the President in subsection (c)(2) finds that the matter or matters to be discussed at such meeting falls within the purview of matters described in subsection (b) of section 552, title 5, United States Code;

"(E) a full and verbatim transcript shall be made of any such meeting and shall be transmitted by the chairman of the meeting to the Attorney General and to the Chairman of the Federal Trade Commission;

"(F) any voluntary agreement resulting from the meetings shall be transmitted by the chairman of the meetings to the Attorney General and to the Chairman of the Federal Trade Commission; and

"(G) any transcript referred to in subparagraph (E) and any voluntary agreement referred to in subparagraph (F) shall be available for public inspection and copying, subject to subsection (b) of section 552, title 5, United States Code.

"(e)(1) A voluntary agreement may not become effective unless and until—

"(A) the individual referred to in subsection (c)(2) who is to administer the agreement approves it and certifies, in writing, that the agreement is necessary to carry out the purpose of subsection (c)(1); and

"(B) the Attorney General (after consultation with the Chairman of the Federal Trade Commission) finds, in writing, that such purpose may not reasonably be achieved through a voluntary agreement having less anticompetitive effects or without any voluntary agreement.

"(2) Each voluntary agreement which becomes effective under paragraph (1) shall expire two years after the date it becomes effective (and at two-year intervals thereafter, as the case may be), unless (immediately prior to such expiration date) the individual referred to in subsection (c)(2) who administers the agreement and the Attorney General (after consultation with the Chairman of the Federal Trade Commission) makes the certification or finding, as the case may be, described in paragraph (1) with respect to such voluntary agreement, in which case, the voluntary agreement may be extended for an additional period of two years.

"(f) The Attorney General and the Chairman of the Federal Trade Commission shall monitor the carrying out of any voluntary agreement to assure that—

"(1) the agreement is carrying out the purpose of subsection (c)(1);

"(2) the agreement is being carried out under rules promulgated pursuant to subsection (d); and

"(3) participants are acting in accordance with the terms of the agreement.

"(g) The rules promulgated under subsection (d) with respect to the carrying out of voluntary agreements shall provide—

"(1) for the maintenance, by participants in any voluntary agreement, of documents, minutes of meetings, transcripts, records, and other data related to the carrying out of any voluntary agreement;

"(2) that participants in any voluntary agreement agree, in writing, to make available to the individual designated by the President in subsection (c) (2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission for inspection and copying at reasonable times and upon reasonable notice any item maintained pursuant to paragraph (1);

"(3) that any item made available to the individual designated by the President in subsection (c) (2) to administer the voluntary agreement, the Attorney General, or the Chairman of the Federal Trade Commission pursuant to paragraph (2) shall be available from such individual, the Attorney General, or the Chairman of the Federal Trade Commission, as the case may be, for public inspection and copying, subject to subsection (b) of section 552 title 5, United States Code; and

"(4) that the individual designated by the President in subsection (c) (2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission, or their delegates, may attend meetings to carry out any voluntary agreement;

"(5) that a Federal employee (other than an individual employed pursuant to section 3109 of title 5 of the United States Code) shall attend meetings to carry out any voluntary agreement;

"(6) that participants in any voluntary agreement provide the individual designated by the President in subsection (c) (2) to administer the voluntary agreement, the Attorney General, and the Chairman of the Federal Trade Commission with adequate prior notice of the time, place, and nature of any meeting to be held to carry out the voluntary agreement;

"(7) for the attendance by interested persons of any meeting held to carry out any voluntary agreement, unless the individual designated by the President in subsection (c) (2) to administer the voluntary agreement finds that the matter or matters to be discussed at such meeting falls within the purview of matters discussed in subsection (b) of section 552, title 5, United States Code;

"(8) that the individual designated by the President in subsection (c) (2) to administer the voluntary agreement has published in the Federal Register prior notification of the time, place, and nature of any meeting held to carry out any voluntary agreement, unless he finds that the matter or matters to be discussed at such meeting falls within the purview of matters discussed in subsection (b) of section 552, title 5, United States Code, in which case, notification of the time, place, and nature of such meeting shall be published in the Federal Register within ten days of the date of such meeting;

"(9) that—

"(A) the Attorney General (after consultation with the Chairman of the Federal Trade Commission and the individual designated by the President in subsection (c) (2) to administer a voluntary agreement), or

"(B) the individual designated by the President in subsection (c) (2) to administer a voluntary agreement (after consultation with the Attorney General and the Chairman of the Federal Trade Commission),

may terminate or modify, in writing, the voluntary agreement upon such termination effective immediately upon such termination any antitrust immunity conferred upon the participants in the voluntary agreement by subsection (i) shall not apply to any act or omission occurring after the time of the revocation; and

"(10) that participants in any voluntary agreement be reasonably representative of the appropriate industry or segment of such industry.

"(h) The Attorney General and the Chairman of the Federal Trade Commission shall each promulgate such rules as he deems necessary or appropriate to carry out his responsibility under this section.

"(i) There shall be available as a defense for any person to any prosecution or civil action brought for violation of the antitrust laws (or any similar law of any State) with respect to any act or omission to act to develop or carry out any voluntary agreement under this section that—

"(1) such act or omission to act was taken in good faith by that person—

"(A) in the course of developing a voluntary agreement under this section, or

"(B) to carry out a voluntary agreement under this section; and

"(2) such person fully complied with this section and the rules promulgated hereunder, and acted in accordance with the terms of the voluntary agreement.

"(j) The Attorney General and the Federal Trade Commission shall each make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this section. Such surveys shall include studies of the voluntary agreements authorized by this section. The Attorney General shall (after consultation with the Federal Trade Commission) submit to the Congress and the President at least once every year reports setting forth the results of such studies of voluntary agreements.

"(k) The individual or individuals designated by the President in subsection (c) (2) shall submit to the Congress and the President at least once every year reports describing each voluntary agreement in effect and its contribution to achievement of the purpose of subsection (c) (1).

"(l) (1) In the case of any international voluntary agreement—

"(A) the rules promulgated pursuant to subsection (d) incorporating standards and procedures by which voluntary agreements may be developed shall provide—

"(i) that any such agreement shall be developed at meetings which include the Secretary of State or his delegate.

"(ii) that a full and verbatim transcript shall be made of any such meeting and shall be transmitted by the chairman of the meeting to the Secretary of State,

"(iii) that any such voluntary agreement resulting from the meetings shall be transmitted by the chairman of the meetings to the Secretary of State,

"(iv) interested persons may not attend any such meeting if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing that on account of the matter or matters to be discussed at such meeting it would be detrimental to the foreign policy interests of the United States to permit such persons to attend such meetings, and

"(v) any transcript of a meeting held to develop any such voluntary agreement may not be made available for public inspection and copying if the Secretary of State or his delegate finds (after consulation with the Attroney General), in writing, that to do so would be detrimental to the foreign policy interests of the United States;

"(B) such agreement may not become effective unless and until the Secretary of State finds that such agreement is consistent with the foreign policy interests of the United States;

"(C) the rules promulgated under subsection (d) with respect to the carrying out of voluntary agreements shall provide—

"(i) that participants in any such agreement shall agree, in writing, to make available to the Secretary of State for inspection and copying at reasonable times and upon reasonable notice any item maintained pursuant to subsection (g) (1) with respect to such agreement,

"(ii) that any item referred to in subsection (g) (1) with respect to such agreement may not be made available for public inspection and copying if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing, that to do so would be deterimental to the foreign policy interests of the United States,

"(iii) that the Secretary of State or his delegate may attend meetings to carry out any such agreement,

"(iv) that participants in any such agreement provide the Secretary of State with adequate prior notice of the time, place, and nature of any meeting to be held to carry out any such agreement, and

"(v) interested persons may not attend any such meeting if the Secretary of State or his delegate finds (after consultation with the Attorney General), in writing, that on account of the matter or matters to be discussed at such meeting it would be detrimental to the foreign policy interests of the United States.

"(2) The requirements which are made applicable specifically in the case of international voluntary agreements under paragraph (1) of this subsection shall be in addition to any requirements made applicable to voluntary agreements generally under the other subsections of this section; except that if any requirement under paragraph (1) of this subsection is inconsistent with the corresponding requirement under any other subsection of this section, the latter requirement shall be considered to be modified to the extent necessary to give effect to the requirement under paragraph (1) of this subsection.

"(3) For the purposes of this subsection, the term—

"(A) 'international voluntary agreement' refers to—

"(i) the Voluntary Agreement and Program Relating to the Agreement on an International Energy Program signed by the United States on November 18, 1974; and

"(ii) any voluntary agreement developed under rules promulgated pursuant to subsection (d) to carry out the purpose of subsection (c) (1) and which is certified by the Secretary of State as necessary to carry out the purposes of an international agreement to which the United States is a party or as necessary to implement a program of international cooperation between the United State and one or more foreign countries.

"(B) 'foreign country' means any country other than the United States."

"(4) If S. 622, Ninety-four Congress (the Energy Policy and Conservation Act) is enacted, then (effective on the effective date of the provisions of S. 622 which relate to international voluntary agreements to carry out the International Energy Program) this section shall not be applicable to (A) any international voluntary agreement described in paragraph (3) (A) (i), or (B) any international voluntary agreement described in paragraph (3) (A) (ii) which relates to crude oil, residual fuel oil, or refined petroleum products.".

SEC. 4. Any voluntary agreement entered into under section 708 of the Defense Production Act of 1950 prior to the effective date of this Act and in effect immediately prior to such date shall continue in effect but shall be carried out in accordance with that section as amended by this Act.

SEC. 5. This Act and the amendments made by it shall take effect on the one hundred and twentieth day beginning after the date of its enactment, except that the amendment made by section 2 shall take effect upon the date of enactment of this Act.

SEC. 6. Section 719 of the Defense Production Act of 1950 is amended—

(1) in subsection (h) thereof by inserting the following new paragraph (3) and by redesignating the existing paragraph (3) as paragraph (4):

"(3)(a) The Board shall establish criteria and procedures for evaluating the probable costs compared to the probable benefits of implementation of cost-accounting standards promulgated under subsection (g) and major rules and regulations prescribed under this section. The evaluation should include, where applicable:

"(1) an analysis of the principal cost or other inflationary effects of the proposed standard, rule or regulation on markets, consumers, businesses or Federal, State or local government, and, where practical, an analysis of secondary cost and price effects. These analyses should have as much quantitative precision as necessary and should focus on a time period sufficient to determine economic and inflationary impacts;

"(2) a comparison of the benefits to be derived from the proposed standard, rule or regulation with the estimated costs and inflationary impacts. These benefits should be quantified to the extent practical; and

"(3) a review of alternatives to the proposed standard, rule or regulation that were considered, their probable costs, benefits, risks, and inflationary impacts compared with those of the proposed standard, rule or regulation.

"(b) The Board shall conduct an evaluation of each standard, rule or regulation in accordance with the criteria and procedures established pursuant to paragraph (3)(a).

"(c) The Board shall prepare a statement certifying that the probable costs and benefits of the proposed standard, rule or regulation have been carefully evaluated, and shall transmit such statement and evaluation to the Congress with a copy of the proposed standard, rule or regulation in accordance with the procedures established by paragraph (4)."

(2) in subsection (k) thereof by adding the following sentence: "The Board shall include in its annual report of August 15, 1976, a summary of all evaluations conducted pursuant to subsection (h)(3) as well as a cost-benefit evaluation of all standards and major rules and regulations promulgated prior to the implementation of subsection (h)(3).

SEC. 7. Section 720 of the Defense Production Act of 1950 is amended—

(1) in subsection (h) thereof by striking out "March 31, 1976" and inserting in lieu thereof "December 31, 1976" and by striking out "October 1, 1976" and inserting in lieu thereof "March 31, 1977";

(2) in the last sentence of subsection (i) (2) by striking out "not to exceed $75,000 to remain available until October 1, 1976" and inserting in lieu thereof "not to exceed $150,000 to remain available until March 31, 1977";

(3) in subsection (l) thereof by striking out "not to exceed $500,000 to remain available until October 1, 1976" and inserting in lieu thereof "not to exceed $1,484,000 to remain available until March 31, 1977"; and

(4) in subsection (j) thereof by inserting the following new paragraph:

"(3) The Commission is authorized to contract with public or private agencies, institutions, corporations, and other organizations."

SEC. 8. Effective July 1, 1976, section 712 of the Defense Production Act of 1950 (relating to the Joint Committee on Defense Production) is repealed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 10031) was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 10031

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Clerk may be authorized to correct section numbers, punctuation and cross references in the engrossment of the bill H.R. 10031.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

CONFERENCE REPORT ON S. 6, RIGHT TO EDUCATION FOR ALL HANDICAPPED CHILDREN

Mr. PERKINS submitted the following conference report and statement on the bill (S. 6) to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purpose:

CONFERENCE REPORT (H. REPT. NO. 94-664)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6) to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purpose, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Education for All Handicapped Children Act of 1975".

EXTENSION OF EXISTING LAW

SEC. 2. (a)(1)(A) Section 611(b)(2) of the Education of the Handicapped Act (20 U.S.C. 1411(b)(2)) (hereinafter in this Act referred to as the "Act"), as in effect during the fiscal years 1976 and 1977, is amended by striking out "the Commonwealth of Puerto Rico,".

(B) Section 611(c)(1) of the Act (20 U.S.C. 1411(c)(1)), as in effect during the fiscal years 1976 and 1977, is amended by striking out "the Commonwealth of Puerto Rico,".

(2) Section 611(c)(2) of the Act (20 U.S.C. 1411(c)(2)), as in effect during the fiscal years 1976 and 1977, is amended by striking out "year ending June 30, 1975" and inserting in lieu thereof the following: "years ending June 30, 1975, and 1976, and for the fiscal year ending September 30, 1977", and by striking out "2 per centum" each place it appears therein and inserting in lieu thereof "1 per centum".

(3) Section 611(d) of the Act (20 U.S.C. 1411(d)), as in effect during the fiscal years 1976 and 1977, is amended by striking out "year ending June 30, 1975" and inserting in lieu thereof the following: "years ending June 30, 1975, and 1976, and for the fiscal year ending September 30, 1977".

(4) Section 612(a) of the Act (20 U.S.C. 1412(a)), as in effect during the fiscal years 1976 and 1977, is amended—

(A) by striking out "year ending June 30, 1975" and inserting in lieu thereof "years ending June 30, 1975, and 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977"; and

(B) by striking out "fiscal year 1974" and inserting in lieu thereof "preceding fiscal year".

(b)(1) Section 614(a) of the Education Amendments of 1974 (Public Law 93-380; 88 Stat. 580) is amended by striking out "fiscal year 1975" and inserting in lieu thereof the following: "the fiscal years ending June 30, 1975, and 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977,".

(2) Section 614(b) of the Education Amendments of 1974 (Public Law 93-380; 88 Stat. 580) is amended by striking out "fiscal year 1974" and inserting in lieu thereof the following: "the fiscal years ending June 30, 1975, and 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977,".

(3) Section 614(c) of the Education Amendments of 1974 (Public Law 93-380; 88 Stat. 580) is amended by striking out "fiscal year 1974" and inserting in lieu thereof the following: "the fiscal years ending June 30, 1975, and 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977,".

(c) Section 612(a) of the Act, as in effect during the fiscal years 1976 and 1977, and as amended by subsection (a)(4), is amended by inserting immediately before the period at the end thereof the following: ", or $300,000, whichever is greater".

(d) Section 612 of the Act (20 U.S.C. 1411), as in effect during the fiscal years 1976 and 1977, is amended by adding at the end thereof the following new subsection:

"(d) The Commissioner shall, no later than one hundred twenty days after the date of the enactment of the Education for All Handicapped Children Act of 1975, prescribe and publish in the Federal Register such rules as he considers necessary to carry out the provisions of this section and section 611.".

(e) Notwithstanding the provisions of section 611 of the Act, as in effect during the fiscal years 1976 and 1977, there are authorized to be appropriated $100,000,000 for the fiscal year 1976, such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, and $200,000,000 for the fiscal year 1977, to carry out the provisions of part B of the Act, as in effect during such fiscal years.

STATEMENT OF FINDINGS AND PURPOSE

SEC. 3. (a) Section 601 of the Act (20 U.S.C. 1401) is amended by inserting "(a)" immediately before "This title" and by adding at the end thereof the following new subsections:

"(b) The Congress finds that—

"(1) there are more than eight million handicapped children in the United States today;

"(2) the special educational needs of such children are not being fully met;

"(3) more than half of the handicapped children in the United States do not receive appropriate educational services which would enable them to have full equality of opportunity;

"(4) one million of the handicapped children in the United States are excluded entirely from the public school system and will not go through the educational process with their peers;

"(5) there are many handicapped children throughout the United States participating in regular school programs whose handicaps prevent them from having a successful educational experience because their handicaps are undetected;

"(6) because of the lack of adequate services within the public school system, families are often forced to find services outside the public school system, often at great distance from their residence and at their own expense;

"(7) developments in the training of teachers and in diagnostic and instructional procedures and methods have advanced to the point that, given appropriate funding, State and local educational agencies can and will provide effective special education and related services to meet the needs of handicapped children;

"(8) State and local educational agencies have a responsibility to provide education for all handicapped children, but present financial resources are inadequate to meet the special educational needs of handicapped children; and

"(9) it is in the national interest that the Federal Government assist State and local efforts to provide programs to meet the educational needs of handicapped children in order to assure equal protection of the law.

"(c) It is the purpose of this Act to assure that all handicapped children have available to them, within the time periods specified in section 612(2)(B), a free appropriate public education which emphasizes special education and related services designed to meet their unique needs, to assure that the rights of handicapped children and their parents or guardians are protected, to assist States and localities to provide for the education of all handicapped children, and to assess and assure the effectiveness of efforts to educate handicapped children.".

(b) The heading for section 601 of the Act (20 U.S.C. 1401) is amended to read as follows:

"SHORT TITLE; STATEMENT OF FINDINGS AND PURPOSE". DEFINITIONS

SEC. 4. (a) Section 602 of the Act (20 U.S.C. 1402) is amended—

(1) in paragraph (1) thereof, by striking out "crippled" and inserting in lieu thereof "orthopedically impaired", and by inserting immediately after "impaired children" the following: ", or children with specific learning disabilities,";

(2) in paragraph (5) thereof, by inserting immediately after "instructional materials," the following: "telecommunications, sensory, and other technological aids and devices,";

(3) in the last sentence of paragraph (15) thereof, by inserting immediately after "environmental" the following: ", cultural, or economic"; and

(4) by adding at the end thereof the following new paragraphs:

"(16) The term 'special education' means specially designed instruction, at no cost to parents or guardians, to meet the unique needs of a handicapped child, including classroom instruction, instruction in physical education, home instruction, and instruction in hospitals and institutions.

"(17) The term 'related services' means transportation, and such developmental, corrective, and other supportive services (including speech pathology and audiology, psychological services, physical and occupational therapy, recreation, and medical and counseling services, except that such medical services shall be for diagnostic and evaluation purposes only) as may be required to assist a handicapped child to benefit from special education, and includes the early identification and assessment of handicapping conditions in children.

"(18) The term 'free appropriate public education' means special education and related services which (A) have been provided at public expense, under public supervision and direction, and without charge, (B) meet the standards of the State educational agency, (C) include an appropriate preschool, elementary, or secondary school education in the State involved, and (D) are provided in conformity with the individualized education program required under section 614(a)(5).

"(19) The term 'individualized education program' means a written statement for each handicapped child developed in any meeting by a representative of the local educational agency or an intermediate educational unit who shall be qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of handicapped children, the teacher, the parents or guardian of such child, and, whenever appropriate, such child, which statement shall include (A) a statement of the present levels of educational performance of such child, (B) a statement of annual goals, including short-term instructional objectives, (C) a statement of the specific educational services to be provided to such child, and the extent to which such child will be able to participate in regular educational programs, (D) the projected date for initiation and anticipated duration of such services, and (E) appropriate objective criteria and evaluation procedures and schedules for determining, on at least an annual basis, whether instructional objectives are being achieved.

"(20) The term 'excess costs' means those costs which are in excess of the average annual per student expenditure in a local educational agency during the preceding school year for an elementary or secondary school student, as may be appropriate, and which shall be computed after deducting (A) amounts received under this part or under title I or title VII of the Elementary and Secondary Education Act of 1965, and (B) any State or local funds expended for programs which would qualify for assistance under this part or under such titles.

"(21) The term 'native language' has the meaning given that term by section 703(a)(2) of the Bilingual Education Act (20 U.S.C. 880b–1(a)(2)).

"(22) The term 'intermediate educational unit' means any public authority, other than a local educational agency, which is under the general supervision of a State educational agency, which is established by State law for the purpose of providing free public education on a regional basis, and which provides special education and related services to handicapped children within that State.".

(b) The heading for section 602 of the Act (20 U.S.C. 1402) is amended to read as follows:

"DEFINITIONS".

ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED CHILDREN

SEC. 5. (a) Part B of the Act (20 U.S.C. 1411 et seq.) is amended to read as follows:

"PART B—ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED CHILDREN

"ENTITLEMENTS AND ALLOCATIONS

"SEC. 611. (a)(1) Except as provided in paragraph (3) and in section 619, the maximum amount of the grant to which a State is entitled under this part for any fiscal year shall be equal to—

"(A) the number of handicapped children aged three to twenty-one, inclusive, in such State who are receiving special education and related services;

multiplied by—

"(B)(i) 5 per centum, for the fiscal year ending September 30, 1978, of the average per pupil expenditure in public elementary and secondary schools in the United States;

"(ii) 10 per centum, for the fiscal year ending September 30, 1979, of the average per pupil expenditure in public elementary and secondary schools in the United States;

"(iii) 20 per centum, for the fiscal year ending September 30, 1980, of the average per pupil expenditure in public elementary and secondary schools in the United States;

"(iv) 30 per centum, for the fiscal year ending September 30, 1981, of the average per pupil expenditure in public elementary and secondary schools in the United States; and

"(v) 40 per centum, for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, of the average per pupil expenditure in public elementary and secondary schools in the United States;

except that no State shall receive an amount which is less than the amount which such State received under this part for the fiscal year ending September 30, 1977.

"(2) For the purpose of this subsection and subsection (b) through subsection (e), the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) The number of handicapped children receiving special education and related services in any fiscal year shall be equal to the average of the number of such children receiving special education and related services on October 1 and February 1 of the fiscal year preceding the fiscal year for which the determination is made.

"(4) For purposes of paragraph (1)(B), the term 'average per pupil expenditure', in the United States, means the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for such year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available) of all local educational agencies in the United States (which, for purposes of this subsection, means the fifty States and the District of Columbia), as the case may be, plus any direct expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

"(5)(A) In determining the allotment of each State under paragraph (1), the Commissioner may not count—

"(i) handicapped children in such State under paragraph (1)(A) to the extent the number of such children is greater than 12 per centum of the number of all children aged five to seventeen, inclusive, in such State;

"(ii) as part of such percentage, children with specific learning disabilities to the extent the number of such children is greater than one-sixth of such percentage; and

"(iii) handicapped children who are counted under section 121 of the Elementary and Secondary Education Act of 1965.

"(B) For purposes of subparagraph (A), the number of children aged five to seventeen, inclusive, in any State shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

"(b)(1) Of the funds received under subsection (a) by any State for the fiscal year ending September 30, 1978—

"(A) 50 per centum of such funds may be used by such State in accordance with the provisions of paragraph (2); and

"(B) 50 per centum of such funds shall be distributed by such State pursuant to subsection (d) to local educational agencies and intermediate educational units in such State, for use in accordance with the priorities established under section 612(3).

"(2) Of the funds which any State may use under paragraph (1)(A)—

"(A) an amount which is equal to the greater of—

"(i) 5 per centum of the total amount of funds received under this part by such State; or

"(ii) $200,000;

may be used by such State for administrative costs related to carrying out sections 612 and 613; and

"(B) the remainder shall be used by such State to provide support services and direct services, in accordance with the priorities established under section 612(3).

"(c)(1) Of the funds received under subsection (a) by any State for the fiscal year ending September 30, 1979, and for each fiscal year thereafter—

"(A) 25 per centum of such funds may be used by such State in accordance with the provisions of paragraph (2); and

"(B) except as provided in paragraph (3), 75 per centum of such funds shall be distributed by such State pursuant to subsection (d) to local educational agencies and intermediate educational units in such State, for use in accordance with priorities established under section 612(3).

"(2)(A) Subject to the provisions of subparagraph (B), of the funds which any State may use under paragraph (1)(A)—

"(i) an amount which is equal to the greater of—

"(I) 5 per centum of the total amount of funds received under this part by such State; or

"(II) $200,000;

may be used by such State for administrative costs related to carrying out the provisions of sections 612 and 613; and

"(ii) the remainder shall be used by such State to provide support services and direct services, in accordance with the priorities established under section 612(3).

"(B) The amount expended by any State from the funds available to such State under paragraph (1)(A) in any fiscal year for the provision of support services or for the provision of direct services shall be matched on a program basis by such State, from funds other than Federal funds, for the provision of support services or for the provision of direct services for the fiscal year involved.

"(3) The provisions of section 613(a)(9) shall not apply with respect to amounts available for use by any State under paragraph (2).

"(4)(A) No funds shall be distributed by any State under this subsection in any fiscal year to any local educational agency or intermediate educational unit in such State if—

"(i) such local educational agency or intermediate educational unit is entitled, under subsection (d), to less than $7,500 for such fiscal year; or

"(ii) such local educational agency or intermediate educational unit has not submitted an application for such funds which meets the requirements of section 614.

"(B) Whenever the provisions of subparagraph (A) apply, the State involved shall use such funds to assure the provision of a free appropriate education to handicapped children residing in the area served by such local educational agency or such intermediate unit. The provisions of (2)(B) shall not apply to the use of such funds.

"(d) From the total amount of funds available to local educational agencies and intermediate educational units in any State under subsection (b)(1)(B) or subsection (c)(1)(B), as the case may be, each local educational agency or intermediate educational unit shall be entitled to an amount which bears the same ratio to the total amount available under subsection (b)(1)(B) or subsection (c)(1)(B), as the case may be, as the number of handicapped children aged three to twenty-one, inclusive, receiving special education and related services in such local educational agency or intermediate educational unit bears to the aggregate number of handicapped children aged three to twenty-one, inclusive, receiving special education and related services in all local educational agencies and intermediate educational units which apply to the State educational agency involved for funds under this part.

"(e)(1) The jurisdictions to which this subsection applies are Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(2) Each jurisdiction to which this subsection applies shall be entitled to a grant for the purposes set forth in section 601(c) in an amount equal to an amount determined by the Commissioner in accordance with criteria based on respective needs, except that the aggregate of the amount to which such jurisdictions are so entitled for any fiscal year shall not exceed an amount equal to 1 per centum of the aggregate of the amounts available to all States under this part for that fiscal year. If the aggregate of the amounts, determined by the Commissioner pursuant to the preceding sentence, to be so needed for any fiscal year exceeds an amount equal to such 1 per centum limitation, the entitlement of each such jurisdiction shall be reduced proportionately until such aggregate does not exceed such 1 per centum limitation.

"(3) The amount expended for administration by each jurisdiction under this subsection shall not exceed 5 per centum of the amount allotted to such jurisdiction for any fiscal year, or $35,000, whichever is greater.

"(f)(1) The Commissioner is authorized to make payments to the Secretary of the Interior according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. The amount of such payment for any fiscal year shall not exceed 1 per centum of the aggregate amounts available to all States under this part for that fiscal year.

"(2) The Secretary of the Interior may receive an allotment under this subsection only after submitting to the Commissioner an application which meets the applicable requirements of section 614(a) and which is approved by the Commissioner. The provisions of section 616 shall apply to any such application.

"(g)(1) If the sums appropriated for any fiscal year for making payments to States under this part are not sufficient to pay in full the total amounts which all States are entitled to receive under this part for such fiscal year, the maximum amounts which all States are entitled to receive under this part for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"(2) In the case of any fiscal year in which the maximum amounts for which States are eligible have been reduced under the first sentence of paragraph (1), and in which additional funds have not been made available to pay in full the total of such maximum amounts under the last sentence of such paragraph, the State educational agency shall fix dates before which each local educational agency or intermediate educational unit shall report to the State educational agency on the amount of funds available to the local educational agency or intermediate educational unit, under the provisions of subsection (d), which it estimates that it will expend in accordance with the provisions of this part. The amounts so available to any local educational agency or intermediate educational unit, or any amount which would be available to any other local educational agency or intermediate educational unit if it were to submit a program meeting the requirements of this part, which the State educational agency determines will not be used for the period of its availability, shall be available for allocation to those local educational agencies or intermediate educational units, in the manner provided by this section, which the State educational agency determines will need and be able to use additional funds to carry out approved programs.

"ELIGIBILITY

"SEC. 612. In order to qualify for assistance under this part in any fiscal year, a State shall demonstrate to the Commissioner that the following conditions are met:

"(1) The State has in effect a policy that assures all handicapped children the right to a free appropriate public education.

"(2) The State has developed a plan pursuant to section 613(b) in effect prior to the date of the enactment of the Education for All Handicapped Children Act of 1975 and submitted not later than August 21, 1975, which will be amended so as to comply with the provisions of this paragraph. Each such amended plan shall set forth in detail the policies and procedures which the State will undertake or has undertaken in order to assure that—

"(A) there is established (i) a goal of providing full educational opportunity to all handicapped children, (ii) a detailed timetable for accomplishing such a goal, and (iii) a description of the kind and number of facilities, personnel, and services necessary throughout the State to meet such a goal;

"(B) a free appropriate public education will be available for all handicapped children between the ages of three and eighteen within the State not later than September 1, 1978, and for all handicapped children between the ages of three and twenty-one within the State not later than September 1, 1980, except that, with respect to handicapped children aged three to five and aged eighteen to twenty-one, inclusive, the requirements of this clause shall not be applied in any State if the application of such requirements would be inconsistent with State law or practice, or the order of any court, respecting public education within such age groups in the State;

"(C) all children residing in the State who are handicapped, regardless of the severity of their handicap, and who are in need of special education and related services are identified, located, and evaluated, and that a practical method is developed and implemented to determine which children are currently receiving needed special education and related services and which children are not currently receiving needed special education and related services;

"(D) policies and procedures are established in accordance with detailed criteria prescribed under section 617(c);

"(E) the amendment to the plan submitted by the State required by this section shall be available to parents, guardians, and other members of the general public at least thirty days prior to the date of submission of the amendment to the Commissioner.

"(3) The State has established priorities for providing a free appropriate public education to all handicapped children, which priorities shall meet the timetables set forth in clause (B) of paragraph (2) of this section, first with respect to handicapped children who are not receiving an education, and second with respect to handicapped children, within each disability, with the most severe handicaps who are receiving an inadequate education, and has made adequate progress in meeting the timetables set forth in clause (B) of paragraph (2) of this section.

"(4) Each local educational agency in the State will maintain records of the individualized education program for each handicapped child, and such program shall be established, reviewed, and revised as provided in section 614(a)(5).

"(5) The State has established (A) procedural safeguards as required by section 615, (B) procedures to assure that, to the maximum extent appropriate, handicapped children, including children in public or private institutions or other care facilities, are educated with children who are not handicapped, and that special classes, separate schooling, or other removal of handicapped children from the regular educational environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily, and (C) procedures to assure that testing and evaluation materials and procedures utilized for the purposes of evaluation and placement of handicapped children will be selected and administered so as not to be racially or culturally discriminatory. Such materials or procedures shall be provided and administered in the child's native language or mode of communication, unless it clearly is not feasible to do so, and no single procedure shall be the sole criterion for determining an appropriate educational program for a child.

"(6) The State educational agency shall be responsible for assuring that the requirements of this part are carried out and that all educational programs for handicapped children within the State, including all such programs administered by any other State or local agency, will be under the general supervision of the persons responsible for educational programs for handicapped children in the State educational agency and shall meet education standards of the State educational agency.

"(7) The State shall assure that (A) in carrying out the requirements of this section procedures are established for consultation with individuals involved in or concerned with the education of handicapped children, including handicapped individuals and parents or guardians of handicapped children, and (B) there are public hearings, adequate notice of such hearings, and an opportunity for comment available to the general public prior to adoption of the policies, programs, and procedures required pursuant to the provisions of this section and section 613.

"STATE PLANS

"SEC. 613. (a) Any State meeting the eligibility requirements set forth in section 612 and desiring to participate in the program under this part shall submit to the Commissioner, through its State educational agency, a State plan at such time, in such manner, and containing or accompanied by such information, as he deems necessary. Each such plan shall—

"(1) set forth policies and procedures designed to assure that funds paid to the State under this part will be expended in accordance with the provisions of this part, with particular attention given to the provisions of sections 611(b), 611(c), 611(d), 612(2), and 612(3);

"(2) provide that programs and procedures will be established to assure that funds received by the State or any of its political subdivisions under any other Federal program, including section 121 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 241c–2), section 305(b)(8) of such Act (20 U.S.C. 844a(b)(8)) or its successor authority, and section 122(a)(4)(B) of the Vocational Education Act of 1963 (20 U.S.C. 1262(a)(4)(B)), under which there is specific authority for the provision of assistance for the education of handicapped children, will be utilized by the State, or any of its political subdivisions, only in a manner consistent with the goal of providing a free appropriate public education for all handicapped children, except that nothing in this clause shall be construed to limit the specific requirements of the laws governing such Federal programs;

"(3) set forth, consistent with the purposes of this Act, a description of programs and procedures for (A) the development and implementation of a comprehensive system of personnel development which shall include the inservice training of general and special educational instructional and support personnel, detailed procedures to assure that all personnel necessary to carry out the purposes of this Act are appropriately and adequately prepared and trained, and effective procedures for acquiring and disseminating to teachers and administrators of programs for handicapped children significant information derived from educational research, demonstration, and similar projects, and (B) adopting, where appropriate, promising educational practices and materials development through such projects;

"(4) set forth policies and procedures to assure—

"(A) that, to the extent consistent with the number and location of handicapped children in the State who are enrolled in private elementary and secondary schools, provision is made for the participation of such children in the program assisted or carried out under this part by providing for such children special education and related services; and

"(B) that (i) handicapped children in private schools and facilities will be provided special education and related services (in conformance with an individualized educational program as required by this part) at no cost to their parents or guardian, if such children are placed in or referred to such schools or facilities by the State or appropriate local educational agency as the means of carrying out the requirements of this part or any other applicable law requiring the provision of special education and related services to all handicapped children within such State, and (ii) in all such instances the State educational agency shall determine whether such schools and facilities meet standards that apply to State and local educational agencies and that children so served have all the rights they would have if served by such agencies;

"(5) set forth policies and procedures which assure that the State shall seek to recover any funds made available under this part for services to any child who is determined to be erroneously classified as eligible to be counted under section 611(a) or section 611(d);

"(6) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

"(7) provide for (A) making such reports in such form and containing such information as the Commissioner may require to carry out his functions under this part, and (B) keeping such records and affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this part;

"(8) provide procedures to assure that final action with respect to any application submitted by a local educational agency or an intermediate educational unit shall not be taken without first affording the local educational agency or intermediate educational unit involved reasonable notice and opportunity for a hearing;

"(9) provide satisfactory assurance that Federal funds made available under this part (A) will not be commingled with State funds, and (B) will be so used as to supplement and increase the level of State and local funds expended for the education of handicapped children and in no case to supplant such State and local funds, except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Commissioner may waive in part the requirement of this clause if he concurs with the evidence provided by the State;

"(10) provide, consistent with procedures prescribed pursuant to section 617(a)(2), satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the State, including any such funds paid by the State to local educational agencies and intermediate educational units;

"(11) provide for procedures for evaluation at least annually of the effectiveness of programs in meeting the educational needs of handicapped children (including evaluation of individualized education programs), in accordance with such criteria that the Commissioner shall prescribe pursuant to section 617; and

"(12) provide that the State has an advisory panel, appointed by the Governor or any other official authorized under State law to make such appointments, composed of individuals involved in or concerned with the education of handicapped children, including handicapped individuals, teachers, parents or guardians of handicapped children, State and local education officials, and administrators of programs for handicapped children, which (A) advises the State educational agency of unmet needs within the State in the education of handicapped children, (B) comments publicly on any rules or regulations proposed for issuance by the State regarding the education of handicapped children and the procedures for distribution of funds under this part, and (C) assists the State in developing and reporting such data and evaluations as may assist the Commissioner in the performance of his responsibilities under section 618.

"(b) Whenever a State educational agency provides free appropriate public education for handicapped children, or provides direct services to such children, such State educational agency shall include, as part of the State plan required by subsection (a) of this section, such additional assurances not specified in such subsection (a) as are contained in section 614(a), except that funds available for the provision of such education or services may be expended without regard to the provisions relating to excess costs in section 614(a).

"(c) The Commissioner shall approve any State plan and any modification thereof which—

"(1) is submitted by a State eligible in accordance with section 612; and

"(2) meets the requirements of subsection (a) and subsection (b).

The Commissioner shall disapprove any State plan which does not meet the requirements of the preceding sentence, but shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"APPLICATION

"SEC. 614. (a) A local educational agency or an intermediate educational unit which desires to receive payments under section 611(d) for any fiscal year shall submit an application to the appropriate State educational agency. Such application shall—

"(1) provide satisfactory assurance that payments under this part will be used for excess costs directly attributable to programs which—

"(A) provide that all children residing

within the jurisdiction of the local educational agency or the intermediate educational unit who are handicapped, regardless of the severity of their handicap, and are in need of special education and related services will be identified, located, and evaluated, and provide for the inclusion of a practical method of determining which children are currently receiving needed special education and related services and which children are not currently receiving such education and services;

"(B) establish policies and procedures in accordance with detailed criteria prescribed under section 617(c);

"(C) establish a goal of providing full educational opportunities to all handicapped children, including—

"(i) procedures for the implementation and use of the comprehensive system of personnel development established by the State educational agency under section 613(a)(3);

"(ii) the provision of, and the establishment of priorities for providing a free appropriate public education to all handicapped children, first with respect to handicapped children who are not receiving an education, and second with respect to handicapped children, within each disability, with the most severe handicaps who are receiving an inadequate education;

"(iii) the participation and consultation of the parents or guardian of such children; and

"(iv) to the maximum extent practicable and consistent with the provisions of section 612(5)(B), the provision of special services to enable such children to participate in regular educational programs;

"(D) establish a detailed timetable for accomplishing the goal described in subclause (C); and

"(E) provide a description of the kind and number of facilities, personnel, and services necessary to meet the goal described in subclause (C);

"(2) provide satisfactory assurance that (A) the control of funds provided under this part, and title to property derived from such funds, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property, (B) Federal funds expended by local educational agencies and intermediate educational units for programs under this part (i) shall be used to pay only the excess costs directly attributable to the extent practicable, increase the level and (ii) shall be used to supplement and, to the extent practicable, increase the level of State and local funds expended for the education of handicapped children, and in no case to supplant such State and local funds, and (C) State and local funds will be used in the jurisdiction of the local educational agency or intermediate educational unit to provide services in program areas which, taken as a whole, are at least comparable to services being provided in areas of such jurisdiction which are not receiving funds under this part;

"(3)(A) provide for furnishing such information (which, in the case of reports relating to performance, is in accordance with specific performance criteria related to program objectives), as may be necessary to enable the State educational agency to perform its duties under this part, including information relating to the educational achievement of handicapped children participating in programs carried out under this part; and

"(B) provide for keeping such records, and provide for affording such access to such records, as the State educational agency may find necessary to assure the correctness and verification of such information furnished under subclause (A);

"(4) provide for making the application and all pertinent documents related to such application available to parents, guardians, and other members of the general public, and provide that all evaluations and reports required under clause (3) shall be public information;

"(5) provide assurances that the local educational agency or intermediate educational unit will establish, or revise, whichever is appropriate, an individualized education program for each handicapped child at the beginning of each school year and will then review and, if appropriate revise, its provisions periodically, but not less than annually;

"(6) provide satisfactory assurance that policies and programs established and administered by the local educational agency or intermediate educational unit shall be consistent with the provisions of paragraph (1) through paragraph (7) of section 612 and section 613(a);

"(7) provide satisfactory assurance that the local educational agency or intermediate educational unit will establish and maintain procedural safeguards in accordance with the provisions of sections 612(5)(B), 612(5)(C) and 615.

"(b)(1) A State educational agency shall approve any application submitted by a local educational agency or an intermediate educational unit under subsection (a) if the State educational agency determines that such application meets the requirements of subsection (a), except that no such application may be approved until the State plan submitted by such State educational agency under subsection (a) is approved by the Commissioner under section 613(c). A State educational agency shall disapprove any application submitted by a local educational agency or an intermediate educational unit under subsection (a) if the State educational agency determines that such application does not meet the requirements of subsection (a).

"(2)(A) Whenever a State educational agency, after reasonable notice and opportunity for a hearing, finds that a local educational agency or an intermediate educational unit, in the administration of an application approved by the State educational agency under paragraph (1), has failed to comply with any requirement set forth in such application, the State educational agency, after giving appropriate notice to the local educational agency or the intermediate educational unit, shall—

"(i) make no further payments to such local educational agency or such intermediate educational unit under section 620 until the State educational agency is satisfied that there is no longer any failure to comply with the requirement involved; or

"(ii) take such finding into account in its review of any application made by such local educational agency or such intermediate educational unit under subsection (a).

"(B) The provisions of the last sentence of section 616(a) shall apply to any local educational agency or any intermediate educational unit receiving any notification from a State educational agency under this paragraph.

"(3) In carrying out its functions under paragraph (1), each State educational agency shall consider any decision made pursuant to a hearing held under section 615 which is adverse to the local educational agency or intermediate educational unit involved in such decision.

"(c)(1) A State educational agency may, for purposes of the consideration and approval of applications under this section, require local educational agencies to submit a consolidated application for payments if such State educational agency determines that any individual application submitted by any such local educational agency will be disapproved because such local educational agency is ineligible to receive payments because of the application of section 611(c)(4)(A)(i) or such local educational agency would be unable to establish and maintain programs of sufficient size and scope to effectively meet the educational needs of handicapped children.

"(2)(A) In any case in which a consolidated application of local educational agencies is approved by a State educational agency under paragraph (1), the payments which such local educational agencies may receive shall be equal to the sum of payments to which each such local educational agency would be entitled under section 611(d) if an individual application of any such local educational agency had been approved.

"(B) The State educational agency shall prescribe rules and regulations with respect to consolidated applications submitted under this subsection which are consistent with the provisions of paragraph (1) through paragraph (7) of section 612 and section 613(a) and which provide participating local educational agencies with joint responsibilities for implementing programs receiving payments under this part.

"(C) In any case in which an intermediate educational unit is required pursuant to State law to carry out the provisions of this part, the joint responsibilities given to local educational agencies, under subparagraph (B) shall not apply to the administration and disbursement of any payments received by such intermediate educational unit. Such responsibilities shall be carried out exclusively by such intermediate educational unit.

"(d) Whenever a State educational agency determines that a local educational agency—

"(1) is unable or unwilling to establish and maintain programs of free appropriate public education which meet the requirements established in subsection (a);

"(2) is unable or unwilling to be consolidated with other local educational agencies in order to establish and maintain such programs; or

"(3) has one or more handicapped children who can best be served by a regional or State center designed to meet the needs of such children;

the State educational agency shall use the payments which would have been available to such local educational agency to provide special education and related services directly to handicapped children residing in the area served by such local educational agency. The State educational agency may provide such education and services in such manner, and at such locations (including regional or State centers), as it considers appropriate, except that the manner in which such education and services are provided shall be consistent with the requirements of this part.

"(e) Whenever a State educational agency determines that a local educational agency is adequately providing a free appropriate public education to all handicapped children residing in the area served by such agency with State and local funds otherwise available to such agency, the State educational agency may reallocate funds (or such portion of those funds as may not be required to provide such education and services) made available to such agency, pursuant to section 611(d), to such other local educational agencies within the State as are not adequately providing special education and related services to all handicapped children in the areas served by such other local educational agencies.

"(f) Notwithstanding the provisions of subsection (a)(2)(B)(ii), any local educational agency which is required to carry out any program for the education of handicapped children pursuant to a State law shall be entitled to receive payments under section 611(d) for use in carrying out such program, except that such payments may not be used to reduce the level of expenditures for such program made by such local educational agency from State or local funds below the level of such expenditures for the fiscal year prior to the fiscal year for which such local educational agency seeks such payments.

"PROCEDURAL SAFEGUARDS

"Sec. 615. (a) Any State educational agency, any local educational agency, and any intermediate educational unit which receives assistance under this part shall establish and maintain procedures in accordance with subsection (b) through subsection (e) of this section to assure that handicapped children and their parents or guardians are guaranteed procedural safeguards with respect to the provision of free appropriate public education by such agencies and units.

"(b)(1) The procedures required by this section shall include, but shall not be limited to—

"(A) an opportunity for the parents or guardian of a handicapped child to examine all relevant records with respect to the identification, evaluation, and educational placement of the child, and the provision of a free appropriate public education to such child, and to obtain an independent educational evaluation of the child;

"(B) procedures to protect the rights of the child whenever the parents or guardian of the child are not known, unavailable, or the child is a ward of the State, including the assignment of an individual (who shall not be an employee of the State educational agency, local educational agency, or intermediate educational unit involved in the education or care of the child) to act as a surrogate for the parents or guardian;

"(C) written prior notice to the parents or guardian of the child whenever such agency or unit—

"(i) proposes to initiate or change, or

"(ii) refuses to initiate or change,

the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to the child;

"(D) procedures designed to assure that the notice required by clause (C) fully inform the parents or guardian, in the parents' or guardian's native language, unless it clearly is not feasible to do so, of all procedures available pursuant to this section; and

"(E) an opportunity to present complaints with respect to any matter relating to the identification, evaluation, or educational placement of the child, or the provision of a free appropriate public education to such child.

"(2) Whenever a complaint has been received under paragraph (1) of this subsection, the parents or guardian shall have an opportunity for an impartial due process hearing which shall be conducted by the State educational agency or by the local educational agency or intermediate educational unit, as determined by State law or by the State educational agency. No hearing conducted pursuant to the requirements of this paragraph shall be conducted by an employee of such agency or unit involved in the education or care of the child.

"(c) If the hearing required in paragraph (2) of subsection (b) of this section is conducted by a local educational agency or an intermediate educational unit, any party aggrieved by the findings and decision rendered in such a hearing may appeal to the State educational agency which shall conduct an impartial review of such hearing. The officer conducting such review shall make an independent decision upon completion of such review.

"(d) Any party to any hearing conducted pursuant to subsections (b) and (c) shall be accorded (1) the right to be accompanied and advised by counsel and by individuals with special knowledge or training with respect to the problems of handicapped children, (2) the right to present evidence and confront, cross-examine, and compel the attendance of witnesses, (3) the right to a written or electronic verbatim record of such hearing, and (4) the right to written findings of fact and decisions (which findings and decisions shall also be transmitted to the advisory panel established pursuant to section 613(a)(12)).

"(e)(1) A decision made in a hearing conducted pursuant to paragraph (2) of subsection (b) shall be final, except that any party involved in such hearing may appeal such decision under the provisions of subsection (c) and paragraph (2) of this subsection. A decision made under subsection (c) shall be final, except that any party may bring an action under paragraph (2) of this subsection.

"(2) Any party aggrieved by the findings and decision made under subsection (b) who does not have the right to an appeal under subsection (c), and any party aggrieved by the findings and decision under subsection (c), shall have the right to bring a civil action with respect to the complaint presented pursuant to this section, which action may be brought in any State court of competent jurisdiction or in a district court of the United States without regard to the amount in controversy. In any action brought under this paragraph the court shall receive the records of the administrative proceedings, shall hear additional evidence at the request of a party, and, basing its decision on the preponderance of the evidence, shall grant such relief as the court determines is appropriate.

"(3) During the pendency of any proceedings conducted pursuant to this section, unless the State or local educational agency and the parents or guardian otherwise agree, the child shall remain in the then current educational placement of such child, or, if applying for initial admission to a public school, shall, with the consent of the parents or guardian, be placed in the public school program until all such proceedings have been completed.

"(4) The district courts of the United States shall have jurisdiction of actions brought under this subsection without regard to the amount in controversy.

"WITHHOLDING AND JUDICIAL REVIEW

"Sec. 616. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency involved (and to any local educational agency or intermediate educational unit affected by any failure described in clause (2)), finds—

"(1) that there has been a failure to comply substantially with any provision of section 612 or section 613, or

"(2) that in the administration of the State plan there is a failure to comply with any provision of this part or with any requirements set forth in the application of a local educational agency or intermediate educational unit approved by the State educational agency pursuant to the State plan,

the Commissioner (A) shall, after notifying the State educational agency, withhold any further payments to the State under this part, and (B) may, after notifying the State educational agency, withhold further payments to the State under the Federal programs specified in section 613(a)(2) within his jurisdiction, to the extent that funds under such programs are available for the provision of assistance for the education of handicapped children. If the Commissioner withholds further payments under clause (A) or clause (B) he may determine that such withholding will be limited to programs or projects under the State plan, or portions thereof, affected by the failure, or that the State educational agency shall not make further payments under this part to specified local educational agencies or intermediate educational units affected by the failure. Until the Commissioner is satisfied that there is no longer any failure to comply with the provisions of this part, as specified in clause (1) or clause (2), no further payments shall be made to the State under this part or under the Federal programs specified in section 613(a)(2) within his jurisdiction to the extent that funds under such programs are available for the provision of assistance for the education of handicapped children, or payments by the State educational agency under this part shall be limited to local educational agencies and intermediate educational units whose actions did not cause or were not involved in the failure, as the case may be. Any State educational agency, local educational agency, or intermediate educational unit in receipt of a notice pursuant to the first sentence of this subsection shall, by means of a public notice, take such measures as may be necessary to bring the pendency of an action pursuant to this subsection to the attention of the public within the jurisdiction of such agency or unit.

"(b)(1) If any State is dissatisfied with the Commissioner's final action with respect to its State plan submitted under section 613, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(3) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"ADMINISTRATION

"Sec. 617. (a)(1) In carrying out his duties under this part, the Commissioner shall—

"(A) cooperate with, and furnish all technical assistance necessary, directly or by grant or contract, to the States in matters relating to the education of handicapped children and the execution of the provisions of this part;

"(B) provide such short-term training programs and institutes as are necessary;

"(C) disseminate information, and otherwise promote the education of all handicapped children within the States; and

"(D) assure that each State shall, within one year after the date of the enactment of the Education for All Handicapped Children Act of 1975, provide certification of the actual number of handicapped children receiving special education and related services in such State.

"(2) As soon as practicable after the date of the enactment of the Education for All Handicapped Children Act of 1975, the Commissioner shall, by regulation, prescribe a uniform financial report to be utilized by State educational agencies in submitting State plans under this part in order to assure equity among the States.

"(b) In carrying out the provisions of this part, the Commissioner (and the Secretary, in carrying out the provisions of subsection (c)) shall issue, not later than January 1, 1977, amend, and revoke such rules and regulations as may be necessary. No other less formal method of implementing such provisions is authorized.

"(c) The Secretary shall take appropriate action, in accordance with the provisions of section 438 of the General Education Provisions Act, to assure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Commissioner and by State and local educational agencies pursuant to the provisions of this part.

"(d) The Commissioner is authorized to hire qualified personnel necessary to conduct data collection and evaluation activities required by subsections (b), (c) and (d) of section 618 and to carry out his duties under subsection (a)(1) of this subsection without regard to the provisions of title 5, United States Code, relating to appointments in the competitive service and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates except that no more than twenty such personnel shall be employed at any time.

"EVALUATION

"SEC. 618. (a) The Commissioner shall measure and evaluate the impact of the program authorized under this part and the effectiveness of State efforts to assure the free appropriate public education of all handicapped children.

"(b) The Commissioner shall conduct, directly or by grant or contract, such studies, investigations, and evaluations as are necessary to assure effective implementation of this part. In carrying out his responsibilities under this section, the Commissioner shall—

"(1) through the National Center for Education Statistics, provide to the appropriate committees of each House of the Congress and to the general public at least annually, and shall update at least annually, programmatic information concerning programs and projects assisted under this part and other Federal programs supporting the education of handicapped children, and such information from State and local educational agencies and other appropriate sources necessary for the implementation of this part, including—

"(A) the number of handicapped children in each State, within each disability, who require special education and related services;

"(B) the number of handicapped children in each State, within each disability, receiving a free appropriate public education and the number of handicapped children who need and are not receiving a free appropriate public education in each such State;

"(C) the number of handicapped children in each State, within each disability, who are participating in regular educational programs, consistent with the requirements of section 612(5)(B) and section 614(a)(1)(C)(iv), and the number of handicapped children who have been placed in separate classes or separate school facilities, or who have been otherwise removed from the regular education environment;

"(D) the number of handicapped children who are enrolled in public or private institutions in each State and who are receiving a free appropriate public education, and the number of handicapped children who are in such institutions and who are not receiving a free appropriate public education;

"(E) the amount of Federal, State, and local expenditures in each State specifically available for special education and related services; and

"(F) the number of personnel, by disability category, employed in the education of handicapped children, and the estimated number of additional personnel needed to adequately carry out the policy established by this Act; and

"(2) provide for the evaluation of programs and projects assisted under this part through—

"(A) the development of effective methods and procedures for evaluation;

"(B) the testing and validation of such evaluation methods and procedures; and

"(C) conducting actual evaluation studies designed to test the effectiveness of such programs and projects.

"(c) In developing and furnishing information under subclause (E) of clause (1) of subsection (b), the Commissioner may base such information upon a sampling of data available from State agencies, including the State educational agencies, and local educational agencies.

"(d)(1) Not later than one hundred twenty days after the close of each fiscal year, the Commissioner shall transmit to the appropriate committees of each House of the Congress a report on the progress being made toward the provision of free appropriate public education to all handicapped children, including a detailed description of all evaluation activities conducted under subsection (b).

"(2) The Commissioner shall include in each such report—

"(A) an analysis and evaluation of the effectiveness of procedures undertaken by each State educational agency, local educational agency, and intermediate educational unit to assure that handicapped children receive special education and related services in the least restrictive environment commensurate with their needs and to improve programs of instruction for handicapped children in day or residential facilities;

"(B) any recommendations for change in the provisions of this part, or any other Federal law providing support for the education of handicapped children; and

"(C) an evaluation of the effectiveness of the procedures undertaken by each such agency or unit to prevent erroneous classification of children as eligible to be counted under section 611, including actions undertaken by the Commissioner to carry out provisions of this Act relating to such erroneous classification.

In order to carry out such analyses and evaluations, the Commissioner shall conduct a statistically valid survey for assessing the effectiveness of individualized education programs.

"(e) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.

"INCENTIVE GRANTS

"SEC. 619. (a) The Commissioner shall make a grant to any State which—

"(1) has met the eligibility requirements of section 612;

"(2) has a State plan approved under section 613; and

"(3) provides special education and related services to handicapped children aged three to five, inclusive, who are counted for the purposes of section 611(a)(1)(A).

The maximum amount of the grant for each fiscal year which a State may receive under this section shall be $300 for each such child in that State.

"(b) Each State which—

"(1) has met the eligibility requirements of section 612,

"(2) has a State plan approved under section 613, and

"(3) desires to receive a grant under this section, shall make an application to the Commissioner at such time, in such manner, and containing or accompanied by such information, as the Commissioner may reasonably require.

"(c) The Commissioner shall pay to each State having an application approved under subsection (b) of this section the amount to which the State is entitled under this section, which amount shall be used for the purpose of providing the services specified in clause (3) of subsection (a) of this section.

"(d) If the sums appropriated for any fiscal year for making payments to States under this section are not sufficient to pay in full the maximum amounts which all States may receive under this part for such fiscal year, the maximum amounts which all States may receive under this part for such fiscal year shall be ratably reduced. In case additional funds become available for making such payments for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

"(e) In addition to the sums necessary to pay the entitlements under section 611, there are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.

"PAYMENTS

"SEC. 620. (a) The Commissioner shall make payments to each State in amounts which the State educational agency of such State is eligible to receive under this part. Any State educational agency receiving payments under this subsection shall distribute payments to the local educational agencies and intermediate educational units of such State in amounts which such agencies and units are eligible to receive under this part after the State educational agency has approved applications of such agencies or units for payments in accordance with section 614(b).

"(b) Payments under this part may be made in advance or by way of reimbursement and in such installments as the Commissioner may determine necessary.".

(b)(1) The Commissioner of Education shall, no later than one year after the effective date of this subsection, prescribe—

(A) regulations which establish specific criteria for determining whether a particular disorder or condition may be considered a specific learning disability for purposes of designating children with specific learning disabilities;

(B) regulations which establish and describe diagnostic procedures which shall be used in determining whether a particular child has a disorder or condition which places such child in the category of children with specific learning disabilities; and

(C) regulations which establish monitoring procedures which will be used to determine if State educational agencies, local educational agencies, and intermediate educational units are complying with the criteria established under clause (A) and clause (B).

(2) The Commissioner shall submit any proposed regulation written under paragraph (1) to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Public Welfare of the Senate, for review and comment by each such committee, at least fifteen days before such regulation is published in the Federal Register.

(3) If the Commissioner determines, as a result of the promulgation of regulations under paragraph (1), that changes are necessary in the definition of the term "children with specific learning disabilities", as such term is defined by section 602(15) of the Act, he shall submit recommendations for legislation with respect to such changes to each House of the Congress.

(4) For purposes of this subsection:

(A) The term "children with specific learning disabilities" means those children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. Such term does not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental, cultural, or economic disadvantage.

(B) The term "Commissioner" means the Commissioner of Education.

(c) Effective on the date upon which final regulations prescribed by the Commissioner of Education under subsection (b) take effect, the amendment made by subsection (a) is amended in subparagraph (A) of section 611(a)(5) (as such paragraph would take effect on the effective date of subsection (a)), by adding "and" at the end of clause (i), by striking out clause (ii), and by redesignating clause (iii) as clause (ii).

AMENDMENTS WITH RESPECT TO EMPLOYMENT OF HANDICAPPED INDIVIDUALS, REMOVAL OF ARCHITECTURAL BARRIERS, AND MEDIA CENTERS

SEC. 6. (a) Part A of the Act is amended by inserting after section 605 thereof the following new sections:

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"SEC. 606. The Secretary shall assure that each recipient of assistance under this Act shall make positive efforts to employ and advance in employment qualified handicapped individuals in programs assisted under this Act.

"GRANTS FOR THE REMOVAL OF ARCHITECTURAL BARRIERS

"SEC. 607. (a) Upon application by any State or local educational agency or intermediate educational unit the Commissioner is authorized to make grants to pay part or all of the cost of altering existing buildings and equipment in the same manner and to the same extent as authorized by the Act approved August 12, 1968 (Public Law 90-480), relating to architectural barriers.

"(b) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated such sums as may be necessary.".

(b) Section 653 of the Act (20 U.S.C. 1453) is amended to read as follows:

"CENTERS ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

"SEC. 653. (a) The Secretary is authorized to enter into agreements with institutions of higher education, State and local educational agencies, or other appropriate nonprofit agencies, for the establishment and operation of centers on educational media and materials for the handicapped, which together will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing, developing, and adapting instructional materials, and such other activities consistent with the purposes of this part as the Secretary may prescribe in such agreements. Any such agreement shall—

"(1) provide that Federal funds paid to a center will be used solely for such purposes as are set forth in the agreement; and

"(2) authorize the center involved, subject to prior approval by the Secretary, to contract with public and private agencies and organizations for demonstration projects.

"(b) In considering proposals to enter into agreements under this section, the Secretary shall give preference to institutions and agencies—

"(1) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

"(2) which can serve the educational technology needs of the Model High School for the Deaf (established under Public Law 89-694).

"(c) The Secretary shall make an annual report on activities carried out under this section which shall be transmitted to the Congress.".

CONGRESSIONAL DISAPPROVAL OF REGULATIONS

SEC. 7. (a)(1) Section 431(d)(1) of the General Education Provisions Act (20 U.S.C. 1232(d)(1)) is amended by inserting "final" immediately before "standard" each place it appears therein.

(2) The third sentence of section 431(d)(2) of such Act (20 U.S.C. 1232(d)(2)) is amended by striking out "proposed" and inserting in lieu thereof "final".

(3) The fourth and last sentences of section 431(d)(2) of such Act (20 U.S.C. 1232(a)(2)) each are amended by inserting "final" immediately before "standard".

(b) Section 431(d)(1) of the General Education Provisions Act (20 U.S.C. 1232(d)(1)) is amended by adding at the end thereof of the following new sentence: "Failure of the Congress to adopt such a concurrent resolution with respect to any such final standard, rule, regulation, or requirement prescribed under any such Act, shall not represent, with respect to such final standard, rule, regulation, or requirement, an approval or finding of consistency with the Act from which it derives its authority for any purpose, nor shall such failure to adopt a concurrent resolution be construed as evidence of an approval or finding of consistency necessary to establish a prima facie case, or an inference or presumption, in any judicial proceeding.".

EFFECTIVE DATES

SEC. 8. (a) Notwithstanding any other provision of law, the amendments made by sections 2(a), 2(b), and 2(c) shall take effect on July 1, 1975.

(b) The amendments made by sections 2(d), 2(e), 3, 6, and 7 shall take effect on the date of the enactment of this Act.

(c) The amendments made by sections 4 and 5(a) shall take effect on October 1, 1977, except that the provisions of clauses (A), (C), (D), and (E) of paragraph (2) of section 612 of the Act, as amended by this Act, section 617(a)(1)(D) of the Act, as amended by this Act, section 617(b) of the Act, as amended by this Act, and section 618(a) of the Act, as amended by this Act, shall take effect on the date of the enactment of this Act.

(d) The provisions of section 5(b) shall take effect on the date of the enactment of this Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
LLOYD MEEDS,
SHIRLEY CHISHOLM,
WILLIAM LEHMAN,
ROBERT J. CORNELL,
EDWARD P. BEARD,
LEO C. ZEFERETTI,
GEORGE MILLER,
TIM L. HALL,
ALBERT H. QUIE,
ALPHONZO BELL,
PETER A. PEYSER,
JAMES M. JEFFORDS,
LARRY PRESSLER,
Managers on the Part of the House.

JENNINGS RANDOLPH,
ALAN CRANSTON,
HARRISON A. WILLIAMS,
CLAIBORNE PELL,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
WILLIAM D. HATHAWAY,
ROBERT T. STAFFORD,
BOB TAFT, Jr.,
DICK SCHWEIKER,
J. GLENN BEALL, Jr.,
JACOB JAVITS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6) to insure the right to an education for all handicapped children and to provide financial assistance to the States for such purpose, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Short title

The Senate bill provides that the Act may be cited as the "Education for All Handicapped Children Act"; the House amendments provide that the Act may be cited as the "Education for All Handicapped Children Act of 1975". The Senate recedes.

Extension of certain provisions

The House provision classifies Puerto Rico as a State for purposes of the Education of the Handicapped Act as of the close of June 30, 1975; the Senate provisions would classify Puerto Rico as a State for such purpose as of the close of September 30, 1976. Existing law would allow Puerto Rico to be classified as a State as of July 1, 1975. The Senate recedes.

The House provisions result in a maximum entitlement of 2 percent of aggregate State entitlements for the territories (including Guam, American Samoa, the Virgin Islands, and the Trust Territories of the Pacific Islands, but not Puerto Rico) and 1 percent of such aggregate entitlements for the Secretary of the Interior (for the benefit of handicapped Indian children) for fiscal years 1976 and 1977, and 1 percent of aggregate appropriations for both the territories and the Secretary thereafter. The Senate provisions provide for a maximum entitlement of 2 percent of aggregate State entitlements for the territories (including Puerto Rico), and 1 percent for the Secretary, for fiscal year 1976; and 1 percent for the territories, and 1 percent for the Secretary for fiscal years 1977 through 1979.

The House recedes with two amendments, deleting Puerto Rico from the jurisdictions considered as territories and reducing the maximum percentage for the territories from 2 per centum to 1 per centum of aggregate appropriations in order to assure the territories the same allotment as in existing law.

The Senate bill extends provisions of the Education of the Handicapped Act, as in effect during fiscal year 1975, for one fiscal year; the House amendments extend such provisions for two fiscal years.

The conference substitute conforms to the House amendments, but also adopts a limitation on appropriations for the fiscal year ending June 30, 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977, providing that no more than $100 million may be appropriated for the fiscal year ending June 30, 1976, providing an authorization of such sums as may be necessary for the transition period, and providing that no more than $200 million may be appropriated for the fiscal year ending September 30, 1977. The conferees intend that appropriations for fiscal year 1977 shall not be reduced as a result of the transition to the new fiscal year, and have therefore authorized such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976.

The Senate bill provides that for the period previous to the effective date of the new formula (i.e., fiscal year 1976), no State shall receive less than it received in fiscal year 1975. The House amendments provide for that period (i.e., fiscal years 1976 and 1977), no State shall receive less than it received in the preceding fiscal year, or $300,000, whichever is the greater.

The conference substitute conforms to the House amendments.

Rules relating to grant and allocation provisions

The House amendments require the Commissioner to prescribe regulations, no later than 120 days after the applicable effective date (i.e., July 1, 1975), to carry out the provisions of section 611 of the Act (relating to grants to States for education of handicapped children) and section 612 of the Act (relating to allocations of appropriations). There is no comparable Senate provision.

The Senate recedes with an amendment requiring regulations 120 days after the date of enactment of this Act. The conferees clarify that such regulations cover provisions of existing law extended for fiscal years 1976 and 1977.

Findings and purpose

The Senate bill and the House amendments add a new statement of purpose section in section 601 of the Education of the Handicapped Act.

The House amendments, but not the Senate bill, designate this section as a Statement of *Findings and Purpose*. The Senate recedes.

The Senate bill finds that the special educational needs of such children are being fully met *in only a few school* systems; the House amendments find that the special education needs of such children are *not* being fully met. The Senate recedes.

The Senate bill and the House amendments find that it is in the national interest that the Federal Government assist State and local efforts to provide programs to meet the educational needs of handicapped children. The Senate bill, but not the House amendments, states that it is in the national interest that the Federal Government assist State and local efforts *in order to assure equal protection of the law*. The House recedes.

The Senate bill states that it is the purpose of the title to *insure* that all handicapped children have available to them *within the time period specified in section 614 of the Act a free appropriate public education*. The House amendments state that it is the purpose of the title to assure that all handicapped children have available to them *special education and related services designed to meet their unique needs*.

The conference substitute provides that it is the purpose of the title to assure that all handicapped children have available to them within the time period specified in section 612(2)(B) of the Act a free appropriate public education which emphasizes special education and related services designed to meet their unique needs.

The Senate bill states that the purpose is to *insure* that the rights of handicapped children are protected; the House amendments state that the purpose is to *assure* that the rights of handicapped children are protected. The Senate recedes.

The Senate bill states that the purpose is *to relieve the fiscal burden placed upon States and localities when* they provide for the education of all handicapped children; the House amendments state that the purpose is *to assist States and localities* to provide for the education of all handicapped children. The Senate recedes.

Definitions

The Senate bill restates all the definitions contained in the Education of the Handicapped Act; the House amendments make specific amendments to such definitions. The substantive differences are described below. The conference substitute conforms to the House bill.

The House amendments, but not the Senate bill, amend the definition in existing law of *local educational agency*, to include "public educational agency". The House recedes.

Both the Senate bill and the House amendments amend the definition in existing law to clarify that disabilities that are primarily the result of cultural or economic disadvantage are not included within the definition. In addition, the Senate bill, but not the House amendments deletes the phrase "which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations"; deletes the term "dyslexia"; and changes the term "disadvantage" to "handicaps".

The Senate recedes.

The Senate bill, but not the House amendments, amends the definition in existing law of *equipment*, to include "telecommunications, sensory, and other technological aids and devices".

The House recedes.

The Senate bill and the House amendments add a new definition to the Education of the Handicapped Act of "special education". The definitions are identical, except that the Senate bill requires such education to be provided at no cost to parents or guardians. The House provision additionally specifies that the instruction is to meet the unique needs of the handicapped child as set forth in the individualized education program of such child, and specifically includes classroom instruction, home instruction, and instruction in hospitals and institutions.

The conference substitute combines the provisions of the Senate bill and the House amendments and deletes the phrase "as set forth in the individualized education program of such child" since this phrase also appears in the definition of "free appropriate public education" and is therefore unnecessary. The Conferees point out that while instruction may take place in such locations as classrooms, the child's home, or hospitals and institutions, the delivery of such instruction must take place in a manner consistent with the requirements of law which provide that to the maximum extent appropriate handicapped children must be educated with children who are not handicapped, and that handicapped children should be placed in special classes, separate schooling, or any other educational environment only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and supportive services cannot be achieved satisfactorily.

The Senate bill and the House amendments add a new definition of "related services". The definitions are comparable; however, the House amendments additionally include medical services for diagnostic and evaluation purposes. The Senate bill also includes the early identification and assessment of handicapping conditions in children and the provision of services to such children. The conference substitute adopts both of these additions, but deletes the phrase "and provision of services to such children" relating to early identification and assessment since the services intended are already described in the definition.

The Senate bill and the House amendments add to the definitions in the Education of the Handicapped Act a definition of individualized instructional planning for each handicapped child which includes a statement of the child's present level of educational performance, statement of the instructional objectives to be achieved, statement of the specific educational services to be provided to the child, the extent to which the child will participate in the regular educational program, and the projected date for initiation and anticipated duration of such services.

The State bill designates this individualized instructional planning as an "individualized planning conference"; the House amendments designate the planning as an "individualized education program". The Senate recedes.

The Senate bill provides that the individualized planning conference is a meeting or meetings for the purpose of developing a written statement; the House amendments provide that the individualized education program is an educational plan. The House recedes.

The Senate bill provides that the written statement shall be developed by a representative of the local educational agency, the teacher, the parents or guardian to the handicapped child and the child when appropriate; the House amendments provide that the educational plan shall be developed jointly by the local educational agency and an appropriate teacher in consultation with the parents or guardian of the child, and the child, whenever appropriate. The House recedes.

The Senate bill, but not the House amendments, provides that the representatives of the local educational agency shall be qualified to provide, or supervise the provision of, specially designed instruction to meet the unique needs of the child. The House recedes.

The Senate bill provides for a statement of *short-term* instructional objectives; the House amendments provide for a statement of *desired* objectives.

The conference substitute provides that the individualized educational program shall include a statement of the annual goals and short-term objectives to be achieved by the child. It is intended that each individual handicapped child will have an educational program which states the annual goals as well as including short-term instructional objectives to be achieved within shorter time periods.

The House amendments, but not the Senate bill, provide that the individualized instructional planning shall include objective criteria and evaluation procedures and schedules for determining, on at least an annual basis, whether instructional objectives are being met.

The Senate recedes with an amendment specifying that such objective criteria and evaluation procedures shall be "appropriate". The conferees intend that this amendment clarify that any criteria and evaluation procedures used are to be consistent with the requirements regarding testing and evaluation procedures in existing law.

The conferees further clarify that it is not intended that the individualized educational programs be forwarded to the U.S. Office of Education or the State educational agency. The individualized educational programs are intended to be retained in the local educational agency. Where inspection or review of such programs may be useful to the Office of Education or State educational agency for purposes of audit or evaluation, it is intended that such activities take place within the local agency, subject to strict procedures for the protection of confidentiality.

The House amendments, but not the Senate bill, add to the Education of the Handicapped Act, a definition of *"public educational agency"* defining such agency as any State educational agency or any other public agency approved by a State educational agency to provide special education and related services to handicapped children within the State involved.

The conference substitute includes a definition of intermediate educational unit, defining such term as any public authority established by State law for the purpose of providing free public education on a regional level within the State which provides special education and related services to handicapped children within that State and which is not a local educational authority but which is under the general supervision of the State educational agency. The conferees include this definition in order to cover certain unique situations in States where public bodies established by State law provide special education and related services for handicapped children, but where the definition of local educational agency does not necessarily apply, e.g., intermediate units in the Commonwealth of Pennsylvania. Generally, the term "intermediate educational unit" is used throughout the conference report wherever the term "local educational agency" is also used.

(h) The House amendments, but not the Senate bill, add to the Education of the Handicapped Act, a definition of *"excess costs"*, defining such costs as those costs which are in excess of the average annual per-student expenditure in a local educational agency during the preceding school year for an elementary or secondary school student, as may be appropriate, and which shall be computed after deducting amounts received under this part, under title I or title VII of the Elementary and Secondary Education Act of 1965, and any State, local, or private funds expended for programs which would qualify for assistance under this part or under such titles.

The Senate recedes deleting the reference to private funds.

Formula

Both the Senate bill, and the House amendments, established a new entitlement formula replacing the formula in effect under the Education of the Handicapped Act.

The Senate bill required the new formula to take effect beginning October 1, 1976, and to remain in effect through fiscal year 1979. It set maximum amounts of entitlements to the States, and required that the Commissioner make payments to the States based on such entitlements for the purpose of providing full educational opportunity to all handicapped children. Under the Senate formula each State was entitled to receive an amount equal to the number of handicapped children, aged three to twenty-one, inclusive, receiving special education and related services (based on data from the most recent fiscal year for which satisfactory data are available to the Commissioner), multiplied by $300.

Under the Senate bill, sums appropriated for each fiscal year were to be made available to States and allocated first in an amount equal to the amount each State had received under the Education of the Handicapped Act in the preceding fiscal year. Funds remaining after such allotments were to be allocated to States based on unsatisfied entitlements created under the new formula, ratably reduced if appropriations were insufficient to fully fund such entitlements.

The Senate bill further required each State to distribute 40% of the funds received by the State to local educational agencies in direct proportion to the number of handicapped children in need of a free appropriate public education in the area served by the local education agency. In order to receive any funds, the local educational agency had to be eligible to receive an allotment of at least $7,500. The remainder of the funds, including those not distributed to local educational agencies because of the $7,500 limitation, were required to be distributed by the State educational agency in a manner consistent with meeting the timetables and the priorities of providing a free appropriate public education first, to handicapped children not receiving an education, and second, to handicapped children with the most severe handicaps receiving an inadequate education.

Finally, the Senate bill placed a limitation on the number of handicapped children each State could count for purposes of entitlement, providing that no State could count as handicapped children a number greater than 10 percent of all children aged three to twenty-one, inclusive, in the State. The Senate bill also provided that payments under the Act could be used for the early identification and assessment of children under three years of age.

The House amendments required the new formula to go into effect at the close of September 30, 1977, and to remain in effect permanently thereafter. Under this new entitlement formula, the Commissioner was required to make payments to each State in amounts which the State and local educational agencies were eligible to receive. Under the House formula, the Commissioner was to allot to each local educational agency an amount equal to the product of the number of handicapped children enrolled in programs of free appropriate public education and 50 percent of the average per pupil expenditure in public elementary and secondary schools in the United States.

Each State receiving payments was required to distribute payments to local educational agencies in amounts they were eligible to receive, subject to the submission by the local educational agency of an approved application. If, among other requirements, the State educational agency determined the local educational agency was unable to maintain a program of sufficient size and scope, it could disapprove the application and serve the handicapped children within the jurisdiction of the local educational agency directly.

The House amendments entitled each State to a level of funding for any fiscal year which was at least equal to the State's funding for fiscal year 1977, or $300,000, whichever is greater. Finally, the House amendments provided a limitation on the number of handicapped children counted, such that the Commissioner could not count as handicapped children a number greater than 12 percent of all children aged five to seventeen in the State, and could not count children with specific learning disabilities to the extent that the number counted was greater than 1/6th of the overall percentage of children counted.

The conference substitute provides that the new entitlement formula shall take effect at the close of September 30, 1977, and shall remain in effect permanently thereafter.

The maximum amount of the grant which a State is entitled to receive in any fiscal year is equal to the number of handicapped children aged three to twenty-one, inclusive, in such State who are receiving special education and related services multiplied by a specified percentage of the average per pupil expenditure in public elementary and secondary schools in the United States and such percentage is: 5% for fiscal year 1978; 10% for fiscal year 1979; 20% for fiscal year 1980; 30% for fiscal year 1981; and 40% for fiscal year 1982 and for each fiscal year thereafter. No State may receive an amount in any fiscal year which is less than the amount such State received for the fiscal year ending September 30, 1977.

The number of handicapped children receiving special education and related services in any fiscal year shall be the average of such children receiving special education and related services on October 1 and February 1 of the preceding fiscal year, and the term average per pupil expenditure shall be defined in the same manner as it is defined in section 403(16) of the Act of September 30, 1950 (Public Law 874, 81st Congress).

The Commissioner may not count handicapped children for purposes of determining the allotment of each State to the extent that the number of such children is greater than 12 percent of the number of all children aged five to seventeen, inclusive, within the State (determined by the Commissioner on the basis of the most recent satisfactory data available to him). Further, the Commissioner may not count, as part of such percentage, children with specific learning disabilities to the extent the number of children is greater than one-sixth of such percentage or children counted pursuant to section 121 of the Elementary and Secondary Education Act of 1965.

Beginning in fiscal year 1979 and for each fiscal year thereafter 25% of the funds received by a State may be used by such State in a manner consistent with the priorities and 75% of such funds shall be distributed to local educational agencies and intermediate educational units. The distribution of funds to local educational agencies and intermediate educational units shall be based on each such agency's or unit's ratio among all such agencies or units in the State of handicapped children aged three to twenty-one, inclusive, receiving special education and related services in the school district of such agency or such unit.

The conference agreement further provides that no funds shall be distributed to any local educational agency or intermediate educational unit in any fiscal year if the local educational agency or intermediate educational unit would not be serving enough handicapped children so as to be eligible to receive $7,500 pursuant to the provision for distribution of funds to such agencies or units, or, if such agency or unit has not submitted an application which meets the requirements of section 614 relating to local applications. Funds which are not distributed to local educational agencies and intermediate educational units pursuant to these limitations shall be used by the State educational agency to assure the provision of free appropriate public education to handicapped children residing in the area served by such local educational agencies or intermediate educational units and the provisions with respect to matching State funds (discussed below) shall not apply.

Of the amounts received by a State in any fiscal year, no State educational agency may spend more than 5% or $200,000, whichever is greater, for administration of the provisions relating to eligibility and State plans. Beginning in fiscal year 1979 and for each fiscal year thereafter, with the exception of funds for administration and funds not distributed to local educational agencies or intermediate educational units pursuant to the limitations discussed above, no State may spend from Federal funds available to the State under this part an amount greater than an amount spent by such State from State funds for the education of handicapped children. The Conferees do not wish this requirement implemented so as to require accounting on a project-by-project basis. The matching requirement is applicable only to major program areas such as a system of comprehensive personnel development and the development and provision of services for children in sparsely populated areas within the State. At the same time it is not intended that any individual project be exclusively federally funded.

Finally, the conference agreement provides for ratable reduction if sums appropriated are insufficient to satisfy fully the entitlements created, and provides that payments under the Act may be used for the early identification and assessment of handicapping conditions in children under three years of age.

Local reporting dates and reallocation

The House amendments provide that in any fiscal year in which funds have not been available to pay in full the total of the maximum amounts to which local education agencies are eligible the State shall fix dates before which each local educational agency shall report to it on the amount of funds available which it estimates it will expend. The State educational agency may reallot such funds, or any amount available to any other local educational agency if it were to submit an approvable plan, which the State determines will not be used during the time it is available. Such amounts shall be allotted to local educational agencies the State determines will need additional funds to carry out approved programs, and such amounts shall be reallocated in the same manner utilized to reduce allotments, but in no case shall a local educational agency be allotted more than the maximum amount it is eligible to receive. There is no comparable Senate provision. The Senate recedes.

Allotment to the Secretary of the Interior

The House amendments provide that the Secretary of the Interior may only receive an allotment after he submits a plan which meets the requirements of the Act relating to State plans, and provide that provisions relating to approval, opportunity for a hearing, and appeals also relate to the plan he would submit. The comparable Senate provision provides that payments may be made to the Secretary based on terms determined by the Commissioner pursuant to criteria he establishes which will best carry out the purposes of the Act.

The conference substitute provides that the Secretary may receive an allotment only after submitting an application which meets the applicable requirements of section 614 (a), which is approved by the Commissioner. The requirements of section 616, relating to withholding and judicial review, shall also apply to such application. The conferees intend that all application requirements which apply to local educational agencies relating to the provision of a free appropriate public education to all handicapped children within those jurisdictions in accordance with the priorities established under this part shall be applied to the Secretary of Interior, and that all benefits and protections provided for handicapped children served by local educational agencies shall also be provided by the Secretary of Interior to handicapped children served by the Department of Interior.

The Senate bill provides that such allotments may be made for each fiscal year for which the formula is in effect. The House recedes.

Territorial provisions

The Senate bill provides that Guam, American Samoa, the Virgin Islands and the Trust Territories of the Pacific Islands, shall be entitled to a grant in an amount determined by the Commissioner in accordance with criteria established by him in regulations. The House amendments and existing law provide that the Commissioner shall allot the amount available among such jurisdictions according to their respective needs. The Senate recedes.

Specific learning disabilities regulations

The House amendments direct the Commissioner of Education to prescribe regulations no later than one year from the date of enactment which establish specific criteria for determining whether a learning disorder or condition may be considered a specific learning disability; and establish and describe diagnostic procedures which shall be used in determining whether a child has a learning disorder or condition which designates him as learning disabled.

Any proposed regulations shall be transmitted to the Committees on Education and Labor and Labor and Public Welfare at least 15 days prior to publication in the Federal Register in accordance with section 431 of the General Education Provisions Act, for review and comment.

Upon the date which the final regulations take effect, the language relating to the counting limitation for specific learning disabilities is struck from the law. There are no comparable Senate provisions.

The Senate recedes with three amendments, directing the Commissioner of Education to recommend any change in the legislative definition of "specific learning disabilities" which he believes is necessary to carry out the purposes of the Act, directing the Commissioner to include in such regulations the specific monitoring procedures he will use to determine whether State and local educational agencies are adequately implementing the criteria and diagnostic procedures, and striking the language relating to section 431 of the General Education Provisions Act as unnecessary because the General Education Provisions Act covers the Education of the Handicapped Act.

Eligibility requirements and State plan requirements

The Senate bill replaces State plan provisions contained in the Education of the Handicapped Act with eligibility conditions and an annual application to be submitted by any State which desires to participate and has met the eligibility conditions. The House amendments make amendments to existing State plan provisions.

The conference substitute conforms to the Senate bill except that the annual application is redesignated as the State plan.

Policy. The Senate bill requires that a State demonstrate to the Commissioner that the State has in effect a policy that assures that all handicapped children have the right to a free appropriate public education. There is no comparable House provision relating to the State.

The House recedes.

Timetable. The Senate bill requires that the State, in order to be eligible for assistance, submit a plan as required by the Education Amendments of 1974, and that such plan be amended setting forth in detail the policies and procedures the State will undertake or has undertaken to assure that a free appropriate public education will be available to all handicapped children between the ages of 3 and 18 within the State not later than September 1, 1978, and that a free appropriate public education will be available to all handicapped children between the ages of 3 and 21 within the State not later than September 1, 1980. The Senate bill further provides that with respect to handicapped children aged three to five and eighteen to twenty-one, inclusive, that the requirement of providing a free appropriate education in accordance with this timetable, shall not be applied in any State if that application would be inconsistent with State law or practice or the order of any court respecting the public education within such age groups in the State.

The House amendments provided that a State must submit a State plan which shall assure that funds will be expended to initiate, expand, or improve programs which are designed to assure that after September 30, 1978, no handicapped child residing in the State shall be denied appropriate special education and related services.

The House amendments provide that the requirement applies to any handicapped child who is within an age group for which free public education is provided within the State.

The House recedes.

With regard to this timetable adopted in the conference substitute conferees point out that they have provided (in 612(2)(B)) that with respect to handicapped children aged three to five and eighteen to twenty-one, inclusive, the requirements shall not be applied in any State if the application of such requirements would be inconsistent with State law or practice, or the order of any court, respecting public education within such age groups in the State.

This exception with respect to handicapped children aged three to five and aged eighteen to twenty-one, inclusive, is intended to exempt States from the provisions of this part establishing a timetable for providing a free appropriate public education in these age groups in the following circumstances:

(1) where State law does not authorize, or expressly prohibits, the expenditure of public funds to provide such an education to any children in these age groups;

(2) where a State does not *in fact* provide or assure the provision of free public education to handicapped children in these age groups; or

(3) where the education of handicapped children in a State is governed by a court order, the terms of which are inconsistent with the requirement contained in new section 614(2)(B). This exception shall not apply in the following circumstances:

(1) where a State does *in fact* provide or assure the provision of free public education to non-handicapped children in these age groups; or

(2) where a State does now *in fact* provide or assure the provision of free public education to handicapped children in these age groups (thus the exception being inapplicable in the case of a State which attempts to abandon the provision of such education services.)

Further, this exception is in no way to be viewed as a statement of Federal policy which discourages or otherwise serves as an obstacle for the provision of services to those handicapped children in the age groups to which this exception is applicable. To the contrary, the conferees intend the timetables established in section 612(2)(B) to be viewed as a whole, thereby specifically encouraging the States to intensify their efforts to serve all handicapped children within the time periods specified in that section.

Priorities. The Senate bill requires that the State demonstrate to the Commissioner that it has established priorities for providing a free appropriate public education which shall meet the timetables (e.g. 1978 and 1980) first, with respect to handicapped children not receiving an education, and, second, with respect to handicapped children with the most severe handicaps who are receiving an inadequate education.

The House amendments required that a local educational agency provide satisfactory assurance that payments under this part will be used for programs which establish the provision of special education and related services to handicapped children, with first priority given to the provision of such education and services to handicapped children who are not receiving such education and services, and second priority given to the provision of such education and services to handicapped children, within each disability, with severe handicaps who are not receiving adequate special education and related services.

The conference substitute conforms to the Senate bill providing that the State as a condition of eligibility must demonstrate to the Commissioner that it has established priorities for providing a free appropriate public education which shall meet the timetables established in the Act first, with respect to those handicapped children presently not receiving service at all, and second, with respect to handicapped children within each category of disability who are not receiving adequate special education and related services.

The Conferees wish to make very clear that, with respect to the second priority, it is *not* intended that any one or two categories of disabilities be recognized by the Commissioner or any State or local educational agency as the "most severe" categories, but rather that an attempt must be made to reach and provide appropriate services to children with the most severe handicaps *without regard to disability category*.

Thus, it is not necessary in meeting this priority to assure the provision of appropriate services to *all* the most severely handicapped children in a particular category previous to providing such services to handicapped children in another disability category.

The Conference Committee did not intend to make a judgment in the legislation as to which disability is most severe. It is cognizant that disability is unique to the individual. It is aware that some multiple handicaps may not be as severe for some individuals as a single disability may be for others. The primary reason for adopting the language of the House amendments was to assure that, as cited above, no *one* disability group be considered the most severe and thus have that group exclusively receive the priority provided for in the Act.

Requirements for individualized planning conference. The Senate bill requires that the State give assurances to the Commissioner that each local educational agency in the State will maintain records of the individualized planning conference, including the written statement developed pursuant to such conference, and that such conference shall be held at least three times each year to develop, review, and, when appropriate, and with the agreement of the parents, revise such statements. The House amendments require the local educational agency in its application to provide satisfactory assurance that it will maintain the individualized program for each child, and will review the program at least annually, and revise its provisions in consultation with the parents or guardians.

The conference substitute requires that the State give assurances as a condition of eligibility that each local educational agency will maintain records of the individualized education program for each handicapped child, and to provide assurances that each local educational agency within the State shall establish, review and revise such program consistent with requirements on local educational agencies under the local application provisions of the Act.

The conference substitute also requires each local educational agency to provide assurances that it will establish, or revise, whichever is appropriate, an individualized education program for each handicapped child at the beginning of each school year and will then review and, if appropriate revise, the provisions of such program periodically, but not less than annually.

In the initial year of a handicapped child's participation in a program of free appropriate public education the individualized education program shall be established at the beginning of the school year and reviewed at least once during that year. Thereafter, the Conferees intend that this provision requires at least one annual review of the child's individualized education program.

The conferees have defined the individualized education program as a written statement (including the educational status of the child, the annual goals and short-term instructional objectives, and the specific educational services to be provided) for each handicapped child which is jointly developed by the local educational agency, the teacher, the parents, and the child, whenever appropriate. It is intended that *all* parties (the local educational agency, the teacher, the parents, and the child, whenever appropriated) will be involved throughout the process of establishment, review and revision of this program.

Responsibility. The Senate bill requires that the State educational agency be responsible for insuring that the provisions of part B are carried out and that all educational programs for handicapped children, including programs administered by other State or local agencies, will be under the general supervision of persons responsible for educational programs for handicapped children in the State educational agency and will meet the educational standards of the State educational agency. There are no comparable House provisions.

The House recedes.

Procedures for Consultation and Advice. The Senate bill requires the State to assure that procedures are established for consultation by the general public and interested parties (including handicapped individuals and parents and guardians of handicapped children), that there are public hearings (with adequate notice and an opportunity to comment) prior to adoption of policies, programs, and procedures required pursuant to the State eligibility and application provisions of this part.

There is no comparable House provision. The House recedes.

State application provisions

Compliance Entity and Advisory Panel. The Senate bill required that a State establish an entity (at least half the members of which are handicapped individuals or parents or guardians of handicapped children) for insuring compliance with the provisions of this part which entity would (1) conduct periodic evaluations to determine whether the State educational agency and local educational agencies within the State are fully complying with the provisions of this part, (2) be empowered to receive complaints with respect to violations of this part, (3) take appropriate action to correct any violations (after notice to the State educational agency and appropriate local educational agency and providing such agencies an opportunity for a hearing, and (4) upon determination that after a reasonable period of time such violations have not been corrected, inform the Commissioner of Education who shall take action pursuant to his withholding authority under this part.

The House amendments required that the State establish an advisory panel appointed by the Governor (or other official authorized under State law to make such appointments) and composed of interested persons including handicapped individuals, teachers, parents or guardians of handicapped children, State and local education officials and administrators of programs for handicapped persons. The duties of the panel are (1) to advise the State educational agency of the unmet needs in the State in the education of handicapped children, (2) to comment publicly on rules and regulations proposed by the State to implement this part and on the procedures for distribution of funds under this part, and (3) to assist the State in developing and reporting data and evaluations needed by the Commissioner.

The Senate recedes.

The Conferees emphasize that it is not their intention to require a State with an existing council or panel that is performing or can perform the functions outlined in the Conference agreement to establish another panel. An existing State advisory panel can be modified, if necessary, so that it fulfills the requirements of the Conference agreement.

Other programs. The Senate bill and the House amendments require that each State set forth the policies and procedures by which it will assure that other Federal funds for the education of handicapped children will be used in a manner consistent with this Act (including funds under title I (State operated programs) and title III of ESEA and the Vocational Education Act).

The House amendments, but not the Senate bill, provide that the funds shall only be used in a manner consistent with the goal of providing a free appropriate public education for all handicapped children. The Senate recedes.

The Senate bill, but not the House amendments, provides that the provisions shall not be construed to limit specific requirements of laws governing such Federal programs. The House recedes.

The Senate bill, but not the House amendments, includes local educational agency programs under title I of the Elementary and Secondary Education Act, and funds under the Rehabilitation Act of 1973 which are used for the education of handicapped children.

The Senate recedes. The Conferees, however strongly encourage cooperation and coordination between the state educational agency, the state rehabilitation agency and local educational agencies to assure that there is no duplication of effort and to assure that funds authorized for the education of handicapped children are spent in a way which assures the provision of a free appropriate public education for all handicapped children.

System of personnel development. The Senate bill requires that a State include in its application a description of programs and procedures it will undertake for the development and implementation of a comprehensive system of personnel development, including inservice training of general and special education, instructional and support personnel, and detailed procedures to assure the appropriate and adequate training of all personnel necessary to carry out purposes of the part. The House amendments do not require the State educational agency to undertake the development of this system, but contain an identical provision required in the local educational agency application.

The House recedes. The Conferees note the importance of the development and implementation of a comprehensive system of personnel development since the accomplishment of the full service objective depends on the availability of skilled personnel. The Conferees also stress that inservice training must play a significant role in preparing general and special educational, instructional and support personnel for their responsibilities in educating handicapped children.

Provisions for handicapped children in private and non-public schools. Both the Senate bill and the House amendments contain a provision requiring that handicapped children placed in a private school or educational agency, by a local educational agency, shall be provided special education and related services at no cost to their parents.

The Senate bill amends existing law to replace "private" with "nonpublic" with respect to private school children participation. The Senate recedes.

The Senate bill provides that special education and related services will be provided in conformance with an individualized planing conference, and also includes children who are referred to private schools by a State educational agency. The House recedes.

Recovery of funds for children erroneously counted. The Senate bill required the State to seek to recover any funds distributed to a local educational agency and used for a child who was erroneously classified and counted as a handicapped child. There is no comparable House provision. The House recedes.

Nonsupplanting provisions. The Senate bill deleted a provision contained in the Education of the Handicapped Act requiring that Federal funds not supplant private funds. There was no comparable House provision. The House recedes.

The Senate bill provided a waiver with respect to nonsupplanting if the Commissioner determined that a State had provided clear and convincing evidence that all handicapped children in the State have available to them a free appropriate public education. There was no comparable House provision.

The conference substitute contains a provision requiring non-supplanting of State and local funds, including a provision for non-commingling of Federal funds with State and local funds.

Withholding and judicial review

Both the Senate bill and the House amendments make certain changes in the withholding and judicial review section of existing law. The Senate bill is substantially the same as section 613(d)(2) of the Education of the Handicapped Act.

The House amendments amend existing law to (1) provide notice and opportunity for a hearing to the LEA under the Commissioner's withholding authority, (2) delete the word "substantially" from existing law that reads "failure to comply substantially with any such provision . . .," and (3) provide that funds may be withheld under other Federal programs within the Commissioner's jurisdiction and control relating to the education of handicapped children. The House amendments further provide that a SEA, after appropriate notice and opportunity for hearing, shall, after a determination of a failure by the local educational agency, make no further payments to the LEA until the SEA is satisfied that the noncompliance has been corrected, and further provide that in any case where funds are withheld, the State or local educational agency involved shall bring such action to the attention of the public within the jurisdiction of such agency.

Finally, the House amendments provide for State educational agency approval of any application submitted by a local educational agency if such application meets the requirements of section 614(a), but prohibited approval before the State plan submitted by the State educational agency is approved by the Commissioner.

The Senate bill provides that wherever the compliance entity finds there has been substantial failure, it shall notify the SEA, the appropriate local educational agencies, the chief executive officers of the State, and the Commissioner (who may provide notice, conduct a hearing, and if he finds a failure, withhold payments).

The conference substitute on withholding and judicial review conforms to the House amendments, with such technical and conforming changes necessitated by other decisions of the conferees.

Local application

The House amendments required an application to be submitted to the State educational agency by any local educational agency which desires to receive an allotment in any fiscal year, and specified conditions governing State approval of the application.

These provisions required the agency in its application to provide assurances that payments would be used to pay the excess costs directly attributable to programs for the identification, location and evaluation of handicapped children; and for the establishment of procedures to protect the confidentiality of information, for the establishment of a goal of providing full educational opportunities to all handicapped children, a detailed timetable for accomplishing such a goal and the description of the facilities, personnel and services necessary to meet such a goal. As part of this goal, local educational agencies were required to establish programs and procedures for the development and implementation of a comprehensive system of personnel development, provision of special education and related services to handicapped children, with first priority given to handicapped children who are not receiving such education services, and second priority given to handicapped children, within each disability, with the most severe handicaps who are not receiving adequate special education and related services, the maintenance of special facilities for handicapped children, participation and consultation of parents or guardians, and the provision of special services to enable handicapped children to participate in regular educational programs.

The provisions also required the local educational agency to provide satisfactory assurances that control and administration of funds and title would be in a public agency; that Federal funds would be used only to pay the excess costs directly attributable to the education of handicapped children; that Federal funds would supplement and increase, and in no case supplant State, local and private funds; that State and local funds would be used in the school district of the local educational agency to provide services which are at least comparable to services being provided in areas of the school district which are not receiving Federal funds under this Act; that effective procedures would be established for evaluating at least annually the effectiveness of programs for handicapped children; that an annual report and such other reports and information would be provided to the State educational agency; that records would be kept to assure the correctness and verification of information and reports to the State educational agency; that the application and all pertinent documents would be available to parents and other members of the general public; that the agency would give assurances that it has in effect a policy which assures all handicapped children the right to a free appropriate public education; that the agency would provide satisfactory assurance that it would maintain an individualized education program for each handicapped child, and would review (at least annually) and revise the provisions of this program, whenever appropriate, in consultation with the parents or guardians of the handicapped child; that policies and procedures established and administered would be consistent with the provisions of the State plan; and that the agency would establish and maintain a grievance procedure consistent with the provisions of the Act.

With regard to conditions for approval of a local application, the House amendments provided that the State educational agency could disapprove an application if it determined that the application did not meet the requirements of the part, and provided that when a State educational agency determined that a local agency (after reasonable notice and an opportunity for a hearing) had failed to comply with any requirement set forth in the application, it was required to either make no further payments to the local agency, or take such finding into account in its review of an application from the local agency for an allotment. In a case of such a determination of failure, the local educational agency was required to bring such an action to the attention of the public.

The House amendments further provided that a State educational agency may require local educational agencies to transmit a consolidated application if it determines that any individual application would be disapproved because the agency would be unable to establish and maintain programs of sufficient size and scope. In any case where a consolidated application is required, the State educational agency was required to prescribe rules and regulations to provide joint responsibilities for implementing consolidated applications, and the provisions further required that the allotment for local educational agencies submitting a consolidated application be equal to the sum of the allotments of the individual local educational agencies. The provisions provided, however, that where an intermediate educational unit or other public educational agency was required under State law to carry out provisions of this Act, that the joint responsibilities given to local educational agencies submitting a consolidated application shall not apply to the administration and disbursement of allotments received by such units or agencies.

The House amendment further provided that if a State educational agency determined that a local educational agency was unable or unwilling to establish programs of free appropriate public education, according to the provisions of the Act or to be consolidated with other local educational agencies to establish such programs, or has one or more handicapped children who can best be served by a regional or State center, the State educational agency could use the allotment which would have been available to the local educational agency to provide special education and related services directly to handicapped children residing in the area served by the local educational agency, in such manner and at such locations as it considered appropriate (including regional or State centers) except that such education must be provided consistent with the requirements of the Act. Finally, the House amendments provided that if a State educational agency determined that a local educational agency was adequately providing special education and related services to all handicapped children in the area it served with State and local funds otherwise available to it, the State educational agency could reallocate the funds made available to such agency to other local educational agencies within the State which were not adequately providing special education and related services to all handicapped children in their areas.

There were no comparable Senate provisions.

The conference substitute conforms to the House amendments with the following noted exceptions, and with technical and conforming amendments.

With respect to the development and implementation of the comprehensive system of personnel development, the conference substitute provides that the local application shall contain procedures for the implementation and use of the system developed by the State educational agency, as required in the State plan.

The Conferees note that the local educational agency has the major responsibility in providing direct services to handicapped children; therefore, it is essential that skilled personnel be available in the local educational agency. Inservice training of general and special educational, instructional and support personnel can play a significant role in attaining the local educational agency's goal of providing a free, appropriate public education to all handicapped children.

With respect to the provision relating to expenditure of funds to pay only the excess cost of programs, the conference substitute provides that the requirement of excess cost applies only to the funds to which the local educational agency is entitled and receives under the pass-through provision. That is, the excess cost requirement applies only to those funds which shall be allotted to the local educational agency under the provision requiring 50 percent to be distributed to the local agencies in fiscal year 1978, and requiring 75 percent to be distributed to the local agencies in fiscal year 1979 and thereafter.

The conference substitute does not contain the House provision relating to the establishment of programs for the maintenance of special facilities.

With respect to the provision relating to the provision of services to handicapped children to enable such children to participate in regular educational programs, the language is amended to conform the provision to provisions of existing law relating to removal of children from the regular educational program.

With respect to the non-supplanting provision, private funds are deleted.

The conference substitute does not contain the House provision relating to evaluation.

With respect to the provision requiring an annual report and such other reports and information as the State educational agencies may require, the specific requirement of an annual report is deleted. The conferees expect that the annual local application can serve adequately for purposes of annual reporting to the State agency, and that such other information as may be required by the State can be required and collected, consistent with this provision, as is needed.

With respect to the provisions requiring assurances that the local educational agency have in effect a policy which assures that all handicapped children have the right to a free appropriate public education, the House recedes. The conferees point out that a comparable provision from the Senate bill was adopted which required the State to have a right to education policy in effect as a condition of State eligibility. Thus, because each local educational agency is a legal arm of the State, each such agency will have to assure the right to education for all handicapped children as a matter of State law or practice and such an assurance in the local application is unnecessary.

With respect to the provision allowing the State educational agency, under specified conditions, to use the local educational agency allotment to serve handicapped children directly in such manner and at such location (including State and regional centers) consistent with the provisions of the Act, conferees specifically point out that serving children in State or regional centers must be done consistent with provisions of existing law which require that to the maximum extent appropriate, handicapped children are educated with non-handicapped children, and special classes, separate schooling, or other removal from the regular educational environment occurs only when the nature or severity of the handicap is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.

With respect to the provision providing that the State educational agency may reallocate funds if it determines that the local educational agency is adequately providing special education and related services to all handicapped children within its jurisdiction, the conference substitute provides that the local educational agency must be adequately providing a free appropriate public education to all handicapped children residing in its jurisdiction. The conferees note that section 425 of the General Education Provisions Act, which provides an opportunity for a hearing with the State educational agency and an appeal to the Commissioner in cases where a local educational agency is aggrieved by an action of the State educational agency, applies to this reallocation provision.

In addition, the conference substitute provides that where the State directly provides special education and related services to handicapped children or provides funds to a local educational agency which agency does not submit a local application, all provisions (except those relating to excess cost) which would have applied to the local educational agency apply to the State educational agency and the State agency must include the applicable assurances in its State plan.

Certain local educational agency entitlements

The House amendments, but not the Senate bill, provide that any local educational agency which is required to carry out a program for the education of handicapped children pursuant to State law enacted previous to the date of enactment of this Act shall be entitled to receive an allotment under this Act, whether or not funds have been provided to fully implement such state law. However, the local educational agency may not use its allotment to reduce its expenditures below its expenditures in the previous fiscal year.

The Senate recedes with amendments to delete private funds from the nonsupplanting language, to also apply the provision to States which enact laws after the date of enactment of this Act, and to clarify that any local educational agency must still meet the other requirements of the Act. The Conferees wish to clarify that State and local educational agencies in States which have passed laws requiring services required under this Act are eligible for funding, and that such states may use such funds as long as they are used to carry out the provisions of this Act (even if they are identical to State law) and as long as such funds do not reduce the level of expenditures made by State or local educational agencies in the previous fiscal year.

Incentive grants

The Senate bill provides that the Commissioner shall make grants to any State which meets the eligibility requirements under the Act and provides special education and related services to handicapped children, aged 3–5, inclusive, who are counted under the formula in section 613, in the amount of $300 for each such child.

An application is required and funds received shall be used for providing educational and related services for handicapped children aged 3–5.

Such sums as may be necessary to carry out the provision in the Senate bill are authorized.

The House amendments do not contain a comparable provision.

The House recedes with two amendments, clarifying that the maximum amount of the grant which a State receives under the section shall be not more than $300 for each handicapped child eligible under the section, and adding a provision for pro-rata reduction if funds appropriated under the section are not sufficient for full funding of the maximum amount of $300 per such handicapped child.

Payments for administration and planning

The Senate bill authorizes such sums as may be necessary in addition to the amounts to which States are entitled under section 612 for the purposes of administration and planning and specifically includes regional, interstate, and intrastate technical assistance, and dissemination of necessary materials. Limitation is placed on the amount of payment at 5% of the amounts paid under section 612, or $200,000 whichever is greater for States; and 5% or $60,000, whichever is greater for Guam, American Samoa, Virgin Islands, or the Trust Territory of the Pacific Islands. Existing law, which the House amendments do not amend, provides that this amount shall come out of the amount to which States are entitled under section 612 and provides 5% or $200,000 for States, and 5% or $35,000 for the territories.

The Senate recedes with an amendment to assure that the limitation for administration of 5% or $200,000, whichever is greater, for States, and 5% or $35,000, whichever is greater, for the territories, is retained in the conference substitute.

Due process procedures

The Senate bill re-enacts the provisions of existing law relating to procedural safeguards for handicapped children and parents and guardians of handicapped children, requires their establishment as a condition of State eligibility under this part and makes the following changes to these provisions:

(1) parents or guardians will be provided prior notice when the State or local educational agency proposes to *initiate* the educational placement of the child;

(2) the impartial due process hearing will not be conducted by an employee of the State or local educational agency directly involved in the education or care of the child; and

(3) materials and procedures shall be provided and administered in the child's primary home language or mode of communication and that no single procedure shall be the sole criterion for determining an appropriate educational placement for a child.

The House bill retains the provisions of existing law relating to procedural safeguards as part of the State plan and adds the following:

(1) Any local educational agency receiving assistance under this part shall establish a grievance procedure that will offer an opportunity for handicapped children and their parents or guardian to present complaints with respect to the manner in which the handicapped child involved is receiving special education and related services;

(2) Upon receipt of a complaint, the local educational agency shall conduct an investigation, and upon completion of such investigation, transmit a report (including a description of any recommendation or disposition made) to the State educational agency;

(3) The State educational agency, upon appeal by an aggrieved party or on its own motion shall review the action of the local agency and conduct an investigation of the factual circumstances relating to the complaint, attempt to resolve the matter (by informal methods), and, upon a finding (after reasonable notice and opportunity for a hearing) that a local educational agency has failed to comply with any provision of this part, shall take whatever steps necessary to correct such failure;

(4) Any person participating in a hearing conducted by a local educational agency and the State educational agency shall have the right to be accompanied and advised by counsel and by individuals with special knowledge or training and skills with respect to handicapped children;

(5) The State educational agency shall take its findings and determinations into account during its review of any application for funds under this part made by the local educational agency involved and shall submit a report of its findings and determinations (and a description of any action taken thereon) regarding any complaint to the Commissioner of Education; and

(6) Actions may be brought in the district courts of the United States to appeal the determinations of the State educational agency and in such actions the findings of fact of the State educational agency shall be conclusive if supported by substantial evidence and the district courts may remand the case to the State agency to take additional evidence.

The following conference substitute is adopted in order to clarify and strengthen the procedural safeguards in existing law:

(1) All of the procedural safeguards are established as a condition of a State's eligibility to receive funds under this part;

(2) The provisions of existing law are retained with respect to the establishment of procedures to insure that handicapped children are educated with children who are not handicapped;

(3) The provisions of existing law are retained with respect to the establishment of procedures to insure non-discriminatory testing and evaluation procedures and language is added (from the Senate bill) which provides that materials and procedures shall be provided and administered in the child's native language or mode of communication (unless it is clearly not feasible to do so) and that no single procedure shall be the sole criterion for determining an appropriate educational placement for a child;

(4) The provisions of existing law are re-

tained with respect to the establishment of procedures providing parents or guardians the opportunity to examine all relevant records with respect to the identification, evaluation, and educational placement of the child and language is adopted to clarify that the parents or guardian shall be able to examine any records relating to the provision of a free appropriate public education (as that term is defined in the Act) to the child. The provisions of existing law with respect to an opportunity for an independent educational evaluation of the child are also retained;

(5) The provisions of existing law are retained with respect to the establishment of procedures to protect the rights of the child when the parents are unknown, unavailable, or the child is a ward of the State, including the appointment of a surrogate for the parents or guardian;

(6) The provisions of existing law are retained with respect to requiring prior notice to the parents or guardian. Language is adopted to clarify that such notice shall be in writing. Such notice shall be provided to the parent or guardian whenever the local educational agency or the State educational agency (when the State agency acts as a provider of direct educational services to the child) *proposes* to initiate or make a change in the identification, evaluation, or educational placement of the child or to initiate or change the free appropriate public education (as that term is defined in the Act) provided or available to such child, or *refuses* to undertake such action (such as the denial of special education and related services to a child). In addition, language is adopted to assure that any such notice shall, to the maximum extent feasible, be in the parents' or guardian's native language (as that term is defined in title VII of the Elementary and Secondary Education Act of 1965) and shall include full explanation of the procedural safeguards available to the parents or guardian under the Act:

(7) The provisions of existing law are clarified and strengthened with respect to impartial due process hearings and language is adopted to assure that:

(*a*) any parent or guardian may present a complaint concerning *any matter* regarding the identification, evaluation, or educational placement of the child or the provision of a free appropriate public education to such child.

(*b*) whenever a complaint is received the parents or guardian shall be afforded an opportunity for an impartial due process hearing, which hearing shall be conducted by the local education agency or the State educational agency.

The conferees do not intend that this provision will require changes in existing arrangements where due process hearings are conducted at the level of the State educational agency rather than at the local level. The only requirement with respect to the level of which such hearings are conducted occurs when the hearing is conducted at the local level and in such cases there is a review required at the State agency level. In addition, the conferees point out that any hearings are not conducted by the agency itself, but rather at the appropriate agency level. The hearing will be conducted by an impartial hearing officer since the State or local agency or intermediate unit will be a party to any complaint presented.

(*c*) no hearing may be conducted by an employee of the State or local educational agency involved in the education or care of the child. The conferees have adopted this language to clarify the minimum standard of impartiality which shall apply to individuals conducting due process hearings and individuals conducting a review of the local due process hearing;

(*d*) in the event that the impartial due process hearing is conducted by a local educational agency, any party to such hearing who is aggrieved by the findings and decision rendered in such hearing may appeal to the State educational agency and the State agency shall conduct an impartial review of the hearing and the individual conducting this review shall make an independent decision.

The conferees expect that where due process hearings are conducted by the State educational agency or in cases where a review of local educational agency hearings is made by the State educational agency, such proceedings will be conducted at a time and place which is reasonably convenient to the parents or guardian of the child involved.

(*e*) any party to any hearing conducted by the State or local educational agency and any part to any hearing conducted by the State educational agency as part of an impartial review of a hearing conducted by a local educational agency in that State shall be accorded (1) the right to counsel and to be advised and accompanied by individuals with special knowledge, training or skills with respect to the problems of handicapped children, (2) the right to present evidence and confront, cross-examine, and compel attendance of witnesses, (3) the right to have a written or electronic verbatim record of such hearing, and (4) the right to have written findings of fact and decisions. The conferees adopt this language to reinforce rights already required by the Commissioner of Education pursuant to existing law. Further, it should be emphasized that these rights shall also apply in State reviews of local agency hearings where the reviewing officer determines that a hearing should be conducted for purposes of taking new or additional evidence.

(8) The provisions of existing law with respect to the binding effect of due process hearings and appropriate administrative and judicial review of such hearings are clarified and language is also adopted to require that during the pendency of any administrative or judicial proceedings regarding a complaint, unless the State or local educational agency and the parents or guardian of the child otherwise agree, the child involved in the complaint shall remain in his or her present educational placement, or, if the complaint involves an application for initial admission to public school the child shall, with the consent of the parents or guardian, be placed in the public school program until the completion of all such proceedings.

(9) The provisions of existing law with respect to judicial action are clarified and strengthened to assure that any party aggrieved by the findings and decision rendered in the due process hearing or the State educational agency review of such hearing shall have the right to bring a civil action with respect to the original complaint and matters relating thereto. Such action may be brought in any State court of competent jurisdiction or in a district court of the United States and in any such action the court shall receive the records of the due process hearing (and where appropriate the records of the review of such hearing), shall hear additional evidence at the request of any party, shall make an independent decision based on a preponderance of the evidence and shall grant all appropriate relief. A technical clarification is also made assuring that the district courts of the United States have jurisdiction of actions brought pursuant to these provisions without regard to the amount in controversy.

Administration

Both the Senate bill and the House amendments contain provisions relating to the Commissioner's duties with respect to administration.

Certification of Number of Children. The Senate bill requires the Commissioner to insure that each State, within one year from date of enactment, provide certification of the actual number of handicapped children receiving special education and related services. The House amendments contain no comparable provision.

The House recedes.

Uniform Financial Report. The Senate bill provides that the Commissioner shall be regulation prescribe a uniform financial report to be used by State agencies in submitting an application for assistance as soon as practicable after the date of enactment. The House amendments specify uniform categories and accounting procedures to be used by SEA's in submitting State plans in order to assure equity among the States.

The House recedes.

Rules and Regulations. The Senate bill requires the Commissioner to issue, amend and revoke such rules and regulations as may be necessary in carrying out the provisions of the Act and does not authorize any other informal method. The House amendments require the Commissioner to prescribe and publish in the Federal Register such rules as he considers necessary to carry out the provisions.

The House recedes.

Confidentiality. The Senate bill, but not the House amendments, requires the Commissioner to take appropriate action to assure the protection of confidentiality of a personally identifiable data, information, or records collected or maintained by him and by State educational agencies and local educational agencies under the Act.

The House recedes with an amendment requiring that the Secretary of the Department of Health, Education, and Welfare take appropriate action to assure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained pursuant to the provisions of this part, in accordance with the provisions of section 438 of the General Education Provisions Act relating to protection of confidentiality.

Task Force. The Senate bill, but not the House amendments, requires the Secretary to establish a task force to develop guidelines to assure all programs administered by HEW which provide assistance for the education of handicapped children are administered in a manner consistent with the Act and directs the Secretary to be responsible for the guidelines and to assure the cooperation in the implementation of the guidelines by HEW agencies.

The Senate recedes.

Authorization. The Senate bill, but not the House amendments, authorizes such sums (not to exceed one-fourth of one percent of the amounts appropriated under section 612, or $1 million, whichever is greater) for administration.

The Senate recedes.

Evaluation

Studies, Investigations, and Evaluations. Both the Senate bill and House amendments require the Commissioner to conduct, directly or by grant or contract, such studies, investigations, and evaluations as are necessary to assure effective implementation of this program and to provide for the evaluation of such program through the development of effective methods and procedures for evaluation and the conducting of actual evaluation studies designed to test the effectiveness of activities supported by financial assistance under the Act.

The Senate bill, but not the House amendments, authorizes the Commissioner to validate evaluation methods and procedures. The House recedes.

The Senate bill provides that the Commissioner shall provide for the collection and annual reporting of programmatic information; the House amendments provide that the Commissioner through the National Center for Education Statistics, shall provide similar information to Congress and the general public at least annually, and shall update such information at least annually. The Senate recedes.

Both the Senate bill and the House amendments require the Commissioner to obtain information on the number of handicapped children in each State who need special education and related services, the amount of Federal, State and local expenditures in each of the States for special education, and the number of handicapped children receiving special educational services. The House amendments also permit sampling of data and require that the Commissioner obtain information on the number of handicapped children not receiving a free appropriate public education. The conference substitute combines the House and Senate provisions.

The Senate bill, but not the House amendments, requires that the Commissioner collect information concerning the types of handicaps and the numbers of children with such handicaps who are participating in programs supported by this Act. The House recedes.

The House amendments, but not the Senate bill, require the Commissioner to gather information concerning the number of children in regular classroom settings, separate classrooms, or separate schools, or who have been otherwise removed from the regular education environment; require the Commissioner to obtain information on the number of children in public or private institutional settings who are receiving a free appropriate public education and those who are not receiving such an education; and require the Commissioner to obtain information on the number of personnel, by disability category, who are employed in the education of handicapped children and the estimated number of additional personnel needed. The Senate recedes.

Report to the Congress on Activities and Progress. The Senate bill requires the Commissioner, within 120 days after the close of each fiscal year, to submit to the appropriate committees of the Congress a full and complete report on the activities carried out under the Act. The report is to include an analysis and assessment of the progress being made toward the provision of special education, an evaluation of procedures undertaken by the States to assure that children are receiving an education in the least restrictive environment, and an evaluation of the effectiveness of procedures undertaken by the States to prevent erroneous classification of children.

The House amendments require that the Commissioner, within 120 days after the close of each fiscal year, transmit to the Congress a report on progress being made toward the provision of a free appropriate public education, including detailed descriptions of evaluation activities and an analysis and evaluation of the effectiveness of procedures undertaken to assure education in the least restrictive environment and to improve programs in day or residential facilities. In order to carry out such analysis, the Commissioner may conduct a survey for assessing the effectiveness of the individualized educational programs.

The conference substitute combines the Senate and the House provisions; the conferees also amended the House language relating to the survey on the effectiveness of the individualized educational programs to require such a survey.

Study of Objective Criteria and Evaluation Procedures. The Senate bill directs the Commissioner to submit to the Congress by June 30, 1977, a comprehensive study of objective criteria and evaluation procedures to determine the effectiveness of special education and related services. There is no comparable House provision.

The Senate recedes.

Survey of the Effectiveness of Conferences and Plans. The Senate bill directs the Commissioner to submit to the Congress by December 1, 1977, a survey of the effectiveness of the individualized planning conference.

The Senate recedes although it should be noted that the conference substitute relating to reports to the Congress requires that the Commissioner conduct a survey for assessing the effectiveness of the individualized educational programs in order to carry out the analysis and evaluation required by that provision.

Personnel. The Senate bill, but not the House amendments, provide that the personnel the Commissioner is authorized to hire may carry out his duties under administration.

The House recedes.

Authorization. The Senate bill, but not the House amendments, authorizes appropriations for evaluation activities, providing $2,500,000 for fiscal year 1976, $3,500,000 for fiscal year 1977, $5,000,000 for fiscal year 1976 and $7,500,000 for fiscal year 1979.

The House recedes with an amendment of "such sums as may be necessary" rather than the authorization levels specified in the Senate bill. The conferees estimate that expenditures for these purposes will require appropriations as follows: $2,000,000 for fiscal year 1976, $3,000,000 for fiscal year 1977, $5,000,000 for fiscal year 1978 and $7,000,000 for fiscal year 1979 if the Commissioner is to be able to fully meet his responsibilities in carrying out these provisions.

Rules

The House provisions with respect to rules and regulations require promulgation not later than 120 days after September 30, 1977. The Senate provisions with respect to rules and regulations (section 618(b) of the Education of the Handicapped Act as amended by the Senate bill) require promulgation no later than July 1, 1976.

The conference substitute conforms to the House amendments, but the date, September 30, 1977, has been changed to January 1, 1977.

Centers on education media and materials for the handicapped

The House amendments, but not the Senate bill, amend section 653 of the Education of the Handicapped Act to authorize the Secretary to enter into agreements with institutions of higher education, State and local educational agencies, or other non-profit agencies for the establishment and operation of centers on educational media and materials for the handicapped. Existing law authorizes a single national center. This House provision also deletes the language which provides a preference to institutions which can serve the educational technology needs of the Model High School for the Deaf.

The Senate recedes with an amendment that the Secretary shall give preference to those which can serve the educational technology needs of the Model Secondary School for the Deaf.

Employment of handicapped individuals

The Senate bill provides that the Secretary, as a condition of providing assistance under this Act, shall insure that each recipient of funds shall take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions as set forth in the provisions of the Rehabilitation Act of 1973 relating to employment of handicapped individuals by State rehabilitation agencies and rehabilitation facilities and under Federal contracts and subcontracts.

There is no comparable House provision.

The House recedes with an amendment. As amended, the provision requires the Secretary to insure that each recipient of financial assistance under the Education of the Handicapped Act is taking such positive efforts to employ and advance in employment qualified handicapped individuals. The conferees deleted the language in the Senate bill making financial assistance conditional upon such Secretarial assurances because section 504 of the Rehabilitation Act of 1973 already establishes, as a matter of federal law, that no qualified handicapped individual in the United States shall be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal Financial assistance. It is clear that qualified handicapped individuals who, because of their handicap, are refused employment by recipients of assistance under the Act are fully covered by the prohibition in section 504 of the Rehabilitation Act of 1973. The conferees expect that the Department of Health, Education and Welfare regulations implementing section 504 will cover employees of such recipients of Federal assistance under this Act. The language of the amendment is designed to underscore the responsibility of the Secretary to pursue vigorously the enforcement of section 504 especially as it relates to the employment of administrators and teachers in programs for the education of handicapped children.

Architectural barriers removal

Both the Senate bill and the House amendments authorize such sums as may be necessary for grants to State and local educational agencies for the removal of architectural barriers. The House amendments, but not the Senate bill, provide a definition of State educational agency and local educational agency, defining these terms as defined by the Education of the Handicapped Act.

The House recedes.

Congressional disapproval of regulations

The House amendments make changes in section 431 of the General Educational Provisions Act relating to congressional disapproval of regulations. These amendments provide that failure of the Congress to adopt a concurrent resolution disapproving any standard, rule, regulation, or requirement shall not represent an approval or finding of consistency, and shall not be construed as evidence of approval or finding of consistency necessary to establish a prima facie case, or an inference or presumption in any judicial proceeding. The House amendments also clarify that there shall be 45 days following the transmittal of the final regulations for congressional consideration and possible disapproval. There is no comparable Senate provision.

The Senate recedes with an amendment which applies the forty-five day period for congressional consideration and disapproval only to final regulations.

Effective date provisions

The Conference Report contains technical and conforming changes in the effective date provisions of the bill to reflect the decisions made by the Conferees.

Title

The title of the House amendments, but not the title of the Senate bill, indicates that the Education of the Handicapped Act is being amended. The title of the Senate bill, but not the title of the House amendments, indicates that the legislation provides financial assistance to States to insure the right of an education for all handicapped children.

The conference substitute conforms to the House amendments.

Carl D. Perkins,
John Brademas,
Patsy T. Mink,
Lloyd Meeds,
Shirley Chisholm,
William Lehman,
Robert J. Cornell,
Edward P. Beard,
Leo C. Zeferetti,
George Miller,
Tim L. Hall,
Albert H. Quie,
Alphonzo Bell,
Peter A. Peyser,
James M. Jeffords,
Larry Pressler,
Managers on the Part of the House.
Jennings Randolph,
Alan Cranston,
Harrison A. Williams,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
William D. Hathaway,
Robert T. Stafford,
Bob Taft, Jr.,
Dick Schweiker,
J. Glenn Beall, Jr.,
Jacob Javits,
Managers on the Part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 10481, INTER-GOVERNMENTAL EMERGENCY ASSISTANCE ACT

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 865, Rept. No. 94-665), which was referred to the House Calendar and ordered to be printed:

H. Res. 865

Resolved, That upon the adoption of this resolution it shall be in order to move, clause 2(1)(6) of Rule XI to the contrary notwithstanding, that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10481) to authorize emergency guarantees of obligations of States and political subdivisions thereof; to amend the Internal Revenue Code of 1954 to provide that income from certain obligations guaranteed by the United States shall be subject to taxation; to amend the Bankruptcy Act; and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed three hours, two hours to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Currency and Housing, and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. No amendment to title II of said bill shall be in order except amendments recommended by the Committee on Ways and Means, and said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PROVIDING FOR CONSIDERATION OF S. 2667, EMERGENCY PETROLEUM ALLOCATION ACT EXTENSIONS

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 866, Rept. No. 94-666), which was referred to the House Calendar and ordered to be printed.

H. Res. 866

Resolved, That immediately upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill S. 2667, to extend the Emergency Petroleum Allocation Act of 1973, and to consider said bill in the House.

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 866 and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER. The question is, Will the House now consider House Resolution 866?

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair is certain that a quorum is present. The Chair will count.

Two hundred and forty-one Members are present, a quorum.

Mr. ROUSSELOT. Mr. Speaker, I demand a division.

On a division (demanded by Mr. Rousselot) there were—yeas 171, noes 14.

So (two-thirds having voted in favor thereof), the House agreed to consider House Resolution 866.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair recognizes the gentleman from West Virginia (Mr. Staggers).

Mr. STAGGERS. Mr. Speaker, pursuant to House Resolution 866, I call up the Senate bill (S. 2667) and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill as follows:

S. 2667

A bill to extend the Emergency Petroleum Allocation Act of 1973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out each date specified therein and inserting in lieu thereof in each case "December 15, 1975".

Sec. 2. The amendments made in the first section of this Act to the Emergency Petroleum Allocation Act of 1973 shall take effect at midnight, November 15, 1975.

Mr. STAGGERS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I am pleased to report to my colleagues that the conferees of the House and Senate have reached agreement on an omnibus energy bill. The task of developing a comprehensive congressional energy program has been completed and we will be able to soon present this legislation for approval of the House.

As my colleagues, the conferees have worked long and hard to develop a bill in the spirit of compromise which we believe will be signed by the President and enacted into law. This legislation is broad in scope and truly a compromise definition of energy policy. I can pledge to you that we will work diligently to reduce the policy agreements of the conferees to legislative language, but that task will take several days.

In the interim it is incumbent upon us to extend the Emergency Petroleum Allocation Act for an additional 30 days to permit a meaningful opportunity to complete work on the conference report and to allow Members an opportunity to evaluate its terms. And it is my understanding that the President has agreed to an interim extension of the act. Clearly the provisions of the Allocation Act must be extended to avoid the disruptive effects of a sudden removal of price controls during this 30-day period.

For that reason I present to my colleagues today a proposed interim extension of this act until December 15 and respectfully urge their affirmative approval.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

I am thrilled that he has seen fit to go to the Committee on Rules and to do this in an orderly way.

I would vote "no" on this. I am opposed to control, as the gentleman well knows, but I am glad to see that we are doing this the right way at this time.

Mr. DINGELL. Mr. Speaker, during previous consideration of an extension of the Emergency Petroleum Allocation Act the question of notice to all interested persons regarding the retroactive application of such an extension was debated. That debate indicated that it was the intent of Congress to extend the Allocation Act without hiatus and that any such extension would retroactively take effect. The extension we have passed today should be interpreted in light of this history and prior debate. As further indication of this intent, I include as part of this statement the ruling of the Federal Energy Administration regarding retroactive extension of the Allocation Act:

Application of FEA's Mandatory Petroleum Price and Allocation Regulations During September 1975

The expiration of the Emergency Petroleum Allocation Act of 1973 ("EPAA of 1973") on August 31, 1975 and the subsequent extension of that law by adoption of the Emergency Petroleum Allocation Act of 1975

("EPAA of 1975"), which was signed by the President and became law on September 29, 1975, have raised a number of questions regarding the application of the FEA's regulations to transactions that occurred during the hiatus period of September 1 to September 29. The purpose of this Ruling is to give notice of the manner in which the FEA regulations apply to transactions occurring during that period.

I. BACKGROUND

S. 1849, which would have simply changed the expiration date in § 4(g) (1) of the EPAA of 1973 from August 31, 1975 to February 28, 1976, was passed by Congress on July 31, 1975. The President vetoed S. 1849 on September 9, 1975, and the veto was sustained by the Senate the following day.

Although S. 1849 passed the Congress a month prior to the scheduled expiration of the EPAA of 1973, it was contemplated at the time of its passage that the bill might not be sent to the President until late August, that the President was likely to veto it, and that it would become law only if Congress overrode the veto—which would occur at the earliest a few days after the August 31, 1975 expiration date. Thus, in the floor debate on S. 1849, several key proponents of the bill in the House made it clear that:

"It is the intent of the Congress that the extension of the allocation act included in S. 1849 take effect immediately and retroactively in the event of a veto and an override of that veto, and that there be no hiatus or gap during which violations of these regulations would not be subject to civil sanctions." 121 Cong. Rec. page 26186 July 31, 1975) (remarks of Cong. Dingell). *See also id.* at page 26187.

During the month of August it became apparent that the President would indeed veto S. 1849 because he believed the six-month extension provided for therein would unnecessarily delay the resolution of the difficult energy issues confronting the Nation. However, on August 29, 1975, the President informed the Majority Leader of the Senate and the Speaker of the House that he would be willing to sign a short-term (approximately 30 to 45 day) extension of the Act if he received assurances that during the extension period the Congress would act to adopt a phased decontrol program. On that date FEA Administrator Frank G. Zarb issued a public statement, widely reported in the press, that:

"A short-term extension, if signed by the President, would be applied retroactively. Since the Congress does not return until September 2, there would be a short gap in the Allocation Act authority between the August 31 expiration of current authority and any possible Congressioal action on the short extension. It is likely, however that the Congress will intend no regulatory gap and will intend to reinstate automatically the price and allocation regulations in effect on August 31 with the passage of any short extension.

"FEA, in consultation with the Department of Justice, has reviewed the legal effects of such a gap and concluded that by an extension the Congress can revive the current controls retroactively to September 1. If the President signs such a short extension, appropriate regulatory action can then be taken to correct any transactions in violation of FEA's current controls that occurred during the gap."

There was substantial commentary in the trade press and elsewhere to the effect that the reinstitution of controls would, and could legally, apply retroactively to September 1. For example, the September 12 edition of the *Oil Daily* commented that:

"All this points to the wisdom that oil companies must still act as if controls were in place unless there is more assurance that decontrol will stick. Any action taken outside of the mandates of the defunct EPAA might be subject to expensive adjustments when Congress makes up its mind on the issue of oil company regulation."

On September 11, 1975, the day following the Senate's vote to sustain the veto of S. 1849, the House unanimously passed H.R. 9524, which would have extended the EPAA of 1973 for 60 additional days after September 1. The bill passed the Senate with certain amendments, including an expiration date of November 15, 1975 on September 26, 1975. The House concurred in the Senate amendments on the same day, and the EPAA of 1975 was signed into law by the President on September 29, 1975.

The EPAA of 1975 expressly states that the FEA regulations in effect on August 31, 1975 are to be considered reinstituted in full force and effect retroactive to that date:

"Sec. 3. It is the intent of the Congress that the regulations promulgated under the Emergency Petroleum Allocation Act of 1973 shall be effective for the period between August 31, 1975, and the date of enactment of this Act."

In the floor debate on this amendment, Representative Staggers, the Chairman of the House Committee on Interstate and Foreign Commerce, stated:

"It is the intent of both bodies of the Congress that the pricing and allocation controls contained in Federal Energy Administration regulations which were promulgated under that act continue in effect as though there had been no hiatus. Both the administration and leaders of the Congress have repeatedly stated that any extension of the Allocation Act finally agreed to would be retroactive in character. The industry has had ample notice of this matter.

"Accordingly the Federal Energy Administration is called upon to enforce their regulations as if they had remained in full effect in the period it has taken for the Congress and the President to agree upon the terms of an extension of the act. In this regard the FEA will be expected to order a rollback and refunding of any price increases which may have occurred on or after September 1 and take other appropriate action to assure the continuity and integrity of the distribution system for petroleum products." 121 Cong. Rec. 30417 September 26, 1975).

Similarly, Senator Jackson, Chairman of the Senate Interior Committee, stated in connection with H.R. 9524, as amended, that "the extension restores petroleum price controls, on a retroactive basis to September 1, until November 15, 1975." 121 Cong. Rec. S 16866 (September 26, 1975).

Judicial precedent supports the FEA's and the Congress' determination of that enactment of the EPAA of 1975 can lawfully reinstate the FEA's Mandatory Petroleum Allocation and Price Regulations as though they were continuously in force during the hiatus period, particularly where there was, as in this case, a clear expression of Congress' intention in this regard and extensive notice to the public that the EPAA of 1973 would be etxended on a retroactive basis. See *Porter v. Senderowitz,* 158 F. 2d 435 (3d Cir. 1946), *cert. denied,* 330 U.S. 848 (1947); *Porter v. Shibe,* 158 F. 2d 68 (10th Cir. 1946); *Purvis v. United States,* 501 F. 2d 311 (9th Cir. 1974); *First National Bank v. United States,* 420 F. 2d 725 (Ct. Cl.), *cert. denied,* 398 U.S. 950 (1970).

II. GUIDELINES FOR DETERMINING COMPLIANCE WITH THE FEA REGULATIONS

A. Civil remedies

Since the EPAA of 1975 reinstitutes the FEA Mandatory Petroleum Allocation and Price Regulations (Parts 210, 211, and 212, Chapter II of Title 10, Code of Federal Regulations) in effect on August 31, 1975 retroactive to that date, as stated above, FEA will apply its allocation and price regulations as though they had been in effect continuously since August 31, 1975. Persons subject to the regulations should carry out September transactions as though the EPAA of 1975 had been enacted prior to September 1, 1975.

This means, at a minimum, that any supplier/purchaser relationships terminated during the hiatus contrary to the regulations must be immediately reestablished and that that portion of prices charged during the hiatus in excess of amounts permitted by the regulations must immediately be refunded or rolled back. It is recognized, however, that in other types of cases, particularly in the allocation area, there may be some practical difficulties in retroactively implementing measures that will result in strict adherence to all other regulations during the hiatus period. Thus, whether the FEA will require that steps other than reestablishing supplier/purchaser relationships and refunding overcharges be taken to remedy violations of the regulations during the hiatus will be determined on a case-by-case basis, depending upon the practical difficulties in doing so, the extent of injury already incurred by any person and the degree to which further remedy would amount to a penalty on any person.

Corrective actions to conform transactions during the hiatus to the regulations should be voluntarily undertaken by the firms involved as soon as possible. For example, supplier/purchaser relationships that were terminated during the hiatus period contrary to the regulations in effect on August 31 should be reestablished promptly. Prices charged in excess of amounts permitted by the regulations in effect on August 31 should be refunded where the overcharged customers are identifiable and, with respect to unidentifiable customers, should be "rolled back" through a reduction in the *current* (as opposed to the maximum lawful) selling price until the full amount of the overcharge is returned to the marketplace. To insure that proper credit is given by the FEA for the rollback or refund of prices charged during the hiatus period, firms are advised to keep detailed records of any corrective action taken and to advise the FEA of such corrective action. Firms that have questions concerning the form of remedy that will be acceptable to the FEA should seek guidance from the FEA as soon as possible.

The FEA will audit transactions that occurred during the hiatus period in the normal course of its compliance program. To the extent that violations are found not to have been remedied, the FEA, as part of its normal compliance efforts, intends to issue remedial orders and take such other action as is authorized by regulations to secure compliance with the regulations and to remedy violations that occurred during the hiatus.

B. Civil and criminal penalties

The *ex post facto* clause of the U.S. Constitution limits the authority of Congress to apply a criminal statute retroactively. Therefore, it is the FEA's intention not to seek criminal penalties for willful violations of FEA regulations that occurred during the hiatus period.

It is less certain that the *ex post facto* clause applies to a statute that imposes civil penalties, as does the EPAA of 1973, as amended by the EPAA of 1975, although due process considerations of course remain applicable. Therefore, while as a general rule the FEA will not seek civil penalties for violations that occurred during the hiatus period, it expressly reserves the right to do so if the factual circumstances of a particular case appear to warrant such action.

Finally, while the FEA's authority to seek civil or criminal penalties for violations that occurred during the hiatus may be limited, the FEA does not consider such limitations to apply to violations of lawful orders issued after the hiatus period to remedy violations that occurred during the hiatus. As noted above, the FEA intends to issue orders after the hiatus period to remedy violations that occurred during the hiatus. Notwithstanding the FEA's general intent not to seek civil or criminal penalties for *violations of the regulations* during the hiatus period, a firm that willfully refuses to comply with a *remedial or other order* issued by the FEA to remedy a violation that occurred during the hiatus period will be fully subject to the civil and criminal penalties provided for in Section 5(a) of the EPAA of 1973 and Section 208 of the Economic Stabilization Act.

III. COMPLIANCE WITH PRICE REGULATIONS, ILLUSTRATIVE EXAMPLES

The following examples illustrate how the FEA's Mandatory Petroleum Price Regulations will be applied to transactions that occurred during the period September 1 to September 29, 1975.

Example 1 (Producers): On September 2, 1975, Firm A, a producer of crude oil, sold 100 barrels of crude oil to Firm B, a refiner. Of the 100 barrels, 60 barrels were old crude oil subject to the ceiling price rule contained in § 212.73 of the regulations, and 40 barrels were new and released crude oil pursuant to § 212.74 of the regulations. Payment was made September 17, 1975 for all 100 barrels at the free market prices for new and released crude oil.

Firm A is required to present to Firm B a revised invoice that correctly states the volumes of old, new, and released oil sold on September 2, 1975 and specifies that payment for 60 barrels is to be made at or below the ceiling price for old crude oil, in accordance with § 212.73, and that payment for 40 barrels is to be made at the September 2, 1975 posted or free market price for new and released crude oil, in accordance with § 212.74 and with Ruling 1974–11, "New" and "Released" Crude Oil (Current Free Market Price Under § 212.74). Amounts paid by Firm B in excess of the corrected prices shall be refunded.

Example 2 (Refiners): Firm B, a refiner, entered into the above transaction. For purposes of §§ 212.82 and 212.83, in computing prices for October, Firm B's cost of crude oil for the month of measurement September must be computed according to the corrected invoices presented by Firm A. Prices charged by Firm B in October in excess of amounts permitted by the regulations (including amounts carried forward from previous months and available in accordance with § 212.83(e)) shall be refunded to identifiable customers and, to the extent its customers cannot be identified, shall be "rolled back" in the form of reductions from current (as opposed to maximum lawful) selling prices.

Example 3 (Refiners): Firm B, a refiner, anticipating increased costs of crude oil purchased during September, began on September 1 to charge prices for refined petroleum products based on September costs of crude oil at free market price levels. In applying the formulae in § 212.83 to compute prices for September, Firm B's cost of crude oil must be computed from costs for crude oil purchased or landed in August, the month of measurement, and may not include the cost of crude oil purchased or landed in September. Prices charged by Firm B in September in excess of maximum lawful prices permitted by §§ 212.82 and 212.83 of the regulations (including amounts carried forward from previous months and available in accordance with § 212.83(e)) shall be refunded to identifiable customers and, to the extent its customers cannot be identified, shall be "rolled back" in the form of reductions from current (as opposed to maximum lawful) selling prices.

Example 4 (Resellers): Firm C, a reseller, purchased refined products from Firm B in the circumstances of Example 2 and received a refund of overcharges in September by Firm B. Firm C is required to recalculate its product costs in the month of September to reflect the refund and to make appropriate refunds or rollbacks to its customers to the extent that the recalculation has resulted in its own prices having been in excess of prices permitted by the regulations. That is, Firm C, is similarly required to make appropriate refunds or rollbacks of prices charged in September in excess of amounts permitted by §§ 212.92 and 212.93 of the regulations (including amounts carried forward from previous months in accordance with § 212.93(e) and available in accordance with § 212.93 (g)).

Example 5 (Leases): Firm E, a refiner, is the lessor of real property used by Firm F in retailing gasoline. On September 2, 1975, Firm E notified Firm F of its intent to exercise the lease termination clause of their contract because of Firm F's failure to convert to a 24-hour per day operation. Firm F did not operate 24 hours per day at any previous time.

Firm E's notice violates § 212.103(c) of the regulations and is therefore void.

Example 6 (Leases): Firm E, a refiner, is the lessor of real property used by Firm G in retailing gasoline. On September 2, 1975, Firm E notified Firm G of its intent to exercise a lease clause permitting it to increase the rent up to 50%.

Firm E's notice is void, and Firm G is entitled to a refunds of any rent already paid by it in excess of the amounts provided for in § 212.103(a) of the regulations.

IV. COMPLIANCE WITH ALLOCATION REGULATIONS, ILLUSTRATIVE EXAMPLES

The following examples and discussion illustrate how the FEA's Mandatory Petroleum Allocation Regulations will be applied with regard to the September 1–29 hiatus period.

Example 7 (Supplier/wholesale purchaser relationships): Supplier H is the base period supplier of middle distillates to Firm J, a wholesale purchaser-reseller, and Firm K, a wholesale purchaser-consumer. On September 1, 1975, Supplier H notified Firms J and K that it would no longer supply them.

Supplier H must continue to supply Firm J since under § 211.9(a) (2) (i), supplier/wholesale purchaser-reseller relationships are fixed for the duration of the allocation program and and may not be modified or terminated without FEA approval.

Supplier H must also continue to supply Firm K since supplier/wholesale purchaser-consumer relationships are also established for the duration of the program, as provided in § 211.9(a) (2) (ii), unless the parties have given their mutual consent to the termination of the supplier/purchaser relationship. Only if Supplier H and Firm K had so consented and could establish that their consent was in fact mutual and voluntary, would their supplier/purchaser relationship be considered terminated.

Example 8 (New supplier/wholesale purchaser relationships): During September, 1975, Supplier H entered into a contract to supply middle distillates to Firm L, a wholesale purchaser-reseller, and also agreed to supply Firms M and N, both wholesale purchaser-consumers. On September 1, 1975, Firm M and its base period supplier had mutually consented to terminate their supplier/purchaser relationship. Firm N had been notified that its base period supplier no longer intended to supply it.

The supply contract between Supplier H and Firm L does not establish a valid supplier/wholesale purchaser-reseller relationship because FEA approval has not been obtained as required by § 211.12(a) (2) (ii). Unless Firm L is without a base period supplier or a new supplier as provided in § 211.10 (e) (1), it may not even apply to FEA for assignment of Supplier H as its base period supplier.

The supply arrangement between Supplier H and Firm M may continue as a mutual arrangement as contemplated by § 211.12(e) (1). This new supplier/purchaser relationship is subject to the notice and approval provisions of § 211.12(e) (1) (ii) and (iii).

In the case of Firm N, however, the new relationship between it and Supplier H is not valid unless Firm N now arranges by mutual consent to terminate its supplier/purchaser relationship with its base period supplier, which unilaterally refused to supply it during September. If that termination is effected, Firm N is considered to have been without a base period supplier and is therefore able to enter into a mutual supply arrangement with Supplier H as provided by § 211.12(e) (1). In this event, the notice and approval provisions of § 211.12(e) (1) (ii) and (iii) apply.

Supplier H may, of course, supply purchasers with which it has no supplier/purchaser relationship to the extent that it has surplus product and has complied with the provisions of § 211.10(g).

Example 9 (Crude oil supplier/purchaser rule): On September 1, 1975 Firm O, a crude oil producer, contracted for the sale of its production to Firm P, to whom Firm O had never previously sold. Prior to September 1, 1975, Firm O had sold its production to Firm Q, which had purchased Firm O's production under a supplied/purchaser relationship in effect pursuant to § 211.63(a). Firm Q did not consent to the termination of its supplier/purchaser relationship with Firm O. Therefore, Firm Q continues to be entitled to purchase Producer Q's production for the month of September 1975 and thereafter, except as to September 1975 production where the sale and delivery thereof to Firm Q is no longer feasible because it is no longer within Firm O's possession or control as of the date this ruling is published in the *Federal Register*. Crude oil which Firm O is otherwise contractually required to supply to Firm P but is still in Firm O's possession or control as of such publication date shall be delivered to Firm Q. This result would be identical if a broker or reseller, instead of Firm O, were the supplier to Firm Q.

In general, pursuant to the crude oil supplier/purchaser rule set forth in 10 CFR 211.63, all supplier/purchaser relationships in effect under contracts for sales, purchases, and exchanges of domestic crude oil on December 1, 1973 are required to remain in effect for the duration of the Mandatory Allocation Program. In accordance with the provisions of the EPAA of 1975, as a general rule, all crude oil supplier/purchaser relationships in effect under §211.63 immediately prior to the period September 1 to 29, 1975 are required to be maintained in effect under § 211.63 for the period subsequent to August 31, 1975 during which the EPAA of 1973, as amended, is in effect.

If a valid termination under § 211.63 of Firm Q's supplier/purchaser relationship had been effected as of September 1, 1975, Firm O would no longer be required to sell its crude oil to Firm Q. Supplier/purchaser relationships required to be maintained under § 211.63 may be terminated by mutual consent of both parties and, as to new and released crude oil, may be terminated where the present purchaser of the crude oil refuses, after notice by the seller, to meet any bona fide offer for the crude oil by another purchaser at a higher lawful price. As to terminations by mutual consent, FEA has consistently ruled that any consent to such a termination must be made affirmatively in writing in light of the provisions of § 211.63. Accordingly, supplier/purchaser relationships in effect on August 31, 1975 may be terminated in the period September 1 to September 29, 1975 in the manner prescribed in § 211.63. No termination in this period is valid under § 211.63 unles effected in accordance with the provisions of that section.

Example 10 (Old oil allocation program):

From September 1 to September 28, 1975 Firm R, a crude oil producer, sold its production to Firm S, a refiner. Firm R's entire production is classified as old crude oil under § 212.72 and therfore constitutes old oil (as defined in § 211.62) for purposes of the old oil allocation program set forth in § 211.67. All of such sales were made at a price in excess of the lawful ceiling price as computed under § 212.73.

Firm S must include the crude oil purchased from Firm R its crude oil receipts (in accordance with the provisions of § 211.62) and must report these particular receipts as old oil for purposes of § 211.66 and § 211.67, in accordance with the certification under § 212.131 received by Firm S from Firm R, regardless of the fact that Firm S may have paid an exempt price for the crude oil. Firm S's remedy in this case is to seek a refund from Firm R (under the procedures set forth in Example 1 above) for these sales made at a price in excess of the lawful ceiling price.

Mr. Speaker, as Chairman STAGGERS has already indicated, the House-Senate conference on a comprehensive energy bill has concluded its work. The final preparation of this congressionally sponsored energy program is now underway.

The process of developing this program commenced 10 months ago. The Subcommittee on Energy and Power held over 3 full weeks of hearings on the subjects embraced in this legislation. The subcommittee met in 28 sessions over 18 legislative days to mark up the bill. The full Interstate and Foreign Commerce Committee met in 13 markup sessions before reporting the bill. The House began consideration of this subject matter in July and did not conclude deliberations on the bill until September 23. The conferees on this legislation have met almost daily since then to work out the final details of a comprehensive congressional energy program which we are confident will be signed into law by the President. The description of the legislative process which I have just outlined gives an indication of the complexity and breadth of this legislation. As this process approaches its final stage, we are confronted by the expiration of current energy controls under the Allocation Act at midnight November 15.

In October the President agreed to accept an extension of the Allocation Act for the limited purpose of giving the Congress an opportunity to reach final agreement on a comprehensive energy bill which he could sign. That agreement has been reached and we are confident the President can sign this legislation. We have kept faith with the understanding with the President and concluded the task. However, because of the truly comprehensive scope of this legislation, a further short period of extension of current controls will be necessary to reduce to legislative language the terms of the conference agreement.

The conferees have in good faith worked diligently to come to agreement with the President. The President's representatives have dealt in good faith with the conferees. The extension we seek is not for purpose of delay or further time for compromise. The extension is to permit the already agreed upon compromise to be implemented.

Mr. Speaker, I am confident the President can accept this extension and will ultimately sign the energy bill now in the process of final drafting. I hope my colleagues will agree with me that this extension is warranted, responsible and in the public interest.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the Senate bill.

The previous question was ordered.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION FOR COMMITTEE ON AGRICULTURE TO HAVE UNTIL MIDNIGHT, SATURDAY, NOVEMBER 15, 1975, TO FILE CONFERENCE REPORT ON H.R. 8841

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight Saturday, November 15, 1975, to file a conference report on the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

REQUEST TO AUTHORIZE CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until Monday next, the Clerk be authorized to receive messages from the Senate, and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

LEGISLATIVE PROGRAM

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, I would like to ask the majority whip or the majority leader what the program for the coming week is.

Mr. McFALL. If the gentleman will yield, I will be glad to respond to the gentleman's inquiry.

The program for the House of Representatives for the week of November 17, 1975, is as follows:

On Monday we will have the Consent Calendar and the following suspensions, on which the votes will be postponed until the end of all suspensions:

H.R. 10284, medicare deadline amendments;

H.R. 8618, Occupational Safety and Health Act amendments; and

H.R. 10283, Real Estate Settlement Procedures Act amendments.

H.R. 10561, Fair Credit Billing Act amendments;

S. 1245, Alaska highway;

S. 364, Forest Service roads;

H.R. 9691, review of certain disability retirement by Secretary of Defense;

S. 2114, pay of nuclear qualified officers;

H.R. 8089, per diem expenses of service members on official business;

H.R. 9573, 60-days pay for accrued service leave;

H.R. 9570, sale and shipment of carbonyl chloride by Defense Department;

H.R. 5630, Government share of State boat safety programs;

H.R. 6851, retired pay for lighthouse service; and

H.R. 1535, benefits for widows of lighthouse service.

Then we will take up H.R. 10481, the Intergovernmental Emergency Assistance Act, otherwise referred to as the New York City legislation under an open rule with 3 hours of debate. We will take up general debate only on Monday.

Then on Tuesday, Wednesday and Thursday, we will have the Private Calendar, then there is one suspension, S. 6, education of handicapped children conference report, followed on the regular calendar by H.R. 10481, the Intergovernmental Emergency Assistance Act, a continuation of the New York legislation.

Then we will take up H.R. 10612, tax reform, subject to a rule being granted.

H.R. 8578, restoration of Federal matching share to community action agencies, also subject to a rule being granted.

Senate Joint Resolution 121, quarterly adjustments of support prices for milk, with an open rule and 1 hour of debate.

And then, H.R. 30, Hell's Canyon National Recreation Area, subject to a rule being granted.

Conference reports, of course, as the Members know, may be brought up at any time and any further program will be announced later.

I would like to announce that the House will adjourn from the close of business on Thursday, November 20, until noon Monday, December 1.

As the Members can see, we have listed all 14 suspensions, but if the general debate on the New York legislation is on for Monday, then we can go ahead with the general debate on that bill and we will not necessarily take all of the suspensions. We will, however, take up at least H.R. 10284, H.R. 8618, H.R. 10283, and H.R. 9691

We will announce this at the start of the day's program on Monday. The other suspensions in that case would be delayed until after the Thanksgiving recess.

I will be glad to respond to any questions that the gentleman might have.

Mr. EDWARDS of Alabama. Does the gentleman from California have any thought that the energy conference report will be up for next week?

Mr. McFALL. I am advised that it will not be up for next week.

Mr. EDWARDS of Alabama. I would further inquire as to whether we have now completed all of the business for today and for this week?

Mr. McFALL. The gentleman is correct, we have.

Mr. BAUMAN. Mr. Speaker, if the gentleman will yield, the gentleman from California did tell us that the decision as to whether we will take up all of the suspensions, including the New York aid bill, will not be announced until Monday. It is very difficult for me to understand why the Members could not be informed this afternoon. I believe that many of the Members would probably like to make plans on the basis of what the legislation is that the leadership plans to bring up. But apparently we will not know this until Monday. Why can we not bring up the New York aid bill on Monday, why cannot we know this this afternoon?

Mr. McFALL. I am informed that the chairman of the committee has requested that procedure. As I am sure the gentleman knows, there are negotiations going on on the New York aid bill. The Governor of New York is out in the Rayburn Room at the present time discussing the matter. The President and his staff are talking about this. There are continual negotiations going on in an attempt to remedy this very important matter to the country. It could be that further negotiations may be necessary and that we would not begin the general debate on Monday. In that case, of course, we would want the House to have a full calendar so we have listed all of the suspensions. If, however, the debate does start, and we are in a position to go ahead with the New York bill, then we will not have to delay it until the next day and I think it would be preferable not to take all of the suspensions because it might make the work day a rather long one.

Mr. BAUMAN. If we do, indeed, start general debate on the New York bill Monday, is it the intention of the leadership to follow it through the full 3 hours of debate no matter how late that would run?

Mr. McFALL. I believe so, I can say to the gentleman, although I cannot say for sure for the committee, but I would think that this would be the most reasonable course in view of the fact that we have a 4-day week next week and other important legislation. We ought to finish it by Monday at least if we are going to take it up on Thursday.

Mr. BAUMAN. I thank the gentleman for his explanation.

Mr. EDWARDS of Alabama. If the gentleman intends to knock off some of the suspensions in order to get to the New York bill, could the gentleman advise the House which suspensions would likely be knocked off the calendar?

Mr. McFALL. Those other than the ones that I read previously. I read them rather fast. Perhaps I should read them again. We will take up at least Nos. H.R. 10284, H.R. 8618, H.R. 10283, and H.R. 9691.

Mr. EDWARDS of Alabama. So that we can depend on four suspensions, and the balance would depend on when we get through with the first four?

Mr. McFALL. That is correct, and how quickly we can start the debate. As the former Speaker of this House, Mr. McCORMACK, used to say, "I assume we will play it by ear at that time."

Mr. EDWARDS of Alabama. I thank the gentleman.

ADJOURNMENT TO MONDAY, NOVEMBER 17, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mrs. BOGGS. Mr. Speaker, I was called out of the room and I failed to vote on H.R. 5512. Had I been present, I would have voted in favor of the bill.

PROBLEMS OF BRINGING RELIEF TO NEW YORK CITY

(Mr. RYAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RYAN. Mr. Speaker, yesterday I pointed out that the rapid increase in numbers of city employees contributed mightily to the fiscal demise of New York City, and that other cities would do well to read the handwriting on the financial wall.

Today I would like to point out—using a chart from Newsweek magazine—that the salaries paid to city employees are high—some of the highest in the Nation, in fact, as the chart shows. Is there really that much more skill required by a sanitation man in New York that the New York man makes almost double the salary in Atlanta? Surely cost of living cannot be that great. Baltimore is not even listed, but the salary for a policeman there is more than $5,000 lower than in New York. Are the police problems of New York that much more difficult or dangerous?

The questions could go on and on but the point is clear: New York pays salaries that other city governments wish they could afford. In fact, these other cities may soon be able to do so. Why should not the teachers, patrolmen, and other employees in St. Louis or San Francisco demand more than their city can pay—if the Federal Government will support payment beyond what local citizens approve?

This leads to the most important question of all: In the process of bringing relief to New York City, will the rest of the country use money that might otherwise be used to improve the salaries and working conditions of public employees in their own city?

WHAT CITY SERVICE COSTS

Part of New York's problem is that it has to pay for many services that other cities get help in providing. But even when county, State and Federal aid is counted, New York's per capita spending is far higher than that in other metropolitan areas]

City	Police and fire	Health and hospitals	Education	Public welfare	Debt interest	Pension fund	Other	Total
New York	$100	$151	$295	$316	$66	$88	$430	$1, 446
Atlanta	41	68	245	10	34	12	252	650
Chicago	69	30	260	21	24	14	297	715
Detroit	70	60	241	26	25	5	266	693
Los Angeles	75	51	260	144	15	21	309	875
Philadelphia	91	48	217	18	41	22	294	731

Source: U.S. Department of Commerce, Bureau of Census.

WHAT CITY WORKERS GET

[By historic standards, New York City employees are highly paid—but militant unions have won even higher wages elsewhere. Maximum annual salaries in major cities as of Jan. 1, 1975]

City	Police patrolman	Uniformed firefighter	Sanitation man	Teacher (with B.A.)
New York	$15,650	$15,650	$14,840	$16,650
Atlanta	12,636	11,622	7,657	13,136
Chicago	18,000	18,000	13,104	18,340
Detroit	15,450	15,450	11,611	16,681
Los Angeles	17,978	17,101	12,622	13,150
Philadelphia	13,022	13,022	9,143	16,466

Sources: New York Municipal Unions, International City Management Association, American Federation of Teachers.

STATEMENT OF CONGRESSMAN WILLIAM HARSHA ON THE INTRODUCTION OF A RESOLUTION TO DESIGNATE 1976 "NATIONAL BICENTENNIAL HIGHWAY SAFETY YEAR"

(Mr. HARSHA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARSHA. Mr. Speaker, as Members of the House know, I have long been interested and active in the highway safety field. My concern in this area is dictated to my firm belief that thousands of people are needlessly killed and maimed each year in highway mishaps; and that, through targeted programs, we can make significant reductions in the accident/injury/death toll. That was the approach we took in the Highway Safety Act of 1973, which I authored. And that was the approach we took when we adopted the 55-mile-per-hour speed limit which, in a single year, helped save 9,600 lives.

We are now moving into the Nation's 200th anniversary celebration. The yearlong event will result in tens of millions of Americans, making hundreds of millions of trips, to participate in Bicentennial activities.

Figures vary, but estimates for visitors to Washington, D.C., alone range from 20 to 60 million. Philadelphia, I understand, is girding for 40 million; and Boston for 60 million. Other localities around the country expect similar influxes. In addition, 20 million visitors from abroad are predicted. Virtually all of this vast throng will travel on the roadways of our country, some or all of the time.

With all of this extra travel added to the normal amount done by Americans each year, it is easy to see that we could be approaching a crisis year in highway safety. The more people on the road, the greater the congestion. The greater the congestion, the greater the likelihood of traffic accidents. Clearly, under the circumstances, unless we do something to enlist the support of the American people in a nationwide campaign to focus on highway safety during 1976, there is a real possibility that our Nation's 200th birthday celebration could be marred by the worst slaughter of our history.

The central and unifying theme of the Bicentennial is improving the quality of life in America. What better way can we do that than by launching a campaign to preserve and protect the lives of those participating in Bicentennial activities?

Many such activities have been planned for the forthcoming celebration. Most are directed towards highlighting significant events in our Nation's past.

While I applaud these efforts, I believe the Bicentennial affords a unique opportunity for addressing and overcoming problems of today. And few stand higher in my mind than reducing the accident and injury toll on our highways which each year kills 50,000, maims and disables many times that number, and exacts a fearsome toll in people and property damages.

These figures are not simply numbers in a ledger file but friends, neighbors, and loved ones—many of whose lives were needlessly extinguished. They were snuffed out, not in pursuit of individual or national advancement, but in what has become an accepted consequence of life in our mobile age—traffic accidents.

I believe we should use the Bicentennial year to do something about the slaughter on our highways. A carefully planned, Bicentennial-oriented, grassroots effort involving Americans of all races, creeds, nationalities, and persuasions can, I believe, save literally thousands of lives in 1976 alone.

The basic law is already on the books. The Highway Safety Act of 1973 provides the legislative blueprint. The funds to implement it have already been allocated or apportioned. All that is needed is a vehicle to serve as a focus for enlisting the vast energies of millions of Americans in a national campaign to transform its provisions into lifesaving realities.

That is the reason I have introduced a resolution calling upon the President to designate 1976 as "National Bicentennial Highway Safety Year". This resolution is cosponsored by 46 Members of the House.

Under the plan set forth in the Bicentennial resolution, each month of our Nation's anniversary would concentrate on a promising area of highway safety activity. The targeted focus of each of the 12 months as set forth in the resolution is as follows:

January—Safety education.

February—Signs and signals.

March—Pavement marking and delineation.

April—Pedestrian and bicycle safety.

May—High hazard removal.

June—Safety belts and child restraints.

July—Roadside obstacle elimination.

August—55-mile-per-hour speed limit enforcement.

September—Children's safety.

October—Safer bridges.

November—Railroad crossing protection.

December—Alcohol and problem drinkers.

The overall aim will not only be to promote a public awareness of the various aspects of safety on our highways, but to involve people in specific highway safety activities.

To carry out the programs of the National Bicentennial Highway Safety Year, organizations and agencies from both the public and private sectors, as well as interested individuals and companies, will be enlisted to sponsor each of the 12-month-long campaigns. Citizens for Highway Safety, a nonprofit organization, is serving as catalyst and coordinator of this lifesaving effort.

With individual Americans working together in a nationwide campaign, backed by highway safety organizations, public service groups, and the business community, the National Bicentennial Highway Safety Year can succeed in substantially reducing the slaughter on the highways in 1976, and in succeeding years.

But time is short. We are moving into the final months of this session of the Congress. 1976 will soon be upon us.

On behalf of its 46 cosponsors, I urge speedy consideration of and action on this lifesaving proposal.

SIXTY-SEVEN PERCENT BACK THE PRESIDENT'S TAX CUT AND SPENDING LIMITATION

(Mr. LATTA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LATTA. Mr. Speaker, I would like to call to the attention of my colleagues an article in the Los Angeles Times which reports that two out of three Americans support President Ford's efforts to cut taxes and spending. In the light of the New York City debacle, I urge that they read it carefully and heed the message this nationwide poll delivers.

I would also call your attention to House Concurrent Resolution 425, which I introduced on October 8, and which calls for Congress to move in that direction. The resolution notes that the President has asked for a tax cut of $28 billion, and that further inflation would take the benefits of a cut away from the American people. It calls for total budget outlays during fiscal year 1977 of not more than $395 billion.

It would be immoral for this Congress to pass a tax cut, without taking firm steps to curb deficit spending. The American people want Congress to exercise its fiscal responsibilities.

The Los Angeles Times reported as follows:

SIXTY-SEVEN PERCENT IN POLL BACK FORD PLAN TO CUT TAXES AND SPENDING

PRINCETON, N.J.—Two-thirds of Americans favor President Ford's plan to cut federal income taxes if Congress will cut spending by a similar amount, a Gallup Poll survey indicates.

Republicans, Democrats and independents alike gave majority support to the plan in a survey conducted Oct. 17 to 20 in more than 300 localities and involving personal interviews with 1,553 adults.

The questions focused on the principle involved in Mr. Ford's plan and not specifically on the $28 billion tax cut and the matching reduction in federal spending that he had proposed.

The questions:

"Have you heard or read about President Ford's recent proposal to cut federal income taxes and federal spending?"

Eighty-two percent replied in the affirmative.

"President Ford has proposed that federal income taxes be cut if Congress will cut spending by a similar amount. Do you think this is a god idea or a poor idea?"

The results, including responses both from those who were aware of the proposal and those who were not:

[In percent]

	Good idea	Poor idea	No opinion
Nationwide	67	19	14
Republicans	82	10	8
Democrats	58	25	17
Independents	70	18	12
Informed group	69	19	12
Uninformed group	60	19	21

Another survey, taken earlier in October, gave further evidence of the public's belt-tightening mood. In this case, 53% said they would vote for a candidate who called for a reduction in the number of federal employes by 5% each year for the next four years.

Polling was conducted Oct. 3 to 6, with 1,558 adults interviewed in more than 300 communities.

The question:

"If a candidate for Congress ran on a platform calling for a reduction in the number of federal employes by 5% each year for the next four years, would you be inclined to vote for him or against him?"

The results:

[In percent]

	Would vote for	Would vote against	No opinion
Nationwide	53	31	16
Registered voters	57	30	13
Nonregistered	42	36	22
Republicans	70	23	7
Democrats	46	35	19
Independents	51	32	17

THE WORKING PEOPLE: STAKE IN THE ENACTMENT OF THE JOBS CREATION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 10 minutes.

Mr. KEMP. Mr. Speaker, America's work force has a vital stake in what happens to the Jobs Creation Act.

This is the legislation which I first introduced in March and which now has nearly 100 House cosponsors and a Senate companion measure as well.

This is the legislation which would accelerate the formation of the investment funds this country has to have in order to get our economy to full employment based on productive jobs, not tax-consuming government jobs.

It is the legislation which would create 7.18 million new jobs—real, productive, private sector, taxpaying jobs—in the first year of its enactment.

But, what is the Congress doing to guarantee its enactment? Very little. Despite its sponsorship by over 100 elected representatives of the people—which is very high for any legislation—and despite the public support for it, it has been all but ignored by the House's tax writing committee.

There's no credible reason for this.

According to the Department of Labor, there are now 8,002,000 people out of work—an unemployment level of 8.6 percent. The Jobs Creation Act would, by contrast, create 7,180,000 jobs.

We all know, of course, that unemployment—no matter how good the economy was doing—would probably never go down to this figure of less than 1 percent. At any one point in time, there are always those in transition from one job to another; those who have just come out of the Armed Forces, or college, or high school but have not yet found a job; and there are wives just reentering the work force. That is why most economists agree it is very difficult to ever get unemployment down below 3 percent.

But, the point is this. There would be a job available for everyone who wanted one.

If you translate this 7,180,000 potential first-year new jobs figure into State or local terms, its impact is even more apparent.

The latest figures available show New York State unemployment now standing at 10.2 percent—778,900 out of work. The latest figures for the Buffalo metropolitan area show 12.7 percent unemployment—with 67,700 out of work. The best thing to do about this unemployment is the Jobs Creation Act, for if we correlate those national figures into the New York State and Buffalo metropolitan area situations, we could see a reduction in unemployment in New York State of 698,800—down to 80,100 unemployed; and a reduction of unemployment in the Buffalo area of 60,750—down to only 6,950 out of work.

And, of course, the Jobs Creation Act would continue to produce even more new jobs after the first year.

Why is this approach—the Job Creation Act—the one which Congress should adopt from among the three major alternatives before the Nation—it, the President's rather economically risky expenditure-and-tax reduction proposal, and the Committee on Ways and Means reported bill?

There are two ways to guarantee productivity and prosperity.

On one hand, the workers can work harder and longer.

On the other, we can have more and better tools.

Given those two options—and with a strong personal belief that every American wants to improve our standard of living, so our children will have a better life—I have been at the forefront of efforts to renew America's commitment to guaranteeing enough investment capital to buy the tools we must have to increase our productivity and to create jobs.

Look at the past 200 years—or even the past 100 years—of our history. Compare the standards of living then with today. The average American family today enjoys a standard of living which, only a century ago, was not dreamed of. The things we take for granted today were not even invented then.

One hundred years ago, men and women were working 12 to 16 hours a day and 6 or more days each week. Child labor was common. Horses were drawing the coal from the mines. Electrical power was only at the threshold of being harnessed. The internal combustion engine was in its infancy. Machines were only beginning to come into substantial use. And, the use of these machines created jobs; it did not eliminate them.

Prosperity reached a level never known in the world's history. Workers' wages reached a level unprecedented in any economy.

This happened not because we worked longer or harder—leisure time today is unparalleled in any society—but because we had better, more efficient tools.

The foundation for this prosperity was capital—the funds with which to build plants and buy and replace equipment. It is capital and its system—capitalism—that has helped more than any other factor to improve our standard of living. Without that capital, the American worker would not produce more and better things per hour of work than the serfs of feudal days. He would not earn more. And, he, like them, would live on a thin line of existence.

All measures which preclude adequate capital formation or even cause capital decumulation are, therefore, both antilabor and antisocial in effect. They are antilabor in the sense they destroy or threaten jobs. They are antisocial because they reduce our ability to resolve human problems.

Proof of this abounds.

James Watt, the inventor of the steam engine which started to revolutionize the modern world, and those who followed him in the competitive struggle to make a better engine and sell it for less, did more to take women and children out of the coal mines and off the towpaths of the canal boats, more to take children out of the factories, than all the 19th century social activists combined. Yet Watt would be unknown today if a man named Matthew Boulton had not risked $150,000 of capital on Watt's invention.

Aluminum was so expensive in 1870 that Napoleon III of France had an aluminum table set for state dinners, for it was more valuable than gold. Today, aluminum is found in all American kitchens, no matter how humble.

As far back as the Second World War, it was estimated that electric power alone in this country was performing the work equal to the labor of half a billion men—500,000,000—working 8 hours a day—4 billion man-hours per day. It would be many times that by now.

Just 100 years ago, it took a week to produce the same amount of wheat that today can be produced with just a single hour of human labor. What did it? The steel plow, tractor, harvester, better seed and cheap transportation. Coincidentally, it is American wheat that today is asked to feed those nations that adopted the anticapitalistic views of Karl Marx.

The inventions of Edison, Ford, Whitney, McCormick, Steinmetz, and all the other industrial inventors of the age would have been for nothing, if it had not been for the investment capital it took to get those inventions onto the production line and into our homes and factories. It has been more and better tools, representing capital investment, that has made the difference in the conquest of starvation.

Capital is the key to tomorrow's growth, as much as it has been to our past growth, prosperity, jobs and freedoms.

It is against this background that one understands just how workable the jobs creation program really is.

On October 20 I announced to the House the results of an exhaustive economic study of the provisions of the Jobs Creation Act, one prepared by Norman B. Ture, Inc., of Washington, one of the Nation's most widely respected economic research firms.

That study concluded that in the first year of the enactment of the legislation, economic activity resulting from its provisions would generate increases—over what would otherwise occur—of $151.4 billion in the gross national product, $74.6 billion in capital outlays, and $5.2 billion in Federal revenues. The second year after enactment would see additional increases of $200.5 billion in GNP, $77.9 billion in capital outlays, and $14.6 billion in Federal revenue. And, the third year would see further increases of $248.9 billion in GNP, $81.1 billion in capital outlays, and $25.2 billion in Federal revenue. These are real increases, not artificial increases resulting from inflation.

How would this increase over a 3-year period of $600.8 billion in real GNP affect employment and real wages? If all of the increased productivity goes into employment—that is, if there is no increase above the trend rise in real wages—there would be increases in employment above trend of 8.7 percent in 1975, 10.6 percent in 1976, and 12.4 percent in 1977. These percentage figures translate into 7.180 million new jobs in the first year of enactment, 9 million new jobs in the second year of enactment, and 10.9 million new jobs in the third year of enactment.

On the other hand, if all the increased productivity goes into higher real wages—that is, there is no increase above the trend rise in employment—there would be increases in real wages above trend of 8.2 percent in 1975, 10.3 percent in 1976, and 12.1 percent in 1977. These percentage figures mean almost $2,000 additional real income for every employee in each of the 3 years.

Since some of the increased productivity would create new jobs and some would result in higher real wages, it is obvious that the act would generate millions of new jobs and substantial gains above the trend rise in real wages. These millions of new jobs would be real jobs resting on a larger and stronger capital base. They would be productive jobs, tax-generating jobs instead of tax-consuming jobs. By generating full employment the act would eliminate unemployment-related Government expenditures, thus further reducing the deficit.

There is no other way to create millions of new real jobs, jobs that are meaningful productive work, jobs which do not result from sharing the work, but which result from creating new work, jobs which are not just another form of Federal transfer payment that benefits the recipient at the expense of the income of others, but jobs which result from the creation of new income.

This, Mr. Speaker, is why the Nation, New York State, and western New York needs this Congress to enact the Jobs Creation Act.

"VOTES FOR THE FIRST LADY"

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from Massachusetts (Mrs. HECKLER) is recognized for 5 minutes.

Mrs. **HECKLER** of Massachusetts. Mr. Speaker, I was gratified to see in last Monday's Washington Post that Betty Ford is one of the most popular first ladies ever to occupy the White House. According to a nationwide Harris survey, Betty Ford has the support of from 64 to 70 percent of adults, as reflected by their agreement with recent statements she has made. The article concludes that, Betty Ford has a wide and deep following in the mainstream of American life.

This is a judgment with which I heartily concur—an assessment which became especially apparent to me a week ago, when it was my pleasure to accompany President Ford on a trip to Boston. The President was cheered resoundingly as his motorcade moved through the streets of Boston, with members of the "jean generation" enthusiastically in the forefront. As his motorcade passed through the academic areas of the city, word spread that the President's car was approaching, and large numbers of young people 18–25 lined the streets, applauding the entourage with great warmth.

Part of this warmth must be attributed to the personality of Betty Ford, who has among her most ardent supporters young people under 30. Her openness and frankness, her understanding of young persons' concerns, and her advocacy of equal rights for women are attributes which endear her to the young, and to many older persons as well. Basically, she comes forth to the American people as an individual in her own right—whether one agrees or not she must be respected as a woman with an identity of her own Obviously, an overwhelming majority of Americans truly regard her as a "first" lady.

Mr. Speaker, I enclose for my colleagues a copy of the article, "Votes for the First Lady," which appeared in the November 10 issue of the Washington Post:

VOTES FOR THE FIRST LADY

(By Louis Harris)

Whatever President Ford's problems with the public, Betty Ford has now become one of the most popular wives of a President to occupy the White House.

On the controversial statements made by Mrs. Ford recently, the public leaves no doubt that it backs her up decisively:

—A 60–27 per cent majority agrees with Mrs. Ford when she said "she would not be surprised if her daughter had an affair." Among young people under 30, a solid 76–11 per cent agree with her, and among people between 30 and 50, a 64–25 per cent majority agrees. However, among people 50 and over, only a narrow 44–42 per cent plurality agrees.

By 64–23 per cent, a sizable majority also supported Mrs. Ford when she said "if her daughter were having an affair, she would want to know if the young man were nice or not." Again, the division between the young and old is decisive. A 73–14 per cent majority of the 18–29 age group is for her, as is a 67–21 per cent majority of the 30–49 age group. But a smaller, 54–31 per cent majority of people 50 and over support her on this issue.

—On her favoring "passage of the Equal Rights Amendment on women's rights," Mrs. Ford's stand meets with the agreement of a substantial, 70–15 per cent majority. Women agree with the first lady on the E.R.A. by 73–15 per cent, compared to a 68–15 per cent majority of men who do.

To test the reception given Mrs. Ford on her controversial statements, the Harris Survey asked a cross-section of 1,519 adults nationwide:

"Do you tend to agree or disagree with Mrs. Betty Ford when she said (Read List)?"

STATEMENTS MADE BY MRS. FORD

	Agree	Disagree	Not sure
She favors passage of the equal rights amendments on women's rights	70	15	15
She would not be surprised if her daughter had an affair	60	27	13
If her daughter were having an affair, she would want to know if the young man were nice or not	64	23	13

Although public support for Mrs. Ford's recent statements is decisive and firm, the pattern of backing she receives is highly significant. Most solidly behind the first lady are people who live on the east and west coasts, residents of big cities and the suburbs, young people under 30, those who have had some college education, professional and executive types, union members, people with incomes of $15,000 and over, those who have a liberal political philosophy and political independents. Far less in support of the first lady are those who live in the South, small town and rural residents, people who are 50 and over, skilled labor, blacks, low-income people and conservatives.

By and large, Mrs Ford is supported most by those segments of the public who are least likely to back her husband in the 1976 election. By the same token, she finds her least support among those who are apt to back the President, the more conservative, small-town and rural residents, and the elderly.

A political conclusion that might be drawn is that Mrs. Ford's statements probably did not help her husband's cause with the activist conservatives in the Republican party, whom Mr. Ford is trying to court in his battle with former Gov. Ronald Reagan. But Mrs. Ford's outspoken statements have won support from those younger and more independent elements in the electorate, who are indispensable to her husband in a contest for the White House next fall. In short, Betty Ford has a wide and deep following in the mainstream of American life, and surely must be judged a solid asset to her husband in the White House.

THE FEDERAL RESERVE SYSTEM—THE MOST NONRESPONSIVE FEDERAL AGENCY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, in addition to being the most wasteful and the most extravagant agency in our Government, the Federal Reserve is doubtless the most unresponsive agency in meeting requests for information from the Congress about its activities. While Dr. Burns and the other members of the Federal Reserve Board make a great verbal show of cooperation during legislative hearings, when it comes right down to providing Congress with information, it is another matter.

I would like to cite a few examples of the game-playing engaged in by the Federal Reserve to keep information about their operations as confidential as possible.

HOW MUCH DO FEDERAL RESERVE EMPLOYEES MAKE?

During the summer of 1973, as chairman of the House Banking and Currency Committee, I requested from Dr. Burns a list of employees of the Federal Reserve System who receive salaries of $20,000 or more and a comparison of those figures with their 1971 salaries. The committee was preparing to hold hearings on a bill which would provide for a General Accounting Office audit of the Federal Reserve System and the committee needed this information in hand. In September 1973, Dr. Burns provided incomplete information—numerical breakdowns by each of the 12 Federal Reserve District banks with details on only the highest ranking officers.

During the hearings on the legislation, October 3, 1973, we verbally requested the detailed information from Federal Reserve Board Member George Mitchell. We did not receive it.

On June 7, 1974—only a week after Dr. Burns and his allies had succeeded in watering down the legislation on the House floor—I again wrote the Fed pointing out that we were still waiting for the information. Dr. Burns responded on June 25, promising cooperation, asked that the names be kept confidential, and said it only involved about 1,000 employees.

Dr. Burns even suggested that the publication of such a list might lead to kidnappings or robberies due to the "sensitive positions" of the officials involved.

On August 9, 1974, I wrote back to Dr. Burns pointing out that public employee salaries plus all congressional employee salaries are public information, and asked once again, that we be furnished the list. Dr. Burns responded on August 23, that Federal Reserve employees have sensitive positions, that he did not want to release their names; but promised a list of salaries.

Now, Mr. Speaker, your salary is public information, my salary is public information. Each of our employees' salary is public information. Dr. Burns' salary is public information. But Dr. Burns says that because of the sensitive positions involved in my request, he does not want to release the names of his employees who make more than $20,000 a year.

Finally, on December 19, 1974—18 months after the original request—Dr. Burns condescended to send up a list of almost 1,500 employees, by title, who receive $20,000 or more of public funds in salaries each year.

Some facts about the list:

All 12 of the Federal Reserve district bank presidents draw salaries larger than the compensation paid Members of the U.S. Congress.

Seven of the twelve regional bank presidents are at salary levels above those set for members of the President's Cabinet.

In nine of the districts for which there is comparison data available, these Federal Reserve bank presidents increased their salaries more than 15 percent between 1971 and 1974.

THE BALKY WITNESS

Mr. Speaker, when people think of the Federal Reserve, they think of Dr. Burns and that is the way he likes it—except in some cases—particularly when it comes to explaining in public why he does not want the Federal Reserve to be audited. I do not blame him—it is an indefensible position.

Dr. Burns is a frequent congressional witness and commentator. He can be found any day talking about New York City, the Economic Report of the President, monetary policy, the effect of the Russian wheat sale on American prices. He willingly appears before many forums—congressional committees, university audiences—he even appeared on November 11 before the Republican conference of the U.S. House to discuss current topics informally. He travels to universities to give introspective speeches—with great advance billing from the flacks at the Federal Reserve about the importance of the upcoming "statesmanlike" nature of his address.

But, earlier this year, when the Domestic Monetary Policy Subcommittee asked Dr. Burns to appear as a witness on a new bill to require an audit of the Federal Reserve System—a bill with 120 cosponsors in the U.S. House of Representatives—we ran into a stonewall.

Dr. Burns was asked on April 12 to appear as a witness on the upcoming hearings. He replied on April 16 that there were physical limitations on what he could do and suggested Governor Mitchell as a witness. On April 24, we again requested Dr. Burns' appearance. On April 25, he again declined and suggested Governor Mitchell. Since he seemed to have such a tight schedule, I wired Dr. Burns on April 26 asking him when it would be convenient for him to appear and telling him we would comply with his schedule. On April 28, Dr. Burns replied that he had examined his schedule and still could not appear before the subcommittee and again told us we should have Governor Mitchell. We gave him one last chance that same day and, on April 29, when he again refused, the subcommittee decided to go ahead with Governor Mitchell.

Mr. Speaker, our reasons for wanting Dr. Burns to appear on this bill were clear. He had lobbied extensively throughout 1973 and 1974 to defeat this bill in the last session. As this year got underway, and the number of cosponsors grew, Dr. Burns initiated a letterwriting campaign against the bill from within the Federal Reserve System and, once again, from his banker allies. It is no wonder that he did not want to testify. He might have had to answer questions about his role in this operation. I am delighted that Dr. Burns finally condescended to appear before the Senate Banking Committee last month to testify on the audit—6 months after the House subcommittee's final request for his testimony.

THERE IS A FED IN YOUR FUTURE

During our subcommittee's hearings on the bill to require an audit of the Federal Reserve System, Ralph Nader, a witness, mentioned that there existed a study entitled "Scenario for the Year 2000," prepared by the Cleveland Federal Reserve Bank which envisioned a massive power grab by the Federal Reserve of every single banking and regulatory function they could think of. The subcommittee staff requested a copy of the "Scenario" from the Federal Reserve staff on April 24. On May 23, Governor Mitchell sent up a copy of the "Scenario" with a letter stating that, "the document in no way represents an official position of either the Federal Reserve Board or the Federal Reserve Bank of Cleveland" and asked that it not be entered in the hearing record.

We learned later that the document provided by the Fed was not complete and on June 9 submitted a series of questions to Governor Mitchell regarding work on the "Scenario" papers. On June 17, Governor Mitchell replied that some of the questions had been referred to the Cleveland Bank for answers. We wrote again on July 22, asking for a response and Governor Mitchell finally sent up the information on August 21, 1975.

Now that is 4 months from start to finish on a request regarding a piece of legislation which was being considered and marked up in both our subcommittee and in the full Banking, Currency and Housing Committee. The Federal Reserve's response came 2 full months after the full Banking Committee had reported out the bill.

WHAT YOU AS A CONSUMER CAN EXPECT FROM THE FEDERAL RESERVE

During President Nixon's ill-fated wage-price controls program, a weak-kneed voluntary compliance program was initiated called the Committee on Interest and Dividends. Dr. Burns took on the chairmanship of this committee seeking voluntary restraint over interest rates and dividends. During the course of the program, the Fed regularly surveyed a selected number of banks requesting consumer interest rate information. The CID then summarized the information and published the average rate on a selected number of loans, an average, which incidentally, always went up under the "voluntary" program.

Consumers Union—a nonprofit organization which publishes Consumer Reports—requested from the Federal Reserve the individual bank answers so they could publish them and give consumers a chance to seek competitive rates in their cities. The Federal Reserve refused.

In September 1973, Consumers Union filed a suit against the Federal Reserve under the Freedom of Information Act to receive the individual data. The Federal Reserve responded to the suit claiming that the information was confidential because they had assured the participating banks that it would be. In December 1973, while the suit was pending, the Federal Reserve surveyed the participating banks asking whether the banks considered information on credit card loans to be confidential; 73.7 percent stated that it was not confidential. But the Federal Reserve Board never informed the court that it had taken this survey nor did it inform the court of the results.

In May of 1974, the U.S. district court held that all of the information Consumers Union had requested was in fact in the public domain, was not confidential, and must be made publicly available by the Federal Reserve under the Freedom of Information Act. The Federal Reserve—anticonsumer as always—immediately obtained a stay of judgment pending an appeal and did indeed file an appeal.

In November 1974, the Court of Appeals remanded the case to the district court for further findings, and during January through March of this year, the parties to the suit continued negotiations. Consumers Union obtained the information independent of the suit and published it in its March issue.

And how did Mr. Burns react to the fact that consumers now had the ability to comparison-shop among financial institutions in their home cities for the best interest rate? He called in the Federal Bureau of Investigation to find the source of the leak of its "confidential" information, and forced an employee of the Fed to resign.

But what happened then? Congress did not reply happily to the massive overkill involved in this case and it appears that Dr. Burns finally realized that he had overstepped his bounds. And finally, after almost 2 years of protracted struggle to provide consumers with the information, the Federal Reserve started to release some of the information from this survey—but not all.

Now, Mr. Speaker, the Federal Government is supported by the American taxpayer. Some of the tangible results of these tax payments for the American consumer are: First, the Federal Government collects data and tells Americans the pollution count on automobiles, enabling them to make a better choice; second, the Federal Government collects data and makes tests and lets the American people know the nicotine and tar content of tobacco products; and third, the Federal Government collects information on mileage on American automobiles and lets the American people know so they can shop more wisely. Now why would a Federal agency use the American taxpayers' money to collect data and then use more of that tax money to fight law suits concerning the release of that data when it can be used by the American people to shop wisely if they want to borrow money?

WHAT THE CONGRESS CAN EXPECT FROM THE FEDERAL RESERVE

Since the Consumers Union contretemps, the Subcommittee on Domestic Monetary Policy has requested more detailed information on interest rates which banks pay their depositors on savings and time deposits. These requests have met with only a partial response. The Federal Reserve has determined that some of this data is secret. Now, Mr. Speaker, this information is to be used by the subcommittee in furtherance of its responsibilities assigned to it by the House. But the Federal Reserve has decided that neither the subcommittee, nor the Congress, nor the people are going to get this information without further struggle. The Federal Reserve is once again using the shroud of confidentiality.

WHY THE BANKS LOVE THE FEDERAL RESERVE

The Federal Reserve Board of Governors is playing games again with the Congress and with the public's right to know what is going on in this tax-supported agency.

Under laws passed by the Congress of the United States, the Federal Reserve has the power to grant or deny bank holding company acquisition requests—but they conduct these proceedings in secret. But this year, an open hearing was held because a consumer advocate requested one. Did the Federal Reserve take this opportunity to ask many questions publicly—or call witnesses? No. They were content for the most part to sit back and watch the public proceedings. And when the hearings are over, the doors will close once again and the Federal Reserve Board's decision will be made in secret.

I have tried to open that door a crack by requesting from the Federal Reserve their staff analysis of bank holding company applications and have been informed that the "public" file is available, but that confidential information provided by the banks, and staff analysis of this data would not be made available. We had also written several of the Federal Reserve district banks on this subject area and Dr. Burns informed me that for purposes of his rulings, he considered the Federal Reserve district banks "staff" and thus had ordered them not to comply with the request.

Mr. Speaker, I think we have had enough trouble with questionable bank regulatory procedures and enough difficulty trying to find out what is going on in the application of legislation which we have passed.

STONEWALLING ON OVERSIGHT

Mr. Speaker, under the legislative reorganization adopted by the House of Representatives, Congress is to strengthen its oversight responsibilities. But the Federal Reserve has effectively shut us out. If one can't examine the procedures, one cannot find if an application has moved faster than another; if undue pressure was applied; the reasons for having a rejection reconsidered affirmatively—in short, procedures at the Federal Reserve are too "sensitive"—too sacrosanct—to be reviewed by ordinary mortals.

BLOCKING AN AUDIT

Despite all of Dr. Burns' efforts, a bill providing for a General Accounting Office audit of the Federal Reserve System did pass the Subcommittee on Domestic Monetary Policy in May and did pass the full Committee on Banking, Currency and Housing in June. But the lobbying by the Fed did pay off in the House Rules Committee where the bill—H.R. 7590—was postponed indefinitely. But we have filed a discharge petition on the bill and hope to bring it to the floor.

I am happy to say, however, that Senator PROXMIRE of the Senate Banking, Housing and Urban Affairs Committee is holding hearings on similar legislation in the Senate.

DO NOT LET THE SUN SHINE

Dr. Burns has lost additional ground in holding on to the Fed's supersecrecy in this session of Congress. Despite all of his efforts and a last-minute attempt to amend his agency out of its coverage, the Senate on November 6, adopted the Federal Government in the Sunshine Act—which very simply calls on congressional committees and Government agencies to hold their meetings out in the open.

This legislation will cover all Government agencies. But guess who tried to remove his agency from the act's coverage? You guessed it. I am happy to say that Dr. Burns' amendment was defeated on a recorded vote of 57 to 36.

But Dr. Burns has not given up. He is over on the House side this week trying to convince Members that the work of his agency is too "sensitive"; too complicated; too important—to let the public known what it is doing.

THE PUBLIC WILL PREVAIL

Mr. Speaker, I am confident that the trend is against Dr. Burns. I am convinced that we in Congress will finally shed some light on this most important Agency.

IS THE FBI VIOLATING THE PRIVACY ACT?

The SPEAKER pro tempore (Mr. McFALL). Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 30 minutes.

Ms. ABZUG. Mr. Speaker, the Privacy Act of 1974, which went into effect on September 27, 1975, requires all Federal agencies to publish notice of the existence of record systems which they maintain on individuals. The intent of this provision was to insure that citizens be made aware of all Federal records maintained on them and that the existence of all secret files be revealed. The first purpose of the act, which originated in the Subcommittee on Government Information and Individual Rights which I presently chair, was stated to be to "permit an individual to determine what records pertaining to him are collected, maintained, used, or disseminated by agencies." Although various systems of records, such as CIA and law enforcement systems, are exempt from the access provisions of the act, no system is exempt from the requirement that all agencies must report "the categories of individuals on whom records are maintained in the system."

Accordingly, I was perplexed by the filing of the FBI in the Federal Register on August 27, 1975, which basically listed a single "FBI Central Records System." It was known, for example, that the FBI maintained an "administrative index" of persons who were believed to pose a political threat to the Nation. This system is the successor to the "security index" which the FBI discontinued when Congress repealed the emergency detention provisions of the Internal Security Act of 1950. We also recently learned that the FBI maintains something called the "agitator index" and indexes called the "key activist" and "key extremist" and the "stop index" and the "computerized telephone number file."

Mr. Speaker, how many other such indexes does the FBI maintain? We shall never know unless the FBI is required to comply with the Privacy Act. It is for this reason that I requested the American Law Division of the Library of Congress to supply me with an opinion as to whether the FBI is complying with the Privacy Act in failing to separately list indexes such as the administrative index. The opinion, which is set forth below, concludes that the FBI is required by the Privacy Act to publish clear notice of the existence of a system of records such as the "administrative index."

On Tuesday, November 18, 1975, the Subcommittee on Government Information and Individual Rights will be holding a hearing on FBI recordkeeping procedures, including compliance with the Privacy Act. Mr. Speaker, I will inquire of the FBI at that time as to what steps it intends to take to adequately set forth its many different systems of records on individuals. If satisfactory responses are not forthcoming, it will be necessary for the subcommittee to consider legislation to correct this loophole.

The hearing will be held in room 2247 of the Rayburn Building, beginning at 9 a.m.

The material referred to follows:

[From the Library of Congress Congressional Research Service, Washington, D.C., Nov. 11, 1975]

To: House Government Information and Individual Rights Subcommittee. Attn: Ted Jacobs.

From: American Law Division.

Subject: Whether Justice Department Provided Notice of Existence of Security Risk File Adequate to Meet Requirements of "Privacy Act of 1974."

This will refer to your request of October 29, 1975, in which you asked whether the Justice Department is required by the "Privacy Act of 1974" (Pub. L. 93-579, December 31, 1974, 88 Stat. 1896, 5 U.S.C. sec. 552a) to provide notice in the Federal Register of the existence of what they describe as an "administrative index" of persons believed to pose a threat to national security.

The "Privacy Act" requires each agency maintaining a system of records, among other things not relevant to this report, to publish at least annually in the Federal Register a "notice of the existence and character of the system of records" which shall include factors such as the name and location of the system, categories of individuals whose records are maintained in the system, categories of records maintained in the system, routine uses to which the records are put, and the policies and practices of the agency with regard to storage, retrievability, access, retention and disposal of the records. 5 U.S.C. § 552a(c)(4).

The existence of the "index" was disclosed to the House Civil Liberties Subcommittee in a memorandum by F.B.I. Director Clarence M. Kelley declassified and released by the Subcommittee on October 22, 1975. The system contains the names of more than 1200 persons who were described as having "exhibited a willingness or capability of engaging in treason, rebellion, sabotage, espionage, assassination of government officials, terrorism, guerilla warfare or other acts which would result in interference with or a threat to the survival of national, state or local government." *New York Times*, October 23, 1975, p. 13; *Washington Post*, October 24, 1975, p. A2, quoting from FBI Memorandum.

The Justice Department did not provide separate notice for this "administrative index" in its annual "Notices of Systems of Records" published in the *Federal Register* on August 27, 1975, in accordance with the requirements of Sec. 3(e)(4) of the "Privacy Act" (5 U.S.C. sec. 552(e)(4)). The Department has claimed that since these records are duplicates of some of the records contained in the larger "F.B.I. Central Records System," it is not a separate system. It is contended that since notice was given of the central files system from which all security risk records were acquired (see 40 Fed. Reg. 33768, August 27, 1975), the "Privacy Act" notice requirement had been fulfilled and a separate notice need not be given to duplicates of part of the system and the specialized security risk index with which portions of the whole file could be retrieved.

An examination of a description of the types of records involved, the language and history of the "Privacy Act", and the authoritative interpretation of that Act provided by the guidelines issued by the Office of Management and the Budget for implementation of the Act[*] indicate that the Justice Department is required by the "Privacy Act" to publish clear notice of the existence of the system of records listing persons considered to pose a danger to the national security even though the records comprising the system are also included in the notice "F.B.I. Central Records System." As will be shown by this memorandum, this list meets the Act's definition of a system of records which is inadequately described in the notice for the "Central Records System."

The so-called "index" is comprised of cards on which are printed the names, background information, file numbers and alleged activity in which the individual is engaged which provide the rationale for defining the subject as a security threat. The individual cards would clearly be "records" under the "Privacy Act" since each one is "a collection or grouping of information about an individual that is maintained by an agency, including but not limited to his . . . criminal or employment history and that contains his name, or the identifying number . . . or other identifying particular assigned to the individual . . ." 5 U.S.C. sec. 552a(a)(4). The security file would also constitute a "system of records" under the Act—"a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual." 5 U.S.C. sec. 552a(a)(5). Even if the records could only be retrieved from the central file, the existence of an index alone, with which those records involving security risks could be segregated from the larger collection, would constitute a system of records.

Since this information is clearly covered by the "Privacy Act," the crucial remaining issue is whether this system of records is a separate system requiring separate notice or is merely part of the "F.B.I. Central Records Systems." If the records are determined to be only a component of the larger central records, then a determination would have to be made as to whether the published notice adequately described this component.

Although the agencies are given wide discretion in defining what constitutes a separate system, the fact that all of the records in one system were derived from another system does not necessarily mean, as the Justice Department asserts, that the smaller collection of records is not a separate system. The OMB guidelines conclude that—

The purpose(s) of a system is the most important criterion in determining whether a system is to be treated as a single system or several systems for the purposes of the Act. If each of several groupings of agency records is used for a unique purpose or set of purposes, . . . each may appropriately be treated as a separate system. 40 Fed. Reg. 28962-28963 (July 9, 1975).

The Federal Register notice of the "F.B.I. Central Records System" in which the security system is purported to be included provides some evidence that the security list is distinctive from the other files in the index. The categories of individuals included in the Central system are described as:

a. Individuals who relate in any manner to official F.B.I. investigations including, but not limited to suspects, victims, witnesses and close relatives and associates that are relevant to an investigation.

b. Applicants for and current and former personnel of the F.B.I. . . . or persons related to personal matters.

c. Applicants for and appointees to sensitive positions in the United States Government and persons . . . considered relevant to the investigation.

d. Individuals who are the subject of unsolicited information, who offer unsolicited information, request assistance, and make inquiries concerning record information, including general correspondence. . . .

e. Individuals, associated with administrative operations or services including . . . contractors. . . .

Only one of the above categories, "a", would encompass the type of record included in a "security watch system." As can be seen above, category "a" includes a wide range of criminal suspects, convicts, victims and witnesses. The kidnapper, bank robber and their victims and witnesses to their crimes, in most cases, would differ substantially from the 1200 persons who, because of characteristics that F.B.I. believes make them dangerous to the national security, can be accessed from the central records for special forms of political surveillance or other treatment distinctive from other types of suspects.

The unique characteristics of the subjects of the national security threat list are emphasized by the origins of this system which clearly demonstrate that it was created for a unique purpose that sets it apart from other criminal or personnel files. Its nucleus was developed prior to 1971 when the F.B.I. maintained a detention list of persons who, under the authority of the "Internal Security Act of 1950," Ch. 1024, title II, § 100-116, 64 stat. 1019, Sept. 23, 1950, would be subject to incarceration in the event of a national emergency. The Justice Department has claimed that this index was discontinued in September, 1971, after that Act was repealed, but some F.B.I. sources have said that names in the old system, which at its peak contained as many as 15,000 names, were included in the present index. See *New York Times, supra.* Even though present law no longer provides specific authority for the incarceration of persons thought to pose a national security threat in case of a national emergency. Director Kelley's memorandum to the House Committee stated that the security threat system was maintained and continuously revised and updated to provide "a record of individuals who would merit close investigative attention pending legal steps by the President to take further action" if there was a national emergency.

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[*] Sec. 6 of the "Privacy Act" requires the Office of Management and Budget to "develop guidelines and regulations for the use of agencies in implementing the provisions of section 552a of title 5, United States Code" and to "provide continuing assistance to and oversight of implementation of the provisions of such section by agencies."

The hearings, primarily by the Senate Constitutional Rights Subcommittee and the House Government Operations Committee, reports and debate that preceded enactment of the "Privacy Act of 1974" made abundantly clear Congress' concern over the effect of secret files on the rights of individuals who could not even know that potentially damaging information existed and was being widely disseminated, much less challenge information believed to be erroneous. In the "Privacy Act," Congress specifically found—in order to protect the privacy of individuals identified in information systems maintained by Federal agencies, it is necessary and proper for Congress to regulate the collection, maintenance, use, and dissemination of information by such agencies. sec. 2(a)(5).

The first purpose of the Act was stated to be to:

> permit an individual to determine what records pertaining to him are collected, maintained, used, or disseminated by such agencies; sec. 2(b)(1).

For this reason, although many sensitive systems, such as C.I.A. and law enforcement systems, are exempt from requirements such as those permitting an individual to see his own record, no system is exempt from the notice requirements of section 3(e)(4)(B), the requirement that all agencies must report "the categories of individuals on whom records are maintained in the system."

The OMB guidelines clearly recognize the purpose of the notice requirement when they state:

> Agencies should keep in mind that a major purpose of the Act is not the restructuring of existing systems of records, but rather the publicizing of what those systems are and how they are used. 40 Fed. Reg. 28963 (July 9, 1975).

Congress showed particular sensitivity to and concern over records that could be considered to endanger First Amendment rights. See, for example Senate Judiciary Committee, Subcommittee on Constitutional Rights, Hearings on S. 2318, "The Freedom from Surveillance Act of 1973." 93rd Cong., 2nd Sess., April 9, 10, 1974. The "Privacy Act" specifically prohibits the maintenance of records "Describing how any individual exercises rights guaranteed by the First Amendment unless expressly authorized by statute . . . or unless pertinent to and within the scope of an authorized law enforcement activity." sec. 3(e)(7).

Even though F.B.I. Director Kelley's memorandum to the House Judiciary Subcommittee denied that subjects were included in the security system solely because of their stated opposition to Government policies or because of their membership in a subversive organization, it is likely that a person's political views or associations would have some influence over whether he was included in the system. The old security index was reported by the Times to have at one time contained the names of virtually all known members of the Communist Party. Because of the large number of Communists included in the original system, it is likely that many members of the Communist Party are still included in the system. While the maintenance of national security file may be justifiable as a law enforcement activity, Congress' sensitivity to this type of political intelligence file would indicate an intention that clear notice be provided of its existence.

While the OMB guidelines would permit "a large complex of records" to be treated as a single system, they specify that the "notice and the procedures may be considerably more complex" than if each small grouping of records were treated as a separate system. 40 Fed. Reg. 28962 (July 9, 1975). The notice given does not provide the necessary specificity. The fact that one could read the notice and not suspect that records are maintained within this system on persons who are under surveillance as security risks shows that the notice does not meet the function of alerting the public to existing systems and of informing Congress so that its regulatory function with regard to such personnel information can be preserved. Since this type of record may be more subject to abuse than most routine personnel files and is clearly distinct from other systems of records included in the Central Records, separate notice would be desirable. As a minimum, the law would seem to require that, if the Justice Department were to continue to treat all these records as a unified system, a much clearer and detailed notice be issued, if not a separate notice.

E. JEREMY HUTTON,
Legislative Attorney.

LABOR SECRETARY SUPPORTS ON-SITE CONSULTATION BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, H.R. 8618, a bill to amend the Occupational Safety and Health Act to provide a much-needed program of Federal on-site consultation will come to the floor of the House of Representatives on Monday, November 17, 1975, under suspension of the rules.

The Manpower, Compensation, and Health and Safety Subcommittee, which I chair, conducted 31 days of oversight hearings on OSHA since its enactment in 1970 and devoted 4 days in July 1975, to the specific subject of jobsite consultation. Many public witnesses including the National Association of Manufacturers and the National Federation of Independent Business endorsed the bill. In addition, 120 Members of Congress have sponsored onsite consultation bills.

I am including in the RECORD at this point a letter I received today from the Secretary of Labor, the Honorable John Dunlop, endorsing H.R. 8618. I call attention to the Secretary's view that OSHA cannot be successful unless employers receive adequate information on their responsibilities under the act.

H.R. 8618 will give employers in every jurisdiction the right to have onsite consultation. These services will only be rendered on a voluntary request by the employer. Currently, employers in 22 jurisdictions are unable to obtain consultation. H.R. 8618 is needed to rectify this inequitable situation.

H.R. 8618 carefully separates consultation personnel from inspectors and it in no way diminishes the enforcement provisions of OSHA. I am convinced that this amendment will strengthen the act, assist employers to voluntarily comply and thereby protect the lives and health of their workers.

The text of the letter follows:

U.S. DEPARTMENT OF LABOR,
Washington, November 14, 1975.

Hon. DOMINICK V. DANIELS,
Chairman, Subcommittee on Manpower, Compensation, and Health and Safety, Committee on Education and Labor, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I take this opportunity to reiterate my support of H.R. 8618 which would amend the Occupational Safety and Health Act of 1970 to provide additional consultation and educational services to employers.

In my view, the OSHA program cannot be successful unless employers receive adequate information on their responsibilities under the Act. While the Department of Labor in the past has undertaken a number of educational programs, and we hope to expand these in the months to come, it is clear to me that employers, particularly small employers, should receive on-site consultation services to inform them of the application of OSHA standards to their workplaces. At the present time, 20 jurisdictions are providing on-site consultation service under approved State plans; an additional 14 jurisdictions are implementing such programs under section 7(c)(1) agreements with the Department of Labor. However, on-site consultation is not available to employers in the remaining 22 jurisdictions. It is manifestly unfair that employers in these jurisdictions are not afforded the opportunity to receive, at their places of business, the advice needed to help inform them of their responsibilities under the Act.

H.R. 8618 would fill this vacuum by authorizing Federal on-site consultation and thus assuring that consultation advice was available on an equitable basis throughout the Country.

Let me emphasize that Federal on-site consultation is but one means for providing employers with information on applicable OSHA standards. As I have already indicated, the States have an important role to play in this area, both under State plans and 7(c)(1) agreements. And, other Federal educational activities, such as seminars and meetings away from the worksite and the distribution of easily understandable explanations of standards should, and will, be implemented on an expedited basis.

Again, let me thank you for your efforts on behalf of H.R. 8618.

Sincerely,

JOHN T. DUNLOP,
Secretary of Labor.

APPOINTMENT OF WILLIAM H. WALKER III AS ASSISTANT SECRETARY OF AGRICULTURE FOR RURAL DEVELOPMENT

(Mr. ALEXANDER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALEXANDER. Mr. Speaker, I am pleased to learn that President Ford has nominated a midsoutherner from west Tennessee for the post of Assistant Secretary of Agriculture for Rural Development. William H. Walker III's experience as a resident of the Middle South where there is a concentration of countryside areas in need of a wide array of assistance to achieve comprehensive community development should make him uniquely equipped to comprehend the problems and needs facing the people of the countryside.

Frankly, I have been disappointed with the performance of this administration and the past one in working toward full implementation of the Rural Development Act of 1972. The time has come for less rhetoric and more dedicated performance.

The people of our Nation are becoming more and more disillusioned with the ability of their Government to deal with the problems before us.

The greatest challenge of the seventies is that of making our Government live up to its commitment to balanced national development and revitalization of the countryside.

I stand ready to work with the person who takes up the heavy responsibilities of the Office of Assistant Secretary of Agriculture for Rural Development in an effort to see that countryside citizens get equitable treatment in the use of Federal resources.

ZIONISM IS NOT RACISM

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, there are times in one's life when he is confronted with actions so outrageous and irrational that it is difficult to find words even to express his sense of shock and disbelief. The vote in the United Nations General Assembly equating Zionism with racism is such an event.

Ever since its formation 30 years ago, I have been an active supporter of the United Nations. Even though I recognized its weaknesses, I believed—and I still believe—that it is the best hope for eventually realizing man's age-old dream of peace on Earth. I was a cofounder of the Akron Chapter of the United Nations Association, and have been active for many years in the efforts to support and strengthen the United Nations. As a Member of Congress, I have continued to be active in that cause, as my votes and my work in Congress clearly indicate.

I believe my personal record will also show a lifelong opposition to racism of every kind. I was proud to serve for 4 years in World War II in the struggle against the most monstrous racist philosophy ever to rear its head, a philosophy that resulted in the barbarous murder of over 6 million people solely because of their Jewish race.

I can remember only too clearly the weeks after VE Day in May of 1945, when the true horror of Nazi racism was burned into the conscience of millions. After 2½ years in wartime Europe, I had become somewhat inured to sights of death and destruction. But as the terrible visions of the concentration camps, the gas chambers, the mass graves, and the rotting bones, unfolded before the world, as I talked to some of the few survivors—many of them still living skeletons—I experienced a terrible sense of depression. I wondered whether there was hope for mankind if human beings could, in the name of a nation or a race, sink to such depths of depravity in their treatment of their fellow beings. And I wondered how mankind could redeem this terrible blot on our history.

While in this downcast state one evening, I opened the Bible and my eyes fell by chance on a passage I had never read before. It was from the 37th chapter of the Book of Ezekiel. Let me quote it to you:

> The hand of the Lord was upon me, and carried me out in the Spirit of the Lord, and set me down in the midst of the valley which was full of bones, and caused me to pass by them round about; and, behold, there were very many in the open valley; and, lo, they were very dry. And he said unto me, Son of man, can these bones live? And I answered, O Lord God, thou Knowest. Again he said unto me, Prophesy upon these bones: and say unto them, O ye dry bones, hear the word of the Lord. Thus saith the Lord God unto these bones, Behold, I will cause breath to enter into you, and ye shall live. And I will lay sinews upon you, and will bring up flesh upon you, and cover you with skin, and put breath in you, and ye shall live; and ye shall know that I am the Lord. So I prophesied as I was commanded. And as I prophesied, there was a noise and, behold, a shaking, and the bones came together, bone to its bone. And when I beheld, lo, the sinews and the flesh came up upon them, and the skin covered them above, but there was no breath in them. Then said he unto me, Prophesy unto the wind, prophesy, son of man, and say to the wind, Thus saith the Lord God: Come from the four winds, O breath, and breathe upon these slain, that they may live. So I prophesied as he commanded me, and the breath came into them, and they lived, and stood up upon their feet, an exceedingly great army.
>
> Then he said unto me, Son of man, these bones are the whole house of Israel; behold, they say, Our bones are dried, and our hope is lost; we are cut off on our part. Therefore, prophesy and say unto them, Thus saith the Lord God: Behold, O my people, I will open your graves, and cause you to come up out of your graves, and bring you into the land of Israel. And ye shall know that I am the Lord, when I have opened your graves, O my people, and brought you up out of your graves, And shall put my Spirit in you, and ye shall live, and I shall place you in your own land; then shall ye know that I, the Lord, have spoken it, and performed it, saith the Lord.

I can hardly convey to you my sense of astonishment. It was as though the author of that very passage, written millennia ago, had foreseen in almost precise detail the events that had been brought about by Nazi racism. These same events gave rise to the irresistible movement by surviving Jews to return to the land of Israel.

Last spring, I stood in the Dome of the Rock, the magnificent Moslem mosque built 1,300 years ago over the rock on which it is said Abraham offered to sacrifice Isaac. As a follower of Christ, I accept the teachings of the great Jewish prophets as revealed in the Old Testament. The followers of Mohammed do likewise. And I say to them, "Is not Zionism but an expression of the long-denied but rightful longing of Jewish people to be restored to a place among the family of nations?"

How can anyone who reads the Old Testament or who studies history deny the historic relationship between Jewish national culture and the land of Israel? The fact is that of all national groups, the Jews, who have suffered for centuries from anti-Jewish racism, have everywhere been foremost in the efforts to wipe out racism. It is no coincidence that the same wave of humanism that produced Zionism also produced the drive that ended colonialism almost everywhere in the world in the years following World War II.

The question remains, "What is to be done in the wake of the General Assembly resolution?" Clearly every reasonable effort must now be made to reverse this misguided action. If it is not reversed it will set back the recent promising efforts toward peace in the Middle East, it will undermine the support of the American people for aid to many developing nations, and it will weaken the United Nations at a time when it needs to be strengthened.

I think it must also be said that the resolution on Zionism also reveals the urgency of moving toward a settlement of the remaining issues that are blocking peace in the Middle East. The issue of the Palestinians is undoubtedly the most difficult one, and also obviously the one that gave rise to the anti-Zionism resolution.

One can understand and sympathize with the refusal of Israel to negotiate with the Palestinian Liberation Organization or other groups of Palestinians who refuse to recognize the right of Israel to exist. Such refusal was for many years the stumbling block in developing more peaceful relations between Israel and Egypt. Progress came about only after Egypt accepted the permanent existence of Israel.

One can only hope that the Palestinians will follow Egypt's example. One can also hope that the Israel Government will be flexible in dealing with this issue. It may well be that an Israel expression of willingness to negotiate with the Palestinian Liberation Organization would be met by an equivalent response. It is certainly worth trying. The mere fact of negotiations could constitute de facto recognition by the Palestinian Liberation Organization of Israel's statehood, and a repudiation by deed of the posture that equates Zionism with ultimate evil.

Mr. Speaker, we all know that there are forces in this world who do not want a peace settlement in the Middle East. Undoubtedly they are behind this effort to use the anti-Zionism resolution to inflame emotions and undo the program that has already been made toward a Middle East settlement. The same forces would like to see a weak and ineffective United Nations. The last thing we should do is to fall into the trap that they have tried to create.

The resolution passed by the House unanimously condemning the general assembly resolution wisely refrained from directing retaliatory action. It is a time for cool heads. It is a time to continue in the course we have started with the Sinai agreement. It is a time for reaffirming our common humanity with all peoples and reminding those who supported the shameful anti-Zionist resolution that in so doing they have demeaned the principles they professed to serve and degraded the United Nations and the noble principles on which it was founded.

The best answer to anti-Zionism is to continue to work for a just and lasting peace in the Middle East.

CONGRESS: ITS OWN SATURDAY NIGHT MASSACRE

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, a few weeks ago the House had the opportunity to vote on various reforms of the Federal Election Commission. These changes served to weaken the clout of that Commission which was established to protect all Members and the public from a repeat performance of some of the politics of a few years ago. We have been criticized on these votes, and rightfully so. I am submitting this article which reflects upon these recent votes. I think it is of interest to all of my colleagues:

[From the Christian Science Monitor,
November 5, 1975]

Congress: Its Own Saturday Night Massacre

(By Roscoe Drummond)

Washington.—Congress is tearing a dozen pages from the worst political crimes of Watergate and is putting them to work for itself!

It is a sly, crude, crass, and morally corrupt operation.

By a series of actions—one at a time so the public won't catch on too quickly—Congress is setting out to paralyze the Federal Election Commission to prevent it from effectively enforcing the new campaign-spending law.

The congressmen don't care how strictly the commission enforces its rules against presidential candidates as long as it can be kept from enforcing them against the incumbent congressmen.

They want to get out from under the law—and are showing that they have the gall to do so.

What this means is that the only solid, significant, meaningful post-Watergate political reform is being scuttled by the House and Senate. Perhaps they never wanted it in the first place. At least they knew how to draft it so that, when the public heat for reform had waned, the law would self-destruct whenever Congress pushed the button.

Congress is now beginning to push the button. Here is how it works:

It imbedded into the law a sly provision which enabled either house to nullify any regulation which, for reasons of its own, it wanted neglected.

Congress has done this twice in the last few days.

The Federal Election Commission ruled unanimously that during the two years prior to an election each Senator's so-called "office funds," which are contributed by constituents, not by the government, must be reported to the commission as campaign expenditures.

Remember the "Nixon fund," which nearly got Nixon thrown off the 1952 Republican ticket? And also the "Dodd fund" which got Connecticut Senator Thomas Dodd a vote of censure and brought about his defeat in the next election? Now nearly every senator has such a fund and is making sure that he can use it as he wishes anytime he wishes by placing it beyond the oversight of the commission.

Thus the first time the Federal Election Commission acted to enforce the law, Congress stopped it in its tracks. It said, in effect, don't touch me!

Then, when the election commission directed, as prescribed in the law, that all congressional, presidential, and state candidates file their campaign finance reports with the commission, Congress opted itself out. By a vote of 257 to 146, the House canceled the commission ruling and decided that Congress would do no such thing. The House refused to come under the law and arranged to have its members file their campaign finance reports with its own clerk.

The congressmen want to be sure they have time to "correct" their reports and also to look over the data submitted by their campaign opponents.

What Congress has done is that, after creating in the glow of Watergate reform an independent agency to enforce a stiff campaign financing law, it is now proceeding to make it impossible for the commission to enforce the law.

Surely this is another "Saturday night massacre." President Nixon fired Archibald Cox, the special prosecutor, because he did not want him to peer too closely in the dark corners of the Watergate offenses.

Now Congress is doing the same thing with the Federal Election Commission.

Watergate reform—gone with the wind! And with the active connivance of the Democratic leadership.

Will Congress get away with it? It may well, but it can be put down as a certainty that there will be an explosion at the Federal Election Commission.

Since commission chairman Thomas Curtis, himself a long-time member of Congress, is a man of fierce integrity, it is inconceivable that he would allow himself to be connected in any way with a return to such shabby, shoddy politics. His resignation would give the voters a shattering view of what Congress is up to.

A BILL TO MAKE CHRISTOPHER COLUMBUS AN HONORARY CITIZEN

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, today I am reintroducing legislation along with several cosponsors which would confer honorary citizenship upon the discoverer of America, the great world explorer, Christopher Columbus.

At this time, I would like to bring to the attention of the House the person with whom the idea for this deserving tribute originated, the cochairman of the 1975 New Rochelle Columbus Day Observance Committee, Mr. Bert Terranova. Bert has done a wonderful job in his service to the people of New Rochelle and has made a significant contribution to this Nation as well, for it is his initiative and persistence which we have to thank for this present drive to rededicate ourselves to our discoverer.

I believe that it is only proper that as we approach our Nation's 200th anniversary, that we commemorate Columbus by bestowing honorary American citizenship on him. Not only would we honor Columbus the man but it would also be a fitting Bicentennial tribute to the many splendid Italian contributions to our country.

The resolution follows:

H.J. Res. 728

Joint resolution to confer honorary U.S. citizenship upon Christopher Columbus

Whereas Christopher Columbus is recognized as one of the greatest explorers in world history;

Whereas the United States has recognized the extraordinary accomplishments of Christopher Columbus by establishing a national holiday in his name; and

Whereas it is fitting and proper for this Nation to further commemorate this individual who so greatly contributed to the history of mankind, by recognizing him as an honorary citizen of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That honorary United States citizenship is hereby conferred upon Christopher Columbus.

List of Cosponsors

1. Mr. Cotter.
2. Mr. Whitehurst.
3. Mr. Badillo.
4. Mr. Mazzoli.
5. Mr. Howe.
6. Mr. Larry McDonald.
7. Mr. Donald Mitchell.
8. Mr. Dent.
9. Mr. Blanchard.

THE EMERGENCY TENANTS' LOAN ACT

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, several months ago the Congress enacted Public Law 94–50, which provided emergency assistance to homeowners who are unable to meet mortgage payments due to recession-related unemployment. Section 106 of this act provides for direct Federal loans to homeowners and authorizes the Secretary of Housing and Urban Development to establish procedures for making such loans available.

Today I am introducing legislation to provide similar relief for renters who face eviction, because of present economic conditions in the country. My proposal seeks to prevent widespread eviction of tenants by granting standby authority to the Secretary of Housing and Urban Development to make repayable Federal loans in amounts not to exceed $250 per month. I believe the bill would have a secondary effect of preventing the deterioration of many rental housing projects by allowing the owners to keep the units continuously occupied and adequately maintained through the regular, consistent receipt of monthly rents.

I emphasize that my bill does not authorize grants to the unemployed, but instead makes the amounts repayable at interest rates not to exceed 8 percent yearly, with lower rates for lower-income groups. There would be a total authorization level of $500 million, and the act would expire at the end of fiscal 1977. Penalties would be established for those persons who obtain assistance fraudulently, and HUD would be required to report to Congress periodically on the extent of rental delinquencies and evictions around the country and actions being taken to combat this problem.

Mr. Speaker, I believe the Congress has been remiss in its duty to provide the same benefits to persons who rent their dwellings as we do to those who purchase their homes. According to the Bureau of the Census, some 35.6 percent of all housing in the United States in 1973 was rental units. This accounts for about 24,684,000 individual homes and apartments. The Federal Government does not collect data to show the rate of evictions around the country, but it is important to note that emergency payments for homeowners would begin to be made when as little as 1.2 percent of all mortgages are delinquent for a period of 60 days or more. It is reasonable to assume that renters, who frequently are from backgrounds where they are more directly affected by a high unemployment rate, are in even greater need of assistance.

The text of my bill follows.

H.R. 10775

A bill to authorize temporary assistance to help defray rental payments by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Emergency Tenants' Loan Act".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds that—

(1) the Nation is in a severe recession and that the sharp downturn in economic activity has driven large numbers of workers into unemployment and has reduced the incomes of many others;

(2) as a result of these adverse economic conditions the capacity of many tenants to continue to make rental payments has deteriorated and may further deteriorate in the months ahead; and

(3) many of these tenants can avoid being evicted if they are provided temporary assistance in paying their rents until economic conditions improve.

(b) It is the purpose of this Act to prevent widespread eviction of tenants and the accompanying deterioration of many rental housing projects by authorizing emergency advances to such tenants to defray their rental payments.

EMERGENCY RENT PAYMENTS

Sec. 3. (a) The Secretary of Housing and Urban Development (hereinafter referred to as the "Secretary") may make repayable emergency rent payments on behalf of tenants who are, or will be, subject to eviction proceedings as a result of being unable to make their rental payments by reason of their unemployment or underemployment as set forth below.

(b) Emergency rent payments shall not be approved unless—

(1) the Secretary determines that the tenant will be unable to make rental payments, and therefore will be subject to eviction proceedings, as a result of the substantial reducation in income as described in paragraph (2);

(2) the tenant has incurred a substantial reduction in income as a result of involuntary unemployment or underemployment due to adverse economic conditions and is financially unable to make the full rental payments;

(3) there is a reasonable prospect that the tenant will be able to make the adjustments necessary for a full resumption of rental payments; and

(4) the rental property is the principal residence of the tenant.

(c) Emergency payments on behalf of a tenant may be in an amount up to the total amount paid to the landlord as compensation for residing in the rental property but such payments shall not exceed the lesser of $250 per month or the amount determined to be reasonably necessary to supplement such amount as the tenant is capable of contributing toward such rental payment.

(d) Emergency rent payments may be made by the Secretary for up to 12 months, and may be extended once for up to 12 additional months. The Secretary shall require the tenant to report any increase in income which will permit a reduction or termination of emergency rent payments during this period.

(e) Emergency rent payments made under this Act shall be repayable by the tenant upon such terms and conditions as the Secretary shall prescribe, except that (1) interest on such payments shall not exceed 8 per centum per annum, and (2) the Secretary shall provide interest rates on a graduated scale so that tenants wtih lower incomes will pay lower interest rates. The Secretary shall defer repayment of the emergency rent payments until the tenant is financially able to assume such repayment. The Secretary may require such security for the repayment of emergency rent payments as he deems appropriate, except that the Secretary may not refuse to make emergency rent payments on behalf of any tenant for the sole reason that such tenant is unable to provide adequate security. The Secretary may make such delegations and accept such certifications with respect to the processing of emergency rent payments as he deems appropriate to facilitate the prompt and efficient implementation of the assistance program authorized by this Act.

AUTHORIZATION AND EXPIRATION DATE

Sec. 4. (a) There is authorized to be appropriated for purposes of this Act not to exceed $500,000,000. Any amount so appropriated shall remain available until expended.

(b) Emergency rent payments shall not be made after September 30, 1977, except that such payments may be made after such date on behalf of tenants receiving benefits under this Act on that date.

PENALTIES

Sec. 5. (a) It shall be unlawful for any person to knowingly present false information, or to knowingly cause false information to be presented, to—

(1) the Secretary, or

(2) any person acting on behalf of the Secretary or to whom the Secretary has delegated duties under this Act,

for the purpose of obtaining any benefit under this Act.

(b) Any person who violates subsection (a) shall, upon conviction thereof, be fined not more than $1,000, plus the amount of any benefit derived by such person as a result of presenting or causing to be presented false information.

REPORTS

Sec. 6. Within 60 days after the date of the enactment of this Act and within each 60-day period thereafter prior to September 30, 1977, the Secretary shall make a report to the Congress concerning—

(1) the current rate of delinquencies and evictions in rental housing market areas of the country; and

(2) actions taken and actions likely to be taken with respect to making assistance under this Act available to alleviate hardships resulting from high rates of delinquencies and evictions.

AMENDMENTS WHICH THE RULES COMMITTEE IS REQUESTED TO MAKE IN ORDER ON H.R. 10612, THE TAX REFORM ACT OF 1975

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, on November 7, the Ways and Means Committee voted to report H.R. 10612, the Tax Reform Act of 1975. The committee also voted to request the Rules Committee to adopt a modified closed rule for floor debate under which six amendments to the bill be made in order I and several other members of the Ways and Means Committee strongly believe that the five of these amendments which would strengthen the bill must be passed if the bill is truly to be called a tax reform bill. So that my colleagues, including the members of the Rules Committee, may be made aware of these amendments in advance, I ask unanimous consent that they be printed in the Record, following my statement.

The first amendment would strengthen the provisions in the bill which close tax shelters. This would be done by restoring the committee's original decision to apply the limitation on accounting losses—LAL—technique for closing shelters to real estate on a property-by-property basis. This would prevent artificial losses from one venture from being used to shelter profits from another venture.

The second amendment would strengthen the committee's decision relating to the minimum tax. This would be done by eliminating a deduction against the preference—or loophole—income for one-half of regular taxes which still may be taken in determining the amount of preference income subject to the minimum tax.

The third amendment would reverse the committee's decision to repeal the 30-percent withholding tax presently imposed on portfolio dividend and interest income paid on investments in the United States by foreigners.

The fourth amendment tightens up on the committee's decision concerning Domestic International Sales Corporations—DISC. The bill adopts an incremental approach to defining DISC sales which would qualify for the DISC subsidy. Qualifying sales would be those in excess of sales during a base period covered by the years 1972 through 1974. Under the bill, the base period would remain the same for the 5 taxable years, 1976 through 1980. For each taxable year after 1980 the base period would advance by 1 year. The amendment would limit to 3 years the period during which the 1972–74 base period would apply. Thus, instead of the base period remaining static until 1981, the amendment would retain the 1972–74 base only until 1979.

The fifth amendment would reverse a committed decision to allow a retroactive carryback of 3 years for capital losses in excess of $30,000 sustained by individuals during 1974 and thereafter. These amendments are discussed in the additional views of Representatives Corman, KARTH, MIKVA, and others, appended to the committee report which is available today.

I urge the Rules Committee to grant a rule which would allow these five strengthening amendments and the Jones MTI Committee amendment—which I oppose—to be made in order on the House floor. To expedite consideration of the bill, I urge that no other amendments be made in order. There are many amendments that could help add to the revenue pickup. One such additional amendment would go further than the committee amendment dealing with DISC by adopting the proposal advanced by Mr. ROSTENKOWSKI in his additional views appended to the committee report. This proposal basically follows the committee's incremental mechanism for cutting back DISC benefits but in a way that would narrow the benefits to increases in export sales from one year to the next. However, the balanced rule being sought is worthy of support.

The committee amendments and my additional amendment are as follows:

AMENDMENTS TO H.R. 10612: REAL PROPERTY

Page 10, strike out lines 22 to 24, inclusive, and insert:

"(b) CLASSES OF LAL REAL PROPERTY.—For purposes of this subpart—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), each item of real property described in subsection (a)(1) is a separate class of property.

"(2) AGGREGATION OF ITEMS OF REAL PROPERTY ON SAME TRACT UNDER CERTAIN CIRCUMSTANCES.—

"(A) IN GENERAL.—If the taxpayer during the taxable year has an interest in 2 or more items of property described in subsection (a)(1)—

"(i) which are located on the same tract,

"(ii) which (as of the time the construction of the first of such items begins) were included in the plan for the use of such tract,

"(iii) which, in the case of property held or to be held for rental, if their construction has been completed, are under common operation and management, (in the case of items the construction of which is not completed) can reasonably be expected to be under common operation and management upon such completion, and

"(iv) the construction of which began during the 3-year period beginning with the date on which the construction of the first of such items begins,

then all of such items shall be treated as one class of property described in subsection (a)(1).

"(B) EXTENSION OF 3-YEAR PERIOD IN CERTAIN CASES.—For purposes of clause (iv) of subparagraph (A), if the taxpayer establishes to the satisfaction of the Secretary that the requirements of such cause would have been satisfied with respect to an item of property but for—

"(i) the destruction or damage of property on such tract by fire, storm, or other casualty,

"(ii) a change made, after the date of the beginning of the construction of the first of such items, in a Federal or State law or local ordinance of general application, or a change made after such date in rules and regulations of general application issued under such a law or ordinance, or

"(iii) circumstances which could not be reasonably foreseen on the date referred to in clause (ii),

the Secretary may extend the 3-year period for one or more periods (not exceeding 2 years in the aggregate) with respect to such item of property.

"(C) SAME TRACT DEFINED.—For purposes of this paragraph, the term 'tract' means a single piece of real property; except that 2 or more pieces of real property shall be considered a tract if at any time on or after the date referred to in subparagraph (B)(ii) and before the close of the taxable year (i) they were contiguous in the hands of the taxpayer or (ii) they would have been so contiguous except for the interposition of a road, street, railroad, stream, or similar property.

"(3) ELECTION TO AGGREGATE RESIDENTIAL REAL PROPERTY WHERE TAXPAYER DOES NOT HAVE INTEREST IN MORE THAN 36 DWELLING UNITS.—

"(A) IN GENERAL.—If—

"(i) the taxpayer elects (at such time and in such manner as the Secretary may by regulations prescribe) to have this paragraph apply with respect to the taxable year, and

"(ii) at no time during the taxable year does the taxpayer have an interest in more than 36 dwelling units each of which is an item of property described in subsection (a)(1) (determined without regard to section 470(c)), then the taxpayer may treat all dwelling units which are items of property described in subsection (a)(1) (plus appurtenant real property described in subsection (a)(1) used or to be used primarily by the residents of such units) which he owns (determined without regard to subparagraph (C)) as one class of property described in subsection (a)(1).

"(B) DWELLING UNITS.—For purposes of subparagraph (A)—

"(i) the term 'dwelling unit' means any property which is, or can reasonably be expected to be, a dwelling unit as defined in section 167(k)(3)(C), and

"(ii) a dwelling unit shall be taken into account for periods only on or after the date on which construction of the building or structure in which such unit is located begins.

"(C) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

"(i) property owned by or for an individual, the spouse of such individual (other than a spouse who is legally separated from the individual under a decree of divorce or separate maintenance), and the children of such individual (including legally adopted children) who have not attained age 18 shall be treated as owned by each such person,

"(ii) the interest of a corporation in dwelling units shall be taken into account if the taxpayer owns directly or indirectly (with the application of section 318) 50 percent or more of any class of stock in such corporation,

"(iii) property owned by or for a partnership shall be treated as owned by each of its partners,

"(iv) property owned by or for a trust (other than an employees' trust described in section 401(a) which is exempt from tax under section 501(a)) shall be treated as owned by each of its beneficiaries (other than a beneficiary having a remote contingent interest),

"(v) an individual who is a shareholder in an electing small business corporation (within the meaning of section 1371(b)) shall be treated as owning any interest in property owned by such corporation, and

"(vi) an electing small business corporation shall be treated as owning on any day the interests in property of that shareholder who on such day has the most interests in dwelling units each of which is an item of property described in subsection (a)(1) (determined without regard to section 470(c)). For purposes of clause (iv), a contingent interest of a beneficiary in a trust is remote if, under the maximum exercise of discretion by the trustee in favor of such beneficiary, the value of such interest, computed actuarially, is 5 percent or less of the value of the trust property. An interest in property attributed to an electing small business corporation by reason of clause (vi) shall not be reattributed to a shareholder of such corporation under clause (ii) or (v).

Page 26, strike out line 8 and all that follows down through line 17, and insert:

"(2) CONSTRUCTION PERIOD.—The term 'construction period', when used with respect to any item of property described in section 467 (a)(1), means the period—

"(A) beginning on—

"(i) the date on which construction begins on the 1st building or other improvement (or portion thereof) to be included in the class in which such item is to be included, if such class is a class to which section 467 (b)(2) applies; or

"(ii) the date on which construction begins on such item of property, if such item of property is included in a class to which section 467(b)(2) does not apply; and

"(B) ending on the date on which such item of property is ready to be placed in service or is ready to be held for sale.

For purposes of subparagraph (A), the determination of whether an item of property is to be included in a class to which section 467(b)(2) applies shall be made without regard to any election to aggregate residential real property made under section 467(b)(3).

AMENDMENTS TO H.R. 10612: MINIMUM TAX

Page 82, strike out lines 13 to 20, inclusive, and insert:

"(1) the sum of the items of tax preference, exceeds

"(2) the exemption (if any) provided by subsection (c).

Page 84, strike out line 15 and all that follows down through line 17 on page 85.

Page 86, strike out line 23 and all that follows down through line 7 on page 87, and insert:

"(12) INTANGIBLE DRILLING COSTS.—The excess of the intangible drilling and development costs described in section 263(c) (other than costs incurred in drilling a nonproductive well) allowable under this chapter for the taxable year over the amount which would have been allowable for the taxable year if such costs had been capitalized and straight line recovery of intangibles had been used with respect to such costs.

"(13) LAL LEASE PROPERTY.—The amount of the accelerated deductions (within the meaning of section 468(b)) for the taxable year with respect to section 1245 property (as defined in section 1245(c)(3)) which is leased or held for leasing. This paragraph shall not apply in the case of a net lease to which paragraph (3) applies.

"(14) CONSTRUCTION PERIOD INTEREST AND TAXES.—The amount of the accelerated deductions (within the meaning of section 468 (a)(1)) for the taxable year with respect to interest and taxes attributable to the construction period of real propery described in section 467(a)(1).

"(15) DEPRECIATION IN CASE OF CERTAIN PLAYER CONTRACTS.—The amount of depreciation allowable under section 167 for the taxable year with respect to player contracts (within the meaning of section 1245(a)(4) (C)) acquired in connection with a sale or exchange described in section 1056(a) (relating to player contracts transferred in connection with the sale of a franchise)."

Page 89, line 14, strike out "and (12)" and insert "(12), (13), (14), and (15)".

AMENDMENT TO H.R. 10612: PORTFOLIO INVESTMENTS IN UNITED STATES OF NONRESIDENT ALIENS AND FOREIGN CORPORATIONS

Page 238, strike out line 3 and all that follows down through line 9 on page 248 and insert:

SEC. 1041. EXISTING EXEMPTION FOR INTEREST ON BANK DEPOSITS, ETC., MADE PERMANENT.

The last sentence of section 861(c) (relating to interest on deposits, etc.) is hereby repealed.

AMENDMENT TO H.R. 10612: DISC BASE PERIOD

Page 286, strike out line 4 and all that follows down through line 12, and insert:

"(4) BASE PERIOD.—For purposes of paragraph (2)—

"(A) for any taxable year beginning before 1979, the base period shall be the taxable years beginning in 1972, 1973, and 1974, and

"(B) for any taxable year beginning in any calendar year after 1978, the base period shall be the taxable years beginning in the 4th, 5th, and 6th calendar years preceding such calendar year.

AMENDMENTS TO H.R. 10612: CAPITAL LOSS CARRYBACK FOR INDIVIDUALS

Page 373, strike out line 9 and all that follows down through line 10 on page 376.

Page 376, line 11, strike out "1403" and insert "1402".

Page 381, line 17, strike out "1403" and insert "1402".

Page 381, line 19, strike out "1403" and insert "1402".

Page 381, line 20, strike out "1404" and insert "1403".

ADDITIONAL AMENDMENT TO H.R. 10612 OFFERED BY MR. MIKVA

Page 285, beginning on line 15, strike out "75 percent" and insert in lieu thereof "100 percent".

Page 286, strike out line 4 and all that follows down through line 12 and insert in lieu thereof the following:

"(4) BASE PERIOD.—For purposes of paragraph (2), the base period for any taxable year shall be the taxable years beginning in the 3 calendar years preceding the calendar year in which such taxable year begins."

Page 286, beginning on line 14, strike out "beginning in a calendar year specified in paragraph (4)" and insert in lieu thereof "beginning during any of the 3 calendar years referred to in paragraph (4)".

Mr. GREEN. Mr. Speaker, in line with the remarks of my colleague, Mr. MIKVA, of Illinois, I support the effort to make in order the six amendments the Ways and Means Committee has requested be made in order to the tax reform bill by the Rules Committee.

I hope the Rules Committee will accede to the Ways and Means request. If they do not, they should consider only additional strengthening amendments. I could suggest many, but would like only one printed in the RECORD at this point:

MINIMUM TAX AMENDMENT INTENDED TO BE OFFERED BY MR. GREEN TO H.R. 10612

On page 82, strike out lines 11 thru 20 and insert in lieu thereof the following: able year, with respect to the income of such taxpayer, on the amount (if any) by which the sum of the items of tax preference exceed the exemption (if any) provided by subsection (c), a tax determined in accordance with Table 1 except that in the case of a married individual who files a separate return for the taxable year, the tax shall be determined in accordance with Table 2.

Table 1—Taxpayers other than married person filing separate return.

If the amount of the excess is:	The tax is:
Not over $25,000	14% of the excess.
Over $25,000 but not over $50,000	$3,500, plus 17% of the excess over $25,000.
Over $50,000	$7,750, plus 20% of the excess over $50,000.

Table 2—Married person filing separate return.

If the amount of the excess is:	The tax is:
Not over $12,500	14% of the excess.
Over $12,500 but not over $25,000	$1,750, plus 17% of the excess over $12,500.
Over $25,000	$3,875, plus 20% of the excess over $25,000.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MATSUNAGA (at the request of Mr. O'NEILL), today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. PRESSLER), to revise and extend their remarks, and to include extraneous matter:)

Mrs. HECKLER of Massachusetts, for 5 minutes, today.

Mr. KEMP, for 10 minutes, today.

(The following Members (at the request of Mr. MAGUIRE) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. PATMAN, for 30 minutes, today.

Ms. ABZUG, for 30 minutes, today.

Mr. DOMINICK V. DANIELS, for 5 minutes, today.

Mr. MCFALL, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permision to revise and extend remarks was granted to:

Mr. FUQUA to revise and extend his remarks immediately following the remarks of Mr. DINGELL in the Committee of the Whole today on H.R. 5512.

Mr. CONTE, to extend his remarks prior to the vote on the Steiger of Arizona amendment.

(The following Members (at the request of Mr. PRESSLER), and to include extraneous matter:)

Mr. CRANE.

Mr. WAMPLER.

Mr. SYMMS in three instances.

Mr. ABDNOR.

Mr. GRADISON.

Mr. HINSHAW.

Mr. MICHEL in three instances.

Mr. BELL.

Mr. HEINZ in two instances.

Mr. ROUSSELOT.

Mr. GILMAN.

(The following Members (at the request of Mr. MAGUIRE), and to include extraneous material:)

Mr. GONZALEZ in three instances.

Mr. ANDERSON of California in three instances.

Mr. DOMINICK V. DANIELS in two instances.

Mr. MAZZOLI in three instances.

Mr. VANDER VEEN.

Mr. SYMINGTON.

Mr. CARNEY.

Mr. BAUCUS.

Mr. VANIK in two instances.

Mr. NOWAK in two instances.

Mrs. SULLIVAN.

Mr. MCDONALD of Georgia.

Ms. SCHROEDER in two instances.

Mr. RIEGLE.

Mr. HARRINGTON.

Mr. CHARLES WILSON of Texas.

Mr. REES.

Mr. OBERSTAR.

Mr. DRINAN.

Mr. BADILLO.

Mr. JOHN L. BURTON.

Mr. MURPHY of New York in four instances.

Mr. HIGHTOWER.

Mr. HARKIN.

Mr. HAYES of Indiana.

Mr. MOORHEAD of Pennsylvania in five instances.

Mr. MILLER of California.

Mr. FLORIO.

Mr. TAYLOR of North Carolina.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10585. An act to increase the temporary debt limitation until March 15, 1976.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2667. An act to extend the Emergency Petroleum Allocation Act of 1973.

BILL PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 10585. An act to increase the temporary debt limitation until March 15, 1976.

ADJOURNMENT

Mr. SEIBERLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p.m.) under its previous order, the House adjourned until Monday, November 17, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2052. A letter from the Secretary of Agriculture, transmitting the sixth annual report on Department of Agriculture information and technical assistance to small communities and less populated areas, covering fiscal year 1975, pursuant to section 901(d) of Public Law 91-524; to the Committee on Agriculture.

2053. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with the National Power Co., Republic of the Philippines, which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Currency and Housing.

2054. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with Iberduero, S.A., Bilbao, Spain, which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945, as amended; to the Committee on Banking, Currency and Housing.

2055. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on the findings of the comprehensive rehabilitation service needs study, pursuant to section 130(b) of Public Law 93-112; to the Committee on Education and Labor.

2056. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed policies and procedures governing the administration of funds to the Adult Indochinese Refugee Education Program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2057. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed amended criteria for library research and demonstration, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2058. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed rulemaking for regional education programs, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2059. A letter from the Executive Secretary to the Department of Health, Education, and Welfare transmitting additional criteria for selection of applicants for fiscal year 1976 for research projects in vocational education, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2060. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting notice of proposed criteria for funding of applications for graduate and undergraduate international studies programs, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2061. A letter from the Chief, Forest Service, U.S. Department of Agriculture, transmitting the river plan for the Chattooga River, N.C., S.C., and Ga., pursuant to section 3(b) of the National Wild and Scenic Rivers Act of 1968; to the Committee on Interior and Insular Affairs.

2062. A letter from the Chairman, Board of Directors, National Railroad Passenger Corporation, transmitting proposed criteria and procedures for making route and service decisions, pursuant to section 404 of the Amtrak Improvement Act of 1975; to the Committee on Interstate and Foreign Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee of conference. Conference report on S. 6 (Rept. No. 94-664). Ordered to be printed.

Mr. DELANEY: Committee on Rules. House Resolution 865. Resolution providing for the consideration of a bill to authorize emergency guarantees of obligations of States and political subdivisions thereof; to amend the Internal Revenue Code of 1954 to provide that income from certain obligations guaranteed by the United States shall be subject to taxation; to amend the Bankruptcy Act; and for other purposes (Rept. No. 94-665). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 866. Resolution providing for the consideration of S. 2667. A bill to extend the Emergency Petroleum Allocation Act of 1973 (Rept. No. 94-666). Ordered to be printed.

Mr. REUSS: Committee on Banking, Currency and Housing. S. 2327. An act to suspend sections 4, 6, and 7 of the Real Estate Settlement Procedures Act of 1974; with amendment (Rept. No. 94-667). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 10758. A bill to amend the Civil Rights Act of 1964 to include as an unlawful employment practice discrimination against an individual by any employer, employment agency, or labor organization because of the individual's prior drug abuse, and for other purposes; to the Committee on Education and Labor.

By Mr. BOWEN (for himself, Mr. Alexander, Mr. Badillo, Mr. Bevill, Mr. Cleveland, Mr. Matsunaga, Mr. Mineta, Mr. Montgomery, Mr. Murphy of New York, Mr. Rangel, and Mr. Vigorito):

H.R. 10759. A bill to establish improved programs for the benefit of producers and consumers of rice; to the Committee on Agriculture.

By Mr. DENT (for himself, Mr. Perkins, Mr. Phillip Burton, Mr. Flood, Mr. Clay, Mr. Murtha, Mr. Yatron, Mr. Hayes of Indiana, Mr. Wampler, Mr. Roncalio, Mr. Bevill, Mr. Melcher, Mr. Slack, Mr. Yates, Mr. Hubbard, Mr. Evans of Colorado, Mr. Mollohan, Mr. Hall, Mr. Whalen, Mr. Carney, Mr. Mitchell of Maryland, Mr. Seiberling, Mr. Duncan of Tennessee, and Mr. Railsback):

H.R. 10760. A bill to amend the Federal Coal Mine Health and Safety Act to revise the black lung benefits program established under such act in order to transfer the residual liability for the payment of benefits under such program from the Federal Government to the coal industry, and for other purposes; to the Committee on Education and Labor.

By Mr. DEVINE:

H.R. 10761. A bill to reduce payments to the United Nations and its affiliated agencies; to the Committee on International Relations.

By Mrs. FENWICK (for herself, Mr. Frenzel, Mr. McKinney, Mrs. Heckler of Massachusetts, Mr. Ruppe, Mr. Winn, Mr. Hughes, Mr. Edwards of California, Mr. AuCoin, Mr. Phillip Burton, Mr. Sarasin, Mr. Drinan, Mr. Helstoski, Mr. Crane, Mr. Don H. Clausen, Mr. Mazzoli, and Mr. Foley):

H.R. 10762. A bill to establish a Commission on Security and Cooperation in Europe; to the Committee on International Relations.

By Mr. HARRINGTON:

H.R. 10763. A bill to provide for the development of oil and gas leasing on the Outer Continental Shelf pursuant to programs developed by interstate agencies established under interstate compacts; jointly to the Committees on Interior and Insular Affairs, Merchant Marine and Fisheries, and the Judiciary.

By Mr. KEMP (for himself, Mr. Abdnor, Mr. Ashbrook, Mr. Brown of Michigan, Mr. Butler, Mr. Byron, Mr. Casey, Mr. Collins of Texas, Mr. Conlan, Mr. Crane, Mr. D'Amours, Mr. Dominick V. Daniels, Mr. Derrick, Mr. Derwinski, Mr. Devine, Mr. Dickinson, Mr. Duncan of Oregon, Mr. Edwards of Alabama, Mr. Evins of Tennessee, Mr. Frey, Mr. Hagedorn, Mr. Hicks, Mr. Hughes, Mr. Hutchinson, and Mr. Hyde):

H.R. 10764. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

By Mr. KEMP (for himself, Mr. Johnson of Pennsylvania, Mr. Kindness, Mr. Lagomarsino, Mr. Lloyd of California, Mr. Lott, Mr. Lujan, Mr. Madigan, Mr. Milford, Mr. Moorhead of California, Mr. Montgomery, Mr. Nowak, Mr. Pike, Mr. Randall, Mr. Russo, Mr. Santini, Mr. Skubitz, Mrs. Smith of Nebraska, Mr. Snyder, Mr. Symms, Mr. Taylor of North Carolina, Mr. Walsh, Mr. Young of Florida, Mr. Alexander, and Mr. Goldwater):

H.R. 10765. A bill relating to the settlement of debts owed the United States by foreign countries; to the Committee on International Relations.

By Mr. KEMP (for himself and Mr. Biaggi):

H.R. 10766. A bill relating to the settlement of debts owned the United States by foreign countries; to the Committee on International Relations.

By Mr. KEMP (for himself, Mr. Boland, Mr. Bonker, Mr. Emery, Mrs. Fenwick, Mr. Helstoski, Mr. Jeffords, Mr. McDade, Mr. Stratton, Mr. Symms, Mr. Vander Veen, and Mr. Young of Alaska):

H.R. 10767. A bill to incorporate the National Ski Patrol System, Inc., to the Committee on the Judiciary.

By Mr. PIKE:

H.R. 10768. A bill to amend section 162(a) of the Internal Revenue Code to restrict the disallowance as commuting expense of deductions of certain automobile expenses; to the Committee on Ways and Means.

By Mr. STAGGERS (for himself, and Mr. Devine) (by request):

H.R. 10769. A bill to provide for improved intercity rail passenger service in the corridor between Boston, Mass., and Washington, D.C., and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of California (for himself, Mr. Coughlin, Mr. Ryan, Mr. Hicks, Mr. Howard, Mr. Roe, Mr. Macdonald of Massachusetts, Mr. Mazzoli, Mr. Thompson, Mr. Vander Veen, Mr. Mineta, Mr. Scheuer, Mr. Lehman, Mr. Dominick V. Daniels, Mr. Vigorito, Mr. Boland, Mr. Ambro, Mr. Matsunaga, Mr. Metcalfe, Mr. Lloyd of California, Mr. Gude, Mr. Burke of Massachusetts, and Mr. Moakley):

H.R. 10770. A bill to discourage the use of painful devices in the trapping of animals and birds; to the Committee on Merchant Marine and Fisheries.

By Mr. BRINKLEY:

H.R. 10771. A bill to provide for payments in lieu of real property taxes, with respect to certain real property owned by the Federal Government; to the Committee on Government Operations.

By Mr. DON H. CLAUSEN:

H.R. 10772. A bill to amend the Real Estate Settlement Procedures Act of 1974; to the Committee on Banking, Currency and Housing.

By Mr. LATTA:

H.R. 10773. A bill to amend the Internal Revenue Code of 1954 to increase the allowance of deductions for personal exemptions; to the Committee on Ways and Means.

By Mr. MOORE:

H.R. 10774. A bill to prohibit the Consumer Product Safety Commission from restricting the sale or manufacture of firearms or ammunition; to the Committee on Interstate and Foreign Commerce.

By Mr. OTTINGER:

H.R. 10775. A bill to authorize temporary assistance to help defray rental payments by persons who are temporarily unemployed or underemployed as the result of adverse economic conditions; to the Committee on Banking, Currency and Housing.

By Mr. RICHMOND (for himself, Ms. Abzug, Mr. Florio, Mr. Solarz, Mr. Whitehurst, Mr. Downey of New York, Mr. Rosenthal, Mrs. Chisholm, Mr. Badillo, Mr. Ottinger, Mr. Moss, Mr. Gude, Mrs. Spellman, Mr. Harrington, Mr. Ford of Tennessee, and Mr. Seiberling):

H.R. 10776. A bill to establish a task force within the Department of Agriculture to develop new beef-grading standards based on consumer needs and preferences, to require the posting of such standards in retail foodstores, and to educate consumers with regard to the Department of Agriculture's beef-grading standards and their relation to the nutritional value and cost of beef; to the Committee on Agriculture.

By Mr. HARSHA (for himself, Mr. Alexander, Mr. Bafalis, Mr. Beard of Rhode Island, Mr. Breaux, Mr. Burgener, Mr. Don H. Clausen, Mr. Cleveland, Mr. Derwinski, Mr. Downey of New York, Mr. Duncan of Oregon, Mr. Edgar, Mr. Evins of Tennessee, Mr. Findley, Mr. Fountain, Mr. Ginn, Mr. Goldwater, Mr. Gude, Mr. Guyer, Mr. Hammerschmidt, Mr. Howard, Mr. Hyde, Mr. Johnson of California, Mr. Ketchum, and Mr. Leggett):

H.J. Res. 726. Joint resolution to authorize and request the President to issue a proclamation designating 1976 as National Bicentennial Highway Safety Year; to the Committee on Post Office and Civil Service.

By Mr. HARSHA (for himself, Mr. Lagomarsino, Mr. McCormack, Mr. Madden, Mr. Mineta, Mr. Price, Mr. Oberstar, Mr. Regula, Mr. Roberts, Mr. Roe, Mr. Scheuer, Mr. Sikes, Mr. Snyder, Mr. J. William Stanton, Mr. Stokes, Mrs. Sullivan, Mr. Taylor of Missouri, Mr. Thone, Mr. Vander Jagt, Mr. Waggonner, Mr. Walsh, Mr. Whitehurst, and Mr. Winn):

H.J. Res. 727. Joint resolution to authorize and request the President to issue a proclamation designating 1976 as National Bicentennial Highway Safety Year; to the Committee on Post Office and Civil Service.

By Mr. OTTINGER (for himself, Mr. Cotter, Mr. Whitehurst, Mr. Badillo, Mr. Mazzoli, Mr. Howe, Mr. McDonald of Georgia, Mr. Mitchell of New York, Mr. Dent, and Mr. Blanchard):

H.J. Res. 728. Joint resolution to confer honorary U.S. citizenship upon Christopher Columbus; to the Committee on the Judiciary.

By Mr. O'BRIEN:

H. Con. Res. 480. Concurrent resolution expressing the sense of the Congress that the signing in Helsinki of the Final Act of the Conference on Security and Cooperation in Europe did not change in any way the longstanding policy of the United States on nonrecognition of the Soviet Union's illegal seizure and annexation of the three Baltic nations of Estonia, Latvia, and Lithuania; to the Committee on International Relations.

By Mr. ADDABBO:

H. Res. 867. Resolution to express the sense of the House of Representatives that the President should, upon visiting the People's Republic of China, request that appropriate Chinese officials use their good offices to obtain a full and complete accounting of members of the U.S. Armed Forces missing in action and confined as prisoners of war in Southeast Asia and of all American civilian personnel who are listed as missing in Southeast Asia and should, upon his return to the United States, report back to the Congress on the results of his request; to the Committee on International Relations.

By Mr. JOHN L. BURTON:

H. Res. 868. Resolution to amend the Rules of the House of Representatives to provide that the House may not consider any report of a committee, bill, resolution, or a report of a committee of conference unless copies or reproductions have been available to Members on the floor at least 2 hours before such consideration; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DODD:

H.R. 10777. A bill for the relief of Reinhard W. Lindner; to the Committee on the Judiciary.

By Mr. MOTTL:

H.R. 10778. A bill for the relief of Rogelio M. Encomienda; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10612

By Mr. JONES of Oklahoma:

Page 7, strike out line 1 and all that follows down through line 2 on page 40 and insert:

TITLE I—MINIMUM TAX FOR INDIVIDUALS

Sec. 101. Minimum Tax for Individuals.

(a) In general.—Part VI of subchapter A of chapter 1 (relating to minimum tax for tax preferences) is amended by inserting immediately before section 56 the following new section:

"Sec 55. Minimum Tax for Individuals.

"(a) Imposition of Tax.—In the case of a taxpayer other than a corporation, in lieu of the tax imposed by sections 1 and 511, there is hereby imposed a tax (if such tax is greater than the tax imposed by such sections) equal to the tax which would be imposed by section 1 if the taxpayer's taxable income were an amount equal to 55 percent of this adjusted economic income.

"(b) Economic Income; Adjusted Economic Income.—For purposes of this section—

"(1) Economic income.—The term 'economic income' means the sum of—

"(A) the adjusted gross income for the taxable year, plus

"(B) an amount equal to the items of tax preference.

"(2) Adjusted economic income.—The term 'adjusted economic income' means the economic income reduced by the sum of—

"(A) the deduction for personal exemptions provided by section 151,

"(B) the investment expense adjustment,

"(C) extraordinary medical expenses,

"(D) extraordinary casualty losses,

"(E) the charitable contribution adjustment, plus

"(F) the exemption, if any, provided by subsection (c).

"(c) Exemption.—The exemption provided by this subsection is $10,000.

"(d) Definitions.—For purposes of this section—

"(1) Investment expense adjustment.—

"(A) The term 'investment expense adustment' means investment expenses but not in excess of investment income.

"(B) The term 'investment expenses' means amounts allowable as deductions in computing taxable income but only if incurred for the production or collection of income or for the management, conservation, or maintenance of property held for the production of income and if not allowable as deductions in computing adusted gross income under section 62.

"(C) The term 'investment income' means—

"(i) the sum of the gross income from interest and dividends and the excess (if any) of the capital gains over the capital losses from the disposition of property, reduced by

"(ii) the excess (if any) of the capital losses over the capital gains from the disposition of property to the extent such excess reduced taxable income for the taxable year.

For purposes of this subparagraph, property giving rise to the interest, dividends, gain, or loss shall be taken into account only if expenses incurred with respect to such property would have been investment expenses within the meaning of subparagraph (B).

"(2) Extraordinary medical expenses.—The term 'extraordinary medical expenses' means the amount which would be allowable for the taxable year under section 213 (relating to medical, dental, etc., expenses) if '10 percent of the economic income' were substituted for '3 percent of the adjusted gross income' in section 213(a).

"(3) Extraordinary casualty losses.—The term 'extraordinary casualty losses' means the amount by which the deduction allowable under section 165(c)(3) for the taxable year exceeds 10 percent of the economic income for such year.

"(4) Charitable contribution adjustment.—The term 'charitable contribution adjustment' means the amount of the deduction allowed under section 170 for the taxable year.

"(e) Net Operating Loss Rules.—

"(1) In general.—If for any taxable year a taxpayer has no taxable income or has a net operating loss (as defined in section 172(c)) or a net operating loss deduction under section 172(a), the taxpayer's economic income and adjusted economic income shall be computed under this subsection in lieu of subsection (b).

"(2) Economic income.—For taxable years to which this subsection applies, the term 'economic income' means the sum of—

"(A) the adjusted gross income for the taxable year computed without regard to the amounts described in section 57(a) and without regard to the net operating loss deduction, plus

"(B) the amount described in paragraph (6) of section 57(a).

"(3) Adjusted economic income.—For taxable years to which this subsection applies, the term 'adjusted economic income' means the economic income reduced by the sum of—

"(A) the amounts described in subsection (b)(2), plus

"(B) the net operating loss adjustment (as defined in paragraph (4)).

"(4) NET OPERATING LOSS ADJUSTMENT.—

"(A) IN GENERAL.—For the purposes of this subsection, the 'net operating loss adjustment' means—

"(i) the amount of any nonpreferential net operating loss which may be carried to the taxable year which reduces taxable income computed without regard to the deduction under section 172(a) (but not below zero) for the taxable year, plus

"(ii) the amount of any nonpreferential net operating loss which may be carried to the taxable year in excess of the amount determined under clause (i) which may not be carried to a subsequent taxable year by reason of the modification of taxable income under section 172(b)(2), plus

"(iii) the amount of any nonpreferential net operating loss which may be carried to the taxable year which the taxpayer elects under subparagraph (C)(iii) to be allowed as a deduction for the taxable year.

"(B) DEFINITIONS.—For purposes of this subsection—

"(i) The term 'nonpreferential net operating loss' means the excess of a net operating loss over the amount of the preferential net operating loss.

"(ii) The term 'preferential net operating loss' means the excess of the net operating loss for the taxable year over the net operating loss for such year computed without regard to the amounts listed in section 57(a) and by treating as deductions allowable under section 172(d)(4) only the amount of such deductions which are also described in section 62 plus the amount of the investment expense adjustment described in subsection (d)(1).

"(C) OPERATING BULES.—

"(i) For purposes of applying clauses (i) and (ii) of subparagraph (A), in determining whether a net operating loss is used to reduce taxable income in a taxable year to which 2 or more net operating losses may be carried or in determining the amount of the net operating loss described in clause (ii) of subparagraph (A) which may not be carried to a subsequent year, the ordering rules of section 172(b) are to be applied.

"(ii) For purposes of applying clause (ii) of subparagraph (A), any reduction of a net operating loss by reason of the modification of taxable income under section 172(b)(2) shall be considered to be first from the preferential net operating loss.

"(iii) For purposes of clause (iii) of subparagraph (A), a taxpayer may elect to increase his net operating loss adjustment by the amount of any nonpreferential operating loss remaining after the application of clauses (i) and (ii) of subparagraph (A). Such election shall be made within the time prescribed for filing his income tax return for the taxable year (determined with regard to extensions) in accordance with regulations prescribed by the Secretary. Such election may not be revoked. Any amount deducted under clause (iii) of subparagraph (A) shall decrease the amount of such net operating loss which may be carried to a taxable year after the year of such deduction.

"(f) BASIS ADJUSTMENT.—

"(1) IN GENERAL.—If subsection (a) applies to any taxpayer for any taxable year, the adjusted basis of each item of property to which an item of tax preference (other than an item of tax preference described in paragraph (9) of section 57(a)) is attributable shall be increased by the portion of the disallowed deductions which is allocable to such item of property.

"(2) DISALLOWED DEDUCTIONS DEFINED.—For purposes of this subsection, the term 'disallowed deductions' means, with respect to any taxable year, the excess of—

"(A) 55 percent of the adjusted economic income for such taxable year; over

"(B) the taxable income for such taxable year.

"(3) PROPERTY TO WHICH ITEMS OF TAX PREFERENCE ARE ATTRIBUTABLE.—For purposes of this subsection, the determination of to which item of property an item of tax preference (or portion thereof) is attributable shall be made under regulations prescribed by the Secretary.

"(4) ALLOCATION OF DISALLOWED DEDUCTIONS TO ITEMS OF PROPERTY.—For purposes of this subsection, the portion of the disallowed deductions allocable to any item of property referred to in paragraph (1) is an amount which bears the same ratio to the amount of the disallowed deductions for the taxable year as the amount of any tax preference (other than an item of tax preference described in paragraph (9) of section 57(a)) attributable to such item of property bears to the total of the items of tax preferences for the taxable year."

(b) AMENDMENT OF SECTION 56.—Section 56 (relating to the imposition of the minimum tax) is amended—

(1) by striking out the heading and inserting in lieu thereof the following:

"SEC. 56. MINIMUM TAX FOR CORPORATIONS.",

(2) by striking out "person" in subsections (a) and (b)(1) and inserting in lieu thereof "corporation",

(3) by striking out clauses (ii), (v), (vi), and (vii) of subsection (a)(2)(A),

(4) by redesignating clauses (iii) and (iv) of subsection (a)(2)(A) as clauses (ii) and (iii), and by striking out the comma at the end of clause (iii) (as so redesignated) and inserting in lieu thereof "; and",

(5) by striking out subparagraphs (B), (E), (F), and (G) of subsection (c)(1).

(6) by redesignating subparagraph (C) of subsection (c)(1) as subparagraph (B) and inserting "and" at the end thereof, and

(7) by redesignating subparagraph (D) of subsection (c)(1) as subparagraph (C), and by inserting "exceed" at the end thereof.

(c) AMENDMENTS OF SECTION 57.—

(1) ADDITIONAL PREFERENCE ITEMS.—Section 57(a) (relating to items of tax preference) is amended by inserting after paragraph (10) the following new paragraphs:

"(11) INTANGIBLE DRILLING COSTS OF DEVELOPMENT WELLS.—With respect to each oil or gas well which is not an exploratory well (as defined in section 60B(a)(6)), the excess of the intangible drilling and development costs described in section 263(c) allowable under this chapter for the taxable year over the amount which would have been allowable for the taxable year if such costs had been capitalized and straight line recovery of intangibles had been used with respect to such costs.

"(12) EXCESS ACCELERATED DEDUCTIONS.—In the case of a taxpayer subject to subpart B, an amount equal to the excess accelerated deductions for the taxable year from any class of LAL property (as determined under section 59)."

(2) SPECIAL RULE FOR DEDUCTIONS INCLUDED IN EXCESS ACCELERATED DEDUCTIONS.—Section 57 is amended by adding at the end thereof the following new subsection:

"(d) SPECIAL RULE FOR DEDUCTIONS INCLUDED IN EXCESS ACCELERATED DEDUCTIONS.—The amount of any item of tax preference (other than an item described in subsection (a)(12)) taken into account for purposes of section 55 for any taxable year shall be reduced by the amount of any portion of such item which constitutes a deduction which for such taxable year is included in the excess accelerated deductions from any class of LAL property."

(3) STAIGHT LINE RECOVERY OF INTANGIBLES DEFINED.—Section 57 is amended by adding at the end thereof the following new subsection:

"(e) STRAIGHT LINE RECOVERY OF INTANGIBLES DEFINED.—For purposes of paragraph (11) of subsection (a)—

"(1) IN GENERAL.—The term 'straight line recovery of intangibles', when used with respect to intangible drilling and development costs for any well, means (except in the case of an election under paragraph (2)) ratable amortization of such costs over the 120-month period beginning with the month in which production from such well begins.

"(2) ELECTION.—If the taxpayer elects, at such time and in such manner as the Secretary may by regulations prescribe, with respect to the intangible drilling and development costs for any well, the term 'straight line recovery of intangibles' means any method which would be permitted for purposes of determining cost depletion with respect to such well and which is selected by the taxpayer for purposes of subsection (a)(11)."

(4) EXCLUSION OF CORPORATIONS.—The last sentence of section 57(a) (relating to items of tax preference) is amended by striking out "Paragraphs (1) and (3)" and inserting in lieu thereof "Paragraphs (1), (3), and (11)".

(d) AMENDMENTS OF SECTION 58.—Section 58 (relating to rules for application of part) is amended—

(1) by amending subsection (a) to read as follows:

"(a) MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual who files a separate return for the taxable year, section 55(c) shall be applied by substituting $5,000 for $10,000.",

(2) by amending subsection (c) to read as follows:

"(c) ESTATES AND TRUSTS.—

"(1) EXEMPTION NOT ALLOWED TO TRUSTS.—In the case of a trust, the exemption provided by section 55(c) shall not be allowed.

"(2) CHARACTER OF AMOUNTS.—In applying the second sentence of section 652(b) and the second sentence of section 662(b) for purposes of this part, the allocation of items of deduction shall be made under regulations prescribed by the Secretary which shall contain such rules as may be necessary to carry out the purposes of this part.

"(3) DISTRIBUTION DEDUCTION.—Under regulations prescribed by the Secretary, the adjusted economic income of an estate or trust shall be reduced by the deduction allowed to such estate or trust under section 651 or 661.", and

(3) by striking out "For purposes of section 56" each place it appears in subsection (g) and inserting in lieu thereof "For purposes of this part".

(e) DETERMINATION OF AMOUNT OF ARTIFICIAL LOSS.—

(1) IN GENERAL.—Part VI of subchapter A of chapter 1 (relating to minimum tax for tax preferences) is amended—

(A) by inserting after the heading for such part the following:

"Subpart A. General provisions.
"Subpart B. Rules for computing amount of excess accelerated deductions.

"Subpart A—General Provisions"; and

(B) by adding at the end thereof the following new subpart:

"Subpart B—Rules for Computing Amount of Excess Accelerated Deductions.

"Sec. 59. Amount of excess accelerated deductions.
"Sec. 60. LAL property; classes of LAL property.
"Sec. 60A. Accelerated deductions; net related income.
"Sec. 60B. Other definitions and special rules.

"SEC. 59. AMOUNT OF EXCESS ACCELERATED DEDUCTIONS.

"(a) GENERAL RULE.—In the case of a taxpayer subject to this subpart, for the purposes of subpart A, the excess accelerated deductions for any taxable year from any class of LAL property is the amount (if any) by which—

"(1) the accelerated deductions which are attributable to such class of LAL property and which are allowable for the taxable year; exceed

"(2) the net related income for such year from such class of property.

"(b) Taxpayers Subject to This Subpart.—

"(1) In general.—Except as provided in paragraph (2), the following shall be subject to this subpart:

"(A) an individual,

"(B) an electing small business corporation (within the meaning of section 1371 (b)), and

"(C) with respect to LAL farm property, a corporation to which section 447(a) (relating to method of accounting for corporations engaged in farming) does not apply.

"(2) Exception for certain accrual taxpayers engaged in farming.—This subpart shall not apply to any taxpayer with respect to property described in section 60(a)(3) if the taxpayer uses an accrual method of accounting with respect to such property and capitalizes preproductive period expenses described in section 60A(c)(1).

"Sec. 60. LAL Property; Classes of LAL Property.

"(a) LAL Property Defined.—For purposes of this subpart, the term 'LAL property' means property described in any of the following paragraphs:

"(1) LAL real property.—Real property—

"(A) which is or will be either property described in section 1221(1) or property held for rental, and

"(B) which is not section 1245 property (as defined in section 1245(a)(3)).

"(2) LAL lease property.—In the case of a lessor, any section 1245 property (as defined in section 1245(a)(3)) which is leased or held for leasing.

"(3) LAL farm property.—Any property—

"(A) which is held for use in the trade or business of farming, or

"(B) which is described in section 1221(1) and held in connection with the trade or business of farming.

"(4) LAL film property.—Any motion picture film or video tape created primarily for use as public entertainment and any right to produce, distribute, or display such a film or tape.

"(5) LAL oil and gas property.—Any interest in an oil or gas well which is not an exploratory well.

"(6) LAL sports franchise property.—Any interest in a franchise to conduct a sports enterprise.

"(b) Classes of LAL Real Property.—For purposes of this subpart, all property of the taxpayer described in subsection (a)(1) is one class of property.

"(c) Classes of LAL Lease Property.—For purposes of this subpart, each item of property described in subsection (a)(2) is a separate class of property.

"(d) Classes of LAL Farm Property.—For purposes of this subpart—

"(1) In general.—Except as provided in paragraph (2), all property of the taxpayer described in subsection (a)(3) is one class of property.

"(2) Rule for farming syndicates.—In the case of any interest in a farming syndicate, property described in subsection (a)(3) attributable to each activity on each farm begun during any taxable year is a separate class of property.

"(3) Farming syndicate defined.—

"(A) In general.—The term 'farming syndicate' means—

"(i) a partnership engaged in the trade or business of farming if at any time interests in such partnership have been offered for sale in any offering required to be registered with a Federal or State agency having authority to regulate the offering of securities for sale,

"(ii) a partnership engaged in the trade or business of farming, if more than 50 percent of the losses during any period are allocable to limited partners, and

"(iii) any other enterprise engaged in the trade or business of farming if at any time interests in such enterprise have been offered for sale in an offering described in clause (1) or if the allocation of losses in such enterprise is similar to an allocation described in clause (ii).

"(B) Holdings attributable to active management.—For purposes of clause (ii) of subparagraph (A), in the case of any individual who has actively participated (for a period of not less than 5 years) in the management of any trade or business of farming, any interest in a partnership which is attributable to such active participation and which is held by such individual (or by any member of his family within the meaning of section 267(c)(4)) shall be treated as an interest which is not held by a limited partner. A rule similar to the rule provided by the preceding sentence shall apply for purposes of so much of clause (iii) of subparagraph (A) as relates to clause (ii) of subparagraph (A).

"(e) Classes of LAL Film Property.—For purposes of this subpart, each item of property described in subsection (a)(4) is a separate class of property.

"(f) Classes of LAL Oil and Gas Property.—For purposes of this subpart, each property (within the meaning of section 614) is a separate class of property.

"(g) Classes of Sports Franchise Property.—For purposes of this subpart, each franchise to conduct a sports enterprise is a separate class of property.

"Sec. 60A. Accelerated Deductions; Net Related Income.

"(a) Real Property.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(1), means—

"(1) Construction period interest and taxes.—All—

"(A) interest paid or accrued on indebtedness incurred or continued to acquire, construct, or carry real property, and

"(B) real property taxes,

to the extent such interest and taxes are attributable to the construction period for such property and would be allowable as a deduction under this chapter for the taxable year.

(2) Accelerated depreciation.—The excess of—

"(A) the deducation allowable under this chapter for the taxable year for depreciation or amortization, over

"(B) the deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property.

"(b) Lease Property.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(2), means the excess of—

"(1) the deduction allowable under this chapter for the taxable year for depreciation or amortization, over

"(2) the deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year for its useful life for which the taxpayer has held the property.

For purposes of paragraph (2), useful life shall be determined as if section 167(m)(1) (relating to asset depreciation range) did not include the last sentence thereof.

"(c) Farm Property.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(3), means—

"(1) Preproductive period expenses.—

"(A) In general.—Any amount which is attributable to crops, animals, or trees (or to any other property having a crop or yield) during the preproductive period of such property and which is allowable as a deduction for the taxable year.

"(B) Exceptions.—Subparagraph (A) shall not apply—

"(i) to taxes and interest,

"(ii) to any amount incurred on account of fire, storm, flood, or other casualty or on account of disease or drought,

"(iii) to wheat, alfalfa, barley, oats, rye, sorghum, and cotton, and

"(iv) to livestock other than poultry. Clauses (iii) and (iv) shall not apply in the case of an interest in a farming syndicate (as defined in section 60 (d) (3)).

"(C) Preproductive period defined.—For purposes of this paragraph, the term 'preproductive period' means—

"(i) in the case of property having a useful life of more than 1 year which will have more than 1 crop or yield, the period before the disposition of the first such marketable crop or yield, or

"(ii) in the case of any other property, the period before such property is disposed of.

For purposes of this subpart, the use by the taxpayer in the trade or business of farming of any supply produced in such trade or business shall be treated as a disposition.

"(2) Prepaid feed, seed, fertilizer, etc.—Any amount paid for feed, seed, fertilizer, or other supplies which are on hand at the close of the taxable year. This paragraph shall not apply to supplies which are on hand at the close of the taxable year on account of fire, storm, flood, or other casualty or on account of disease or drought.

"(3) Accelerated depreciation of animals, trees, etc., during productive period.—In the case of animals, trees, or other property having a crop or yield, the excess of—

"(A) the deduction allowable for the taxable year under section 167, over

"(B) the deduction which would have been allowable for the taxable year had the taxpayer depreciated the property under the straight line method for each taxable year of its useful life for which the taxpayer has held the property.

"(d) Film Property.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(4), means any amount allowable for the taxable year under this chapter as a deduction—

"(1) for depreciation or amortization, or

"(2) for amounts attributable to producing, distributing, or displaying such property.

"(e) Oil and Gas Property.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(5), means the excess (if any) of—

"(1) the intangible drilling and development costs described in section 263(c) allowable under this chapter for the taxable year with respect to such class of property, over

"(2) the amount which would have been allowable for the taxable year if such costs had been capitalized and straight line recovery of intangibles (as defined in section 57(e)) had been used with respect to such costs.

Such term does not include intangible drilling and development costs described in section 263(c) allowable under this chapter which are attributable to a well drilled solely to inject water or other substances to stimulate or increase the production of oil or gas.

"(f) Sports Franchise Property.—

"(1) In general.—For purposes of this subpart, the term 'accelerated deduction', when used with respect to a class of property described in section 60(a)(6), means any amount allowable for the taxable year under this chapter as a deduction under section 167 for the LAL portion of the basis of player contracts.

"(2) LAL portion of the basis of player contracts defined.—For purposes of paragraph (1), the LAL portion of the basis of player contracts means, in the case of any franchise, the excess of the amount allocated to player contracts by the transferee over the sum of—

"(A) the aggregate adjusted bases of the player contracts in the hands of the transferor immediately before the transfer of the franchise, plus

"(B) the ordinary income (if any) recognized by the transferor on the transfer of the franchise.

"(3) Player contract defined.—For purposes of this subsection, the term 'player contract' means any contract for the services of an athlete which, in the hands of the taxpayer, is of a character subject to the allowance for depreciation provided in section 167. Such a contract shall be taken into account for purposes of this subpart only if the franchise acquired such contract in connection with the transfer of the franchise.

"(4) Establishment of franchise treated as transfer.—For purposes of this subsection, the establishment of a franchise shall be treated as a transfer.

"(g) Net Related Income.—

"(1) In general.—For purposes of this subpart, the net related income from a class of property for a taxable year is the excess of—

"(A) the gross income from such class for such year, over

"(B) the sum of the deductions (other than accelerated deductions) for such year attributable to such class.

"(2) Special rules.—For purposes of paragraph (1)—

"(A) any excess of the deductions (other than accelerated deductions) attributable to an item of property shall not be taken into account,

"(B) the net operating loss deduction provided by section 172 shall not be taken into account, and

"(C) any deduction under section 1202 (relating to deduction for capital gains) and any capital loss carryback or carryover under section 1212 (relating to capital loss carrybacks and carryovers) shall not be taken into account.

"(3) Certain processing income treated as farming income.—

"(A) In general.—For purposes of paragraph (1) of this subsection and for purposes of section 60B(b)(3), the net income of any person from the processing of (including the application of one or more manufacturing processes to) a farm product produced by such person shall be treated as net income of such person attributable to the business of farming if such processing is performed by such person or by any partnership, electing small business corporation, or cooperative of which such person is a member.

"(B) Paragraph not to apply to syndicated farming interests.—This paragraph shall not apply with respect to any interest in a farming syndicate within the meaning of section 60(d)(3).

"Sec. 60B. Other Definitions and Special Rules.

"(a) Definitions.—For purposes of this subpart—

"(1) Construct.—The term 'construct' includes reconstruct and erect, and the term 'construction' includes reconstruction and erection.

"(2) Construction period.—The term 'construction period', when used with respect to any item of property described in section 60(a)(1), means the period—

"(A) beginning on the date on which construction of the building or other improvement begins; and

"(B) ending on the date on which the item of property is ready to be placed in service or is ready to be held for sale.

"(3) Residential real property.—The term 'residential real property' means property which is or can reasonably be expected to be—

"(A) residential real property as defined in section 167(j)(2)(B), or

"(B) real property described in section 1221(1) held for sale as dwelling units (within the meaning of section 167(k)(3)(C)).

"(4) Low-income housing.—The term 'low-income housing' means—

"(A) property with respect to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, or housing financed or assisted by direct loan or tax abatement under similar provisions of State or local laws, and with respect to which the owner is subject to the restrictions of section 1039(b)(1)(B), or

"(B) dwelling units held or to be held (pursuant to commitments) for occupancy by families or individuals eligible to receive subsidies under section 8 of the United States Housing Act of 1937, as amended, or under the provisions of State or local law authorizing similar levels of subsidy for lower income families.

In the case of a building (or the portion of a building devoted to dwelling units), if 85 percent or more of the dwelling units are units described in subparagraph (B), such building (or portion thereof) shall be treated as low-income housing.

"(5) Farming.—The term 'farming' means the cultivation of land or the raising or harvesting of any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of animals. For purposes of the preceding sentence, trees shall be treated as an agricultural or horticultural commodity.

"(6) Exploratory well.—The term 'exploratory well' means any well—

"(A) each point on which, at the time such well is completed, is more than 2 miles from the nearest point on the nearest producing well, or

"(B) which—

"(i) is completed 2 years or more after the completion of the last producing well which does not meet the requirements of subparagraph (A), and

"(ii) the taxpayer establishes (in the manner provided in regulations prescribed by the Secretary) by maps and other evidence that the well will not tap any reservoir from which there has been significant oil or gas production

Subparagraph (B)(ii) shall be treated as not having been met with respect to any well if, on completion of such well, the bottom hole pressure or any other evidence indicates that there has been significant oil or gas production from any reservoir tapped by such well.

"(b) Special Adjusted Gross Income Rule for Farming.—

"(1) Accelerated deductions not deferred where nonfarm adjusted gross income for taxable year does not exceed $20,000.—In the case of any individual (other than a trust), this subpart shall not apply to deductions attributable to a class of property described in section 60(a)(3) if the individual's nonfarm adjusted gross income for the taxable year does not exceed $20,000.

"(2) Phaseout between $20,000 and $40,000.—In the case of any individual (other than a trust), this subpart shall not apply to so much of the excess for the taxable year of the accelerated deductions described in section 60A(c) over the net related income from farming as does not exceed the excess of $40,000 over such individual's nonfarm adjusted gross income for the taxable year.

"(3) Nonfarm adjusted gross income defined.—For purposes of this section, the term 'nonfarm adjusted gross income' means adjusted gross income computed without regard to income or deductions attributable to the business of farming.

"(4) Married individuals filing separate returns.—In the case of a married individual filing a separate return for the taxable year, in applying paragraph (1) or (2) the items referred to therein of both spouses shall be combined. For purposes of this paragraph, marital status shall be determined under section 143.

"(c) Subpart Not To Apply to Certain Real Property.—

"(1) In general.—This subpart shall not apply to real property the construction period for which begins before January 1, 1976.

"(2) Residential real property.—In the case of residential real property, this subpart shall not apply to real property if—

"(A) before January 1, 1977, (i) the taxpayer has acquired the site (or has a binding option to acquire the site), and (ii) there is a firm commitment for the permanent financing of the property which (except for a clause under which the borrower may be relieved from his commitment if he does not receive the rezoning for which he has applied before January 1, 1977) is binding on both the lender and the borrower, and

"(B) the construction period for such property begins before January 1, 1978.

"(3) Low-income housing.—In the case of low-income housing, this subpart shall not apply to real property if—

"(A) before January 1, 1979, there is a subsidy commitment to support new construction or substantial rehabilitation under section 8 of the United States Housing Act of 1937, as amended (or under the provisions of State or local law authorizing similar levels of subsidy for lower income families) and such commitment was made before the beginning of the construction or rehabilitation of such property, and

"(B) the construction period for such property begins before January 1, 1981.

"(4) Coordination with section 167 (k).—For purposes of this subpart, any expenditure incurred before January 1, 1978, to which section 167(k) (relating to depreciation of expenditures to rehabilitate low-income rental housing) applies shall not be treated as an accelerated deduction.

"(d) Other Special Rules.—

"(1) Deduction or income attributable to more than one class of property.—If any deduction or income is attributable to more than one class of LAL property, such deduction or income shall be allocated to one of such classes or among such classes in accordance with regulations prescribed by the Secretary.

"(2) Determination of straight line depreciation for leased property.—In determining what depreciation would have been for leased property under the straight line method, rules similar to the rules provided by section 1250(b)(2) shall apply.

"(3) Partnerships.—For purposes of this subpart—

"(A) Items treated as held directly by partners.—Any item of property held by a partnership shall be treated as held by each partner in accordance with his distributive share of the taxable income or loss (whichever applies) of the partnership for the taxable year.

"(B) Disposition of partnership interests.—The disposition of any partner's interest in the partnership shall be treated as a disposition of the partner's interest in each item of property.

"(4) Coordination with certain other provisions.—This subpart shall be applied after section 461(g) (relating to accrual of prepaid interest), after section 464 (relating to deductions limited to amount at risk in case of films, livestock, and certain crops), and after the second sentence of section 263(c) (relating to intangible drilling and development costs)."

(2) 10-year spread of adjustments where taxpayer changes to accrual method of

accounting with respect to farming.—If, for his first taxable year ending after December 31, 1975, a taxpayer referred to in section 59(b)(2) of the Internal Revenue Code of 1954 computes his taxable income from farming on an accrual method of accounting and with the capitalization of preproductive expenses described in section 60A(c)(1) of such Code, and if such method of accounting constitutes a change in his method of accounting with respect to his taxable income from farming, then—

(A) such change shall be treated as having been made with the consent of the Secretary of the Treasury,

(B) for purposes of section 481(a)(2) of such Code, such change shall be treated as a change not initiated by the taxpayer, and

(c) under regulations prescribed by the Secretary of the Treasury or his delegate, the net amount of the adjustments required by section 481(a) of such Code to be taken into account by the taxpayer in computing taxable income shall (except as otherwise provided in such regulations) be taken into account in each of the 10 taxable years beginning with the year of change.

(f) Taxes Taken Into Accounts in Case of Accumulation Distribution by Trusts.—Section 666(b) (relating to total taxes deemed distributed) is amended by adding at the end thereof the following new sentence: "For purposes of this subsection and subsection (c), if the taxes imposed on the trust for any taxable year are imposed by section 55 (relating to minimum tax on individuals), the taxes deemed imposed on the trust for such taxable year shall be the taxes which would have been imposed on the trust for such taxable year by section 1 if this title did not contain section 55."

(g) Modification of Net Operating Loss in Case of Individuals Subject to Minimum Tax.—Section 172(d)(4) is amended by adding at the end thereof the following new sentence: "If a tax under section 55 is imposed on the taxpayer, the deductions allowable under this paragraph shall not exceed the amount of any such deductions which are allowable under section 62 plus the amount of the taxpayer's investment expense adjustment (determined under section 55(d)(1))."

(h) Conforming Amendments.—

(1) Paragraph (5) of section 5(a) (relating to cross references relating to tax on individuals) is amended to read as follows:

"(5) For minimum tax for individuals, see section 55."

(2) Paragraph (3) of section 46(a) (defining liability for tax) is amended by striking out "section 56" and inserting in lieu thereof "section 55 or 56".

(3) Paragraph (3) of section 50A(a) (defining liability for tax) is amended by striking out "section 56" and inserting in lieu thereof "section 55 or 56".

(4) Subsection (d) of section 443 (relating to adjustment in exclusion for computing minimum tax for tax preferences) is amended by striking out "the $30,000 amount specified in section 56 (relating to minimum tax for tax preferences), modified as provided by section 58," and inserting in lieu thereof "the $10,000 amount specified in section 55 (relating to minimum tax for individuals), modified as provided by section 58, or the $30,000 amount specified in section 56 (relating to minimum tax for corporations)".

(5) Paragraph (1) of section 871(b) (relating to tax on nonresident alien individuals) is amended by inserting ", section 55," after "section 1".

(6) Section 877(b) (relating to expatriation to avoid tax) is amended by inserting ", section 55," after "section 1".

(7) Subsection (a) of section 901 (relating to allowance of credit for taxes of foreign countries and of possessions of the United States) is amended by striking out "section 56" and inserting in lieu thereof "section 55 or 56".

(8) Paragraph (1) of section 6015(c) (defining estimated tax) is amended by striking out "section 56" and inserting in lieu thereof "section 55 or 56".

(9) Paragraph (1) of section 6654(f) (relating to tax computed after applications of credits against tax) is amended by striking out "section 56" and inserting in lieu thereof "section 55 or 56".

(10) Section 6362(b)(2)(A) (relating to qualified individual income taxes) is amended by striking out "section 56" and inserting in lieu thereof "section 55".

(i) Clerical Amendment.—The table of sections for subpart A of part VI of subchapter A of chapter 1 is amended by striking out the item relating to section 56 and inserting in lieu thereof the following:

"Sec. 55. Minimum tax for individuals.

"Sec. 56. Minimum tax for corporations."

(j) Effective Date.—

(1) In general.—Except as otherwise provided in this subsection, the amendments made by this section shall apply with respect to items of tax preferences (as defined in section 57(a) of the Internal Revenue Code of 1954) for taxable years beginning after December 31, 1975. In the case of a taxpayer other than a corporation, the amount of any tax carryover under section 56(c) of the Internal Revenue Code of 1954 from a taxable year beginning before January 1, 1976, shall not be allowed as a tax carryover for any taxable year beginning after December 31, 1975.

(2) Special rules for lease property.—

(A) In general.—In the case of property described in section 60(a)(2) of the Internal Revenue Code of 1954, the amendments made by subsection (e) shall not apply with respect to—

(i) leases entered into before September 11, 1975;

(ii) leases where the property was ordered by the lessor or lessee before March 11, 1975, and such property is placed in service before January 1, 1976; and

(iii) leases where the lessor is a partnership formed before September 11, 1975, for the purpose of acquiring and leasing personal property, the property was ordered before September 11, 1975, by the person who becomes the lessee, and the property is placed in service before January 1, 1976.

(B) Holding of interest for purposes of subparagraph (a)(i).—Subparagraph (A)(j) shall apply only to taxpayers who held their interests in the property—

(i) on September 11, 1975, or

(ii) in the case of property placed in service before January 1, 1976, on December 31, 1975.

(C) Holding of interests for purposes of subparagraph (a)(ii) and (iii).—Clauses (ii) and (iii) of subparagraph (A) shall apply only to taxpayers who held their interests in the property on December 31, 1975.

(3) Special rule for movies and video tapes.—

(A) In general.—In the case of property described in section 60(a)(4) of the Internal Revenue Code of 1954, the amendments made by subsection (e) shall not apply to—

(i) deductions for depreciation or amortization with respect to property the principal production of which began before September 11, 1975, and for the purchase of which there was on September 11, 1975, and at all times thereafter a binding contract, and

(ii) deductions attributable to producing, distributing, or displaying property the principal production of which began before September 11, 1975.

(B) Exception for certain agreements where principal photography begins before 1976.—In the case of property described in section 60(a)(4) of the Internal Revenue Code of 1954, the amendments made by subsection (e) shall not apply to deductions attributable to the producing of a film the principal photography of which began on or before December 31, 1975, if—

(i) on September 10, 1975, there was an agreement with the director or a principal motion picture star, or on or before September 10, 1975, there had been expended (or committed to the production) an amount not less than the lower of $100,000 or 10 percent of the estimated costs of producing the film, and

(ii) the production takes place in the United States.

Subparagraph (A) shall apply only to taxpayers who held their interests on September 10, 1975. Subparagraph (B) shall apply only to taxpayers who held their interests on December 31, 1975.

(4) Treatment of depreciation and amortization.—For purposes of this subsection, any amount allowed or allowable for depreciation or amortization for any period shall be treated as an amount paid or incurred for such period.

(5) Special rule for groves, orchards, and vineyards.—The amendments made by subsection (e) shall not apply to that part of a grove, orchard, or vineyard which was planted before September 11, 1975.

(6) Special rule for sports franchises.—In the case of property described in section 60(a)(6) of the Internal Revenue Code of 1954, the amendments made by subsection (e) shall not apply in the case of franchises established or transferred on or before November 4, 1975, (or pursuant to a binding contract in existence on such date and at all times thereafter).

Page 82, strike out line 1 and all that follows down through line 21 on page 92.

SENATE—*Friday, November 14, 1975*

The Senate met at 8:50 a.m. and was called to order by Hon. Quentin N. Burdick, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Creator, and Father of our spirits, who hast given unto us the gift of life, bless us this new day as we undertake the work which has been laid upon us. We thank Thee for eyes and hands and brains and mouths with which to do our work, and for friends and comrades who share the burdens of the day. Though the hours are crowded and the toil tedious preserve in us the spirit of the Man of Nazareth who went about doing good. May our completed work be the tribute of thanksgiving we bring to Thee when the day is done. As the shades of night overtake us grant us Thy peace.

Through Jesus Christ our Lord. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 14, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 13, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session today except the Committee on the Judiciary.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the calendar beginning with U.S. Army.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

U.S. ARMY

The second assistant legislative clerk read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

GENERAL SERVICES ADMINISTRATION

The second assistant legislative clerk read the nomination of Jack M. Eckerd, of Florida, to be Administrator of General Services.

Mr. RIBICOFF. Mr. President, I move the confirmation of Jack M. Eckerd to be Administrator of General Services.

The committee received this nomination on October 21, and public hearings were held on October 31 and November 13.

Appearing in support of the nomination were both Senators from Florida, Senators CHILES and STONE, both of whom praised him and recommended his confirmation on the ground that he is a self-made, successful businessman, and would be an Administrator of talent and ability.

Appearing in opposition were Mr. Sam Fields, legislative representative of the Americans for Democratic Action, and former Gov. Claude Kirk of Florida.

Mr. Fields opposed the nomination primarily on the ground of Mr. Eckerd's alleged activities during his 1970 primary race against Governor Kirk for the Republican gubernatorial nomination. The principal allegation revolved around Mr. Eckerd's role in authorizing, financing and selling a paperback book, "Claude Kirk: Man and Myth," with particular reference to the use of campaign funds for such purposes and possible failure to comply with Florida campaign financing laws. Questions have been submitted to Mr. Eckerd regarding these issues and he has responded to them.

An additional issue which was raised with respect to Mr. Eckerd's fitness for the appointment related to two advertisements which appeared in Florida newspapers on November 3 and 4, 1974, during his unsuccessful campaign for the U.S. Senate against Senator RICHARD STONE. These advertisements were alleged to constitute an appeal to religious and racial prejudice

Responding to my questions on this matter during the hearings, Mr. Eckerd stated that he was not aware of the advertisements and did not see them prior to their release; nor was he aware that they were to be run. He freely admitted that they were wrong and that they had no place in a political campaign and he apologized for it. The director of the Washington office of the anti-defamation league, Mr. David Brody, stated that the league was satisfied with the statement made by Mr. Eckerd with respect to the advertisements.

Mr. Eckerd has the requisite qualifications for this office, and I ask that the nomination be approved.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NATIONAL STUDY COMMISSION ON RECORDS AND DOCUMENTS OF FEDERAL OFFICIALS

The second assistant legislative clerk read the nominations of Lucius D. Battle, of the District of Columbia, Herbert Brownell, of New York, and Ernest R. May, of Massachusetts, to be members of the National Study Commission on Records and Documents of Federal Officials.

Mr. RIBICOFF. Mr. President, the following three persons were nominated by the President, on September 9, 1975, to be members of the National Study Commission on Records and Documents of Public Officials:

Lucius D. Battle, District of Columbia; Herbert Brownell, New York; and Ernest R. May, Massachusetts.

A hearing on these nominations was held on October 31, 1975.

The National Study Commission was established by title II of the Presidential Recordings and Materials Preservation Act (Public Law 93-526, Dec. 19, 1974). It is composed of 17 members who are directed to study problems and questions with respect to control, disposition, and preservation of records and documents of Federal officials and to develop recommendations with respect thereto. The Commission is directed to make its report to the President and the Congress not later than March 31, 1976, and will cease to exist 60 days after the transmittal of its report.

Of the 17 members, three are appointed by the President, subject to Senate confirmation, and these three are required by the statute establishing the Commission to be specially qualified by virtue of their education, training, or experience, to serve on this Commission and they must not be Government officers or employees.

An examination of the qualifications of these gentlemen reveals that they appear to be eminently qualified and are not presently Government officers or employees.

Mr. Brownell is senior partner in a distinguished law firm, Lord, Day and Lord, and a former Attorney General of the United States. President Ford has announced his intention to designate Mr. Brownell as Chairman of the Commission upon his confirmation by the Senate.

Mr. Battle is senior vice president of the Communications Satellite Corporation—COMSAT—a former career foreign service officer, a former Ambassador and Assistant Secretary of State.

Professor May is a distinguished historian who has been a member of the history faculty at Harvard University since 1954, and has served as a consultant to the Historical Office of the Department of the Air Force, the Rand Corp. and the Institute for Defense Analyses. Since 1974, he has been a consultant to the Office of the Secretary of Defense and the National Endowment for the Humanities.

Full biographical details have been inserted in the RECORD of the hearings.

I ask that the nominations be approved.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, in the Army, in the Navy, and in the Marine Corps, placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

DEPARTMENT OF DEFENSE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nomination of Mr. Edward Alan Miller, be taken up, as well.

The second assistant legislative clerk read the nomination of Edward Alan Miller of Massachusetts to be an Assistant Secretary of the Army.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I request that the President be notified.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXTENSION OF THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973

Mr. MANSFIELD. Mr. President, on behalf of the distinguished Senator from Washington (Mr. JACKSON) and myself I send to the desk a bill and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2667) to extend the Emergency Petroleum Allocation Act of 1973.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be considered as having been read the second time at length, and the Senate will proceed to its immediate consideration.

Mr. MANSFIELD. Mr. President, the purpose of this bill is to extend the extension by another 30 days because it will be an impossibility for the staffs to complete the work on the conference report by this Saturday. I understand it meets with the approval of all parties concerned as well as the administration.

Mr. GRIFFIN. Mr. President, I would like to confirm what the majority leader has said. This is a simple extension made necessary, in part at least, because the conference agreement is so complicated and there is so much detail involved that the staff is not expected to have the papers ready before the end of next week. It will be another week after that, at least, before the Senate will be able to take it up or at least get to a consideration of it.

This matter has been discussed by the minority members who participated in the energy conference and, as has been indicated, there is no objection.

The bill (S. 2667) was considered, ordered to a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(g)(1) of the Emergency Petroleum Allocation Act of 1973 is amended by striking out each date specified therein and inserting in lieu thereof in each case "December 15, 1975".

SEC. 2. The amendments made in the first section of this Act to the Emergency Petroleum Allocation Act of 1973 shall take effect at midnight, November 15, 1975.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, appoints the Senator from Utah (Mr. Moss) to the Assembly of Western European Union, to be held in Paris, France, December 1–5, 1975.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the acting minority leader ask to be recognized?

Mr. GRIFFIN. No.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CONSEQUENCES OF A NEW YORK CITY DEFAULT

Mr. PROXMIRE. Mr. President, yesterday morning I spoke on the progress that New York City has made in reducing its spending, cutting back on the number of its employees; I pointed out they have reduced more than 10 percent of their employees from their payroll since the beginning of this year. They have plans to cut 8,000 more, and within less than 2 years they will have cut more than 20 percent, and they will have fewer employees per capita than any major city in the country. I think this is exactly what default would have achieved, and would have achieved it, of course, with much greater pain, not only for New York but considerable risk to the country.

I think the difficulty with this matter is that people have concentrated on what is wrong with the program we proposed to avoid default, and have failed to recognize the very, very great consequences of default and the great risk involved. That is what I want to speak about briefly this morning.

The issue is not whether the city must reform its financial situation but whether it will be allowed to do this without a default or bankruptcy, or whether it will first be forced into default and bankruptcy and then reform its financial situation and institutions.

The reason this Senator and a majority of the Senate Banking Committee have opted for trying to help New York City before default is because the consequences of default are so grave, the problems caused by default are so unknown, and the burden on the Federal Government so much greater if New York defaults than if she does not default. The no-default route is the better route for both New York and the United States.

REASONS

Here are some of the reasons and some of the problems which default could cause.

First, by our calculations, the Federal Government's role will be over by June of 1980 if we go the no-default route the committee proposes in our bill. At that point, the Federal guarantee would be out of the picture.

But if default ensues, we believe that the Federal Government will still be guaranteeing New York's short-term financing to the tune of at least $6.5 billion as of 1980.

I ask unanimous consent that a summary on this point prepared by the staff of the Banking Committee be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF NEW YORK CITY'S BORROWING NEEDS WITH AND WITHOUT BANKRUPTCY—DEC. 1, 1975, THROUGH JUNE 30, 1980

[In billions of dollars]

	Bankruptcy	*No bankruptcy*
I. Current borrowing needs:		
1. Operating deficit	$1.0	$1.0
2. Capital Program	5.0	5.0
3. Roll over of short term debt	2.8	2.8
Sub-total	8.8	8.8
II. Adjustments to Needs:		
1. Tax erosion	0.3	
2. MAC stretch out		–0.9
3. State tax		–0.3
4. State advance		–0.8
Sub-total	0.3	–2.0
III. Net Borrowing Need	9.1	6.8
IV. How Financed as of 6/30/80:		
1. Non-guaranteed long term	2.6	6.8
2. Federally guaranteed short term	6.5	0
Total	9.1	6.8

NEW YORK CITY'S BORROWING NEEDS WITH AND WITHOUT BANKRUPTCY

ASSUMPTIONS

Any comparison of New York City's borrowing needs with or without bankruptcy depends critically on a number of assumptions. The following assumptions were made by the staff of the Senate Committee on Banking, Housing and Urban Affairs in consultation with State and City officials and the financial community. In the judgment of the staff, these assumptions are as reasonable as one can make, while recognizing the high degree of uncertainty with regard to any assumption.

1. *Budget Cuts.* It is assumed that a bankruptcy judge will not be able to require any budget cuts beyond those already contained in the financial plan approved by the State Emergency Financial Control Board. This plan contemplates a cut of more than 20% in the controllable portion of the City's budget after allowing for inflation. It is further assumed that any reductions in pension costs will have to be negotiated with the City's employee unions whether or not the City is in bankruptcy. Accordingly, the City's operating deficit and capital program are assumed to be the same with bankruptcy and without bankruptcy. (Columns (1) and (2).)

2. *Tax Erosion.* It is assumed that because of bankruptcy, the City's tax revenues will fall off by $500 million during the remainder of fiscal year 1976 due to creditors withholding payments as offsets against their claims and to a general decline in business activity. It is further assumed that the City will recover $200 million of the shortfall during fiscal year 1977 and raise taxes to offset any permanent tax loss over the five year period. (Column (5).)

3. *Payment of Debt Service.* It is assumed that the City will continue all debt service payments in bankruptcy because of a State

constitutional provision which links debt service payments to real estate taxes. Any deferral of debt service payments would result in a dollar for dollar tax loss and thus be self-defeating. If the City were somehow able to get around this Constitutional requirement, it could save $2.8 billion in payments toward principle on its long term debt over the five year period. On this assumption, the amount of Federally guaranteed obligations outstanding at the end of the five year period would decline from $6.5 billion to $3.7 billion. (Column (11), Case I.)

4. *Stretch-out of MAC debt.* The Senate bill requires as a condition for guarantee assistance that the holders of 65% of MAC's debt agree to a stretch-out at lower rates. These agreements will reduce the City's payments to MAC by about $925 million over the five-year period. It is assumed that a similar stretch-out could not be effected if the City is in bankruptcy. MAC is a State agency and would not be subject to the court's jurisdiction if it did not default on its debt. Moreover, there is no reason to assume the holders of these obligations would agree to a voluntary stretch-out once the City is in bankruptcy. (Column (6)).

5. *State Tax.* The Senate bill requires that New York State raise taxes to pay for one-half of the City's operating deficit. It is assumed that this requirement could not be imposed on the State if the City were in bankruptcy. (Column 7).

6. *State Advance.* It is assumed that the State will follow through on its plan to advance the City $800 million in State aid payments during the spring of 1976 if the City is not in bankruptcy. It is further assumed that the State will be unwilling or unable to borrow the money needed to make the advance payment if the City is in bankruptcy. (Column (8)).

7. *Marketability of Debt Certificates.* It is assumed that under bankruptcy, the City will be unable to market any debt certificates during the five year period without a federal guarantee. (Column (11), Case I).

8. *Rollover of Short-term City Debt.* It is assumed that under bankruptcy, a court will approve a plan requiring all of the holders of the City's short-term debt ($2.6 billion) to accept long-term non-guaranteed bonds in lieu of cash. In the non-bankruptcy case, it is assumed that the holders of $1.2 billion of the City's debt maturing before June 30, 1976 will voluntarily agree to exchange their notes for long term bonds as required by the Senate bill. (Column (10)).

9. *Marketability of City Debt Without Bankruptcy.* It is assumed that if the City averts default and bankruptcy, it will gradually be able to sell its long term bonds in the private market without federal guarantee assistance and that the need for such assistance can be phased out by June 30, 1980. (Columns (10) and (11), Case II).

Mr. **PROXMIRE**. Mr. President, second, if we go the no-default route—that is, if we pass the committee bill—we will be out of it by June 30, 1980, as I said, but if New York City defaults we believe the Federal Government will still be aiding the city or guaranteeing its loans to the year 2000—during the lifetime of almost all of us here in the Senate.

So in terms both of the amount of the aid and the length of the aid the Federal Government will be a party to the situation for a much shorter period under the Senate Banking Committee's bill than if New York City defaults.

Third, there is the problem of outright chaos in New York City if default comes. Here is why.

If default occurs, New York City will need at least $1.2 billion in the first few weeks even if she does not pay 1 cent to her creditors.

Where will she get the money? She will not be able to borrow.

Even if a bankruptcy court judge creates new tax anticipation certificates, we can expect litigation over those for years. Who will buy them? And are they to take precedence over the existing bond and noteholders? If they do, that question will be litigated for months and years to come. In fact the New York City attorneys tell us that even under the best possible bankruptcy statute, as nothing like this has ever happened before, it could be weeks or months or even years before the city could secure any financing at all.

We might say the Federal Government comes in with a guarantee. Well, that would have to take precedence over creditors. They would come in and plead to set aside that and the experts we have consulted say there is considerable reason to think the judge would have to take that into consideration.

When I say creditors, Mr. President, I mean hundreds of thousands of creditors. The number is enormous.

The task, under these circumstances, would be extremely difficult. It would literally have to be weeks before such a guarantee or such a direct loan, if it got precedence, could be worked out by a court.

Under those circumstances, the likelihood is that a direct grant by the Federal Government would probably be essential to make sure that essential services in New York City could carry on.

Mr. President, what happens during this time?

The police and firemen may be paid from existing funds. But where does the city cut its budget by $1.2 billion immediately?

The last priority we could figure was the schools, because those are not life-support services. Schools have been closed in other cities before for months at a time, but it would appear New York might have to take that grim course and have 1 million children on the streets. She may have to close her schools. She may have to provide nothing more than emergency services at the hospitals. She may have to cut her 20 percent contribution to welfare payments, in which case, the Federal Government under the law would have to curb those contributions. She may have to cut the pay and number employed on the buses and subways.

As I say, she is cutting back very sharply right now.

REVENUES FALL

Meanwhile, what happens to her tax revenues? Do they remain the same? If the city has no funds to pay for electricity, the electrical company will no doubt withhold payment of taxes to the city. The food vendors who supply meals to the hospitals may well withhold their property tax payments from the city until they are paid for the food.

Under New York State's constitution much of the property tax must be used to pay off debt. If the city reneges on its debt payments can it legally collect its property taxes? And if it tries to do so will not hundred of landlords say "sue me" before they come through with their payments? They can under the constitution in New York.

If the city reneges on its welfare payments who will supply the food for the needy? Who will pay their rent? Will they be turned out into the street?

CHAOS OR UNCLE SAM

The answer is that there will probably either be a very grim and difficult situation in the city or that Uncle Sam will have to provide billions of dollars in a grant to meet the health, safety, and welfare needs of New York City.

And beyond that, even if New York overcomes her problems and arrives at a balanced budget 5 years or 10 years after default, there are more than 30 States where she will even then be unable to sell her bonds for 5 or 10 or even 20 years to come. The reason is that State after State will not allow a bank, an insurance company, a trustee of an estate, and others in fiduciary positions to buy the financial instruments of those institutions which have been bankrupt.

For all these reasons, as well as the effect that a New York City default could have on the State, on other States and municipalities, and on the municipal bond market, default would be crippling.

STUDIES SUPPORT PROBLEM

It is the serious and considered opinion of a majority of the Senate Banking Committee that we should do everything we can to work out this problem short of default.

I might point out, Mr. President, virtually every member of the committee was opposed to anything like a bailout, anything like a soft road to follow.

These are Senators who get the same mail every other Senator gets from home and they have talked to constituents.

We know there is resistance to what New York has done and the feeling she should follow a tough path of discipline and Spartan behavior, and I think our banking committee bill represents the most responsible course.

Mr. President, both Mr. Cyrus R. Vance, a most distinguished former Government servant and now the president of the Association of the Bar of the City of New York, and Mr. Ira Millstein, who has been retained by the city of New York to work on the problems of default, have gone into the consequences of default in great detail. I ask unanimous consent that a release by Mr. Vance and a memorandum prepared by Mr. Millstein, be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

News Release

New York, November 7.—Cyrus R. Vance, President of The Association of the Bar of the City of New York, and Robert B. McKay, Chairman of the Association's Executive Committee and former Dean of the New York University School of Law, today issued the following statement dealing with the possible consequences of New York City going into bankruptcy. The statement reflects the unanimous views of the Association's Executive Committee:

The ominous consequences of default by New York City have been described by public officials, legislators, financial experts and businessmen. They have underscored the potential domino effect of such a default on the other cities, states, and business enterprises throughout the country, and the adverse effect a default would have on the nation's economic recovery.

It would be a grave mistake to assume that these consequences would be avoided by bankruptcy. Indeed, the difficulties would be multiplied.

It is little understood that the New York State bankruptcy law is wholly inadequate to cope with such an event and may be in whole or in part unconstitutional. Moreover, there is no present federal law that even could deal adequately with a municipal bankruptcy of such magnitude involving so many thousands of creditors.

Even if a new federal bankruptcy statute should be enacted, which we believe should be done, no one can predict the problems involved in a bankruptcy of this complexity and dimension.

Although there have been municipal bankruptcies, there is no precedent for a bankruptcy of a city the size of New York. The average amount of debt involved in the bankruptcies of the 27 municipalities concluded under the present federal bankruptcy law firms from 1938 to 1971 was less than $800,000. Total New York City liabilities are estimated at $13 billion. Should the bankruptcy of the City lead to default by the State, it has been estimated that the total liabilities would be about $26 billion.

Neither lawyers nor financial experts have answers to a host of problems which would arise in the event of New York City's bankruptcy, even under an ideal statute. For example:

Would taxpayers to whom the City owes money refuse to pay taxes? Consolidated Edison has already suggested this possibility.

The liabilities of New York City include obligations for borrowed money, obligations to vendors, obligations for wages and obligations under contracts. Certain of these obligations may have priority lien or other special status. Would it be a federal judge or the City who would determine which of these obligations would be honored in full, which in part, and in what order? On what basis would this be done?

If it should be determined that existing contracts or collective bargaining agreements must be modified, would such changes be constitutional?

If not all existing municipal services can be maintained, on the basis of whose priorities would a federal judge decide which services are essential, and at what level? Police? Fire? Sanitation? Education? Welfare? Transportation? Courts? Hospitals? Water supply?

Will companies providing goods and services continue to extend credit to the City, or will cash be demanded in advance, thus causing further cash drain to the City?

Would New York City be able to meet its anticipated requirements for borrowing after the commencement of a bankruptcy proceeding? The almost certain reduction in City revenues in the event of bankruptcy would increase the need for city borrowings with federal guarantees and would therefore involve the federal government to a greater extent than if there were a guarantee without bankruptcy.

How can the City meet the shortfall of revenues if bonds cannot be sold? It would appear that the only buyer of city debt certificates would be the federal government itself.

As lawyers we are familiar with the complexities of large commercial bankruptcies. The complexity and magnitude of a municipal bankruptcy proceeding involving the City of New York, however, staggers the imagination. At the very minimum resolution of all the untested issues would produce thousands of costly law suits, clogged courts and interminable delays.

No one but the army of lawyers who would be employed to grapple with these problems would have anything to gain. Lawyers don't need this. Neither does the City, which is making a strenuous effort to put its house in order.

The bankruptcy of New York City should be avoided if humanly possible. Federal policy should be designed to help New York restore its credit, not to allow bankruptcy to harm its credit. We believe that the better, the less costly, indeed the humane solution, is a federal guarantee coupled with appropriate conditions and controls.

Default, Some Problems, and Litigation—A Discussion Memorandum Prepared for the City of New York

("Default" as referred to herein is the filing of a petition in court by the City of New York asserting its insolvency or inability to pay its debts as they mature, and its desire to effect a plan to adjust its debts.)

A. SOME IMMEDIATE PROBLEMS UPON FILING A DEFAULT PETITION

1. Administrative and Operational Problems

a. Obtaining ongoing vendor credit for food, materials, supplies, etc.

b. Securing interim financing to cover immediate operating shortfalls (from whom, how much, how quickly, and on what terms?)

c. Stabilizing the City's operations (e.g., assurances to citizens re levels of protective and other services; assurances to employees re status and salaries; assurances to recipients of services such as welfare, medical, day care, etc.)

d. Total diversion of executive time from regular functions.

e. Attempting to evolve priorities for various services and activities depending upon uncertain projected levels of income and possibly developing scrip plans or other alternatives, if operating shortfalls are not met and, therefore, existing levels of service and activity cannot be maintained.

2. Applications to Modify Stay of Suits

The filing of the petition operates to stay all suits against the City. There are literally thousands of litigations pending against the City. There will be an immediate flood of applications by litigants seeking to annul or modify the stay as to their respective litigation. A series of hearings will have to be held promptly to determine the broad classes of suits which should proceed (e.g., negligence, tax certiorari, other special proceedings). These hearings will occupy considerable court time in the initial stages.

3. Will the court permit the City to use the revenues it is receiving for "essential services" while litigation relating to United States and State constitutional and statutory construction problems proceed (see "C" below) particularly as many of the litigation issues involve the very question of who has a right to "first revenues" received by the City.

4. Confusion and litigation as to who will represent the hundreds of thousands of creditors. Creditors will have to be broken into a variety of classes, about which classes there will be dispute. Lawyers will have to be selected for the various classes. It is not difficult to envision initial creditors' meetings being held in Shea Stadium. It may take months to settle organizational problems.

5. Beginning to Prepare a Plan of Composition

a. The first need in developing a plan is to have something resembling an accurate cash flow projection. Problems:

(1) how to project the effect of default on tax revenues.

(2) how to project the effect of default on all other sources of income such as federal and state revenue sharing and grant arrangements.

(3) how to project the effect on revenues after default of set-offs by creditors such as banks and taxpayers.

It may take months or years to determine the long-range effect of default on the revenue stream and this will impede the ability to develop a plan of composition.

b. It may take years of litigation to determine the priorities as between various creditors (see "C" below) and this too will impede the ability to develop a plan of composition.

B. SOME GENERAL PROBLEMS UNDER A NEW FEDERAL BANKRUPTCY STATUTE—REGARDLESS OF HOW DRAFTED

1. The certificate of indebtedness

a. Will the court uphold the provisions for issuance of certificates as constitutional, or will it hold that their issuance is an interference with the state under the 10th amendment to the United States Constitution?

b. To what extent can the court intervene in fixing total amounts to be raised through use of certificates and the uses to which the proceeds are put, and thereby indirectly become involved with the business of the City's governance (all of this puts to one side the question of whether or not such certificates can be marketed in the first place)?

c. To what extent will existing creditors litigate these issues and delay use of the certificates for immediate interim needs?

2. Are the priorities set out in the proposed statute constitutional (e.g., is it constitutional to provide that vendors who have sold to the City within the two months prior to default have priority over so-called secured creditors)?

3. Are provisions permitting the court to effectuate a plan of composition without creditor approval (the so-called "cram-down" provisions) constitutional in these circumstances? If a "cram-down" provision were ultimately used to attempt to obtain confirmation of a plan, litigation concerning its application, alone, could consume years. On the other hand, absence of a "cram-down" provision might mean no plan could ever be approved.

4. Are "anti-set-off" provisions constitutional?

5. Should the City seek to avail itself of provisions dealing with the rejection of executory contracts such as collective bargaining agreements, and the like, the ensuing litigation would be of significant complexity, and could cause a lengthy delay in developing a plan of composition.

6. Will the 10th amendment affect the statute's effort to assert jurisdiction over the City's assets wherever located?

7. Are provisions making unenforceable certain contract clauses—such as bankruptcy clauses—constitutional?

8. The statute envisions the classification of creditors for priority purposes in a plan of composition. One can anticipate complex litigation on the issue of priority since the hierarchy of creditors is of critical significance to all concerned. Aside from obvious questions relating to priorities as between bondholders and noteholders, there are other questions such as the position of many other creditors including employees, landlords, vendors, etc.

C. SOME SPECIAL PROBLEMS DURING PENDENCY OF THE ATTEMPT TO DEVELOP A PLAN

1. There are State constitutional limitations on the amount and type of permitted debt. Under the 10th amendment, contentions may be made that a federal statute cannot preempt these limitations, and, accordingly, that both the plan of composition as well as any interim financing have

to comply with these limitations. This may be a source of litigation.

2. The State constitution contains certain provisions regarding the use of "first revenues" received for debt and debt service under certain circumstances. These constitutional provisions may raise a number of litigable issues among which are:

a. Are these "first revenue" provisions preempted by the Bankruptcy Act or does the 10th amendment prohibit preemption?

b. Is anyone (e.g., a bondholder" covered by these provisions a "secured creditor" for priority purposes?

c. Will "offering circulars" and representations made concerning lien rights be considered by the court in construing priority status under the State constitution or otherwise?

3. There are "sinking funds" for certain types of the City's debt including: water, transit and transit unification. Roughly $1 billion may be involved.

a. Are these arrangements trusts which cannot be touched?

b. Will sinking fund contributions have to be continued following default?

c. Will these debt holders claim acceleration and seek the purported trust funds now, rather than waiting?

d. If purported trust funds have been placed in securities unsatisfactory to these debt holders, can they demand cash in lieu of those securities?

4. There are State constitutional provisions dealing with the use of City real estate taxes for operating purposes. It has been asserted that no more than 2.5% can be used for operating purposes with the balance to be applied to debt and debt service.

a. Can a federal statute preempt these limitations?

b. If not, and the City fails to service its debt, does the City lose its ability to assess more than 2.5% in real estate taxes?

c. Can revenues in excess of 2.5% be collected and escrowed to service debt in the future under a plan of composition?

5. Does the "first revenue" language of the State constitution apply to federal assistance funds and other similar sources of revenue?

6. There is detailed legal research yet to be done on the effect of default on projected revenue streams, both state and federal, emanating from reimbursement programs, revenue sharing programs, and grant programs.

7. There is detailed legal research yet to be done, and negotiations to be had, on the entire structure of the City's banking relationships should there be a default.

8. There is detailed legal research yet to be done on the agencies and authorities of the City with which the City has ongoing contractual relationships. The effect of default on these relationships is being studied.

The foregoing list is not intended to be remotely exhaustive; nor is it certain that every issue mentioned will ultimately be litigated; nor is it implied that any issue mentioned is one which must or should be litigated. The list is simply intended to give a fair impression of the types of problems and litigation which can be anticipated.

SOME CONCLUSIONS—DEFAULT PROBLEMS AND LITIGATION

1. Default legislation, in and of itself, provides no assurance of financing as the City balances its budget and attempts to evolve a plan of composition for its existing debt.

2. Should the Federal Government have to, following default, aid the City to obtain financing, as appears reasonably certain, the city will have at least some potential masters, over and above its elected officials: a state control board; a federal control board; a supervising judge; and a variety of disputatious creditors' committees. Running the City in these circumstances is hard to envision.

3. There will be vast and continued confusion and uncertainty for the citizens of the City and its service recipients.

4. There will be interminable litigation about the process of running the City, and about evolving a plan of composition.

5. The litigation will be vastly expensive, in and of itself.

6. The litigation will delay for many years a plan of composition. The Penn Central reorganization case is now in its 6th year. In the Southern District of New York, reorganization cases average 8 years in duration, and are not always successful.

7. If there is a default, the City may not be able to reenter the capital market for additional years subsequent to the period taken by the evolution and approval of a plan of composition.

Mr. PROXMIRE. Mr. President, I would also like to call the attention of the Senate to the conclusions of the very impressive statement that Mr. Millstein made in this connection:

> Default legislation, in and of itself, provides no assurance of financing as the City balances its budget and attempts to evolve a plan of composition for its existing debt.

Of course, that could take 5 or 6 years, or more. Penn Central has taken 6 years and there is nowhere near a composition now—

> Should the Federal Government have to, following default, aid the City to obtain financing, as appears reasonably certain, the City will have at least some potential masters, over and above its elected officials: a state control board; a federal control board; a supervising judge; and a variety of disputatious creditors' committees. Running the City in these circumstances is hard to envision.
>
> There will be vast and continued confusion and uncertainty for the citizens of the City and its service recipients.
>
> There will be interminable litigation about the process of running the City, and about evolving a plan of composition.
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> The litigation will delay for many years a plan of composition. The Penn Central reorganization case is now in its 6th year. In the Southern District of New York, reorganization cases average 8 years in duration, and are not always successful. If there is a default, the City may not be able to reenter the capital market for additional years subsequent to the period taken by the evolution and approval of a plan of composition.

One more point which I would like to make, Mr. President, is what happened in Detroit, because that is the closest analogy we have.

Detroit is a very large city, but much smaller than New York and the consequences of default were not as severe as far as the Nation was concerned.

But what happens when a great city goes into default?

I would like to read briefly from the report on that:

> Three aspects of Detroit's response to its emergency in 1931 and 1932 seem particularly interesting.
>
> First, Detroit had to take action with respect to its city employees. The citizens' commissions put tremendous pressures on the city to attain economies through dismissals and salary reductions. The mayor and city council seemed to oppose these actions. They were forced in late 1931, however, to reduce the number of employees and to approve a 10 percent reduction of salaries up to $4,000 and a 20 percent reduction for salaries above that level. In April 1932, the city temporarily defaulted on its payrolls because the banks refused further short-term advances until salary reductions were effected. A temporary 50 percent reduction in all salaries and prearranged credit from New York and Chicago were sufficient to carry Detroit through June 1932. In July, in order to obtain additional funds by the sale of notes or bonds, the city adopted a permanent 5-day salary ordinance which reduced salaries another 13 percent. City employees were paid at this level by means of script from July 1932 through mid-1934.
>
> Second, Detroit had to come to grips with its short-term borrowing policies. A tradition of carelessness existed with respect to such borrowing, in keeping with the general lack of financial planning in Detroit during the 1920's. Inadequate record-keeping made any careful analysis of the city's day-to-day financial transactions impossible. It was evident, however, that borrowing in anticipation of taxes included not only such borrowing as might have been made necessary by slowness in tax collections but also borrowing of substantial amounts to meet obligations incurred by the city which the current tax levy did not cover. These loans were paid off out of the following year's budget.

Mr. President, the details here are fascinating because they are so very painful. We must recognize the fact that at the time Detroit went this tough, hard, cruel route, there was no social security, no unemployment compensation, no welfare of the kind we have today, and people were literally starving if they did not have some kind of income, or they went to a soup kitchen.

Detroit was able to meet its terrible problem with great agony and great pain in the way of have described here.

The situation is so different today that I think anybody with a heart and with a mind, for that matter, would recognize that this is not the path we should follow if we possibly can avoid it. There is a way of avoiding it while at the same time imposing the kind of tough, strict discipline that New York City, we all acknowledge, does need and require.

Mr. President, I also ask unanimous consent that this report of the Advisory Committee on Intergovernmental Relations entitled "City Financial Emergencies," including the Detroit experience and other experiences in default, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

DETROIT, MICHIGAN

The case history of the financial crisis in Detroit during the 1929 depression period parallels that of Fall River in many ways. Detroit, although a much larger city, was also a "one industry town"—dependent largely on the automobile industry. When this industry faltered in the Depression, the city was faced with declining revenues at a time of rising demands for expenditures. Detroit, like Fall River, was slow to react to a changing situation and persisted in unsound financial practices. But Detroit differed from Fall River in important respects: (1) the economic decline in its dominant industry was temporary rather than permanent; (2) no State agency came to Detroit's rescue; and (3) Detroit itself acted promptly and effectively to remedy the default on its indebtedness.

Detroit's finances during this period directly relate to its economic development. The automobile industry was the principal factor in its population expansion from 285,784 in 1900, to 993,687 in 1920, to 1,568,662 in 1930. In 1930, it is estimated that about two-thirds of Detroit's employment was in the manufacture of automobiles and in related industries.

The growth in Detroit's population was closely paralleled by a growth of its wealth, real property values, bank resources, bank credits and deposits, postal receipts, mortgages recorded, and building permits. For example, assessed valuations increased from $238 million in 1900 to $3.775 billion in 1930. Clearly, Detroit was a boom city. There was presumably no end to its growth in numbers and in wealth, provided the production of automobiles continued to grow.

In an economic setting of continuous expansion, the financial problems of Detroit were taking shape. The first evidence of a break in the nearly runaway boom in real estate values occurred in the late 1920's when building activity and the transfers of real estate began to show a substantial decline. The pace of the earlier years had apparently been too rapid, creating a surplus of buildings that could not be absorbed. This caused property values created by speculation to decline. Therefore, even before the Depression, the city's property tax base showed signs of cracking.

Economic over-optimism was not the only cause of Detroit's difficulties. Services, expenditures, and bonded indebtedness mushroomed from 1900 to 1930 as shown in the figures at the bottom of this page:

Little attempt at financial planning was made prior to the mid-1920's. A long-term improvement and financial program was finally developed in 1925 by a committee of citizens appointed by the mayor, but changes in public office caused the program to be sidetracked. The program was revived two years later, but the city council failed to adopt it.

The yearly tax levy was kept constant at roughly $76 million in the late 1920's, which in turn caused increasing proportions of the city's costs to be met by the sale of bonds rather than by current taxes. Detroit's annual debt charges mounted rapidly and consumed an increasingly large proportion of the tax levy. By 1930, debt service charges had reached nearly 18.5 million, or one-fourth of the total tax levy.

The impact of the Depression was particularly severe in Detroit because of the city's spectacular growth and its dependency on the automobile industry. Detroit's total assessed valuation fell rapidly from $3.775 billion in 1930 to $2.310 billion in 1933 (its lowest level was $2.241 billion in 1935). In spite of the fact that the tax rate was increased from $20.65 per $1,000 in 1930 to $27.43 per $1,000 in 1933, the total tax levy declined. Furthermore, the amount of taxes collected in the year levied continued to decline, as shown by the following figures:

Year	Taxes levied (millions)	Taxes collected (millions)	Percent collected
1930	$76.1	$64.7	85.1
1931	76.0	57.0	75.0
1932	72.6	47.5	65.4
1933	55.7	38.2	68.7
1934	55.5	41.4	74.6
1935	54.8	44.3	80.8

Although city officials probably could have done little about their declining revenues, their reactions to rising tax delinquencies were slow. The beginnings of the tax delinquency problem were evident in the late 1920's. By that time, a citizen's committee had already been formed as a protest against the tax burden. City officials seemed unconcerned as uncollected taxes skyrocketed in the early 1930's. For example, in the 1932 budget, in spite of the fact that $19 million of the 1931 levy was uncollected, a reserve for delinquent taxes of only $1 million was set aside—an optimism about the future that in retrospect is difficult to understand.

Detroit felt the impact of the Depression directly in the rapid rise in unemployment relief payments which were primarily financed by the city until 1933. From 1930 to 1931, for example, the average monthly relief caseload rose from 10,046 to 32,127 and the relief expenditures of the city of Detroit rose from $4.7 million to $13.2 million (compared with a budget provision for $400,000).

Year	Number of city services	Gross appropriations		Tax budget		Net bonded debt	
		Amount (millions)	Per capita	Amount (millions)	Per capita	Amount (millions)	Per capita
1900	132	$4.1	$14.25	$3.7	$12.82	$4.4	$15.50
1910	170	8.3	17.84	6.9	14.68	7.3	15.55
1920	251	40.9	41.12	35.1	35.31	26.7	26.85
1930	306	152.8	97.43	76.1	48.33	275.9	175.29

The magnitude of Detroit's financial plight was evident by 1931, when relief demands and the high debt service commitments were combined with declining real estate valuations and rising tax delinquencies. Faced by public criticism and the necessity of preserving the confidence of the bankers who were carrying the city's short-term notes, the city council and the administration rather reluctantly solicited advice and assistance from several citizen's groups. Two citizens' committees, the Stone Committee and the Committee of Industrialists, were particularly influential and applied strong pressure on the city to avoid default at practically any cost. They acted as agents to secure money for Detroit, either through bank loans or from prepaid taxes. The financial advice that they offered was often not accepted willingly. This reluctance was evidently due to a combination of political pressure to retain the status quo of municipal salaries and the lack of appreciation of the seriousness of the financial situation.

Under the pressures of unmet payrolls and the possibility of destroyed credit through default of interest or principal on short-term notes, however, Detroit took a number of steps in 1931 and 1932 to try to solve its financial crisis. The operating budget was reduced, and reduced again; hundreds of city employees were dismissed, and vacancies were left unfilled; salaries were slashed, and slashed again; services were curtailed, and offices consolidated; and taxpayers were prevailed upon to pay their taxes in advance.

Three aspects of Detroit's response to its emergency in 1931 and 1932 seem particularly interesting.

First, Detroit had to take action with respect to its city employees. The citizens' commissions put tremendous pressures on the city to attain economies through dismissals and salary reductions. The mayor and city council seemed to oppose these actions. They were forced in late 1931, however, to reduce the number of employees and to approve a 10 percent reduction of salaries up to $4,000 and a 20 percent reduction for salaries above that level. In April 1932, the city temporarily defaulted on its payrolls because the banks refused further short-term advances until salary reductions were effected. A temporary 50 percent reduction in all salaries and prearranged credit from New York and Chicago were sufficient to carry Detroit through June 1932. In July, in order to obtain additional funds by the sale of notes or bonds, the city adopted a permanent 5-day salary ordinance which reduced salaries another 13 percent. City employees were paid at this level by means of script from July 1932 through mid-1934.

Second, Detroit had to come to grips with its short-term borrowing policies. A tradition of carelessness existed with respect to such borrowing, in keeping with the general lack of financial planning in Detroit during the 1920's. Inadequate record-keeping made any careful analysis of the city's day-to-day financial transactions impossible. It was evident, however, that borrowing in anticipation of taxes included not only such borrowing as might have been made necessary by slowness in tax collections but also borrowing of substantial amounts to meet obligations incurred by the city which the current tax levy did not cover. These loans were paid off out of the following year's budget.

Third, Detroit lengthened maturities where it could. In the early 1930's the city refunded substantial amounts of notes and bonds with 3- and 5-year emergency serial bonds. In situations in which no market was found for these bonds, they were sold to the Reconstruction Finance Corporation. As a result of these refundings to stave off default, the debt service charges on bonded indebtedness rose to approximately $31 million or 43 percent of the taxes levied by 1933.

Analysis of Detroit's operating financial reports from 1930 through 1932 shows that the city did all that could reasonably be expected in its efforts to meet the emergency successfully. Operating economies totalled $6 million in 1930 and $12 million in 1931. In late 1932, when it appeared the city woud have an operating cash deficit of $20 million, Detroit, strongly aided by its citizens' committees, got emergency legislation for a special issue of $20 million of tax anticipation notes. Final arrangements on this issue were about concluded on February 14, 1933, when all banks in Michigan were closed by government proclamation. Detroit thus had no choice but to default.

Plans were made immediately for a refunding operation. It was tentatively agreed by the city and representatives of a large number of its creditors that bond anticipations and revenue notes as well as bonds maturing between February 15, 1933, and June 30, 1937, should be refunded into 15-year serial bonds. Before final action was taken on these proposals, however, a change in administration took place.

The new city administration and a newly formed bondholders' committee decided that the situation called for an interval in which the city could regain financial operating stability. Plans were made to revamp the debt structure to allow the orderly retirement of short-term debts and give relief from the excessively heavy maturity schedule of immediate years. A refunding plan to accomplish these objectives was agreed to in July 1933. The agreement provided for the refunding of all the city's indebtedness except for the self-supporting utility issues. All tax-supported bonds maturing during the next 10 years were converted into callable sinking fund bonds maturing in 1962 and 1963. Bond anticipation notes were replaced by callable term bonds maturing in 1962. Tax and revenue anticipation notes were funded into callable term bonds maturing in 1952. By April 1934, practically all the holders of outstanding indebtedness had approved the plan, and the agreement was declared operative.

The refunding operation cost Detroit several million dollars in fees and other payments and in excess of $125 million in added interest charges. The refunding plan worked out even better than could have been anticipated. As economic conditions in the city began improving, there were large cash flows from past delinquent taxes. These cash flows were sufficient to enable the city to meet refunding debt service payments due in the mid and late 1930's and to restore the salary reductions forced on city employees.

World War II and the automobile boom following it enabled the city to meet the remaining refunding debt service payments.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the transaction of routine morning business not to extend beyond the hour of 9:20 a.m., with statements herein limited to 3 minutes.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Burdick) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:01 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 10647) making supplemental appropriations for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (H.R. 10585) to increase the temporary debt limitation until March 15, 1976.

The enrolled bill was subsequently signed by the President pro tempore.

At 3:15 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 1281) to improve public understanding of the role of depository institutions in home financing, disagreed to by the Senate; agrees to the conference requested by the Senate on the disagreeing votes of the two Houses thereon; and that Mr. Reuss, Mr. St Germain, Mr. Annunzio, Mr. Barrett, Mr. Patterson of California, Mr. Rousselot, and Mr. Johnson of Pennsylvania were appointed managers of the conference on the part of the House.

At 4:00 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House has passed without amendment the bill (S. 2667) to extend the Emergency Petroleum Allocation Act of 1973.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the enrolled bill (S. 2667) to extend the Emergency Petroleum Allocation Act of 1973.

The enrolled bill was subsequently signed by the President pro tempore.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Burdick) laid before the Senate the following letters, which were referred as indicated:

Report of the National Advisory Council for Career Education

A letter from the Chairman of the National Advisory Council for Career Education transmitting, pursuant to law, a report on the activities of the Council (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Secretary of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report entitled "Long Range Projection for the Provision of Comprehensive Services to Handicapped Individuals" (with an accompanying report); to the Committee on Labor and Public Welfare.

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report entitled "The Role of the Sheltered Workshops in the Rehabilitation of the Severely Handicapped" (with an accompanying report); to the Committee on Labor and Public Welfare.

Supplemental Appropriations for the Legislative Branch—(S. Doc. No. 94–199)

A communication from the President of the United States transmitting requests for supplemental appropriations for fiscal year 1976 in the amount of $385,168 and in the amount of $710 for the transition quarter for the legislative branch (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

EDUCATION FOR ALL HANDICAPPED CHILDREN ACT OF 1975—S. 6—SUBMISSION OF CONFERENCE REPORT (REPT. NO. 94–455)

Mr. RANDOLPH. Mr. President, I submit a report from the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 6) to insure the right to an education for all handicapped children, and to provide financial assistance to the States for such purposes; and I ask unanimous consent that a statement by the distinguished Senator from Ohio (Mr. Taft) be printed at this point in the Record.

The PRESIDING OFFICER. The conference report will be received and printed; and, without objection, the statement by the Senator from Ohio will be printed in the Record at this point.

Statement of Senator Robert Taft, Jr.

It is with great concern that I view the conferees' action on the National Center on Educational Media and Materials for the Handicapped which has been located at the Ohio State University for the past four years.

The intended role of the National Center, as stated in both the House and Senate reports on S. 1611, (P.L. 91–161) which authorized the establishment of a National Center is as follows:

> The Center will provide a continuing source for production of such materials and at the same time provide information as to what the balance should be between commercially available materials and specially produced materials. In addition to this aspect of the Center's work, there are materials that have been developed through research that need to be made available to the educational community. The Center could produce and distribute these materials or make arrangements for distribution through commercial producers or the National Audio Visual Archives.

Perhaps even more important than the production aspects, would be the ability of the Bureau of Education for the Handicapped to use the center as a centralizing agency for its many media activities. I could coordinate, and provide the theoretical emphasis needed in, the broad scale application of media to the needs of handicapped children. I could, for example, conduct studies to determine the effectiveness of media already developed for the deaf with other areas of the handicapped and avoid the possible duplication of efforts that might result as we begin to serve all areas of the handicapped.

The center should be a central communication link in a system involving the following activities of the Bureau of Education for the Handicapped: Regional media centers for the deaf; instructional materials centers; the Educational Research Information Center project; language instruction to facilitate education; curriculum projects underway in research; and distribution network for captioned firms.

The Committee expects that the agreement approved by the Secretary will contain provisions which will assure that the National Center will maintain a means of communication with governmental agencies whose activities may provide media and materials which may be adapted for programs for the handicapped. The Committee also expects that where appropriate the national center will coordinate those activities of the Federal Government which are intended to promote media and materials for education of the handicapped.

The Committee has received testimony that the increased emphasis on technology over the last few years has on occasion resulted in equipment and materials for education of the handicapped being marketed without adequate testing and evaluation beforehand. The committee feels that the Center can serve an extremely valuable function by encouraging full testing and evaluation, by manufacturers and other persons, of technology, materials, and methods for teaching the handicapped, and publicizing the results of such tests and evaluations.

I cosponsored and supported the Senate version of the "Education for All Handicapped Children Act," S. 6, which did not change present law regarding the National Center, thus maintaining the congressional intent on the need and role of one National Center.

My concern is not so much that Ohio State University (under the House language, H.R. 7217) will no longer be the location of the National Center, but that the House language provides for "Centers on Educational Media and Materials for the Handicapped" and authorized the Secretary of HEW to directly contract with institutions of higher education, State and local educational agencies, or other appropriate nonprofit agencies, for the establishment and operation of centers on educational media and materials for the handicapped—with no one center being responsible for the coordination of the communication system between various aspects of a comprehensive media and materials development and delivery system for making instruction media available to all handicapped children, thereby promoting efficiency and preventing unnecessary duplication of effort in this field where so much is needed, and wasted effort can little be afforded (S. Rept. 91-195 on S. 1611). As the National Center is authorized to do in present law, these *centers* would be authorized to subcontract.

I reviewed the House hearings on H.R. 7217, the Education of All Handicapped Children Act of 1975, and found no testimony as to the reason for or justification for such a change.

However, after receiving the following letter from Mr. Richard A. Hastings, Deputy Assistant Secretary for Legislation (Education) I offered (to no avail) language that would give HEW the authority to contract directly with institutions of higher education only, but with the assurance that any contract entered into would be developed and carried out with the coordination of the National Center on Educational Media and Materials for the Handicapped—maintaining the intent of existing law:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D.C., October 23, 1975.

Hon. ROBERT TAFT, Jr.,
U.S. Senate,
Washington, D.C.

DEAR SENATOR TAFT: As S. 6 moves through the House-Senate conference, I would like to bring to your attention section 653 of the House bill. This section would allow the Secretary of HEW to enter into agreements with a number of types of institutions in order to procure instructional media. Current law allows such agreements only with an institution of higher education. As you know, Ohio State in Columbus is currently the home of the National Center for Media and Materials for the Handicapped.

We here in HEW share your great interest in the development and progress of the Ohio State Center.

The center has been located at Ohio State for the past four years and during that time has cooperated with the Bureau of Education for the Handicapped in shaping a program of assistance to the States and local education agencies for the provision of instructional media and materials for handicapped children.

As they worked together to implement the original workscope, Ohio State and the Bureau found that it was impossible for one university with given finite resources to develop a capacity to perform successfully in each area prescribed in the contract. Expert reviewers from the field of special education, as well as our own program officers, have reviewed the proposals of the National Center each year and have consistently found that they can assure us adequate performance in only 2 or 3 of the 6 areas in the workscope. This inability to satisfy the full measure of the contract has placed the Federal government in the position of lagging behind in our commitment to provide the services promised to the public. For example, a proposal for national needs assessment for instructional materials and media to serve the needs of handicapped children has been rejected for three consecutive years. This has caused the Bureau to withdraw the resources and the authority from the National Center for conducting such a study. We have since developed a new scope of work and have contracted with another organization for the conduct of this activity.

The Bureau personnel have come to the conclusion that the fault is not necessarily with the Ohio State University or with any of the current staff. We believe that the single center concept has been proven to be weak and feel that no single university can effectively carry out a workscope that includes the development and maintenance of a media and materials information system; the design of a materials distribution system; the training of personnel in educational technology; the development and design of instructional materials; and the coordination of state and regional learning resource activities.

We believe that, along with the Ohio State University, we could successfuly develop and carry out all of these important functions, if we allow separate competition for the several pieces of the current workscope. The House version of S. 6 amends section 653 of the Education of the Handicapped Act to authorize the support of media and materials centers and projects, as compared with the existing law which authorizes a single national center.

It is our recommendation that the House version be approved. This would allow us to involve other universities in the competition for segments of the center workscope.

We recognize the commitment of Ohio State University and the quality efforts it has made in the development of a national instructional materials information system, as well as the coordination and the clearinghouse functions. I have been advised by Dr. Edwin Martin, Deputy Commissioner for Handicapped Education, that it would be unlikely that we would make any changes in the assignment of those functions that they have successfully managed if the House language were adopted. On the other hand, if the law is not changed, the workscope may have to be modified and the entire center effort be put up for competition in order to find some competency in the areas where Ohio State is weakest.

The House amendment provides an opportunity for the government to gain greater value for its investment of resources. Under the proposed format we see a very low probability of any loss to the Ohio State University. Again, Dr. Martin has advised me that because the University will be responding to a workscope in areas where they have had proven success they almost certainly stand to gain.

We understand your concern for the success of the National Center concept and we want to assure you that the House procedure holds great promise for the ultimate fruition of that idea.

Sincerely,

RICHARD A. HASTINGS,
Deputy Assistant Secretary for Legislation (Education).

In testimony on S. 1611 before the Education Subcommittee on March 20, 1969, Dr. James J. Gallagher, Associate Commissioner of Education, Bureau of Education for the Handicapped, who testified in opposition to the legislation at that time, stated that ". . . the Bureau was embarking on a yearlong study of the total system nature of all the centers, how they should fit together, what the particular role and function of each of them should be vis-a-vis each other."

As you will note from Mr. Hastings' letter on S. 6, the Bureau is again embarking upon a needs assessment for instructional materials and media to serve the needs of handicapped children. On the one hand the Bureau considers it appropriate to have a needs assessment prior to changing the law, but when they want a change, the needs assessment comes after the fact.

As stated above, the National Center on Educational Media and Materials has been located at the Ohio State University for the past four years. Just a year ago September 1, a restructured program of media and materials support services was initiated by the Bureau of Education for the Handicapped Learning Resources Branch. The National Center on Education Media and Materials for the Handicapped is a major unit within the learning resources program. In addition to the National Center, there are four Specialized Offices and thirteen Area Learning Resources Centers. The four Specialized Offices are independent contractors with the Bureau of Education of the Handicapped and have workscopes that were formerly the responsibility of the National Center. The National Center is providing leadership and coordination services to facilitate development of an effectively coordinated single system to achieve congressional legislative intent on behalf of handicapped children. This is a challenging task, with thirteen Area Learning Resources and four Special Offices all having independent contracts with the BEH.

Therefore, I believe it would presently be counter-productive if multiple centers were proliferated through more independent prime contracts without one center being the centralizing and coordinating agency.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Joseph A. Nardoza, of Virginia, to be a member of the Board of Parole.

Sherman L. Hansford, of Kentucky, to be U.S. marshal for the eastern district of Kentucky.

Jesse W. Grider, of Kentucky, to be U.S. marshal for the western district of Kentucky.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

CHANGE OF REFERENCE OF A COMMUNICATION

Mr. JACKSON. Mr. President, on October 10, a letter was addressed to the

President of the Senate from the Commissioner of Public Buildings Services and the Public Printer of the Government Printing Office. Attached to this communication was a copy of the draft environmental impact statement on the relocation of the Government Printing Office to a site in NE. Washington, D.C. The letter, together with the impact statement, was referred to the Committee on the Interior and Insular Affairs. Although the committee does have jurisdiction over the National Environmental Policy Act of 1969, in compliance with which the impact statement was prepared, the subject matter of the statement is more properly the jurisdiction of the Public Works Committee. I, therefore, ask unanimous consent that the Interior Committee be dismissed from any consideration of the letter and the impact statement and that the documents be referred instead to the Public Works Committee.

The PRESIDING OFFICER. There being no objection, it is so ordered.

HOUSE BILL REFERRED

The bill (H.R. 10647) making supplemental appropriations for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, November 14, 1975, he presented to the President of the United States the enrolled bill (S. 2667) to extend the Emergency Petroleum Allocation Act of 1973.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD (for himself and Mr. JACKSON):

S. 2667. A bill to extend the Emergency Petroleum Allocation Act of 1973. Considered and passed.

By Mr. MOSS:

S. 2668. A bill for the relief of Arturo Morena Hernandez. Referred to the Committee on the Judiciary.

By Mr. FONG:

S. 2669. A bill to exempt individuals who are 72 years old or older from social security taxes. Referred to the Committee on Finance.

By Mr. HARTKE:

S. 2670. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide a program for the accreditation of law enforcement agencies. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. FANNIN):

S. 2671. A bill to authorize the Secretary of the Interior to carry out certain international activities. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 2672. A bill to extend the State Taxation of Depositories Act. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. RANDOLPH:

S. 2673. A bill to amend title XII of the Public Health Service Act to revise and extend the program of assistance for emergency medical services systems. Referred to the Committee on Labor and Public Welfare.

By Mr. PHILIP A. HART:

S. 2674. A bill for the relief of Patricia Aries Garcia. Referred to the Committee on the Judiciary.

By Mr. KENNEDY (for himself and Mr. FONG):

S. 2675. A bill to amend Chapter 44 of title 18, United States Code, to prohibit persons convicted of crime from acquiring a handgun, to provide a procedure for checking whether a prospective purchaser of a handgun has a prior criminal record, to aid law enforcement agencies in tracing handgun models, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. STEVENS (by request):

S. 2676. A bill to designate certain public lands and waters in the State of Alaska for national conservation purposes, and to provide for the benefit, use, and enjoyment by present and future generations of certain public lands containing forested, geological, scenic, historic, scientific, cultural, recreational, and wildlife areas in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. RANDOLPH:

S.J. Res. 147. A joint resolution calling upon the President to designate 1976 as National Bicentennial Highway Safety Year. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FONG:

S. 2669. A bill to exempt individuals who are 72 years old or older from social security taxes. Referred to the Committee on Finance.

Mr. FONG. Mr. President, I am introducing today a bill, S. 2669, to exempt individuals who are 72 years old or older from social security taxes either as employees or as self-employed persons.

Under the bill's provisions, no payment of social security taxes will be required with respect to self-employment income of an individual for the calendar year in which he becomes 72 or in any other year thereafter. Employed persons 72 and over will be entitled to a credit against income taxes or a cash refund with respect to any amount of social security taxes which may have been deducted from their wages during the year. The employer's share of the social security tax would continue.

Approximately 900,000 persons would benefit immediately from my proposal. To the extent that the tax exemption would encourage others past 72 to remain in the work force or return to it, the number of persons helped would increase. Annual cost to the social security system would be approximately $260 million.

The purpose of the social security program, as it relates to older Americans, is to provide an income base for later years. Regardless of retirement policies in vogue or individual decisions about continuation of employment, it is inconsistent for social security to require continued payments into the system after reaching age 72.

That social security benefits are a fully earned right at age 72 is already recognized in the law through its provision that, after that age, no penalty is imposed against benefits because of earned income, whereas there is a penalty in the case of persons below 72. My bill is but a logical extension of the principle allowing full social security benefits for persons 72 and older regardless of earned income.

In contrast to persons between the ages of 65 and 72, whose work often can add to their benefits through additional taxes they pay, the likelihood of benefit gains from such taxes after age 72 is so remote as to be meaningless. This is doubly true if their wages subject to the tax come from part-time work.

Persons past 72 thus become one clearly identifiable group, out of the millions who pay social security taxes, for which no future benefits result from contributions they make. Whether in "social insurance," as with social security, or in "private insurance," such contributions without commensurate future benefits violate the whole insurance and annuity concept. It is morally wrong and should be stopped.

Whether a person is working after age 72 to supplement retirement income which is inadequate to meet his or her needs, or whether the individual feels it is important to contribute productively to the Nation, or simply for personal gratification, it hardly appears right that he or she should have to continue contributions to a "social insurance" program intended to provide income in later years.

For those between the ages of 65 and 72 there is also need for correction of inequities in the law related to social security contributions after 65. A first major step in that direction would result from a bill which I have previously introduced, S. 829, to provide a 6⅔ percent increase in social security benefits for each year a person defers retirement after age 65 until he or she attains 72.

This Senate bill currently has more than 25 cosponsors from both parties. The bill I introduce today aims at similar equity for those who work after age 72.

It is highly desirable that national policy lend encouragement to older Americans who want to continue productive work. It is good for them; it is good for the country. At a minimum, we should eliminate impediments to such employment or self-employment activities and give fair treatment under our public programs to those who choose to work.

By Mr. HARTKE:

S. 2670. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, to provide a program for the accreditation of law enforcement agencies. Referred to the Committee on the Judiciary.

Mr. HARTKE. Mr. President, today the question of adequate protection for life and property is a serious one for all Americans. The cries for law and order continue, but too little has been done to insure that the citizens of this country are adequately protected. The problem of protection will not be solved by a bumperstrip war against crime. It will be met only through the application of the most sophisticated methods in the fight against crime.

What I view as one of the shortcomings of the Law Enforcement Assistance Administration program is that there has not been sufficient concentration on developing the professionalism of the men and women who serve in the law enforcement agencies of the country. All too often exorbitant amounts of money have been spent on purchasing "hardware," that is, equipment and weapons for every possible contingency, and little emphasis has been on providing the necessary training to function in the highly volatile situation law enforcement officers often find themselves engaged in. We need a new direction in the fight against crime.

The bill I offer today is designed to give that direction. The bill seeks to establish a national accreditation program for police departments, to guarantee that the law enforcement agencies in this country are truly professional agencies. I introduce this bill because the citizens of our Nation are entitled to the best law enforcement protection possible. Today, we realize that standards of recruitment, selection, training, and operations must be upgraded to insure citizens of uniform treatment and justice. Consequently, every effort must be made to further professionalize the Nation's police departments by urging them—where needed—to strive for new standards of excellence.

In 1967, the President's Commission on Law Enforcement and the Administration of Justice recommended the establishment of State commissions on standards to assist in improving the quality of law enforcement in this country. Although there have been some efforts in that direction, the vast majority of the States have taken little or no action to comply with the recommendations of the study. It is a national tragedy that most States in this country do not have any form of substantive law enforcement standards legislation. It is the clear need for professionalization in the field of law enforcement that causes me today to introduce this legislation which I hope will be the impetus for a national effort to achieve heightened stature for law enforcement agencies throughout our country.

My proposal provides for the establishment of a National Accreditation Commission comprised of nationally prominent figures in the field of law enforcement the primary function of which would be to establish guidelines for use in determining the relative caliber of police departments. These guidelines would be administered by a regional accrediting commission which would examine municipal, county, and State police organizations to determine if they meet certain minimum standards. The concept of the establishment of regionally administered standards is by no means a new or novel idea. For example, the late Director of the FBI, J. Edgar Hoover, recommended the establishment of national uniform standards to achieve police excellence. Also, Mr. James F. Ahern, former police commissioner of New Haven, Conn., recommended in a speech before the Democratic national policy committee that—

> A major step in the professionalization of law enforcement would be creation of a national institute of police standards. The institute would direct federally supported experimentation in law enforcement and draft and distribute a set of voluntary standards in such areas as police recruitment, training, operating procedures, organizational design, conduct, and ethics.

Mr. Ahern felt that such a professional organization is needed to provide leadership and guidance to the thousands of police departments in this country.

In line with Mr. Ahern's thoughts the program I am proposing would initially be voluntary, but eventually departments that do not meet the requirements of the regional accreditation panels would become ineligible for federal funds.

As previously stated, the national commission would be comprised of national prominent figures in the field of law enforcement and related academic areas. This commission would be able to draw on their professional experience and training to develop national guidelines for the regional accrediting agencies to implement. Of course, it is impossible for any national commission to develop clear and concise rules which would be applicable to each and every law enforcement agency in the country. Consequently, the national commission would develp guidelines which the reginal panels would implement in light of their knowledge of regional and local circumstances.

It is imperative to state at this point that my proposal is not intended, nor does it create a national law enforcement body to control the functions and responsibilities of State and local law enforcement agencies. The commission, national and regional will be constituted of academicians and officials who are completely independent of the control of the Federal Government. The members of the commission will be prominent figures in the field of law enforcement and related areas who are willing to give of their time to assist in developing professional standards for law enforcement agencies.

A vital feature of this legislation is the inclusion of criteria that most law enforcement officials consider important to any evaluation of a police department's caliber. These criteria are not meant as the exclusive means for evaluating the professionalism of a police department but will be an important part of the evaluation process.

First, there must be standards established in the area of recruitment and selection practices of police departments. This would, in all probability, include establishing minimum standards of education and aptitude for police work. The role of the law enforcement officer in present-day America makes many more demands than in the past. Yet, very little has been done to insure that the law officer is suited by education to his post. Educational standards set by many police departments in the Nation require less than a high school education. A 1961 survey by the International Association of Chiefs of Police revealed that of the over 300 departments surveyed, 24 percent had no minimum educational requirements and less than 1 percent required any level of college preparation. There has been very little change in those figures in the past 10 years, even though two major national commissions have stressed the need for a better educated and more professionally trained law enforcement officer.

A recent publication cited the problems facing police departments in this country and stressed that—

> Failure to overtake or at least keep pace with the rising educational standards in other occupations means that law enforcement officials will have to be drawn from the minority of the population least educated, least talented, and least qualified to assume the responsibilities of modern law enforcement.

Another example of the glaring deficiency in most police department recruitment programs has been their failure to permit lateral movement of police officers, the process of permitting a law enforcement officer to transfer from one jurisdiction to another without losing his rank and accrued benefits.

Another area of obvious importance is that of training programs for recruits and inservice personnel. Any accrediting panel should inquire into the scope and extent of training programs, the nature of the course and the quality of instruction, and the extent of the training in general with respect to the particular problems the local jurisdiction faces. A recent study found that fewer than 15 percent of all law enforcement agencies provide immediate recruit training for officers. In far too many jurisdictions, officers are simply handed a revolver and a ticket book and assigned to an older officer to glean what training and experience they can. Where formal training programs do exist, they range from a few days to several months. Unfortunately, the training given is largely outmoded and not structured to the needs of current day law enforcement. The tendency has been to train an officer so that he responds mechanically to problems rather than as a skilled professional. We must make a commitment that no longer will we put individuals in our tension-ridden communities with little training to face the problems that are part and parcel of his daily tasks.

One area that deserves utmost consideration is an examination of the compensation and benefits that are provided for the officers. This is a problem I have recognized before and have introduced legislation to supplement police salaries. As the late director of the FBI, J. Edgar Hoover, stated, the fact that the beginning pay for a police officer is under $7,000 nationwide is a national disgrace. Inadequate compensation has been a significant factor in failing to entice and retain competent persons in the law enforcement area. The existing pay scales continue to prove incapable of attracting men who can more adequately meet the high standards that are required by the present conditions in our society, but little has been done to rectify this deplorable situation.

Administrative organization of police departments must also be examined. The size of police departments in many cities is such that too many departments are administrative disaster areas with haphazard declineation of responsibilities and very poorly established chains of command. The existence of such poorly organized agencies makes it extremely difficult for police officials to be responsive to the problems of officers, and for officials to insure that the highest ethics and integrity are maintained.

Last, but by no means of minor importance, it is imperative that serious consideration be given to an examination of the community relations training programs and efforts of police departments. The changes in the urban structure of our society necessitate that the new enforcement officer increase his function from the traditional police role to a wider and more expanded relationship with the public at large. This requires that the police officer be sufficiently trained in working with, and understanding groups with which he comes in daily contract. Unfortunately, the police officer has had to deal with the results of our many social ills. Societal ills such as inadequate housing, unemployment, and poor education have made the always difficult job of the police officer even more trying today. A failure to recognize the need for enhancing the training and work in the area of police-community relations could unfortunately negate all other advancements made in upgrading the status of law enforcement agencies.

In conclusion, the citizens of this country deserve and desire a new standard of excellence in law enforcement to guarantee protection for all citizens. The legislation I am introducing can be the impetus for a national effort to raise law enforcement to truly professional status. The Public demands no less.

Mr. President, I ask unanimous consent that this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2670

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after part E the following new part:

"PART F—ACCREDITATION OF LAW ENFORCEMENT AGENCIES

"Sec. 471. It is the purpose of this part to encourage the improvement of law enforcement agencies of the States and units of general local government on a voluntary basis by providing for a program of accreditation and financial assistance to the States and units of general local government having agencies that are accredited pursuant to this part.

"Sec. 472. (a) There is hereby established in the Law Enforcement Administration a Commission on the Accreditation of Law Enforcement Agencies (hereinafter in this part referred to as the 'Commission') composed of nine members to be appointed by the President, by and with the advice and consent of the Senate, from among individuals who are officials in the field of law enforcement for the Federal Government, for any State, for any unit of general local government, or experts and teachers in the field of law enforcement. In making appointments under this section, the President is requested to give due consideration to appointment of individuals who, collectively, will provide appropriate geographical balance on the Commission.

"(b) The term of office of each member of the Commission shall be six years, except that—

"(1) the members first taking office shall serve as designated by the President, three for a term of two years, three for a term of four years, and three for a term of six years, and

"(2) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

"(c) The President shall designate one of the members of the Commission to serve as Chairman and one as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in that office.

"(d) Any vacancy in the Commission shall not affect its powers and shall be filled in the same manner and subject to the same limitations as the original appointment was made.

"(e) Five members of the Commission shall constitute a quorum.

"(f) In the exercise of its functions, powers, and duties, the Commission shall be independent of the Attorney General, the Administrator of the Law Enforcement Assistance Administration, and all other offices and officers of the Department of Justice.

"Sec. 473. (a) The Commission is authorized to—

"(1) establish criteria for the accreditation of law enforcement agencies of the States and units of general local government, including provisions for such criteria for each appropriate class and type of law enforcement agency, after giving consideration to the following factors—

"(A) recruitment and selection practices, including minimum educational qualifications, minority group selection allowances, and the criteria for lateral movement into the law enforcement agency;

"(B) the availability and quality of training programs for new law enforcement personnel, existing personnel of any such agency;

"(C) the quality of the physical facilities of such agency and the availability and the contemporary nature of the equipment and support services of any such agency;

"(D) minimum acceptable rates of compensation of such personnel, and the availability of workmen's compensation, health insurance, death benefits, and other benefits available to such personnel;

"(E) the number of on-the-line personnel of such agency in relation to the population of the State or unit of government which that agency serves;

"(F) minimum adequate management practices and a model of organizational structure for any such agency; and

"(G) the quality of the community relations program, including the amount of training of law enforcement personnel in such program and the accessibility of law enforcement personnel of the agency to the public;

"(2) establish national and regional accrediting associations composed of law enforcement officials who are representative of all levels of the work personnel of the agency being accredited;

"(3) provide for the establishment of accrediting boards by the regional accrediting association, one of whose members in the case of a law enforcement agency of a unit of general local government, is representative of a law enforcement agency of the State in which that agency is located;

"(4) provide for the general policy with respect to accrediting such agencies, including the manner of establishing accrediting boards by regional accrediting associations and the daily rates of compensation to be paid association and board members, except that in no event shall such compensation exceed $100 per day;

"(5) make grants in accordance with section 475; and

"(6) perform such other functions as are necessary to carry out the purposes of this part.

"(b) The Commission shall submit interim reports to the President and the Congress as it deems advisable to keep the Congress fully informed of the establishment of criteria for, and the process of, accreditation under this section. The Commission shall submit, as part of the report of the Administration as required under section 519 of this Act, a report setting forth the activities of the Commission and such recommendations including recommendations for additional legislation as it deems advisable in each calendar year.

"Sec. 474. (a) There shall be a full-time staff director for the Commission who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at a rate to be fixed by the President not in excess of the rate prescribed for GS–18 of the General Schedule under section 5332 of title 5 of the United States Code. The President shall consult with the Commission before submitting the nomination of any person for appointment to the position of staff director. Within the limitations of its appropriations, the Commission may appoint such other personnel as it deems advisable, in accordance with the provisions of title 5 of the United States Code, and may procure services as authorized by section 3709 of such title 5 but at rates for individuals not in excess of the daily rate prescribed for GS–18 of the General Schedule.

(b) The Commission may accept or utilize services of voluntary or uncompensated personnel.

"(c) The Commission may constitute such advisory committees within States composed of citizens of that State and may consult with Governors, attorneys general, and other representatives of State and local governments, and private organizations, as it deems advisable.

"(d) Members of the Commission, and members of any advisory committees shall, for the purposes of chapter 11 of title 18, United States Code, be deemed to be special Government employees.

"(e) All Federal agencies shall cooperate fully with the Commission in order to assure that the Commission may effectively carry out its functions and duties.

"(f) The Commission, or on the authorization of the Commission any subcommittee of three or more members, may, for the purpose of carrying out the provisions of this Act, hold such hearings and act at such times and places as the Commission or such authorized subcommittee may deem advisable. Subpenas for the attendance and testimony of witnesses or the production of written or other matter may be issued in accordance with the rules of the Commission as contained in section 5 of this Act, over the signature of the Chairman of the Commission or of such subcommittee, and may be served by any person designated by such Chairman. The holding of hearings by the Commission, or the appointment of a subcommittee to hold hearings pursuant to this subsection, must be approved by a majority of the Commission, or by a majority of the members present at a meeting at which at least a quorum of five members is present.

"(g) In case of contumacy or refusal to obey a subpena, any district court of the United States or the United States court of any territory or possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or is domiciled or transacts business, or has appointed an agent for receipt of service of process, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce pertinent, relevant, and nonprivileged evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

"(h) Each member of the Commission shall have the power and authority to administer oaths or take statements of witnesses under affirmation.

"(i) The Commission shall have the power to make such rules and regulations as are necessary to carry out the purposes of this part.

"SEC. 475. (a) The Commission is authorized to make grants to any State or any unit of general local government in accordance with the provisions of this section if such State or unit of general local government has been accredited pursuant to section 473.

"(b) No grant shall exceed 25 per centum of the amount of the funds received by such State for operating purposes and not for distribution to units of general local government, or reçeived by such unit of general local government under part C of this title in the fiscal year preceding the fiscal year in which the grant is made. If a unit of general local government is accredited under this part and has not received a grant under part C of this title for that preceding fiscal year, the Commission shall determine the amount to which such unit of general local government is entitled under this part after giving consideration to units of general local government of a similar size that have received grants under such part C.

"(c) Any State or unit of general local government that has been accredited pursuant to section 473 and desires to receive a grant under this part for any fiscal year, shall submit an application to the Commission at such time, in such manner and containing or accompanied by such information as the Commission may reasonably require.

"SEC. 476. It is the intention of the Congress that the national and regional accrediting association and accrediting boards established by such associations shall be totally independent of any officer or agency of the Department of Justice or any other department or agency of the Federal Government.

"SEC. 477. There are authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1976; and $1,000,000 for the succeeding fiscal year.

"SEC. 478. Except the provisions of sections 510, 511, and 516(a) of title I, the provisions of part G of this title, relating to administrative provisions, shall not apply to this part."

(b) Section 601 of such Act is amended by inserting at the end thereof the following new subsection:

"(m) The term 'law enforcement agency' means any police department, sheriff's office, or other similar law enforcement agency of a State or a unit of general local government as determined pursuant to criteria established by the Commission of Accreditation of Law Enforcement Agencies."

(c) Parts F and G of title I of such Act are redesignated as parts G, H, I, and J, respectively.

SEC. 2. Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following:

"(131) Members of the Commission on Accreditation of Law Enforcement Agencies."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2671. A bill to authorize the Secretary of the Interior to carry out certain international activities. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, I am introducing a bill by request for appropriate reference for my colleague, Senator FANNIN and myself, which has been submitted by the Department of the Interior to authorize the Secretary of the Interior to carry out certain international activities.

By Mr. PROXMIRE:

S. 2672. A bill to extend the State Taxation of Depositories Act. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. PROXMIRE. Mr. President, I introduce for appropriate reference a bill to extend to September 12, 1976 the current prohibition against certain types of State and local taxes being levied on out-of-State financial institutions. The current moratorium expires on December 31, 1975. This moratorium was first enacted by the Congress on August 16, 1973. The legislation also directed the Advisory Commission on Intergovernmental Relations to conduct a study as to the appropriate method for taxing out-of-State financial institutions.

The study was to have been delivered to the Congress on December 31, 1974. This would have given the Congress 1 year to review the Commission's recommendations and to enact permanent legislation for the interstate taxation of financial institutions. Unfortunately, the Commission's study was not received until September 12 of this year. Thus Congress has too brief a time to consider the Commission's recommendations prior to the expiration of the moratorium on interstate taxation on December 31 of this year. Accordingly, I am introducing legislation which will extend the moratorium to September 12 of next year. This will give the Congress a full year to consider the recommendations of the Commission as was provided in the original legislation.

By Mr. RANDOLPH:

S. 2673. A bill to amend title XII of the Public Health Service Act to revise and extend the program of assistance for emergency medical services systems. Referred to the Committee on Labor and Public Welfare.

EMERGENCY MEDICAL SERVICES AMENDMENT

Mr. RANDOLPH. Mr. President, I have today introduced a measure to amend a most important law—the Emergency Medical Services Systems Act of 1973 (Public Law 93-154). The authorization for appropriations under that act expire on June 30, 1976.

The bill is identical to a measure introduced on June 25, 1975, by a distinguished member of the West Virginia delegation, Representative ROBERT H. MOLLOHAN. That measure, H.R. 8212, is the product of his substantial research and consultation. I believe it has significant merit. Mr. MOLLOHAN has demonstrated a continuing constructive interest in the development of emergency medical services systems.

The able Senator from California (Mr. CRANSTON) has introduced a measure to amend the 1973 Emergency Medical Services Systems Act. He has been an active and effective advocate in this vital area. Our colleague is really the father of emergency medical services legislation. My intention in introducing this bill is in no way competitive with his important measure. On the contrary, inasmuch as his bill is somewhat different from the one I introduce, the Senate Health Subcommittee will have the advantage of considering at least two legislative approaches to amending the 1973 Act. These measures should form the basis for constructive dialog on the relative merits of both, and as a result, we will be able to bring the Senate the best possible measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the "Emergency Medical Services Systems Act Amendments of 1975".

(b) Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

DEFINITIONS

SEC. 2. (a) Section 1201(4) is amended to read as follows:

"(4) The term 'section 1521 State health planning and development agency' means the agency of a State designated under section 1521(b)(3).".

(b) Section 1201(5) is amended to read as follows:

"(5) The term 'section 1515 health systems agency' means a health systems agency designated under section 1515, and the term 'health systems plan' means a health systems plan referred to in section 1513(b)(2).".

(c) Section 1202(d)(3)(A) is amended to read as follows: "(A) with each section 1515 health systems agency whose health systems plan covers (in whole or part) such area, and".

(d)(1) Section 1206(b)(3)(D)(i) is amended by striking out "section 314(a) State health planning agency" and inserting in lieu thereof "section 1521 State health planning and development agency".

(2) Section 1206(b)(3)(D)(ii) is amended to read as follows:

"(ii) section 1515 health systems agency (if any) whose health systems plan covers (in whole or in part) the service area of such system,".

GRANTS AND CONTRACTS FOR ESTABLISHMENT AND INITIAL OPERATION

SEC. 3. Section 1203(c)(3) is amended by striking out "June 30, 1976" and inserting "September 30, 1979".

GRANTS AND CONTRACTS FOR EXPANSION AND IMPROVEMENT

SEC. 4. (a) Section 1204(b) is amended to read as follows:

"(b)(1) If a grant or a contract is made under this section for a project, the Secretary may make one additional grant or contract for such project.

"(2) Subject to section 1200(f)—

"(A) the amount of the first grant or contract under this section for a project shall not exceed (i) 50 per centum of the costs of that project (as determined pursuant to regulations of the Secretary), or (ii) in the case of applications which demonstrate an exceptional need for financial assistance, 75 per centum of such costs, and

"(B) the amount of the second grant or contract under this section for a project shall not exceed (i) 25 per centum of the costs of that project (as determined pursuant to regulations of the Secretary), or (ii) in the case of applications which demonstrate an exceptional need for financial assistance, 50 per centum of such costs.".

(b) Section 1204(a) is amended by inserting "planning for expansion and improvement," after "including".

GRANTS AND CONTRACTS FOR RESEARCH

SEC. 5. (a) Section 1205(a) is amended by adding at the end thereof the following: "In awarding grants or contracts for research relating to the delivery of emergency medical services in rural areas, emphasis should be placed on identifying and utilizing techniques and methods to apply the results of such research to improve the delivery of emergency medical services in rural areas.".

(b) Section 1205(c) is amended by adding at the end thereof the following: "Such reports shall contain recommendations and a plan of action for applying the results of research to improve the delivery of emergency medical services.".

GENERAL PROVISIONS RESPECTING GRANTS AND CONTRACTS

SEC. 6. Subsection (f) of section 1206 is amended (1) by striking out paragraph (2), and (2) by striking out "(1)" after "(f)".

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. Effective with respect to appropriations for fiscal years beginning after June 30, 1975, section 1207 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1207. (a) (1) For the purpose of making payments pursuant to grants and contracts under section 1202, 1203, and 1204, there are authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1976, $17,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, $95,000,000 for the fiscal year ending September 30 1977; and for the purpose of making payments pursuant to grants and contracts under sections 1203 and 1204 there are authorized to be appropriated $110,000,000 for the fiscal year ending September 30, 1978, $110,000,000 for the fiscal year ending September 30, 1979, and $40,000,000 for the fiscal year ending September 30, 1980.

"(2) Of the sums appropriated under paragraph (1) for any fiscal year, not less than 20 per centum shall be made available for grants and contracts under this title for such fiscal year for emergency medical services systems which serve or will serve rural areas (as defined in regulations of the Secretary under section 1203(c) (5)).

"(3) Of the sums appropriated under paragraph (1) for the fiscal year ending June 30, 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal year ending September 30, 1977—

"(A) not to exceed 10 percentun of such sums for each such fiscal year and for such period shall be made available only for grants and contracts under section 1202 (relating to feasibility studies and planning) for such fiscal year or period;

"(B) the balance of such sums for each such fiscal year and for such period shall be available for grants and contracts under section 1203 (relating to establishment and initial operation) and for grants and contracts under section 1204 (relating to expansion and improvement) for such fiscal year or period in proportions to be determined by the Secretary after assessing section 1203 and section 1204 applications for funding in each such fiscal year or in such period.

"(4) Of the sums appropriated under paragraph (1) for the fiscal years 1978, 1979, and 1980, such sums for each fiscal year shall be made available only for grants and contracts under section 1203 and section 1204 in proportions to be determined by the Secretary in accordance with paragraph (e) (B).

"(b) For the purpose of making payments pursuant to grants and contracts under section 1205 (relating to research), there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, $1,200,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $6,500,000 for each of the next two fiscal years.

"(c) For the purpose of making payments pursuant to grants and contracts under section 1211, there are authorized to be appropriated $12,000,000 for the fiscal year ending July 30, 1976, $3,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, $15,000,000 for the fiscal year ending September 30, 1977, $15,000,000 for the fiscal year ending September 30, 1978, $12,000,000 for the fiscal year ending September 30, 1979, and $6,000,000 for the fiscal year ending September 30, 1980.".

INTERAGENCY COMMITTEE ON EMERGENCY MEDICAL SERVICES

SEC. 8. (a) Subsection (a) of section 1209 is amended to read as follows:

"(a) The Secretary shall establish an Interagency Committee on Emergency Medical Services. The Committee shall coordinate and provide for the communication and exchange of information between all Federal programs of grants and contracts for activities which relate to emergency medical services. The administrative unit established within the Department of Health, Education, and Welfare under section 1208 shall, through the Committee—

"(1) evaluate the adequacy and technical soundness of all Federal programs and activities relating to emergency medical services,

"(2) study on a continuing basis the roles, resources, and responsibilities (including adequacy, technical soundness, and redundancy) of all Federal agencies involved in the provisions of grants and contracts for emergency medical services, and

"(3) make recommendations to the Secretary respecting the administration of the program of grants and contracts under this title (including the making of regulations for such program).

Such unit shall report to the Congress the results of the study made under paragraph (2). The first such report shall be made not later than January 1, 1977, and subsequent reports shall be made as prescribed by the Secretary.

(b) Section 1209(b) is amended by striking out "the National Academy of Sciences,".

TRAINING ASSISTANCE

SEC. 9. (a) (1) Section 1206(e) is amended by striking out "or title VII".

(2) Section 1206(b) (2) is amended by striking out "under this title" and inserting in lieu thereof "for a grant or a contract under section 1202, 1203, 1204, or 1205".

(b) Section 776 is placed after section 1210, is redesignated as section 1211, and, effective with respect to appropriations for grants and contracts under such section for fiscal years beginning after June 30, 1975, is amended to read as follows:

"TRAINING IN EMERGENCY MEDICAL SERVICES

"SEC. 1211. (a) The Secretary may make grants and enter into contracts with schools of medicine, dentistry, osteopathy, and nursing, training centers for allied health professions, other educational entities, or any other public or nonprofit entity, to assist in meeting the cost of training programs in the techniques and methods of providing emergency medical services (including the skills required in connection with the provision of prehospital, interhospital, and transportation care and the skills required for effective emergency and hospital treatment of patients) especially training programs affording clinical experience in emergency medical service systems.

"(b) No grant or contract may be made or entered into under this section unless the applicant is a public or nonprofit private entity. An application for such a grant or contract shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

"(c) The Secretary shall give special consideration to applications received under this section from applicants seeking assistance to satisfy the requirements of section 1206(b) (4) (C) (ii).

"(d) No grant or contract may be made under this section for the fiscal year ending September 30, 1979, to an entity which did not receive a grant or contract under this section for the preceding fiscal year.

"(e) If a grant or contract has been made under this section for a training program, the Secretary may make not more than two additional grants or contracts under this section for such program.

"(f) (1) The amount of the first grant or contract under this section for a training program may be 100 per centum of the costs of the training program for the year for which the grant or contract is made.

"(2) The amount of the second grant or contract under this section for a training program may not exceed 50 per centum of the costs of the training program for the year for which the grant or contract is made.

"(3) The amount of the third grant or contract under this section for a training program may not exceed 25 per centum of the costs of the training program for the year for which the grant or contract is made.

"(g) Grantees and contractees under this section shall make such reports at such intervals, and containing such information, as the Secretary may require.".

STUDY

SEC. 10. (a) The Secretary of Health, Education, and Welfare shall conduct a study to identify the categories of critically ill and dying patients which should be included in a uniform reporting system used to evaluate the effectiveness of emergency medical service systems in reducing death and disability. Not later than twelve months after the date of the enactment of this Act, the Secretary shall report to the Congress the results of such study. Such report shall include such recomendations for legislation relating to such a uniform reporting system as the Secretary determines is appropriate.

(b) The Secretary shall conduct a study to evaluate the effectiveness of Federal programs of assistance for communication systems of public safety agencies and to determine the feasibility of encouraging joint and coordinated Federal funding of communications systems to insure integrated response capabilities to medical emergencies. Not later than twelve months after the date of the enactment of this Act, the Secretary shall report to the Congress the results of such study and recommendations for such legislation as may be necessary to insure such response capabilities.

By Mr. KENNEDY (for himself and Mr. FONG):

S. 2675. A bill to amend chapter 44 of title 18, United States Code, to prohibit persons convicted of crime from acquiring a handgun, to provide a procedure for checking whether a prospective purchaser of a handgun has a prior criminal record, to aid law enforcement agencies in tracing handgun models, and for other purposes. Referred to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, the national debate over the need for effective gun control legislation continues undiminished. It remains clear that no rational plan for combating violent crime, which has soared over 100 percent since 1968, and is eroding the quality of American life, can ignore the need for strong, national gun control legislation.

Even more frightening than the increase in the number of crimes is the violence that has come to characterize so much of it. Just as American business tries to utilize the latest in technology, so also does the criminal often turn to the most effective means of violence available—the modern handgun.

Handguns continue to be the largest single source of the firearms problem in America. The weapon is readily adaptable to the trade of the criminal: small, easily concealable, and yet deadly, it provides the violent criminal with a basic tool of his trade. In short, handguns provide a terribly effective means for employing deadly force. That is why they account for over 50 percent of all murders nationwide and are involved in almost 95 percent of the armed robberies. Moreover, an attack with a gun is five times more likely to be fatal than is an attack with a knife. Thus, as guns become more associated with assaults, the percentage of assaults resulting in deaths continue to increase.

The potential for violence which the handgun represents must give us cause for concern. Yet this concern has not been translated into congressional action. The fight for more effective gun control has lasted through at least six Congresses and seven Attorneys General, with inaction being the watchword. The legislative machinery has creaked on slowly, reversing itself at times and grinding to a halt at frequent intervals.

In 1972 the Senate approved legislation to restrict access to cheap handguns—the so-called Saturday night specials. However, no action was taken by the House on that measure. There are currently over 60 gun control bills of all type spending before the two Houses of Congress. Yet, the prospects of passage of any of them are not bright, and we need not look far for the answer.

Gun lobbies have been very, very effective. The gun lobby does not deny that handgun abuse is a major problem of our time. Rather, it argues that the focus of any remedial effort should be on the person who abuses the gun rather than on the gun itself. Thus, the gun lobby sees most pending gun control proposals as overly broad and having too great an impact on the peace-loving citizen.

Mandatory legislation and licensing of handguns are unacceptable to the gun lobby as an infringement on the right of the law-abiding citizen to own a handgun. Any ban on domestic manufacture, distribution, and sale of handguns is also attacked as overbroad and unfair. In short, the gun lobby asks that proposed legislation look to the criminal not to the handgun.

I firmly reject the arguments of the gun lobby as both narrow-minded and self-serving. And I have in the past introduced legislation requiring the national registration of handguns, the licensing of all handgun owners, and a ban on the manufacture and distribution of handguns. I view such broad legislation as essential if we are to make a significant dent in our soaring crime rate.

Nevertheless, today I am proposing modest legislation designed to assist law enforcement without raising any specters of licensing or registrating which have traditionally been anathema to the gun lobby. This legislation is directed primarily at the criminal who uses a handgun, not the law-abiding citizen. The bill—limited in purpose—would:

First. Prohibit felons from acquiring a handgun by providing an effective procedure for checking whether a prospective purchaser has a prior criminal record.

Second. Provide a transfer notice system whereby the record of any sale of a new or used handgun would be retained only by the local dealer. Only the model and serial number of the handgun, but not the names of the seller or purchaser, would be forwarded by the dealer to the Treasury Department. No sales or transfers of handguns, made in accordance with local law, would be prohibited.

Third. Ban the manufacture and distribution only of so-called Saturday night specials.

The principle purpose of the first requirement is to put teeth into those portions of the 1968 Gun Control Act which charges the Treasury Department with enforcing the law against felons possessing handguns.

Under the bill any purchaser of a new or used handgun must visit the local dealer and complete certain forms stating that under Federal and local law he is entitled to purchase or possess a handgun. The dealer then submits the forms to local law enforcement officers and the Federal Bureau of Investigation. Within 15 days after submitting the forms, the local dealer is notified by the law enforcement agencies whether the prospective purchaser or transferee is entitled to possess the handgun. This 15-day "cooling off" period allows an effective check to be made to assure that felons and other persons prohibited by local law from owning handguns do not acquire them.

If the prospective purchaser is cleared by the agencies, then the purchase may be effectuated. Under express provisions of the bill, the Federal Bureau of Investigation may not retain any record of its check done pursuant to this bill, but must return all of the forms to the local dealer.

The second feature of the bill is novel, establishing a so-called transfer notice system. Under the system, a prospective purchaser of a handgun must prior to acquiring the weapon, go through the same check as if he were purchasing a new handgun. If found to be eligible to possess a handgun, the purchaser, or transferee would take a form to the private seller or transferor who would then make the sale. The seller would then mail or deliver the form in person to the local dealer.

Although the local dealer would maintain records of the transfer, including the names of the transferee, he would be prohibited by law from forwarding those names to the Treasury Department. The only information forwarded by local dealers would be the model and serial number of the handgun and the date of sale.

This procedure avoids any centralized index of handgun owners and has as its limited objective solely the tracing of handguns. Thus, if a handgun is left at the scene of a crime, the Treasury Department can check the serial number of its index, contact the local dealer who made the sale and find out from him who last owned the gun. If an offender is arrested with a handgun in his possession, and has not acquired the weapon pursuant to the provisions of this bill, he faces a possible sentence of 5 years and a fine of $5,000. This will provide an efficient, effective way to punish the criminal who possesses a handgun unlawfully.

A transferor who sells or transfers his handgun to another person without complying with the provisions of this bill by notifying the local dealer of the transfer also faces criminal sanctions.

A third requirement of the bill is to outlaw so-called Saturday night specials. This portion of the bill is hardly controversial, and is designed to accomplish a similar bar to cheap handguns as that passed by the Senate in 1972. Similar legislation has been introduced by Senator BAYH this year.

Mr. President, a brief look at the crime scene reveals not only unmitigated suffering produced by criminal abuses of firearms, but also a breakdown in our efforts to deal with the problem. Our present criminal justice system does not make effective use of our present laws in dealing with handgun abusers. The bill I introduce today does not establish a registration system, nor a licensing scheme, nor a ban on the manufacture and sale of handguns. I have not given up my commitment to these approaches which I believe are many times more effective in combating crime than the bill I am proposing today. But we must start somewhere, and the least we can do is to punish the criminal who illegally possesses a handgun and help law enforcement agencies track the culprit down. This bill is thus a straightforward law enforcement tool for attacking the problem of unchecked possession of weapons which are used in so many crimes.

I ask unanimous consent to have printed in the RECORD the text of the Handgun Crime Control Act of 1975.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Handgun Crime Control Act of 1975".

SEC. 2. The Congress hereby finds and declares:

(a) that the criminal misuse of handguns, particularly low quality, easily concealable, handguns, is a significant factor in the prevalence of violent crime in the United States;

(b) that the absence of effective law enforcement investigation to determine whether a handgun purchaser has a prior criminal record contributes to the easy availability of handguns for unlawful criminal purposes;

(c) that the imposition of a short waiting period prior to the purchase of a handgun would not unduly inconvenience a law-abiding citizen and would give law enforcement agencies adequate time to determine whether a prospective purchaser has a prior criminal record;

(d) that record-keeping limited solely to the nature of the handgun is a valuable law enforcement tool; and

(e) that receipt or possession of firearms by convicted felons otherwise barred by federal law from such receipt or possession constitutes a burden on commerce and a threat affecting the free flow of commerce.

SEC. 3. Section 921 of title 18, United States Code, is hereby amended by adding a new paragraph (21) as follows:

"(21) The term handgun means a firearm which is designed to be held and fired by the use of a single hand.".

SEC. 4. Section 922 of title 18, United States Code, is amended by:

((a) adding after the words "replacement firearm" in subsection (a)(2)(A) the words ", other than a handgun whose transfer is prohibited under subsection (p) of this section,";

(b) adding after the words "mailing a firearm" in subsection (a)(2)(A) the words ", other than a handgun the transfer of which is prohibited under subsection (p) of this section,";

(c) adding after the words "rental of a firearm" in subsection (a)(5) the words ", except a handgun the transfer of which is prohibited under subsection (p),";

(d) adding after the words "loan or rental of a firearm" in subsection (b)(3)(B) the words ", other than a handgun the transfer of which is prohibited under subsection (p),";)

(e) adding after the words "may sell a firearm" in subsection (c) the words ", other than a handgun,";

(f) deleting ", in the case of any firearm other than a shotgun or a rifle, I am twenty-one years or more of age, or that, in the case of a shotgun or a rifle," in subsection (c)(1);

(g) adding the following new subsection at the end of section 922:

"(n) It shall be unlawful for a licensed importer, licensed manufacturer, or licensed dealer to sell or transfer a handgun to a person, other than a licensed importer, licensed manufacturer, or licensed dealer, unless the transferee appears in person at the place of business of the licensed importer, licensed manufacturer, or licensed dealer and:

"(1) the licensed dealer receives from the transferee a statement submitted under oath in a form to be determined by the Secretary and stating the name, place of residence, birth date, and birth place of the transferee as well as the address of any place, other than the place of the transferee's residence, where the transferee intends to maintain the handgun. The statement shall indicate whether the transferee is entitled to receive and maintain the handgun under applicable Federal law, State law, and published ordinance applicable in the locale where the residence is maintained or where the handgun will be maintained;

"(2) the licensed dealer receives from the transferee a statement indicating the name and address of the chief law enforcement officer for the place of the transferee's residence and the place where the handgun is to be maintained;

"(3) the licensed dealer receives from the transferee a true copy of any permit or license required by any state law or published ordinance applicable at the place of the transferee's residence or any place where the handgun will be maintained, as well as a sworn statement containing any information required by a State law or published ordinance applicable to the transferee;

"(4) the licensed dealer receives from the transferee such identification as the Secretary shall by regulation require to establish reasonable grounds to believe that the transferee has supplied his true name and true address;

"(5) the licensed dealer submits copies of the sworn statement to the chief law enforcement officer or officers named in the statement by registered or certified mail (return receipt requested) in order that such officer or officers might have an opportunity to verify the transferee's identity, address, and right to own or possess a handgun;

"(6) the licensed dealer submits a copy of the sworn statement to the Federal Bureau of Investigation by registered or certified mail (return receipt requested) for the purpose of initiating a check of any prior criminal history, the result of which shall, within seven working days of the Bureau's receipt of the copy, be transmitted by the Bureau to the chief law enforcement officer of the transferee's place of residence so that he might inform the licensed dealer of the results of the check;

"(7) the licensed dealer has received return receipts indicating that the copies of the statements were received or has had the statements returned to him as a result of the refusal of the addressee to accept the mailing:

"(8) the licensed dealer has either:

"(A) received reports from all law enforcement officers named in the statement as well as the Federal Bureau of Investigation stating that the records of the Federal Bureau of Investigation and of the law enforcement officers do not indicate that the transferee is prohibited from owning or possessing a handgun; or

"(B) waited fifteen days (excluding Saturdays, Sundays, and legal holidays) from the time that the licensed dealer forwarded all materials he is required to submit to law enforcement officers and has received all information required from the transferee.

The provisions of this subsection shall not apply to the loan or rental of a firearm to any person for temporary use for lawful sporting purposes.

"(o)(1) It shall be unlawful for a person, other than a licensed importer, licensed manufacturer, or licensed dealer to purchase or receive a handgun from another person, other than a licensed importer, licensed manufacturer, or licensed dealer unless:

"(A) the transferee appears in person at the business premises of a licensed dealer in order to provide the sworn statement and suitable identification as would be required under subsection (n) if the licensed importer, licensed manufacturer, or licensed dealer were the transferor;

"(B) the licensed dealer has taken the steps provided in subsection (n) to assure that the sale by the transferor is in accord with Federal, State, and local law;

"(C) the transferee has paid the licensed dealer a fee, not to exceed $10, prescribed by the Secretary for the action taken by the licensed dealer;

"(D) the transferee has received, by mail or in person, three copies of certification by the licensed dealer, in a form prescribed by the Secretary, that he has not received information within the period prescribed in subsection (n) to indicate that the transferee is prohibited from owning or possessing or purchasing a handgun under Federal, State, or local law;

"(E) the transferee has presented the certificate prescribed in subparagraph (D) to the transferor prior to transfer of the handgun; and

"(F) the transferee has retained a copy of the certificate as verification of his compliance with this subsection. The licensed dealer shall also retain a copy of the certification as part of the records required to be kept under section 923(g) of this chapter.

"(2) It shall be unlawful for a person, other than a licensed importer, licensed manufacturer, or licensed dealer, to sell or transfer a handgun to another person, other than a licensed importer, licensed manufacturer, or licensed dealer unless:

"(A) the transferee first presents a signed certificate from a licensed dealer, pursuant to the provisions of subsection (1)(E) of this subsection, to the transferor, stating that the transferee is not prohibited from owning, possessing or purchasing a handgun under Federal, State, or local law;

"(B) the transferor returns a copy of the certificate to the licensed dealer, signed by the transferee and the transferor to indicate the date and place of sale and a description of the handgun; and

"(C) the transferor retains a copy of the certificate as verification of his compliance with this subsection. The licensed dealer shall retain a copy of the certification, complete with information concerning final disposition of the handgun under this subsection, as part of the records required to be kept under section 923(g) of this chapter. The provisions of this subsection shall not apply to the loan or rental of a firearm for temporary use for lawful sporting purposes.";

"(p) It shall be unlawful for any person to manufacture, sell, buy, transfer, or receive any handgun unless the Secretary has found that such handgun model:

(1) is particularly suitable for lawful sporting purposes;

(2) meets the published standards used by the Secretary under section 925(d)(3) of this chapter as of November 1, 1975; and

(3) has a barrel of six inches or more in length.

"(q) It shall be unlawful for any person to modify any firearm if as a result of such modification the firearm would be a handgun which would fail to meet the standards prescribed pursuant to subsection (p) of this section.

"(r) It shall be unlawful for any person, other than a licensed importer, licensed manufacturer or licensed dealer, knowingly to fail to report the loss or theft of a handgun in his possession to a licensed dealer. The licensed dealer shall retain a record of the report of loss as part of the records required to be kept under section 923(g) and shall give a copy, signed by the licensed dealer, to the person reporting the loss or theft to retain as verification of his compliance with this subsection.".

(h) deleting the words "in interstate or foreign commerce" in subsection (g).

(i) deleting the words "in interstate or foreign commerce" in subsection (h).

SEC. 5. Section 923 of title 18, United States Code, is amended by:

(a) adding at the end of subsection (g) the following:

"A licensed importer, licensed manufacturer, or licensed dealer who is required to retain records of a handgun transfer under subsection (n), (o), or (r) of section 922 of this chapter shall submit a record of the transfer to the Secretary, which shall include the identification of the manufacturer, model, caliber, and serial number of the handgun, the name and license number of the licensee, and the date of the transfer, but shall not include the name or address of the transferee under subsection (n) or (o) or of the transferor unless the transferor or transferee is a licensee.".

The Federal Bureau of Investigation shall not retain any record of the name and address of a potential transferee, which name and address was obtained by the Bureau solely as a result of a submission under section 922(n)(6), unless an identification check revealed that the making of such statement involved an offense of perjury or of giving a false statement".

Sec. 6. Section 925 of title 18, United States Code, is amended:

(a) by adding after the word "firearms" in subsection (a)(2) the words ", other than a handgun the transfer of which is prohibited under section 922(p) of this chapter,";

(b) by adding after the words "may receive a firearm" in subsection (a)(3) the words ", other than a handgun the transfer of which is prohibited under section 922(p) of this chapter,";

(c) by adding after the words "of any firearm" in subsection (a)(4) the words ", other than a handgun the transfer of which is prohibited under e section 922(p) of this chapter,"; and

(d) by amending subsection (d)(3) to read as follows:

"(3) is of a type that does not fall within the definition of a firearm as defined in section 5845(a) of the Internal Revenue Code of 1954; is not a surplus military firearm; is generally recognized as particularly suitable for sporting purposes; and, if a handgun, transfer is not prohibited under section 922(p) of this chapter; or".

Sec. 7. Section 1202 of title VII of the Omnibus Crime Control and Safe Streets Act, as amended (18 U.S.C. App. 1202), is amended by:

(a) deleting the words "in commerce or affecting commerce" in subsection (a); and

(b) deleting the words "in commerce or affecting commerce" in subsection (b).

Sec. 8. This Act shall become effective ninety days after the date of enactment, except that the amendments to section 922 (a)(2)(A) of title 18, United States Code, shall not preclude the return within thirty days of the effective date to the person from whom it was received of a handgun the transfer of which is prohibited under section 922(p) of title 18 which was transferred to the licensed importer, licensed manufacturer, licensed dealer, or licensed collector before the effective date of the Act.

By Mr. STEVENS (by request):

S. 2676. A bill to designate certain public lands and waters in the State of Alaska for national conservation purposes, and to provide for the benefit, use, and enjoyment by present and future generations of certain public lands containing forested, geological, scenic, historic, scientific, cultural, recreational, and wildlife areas in the State of Alaska, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. STEVENS. Mr. President, today I am introducing, at the request of Congressman Don Young of Alaska, a bill which addresses one of the most crucial issues facing my State and the Nation.

Under the terms of the Alaska Native Claims Settlement Act, the Secretary of the Interior was directed to study Federal lands in Alaska and recommend up to 80 million acres for inclusion in the National Park, Forest, Wildlife Refuge, and Wild and Scenic Rivers Systems. The administration has prepared a proposal which would incorporate over 83 million acres in these four systems. Other bills before the Senate would place over 100 million acres in restricted management designations.

Alaska's future is intimately tied to the use of these lands. Between one-fifth to one-quarter of my State's land will be placed in restricted uses under bills presently before the Senate. Development of $30 to $40 billion worth of minerals on the lands would be limited, if not precluded; 2.7 billion barrels of oil and 19.3 trillion cubic feet of gas would be placed beyond our reach.

The effect of these massive land withdrawals on Alaska's people, economy, and future are obvious.

But the effect on the entire country would also be substantial. In these times of energy shortage, these restrictive land uses could prevent development of much needed oil, gas, hydroelectric and geothermal resources. America's economy is based upon continuing supplies of iron, silver, copper, zinc, phosphates, and other minerals. Increasingly we depend upon foreign sources for these vital minerals. Alaska has enormous potential to become a safe domestic source of many minerals. The proposals presently before the Senate would seriously limit the availability of these resources.

A more realistic approach to land use in Alaska is contained in a bill prepared by my colleague from Alaska, the Honorable Don Young.

This bill would create 13.93 million acres of new national park lands to protect those core areas of great scenic beauty which are of national importance. Some 28.31 million acres of new national forests would be established to allow multiple use of the recreational, timber, mineral, and petroleum resources we need; 500,000 acres of additions to the National Wild and Scenic River System would protect several streams for the future.

This bill is unique in that it would establish the Alaska Scenic Reserve System of 24.39 million acres. The Alaska scenic reserve lands would be used for recreational purposes, timber leasing, and other uses not inconsistent with the principal Federal law. They would be administered jointly by State and Federal codirectors appointed by the Governor and the President.

This bill is a more moderate alternative to those presently before the Senate and although I do not agree with all the provisions, I feel the committee should consider it fully.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alaska National Public Lands Conservation Act".

"Sec. 2. It is the purpose of this Act to—

(a) ascertain that Alaska's national public lands will be permitted to serve, as they have in the past, as a national provider of natural resources, including wildlife, forestry, and scenic beauty. At the same time, this Act will assure the future utilization of Alaska's mineral and energy resources. This Act will also insure access, vitally necessary, for the transportation of resources across these vast expanses of Alaska public lands.

(b) provide designation of major significant areas of public land possessing a variety of resources which can best serve our Nation by management under the principles of multiple-use sustained yield practices in an environmentally sound manner as units of the National Forest System.

(c) reserve for the benefit, use, and inspiration of present and future generations certain national public lands that contain nationally significant natural, scenic, historic, geological scientific wilderness, cultural, recreational, and wildlife values which will be declared units of the Alaska Scenic Reserve, National Park System, and National Wild and Scenic Rivers System.

(d) establish an Alaska Scenic Reserve comprised of certain public lands in the State of Alaska and administered by an Alaska Scenic Reserve Service. These lands, administered jointly by Federal and State appointees, are areas containing a diversity of resources and where a variety of existing uses call for a more direct State involvement than is to be had within the existing management systems.

(e) provide for a multimodal transportation and utility corridor system intended for the systematic transport of resources. This network identifies transportation routes for resources which are of national and statewide significance.

TITLE I—ESTABLISHMENT OF ALASKA SCENIC RESERVE

ESTABLISHMENT OF SERVICE

Sec. 101. There is hereby established as an independent establishment in the executive branch the Alaska Scenic Reserve Service (hereinafter in this title referred to as the "Service").

FUNCTIONS OF SERVICE

Sec. 102. The Service shall administer, manage, and protect, in accordance with the provisions of this title and other applicable Federal law, the public lands and waters which are designated as components of the Alaska Scenic Reserve.

ADMINISTRATION OF SERVICE

Sec. 103. (a) The Service shall be administered by two Co-Directors, one to be appointed by the President, by and with the advice and consent of the Senate, and one to be appointed by the Governor of Alaska.

(b) The Co-Directors shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect from time to time for level V of the Executive Schedule.

(c) The Co-Directors may appoint and fix the pay of such personnel as may be necessary to carry out the functions of the Service and may make such other expenditures and have such powers as may be appropriate.

ALASKA SCENIC RESERVE

Sec. 104. (a) Lands and waters within the Alaska Scenic Reserve shall be used for recreational purposes, timber leasing, and for such other purposes not inconsistent with applicable Federal law, as the Co-Directors shall by regulation prescribe. Such regulations shall provide that activities carried out within any part of the Alaska Scenic Reserve shall further the highest and best use of that part, and shall promote and insure harmony between development of the lands and waters and the recreational and other uses to which such land and waters could be put.

(b) No regulation shall be prescribed under this section unless both Co-Directors concur.

(c) No regulation prescribed under this section shall take effect before the date thirty days after the date on which a public hearing was held with respect to such regulation in the State of Alaska. No such public hearing shall be held before the date thirty days after notice of such hearing has been given through publication in the Federal Register and in the newspaper of general circulation in the area or areas in the vicinity of affected lands.

TITLE II—DESIGNATION OF AREAS

ALASKA SCENIC RESERVE

Sec. 201. (a) Subject to all valid existing rights, the following public lands in the State of Alaska are withdrawn from all forms of entry or application under the public lands laws of the United States and shall be established as components of the Alaska Scenic Reserve to be administered by the Alaska Scenic Reserve Service in accordance with title I of this Act:

(1) approximately 2.85 million acres to be known as the Illiama Reserve, described in subsection (b),

(2) approximately 7.59 million acres to be known as the Noatak Valley Reserve, described in subsection (c),

(3) approximately 1.68 million acres to be known as the Denali Reserve, described in subsection (d), and

(4) approximately 3.76 million acres to be known as the Arctic Reserve, described in subsection (e),

(5) approximately 1.84 million acres described in subsection (b), to be known as the Innoka Reserve,

(6) approximately 1.70 million acres described in subsection (c), to be known as the Selawik Wildlife Reserve,

(7) approximately 2.64 million acres, described in subsection (d), to be known as the Yukon Delta Reserve,

(8) approximately 2.21 million acres described in subsection (e), to be known as the Yukon Flats Reserve,

(9) approximately .07 million acres described in subsection (f), to be known as the Coastal National Reserve.

A map of each such Reserve shall be on file and available for public inspection in the offices of the Alaska Scenic Reserve Service, and as soon as practicable after the date of enactment of this Act, such map and a legal description of each such Reserve shall be filed with the Committees on Interior and Insular Affairs of the Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act. Correction of any clerical or typographical errors in such map and description may be made.

(b) The Illiana Reserve referred to in subsection (a)(1) includes lands described as follows:

Beginning at the southeast corner of township 13 south, range 33 west, Seward base and meridian;

thence westerly to the east line of township 14 south, range 35 west;

thence southerly to the south line of township 14 south, range 35 west;

thence westerly to the east line of township 15 south, range 43 west;

thence southerly to the south line of township 15 south, range 43 west;

thence westerly to the west line of township 15 south, range 43 west;

thence southerly to the south line of township 16 south, range 44 west;

thence easterly to the east shore line of Kvichak Bay;

thence northerly, westerly, and southerly along the mean high tide line to a point of intersection with the west line of township 16 south, range 54 west;

thence northerly to the north line of township 13 south, range 54 west;

thence easterly to the west line of township 12 south, range 53 west;

thence northerly to the north line of township 5 south, range 53 west;

thence easterly to the west line of township 4 south, range 52 west;

thence northerly to the north line of township 4 south, range 52 west;

thence easterly to the west line of township 3 south, range 50 west;

thence northerly to the north line of township 1 south, range 50 west;

thence easterly to the east line of township 1 south, range 45 west;

thence southerly to the north line of township 5 south, range 45 west.

thence westerly to the west line of township 4 south, range 39 west;

thence northerly to the north line of township 4 south, range 39 west;

thence easterly to the west line of township 3 south, range 38 west;

thence northerly to the north line of township 1 south, range 38 west;

thence easterly to the west line of township 1 north, range 36 west;

thence northerly to the north line of township 4 north, range 36 west;

thence easterly to the east line of township 4 north, range 36 west;

thence southerly to the north line of township 1 north, range 35 west;

thence easterly to the east line of township 1 north, range 30 west;

thence southerly to the north line of township 2 south, range 29 west;

thence easterly to the east line of township 2 south, range 26 west;

thence southerly to the south line of township 4 south, range 26 west;

thence westerly to the east line of township 5 south, range 27 west;

thence southerly to the south line of township 6 south, range 27 west;

thence westerly to the east line of township 7 south, range 30 west;

thence southerly to the south line of township 8 south, range 30 west;

thence westerly to the east line of township 9 south, range 31 west;

thence southerly to the south line of township 12 south, range 31 west;

thence westerly to the east line of township 13 south, range 33 west;

thence southerly to the point of beginning; excluding all valid existing rights and future rights or claims authorized under law.

(c) The Noatak Valley Reserve referred to in subsection (a)(2) includes lands described as follows:

Beginning at the southeast corner of township 29 north, range 13 east, Kateel River base and meridian;

thence westerly to the east line of township 28 north, range 12 east;

thence southerly to the south line of township 28 north, range 12 east;

thence westerly to the east line of township 27 north, range 10 east;

thence southerly to the south line of township 27 north, range 10 east;

thence westerly to the east line of township 26 north, range 7 east;

thence southerly to the south line of township 24 north, range 7 east;

thence westerly to the midline of township 23 north, range 6 east;

thence southerly to the south line of township 23 north, range 6 east;

thence westerly to the west line of township 23 north, range 5 east;

thence northerly to the south line of township 25 north, range 4 east;

thence westerly to the west line of township 25 north, range 2 east;

thence northerly to the south line of township 27 north, range 1 east;

thence westerly to the midline of township 27 north, range 3 west;

thence northerly to the south line of township 28 north, range 3 west;

thence westerly to the west line of township 28 north, range 3 west;

thence northerly to the midline of township 28 north, range 4 west;

thence westerly to the west line of township 28 north, range 4 west;

thence northerly to the south line of township 29 north, range 5 west;

thence westerly to 160 degrees longitude, west of Greenwich;

thence southerly to the south line of township 28 north, range 6 west;

thence westerly to the midline of township 27 north, range 7 west;

thence southerly to the midpoint of township 27 north, range 7 west;

thence westerly to the west line of township 27 north, range 7 west;

thence southerly to the south line of township 22 north, range 7 west;

thence easterly to the midline of township 21 north, range 7 west;

thence southerly to the south line of township 21 north, range 7 west;

thence westerly to the east line of township 20 north, range 11 west;

thence southerly to the south line of township 20 north, range 11 west;

thence westerly to the west line of township 20 north, range 13 west;

thence northerly to the south line of township 22 north, range 14 west;

thence westerly to the west line of township 22 north, range 17 west;

thence northerly to the north line of township 24 north, range 17 west;

thence easterly to the west line of township 25 north, range 16 west;

thence northerly to the south line of township 28 north, range 17 west;

thence westerly to the west line of township 28 north, range 21 west;

thence northerly to the north line of township 28 north, range 21 west;

thence easterly to the west line of township 29 north, range 20 west;

thence northerly to the north line of township 29 north, range 20 west;

thence easterly to the west line of township 30 north, range 19 west;

thence northerly to the north line of township 30 north, range 19 west;

thence easterly to the west line of township 31 north, range 18 west;

thence northerly to the north line of township 34 north, range 18 west;

thence easterly to the west line of township 12 south, range 45 west, Umiat base and meridian;

thence northerly to the north line of township 12 south, range 45 west;

thence easterly to the west line of township 11 south, range 44 west;

thence northerly to the north line of township 11 south, range 44 west;

thence easterly to the southwest boundary of the Naval Petroleum Reserve Numbered 4;

thence easterly along the boundary of Naval Petroleum Reserve Numbered 4 to the east line of township 30 north, range 13 east, Kateel River base and meridian;

thence southerly to the point of beginning; exclusive of all valid existing rights and any future rights or claims authorized under law.

(d) The Denali Reserve referred to in subsection (a)(3) includes land described as follows:

Beginning at the northeast corner of township 33 north, range 5 west, Seward meridian;

thence southerly to the south line of township 32 north, range 5 west;

thence westerly to the east line of township 31 north, range 6 west;

thence southerly to the south line of township 30 north, range 6 west;

thence westerly to the west line of the east one-fourth township 29 north, range 9 west;

thence southerly to the south line of the north one-half township 29 north, range 9 west;

thence west to the east line of township 29 north, range 10 west;

thence southerly to the south line of township 29 north, range 10 west;

thence westerly to the west line of township 28 north, range 11 west;

thence northerly to the south line of township 29 north, range 12 west;

thence westerly to the east line of township 28 north, range 14 west;

thence southerly to the south line of township 26 north, range 14 west;

thence westerly to the west line of township 26 north, range 19 west;

thence northerly to the one-half township line of township 28 north, range 19 west;

thence northeasterly to the west line of township 29 north, range 18 west;

thence northerly to the south line of township 30 north, range 18 west;

thence westerly to the east line of township 30 north, range 16 west;

thence northerly to the north line of township 30 north, range 16 west;

thence northeasterly to the one-half township line of township 31 north, range 15 west;

thence northerly to the south line of township 22 south, range 24 west, Fairbanks base and meridian;

thence easterly to the intersection of the south line of township 22 south, range 23 west and the boundary of Mount McKinley National Park;

thence southerly to the southwest corner of the park boundary;

thence northeasterly along the park boundary to its intersection with the east line of township 18 south, range 10 west;

thence southerly to the south line of township 18 south, range 10 west;

thence westerly to the east line of township 18 south, range 11 west;

thence southwesterly to the southeast corner of township 20 south, range 13 west;

thence westerly to the east one-half township line of township 21 south, range 13 west;

thence southerly to south line of township 22 south, range 13 west;

thence westerly to the point of beginning.

(e) The Arctic Reserve referred to in subsection (a)(4) includes lands described as follows:

West Unit

Beginning at a point on the north line of township 37 north, range 17 east, Fairbanks base and meridian, at the point of its intersection with the east line of township 16 south, range 35 east, Umiat base line and meridian, also on the western boundary line of the withdrawn utility corridor;

thence southerly to the north line of township 36 north, range 17 east;

thence westerly to the east line of township 36 north range 16 east;

thence southerly to the south line of township 33 north, range 16 east, also the north boundary of the proposed Porcupine National Forest;

thence westerly to the east boundary line of the former Venietie Indian Reservation;

thence northerly along this line to its intersection with the south line of township 16 south, range 30 east, Umiat base line and meridian;

thence northerly to the south line of township 12 south, range 30 east;

thence westerly to the east line of township 13 south, range 25 east;

thence southerly to the south line of township 16 south, range 25 east;

thence westerly to the point of intersection with the east line of township 37 north, range 6 west, Fairbanks base line and meridian;

thence southerly to the north line of township 36 north, range 6 east;

thence westerly to the east line of township 36 north, range 5 east;

thence southerly to the south line of township 35 north, range 5 east;

thence westerly to the west line of township 36 north, range 5 east;

thence northerly to the south line of township 36 north, range 4 east;

thence westerly to the west line of township 36 north, range 3 east;

thence northerly to the south line of township 37 north, range 2 east;

thence westerly to the west line of the eastern one-half, township 37 north, range 2 east;

thence northerly to the intersection with the south line of township 16 south, range 21 east, Umiat base line and meridian;

thence northerly to the south line of the northern one-half of township 16 south, range 21 east;

thence westerly to the west line of township 16 south, range 21 east;

thence northerly to the south line of township 13 south, range 20 east;

thence westerly to the west line of township 13 south, range 19 east;

thence northerly to the south line of township 4 south, range 19 east;

thence easterly to the east line of township 4 south, range 22 east;

thence southerly to the north line of township 5 south, range 23 east;

thence easterly to the east line of township 5 south, range 23 east;

thence southerly to the north line of township 6 south, range 24 east;

thence easterly to the east line of west one-half of township 6 south, range 25 east, also being the boundary of the utility corridor;

thence following the western boundary of this corridor in a southeasterly direction to the point of beginning.

East Unit

Beginning at a point at the intersection of the international boundary line, longitude 141 degrees, 00 minutes and the north line of township 37 north, range 30 east; Fairbanks base line and meridian;

thence southerly to the intersection with the north boundary of the utility corridor;

thence following this utility corridor border in a westerly direction to the intersection with the south line of township 16 south, range 38 east; Umiat base line and meridian;

thence westerly to the intersection with the southern boundary of the Arctic National Wildlife Refuge;

thence along the boundary northeasterly and easterly to the intersection with the international boundary line;

thence southerly to the point of beginning.

(f) The lands referred to in subsection (a)(5) as the Innoko National Reserve are described as follows:

Beginning at a point at the northeast corner of township 33 north, range 45 west, Seward base and meridian;

thence southerly to the south line of township 33 north, range 45 west;

thence westerly to the east line of township 32 north, range 46 west;

thence southerly to the south line of township 32 north, range 46 west;

thence westerly to the west line of township 32 north, range 47 west;

thence northerly to the south line of township 33 north, range 47 west;

thence westerly to the west line of township 33 north, range 47 west;

thence northerly to the north line of township 33 north, range 48 west;

thence westerly to the east line of township 33 north, range 51 west;

thence southerly to the south line of township 33 north, range 51 west;

thence westerly to the west line of township 33 north, range 53 west;

thence northerly to the north line of township 33 north, range 53 west; Seward base and meridian;

thence northerly to the north line of township 28 south, range 3 west, Kateel River base and meridian;

thence easterly to the west line of township 27 south, range 1 west;

thence northerly to the north line of township 25 south, range 1 west;

thence easterly to the west line of township 24 south, range 2 east;

thence northerly to the north line of township 20 south, range 2 east;

thence easterly to the west line of township 19 south, range 4 east;

thence northerly to the north line of township 18 south, range 4 east;

thence easterly to the east line of township 18 south, range 8 east;

thence southerly to the north line of township 21 south, range 9 east;

thence easterly to the east line of township 21 south, range 9 east;

thence southerly to the south line of township 22 south, range 9 east;

thence westerly to the west line of township 23 south, range 5 east;

thence southerly to the north line of township 24 south, range 6 east;

thence easterly to the east line of township 24 south, range 6 east;

thence southerly to the south line of township 28 south, range 6 east;

thence westerly to the point of beginning.

(h) The lands referred to in subsection (a)(6) as the Selawik National Reserve are described as follows:

Beginning at a point at the southeast corner of township 11 north, range 4 east;

thence westerly to the east line of township 10 north, range 2 west;

thence southerly to the south line of township 9 north, range 2 west;

thence westerly to the west line of township 9 north, range 4 west;

thence northerly to the north line of township 12 north, range 4 west;

thence easterly to the west line of township 13 north, range 3 west;

thence northerly to the south line of township 17 north, range 4 west;

thence westerly to the west line of township 17 north, range 5 west;

thence northerly to the intersection with the southern bank of the Kobuk River;

thence following this bank in a northeasterly direction to the east line of township 20 north, range 2 west, also the eastern boundary of the proposed Kobuk Dunes National Monument;

thence southerly and easterly along this common boundary to the east line of township 18 north, range 2 east;

thence southerly to the north line of township 17 north, range 3 east;

thence easterly to the east line of township 17 north, range 4 east;

thence southerly to the point of beginning.

(i) The lands referred to in subsection (a)(7) as the Yukon Delta Reserve are described as follows:

West Unit

Beginning at a point at the southeast corner of township 15 north, range 64 west;

thence westerly to the west line of township 14 north, range 67 west;

thence southerly to the south line of township 13 north, range 67 west;

thence westerly to the east line of township 12 north, range 70 west;

thence southerly to the south line of township 12 north, range 70 west;

thence westerly to the west line of township 12 north, range 75 west;

thence northerly to the south line of township 13 north, range 76 west;

thence westerly to the west line of township 13 north, range 76 west;

thence northerly to the south line of township 16 north, range 77 west;

thence westerly to the west line of township 16 north, range 81 west;

thence northerly to the south line of township 17 north, range 82 west;

thence westerly to the west line of township 17 north, range 82 west;

thence northerly to the south line of township 19 north, range 83 west;

thence westerly to the west line of township 19 north, range 84 west;

thence northerly to the north line of township 20 north, range 84 west;

thence easterly to the west line of township 21 north, range 83 west;

thence northerly to the south line of township 23 north, range 84 west;

thence westerly to the west line of township 23 north, range 85 west;

thence northerly to the south line of township 25 north, range 86 west;

thence westerly to the west line of township 25 north, range 86 west;

thence northerly to the north line of township 25 north, range 86 west;

thence easterly to the east line of township 25 north, range 83 west;

thence southerly to the north line of township 20 north, range 82 west;

thence easterly to the east line of township 20 north, range 79 west;

thence southerly to the north line of township 19 north, range 78 west;

thence easterly to the east line of township 19 north, range 77 west;

thence southerly to the north line of township 18 north, range 76 west;

thence easterly to the east line of township 18 north, range 72 west;

thence southerly to the north line of township 16 north, range 71 west;

thence easterly to the east line of township 16 north, range 71 west;

thence southerly to the north line of township 14 north, range 70 west;

thence easterly to the west line of township 15 north, range 66 west;

thence northerly to the north line of township 17 north, range 66 west;

thence easterly to the east line of township 17 north, range 64 west;

thence southerly to the point of beginning.

East Unit

Beginning at a point at the southeast corner of township 20 north, range 60 west;

thence westerly to the west line of township 20 north, range 63 west;

thence northerly to the south line of township 21 north, range 64 west;

thence westerly to the west line of township 21 north, range 64 west;

thence northerly to the north line of township 24 north, range 64 west;

thence easterly to the east line of township 24 north, range 63 west;

thence southerly to the north line of township 22 north, range 62 west;

thence easterly to the east line of township 22 north, range 61 west;

thence southerly to the north line of township 21 north, range 60 west;

thence easterly to the east line of township 21 north, range 60 west;

thence southerly to the point of beginning.

(j) The lands referred to in subsection (a) (8) as the Yukon Flats Reserve are described as follows:

Beginning at a point at the southwest corner of township 14 north, range 15 east;

thence westerly to the east line of township 13 north, range 5 west;

thence southerly to the south line of township 13 north, range 5 west;

thence westerly to the east line of township 12 north, range 8 west;

thence southerly to the south line of township 12 north, range 8 west;

thence westerly to the west line of township 12 north, range 8 west;

thence northerly to the south line of township 13 north, range 9 west;

thence westerly to the west line of township 13 north, range 9 west;

thence northerly to the south line of township 14 north, range 10 west;

thence westerly to the southwest corner of township 14 north, range 10 west;

thence northerly to the north line of township 17 north, range 10 west;

thence easterly to the west line of township 18 north, range 9 west;

thence northerly to the north line of township 18 north, range 9 west;

thence easterly to the west line of township 19 north, range 6 west;

thence northerly to the north line of township 19 north, range 6 west;

thence easterly to the west line of township 20 north, range 1 west;

thence northerly to the north line of township 20 north, range 1 west;

thence easterly to the west line of township 21 north, range 4 east;

thence northerly to the intersection with the southwest boundary of the former Venietie Indian Reserve and the west line of township 26 north, range 4 east;

thence southerly and northeasterly along the boundary of the Venietie Indian Reservation to the intersection with the north line of township 22 north, range 10 east;

thence easterly, southerly, southwesterly and southeasterly along the common boundary with the proposed Porcupine National Forest to the east line of township 14 north, range 15 east;

thence southerly to the point of beginning.

(k) The lands referred to in subsection (a) (10) as the Coastal National Reserve are described as follows:

A series of approximately 1,800 land areas composed of islands, islets, rocks, pinnacles, and cliffs distributed along approximately 1,500 miles of Alaska coastline from Cape Lisburne in the Chukchi Sea to the Gulf of Alaska which includes the following named areas:

Chukchi Sea NWR: Cape Lisburn, Cape Thompson.

Bering Sea NW: Fairway Rock, Sledge Island, Bluff, Egg Island.

Shumagin Islands NWR: Sankin Island, Egg Island, Amagat Island, Umga Island, Sozavarika Island, Sandman Reefs, Jude Island, Kennoys Island, Bay Point, Round Island, Sea Lion Rocks, High Island, The Haystacks, Karpa Island, Bird Island, Near Island, Twins, Koniuji Island, Mitrofania Group, Atkulik, Chignigak Bay.

Kodiak NWR: Kodiak Island Group.

Barren Islands NWR: Rock Islands, Latax Rocks.

Pye Islands NWR: Pye Island Group, Lower Aialik Peninsula.

Chiswell Island NWR: Chiswell Island, Lower Harris Island.

NATIONAL PARKS

Sec. 202. (a) Subject to all valid existing rights, the following public lands in the State of Alaska are reserved and withdrawn from all forms of entry or application under the public land laws of the United States and established as components of the national park system for the benefit and enjoyment of the people, to be administered by the National Park Service in accordance with the provisions of laws applicable to such system:

(1) approximately .44 million acres described in subsection (b), to be known as the Aniakechak Caldera National Park,

(2) approximately .13 million acres described in subsection (c), to be known as the Cape Krusenstern National Monument,

(3) approximately .15 million acres described in subsection (d), to be known as the Kobuk Dunes National Monument.

(4) approximately 6.63 million acres described in subsection (e), to be known as the Wrangell-Saint Elias National Park, and

(5) approximately 3.24 million acres described in subsection (f) to be known as the Gates of the Arctic National Park.

A map of each such park and monument shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and as soon as practicable after the date of enactment of this Act, such map and a legal description of each such park and monument shall be filed with the Committees on Interior and Insular Affairs of the Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act. Correction of any clerical or typographical errors in such map and description may be made.

(b) The lands referred to in subsection (a) (1) as the Aniakchak Caldera National Park are described as follows:

Beginning at the northeast corner of township 37 south, range 51 west, Seward meridian;

thence southerly to the intersection of the east line of township 39 south, range 51 west, and the Pacific Ocean;

thence southwest along the seashore to its intersection with the east line of township 41 south, range 54 west;

thence northerly to the south line of township 40 south, range 54 west;

thence westerly to the west line of township 40 south, range 55 west;

thence northerly to the one-half township line of township 40 south, range 56 west;

thence westerly to the west line of township 40 south, range 56 west;

thence northerly to the north line of township 37 south, range 56 west;

thence easterly to the east line of township 36 south, range 54 west;

thence northerly to the north line of township 36 north, range 54 west;

thence easterly to the east line of township 36 south, range 52 west;

thence southerly to the north line of township 37 south, range 52 west;

thence easterly to the point of beginning.

(c) Lands referred to in subsection (a) (2) as the Cape Krusenstern National Monument are described as follows:

Beginning at the northeast corner of township 19 north, range 21 east, Kateel River meridian;

thence southerly along the east line of township 19 north to its intersection with the Chukchi Sea;

thence along the shoreline to its intersection with the north line of township 24 north, range 24 west;

thence easterly to the east line of township 24 north, range 23 west;

thence southerly to the north line of township 21 north, range 22 west;

thence easterly to the east line of township 21 north, range 22 east;

thence southerly to the north line of township 19 north, range 21 west;

thence southerly to the point of beginning.

(d) The lands referred to in subsection (a) (3) as the Kobuk Dunes National Monument are described as follows:

Beginning at a point at the southeast corner of township 19 north, range 2 east;

thence westerly to the west line of township 19 north, range 2 east;

thence westerly to the west line of township 19 north, range 1 west;

thence northerly to the intersection of the west line of township 21 north, range 1 west, with the Kobuk River;

thence easterly along the Kobuk River to its intersection with the east line of township 20 north, range 1 east;

thence southerly to the point of beginning.

(e) The lands referred to in subsection (a) (4) as the Wrangell-Saint Elias National Park are described as follows:

Beginning at a point at 60 degrees north latitude on the international boundary between the United States and Canada;

thence westerly to the mean high tide line in the Gulf of Alaska;

thence following the coast in a westerly direction to 141 degrees longitude, west of Greenwich;

thence northerly to the south line of township 19 south, range 25 east, Copper River base and meridian;

thence westerly to the east line of township 20 south, range 23 east;

thence southerly to the mean high tide line on the Gulf of Alaska;

thence northwesterly to the southwest corner of township 21 south, range 23 east;

thence westerly to the west line of township 21 south, range 22 east;

thence northerly to the south line of township 20 south, range 21 east;

thence westerly to the west line of township 20 south, range 21 east;

thence northerly to the south line of township 19 south, range 20 east;

thence westerly to the west line of township 19 south, range 19 east;

thence northerly to the south line of township 17 south, range 18 east;

thence westerly to the east line of township 18 south, range 16 east;

thence southerly to the south line of township 18 south, range 16 east;

thence westerly to the east line of township 18 south, range 11½ east;

thence southerly to the south line of township 19 south, range 11½ east;

thence westerly to the west line of township 19 south, range 10 east;

thence northerly to the south line of township 15 south, range 9 east;

thence northeasterly along the watershed divide to Mount Hawkins;

thence continuing northeasterly along the divide between the Bremner River and the Tana River;

thence continuing northeasterly along the divide between the Chitina and Tana River to the south line of township 8 south, range 14 east;

thence northeasterly to the intersection of the Chitina River and the south line of township 7 south, range 14 east;

thence easterly to the east line of township 7 south, range 14 east;

thence northerly to the north line of township 6 south, range 14 east;

thence northeasterly along the watershed divide to Nikolai Pass;

thence northwesterly along the divide to the south line of township 1 south, range 13 east;

thence westerly to the west line of township 1 south, range 10½ east;

thence northerly to the intersection with the Nabesna Glacier;

thence northwesterly along the glacier's edge to its intersection with the east line of township 1 north, range 8 east;

thence southwesterly to the southwest corner of township 1 south, range 7 east;

thence westerly to the west line of township 1 south, range 4 east;

thence northerly to the north line of township 6 north, range 4 east;

thence westerly to the west line of township 7 north, range 7 east;

thence northerly to the north line of township 8 north, range 7 east;

thence westerly to the west line of township 8 north, range 12½ east;

thence southerly to the north line of township 6 north, range 12 east;

thence easterly to the east line of township 6 north, range 12 east;

thence southerly to the north line of township 4 north, range 13 east;

thence easterly to the west line of township 4 north, range 14½ east;

thence southerly to the north line of township 3 north, range 14 east;

thence easterly to the west line of township 3 north, range 17 east;

thence southerly to the north line of township 2 north, range 18 east;

thence easterly to the west line of township 2 north, range 18 east;

thence southerly to the north line of township 2 north, range 19 east;

thence easterly to the international boundary;

thence southerly, easterly, and southerly along the international boundary to the point of beginning.

(f) The lands described in subsection (a)(5) as the Gates of the Arctic National Park are described as follows:

West Unit

Beginning at a point on the southeast corner of township 15 north, range 20 east, Kateel River base and meridian;

thence westerly to the west line of township 15 north, range 15 east;

thence northerly to the south line of township 17 north, range 14 east;

thence westerly to the north line of township 17 north, range 14 east;

thence northerly to the north line of township 17 north, range 14 east;

thence easterly to the west line of township 18 north, range 15 east;

thence northerly to the north line of township 18 north, range 15 east;

thence easterly to the east line of township 18 north, range 15 east;

thence southerly to the north line of township 17 north, range 16 east;

thence easterly to the west line of township 18 north, range 19 east;

thence northerly to the south line of township 22 north, range 18 east;

thence westerly to the west line of township 22 north, range 17 east;

thence northerly to the intersection with the line of latitude of 68 degrees, 00 minutes;

thence easterly along the latitude line to the east line of township 30 north, range 25 east;

thence southerly to the south line of township 31 north, range 24 west, Fairbanks base and meridian;

thence easterly to the one-half township line of township 30 north, range 24 west;

thence southerly to the one-half township line of township 29 north, range 24 west;

thence westerly to the one-half township 22 north, range 25 east, Kateel River base and meridian;

thence sourtherly to the south line of township 22 north, range 25 east;

thence westerly to the east line of township 21 north, range 23 east;

thence southerly to the south line of township 21 north, range 23 east;

thence westerly to the one-half township line of township 20 north, range 23 east;

thence southerly to the north line of township 19 north, range 23 east;

thence westerly to the east line of township 19 north, range 22 east;

thence southerly to the north line of township 18 north, range 22 east;

thence westerly to the east line of township 17 north, range 20 east;

thence southerly to the point of beginning.

East Unit

Beginning at a point on the southeast corner of township 34 north, range 12 west, Fairbanks meridian;

thence westerly to the west line of township 34 north, range 15 west;

thence northerly to the north line of township 15 south, range 5 east, Umiat meridian;

thence easterly to the east line of township 15 south, range 9 east;

thence southerly to the south line of township 16 south, range 9 east;

thence westerly to the west line of township 36 north, range 12 west, Fairbanks meridian;

thence southerly to the point of beginning.

(g) Subject to valid existing rights there is added to Mount McKinley National Park the lands described as follows:

Beginning at a point at the northeast corner of township 11 south, range 9 west;

thence southerly to the south line of township 11 south, range 9 west;

thence westerly to the east line of township 12 south, range 12 west;

thence southerly to the point of intersection of the east line of township 13 south, range 12 west, and the northern boundary of Mount McKinley National Park;

thence westerly and southerly along the boundary of Mount McKinley National Park to a point of intersection with the south line of township 22 south, range 23 west;

thence westerly to the west line of township 22 south, range 25 west;

thence northerly to the north line of township 17 north, range 25 west;

thence easterly to the west line of township 16 south, range 24 west;

thence northerly to the north line of township 16 south, range 24 west;

thence easterly to the west line of township 15 south, range 22 west;

thence northerly to the north line of township 15 south, range 22 west;

thence easterly to the west line of township 14 south, range 21 west;

thence northerly to the north line of township 14 south, range 21 west;

thence easterly to the west line of township 13 south, range 19 west;

thence northerly to the north line of township 13 south, range 19 west;

thence easterly to the west line of township 12 south, range 17 west;

thence northerly to the north line of township 12 south, range 17 west;

thence easterly to the one-half township line of township 11 south, range 17 west;

thence northerly to the north line of township 11 south, range 17 west;

thence easterly to the point of beginning.

NATIONAL FORESTS

SEC. 203. (a) Subject to all valid existing rights, the following public lands in the State of Alaska are withdrawn from all forms of entry or application under the public land laws of the United States and established as national forests to be administered by the Secretary of Agriculture in accordance with the laws applicable to the national forests:

(1) approximately 5.5 million acres described in subsection (b), to be known as the Porcupine National Forest,

(2) approximately 5.5 million acres described in subsection (c), to be known as the Wrangell Mountain National Forest,

(3) approximately 5.4 million acres described in subsection (d), to be known as the Yukon National Forest,

(4) approximately 4.5 million acres described in subsection (e), to be known as the Fortymile National Forest.

(5) approximately 4.48 million acres described in subsection (f), to be known as the Kuskokwim National Forest,

(6) approximately 2.61 million acres described in subsection (g), to be known as the Lake Clark National Forest, and

(7) approximately .32 million acres described in subsection (h), to be known as the Chugach National Forest Addition.

A map of each such national forest shall be on file and available for public inspection in the offices of the Department of Agriculture, and as soon as practicable after the date of enactment of this Act, such may and a legal description of each such national forest shall be filed with the Committees on Interior and Insular Affairs of the Senate and the House of Representatives, and such description shall have the same force and effect as if included in this Act. Correction of any clerical or typographical errors in such map and description may be made.

(b) The lands referred to in subsection (a)(1) as the Porcupine National Forest are described as follows:

Beginning at the southeast corner township 13 north, range 23 east;

thence westerly to the west line township 13 north, range 20 east;

thence northerly to the south line township 15 north, range 19 east;

thence westerly to the west line of the east one-half township 15 north, range 15 east;

thence northerly to the south line of the north one-half township 15 north, range 15 east;

thence westerly to the west line township 15 north, range 15 east;

thence northerly to the south line township 16 north, range 14 east;

thence westerly to the west line of the east one-half township 16 north, range 14 east;

thence northerly to the south line of the north one-half township 16 north, range 14 east;

thence northerly to the south line township 17 north, range 13 east;

thence westerly to the west line of the east one-half township 17 west, range 13 east;

thence northerly to the south line township 18 north, range 13 east;

thence westerly to the west line township 18 north, range 13 east;

thence northerly to the intersection with the south bank of the Yukon River;

thence northwesterly along the south bank of the Yukon River to the intersection with the west line of the east one-half of township 20 north, range 11 east;

thence northerly to the north line of township 21 north, range 11 east;

thence easterly to the intersection with the north bank of the Porcupine River;

thence northeasterly along the north bank of the Porcupine River to the intersection with the west line of township 22 north, range 14 east;

thence northerly to the south line of township 23 north, range 13 east;

thence westerly to the intersection with the boundary of the former Venietie Indian Reservation;

thence northerly along that boundary to the intersection with the north line of township 32 north, range 12 east;

thence easterly to international boundary, longitude 141 degrees, 00 minutes;

thence southerly along that boundary to the junction of the south line of township 29 north, range 30 east;

thence westerly to the east line of township 28 north, range 28 east;

thence southerly to the south line of township 25 north, range 28 east;

thence westerly to the east line of township 24 north, range 26 east;

thence southerly to the south line of township 15 north, range 26 east;

thence westerly to the east line of township 14 north, range 23 east;

thence southerly to the point of beginning.

(c) The lands referred to in subsection (a)(2) as the Wrangell Mountain National Forest are described as follows:

South Unit

Beginning at a point at the southeast corner of township 15 south, range 9 east, on the common boundary with the Wrangell-Saint Elias National Park;

thence westerly to the west line of township 15 south, range 4 east;

thence northwesterly to the east line of township 14 south, range 1 east;

thence northerly to the south line of township 12 south, range 1 east;

thence westerly to the west line of township 12 south, range 1 east;

thence northerly to the south line of township 11 south, range 1 west;

thence westerly to the west line of township 11 south, range 1 west;

thence northerly to the north line of township 9 south, range 1 west;

thence easterly to the west line of township 8 south, range 1 east;

thence easterly to the west line of township 7 south, range 2 east;

thence northerly to the north line of township 6 south, range 2 east;

thence easterly to the west line of township 5 south, range 3 east;

thence northerly to the north line of township 5 south, range 3 east;

thence easterly to the east line of township 5 south, range 3 east;

thence southerly to the north line of township 7 south, range 4 east;

thence easterly to the west line of township 6 south, range 8 east;

thence northerly to the south line of township 1 south, range 7 east;

thence northeasterly, southeasterly, southerly, and westerly along the common boundary of the proposed Wrangell-Saint Elias National Park to the point of beginning.

North Unit

Beginning at a point of intersection of the international boundary, latitude 141 degrees, 00 minutes, and the south line of township 2 north, range 24 east; a common boundary with the proposed Wrangell-Saint Elias National Park;

thence westerly and northwesterly along this boundary to the southwest corner of township 9 north, range 11 east;

thence northerly to the north line of township 10 north, range 11 east;

thence easterly to the boundary of former Tetlin Indian Reservation;

thence southerly, easterly, and northeasterly along this boundary to its intersection with the north line of township 11 north, range 17 east;

thence easterly to the west line of township 12 north, range 22 east;

thence northerly to the south line of township 14 north, range 21 east;

thence westerly to the west line of township 14 north, range 21 east;

thence northerly to the north line of township 14 north, range 21 east;

thence easterly to the international boundary;

thence southerly to the point of beginning.

(d) The lands referred to in subsection (a)(3) as the Yukon National Forest are described as follows:

North Unit

Beginning at a point at the southeast corner of township 6 south, range 18 east of the Kateel River base and meridian;

then westerly to the west line of township 6 south, range 9 east;

thence northerly to the south line of township 4 south, range 8 east;

thence westerly to the west line of township 4 south, range 6 east;

thence northerly to the north line of township 3 north, range 6 east;

thence easterly to the east line of township 3 north, range 9 east;

thence southerly to the north line of township 1 south, range 10 east;

thence easterly to the west line of township 1 north, range 15 east;

thence northerly to the south line of township 5 north, range 14 east;

thence westerly to the west line of township 5 north, range 14 east;

thence northerly to the north line of township 6 north, range 14 east;

thence easterly to the west line of township 7 north, range 16 east;

thence northerly to the north line of township 7 north, range 16 east;

thence easterly to the line of township 7 north, range 17 east;

thence southerly to the north line of township 5 north, range 18 east;

thence easterly to the east line of township 5 north, range 22 east;

thence southerly to the south line of township 4 north, range 22 east;

thence westerly to the west line of township north, range 19 east;

thence southerly to the south line of township 5 south, range 19 east;

thence westerly to the east line of township 6 south, range 18 east;

thence southerly to the point of beginning.

South Unit

Beginning at a point at the southeast corner of township 16 south, range 29 east, Kateel River base and meridian;

thence southerly to the south line of township 17 south, range 29 east;

thence westerly to the east line of township 18 south, range 25 east;

thence southerly to the south line of township 18 south, range 25 east;

thence westerly to the east line of township 19 south, range 22 east;

thence southerly to the south line of township 19 south, range 22 east;

thence westerly to the west line of township 19 south, range 22 east;

thence northerly to the south line of township 11 south, range 21 east;

thence westerly to the west line of township 11 south, range 21 east;

thence northerly to the north line of township 6 south, range 21 east;

thence easterly to the east line of township 6 south, range 23 east;

thence southerly to the north line of township 7 south, range 24 east;

thence easterly to the west line of township 6 south, range 27 east;

thence northerly to the north line of township 4 south, range 27 east;

thence easterly to the east line of township 4 south, range 28 east;

thence southerly to the south line of township 4 south, range 28 east;

thence westerly to the east line of township 5 south, range 28 east;

thence southerly to the north line of township 6 south, range 29 east;

thence easterly to the east boundary of the Kateel River meridian;

thence southerly to the north line of township 5 south, range 27 west, Fairbanks meridian;

thence easterly to the east line of township 55, range 27 west;

thence southerly to the south line of township 8 south, range 27 west;

thence westerly to the west boundary of the Fairbanks meridian;

thence southwesterly to the point of beginning.

(e) The lands referred to in subsection (a)(4) as the Fortymile National Forest are described as follows:

South Unit

Beginning at a point on the south line of township 15 north, range 23 east, at its intersection with the international boundary, Copper River base line and meridian;

thence westerly to the west line of township 15 north, range 21 east;

thence northerly to the north line of township 16 north, range 21 east;

thence westerly to the west line of township 17 north, range 17 east;

thence northerly to the south line of township 22 north, range 16 east;

thence westerly to the west line of township 22 north, range 14 east;

thence northerly to the south line of township 25 north, range 14 east;

thence easterly to the west line of township 25 north, range 14 east;

thence northerly to the north line of township 25 north, range 14 east;

thence easterly to the west line of township 26 north, range 15 east;

thence northerly to a point on the south line of township 8 south, range 26 west, Fairbanks base line and meridian;

thence westerly to the west line of township 8 south, range 26 east;

thence northerly to the north line of township 8 south, range 26 east;

thence easterly to the east line of township 8 south, range 26 east;

thence northerly to the north line of township 6 south, range 27 east;

thence easterly to the east line of township 6 south, range 30 east;

thence southerly to the south line of township 7 south, range 30 east;

thence easterly to a point on the north line of township 8 south, range 34 east, at its intersection with the international boundary line;

thence southerly along said boundary line to the point of beginning.

West Unit

Beginning at the southeast corner of township 25 north, range 10 east;

thence westerly to the intersection of the 144 degrees meridian of longitude with the south line of township 25 north, range 7 east;

thence northerly to the north line of township 26 north, range 7 east;

thence easterly to the east line of township 26 north, range 10 east;

thence southerly to the point of beginning.

North Unit

Beginning at a point at the northeast corner of township 5 south, range 23 east;

thence southerly to the south line of township south, range 23 east;

thence westerly to the one-half township line township 6 south, range 23 east;

thence southerly to the south line of township south, range 23 east;

thence westerly to the east line of township 7 south range 22 east;

thence southerly to the one-half township line of township 7 south, range 22 east;

thence westerly to the east line of township 7 south, range 21 east;

thence southerly to the south line of township south, range 21 east;

thence westerly to the west line of township 7 south, range 21 east;

thence northerly to the south line of township south, range 20 east;

thence westerly to the west line of township 4 south, range 20 east;

thence northerly to the half-township line of township 4 south, range 19 east;

thence westerly to the west line of township 4 south, range 19 east;

thence northerly to the north line of township 4 south, range 19 east;

thence westerly to the midpoint of the north line of township 4 south, range 18 east;

thence northerly to the Fairbanks base line at a point on the north line of township 1 south, range 18 east;

thence easterly to the midpoint of the south line of township 1 north, range 18 east;

thence northerly to the center of township 3 north, range 18 east;

thence westerly to the east line of township 3 north, range 18 east;

thence northerly to the north line of township 3 north, range 18 east;

thence easterly to the east line of township 3 north, range 19 east;

thence northerly to the north line of township 4 north, range 20 east;

thence easterly to the midpoint line of the south line of township 5 north, range 20 east;

thence northerly to the north line of township 5 north, range 20 east;

thence westerly to the west line of township 6 north, range 20 east;

thence northerly to the south line of township 7 north, range 19 east;

thence westerly to the west line of township 7 north, range 19 east;

thence northerly to the south line of township 8 north, range 18 east;

thence westerly to the west line of township 8 north, range 18 east;

thence northerly to the south line of township 9 north, range 17 east;

thence westerly to the west line of township 9 north, range 17 east;

thence northerly to the north line of township 9 north, range 17 east;

thence easterly to the east line of township 9 north, range 19 east;

thence southerly to the north line of township 8 north, range 20 east;

thence easterly to the east line of township 8 north, range 20 east;

thence southerly to the north line of township 7 north, range 21 east;

thence easterly to the east line of township 7 north, range 28 east;

thence southerly to the north line of township 5 north, range 29 east;

thence easterly to the east line of township 5 north, range 30 east;

thence southerly to the north line of township 4 north, range 31 east;

thence easterly to the east line of township 4 north, range 31 east;

thence southerly to the north line of township 3 north, range 32 east;

thence easterly to the international boundary;

thence southerly to the south line of township 3 north, range 33 east;

thence westerly to the west line of township 3 north, range 29 east;

thence northerly to the south line of township 4 north, range 28 east;

thence westerly to the west line of township 4 north, range 28 east;

thence northerly to the south line of township 4 north, range 27 east;

thence westerly to the east line of township 4 north, range 25 east;

thence southerly to the south line of township 2 south, range 25 east;

thence westerly to the east line of township 3 south, range 24 east;

thence southerly to the one-half line of township 3 south, range 24 east;

thence westerly to the east line of township 3 south, range 23 east;

thence southerly to the south line of township 4 south, range 23 east;

thence westerly to the point of beginning.

River Units

A corridor not to exceed an average width of two miles on either side of the river on the following units:

Middlefork Unit

Beginning at a point on the Middlefork of the Fortymile River at its intersection with the north line of township 6 south, range 29 east, Fairbanks base line and meridian; thence in a northwesterly, westerly, and southwesterly direction to the point of the river intersection with the north line of township 26 north, range 9 east, Copper River base line and meridian.

Joseph Creek Unit

Beginning at a point at the confluence of Joseph Creek with the Middlefork of the Fortymile River; thence northwesterly to the point of river intersection with the west line of township 5 south, range 22 west, Fairbanks base line and meridian.

Slate Creek Unit

Beginning at the point of confluence of Slate Creek with Champion Creek; thence northwesterly to the point of creek intersection with the west line of township 3 south, range 27 east, Fairbanks base line and meridian.

Fortymile Unit

Beginning at a point of intersection of the Fortymile River with the international boundary, longitude 141 degrees 00 minutes; thence westerly to the point of river intersection with the east line of township 7 south, range 30 east, Fairbanks base line and meridian.

O'Brien Creek Unit

Beginning at the point of confluence of O'Brien Creek with the Fortymile River; thence northeasterly to the point of confluence of King Creek with Liberty Fork, Fairbanks base line and meridian.

(f) The lands referred to in subsection (a) as the Kuskokwim National Forest are described as follows:

Beginning at a point at the northeast corner of township 33 north, range 20 west, Seward base line and meridian;

thence westerly to the east line of township 33 north, range 25 west;

thence southerly to the south line of township 31 north, range 25 west;

thence westerly to the east line of township 30 north, range 26 west;

thence southerly to the south line of township 29 north, range 26 west;

thence westerly to the east line of township 28 north, range 27 west;

thence southerly to the south line of township 27 north, range 27 west;

thence westerly to the east line of township 26 north, range 29 west;

thence southerly to the south line of township 26 north, range 29 west;

thence westerly to the east line of township 25 north, range 30 west;

thence southerly to the south line of township 25 north, range 30 west;

thence westerly to the east line of township 24 north, range 37 west;

thence southerly to the south line of township 23 north, range 37 west;

thence westerly to the west line of township 23 north, range 39 west;

thence northerly to the north line of township 24 north, range 39 west;

thence easterly to the west line of township 25 north, range 38 west;

thence northerly to the north line of township 33 north, range 38 west;

thence easterly to the intersection with the west line of township 28 south, range 13 east, Kateel River base line and meridian;

thence, proceeding from this intersection northerly to the north line of township 26 south, range 13 east;

thence easterly to the west line of township 25 south, range 20 east;

thence northerly to the north line of township 25 south, range 25 east;

thence easterly to the west line of township 24 south, range 26 east;

thence northerly to the north line of township 22 south, range 26 east;

thence easterly to the west line to township 21 south, range 27 east;

thence northerly to the north line of township 21 south, range 27 east;

thence easterly to the west line of township 20 south, range 28 east;

thence northerly to the north line of township 20 south, range 28 east;

thence easterly to the east line of township 20 south, range 30 east;

thence northerly to the intersection with the north line of township 13 south, range 28 west, Fairbanks base line and meridian;

thence, proceeding from this intersection easterly to the west line of township 12 south, range 26 west;

thence northerly to the north line of township 10 south, range 26 west;

thence easterly to the east line of township 10 south, range 22 west;

thence southerly to the north line of township 12 south, range 21 west;

thence easterly to the west line of township 11 south, range 20 west;

thence northerly to the north line of township 11 south, range 20 west;

thence easterly to the intersection with the northwestern boundary of the proposed addition to Mount McKinley National Park;

thence proceeding in a southeasterly and southerly direction along this common boundary to the intersection with the south line of township 21 south, range 26 west;

thence westerly to the west line of township 21 south, range 28 west;

thence southerly to the point of beginning.

(g) The lands referred to in subsection (a) (6) as the Lake Clark National Forest are described as follows:

Beginning at a point at the southeast corner of township 2 south, range 20 west of the Seward base and meridian;

thence westerly to the east line of township 3 south, range 22 west;

thence southerly to the south line of township 3 south, range 22 west;

thence westerly to the west line of township 3 south, range 22 west;

thence northerly to the south line of township 2 south, range 23 west;

thence westerly to the west line of township 2 south, range 23 west;

thence northerly to the south line of township 3 north, range 24 west;

thence westerly to the west line of township 3 north, range 27 west;

thence northerly to the south line of township 4 north, range 28 west;

thence westerly to the west line of township 4 north, range 29 west;

thence northerly to the north line of township 6 north, range 29 west;

thence easterly to the west line of township 7 north, range 28 west;

thence northerly to the north line of township 8 north, range 28 west;

thence easterly to the west line of township 9 north, range 27 west;

thence northerly to the north line of township 11 north, range 27 west;

thence easterly to the west line of township 12 north, range 26 west;

thence northerly to the north line of township 13 north, range 26 west;

thence easterly to the west line of township 14 north, range 24 west;

thence northerly to the north line of township 14 north, range 24 west;

thence easterly to the west line of township 15 north, range 23 west;

thence northerly to the north line of township 16 north, range 23 west;

thence easterly to the east line of township 16 north, range 21 west;

thence southerly to the north line of township 9 north, range 20 west;

thence easterly to the east line of township 9 north, range 17 west;

thence southerly to the one-half township line of township 9 north, range 17 west;

thence westerly to the east line of township 9 north, range 18 west;

thence southerly to the north line of township 8 north, range 18 west;

thence westerly to the west line of township 8 north, range 20 west;

thence southerly to the one-half township line of township 8 north, range 20 west;

thence easterly to the one-half township line of township 8 north, range 18 west;

thence southerly to the north line of township 5 north, range 18 west;

thence westerly to the east line of township 5 north, range 18 west;

thence southerly to the north line of township 4 north, range 18 west;

thence easterly to the one-half township line of township 4 north, range 18 west;

thence southerly to the north line of township 3 north, range 18 west;

thence easterly to the mean high tide line of Cook Inlet;

thence southerly along the mean high tide line of Tuxedni Bay-Cook Inlet (excluding the Native Selection lands) to the point of beginning.

(h) The lands referred to in subsection (a) (7) as the Chugach National Forest Addition are described as follows:

Beginning at a point at the southeast corner of township 1 south, range 2 west;

thence westerly to the east line of township 2 south, range 3 west;

thence southerly to the south line of township 2 south, range 3 west;

thence westerly to the east line of township 3 south, range 4 west;

thence southerly to the south line of township 3 south, range 4 west;

thence westerly to the east line to township 4 south, range 5 west;

thence southerly to the south line of township 4 south, range 5 west;

thence westerly to the east line of township 5 south, range 6 west;

thence southerly to the south line of township 5 south, range 6 west;

thence westerly to the boundary of the Chugach National Forest;

thence northerly and easterly along the Forest boundary to its intersection with the east line of township 1 north, range 2 west;

thence southerly to the point of beginning.

WILD AND SCENIC RIVERS

SEC. 204. (a) Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraphs at the end thereof:

"(11) BIRCH CREEK, ALASKA.—The segment from the intersection with the north line of township 9 north, range 16 east to the headwaters.

"(12) BEAVER CREEK, ALASKA.—The segment from the intersection with the north line of township 13 north, range 7 east to the headwaters.

"(13) UNALAKLEET, ALASKA.—The segment from the intersection with the east line of township 15 south, range 4 west to the entrance into Norton Sound.".

(b) Section 3 of such Act is amended by adding at the end thereof the following new subsection:

"(c) Subsection (b) of this section shall not apply to the rivers enumerated in paragraphs (11) through (13) of subsection (a). Such rivers shall be classified, designated, and administered as scenic river areas within the meaning of section 2(b) and a plan shall be prepared by the Secretary of the Interior for necessary developments in connection with such administration. The detailed boundaries of such river areas shall be established by the Secretary of the Interior but in each case such areas shall be comprised of a corridor which would average not more than two miles on either side of the river such that the acreage of each such area is as follows:

"(1) Birch Creek, .2 million acres;

"(2) Beaver Creek, .2 million acres; and

"(3) Unalakleet, .1 million acres.".

HUNTING

SEC. 205. Notwithstanding any provision of law to the contrary, hunting and subsistence hunting in any area described in this title shall be governed by the laws and regulations of the State of Alaska.

TITLE III—MULTIMODAL TRANSPORTATION AND UTILITY CORRIDOR SYSTEM

SUSPENSION OF DESIGNATION

SEC. 301. (a) Land proposed to be included within corridors 1, 2, 6. 4 (excluding the portion west of the intersection of 4 and 11) 11, 13. 27 and 34 described in the Primary Corridor System Report (dated October 1, 1974) of the Bureau of Land Management and depicted on maps on file in the State Office of the Bureau of Land Management at 555 Cordova Street, Anchorage, Alaska. These lands shall not be designated as part of any system under title II of this Act or withdrawn and transferred to State, Native, or private ownership. All corridors reserved in this section shall be three hundred feet wide.

(b) After notice, hearing, and compliance with all other applicable laws, the Secretary of the Interior shall designate the corridors referred to in subsection (a) for use for transportation or utility purposes or for other reasonable purposes. On January 1, 2001, any land described in subsection (a) which the Secretary determines not to be necessary for such purposes shall become part of the Alaska Scenic Reserve, national park, national wildlife refuge, national forest, or scenic river area which the Secretary determines to be most proximate to such land. Until such time as a designation is made under the first sentence of this subsection, no restriction shall be placed on any right of access or other rights of owners of adjacent and surrounding lands, except that no property rights shall accrue to any person on or after the date of enactment of this Act.

(c) In any case in which land described in subsection (a) would be transferred, but for such subsection (a) under the Alaska Native Claims Settlement Act to a Native corporation or village, an equivalent acreage of land which is, to the extent possible, continuous to the land not transferred by reason of subsection (a) shall transferred to such corporation or village.

By Mr. RANDOLPH:

S.J. Res. 147. A joint resolution calling upon the President to designate 1976 as National Bicentennial Highway Safety Year. Referred to the Committee on the Judiciary.

Mr. RANDOLPH. Mr. President, 1976 is the bicentennial year for the United States. The observance of this birthday coincides with the maturity of the automotive age which has provided our citizens with unprecedented mobility. As much as any other outward sign, the automobile is the symbol of American progress and achievement.

The age of the automobile, however, is not an unmixed blessing. Its advantages are diluted by the fact that many Americans each year are killed and injured on streets and roads. More than two million persons have died since cars came into general use. Until the oil shortage of two years ago, the death toll had shown a steady and frightening increase. Even today, there are more than 45,000 annual deaths.

It is important, therefore, that a renewed emphasis on highway safety should be a feature of our bicentennial observance. To focus attention on this need, I am introducing a joint resolution calling on the President to designate 1976 as National Bicentennial Highway Safety Year. The resolution envisions a heightened concern with highway safety with a special emphasis each month.

Mr. President, an identical proposal is being introduced today in the House of Representatives by Representative WILLIAM HARSHA of Ohio. There is no Member of the Congress more dedicated to the cause of highway safety than Representative HARSHA. As the ranking minority member of the House Public Works and Transportation Committee, he has strongly supported Federal highway safety programs. His concern has postively influenced the development and implementation of these efforts.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 147

Whereas 1976 will mark the 200th Anniversary of the founding of our Nation;

Whereas the President of the United States has called for the Bicentennial celebration to be an occasion for redefining and rededicating ourselves to our common purposes;

Whereas a central and unifying theme for the Nation's 200th commemoration is improving the quality of life in America;

Whereas the carnage on our highways each year exacts an appalling toll in lives, injuries and National treasure;

Whereas the two million Americans who have died on the Nation's highways since the beginning of the automobile age far exceed the combined totals of all the fatalities suffered in all the wars that this country has fought since its founding;

Whereas hundreds of millions of Americans—men, women and children—are planning to see and participate in Bicentennial activities;

Whereas 20 million visitors from abroad are expected to travel to this country in order to join in our Bicentennial celebration;

Whereas the overwhelming majority of those participating in Bicentennial related activities will travel on the Nation's roadways;

Whereas emphasis on highway safety during our Nation's 200th Anniversary is absolutely essential to assure that 1976 does not become a year of unparalleled carnage and slaughter; and

Whereas the Congress of the United States has provided the legislative mandate and the financial means for substantially reducing highway accidents, injuries and fatalities: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, 1976 is hereby designated National Bicentennial Highway Safety Year;

That each month of the National Bicentennial Highway Safety Year shall focus on a specific area of activity which offers the prospect of achieving substantial reductions in accidents, injuries, and fatalities on our Nation's highways during the Nation's Bicentennial celebration and in succeeding years;

That the targeted focus of each of the twelve months of the Bicentennial Year shall be as follows:

January—Safety Education;
February—Signs and Signals;
March—Pavement Marking and Delineation;
April—Pedestrian and Bicycle Safety;
May—High Hazard Removal;
June—Safety Belts and Child Restraints;
July—Roadside Obstacle Elimination;
August—55 MPH Speed Limit Enforcement;
September—Children's Safety;
October—Safer Bridges;
November—Railroad Crossing Protection;
December—Alcohol and Problem Drinkers;

That the projects and programs of the National Bicentennial Highway Safety Year shall be formulated so as to involve individuals, groups, and public and private sector organizations where they live, where they work, where they travel, and where they operate in order that the life-saving aims, goals, and priorities of the National Bicentennial Highway Safety Year may be vigorously pursued and fully realized;

That the lives saved and injuries prevented through this National effort shall symbolize the rededication of the American people to living and working together in a spirit of mutual cooperation, harmony, dignity and respect in order to achieve a better, healthier, happier life for all; and

That the President is hereby authorized and requested to issue a Proclamation designating 1976 as the National Bicentennial Highway Safety Year and call upon all Americans, in all walks of life, in both the public and private sectors, to participate in its lifesaving programs and activities.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 63

At the request of Mr. BEALL, the Sentor from New York (Mr. BUCKLEY) was added as a cosponsor of S. 63, a bill to amend the Internal Revenue Code of 1954 to provide an exemption from the income taxation for certain income of condominium associations, and homeowner associations and cooperative housing corporations.

S. 810

At the request of Mr. EAGLETON, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of S. 810, a bill to amend the Flood Disaster Protection Act of 1973.

S. 2229

At the request of Mr. BAYH, the Senator from New Jersey (Mr. WILLIAMS) was added as a cosponsor of S. 2229, a bill to direct the National Commission on the Observance of International Women's Year, 1975, to organize and convene a National Women's Conference before December 31, 1976.

S. 2359

At the request of Mr. BAYH, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of S. 2359, the Equity Health Insurance Act to provide equal treatment for all persons entering into health insurance agreements.

S. 2635

At the request of Mr. HARTKE, the Senator from Connecticut (Mr. WEICKER), the Senator from Maryland (Mr. MATHIAS), and the Senator from Iowa (Mr. CLARK) were added as cosponsors of S. 2635, a bill to amend title 38, United States Code, to modify the pension program for veterans of the Mexican border period, World War I, World War II, the Korean conflict, and the Vietnam era and their survivors, and for other purposes.

S. 2636

At the request of Mr. WILLIAMS, the Senator from Missouri (Mr. EAGLETON) was added as a cosponsor of S. 2636, a bill to promote the care and treatment of veterans in State veterans' homes.

S. RES. 295

At the request of Mr. TUNNEY, the Senator from Vermont (Mr. LEAHY) and the Senator from New Hampshire (Mr. DURKIN) were added as cosponsors of Senate Resolution 295, relating to the submission of the Spanish base agreement as a treaty.

AMENDMENTS SUBMITTED FOR PRINTING

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS—H.R. 5900

AMENDMENTS NOS. 1106 THROUGH 1109

Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted four amendments intended to be proposed by him to Amendment No. 1058, proposed to the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

AMENDMENT NO. 1110

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS (for himself and Mr. JAVITS) submitted an amendment intended to be proposed by them jointly to Amendment No. 1058, supra.

AMENDMENT NO. 1111

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS submitted an amendment intended to be proposed by him to Amendment No. 1058, supra.

AMENDMENT NO. 1112

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to Amendment No. 1058, supra.

AMENDMENT NO. 1113

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY (for himself and Mr. TAFT) submitted an amendment intended to be proposed by them jointly to Amendment No. 1058, supra.

AMENDMENT NO. 1114

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS (for himself and Mr. JAVITS) submitted an amendment intended to be proposed by them jointly to Amendment No. 1096, intended to be proposed to the bill (H.R. 5900), supra.

AMENDMENTS NOS. 1115 THROUGH 1118

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted four amendments intended to be proposed by him to the bill (H.R. 5900), supra.

AMENDMENT NO. 1119

(Ordered to be printed and to lie on the table.)

Mr. RANDOLPH submitted an amendment intended to be proposed by him to Amendment No. 1058, supra.

AMENDMENTS NOS. 1120 AND 1121

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted two amendments intended to be proposed by him to Amendment No. 1058, supra.

AMENDMENTS NOS. 1122, 1123, AND 1124

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted three amendments intended to be proposed by him to Amendment No. 1058, supra.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976—H.R. 9861

AMENDMENT NO. 1126

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

James P. Castberg, of Wyoming, to be U.S. attorney for the district of Wyoming for the term of 4 years, vice Richard V. Thomas, resigned.

David L. Russell, of Oklahoma, to be U.S. attorney for the western district of Oklahoma for the term of 4 years, vice William R. Burkett, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, November 21, 1975, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF JOINT HEARINGS BEFORE THE JOINT ECONOMIC COMMITTEE AND THE SENATE SELECT COMMITTEE ON SMALL BUSINESS

Mr. NELSON. Mr. President, I wish to announce that the Joint Economic Committee and the Senate Select Committee on Small Business will meet jointly to hold public hearings on the significance of the small business in the economy. We are scheduled to convene Friday, November 21, at 10 a.m., in room 1318, Dirksen Senate Office Building, with Senator HUBERT HUMPHREY, chairman of the JEC and myself, as chairman of the select committee, presiding.

We will hear from the following distinguished witnesses who have been asked to assess the value of smaller and independent businesses in the economy and identify the financial and tax problems of the small business community:

William E. Simon, Secretary of the Treasury, Washington, D.C.

Governor Henry C. Wallich, Federal Reserve Board, Washington, D.C.

James Needham, president, New York Stock Exchange.

Louis F. Laun, Acting Administrator, Small Business Administration, Washington, D.C.

NOTICE OF HEARINGS

Mr. TALMADGE. Mr. President, the Subcommittee on Compensation and Pensions, which I chair, of the Committee on Veterans' Affairs, will conduct hearings on S. 2635, the Veterans and Survivors Pension Reform Act and related bills, on Tuesday, November 18, and on Thursday, November 20. Both hearings are scheduled at 10 a.m., and will be held in room 412 of the Russell Senate Office Building. On Tuesday, November 18, we expect to receive testimony from the Veterans' Administration and from interested Members of Congress. On Thursday, November 20, we will hear testimony from veterans organizations and other interested parties. All those desiring to appear or to submit testimony concerning the veterans and survivors non-service-connected pension program should contact either Guy H. McMichael III, or Jack Wickes at 224-9126.

ADDITIONAL STATEMENTS

FOSTER GRANDPARENT PROGRAM CELEBRATES 10TH ANNIVERSARY

Mr. CHURCH. Mr. President, community service provides a meaningful opportunity for many older Americans to engage in fulfilling activities by assisting others.

This has been demonstrated time and time again by the Foster Grandparent program, which is now celebrating its 10th anniversary.

Today 13,600 foster grandparents provide personal and individualized attention to 35,000 children with exceptional needs.

Their loving care has enabled these children to grow physically, emotionally, mentally, and psychologically.

Equally important, the foster grandparent program has allowed many low-income elderly persons to live in dignity and self-respect.

Most foster grandparents serve in institutions for physically handicapped and mentally retarded children 4 hours per day, 5 days a week. But they also serve in other settings, including day care centers, orphanages, correctional facilities, and hospitals.

In my own State of Idaho, I have had an opportunity to see firsthand the numerous accomplishments of the foster grandparent program. Nearly 90 foster grandparents provide helpful services for 200 mentally retarded or emotionally disturbed children.

The Special Committee on Aging has heard repeatedly—and with heartrending documentation—about the value and worth of this program. Children who never talked are now speaking with others. Many who only experienced loneliness and sadness are happpy and well adjusted because of the person-to-person contact with their foster grandparents.

By whatever barometer one would choose to use, the foster grandparent program has been a success. For example, Booz, Allen Public Administration Services, Inc., made an independent evaluation and concluded:

> It would be difficult to find a federal program that is as productive as the Foster Grandparent program.

Mr. President, in order that our colleagues might have more detailed information about the foster grandparent program, I ask unanimous consent that a pamphlet—entitled "One Decade of Love: Foster Grandparent Program"—be printed in the RECORD.

There being no objection, the pamphlet was ordered to be printed in the RECORD, as follows:

ONE DECADE OF LOVE: FOSTER GRANDPARENTS PROGRAM

The Foster Grandparent Program is ten years old. It is the first federally approved program to offer "a retirement to instead of a retirement from."

The success of the Foster Grandparents is by now renowned. They have, by the thousands, helped youngsters who truly needed the love and care that only a grandparent can give.

The program has gone more than just one way: for as much as the children have benefited, it can be said that the Foster Grandparents have benefited equally.

It hasn't taken long for any Foster Grandparent, whose life might have seemed incomplete, to learn that no matter what their age, they are useful to others as well as to themselves.

With the success of the Foster Grandparent Program, other programs were developed to use this great natural resource, the Older Americans. These, too, have now demonstrated their own success. But the Foster Grandparent Program with a natural affection for children started it all.

A MUTUAL NEED

Jerry is a pleasant-faced youngster of 11. He has muscular dystrophy and has been a patient in a medical center since just after birth. Two other children born to his parents died of the same illness. His parents have not visited him for many years. He is a frail child who needs love and attention.

Diane is 9, a cerebral palsy patient, mentally retarded, who comes from a family of seven children. Her mother, who finds it difficult to take care of the children, never comes to visit her. Diane spends her time in bed or a wheelchair. Let an adult pass by who looks at her, and her face lights up. She reaches out for love and attention.

Helen French is 68 years old. She has two daughters and nine grandchildren, all of whom have moved out of the city where she lives. She is lonely and has very little to occupy her time. She loves children.

David Horowitz has almost no family. Before his retirement he worked for the Veteran's Administration and the General Accounting Office. At one time he worked at an orphan asylum and in children's camps. His pension is inadequate, and he would like to do something where he could not only earn additional income, but also be helpful.

How often does one hear the complaint from older people that they feel alone, useless, and bored, that their life has little meaning left?

How often does one hear of lonely children institutionalized or otherwise disadvantaged who desperately need care, love and attention on a one-to-one basis?

A COMMON SOLUTION

The answer to both of these problems can often be the same: The Foster Grandparent Program.

Because it brings such great benefits to two large groups of people, this program has been called one of the most meaningful programs ever developed. It does achieve a number of goals:

The Foster Grandparent Program provides the opportunity for low-income older adults to contribute usefully to their communities in the retirement years and to enjoy self-respect, respect from others, and satisfaction that comes from being needed and making others happy.

The Foster Grandparent Program is a source of individual attention and personalized care to children with special needs in a variety of residential and community settings, helping these children to grow physically, socially, emotionally, and mentally.

The Foster Grandparent Program helps improve the attitude of society, including attitudes of older persons, toward old age.

The Foster Grandparent Program demonstrates the willingness and capacity of retired persons to participate reliably and creatively in community service on a part-time basis.

The Foster Grandparent Program stimulates positive change in the field of group care for children.

WHO ARE FOSTER GRANDPARENTS?

They come from all walks of life. In the past they have worked as nurses and clerks; bookkeepers and truck drivers; housewives and teachers; seamstresses, farmers and carpenters. They live in large cities and small towns. They are men and women who meet the three requirements for participation in the program: age of 60 or over, low income, and good health. There are no educational requirements.

WHAT DO THEY DO?

Before entering service, Foster Grandparents receive 40 hours of orientation. They become an integral part of the child care team, working under direct supervision of qualified staff. They also participate in regularly scheduled in-service training sessions. Although most Foster Grandparents serve children in institutions, the program was recently extended to serve children outside institutions.

In most cases, the program calls for four hours per day, five days a week, each day divided between two children. In the course of their relationships with the children they became almost like true grandparents—reading, talking, playing with the children, and, above all, giving them personal attention, tenderness and love.

For their service, Foster Grandparents receive a small stipend and are reimbursed for transportation costs. They receive a meal each day they serve and an annual physical examination at no cost.

WHAT DO CHILDREN DO FOR THEIR FOSTER GRANDPARENTS?

"He makes me feel young," says Mrs. Rosia Bassinger, 70, of her foster grandchild John, age 4. "I learn so much from him. He makes me do things I wouldn't ordinarily do. We have catches, even play basketball. He calls me Grandma."

"I was lonely at home. I wanted something to do," says Mrs. Pauline Culmer, whose husband died in 1964. Things have changed for her since she met her 4-year-old foster grandchild Andy, who didn't talk at all at first. Now he sings songs all the time and knows the alphabet.

Jennie Lara is a former teacher and lives in San Ysidro. Her teaching skills are beginning to emerge again at Hillcrest. She just last week taught a child to understand time, and she also has taught a retarded child who was staying at Hillcrest, to read.

"I try to give the retarded more love," she says. Jennie's ride on the bus from San Ysidro is a two-hour trip, but, she says, "it is very much worth it."

Mrs. Marie Dathlefsen, 77, says of her two children Rose Ann, 16, and Johnny, 6: "They give me a reason to get up each morning."

The therapeutic benefits of the program are expressed by Lelia Hinton, 67: "When I used to wake up in an empty house I felt I was the only person in the world who was alone. Then one day I discovered the Foster Grandparent Program. Even my doctor noticed the difference. This program turned me around, gave me something to live for."

A retired railroad worker sums up what being a Foster Grandfather did for him: "Well, I was lonely. My wife died 15 years ago. I had always worked hard and when I retired I didn't have anything to do. Now I've got this to do every day." He, incidentally, played a part in a unique and unplanned aspect of the Foster Grandparent Program. While working with the program, he became acquainted with a Foster Grandmother. They eloped.

FOSTER GRANDPARENTS SOMETIMES PERFORM MIRACLES

Vanessa, the little girl in a wheel chair, seemed to have permanently clenched fists. Then came Violet Anderson who became her Foster Grandmother. "When I first came," she recalls, "Vanessa, bless her heart, would always keep her hands closed. I worked with her and kept opening her hands and taught her how to hold crayons, and now just look at her," Vanessa affectionately smiles at her grandmother and proudly shows off her coloring skills.

"To have a youngster reach out his arms to you is so wonderful," says Foster Grandparent Carrie Sanger of a child who at one time did not know how to accept affection.

"They are wonderful people. . . ." "They are beautiful to deal with. . . ." "They give the children extra love and warmth. . . ." "They wear the title of Grandma and Grandpa with pride." These statements are some of the remarks made by people who come in contact with Foster Grandparents.

Experts in the field have similar comments: "Foster Grandparents is the best thing known to combat the pernicious influence of neglect. Every institution or agency caring for children could benefit from the work of Foster Grandparent in every child care unit," wrote Dr. Maria Piers, director of the Erikson Institute for Early Childhood Education. Booz, Allen Public Administration Services, Inc., a management consulting firm in Washington, D.C. did a cost-benefit study of the Foster Grandparent Program. The team concluded that "it would be difficult to find a federal program that is as productive as the Foster Grandparent Program." The researchers discovered that host institutions consider Foster Gradparents to be more consistent, reliable, and effective than other types of volunteers.

There can be no more qualified experts to judge Foster Grandparents than the children they serve. Here is what one of them, a juvenile offender confined in a correctional school, wrote his "grandmother": "I am really proud that they let you be my grandmother. When I needed help you were there to listen. I'm going to miss you very much when I leave here. I have tried to be good and I must admit I have done a lot better. I love you like my real grandmother."

Any public or non-profit private agency or organization may apply for a Foster Grandparent Program grant. ACTION is authorized to make grants to pay not more than 90 percent of the total cost of development and operation of Foster Grandparent projects. Many state legislatures have appropriated additional funds to enlarge the Foster Grandparent Program. Sponsoring agencies and other community organizations also support the program in various ways.

U.N. RESOLUTION ON ZIONISM

Mr. HATFIELD. Mr. President, the recent vote by the United Nations condemning Zionism as a form of racism is an action devoid of accuracy, logic, or purpose. I would like to make it clear to my colleagues that I strongly disapprove of this action, believing that it runs deeply contrary to the spirit and purpose of the United Nations and the search for world peace.

There should be no misunderstanding the serious implications that this action brings to bear against the United Nations. By agreeing to this resolution, the supporting nations do a grave disservice to the very cause they seek to support: the establishment of a homeland for the Palestinian people. By this action, they threaten further to undermine critical negotiations aimed at securing a comprehensive and lasting peace in the Middle East. By supporting this resolution, these nations divert attention from the critical decisions that must be made by that body in the areas of global resources, food, population and the proliferation of nuclear weapons—decisions that will fundamentally affect future life on this planet.

These are the dangers of this resolution.

I would ask these nations why, in the midst of difficult negotiations aimed at achieving peace in the most explosive region of the globe, this wholly provocative action was taken? I would further ask why, in an organization dedicated to international understanding, the coexistence of differing cultures, and the stabilization of world peace, a resolution was passed which deliberately fractures the delicate bonds of international goodwill and mocks the sane and rational dialogue needed to resolve peacefully existing differences?

Mr. President, there is no comfort for men of decency, nor hope for the future, if we cannot put these self-destructive impulses to rest and go about the business of freeing the world from the chains of our own violence and hatred. The resolution of the United Nations does not serve the purpose of peace. It serves only to resurrect deep-seated bitterness and to deepen painful wounds.

It is, then, for fear of its implications, that I view with the utmost gravity this resolution against Zionism. I believe that the plight of the Palestinian people and the right of Israel to exist as a nation must be dealt with and resolved before a true Mideast peace is to be achieved. Furthermore, I strongly believe in, and will remain supportive of, the potential of the United Nations toward insuring global peace. Because of these convictions, I can only look with sadness on the possible effects of this resolution.

If we cannot settle our differences in peace, we insure the inevitability of war. If we cannot recognize and respect the rights of all to peacefully pursue their own beliefs and aspirations, we invite recrimination and revenge. If we cannot resolve our hatreds and the situations which nurture and spawn them, our hatreds will surely consume us. The U.N. resolution on Zionism cannot, then, serve our interests, nor, in the end, can it serve the interests of the world community in its quest for peace.

A TRIBUTE TO JUSTICE DOUGLAS

Mr. MONDALE. Mr. President, it is with profound regret that I learned of the retirement of Supreme Court Justice William O. Douglas. We need to recognize, particularly as our country approaches the end of its second century, that Justice Douglas has been and is one of the great and remarkable men of our time. We must learn from the admirable example he set for us. Douglas came from the heart of America—born in Minnesota and raised in the far northwest—where he learned to be fiercely individualistic, courageous, a great outdoorsman, a rugged and passionate lover of human freedom and dignity. These characteristics are inherent in the American spirit and our way of life.

Justice Douglas brought these characteristics along with his strong convictions and great intellectual capacity into Government service, where he has helped this country deal with many serious modern problems first as Chairman of the Securities and Exchange Commission and finally as a Supreme Court Justice appointed by Roosevelt. Few have served their country as long, as brilliantly and as devotedly. For Justice Douglas served on the court 36 years, longer than any Justice in history.

Evident in so many of his opinions is his belief that the freedoms guaranteed by the first amendment are indispensable to the functioning of any self-governing society. He tirelessly defended freedom of speech and of the press. An uncompromising foe to every sedition and censorship statute, he was often, especially at the end of his illustrious career, the solitary man, a loner in his beliefs as an absolute libertarian. For this reason alone we will sorely miss Justice Douglas on the court.

Our country has a manifold indebtedness to this energetic and brilliant man. He has cared about justice no less than the law. It will be hard to find someone of equal stature to replace him. His retirement takes from the Supreme Court one of the most important and dramatic figures that has served this great institution, someone who has helped shape this country's greatness. We salute Justice Douglas—a truly great American.

Mr. President, I ask unanimous consent that an editorial entitled "The Record of Justice Douglas" appearing in today's Washington Post which pays a deserved tribute to this remarkable man, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE RECORD OF JUSTICE DOUGLAS

As a long-time admirer—and occasional critic—of Justice William O. Douglas, we profoundly regret his departure from the Supreme Court. But we deeply respect the courage and good judgment which impelled him to make this hard decision when his health no longer permitted him to continue. And we welcome the opportunity his retirement gives us to say some of the things about his long and illustrious career that newspapers normally don't get around to saying about great figures and old friends until after they are gone.

Justice Douglas is always so insistently himself—so intensely individualistic—that he has attracted violent detractors as well as ardent admirers in his long career, most of it spent in service on the Supreme Court of the United States. Physically rugged, an outdoorsman by inclination, gifted intellectually, temperamentally lonely and independent, he is as indigenously American as Uncle Sam. He loves his country passionately—its mountains and rivers and wild places if not its crowded cities—as he loves its great traditions and its ideals of personal freedom and opportunity.

Justice Douglas has his own ideas of decorum and propriety as he has his own strong convictions about the meaning of the Constitution; and it was on the basis of these ideas and convictions, unmoderated by popular standards or conventions, that he patterned his private conduct and his public judgments. He believes that judges should be in the main streams of life, not isolated or insulated from popular feelings; and so he has expressed his personal views freely about matters of foreign policy such as the Vietnam war and about domestic affairs as well. He has lectured and written books and magazine articles on a wide variety of nonjudicial subjects—a practice which his critics condemned as unbecoming to a Supreme Court Justice. For a time, while on the Court, he served as the salaried president of a not altogether savory private philanthropic foundation—which led to an abortive attempt to impeach him in 1970. Perhaps, as some critics have contended, these extra-curricular activities by the Justice resulted in some impairment of his prestige and influence. At worst, however, they were indiscretions growing out of his aloof indifference to the opinions of others. He has marched only to the fanfare of his own trumpet and followed only his own star.

In his service on the Court, Justice Douglas was commonly called an "activist." This is to say that he allowed his interpretations of the laws and the Constitution to be infused in some measure with his system of ethical values. He cared about justice no less than about the law; and he believed that judicial restraint in its true sense entailed a deference to the great constitutional assurances of individual rights and liberties rather than a deference to the judgments of legislatures.

In this attitude, he was allied closely in innumerable cases with Hugo Black; together and individually, often in dissent, sometimes in opinions for the Court, they produced some of the noblest and most moving expressions of faith in the irrepressible freedom of the human spirit.

Like Justice Black, Justice Douglas believes in a preferred position for the First Amendment as the guarantor of a freedom indispensable to the functioning of any self-governing society. He moved from an early acceptance of Justice Holmes' clear and present danger doctrine to a later attitude of absolutism respecting the protection of speech and of the press. "The First Amendment," he wrote in one of his books, "The Right of the People," "was a new and bold experiment. It staked everything on unlimited public discussion. It chose among conflicting values, selecting the freedom to talk, to argue, and to advocate as a preferred right. It placed us on the side of free advocacy, come what may." This view has made him an uncompromising foe of every sort of sedition statute, of every limitation on efforts to gather and disseminate news or opinion and of censorship in any form, whether in relation to politics or to esthetics.

Behind Justice Douglas' philosophy regarding the First Amendment lies a conviction that the Bill of Rights was intended, above all else, to impose a check upon the headstrong passions and prejudices of majorities. "A great risk in any age," he once wrote, "is the tyranny of the majority. Freedom of expression is the weapon of the minority to win over the majority or to temper the policies of those in power." It may well be that Justice Douglas' most significant service to his country lies in his role as a nay-sayer to popular enthusiasms. He resolutely resisted the tyranny of majorities at a time in the nation's history when demagogues were recklessly exploiting popular fears and anxieties regarding "subversive activities" and a supposedly overwhelming "Communist conspiracy." He kept his head—and his faith in freedom.

But the country has a manifold indebtedness to this exuberantly prolific and energetic man. His ability to master complex problems and to write about them swiftly and incisively enabled him to carry a heavy share of the Court's load in the handling of difficult economic and fiscal cases as well as in the defense of civil liberty. From his early years on the Security and Exchange Commission, he was an inveterate challenger of business and banking threats to a free economy. Over and over again, by admonition and by example, he reminded the country of the importance of its physical environment and its dwindling natural resources. He has produced no fewer than 17 books.

William O. Douglas has a stature not often equalled in public life. His retirement takes from the Supreme Court one of its most powerful and dramatic figures—one of those who help to make the Court, as it should be, a coequal and effective partner in the operation of a political system of divided powers—and a bulwark of human liberty.

Mr. MONDALE. Mr. President, there is another giant of civil liberties unnamed in the Washington Post editorial, who like Justice Douglas deserves to be recognized for his remarkable contribution to freedom. He is Alan Barth, retired editor of the Post, who has written brilliantly and urgently throughout his lifetime on the subject of civil liberties. He is Alan Barth, who I am told, is the author of the editorial now a part of the Record. If cartoons could be made a part of the Record I would also include the Herb Block cartoon on November 14, 1975, for like Justice Douglas and Alan Barth, Herb Block has used his pen and genius throughout his career to fight for the liberties of the American people.

U.S. POLICY IN AFRICA

Mr. JAVITS. Mr. President, on November 6 Under Secretary of State for Political Affairs Joseph J. Sisco appeared before the Committee on Foreign Relations in executive session to discuss the situation in Africa and United States policy toward the countries of the continent.

In response to my request, Under Secretary Sisco has now submitted an unclassified version of his principal statement that day, and I ask unanimous consent that it may be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

STATEMENT BY THE HON. JOSEPH J. SISCO

Mr. Chairman, Members of the Committee: I welcome this opportunity to appear before the Committee to examine with you United States policy toward Africa, by which I mean sub-Saharan Africa. This is an area in our foreign relations to which the Department of State and the Administration have been giving increasing thought. Before discussing some of the more important directions in which that thought is proceeding, I believe it would be useful by way of preface to describe in broad outlines the nature of American policy toward Africa over the past fifteen years—the years that have resulted spectacularly in the creation of the more than forty new states that we know today.

The general outlines of American policy toward newly-independent Africa were developed in the early 1960's. There has been no basic change in them. They have centered around certain basic concepts which have steadily guided our approach. They reflect today, as they did then, a careful appraisal of our current and long-term interests in the continent. Briefly our policy may be summarized as follows:

We want to see an Africa existing in peace and stability because, as leader of the free world, it is to our advantage that this extensive part of the globe be tranquil.

We want to see Africa develop as rapidly as possible its human and material resources in order that its full potential as a member in the world community may be realized.

We want to participate actively in Africa's economic and social development because it is our interest to reduce the number of "have-nots" in this world.

We want to see an Africa free of great-power rivalry and to this end we ourselves seek no military bases and no military alliances on the continent.

We recognize the need for Africa to receive fair prices for its raw materials if its economic potential is to be developed without excessive dependence on foreign donors.

We also desire to have fair access to Africa's raw materials as well as to its markets.

In keeping with these policy objectives the United States has consistently supported the end of colonialism in Africa and its replacement by independent sovereignties under majority rule. We accepted fully the principle of self-determination for the peoples of Africa. We welcomed them into the family of nations and established diplomatic relations with each new state. Our endorsement of African self-determination was joined to our belief that it should be accompanied by a process of peaceful change and this, in fact, is the way in which virtually all of the African states obtained their independence. The notable exceptions were the former Portuguese colonies, the newest-born nations, Mozambique, Angola and Guinea-Bissau, who gained their independence, as we did, through armed struggle.

Another precept of American policy toward Africa has been our championship of majority rule. The United States has always supported the proposition that Africans have the inherent right to determine their own forms of government and to exercise effective political power within their states. We have therefore always rejected the notion of minority rule such as that which exists in Rhodesia where five percent of the population exercises control over the remaining ninety-five percent by excluding the black majority from meaningful participation in the political and social process. In the unique case of South Africa we recognize that historical circumstances that perpetuate white majority control are different from those that exist in the regime in the colonial relic called Rhodesia. Nevertheless, we have repeatedly gone on record as being opposed to the apartheid that underlies the political structure of South Africa. We will continue in our opposition to it.

The newest aspect of American policy toward Africa has been a continuing involvement in the continent's economic, social and human development. Africa is a land that is rich in mineral wealth. It is also potentially one of the most important areas of food production in the world. But it is still woefully deficient in capital, technical and human resources. Vast areas of the continent and tens of millions of its inhabitants have yet to be brought into contact with the modern economy. Africa's leaders realize this. Through our AID programs, through the Peace Corps, through our encouragement of private American investors to explore the economic and commercial opportunities of Africa we have done our best, within the means at our disposal, to assist in the continent's economic and social growth.

Consistent with Congressional directives, our development assistance has in recent years focused on food, nutrition, health and human resources programs. We frankly admit that our efforts have scarcely made a dent in moving most of Africa toward sustained economic development, but we are continuing to move toward that goal through our bilateral AID programs, through cooperation with the IBRD and through such special facilities as the Overseas Private Investment Corporation. The United States Export-Import Bank, although not designed as a development agency, has made a major contribution in helping to meet the capital requirements of Africa through its loan and investment guarantee programs.

Finally, throughout these past fifteen years the United States has endeavored to keep the cold war out of Africa. We have, as you know, Mr. Chairman, no military or territorial ambitions in Africa. With the exception of a modest communications facility in Ethiopia (which has been greatly reduced in size and importance during the past few years) the United States has no military facilities on the continent south of the Sahara. We want no bases in Africa. We seek no alliances there. We believe the policy of detente which we are endeavoring to pursue everywhere is as valid for Africa (possibly more so) as it is for other parts of the world, Africa does not need—and does not want—great-power confrontations.

Because of Africa's great size and remarkable diversity, the question is sometimes asked whether it is possible for the United States to have an over-all, comprehensive policy toward the entire continent. Certainly, the historical record will show that the United States has had such an over-all policy in its support of African self-determination, of African majority rule, of economic and social development, and in its rejection of enforced racial segregation. Its willingness to apply a policy of detente throughout the continent is evidence of American willingness to look upon Africa and its personality as a whole, but also to look upon it as an involved party as a leader, in the quest for global peace. Further evidence that the United States has an over-all approach to Africa if it is needed, Mr. Chairman, can be found in our constant support of African regional institutions represented primarily by the Organization of African Unity and especially of efforts toward the economic development of the continent, such as the African Development Bank and the African Development Fund. As you are aware, the Administration is actively seeking Congressional authorization for the United States to become a member of the African Development Fund.

Let me now turn in greater detail to three themes which are of concern to us. They are: 1) that Africa advances the prosperity and well-being of its peoples and become a strong participant in the global economic order, 2) that self-determination, racial justice and human rights spread to all of Africa, and 3) that the continent be kept free of great power rivalry and that we maintain only limited strategic facilities there.

ECONOMIC DEVELOPMENT OF AFRICA

In describing US policy toward Africa in these broad terms I recognize that precepts of policy have often been difficult to apply to particular cases. It is for this reason that Secretary Kissinger has sought to break new ground, to move in new directions. Let me cite a specific example.

I mentioned that the United States has been committed to a policy of assisting Africa in its economic development. Now, among the most important sources of African economic development are African foreign exchange earnings. These are generated chiefly by the export of certain tropical products, such as coffee, cocoa and sugar, and by the export of certain major minerals, such as copper, bauxite and iron ore. Many of the African countries have long been deeply concerned over the violent fluctuations in the prices of their raw materials on international markets, a phenomenon over which they have had little influence in the past. They are concerned over the "boom-and-bust" cycle that disrupts their economic planning and impoverishes their people. They feel that this is unjust, unfair.

In recognition of this African concern and that of other primary producers, Secretary Kissinger in his address of September 1 before the Seventh Special Session of the United Nations General Assembly indicated a willingness on the part of the United States to explore in a constructive spirit ways in which the problems of the primary producers created by the boom-and-bust cycle for their exports could be alleviated. He specially did not exclude the possibility of American adherence to commodity agreements provided they took into account the legitimate interests of the consumers as well as those of the producers. Because we are the most important world consumer of raw materials as well as an important producer of many of them, the Secretary's proposals were enthusiastically received, not least by the African leaders themselves.

We are a long way from finding specific solutions to all of Africa's raw materials problems, but the dialogue has begun and we are hopeful that it will lead to positive results. Indeed, it must, for, as the Secretary has frequently pointed out, we live in an interdependent world and, because of our recognition of this fact, the United States has set as one of the fundamental goals of its foreign policy the promotion of a new era of international cooperation between developed and developing nations in a workable international economic system. Africa and the United States are a part of that world. We share in its problems, and we believe they must be solved through dialogue and consultation rather than confrontation.

Permit me now to review briefly our assistance programs and to comment on other aspects of Africa's economic development problems.

Although we have rarely been the largest donor to any one African country, our help has not been insignificant. From 1945 through fiscal year 1973 we provided over $5 billion in aid to these countries. We have long had significant PL–480 programs in Africa, both Title I and Title II. The PL–480 programs have played a very important role in meeting the nutritional requirements of the African peoples while we and other nations and institutions have endeavored to help the Africans to produce and process more of their own food.

In line with foresighted Congressional mandates to aid the poorest nations, our FY 76 and 77 aid programs register substantial increases. Section 49 of the Foreign Assistance Act of 1974 demonstrated Congress' desire that greater priority be given to African development. The whole thrust of the 1973 Foreign Assistance Act, with its emphasis on the needs of the poorer countries and the poorer elements of all developing countries, inevitably means more intensive concentration on African development needs. In FY 1976, for example, it is planned that sub-Saharan Africa will receive $192 million in development assistance loans and grants, $72 million in PL–480 Title I and Title II, as well as continued access to EXIM Bank Loans and OPIC insurance facilities.

In response to Congress' expressed concern that our assistance programs should have a direct impact on people and their daily lives, I wish especially to note the magnitude of our Self-Help programs in the new fiscal year. Operating effectively in 26 African countries, Self-Help is one of the most useful and appreciated, if unsung, elements of the aid program in terms of our American image. Over the past year, for example, the Self-Help program has focused on timely and flexible assistance for over five hundred projects chiefly designed to help villagers in the poorest areas of Africa's poor countries to help themselves. The amount being asked for this fiscal year is only $1.5 million.

Peace Corps programs in sub-Saharan Africa are extensive and effective. Some 2,000 Peace Corps Volunteers are presently serving in 26 countries. There are constant demands for more that we are unable to meet. In countries of particular concern today to your committee, Mr. Chairman, there are 132 volunteers in Zaire and six in Nigeria. Ethiopia, which at one time numbered over 160 volunteers, is now down to forty due to unsettled conditions in certain regions of the country.

One of the greatest economic disasters and human tragedies of recent years was the great Sahel drought. The United States has made a major contribution to the alleviation of the human and economic damage caused by the drought in the Sahel region. We think we have done a good job there. With the experience of the past two years behind us, we are now exploring ways in which the United States, in cooperation with other nations and international institutions, can establish a regional approach to the Sahel in order not only to facilitate its recovery and reconstruction but to forestall the same adverse economic effects for the six or seven countries of the Sahel if the drought should recur.

In addition to bilateral aid and the special Sahel assistance programs we strongly hope that the Congress will authorize American contribution of $25 million this year to the African Development Fund. Participation of the United States in the Fund, the soft-loan affiliate of the African Development Bank, would be consistent with our long-term efforts to be in the front ranks in promoting African economic development. Our response in this regard, Mr. Chairman, is well overdue.

One of the real keys to sustaining economic development is increased trade and investment. Therefore, one of our chief goals is to expand American exports and investment for the mutual benefit of the United States and sub-Saharan Africa.

While American trade and investment south of the Sahara remains small, its share is growing absolutely and relative to the rest of the world. In 1974 our trade with Africa had grown to $8 billion, including almost $2 million with South Africa. Direct American investment has increased more than four times since 1960 to $4 billion, of which nearly one-fourth is located in Nigeria and another one-fourth in South Africa. Important American investments are also located in Zaire and Angola.

A primary concern for American planners is the growing importance of petroleum and other natural resources in Africa. The continent's known resources are extensive, and there is reason to believe that there exist vast reserves of minerals still to be surveyed. As world-wide demand for petroleum and other resources grows, we will try to assure for the United States access to Africa's resources at acceptable prices and terms. The continent is already the source for 22.5 percent of our crude oil imports, and the United States is already totally dependent upon imports for its chrome and tin. Within a generation, our complete dependency will extend to bauxite, manganese and tungsten. We will import two-thirds or more of our copper, iron, lead, and nickel. Africa is an important supplier or potential source of all of these minerals. They are valuable assets to Africa; they are a major part of her patrimony. It is clearly a matter of our mutual interest that we encourage their rational exploitation.

SELF-DETERMINATION, RACIAL JUSTICE AND HUMAN RIGHTS

A very basic cornerstone of our policy is our support for the principle that self-determination, racial justice and human rights prevail in all of Africa. In this regard, it must be admitted, much remains to be accomplished.

There are two concerns of capital importance today to Black Africans: One of these is economic development which we have explored. The other is racial and social justice in southern Africa. This involves the questions of minority rule in Rhodesia, the lack of self-determination in Namibia and the policy of apartheid and minority rule in South Africa. Because of their global significance these challenges summon the urgent attention of the world community. We believe these problems can and must be solved. We will never condone or acquiesce in racial policies which by law separate men and deny them rights solely on the basis of the color of their skin.

With respect to Rhodesia we fully support the current efforts of Rhodesia's neighbors—north and south of the Limpopo—to bring about a negotiated end to the constitutional crisis. As you know, the Ian Smith regime in Rhodesia unilaterally declared independence from Great Britain in November 1965. Great Britain, committed to granting independence only to a multiracial state under majority rule, requested UN assistance in dealing with Smith's illegal claim. In our judgment an end to the crisis requires agreement on the principle of majority rule, a goal we support. None other is tenable, none other can endure. The maintenance by force of an illegal regime based on white supremacy is of overriding concern to every African government. Because of the policies of the Rhodesian minority government, the Executive Branch has sought and still seeks the repeal of the Byrd Amendment. This overdue step would indicate our sincerity in implementing the United Nations sanctions against trade and business dealings with Rhodesia and put us where we belong: on the side of our highest principles and on the side of our true national interests.

In Namibia, the United States has long held that South Africa should recognize the inherent right of the people of that territory to exercise freely and promptly their right to self-determination and independence. The United States continues to support the International Court of Justice's advisory opinion of 1972 affirming the General Assembly's 1966 decision which terminated the South African mandate over Namibia. The United States supports the United Nations' resolution calling on South Africa to remove its illegal administration from Namibia and recognize the authority of the world body over the territory. American policy has been to discourage United States investment in Namibia, to remind potential new investors that we will not protect their investment against claims of a future lawful government in Namibia, to withhold Eximbank investment guarantees and other facilities, to urge American firms to improve working and living conditions of their non-white employees and to refuse to establish official representation there.

No problem is more complex than the racial issues in South Africa itself. This Administration's views on apartheid are well known. We have for many years made clear our strong condemnation of apartheid, a morally indefensible institution. Because of this strong view we have imposed certain restraints on bilateral relations with South Africa while seeking to communicate our desire for a peaceful resolution of its racial problems, without on our part implying acceptance of apartheid. These restraints include an eight-year ban on US Navy ship visits to South African ports, a unilateral twelve-year old comprehensive arms embargo, limitations on military contacts, limitations of Eximbank facilities for trade and a position of neither encouraging nor discouraging private investment in South Africa. Our policy of "communication without acceptance" of apartheid is also reflected through maintenance of a diplomatic mission in South Africa which pursues regular contacts with all elements of South Africa's population, which carries on an effective exchange-of-persons program and which encourages American firms doing business there to adopt enlightened employment practices.

Concerning our attitude toward the Portuguese-speaking countries of southern Africa, we have, for many years, supported the right of self-determination of these peoples. We maintained during their wars for independence an effective arms embargo against our ally in NATO, Portugal. We view the independence of Mozambique with satisfaction, and we hope to move ahead quickly toward an exchange of ambassadors. With regard to Angola, we continue to deplore the fighting there and regret that the liberation movements in that promising country have not been able to achieve workable and durable cooperation. It is our sincere hope that we will soon see progress in Angola toward peace and stability.

GREAT POWER RIVALRY AND U.S. STRATEGIC FACILITIES IN AFRICA

A third concern relates to our efforts to keep the African continent free of great power rivalry. We operate only limited military facilities there; certainly we have none that even begin to approach those available to the Soviet Union today.

Even before the period of detente with the Soviet Union, we worked at keeping Africa from beginning a cockpit in cold war rivalry. We have sought as a general rule to avoid taking sides in international disputes or internal quarrels in Africa.

Similarly, our military assistance to Africa is modest—about one percent of our total military assistance overseas—and ranks well below our economic aid in importance.

Our strategic interests and facilities in Africa are as I have said, limited. The sea lanes around the Cape of Good Hope are used and will continue to be used by both naval vessels and jumbo tankers carrying oil from the Middle East to Western Europe and, to a limited extent, to the U.S. The Horn of Africa is important to us because of its proximity to our oil interests in the Arabian peninsula and to shipping in and out of the Suez Canal.

Still we have been content with very limited strategic facilities in Africa, chiefly because we wished to buttress the principle of keeping the continent free of great power rivalry. Our presence at our one military facility in Black Africa, Kagnew Station in Ethiopia, has been reduced from about 1,500 military personnel 3 years ago to some 40 technicians, most of them civilians.

In spite of the proposed budget increases that we are now seeking in our own security assistance to African countries, the African programs still remain quite small, as I have said, at about one per cent of our total security assistance program in FY 1976.

Time has not permitted me, Mr. Chairman, to dwell upon our bilateral relations with Africa's four dozen soverign states. I have been able only to sketch for you in general terms the concepts and principles upon which we try to base the conduct of our day-to-day relations with these nations. Among them we count mostly friends.

But I will not suggest, sir, that we allow ourselves the luxury of sitting back even for a moment and telling ourselves that our policy has been—or is now—the right and only one. We are conscious, I assure you, of the need to examine and to re-examine our policy. We know only too well that foreign policies can never be made that are equally applicable at all times and in all places. This is especially true when applied to the vibrant, dynamic, kaleidoscopic continent of Africa. We welcome critiques of our policy—from our fellow-Americans as well as from our friends in Africa.

As our policies and their applications evolve you may be sure of one constant in them: in a democratic and open society such as ours our policy will always be based, first and foremost, on solid considerations of our own national interests. But they will also be based upon our pragmatic appreciation of their pertinence to the nations and peoples to whom we must relate. Without denying that there is room for improvement I suggest, Mr. Chairman, that our current relations with Africa are being conducted today on those bases.

WILL AMERICA REMAIN COMMITTED TO THE PAST IN SOUTHEAST ASIA?

Mr. CLARK. Mr. President, the countries of Southeast Asia—following 100 years of Western military intervention in the area—are now in the process of shaping their political future. It will necessarily be a lengthy process—and one which the United States, through its acceptance or rejection of the course of events—can help to shape.

Jeffrey Race, a fellow of the Institute of Current World Affairs, wrote a guest editorial for the Washington Star on November 9, 1975, in which he outlined the changes that are taking place in Southeast Asia and the U.S. reaction.

Unfortunately, as he notes, our actions so far have not been what one would expect from the world's great democracy. He states it well:

> It is urgent for the U.S. and the world, that America find some other way of relating to history than being bludgeoned into submitting to it at great cost in human life. For Southeast Asia, this would mean accepting the finality of what has happened in Vietnam and improving relations with that country, as deGaulle did with Algeria; and it would mean recognizing and encouraging democratic trends in Thailand, not obstructing them.

Mr. Race has spent much of the last decade in Southeast Asia, and he has frequently written on the political and economic development of that area. His editorial in the Star is thought provoking and reflects a deep insight into the affairs of Southeast Asia. I recommend it to our colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILL AMERICA REMAIN COMMITTED TO THE PAST IN SOUTHEAST ASIA?

(By Jeffrey Race)

The political gyrations now occurring in Southeast Asia signify not the end of the Vietnam War but the impending final settlement resulting from the liquidation of more than a century of Western military intervention on the Southeast Asian mainland. Will the United States cooperate in the changes now taking place? Continuing present attitudes of hurt pride and passive opposition to the inevitable is certainly conceivable, perhaps likely, but it will have costs, and we should be clear what they are.

The history of the last thousand years in peninsular Southeast Asia has been one of marches and countermarches among the contending empires and petty principalities. Only Vietnam was an important power throughout, and at this point, long-range processes of consolidation have left but two—Vietnam and Thailand—facing each other in the struggle for regional dominance.

Massive, and related, changes have taken place in both countries, on which the U.S. has tripped and stumbled. These changes are the same ones which began to rock the West three centuries ago, which crushed or decisively altered the most powerful European kingdoms of the day, and out of which America's own revolution grew. Our traditions dictated that we should honor, not resist, these same changes in Asia; only American pride permitted our leaders to think that they could resist what humbled the potentates of earlier eras. But resist we did—and do.

What are these changes? Simply demands for broader political participation, resulting by well-understood processes from increasing urbanization, literacy, communications and wealth. Shortsighted French attempts to surpass such demands succeeded only in bringing the Communists to dominance in Vietnamese politics, and French leaders were humbled in 1954 like the Bourbons in 1789. Americans rushed in with their own attempt to halt the course of history. They succeeded in radicalizing the opposition in South Vietnam, and also in Laos and Cambodia, and they too have been predictably humbled for their failure to understand and adjust to the flow of events.

Ironically decades back American patriots engraved an epitaph for the British soldiers killed at Lexington and Concord. Near the bridge by which was fired "the shot heard round the world," this monument now reads: "They came three thousand miles to keep the past upon its throne." In the last two centuries, have Americans learned only to treble the distance they will go on the same fool's errand?

If our experience in Vietnam suggests a melancholy answer to that question, the state of our relations with Thailand is even more disquieting. During the past two years the Thai have overthrown the American-supported military dictatorship, promulgated a new constitution, and permitted new groups to participate in politics.

Has this trend toward democracy, almost unique in Asia, been welcomed by the U.S., as a vindication of the ideals for which we fought the Vietnam War? Sadly, the reverse is true. U.S. leaders have yet to offer a single word of encouragement for the progressive trends in Thailand. This is of course perceived in Bangkok exactly as it has been intended, as a signal of official American displeasure. Behind-the-scenes American dealings with the Thai military over the Vietnamese planes flown to Thailand and over the Marine landings during the Mayaguez rescue have been two other ominous signals of Washington's preferences for dealing with the generals.

It is urgent for the U.S. and the world, that America find some other way of relating to history than being bludgeoned into submitting to it at great cost in human life. For Southeast Asia, this would mean accepting the finality of what has happened in Vietnam and improving relations with that country, as de Gaulle did with Algeria; and it would mean recognizing and encouraging democratic trends in Thailand, not obstructing them.

There is not much time to act on this perception. Thai leaders are under pressure from their domestic constituency as a result both of events in Vietnam, Laos and Cambodia, and of the suspicion engendered by decades of American support to Thai dictators.

The Vietnamese are similarly at a crossroads. A pragmatic and methodical people, they have evaluated the options open to them and have extended the hand of friendship to both Thailand and the United States. What will be our response? Once the bureaucratic coalitions in diverse capitals mobilize around some particular policies, a mutually reinforcing chain of events will ensue. The system will acquire a rigidity much like it had in the late 1960s—and which it took so much human sacrifice to turn around.

Washington's decisions will largely determine the degree of strain henceforth obtaining on the peninsula. If Washington sympathetically accepts what has happened, strain will be reduced, and America can participate as a helpful partner in shaping the political lineup emerging from the liquidation of Western intervention on the peninsula. Russia, China, Japan, the members of ASEAN, and certainly Vietnam, would welcome this outcome. But if Washington continues to be cold and hostile toward Vietnam, aggravating suspicions that it will go on using local clients to frustrate inevitable political change, then a higher degree of strain will ensue, Thai leaders will have to exaggerate their distance from the U.S. and the West, opportunities for constructive cooperation will slip away, and America's role will sooner or later be reduced even more drastically.

American leaders will have difficulty accepting this fact if present emotional attitudes continue. Emotionalism is apparent, for example, in the statement sometimes heard at high levels in the U.S. government regarding the Thai: "Well, if they don't want us, we'll just get out." Such a statement could have profound consequences in the present situation where each actor is homing on the perceptions of others.

A second statement frequently heard about U.S. relations with Thailand and Vietnam is: "They need us more than we need them; let them come to us." Saying this no doubt helps our sense of power and feeling of self-importance. The question remains whether this is the proper way to conduct the affairs of a great nation. I suggest that it is not, because it overlooks the most fundamental fact of international relations, which is that the powerful only remain so by forming relationships with the less powerful.

Another issue is leadership, we frequently hear in Washington these days, "There's no point in pursuing improved relations (with Thailand or Vietnam) because X will never accept it," where X may be Thai or Vietnamese leaders, the speaker's own boss, the Congress, or the man in Muncie. The statement is usually offered as an irrefutable justification for doing nothing. Doing nothing is of course a policy, but doing nothing about our relations with Thailand and Vietnam is going to have serious consequences for our interests.

The meshing of complex processes, against apathy and opposition, is the function of leadership. Constituencies can be created, positions can be prepared. The point is that strong leadership will produce one outcome in Southeast Asia; our present stance of aggressive followership will produce another.

FOOD STAMP REFORM MEASURES

Mr. BUCKLEY. Mr. President, much as I dislike to do so, it seems I must again correct and clarify the observations of one of our distinguished colleagues concerning the various food stamp reform measures which have been submitted for the consideration of the Senate. Last Monday, the distinguished Senator from Massachusetts (Mr. Kennedy) announced his support for S. 2451, the Dole-McGovern food stamp bill. From the details of his remarks, I fear he may have done so under the mistaken belief that S. 2451:

First, has a $100 standard deduction. That is a feature of S. 2537, the administration's food stamp bill, which I joined Senator Talmadge in introducing on October 21. The bill which the senior Senator from Massachusetts is cosponsoring has a standard monthly deduction of $125.

Second, would apply such a standard deduction to gross income. That, too, is a feature of the administration's bill. The bill which the Senator from Massachusetts is cosponsoring would apply the $125 standard deduction to net income.

Third, would be administratively simple. The administration bill, insofar as it follows the legislation which Congressman Bob Michel and I introduced on this subject, offers greater administrative simplicity by computing eligibility on gross income, not net income. The Dole-McGovern measure, on the other hand, retains the necessity of computing and deducting taxes, Social Security contributions, other mandatory deductions such as union dues and retirement payments, disaster and casualty losses, student loans and scholarships, and inkind shelter payments, all of which will contribute to the continuing incidence of error in the administration of the food stamp program.

So there is a food stamp reform bill which would institute a $100 standard deduction, would apply it to gross income, and would establish an eligibility formula that could be computed with the greatest administrative ease. Unfortunately, S. 2451 would do none of that. I again respectfully call the attention of my colleagues to S. 1993, the National Food Stamp Reform Act, and to S. 2537, the Second National Food Stamp Reform Act. I do so with the ever more confident expectation that those two bills will, in tandem, be the vehicle for thorough and humane food stamp reform.

MAINE INAUGURATES NEW HOUSING PROGRAM

Mr. MUSKIE. Mr. President, ground was broken on Wednesday, November 12, is South Paris, Maine, for the first units of housing to be built in the country under the new section 8 program of the Housing and Community Development Act of 1974.

The apartment complex, which will house a number of elderly persons from the South Paris area, is a first step toward the implementation of the new program and signifies the determination of State and local officials to improve the lives of our citizens by providing decent housing.

At the same time, however, the project illustrates some of the problems which housing officials have been encountering. James E. Mitchell, director of the Maine State Housing Authority, has said the program is complicated to administer and that if it is not changed, "it is going to be one of the biggest governmental busts of all time." Unless major administrative and financial alterations in the program are made, he fears that neither the housing authority nor the Federal Government will be able to extend this same type of assistance to the approximately 15,000 other elderly people in Maine who are in similar need of apartments.

Mr. President, Congress enacted the Housing and Community Development Act to improve the kind of housing available to citizens across the country and to correct some of the inequities and failures in previous Government programs. The housing industry cannot afford further catastrophe and needs the stimulus which section 8 was intended to provide.

An article appeared in today's Washington Post discussing the new housing units in South Paris and the section 8 program. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Housing Program Advances

(By Charles A. Krause)

South Paris, Maine.—The Government's new $17 billion subsidized housing program, which Secretary of Housing and Urban Development Carla A. Hills calls "just a baby," took its first step out of the bureaucratic cradle in this small New England town.

Town Manager Paul Brown stuck shovel into the dew laden Maine earth Wednesday morning, breaking ground for the first new apartment complex to be built under the program, which is outlined in Section 8 of the 1974 Housing and Community Development Act.

Sen. Edmund S. Muskie (D-Maine) and Rep. William S. Cohen (R-Maine) sent congratulatory telegrams but said they couldn't attend the ceremony because of business in Washington. Hills was in San Francisco to give a speech. But the 20 or so people who attended the ceremony, most of them South Parisians, didn't seem to miss the VIPs.

Brown said he was delighted with the new 10-unit, $275,000 project because it would provide housing for some of the town's 500 elderly citizens and because its owner would pay regular town property taxes.

But the shovelful of dirt he turned this morning had meaning far beyond the boundaries of little South Paris, which is next door to Norway and down the road apiece from Mexico and Peru in south central Maine.

Many housing experts have predicted that Section 8 will never achieve its ambitious goals, especially in the area of new subsidized housing construction, because, they say, the program is poorly conceived, complicated, and mired in HUD bureaucracy.

Secretary Hills, who has enthusiastically backed the program, conceded in congressional testimony last week that the new construction phase of Section 8 had run into serious problems and that it was unlikely that HUD would meet its target of 240,000 new housing units this year.

But the apartment developer, Robert P. Bahre, and the Marine State Housing Authority have proved that Section 8 can be activated under certain circumstances and that other communities across the country may also be able to take advantage of it.

Section 8 is a radical departure from past federal housing programs because HUD no longer subsidizes mortgages as it did under the now-shelved 1968 housing subsidy program. Instead, HUD guarantees state and local housing agencies as well as private developers that the federal government will provide rent subsidies for new and existing apartment units for 20 to 40 years.

With these guarantees as collateral, the housing agency and private developers are theoretically supposed to be able to borrow money to build the new housing.

The problem, as Hills outlined last week, is that the bond market has dried up for state housing agencies as a result of the New York City financial crisis and banks are reluctant to lend money to private developers for rental projects of any kind.

James E. Mitchell, director of the Maine Housing Authority, said Wednesday that the only reason his agency was able to finance the South Paris project was because it had money left over from a previous bond sale.

The only way future Section 8 projects in Maine or elsewhere in the country are going to be possible, Mitchell said, if for HUD to use the authority it has to guarantee state housing agency bonds. A spokesman for HUD said such a proposal is now under consideration.

Bahre said his South Paris project was economically feasible only because the state provided him with a long-term mortgage at an interest rate of 7.5 per cent. Most mortgages here cost about 10 per cent if money is available at all. Bahre also said HUD has required changes in his plans that have driven up costs.

Despite problems, the project is a godsend to South Paris, a town of 3,700 people, a 9.4 per cent unemployment rate, and an over-65 population of almost 15 per cent. It will provide employment and, as Joyce Bennett, housing director of the local poverty agency, said, many of the town's elderly are poor,

> presently living in unsafe housing, and are in desperate need of the Section 8 apartments.

TAXING OUR RAILROADS

Mr. BAKER. Mr. President, the Subcommittee on Surface Transportation of the Committee on Commerce agreed this morning to report to the full Committee the Rail Services Act of 1975, an omnibus bill to deal further with the situation of the Northeastern railroads and to make certain regulatory reforms which will assist all railroads in the country to achieve greater economic stability.

The bill includes a section designed to alleviate so-called discrimination against railroads by requiring that no State or taxing district may assess and tax transportation property at a higher ratio to its true market value than other industrial and commercial property within the taxing district.

While discriminatory State taxation of railroad property in particular was a serious problem for a number of years, recent efforts by the States to reform their taxing systems in response to court decisions have resulted in a significant reduction in discriminatory tax assessments against railroads. In Tennessee, for example, a constitutional amendment was adopted by a voter margin of 4 to 1 in 1972, establishing a system of classification of property according to use. This system was adopted to insure uniformity of assessment in counties in the State and to establish stability so that property owners and local governments could reliably forecast tax liability. Under Tennessee's constitutional amendment, public utility property is assessed at 55 percent of its market value; industrial and commercial property at 40 percent; and residential and farm property at 25 percent. Transportation property, like that of other industries regulated by the State's Public Service Commission, is placed in the public utility class.

If enacted as originally proposed, section 208 of the Rail Services Act of 1975, would negate the system of property taxation which the voters of Tennessee have overwhelmingly adopted and provide a windfall for railroads operating in the State, which are among the most profitable in the Nation. The State Public Service Commission has estimated that enactment of section 208 would result in a 40-percent decrease in taxes paid by transportation carriers to local units of government within the State and an average 6-percent increase in tax rates of all other taxpayers to make up for this revenue loss.

Mr. President, because of the grave impact which enactment of section 208 of the bill would have upon the State of Tennessee, I offered an amendment to section 208 which exempts from the section those States whose constitutions now provide for the classification of property according to use for tax purposes. I am very pleased that the subcommittee agreed to adopt my amendment and forward it to the full Committee on Commerce as a part of the bill.

In my opinion, a congressional determination that Tennessee's property tax system constitutes an unreasonable discrimination against, and an undue burden on, interstate commerce is unjustified. A substantial body of legal precedent exists affirming the right of the states to classify property for the purpose of taxation, so long as those classifications are fair and reasonable. The U.S. District Court for the Middle District of Tennessee has specifically determined that the Tennessee system as it applies to railroads is neither "palpably arbitrary" nor "invidiously discriminatory," and this decision has been affirmed by the U.S. Supreme Court. Moreover, the profitability of railroads which are subject to Tennessee's property tax offers no support for arguments that interstate commerce has been unduly burdened by that tax system.

I am hopeful that the Committee on Commerce will retain my amendment to section 208 when it acts on the Rail Services Act of 1975, in the days ahead, for I believe that there is no justification for congressional preemption of State constitutional systems of property taxation for the purpose of providing economic relief to successful railroads at the expense of homeowners, farmers, and other taxpayers.

ENERGY-SAVING—HAMILTON, OHIO

Mr. GLENN. Mr. President, it has often been noted that the public is skeptical about the reliability of reports concerning energy shortages. We in Ohio and 13 other States, however, have gained increased awareness of this problem because of the impending threat of severe natural gas shortages—a situation the Senate addressed in passage of S. 2310 recently.

Among the cities in my State that have taken the lead in bringing the crisis to their citizens' attention is Hamilton, an outstanding community of about 68,000 population located in Butler County. The city fathers of Hamilton last year vowed that they would educate the public and promote voluntary conservation—thereby protecting gas for industry, saving jobs, and dramatically increasing public awareness of the need to reduce natural gas use.

Their all-out effort, harnessing the best efforts of labor, industry and citizens from many walks of life, resulted in a reduction of 15 percent in the demand for natural gas. This winter, facing even sharper curtailments by its suppliers, the city's department of public utilities, has mounted a drive to reduce consumption another 20 percent. Today marks the kick-off of this ambitious effort at gas conservation in Hamilton, and leaders there, including Mayor Frank Witt and Acting City Manager Jack Kirsch, recently informed me of the details of the city's "Cool It" conservation drive, which stresses keeping thermostats lower.

That same goal has been so effectively pursued here by our distinguished colleague, the Senator from West Virginia (Mr. RANDOLPH), who has made energy conservation a by-word for all Senators. I know that he will share my interest in the success so far of Hamilton's very fine effort.

The dramatic success of Hamilton's drive last year, and the extraordinary goal set for this winter, reflect well on the citizens of Hamilton and their combined desire to tackle a problem that points right at the heart of their community. I applaud those efforts and know they will be an example of energy conservation for the entire Nation to follow.

GUILLERMO MARTINEZ MARQUEZ

Mr. BUCKLEY. Mr. President at the 31st annual convention of the Inter-American Press Association in São Paulo, Brazil, last month, a special award was presented to one of the most distinguished journalists of our time. For decades, the name of Guillermo Martinez Marquez has been synonymous throughout Latin America with reportorial excellence and journalistic intergrity. Now an exile from the Communist regime in his beloved Cuba, he has for the last 15 years made his home in the State of New York.

Dr. Martinez has often been described as a journalist's journalist. He founded a magazine in his native Cuba at the age of 15, 4 years later joined the staff of a major newspaper, and eventually rose to become editor of El Pais, one of Havana's foremost papers. Now past his 75th birthday and still an active reporter, he can take pride in a career that already spans 55 years.

Martinez Marquez is known throughout Latin America for his perceptive views on world events and particularly for his life-long defense of freedom of the press, especially in the period immediately following Castro's seizure of power in 1959. With remarkable courage, he directly attacked Castro on television in May of that year. A few months thereafter, rather than submit the Communist regime's censorship, he resigned from the newspaper which he had published for 18 years. At a testimonial dinner it was later said of him:

> If Martinez Marquez had caved in, we would not be here today proudly honoring him; but then, if he had not acted as he did, he would not be Martinez Marquez.

Few journalists have been as honored or as influential as Dr. Martinez. His articles have appeared in almost 100 publications across North and South America; and his views have been heard in all Latin American countries, through either newspapers or his TV and radio commentaries. Instrumental in the founding of the Inter-American Press Association, he is a past president of that organization.

Since arriving in this country at the age of 60, he has not slowed his pace nor lessened his commitment to the liberty of his homeland. His column, "Our America," has appeared in over 20 newspapers for the last 12 years; and he also serves as U.S. correspondent for an important Argentine daily. In these and other forums, he still wages his campaign in defense of freedom. He says of himself:

> I was born in Cuba when Cuba was free, and I now travel through friendly countries

fighting for the rights that were taken from me. I state and restate that I am a conservative—dedicated to conserving the freedoms I once enjoyed in the land of my birth.

Although most countries of this hemisphere would have been honored to welcome him when he left Cuba, Martinez Marquez chose to come to the United States. Shortly after his arrival, he became a legal resident of our country. In an article published in 1968, he explained:

> I love and admire the United States, not only because this country has given me the rights I lost in my country, but because it has been the refuge for the emigrants from the tyrannies in the world.

In welcoming to our shores exiles like Dr. Martinez, we enrich our own heritage of liberty and reaffirm our faith in the rights of man. I salute Dr. Martinez for his continuing contributions to inter-American culture, to the freedom of the press, and to a cause which must eventually triumph, even if some momentarily forsake it in the name of détente: Cuba Libre!

BUSINESS AND FREEDOM

Mr. METCALF. Mr. President, Adm. H. G. Rickover, U.S. Navy, is well known to the country as "the father of the nuclear Navy." He is also recognized as a thoughtful critic of naval administration, the energy crisis, science and technology, and American education.

Recently, Admiral Rickover spoke to the Economic Club of Indianapolis on another subject of concern to all Americans—the condition of business and free enterprise today. In his remarks, the Admiral once again demonstrates his exceptional ability to identify critical national problems and to place them in a historical perspective. He is a forceful and convincing advocate of the capitalist system which he views as essential to the survival of our free society. But he warns that illegal and unethical business conduct threatens the survival of capitalism and of our individual freedoms.

Admiral Rickover offers some useful ideas on steps businessmen should take to help preserve our capitalist system. He also issues a provocative challenge to businessmen to change their way of thinking, which has tended to place the unrestrained pursuit of profit above other values.

I commend this timely speech to our colleagues and to all Americans concerned about the future of freedom and capitalism in this country. I ask unanimous consent to have Admiral Rickover's speech "Business and Freedom," delivered on November 7, 1975, printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

BUSINESS AND FREEDOM

(By Admiral H. G. Rickover, U.S. Navy)

Over a period of many years I have spoken and written about such issues as education, freedom, science, engineering, and technology—all of concern to many Americans.

But since this audience is especially interested in business and economics, I thought I would share with you some of my thoughts on these, based on my experience in dealing with many segments of American industry for more than 35 years. Part of my work has involved the procurement from private business organizations of billions of dollars worth of machinery, electrical equipment, and nuclear components for ship propulsion and for civilian power plants.

This experience, combined with a lifelong interest in government, philosophy, and history have given me a unique vantage point to observe many aspects of business conduct.

I feel especially indebted to our country for the opportunities it has given me—education, a profession, observing other cultures, and a variety of experiences. In every respect America has been good to me.

I am deeply concerned, however, that the opportunities we have had in the past may not exist in the future. As a nation, we are burdened by internal problems unparalleled since the Civil War: the energy crisis, the threat to the environment, the problems of the cities, the abuse of and consequent loss of respect for traditional institutions and values.

Compounding these problems and exacerbating them is a condition of increasing moral decay which seems to be spreading throughout our society. This exists in many areas, but I will focus on business, and the state of business ethics.

Although I shall be critical of certain business practices, I am not hostile to business, to free enterprise, or to capitalism. I believe in the capitalist system. No other system offers as much opportunity for individual freedom. I criticize only because I do not want to see this system destroyed.

Business is an essential part of society. Throughout history, societies have recognized its importance and have established standards for its conduct. The code of Hammurabi 4000 years ago governed contracts, loans, debts, deposits, and other areas of commerce in ancient Babylon. The Old Testament forbade stealing—one of the Ten Commandments—also bribery, short measure, false dealing, lying, fraud. During the Middle Ages, the Church prohibited usury. From the Protestant Reformation emerged the idea of business as a Godly calling in which the businessman conducted his affairs as a public service, of benefit to himself and to his neighbors. From the earliest days of recorded history man has struggled to reconcile the pursuit of profit with honest dealing and useful service, to balance self-interest with the common good.

Because of industrialization and urbanization, the effect of business on society is now greater than it ever was. A half century ago Calvin Coolidge said: "The business of America is business." Its influence is no less pervasive today. Our society honors those who excel in business. Labor leaders, doctors, lawyers, accountants, engineers emulate them. Business leaders, as much as anyone, set the moral tone of society.

Yet the image business leaders convey has not always been flattering. In 1912, Charles Francis Adams, Jr., descendant of two Presidents, said of business in the United States: "I have known, and known tolerably well, a good many 'successful' men—'big' financially—men famous during the last half-century; and a less interesting crowd I do not care to encounter. . . A set of mere money getters and traders, they were essentially unattractive and uninteresting. . ." This quotation from Adams is as important as that from Coolidge, for Adams warns that business leaders may lack the vision to see their obligation to the society which nourishes them.

What example are businessmen setting today? Can you remember a single week in recent months when the press was not filled with accounts of business wrongdoing? Here are a few recent ones: 19 companies convicted of making illegal political contributions; the fertilizer industry investigated for price-fixing and other anti-trust violations; a well-known ice cream manufacturer indicted on charges of knowingly marketing tainted ice cream; a major oil company making unlawful payments to foreign officials; six securities firms disciplined for stock manipulation; prominent bankers indicted for unauthorized speculation in foreign currencies; a leading truck manufacturer found guilty of conspiring to evade taxes.

In the area of defense contracting where I have first hand experience, the problems are similar. The Justice Department is investigating the possibility of fraud in contract claims; Congress held hearings on the refusal of one of America's largest corporations to comply with Defense procurement regulations; some contractors have refused to honor Government contracts; there were charges of conflict of interest involving former military officers working for defense contractors.

Because unlawful actions are more newsworthy than lawful ones, one might contend that news accounts are not an accurate measure of the prevailing moral climate in American business. On the other hand, unethical, though not illegal conduct often goes unreported. I have observed such unethical practices first-hand: use of deceptive accounting techniques, refusal to honor contracts, attempts to subvert laws and regulations. Such practices are commonplace; I doubt they are confined to the defense industry.

The business community has evidenced little concern about transgressions within its ranks. Criticism of business conduct typically comes from outside. Even ethical businessmen appear to feel no obligation to speak out against less scrupulous colleagues. Nor is this silence broken by so-called experts in ethics. A recent survey of theologians and professors of business ethics about bribery and political meddling overseas by American corporations resulted in inconclusive answers. One professor called foreign bribery a "semantic" rather than an ethical problem. Some prominent clergymen with close ties to business declined to comment at all.

But the public is not indifferent. Another recent poll reported that eighty-two percent of the American people believe that, if left alone, big corporations will be greedy and selfish and make profits at the expense of the public. Proliferation of consumer interest groups confirms this growing public concern.

Too often business has reacted to public criticism with more and larger public relations campaigns. Companies contend they have been misunderstood; they emphasize the benefits they claim to be providing the public, stockholders, employees, customers and to the free enterprise system. Press releases and advertisements portray businessmen as rugged individualists who believe in free markets, price competition, and concern for our society. Unfortunately, too few of them act in accordance with these high ideals.

Some argue that illegal or unethical practices which do come to light are not typical; that the ones who survive in the marketplace are ethical; that those who fail to meet minimum ethical standards lose out in our competitive system. This is the classic concept of the self-regulating economy articulated by Adam Smith 200 years ago. Unfortunately, in our modern economy, buyers and sellers are seldom equal; competition frequently is not adequate to insure ethical conduct.

Many businessmen are, of course, ethical. Many firms, particularly small ones, act in the finest tradition of the free enterprise system. A typical example of how the small company operates is one that has an important contract for my program. Its outlook is refreshing. Its owners do not spend nearly all of their time, as do the officials of large companies, on public relations, lobbying, and exerting political influence. Instead, they understand it is up to them to please the customer and make a success of the work. This they do by paying close attention to the work itself. When confronted with problems, they do not seek bail-outs or subsidies or use influence in high places to get special privileges.

I have found that small and medium size companies take a more responsible view toward their contractual obligations than the large ones. One reason for this is that market forces generally are more effective in restraining their behavior. They are also better able to perform a back-up role of providing new and alternative products when larger firms fail to do so.

I have also observed that larger firms expect to be insulated from risk of business failure. When a small firm becomes inefficient or otherwise unable to compete, it fails. But many large companies act as if the Government has an obligation to protect them from failure. And within Government, there are policy makers who are loathe to allow large firms to fail because much is at stake for the owners, customers, employees and creditors.

I disagree with this point of view. Rather, I agree with the sentiments expressed by Mr. Donald T. Regan, chairman of one of the largest and most prominent Wall Street brokerage houses. Here is what he said of stockbrokers who faced financial ruin: "So what if they go bust? What God-given right do they have to stay in business? That is what the country and capitalism are supposed to be all about." If we gave the matter adequate thought, we would realize that we are really protecting the managers who have been responsible for the failure. The facilities and actual working people are still there and in many cases could continue to produce under different ownership or management.

Another way large companies have tried to escape the workings of the self-regulating economy is to produce what they want to sell, rather than what the consumer needs to buy. Sale of these products is induced through skillful advertising, and the price set without regard to demand. Large conglomerate and multinational corporations are particularly effective in avoiding market forces because of their size, diversity, and ability to muster great financial resources to pay for advertising, public relations and lobbying.

Large corporations are often able to escape the traditional safeguards of the marketplace. This is especially disturbing because of their ever-increasing accumulation of economic power. One hundred corporations control over 50 percent of our entire industrial output. Four corporations, in their respective industries, control over 99 percent of vehicle output, 90 percent of aluminum fabrication, 80 percent of cigarette production, and 72 percent of the detergent market.

Often the largest businesses—those not subject to most of the restraints of free enterprise—are the most outspoken advocates of the capitalist, free enterprise system as an effective safeguard against business excesses. They want the public to believe that the free enterprise system regulates their behavior, when in fact they are escaping the restraints of that system. Time and again, they lobby against new Government regulations, and herald the virtues of competition and the marketplace as if they were small businessmen subject to these forces. Simultaneously, they lobby for assistance in the form of tax loopholes, protected markets, subsidies, guaranteed loans, contract bailouts, and so on. They take no chances; they light one candle for Christ and one for the devil.

Apparently, they want subsidized free enterprise or capitalism with a guaranteed return—a contradiction in terms. So long as they make profit, they want the benefits of the free enterprise system. Once profits turn to losses, they look to Government for help.

Freedom is not a license to avoid responsibility. If men expect to reap the benefits of our system, they should be willing to accept its responsibilities and risks.

Many in the United States are troubled by the pervasive influence of big business on our economy. Reinhold Niebuhr, the theologian, observed that the imposition of ethical standards on large organizations is one of the major problems of our time. Ordinary citizens, and some national leaders recognize this problem.

Some perceive the solution in the classic concept of a self-regulating, free market economy, free of all, or nearly all Government regulation and control. Others advocate an economy regulated and controlled in large part by Government.

I subscribe to neither of these views. As a student of history, I do not believe that free market forces automatically restrain excesses of the profit motive or impose a standard of ethical conduct on big business. It is questionable whether market forces ever were truly effective in restraining their conduct. When there was an essentially free market in this country—during the late 19th century before antitrust legislation and during the laissez-faire period of the 1920's—there was much business misconduct. Those were the days of the Robber Barons and manipulated stock prices. The free market of those periods failed to restrain big business. The inevitable result was increased Government regulation, most of which had its origin in the abuse of the free market.

The factors which have made the free market ineffective—the rise of large corporations, the sheer size of our economy, the complexities of modern industrial production—will continue. Under these circumstances, a free market economy of small, autonomous businesses roughly equal in economic power, is a naive notion born of nostalgia for what never was.

By contending that the current marketplace can effectively regulate business conduct, businessmen unwittingly do a disservice to the capitalist system; they play into the hands of advocates of a strictly regulated economy. When market forces fail to regulate business conduct and wrongdoing results, public pressure for regulation mounts. In effect, those most committed to an unregulated capitalist system end up overwhelmed by regulation because the free market they advocate does not by itself exert sufficient restraint on their conduct.

At the other extreme are those who favor Government regulation and control. In their view, business cannot be trusted to keep its house in order. Their belief, to paraphrase Clemenceau, is that business is too important to be left entirely to businessmen. Their thesis is that capitalism can only result in a rich society, not a just one; therefore, it cannot or should not survive.

I do not support this view. I believe in capitalism and in competition. I believe that business has a right to pursue reasonable profit. I am convinced our capitalist system must survive in order for our fundamental freedoms to survive. In this respect, I am a conservative in the literal sense of that word, which means "to save," to respect established values.

The essence of our capitalist system is spontaneity and freedom of choice. Businessmen, at their own risk, may choose which products to produce, at what prices to offer them, from whom to buy materials. Entrepreneurs are free to try to fill perceived economic needs.

Contrast this with a system in which the economy is under complete state regulation and control. Industrial activity is planned by the state. There are no entrepreneurs as we know them. By and large, businessmen can not enter fields of their choice but are told by the bureaucracy what products to produce, at what price to sell them, from whom to buy.

The material well-being under our system can be traced to fundamental differences. In the United States there is a free business community in conflict with itself and with Government regulation and control. From this conflict and tension comes progress. In the state-controlled system conflict is minimized. But without conflict there is little criticism, there is less chance for progress.

More important than material well-being is the degree of individual freedom under the two systems. Because economic and business activity is central to a modern society, the form of economic organization has a great impact on freedom. This is particularly important for freedom in large, industrialized nations. Communism and socialism generally give lip service to individual liberty, but do not always practice it. State control places a premium on material well-being at the expense of freedom. Some visitors to communist and fascist countries have praised what they see, pointing to clean streets and the absence of stray dogs. Many do not note also the absence of freedom in the streets. It is a striking coincidence of history that all utopias, from the Guardians of Sparta onward, inevitably developed into some form of dictatorship.

Capitalism, based as it is on freedom of choice, helps preserve our other freedoms. For all its imperfections, it is the best system yet devised by man to foster a high level of economic well-being together with individual freedom. Should our capitalist system be destroyed, its destruction will be accompanied by the loss of most of our other liberties as well.

Let me summarize where I think we are: the classic concept of a self-regulating, free market economy in a complex modern society no longer enforces the required high standard of ethical business conduct. Those who advocate exclusive reliance on the market do disservice to capitalism, since the result often is increased Government intervention, the very antithesis of their goal. On the other hand, the destruction of capitalism and the establishment of complete state control are inimical to economic and political freedom.

I advocate a middle ground between these two extremes. I am concerned with the survival of our capitalist system. Here are some steps I believe should be taken to preserve it.

First, I believe that businessmen must treat Government regulations realistically rather than with instinctive opposition as well as manipulation through public relations and political influence. Much of Government regulation is necessary to protect the public against the recurrence of past abuses, and because it is unrealistic to expect any group to truly police itself. Businessmen should face the fact that regulation is inevitable. Blind opposition to all regulation detracts from the valid complaints business may have about the excess of regulation.

But they undermine public confidence in their integrity when, to protect themselves from normal market forces they publicly oppose regulation while privately exploiting the regulatory process. For example, according to the Chairman of the Federal Trade Commission, the Civil Aeronautics Board has, by controlling the entry of new airlines into the air transportation market, eliminated all competition in air routes and rates. When the Administration recently proposed reducing economic controls on the domestic airline industry, the chief executive of a major airline opposed this move. It is obvious the airlines oppose deregulation.

Second, I believe businessmen must vigorously advocate respect for law. Law is the foundation of our society. Few areas of society are as dependent upon law as is business. It is law that protects such essential rights of business as integrity of contracts. When businessmen break the law, ignore its spirit, or use its absence to justify unethical conduct, they undermine business itself as well as their own welfare.

They should be concerned with the poor record of law enforcement as it relates to them, and be willing to reexamine an idea if an intellectually responsible attack is made against it. They should be concerned about the double standard where an ordinary citizen is punished more severely for a petty crime than corporate officials convicted of white collar crimes involving millions of dollars. In the recent cases of illegal corporate campaign contributions, only two of 21 executives convicted of violating the law received jail sentences. Most continued in their high level jobs or stayed on as highly paid consultants. Corporate fines averaged $5,000 and individual fines less than $2,000. The lightness of these penalties should be of concern. Some may take comfort in the traditionally light sentences imposed for white collar crime. But the more thoughtful should recognize it is not to their advantage to operate in an environment where those who violate or skirt the law make out better than those who respect and honor it, in letter and spirit.

They should take note of the recent Supreme Court decision in the Parks case. This decision may herald a new era of individual accountability for businessmen if its logic is applied widely by legislative bodies and courts. In that case, the Supreme Court ruled that corporate officials as individuals may be liable for the illegal acts of their companies. The Court said: "The only way in which a corporation can act is through the individuals who act on its behalf."

The Parks decision may balance the 1886 decision of the Court in the case of Santa Clara County vs. Southern Pacific Railroad in which the Court held that the Fourteenth Amendment applied to corporations. The Santa Clara decision thus gave corporations the same rights of protection as a "natural person." Although corporations had now won the rights of persons, the officials acting in their behalf were not held to the obligations required of persons. Instead, they were able to disclaim personal responsibility and shift the blame for their illegal acts onto the corporation.

I have long held the view that if a corporation is to be considered a person for purposes of protection under the Fourteenth Amendment, then all the obligations incumbent on a person ought to be binding on the corporation. And, since the corporation acts through its officials, they should be held personally liable for illegal corporate acts. The Parks case appears to be a step in this direction.

Although I have been speaking of compliance with the law, there is more to respect for law than merely observing its letter. No law, however strong, will suffice if men lack the inner will to act legally. Each of us is his own lawmaker; he is daily making decisions of right and wrong. If we break our personal laws of morality and integrity, then statutory laws can have no meaning for us.

Respect for law and realistic treatment of regulation are important steps that can be taken to preserve our system. But these steps involve accommodation to external forces and, as such, will never be wholly effective. External constraints such as law or regulation cannot entirely overcome man's inner motivations. Man has free will. Because of this, a third step is necessary—a moral approach that must begin by taking a hard look at ourselves.

This should start with the executives of large corporations—the ones most favored by capitalism. Many of them benefit from the system in which they risk little personally. They are powerful and influential and have the most at stake in preserving our form of Government and our free society. They, above all, should be concerned with preserving our freedoms. This is best exprssed in the Biblical injunction: "For unto whomsoever much is given, of him shall much be required."

Businessmen must do more than merely seek to preserve the freedom to make money. The unrestrained pursuit of profit is the heart of the problem; it cannot form a part of the solution. They should seek a higher purpose. They should restore ethical behavior to business practice.

In recent years there has been much talk about the need for businessmen to accept "social responsibility" and help solve critical national problems. Too often, however, they appear to conceive of social "projects" as substitutes for legal and moral practice. Often these projects are not substantive but only the familiar panoply of public relations, and the public has become skeptical of such gimmicks. They would be far more sympathetic if more businessmen demonstrated by their actions the determination to conduct their affairs ethically.

Businessmen need to exercise self-restraint. Capitalism in America should be practiced within a strict moral code. Morality benefits business, those who operate illegally or unethically threaten it. In failing to exercise self-restraint, they are stretching the rubber band until it is near breaking. If they so continue, they will inevitably be faced with being called "malefactors of great wealth" and having their large empires broken up as was done by Theodore Roosevelt. Many today see this as the basic way to remedy the excesses that pervade business. Besides this, there will also follow, as in the administrations of Woodrow Wilson and Franklin Roosevelt, the establishment of powerful Regulatory Commissions to replace today's toothless ones.

Trust and good faith facilitate business. The underprinning of the capitalist system is to a large extent trust—the faith that men will deal fairly and honestly with the customer; with the general public; with each other; and with the stockholder.

There is another reason to adopt a strict code of moral and ethical conduct. As heirs to the ideas and accomplishments of all men who have ever lived, it is the responsibility of all of us to preserve a free society, where knowledge, truth and justice flourish, so that our inheritance can be passed on to posterity. Our responsibility involves dedication to an ideal higher than self. This means love of country and love of one's fellow man—present and future. It is marked by excellence, courage, honesty, selflessness, and many other terms which for millennia have represented the best traits of man.

Few would dispute that men should live morally and ethically according to these higher ideals. Why do we then not pursue this alternative? Primarily because it is the most difficult of all paths. Men have tried for thousands of years to be ethical and moral, with differing degrees of success. The duty to uphold the rights and interests of others often succumbs to selfishness. Then, when chaos threatens, many find it easier to accept the discipline of strict laws, regulations, and even curtailed freedoms than to exercise self-discipline. That is why, for a basic change to be made, it is necessary that men change their way of thinking. Change which is significant manifests itself more "in intellectual and moral conceptions than in material things." As difficult as this appears, such changes have occurred in the past.

The Hebrew concept of one God was one of these; it ultimately replaced the many gods of the pagan world.

The ancient Greeks adopted the attitude that reason must prevail among men and that the citizens themselves should govern.

The English Revolution of 1688 and the French Revolution of 1789 did away with the concept of divine right of monarchs; this led to greater democracy and freedom.

The ideas and works of Copernicus, Galileo, Kepler, Newton, and Darwin entirely changed man's concept of his place in the universe.

But men do not change their thinking overnight. For that reason we will continue to need laws and regulations to govern our personal lives and our business activities. I do believe, however, that individuals can change and can make a difference. People are eager for leaders who will give of themselves for the good of their communities. They are sick of platitudes, of high talking and low living, of fine words and selfish deeds. They want and will follow those who live by higher values.

Our Bicentennial should remind us that the leaders of our Revolutionary period showed that the individual can make a difference. These men, properly honored by the title "Founding Fathers," valued freedom and culture more than wealth. They brought fundamental honesty to the business of government, and dealt with their countrymen on frank and open terms. They lived by the ideals they propounded. The Declaration of Independence was no idle statement for them. In support of it they pledged, and some lost, their lives, their fortunes, and their sacred honor. Through their beliefs and individual deeds our Revolutionary leaders stirred their fellow countrymen to struggle and sacrifice for independence. More important, they set a moral tone and example for their age and ours.

To set an example, an individual starts with himself. He puts his family and community above his own desires. He puts high moral and ethical principles into his personal and business dealings. He accepts as his personal responsibility the duty of restoring the concepts of honesty, truth and morality.

As a nation, we can choose one of two ways to bring about the changes needed in our country: we can use the power of the state or we can entrust the task to our capitalist system. In my opinion, to use the state will result—as it has in other parts of the world—in a loss of freedom. I believe the job can best be done by our capitalist system provided those who lead it understand that the methods used must be legal, must be supported by our government and people, and must transcend some of the current ways of conducting business. While capitalism must be based on the opportunity to make profit, those in charge must not use their special position to gain advantage over our country and our citizens.

The great problems facing us today—energy, population, the environment—demand the highest degree of ability and initiative. Solutions require basic changes in thinking and a willingness to question past practices. Although these problems are national in scope, the search for solutions can begin with day-to-day activities. For example, businessmen would be well advised to question their effect on our society by creating, through advertising, artificial demand for products of questionable value. They would also do well to consider the implications for the future of capitalism of a recent study which shows that misleading television advertising may permanently distort children's values of morality, society and business. And they should examine whether their practices exploit the fact, reported by another study, that 62% of adult Americans are rated either incompetent or barely competent on consumer economic questions.

Businessmen have a special opportunity and responsibility to effect beneficial change in our society. To do so they must set demanding goals for themselves. They should ask what will be their contribution to the legacy which American civilization leaves to the world? The Hebrews endowed mankind with concepts of mortality; the Ancient Greeks left concepts of democracy and self-government. The legacy of the Roman Empire was law.

It is my hope the American legacy will be more than a business structure whose major objective is attainment of wealth; more than a facility for self-serving public relations; more than a highly developed advertising industry with its propensity to "image-making." I hope America's legacy will be the accommodation of the forces of capitalism, democracy and mortality in a highly industrialized society. Such a rich legacy would be worthy of a great nation.

NATIONAL EDUCATION SERVICE CENTERS

Mr. TOWER. Mr. President, the League of United Latin American Citizens, LULAC, is a major national organization whose members primarily are persons of Spanish or Mexican ancestry. LULAC was formed in Corpus Christi, Tex., in February 1929. Since that time, LULAC has grown into an organization that now has more than 300 councils and more than 300,000 active members and participants.

As a national organization, LULAC has been especially concerned over the educational needs of Spanish surnamed Americans. Since its inception, therefore, LULAC has promoted the education of Spanish surnamed youth and adults. By offering scholarship assistance to deserving youth, LULAC has aided countless numbers of young people of Spanish or Mexican ancestry in acquiring their educations.

To complement its ongoing scholarship program, LULAC founded its national education service centers, NESC, in 1973. With funds provided by the Community Services Administration, NESC field offices have been located in two cities in Texas—Corpus Christi and Houston—and in nine other cities throughout the country.

NESC's objectives are to increase educational opportunities for Spanish surnamed Americans by helping identify sources for financial aid, by helping such students remain in college, and by increasing the national awareness of educational problems and needs of the Spanish surnamed in our Nation.

Mr. President, education serves as an indispensable vehicle to the mainstream of the American way of life. LULAC through NESC is channeling Spanish surnamed students into our colleges and universities for the preparation necessary for positions of leadership in our society.

I ask unanimous consent that an article on NESC by Elizabeth Roach in the Washington Star, November 6, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star, Nov. 6, 1975]

Helping Latin Students Find the Way to College—Easing the Transition From the Barrio to Harvard

(By Elizabeth Roach)

Rick Manzanares met Enrique Vargas one day when Vargas, a year away from graduating from Southern Colorado State College, was looking for information on graduate school.

"He was super-aggressive, very self-confident and wouldn't leave us alone," said Manzanares, who was then director of the Colorado Springs office of the League of United Latin American Citizens National Education Service Centers (NESC).

Manzanares is now director of field operations at the NESC national headquarters at 400 1st St. NW. And Vargas, a 28-year-old native of Mexico City who came to this country at the age of 10, is now in his first year at Harvard University Graduate School of Business Administration, thanks to NESC.

Founded in July 1973, NESC is an organization whose primary goal is to increase opportunities for Hispanic Americans to attend colleges and universities.

NESC has helped enroll 10,715 students in undergraduate and graduate programs and has helped get them a total of $9.6 million in financial aid.

Staffers at NESC's 11 field centers—located in Boston, Chicago, Seattle and Topeka, Kan., as well as in cities in the west and southwest—help potential students apply to schools, assist them in filling out forms, inform them of loans and scholarships available to help them through counselling, to define their educational alternatives. So far, 32,137 students have received counselling from NESC personnel.

One of NESC's goals, according to executive director Rodolfo H. Castro, is to help in the educational formation of Hispanic Americans who will be able to provide leadership in each field.

"We didn't have the professionals to service our own community. Our generation didn't have the preparation for college. We want to make sure our students don't go into woodshop, that they go into algebra," he said.

Vargas is grateful for the help he got. "I have nothing but praise for them. They helped from the very outset, and here I am," he said. "They opened my eyes to things I never thought I could get next to."

Another first-year Harvard business administration student, Mike Enriquez of Phoenix, Ariz., says NESC helped orient him as to what Harvard wanted in the essay part of the application form, typed it for him and helped him look for funds.

Like Vargas, Enriquez has a one-year fellowship from the Council for Opportunity in Graduate Management Education, and both say they found out about the fellowships through NESC.

"They were with me all the way," Enriquez said, "If anyone two years ago had told me I'd be in Harvard, I would have said they were crazy."

Vargas and Enriquez may be somewhat outstanding NESC case histories. Castro, himself a graduate of the same school who describes himself as coming from a barrio in a California "desert community," said NESC places 90 to 95 percent of its students in local schools.

He said another activity of NESC is the LULAC Scholarship, which awarded $300 to $500 to 50 Spanish-surnamed college students throughout the nation for the 1975–76 academic year.

No deadline has been set yet for application for next year's scholarships, Castro said, and interested persons may write to the national headquarters for an application.

THE NEW FORGOTTEN MAN—THE SMALL BUSINESSMAN

Mr. NELSON. Mr. President, I invite the attention of the Senate to an important article entitled, "The New Forgotten Man," which appeared in the Wall Street Journal on November 13, 1975.

The article was written by Irving Kristol, the distinguished Luce Professor of Urban Values at New York University, and coeditor of the quarterly magazine, Public Interest.

Professor Kristol's writing reflects his views about comparative values in our society when he states:

> But if small business is of lesser economic significance than it used to be, its economic role is still terribly important . . . the basic fact (is) that small business preeminently is the private sector.

The author surveys the new products of the past 20 years and points out, as the Select Committee has done, that—

> It is extraordinary how many of them were introduced by aggressive entrepreneurs or smaller business firms.

But beyond economics, Professor Kristol observed—

> Small business is even more important politically than economically. It is integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society. . . . It is the successful small businessman who maintains his roots in a local community (and) supports all those local activities—social and cultural—which keep community morale high.

The small businessman, says Professor Kristol, is being—

> . . . bankrupted by a political process that takes him for granted and is utterly indifferent to his problematic condition. . . ."

He concludes that small business has not yet organized itself effectively enough to insure that its interests are respected, and unless it does it will perish from neglect, and much that is precious to the American way of life will perish with it.

A specific example of this indifference is in the area of taxes. Of the 50 days of hearings held so far this year by the committee, a dozen days have dealt with the reform of a business income tax structure which dates from 1950, and an estate tax system that was enacted in 1942. Professor Kristol's comment on the proposal simply to extend the small business provision of the Emergency Tax Reduction Act of 1975 for 2 more years is: "What a pitiful gesture."

It is well known that the Canadian tax law provides for the equivalent of a surtax exemption of $100,000 as compared with the $50,000 achieved in the Tax Reduction Act. The public should be made aware of Professor Kristol's discussion and his calling attention to what we on the Small Business Committee believe is a fundamental problem in American society.

I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Nov. 13, 1975]

The New Forgotten Man

(By Irving Kristol)

It was about a hundred years ago that the American social theorist William Graham Sumner coined (or popularized) the phrase, "the forgotten man." He was referring to the average taxpayer, not poor enough to be the object of official compassion, not rich enough to remain basically unaffected by official depredations. There never was any popular animus against such a person; the political process simply ignored him, even as it afflicted him.

The phrase caught on, and those of us of a certain age can well remember the standard cartoon, on the editorial pages of the more conservative press, in which a naked John Q. Citizen, his nudity concealed only by a barrel, pathetically clutched the last few dollars of his after-tax income and desperately pleaded that attention be paid to him.

During the years of the post-war boom, 1945–1965, this image rather faded from the popular imagination. Taxes grew steadily in this period, to be sure, but incomes rose even faster, and the average citizen was not perceived to be suffering much, nor did he himself seem to feel any particular distress. In the late '60's, of course, all this began to change, as inflation took hold, economic growth slowed down, and the spirit of a taxpayer's rebellion began slowly to intrude itself into the political consciousness. The average taxpayer, a relatively small minority of the population in Sumner's day, is now the overwhelming bulk of the citizenry. He may remain, in 1975, an unduly afflicted being, but no one can say that he has been forgotten. The level of taxation has become a major political issue, which even the most spendthrift of politicians has to take account of.

Meanwhile, however, a whole new class of forgotten men has emerged. Like his counterpart of yesteryear, today's forgotten man is—if the opinion polls are to be believed—a fairly respected and well-regarded citizen. No one is leading a crusade against him, and it is probable that no one really wants to. He is merely being chided, harassed, ruined, and bankrupted by a political process that takes him for granted and is utterly indifferent to his problematic condition. I refer to the small businessman.

AN INVISIBLE FIGURE

It is astonishing and dismaying how little interest there seems to be in the condition of small business in the United States today. Big business is in the spotlight to such a degree, and is the focus for such passionate concern (pro and con), that the smaller businessman is an invisible figure, offstage somewhere.

One can understand why and how this has happened. Big business is certainly far more important today, economically and politically, than it ever was. Economically, because the overall health of the economy, in terms of investment, economic growth, employment, hinges very much on the health (or lack thereof) of big business. Politically, because the struggle for control over the decision-making process of the large corporation—which is what "regulation" is all about—will certainly have a profound effect on the ultimate status of the private sector vis-a-vis the political sector, in our still-mixed economy. Both our collective prosperity and individual liberty, therefore, are very much at issue in the current controversies over the ways in which big business should be organized and operated.

But if small business is of lesser economic significance than it used to be, its economic role is still terribly important. And the fact that the future of the large corporation involves the future of our private sector should not obscure the more basic fact that small business preeminently is the private sector.

Economically, small business plays a critical role in the process of innovation. When one surveys the new products and new processes of the past 25 years, it is extraordinary how many of them were introduced by aggressive entrepreneurs or smaller business firms. The Xerox copier, the Polaroid camera, the mini-computer, high-fidelity recordings, frozen foods, wash-and-dry clothing, etc.—the list is long and impressive. Nor is it only product innovation that small business is so good at. It also rates high marks for conceptual innovation, for coming up with a new way of organizing older services. Containerization; the discount store; the motel; franchising the sale of hamburgers, fried chicken, and other food products—these, among others, were ideas in the head of an individual that proved fruitful and beneficial because our economic system permitted them to compete with existing ideas as to how things should be done. Obviously, not all the innovations of entrepreneurs succeed; indeed, most of them fail, as they are bound to, in high-risk, high-payoff situations. But this brash willingness to risk failure is itself one of the major merits of a system of "free enterprise."

The large corporation may be the end-product of "free enterprise" but it is not its quintessential representative, either in theory or practice. It is true that, in the United States as compared with the Soviet Union, the large corporation is relatively innovative, does preserve an entrepreneurial aspect. (To the degree that government gets involved in decision-making, it is always the avoidance of risk that will take priority.) But even at its best, the large corporation will never be as enthusiastic about innovation as its tiny competitors. It has a huge investment in existing products and procedures that it would prefer not to write off too quickly. It usually makes more economic sense for it to seek marginal improvements in productivity rather than to concentrate on a new product that may or may not sell, or a new process that may or may not work. And its vast bureaucracy is always, to some extent, a conspiracy against innovation: layer upon layer of experts—lawyers, engineers, marketing men—are at hand to point out all the things that can go wrong. These objections will have both merit and force; a corporate officer will have to take them seriously. Only the entrepreneur, with little to lose, can boldly ignore them.

But small business is even more important politically than economically. It is integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society. It is the small businessman who builds up those large fortunes which then sustain the not-for-profit sector—the universities, foundations, philanthropies—which is so important a buffer between the public and private sectors. (Corporate executives almost never accumulate that amount of capital, despite their high salaries.) It is the successful small businessman who maintains his roots in a local community, becomes a visible symbol of success to everyone, gives the politicians in our smaller towns and cities their own access to funds (and therefore a greater independence from national organizations), supports all those local activities—social or cultural—which keep community morale high. And it is in the small business sector that those who are discriminated against, whether it be for their politics, race or religion, can find, and have traditionally found, sanctuary.

Indeed, when we talk about "liberal capitalism," we are talking specifically about a political-economic system in which small business is given the opportunity not only to survive, but to prosper. If Yugoslavia or Russia were, tomorrow, to permit their major nationalized industries to sell shares to the public, in order to raise capital, it would not involve any grand reformation of their systems. On the other hand, if they gave entrepreneurial freedom to small business, it most certainly would. Then, and only then, could one talk seriously about "liberalization."

Similarly, in the "capitalist" countries the very largest of our corporations are already, and will surely remain, "quasi-public" institutions. That is the way they are described in all the business-school texts; that is the way they are referred to casually by politicians and the media; and, in truth I have yet to hear the chairman of a major corporation publicly insist that what he commands is a species of private property, in the traditional sense of that term. (The exact meaning of "quasi-public," of course, is unclear, and its definition is what the fighting is all about.)

DIFFERING ATTITUDES

Small business, in contrast, even where there is public ownership of shares, is still generally perceived to be a species of private property and to possess the legitimacy which most Americans are still willing to concede to private property. In this respect, the United States is very different from Western Europe. Here, it is only big business that public attitudes are likely to be hostile to. There, all business falls under a shadow of distrust and disfavor. Popular opinion there is inclined to be antibusiness per se—i.e., anti-capitalist. We are still, in principle and to a large degree in actuality, a liberal-capitalist society. And it is small business that makes it so.

It is therefore all the more paradoxical that, in our taxation and regulatory policies, so little attention is paid to the needs of small business. I note that the House Ways and Means Committee has just decided to continue a lower tax rate on the first $50,000 of corporate income, after which the full 48% rate applies. What a pitiful gesture! Why shouldn't the corporate income tax be far more graduated than this, so that the full 48% rate applies only when a firm reaches, say, the $2 million income level? *That* would make a difference. Why doesn't a Republican administration, concerned about the survival of liberal capitalism, press for such a reform? Why does it persist in trying to lower the tax ceiling for all corporations—a proposal which Congress will certainly ignore, while it just might be willing to give smaller business a break? The answer, I suggest, is that it is so concerned—we are all today so concerned — about "macroeconomic" phenomena that the economic and sociological and political importance of the smaller businessman or smaller business firm has simply been overlooked.

One also may properly wonder why no greater efforts are made to protect smaller businesses from the horrendous burden which the newer regulatory agencies impose on them. Big business finds it difficult enough to cope with all the expensive changes required to meet new rules governing air pollution, water pollution, noise, safety, etc. But, in the end, big business has the resources to survive this experience, harrowing as it is. Small business will not survive it, and is not. All over the nation, smaller firms are being pushed into liquidation or mergers by their inability to cope wth these new burdens. They need more time, more generous (albeit temporary) exemptions. Why don't we hear more voices, and louder ones, demanding that they receive such differential treatment?

If small business is going to survive in this country, it is going to have to organize itself more effectively so that its interests are respected. Just why it has so far failed to do this, I do not know. But I do know that unless it does, it will perish from neglect. And much that is precious to the American way of life will perish with it.

MASSACHUSETTS STATE LABOR COUNCIL

Mr. BROOKE. Mr. President, on November 7, I spoke to the Massachusetts State Labor Council in Boston and discussed the problems most crucial to labor today. I share with our colleagues my remarks before the council about labor, the state of the economy, and the need for an effective full employment policy.

I ask unanimous consent that my statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BROOKE

It is good to be back with you again. Nothing in my public life makes me more proud than the support I have received from labor.

And I greatly value my associations with your President, Joe Sullivan, your Executive Vice-President Dan Murray; your Secretary-Treasurer, Jim Loughlin; your Legislative Director, Bill Cashman; and your COPE and Education Director, John Callahan.

I am especially pleased by your invitation to speak to you in this 20th anniversary year of the formation of the AFL–CIO and the 40th anniversary year of the landmark Wagner Act.

The American labor movement has thrived in the years since the Wagner Act. In the AFL–CIO alone there are now more than 14 million members in 45,000 local unions, covered by 150,000 collective bargaining agreements. And the democratic spirit in the labor movement is strong. The 14 million AFL–CIO members are running the AFL–CIO through more than 450,000 local union meetings with more than 100,000 local and national officers being elected every year.

Your movement represents one of the strongest and most consistent voices for social improvement, for furthering our democracy, and for bettering the living and working conditions of all Americans. You offer leadership on the whole range of issues before the country.

For you are there on civil rights as well as on the minimum wage. You are there on education as well as on Occupational Safety and Health. You are there whenever help is needed on progressive legislation, not only exerting a leadership role, but also doing the hard, tedious, day to day work. I am truly proud to have worked with you during my nine years in the United States Senate.

And I shall be proud to continue to work with you in the future. This working relationship will be essential because major battles are still to be fought. And today I would like to discuss with you three critical areas of your concern and mine: Occupational Safety and Health, the Common Situs Picketing bill, and unemployment.

The passage of the OSHA bill in 1970 was the culmination of a long and hard fought struggle. Many assumed that passage of OSHA decided the issue of worker safety. But unfortunately it did not. Each year we must fight to see that OSHA is not crippled by those who wish to dismantle or weaken it. Each year we must fight the same battles over and over. And this year was no exception. As ranking minority member of the Appropriations Subcommittee on Labor-Health, Education and Welfare, I stood in the Senate day after day arguing against one debilitating amendment after another.

Amendments were proposed which would have exempted smaller businesses from complying with the agency's health and safety requirements. After hard fighting, amendments to exempt workplaces with 15 or fewer employees and workplaces with 10 or fewer employees were defeated. But an amendment to exempt workplaces with 5 or fewer employees failed to carry only because of a 44–44 tie vote.

Such proposed restrictions are unconscionable. Even 5 employees are entitled to and should have safety requirements and safety in places in which they work. We won this time, but unfortunately this issue will probably come up again next year and probably for years after that.

This is true also of the issue of compliance with OSHA health and safety regulations. Repeated attempts have been made to cripple OSHA's compliance forces by switching them over to serve as consultation services. I have no objection to consultation services, but I do oppose the whittling away of compliance personnel in order to increase those consultation services. We are at present inspecting only about 5% of the nation's businesses. And this too is unconscionable, for 14,000 American workers are killed on the job every year and 6 million are injured. If OSHA is to be effective, we need more inspectors, not fewer. There can be no compromise on compliance. This year the Senate agreed, but we can also expect this fight again and again. And we must be vigilant!

Labor's second major battle in this Congress is known to you all. It is a battle which has dragged on for years. Every President since Harry Truman has endorsed the principle of Common Situs Picketing, but yet legislation failed to be enacted. The lobbying effort that has been waged against the present bill, S. 1479, has been massive. No bill has been more controversial.

I promised both the supporters and opponents of the Common Situs Picketing bill that I would carefully review all of its pros and cons. This I have carefully done, being particularly mindful of the present depressed state of the construction industry. I have come to the conclusion that construction workers should be granted the same picketing rights as industrial workers. I therefore here today pledge my support and efforts for the Common Situs Picketing bill. I am confident that this new right will be used judiciously. Construction workers know better than any how precariously the construction industry is now balanced.

The third and most important battle for labor—indeed for all of us—is the struggle to reduce unemployment and end the recession for 7.8 million workers.

The official unemployment rate is now 8.3%. Here, at home in Massachusetts the toll is even higher, a disastrous 14%.

The national unemployment figures for various groups paint a devastating picture:

PERCENTAGE OF UNEMPLOYED

Blue-collar workers	11.5
Construction workers	19.2
Manufacturing	10.6
Wholesale and retail workers	8.5
White teenagers	17.4
Black teenagers	37.2

In addition to the official unemployment, 1.2 million workers have given up looking for jobs and have dropped out of the labor market altogether. And 3.1 million are on part-time work schedules. Taken altogether, these more than 12 million workers represent almost 13% of the labor force.

Seventy-five million Americans will be directly affected by the recession this year—as either they or members of their families lose their jobs. Ninety percent of the nation's 150 major job centers are hit by jobless rates ranging from 6% to more than 21%, the highest area count of "substantial" joblessness since data was first collected.

Nearly ⅓ of the nation's industrial capacity is idle. Nearly $230 billion has been lost in goods and services in this year alone.

And the Administration unemployment forecasts for the future show little improvement and little hope. The budget forecasts 8.1% unemployment for 1975; 7.9% in 1976; 7.5% in 1977 and 6.7% in 1978. We cannot and must not accept these figures. They are too costly for the individuals involved and for the nation as a whole.

Unemployment is a tragic waste of our human and capital resources.

It is a waste of labor, education, and of hard taught skills.

It is a waste of our factories and industrial capacity.

It is a waste of income not earned and goods and services not provided.

It is a waste of government revenues not available to be spent on social programs desperately needed.

It is a waste of our young who cannot find jobs as they begin their work career.

It is a waste which we cannot afford.

But how do we reverse the unemployment, how do we create jobs to get us out of the rut of depression?

First of all we must rid ourselves of the untrue axiom that a rising job market would mean a rising inflation. This is not so. As the eminent economist Leon H. Keyserling has pointed out, for approximately the past twenty years the higher the unemployment rate, the more inflation we have had; and the lower the unemployment rate, the less inflation.

In order to increase employment, we must of course encourage the private sector to create jobs. However, if this is not enough, the federal government must be firmly committed to fulfill the goal of full employment which was signed into law in 1946. The government must provide decent jobs at decent wages for those who cannot find work—and it must provide those jobs now.

In order to do this, the government must become the employer of last resort, creating public service employment jobs when the private sector is unable to produce enough employment. These jobs should not be "make work", but should be work in areas which badly need staffing, in areas such as health, conservation, public services, and construction of public facilities. We have already had limited experience with public employment jobs in the Comprehensive Employment and Training Act. And that experience has been encouraging from the point of view of both employers and employees. Particularly heartening are the letters from those working in a public employment job who tell of their pride in the useful work which they are doing and their thankfulness at having a job rather than unemployment compensation or a welfare check.

The economics of these jobs are also encouraging. Any appraisal of a full employment program must take into account the fact that much of the money paid out will be returned to the federal treasury in the form of tax revenues and jobless benefits which do not have to be paid. Unemployment now translates into a loss in federal tax receipts and an increase in expenditures pertaining to unemployment of approximately $16 billion for each percentage point increase in the unemployment rates.

Congress has tried to pass bills increasing employment and easing unemployment. Among its more successful efforts were the emergency public service jobs bill and an extension of unemployment compensation. Again, as the ranking minority member of the Labor-HEW Appropriations Subcommittee, I have fought hard to obtain increased funding for public employment jobs and I pledge to you my continued efforts for this program.

But considering the magnitude of the unemployment problem, we should have done much more. I find an attitude of complacency toward the present degree of unemployment intolerable. I simply do not believe that America does not care that over 7 million fellow Americans are unemployed. I believe that America wishes to see her people in useful jobs rather than on unemployment compensation or welfare. I believe that America does care about the needless pain and suffering caused by the present joblessness, and that America wants us to act to relieve it. And we in the Congress must act to create more comprehensive and adequate legislation to create jobs, both in the private and public sector. Conscience and economic common sense demand that we do no less.

Thus labor's battles are far from over. We in the Congress and you in the labor movement must redouble our efforts to see that America understands what is at stake.

The working people of this country are more threatened today than at any time since the Great Depression. The tremendous gains which labor has made in past years are in jeopardy. Action is needed, and needed now, if we are to preserve these gains and assure workers of good jobs, decent working conditions and adequate wages.

I am here today to reaffirm my personal pledge of cooperation in this effort and to assure you of my continued hard work on your behalf. Together we must, and shall, go forward.

MR. JUSTICE DOUGLAS RETIRES

Mr. BAYH. Mr. President, we would do well to pause and take note of the retirement of William Douglas from the Supreme Court, for in this man are embodied many of this Nation's finest assets.

His career on the Court and the richness of his life are an inspiration to me. In addition to teaching at two of our great universities, serving as the chairman of the Securities and Exchange Commission, and sitting on the Supreme Court, he has traveled all over the world, he has written dozens of books and he has been a leading champion of preservation of the natural beauty of our country. He is a man of enormous energy, great intellect, and unceasing courage.

He is best known for his work on the Court in the area of free speech. It is his belief, and one I share, that the strength of our country and democratic form of government is grounded on the free exchange of ideas. Perhaps his most forceful statement on the importance of the first amendment is contained in his dissent in *Dennis* v. *United States*, 341 U.S. 494 (1951):

> Free speech has occupied an exalted position because of the high service it has given our society. Its protection is essential to the very existence of a democracy. The airing of ideas releases pressures which otherwise might become destructive. When ideas compete in the market for acceptance, full and free discussion even of ideas we hate encourages the testing of our own prejudices and preconceptions. Full and free discussion keeps a society from becoming stagnant and unprepared for the strains that work to tear all civilizations apart.

Justice Douglas is a true civil libertarian. He has vigorously defended the right to speak of many whose ideas conflict with his own. In *Beauharnais* v. *Illinois*, 343 U.S. 250 (1952), the Supreme Court upheld the criminal conviction of a man who had circulated petitions defaming blacks and calling for segregation laws. In a dissenting opinion, Justice Douglas contested the notion that some classes of speech, "the lewd and obscene, the profane, the libelous, and insulting or fighting words," were "of such slight social value * * * that any benefit that may be derived from them is clearly outweighed by the social interest in order and morality."

> The First Amendment is couched in absolute terms—freedom of speech shall not be abridged. Speech has therefore a preferred position as contrasted to some other civil rights. For example, privacy, equally sacred to some, is protected by the Fourth Amendment only against unreasonable searches and seizures. There is room for regulation of ways and means of invading privacy. No such leeway is granted the invasion of the right of free speech guaranteed by the First Amendment. . . . Today a white man stands convicted for protesting in unseemly language against our decisions invalidating restrictive covenants. Tomorrow a Negro will be haled before a court for denouncing lynch law in heated terms.
>
> Debate and argument even in the courtroom are not always calm and dispassionate. Emotions sway speakers and audience alike. Intemperate speech is a distinctive characteristic of man. Hotheads blow off and release destructive energy in the process. They shout and rave, exaggerating weakness, magnifying error, viewing with alarm. So it has been from the beginning; and so it will be throughout time. The Framers of the Constitution knew human nature as well as we do. They too had lived in dangerous days; they too knew the suffocating influence of orthodoxy and standardized thought. They weighed the compulsions for restrained speech and thought against the abuses of liberty. They chose liberty. That should be our choice today.

He writes with great style, and I cannot resist one more long quotation. In the 1960's when the Court sustained a trespass conviction based on a peaceful demonstration before a county jail to protest racial segregation and the jailing of earlier protesters on the ground that protests around jails cannot be permitted because jails are "built for security purposes" and are not "open to the public," Mr. Justice Douglas again dissented:

> The jailhouse, like an executive mansion, a legislative chamber, a courthouse, or the statehouse itself . . . is one of the seats of government, whether it be the Tower of London, the Bastille, or a small county jail. And when it houses political prisoners or those who many think are unjustly held, it is an obvious center for protest. The right to petition for the redress of grievances has an ancient history and is not limited to writing a letter or sending a telegram to a congressman; it is not confined to appearing before the local city council, or writing letters to the President or Governor or Mayor . . . Conventional methods of petitioning may be, and often have been, shut off to large groups of our citizens. Legislators may turn deaf ears; formal complaints may be routed endlessly through a bureaucratic maze; courts may let the wheels of justice grind very slowly. Those who do not control television and radio, those who cannot afford to advertise in a newspaper or circulate elaborate pamphlets may have only a more limited type of access to public officials. Their methods should not be condemned as tactics of obstruction and harassment as long as the assembly and petition are peaceable, as these were.

From *Adderley* v. *Florida*, 385 U.S. 39 (1966) (dissenting opinion).

In some instances, his forceful dissents ultimately became the law of the land. When the Court declined to speak out on the need for reapportionment on the ground that reapportionment was a "political" question, *Colegrove* v. *Green*, 328 U.S. 549 (1946), and *South* v. *Peters*, 339 U.S. 276 (1950), he dissented. His views were later adopted in the landmark case of *Baker* v. *Carr*, 369 U.S. 186 (1962), in which the "one man, one vote" rule was set forth. He dissented in *Butler* v. *Thompson*, 341 U.S. 937 (1951), when the Supreme Court sustained a State poll tax. Later he wrote the decision for the Court when it struck down State poll taxes as a denial of equal protection in *Harper* v. *Virginia Board of Elections*, 383 U.S. 663 (1966).

I only hope that in selecting a nominee for consideration by the Senate, President Ford adheres to the standard of excellence set by Justice Douglas.

My own recollection of the recent past gives me cause for some concern in this regard. I remember that in November 1969, when President Nixon's nomination of Clement F. Haynsworth, Jr. was floundering in the Senate, then House minority leader Ford stated publicly that if Haynsworth was not confirmed, Douglas should be impeached. In April 1970, a week after G. Harold Carswell was rejected by the Senate, Mr. Ford and Congressman Louis C. Wyman proposed to the House that Mr. Justice Douglas should be impeached. I was always of the opinion that this half-hearted attempt at impeachment was politically motivated and that it was not based on the facts of Justice Douglas' record. The charges were ultimately found by a subcommittee of the House Judiciary Committee to be totally without merit.

The selection of a new Justice for the U.S. Supreme Court is too important a task to become a political football. Mr. Justice Douglas has taught us the lesson of acceptance of all points of view, and as long as the nominee sent to us by the President is a man or woman of undisputed excellence, he or she will be confirmed. But the Senate will not readily confirm anyone who does not bring to the Court the highest standards of public service and the proper background for this awesome task.

FEDERAL WORKERS NOT "SECOND-CLASS CITIZENS"

Mr. FONG. Mr. President, proponents who advocate emasculating the Hatch Act have conveniently adopted a catchphrase—"second-class citizens"—to categorize Federal employees. In their attempt to politicize the Federal merit system, these proponents seek to portray Federal civil service workers as "political eunuchs" who should be allowed almost unrestricted freedom to take part in partisan politics. The fact is the Hatch Act already permits Federal employees to engage in a wide range of political activities—but not in partisan politics that would undermine the impartial, independent, and efficient operation of our Government.

Among permitted activities under the Hatch Act now, Federal employees may—

First. Register and vote in any election;

Second. Express opinion as an individual privately and publicly on political subjects and candidates, display a political picture, sticker, badge, or button;

Third. Make a financial contribution to a political party or organization;

Fourth. Participate in the nonpartisan activities of a civil, community, social, labor, or professional organization, or of a similar organization;

Fifth. Be a member of a political party or other political organization and participate in its activities to the extent consistent with law;

Sixth. Attend a political convention, rally, fund-raising function or other political gathering;

Seventh. Sign a political petition as an individual;

Eighth. Take an active part, as an independent candidate, or in support of an independent candidate, in a nonpartisan election. In specified municipalities having high concentration of Federal employees—41 in Maryland, 11 in Virginia, 13 in other States—employees may be candidates for and serve in elective office, as independents may take an active part in political management and campaigns in connection with partisan elections for local offices of the municipality or political subdivision;

Ninth. Be politically active in connection with a question not specifically identified with a political party—constitutional amendment, referendum, et cetera;

Tenth. Serve as an election judge or clerk or in a similar position to perform nonpartisan duties;

Eleventh. Otherwise participate fully in public affairs, except as prohibited by law, in a manner which does not materially compromise efficiency or integrity of an employee or the neutrality, efficiency or integrity of the agency.

Proponents who advocate gutting the Hatch Act hope to speed enactment of House-passed legislation in this session of Congress, first in the Senate Post Office and Civil Service Committee where the proposed legislation is now pending, then on the Senate floor before adjournment of Congress next month.

In view of the proponents' misleading description of Federal workers as "second-class citizens," my colleagues may find a U.S. News & World Report article titled "Second-Class Nonsense" of timely interest. I ask unanimous consent to have printed in the RECORD the text of the article by Editor Howard Flieger in the September 22, 1975, issue of the magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SECOND-CLASS NONSENSE

(By Howard Flieger)

As often occurs before a presidential election campaign, Congress is being asked to repeal, or soften, the Hatch Act.

In case you've forgotten, that is a law making it illegal for Government employes to take an active role in political campaigns, to ring doorbells, raise money or rally support for any party or candidate.

Advocates of repeal—they include politically active unions—claim now, as they have in the past, that the Act, which dates back to 1939, puts strictures on the freedom of federal employes; that it relegates them to the status of second-class citizens.

This is plain nonsense.

Government workers have the same right to register and vote as anyone else has. They are free to express their political preferences and to support the candidate of their choice with cash if they want.

They can be—and usually are—as politically minded and outspoken as the next person. Their franchise is unfettered. Anyone who thinks there is no politicking among Civil Service employes is naïve.

Nobody argues that the Hatch Act is perfect. But it does effectively prevent that which it was designed to prevent: It makes certain that no candidate or party can convert the huge federal bureaucracy into a political machine.

The Act has sheltered the rank and file from any spoils system of patronage rewards for the party faithful. No officeholder can go through the Government hiring and firing at will on the basis of politics. No one can tell Civil Service employes how to vote and keep them in line with threats of payday reprisals.

They cannot be coerced into party work. They cannot perform the nuts-and-bolts jobs of a campaign such as soliciting funds, manning headquarters telephones or serving as chauffeurs to ferry the voters to the polls on behalf of any ticket.

Does this make them second-class citizens? Hardly. The odds are that those public servants who are sincerely interested in Government performance—and that means the vast majority of them—welcome the shield that stands between them and party affairs.

It was a fear the federal payrolls would be used to perpetuate political control that produced the law in the first place.

The U.S. Supreme Court, in upholding the constitutionality of the Hatch Act two years ago, said Congress had concluded when it passed the original "that the rapidly expanding Government work force should not be employed to build a powerful, invincible and perhaps corrupt political machine.

"The experience of the 1936 and 1938 campaigns convinced Congress that these dangers were sufficiently real that substantial barriers should be raised against the party in power—or the party out of power, for that matter—using the thousands or hundreds of thousands of federal employes, paid for at public expense, to man its political structure and political campaigns.

"A related concern, and this remains as important as any other, was to further serve the goal that employment and advancement in the Government service not depend on political performance, and at the same time to make sure that Government employes would be free from pressure and from express or tacit invitation to vote in a certain way or perform political chores in order to curry favor with their superiors rather than to act out of their own beliefs."

Congress felt safeguards against politicizing the bureaucracy were prudent back when federal employes were counted in "the hundreds of thousands."

It is difficult to follow the reasoning of those who argue such insurance is no longer needed—now that the number of Government workers (not counting the military) has grown to more than 2.5 million.

SERVING LOW-INCOME RURAL RESIDENTS WITH WATER AND SEWER PROJECTS UNDER FARMERS HOME ADMINISTRATION

Mr. ABOUREZK. Mr. President, one of the most important programs of the Farmers Home Administration is that for grants and loans for rural water and sewer systems. These facilities are essential both to rural housing and to other aspects of rural development. As you know, the Congress has consistently given a higher priority to the provision of grants for water and sewer facilities than has the Administration. A few years ago, the Administration recommended that the program be terminated, but Congress rejected that recommendation decisively. Even now, despite clear congressional intent, the Administration has $100 million in grants for rural water and waste disposal facilities impounded.

Rural Water News, the publication of the Commission on Rural Water, has called attention to another aspect of Administration policy which seems to be hampering the rural water and sewer program. Writing in that publication, Mary Morgan of Conset Corp., suggests the possibility that the so-called 1-percent rule, by which Farmers Home Administration—at the direction of the Office of Management and Budget—decides on the grant levels to be associated with specific water and sewer projects, discriminates against the smaller rural systems and those least able to pay.

I ask unanimous consent that the text of this article from the October issue of Rural Water News be printed in the RECORD and I urge other Senators to read it. I also urge OMB Director Lynn and his staff and Farmers Home Administrator Elliott and his staff to give serious consideration to the points raised in the Morgan article. She suggests some alternative policies which might be more in accord with the congressional intent of reaching the low-income people and those in the most rural settings with the decent water and adequate sewer facilities that most of us take for granted.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE FARMERS HOME ADMINISTRATION 1-PERCENT RULE

(By Mary E. Morgan)

The policy of the Farmers Home Administration (FmHA) with regard to grant funds for water and sewer development has long been to use such grant money as has been available to reduce costs to the point that user charges, including both debt service and operation and maintenance (O&M), were "reasonable" in light of existing charges for water and sewer service in rural communities. In June 1974, the agency issued regulations setting forth the "one-percent rule" which was designed to implement this general policy according to more specific measures of "reasonableness."

The one-percent rule reads, in part, as follows: "Ordinarily a grant will be considered only when the debt service portion of the average family user cost for either waste or sewer service exceeds one percent (1%) of the median family income . . . and will be limited to an amount necessary to reduce the debt service portion of family user cost to such one percent (1%) level." (7 CFR 1823.472(b)(1)). That is, if FmHA is to participate in project financing with any of its grant funds, at least one percent of the median family income of the community served must be spent on debt service for the loan portion of the system.

The one-percent rule grew out of discussions between FmHA and the Office of Management and Budget and was promulgated as a means of ensuring that scarce grant funds would go to the most needy communities. However, the rule may have the opposite effect.

Experience indicates that a monthly water bill in excess of $7.00 imposes a financial hardship on low-income users. Using this as a benchmark, consider the following examples of how the one-percent rule will work: The median family income of the community is $5,400. One percent of this is $54 per year, or $4.50 per month. If the costs of operation and maintenance and reserves can be kept to $2.50 per month, the overall charge can be kept within the $7.00 limit, presumably within the reach of low-income families. But there is every indication that these costs will be *far higher* than $2.50 a month; probably $5.00 or even more in the smaller rural systems. One recent study projects costs of O&M (including reserves) for a 700-connection system at about $3.75 per month, the corresponding figure for a 45-connection system is over $7.00 per month. (See the forthcoming Commission on Rural Water publication *The Cost of Supporting Rural Water Systems: Projections and Policies.*) If $4.50 per month for debt retirement is laid on top of this, the monthly cost for water service is clearly prohibitive.

Unfortunately, the one-percent rule makes it difficult, if not impossible, for supplementary funds from other sources to ease the burden on the low-income resident. Many states and localities are becoming involved financially in rural water development, and, in most cases, their interest is in providing *supplementary* funds to keep costs to users at a reasonable level. The one-percent rule strongly discourages this by creating a situation where other grant funds and possibly other loan funds simply supplant FmHA funds rather than supplement them.

FmHA says, in effect, that if it is to participate *at all* with grant funds, the community must assume the one-percent debt load. No other funds can be used to defray any part of this load under the regulations. Every state or local dollar, rather than reducing the total burden on the user, merely replaces a federal dollar. Ironically, the one-percent rule not only fails to help low-income residents, it prevents others from doing so.

There seems to be no ready answer to the problems raised by the one-percent rule, but a number of alternatives can be identified. First, FmHA could change the percentage formula so that it is less regressive. That is, the rule might require one percent debt service in communities with higher median family incomes, drop the requirements to ¾% where incomes are medium, and lower it to ½% for low-income residents. This way, the amount of debt service would be low enough, in terms of ability to pay, that rising O&M costs would not push the total bill for anyone above his ability to pay.

A second alternative would be for FmHA to bring O&M into the rule by stipulating that the percentage required of system users would be applied to the total user charges, not just to the debt service portion. That is, the user could be required to pay some percentage of his income for water service, including all costs, after which grant funds could be applied to complete the system financing. This would require FmHA to study the matter of O&M costs more fully to determine whether a given project had made adequate plans for support. This is a difficult task, of course, but by no means an unreasonable demand on a public agency.

The third alternative would be to keep the one-percent rule but allow state or local contributions to be used to satisfy some portion of the requirements. If the rule required users to come up with $5.00 per month for debt retirement, for example, thus creating a total bill that is too high, some other agency could be allowed to cover a portion of that amount in grant funds in order to bring the bill back to a reasonable level. FmHA grant funds could then be applied to the total package, rather than being displaced by the other funds as is now the case.

These are not all the alternatives that exist and they are not necessarily the best ones. All raise some problems. The crucial point is that the one-percent rule does not satisfy the intent of the community facilities loan and grant program. Some changes must be made in the rule before low-income rural residents can be adequately served by the Farmers Home Administration.

NEW YORK CITY

Mr. BUCKLEY. Mr. President, the clock continues to run on New York's fiscal problems. We do not know whether Governor Carey's package of proposals will be enacted by New York State Legislature, or whether the other parties on whose cooperation his plans depend, will succeed in producing an 11th hour rescue operation with which the Federal Government can cooperate. My definition of such an operation is one that will neither do violence to the concept of separate areas of State and local responsibility on the one hand, and of Federal responsibility on the other, nor encourage other municipalities in New York State and elsewhere, to take the easy, politically attractive alternative to responsible management of a city's affairs.

I am deeply concerned over the fact that we have only 1 more week before we recess for the Thanksgiving holiday. We cannot afford to delay making those decisions in the Congress that are required if New York's officials are at least to have certain options open to them. This will require that the Congress act immediately, one way or another, on the two vital legislative proposals now before it.

The first of these involves amending the Bankruptcy Act so that the city of New York—and other financially troubled municipalities—will at least have the option of being able to take recourse to the protections offered by a trustee appointed under the act, with his unique powers to rationalize and reschedule debt burdens. Once again, I urge that this matter be given a first priority in the days ahead.

But as I have written our colleagues, the situation faced by the city of New York is so severe that the ability of the city to postpone debt service payments will not in and of itself make it possible for the city to maintain, uninterrupted, the essential services that the citizens of every city require for their safety and health, for public assistance, and for such services as education.

It was in recognition of these extraordinary needs that on November 6, I introduced an amendment to the Senate Banking Committee's Voluntary Municipal Reorganization Act of 1975—which I find unacceptable—that would provide for Federal assistance after a default to a trustee for New York City's affairs.

As I stated in the letter to our colleagues, I believe that the adoption of my amendment, along with the enactment of the necessary amendments to the Bankruptcy Act, would provide the 8 million citizens of the city of New York with the absolute assurance that necessary services would be continued while economics were being implemented to bring order to the fiscal chaos besieging the city.

While my proposal was originally introduced as an amendment to the portion of the Banking Committeee's bill that dealt with assistance after a default, thus allowing the Senate—assuming adoption of my amendment—to deal separately with the predefault assistance provisions of the Voluntary Municipal Reorganization Act, I now intend to offer my proposal as an amendment in the form of a substitute. I do this in the hope that I will thus be able to ward off a threatened filibuster which could bring us to the Thanskgiving recess without any action being taken on a matter that is absolutely vital to the well-being of the Nation's major city.

Mr. President, I would like to take this occasion to urge my colleagues in general and the leadership in particular to give these vital bills a first priority in the days immediately ahead.

THE NEED FOR CHILD CARE LEGISLATION

Mr. BAYH. Mr. President, as the author of the Universal Child Care and Child Development Act of 1971, I have long had a commitment to providing quality child care for all our children. Child care legislation embodying the major principles of my bill passed the Congress in 1972, but was vetoed by an administration which did not consider the welfare of the Nation's children a priority item.

The Child and Family Services Act, a bill currently pending in this Congress, is one more attempt to provide meaningful child care. Extensive hearings have been held on the implications of this legislation.

Unfortunately, Mr. President, there is a deliberate effort, now underway in my home State of Indiana to spread false information concerning this legislation. Allegations have been made that the child care bill would give a child the right to sue his parents if they required him to go to Sunday school. It has also been alleged that the bill would give children a legal right to organize in a labor union against their parents. Worst of all is the contention that this legislation would force parents to turn over their children to government run centers—virtually making their children the wards of the State.

Mr. President, these allegations are totally false. There is nothing in the current pending legislation which would allow a child to be taken from the family. Participation in the program is entirely voluntary.

Many civic-minded and religious organizations endorse child legislation. These groups include the AFL–CIO, the League of Women Voters, the United Auto Workers, the United Methodist Church, the Baptist and Lutheran Churches, and the National Conference of Catholic Charities.

In 1971, when I introduced the Universal Child Care and Child Development Act, I stated that universal child care for all mothers who wished it was an idea whose time had clearly come.

In 1971, I commented that it was ironic that it had taken so long for this great Nation to recognize its commitment to universal child care given the fact that several other nations—Sweden, Israel, and the Soviet Union to name a few—had far surpassed American progress in child care.

But today we stand no closer to realizing our goal of universal child care than we did in 1971. The Congress passed child care legislation in 1972 only to have it vetoed by a President who, 2 years earlier, had expressed a wholehearted commitment to—and I quote:

> Providing for all American children an opportunity for healthful, stimulating development during the first five years of life.

More tragic still is the fact that the need for child care has become even more imperative. Today, more than half of the mothers of young children are employed outside the home. More than 26.2 million children under 18 have working parents. For the 6 million preschool children whose parents are employed, this country is providing licensed day care for only one out of every six children.

More than 3 million children are being raised in families where the mother is the sole support. The median income for such families in 1973 was just over $6,000—too high to qualify for federally assisted day care programs such as those under Head Start and title IV of the Social Security Act, and too low to afford quality day care in private programs.

The need reflected by these figures is not temporary, nor is it declining. It is estimated that by 1985, we will have 30.2 million preschool children. It is estimated that the percentage of working parents of preschool children will increase to 70 percent by the end of this decade.

Unfortunately, knowledge of the statistics and the need for child care does not help the working mother who is desperately searching for adequate care for her child.

The failure to provide comprehensive, universal child care has resulted in 8 out of 10 children being cared for by makeshift arrangement—either a succession of untrained babysitters or older brothers or sisters who are forced to drop out of school in order to care for their siblings. Estimates of "latchkey" children—those left to fend for themselves—run as high as a million and a half.

In short, we find ourselves in the paradoxical position of having the number of children who require child care dramatically increasing while the number of federally supported child care slots is decreasing.

Regrettably, the failure of this Nation to provide for comprehensive child care has so damaged the faith of many of its most ardent supporters, that they now regard the concept of developmental child care as unreachable: a utopian dream. This attitude has derived in part from the current administration's emphasis on child care as a merely custodial babysitting service for welfare mothers. It has come in part from the current system of pitting various social welfare programs that receive Federal moneys against one another.

We see the drug rehabilitation programs fighting the elderly who are fighting the handicapped who are fighting the child care people—all for limited Federal funds. We as a society have failed to recognize how crucial it is that all children be provided with the best opportunities for growth and development that society can offer. It is well and good to say that we have no responsibility for children other than our own. But the fact of the matter is that we as a Nation do have a stake in how the millions of children with working mothers mature.

If we are concerned about producing better citizens for the future in an increasingly complex society—citizens who will not be committing crimes, who are not dependent on drugs, who will not find it necessary to exist on welfare—then we have a responsibility to provide opportunities for our children to develop to their fullest potential. Certainly, it is in the national interest, as well as their own, that our children grow into whole, humane citizens that can function in a democracy.

In the long run, the issue of budgetary restrictions is an artificial one. Simply consider the fact that the cost of welfare and accompanying rehabilitation programs amounts to over $20 billion a year. Or that crime—including the Government expense of dealing with the problem, actual losses of property, estimated losses of earning power resulting from crimes of violence, insurance costs, and other factors—costs this country over $50 billion a year.

Surely it is better economics to spend $2 billion a year on constructive programs to raise whole, functioning members of our society than it is to spend 35 times as much feeding the results of our neglect—crime and welfare—after the time for constructive action has passed.

After years of frustration, it would be foolish to deny that we face considerable social and political barriers to comprehensive child care, even in the best of times. And indeed, these are clearly not the best of times.

Nevertheless, as the chairman of the Senate Subcommittee on Juvenile Delinquency, I have seen the sad results of the neglect of our country's children. Recent hearings before my subcommittee on school violence make these results all too clear. The rate of suicide among children ages 10 to 14 is twice as high as it was 20 years ago. Since 1973, crimes by children have been rising at a faster rate than the juvenile population itself. Crimes of armed robbery, rape and murder by juveniles has doubled in the last decade. A subcommittee survey showed that drug and alcohol offenses on school property is up 37 percent and assaults on teachers up 77 percent.

Faced with this reality, we must persist in our goal of attaining quality child care services for all children.

THE QUALITY OF OUR EDUCATION SYSTEM

Mr. **LAXALT**. Mr. President, the education of the citizens of the United States is of vital importance to each of us. The ability, intelligence, and training of the youth of today will reflect the degree of growth and progression our society will realize tomorrow. A November 7, 1975, editorial in the Wall Street Journal questions the quality of our education system, and the evidence and warning presented here should be noted. I am not suggesting, though, that some new Federal program be created or some present one expanded. The primary responsibility for the delivery of education services is properly a State and local function. I do want to suggest, however, that the kind of "effortless education"—and education largely without standards—should be recognized as a fad that has not worked. I ask unanimous consent that this fine editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 7, 1975]

LITERACY AND ELITISM

The U.S. Office of Education recently reported that 20% of adult Americans have difficulty coping with such necessary everyday skills as shopping or getting a driver's license, while another 34% "are functional but not proficient." The report does not say so, at least not in the summary we read, but many of those adults hold high school diplomas and some are even college graduates.

It is a serious blot on education in America that a high school or college diploma is no guarantee that a graduate can read or write, much less reason. Passed up the academic ladder from one grade to the next, recipients of "social promotions" bestowed automatically in order to avoid stigmatizing slow learners, a good many pupils have completed 12 or even 16 years of schooling with almost nothing to show for it in the way of academic proficiency.

Not all school systems operate that way, of course. And beginning in December, 16- and 17-year-olds in California can drop out of school provided they pass a 200-question exam designed to test their ability to read, write and reason. Moreover, Superintendent of Public Instruction Wilson Riles will propose to the state legislature in January that future graduates of California high schools demonstrate a similar level of literacy and competence.

Most literate Americans can only applaud California's effort to introduce minimum standards for a basic education. But basic education is not uniformly popular, least of all on some campuses. To wit, students and faculty at Livingston College in New Jersey are irate at the proposed requirement that graduates must pass a test proving competence in reading, writing and arithmetic.

As recounted in The New Leader magazine, the college has devoted itself to developing "nontraditional students" through remedial programs. It has attracted a large minority student body and many whites from non-college families, a hard core of whom is protesting the "elitist" academic standards proposed by Dean Emmanuel Mesthene, who came to Livingston from Harvard. Dean Mesthene is primarily troubled by faculty members who think even a little learning ought to be enough to produce a degree. They view leniency as a kindness to the underprivileged, said the dean, and believe that "expressiveness is an adequate substitute for thinking and knowing, and that it can justify depriving students of the public language of the United States."

We don't for a moment underestimate the determination of those faculty members Dean Mesthene describes as "the soft pedagogical left," and we haven't any idea how the feud at Livingston will turn out. But surely he is correct that it aggravates matters all around to allow students to leave with an inferior education, which breeds disillusionment for the unqualified graduate and cheapens the value of a college degree for everyone else.

Moreover, even those who most vigorously defend "social promotions" in high school should feel some reluctance, we think, about protesting a basic literacy qualification for college students—all the more so in view of the deplorable statistics recently cited by the Office of Education.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, at this time I wish to consider one of the points raised by those opposing Senate ratification of the Genocide Convention. I believe it clearly illustrates that much of the objection to the treaty, instead of being based on a rational examination of the Convention, is formulated essentially from emotional bias.

Mr. President, careful consideration of these points will show them to be invalid objections to ratification, and I will persist in my efforts each day to disprove these criticisms until this body seriously considers ratification of the Genocide Convention.

Many critics have pointed out what they consider to be the pitfalls of Article VI of the Convention. This particular article states that:

> Persons charged with genocide . . . shall be tried by a competent tribunal of the State in the territory of which the act was committed, or by such international penal tribunal as may have jurisdiction with respect to those contracting parties.

Mr. Eberhard P. Deutsch of the New Orleans Bar stated, in opposition to ABA approval of the Convention, that this particular article suggests that United States citizens would be tried, under the Genocide Convention, in foreign courts. For example, trial of our prisoners of war on charges of genocide, or under which we must permit members of our military forces to be extradited for trial without the constitutional guarantees that exist in this country.

I would fully share the concern of Mr. Deutsch and others if the Genocide Convention were to permit our country to extradite servicemen to a foreign country and to deprive them of their "constitutional guarantees" for which they have fought. But the facts are, and I repeat, that the Genocide treaty permits no such violation of the rights of our fighting men, or of any of our citizens.

The very next article of the Convention makes it clear that "the Contracting Parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force." It is obvious that the phrase, "laws and treaties in force," is very important here. One can now draw the conclusion that American citizens cannot be sent to a foreign country for trial on genocide charges unless the United States and that country have signed an extradition treaty. In simple terms, no U.S. citizen would be subject to new extradition measures if the Genocide treaty were ratified by the Senate. In addition, the very "constitutional guarantees" mentioned by Mr. Deutsch and others are the basis of any extradition treaties to which the United States is a party.

Mr. President, I once again urge, with all sincerity, that this body give serious consideration to ratification of the Genocide treaty.

SAUDI ARABIA

Mr. CASE. Mr. President, administration officials have informally advised me and other Members of Congress of their intention to make a new military assistance contract with Saudi Arabia. The $2 billion contract, as I understand it, would provide housing, construction, maintenance and training, primarily in connection with the F–5 jet fighter planes we are selling Saudi Arabia.

The Senate on November 5 passed the International Development and Food Assistance Act—H.R. 9005—containing my amendment prohibiting assistance to countries under the military assistance program which discriminate against Americans working on the contracts there because of their race, religion and sex.

I cannot help but wonder whether the administration's delay in formally submitting the notice of intent of the latest contract proposal with Saudi Arabia is not related to possible efforts to kill my amendment.

It is important that the conference committee on the H.R. 9005 not yield to any efforts to scuttle the antidiscrimination amendment. It would be unconscionable for our own Government to acquiesce in discrimination against our own citizens.

If other nations want our technical help, they should not be allowed to force us into allowing discrimination against our own citizens.

Support for the principle of nondiscrimination is important not only in itself but because of the growing numbers of Americans involved in Saudi Arabia projects. Before 1973, less than 8,000 Americans were in Saudi Arabia. Now, there are more than 16,000. The new projects may well add thousands.

To give an indication of the growing American involvement, I ask unanimous consent to have printed in the RECORD an article by James McCartney of the Knight Newspaper Service reporting that the total agreements with Saudi Arabia are reaching $9 billion.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

U.S. TO SELL MORE ARMS TO SAUDIS

(By James McCartney)

WASHINGTON.—The Ford Administration is quietly preparing a new billion-dollar military sales program for Saudi Arabia, which would pay with its huge profits from rising oil prices.

The deal could push the total of military sales requested for the Saudis in the last three years to more than $9 billion.

Secretary of State Henry Kissinger has confirmed plans for the new program. He declined to furnish details, except to say that it would cost the Saudis about $2.2 billion.

Other State Department sources, however, said they believed the total would be less, between $1.3 and $2 billion.

The new program to be presented to Congress in the next several days, would provide the Saudis with facilities for housing, maintenance and training for U.S.-built F–5 jet fighters. The United States already sold several squadrons of F–5s to the Saudis.

The Saudis have been able to buy almost anything they wanted from the U.S. in recent years because of profits from higher oil prices. It costs U.S. taxpayers nothing, but the U.S. gasoline buyer, in effect, is helping the Saudis purchase U.S. arms.

The new program is just one element in a vast arms and military construction program for Saudi Arabia that has surfaced in bits and pieces in the last year.

As recently as October of last year the State Department formally denied any plans for multibillion-dollar arms sales to the Saudis.

"This program is tremendously expensive," said one official. "I am astounded myself at the figures."

Rep. Benjamin Rosenthal (D., N.Y.) disclosed the new program but said he had been unable to learn what it would include.

Rosenthal said he was alarmed at the size of Saudi Arabian arms and military construction proposals from the administration, and was considering filing a resolution of disapproval in the House to stop any new sales.

There has been a growing concern in Congress about U.S. arms sales abroad, particularly in the Persian Gulf.

The administration did not mention plans for new arms or military construction programs for the Saudis in a foreign and military aid package sent to Congress two weeks ago. The package included $3.4 billion for the Middle East.

The dimensions of the Saudi Arabia program have only begun to become apparent in the last several weeks.

In official figures now presented to Congress, the pattern is this:

Fiscal 1974—$2.5 billion
Fiscal 1975—1.4 billion
So far 1976—1.9 billion
New program—2.0 billion
Total—$7.8 billion

One of the programs presented officially earlier this year as costing $1.45 billion, however, is expected to cost at least double that, according to secret congressional testimony this week. This would boost the total for all Saudi arms and military construction programs to over $9 billion in the three years.

The United States actually is building Saudi Arabian armed forces from the ground up. It is providing not only weapons and equipment, but housing and training facilities, and almost anything else necessary.

In a plan announced in September for the so-called "Batin cantonment," the United States will build a new city to house and support three brigades of Saudi troops.

Estimates on the cost of the project, originally presented to Congress as $1.45 billion, have now risen to $3 billion or more.

CLINTON P. ANDERSON

Mr. McGEE. Mr. President, joining my colleagues today in expressing deepest sympathies to the wife and family of Senator Clinton P. Anderson who died November 11, I offer that his death at age 80 brings to the country the profound loss of a man who meant so much to early social and environmental reforms.

Always speaking the mind of an intellectual but with the heart of the common man in mind, Senator Anderson was a leader in advancements in conservation, aid to the elderly, and science and technology. His contributions to agriculture as Secretary of Agriculture in the Truman administration provided a basis for many of the positive steps we have taken in the food industry since. His ideas for wilderness areas were prophetic.

Senator Anderson was instrumental in the early days of America's space program, realizing we have a definite relationship with the skies above us and that we must know more about that relationship.

During Clinton P. Anderson's life, there was a constant battle with tuberculosis. His disease was overcome by courage accompanied by a desire to serve his country to the fullest. He did just that.

COMMON SITUS PICKETING

Mr. LAXALT. Mr. President, the current issue of common situs picketing represented in H.R. 5900 and S. 1479 has cultivated interest and debate throughout the country. The monumental and disastrous effects this legislation would have on the construction industry as well as labor-management relations is of grave concern to me. The Washington Star is just one more major media to take this position. In a November 1, 1975, article it summarizes areas of this current debate, which I would like to share with my colleagues. I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star, Nov. 1, 1975]

Closing Down the Job

The White House is reported to have made a deal to trade away its opposition to "common situs" picketing legislation in return for passage of an administration-supported bill to improve collective bargaining practices in the construction industry. It's a bad trade.

We support the collective bargaining bill because it would tend to bring order to the bargaining process in the strike-prone construction industry. It would give national union leaders more control over capricious local units that too often use whipsawing and other questionable tactics to force up wage scales. By creating a Construction Industry Collective Bargaining Committee made up of labor, management and government representatives, it would provide a tool to reduce strikes in the industry.

But this legislation should in no way be considered a tradeoff for the common situs picketing bill. If one cannot be had without the other, it would be preferable to have neither, for the benefits of the collective bargaining bill would be more than offset by the disadvantages of the picketing bill.

The common situs picketing bill would allow union workers striking against a subcontractor to shut down an entire construction project. The Supreme Court ruled in 1951 that throwing a picket line around an entire project when the strike is against only one of the subcontractors amounts to a secondary boycott outlawed by the Taft-Hartley Act.

For a quarter century, unions have been chafing under this restriction. Unable to get the Taft-Hartley provision overturned in the courts, they are asking Congress to do it legislatively. The bill simply would declare that a strike against a general contractor, even though the complaint is against one of the subcontractors, does not constitute a secondary boycott.

The result would be that contractors would be unable to mix union and non-union subcontractors on a project. If they did, they would face the certainty of the job being closed down by union strikers who could set up picket lines around the whole project. It would give unions a weapon with which they could bludgeon contractors into going the union way or not going at all.

Until this session, common situs picketing legislation has been given short shrift on Capitol Hill. But the influx of labor-supported members into the 94th Congress, plus the deal that apparently was struck with the White House, has greased the way for passage.

Supporters of the common situs bill have been careful to see that it and the collective bargaining measure travel the legislative road together. They fear that the picketing bill might get side-tracked if it had to stand on its own. After both measures passed the House in tandem, the Senate Labor Committee approved both and they probably will go to the Senate floor at approximately the same time.

In the past, the Ford administration has been opposed to the common situs picketing bill, and it is not entirely clear what brought about the apparent agreement to back off if the collective bargaining bill is passed. Obviously politics is a factor. Many leaders of building trades unions supported the Republican party in the last presidential election and no doubt President Ford is hoping for such support next year.

President Ford ought to reconsider and veto the picketing bill if it reaches his desk. Approving a bill that will coerce general contractors into using only union subcontractors, that will lessen competition, that will result in higher construction costs, that will restrict freedom of choice for employers and workers, can hardly be justified on political or any other ground.

THE FEDERAL OIL POLLUTION LIABILITY AND COMPENSATION ACT—S. 2666

Mr. HATHAWAY. Mr. President, I am pleased to support S. 2666, the Federal Oil Pollution Liability and Compensation Act which my distinguished colleague from Delaware, Senator Biden, introduced yesterday. Although strict liability for oil discharges and oil pollution funds have been enacted in a piecemeal fashion in other legislation, most recently the Deepwater Ports Act, comprehensive legislation covering all sources of discharge and providing maximum coverage for damages and for restoration is still vitally needed.

S. 2666 will provide just that type of comprehensive coverage. It assures immediate cleanup procedures will be taken whenever a discharge occurs, provides rapid compensation for all damages which may result, including restoration of natural resources, and acts as an incentive for maintenance of the safest possible operating procedures by all those involved in oil operations. Any party who has sustained cleanup costs or damages as a result of oil discharges is fully and quickly compensated through the combination of strict liability imposed on the spiller and the establishment of one oil pollution fund. Neither the spiller nor the fund will be liable, however, to any claimant whose negligence or intentional act was the sole cause of the discharge.

We in Maine have experienced firsthand the damages caused by a serious oil spill when the Norwegian tanker *Tamano* tore its hull open on Soldier Ledge in Casco Bay. Though some settlements have been made, that case is still in litigation, 3 years later. With the prospect of new oil leasing and drilling off all our shores, it is essential that comprehensive legislation which will compensate and protect against any losses as a result of oil discharges be enacted expeditiously.

EQUITABLE TAX TREATMENT OF RESIDENTS OF CONDOMINIUMS

Mr. BUCKLEY. Mr. President, I am pleased to cosponsor S. 63, a bill to amend the Internal Revenue Code of 1954 to exempt from income taxation the membership contributions in reserve funds accumulated by condominium housing associations in order to defray future maintenance bills. Rather than providing any favored treatment to residents of condominiums, this legislation would only insure that they be treated equitably on the same basis as homeowners.

Last year, the Internal Revenue Service ruled that condominium associations—those persons who live in a condominium project and who contribute dues to pay for its upkeep—must pay taxes on those dues as if they were the profits of corporations. This means that the money which condominium owners jointly set aside will be taxed by the Federal Government at a rate of 48 percent. It is just as if the average homeowners had to pay to Washington about half of every dollar he sets aside for the maintenance of his property.

To my mind, this is a tax loophole of the worst sort: the kind of loophole through which the long arm of the Federal Government can unfairly reach into the pockets of Americans.

In order to avoid possible abuse of the condominium tax status, the provisions of S. 63 would be limited to only nonprofit cooperative housing associations. If an organization of condominium owners engages in profit-making activities, its reserve funds would be subject to taxation. If those funds are invested in a savings account, their interest would be taxable. In addition, for eligibility under this bill, membership in condominium associations would be limited to the actual owners or occupants of residential units in the condominium. That precludes the use of this tax exemption by commercial organizations which might otherwise exploit it for their business enterprises.

It is unfortunate that this legislation is necessary. Rather than having to go through the entire legislative process to guarantee to condominium owners equitable tax treatment, it would be preferable if the IRS would reverse its original and, to my mind, faulty ruling on this matter. Because that is not likely to happen, I will work toward the enactment of S. 63 so that condominium owners—many of whom are elderly retirees and young families just getting started in life—will not have to pay a ridiculously high tax rate in order to save money for the maintenance of their properties.

THE NEW JERSEY INTRACOASTAL WATERWAY

Mr. WILLIAMS. Mr. President, I would like to extend my sincere thanks to Chairman STENNIS and the other members of the Public Works Appropriations Subcommittee for their interest in the need for the maintenance of New Jersey's intracoastal waterway.

In the scope of national problems, this may seem like a minor issue but it is of great significance to the people of New Jersey.

It is a tribute to Chairman STENNIS and members of the committee that in the midst of the many, many demands on them, they were able to take the time to familiarize themselves with the problem and to appreciate its importance.

The New Jersey intracoastal waterway is 117 miles long. It provides a protected inland route for small craft to avoid the open water along the New Jersey coast. The waterway is heavily used for recreation, particularly in the summer months, but it is used for commercial traffic as well. According to statistics furnished by the Army Corps of Engineers, in 1974 more than 1,200,000 commercial passengers were carried, including persons using the Cape May, N.J.-Lewes, Del. ferry. About 40,000 vessel trips were involved by all kinds of boats.

In addition, 40,000 tons of fish were transported along the waterway last year.

Maintenance of the waterway is also of pivotal importance to the U.S. Coast Guard for the movement of patrol boats from the operating bases along its course.

The Corps of Engineers has indicated that in the absence of any maintenance dredging of the waterway in fiscal year 1976, shoaling in various sections could close the channel to navigation. And, it could greatly increase the potential hazards generally in this most heavily traveled stretch of waterway.

That Chairman STENNIS and the members of his subcommittee have taken the time to consider this issue is deeply appreciated by the people of my home State. This truly is what our representative form of government is all about; the ability to deal with the great national problems while still meeting specific local needs.

I think this is most worthy of commendation.

SENATOR McCLURE'S REMARKS TO THE SENATE BREAKFAST GROUP

Mr. STENNIS. Mr. President, it was a privilege for Members of the Senate breakfast group to hear a most inspiring statement by the Senator from Idaho (Mr. MCCLURE) October 8, 1975. All those present were most favorably impressed as well as inspired by the remarks of the Senator from Idaho as he discussed the relationship between the public official and his Maker. His remarks should be shared with others and I ask that it be printed in the RECORD.

There being no objection, the remarks ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR MCCLURE

Can anyone doubt that our Nation is racked with turmoil?—that our system is challenged from every side?—that our basic beliefs are under increasing attack?

We hear a great deal today about how rapidly knowledge is expanding; that more than one-half of all human knowledge has been discovered or developed in this century;

That the space age is upon us and the universe is yielding its mysteries;

That man has set foot on the moon and seen the surface of Mars;

That medicine has conquered many diseases and is on the road toward cures for others;

That jets have made any part of this globe only hours away and that computers have compresed time almost infinitely;

That nuclear holocaust makes war unthinkable and that the population explosion makes starvation inevitable;

That pesticides doom us to death and that pollution has its own grim certitudes;

That inflation will destroy us if Communism doesn't;

That the growth of the Federal bureaucracy will strangle us if the failure of the Federal government to solve all of our problems doesn't destroy us first—in short, that this is the most difficult and most challenging period in our history.

Our churches are damned as being irrelevant in today's world, and we even hear ordained clergymen proclaim from the pulpit that moral beliefs should be discarded in favor of social concerns, that religious beliefs should give way to intellectual analysis of society's problems, and that individual concern can be supplanted by a collective conscience. Now, there is nothing wrong with questioning our old dogmas, nothing wrong with trying to improve our institutions, nothing wrong with government programs dealing with social ills! But I submit it *is* wrong to discard moral concepts and rely upon statutes! It *is* wrong to discard our own personal compassion and substitute another welfare program. I have yet to see anyone get much of a spiritual uplifting out of his concern for others that is expressed only in the compulsion of an income tax collector! And can you really wonder why so many young people go through a period of uncertainty, when so-called Christian theologians deny the divinity of Christ or the sacredness of his birth! It's time we de-bunk the de-bunkers and reassert our faith!

There is a rising chorus, carefully orchestrated by our detractors and amplified by a liberal-institutionalized national press, that responds to Abraham Lincoln's words of more than a century ago. You remember those words, quietly uttered at Gettysburg, in which he said that we were then testing "whether this nation, or any nation so conceived and so dedicated, can long endure."

Young people today seem to enjoy nothing more than music amplified so loud that you can hardly hear the music, but you can't miss the beat. Many of us look at the electronic marvels, largely produced in Japan, as Hirohito's revenge. Medical experts tell us that there may be permanent hearing damage as a result—but that is *not* my point. Just as the beat goes on, so is there beating in the breasts of all people everywhere a yearning for freedom. And this universal desire reached its finest expression in "We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness." And that's what that wise man from the frontier of America, uneducated by today's standards, maligned and ridiculed by the sophisticates of *his* day, meant when he said that "this nation of the people, by the people and for the people shall not perish."

I think, too, that that is what impelled President Eisenhower to suggest adding the words "under God" to our pledge of allegiance. Ike recognized that our national greatness did not spring from our human institutions or that our government acted "*for* God"—it acts "*under* God." That is one of the finest illustrations of the absolutely indispensable nature of individuality—individual rights and responsibilities—God-given and God-ordained.

Today, we are busy destroying these foundations—or perhaps I should say there are a few who are busy destroying our foundations, while the rest of us are just too busy to care or too pre-occupied to notice.

How many of you have noticed how systematically the right to ownership of property is being undermined—whether it's the right to own and keep firearms or the right to spend our income as we see fit? The right to be secure in the ownership of property is absolutely fundamental to our concept of individual freedom. Without that right, we destroy initiative and the spirit of self-reliance which have been the springboards of our success. And I don't mean just success in the material sense, because materialism is much-criticized today. But the knowledge that what we earn is ours must be the basis of self-reliance, individual responsibility *and* the willingness and ability to give of our own to those less fortunate than ourselves. Destroy this and you destroy our incentive to provide for ourselves, the willingness to care for our own, and the ability to provide for others.

Our values are God-given and individual:

The right of one person to life;

The right of one person to the freedom to live that life;

The right of one person to hold views different from those of the majority and the right to freely express them;

The right to own property that is ours alone, and to earn money that is ours alone.

Surely, we can't exercise those rights to the extent that they infringe on the rights of others—but how can we say, "I recognize your right to free speech—but you can say only what the government allows 100% of the time or 30% of the time."

"I recognize your right to your income—but not 100%. The government has a right to more and more."

The freedoms which we enjoy carry with them the responsibility to exercise them. Muscles which aren't used waste away. While our rights are God-given, freedom was wrested from tyrants and will be lost—not to tyrants, but to indifference—until tyrants again rule us.

Too many people today feel frustrated and surrounded. Too many say, "What's the use. There's nothing I can do about it."

Not every one of us can be an Abraham Lincoln but each of us can have compassion for others.

Each of us cannot discover the cure for polio—but each of us can contribute to the March of Dimes.

All of us won't perform miracles, but each of us can make our own little corner of the world a better place because we lived.

Not all of us can be an Apostle Paul or a Billy Graham, but each of us can bear witness in our lives and influence some others.

The great Frenchman, Alexis de Tocqueville, who came to America in the 1830's to study that "noble experiment" in freedom which had captured the imagination of men and women all over the world, summarized what he found in these words:

"I sought for the greatness and genius of America in her commodious harbors and her ample rivers, and it was not there; in her fertile fields and boundless prairie, and it was not there; in her rich mines and her vast world commerce, and it was not there. Not until I went to the churches of America and heard her pulpits aflame with righteousness did I understand the secret of her genius and power. America is great because she is good, and if America ever ceases to be good, America will cease to be great."

EXTENSION OF EMERGENCY PETROLEUM ALLOCATION ACT AND OIL PRICE CONTROLS THROUGH DECEMBER 15, 1975

Mr. JACKSON. Mr. President, on Wednesday evening, November 12, a final agreement was reached by the House and Senate conferees on S. 622, the Energy Policy and Conservation Act. I am hopeful that this bill, which will provide the country with a truly comprehensive national energy policy, will be signed by the President, as his representatives repeatedly assured the members of the conference committee.

The oil pricing policy agreed to by the conferees will extend, in modified form, domestic crude oil price controls. The sole authority under existing law for such controls is contained in the Petroleum Allocation Act, which will expire on Saturday, November 15. In view of the lengthy and complex nature of the conference agreement on S. 622, the act cannot be sent to the President before the existing price control authority terminates.

Therefore, the Senate passed S. 2667, a 1-month extension of the Petroleum Allocation Act, earlier today. The purpose of this short extension was to prevent the hiatus in price control authority which would occur if the Allocation Act were allowed to expire before enactment of S. 622, the Energy Policy and Conservation Act.

Mr. President, the House is also seeking to extend the Emergency Petroleum Allocation Act today. In the event that an extension is not enacted into law before current controls expire, however, the Congress will adopt an extension next week, or in early December after the Thanksgiving recess. Whatever extension is adopted, it will be retroactive to November 15. It is the intent of the Congress that there be no hiatus or gap during which violations of the Federal Energy Administration's regulations would not be subject to price adjustments and civil sanctions.

Mr. President, we confront a situation similar to that experienced last September, when price control authority lapsed for several days. I ask unanimous consent that an FEA ruling of September 17, 1975, be printed in the Record at the conclusion of my remarks. This ruling addresses the issue of the retroactive applicability of FEA price regulations during the hiatus that occurred at that time. The legal authorities cited therein are equally applicable to any hiatus that may ensue at this time. All parties subject to the act should be on notice that the act will be extended, that the regulations promulgated thereunder will continue to apply, and that any departure from the requirements of the act and the regulations by any person subject to the act will entail legal consequences.

Mr. President, during the September hiatus in price control authority, I asked that a Library of Congress study and a legal memorandum addressing the retroactivity issue be printed in the Record. Mr. President, I ask unanimous consent that these documents again be printed in the Record, as well as a copy of the FEA ruling noted above.

There being no objection, the material was ordered to be printed in the Record, as follows:

[The Library of Congress, Congressional Research Service]

Effect of Retroactive Extension of the Emergency Petroleum Allocation Act on Current Oil Price Controls

Circumstances surrounding enactment of legislation extending the Emergency Petroleum Allocation Act have given rise to a serious question regarding its impact on existing relevant statutory and implementing regulation. Specifically, it is asked whether any hiatus occurring between expiration on August 31, 1975, of the current price regulations under the Emergency Petroleum Allocation Act, as amended, 15 U.S.C.A. 753(a), (g)(1) (Supp.), and an assumed congressional override of an expected presidential veto of S. 1849, the Emergency Petroleum Allocation Extension Act, would permit petroleum producers to irrevocably revise oil prices upward.

That Congress as a general matter could have properly legislated a price rollback in the present circumstances seems fairly clear. See, generally, *Amalgamated Meat Cutters & Butcher Workers* v. *Connally*, 337 F. Supp. 737 (D.C.D.C. 1971), and authorities cited therein. Because there exist statutory price setting authority and implementing regulation in place, Congress instead chose to extend it for an additional period in order to give itself time to consider a broad attack on the Nation's energy problems. For reasons hinted above and soon to be examined, such authority may expire before the recently adopted extension becomes effective.

Congress, and particularly the House of Representatives which was acutely aware of the possible gap between expiration and reinstatement of the price control law and regulation, took the position that extension, if and when effective, would be retroactive to August 31, 1975. Accordingly, if such action is valid, there would be no gap in the current price control mechanism when S. 1849 becomes law. Moreover, the clear intent of the Congress to have S. 1849 apply retroactively together with delaying its submission to the President for his signature until resumption of the current session, seems effective notice to all parties concerned that existing price levels are to be maintained through March 1, 1976.

Section 4(a) of the Emergency Petroleum Allocation Act, as amended, 15 U.S.C.A. 753 (a) (Supp.), gives the Pesident authority to issue regulations fixing the price of petroleum products as well as allocating them. Current regulations fix the per barrel price of a substantial amount of domestically produced oil at $5.25. This latter is substantially below the world price (and even below the price of oil obtained from more recently developed domestic sources). 10 C.F.R. Part 212. However, the price regulation now in effect and the "authority to promulgate and amend [it] . . . expire at midnight August 31, 1975." 15 U.S.C.A. 753(g)(1) (Supp.). Because final House action on S. 1849 came on the eve of the congressional August recess and faces an all but certain Presidential veto, a hiatus of uncertain duration will likely result before the new March 1, 1976 expiration date becomes effective.

As will be noted shortly, key congressional spokesmen were aware that the resulting gap presented the oil companies with an opportunity to raise prices. Accordingly, they made legislative history clearly indicating that S. 1849 was retrospective legislation violation of which was undertaken "at the [violator's] peril".

That S. 1849 was intended to hold the present price line while Congress worked out a comprehensive energy program is unquestionable. In its report on the bill, the Senate Interior and Insular Affairs Committee declared its—

> ". . . strong [] belie[f] that a six month extension of the Act is essential to assure an orderly transition period for resolving the significant issue of domestic crude oil pricing. Without such an extension, there will be no opportunity either to phase out price controls gradually or to extend the Act with appropriate amendments for an interim period. Moreover, the abrupt termination of price control authority and the consequent increase in domestic prices may occur simultaneously with further price increases contemplated by the OPEC cartel this fall. This would place an intolerable burden on the economy and destroy any prospect of recovering from the current recession. . . .
>
> "Because the Emergency Petroleum Allocation Act of 1973 contains the only existing authority to control prices of crude oil and petroleum products and to allocate fuels in time of shortage, the Committee believes it should not be allowed to expire. Accordingly, it is proposing a simple six month extension of the Act, without further amendment, from August 31, 1975 to March 1, 1976." Senate Report No. 94–220, at 2, 7.

During the course of the Senate debate on S. 1849, Interior and Insular Affairs Committee Chairman and floor manager on the legislation, Senator Henry Jackson, spoke of the adverse economic consequences likely to follow upon the lifting of oil price controls. He said:

> ". . . In addition to providing the authorities necessary for dealing with the shortage induced by the Arab embargo, the act has served to insulate the economy and the American consumer from the drastic petroleum price increases which followed.
>
> "The act is now scheduled to expire on August 31, 1975. If it is not extended, . . . the two-thirds of domestic crude oil production now under price controls will jump abruptly from $5.25 to over $13 per barrel. With the President's $2 tariff, the cost to the U.S. economy of decontrolling old domestic crude oil—coupled with the higher costs for new and imported oil and intrastate natural gas—will amount to a staggering $33.5 billion per year. Assuming the OPEC cartel raises world oil prices by $2 this fall, . . . the total drain on the economy would approach $50 billion.
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> * * * * *
>
> ". . . S. 1849 extends the act for 6 months. Without such an extension there will be no opportunity either to phase out price controls gradually, or to extend the act with appropriate amendments for an interim period. Since the Allocation Act permits the President to increase crude oil prices, or exempt any category of petroleum from regulation, the issue of domestic crude pricing can and should be resolved while preserving the important protection provided by the act.
>
> * * * * *
>
> "The problem of exorbitant world oil prices and their adverse impact on the domestic economy and American consumers, coupled with the ever present danger of another embargo or other shortage condition, persuasively demonstrates the need for extending the Allocation Act an additional 6 months. The uncertain action of the oil producing cartel, which may raise world oil prices this fall by as much as $2 or $4 per barrel, further reinforces the case for maintaining a capability to control domestic crude oil prices in the next term." 121 Cong Rec. S. 12531 (daily ed. July 14, 1975). (Emphasis supplied).

Of course, the Senate did not directly consider the matter of retroactive application of the bill in so many words. At the time of the Senate's consideration of S. 1849—July 14 and 15—the lapse of price control authority was not imminent. Indeed, fully two weeks remained before the Congress would begin its summer recess. However, as clearly indicated by the remarks of Senate Jackson and others, the intent to retain unimpaired existing oil prices controls through March 1, 1976, is unmistakable. To all intents and purposes, this intent seems to be the equivalent of an outright *in haec verba* call for retroactive application.

The time situation was altogether different when the House considered the bill. It was now July 31 and the day before the beginning of a month long recess. The prospect of a gap in the price control authority, a foregone conclusion if the President as widely anticipated vetoed the measure, was a matter uppermost in the minds of supporters.

As Senator Jackson had before him, House Commerce Committee Chairman Harley O. Staggers stressed the need for a lid on oil prices for an additional period thereby giving the Congress sufficient time to develop a more comprehensive energy program. In his words:

". . . this bill contains interim extensions of certain energy authorities to allow an additional period of time for the Congress to work out a well reasoned energy policy.

". . . the provisions of the Emergency Petroleum Allocation Act are proposed to be extended beyond their August 31 termination date to March 1 of next year—an additional 6-month period. As my colleagues know, the Allocation Act constitutes the only existing authority for continued price regulation of crude oil and petroleum products. A failure to extend this act would result in abrupt decontrol of existing price ceilings. Every economic analysis available to the committee indicates that abrupt decontrol holds great peril. Although different estimates of impact have been made, there is general agreement that resulting price increases would wound our economy, prevent recovery and drive this Nation into a deeper recession. 121 Con. Rec. 26181 (July 31, 1975).

Following similar supportive remarks by proponents of the legislation, Congressman John Dingell, Chairman of the Subcommittee on Energy and Power, and Chairman Staggers undertook to make it clear that the bill embodied retrospective legislation, that is, that it was to preserve the status quo ante midnight August 31, 1975 insofar as oil price controls were concerned. In brief, it was intended to preclude a gap in the current price control authority. Their remarks, in relevant part, follow:

Mr. Dingell. Mr. Speaker, I have a question I would like to direct to the chairman of the committee in light of the comments I have raised.

There is a possibility of a veto of this extension. If a veto of this legislation does occur, there is a possibility that there would be a hiatus or a brief period during which there would be no authority to enforce the allocation and price control regulations relating to petroleum products, to supply relationships, to allocations and to entitlements.

Mr. Speaker, I am satisfied on the basis of reading the language in S. 1849 that it is the intent of the Congress that the extension of the allocation act included in S. 1849 take effect immediately and retroactively in the event of a veto and an override of that veto, and that there be no hiatus or gap during which violations of these regulations would not be subject to civil sanctions. Am I correct?

Mr. Staggers. Mr. Speaker, the gentleman is correct.

Mr. Dingell. I am apprehensive that someone might interpret our actions today as failing to provide adequate notice to persons who might be affected by these regulations and it is my view that the consideration of this legislation at this time and the long history of the legislation, both in the House and in the Senate, makes it very plain that it is the intention of the Congress that there be no gap, no hiatus, and that the legislation be considered as following immediately and successively. That is to say, the allocation act as amended by this bill, if amended after the 31st of August, would none the less be read quite literally. As amended, the allocation act would continue, without interruption, to make enforceable the regulations. Thus, if this bill has not become law before August 31, and therefore, the authority to enforce the regulations under the EPAA should expire, if this bill becomes law thereafter, violations of the regulations during the interim would subject the violator to civil liability under the act.

The Speaker. The time of the gentleman from Michigan has expired.

Mr. Staggers. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. Dingell. Thus, this legislation be considered as following immediately and successively upon expiration of the Emergency Petroleum Allocation Act on the 31st of August of this year at 12 o'clock midnight; is that correct?

Mr. Staggers. The gentleman is correct.

Mr. Dingell. So, therefore, I might assume that all persons are necessarily on notice and there is no peril that this legislation would raise constitutional questions as to lack of notice by Congress regarding retroactivity in these matters; is that correct?

Mr. Staggers. The gentleman is correct.

Mr. Adams. Mr. Speaker, will the gentleman yield?

Mr. Dingell. I yield to the gentleman from Washington.

Mr. Adams. Mr. Speaker, I want to associate myself with the remarks of the gentleman from Michigan, the chairman of the subcommittee, and the gentleman from West Virginia, the chairman of the full committee, in the colloquy they have just finished. I am in support of the resolution—121 Cong. Rec. 26186 (July 31, 1975).

Congressman Bob Eckhardt, also a member of the Commerce Committee, rose "to further emphasize [the] point . . . because . . . it is extremely important." His remarks in this regard follow:

. . . That is, that this act does not permit for any hiatus between the termination of the present Allocation Act and its effective date. Of course, this act would not go into effect until a veto override, assuming there were a veto and then an override, but the act purports to take effect immediately at the termination of the Allocation Act. If there were a veto override, there would indeed be a hiatus during which prices might rise, but Congress would have given notice that such rise is made illegal if Congress ultimately prevails by a veto override. Clearly Congress has authority to act retroactively, and that retroactive effect would be unconstitutional when those acting with notice of Congress intention have deliberately acted at their peril—121 Cong. Rec. 26186 (July 31, 1975).

Accordingly, "any increase in price during the hiatus period could result in treble damages against those who deliberately raised prices above the level that Congress ultimately mandated." 121 Cong. Rec. 26186 (July 31, 1975).

When challenged by an opponent of the bill, Congressman Eckhardt, citing *First National Bank of* [sic] *Dallas* v. *United States*, 420 F. 2d 725 (Ct. Cl. 1970), stated that extensive nonstatutory notice prior to enactment regarding retroactive effect of a statute constituted sufficient information in advance that if the act had retroactive effect such would not deny due process.

I was simply trying to make it clear that there is obviously extensive nonstatutory notice here and by this debate that the Allocation Act extension refers to and incorporates the Economic Stabilization Act, which provides for treble damages and other penalties and puts that into effect retroactively, assuming the President vetoes the bill and we override the veto, and that constitutes a binding effect.—121 Cong. Rec. 26187 (July 31, 1975).

Accordingly, if there were an ultimate override of a veto, that act would be in effect continuously until March 1, 1976.

The hiatus time would be, in effect, a time subject to a retroactive penalty governed by section 210 of the Stabilization Act which is adopted in this act, which reads to this effect:

> In any action brought under subsection (a) against any person renting property or selling goods or services, who is found to have overcharged the plaintiff, the court may, in its discretion, award treble damages or $1,000 in each case, whichever is the lesser.—121 Cong. Rec. 26187 (July 31, 1975).

Congressmen Dingell and Staggers again made the point of intended retroactive effect before the final vote was taken on S. 1849. Their comments follow:

Mr. Dingell. Mr. Speaker, I observe that the legislation before us strikes out the date "August 31, 1975," and inserts in lieu thereof "March 1, 1976." I observe that the language of section 4(g)(1) of the Emergency Petroleum Allocation Act states:

> The regulation promulgated and made effective under subsection (a) shall remain in effect until midnight August 31, 1975. . . . The authority to promulgate and amend the regulation and to issue any order under this section, and to enforce under section 5 such regulation and any such order, expires at midnight August 31, 1975, but such expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on such date, nor any action or proceeding based upon any act committed prior to midnight August 31, 1975.

I note that the practical effect of the amendment is to extend the period during which the regulations must remain in effect and the life of the authority to promulgate, amend and, most importantly, amend the regulations until the first of March 1976. I think this is a very important point. I ask if my chairman of the committee agrees.

Mr. Staggers. Mr. Speaker, I yield 1 additional minute to the gentleman from Michigan.

Mr. Speaker, the answer is "Yes."

Mr. Dingell. I ask my friend, the chairman of the Committee on Interstate and Foreign Commerce who is managing this bill, if it is not the clear intention of this Congress that the literal reading of the plain language of S. 1849 and of the Allocation Act as amended by S. 1849 be followed. Thus, it is the Congress intent that the regulations be viewed as having continued in effect without interruption from their original effective date until March 1 of 1976.

Mr. Staggers. That is correct.

Mr. Dingell. Therefore, if this bill is vetoed, and the veto overridden, the regulation and the authority to enforce it would continue according to the literal language of the Allocation Act as amended by this bill. No constitutional impediments exist to this interpretation in view of the notice which this debate and the legislative history of this bill affords all interested persons.—121 Cong. Rec. 26187 (July 31, 1975).

That the Congress intended to maintain the status quo relative to oil prices seems clear. That the Congress, particularly the House of Representatives where the issue became both apparent and acute, intended to maintain the status quo ante August 31, 1975, should a reconsideration of S. 1849 become necessary because of a presidential veto, also seems clear. The question, therefore, is whether the retroactive application of the measure, if then enacted, is valid. It would so appear.

The Constitution does not expressly prohibit retroactive or retrospective laws. ("The terms . . . are synonymous in judicial usage and may be employed interchangeably." 2 *Sutherland Statutory Construction* 4th (Sands) ed. s. 4101.) True, certain specific kinds of statutes with retrospective aspects are prohibited by the Constitution: ex post facto laws, bills of attainder, and legislation impairing the obligation of contracts. However, none of these constitutional restrictions has any application to S. 1849. The first two relate generally to the area of criminal law and to nonjudicial determinations of guilt, respectively. See *Calder* v. *Bull*, 3 Dall. (3 W.D.) 386 (1798); *United States* v. *Lovett*, 338 U.S. 303 (1946)." . . . the impairment of contracts clause of the Constitution . . . is aplpicable on its face only to the states." *Amalgamated Meat Cutters & Butcher Workers* v. *Connally*, 337 F. Supp., at 763.

In the words of the court in the last mentioned case, "[a]s to the Federal Government [the application of legislation to existing contracts raises] concern [under] the due process clause." Ibid.

The essential problem posed by retroactivity relates to fundamental fairness. In the words of a leading treatise writer:

"It is a fundamental principle of jurisprudence that retroactive application of new laws involves a high risk of being unfair. There is general consensus among all people that notice of warning of the rules that are to be applied to determine their affairs should be given in advance of action whose effects are to be judged by them. The hackneyed maxim that everyone is held to know the law . . . presupposes that the law is at least susceptible of being known. But this is not possible as to law which has not been made. 2 *Sutherland Statutory Construction*, at s. 41.02.

As noted, the Congress, both in actions and words, gave notice of its intent to have S. 1849, when enacted, apply back to September 1, 1975. It has been held that "where there is reasonable cause to believe or expect that a tax will be imposed upon a presently nontaxable transaction, the retrospective application of such tax does not constitute a denial of due process." *First National Bank in Dallas* v. *United States*, 420 F. 2d 725, 730 (Ct. 1970). "Preenactment notice of a tax, followed by the enactment of such tax" was sufficient notice to comply with constitutional requirements. *Id.*, at 732. Such "warnings" were declared to "represent . . . elements of fairness, reasonableness, and equity." Accordingly, it was held that persons who in these circumustances "gamble" that a bill will not become law or will not cover their personal situation, act at their peril. *Id.*, at 731. This case, *inter alia*, was relied on by the House in passing S. 1849. 121 Con. Rec. 26187 (July 31, 1975).

However, even if the fact of notice were less conspicuous than it is in the present circumstances, persons potentially affected by extension of the Emergency Petroleum Allocation Act, would seem to be in a weak position to challenge it as a denial of due process. Such persons are not newly found subjects of government regulation. "Those who do business in the regulated field cannot object if the legislative scheme is buttressed by subsequent amendment to achieve the legislative end." *F.H.A.* v. *The Darlington, Inc.*, 358 U.S. 84, 91 (1958). As stated in *Flemming* v. *Rhodes*, 331 U.S. 100, 107 (1947);

"Federal regulation of future action based upon rights previously acquired by the person regulated is not prohibited by the Constitution. *So long as the Constitution authorizes the subsequently enacted legislation, the fact that its provisions limit or interfere with the previously acquired rights does not condemn it. Immunity from federal regulation is not gained through forehanded contracts.*" (Emphasis supplied).

In *Flemming*, the Court sustained rent regulations as applied to prevent execution of a judgment of eviction rendered by a state court before the enabling legislation was passed.

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[Memorandum, Aug. 18, 1975]

Continuity of the Emergency Petroleum Allocation Act

In accordance with Section 4(g) (1) of the Emergency Petroleum Allocation Act (EPAA) existing "authority to promulgate and amend [an allocation and price control] regulation . . . expires as of midnight Auguest 31, 1975 . . . ." Apart from "proceedings, civil or criminal, not finally determined on such date, [on] any action or proceeding based upon any act committed prior to midnight, August 31, 1975," where jurisdiction continues under the specific terms of the EPAA, the EPAA will have no operative significance after August 31, 1975.

Immediately before adjourning on July 31, 1975, the House completed congressional action on S. 1849 which had been passed by the Senate on July 14. That bill, entitled the Emergency Petroleum Allocation Extension Act, would amend Section 4(g) (1) of the EPAA by substituting the date March 1, 1976, for the date August 31, 1975.

S. 1849, the Extension Act, is expected to be transmitted to the President not earlier than August 28, 1975. Under Article I, Section 7, Clause 2 of the Constitution, the President will then have 10 days (excepting Sundays) to determine whether to sign the bill into law, permit it to become law without his signature, or veto it and return it to Congress for possible override. President Ford has made clear his continuing determination to veto S. 1849 and decontrol the prices of all crude oil and petroleum products as of September 1, 1975.

Because Congress will not even be in session until September 3, there will clearly be a hiatus between the expiration of price control authority under the EPAA and the completion of any override action. Moreover, it is well settled that a bill which becomes law by virtue of a veto override is considered to take effect on the date that the override action is completed regardless of the date of original congressional action. *Matthews v. Zane*, 20 U.S. (7 Wheat.) 164, 211 (1822); *Gardner* v. *Collector*, 73 U.S. (6 Wall.) 499 (1868); 2 C. Sands, Sutherland's Statutory Construction, § 33.06 at 9 (4th Ed. 1972). Thus, the Extension Act amendment to the EPAA will not take effect until *after* the EPAA's major provisions have expired by their own terms.

There is a body of law to the effect that when an amendment applies to a statute which has been repealed, or is otherwise ineffective, the amendment itself is void. *See*, e.g., *United States v. Auffmordt*, 122 U.S. 197 (1887); *State v. Blackwell*, 246 N.C. 642, 99 SE. 2d. 867 (1957); 1A C. Sands, *supra* § 22.03 at 108. But cf., e.g., *Mayor and Council of Wilmington v. State ex rel. DuPont*, 44 Del. 332, 57 A.2d 70 (1947) (where amendment is complete and interpretable on face as independent statute, its terms will be valid).

Given this precedent, and the obvious syllogism that one cannot change something which does not exist, it might be possible to argue that a veto override on the Extension Act would be useless. In fact, the Administration might well consider refusing to promulgate and enforce further allocation and price control regulations unless Congress passed a new act replacing, rather than amending, the EPAA.

The possibility of a Presidential veto and consequent hiatus before override was readily apparent in the House debate on the S. 1849 Extension Act. That debate took place after the House had disapproved the President's proposed 39-month phaseout of crude oil controls and Congressman Brown had introduced a letter from FEA Administrator Zarb clearly warning of a veto. While there was no specific discussion of the legal consequences of a hiatus before override, a colloquy between Representatives Dingell and Eckhardt made clear that the majority not only looked forward to continuation of the EPAA after August 31, by override if necessary, but also sought to put sellers on notice that revised regulations past September 1 could have retroactive effect in the hiatus period. 121 Cong. Rec. 26185–26187 (July 31, 1975).

Based on a study of all applicable precedents, it appears almost certain that the clear intent of Congress to revise EPAA authority would prevail over any technical argument that the Extension Act is void because of the price expiration of rulemaking and enforcement authority under the EPAA. As more fully discussed below, the courts might either hold that the Extension Act itself reenacted and thus revived the EPAA or that the EPAA's saving clause preserving federal jurisdiction over controversies relating to pre-September transactions sufficed to keep the EPAA alive and hence amendable. Under either theory, the President would be obligated to reinstitute allocation and price controls on the date of override.

At the outset, it is important to note that the technical limitation on amending "non-exisent" statutes has been operative almost exclusively where the underlying statutes have been repealed. In fact, a leading commentator states flatly that "there is no question about the amendability of the statute which has lapsed by opertaion of its own terms." A. C. Sands, *supra* § 22.03 at 109.[1]

In the case of repealed statutes, judicial voiding of amendments has served to force legislators to be more precise in specifying when they intend to revive a moribund statute. The doctrine also prevents a minority from surreptitiously, or a majority from inadvertently, resurrecting a repealed statute by referring to its title in an act which might be argued to take the form of an amendment to the repealed statute. *See Brig Aurora v. United States*, 11 U.S. (7 Cranch.) 382 (1813) (revival of statute by reference to title); 1A C. Sands, *supra*, § 22.26 at 168. However, these considerations are inapplicable to a specific legislative effort to revive statute where the intent, impact and scope of the legislative action are clear.

In *Kersten v. United States*, 161 F.2d 337 (10th Cir.), *cert. denied* 331 U.S. 851 (1947), the court faced the revival problem in a context quite similar to the existing situation under the EPAA. *Kersten* arose under the Price Control Extension Act of 1946 (PCEA) which amended the Emergency Price Control Act of 1942 (EPCA). Price control authority under the EPCA expired, by its own terms, on June 30, 1946, although the EPCA, like the EPAA, survived as a basis for jurisdiction for litigation over events prior to its expiration. On June 19, 1946 Congress passed the PCEA to extend price control authority for one year. President Truman then vetoed the PCEA and his veto was sustained. However, on July 25, 1946 the PCEA was reenacted by Joint Resolution and signed by the President.

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[1] It must be said, however, that the authorities backing this rather sweeping statement, though clear and unanimous, are not extensive. The most plausible reason for this occurrence is that there are very few circumstances in which a legislature will be found trying to amend an expired temporary act. The institutional structures are such that most intense pressures for the extension of an act will occur prior to its expiration rather than at some later date. This observation is borne out in the negative by the fact that in all of the cases thus far, the post-expiration amendments have been the result of procedural snafus or, as in the present case, the veto of an extension act passed prior to expiration.

Section 1 of the PCEA was drafted in precisely the same terms as Section 102 of S. 1849 merely replacing the June 30, 1946 expiration date with a June 30, 1947 date. In addition, the PCEA expressly reinstituted the regulations in force on June 30, 1946 retroactive to that date with a proviso which exempted from civil or criminal liability any acts or transactions occurring between expiration and passage of the extension.

In *Kersten*, the defendant was charged with violating the statutory price ceilings in sales occurring on June 21 (prior to expiration) and August 10 and August 12 (after passage of the extension). He argued that because price regulation authority had lapsed prior to the amendment, the amendment was void.

The Tenth Circuit rejected the argument. Although, as was noted by another court reviewing the PCEA, neither Section 1 nor any of the other provisions of the Extension Act undertook in "express formal enacting words to re-enact or adopt provisions of [the EPCA]," *United States* v. *Gantt*, 72 F. Supp. 205, 206 (E.D.S.C. 1947), the Tenth Circuit found that the language of the extending act made it "plain" that the EPCA was to be extended and remain in force. 161 F.2d at 337. Per the Court: "Congress may revive or extend an act by any form of words which makes clear its intention so to do." *Id.* at 338.

Similarly, indications of Congressional intent to extend the EPAA abound in the Extension Act. The name of the act and the subtitle (Extension of Mandatory Allocation Program) are fairly strong indications in and of themselves. Moreover, the language of Section 102 of the Extension Act is identical to that of Section 1 of the post-World War II provision. Both take the form of an amendment and simply substitute a later expiration date. The sole difference on the face of the bills in Section 18 of the PCEA which provides for continuation of "all regulations, orders, price schedules, and requirements" under the original statute which were in effect as of the original expiration date. Under the EPAA, however, the President is not only authorized but *required* to promulgate an allocation and price control regulation. That regulation was to be devised and take effect within 15 days of the enactment of the EPAA. Specifying the continuation of such a regulation would appear to be largely superfluous. Further, the President is given the authority, within the general guidelines of the EPAA, to amend orders and regulations. By specifying the continuation of the regulation and orders in existence on August 31, 1975, Congress might have in effect been removing this power.

Moreover, there is one other common bond between the EPAA extension and the post-World War II extension of price controls. In both cases, Congress completed its initial passage of the Extension Act prior to the lapse in authority. Although this fact was not specifically mentioned in *Kersten*, other courts have regarded it as a significant indication of legislative intent to provide for the continuous enforcement of the statute. An example of this thinking is *Milk Control Board* v. *Pursifull*, 219 Ind. 396, 36 N.E. 2d 850 (1941).

In *Pursifull*, an amendment extending the date of expiration of a state milk control law was passed and approved by the governor prior to the expiration date of the law. Indiana, however, has a constitutional provision that unless an emergency clause is attached to a statute, it does not become effective until published acts have been distributed to all counties of the state. Through some oversight, the legislature neglected to attach an emergency clause to the extension. The governor was not able to proclaim statewide distribution until a week after the expiration of the underlying act.

The Indiana court was laboring under a broad commonlaw rule that the legislature cannot amend an act or a section of an act "not then in force." Yet it distinguished *Pursifull* from the previous case law on the grounds that at the time of passage, the earlier act was still in effect and "delay in performing these purely administrative acts [should not] be permitted to thwart the purpose and intention of the legislature [.]" 36 N.E.2d at 851.

Pursifull may itself be unique because formal approval by the governor was the last necessary step in the legislative process, that the bill had then become a duly enacted law and all that remained were "purely administrative acts." On the other hand, failure to include an emergency clause nevertheless meant that the statute was not valid in the sense of being enforceable until after those "purely administrative acts" were performed. Regardless of the actual result, it is clear from the court's opinion that the fact that the enactment was passed prior to expiration was a strong indication of legislative intent for continuous enforcement.

Another example of this approach is found in *State v. Lanza*, 74 N.J. Super. 362, 181 A.2d 399 (App. Div. 1962), *aff'd.*, 190 A.2d 574 (1963), *app. dis.*, 375 U.S. 451 (1964). At issue in *Lanza* was the expiration of condemnation authority. A two-year extension passed the legislature two weeks prior to the termination date, but the governor failed to sign the bill until 11 days after expiration. It was argued that the authority had lapsed and that, at the very least, the extension represented a new act, a fact which would require the state to stop all present condemnation proceedings and start them over again from scratch.

Opting for continuity, the court admitted that a statute "cannot make itself operative as of a date prior to its enactment but it can apply retrospectively." 18 A.2d at 398. Since the statute was passed prior to the lapse in condemnation authority, this is, of course, judicial fictionalizing. It indicates, however, the lengths to which courts will go to avoid thwarting the clear purpose of the legislature.

In light of these decisions, it is almost certain that a court faced with a challenge to the validity of the S. 1849 Extension Act would sustain the act. Congressional intent to give continuity to the full scope of existing control powers is clear from both the language and legislative history of S. 1849. And the choice of a format recognized to provide after-expiration continuity in *Kersten* certainly bolsters the argument that the August 31 expiration is no bar to revival.

An additional line of authority to the "indicia of intent" approach of *Kersten* distinguishes statutory existence from prospective regulatory authority and thus rejects the notion that because the authority to prospectively promulgate and enforce regulations under a statute has expired that the act itself has become a nullity.

The clearest explication of this view is found in *State ex rel. Dawes v. Bailey*, 56 Kan. 81, 42 P. 373 (1895). *Bailey* involved the amendment of an appropriations measure passed in 1889. Under the Kansas constitution, appropriations measures could not be valid for more than two years. In 1895, the Kansas Legislature passed an appropriations act purporting to amend the act of 1889. The amendment was attacked on the grounds that the 1889 measure had necessarily expired in 1891, four years before the amendment. The court was not receptive to this argument:

"The contention that this act is invalid because the act of 1889 had spent its force, and is therefore not a law capable of amendment, is not sound. It was a valid law for raising revenue for two years. It had a continuing force until amended for various purposes; among others, the collection of the amount levied wherever the same remained delinquent, and as a basis for all the necessary tax proceedings provided for its collection. It was never a mere nullity, and the legislature had ample power to amend it." 42 P. at 374.

A similar situation occurred in *Fenolio v. Sebastian Bridge District*, 133 Ark. 380, 200 S.W. 501 (1917), where the underlying statute authorized the county commissioners to levy assessments and issue bonds for the construction of a bridge. Authorization, however, was contingent upon the institution of certain proceedings within two years from the effective date of the statute. These proceedings were not undertaken. One month after the expiration of the two-year period, the legislature amended the act changing the words "two years" to "six years." The court held that this was a valid amendment:

"[F]or if the law was enacted by the legislature it remained in force, even though the time for exercising the powers conferred expired before the amendment extending the time was enacted. The law itself was not dead, so the power conferred could no longer be exercised without further legislative action. *State v. Bailey*, 56 Kan. 81, 42 P. 373." 200 S.W. at 503.

There is a hint of this same approach in the tacit approval of the Price Control Extension Act of 1946 by the Supreme Court in *Fleming v. Mohawk Wrecking & Lumber Co.*, 331 U.S. 111 (1947), In *Mohawk*, in the context of a procedural issue, the Court said that the EPCA "was amended in 1946 to provide for its termination not later than June 30, 1947, saving, however, rights and liabilities incurred prior to the termination date. . . . Though most of the controls have been lifted, the Act is *still in effect*. Liabilities incurred prior to the lifting of controls are not thereby washed out. . . ." 331 U.S. at 119 (1947) (tacit approval of the PCEA); *Woods v. Cobleigh*, 75 F. Supp. 125 (D.N.H. 1947) (explicit approval of PCEA); *United States v. Gantt*, 72 F. Supp. 205 (E.D.S.C. 1947) (same).

Viewed from this perspective, it should be clear that the EPAA will not be a nullity on September 1, 1975. Because the savings clause maintains all pre-lapse causes of action, whether or not they had already been filed, all that will happen on the expiration date is the demise of the authority to promulgate, amend and enforce regulations concerning conduct after that date. Thus, the Extension Act could well be considered an amendment to existing rather than moribund legislation even if it is enacted by veto override.

In short, whatever mode of analysis is employed, the Extension Act will almost certainly be found to be valid means of extending the energy and pricing program, despite the hiatus in some operative provisions of the EPAA. The statutory language, timing, legislative history and presence of a savings clause in the original act all support, under applicable precedent, the validity of the extension.[2]

APPLICATION OF FEA'S MANDATORY PETROLEUM PRICE AND ALLOCATION REGULATIONS DURING SEPTEMBER 1975

The expiration of the Emergency Petroleum Allocation Act of 1973 ("EPA of 1973") on August 31, 1975 and the subsequent extension of that law by adoption of the Emergency Petroleum Allocation Act of 1975 ("EPAA of 1975"), which was signed by the President and became law on September 29, 1975, have raised a number of questions regarding the application of the FEA's regulations to transactions that occurred during the hiatus period of September 1 to September 29. The purpose of this Ruling is to give notice of the manner in which the FEA regulations apply to transactions occurring during that period.

I. BACKGROUND

S. 1849, which would have simply changed the expiration date in § 4(g) (1) of the EPAA of 1973 from August 31, 1975 to February 28, 1976, was passed by Congress on July 31, 1975. The President vetoed S. 1849 on September 9, 1975, and the veto was sustained by the Senate the following day.

Although S. 1849 passed the Congress a month prior to the scheduled expiration of the EPAA of 1973, it was contemplated at the time of its passage that the bill might not be sent to the President until late August, that the President was likely to veto it, and that it would become law only if Congress overrode the veto—which would occur at the earliest a few days after the August 31, 1975 expiration date. Thus, in the floor debate on S. 1849, several key proponents of the bill in the House made it clear that:

"It is the intent of the Congress that the extension of the allocation act included in S. 1849 take effect immediately and retroactively in the event of a veto and an override of that veto, and that there be no hiatus or gap during which violations of these regulations would not be subject to civil sanctions." 121 Cong. Rec. 26185 (July 31, 1975) (remarks of Cong. Dingell). *See also id.* at 26186–26188.

During the month of August it became apparent that the President would indeed veto S. 1849 because he believed the six-month extension provided for therein would unnecessarily delay the resolution of the difficult energy issues confronting the Nation. However, on August 29, 1975, the President informed the Majority Leader of the Senate and the Speaker of the House that he would be willing to sign a short-term (approximately 30 to 45 day) extension of the Act if he received assurances that during the extension period the Congress would act to adopt a phased decontrol program. On that date FEA Administrator Frank G. Zarb issued a public statement, widely reported in the press, that:

"A short-term extension, if signed by the President, would be applied retroactively. Since the Congress does not return until September 2, there would be a short gap in the Allocation Act authority between the August 31 expiration of current authority and any possible Congressional action on the short extension. It is likely, however, that the Congress will intend no regulatory gap and will intend to reinstate automatically the price and allocation regulations in effect on August 31 with the passage of any short extension.

"FEA, in consultation with the Department of Justice, has reviewed the legal effects of such a gap and concluded that by an extension the Congress can revive the current controls retroactively to September 1. If the President signs such a short extension, appropriate regulatory action can then be taken to correct any transactions in violation of FEA's current controls that occurred during the gap."

There was substantial commentary in the trade press and elsewhere to the effect that the reinstitution of controls would, and could legally, apply retroactively to September 1. For example, the September 12 edition of the *Oil Daily* commented that:

"All this points to the wisdom that oil companies must still act as if controls were in place unless there is more assurance that decontrol will stick. Any action taken outside of the mandates of the defunct EPAA might be subject to expensive adjustments when Congress makes up its mind on the issue of oil company regulation."

On September 11, 1975, the day following the Senate's vote to sustain the veto of S. 1849, the House unanimously passed H.R. 9524, which would have extended the EPAA of 1973 for 60 additional days after September 1. The bill passed the Senate with certain amendments, including an expiration date of November 15, 1975 on September 26, 1975. The House concurred in the Senate amendments on the same day, and the EPAA of 1975 was signed into law by the President on September 29, 1975.

The EPAA of 1975 expressly states that the FEA regulations in effect on August 31, 1975 are to be considered reinstituted in full force and effective retroactive to that date:

"Sec. 3. It is the intent of the Congress that the regulations promulgated under the Emergency Petroleum Allocation Act of 1973 shall be effective for the period between August 31, 1975, and the date of enactment of this Act."

In the floor debate on this amendment, Representative Staggers, the Chairman of the House Committee on Interstate and Foreign Commerce, stated:

"It is the intent of both bodies of the Congress that the pricing and allocation controls contained in Federal Energy Administration regulations which were promulgated under that act continue in effect as though there had been no hiatus. Both the administration and leaders of the Congress have repeatedly stated that any extension of the Allocation Act finally agreed to would be retroactive in character. The industry has had ample notice of this matter.

"Accordingly the Federal Energy Administration is called upon to enforce their regulations as if they had remained in full effect in the period it has taken for the Congress and the President to agree upon the terms of an extension of the act. In this regard the FEA will be expected to order a rollback and refunding of any price increases which may have occurred on or after September 1 and take other appropriate action to assure the continuity and integrity of the distribution system for petroleum products." 121 Cong. Rec. 30417 (September 26, 1975).

Similarly, Senator Jackson, Chairman of the Senate Interior Committee, stated in connection with H.R. 9524, as amended, that "the extension restores petroleum price controls, on a retroactive basis to September 1, until November 15, 1975." 121 Cong. Rec. 30503 (September 26, 1975).

Judicial precedent supports the FEA's and the Congress' determination of that enactment of the EPAA of 1975 can lawfully reinstate the FEA's Mandatory Petroleum Allocation and Price Regulations as though they were continuously in force during the hiatus period, particularly where there was, as in this case, a clear expression of Congress' intention in this regard and extensive notice to the public that the EPAA of 1973 would be extended on a retroactive basis. See *Porter v. Senderowitz*, 158 F. 2d 435 (3d Cir. 1946), *cert. denied*, 330 U.S. 848 (1947); *Porter v. Shibe*, 158 F. 2d 68 (10th Cir. 1946); *Purvis v. United States*, 501 F. 2d 311 (9th Cir. 1974); *First National Bank v. United States*, 420 F. 2d 725 (Ct. Cl.), *cert. denied*, 398 U.S. 950 (1970).

II. GUIDELINES FOR DETERMINING COMPLIANCE WITH THE FEA REGULATIONS

A. Civil Remedies

Since the EPAA of 1975 reinstitutes the FEA Mandatory Petroleum Allocation and Price Regulations (Parts 210, 211, and 212, Chapter II of Title 10, Code of Federal Regulations) in effect on Auugst 31, 1975 retroactive to that date, as stated above, FEA will apply its allocation and price regulations as though they had been in effect continuously since August 31, 1975. Persons subject to the regulations should carry out September transactions as though the EPAA of 1975 had been enacted prior to September 1, 1975.

This means, at a minimum, that any supplier/purchaser relationships, terminated during the hiatus contrary to the regulations must be immediately reestablished and that that portion of prices charged during the hiatus in excess of amounts permitted by the regulations must immediately be refunded or rolled back. It is recognized, however, that in other types of cases, particularly in the allocation area, there may be some practical difficulties in retroactively implementing measures that will result in strict adherence to all other regulations during the hiatus period. Thus, whether the FEA will require that steps other than reestablishing supplier/purchaser relationships and refunding overcharges be taken to remedy violations of the regulations during the hiatus will be determined on a case-by-case basis, depending upon the practical difficulties in doing so, the extent of injury already incurred by any person and the degree to which further remedy would amount to a penalty on any person.

Corrective actions to conform transactions during the hiatus to the regulations should be voluntarily undertaken by the firms involved as soon as possible. For example, supplier/purchaser relationships that were terminated during the hiatus period contrary to the regulations in effect on August 31 should be reestablished promptly. Prices charged in excess of amounts permitted by the regulations in effect on August 31 should be refunded where the overcharged customers are identifiable and, with respect to unidentifiable customers, should be "rolled back" through a reduction in the *current* (as opposed to the maximum lawful) selling price until the full amount of the overcharge is returned to the marketplace. To insure that proper credit is given by the FEA for the rollback or refund of prices charged during the hiatus period, firms are advised to keep detailed records of any corrective action taken and to advise the FEA of such corrective action. Firms that have questions concerning the form of remedy that will be acceptable to the FEA should seek guidance from the FEA as soon as possible.

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[2] *Lanza* raises the additional point of retroactive application of the Extension Act to any statutory hiatus prior to final adoption. The unregulated period is unlikely to be more than a few days and it is doubtful that producers and refiners will raise prices dramatically before Congress has attempted to override the veto. Nevertheless, should the issue become important, it would appear that the act probably could be enforced for the intervening period. The validity of retroactive application is a very muddled and unclear area but basically boils down to questions of fairness and notice. *See* generally, 2 C. Sands, *supra*, § 41.05 et seq. at 259; *First National Bank in Dallas* v. *United States*, 420 F.2d 725 (Ct. Claims 1970). Retroactive application of the penal and treble damage provisions might cause problems, the former almost assuredly invalid as an ex post facto law. Retroactive civil and criminal liability were explicitly removed in the PCEA of 1946.

The FEA will audit transactions that occurred during the hiatus period in the normal course of its compliance program. To the extent that violations are found not to have been remedied, the FEA, as part of its normal compliance efforts, intends to issue remedial orders and take such other action as is authorized by regulations to secure compliance with the regulations and to remedy violations that occurred during the hiatus.

B. Civil and criminal penalties

The *ex post facto* clause of the U.S. Constitution limits the authority of Congress to apply a criminal statute retroactively. Therefore, it is the FEA's intention not to seek criminal penalties for willful violations of FEA regulations that occurred during the hiatus period.

It is less certain that the *ex post facto* clause applies to a statute that imposes civil penalties, as does the EPAA of 1973, as amended by the EPAA of 1975, although due process considerations of course remain applicable. Therefore, while as a general rule the FEA will not seek civil penalties for violations that occurred during the hiatus period, it expressly reserves the right to do so if the factual circumstances of a particular case appear to warrant such action.

Finally, while the FEA's authority to seek civil or criminal penalties for violations that occurred during the hiatus may be limited, the FEA does not consider such limitations to apply to violations of lawful orders issued after the hiatus period to remedy violations that occurred during the hiatus. As noted above, the FEA intends to issue orders after the hiatus period to remedy violations that occurred during the hiatus. Notwithstanding the FEA's general intent not to seek civil or criminal penalties for *violations of the regulations* during the hiatus period, a firm that willfully refuses to comply with a *remedial or other order* issued by the FEA to remedy a violation that occurred during the hiatus period will be fully subject to the civil and criminal penalties provided for in Section 5(a) of the EPAA of 1973 and Section 208 of the Economic Stabilization Act.

III. COMPLIANCE WITH PRICE REGULATIONS, ILLUSTRATIVE EXAMPLES

The following examples illustrate how the FEA's Mandatory Petroleum Price Regulations will be applied to transactions that occurred during the period September 1 to September 29, 1975.

Example 1 (*Producers*): On September 2, 1975, Firm A, a producer of crude oil, sold 100 barrels of crude oil to Firm B. a refiner. Of the 100 barrels, 60 barrels were old crude oil subject to the ceiling price rule contained in § 212.73 of the regulations, and 40 barrels were new and released crude oil pursuant to § 212.74 of the reguations. Payment was made September 17, 1975 for all 100 barrels at the free market prices for new and released crude oil.

Firm A is required to present to Firm B a revised invoice that correctly states the volumes of old, new, and released oil sold on September 2, 1975 and specifies that payment for 60 barrels is to be made at or below the ceiling price for old crude oil, in accordance with § 212.73, and that payment for 40 barrels is to be made at the September 2, 1975 posted or free market price for new and released crude oil, in accordance with § 212.74 and with Ruling 1974-11, "New" and "Released" Crude Oil (Current Free Market Price Under § 212.74). Amounts paid by Firm B in excess of the corrected prices shall be refunded.

Example 2 (*Refiners*): Firm B, a refiner, entered into the above transaction. For purposes of §§ 212.82 and 212.83, in computing prices for October, Firm B's cost of crude oil for the month of measurement September must be computed according to the corrected invoices presented by Firm A. Prices charged by Firm B in October in excess of amounts permitted by the regulations (including amounts carried forward from previous months and available in accordance with § 212.83(e)) shall be refunded to identifiable customers and, to the extent its customers cannot be identified, shall be "rolled back" in the form of reductions from current (as opposed to maximum lawful) selling prices.

Example 3 (*Refiners*): Firm B, a refiner, anticipating increased costs of crude oil purchased during September, began on September 1 to charge prices for refined petroleum products based on September costs of crude oil at free market price levels. In applying the formulae in § 212.83 to compute prices for September, Firm B's cost of crude oil must be computed from costs for crude oil purchased or landed in August, the month of measurement, and may not include the cost of crude oil purchased or landed in September. Prices charged by Firm B in September in excess of maximum lawful prices permitted by §§ 212.82 and 212.83 of the regulations (including amounts carried forward from previous months and available in accordance with § 212.83(e)) shall be refunded to identifiable customers and, to the extent its customers cannot be identified, shall be "rolled back" in the form of reductions from current (as opposed to maximum lawful) selling prices.

Example 4 (*Resellers*): Firm C, a reseller, purchased refined products from Firm B in the circumstances of Example 2 and received a refund of overcharges in September by Firm B. Firm C is required to recalculate its product costs in the month of September to reflect the refund and to make appropriate refunds or rollbacks to its customers to the extent that the recalculation has resulted in its own prices having been in excess of prices permitted by the regulations. That is, Firm C is similarly required to make appropriate refunds or rollbacks of prices charged in September in excess of amounts permitted by §§ 212.92 and 212.93 of the regulations (including amounts carried forward from previous months in accordance with § 212.93 (e) and available in accordance with § 212.93 (g)).

Example 5 (*Leases*): Firm E, a refiner, is the lessor of real property used by Firm F in retailing gasoline. On September 2, 1975, Firm E notified Firm F of its intent to exercise the lease termination clause of their contract because of Firm F's failure to convert to a 24-hour per day operation. Firm F did not operate 24 hours per day at any previous time.

Firm E's notice violates § 212.103(c) of the regulations and is therefore void.

Example 6 (*Leases*): Firm E, a refiner, is the lessor of real property used by Firm G in retailing gasoline. On September 2, 1975, Firm E notified Firm G of its intent to exercise a lease clause permitting it to increase the rent up to 50%.

Firm E's notice is void, and Firm G is entitled to a refund of any rent already paid by it in excess of the amounts provided for in § 212.103(a) of the regulations.

IV. COMPLIANCE WITH ALLOCATION REGULATIONS, ILLUSTRATIVE EXAMPLES

The following examples and discussion illustrate how the FEA's Mandatory Petroleum Allocation Regulations will be applied with regard to the September 1-29 hiatus period.

Example 7 (*Supplier/wholesale purchaser relationships*): Supplier H is the base period supplier of middle distillates to Firm J. a wholesale purchaser-reseller, and Firm K, a wholesale purchaser-consumer. On September 1, 1975, Supplier H notified Firms J and K that it would no longer supply them.

Supplier H must continue to supply Firm J since under § 211.9(a)(2)(1), supplier/wholesale purchaser-reseller relationships are fixed for the duration of the allocation program and may not be modified or terminated without FEA approval.

Supplier H must also continue to supply Firm K since supplier/wholesale purchaser-consumer relationships are also established for the duration of the program, as provided in § 211.9(a)(2)(ii), unless the parties have given their mutual consent to the termination of the supplier/purchaser relationship. Only if Supplier H and Firm K had so consented and could establish that their consent was in fact mutual and voluntary, would their supplier/purchaser relationship be considered terminated.

Example 8 (*New supplier/wholesale purchaser relationships*): During September, 1975, Supplier H entered into a contract to supply middle distillates to Firm L, a wholesale purchaser-reseller, and also agreed to supply Firms M and N, both wholesale purchaser-consumers. On September 1, 1975, Firm M and its base period supplier had mutually consented to terminate their supplier/purchaser relationship. Firm N had been notified that its base period supplier no longer intended to supply it.

The supply contract between Supplier H and Firm L does not establish a valid supplier/wholesale purchaser-reseller relationship because FEA approval has not been obtained as required by § 211.12(e)(2)(ii). Unless Firm L is without a base period supplier or a new supplier as provided in § 211.10 (e)(1), it may not even apply to FEA for assignment of Supplier H as its base period supplier.

The supply arrangement between Supplier H and Firm M may continue as a mutual arrangement as contemplated by § 211.12(e) (1). This new supplier/purchaser relationship is subject to the notice and approval provisions of § 211.12(e)(1)(ii) and (iii).

In the case of Firm N, however, the new relationship between it and Supplier H is not valid unless Firm N now arranges by mutual consent to terminate its supplier/purchaser relationship with its base period supplier, which unilaterally refused to supply it during September. If that termination is effected, Firm N is considered to have been without a base period supplier and is therefore able to enter into a mutual supply arrangement with Supplier H as provided by § 211.12(e)(1). In this event, the notice and approval provisions of § 211.12(e)(1)(ii) and (iii) apply.

Supplier H may, of course, supply purchasers with which it has no supplier/purchaser relationship to the extent that it has surplus product and has complied with the provisions of § 211.10(g).

Example 9 (*Crude oil supplier/purchaser rule*): On September 1, 1975 Firm O, a crude oil producer, contracted for the sale of its production to Firm P, to whom Firm O had never previously sold. Prior to September 1, 1975, Firm O had sold its production to Firm Q, which had purchased Firm O's production under a supplier/purchaser relationship with Firm O. Therefore, Firm Q continues to be entitled to purchase Producer O's production for the month of September 1975 and thereafter, except as to September 1975 production where the sale and delivery thereof to Firm Q is no longer feasible because it is no longer within Firm O's possession or control as of the date this ruling is published in the *Federal Register*. Crude oil which Firm O is otherwise contractually required to supply to Firm P but is still in Firm O's possession or control as of such publication date shall be delivered to Firm Q. This result would be identical if a broker or reseller, instead of Firm O, were the supplier to Firm Q.

In general, pursuant to the crude oil supplier/purchaser rule set forth in 10 CFR 211.63, all supplier/purchaser relationships in effect under contracts for sales, purchases, and exchanges of domestic crude oil on December 1, 1973 are required to remain in effect for the duration of the Mandatory Allocation Program. In accordance with the provisions of the EPAA of 1975, as a general rule, all crude oil supplier/purchaser relationships in effect under § 211.63 immediately prior to the period September 1 to 29, 1975 are required to be maintained in effect under § 211.63 for the period subsequent to August 31, 1975 during which the EPAA of 1973, as amended, is in effect.

If a valid termination under § 211.63 of Firm Q's supplier/purchaser relationship had been effected as of September 1, 1975, Firm O would no longer be required to sell its crude oil to Firm Q. Supplier/purchaser relationships required to be maintained under § 211.63 may be terminated by mutual consent of both parties and, as to new and released crude oil, may be terminated where the present purchaser of the crude oil refuses, atfer notice by the seller, to meet any bona fide offer for the crude oil by another purchaser at a higher lawful price. As to terminations by mutual consent, FEA has consistently ruled that any consent to such a termination must be made affirmatively in writing in light of the provisions of § 211.63. Accordingly, supplier/purchaser relationships in effect on August 31, 1975 may be terminated in the period September 1 to September 29, 1975 in the manner prescribed in § 211.63. No termination in this period is valid under § 211.63 unless effected in accordance with the provisions of that section.

Example 10 (Old oil allocation program). From September 1 to September 28, 1975 Firm R, a crude oil producer, sold its production to Firm S, a refiner. Firm R's entire production is classified as old crude oil under §212.72 and therefore constitutes old oil (as defined in § 211.62) for purposes of the old oil allocation set forth in § 211.67. All of such sales were made at a price in excess of the lawful ceiling price as computed under § 212.73.

Firm S must include the crude oil purchased from Firm R its crude oil receipts (in accordance with the provisions of § 211.62) and must report these particular receipts as old oil for purposes of § 211.66 and § 211.67, in accordance with the certification under § 212.131 received by Firm S from Firm R, regardless of the fact that Firm S may have paid an exempt price for the crude oil. Firm S's remedy in this case is to seek a refund from Firm R (under the procedures set forth in Example 1 above) for these sales made at a price in excess of the lawful ceiling price.

THE NEW YORK POLICE DEPARTMENT ALCOHOL REHABILITATION PROGRAM

Mr. WILLIAMS. Mr. President, the October issue of the Law Officer, the official publication of the International Conference of Police Associations, carried an interview with Monsignor Joseph A. Dunne, a full inspector in the New York City Police Department and the head of that department's alcohol rehabilitation program.

I do not think that I have read a better concise exposition on the disease of alcoholism, the brightness of the future for those who adhere to a rehabilitation program, or the completely grim prognosis for those victims who do not follow such a program.

Mr. President, the impact of alcoholism on the New York Police Department is not atypical. What is all too unfortunately unusual, is that there are far too few organizations, public and private, dealing with the disease in such a compassionate, understanding, and effective manner. The New York department, and Monsignor Dunne merit our unstinting praise.

So that we may all have the benefit of the interview, I ask unanimous consent that it be printed in the Record.

There being no objection, the interview was ordered to be printed in the Record, as follows:

First Person Interview—Msgr. Joseph A. Dunne

(Note.—As the Kroes-Hurrell paper notes (see cover story), "Given the pressure of high levels of stress, drinking can become a deeply ingrained stress-coping technique."

(Monsignor Joseph A. Dunne, who heads up the New York City Police Department's alcoholic rehabilitation unit, is in complete agreement with these psychologists, although he is less inclined to downgrade the disease factor in alcoholism.

(The outspoken clergyman—a Chaplain with the rank of full Inspector—is regarded as one of the nation's leading authorities on the subject of alcoholism as it directly affects police officers.

(His credentials tell the tale. In addition to commanding a staff of eight New York City cops assigned to full-time counseling of alcoholics in blue, Msgr. Dunne is also Acting Director of the Center for Drug and Alcohol Abuse Studies at the John Jay College, Director of Training and a member of the Board of Directors of the New York Council on Alcoholism, Secretary of the Industrial Section of the Alcohol and Drug Problems Assn. of North America, and a frequent contributor of articles to Rutgers University's Quarterly Journal of Studies on Alcohol.

(The peripatetic priest is also President and a Director of the Council on Compulsive Gambling, Inc.; Spiritual Director of the Police Dept.'s Holy Name Society, and a 15-handicap golfer.

(Despite his busy schedule, Msgr. Dunne found time for an exclusive interview with Law Officer Editor Jim Chposky. "During our interview," Chposky recalled, "Msgr. Dunne sandwiched-in a phone call from a woman who had seen him on a television program the prior day and who wanted help for her drinking husband, a series of seemingly ceaseless inquiries from his staff, and a visit from one of this 'regulars'—a former NYCPD detective now living on the Bowery and who, on the day of the interview, was working on his 73rd day of sobriety in Alcoholics Anonymous." During a break in this activity, the interview began:)

Law Officer. What is the difference between someone with "a drinking problem" and a full-fledged alcoholic?

Msgr. Dunne. There is no difference. Nonalcoholics simply do not have "drinking problems." Look at it this way: Is there any such thing as being "just a little bit pregnant?" You're an alcoholic or you're not . . . there is no middle-of-the-road with this disease.

Law Officer. Dr. Kroes and Mr. Hurrell say it isn't a disease.

Msgr. Dunne. Then they're in disagreement with the American Medical Assn., the World Health Organization and now, even the Congress of the United States, which—in its acceptance of the Hughes Bill (S. 91–616), admitted that alcoholism is a disease. I can go along with that.

Law Officer. What difference does it make if alcoholism is a disease or not?

Msgr. Dunne. All the difference in the world! Since alcoholism is a disease—something beyond control by a mere act of the will—it means that alcoholics are not necessarily morally weak, nor mentally ill. There is nothing morally wrong about being ill. And that's what the alcoholic is . . . a sick person . . . sick in the classic sense of the word.

Law Officer. So, how did the alcoholic get that way?

Msgr. Dunne. By using alcohol as a crutch. By giving to it at some point in his or her life to make things "go easier," to "feel good," to alleviate stress, if you will. The people in A. A. refer to "crossing the invisible line." That's the point between a form of "controlled, non-reckless, social drinking" and alcoholism. And let me make this clear: When that line is crossed, that's it. There's no going back, because there is no known cure for alcoholism.

Law Officer. Sometimes, we hear about the "A. A. Cure."

Msgr. Dunne. That's a misnomer used by people who have never been in, or even around, A. A. Alcoholics Anonymous—which offers, without a doubt, the best means to cope with this problem—helps the alcoholic to *arrest* the disease and, therefore, its effects. Perhaps I should be cautious about using the term "arrested alcoholic" when speaking to police officers, but that's essentially what it amounts to.

Law Officer. What are you doing here in New York City, Monsignor, that's not being done elsewhere?

Msgr. Dunne. To some extent, what we're accomplishing is being done in other police departments. Philadelphia and Chicago, to name a couple of cities, have programs to identify and rehabilitate, rather than eliminate, alcoholic cops. But there is so much more that can and should be done! Most departments across the country are where we were 15 years ago. Since then—officially, since May, 1966—the NYCPD has had a program to identify problem drinkers in the ranks, then to offer them all the help in the world to do something about their situation and save their jobs, their families, and—not least of all—their lives.

Law Officer. How does your program work?

Msgr. Dunne. Basically, senior officers will "get a fix" on the alcoholics in their commands. Sometimes, the department physicians note a pattern of "repetitive illness." Chronic absenteeism may be a tip-off. In any case, the suspected alcoholic is *ordered* to come to this office. Once here, we give him or her a simple quiz about their drinking. If they flunk the test by answering "yes" too many times—assuming a certain degree of honesty in their answers—then we have someone to help. Our next step is to chart a "Profile of Alcoholism." This is a form we use to follow the progression of the particular individual's disease, year-by-year. Depending entirely upon their physical condition at the time, hospitalization may be required. We have a number of beds at Columbus Hospital in Manhattan set aside especially for our people in such cases. But absolutely essential to our eventual goal of rehabilitating cops and returning them to duty is regular attendance at A. A. meetings. This is an absolute *must*. Frankly, we tell these rehabilitating cops that they have to attend A. A. seven days a week, or at least until they achieve some comfortability with their sobriety. Some of our cops feel sensitive at first about attending meetings, because they're afraid other members of the A. A. Program will find out that they're police officers. So, we have special "Cops Only" meetings at our office every day. Quite frankly, though, most of our people loosen-up after a while and have no qualms at all about attending any of the hundreds of A. A. meetings held throughout the New York metropolitan area every week. We also encourage the officer's spouse or other family members to go to Alanon meetings. Alanon operates on the proven fact that anyone who lives with an alcoholic needs help for themselves. Both A. A. and Alanon are listed in phone books everywhere in the country.

LAW OFFICER. Well, why don't more departments follow your example?

Msgr. DUNNE. I'm sure it has everything to do with the badge and the gun. Especially, the gun. His gun means a lot to a cop. Now, here comes someone saying, "You're a drunk. Turn-in your badge and your gun" This can be traumatic and virtually emasculating to a police officer. It's an extreme move that only sets off more drinking. So, we handle the matter administratively, rather than punitively. The department's order covering "Cause for Suspension" specifically states that, "A superior officer in-charge or in-command *MAY* suspend a member of the department when the member is unfit for duty due to effects of an intoxicant or drug or aftereffects thereof." To say "MAY" is the key. Sure, the cop's gun may be lifted while he's undergoing preliminary treatment for alcoholism, but just as easily, the gun can be returned to him when he's once again fit for duty. It becomes a "temporary" matter at the discretion of his Commander and does not necessarily involve a departmental trial or an involved disciplinary action. Once again, what we're dealing with here is a sick person, not someone necessarily mentally deranged or devoid of moral scruples. This is a significant distinction and, for a Command to consider alcoholism otherwise is, in my opinion, an act of injustice, itself.

LAW OFFICER. That's pretty tough language, Monsignor.

Msgr. DUNNE. I want it to be. I consider it the legal and moral responsibility of police departments to care for their officers. Since there is no reliable test known to determine which candidates for the rank of police officer will eventually become alcoholics, then, if—I should say when—certain individuals slip into alcoholism while serving as police officers, it is a clear-cut imperative that the departments should do everything within their power to rehabilitate these individuals with the goal of returning them to service as recovered alcoholics. That, basically, is where the department's responsibility ends. When the officer is shown the way with the cooperation of his Command, then the rest is up to him or her. If they "slip," or otherwise persist in activating their disease, then I can see where the department has no other alternative than to separate such officers permanently from service.

LAW OFFICER. How well has your program of rehabilitation worked?

Msgr. DUNNE. We keep accurate statistics on this. Since the program began just over 11 years ago, our unit has restored to duty 817 police officers. This includes men, women, senior officers.

LAW OFFICER. How does this compare with other programs of recovery from alcoholism?

Msgr. DUNNE. A. A., as you may know, keeps no records, but there have been some limited studies which give that Program about a 50 to 60 percent success rate. Some corporations—which operate on the ultimatum motivation, such as we do—claim a recovery rate of 70 to 80 per cent of employees treated. We're running at about a 75 per cent success rate, though we're still refining and sophisticating our program to improve this average.

LAW OFFICER. What about the officers who don't make it?

Msgr. DUNNE. They have to leave the force. But I still try to keep in touch with many of them. Eventually, if an alcoholic continues to drink, he or she has no chance whatsoever. I closed the file yesterday on an alcoholic policewoman who wouldn't respond to rehabilitation. Tomorrow, I'm attending her funeral.

LAW OFFICER. Does this happen very often?

Msgr. DUNNE. Since the program began, I've buried 45 officers we couldn't help. Does that answer your question?

A MATTER OF HONESTY

Try to answer the following as honestly as possible.

1. Does your drinking keep you away from work?
2. Does your drinking make your family unhappy?
3. Do you drink because you feel ill at ease, with people?
4. Do you drink enough to affect your reputation?
5. Have you ever felt remorse after getting drunk?
6. Have you been in financial difficulties as a result of drink?
7. When you drink, do you get into bad company and frequent low haunts?
8. Do you neglect your family's well-being when you are drinking?
9. Have you lacked ambition since you took to drinking?
10. Are you obsessed with a longing to drink at certain times of the day?
11. Do you want a drink the morning after?
12. Do you find it difficult to sleep when you drink?
13. Have your abilities diminished since you began to drink?
14. Does your drinking compromise your position or your ability to remain on the police force?
15. Do you drink to escape from worries or difficulties?
16. Do you drink when you are alone?
17. Have you ever suffered from loss of memory ("blackouts") when drinking?
18. Has a doctor ever treated you for alcoholism?
19. Do you drink in order to give yourself self-confidence?
20. Have you ever been in a hospital or institution because of your drinking?

If you answered "yes" to even one of these questions, you *may* be an alcoholic.

If you answered "yes" to two of these questions, it is highly *probable* that you are an alcoholic.

If you answered "yes" to three or more of these questions, there is no doubt. You *are* an alcoholic. We'd suggest that you call A.A. right now. You don't have to give them your name. Just call and talk the matter over with someone. It won't cost you a thing . . . it *can* save your life.

(The questions above were developed by the Johns Hopkins Hospital, Baltimore, to determine when they have alcoholic patients on their hands.)

ON THE RETIREMENT OF MR. JUSTICE WILLIAM O. DOUGLAS FROM THE SUPREME COURT

Mr. MUSKIE. Mr. President, it is with a deep sense of regret that I learned of the retirement from the Supreme Court of one of its greatest Justices and certainly one of the most able and accomplished public servants of this century. A long time friend and former associate of William O. Douglas on the Supreme Court, Abe Fortas, has called him the only true genius he has ever known.

While Mr. Justice Douglas' service on the Court spanned more than a third of a century, longer than any other Justice in our history, his career and life, as was said in one article about him, "cannot be measured by clocks and calendars, time and numbers. He has been an extraordinary man, working within a crucial citadel of reason and wisdom, throughout a three-decade period of unusual crisis and change, growth and challenge."

It would be impossible to assess his accomplishments in only a few words, but it is important to note his breadth of experience, his sense of history, and the intellectual ability which he has brought to each position he has held including that of Justice of the highest Court of our land.

After graduating with honors from law school and spending a brief period in the practice of law, he served with distinction as a professor at the Yale Law School. From there, he moved to a position on the staff, later emerging as a Commissioner, and finally serving as Chairman of the Securities and Exchange Commission.

Douglas was appointed in 1939, at age 40, as the youngest Justice to the Supreme Court since 1811 and the second youngest Justice in history. These facts about his appointment underscore his leadership and foresight on major issues facing the country which often come far in advance of both his colleagues and the country at large by years, and sometimes even decades.

Throughout his life, he has displayed a fervent commitment to the preservation of our environment, a commitment which reflects his own sense of oneness between man and nature. His commitment to the rights and liberties of American citizens is no less strong and his opinions offer some of the Court's earliest observations on the rights of individual privacy.

In perhaps his most noted opinion, in Dennis against United States, he displayed his always consistent efforts to defend the right of free speech of American citizens. In that case, the Supreme Court upheld the conviction of 11 leaders of the Communist Party in the United States for teaching and distributing information related to the overthrow of the U.S. Government. In perhaps his most eloquent dissent, Douglas said of the teachings and literature:

> These books are to Soviet communism what Mein Kampf was to Nazism. If they are understood, the ugliness of Communism is revealed, its deceit and cunning are exposed, the nature of its activities becomes apparent and the chances of its success less likely . . . Free speech has occupied an exalted position because of the high service it has given our society.

Mr. President, certainly the Judiciary of the United States will be diminished substantially with the retirement of Justice Douglas, but we hope his colleagues and our Nation will continue to benefit from his writings and his continued service in other capacities. I ask unanimous consent that the series of five articles that appeared in the St. Louis Post Dispatch from October 14 to 18, 1973, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post Dispatch,
Oct. 14, 1975]

JUSTICE DOUGLAS IS STRIDING TOWARD A MILESTONE

(By Curt Matthews)

The elderly gray-haired man stands with a younger companion beside a pasture fence watching the impatient stomp of a restless horse. The scene compresses in a single moment elements that are fundamental to the life of Associate Justice William O. Douglas of the Supreme Court.

The outdoors, privacy, irrepressible curiosity, impatience, the spirit of the maverick—these are but a few of the facets reflecting the man who in a few days will have served longer than any other justice on the United States Supreme Court.

The quiet of a September day deep in the Cascade Mountains is disturbed by the laboring engine of a Volkswagen bus. The vehicle pushes up the steep unpaved road through the fir trees surrounding the Douglas retreat near Goose Prairie, Wash. Douglas scowls at the intruders.

With obvious resignation he turns away from the horse and walks toward the vehicle. Douglas is 75 years old, lean, almost frail. But his stride is firm and purposeful. His boyish features—much in evidence when his mood is pleasant—are veiled by irritation and a trace of fatigue, seeming to say, "Who the hell are you?"

The newcomer explains the visit. Just passing through. Heard you had come back from China. Thought we'd stop by. Say hello ... welcome back. Won't stay long.

Douglas nods, listens, softens slightly. The conversation turns to the Supreme Court and the record of longevity that Douglas will establish on Oct. 29. On that day he will exceed the 34 years, six months and 12 days on the court served by Justice Stephen J. Field between 1863 and 1897.

Controversy erupts. Douglas contends that three other men have matched his years on the Supreme Court and insists erroneously that the late Justice Hugo L. Black holds the record with 35 years. Then he abruptly ends the discussion: "The whole point is an irrelevancy."

Five minutes later the stranger heads down the road through the trees.

The Supreme Court career and the life of Justice William O. Douglas cannot be measured by clocks and calendars, time and numbers.

He has been an extraordinary man, working within a crucial citadel of reason and wisdom, throughout a three-decade period of unusual crisis and change, growth and challenge.

His years on the Supreme Court have spanned the dawn of the Atomic Age the birth of rock and roll, the advent of television and the growth of population in the United States from 122,000,000 in 1940 to more than 200,000,000 in 1973.

Of the 100 Americans who have served on the high court in its 183-year history. Douglas has served with 30. Six Presidents have occupied the White House during his years on the court. Associate Justice William H. Rehnquist was a 15-year-old high school student in Milwaukee when Justice Douglas wrote his first opinion.

Douglas's career has been one of the most controversial ever. He has been praised and damned with equal fervor. He has survived with equal aplomb efforts to lionize him and efforts to impeach him.

The words of Douglas have cut to the core of virtually every major legal dispute that has erupted in the United States over the last 30-plus years—from the New Deal to the bombing of Cambodia.

A long-time friend and former associate on the Supreme Court, Abe Fortas, calls Douglas the only true genius he has ever known: "He can do 10 times the work that other men do in one-tenth of the time. I use the word carefully, but Douglas is a genius."

John P. Frank, a Supreme Court scholar from Phoenix, Ariz., says, "Douglas has harnessed technical skill and brilliant creativity" of method with his education to maximum liberty for all Americans."

Justice William J. Brennan, Jr., another colleague, says, "I am most convinced that history is going to mark him down not for his length of service but for his uncompromising stand on certain fundamental principles."

Douglas, who brought to the court an expertise in finance and business organization, has over the years displayed a remarkable range of knowledge in such diverse areas as education, conservation, computer science, chicken farming and the Bible.

His credentials as a student of life are just as extensive. He has seen more of it—from childhood poverty to dinner with kings—than perhaps any justice before him. He has traveled more miles to more countries—including China in August—climbed more mountains, written more books, had more wives and probably faced more physical danger than any justice in the history of the court.

His work on the court has been no less provocative, no less independent, no less unorthodox than the sum of his life experience.

Douglas was a defender of the New Deal and the Government's authority to regulate business and to establish new mechanisms for managing the national economy. In recent years he has been the court's most consistent foe of Government authority to quell dissent or stifle protest.

A firm believer in "the firstness of the First Amendment," Douglas has sided with the press in its recent confrontations with the Nixon Administration. He believes pornography to be a matter of taste, not a matter of law to be administered by censors.

Douglas views wire-tapping as a abhorrent invasion of privacy. He wrote against capital punishment years before the court finally outlawed the practice in 1972. Abortion is a matter between an individual woman and her doctor, Douglas has said, "a matter of privacy."

Perhaps his greatest legacy has been his record of dissent.

"Douglas seems to enjoy going his own way," a colleague on the court said. "At times it seems he is almost uncomfortable if he finds other people agree with him. If others agree, he thinks he must be wrong."

However, in numerous cases in which Douglas went his own way, he found that several years later he no longer walked alone. He wrote three dissenting opinions on the rights of the accused that eventually formed the crux of the court's majority ruling in the famous Miranda decision, the ruling guaranteeing the right to counsel during police interrogations.

Douglas formulated a dissent regarding the right to privacy when the court ruled in 1952 on the legality of piped music on city buses.

In 1965, the court took the reasoning of the Douglas dissent and used it to strike down Connecticut laws against birth control as an invasion of the right to privacy.

In 1951, Douglas warned in a strongly worded dissent about the dangers of witch hunting for Communists. Ten years later the nation understood what he was talking about and the court had come to accept his views more readily after the inquisitions of Senator Joseph McCarthy.

Historian Alexis deTocqueville once observed that given time, every major issue in America reaches the Supreme Court. The history of the Supreme Court has been the history of the United States distilled to the fine grain of legal controversy. The sifting of that grain—the measuring, the sorting, the careful weighing—has been the work of Justice Douglas since President Franklin D. Roosevelt's second term.

Douglas was appointed in 1939—at age 40, the youngest justice since 1811 and the second youngest in history.

The crucial issue then before the court centered on the authority that Roosevelt had vested in a newly created "fourth branch" of Government—the administrative and regulatory agencies of the New Deal era. Douglas consistently favored the agencies whenever Congress or the courts attempted to weaken or restrain these creations of what he saw as enlightened Government.

After World War II, a new issue dominated the court's deliberations: freedom of speech. How much dissent could a democracy endure? Does a Communist have equal rights under the Constitution even in the crisis circumstances of "The Cold War?" Can citizens be investigated to establish their national loyalty?

The response by Douglas was bold, confident and often in the minority. He placed more trust in the individual citizen than in the Government and began to use a phrase that crept increasingly into his opinions: The purpose of the Bill of Rights is to keep the Government off the backs of the people.

In the early 1960s, as Douglas approached the age when other men begin to consider retirement, other issues arose with fierce intensity.

A restless, mobile, newly affluent poulation began to recognize that democracy in the U.S. remained a hollow concept for millions of citizens. Blacks, women, the accused, the poor, the young all came to the Supreme Court for help.

Setting out from the landmark decision in 1954, striking down racial segregation in public schools, Douglas and his fellow justices, more than any other branch of Government in the late 1950s and 1960s, took action to secure the rights of racial minorities, to assure that persons accused of crimes were treated fairly, and to preserve free speech.

Joseph L. Rauh Jr., a Washington lawyer and counsel to the Leadership Conference on Civil Rights, says of Douglas, "He has the longest record of consistently liberal opinions in the history of the Supreme Court . . . He has fought for liberal principles on practically every issue of civil liberties and civil rights for more than 30 years."

Douglas, while not necessarily disagreeing with Rauh's assessment, had this to say about himself the year before he went to the Supreme Court: "To tell you the truth I think I am really a pretty conservative sort of fellow from the old school, perhaps a school too old to be remembered . . ."

[From the St. Louis Post Dispatch, Oct. 15, 1975]

Justice Douglas: A Man of Paradox, Contradiction

(By Curt Matthews)

Justice William O. Douglas, the pre-eminent liberal on the Supreme Court, is a man of paradox and contradiction—layer upon layer of inconsistency.

He is the oldest man on the court, with the most youthful outlook on law and life. A great advocate of freedom of the press, who thinks newspaper reporters often don't know what they're writing about. A jurist of remarkable intellectual power, whose opinions are often called technically careless.

Douglas has displayed great sensitivity for the human condition in his opinions. Yet, he is a shy, remote man—some call him an iconoclast, others call him rude.

Says one colleague on the Supreme Court: "If I sat for 100 years on the same bench with Bill Douglas, I really would never be able to say with certainty what his reaction to a certain case might be. He is a fascinating fellow. Predictable in many ways, but ultimately a totally unpredictable person."

His 75 years notwithstanding, Douglas seems always to be looking ahead. He once devised a 10-point formula for life. Point four: "Live in the future . . . do not rest on the achievements of the past."

But to understand the man and how he became a titan of the law, it is necessary to look backward . . .

It is not hard to imagine Justice Douglas as a boy or as a young man. His blue eyes and wrinkled skin and manner reflect his age, but his features are aligned in wide-eyed youthfulness and his gestures and movements are quick. He has the natural impatience of a six-year-old in Sunday school.

His father was a Presbyterian "home missionary" in Washington State, and when Douglas was a boy he regularly went to church four times on Sunday. Douglas was only six when his father died, but at his mother's insistence the family continued its remarkable schedule of churchgoing. Douglas rarely goes to church anymore.

When he was a little older, Douglas was stricken with infantile paralysis. He turned to the mountains of the Northwest for strength, becoming an avid climber and hiker in an effort to regain the full use of his legs. In the process he kindled a lifelong passion for the outdoor life.

As a boy growing up in impoverished circumstances, Douglas delivered newspapers, worked summers in the fruit orchards around Yakima, Wash., and ran a brisk business in household junk.

The newspaper that Douglas delivered was the Yakima Daily Republic. Years later, when Douglas established himself as a man of influence within the New Deal of Franklin D. Roosevelt, the Daily Republic looked upon its one-time carrier as a budding Communist. It printed a somber editorial chastising Douglas and his theories of government under a headline that read: "Yakima Not to Blame." Douglas carried a clipping of the editorial in his wallet until it crumbled with age. He still subscribes to the Yakima Daily Republic.

There were three children in the Douglas family. An older sister, Martha, became a department store executive in Chicago in charge of personnel. Arthur, the youngest, became president of the Statler Hotel Co. before his death in 1956.

Douglas, who today is slightly under six feet tall, was small as a boy and answered to the nickname "Peanuts." "Peanuts" Douglas was valedictorian of his high school class, and obtained a one-year scholarship to Whitman College in Walla Walla.

He arrived there in the fall of 1916 on a cheap bicycle which he had pedaled more than 100 miles down the Yakima valley from his home. With little money he pitched a tent and lived in it for a time.

A steady succession of jobs—including vacations working with migrant laborers in the orchards and fields of Washington and Oregon—got Douglas out of the tent, into a house, and eventually through four years of college. He graduated, Phi Beta Kappa, in 1920.

After trying his hand as a teacher at Yakima High School, Douglas decided in 1922 to head east with his scant resources. He boarded a freight train for Chicago, not as a paying passenger but as caretaker for a load of sheep bound for the stockyards.

In New York, Douglas borrowed $75 to finance his enrollment at Columbia University Law School. He ranked second in the class of 1925, was an editor of the Law Review, and drew the special attention of Harlan Fiske Stone, a Columbia professor who would become Chief Justice of the United States when Douglas was sitting on the bench as a youthful Associate Justice.

Douglas returned to Yakima in 1923 to marry Miss Mildred Riddle, a young school teacher he had met in his own teaching days.

After graduating from Columbia, Douglas joined a prestigious Wall Street law firm and then took a brief fling at private practice in Walla Walla, but soon returned to Columbia as an assistant professor of law.

He was there only a year when the university president appointed a new law school dean without first consulting the law school faculty, an academic affront that Douglas much resented. Showing early signs of the independence that was a Douglas trademark, he resigned with a curt one-line note and took a teaching job at the Yale Law School.

The arrival of William Douglas at Yale was a turning point in his life. There he met men who matched his own vast intellectual capacity, his own devotion to new ideas, and his own zest for exploring the far corners of life. He formed lasting friendships with men who later followed him into government service. Among them were Thurman Arnold, later to become a trustbusting head of the Justice Department's antitrust division, and Abe Fortas, later to join Douglas on the Supreme Court.

Douglas was one of the charter members of a semi-secret faculty group known as the "Hunt Club" which conducted outrageous snipe hunts and other episodes of horseplay at Yale. Douglas held the title of "mattress bearer."

The hunt club maintained a front row balcony box at a burlesque theater in New Haven. The story is told that on one occasion Douglas and three associates attended an afternoon performance at the theater, quietly took their seats in the balcony, and then hung out a large banner that said: "Yale Divinity School."

Douglas says he does not recall the episode, but another former club member insists it happened.

It was his expertise in corporate law, not college pranks, that brought Douglas to Washington. In 1934, the late Joseph P. Kennedy, then head of the Securities and Exchange Commission, hired Douglas to investigate the relationship between business organization and the economic collapse of the 1930s. Douglas picked Fortas as his top aid.

One night in 1935, Fortas was working in his office at the SEC when Douglas walked in and said, "I sure do miss Thurman (Arnold). We ought to get him down here. What do you say we subpena him?"

Exercising the authority of his new office, Douglas secured a court order directing Professor Arnold of Yale to appear in Washington. Arnold arrived as directed and there followed a happy reunion. In time Arnold began pressing Douglas as to why he had been ordered to Washington.

"Just be patient," Douglas told him. "Your turn to testify will come."

Finally, when Arnold could be put off no longer, Douglas broke down and told him the reason for the subpena: "We just missed you, Thurman, and we wanted you around for a while."

The story comes from an unimpeachable source. Douglas denies, with a smile, that the incident happened.

In 1936, Douglas was named a member of the SEC and the next year succeeded Kennedy as chairman, a job that pushed Douglas into national prominence as a crusading reformer of the securities industry. Influenced by his own experiences and the philosophy of Thurman Arnold, Douglas brought to his SEC job a healthy distrust of big business and an awareness of the dangers of monopoly.

These same elements of personal philosophy had been followed over many, many years by Supreme Court Justice Louis D. Brandeis, whom Douglas had met and admired at Columbia Law School. When Brandeis announced his retirement from the court in March 1939, President Roosevelt tapped Douglas as his successor.

He was confirmed by the Senate on April 4, 1939, by a vote of 62 to 4, and took his seat on April 17, 1939. He was the eighty-second man chosen to serve on the court.

[From the St. Louis Post Dispatch, Oct. 16, 1975]

DOUGLAS A LONELY MAN DEVOTED TO LONELY JOB

(By Curt Matthews)

Despite the worldliness of its decision-making, the work of the Supreme Court is essentially quite lonely, particularly for William O. Douglas in the waning years of a long career characterized by independence.

He has disagreed with the rulings of the court more often than anyone who ever sat on the court. Douglas has written more Supreme Court opinions than anyone in history, a total of 1232 through last July, when the court recessed for three months. He has expressed the view of the majority 502 times, written 536 dissents and 195 "separate views" (either concurring with the majority or agreeing in part and dissenting in part).

However, the nature of the work process more than a man's philosophy makes the job of Supreme Court justice a lonely one.

"It is easy to overestimate the day-to-day interplay that the justices have with one another," says one member of the court. "They see each other in conference at least once a week and they sit together on the bench hearing argument. But there is less intramural or conference conversation on a man-to-man eye-to-eye basis than one would suspect."

Decisions of the court are reported and remembered as blocs of votes—5 to 4, 6 to 3, 8 to 1. But neither "majorities" nor "minorities" actually write opinions. That is left to the individual justices and involves long hours of solitude, introspection and effort.

Douglas and his colleagues write constantly during a normal nine-month term of the court—drafting, revising, editing and polishing an opinion in behalf of the majority or an individual expression of views.

Very early in his career on the high court, Douglas displayed remarkable productivity.

"His speed at writing decisions is legendary around here," says one member of the court.

"The older Douglas gets, the better he gets," observes another justice. "No other job really prepares one for the kind of work we do here. You make of it what you can after you get here, and Douglas has made quite a bit of it."

Over the 35 years he has served, Douglas has hardly changed his routine, his former law clerks attest.

He arrives at his chambers about 7:45 a.m., chauffeur-driven from his home in northwest Washington. Unless scheduled to hear cases or called to conference with his colleagues, Douglas remains fairly fixed in his private office.

The place where Justice Douglas spends the greater part of his working day is a first-floor office, about 20 by 20 feet, with a high ceiling and two large windows. His chambers—a suite of three rooms—are visibly personal. A row of mismatched filing cabinets lines one wall of his outer office, books and papers are stacked about, showing that Douglas is not a slave to neatness.

He sits with his back toward the large windows that look out on the manicured south lawns of the Supreme Court across East Capitol Street to the Library of Congress. His office is smaller than that of some of the more junior members of the court, more tactile, more "lived in."

Douglas is proud of a collection of hats kept on a small lamp table next to the working fireplace in his office.

The collection includes several presented to him on travels to Russia, one worn by the late Jawaharal Uehru, Prime Minister of India, and hats presented to Douglas by Himalayan tribesmen.

On the walls are spears, arrows and masks from Africa, on the mantle are two delicate blue porcelain dishes that once belonged to Chief Justice John Marshall, and in a place of prominence over the fireplace, a photo of Douglas hiking down the C&O Canal towpath in southwestern Maryland.

Douglas works at an antique desk that once belonged to his late brother Arthur. The desk was in storage for several years, but this summer it was polished and fitted with a glass top under which Douglas keeps a few favorite specimens from his collection of pressed wildflowers.

Before Douglas arrives at his office each day, he usually has looked at the Washington Post and the New York Times. He subscribes to about 30 daily and weekly newspapers.

He is not a man for idle chit-chat and is capable of concentrating for long periods on the job at hand. He usually remains in his chambers—alone—turning out page after page of handwritten manuscript on long yellow legal pads. He works with exceptional speed and facility, the words and thoughts apparently flowing without the hesitant stumbles and false starts that plague many writers.

Brief chats with his law clerks are sometimes held before Douglas commits to paper his views in a case. Although the clerks are without exception young men and women lawyers who ranked high in their classes and come from the best law schools in the country, Douglas uses their abilities sparingly.

"Clerks never draft an opinion for Justice Douglas," says Peter M. Kriendler who served as a clerk for Douglas last year and is now a member of the Watergate special prosecution force headed by Archibald Cox. "Douglas knows what he thinks about a case; he doesn't solicit a clerk's opinion. What he wants is research and analysis, and he gives very specific assignments to get this done."

Douglas resents presumption and impertinence. "The quickest way to the doghouse with Justice Douglas," says one former clerk, "is for a clerk to try to play justice."

Vern A. Countryman, a Douglas law clerk in 1942 and now a professor of law at Harvard University, says Douglas developed a highly proprietary attitude about his written opinions early in his Supreme Court career.

Countryman says that only on one occasion did his words ever find their way into a Douglas opinion: "There is a minor footnote in one opinion handed down in 1942 that is all mine—every last word of it."

The legendary speed of Douglas is illustrated by an experience recalled by Countryman in 1942. Douglas wrote a 60-page reorganization plan for the bankrupt Chicago & Milwaukee Railroad in only three days and gave it to Countryman to be proofread.

"I spent the next three months looking for errors, but didn't find a thing wrong with his solution to a very complex legal and corporate problem," Countryman says.

It has been reported that once, after writing a dissent in a particular case, Douglas stopped by to chat with the justice assigned to write the majority opinion.

"I can't seem to write the damn thing," the spokesman for the court's majority is reported to have complained to Douglas.

Douglas offered to help and ended up drafting what became the majority opinion. If the story is true, Douglas may be the only justice in history to have taken both sides in a case before the high court.

However, Douglas carefully refrains from trying to woo other justices to his position on an issue.

"I think my job is finished when I make up my own mind," Douglas says. "I don't think I have to be an evangelist and convince others to think about things the way I do."

Among his associates on the court, Douglas is known as a man of few words in conference. But the hard logic and the astuteness of his views often win others to his side in a case.

Former Associate Justice Tom C. Clark says: "He has a way of presenting the facts that can convince you to think in new ways about the problems in a case. Not just the problem of law, but the problems that a certain decision might later raise for the court."

There is a rigid order for discussion when the court meets in conference. The Chief Justice traditionally speaks first, followed by the senior justice and so on down to the junior member, who speaks last.

Douglas speaks immediately after Chief Justice Warren E. Burger and his colleagues say Douglas is always brief and incisive. One of the recent Nixon appointees to the court has been particularly pleased with the Douglas technique in conference.

"He has a sort of pixie sense of humor that comes out at precisely the right time," he says. "It's a very valuable asset because the conferences could easily become dour and pompous without some injection of humor from time to time."

However, Douglas has not been able to please all his colleagues all the time—and he would be the last to try.

There was an occasion when Justice Felix Frankfurter was third in line to present his views in conference, with Douglas next in line.

Frankfurter had been a Harvard law professor and in conference he always spoke for precisely 50 minutes—the standard Harvard law school lecture. When his turn came his colleagues always settled back, knowing what was coming.

Douglas listened to this particular Frankfurter lecture, then said in his most boyish and apologetic tone: "Well . . . when I came into the conference today . . . I was, well . . . I was prepared to vote with you, Felix. But now that I've heard you out on this issue . . . well . . . I feel compelled to vote the other way."

Douglas then sat down and said nothing more.

[From the St. Louis Post Dispatch, Oct. 17, 1975]

Douglas Often Under Fire Because of Private Life

(By Curt Matthews)

It was a warm and clear April evening and 42 men in black-tie formal dress gathered in the garden of the 1925 F Street Club. They came to pay tribute to Justice William O. Douglas, an old friend who on that day in 1959 marked his twentieth year as a member of the Supreme Court.

Among the guests were Thurmond Arnold, an old associate from the Yale Law School faculty; Senator Lyndon B. Johnson of Texas; presidential advisers Clark M. Clifford, Thomas G. Corcoran, Paul Porter and Abe Fortas, all Washington lawyers; journalists Arthur Krock, Martin Agronsky and Leonard Lyons, and economist Eliot Janeway, who was quadrennially urging Douglas to seek the presidency.

The witty and urbane Thurmond Arnold, in an after-dinner speech, recalled the first time Douglas sat on the Supreme Court bench:

"I was present and the scene is etched in the tablet of my memory. The crier of the Supreme Court was obviously harassed and disturbed. I remember him saying immediately after Justice Douglas took his seat, 'God save the United States and his honorable court.'"

It was the kind of evening that Douglas enjoys. Few men are more protective of their privacy than the justices of the Supreme Court, and a quiet evening with select friends is the preferred fulfillment of their social needs.

Douglas, who in 1965 wrote an opinion for the court that established a constitutional "right of privacy," is perhaps more protective of his personal life than his colleagues.

Twice in his 34-plus years on the Supreme Court, the private life of Justice Douglas has stirred talk of his impeachment, once when he married for the fourth time in 1966 and again in 1970, when it was disclosed that he received $12,000 a year as a director of a private non-profit educational foundation.

The Douglas life-style within the controversial context of his judicial philosophy on the court, has long engendered widely disparate public views of the man. He is revered by liberal thinkers as simply a man following a liberal conscience—inner directed and unrestrained by other men's judgments. He is criticized by detractors as a man with very little conscience and a shocking lack of respect for basic traditions and proprieties. Douglas has come under fire, for example, on such subjects as:

Marriage—He has been divorced three times, and each time promptly married a woman much younger than himself.

Obscenity—Douglas has written articles for Playboy magazine, and excerpts from his 1970 essay, "Points on Rebellion," appeared in Evergreen Review opposite some explicit (and unrelated) nude photography.

Judical Ethics—His off-bench income has at times exceeded his salary as a Supreme Court justice. Douglas has written many books and at one time was active on the lecture circuit.

The "Generation Gap"—Douglas calls his own generation bankrupt. He prefers the idealism of young people and recently told a newspaper reporter that people over 40 years of age just aren't open to new ideas."

Douglas does not talk about his private life. He considers his personal conduct nobody's business but his own, an attitude he believes to be consistent with the concept of America as a free country.

When Douglas came to Washington in the mid-1930s, he settled with his wife and two small children in suburban Silver Spring, Md. His sharp wit and ability as a storyteller were greatly appreciated.

He played poker regularly at the home of Harold Ickes, one-time Secretary of Interior, along with a group that included Henry Morgenthau, the Secretary of Treasury; Harry Hopkins, an adviser to President Franklin D. Roosevelt; and a young Representative from Texas named Lyndon Johnson.

Douglas was noted for insistently introducing off-beat games of poker. After joining the court, he began naming the games after his colleagues on the bench: One he called "Bushy" after Chief Justice Charles Evans Hughes, who sported full white mustache and beard. Another poker hand that was particularly complex and "mean" Douglas identified as "McReynolds"—a reference to Justice James C. McReynolds whose judicial theories clashed sharply with those of Douglas.

However, just as there is paradox in other aspects of his life, there is a measure of inconsistency in Douglas's personal relationships.

Former Associate Justice Abe Fortas, who has known Douglas since the early 1930s says, "He has always been someone with whom a really close friendship is not easy to come by." But, Fortas adds, once you do get such a relationship with Douglas, it can be very warm and very firm."

A justice who now sits with Douglas on the court says of him, "I can't say I really know him very well. He's a loner and never really shares with others a part of himself that would reveal his private thoughts and feelings."

The same source says that despite Douglas's long tenure at the Supreme Court he knows few of the court's 250 employes, including some he sees every day. The Justice recalls riding up to his office in an elevator with Douglas one day and, after getting off at the appropriate floor, saying to him, "I'm embarrassed that after working here for three years I still don't know that elevator operator's name."

Douglas replied, "Don't let it bother you. I've been working here for 25 years and I don't know anyone's name."

None of Douglas's foibles seems to generate more indignation among his critics than his attitude toward matrimony.

In 1953, after 30 years of marriage, Douglas and his first wife were divorced. Shortly afterwards, Douglas married Mercedes Hester Davidson, the former wife of an assistant secretary of the interior. Douglas was 55 years old, his new wife in her mid-30s. The marriage lasted 10 years. The second Mrs. Douglas, then won an uncontested divorce on grounds of "mental cruelty," and Douglas married for the third time in August 1963. This time the bride was a 23-year-old college student, Joan Carol Martin, whom Douglas had met when lecturing at Allegheny College in Meadville, Pa.

That marriage lasted two and a half years. Shortly after his third divorce, Douglas married his present wife, Cathleen Heffernan of Portland, Ore., in July, 1966. Douglas was 67 years old and Cathy Heffernan was 23.

The difference in age seemed to be what most disturbed the Douglas critics. In the House of Representatives a resolution was introduced urging that the Judiciary Committee investigate the "moral character" of Justice Douglas, and talk of impeachment was heard but soon died out.

The critics notwithstanding, the fourth Douglas marriage has been an obvious success. The present Mrs. Douglas is known in Washington as open, friendly and capable. She recently graduated from law school, and she appears to share a full and active life with her jurist husband.

The second impeachment effort directed toward Douglas came in 1970 and was initiated by Representative Gerald R. Ford (Rep.), Michigan, the new vice president-designate. The catalyst for the case against Douglas was the substantial income he derived from writing, lecturing and other outside activities. Most specifically improper, Ford said, was the $12,0000 annual fee he received as director of the Albert Parvin Foundation.

Ford and other Republican members of Congress also brought up Douglas's marriages, his controversial writings, his friends and associates and even his judicial philosophy as reasons for impeachment.

After several months of investigation, however, a special subcommittee of the House issued a 924-page report which concluded: "There is no credible evidence that would warrant preparation of impeachment charges."

Douglas, who later told an associate he was considering retirement until Ford's impeachment attempt, resigned his post at the Parvin Foundation and cut back his schedule of lectures. But like other justices, he steadfastly refuses to make public the details of his financial interests or outside income.

On those occasions when the Justice and Mrs. Douglas emerge socially in Washington—usually at small parties or diplomatic occasions—he drinks little more than a glass of Dubonnet. Douglas is allergic to alcoholic beverages, a condition that caused him some problem on recent travels in China where beer or rice wine is served with almost every meal and it is considered impolite not to partake.

Although somewhat aloof in social encounters with strangers, Douglas can warm up quickly when talking about his travels, his favorite hiking trails, and the need for conservation of natural beauty and wilderness areas. These are his three primary topics of interest outside the work of the court.

Douglas reads a great deal at home and still hikes 15 miles or so on most weekends—down from the 25 miles of a few years ago. He forsakes the heavily used trails near Washington in favor of the more remote areas of Virginia and Maryland. His wife frequently goes along.

For a man in his seventy-fifth year, Douglas appears to be in good health. He is neither impeded by nor greatly concerned about the small electronic device—a "pacemaker"—that was surgically implanted in his abdomen in June 1968 to regulate a slow heartbeat.

Probably Douglas's closest brush with death was 23 years ago when a horse rolled over him, crushing his rib cage. He recovered and laughed off the incident as "part of my training program."

Former Douglas law clerks say they can tell what books he is reading by the language he uses in writing his opinions.

These days he is reading books about China. He did prodigious research on China before his visit there in August. On returning to Washington early this month he asked for another half a dozen books on China from the Supreme Court library.

Douglas has written extensively about his travels to other countries and there is speculation that he soon will do a book on China. There are also reports of another important Douglas writing project—his autobiography. One source says that the first of several volumes has already been sent to a publisher.

[From the St. Louis Post Dispatch, Oct. 18, 1975]

JUSTICE DOUGLAS: NEW "GREAT DISSENTER"

(By Curt Matthews)

On a Friday night in late September, the high school football team is the usual point of focus in Middletown, O. The "Middies" played Roger Bacon High School of Cincinnati on Sept. 28, but instead of going to the football game a number of the town's residents went to the Middletown campus of Miami University (Ohio) to hear Supreme Court Justice William O. Douglas talk about "participatory democracy."

Middletown is a company town—Armco Steel. It is a union town—United Steel Workers. It is a Republican town that twice in the last five years has supported Richard M. Nixon for the presidency.

The Dave Finkelman Auditorium was packed and the audience gave Douglas a standing ovation when he rose to speak. But by the time he had finished, it was clear not everyone liked what he had heard.

Douglas on corporations: "The Federal Government is owned and controlled by organized lobbies and corporations. . . . The Government is of the corporation, by the corporation and for the corporation."

Douglas on unions: "Unions are the same as corporations. The right of the people to read, write, think and do as they choose pertains not to organizations. It pertains to individual people."

Douglas on recent presidential policy: "The things that have been going on—the wire taps, the surveillance of mail, the drawing up of enemies lists—simply don't comport with true democratic traditions."

In his hour-long lecture Douglas marked off the firm cornerstones that underlie his 34½ years of labor in the court.

He spoke of the threat of monopolies the plunder of bureaucracy grown fat and powerful, the danger of secrecy in government and the need for dissent in a democratic system.

Douglas prefaced his remarks by saying that he spoke not as a member of the Supreme Court, a man of the government, but as private citizen worried about a lot of things he has seen in this country and in the world.

What concerned him most?

"My friends, the greatest specter hanging over our country is the threat of presidential war. As the world's resources become more scarce, and emerging nations gain new industrial strength, there will be great pressures loose in the world. If we let presidential war become the standard, then the country is doomed.

There is a ring of authority in the concerns of Douglas, for he has demonstrated over the years an approach to world issues that has been both enlightened and prophetic.

Long ago he advocated resuming diplomatic relations with mainland China; he has rejected the philosophy of the cold war, and he was opposed early to America's misadventures in Southeast Asia. Likewise, his espousal of unpopular legal positions often has paved the way for change.

For example, in 1952, Douglas dissented when the court ruled that state school authorities could dismiss teachers who refused to take "loyalty oaths" swearing they had not associated with Communist. In 1967, the court came around to the Douglas view holding that removal of a teacher for the "mere advocacy of abstract doctrine" was unconstitutional.

Douglas was again ahead of the court in his concept of privacy in 1952 when he dissented from a Supreme Court ruling that permitted a Washington (D.C.) transit company to broadcast radio programs on buses and streetcars.

Douglas agreed with a lower court ruling that the transit riders have a right to silence and that broadcasts that could not be "tuned out" were an invasion of the right to privacy.

It was not until 1965 that a majority of the Supreme Court finally agreed with Douglas that something called "the right to privacy" actually was protected by the Constitution. In striking down state laws in Connecticut prohibiting the sale and use of birth control devices Douglas spoke for the court in pointing out that "a right of privacy (is) older than the Bill of Rights."

The dissenter plays a crucial role in the deliberations of the Supreme Court.

As Justice Potter Stewart explains it, "Dissents sometimes become opinions and are important for that reason. They hold out alternatives and options over the years and sometimes have the role of persuading other members of the court to change their thinking."

In his years on the court, Douglas has held out an alternative on 535 occasions when his colleagues decided an issue the other way. Until Douglas and the late Justice Hugo L. Black established their reputations, the title of "Great Dissenter" was usually reserved for Oliver Wendell Holmes. In his 30 years on the court, Holmes wrote 196 dissents.

Retired Justice Tom C. Clark is one who believes that Douglas now has a particularly crucial role. He sits on a court with four appointees of President Richard M. Nixon who often exercise what is called "conservative" judicial philosophy.

Dissents are always circulated among the justices before an opinion of the majority is made final. The thrust and logic of a well-reasoned dissent can sometimes temper or even change entirely the thinking of the court's majority.

"I'm sure his dissents have leavened some of the majority opinions of recent years," Clark says. "Douglas is able to throw darts very accurately at the opinion of a majority. Sometimes his dissents would just demolish you."

Is there a case in which Douglas has taken particular pride? Douglas says no. But then he begins talking about 1951 when the court engaged in what he calls "a travesty"—Dennis vs. United States.

The case involved the conviction of 11 leaders of the Communist Party in the United States for conspiring to teach and advocate the overthrow of the U.S. government. The Supreme Court upheld the conviction in a 6-to-1 decision with Douglas in eloquent dissent.

The court's majority said the teachings of the Communists represented "a clear and present danger" to the Government. Douglas said of the teachings and literature circulated by the Communists: "These books are to Soviet communism what Mein Kampf was to Nazism. If they are understood, the ugliness of Communism is revealed, its deceit and cunning are exposed, the nature of its activities becomes apparent and the chances of its success less likely . . Free speech has occupied an exalted position because of the high service it has given our society . . ."

This Douglas, at a time when fear and suspicion were rampant in the U.S., was fully willing to put his trust in the good sense of the people.

Douglas, like his personal hero and contemporary on the high court, the late Justice Black, believes the First Amendment guarantees of freedom of speech and expression, and of the press, are absolute rights that should stand without attached conditions thought up by judges.

Even those who admire Douglas most, however, concede his weakness as a legal technician. Some lawyers complain of a superficial quality in his work that makes them uneasy in drawing on it as examples of what the law should be. One colleague on the court called him "careless to the point of distraction."

Former Supreme Court Justice Abe Fortas says, "Douglas is a perfectionist, but not in the normal understanding of that word. He is a perfectionist about ultimate things like the meaning of the First Amendment, not about petty or transient things, not, for example, about the way he does his work."

Prof. Morris D. Forkosch of the Gonzaga University law school, who has written an essay-review of Douglas's controversial book, "Points of Rebellion," and has known Douglas for many years, says of him:

"I would look upon Douglas as not among the greatest minds or intellects in the history of the Supreme Court, but among those who were the great spurs to conservative benches. He is a firm believer in judicial activism when no other means is available to remedy our nation's ills—whether economic, judicial, or social."

John P. Frank, a Phoenix, Ariz., lawyer and former constitutional law professor at Harvard University, says of Douglas, "He has been a bridge from an old to a new liberalism, spanning almost a third of a century with a consistent freshness of outlook. Above all else, Douglas espouses freedom."

His longevity on the court has in itself a particular value to the development of law. As a present member of the court said:

"It's important in our proceedings—particularly in conferences—when a Justice can say, 'I remember when we faced that problem 25 years ago.' Anyone who knows personally where the court's been, and why, can help us avoid getting into trouble in the future."

Peter M. Kreindler, who was a law clerk for Douglas in the last term of the court, says, "It is possible for him to sit and personally view a case in the context of Supreme Court history and the history of the country."

After one-third of a century on the court, Douglas now occupies his own niche in that history. How will he be judged when historians of the future examine his career?

Perhaps Douglas inadvertently provided his own answer in paying tribute to his close friend, Thurman Arnold, shortly after Arnold's death in 1969.

"Mr. Justice Holmes," Douglas said, "thought that when a man came to Judgment, St. Peter would examine him not only for morality but for intellectual achievement as well. I never talked to Thurman about it, but I'm sure he'd agree. And I suspect he'd go farther and predict that St. Peter would also examine a man on the extent to which he had been a vital part of the problems and challenges of his time. However Thurman is judged, he comes out a most remarkable man."

However Justice William O. Douglas is judged, he, too, comes out a most remarkable man.

THE PRESIDENT'S POWER TO ENTER INTO INTERNATIONAL AGREEMENTS

Mr. SPARKMAN. Mr. President, in connection with the Senate's recent consideration of the legislation to authorize the sending of American technicians to the Sinai, Senator CLARK asked the office of the Senate Legislative Counsel to comment on certain legal aspects of the package of agreements between the United States and Israel and Egypt. The principal point in the legal memorandum he received in response to that request stated that constitutionally at least one of the agreements, and possibly two others, were "beyond the power of the President to enter into without the advice and consent of the Senate."

Mr. Monroe Leigh, the Legal Adviser of the Department of State, later replied to the Senate Legislative Counsel's memorandum, pointing out that, in the State Department's view, "U.S. law—permits the President to choose the form of international agreement he prefers, although both treaties and executive agreements are equally binding in domestic law, just as both are legally binding in international law."

I find the proposition that, notwithstanding the treaty provision of the Constitution, the President can enter ino international agreements of the utmost important without the advice and consent of the Senate completely unacceptable. Such a broad and sweeping assertion of Presidential powers must not be allowed to stand unchallenged by the legislative branch. Otherwise, in the future, the legislative branch will have the Legal Adviser's assertions cited as a precedent which no one in the Congress seemed to question. I want the record to show that this is not the case. Therefore, I had the Senate Legislative Counsel respond to the Legal Adviser's memorandum.

In order that the historical record on this important legal issue be complete, I ask unanimous consent that the text of each memorandum be printed in the RECORD. I should also explain that some of these memoranda were originally classified because the documents they discussed were classified. Since the underlying documents are now in the public domain, the classification no longer applies.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., October 8, 1975.

MEMORANDUM

To: All Members Foreign Relations Committee.
From: Pat M. Holt.

Attached is an opinion of the Legal Adviser of the Department of State on the question of whether documents related to the Sinai agreement should be treaties.

DEPARTMENT OF STATE LEGAL ADVISER'S REPLY TO SENATE OFFICE OF LEGISLATIVE COUNSEL MEMORANDUM ON CERTAIN MIDDLE EAST AGREEMENTS

The Memorandum of September 24, 1975 prepared by the Senate Office of the Legislative Counsel (OLC) concludes that "Agreement E", a Memorandum of Agreement between the United States and Israel dated September 1, 1975, and possibly "Agreements G and H", setting forth particular assurances from the United States to Israel and Egypt respectively, "are beyond the power of the President to enter into without the advice and consent of the Senate." The OLC Memorandum concludes further that "Agreement F", a U.S.-Israel Memorandum of Agreement dated September 1, 1975 dealing with the Geneva Peace Conference, "is within the President's power to make and constitutes a valid executive agreement."

On the basis of these conclusions, the OLC Memorandum also finds that absent advice and consent of the Senate, under U.S. domestic law, Agreement E and possibly Agreements G and H will be without force and effect. Further, "because Israel should reasonably have known" of the constitutional defect with respect to Agreement E, that Agreement will be without force and effect under international law. Agreements G and H, on the other hand, should be considered valid under international law, since "it would probably be unfair to conclude that Israel should reasonably have known" of the constitutional defect.

I

The subject of choice of form in the making of international agreements has not been addressed in any depth by United States law or by international law. The international legal system recognizes only one class of international agreements, characterizes them as "treaties," and regulates all agreements in identical fashion. United States law, on the other hand, permits the President to choose the form of international agreement he prefers, although both treaties and executive agreements are equally binding in domestic law, just as both are legally binding in international law. The key difference between the two forms lies essentially in the mechanism of approval by the legislative branch. Treaties are approved by the Senate after they are concluded. Most executive agreements are authorized by statute prior to their conclusion, some are authorized by treaty, and a small fraction are authorized solely by the Constitution.

The choice of form in the United States has never been regulated by law. There are no judicial decisions with respect to choice of treaty or executive agreement, no statutes or federal regulations, and only a few insubstantial discussions of the issue in the legal literature. On the other hand, practice over the years since the founding of the Republic has generated a set of customs and usages concerning form which are invariably adhered to in the process of international agreement making. The fact that we have had not a single judicial test of the choice of form throughout the nation's history attests to the general satisfaction with the functioning of the process and with the choices made by the several Presidents.

In my view, the choice of treaty or executive agreement is not amenable to precise rules of law. The determination by the President that one or the other form of international agreement would be desirable or necessary in a given case is intimately bound up with the conduct of U.S. foreign policy and the innumerable factors governing our relationships with other nations. Choice of form may have significant political ramifications. A treaty on a particular subject with one nation may best be done as an executive agreement with another nation; an executive agreement with a nation this year may better be entered into as a treaty relationship next year. As will be noted, the President's choice is not totally unfettered. He is expected to adhere to the customs and practices which have developed since the conclusion of the first executive agreements in the early years of the Republic. But it has never been thought that such practices should be codified into precise rules of law, nor have the legislative or judicial branches in the United States ever considered that rules of law already existed in this area. This is not the view, however, expressed in the Memorandum of the Senate Office of Legislative Counsel.

The entire analysis of the OLC Memorandum rests upon the proposition that all "important" international agreements must, as a matter of law, be submitted to the Senate as treaties and there receive advice and consent to ratification before such agreements may validly become the law of the land. That proposition is totally false and renders invalid most of the analysis that flows from it, as well as the final conclusions reached.

A review of the various sources listed in the OLC Memorandum reveals the paucity of legal authority cited in support of the asserted rule: Neither (1) the text of the Constitution nor (2) the intent of the framers, as discussed at pages 4–5 of the Memorandum, include anything of direct relevance to this issue; (3) actual practice as a source of law supports the contrary argument, as the Memorandum itself appears to concede; (4) Supreme Court and other cases have never supported the asserted rule or even addressed themselves to it; (5) the criteria suggested by various authorities are mixed, of uneven authority, and do not constitute legal standards binding anyone; (6) the criteria employed by the Department of State are by their own terms non-binding internal sources of guidance for use by Department officers.

It is notable that the OLC Memorandum cites not a single statute, judicial decision, or scholarly authority to support the proposition that "important" agreements as a matter of law must be submitted as treaties. In fact there is no legal authority for that proposition and the Memorandum therefore relies upon various "suggestions" and "criteria" having no legal status. A more detailed discussion of the several sources listed in the OLC Memorandum is set forth below.

The OLC Memorandum indicates little understanding of the essentiality of a legal underpinning for all international agreements, whether treaties or executive agreements. All executive agreements entered into by the United States are authorized by law, whether statute, treaty, or the Constitution. By far the greatest proportion (about 86%) of executive agreements are authorized by statute. Only approximately 2–3% are authorized solely by the Constitution. The Agreements with Israel and the assurances given to Israel and Egypt contain a variety of obligations, each of which is authorized by statutory or Constitutional provision.

Within the general framework of international agreements authorized by statute, treaty, or Constitution, the President has the discretion to choose whether to conclude any particular agreement as a treaty or as an executive agreement. Provided the agreement is properly authorized by law, there is no legal requirement that it be concluded either as a treaty or executive agreement. The President's choice is based upon his appraisal of the merits of each approach. He naturally takes into account prior U.S. practice with respect to the general type of agreement in question, and he takes into account the several sources of guidance provided by the Department of State Circular 175 Procedure. His determination is thus shaped by general standards and usages that have evolved over the years and the President will rarely disregard this "common law". He will not willingly or lightly flout the general expectations and preferences of the Congress, or the established practices of many years' duration.

But ultimately it is the President as the sole negotiator for the nation in foreign affairs who must determine the degree of formality and solemnity he wishes to give to a particular international agreement. Such policy considerations weigh heavily in his final determination. Since these considerations are necessarily relevant to the conduct of U.S. foreign policy, a legal requirement that a particular type of agreement has necessarily as a matter of law to be submitted as a treaty would constitute an unacceptable interference with the President's capacity to serve as negotiator in international affairs, and for that reason, would probably be unconstitutional. Be that as it may, there is certainly no legally authorized international agreement which by law must be submitted as a treaty. The OLC's contrary conclusion is legally unsupportable and flies in the face of U.S. practice almost from the beginning of the Republic.

The Administration, under the foreign policy guidance of the President, may engage in a program of international cooperation in work done pursuant to this Act, and in the peaceful application of the results thereof, pursuant to agreements made by the President with the advice and consent of the Senate.

Upon signing the Act on July 29, 1958, President Eisenhower stated:

"The new act contains one provision that requires comment. Section 205 authorizes cooperation with other nations and groups of nations in work done pursuant to the act and in the peaceful application of the results of such work, pursuant to international agreements entered into by the President with the advice and consent of the Senate. I regard this section merely as recognizing that international treaties may be made in this field, and as not precluding, in appropriate cases, less formal arrangements for cooperation. To construe the section otherwise would raise substantial questions." [White House Press Release, July 29, 1958.]

Since 1958 many executive agreements have been concluded in this area.

The several sources relied upon in the OLC Memorandum are demonstrably insufficient to establish a rule of law requiring "important" international agreements to be submitted as treaties.

(1) *The text of the Constitution.* Clearly, the text of the Constitution provides no guidance. While the text provides for the making of treaties in Article II, Section 2, there is no express language with respect to the legal right of the President to enter into executive agreements. Nevertheless, this right has been established over the years and has been recognized as valid by countless authorizing statutes, scholarly writings, and by the Supreme Court, *U.S. v. Belmont,* 301 U.S. 324 (1937); *U.S. v. Pink,* 315 U.S. 203 (1942). The choice of instrument, treaty or executive agreement, is obviously not addressed by the text of the Constitution, even by implication.

(2) *Intent of the Framers.* The intent of the framers of the Constitution also provides no guidance on the choice of treaty or executive agreement. The quotations cited by the OLC are not relevant to the issue. To the extent that international agreement-making was viewed by the framers as in part a legislative function, that is certainly supported by the advice and consent provision of Article II, Section 2. The legislative grounding for executive agreements is demonstrated by the fact, previously noted, that most executive agreements are authorized by statute. Only a small fraction are authorized solely by the Constitution without any congressional input, but such Constitutional authorization for executive agreements has been upheld by the Supreme Court. *Belmont* and *Pink* cases, *supra.*

(3) *Actual Practice.* In the absence of any statutory or judicial support for the legal rule asserted by the OLC, actual practice takes on added significance as the one source with any legal weight. Practice does not necessarily define a rule of law, but absent more authoritative prescriptions, it assumes a legal importance it would not otherwise possess. Yet practice does not support the OLC conclusion. It does support the contrary conclusion.

As the Memorandum concedes, from the early days of the Republic, executive agreements have been concluded on matters of great national importance. The Memorandum attempts to minimize the significance of such practice by arguing that "Custom and usage . . . suggest that various Presidents have not adhered to the intent of the Framers." It would have been more accurate to state that the Framers revealed no intention on this issue. The Memorandum, quoting Professor Louis Henkin, cites several examples of executive agreements, dealing with important subjects. In none of these or many other examples that could be cited has it been held by any court or by the Congress that the executive agreement in question was invalid because it had not been submitted as a treaty.

There exists good reason why the long-standing U.S. practice of permitting the President wide discretion in choosing between treaty or executive agreement has not been overturned by statute or judicial holding. First, the precise form of an international agreement depends in part upon foreign policy considerations that are not reducible to a simple rule of law. How much formality and dignity to give to an arrangement with another country is not something that lends itself to precise rule-making. Additionally, definitional problems would abound.

Further, the apparent assumption running throughout the OLC Memorandum is that the treaty is somehow a more democratic form than the executive agreement. Yet an agreement authorized by statute obviously is grounded in the support of both Houses of Congress, rather than one, and as noted, most executive agreements are authorized by statute. In addition, whenever an agreement required funding for its implementation, Congress has an opportunity to disapprove even an agreement it had previously authorized, by withholding necessary funds. Most important executive agreements require Congressional authorization and appropriation of funds.

In sum, Presidential discretion in deciding whether to conclude a particular international agreement as a treaty or as an executive agreement is supported by long-standing practice, which in turn is based upon strong policy considerations and democratic procedures.

In an attempt to shore up its position with respect to the legal significance of U.S. practice in this area, the OLC Memorandum cites the 1969 National Commitments Resolution of the Senate. However, this sense-of-the-Senate Resolution has no status in law and does not, for that reason alone, establish the rule contended for in the OLC Memorandum. Even if the Resolution were statutory law, it would not resolve the problem of treaty versus executive agreement. The Resolution requires "a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such [national] commitment." But a statute may specifically provide for international agreements for certain purposes. In such cases, which are common, the President still has to decide whether a particular agreement should be in the form of a treaty or executive agreement.

Similarly the 1972 Senate Resolution on Bahrain is not binding as a matter of law since it only expresses the sense of the Senate. The War Powers Resolution of 1973 contains nothing of relevance to the issue under consideration.

The reference to "Congressional-Executive Agreements" in the OLC Memorandum is somewhat curious. As noted, the vast majority of executive agreements are authorized by statute. What the Memorandum refers to only incidentally is in fact the central method for authorization of executive agreements, and has been throughout the nation's history. As for the capacity of the Congress to disapprove such agreements by concurrent resolution (as distinguished from an Act of Congress) after they have been entered into, the Administration has taken the position that such right is an unconstitutional encroachment upon the powers of the President. The right of the Congress to invalidate executive branch action by means of the "legislative veto" has not yet been addressed by the courts. There are many examples in current U.S. law of the legislative veto beyond the area of international agreements. None of the existing examples has been judicially tested. The Department of Justice views all legislative veto provisions as unconstitutional (see the statement of Assistant Attorney General Antonin Scalia before the Subcommittee on Separation of Powers of the Senate Judiciary Committee, on S. 632 and S. 1251, May 14, 1975). The Department of State has not taken a position on all legislative veto provisions, but has submitted its view that the legislative veto is unconstitutional in the context of executive agreements (see the statement of Monroe Leigh, Legal Adviser of the Department of State, before the Separation of Powers Subcommittee on May 13, 1975).

(4) *Supreme Court cases*

As the OLC Memorandum concedes, there are no Federal Court cases holding an executive agreement invalid because not submitted as a treaty. However, a few "tangentially relevant" Supreme Court cases are cited by the OLC as providing "some guidance."

(a) In *Holmes* v. *Jennison*, 14 Peters 540 (1840) Chief Justice Taney adopted Vattel's distinction between treaties and compacts or agreements. The treaty was an agreement made "for perpetuity, or for a considerable time" and other agreements had "for their object matters of temporary interest" and "are fulfilled by a single act. . . ." However, the case dealt only with Article 1, Section 10 of the Constitution, which prohibits the states of the United States from entering into "any treaty, alliance or confederation," but permits them, with Congressional assent, to conclude "any agreement or compact with another state, or with a foreign power." Limitations on state activity in making international agreements are not properly viewed as analogous to limitations on the powers of the Federal Government to enter into international agreements.

The actual language used by Vattel in 1758 in *Le Droit des Gens*, in the translation appearing in Borchard, *Executive Agreements*, at p. 668, is as follows:

"Section 152. Treaties of Alliance and other public treaties. . . . A treaty, in Latin foedus, is a pact entered into by sovereigns for the welfare of the State, either in perpetuity or for a considerable length of time.

"Section 153. Compacts, agreements or conventions. Pacts which have for their object matters of temporary interest are called agreements, conventions, compacts. They are fulfilled by a single act and not by a continuous performance of acts. When the act in question is performed these pacts are executed once for all; whereas treaties are executory in character and the acts called for must continue as long as the treaty exists.

"Section 192. Treaties executed by an act done once for all. Treaties which do not call for continuous acts, but are fulfilled by a single act, and are thus executed once for all, those treaties, unless indeed we prefer to give them another name (see Sec. 153), those conventions, whose pacts which are executed by an act done once for all and not be successive acts, are, when once carried out, fully and definitely consummated. If valid, they naturally bring about a permanent and irrevocable state of things . . . ."

It should be noted that Vattel's distinction has nothing to do with "important" or "unimportant." Rather he distinguishes agreements "executory in character" and calling for acts which "must continue as long as the treaty exists" from "matters of temporary interest" which are "fulfilled by a single act and not by a continuous performance of acts." If Vattel is the ultimate authority on these matters, then contrary to the OLC position, importance of the subject matter is not the key to the problem.

(b) In *Valentine* v. *U.S. ex rel Neidecker*, 299 U.S. 5 (1936), the Supreme Court held that the President did not have the power to extradite to France a U.S. citizen accused of commiting crimes in France since the U.S.-France Extradition Treaty of 1909 stipulated in Article V that neither party "shall be bound" to deliver up its own citizens under the stipulations of the convention. The Court held that in the absence of a statute, the President's power was governed by the existing treaty, and that treaty did not authorize extradition by a nation of its own citizens. Thus the President was without power to surrender the respondents in the case.

The OLC argues that the Court "did not treat the case as one involving an executive agreement, but it seems likely that at least an informal one had been made. By implication, the Court thus seems to have held that the making of such agreement was beyond the President's power." In fact, a close reading of the case reveals no evidence whatever of any executive agreement, informal or otherwise. The Court implied nothing with respect to informal agreements as beyond the power of the President. All the Court held was that extradition was governed in this particular case by the U.S.-France Extradition Treaty of 1909, and that that treaty did not authorize extradition of a nation's own citizens. Since the Treaty governed extradition relations between the United States and France, and since there was no other governing law, the President was not empowered to extradite the respondents. The case has nothing whatever to do with the issue of treaty versus executive agreements.

(c) The OLC Memorandum also cites the Belmont case, but tries to limit its meaning by arguing that the Supreme Court "failed to discuss . . . the distinction between the President's authority to negotiate with the Soviet Government and his authority, or lack thereof, to determine the form which any resulting agreement should take." It is not readily apparent what this argument is supposed to mean. The fact is that in Belmont the Supreme Court held that executive agreements (the Litvinov Assignment in this case) as well as treaties "are to be exercised without regard to state laws or policies." Clearly the Court recognized the difference between treaties and executive agreements as a matter of form, and held that both could override inconsistent state law. Mr. Justice Sutherland said in Belmont:

". . . while this rule in respect of treaties is established by the express language of cl. 2, Art. VI, of the Constitution, the same rule would result in the case of all international compacts and agreements from the very fact that complete power over international affairs is in the national government and is not and cannot be subject to any curtailment or interference on the part of the several states [citing Curtiss-Wright] In respect of all international negotiations and compacts, and in respect of our foreign relations generally, state lines disappear. As to such purposes the State of New York does not exist. . . ."

It should be noted that the Supreme Court in this case did not mention the "importance" test as a factor which might limit the capacity of the President to enter into executive agreements. Not only could the President make international agreements other than treaties on important subjects, but such agreements prevailed over inconsistent state law. The teaching of Belmont provides no support for the OLC position.

The Memorandum, however, argues further that the agreement in question in Belmont was part of a transaction that included the recognition of the Soviet Union by the United States. "Since the power to recognize foreign governments," says the Memorandum, "is exclusively granted to the President by the Constitution, arguably this case validates the use of executive agreements only where such a specific constitutional power exists."

First, the President's power of recognition is not specifically granted by the Constitution. It is an implied power derived from Article I, Sections 1 and 2. Second, as Professor Henkin points out, such limitation as argued for by OLC was neither expressed nor implied in the *Belmont* case nor in the *Pink* case five years later (*United States* v. *Pink*, 315 U.S. 203 (1942)). In Belmont the Supreme Court said that "an international compact, as this was, is not always a treaty which requires the participation of the Senate. There are many such compacts, of which a protocol, a modus vivendi, a postal convention, and agreements like that now under consideration are illustrations." This is hardly an implication that only agreements relating to recognition or similarly accepted Presidential powers may override state law and policy.

In the *Pink* case, which also dealt with the relation of the Litvinov Assignment to New York State law, the Supreme Court, quoting from The Federalist, No. 64, said that "All constitutional acts of power, whether in the executive or in the judicial department, have as much legal validity and obligation as if they proceeded from the legislature. . . ." The Court continued: "A treaty is a 'Law of the Land' under the supremacy clause (Art. VI, Cl. 2) of the Constitution. Such international compacts and agreements as the Litvinov Assignment have a similar dignity." Again, there was no hint from the Supreme Court that executive agreements had necessarily to be limited to subjects of lesser importance than treaties.

(d) The OLC Memorandum also cites *United States* v. *Capps*, 204 F. 2d 655 (4th Cir. 1953). That case, as the Memorandun points out, merely held that an executive agreement was void if in conflict with an applicable statute. Here is one difference between treaties and executive agreements. Treaties may supersede prior conflicting statutes, while executive agreements may not. The case has no relevance to the issue at hand.

The OLC Memorandum does not cite *United States* v. *Curtiss-Wright Corp.*, 299 U.S. 304 (1936), in which Justice Sutherland stated:

"As a member of the family of nations, the right and power of the United States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation . . . , the power to expel undesirable aliens . . . , *the power to make such international agreements as do not constitute treaties in the constitutional sense* . . . , none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality." (Italics added)

Still again, the Court did not state or imply that executive agreements must by law be limited to undertakings of lesser importance than those embodied in treaties. Surely such limitation would not be consistent with "the conception of nationality" enunciated by Justice Sutherland, and would be inconsistent with international practice as well. The United Kingdom, for example, does not submit all its treaties to Parliament for approval, and importance is not necessarily the test when submissions are made. While British treaties are often placed before Parliament for a period of twenty-one days, the practice is not required by law and is frequently ignored. The twenty-one day practice, known as the "Ponsonby rule," was described by Lord McNair, in *The Law of Treaties* (1961), as follows: "Governments appear to regard the rule as being in the nature of a principle of which they can suspend the operation when particular circumstances so require, for instance, when ratification is urgent and Parliament is not sitting. The practice only applies to treaties that are made subject to ratification." (at p. 99.) The United Kingdom does not distinguish in her domestic law between treaties and executive agreements.

(5) *Comments of authorities and views of the Committee on Foreign Relations*—

The comments and views cited in the OLC Memorandum are all directed toward establishing a rule requiring that agreements of importance be submitted as treaties. The Committee on Foreign Relations, for example, has stated that the "traditional distinction between the treaty as the appropriate means of making significant political commitments and the executive agreement as the appropriate instrument for routine, nonpolitical arrangements has substantially broken down."

The fact is, however, as recognized by the OLC in its description of actual practice since the earliest days of the Republic, there has never been such a clear-cut distinction. It is not a traditional distinction and it is not a current distinction. And indeed, if it is a distinction at all, it prefers a one House (Senate) right of approval for "important" agreements rather than a two-House legislative support for executive agreements through statutory authorization. In this sense, the statutorily authorized agreements are, in the words of Professor Myres McDougal, "considerably more responsive to majority will and the national interest" than are treaties. It is instructive here to cite Professor McDougal at some length. In an exhaustive article on the subject of treaties and executive agreements written in 1945, Professor McDougal, after a review of the intent of the framers of the Constitution, states:

"The fact of final and decisive importance, however, that puts to permanent rest these obscurities and omissions in the fundamental document is, as we have several times indicated above, the interpretation of the people who have lived and worked under it for 150 years. It has been their conclusion that the treaty-making procedure is neither exclusive nor the sole recourse of the Federal Government for the making of important international agreements. Whatever some of the Framers may in their secret recesses have intended about the treaty-making clause, and whatever, furthermore, the much perplexed members of the state conventions may have thought that the Framers intended, the generations of Presidents, Supreme Court Justices, Senators, Congressmen, and plain citizens who have made our Constitution "a continuously operative charter of government" and our government a living organism, have decreed that the Constitution confers upon the Congress and the President all of the broad powers needed to establish a completely adequate procedure wholly independent of the treaty-making procedure—and considerably more responsive to majority will and the national interest—for the making and honoring of international agreements of all kinds and of all decrees of importance. No illusion as to the exclusiveness of the treaty-making clause, that is at all affected by intimations of reality, can survive the fact that of the 'nearly two thousand international instruments' entered into by the United States between 1789 and 1939 'only some eight hundred were made by the treaty process.' Even the most casual summary must dispose of any lingering, oligarchial hope that these some twelve hundred international agreements other than 'treaties' have been confined to matters of unimportance or of presidential whim. "'Importance' and 'dignity,'" Professor Quincy Wright has written, 'are hard words to define, but the United States annexed Texas and Hawaii, ended the first world war, joined the International Labor Organization, the Universal Postal Union and the Pan American Union, settled over ten billion dollars worth of post-World War I debts, acquired Atlantic naval bases in British territory during World War II, acquired all financial claims of the Soviet Union in the United States, joined the United Nations pledging itself not to make separate peace in World War II and to accept the Atlantic Charter, submitted over a score of cases to international arbitration, and modified the tariff in numerous reciprocal trade agreements, by means other than the treaty-making process."' [Footnotes omitted] Myres S. McDougal and Asher Lans, The Yale Law Journal, Vol. 54: 181; pp. 237–238.

(6) *Criteria employed by the Department of State*—

Reliance by the OLC on the Circular 175 Procedure criteria for deciding upon treaty or executive agreement is entirely misplaced. The standards set forth in the Circular 175 are by their terms not legally binding on the President or the Secretary of State, but are internal Department of State rules for the guidance of Department of State officers. Failure to follow them is not a violation of law or of Federal regulations.

Failure to adhere to the Circular 175 standards has no effect whatever on the validity of any international agreement. This is specifically set forth in the Circular 175 Procedure itself. Section 711 of the Procedure provides:

"This chapter is intended solely as a general outline of measures and procedures ordinarily followed which, it is recognized, cannot anticipate all circumstances or situations that may arise. Deviation or derogation from the provisions of this chapter will not invalidate actions taken by officers nor affect the validity of negotiations engaged in or of treaties or other agreements concluded."

Further, even if the Circular 175 standards were law, and even if their violation would or could invalidate a particular international agreement, it is impossible to determine that such standards have been violated in the case of the Middle East documents in question. Only four of the eight factors listed could possibly lead to the conclusion that a treaty is the more proper form (a., c., e., and g.) and of those factors, three (c., e., and g.) are questionable. Thus, (c), subsequent legislation here means primarily funding, rather than authorizing legislation; (e), the preference of the Congress is not known in this case; and (g), the need for a prompt conclusion of the agreements has to be balanced against its proposed duration and whether or not it is routine. None of the other standards indicate that a treaty is the proper form.

In addition, while OLC has even gone so far as to argue (pp. 18–19 of the Memorandum) that "the broadest reasonable construction" of "Agreement E" is that the United States "will introduce its armed forces" under specified circumstances contemplated by the Agreement, there is, of course, no obligation or intention whatsoever under this Agreement for the United States to introduce its armed forces into the Middle East. Similarly, there is no relationship at all between the Agreement itself, and the balance of the OLC's "broadest reasonable construction" thereof as set forth on p. 19 of the Memorandum. To take but one example, it is incredible that OLC should give the impression that U.S. obligations under the Agreement might be "undertaken without regard to (A) the financial cost to the United States." Such argumentation has nothing to recommend it, and is certainly futile in the context of applying the Departments' Circular 175 Procedure.

III

Since the primary conclusions of the OLC Memorandum are incorrect, it follows that the agreements in question will have full force and effect in domestic and international law even without the advice and consent by the Senate to their ratification. The Memorandum, at p. 35, speaks of the "status of an agreement which is beyond the President's sole power to make and which has not been given the advice and consent of the Senate." This confirms the impression that the writer of the Memorandum failed to appreciate that most executive agreements are authorized by statute. The phrase "sole executive agreement," which is taken from Professor Henkin, refers to those agreements entered into by the President pursuant to his independent Constitutional powers, and without any reference to statutory or treaty authority. Such agreements are uncommon, as noted. In any event, while some of the obligations with respect to the agreements in question are of this character, many are not. In any case, however, whether an agreement is authorized by Constitution, treaty, or statute, it cannot be refused full force and effect in either municipal or international law simply because it was not submitted to the Senate as a treaty.

Monroe Leigh,
The Legal Adviser.

U.S. Senate,
Office of the Legislative Counsel,
Washington, D.C., October 22, 1975.

Mr. Pat M. Holt,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Pat: Recently you requested the comments of this Office regarding the response of the Legal Adviser, Department of State, to our memorandum of September 24, 1975 which dealt with the standing of the four secret Middle East agreements under domestic and international law.

The attached memorandum is transmitted pursuant to your request.

Please let me know if we can be of any further assistance.

Sincerely,

Michael J. Glennon,
Assistant Counsel.

Memorandum of Law—Response to Memorandum of Department of State Legal Adviser Regarding Secret Middle East Agreements

Although some of the matters raised during the debate on the Sinai accords may now be moot, we believe that the Committee may wish to consider the claims of broad executive authority asserted by Monroe Leigh, Legal Adviser to the Department of State, in his response to our memorandum of September 24, 1975. (In that memorandum we concluded that, of the four "secret agreements" entered into in connection with the Sinai technicians agreement, one such agreement constituted a valid executive agreement, two were of problematic validity, and one was beyond the power of the President to enter into without the advice and consent of the Senate.)

Mr. Leigh's response proceeds entirely from the premise that the President may enter into any international agreement solely on the basis of his own executive authority and that every such agreement will be valid notwithstanding the absence of advice and consent of the Senate. "United States law", he contends, "permits the President to choose the form of international agreement he prefers . . ." (p. 1). "A treaty on a particular subject with one nation may best be done as an executive agreement with another nation; an executive agreement with a nation this year may better be entered into as a treaty relationship next year" (p. 2). ". . . [T]he President", he continues, "has the discretion to choose whether to conclude *any particular agreement* as a treaty or as an executive agreement" (p. 3 [emphasis added]). It is thus not necessary for Mr. Leigh, in reaching his conclusion, to examine (as we did) the content of any of the four agreements to determine whether each is within the scope of presidential authority. Under Mr. Leigh's view, any international agreement is within the scope of the President's authority.

The view of this Office, on the other hand, is that the text of the Constitution—which "provides no guidance" (p. 3) for Mr. Leigh—must be given some meaning. Article II, sec. 2, cl. 2, provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur. . . ."

If this provision has any meaning, it is that *some* international agreements must be regarded, constitutionally, as treaties. Unlimited presidential discretion to conclude any international agreement as an executive agreement would leave empty the requirement of Senate advice and consent for treaties—unless the Constitution were construed to mean that such advice and consent is "required" only if and when the President chooses to submit thereto. If, on the other hand, we are correct that some international agreements must be regarded as treaties, it would seem that an agreement which "relates to a subject matter of exceptional national importance" must be so regarded. This was, in fact, our previous conclusion (p. 12, September 24 memorandum). To hold that a "matter of exceptional national importance" need not be submitted as a treaty would be to hold that no matter of any consequence is reserved for the Senate's power of advice and consent, thereby depriving article II, section 2, clause 2 of any meaning. It was thus our conclusion, after reviewing the relevant authorities, that "strong support exists for the proposition that an international agreement which . . . relates to a subject matter of exceptional national importance . . . is in violation of the Constitution if entered into by the President without the advice and consent of the Senate" (p. 12).

We drew this somewhat circumspect conclusion because of the sensitive nature of the issues before the Committee. Others, we would point out, have gone further. Professor Raoul Berger, for example, has expressed the view that, "with the exception . . . of agreements pursuant to statutory authorization, or under a treaty, or delegation from the Senate of 'housekeeping' matters, all executive agreements are unconstitutional whether or not they give rise to binding commitments." "Early Warning System in Sinai," hearings before the Committee on Foreign Relations, United States Senate, 94th Cong., 1st sess. (October 6–7, 1975) at 121. Senator Clifford Case, to cite another example, testified in 1972 that "if a matter is important, surely the Senate could have a voice and it should be treated as a treaty." "Congressional Oversight of Executive Agreements," hearings before the Subcommittee on Separation of Powers of the Committee on the Judiciary, United States Senate, 92d Cong., 2d Sess. on S. 3475 at 108. Former Supreme Court Justice Arthur Goldberg testified that "The Constitution, by this language, requires the President to submit substantive agreements—whatever the nomenclature that may be attached to these argeements—affecting our relations with other countries to the Senate for approval by the requisite majority." *Id.* at 11. See page 11 of our September 24 memorandum for instances in which this Committee and the Senate itself adopted this viewpoint.

Mr. Leigh's view of absolute executive authority to conclude international agreements apparently is based upon his contentions regarding (1) a lack of intent on the part of the framers; (2) subsequent custom and practice; and (3) an absence of statutes and court cases on the subject. We shall examine each briefly.

First, Mr. Leigh states, without any supporting authority, that "the intent of the framers provides no guidance as to the choice of treaty or executive agreement . . ." (p. 5). Raoul Berger has observed that "[h]owever impenetrable the intention of the framers may be in some respects, here they made clear beyond doubt that the specific objective of the treaty clause was to preclude the President from entering into international agreements without the participation of the Senate." R. Berger, *Executive Privilege* (1974) at 146. Having cited representative writings of the framers in our September 24 memorandum (pp. 4–5), we do not wish to multiply citations, but would merely point out the views of various other Founding Fathers.

Alexander Hamilton, for example, apparently regarded the advice and consent power of the Senate as encompassing every international agreement:

> [F]rom the best opportunity of knowing the fact, I aver, that it was understood by all to be the intent of the provision to give the power the most ample latitude—to render it competent to all the stipulations which the exigencies of national affairs might require; competent to the making of treaties of alliance, treaties of commerce, treaties of peace, and every other species of convention usual among nations. . . And it was emphatically for this reason that it was so carefully guarded; the cooperation of two-thirds of the Senate, with the President, being required to make any treaty whatever. Letters of Camillus, 6A. Hamilton, Works 183 (Lodge ed. 1904).

In South Carolina, C. C. Pinckney warned of the danger of vesting in the President alone the power to make international agreements:

> Surely there is greater security in vesting this power as the present Constitution has vested it, than in any other body. Would the gentleman vest it in the President alone? If he would his assertion that the power we have granted was as dangerous as the power vested by Parliament in the proclamations of Henry VIII, might have been, perhaps, warranted . . . [The Senate] joined with the President . . . form together a body in whom can be best and most safely vested the diplomatic power of the Union. Elliot, Jonathan, *Debates in the Several State Conventions on the Adoption of the Federal Constitution,* 2d ed. (Washington, 1836) 280–81.

Roger Sherman, a delegate to the Constitutional Convention, concluded that the Constitution required joint action by the Senate and the President with respect to "every transaction". The Senate and President, he said,

> [o]ught to act jointly in *every transaction* which respects the business of negotiation with foreign powers. . . . There is something more required than responsibility in conducting treaties. The Constitution contemplates the united wisdom of the President and Senate, in order to make treaties. . . . The more wisdom there is employed, the greater security there is that the public business will be well done. 1 Annals of Cong. 1085 (1789) (emphasis added).

Finally, James Monroe, who had participated in the Virginia Ratification Convention, submitted the 1817 "Rush-Bagot Agreement" to the Senate and inquired whether it was "such an arrangement as the executive is competent to enter into, by the powers vested in it by the Constitution, or is such an one as requires the advice and consent of the Senate. . . ." Quoted in Berger, *supra* at 152.

We therefore do not share Mr. Leigh's view that "the framers revealed no intent on this issue" (p. 5).

Second, Mr. Leigh contends that "presidential discretion in deciding whether to conclude a particular international agreement as a treaty or as an executive agreement is supported by long-standing practice. . . ." (p. 6). In support of this argument he includes a lengthy passage from an article by Messrs. McDougal and Lans. The assumptions underlying the argument from "custom and usage" are perhaps better set out in passages Mr. Leigh chose not to include. "Whether these powers are based on an *interpretation* of the language of the Constitution," they argue, "or on *usage* is strictly a matter of concern only for rhetoricians." McDougal & Lans, "Treaties and Congressional-Executive or Presidential Agreements: Interchangeable Instruments of National Policy," 54 Yale L.J. 181, 239 (1945). They continue:

> [I]t is utterly fantastic to suppose that a document framed 150 years ago "to start a governmental experiment for an agricultural, sectional, seaboard folk of some three millions" could be interpreted today . . . in terms of the "true meaning" of its original Framers for the purpose of controlling the "government of a nation, a hundred and thirty millions strong, whose population and advanced industrial civilization have spread across a continent." *Each generation of citizens must in a very real sense interpret the words of the Framers to create its own constitution" Id.* at 214–215 (emphasis added).

This view—"that usurpation of power," as Raoul Berger has plainly put it, "if repeated often enough, accomplishes an amendment of the Constitution and a transfer of power"—is not a new one. It has been addressed by the framers of the Constitution, by the United States Supreme Court, and by members of this Committee and the Senate.

In the First Congress, Elbridge Gerry, one of the framers, stated: "If it is an omitted case, an attempt in the legislature to supply the defect, will be in fact an attempt to amend the Constitution. But this can only be done in the way pointed out by the fifth article of that instrument, and an attempt to amend it any other way may be a high crime or misdemeanor." The people, he added, have "directed a particular mode of making amendments, which we are not at liberty to depart from. . . . Such a power would render the most important clause in the Constitution nugatory". 1 annals of Cong. 503 (1789).

Thomas Jefferson, after his election to the Presidency pledged to administer the Constitution "according to the safe and honest meaning contemplated by the plain understanding of the people at the time of its adoption—a meaning to be found in the explanations of those who advocated . . . it." 4 Elliot, *supra* at 446.

James Madison also adhered "to the sense in which the Constitution was adopted and ratified by the Nation," adding, "if that be not the guide in expounding it, there can be no security for a consistent and stable Government, more than a faithful exercise of its powers." 9 Madison, *Writings*, ed. G. Hunt (New York, 1900–1910) at 372.

The United States Supreme Court, referring to the amendment process, said that "the framers of the Constitution might have adopted a different method. . . . It is not the function of courts or legislative bodies, national or state, to alter the method which the Constitution has fixed". *Hawke* v. *Smith*, 253 U.S. 221, 227 (1920). "Nothing can destroy a government more quickly than its failure to observe its own laws, or worse, its disregard of the charter of its own existence". *Mapp* v. *Ohio*, 367 U.S. 643, 659 (1961). The Court confronted the specific "custom and usage" question in *Powell* v. *McCormack*, in which the House of Representatives argued that the exclusion of Adam Clayton Powell on grounds not enumerated in the Constitution was supported by earlier, similar House exclusions. But the Court held that the Constitution cannot be amended by violation. "That an unconstitutional action has been taken before", the Court said, "surely does not render that same action any less unconstitutional at a later date." 395 U.S. 486, 546–547 (1969).

Other legal scholars have agreed. Former Senator Sam Ervin found "reliance on usage" "wholly [un]acceptable". He said.

> The legal basis for the use of executive agreements is unclear at best, and most frequently has been grounded on the argument of usage—a legal justification that is not entirely satisfactory. As I have often noted in various other contexts, murder and rape have been with us since the dawn of human history, but that face does not make rape legal or murder meritorious. In effect, reliance on usage in this instance grounds concepts of constitutionality on acquiescence rather than on the written document, and is, to my mind, wholly [un]acceptable. It always has been my view that the Constitution means what it says. Moreover, I am not impressed with the recitation of so-called precedents to support de facto constitutional amendments. Even 200 years cannot make constitutional what the Constitution declares is unconstitutional. "Congressional Oversight of Executive Agreements" *supra* at p. 4.

"Past practices" said former Supreme Court Justice Arthur Goldberg, "cannot change" the Constitution. "War Powers Legislation," hearings before the Senate Committee on Foreign Relations (92d Cong., 1st sess., 1971) at 769. Senator Clifford Case concurred. "I cannot accept the idea that modern conditions have changed the President's authority under the Constitution," he said.

He continued:

> I . . . feel the doctrines of our Founding Fathers and the constitutional arrangements that they attempted to establish were meant to be a departure from the old idea of unilateral action on the part of a single Executive in the context of old world balance of power politics. If this was not the case, then I am very much mistaken as to what our American constitutional experiment was meant to do. *Id.* at 516.

Senators Fulbright and Javits expressed similar views. *Id.*

But perhaps the most eloquent rejection of Mr. Leigh's argument from custom and usage was made by George Washington:

> The necessity of reciprocal checks in the exercise of political power; by dividing and distributing it into different depositories, and constituting each the Guardian of the Public Weal against invasions by the others have been evinced. . . . To preserve them must be as necessary as to institute them. If in the opinion of the People, the distribution or modification of the Constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield. 35 *The Writings of George Washington*, J. Fitzpatrick, ed. 228–229 (Washington, 1940).

Third, Mr. Leigh relies heavily upon the lack of court cases on this subject, interpreting the silence of the judiciary as approval of executive branch activities. "The fact that we have not had a single judicial test of the choice of form throughout the nation's history", Mr. Leigh believes, "attests to the general satisfaction with the functioning of the process and with the choices made by the several Presidents" (p. 2).

In fact, no inference may properly be drawn from the absence of case law on this subject. The existence of only a few cases means simply that the federal courts have been unable or unwilling to hear causes of action on this subject. The Constitution requires that a "case or controversy" exist before a federal court may assume jurisdiction. Art. III, sec. 2, cl. 1. The courts do not pass upon issues unless they are raised by an appropriate plaintiff (one who has "standing" to sue) and unless they admit of judicial resolution ("justiciable" issues). Only an individual or a corporation which suffers some pecuniary or physical harm because of an act of the Federal Government is sufficiently aggrieved to have standing to challenge that act as being unconstitutional.

But the existence of standing is not in itself sufficient to establish federal jurisdiction. Even if all other requirements are met, the federal courts still will not decide an issue if it presents a "political question", one which goes to the essence of the separation of powers doctrine. The classic statement of the political question doctrine is found in *Baker* v. *Carr*:

> Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due coordination branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question. 319 U.S. 186, 212 (1962).

In applying *Baker* v. *Carr* to the issue at hand, there is, for example, a "textually demonstrable constitutional commitment" of the treaty question to the executive and legislative branches, and federal courts will deliberately avoid tampering with such a commitment.

For all these reasons, then, and not because of any "general satisfaction with the functioning of the process", the courts have not passed upon the question of the scope of the President's authority to make executive agreements.

"The entire analysis of the OLC Memorandum", Mr. Leigh states, "rests upon the proposition that all 'important' international agreements must, *as a matter of law*, be submitted to the Senate as treaties. . . ." As noted above, this was not our conclusion. We concluded that only matters of "exceptional national importance" must be submitted as treaties. Moreover, even a cursory reading of our memorandum will reveal that our "entire analysis" does not rest upon that proposition, but that the "importance test" was only one of three tests we applied, the other two being whether an agreement "constitutes a commitment within the meaning of the National Commitments Resolution" (p. 12), and whether it "qualifies as a treaty under the 'Circular 175' criteria employed by the Department of State" (p. 12).

It is perhaps understandable why Mr. Leigh attempts to downplay the National Commitments Resolution. Its import—that a national commitment results only from affirmative action taken by both the executive and legislative branches—is entirely at odds with his own view that the President may by himself commit the Nation. Let the implications of Mr. Leigh's analysis be clear: the seventy United States Senators who voted in favor of the Resolution—as well as the Committee on Foreign Relations, from which it was unanimously reported—hold an unconstitutionally narrow view of presidential power; the Constitution requires no "affirmative action" by the legislative branch because it grants the executive branch the sole authority to take such action. We do not agree.

As to the "Circular 175" criteria, which by their own terms require that they be given "due consideration" by appropriate Department officials, it should be noted that Mr. Leigh concedes that as many as four of the eight criteria "could possibly lead to the conclusion that a treaty is the more proper form". Yet Mr. Leigh at the same time vigorously defends the right of the Department to ignore its own "internal . . . rules". Even if the "Circular 175" Procedure may be followed or ignored at the Department's whim, the fact that half the criteria listed suggest the possibility that the agreement in question constitutes a treaty, also suggests that the Department ought at least to have consulted with the Congress on the question—as the "Circular 175" Procedure also provides (§ 721.4).

We shall not engage the Committee's time with a point-by-point rebuttal of Mr. Leigh's memorandum. We would suggest, however, that anyone interested compare his extreme theory with the views of various authorities in the field. Professor Louis Henkin, for example, is widely respected as an objective and thoughtful scholar on these matters. He has written as follows:

> There have indeed been suggestions, claiming support in *Belmont*, that the President is constitutionally free to make any agreement on any matter involving our relations with another country, although for political reasons—especially if he will later require Congressional implementation—he will often seek Senate consent. As a matter of constitutional construction, however, that view is unacceptable, for it would wholly remove the "check" of Senate consent which the Framers struggled and compromised to write into the Constitution. One is compelled to

conclude that there are agreements which the President can make on his sole authority and others which he can make only with the consent of the Senate, but neither Justice Sutherland nor any one else has told us which are which. Henkin, *Foreign Affairs and the Constitution* (1972) at 179 (footnotes omitted).

Determining what is constitutionally required to be submitted as a treaty, as we suggested, is not an easy matter. But we would note that not a single invited nongovernmental witness who testified before this Committee on October 6–7 took the view which Mr. Leigh has propounded. George Ball, for example, testified that he "cannot imagine that many of these provisions are within the President's inherent powers". "Early Warning System in Sinai", *supra* at 41–2. Paul Warnke, former Assistant Secretary of Defense, expressed similar sentiments. *Id.*

One additional point deserves comment. Mr. Leigh implies in a number of instances that we have somehow overlooked the fact that, like the "86% . . . of executive agreements . . . authorized by statute", so, too, the bulk of Agreement E is also authorized by statute. He observes an "apparent assumption running throughout [our September 24] memorandum that the treaty is somehow a more democratic form than the executive agreement" (p. 6). He indicates his "impression" that we "failed to appreciate that most executive agreements are authorized by statute" (p. 16). Executive agreements "entered into by the President pursuant to his independent constitutional powers," he says, "are uncommon. In any event, while some of the obligations with respect to the agreements in question are of this character, many are not" (p. 16). He does not, it should be noted, cite any such statutory authorization.

We would, in response, merely refer the Committee to page 5 of the other legal memorandum submitted by Mr. Leigh to the Committee on Foreign Relations on October 6, 1975. He states there that "paragraphs 5 through 16 [of Agreement E] all fall in the category of acts which the President is authorized to take under his independent constitutional authority for the conduct of foreign relations." This, we would point out, represents 12 of the 16 paragraphs on which our conclusion regarding the invalidity of that agreement was based. We do not suggest any disingenuousness on Mr. Leigh's part in implying in a public memorandum what he stated to be otherwise in a classified memorandum. We would have preferred, however, that he not represent us as having "failed to appreciate" a distinction which both he and we knew to be of limited relevance in this context.

Conclusion. Mr. Leigh refers frequently to "choice of form", as though the issue at hand involves no considerations of substance or procedure. The real question, in the words of Professor Philip Kurland, is: "Should the Constitution really be read to mean that by calling an agreement an executive agreement rather than a treaty, the obligation to secure Senate approval is dissolved?" Kurland, "The Impotence of Reticence," 1968 Duke L. J. 619, 626. The answer, provided by Mr. Leigh's recent predecessor as Legal Adviser, is inescapably that "if certain subject matters have to be dealt with by treaty, there is no option in the Executive to deal with those by executive agreements. . . . [T]here are a number of areas where you have to go the treaty route." Testimony of Hon. John R. Stevenson, hearings on Transmittal of Executive Agreements to Congress before the Committee on Foreign Relations, United States Senate (92d Cong., 1st sess., 1971) at 79.*

Apparently Mr. Leigh would disagree *"as a matter of law"* (p. 2) because there are "no judicial decisions with respect to the choice of treaty or executive agreement, no statutes or Federal regulations, and only a few insubstantial discussions of the issue in the legal literature" (p. 2). With that wealth of authority behind him, he is willing to discard altogether the language of article II, sec. 2, cl. 2 of the Constitution. There are various matters which the President "takes into account" (p. 3), Mr. Leigh allows, but the President's discretion is, *as a matter of law*, unfettered.

An absence of cases cannot, as discussed above, be construed as constituting approval of all executive agreements, regardless of scope. Nor can an absence of cases be taken as signifying an absence of law on the question. This basic separation of powers matter is governed by what the late Alexander M. Bickel has referred to as "the manifest constitution . . . the constitution of structure and process . . . of the mechanics of institutional arrangements and of political process." Professor Bickel knew, as Mr. Leigh has reminded us, that there are few court cases on these questions. "The judges have little to do with the manifest constitution," he said, but "the manifest constitution is law and a special kind of law at that, imposing a duty to obey of the sort that does not definitely attach, except broadly in the aggregate, to other general law in our system, and imposing it most particularly on all officers of government, state and federal, who by article VI are oath-bound to support the Constitution." He continued:

> There is a moral duty, and there ought to be, for those to whom it is applicable—most often officers of government—to obey the manifest constitution, unless and until it is altered by the amendment process it itself provides for, a duty analogous to the duty to obey final judicial decrees. No president may decide to stay in office for a term of six years rather than four, or, since the Twenty-second Amendment, to run for a third term. There is an absolute duty to obey; to disobey is to deny the idea of constitutionalism, that special kind of law which establishes a set of preexisting rules within which society works out all its other rules from time to time. To deny this idea is in the most fundamental sense to deny the idea of law itself. Bickel, *The Morality of Consent* (1975) at 29–30.

Respectfully submitted,

MICHAEL J. GLENNON,
Assistant Counsel.

U.S. SENATE,
OFFICE OF THE LEGISLATIVE COUNSEL,
Washington, D.C., September 24, 1975.

Hon. DICK CLARK,
U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR CLARK: Mr. Harry B. Littell, Legislative Counsel, has asked me to prepare a memorandum of law in response to your letter of September 18, 1975 regarding the secret agreements with Israel. That memorandum is attached.

Because it discusses materials which are classified "Secret", the memorandum is itself so classified.

Please let me know if we can be of any further assistance.

Sincerely,

MICHAEL J. GLENNON,
Assistant Counsel.

MEMORANDUM OF LAW

This memorandum addresses three questions:

I. Constitutionally, in view of the far-reaching nature of the agreement with Israel, should the commitments incorporated in the agreement with Israel more properly be handled in the form of a treaty rather than as an executive agreement?

II. Assuming that Congress does not take any action of approval or disapproval concerning the secret agreements, what will be their status in international and domestic law?

III. Could S. Con. Res. 64, if passed by Congress without amendment, be interpreted as constituting congressional approval of the entire package of Middle East agreements in stating that "The President is accordingly encouraged to take such action as may be necessary to fulfill their purposes"?

SUMMARY

I. Constitutionally, Agreement E, and possibly Agreements G and H, are beyond the power of the President to enter into without the advice and consent of the Senate. Agreement F is within the President's power to make and constitutes a valid executive agreement.

II. A. Absent the advice and consent of the Senate, under domestic law Agreement E and possibly Agreements G and H will be without force and effect. The advice and consent of the Senate is not required with respect to Agreement F, and it has full force and effect under domestic law.

B. Because Agreement E is without force and effect under domestic constitutional law, and because Israel should reasonably have known of such constitutional defect, this Office has concluded that such Agreement will be without force and effect under international law in the absence of the advice and consent of the Senate.

If, as we have concluded, Agreement F is a valid executive agreement, it has full force and effect under international law.

Because we are uncertain as to the validity of Agreement G under domestic constitutional law, it would probably be unfair to conclude that Israel should reasonably have known of any such constitutional defect. We therefore conclude that Agreement G is probably of force and effect under international law.

Because we are uncertain as to the validity of Agreement H under domestic constitutional law, it would probably be unfair to conclude that Egypt should reasonably have known of any such potential constitutional defect. We therefore conclude that Agreement H is probably of force and effect under international law.

ANALYSIS

I. Constitutionality, in view of the far-reaching nature of the agreement with Israel, should the commitments incorporated in the agreement with Israel more properly be handled in the form of a treaty rather than as an executive agreement?

In answering this question it is necessary to examine (A) the constitutional distinction between a treaty and an executive agreement; (B) the precise nature and extent of United States commitments to Israel in each of the four agreements; and (C) the application of constitutional principles to each agreement.

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* Former Senator Sam Ervin went further. He said:

> To my mind it is inconceivable that the Founding Fathers would have taken the trouble to spell out in article II, section 2, exactly how a treaty should be made—to require that it be submitted to the Senate for ratification or rejection, and to require two-thirds of the Senate to vote favorably before it would become effective—and at the same time to have an inherent power in a President, one man, to make an agreement with a foreign nation without any formality and not consulting with anybody but himself. "Congressional Oversight of Executive Agreements" *supra* at 65–66.

(A) *Constitutional law: Treaties and executive agreements under the separation of powers doctrine*

The scope of the President's authority to make executive agreements is unclear. No test is prescribed by the Constitution for determining whether a Presidential agreement involving a particular subject matter is ultra vires. Nor is any one test universally accepted. Rather, the standards must be determined from an examination of various sources. Considerations relevant to this separation-of-powers issue include (1) the text of the Constitution; (2) the intent of the framers; (3) actual practice; (4) Supreme Court and other cases; (5) criteria suggested by various authorities; and (6) criteria employed by the Department of State.

(1) The Text of the Constitution

The Constitution confers no express authority upon the President to enter into agreements wholly on his own. While article II, section 1 does provide that "executive Power shall be vested in a President of the United States," section 2 of that article more specifically states that the President "shall have the power, by and with the consent of the Senate, to make Treaties, provided two thirds of the Senators present concur."

(2) Intent of the Framers

In the absence of a more explicit assignment of power by the constitutional text, the way in which the Framers understood the separation of powers in this context takes on added significance. It is clear that the Framers intended not only to circumscribe narrowly the authority of the President to act unilaterally in this area, but also that they contemplated the closest possible collaboration between the President and the Senate in entering into international agreements. The observations of several Framers are both representative and illustrative of their intent.

(a) John Jay cautioned against delegation of the treaty-making power:

"The power of making treaties is an important one especially as it relates to war, peace, and commerce; and it should not be delegated but in such a mode, and with such precautions, as will afford the highest security that it will be exercised by men the best qualified for the purpose, and in the manner most conducive to the public good." *The Federalist* No. 64, at 420.

(b) James Madison regarded treaty-making as more a legislative than an executive function:

". . . There are sufficient indications that the power of treaties is regarded by the constitution as materially different from mere executive power, and as having more affinity to the legislative than to the executive character." 6 *J. Madison, Writings* 138 (Hunt ed. 1910), Chapter II, note 12.

(c) Evan Hamilton, no advocate of legislative power, believed that the legislative branch had to be included in the powers of making international commitments:

"The power in question seems therefore to form a distinct department, and to belong, properly, neither to the legislative nor to the executive. The qualities elsewhere detailed as indispensable in the management of foreign negotiations, point out the Executive as the most fit agent in those transactions; while the vast importance of the trust, and the operation of treaties as laws, plead strongly for the participation of the whole or a portion of the legislative body in the office of making them." Hamilton, *The Federalist* No. 75.

Hamilton noted that although the King of Great Britain could make treaties by himself, this power was denied to the President:

"In this respect, therefore, there is no comparison between the intended power of the President and the actual power of the British sovereign." *The Federalist* No. 69.

(3) Actual Practice

(a) *Treaties vs. executive agreements.* Custom and usage reveal no consistent pattern by which executive agreements and treaties might be distinguished and suggest that various Presidents have not adhered to the intent of the Framers. Important international agreements have been entered into on the President's own motion:

"In 1817, the Rush-Bagot Agreement disarmed the Great Lakes. *Root-Takahira* and *Lansing-Ishii* defined American policy in the Far East. A Gentleman's Agreement with Japan (1907) limited Japanese immigration into the United States. Theodore Roosevelt put the bankrupt customs houses of Santo Domingo under American control to prevent European creditors from seizing them. McKinley agreed to contribute troops to protect Western legations during the Boxer Rebellion and later accepted the Boxer Indemnity Protocol for the United States. Franklin Roosevelt exchanged over-age destroyers for British bases. Potsdam and Yalta shaped the political face of the world after the Second World War. Many Presidents have concluded agreements settling claims between the United States and foreign governments." L. Henkin, *Foreign Affairs and the Constitution* (1972) at 179–180.

At the same time, agreements have been transmitted to the Senate as treaties which involve matters of less than momentous international import. Only last week, for example, the Committee on Foreign Relations concluded hearings on treaties relating to the status of three uninhibited coral reefs in the Caribbean; the regulation of shrimp fishing off the coast of Brazil; and international regulations for preventing collisions at sea.

The trend toward using executive agreements rather than treaties has accelerated in recent years. In 1930, the United States concluded twenty-five treaties and only nine executive agreements. In 1968, however, the United States concluded sixteen treaties and 266 executive agreements, and by January 1, 1972, 947 treaties and 4,359 executive agreements were in force for the United States. (Testimony of Hon. Sam Ervin, "Congressional Oversight of Executive Agreements," hearings before the subcommittee on Separation of Powers of the Committee on the Judiciary, United States Senate, 92d Cong., 2d Sess., on S. 3475 (U.S. Government Printing Office: Washington, 1972) at 3.)

(b) *Congressional efforts to restore the constitutional balance.* The Congress has by recent legislation attempted to restore the constitutional balance.

In 1969 the Senate agreed to the National Commitments Resolution, which warned Presidents that the Senate intends to exercise its constitutional role and reserves the right to decline to implement presidential commitments.[1]

In 1972 the Senate agreed to S. Res. 214, expressing its sense that a 1971 presidential agreement with Bahrain, which provided for the use of military facilities by the United States in Bahrain, should be submitted to the Senate as a treaty.

And in 1973 the Congress enacted the War Powers Resolution, which prohibits the inference from any treaty, of authority to introduce the armed forces into hostilities unless such treaty is implemented by legislation specifically authorizing the introduction of the armed forces into hostilities (sec. 8(a)(2)).

(c) *The "Congressional-Executive Agreement".* In addition to the extremes of the "sole" executive agreement and the treaty, an intermediate vehicle has developed. The "Congressional-Executive" agreement—an agreement made by joint authority of the President and a majority of each House of Congress—dates from the early days of the Nation's constitutional history. It has been used to negotiate agreements on a range of subjects, including postal relations, lend-lease, nuclear reactors, copyright, and most notably trade agreements. Normally executive agreements of this type are entered into pursuant to specific statutory authority, and even then may be subject to congressional approval or disapproval after they have been entered into (see, e.g., the Trade Act of 1974). Controversy regarding the interchangeability of such agreements with treaties has abated in recent years, but the question of their legal equivalence has not been fully settled.

(4) Supreme Court Cases

We have not been able to locate any case in which the Supreme Court considered wehther an executive agreement was *ultra vires* for lack of Senate advice and consent. We have located three tangentially relevant Supreme Court cases, however, and one Court of Appeals case which may provide some guidance.

(a) In *Holmes* v. *Jennison*, 14 Peters 540, 572 (1840), the Supreme Court held that, when the Governor of Vermont sought to extradite one Holmes to Canada, the Governor was in effect entering into an agreement with Canada which Vermont could not do without congressional consent. Chief Justice Taney adopted Vattel's description of a treaty as a compact made "for perpetuity, or for a considerable time" requiring "repeated acts". Executive agreement, on the other hand, had "temporary matters for their object" and were "accomplished by one single act."

(b) In *Valentine* v. *U.S. ex rel Neidecker*, 299 U.S. 5 (1936), another extradition case, the Supreme Court held that the President did not have the power to extradite to France one Neidecker in the absence of a treaty or Act of Congress requiring such extradition. The Court did not treat the case as one involving an executive agreement, but it seems likely that at least an informal one had been made. By implication, the Court thus seems to have held that the making of such agreement was beyond the President's power.

(c) In *United States* v. *Belmont*, 301 U.S. 324 (1937), the Supreme Court appeared to take a step in the opposite direction. Mr. Justice Sutherland sustained presidential authority to enter into an executive agreement with the Soviet Union (the Litvinov Agreement) involving an assignment to the United States of all claims by the Soviet Union against United States nationals. The Court failed to discuss, however, the distinction between the President's authority to *negotiate* with the Soviet Government and his authority, or lack thereof, to determine the *form* which any resulting agreement should take. Furthermore, Sutherland's opinion emphasized that the agreement was part of one transaction which included the recognition of the Soviet Union. Since the power to recognize foreign governments is exclusively granted to the President by the Constitution, arguably this case validates the use of executive agreements only were such a specific constitutional power exists.

(d) In *United States* v. *Capps*, 204 F. 2d 655 (4th Cir. 1953), the acting Secretary of State and the Canadian Ambassador to the United States entered into an agreement regarding the export of Canadian potatoes into the United States. The United States alleged that the importing company had breached the agreement and sued the company for damages. The Court of Appeals affirmed a judgment for the company on the ground that the executive agreement was void. But, significantly, the court invalidated the agreement not because it found that a treaty was required to accomplish the end sought, but rather because the executive failed to comply with a specific statute limiting its power to ban imports. Thus, although the court suggested that the executive lacked inherent power to regulate interstate and foreign commerce, it did not actually base its holding on that theory.

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[1] For the text of Resolution see page 41 of this Memorandum.

(5) Comments of Authorities and Views of the Committee on Foreign Relations

Various commentators and authorities have viewed the distinction between treaties and executive agreements as turning on the importance of the subject matter.

(a) In 1939 an Assistant Secretary of State wrote:

"International agreements involving political issues or changes of national policy and those involving international arrangements of a permanent character usually take the form of treaties. But international agreements embodying adjustments of detail carrying out well-established national policies and traditions and those involving arrangements of a more or less temporary nature usually take the form of executive agreements." Sayer, *The Constitutionality of the Trade Agreements Act*, 39 Colum. L. Rev. 751, 755 (1939).

(b) An Attorney General's opinion of 1940, dealing with the exchange of over-age destroyers and obsolescent military materials for the acquisition of optional naval and air bases, also focused on the extent of future commitments promised by the United States, suggesting that Senate consent is not necessary for agreements which impose no obligation upon Congress, such as the obligation to appropriate money. 39 Op. Att'y. Gen. 484, 487 (1940).

(c) This Committee has also endorsed a test based on the importance of the subject matter of the agreement. It noted that the "traditional distinction between the treaty as the appropriate means of making significant political commitments and the executive agreement as the appropriate instrument for routine, nonpolitical arrangements has substantially broken down." "National Commitments," Report of the Committee on Foreign Relations of the United States Senate, S. Rept. No. 91-129, 91st Cong., 1st Sess., 26 (1969). It continued that "in some instances we have come close to reversing the traditional distinction between the treaty as the instrument of a major commitment and the executive agreement as the instrument of a minor one." *Id.* at 28.

(d) Finally, the Senate expressed the belief that an agreement with Portugal and an agreement with Bahrain regarding bases each was "clearly a matter of sufficient importance to necessitate its submission to the Senate as a treaty". S. Res. 214, 92d Cong., 1st Sess., Mar. 3, 1972.

(6) Criteria Employed by the Department of State

The Department of State, in its so-called "Circular 175 Procedure", has codified standards to which it gives "due consideration" in determining whether to employ the treaty or executive agreement mode:

a. The extent to which the agreement involves commitments or risks affecting the nation as a whole;

b. Whether the agreement is intended to affect State laws;

c. Whether the agreement can be given effect without the enactment of subsequent legislation by the Congress;

d. Past United States practice with respect to similar agreements;

e. The preference of the Congress with respect to a particular type of agreement;

f. The degree of formality desired for an agreement;

g. The proposed duration of the agreement, the need for prompt conclusion of an agreement, and the desirability of concluding a routine or short-term agreement; and

h. The general international practice with respect to similar agreements. 11 *Foreign Affairs Manual* § 721.3 (October 25, 1974).

Conclusion

Strong support exists for the proposition that an agreement which—

(1) relates to a subject matter of exceptional national importance;

(2) constitutes a commitment within the meaning of the National Commitments Resolution; or

(3) qualifies as a treaty under the "Circular 175" criteria employed by the Department of State

is in violation of the Constitution if entered into by the President without the advice and consent of the Senate.

(*B*) *Nature and extent of United States commitments to Israel*

In order to determine whether any of the four secret agreements should constitutionally be regarded as a treaty, the precise nature and extent of the commitments of the United States under each must be examined.

(1) Agreement E—Memorandum of Agreement Between the Governments of Israel and the United States, September 1, 1975.

Agreement E is written in such broad and general terms that any attempt to determine the specific nature and scope of United States commitments under such agreement is, in most instances, totally impracticable. The attention of the Committee is directed to each paragraph of such Agreement, as follows:

1. *Israel defense requirements.* What is meant by "fully responsive"? No termination or renewal date is set forth; does "on an ongoing and long-term basis" mean in perpetuity? What do "other defense requirements" include? Military advisors? Combat forces? Covert activities? What does "military equipment" include? Sophisticated weapons systems? Delivery systems for nuclear warheads? If so, has Israel promised not to use nuclear weapons in connection with such delivery systems? Does such promise refer only to first use? Does it apply even if Israel's survival as a nation is threatened? If such a promise exists, is it in writing? Is it a part of Agreement E? Has it or will it be transmitted to the Congress? In the event the United Nations takes "preventive or enforcement action" against Israel within the meaning of article 2, paragraph 5 of the United Nations charter,[2] does the United States undertake to continue giving such assistance in violation of the charter?

2. *Long-term supply needs.* To what extent may Congress contribute to the "joint study by military experts"? Will its results be made known to the Congress? Will congressional approval be sought? What does "sympathetic" mean? Does this preclude careful scrutiny? As to "advanced and sophisticated weapons", see comments on ¶1 above.

3. *Oil arrangements.* The one-year's notice requirement prior to termination applies only with respect to paragraph 3; does this imply that the rest of the Agreement is not subject to termination by either side? What are Israel's "normal requirements"? As of what date will such requirements be determined? Does "domestic consumption" include domestic military consumption? At what price and on what terms and conditions will the United States "promptly make oil available for purchase by Israel"? Will the annual review of "Israel's continuing oil requirement" include any congressional contribution? Will such sales continue if Israel acts in violation of the U.N. charter or international law?

7. *Effect of Egyptian violation of Egypt-Israel Agreement.* Does "any Egyptian violation" include a non-material violation? Which party, the United States or Israel, determines whether Egypt is in violation? Does this provision apply even if Israel is also in violation? What does "possible remedial action by the United States" include? Military advisors? Combat forces? Covert activities? Is congressional approval of any such action required?

8. *Security Council votes.* Does this provision apply even if Israel is in violation of international law or the United Nations charter or its agreement with Egypt?

9. *Proposals detrimental to Israel.* (See comments on No. 8.) Does this apply only with respect to the United Nations? If so, does it relate to the Security Council, or to the General Assembly as well?

10. *Threats to Israeli security.* (See comments on No. 1 and No. 8 above.) What does "view with particular gravity" mean? What constitutes a "threat to Israel's security or sovereignity"? Which nations are world powers? Would it include a "preventive or enforcement action" under article 2, paragraph 5 of the United Nations charter sponsored by the United Nations? Does "support, diplomatic or otherwise" include the introduction of the United States armed forces into hostilities? How does the executive branch presently interpret United States "constitutional practice"? Section 8 of the War Powers Resolution prohibits the inference of congressional authority to introduce the armed forces into hostilities, from a treaty or statute except under certain conditions; because Agreement E is neither a treaty nor a statute, but rather is an executive agreement, might the executive branch and Israel conceivably draw such an inference from it?

11. *Emergency military supply operation.* What weapons will be re-supplied? At what cost and under what terms and conditions? Will such operation be undertaken if Israel is in violation of the United Nations charter or international law? If it constitutes a violation by the United States of article 2, paragraph 5 of the charter? If it requires introduction of the armed forces into hostilities? Is congressional authorization required?

12. *Validity of Egypt-Israel Agreement.* If the "validity and duration" of the Egypt-Israel Agreement are "not conditional upon any act or developments between the other Arab states and Israel", does the United States view Egypt as being bound by that Agreement even if Israel commits an act of aggression against another Arab state which may be an ally of Egypt?

13. *Negotiations with Jordan.* Does this provision apply with respect to negotiations between the United States and Jordan or between Israel and Jordan, or both? To what extent does this provision preclude the consideration of topics other than "an overall peace settlement"?

14. *Freedom of navigation and flights.* Is the commitment of the United States to "support Israel's right to free and unimpeded passage" a commitment to do so militarily? Is it a commitment to do so even if Israel exercises such right of passage for aggressive purposes? Should Congress infer from the absence of any reference to United States "constitutional practices" (in this and in Nos. 2, 10, & 11) that the executive branch intends to decide upon support measures without consulting or seeking the authorization of Congress? Will the United States "support diplomatically" Israel's "right to freedom of flights over the Red Sea" even if such flights are for aggressive purposes? What is the significance of omitting the word "diplomatically" before "support" in the first sentence?

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[2] All Members shall give the United Nations every assistance in any action it takes in accordance with the present Charter, and shall refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action. United Nations Charter, article 2, paragraph 5.

16. *Effective date.* What does "approval by the United States Congress" mean? If the Congress were by resolution simply to express its sense that the President already has the constitutional and statutory authority to carry out the surveillance and observation functions, would it be deemed to have approved the role of the United States for purposes of this paragraph?

Conclusion. This Office can provide little assistance in determining what specific obligations are undertaken by the U.S. under Agreement E. There are various "canons of construction" for the interpretation of treaties, as there are for statutes, but these are primarily matters of common sense.[3] (The committee may wish to determine whether the executive branch has entered into oral understandings, informal or otherwise, for the purpose of providing clarification.)

Because of the vagueness and numerous uncertainties of Agreement E, which the above analysis reveals, it is difficult to predict the ultimate impact of the agreement. This unpredictability is contrary to a basic purpose of legal systems, and has often been condemned by courts. In criminal law, for example, statutes have been held "void for vagueness" when they were "so vague that men of common intelligence must necessarily guess at [their] meaning and differ as to [their] application". *Connaly* v. *General Construction Co.*, 269 U.S. 385 (1926). In civil law, a contract may be void unless it sets forth precisely what performance obligations are undertaken by each party. As one court held, "an offer must be so definite in its terms, or require such definite terms in the acceptance, that the promises and performances to be rendered by each party are reasonably certain." *Michell Novelty Co.* v. *United Manufacturing Co.*, 94 F. Supp. 612 (N. D. Ill. 1950). One reason for the law's dislike for ambiguity is that it makes possible broad but still reasonable interpretations, thereby engendering unpredictable results. Thus in assessing the nature, extent, and desirability of the commitments made in Agreement E by the United States, the Committee may wish to view the Agreement in terms of the broadest reasonable construction to which it could be subjected either by Israel or by a United States President. So viewed, the Agreement may be construed to provide, *inter alia*, as follows:

1. The United States will introduce its armed forces into hostilities for the purpose of—

(A) taking remedial action in the case of an Egyptian violation of any of the provisions of the Agreement (No. 7);

(B) defending Israel against threats by a world power (No. 10);

(C) maintaining Israel's right to free and unimpeded passage through the straights of Bab-el-Mandeb and the Straight of Gibraltar (No. 14); and

(D) carrying out a military supply operation to Israel in an emergency situation (No. 11).

2. United States economic and military assistance to Israel will be substantial and will include sophisticated weapons systems and systems capable of delivering nuclear weapons.

3. The above obligations are undertaken without regard to—

(A) the financial cost to the United States;

(B) the aggressive nature of any act by Israel;

(C) any preventive or enforcement action by the United Nations against Israel, or the fact that the fulfillment of such commitments could under certain circumstances be inviolation of the United Nations charter;

(D) any lapse of time or change in the relationship between the United States and Israel; or

(E) except in the case of commitments set forth in paragraph 1, the absence of approval of the Congress.

(2) Agreement F—Memorandum of Agreement between the Countries of Israel and the United States: The Geneva Peace Conference.

Agreement F deals with United States policy with respect to recognition of the Palestine Liberation Organization and with matters of diplomacy and strategy to be followed at the Geneva Peace Conference and in the United Nations. No further commitments appear to be made.

(3) Agreement G—Assurances from United States Government to Israel.

The language of this Agreement raises questions similar to those raised by Agreement E. Does "resolved" mean that the United States is "committed" or simply "intends" to "maintain Israel's defensive strength?" How "advanced" is the equipment involved? Does "supply" mean "delivery", and, if so, is the U.S. bound to deliver equipment during outbreaks of hostilities? On what terms and conditions will the items be supplied? Must supply be continued in the event Israel commits an act of aggression or in the event such supply would constitute a violation of article 2, paragraph 5 of the United Nations Charter by the United States? Does the United States intend to supply F-16 aircraft without a "joint study" of the kind to which provision of the Pershing ground-to-ground missiles is subject? Will items provided be drawn from existing inventories or from new production? At what price will they be provided? Is "the view to giving a positive response" strong enough to constitute a commitment?

(4) Agreement H—Assurances from United States Government to Egypt.

The language of this Agreement raises questions similar to those raised by Agreements E and G. On what date does the Agreement take effect? Specifically:

1. Does "in the first instance" imply that economic channels may be resorted to in the event diplomatic channels fail?

2. Does "an Israeli violation" include a non-material violation? Which party, the United States or Egypt, determines whether Israel is in violation? Does this provision apply even if Egypt is also in violation? What does "possible remedial action by the United States" include? Military advisors? Combat forces? Covert activities? Must Congress approve such remedial action? Must "remedial action" be taken by the United States even if Egypt commits an act of aggression against Israel or violates the Egypt-Israel agreement?

3. Will such technical assistance be provided on a grant basis or under a sales arrangement? If the latter, at what price? Must assistance continue if its provision would constitute a violation of article 2, paragraph 5 of the United Nations Charter?

4. (See No. 3 above.) Must such assistance continue regardless of a change in the relationship between Egypt and the United States? For what period of time will such assistance continue? In what amount will it be requested of the Congress?

(C) *Application of constitutional principles to each agreement*

(1) Agreement E—Memorandum of Agreement Between the Governments of Israel and the United States, September 1, 1975.

(a) *Importance of Subject Matter.* As indicated, the provisions of Agreement E are subject to varying interpretations. Under the broadest reasonable construction, this office would conclude that the subject matter is one of exceptional national importance.

(b) *National Commitments Resolution.* Under the broadest reasonable interpretation, Agreement E seems clearly to be a "promise to assist" Israel at least "by the use of the armed forces" and without question "by the use of the . . . financial resources of the United States", both "immediately" and also "upon the happening of certain events". Thus, the obligations undertaken in Agreement E clearly constitute a "national commitment" within the meaning of clause 1 of the National Commitments Resolution. In clause 2 of that resolution the Senate expressed its sense that a national commitment "results only from affirmative action taken by the executive and legislative branches of the United States Government by means of a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such commitment." Inasmuch as Agreement E does not take the form of a "treaty, statute, or concurrent resolution", that agreement cannot, according to the National Commitments Resolution, result in a commitment by the United States.

(c) *"Circular 175" Criteria.* In determining the application of the "Circular 175" criteria, Agreement E will again be given its broadest reasonable construction.

a. *Commitments and risks.* As discussed in section (b) above, it seems clear that Agreement E involves both commitments and risks affecting the Nation as a whole.

b. *Effect on State laws.* As far as we can determine, no provision of the Agreement is intended to affect any State laws.

c. *Need for subsequent legislation.* Paragraph (1) of Agreement E refers to "congressional authorization" as a possible restriction upon United States responsiveness to Israel's defense, economic, and energy requirements. Presumably, the Agreement thereby contemplates military and economic assistance, to the extent authorized by Congress. Thus it appears that key portions of the Agreement cannot be given effect without the enactment of subsequent legislation by the Congress.

d. *Past practice regarding similar agreements.* A review of mutual defense treaties and collective security treaties in effect between the United States and various countries reveals that a number of such treaties contain language roughly comparable to paragraph 10 of Agreement E.

For example the North Atlantic Treaty, 66 Stat. 2241; TIAS 1964; 34 UNTS 243, provides as follows:

Article 5

The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

The Mutual Defense Treaty between the United States of America and the Republic of the Philippines, 3 UST 3947; TIAS 2529; 177 UNTS 133, provides as follows:

Article III

The Parties, through their Foreign Ministers or their deputies, will consult together from time to time regarding the implementation of this Treaty and whenever in the opinion of either of them the territorial integrity, political independence or security of either of the Parties is threatened by external armed attack in the Pacific.

The Security Treaty between Australia,

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[3] E.g., it is not permissible to interpret what has no need of interpretation; the duty is to give effect to the expressed intention of the parties; the whole of the treaty must be taken into consideration; words must be given their ordinary and natural meaning in the context in which they occur; all treaties must be interpreted so as to exclude fraud. *See generally* 14 Whiteman, *Digest of International Law*, section 39 (1970). In drafting legislation, it is the policy of this office that statutory language should be sufficiently clear as to make unnecessary resort to canons of construction.

New Zealand, and the United States of America, 3 UST 3420; TIAS 2493; 131 UNTS 83, provides as follows:

Article III

The Parties will consult together whenever in the opinion of any of them the territorial integrity, political independence or security of any of the Parties is threatened in the Pacific.

The Mutual Defense Treaty between the United States of America and the Republic of Korea, 5 UST 2368; TIAS 3097; 238 UNTS 199, provides as follows:

Article II

The Parties will consult together whenever, in the opinion of either of them, the political independence or security of either of the Parties is threatened by external armed attack. Separately and jointly, by self help and mutual aid, the Parties will maintain and develop appropriate means to deter armed attack and will take suitable measures in consultation and agreement to implement this Treaty and to further its purposes.

And the Southeast Asia Collective Defense Treaty and protocol thereto, 6 UST 81; TIAS 3170, provides as follows:

Article IV

1. Each Party recognizes that aggression by means of armed attack in the treaty area against any of the Parties or against any State or territory which the Parties by unanimous agreement may hereafter designate, would endanger its own peace and safety, and agrees that it will in that event act to meet the common danger in accordance with its constitutional processes. Measures taken under this paragraph shall be immediately reported to the Security Council of the United Nations.

Accordingly, we would conclude that past United States' practice with respect to similar agreements indicates that such agreements have been transmitted to the Senate as treaties.

e. *Preference of the Congress.* On June 25, 1969, the Senate agreed to the National Commitments Resolution expressing its sense that a national commitment within the meaning of clause (1) thereof results only when a treaty, statute, or concurrent resolution provides for such commitment. As indicated above, the obligations undertaken in Agreement E undoubtedly constitute a commitment within the meaning of clause (1). We thus conclude that the Senate has expressed its preference that the commitments made by an agreement of this particular type be embodied in a treaty, statute, or concurrent resolution specifically providing for such commitment, and that Congressional preference would be that Agreement E not be dealt with as an executive agreement.

f. *Degree of formality desired.* This Office is of course unable to determine what degree of formality was desired by the executive branch for Agreement E. From the standpoint of the Congress, however, as the subject matter becomes more important, the formality of the treaty mode may be more desirable.

g. *Proposed duration, need for prompt conclusion, and desirability of concluding a routine or short-term agreement.* With the exception of the provision relating to oil sales and supply, it appears that Agreement E is intended to be of indefinite duration. The Agreement clearly is not "routine"; however, the policy judgments inherent in the other two criteria of paragraph g. preclude an evaluation by this Office.

h. *General international practice.* Because of time limitations we have been unable to survey general international practice with respect to similar agreements.

Conclusion. It is the opinion of this Office, having considered the "Circular 175" criteria as applied to Agreement E, that those which we are able to evaluate weigh heavily in favor of the conclusion that Agreement E should be treated as a treaty rather than an executive agreement.

(d) *Conclusion Regarding Agreement E.* Agreement E, given its broadest reasonable construction, relates to a subject matter of exceptional national importance, constitutes a commitment within the meaning of the National Commitments Resolution, and requires, as a treaty, the advice and consent of the Senate under the "Circular 175" criteria employed by the Department of State.

(2) Agreement F—The Geneva Peace Conference.

(a) *Importance of the Subject Matter.* As indicated, the provisions of Agreement F relate solely to matters of diplomatic relations and international negotiations. It is questionable whether the subject matter is one of exceptional national importance, and, in any event, it is the opinion of this Office that the conduct of diplomatic relations and international negotiations is ancillary to the President's "recognition power" of section 3, article II of the United States Constitution and is thus exclusively presidential.

(b) *National Commitments Resolution.* Agreement F does not contain "a promise to assist" Israel "by use of the Armed Forces or financial resources of the United States". Accordingly, for purposes of the National Commitments Resolution, it is not regarded as a commitment and thus may result in a binding commitment in the absence of a treaty, statute, or concurrent resolution providing for such commitment.

(c) *"Circular 175" Criteria.*

a. *Commitments and risks.* Agreement F would not appear to involve any substantial commitment or risk affecting the Nation as a whole.

b. *Effect on State laws.* There is no indication that Agreement F is intended to affect State laws.

c. *Need for subsequent legislation.* The Agreement can be given effect without the enactment of subsequent legislation by the Congress.

d. *Past practice regarding similar agreements.* We have not been able to locate any instance in which a similar agreement has been submitted as a treaty.

e. *Preference of the Congress.* There is no indication that the Congress prefers that this particular type of agreement be dealt with as a treaty.

f. *Degree of formality desired.* There is no reason to assume that a high degree of formality is desired on the part of either the executive branch or the Congress.

g. *Proposed duration, need for prompt conclusion, and desirability of concluding a routine or short-term agreement.* The portions of the Agreement dealing with recognition of the Palestine Liberation Organization apparently are of indefinite duration, although other provisions relate to obligations undertaken within definite periods of time.

h. *General international practice.* Because of time limitations we have been unable to survey general international practice with respect to similar agreements.

Conclusion. It is the opinion of this Office that under the "Circular 175" criteria Agreement F should be considered an executive agreement.

(d) *Conclusion Regarding Agreement F.* Agreement F does not appear to relate to a subject matter of exceptional national importance, and, in any event, relates to matters within the exclusive constitutional power of the President. It does not constitute a commitment within the meaning of the National Commitments Resolution, nor does it qualify as a treaty under the "Circular 175" criteria employed by the Department of State. Accordingly, it is the conclusion of this Office that under the United States Constitution Agreement F constitutes a valid executive agreement and will have full force and effect under domestic law without the advice and consent of the Senate.

(3) Agreement G—Assurances from United States Government to Israel.

(a) *Importance of Subject Matter.* Under the broadest reasonable construction it appears that the United States is committed to providing certain types of advanced and sophisticated military equipment. But because the words "resolved" and "with the view to giving a positive response" are ambiguous, the legal status of the United States commitment is unclear. There appears to be no language which could be cited to support the introduction of the United States Armed Forces into hostilities. Although Agreement G may be one of exceptional national importance, this is not necessarily so, and the Agreement may not be a treaty under this subjective test.

(b) *National Commitments Resolution.* Under the broadest reasonable interpretation, Agreement G clearly constitutes a "promise to assist" Israel "by the use of . . . financial resources of the United States," possibly not "immediately" but clearly "upon the happening of certain events," namely, upon the conclusion of the "joint study of high technology and sophisticated items." Inasmuch as no "treaty, statute, or concurrent resolution" provides for the commitments contained in Agreement G, under the National Commitments Resolution no commitment of the United States has resulted under Agreement G.

(c) *"Circular 175" Criteria.* The application of the "Circular 175" criteria will assume that Agreement G will also be given its broadest reasonable construction by each party thereto.

a. *Commitments and risks.* Agreement G clearly involves commitments affecting the Nation as a whole. Whether risks are also involved is uncertain because the provision regarding Pershing missiles and other high technology and sophisticated items is vague regarding the terms and conditions under which the United States would provide such material to Israel.

b. *Effect on State laws.* As far as we can determine no provision of Agreement G is intended to affect any State laws.

c. *Need for subsequent legislation.* The ability of the executive to provide the items indicated clearly is dependent upon sufficient congressional authorizations. The final sentence refers specifically to "approval by the U.S. Congress".

d. *Past practice regarding similar agreements.* Agreements for the provision of military equipment, including high technology and sophisticated items, have seldom taken the form of treaties.

e. *Preference of the Congress.* As indicated above, there seems little question that the obligations undertaken in Agreement G constitute a commitment within the meaning of clause 1 of the National Commitments Resolution. We would thus conclude that the Senate has expressed its preference that the commitments made by an agreement of this particular type be embodied in a treaty, statute, or concurrent resolution specifically providing for such commitment, rather than in an executive agreement.

f. *Degree of formality desired.* Again, this Office is unable to determine what degree of formality was desired by the executive branch for Agreement G. From the standpoint of the Congress, however, the degree of formality desired may be viewed as a function of the degree of importance attached to the subject matter, with matters of prime importance submitted as treaties and matters of a routine or minor nature transmitted in the less formal mode of an executive agreement. Under such a standard, a relatively high degree of formality may be desired here.

g. *Proposed duration, need for prompt conclusion, and desirability of concluding a rou-*

tine or short-term agreement. It appears that Agreement G is proposed to have indefinite duration. The Agreement would not appear to be "routine"; however, the policy judgments inherent in the other two criteria of paragraph g. preclude an evaluation by this Office.

h. *General international practice*. Because of the time limitations we have been unable to survey general international practice with respect to similar agreements.

Conclusion. It is the opinion of this Office that the "Circular 175" criteria which we are able to apply suggest that Agreement G may be properly considered either a treaty or an executive agreement.

(d) *Conclusion Regarding Agreement G*. Agreement G, given its broadest reasonable construction, relates to a subject matter which may be one of exceptional national importance; constitutes a commitment within the meaning of the National Commitments Resolution; and may be considered either as a treaty or an executive agreement under the "Circular 175" criteria employed by the Department of State. Accordingly, it is the conclusion of this Office that the United States Constitution may require the advice and consent of the Senate.

(4) Agreement H—Assurances from United States Government to Egypt.

(a) *Importance of Subject Matter*. Under the broadest reasonable construction, it appears that the United States is committed to the provision of economic assistance to Egypt. Moreover, the language "possible remedial action by the United States" could conceivably be construed, as could the similar language in Agreement E, as including a military commitment.

Assistance to Syria could be implied in ¶ 1 of Agreement H if the "channel" of economic assistance is contemplated in the event of the failure of the diplomatic channel. In addition, it is clear that technical assistance is promised for the Egyptian Early Warning System under paragraph 3. Agreement H may thus be one of exceptional national importance, but because of the subjective nature of this test whether it should be regarded as a treaty is not clear.

(b) *National Commitments Resolution*. Under the broadest reasonable interpretation, Agreement H clearly constitutes a "promise to assist" Egypt "by the use of . . . financial resources of the United States", possibly not "immediately" but clearly "upon the happening of certain events", namely, congressional authorization and appropriation. Inasmuch as Agreement H is not expressed as a "treaty, statute, or concurrent resolution", no commitment of the United States under the National Commitments Resolution has resulted from Agreement H.

(c) *"Circular 175" Criteria*. The application of "Circular 175" criteria will assume that Agreement H will also be given its broadest reasonable construction by each party thereto.

a. *Commitments and risks*. Agreement H clearly involves commitments affecting the Nation as a whole. Whether risks are also involved by virtue of United States technical assistance for the Egyptian Early Warning System is unclear.

b. *Effect on State laws*. As far as we can determine, no provision of Agreement H is intended to affect any State laws.

c. *Need for subsequent legislation*. The "policy of assisting Egypt in its economic development" clearly is dependent upon sufficient congressional authorizations. The final sentence refers specifically to "congressional authorization and appropriation."

d. *Past practice regarding similar agreements*. Agreements for the provision of economic assistance have seldom taken the form of treaties. However depending on what "technical assistance", as used in paragraph 3, includes, a treaty may be appropriate.

e. *Preference of the Congress*. As indicated above, there is little question that the commitments undertaken in Agreement H constitute a commitment within the meaning of clause 1 of the National Commitments Resolution. We would thus conclude that the Senate has expressed its preference that the commitments made by an agreement of this particular type be embodied in a treaty, statute, or concurrent resolution specifically providing for such commitments, rather than in an executive agreement.

f. *Degree of formality desired*. Again, this Office is unable to determine what degree of formality was desired by the executive branch for Agreement H. From the standpoint of the Congress, however, the degree of formality may be viewed as a function of the degree of importance attached to the subject matter, with matters of prime importance transmitted as treaties and matters of a routine or minor nature transmitted in the less formal mode of an executive agreement. Under such a standard, depending on what "technical assistance" includes, a relatively high degree of formality may be desirable.

g. *Proposed duration, need for prompt conclusion, and desirability of concluding a routine or short-term agreement*. It appears that Agreement H is proposed to have indefinite duration. The policy judgments inherent in the other two criteria of paragraph 4 preclude an evaluation by this Office.

h. *General international practice*. Because of the time limitations we have been unable to survey general international practice with respect to similar agreements.

Conclusion. It is the conclusion of this Office that the "Circular 175" criteria which we can apply suggest that Agreement H could be considered either a treaty or an executive agreement.

(d) *Conclusion Regarding Agreement H*. Agreement H, given its broadest reasonable construction, relates to a matter which may be one of exceptional national importance; constitutes a commitment within the meaning of the National Commitments Resolution; and may be considered either as a treaty or as an executive agreement under the "Circular 175" criteria employed by the Department of State. Accordingly, it is the conclusion of this Office that the United States Constitution may require the advice and consent of the Senate.

II. Assuming that Congress does not take any action of approval or disapproval concerning the secret agreements, what will be their status in domestic and international law?

(A) DOMESTIC LAW.—In answering this question with respect to domestic law, it is necessary to examine (1) relevant principles of constitutional law; and (2) the application of those principles to the agreements in question.

(1) *Relevant principles of constitutional law*.

In contrast to the unsettled state of constitutional law regarding the distinction between treaties and executive agreements, constitutional law is clear-cut and well-established regarding the status of an agreement which is beyond the President's sole power to make and which has not been given the advice and consent of the Senate. Such an agreement is without force and effect under domestic law. A contrary rule would render the advice and consent requirement of article II, section 2, clause 2 a nullity.

(2) *Application to the Agreements*.

(a) *Agreement E*. If, as we have concluded, it was beyond the authority of the President to enter into Agreement E without the advice and consent of the Senate, then in the absence of such advice and consent Agreement is of full force and effect under domestic United States law.

(b) *Agreement F*. If, as we have concluded, the President had the authority to enter into Agreement F on his own, that Agreement is of full force and effect under domestic United States law without the advice and consent of the Senate.

(c) *Agreement G*. If, as we have concluded, it may have been beyond the authority of the President to enter into Agreement G without the advice and consent of the Senate, then such Agreement may be without force and effect under domestic United States law.

(d) *Agreement H*. If, as we have concluded, it may have been beyond the authority of the President to enter into Agreement H without the advice and consent of the Senate, then such Agreement may be without force and effect under domestic United States law.

(B) INTERNATIONAL LAW.—In answering question II with respect to international law, it is necessary to examine (1) relevant principles of international law; and (2) the application of those principles to the Agreements in question.

(1) *Relevant principles of international law*

Unlike domestic constitutional or statutory law, international law provides no text for use as a point of departure. Rather, its principles must be gleaned from various sources, including international conventions, international custom, judicial decisions and teachings of highly qualified publicists, and general principles of law recognized by civilized nations.

The question of whether an agreement which is ultra vires under the constitutional law of a nation is binding upon that nation under international law has been answered in similar fashion by a variety of authorities who have reviewed the sources:

(a) The Harvard Research in International Law reached the following conclusion:

> A State is not bound by a treaty made on its behalf by an organ or authority not competent under its law to conclude the treaty; however, a State may be responsible for an injury resulting to another State from reasonable reliance by the latter upon a representation that such organ or authority was competent to conclude the treaty . . .
>
> * * * * *
>
> In the United States, where the advice and consent of two-thirds of the members of the Senate present is required by the constitution before the President can make certain treaties, a treaty of that type, if concluded by the President without the advice and consent of the Senate or with the advice and consent of less than two-thirds of the senators present would be one concluded by an incompetent organ or authority. In short, an organ to be competent must be the whole organ or such part of it, where it is a collective organ, as the constitution or law of the State on behalf of which it acts, requires. 29 Am. J. Intl. L. Supp. 992 (1935).

(b) The United Nations International Law Commission formulated existing law as follows:

> Capacity of Agents
>
> Constitutional limitation upon the treaty-making power
>
> 1. A treaty is voidable, at the option of the party concerned, if it has been entered in disregard of the limitations of its constitutional law and practice.
>
> 2. A contracting party may be deemed, according to the circumstances of the case, to have waived its right to assert the invalidity of a treaty concluded in disregard of constitutional limitations if for a prolonged period it has failed to invoke the invalidity of the treaty or if it has acted upon or obtained an advantage from it.
>
> 3. In cases in which a treaty is held to be invalid on account of disregard of the constitutional limitations imposed by the law or practice of a contracting party that party is responsible for any resulting damage to the other contracting party which cannot

properly be held to have been affected with knowledge of the constitutional limitation in question.

4. A party cannot invoke the invalidity of a treaty on the ground that it has been entered into in disregard of the constitutional limitations of the other contracting party.

5. A party asserting the invalidity of a treaty on account of any failure to comply with constitutional limitations is bound, in the case of disagreement, to submit the substance of the dispute or the question of damage to the International Court of Justice or to any other international tribunal agreed upon by the parties. II *Yearbook of the International Law Commission*, 1953 at 141.

(c) The Vienna Convention on the Law of Treaties provides as follows:

Article 45

Loss of a right to invoke a ground for invalidating, terminating, withdrawing from or suspending the operation of a treaty

A State may no longer invoke a ground for invalidating, terminating, withdrawing from or suspending the operation of a treaty under articles 46 to 50 or articles 60 and 62 if, after becoming aware of the facts:

(a) it shall have expressly agreed that the treaty is valid or remains in force or continues in operation, as the case may be; or

(b) it must by reason of its conduct be considered as having acquiesced in the validity of the treaty or in its maintenance in force or in operation, as the case may be.

Article 46

Provisions of internal law regarding competence to conclude treaties

1. A State may not invoke the fact that its consent to be bound by a treaty has been expressed in violation of a provision of its internal law regarding competence to conclude treaties as invalidating its consent unless that violation was manifest and concerned a rule of its internal law of fundamental importance.

2. A violation is manifest if it would be objectively evident to any State conducting itself in the matter in accordance with normal practice and in good faith. U.N. Conference on the Law of Treaties, Doc. A/Conf. 39/27, May 23, 1969.

The Senate's consent has been cited as an example of a fundamental requirement. A. McNair, *The Law of Treaties* 63 (1961).

(d) Professor Lewis Henkin concludes as follows:

"It is now accepted that a treaty made in violation of a nation's constitution is nevertheless binding upon it unless the violation is "fundamental" and the other party knew or *had reason to know* the lack of authority to make it. Henkin." *Foreign Affairs and the Constitution* (1973) at 137 (emphasis added).

(e) McNair settles upon a similar test:

"[I]n concluding a treaty if one party produces an instrument 'complete and regular on the face of it' (to borrow an expression from another department of the law) though in fact constitutionally defective, the other party, if it is ignorant and *reasonably ignorant* of the defect, is entitled to assume that the instrument is in order and to hold the former to the obligations of the treaty. If that view is correct then the repudiation of such a treaty constitutes an international wrong." Bishop, *International Law, Cases and Materials* (2d Ed., 1962) at 107 (emphasis added). *See also*, Whiteman, *Digest of International Law*, § 26 at 260–261.

Conclusion. We conclude, on the basis of these authorities, that under international law—

(1) a State may be bound, under international law, by an agreement made in violation of its constitutional process;

(2) a State is not bound if (A) such violation is fundamental; and (B) the other party to such agreement should reasonably have known of the constitutional defect;

(3) such State is bound, however, if its subsequent conduct indicates acquiescence in the validity of the agreement.

(2) *Application of international law to agreements.*

It is the opinion of this Office that entering into an agreement beyond the President's constitutional authority, without the advice and consent of the Senate, would constitute a "fundamental" violation of the United States Constitution. We would apply this principle to each Agreement as follows:

(a) *Agreement E.* If, as we have concluded, Agreement E is beyond the authority of the President to make without the advice and consent of the Senate, such Agreement is nonetheless binding on the United States under international law unless Israel should reasonably have known of the constitutional defect. Whether Israel may reasonably be held to such knowledge may be determined from a variety of sources, including legal, political and diplomatic ones.

(i) *Legal.* Foreign nations entering into international agreements with the United States may fairly be regarded to be on notice with respect to essential provisions of United States law and major expressions of relevant congressional opinion. Such provisions would appear to be embodied in the War Powers Resolution and in the National Commitment Resolution.

The War Powers Resolution. Section 8 (a) of the War Powers Resolution prohibits the inference of authority to introduce the armed forces into hostilities, from any treaty unless such treaty is implemented by legislation specifically authorizing such introduction. Although the provision applies on its face only to treaties, it would seem unreasonable to conclude that the Congress intended to allow the inference of such authority to be drawn from an executive agreement.

The National Commitments Resolution provides as follows:

RESOLUTION

Whereas accurate definition of the term "national commitment" in recent years has become obscured: Now, therefore, be it

Resolved, That (1) a national commitment for the purpose of this resolution means the use of the Armed Forces of the United States on foreign territory, or a promise to assist a foreign country, government, or people by the use of the Armed Forces or financial resources of the United States, either immediately or upon the happening of certain events, and (2) it is the sense of the Senate that a national commitment by the United States results only from affirmative action taken by the executive and legislative branches of the United States Government by means of a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such commitment. Senate Resolution 85, 91st Congress, Report No. 91–129, agreed to June 25, 1969.

A leading constitutional scholar has observed that the National Commitment Resolution "was obviously intended . . . as a reminder to foreign governments that the Senate for its part reserves the right not to implement Presidential commitments, and it may effectively serve that end." L. Henkin, *Foreign Affairs and the Constitution* (1973) at 183.

(ii) *Political.* Less easy to identify but nonetheless pertinent are political indicia. These appear to suggest a desire by the Congress to play a more significant role in the conduct of the Nation's foreign relations and to reclaim power that has been exercised by the executive. In this climate an international agreement might reasonably be expected to receive greater congressional attention than it might have several years ago (see, e.g., the "Case Act", 1 U.S.C. 112a; 86 Stat. 619, requiring the transmittal to Congress of all executive agreements).

(iii) *Diplomatic.* This Office is, of course, not privy to information communicated to Israel through diplomatic channels, and cannot determine whether Israel received actual notice of the advice and consent requirement. Regardless of the nature of such communication, however, basic constitutional precepts cannot have been altered.

Conclusions regarding Agreement E. It would be unfair to require a State to make fine distinctions with respect to the domestic law of another State. In this instance, however, the violation of the United States Constitution is fundamental in nature. Moreover, legal and political warning lights have been readily visible.

Accordingly, it is the conclusion of this Office that Israel should reasonably have known of the constitutional defectiveness of Agreement E, and that the United States is therefore not bound under international law.

(b) *Agreement "F".* If, as we have concluded, Agreement F is a valid executive agreement, it is of full force and effect under international law.

(c) *Agreement "G".* Because we are uncertain as to the validity of Agreement G under domestic constitutional law, it would probably be unfair to conclude that Israel should reasonably have known of any such potential constitutional defect. We therefore conclude that Agreement G is probably of force and effect under international law.

(d) *Agreement "H".* Because we are uncertain as to the validity of Agreement H under domestic constitutional law, it would probably be unfair to conclude that Egypt should reasonably have known of any such potential constitutional defect. We therefore conclude that Agreement H is probably of force and effect under international law.

III. Could S. Con. Res. 64, if passed by Congress without amendment, be interpreted as constituting congressional approval of the entire package of Middle East agreements in stating that "the President is accordingly encouraged to take such action as may be necessary to fulfill their purposes"?

S. Con. Res. 64 provides that "the President is accordingly encouraged to take such action as may be necessary to fulfill their purposes," with "their" referring to "identical proposals" transmitted by the President on September 1, 1975, to the Government of the Arab Republic of Egypt and to the Government of Israel. Under the broadest reasonable construction, the "purposes" of such identical proposals might be viewed as being the establishment of "a just and lasting peace in the Middle East" and the reduction of "the threat to the peace and to the security and economy of the United States" (2d "whereas clause"). Agreements E—H, discussed in this memorandum above, might also reasonably be construed as directed at those same purposes. Accordingly, it is our conclusion that the adoption by the Congress of S. Con. Res. 64, in the form in which it was introduced, could be construed as constituting approval of Agreements E—H.

Moreover, even if the adoption of S. Con. Res. 64 were not regarded as approval under domestic constitutional law, under international law such adoption could conceivably be construed as subsequent conduct indicating acquiescence in the validity of Agreement E, which we have concluded is otherwise invalid.

Respectfully submitted,

MICHAEL J. GLENNON,
Assistant Counsel.

September 24, 1975.

MEMORANDUM

To: Senator Clark
From: Michael J. Glennon, Assistant Counsel.
Date: September 26, 1975.
Subject: Equivalence of treaties and executive agreements under international law.

You have requested clarification with respect to several points made in the memorandum of law of September 24, 1975 of this Office regarding the standing of treaties and executive agreements under international law.

A. Treaties and executive agreements are of equal force and effect under international law.[1]

B. Agreement E, an executive agreement, is of no force and effect under international law.

Question 1. Are these two propositions inconsistent?

Answer. No. A valid treaty and a valid executive agreement are of equal force and effect under international law. Each is equally binding. An invalid treaty or an invalid executive agreement is of no force or effect under international law. Neither is binding. Our memorandum of September 24, 1975 concluded that, because entry by himself into Agreement E was (or will be) an ultra vires act on the part of the President and should reasonably be known to be such by Israel, Agreement E represents an invalid executive agreement. It can become binding under international law only if accorded the advice and consent of the Senate.

Question 2. Then what difference does it make whether Agreement E, now simply initiated, is on some future date signed and therefore purportedly entered into?

Answer. Legally, none. The Agreement is and will be an invalid executive agreement. The unwanted impact is entirely diplomatic and political. Invalid international agreements can lead to misunderstandings, recriminations, and generally undesirable international and domestic repercussions.

A recent example is illustrative. Former President Nixon reportedly promised President Thieu that the United States would "respond with full force" in the event of certain violations of the Paris Agreement by North Vietnam. Letter of January 5, 1973 from President Nixon to President Thieu, New York Times, May 1, 1975, p. 16. President Nixon had earlier written that "You have my absolute assurance that if Hanoi fails to abide by the terms of [the Paris Agreement] it is my intention to take swift and severe retaliatory action." Letter of November 14, 1972 from President Nixon to President Thieu, *id.*

Was the United States in violation of international law as the result of its failure to comply with this executive agreement? The answer fairly clearly is no, for the reasons that (1) the agreement was beyond the constitutional authority of the President, acting alone, to make; (2) South Vietnam should reasonably have known of such defect; and (3) the Agreement was, as an invalid executive agreement,[2] without force and effect under international law.

Summary and Conclusion. It is the position of the Department of State that Agreement E is a *valid* executive agreement (which has, because it was initiated rather than signed, not yet entered into force). Letter of Monroe Leigh, Legal Adviser, Department of State, to Hon. Thomas E. Morgan, September 18, 1975. It was the conclusion of this Office in our memorandum of law of September 24 that Agreement E is an invalid executive agreement because the President lacks the constitutional power to make such Agreement by himself. However, if Agreement E is accorded the advice and consent of the Senate, that Agreement will, as a valid *treaty*, have full force and effect under international law—the same force and effect it would have had if it had been a valid executive agreement.

MEMORANDUM OF LAW

Standing of treaties and executive agreements under international law

It is undisputed that under international law a treaty and an executive agreement are of equal force and effect.

The Department of State has itself recognized that each is equally binding and obligatory. In a letter to Secretary of Defense Johnson on January 17, 1950, Under Secretary of State Webb stated as follows:

"In international law, . . . treaties and executive agreements both constitute equally binding obligations on the Nation. The binding effect of international law takes place as soon as the State has properly consented to the obligation and does not depend upon the form of the particular undertaking." MS. Department of State, file 811 F.06/1–1750, quoted in 14 Whiteman, *Digest of International Law*, § 22 at 212.

All available evidence indicates that the conclusion of the Department of State is beyond challenge.

The 1969 Vienna Convention on the law of treaties[3] defines the term "treaty" to include executive agreements and makes no distinction between the two:

1. For the purposes of the present Convention:

(a) "Treaty" means an international agreement concluded between States in written form and governed by international law, whether embodied in a single instrument or in two or more related instruments and whatever its particular designation;

* * * * *

2. The provisions of paragraph 1 regarding the use of terms in the present Convention are without prejudice to the use of those terms or to the meanings which may be given to them in the internal law of any State. U.N. Conference on the Law of Treaties, Doc. A/CONF. 39/27, May 23, 1969, Art. 2.

The International Law Commission commented on this definition of treaty as follows:

". . . the juridical differences, in so far as they really exist at all, between formal treaties and treaties in simplified form lie almost exclusively in the method of conclusion and entry into force. The law relating to such matters as validity, operation and effect, execution and enforcement, interpretation, and termination, applies to all classes of international agreements . . . the use of the term "treaty" as a generic term embracing all kinds of international agreements in written form is accepted by the majority of jurists." *II Yearbook of the International Law Commission* 1966, pp. 188, 190.

The Harvard Research in International Law concluded as follows: "The distinction between so called 'executive agreements' and 'treaties' is purely a constitutional one and has no international significance. . . ." Harvard Research in International Law, Draft Convention on the Law of Treaties, Comment, 29 Am. Int'l L. Supp. (1935) 653, 697.

Conclusion. Accordingly, it is the opinion of this Office that the Department of State is undoubtedly correct in its view that "treaties and executive agreements both constitute equally binding obligations on the Nation."

Respectfully submitted,

MICHAEL J. GLENNON,
Assistant Counsel.

SENTENCING IN THE FEDERAL COURTS

Mr. KENNEDY. Mr. President, one of the major defects in our system of criminal justice can be found in the arbitrary and discriminatory Federal sentencing process. All too often two defendants with similar backgrounds, convicted of the same crime, receive widely disparate sentences. One defendant may receive a term of probation, while the other is sentenced to a long term of imprisonment. The result is unjust both to the accused and to a society which rests on the principle of a "government of laws, not men."

On October 20 I delivered a speech to the members of the Chicago Crime Commission in which I pointed out that steps must be taken to deal with arbitrary Federal sentencing. I said that I would introduce legislation establishing Federal sentencing guidelines, requiring judges to provide written reasons for their sentences, allowing appellate review of sentences, and creating a permanent Federal commission to study sentencing procedures and make suggestions for improvement. This speech was inserted in the RECORD by Senator STEVENSON on October 30. I will be submitting the legislation next week.

At this time I wish to draw the attention of this body to the article of Franklin D. Kramer which appeared in today's Washington Post, entitled "Different Judges, Different Justice." The editorial makes a cogent argument for the desperate need for legislation similar to that which I will be introducing.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DIFFERENT JUDGES, DIFFERENT JUSTICE

(By Franklin D. Kramer)

"No society is free where government makes one person's liberty depend upon the arbitrary will of another."—Mr. Justice Black in Shaughnessy v. United States.

Criminal sentences were imposed thirty-six thousand times by the federal judiciary in 1974. As always, these sentencing decisions were in the sole discretion of the trial judge. As always, the judge acted without standards and without review. As always, the sentences rendered were widely disparate.

It is a historical anomaly that this critical decision of the federal criminal process—of the thirty-six thousand persons convicted, thirty thousand pled guilty and for them it was the only decision made by the process—depends solely on the whim and fancy of the federal trial judge. It is not the judge's fault: Congress, which gave them the sentencing job, provided that permissible sentences could fall within the widest possible bounds, then gave no guidance on how to choose between the bounds.

Different judges choose differently. While the average federal sentence was 42.2 months, it was 18.4 months in the Southern District of Georgia, yet 94.9 months in the Western District of Michigan. Average bank robbers received 134.5 months nationwide, but in Northern District of Georgia they received 204 months, while in Northern District of Illinois only 67.1.

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[1] See attached memorandum of law.

[2] "Because these letters were international agreements they were required under the law to be transmitted to the Congress. They were not transmitted. In fact, the President continues to withhold the letters from us. They have been requested, first on April 10, 1975 and again on May 1, 1975, by the Chairman of the Foreign Relations Committee." Hon. Clifford Case, testimony before Subcommittee on Separation of Powers, Senate Judiciary Committee, May 13, 1975.

[3] The Convention is not in effect with respect to the United States, but it is strong evidence of the current state of international law and has been cited by the Department of State as such. See, e.g., "United States says it is now free to breach Viet Nam pact", *New York Times*, January 15, 1975, in which it is reported that Department spokesmen cite the Vienna Convention regarding the effect of a material breach of an international agreement of the obligations of other parties.

It should not be supposed that these variances are explicable because Michiganders are worse than Southern Georgians or because North Georgia's bank robbers are more evil than those from Illinois. The difference lies with the judges and the best admit it. In his recent Criminal Sentences: Law Without Order, Judge Marvin Frankel of the Southern District of New York wrote: "(S) weeping penalty statutes allow sentences to be "individualized" not so much in terms of defendants but mainly in terms of the wide spectrums of character, bias, neurosis, and daily vagary encountered among occupants of the trial bench. . . . Left at large, wandering in deserts of unchartered discretion, the judges suit their own value systems insofar as they think about the (sentencing) problem at all."

The need for reform has been recognized in Congress. None other than Senator Roman Hruska of Nebraska has stated that it "seems somehow unfair" that sentencing disparities should be so great. Stepping from recognition to reform, however, appears beyond congressional capacity. Rather than revising the sentencing statutes to guide the discretion of the trial judge, Congress has, in its proposed revision of the federal criminal code, chosen to pass the buck of creating standards to the appellate judges of the federal courts. "Reform" will come in the guise of appellate review of sentencing.

Appellate review marks a substantial break with tradition, but the congressional proposal offers little assurance that sentencing inequities will be eliminated. No standards are provided to guide the appellate judges and the sentences reviewed can be reversed only if the trial judge's decision is "clearly unreasonable." Unguided and significantly constrained, appellate judges are unlikely to produce the sentencing standards trial judges have not.

Let though inclination has disabled Congress, and tradition and now the proposed statute bar the judiciary, establishing equitable-sentencing standards is hardly impossible. The procedural and evidentiary rules of the federal courts have not, in recent years, been formulated by congressional enactment nor judicial decision, but rather by advisory committees of the Supreme Court. Drawn from the bar, bench and academies, the advisory committee formulates a rule, then presents it to the Supreme Court and Congress, each of which can veto the proposal. Absent a veto, the rule becomes law, binding on the judiciary.

An advisory committee on sentencing could perform the initial critical tasks toward the development of equitable sentencing standards.

First, the trial judges should begin their sentencing decisions from the same place, no small place task when, for example, the proposed federal burglary statute provides for permissible sentences from zero to fifteen years. The committee, however, could designate a "benchmark" sentence within the permissible range from which all judges would begin their calculations.

Second, the trial judge should rationally justify his deviation from the benchmark. Now the judges are neither required, nor do they attempt, to justify the sentences imposed. The committee could require the writing of an opinion supporting the particular sentence.

Third, different judges should give the same weight to the various factors relevant to sentencing. The committee could identify many of the factors.

Enforcing this requirement, however, would be beyond the committee's power, and here the appellate review process would have a role to play. Appellate courts could review the trial judge's explanation for deviations from the benchmark to determine whether improper, or overly great, reliance was placed on inappropriate sentencing procedures. Rather than having to create the standards, the appellate courts could ensure that those designated by the committee had been properly applied to the factual circumstances each case presented.

In sum, committee and appellate court could jointly create what Congress and the trial courts have not: conditions under which the sentencing questions in the federal courts could finally be answered by reference to equitable sentencing standards.

CONDITIONS IN CAMBODIA

Mr. FONG. Mr. President, since the end of the ceasefire in Cambodia last April 17, we in America as elsewhere in the world have received very sketchy accounts of what is happening to the people of Cambodia. The sketchy news stories give us a glimpse of the atrocities, killings, deprivations, and untold sufferings that have been heaped on the Cambodian people by the forces now in power.

Marshal Lon Nol, President of Khmer Republic before it fell to the Communists and who is currently residing in the State of Hawaii is receiving calls for help from those who report unspeakable calamities inflicted on them. He is continuing his valiant fight for the freedom of his people and has appealed to the United Nations to intervene in behalf of them so that their distress may be alleviated.

Marshal Lon Nol has written to me and has sent me a copy of his appeal to the United Nations.

I have here the translation in English of his letter to me plus the text of the appeal he has made to the United Nations. Both the letter and the appeal were written in French, thus delaying for several days—while the translation was made—my bringing the matter to your attention.

Mr. President, I ask unanimous consent that the translations of the letter I received from Marshal Lon Nol and his appeal to the United Nations with its accompanying chronology be printed in the Record so that all may glean the worthwhile information contained. The translations were made by the Library of Congress Congressional Research Service.

There being no objection, the material was ordered to be printed in the Record, as follows.

Letter to Senator Fong

Excellency: Confronted with the unspeakable calamities inflicted upon millions of my people, who are killed like animals, deported from towns to forced labor without [medical] care, without food, and completely deprived of their property . . .

Confronted with all those calls for help which reach me from everywhere against this thirst for blood and power leading to violence, killing and destruction even at the end of this twentieth century.

I intervene in favor of all those in distress, because I am President of the Republic and their representative.

Herewith I appeal to the United Nations.

Dear Senator, I am pleased to convey you a copy of my appeal because of your kindness to me and to my Khmer people.

With my highest esteem, and with my kindest greetings I remain,

Sincerely yours,

Marshal Lon Nol,
President of the Khmer Republic.

Letter to the United Nations

Excellency: In the past there was the League of Nations.

Then the Axis took over three quarters of Europe by force of arms.

However, the Allies, in collaboration with England solved this problem. The Leaders of the Axis, namely Hitler and Mussolini, who committed atrocities against their people, were killed. War criminals continue still to be convicted even at the present time. They deserve to be punished because they acted in contempt of international treaties, disregarding international law, and killing those whom they could not tolerate.

In the case of Cambodia, there were massacres of the rural population from the very beginning of hostilities, in order to recruit them by terror for the Viet Cong forces in the mountains.

During the second phase of events, we did all that was possible to achieve a peaceful settlement.

Unilateral cease fire was ordered on January 29, 1973; in order to initiate peace negotiations;

The departure of President Lon Nol was arranged in April of 1974 in order to pave the way for the so-called "national reconciliation" within a democratic framework with the support of the U.S. Congress as well as with the political and diplomatic support of friendly countries. President Lon Nol was consistent in his endeavors for achieving peace.

After President Lon Nol left his country by helicopter on April 1, 1975 the ad interim President abandoned all command, the country fell into confusion, and the negotiation efforts were compromised.

At that time the Khmer Reds were speaking about the possibility of national reconciliation and peace only to deceive the people and the army.

Seventeen days after the departure of President Lon Nol the white flag was raised and cease-fire ordered on April 17, 1975 in order to facilitate national reconciliation.

Unfortunately, the cease-fire to wholesale massacres, rightly called "blood bath" by the press, and by a total deportation of the city dweller to the country side. Millions perished since then. The extent of tragedy is difficult to imagine.

The killings still continue, as confirmed by the refugees [from Cambodia] who continue to cross into Thailand.

In this letter we inform the United Nations officially hoping that the U.N. will have the right idea of the new regime in Cambodia who came to power through massacres.

We ask all the members of the U.N. to condemn these killings and to prevent the atrocities which should have no place in the world at the end of this twentieth century.

We ask humanitarian international agencies to help the Khmers against disease, famine and forced labor.

We ask also that Khmers in exile should be allowed to have news about their families in Cambodia.

We request the United Nations, as the world organization for peace and security, to help the Khmers in this matter.

Marshal Lon Nol,
President of the Khmer Republic.
Hawaii, *October 11, 1975.*

Chronology of Events

The white flag was raised and cease fire ordered around 11 o'clock [in the morning] on April 17, 1975.

In the afternoon hours of April 17, 1975, Khmer Radio in Phnom Penh announced that Lon Non, General Chhim Chhuon and the Head of Buddhist Bonzes met with the Revolutionary Committee of Liberation on the National Route No. 5.

Later the same day, Lon Non, and Long Boret were seen in front of the Ministry of Information, still on good terms with the Red Khmers.

At the same time, Sirik Matak, and the President of the National Assembly Ung Bun Huor were at the Le Phnom Hotel, in the neutral one, then at the French Embassy. At this time the evacuation of Phnom Penh was ordered by the Red Khmers.

On April 20, 1975, all the Khmer refugees announced the execution of government employees, politicians and high ranking officers.

On April 20, 1975, all the Khmer refugees at the French Embassy were forcibly arrested, among them Sirik Matak and Ung Bun Huor, contrary to the norms of international law.

Signs of execution were noticed on April 20, 1975: 200 heads at the municipal market and about 60,000 to 80,000 corpses on the National Route No. 5, between Phnom Phenh and Prek Phenou alone.

Considered retrospectively, it is evident that this was not a popular revolution, since 5 million city dwellers were deported. The Khmer nation is sentenced to die by Prince Norodom Sihanouk, who takes vengeance for having been overturned in 1970.

Peking speaks about Lon Non being lynched. But who was able to lynch him [besides the Khmer Reds] because Phnom Penh was already evacuated, and those non-evacuated were executed. Besides, Lon Non negotiated with the Khmer Reds.

At least, they admitted the assassination of Sirik Matak, even though he was covered by the immunity of the French Embassy, and of Long Boret who tried to enter into peace negotiations after armistice and cease fire had been ordered.

On April 15, 1975 Prince Sihanouk refused to form a government or enter into peace negotiations.

He cannot be excused of the massacres of this own people after the armistice and cease-fire went into effect.

Hitler did not execute with his own hands, nevertheless the Nuremberg Tribunal was set up to judge his crimes.

How is it possible that the United Nations, the supreme world organization for peace, security and individual freedom, continues to ignore the Khmer tragedy and the people of South East Asia, condoning such a totalitarian henchman of his own people?

It is evident that the Khmer population is more numerous than the Khmer Reds and even among the latter there are many who have been recruited by force. These tragic events are known to everyone in Cambodia.

In addition, the leader of Phnom Penh isolated their country from the outside world in order to oppress the population, pretending to be neutral, and covered the presence of Chinese and North Vietnamese who are in the region of the Big Lakes in the eastern part of the country.

If the United Nations are ready to fulfill their duties they should not condone such acts but send international humanitarian agencies into the country in order to save the Khmers from terror, famine, lack of medical care and forced labor.

It should not be forgotten that the executions of five terrorists caused indignation all around the world: riots, recalling of ambassadors, even the Vatican circles were upset.

If the terrorists receive such attention why shouldn't the Khmer nation get the same. Or should the terrorists be permitted to act according to their will and their chief Prince Norodom Sihanouk be allowed to oppress his innocent people?

We are thankful to the international press which had done much to help the Khmer people.

I have confidence in our friends who will not close their eyes before the Khmer tragedy at the end of this twentieth century.

MR. JUSTICE WILLIAM O. DOUGLAS

Mr. MATHIAS. Mr. President, for many years I have watched Justice Douglas forge ahead and take the lead on the C. & O. Canal towpath during the annual hikes that he inaugurated. The editors of the Washington Post note today that he has been taking the lead for a long time in many aspects of a varied and distinguished career.

His resignation is a matter of regret. The reason for it is a matter of sorrow to his friends. But I cannot help but observe that once again Justice Douglas has taken the lead, making his own decision in accordance with his conscience and his sense of duty.

I ask unanimous consent that the Washington Post editorial entitled "The Record of Justice Douglas" be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The Record of Justice Douglas

As a long-time admirer—and occasional critic—of Justice William O. Douglas, we profoundly regret his departure from the Supreme Court. But we deeply respect the courage and good judgment which impelled him to make this hard decision when his health no longer permitted him to continue. And we welcome the opportunity his retirement gives us to say some of the things about his long and illustrious career that newspapers normally don't get around to saying about great figures and old friends until after they are gone.

Justice Douglas is always so insistently himself—so intensely individualistic—that he has attracted violent detractors as well as ardent admirers in his long career, most of it spent in service on the Supreme Court of the United States. Physically rugged, an outdoorsman by inclination, gifted intellectually, temperamentally lonely and independent, he is as indigenously American as Uncle Sam. He loves his country passionately—its mountains and rivers and wild places if not its crowded cities—as he loves its great traditions and its ideals of personal freedom and opportunity.

Justice Douglas has his own ideas of decorum and propriety as he has his own strong convictions about the meaning of the Constitution; and it was on the basis of these ideas and convictions, unmoderated by popular standards or conventions, that he patterned his private conduct and his public judgments. He believes that judges should be in the main streams of life, not isolated or insulated from popular feelings; and so he has expressed his personal views freely about matters of foreign policy such as the Vietnam war and about domestic affairs as well. He has lectured and written books and magazine articles on a wide variety of nonjudicial subjects—a practice which his critics condemned as unbecoming to a Supreme Court Justice. For a time, while on the Court, he served as the salaried president of a not altogether savory private philanthropic foundation—which led to an abortive attempt to impeach him in 1970. Perhaps, as some critics have contended, these extra-curricular activities by the Justice resulted in some impairment of his prestige and influence. At worse, however, they were indiscretions growing out of his aloof indifference to the opinions of others. He has marched only to the fanfare of his own trumpet and followed only his own star.

In his service on the Court, Justice Douglas was commonly called an "activist." This is to say that he allowed his interpretations of the laws and the Constitution to be infused in some measure with his system of ethical values. He cared about justice no less than about the law; and he believed that judicial restraint in its true sense entailed a deference to the great constitutional assurances of individual rights and liberties rather than a deference to the judgments of legislatures. In this attitude, he was allied closely in innumerable cases with Hugo Black; together and individually, often in dissent, sometimes in opinions for the Court, they produced some of the noblest and most moving expressions of faith in the irrepressible freedom of the human spirit.

Like Justice Black, Justice Douglas believes in a preferred position for the First Amendment as the guarantor of a freedom indispensable to the functioning of any self-governing society. He moved from an early acceptance of Justice Holmes' clear and present danger doctrine to a later attitude of absolutism respecting the protection of speech and of the press. "The First Amendment," he wrote in one of his books, "The Right of the People," "was a new and bold experiment. It staked everything on unlimited public discussion. It chose among conflicting values, selecting the freedom to talk, to argue, and to advocate as a preferred right. It placed us on the side of free advocacy, come what may." This view has made him an uncompromising foe of every sort of sedition statute, of every limitation on efforts to gather and disseminate news or opinion and of censorship in any form, whether in relation to politics or to esthetics.

Behind Justice Douglas' philosophy regarding the First Amendment lies a conviction that the Bill of Rights was intended, above all else, to impose a check upon the headstrong passions and prejudices of majorities. "A great risk in any age," he once wrote, "is the tyranny of the majority. Freedom of expression is the weapon of the minority to win over the majority or to temper the policies of those in power." It may well be that Justice Douglas' most significant service to his country lies in his role as a nay-sayer to popular enthusiasms. He resolutely resisted the tyranny of majorities at a time in the nation's history when demagogues were recklessly exploiting popular fears and anxieties regarding "subversive activities" and a supposedly overwhelming "Communist conspiracy." He kept his head—and his faith in freedom.

But the country has a manifold indebtedness to this exuberantly prolific and energetic man. His ability to master complex problems and to write about them swiftly and incisively enabled him to carry a heavy share of the Court's load in the handling of difficult economic and fiscal cases as well as in the defense of civil liberty. From his early years on the Security and Exchange Commission, he was an inveterate challenger of business and banking threats to a free economy. Over and over again, by admonition and by example; he reminded the country of the importance of its physical environment and its dwindling natural resources. He has produced no fewer than 17 books.

William O. Douglas has a stature not often equalled in public life. His retirement takes from the Supreme Court one of its most powerful and dramatic figures—one of those who help to make the Court, as it should be, a co-equal and effective partner in the operation of a political system of divided powers—and a bulwark of human liberty.

JOHN H. MARTIN, SR.

Mr. THURMOND. Mr. President, in life there are so many avenues for true service that few people can take the fullest advantage of their opportunities. However, one of the notable exceptions to this typical limitation was John H. Martin, Sr., of Hartsville, S.C., who died November 3, 1975, at the age of 77. His years were filled with service which he rendered generously to his God, to his country, and to his fellow man.

Throughout his life, Mr. Martin was a man who reached out; he was one who grasped the chance to contribute his skills and his efforts in the public good. He was an industrialist of international renown, having served as vice president of Sonoco Products Co., and as a director of several affiliated companies in foreign countries. In his distinguished business career he also had been chairman of the board of the First Federal Savings and Loan Association in Hartsville.

Despite the demands of these pressing positions, Mr. Martin did so much more. He was a firm believer in youth work and applied his interest in a number of ways. Boy Scouting, for example, was one of his chosen projects. Boys, many now since men, have benefited by his service as chairman of the Hartsville District, president of the Pee Dee Area Council, vice chairman of the Regional Council, and as a member of the National Council of the Boy Scouts of America. That fine organization long ago honored him with two of its highest awards, the Silver Beaver and Silver Antelope, for his valuable contributions of time and service.

These interests made him a natural for the strong support of education—both in matters affecting public schools and those devoted to higher learning. The outstanding foresight and energy which he applied in furthering his penchant for educational progress will continue to redound to his credit in the generations to come. It seemed that his love of learning opportunities kept him in demand for service. He was, for example, a trustee of the schools in Hartsville. He was also a trustee of the schools throughout Darlington County and chairman of the Darlington County Educational Committee, as well as serving as a trustee of Winthrop College. For 6 years he was superintendent of the South Carolina Industrial School for Boys.

When I was Governor of South Carolina I tapped the wisdom and expertise of this eminent man for the benefit of our State. Recognizing the depth of his drive and talents in developing first-rate educational policy, I appointed him chairman of the South Carolina State Educational Survey Committee. It was this group which he headed that recommended the consolidation of many school districts around the State and which soon afterward was implemented so successfully, The reputation of Mr. Martin in matters of education was so wide and so thorough that, in 1955, he was appointed chairman of the South Carolina Committee for the White House Conference on Education.

The work he performed and the good he produced could not have been accomplished without a deep faith in God. Mr. Martin practiced his faith and served his church loyally. As a longstanding member of the First Presbyterian Church in Hartsville, he was a deacon, elder, and chairman of the building committee. The residue of this dedicated service will continue to enhance the spiritual life of all who knew him.

In all of these activities it would seem that Mr. Martin could not have done more. Yet he made many other contributions. For example, he was a Rotarian for years and served as a president of his club with all of the duties such a position requires. As an indication of the caliber of vision and drive he applied to his civic projects, he was awarded the Rotary Club's Outstanding Citizen of the Year Award 30 years ago.

Mr. Martin was also a former director of the National Right to Work Committee. He also labored long and hard in behalf of the Tuberculosis Association, having been chairman of the State Seal drive, chairman of the county and State associations, as well as director and vice president of the national association.

Mr. Martin was born in Dillon County and was graduated from the University of South Carolina. The distinction of his years later led his alma mater to award him an Honorary Doctor of Laws degree.

This distinguished man who had an effective manner for getting things done, rendered his services in many fields and he will be missed.

Surviving are his widow, Mrs. Elizabeth Pressley Martin; a son, J. Harrison Martin, Jr., of Hartsville; a daughter, Miss Betty Pressley Martin of Hartsville; a brother, W. A. Martin of Fountain Inn; two sisters, Mrs. Janie Martin Taylor of Hamlet, N.C. and Mrs. Raymond Lynch of Easley and four grandchildren.

I extend my deepest sympathy at this time of sadness.

Mr. President, at the time of Mr. Martin's death a number of newspaper articles about him were published around South Carolina. I ask unanimous consent that two representative accounts be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From The State, Nov. 4, 1975]

JOHN H. MARTIN, SR., CIVIC LEADER, DIES

HARTSVILLE.—John H. Martin Sr., 77, a Hartsville businessman, civic and church leader and educator, died Monday at a local hospital.

Born in Dillon County, he was a son of the late Angus McQueen and Mary Harrison Martin. He was a graduate of the University of South Carolina and received an honorary Doctor of Laws degree from USC's Law School.

Mr. Martin served for six years as superintendent of the South Carolina School for Boys.

He came to Hartsville in 1927 where he was employed as production manager with the Sonoco Products Co. He was elected to the board of directors of Sonoco in 1945 and became vice-president in 1953. He was also director of Sonoco affiliate companies in Mexico, Canada and in Europe.

He was past president of the Hartsville Rotary Club, chairman of the board and vice president of the First Federal Savings and Loan Association in Hartsville.

Mr. Martin received Hartsville's Outstanding Citizen of the Year Award in 1946 from the Hartsville Rotary Club. He was chairman of the Hartsville District and Pee Dee District of the Boy Scouts of America. He was awarded the Silver Beaver and the Silver Antelope Awards.

Mr. Martin served as trustee of the Hartsville School District and the Darlington County School District and chairman of the S.C. Education Survey Committee. He was also chairman of the S. C. Committee for the White House Conference in 1955 and a trustee of Winthrop College.

He served as chairman of the South Carolina Tuberculosis Association and director and vice-president of the National Tuberculosis Association. Mr. Martin was also a life member of the national association.

He was a member of the First Presbyterian Church having served as a Deacon, Elder and chairman of the building committee.

Surviving are his widow, Mrs. Elizabeth Pressley Martin; a son, J. Harrison Martin Jr., of Hartsville; a daughter, Miss Betty Pressley Martin of Hartsville; a brother, W. A. Martin of Fountain Inn; two sisters, Mrs. Janie Martin Taylor of Hamlet, N.C. and Mrs. Raymond Lynch of Easley and four grandchildren.

Services will be 11 a.m. Wednesday in the First Presbyterian Church with burial in the Magnolia Cemetery.

The family suggests that those who wish may make memorials to the South Carolina Tuberculosis Association, the Boy Scouts of America or a charity of one's choice.

Brown-Pennington-Atkins Funeral Home is in charge.

[From the Hartsville (S.C.) Messenger, Nov. 3, 1975]

MR. MARTIN DIES AT 77

John H. Martin died early Monday morning after an extended illness. Plans for the funeral are incomplete.

A prominent industrial executive and educator, Mr. Martin was widely known for his leadership in civic work and in youth and health organizations.

Born Nov. 10, 1897 in Marion County, N.C., he graduated from the University of South Carolina and later received the honorary degree of Doctor of Laws. He taught school in Union and in Columbia and served for six years as superintendent of the S.C. Industrial School for Boys.

He came to Hartsville in 1927 and joined Sonoco Products Co. as production manager. He was elected to the board of directors in 1946, became vice president in 1953, and was a director of Sonoco affiliated companies in Mexico, Canada and overseas.

Mr. Martin was a past president of Hartsville Rotary Club and an active member until he became too ill to attend. He was chairman of the board and vice president of First Federal Savings and Loan Association.

He was a former director of the National Right to Work Committee, past president of Prestwood Country Club, and was recognized as Hartsville's Outstanding Citizen of the Year in 1946.

A strong leader in Boy Scout work, he served as chairman of the Hartsville District, president of the Pee Dee Area Council, a member and vice chairman of Region Six, and a member of the National Council. He was honored with the Silver Beaver and Silver Antelope awards.

Mr. Martin was a leader in public school and higher education. He served as a trustee of the Hartsville School District, trustee of the Darlington County School District, chairman of the S.C. State Educational Survey Committee, chairman of the Darlington County Educational Committee, chairman of the S.C. Committee for the White House Conference on Education in 1955, and as a trustee of Winthrop College.

He gave much of his time to the Tuberculosis Association, serving as state seal sale chairman, chairman of the county and state associations, director and vice president of the national association, and a life member.

He was a member of the Presbyterian Church and served as a deacon, elder, chairman of the Organization of Men and chairman of the Building Committee.

He is survived by his widow, Mrs. Elizabeth Pressly Martin; a son, J. Harrison Martin Jr.; a daughter, Miss Betty Pressly Martin; a brother, W. A. Martin of Fountain Inn; two sisters, Mrs. Janie Martin Taylor of Hamlet and Mrs. Raymond Lynch of Easley; and four grandchildren.

NEW YORK CITY

Mr. STEVENSON. Mr. President, the deputy chairman of the First National Bank of Chicago, A. Robert Abboud, has made a useful contribution to the discussion of New York City's finances in a speech he delivered at the Harvard Business School on November 12. He points out that the differences between the Senate Banking Committee and the President are more rhetorical than real. No one favors a bailout if by that term some sort of Federal dole is intended. And certainly no one, the President included, would oppose a voluntary predefault reorganization of the city's finances, if that is possible.

The Senate bill (S. 2615) conditions Federal guarantees on a voluntary reorganization that would put the city on its feet and have the Federal Government out of the picture in 4 years. If the necessary cooperation of investors, employees, the State and city is lacking, and voluntary reorganization becomes impossible, the bill provides, alternatively, for limited postdefault guarantees to finance the delivery of essential city services on an emergency basis.

The President's harsh rhetoric has inflamed the issue and limited his flexibility. I am, however, encouraged by the evidence of Presidential support for Federal assistance in connection with a voluntary reorganization. According to numerous surveys, public opinion strongly favors predefault aid for New York, and congressional support is growing.

The State and city have been moving strenuously to meet conditions of the kind laid down in the Senate bill. So the base may be forming for action to avoid a bankruptcy by the Nation's largest city followed, probably, by the failure of its second largest State.

The subject would be best served by a less feverish discussion all the way around, and in that spirit, Mr. President, I ask unanimous consent that Mr. Abboud's speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

LESSONS FROM NEW YORK

(By A. Robert Abboud)

It may be a decade or two before we fully appreciate the lessons to be learned from the New York situation. I am confident that it will be the basis of many books and may even reach the ultimate: the subject matter for some Harvard Business School cases. One can see the heading: "The Mayor Of A Large Well-Known Eastern City Sits At His Desk Discussing The Budget With The City Comptroller." But, all this is for the future. Right now, the questions are: "What Are The Facts?" and "What Can We Do In The Short-Run To Help Stabilize The Situation And Begin The Remedy?"

WHAT ARE THE FACTS?

The market

For the first time in more than 30 years we recognize that the market for debt instruments of any one borrower, even our largest municipality, is both limited and capable of disappearing altogether when confidence is questioned. Although this sounds like the beginning sentence in the textbook for first year Finance, the fact is that we forgot this basic rule. It required the impersonal abruptness of the marketplace to drive it home. And now that we recognize it, there are some, most notably in the media, who wish to repeal the rule, or worse yet, pretend that it never existed.

And such an attitude ought not to come as a shock. For two or three decades we, as a nation, believed that all wants could somehow be fulfilled, and all needs met, almost without limit, and our political environment increasingly encouraged that conviction.

Political environment

Throughout the post-World War II era, we increasingly adopted the attitude that the good life could be bought by money alone.

We started out with the Marshall Plan for Europe, and we were encouraged by the results.

We pioneered and became the principal participant in a massive program of foreign aid.

We began to apply the same principles domestically by addressing specific sectors of economic activity.

We embarked on a space program which buoyed the electronic and space-related industries.

We conducted a long drawn-out war in Southeast Asia, which provided business for the defense-related industries.

We created comprehensive credit programs for real estate and urban development.

We embarked on a war against poverty which resulted in a massive increase of transfer payments.

And the list could go on and on. But the attitudinal pattern is obvious. Money was the answer, and increasingly the only answer; and the more complex the problem, the greater the temptation to seize upon a one-dimensional, readily articulated, simplistic answer—that is, more money.

This attitude became the cornerstone of our political credo. It was the culmination of the old New Deal phrase, "spend and spend, elect and elect." The states caught the fever. The cities caught the fever. The school districts caught the fever. Gradually, it grew to epidemic proportions, and the carrier of the disease was the media. Motivated by the best of charitable and compassionate intentions, the media persuaded us of two things:

a. society must care for all its members, particularly the disadvantaged;

b. the manifestation of that care is to spend more money in their name.

This was a simple, warm, and human credo. It captured the hearts and minds of our countrymen because, like all human beings, we desperately desire simple answers to complex problems; we are by tradition basically warm and compassionate as a nation; and we sincerely believed our own propaganda that as the richest nation on earth, we could afford anything. Moreover, by heritage and by tradition, we have been conditioned to equate frugality with the skinflint, Scrooge, and to equate generous spending with the kindly, benevolent leader, who will help us to reach the promised society.

Let me illustrate by showing some recent cartoons on the New York situation.

First, the caricature of President Ford as the galleymaster, holding a whip, with the New Yorkers chained to their oars in the bowels of the ship. The title is: "Here Come de Judge."

Second, the cartoon of all the hogs feeding at the public trough with New York excluded, and the caption: "Them City Slickers Will Have To Root For Themselves."

Third, the cartoon of New York in an iron lung and Dr. Ford saying: "Pull the plug."

This is the flavor of the attitudinal problem so deeply ingrained in our political psyche. Our focus is on compassion, a deep-seated desire for forgiveness, and implicitly, a deep-seated belief that we have both the ability and the resources to redress the damage, if only it were in our hearts to do so. There is no analysis of the problem—no empathy for the parent or friend who must stand firm with the child or companion to motivate them, no matter what the pain, to make a "come back" and thereby once again be restored to "championship status." At issue is possibly a very significant alteration in our value system—maybe better, perhaps worse, but certainly changed.

The availability of Federal resources

And suppose we do conclude that help of one form or another is needed. Who is to provide that help—the Federal Government? The question is, "with what resources?"

I won't dwell on this issue, as the focus for today is primarily on New York, other than to state the obvious: the federal government is also dangerously in debt. During the past five years the federal government has had the greatest cumulative deficits in our peacetime history. The present federal deficit is running at a rate of about $70 billion a year or more, and there is no sign of a return to balance within the foreseeable future. The federal debt is approaching $600 billion, and of this amount the marketable debt is about $300 billion, most of which is in the public markets. The average maturity is at an all-time short position of something under 2½ years, and the financing of the federal debt is increasingly a problem.

As noted, I won't say more about this other than to state the obvious that Uncle Sam also has his money problems, and the federal treasury is probably as threadbare as ever in our history. In other words, anything we do for New York must come out of someone's pocket other than Uncle Sam's, because Uncle Sam is having his own financial problems.

The financial facts on New York City

But the federal government aside, let's look at the nature and magnitude of the challenge in the New York situation.

No one has convinced the Congress or the investing public that the true financial condition of New York is presently known.

The editorial in the Thursday, November 6, issue of The Wall Street Journal convincingly makes this point.

Spending in New York

The image that New York presently projects to the rest of the nation is not one to convince the public at large that remedial measures will be adequately instituted. This may be a misconception and misunderstanding on the part of the nation, but recent stories out of New York have helped to fuel that misunderstanding. For example, the October 28 issue of The New York Times ran a story of a luxury apartment house in Harlem where for $113 a month, including utilities, a poor family could obtain a six bedroom apartment in a building with an indoor swimming pool, an indoor gymnasium, a greenhouse, and underground parking with 24-hour attendant service.

Moreover, the Time magazine of November 10 carried a picture of eight municipal employees in New York attempting to lift a manhole cover.

And in Washington testimony when Mayor Beame was asked what the City would do if the requested federal guarantee were given as originally proposed, with no strings attached, he replied that furloughed employees would be rehired.

For these reasons, the public at large believes that money is being wasted in New York, and there appears to be no convincing evidence that these ways are being changed.

The argument is made that New York is the haven for the homeless and the poor. The fact is that New York City spends approximately $2.4 billion each year for social services of all kinds, but only $600 million of this amount, or 25 percent, is borne by the city, the rest coming from the federal government or the state. The 25 percent compares favorably with proportions paid by other large municipalities. And, by comparison, debt service on the New York City debt is annually close to $2 billion or nearly three times the amount spent on people for social services.

As for the allegation that the city is unduly burdened by a high ethnic concentration, the comparison with Chicago is as follows:

FOREIGN ETHNIC CONCENTRATION AND BLACKS AS A PERCENT OF TOTAL POPULATION IN 1970 CENSUS

	New York	*Chicago*
Spanish surname	12.2	4.9
Polish	3.3	4.4
German	3.0	3.1
Italian	8.8	3.0
Russian	4.8	2.4
Irish	2.7	1.4
All Other	4.9	8.4
Sub-Total	39.6	27.6
Blacks	21.2	32.7
Total	60.8	60.3

NOTE.—The foreign ethnic groupings consist of all persons foreign-born or of foreign parentage. There is double counting between the categories Blacks and Other Ethnic Groupings, but the extent of double counting is not identifiable.

The percentage of New York's population, black, foreign born or of foreign parentage, is about 61 percent. But New York is not unique. Chicago, too, has a similarly identified black and foreign ethnic concentration of over 60 percent. The presence of such groupings may be either an advantage or a disadvantage depending upon their inclusion into the economy.

The Debt in New York

The total debt of New York City is currently $13.2 billion. This compares to Chicago's total debt of $1.6 billion.

TOTAL CONSOLIDATED DEBT, 1975

	Billions
New York City	$13.2
Chicago	1.6

Since the two cities are of different size, a comparison of their debt burden will be facilitated by converting the numbers to a per capita basis.

New York is 2½ times as large as Chicago. Accordingly, the per capita debt load of New York remains strikingly large by comparison to that of Chicago. Net per capita debt in New York as estimated for 1975 is almost 4 times as large as Chicago's. As recently as 1970, this ratio was much closer to 3 to 1.

NET OVERALL DEBT PER CAPITA

	New York City	*Chicago*
1975 (est.)	$1,678	$432
1974	1,481	422
1973	1,101	440
1972	1,027	391
1971	937	350
1970	823	253

The debt of both cities grew rapidly from 1970 to 1973; in fact, Chicago's grew somewhat faster. Since 1973, however, Chicago has been able to halt the growth of its debt, while the pace of New York's borrowing actually accelerated.

The growth of borrowing by New York City, much of it short-term, created a glut of New York securities on the market, and was a major factor in eliminating the City's access to the markets earlier this year.

The Resources of New York

But even on a per capital basis, overall debt cannot be fairly compared without accounting for the resources available to support the debt. The property tax is the basic revenue producer for most municipalities.

PER CAPITA DEBT AS A PERCENT OF ESTIMATED FULL VALUATION

	New York City	*Chicago*
1975 (est.)	16.2	4.6
1974	14.3	4.3
1973	11.6	4.5
1972	12.5	4.0
1971	12.1	3.7
1970	11.4	3.0

In New York, the per capita debt constitutes 16.2 percent of the estimated per capita full valuation of real taxable property, as compared to just over 4½ percent in Chicago. As a point of reference, municipal credit analysts generally consider a ratio of less than 4 to 5 percent reasonably good, 5 to 10 percent as marginally acceptable and in excess of 10 percent as a warning signal.

Although the real estate tax is the foundation of most cities' revenues, municipalities have turned increasingly toward income-related taxes. Here, too, the debt of New York City is large relative to its resources. The per capita debt of New York relative to its per capita income is nearly 35 percent; in Chicago this ratio remains under 10 percent.

PER CAPITA DEBT AS A PERCENT OF PER CAPITA INCOME

New York City	34.9
Chicago	9.3

As a consequence, the debt coverage of New York is poor relative to Chicago's.

Beginning in 1972, Chicago's debt load, relative to its revenues has declined, while New York's has risen by over 20 percent.

And the prospects for raising additional revenues is more difficult for New York.

A quick comparison in all areas of the city's resident tax load shows far less room to add additional taxes than is the case for our own city.

DIFFERENCE IN TAX BURDEN

	New York City	*Chicago*
Real estate tax (per $100 (F.V.)	$3.93	$3.40
Sales tax in percent	8	5
City income tax in percent	3½	0
State income tax (maximum rate in percent)	10	2½

For example, real estate taxes, sales tax and income taxes are already much higher than similar taxes for Chicago and Illinois.

Budgetary Practices in New York

Chronic operating deficits incurred by New York City over the last several years have led to a variety of budgetary practices aimed at overcoming what seemed to be "temporary" shortfalls in cash.

Accounting and budget "gimmicks": expense items in capital budget; overestimating revenues; increased borrowing against future revenues; deferring expenses to future periods; and lack of effective cost control methods.

These practices have allowed the New York situation to deteriorate to todays crisis proportions. In addition to misleading the public, these questionable practices may also have misled even the City's leaders into believing that the City could afford a level of services that it actually could not.

New Yorkers have come to consider as "essential" services which, as judged by most other cities in the United States, are not regarded as essential at all. These include:

A free university system; an extensive municipal hospital system; inordinately large pension benefits; and rent subsidies and rent control which accelerate the erosion of the real estate tax base.

I believe the fact that public attention has been riveted on New York's debt and budgetary problems in the last several months can provide us with some very important lessons.

First, our people and their political representatives have been alerted to some of the important dangers and costs that can derive from chronic budget deficits.

Second, the investment community has been reminded of the ultimate folly of lending to cover chronic operating deficits. Henceforth, lenders will be less likely to tolerate such fundamental imbalances. They will better scrutinize accounting practices and expose those which hide such imbalances. More prudent lending policies will help to ensure that cities and states will be unable to accumulate the massive debt burdens that now overwhelm New York.

We are learning that a "free" university is not free at all; that the cost of urban mass transit, if not paid for at the token booth, will be paid for in higher taxes or in a lower level of other services.

All this is to the good. However, the adjustment they make necessary will not be easy. Growth in the public services sector has too long been taken for granted. Although the full implications of this new awareness on our nation's economic growth is, in the short run, still not fully understood, the fact that there is now a new and more healthy appreciation of the necessity for sound fiscal management can pay large dividends in the future.

WHAT CAN WE DO IN THE SHORT-RUN TO HELP STABILIZE THE SITUATION AND BEGIN THE REMEDY?

To begin with, we can face the issues squarely. The difficulty is the deep feelings and emotional involvement of all of us, as we try to reach solutions. I suggest we should get away from finger-pointing and the choosing of sides, and endeavor to research for solutions to the real and complex problems involving people and money.

Get the numbers

A realistic and convincing budget must be prepared for the next four or five years and means developed to communicate this budget in a way that evokes credibility. Many people are doing a great deal of work in attempting to pull the numbers together, but so far, as the Wall Street Journal editorial demonstrates, no one truly believes the projections.

Facilitate reorganization

Obviously, the adverse impact of the New York situation can be mitigated if we handle it clinically, in the same way as any corporate reorganization. To do so, we require additional legislation, as the procedures and projections now used by corporations and individuals are not now available to municipalities and other government subdivisions. The legislation should provide a means by which to reorganize the debt structure; extend the maturities, reduce the interest rate and, if necessary, even the principal. It should provide working capital during the work-out period, through the issuance of trustee certificates, or their equivalent, in the form of government guaranteed debt as spelled out in the Senate Bill, or some form of senior debt certificates which, on a last resort basis, can be bought by the federal government until a public market develops for them. It must provide for increases in revenues and reductions in expenditures. It must address the root causes of the problem like pensions, free tuition, overemployment, inadequate productivity, rent control, and all the rest. These are matters that can be worked out as long as the legislative mechanism is in place to achieve an orderly reorganization, and as long as sufficient funds are made available during the period of reorganization to permit the ongoing functions of the city to continue.

Whatever the technicalities of the procedure, I think the circumstances under which reorganization takes place is most important. Our emphasis should be on making the procedure voluntary. Nobody likes to be labelled a bankrupt. What we need is reorganization, which is something less than default or bankruptcy. A day doesn't pass when we don't have a borrower come in and say "I'm overextended, I want to lengthen the maturity; I want a new loan, I want to restructure the interest rates." In such an instance, the situation is eased without the damage or disgrace of default and bankruptcy.

Preach confidence

So much of the arguments for or against New York are laced with emotion and are counterproductive. No one is underestimating the risks or the consequences of the New York situation. We wish it weren't so. But the facts are there, and we cannot pretend that they don't exist. The answer is to find a local and realistic remedy in a spirit of constructive cooperation instead of confrontation and predictions of doom and destruction.

Although the consequences are not to be lightly regarded, the country is not going to go down no matter what happens in New York. That is my opinion, and as such, I would like to state it. It has also been so stated by Walter Wriston, Chairman of First National City Bank.

In my opinion, there will be no financial disaster in the international money markets. Some of the leaders in other countries fear that a reorganization of the New York financial structure will change spending habits in this country and, therefore, we will not have the reflationary thrust in our economy, upon which they are counting to bail out their own economies. But, while this is a legitimate interest on their part, it must be viewed as incidental to our own policy formulation.

The argument has also been made that a reorganization of the New York financial structure would make it difficult for other cities and states to market their obligations and would, therefore, cut down on overall spending. In my opinion, whether or not the city's financial structure is reorganized, investors have developed a new awareness with regard to state and municipal obligations. The amount of disclosure will have to be increased. Moreover, the market will be more discriminating, rewarding the stronger credits making borrowing more costly for the weaker credits. I don't believe that this is necessarily bad.

In special situations, particular needs can be met by loans or credits from either the private or public sectors. But these loans or credits will have to be justified, and discipline will be imposed on the use of the proceeds.

As for the argument on overall spending, I would much prefer to see the private sector gain greater access to the debt and equity markets in order to invest the proceeds in plant and equipment. In the last analysis, we can't provide jobs if we don't provide our workers with the most efficient and most modern tools available. And these tools must be housed in plants and factories. If federal, state, and local governments are disproportionately active in the credit markets, then there will be a "crowding out" of the private markets, and we won't have the resources to invest in plant and equipment which are so necessary to create jobs.

The argument is also made, by The New York Times in particular, and I quote from the November 5 issue, ". . . Rumors which have been running wild in New York that other banks around the country (the charge focuses on the Chicago banks) have been secretly lobbying with Representatives and Senators to undermine support for New York City in order to hurt the New York banks and take domestic and international business away from them."

I am not certain that this charge deserves more than passing notice. First, no matter what happens in New York, the banking industry, including the New York banks, will manage the situation properly and without breaking stride. Secondly, the banking industry rises and prospers together. There is no such thing as the Chicago banks being well off while banks elsewhere in the country, and most of all in New York, experience problems. Thirdly, and most important, all banks, including Chicago banks, are supportive of, and want to help New York.

The issue is not "should New York be **saved?" The issue is the best way to mount** a rescue, accurately and realistically diagnosing the problem and then adopting remedies to meet that diagnosis. Both the President and the Congress are striving to achieve this very objective. The Senate Banking Bill, in which Senator Stevenson played a major authorship role, goes a long way to properly diagnose the realities of the situation and provide appropriate remedies. And I so testified to that effect. Moreover, it now appears to be the solution around which even New Yorkers are rallying support. And, in my opinion, there is no wide chasm between the Senate Bill and the President's program—some differences, of course, but nothing that cannot be reconciled through discussion and negotiation. I personally favor a reorganization short of default, and so testified, but that assumes a willingness by all concerned to cooperate in a "voluntary reorganization" with tough terms and duties, and this may be an unrealistic assumption. Even then, new legislation will be required as proposed in the Senate Bill so that acquiescence by a certain percentage of "the class" or "constituency" can fulfill a condition precedent for **the Government guarantee, which will be** senior to all pre-existing indebtedness. And if this proves unworkable because the necessary cooperation cannot be achieved, then the only practical alternative will have to be "default," which is precisely the point President Ford is making. And legislation will be needed to provide for this as well, just in case the "voluntary reorganization" is obstructed, making the Government guarantee options inoperative. It is not an either/or position. We need both for different eventualities.

The President, Senator Stevenson, all concerned, would, if at all possible, surely welcome a solution which falls short of default, but such a solution requires mutual effort by all parties involved to a "voluntary reorganization" under a legislative alternative which hopefully will be provided under the Senate bill. But if such effort and cooperation are not forthcoming, then still additional legislation will have to be provided to permit an orderly "default" with appropriate mechanics for maintaining the essential services as the President has suggested. In other words, there should be more than one avenue (even under the bankruptcy statutes) with the choice left to the parties involved. And since these avenues do not now exist, the President has rendered the nation a great service in urging their enactment to fill a legal void in the bankruptcy statutes, no matter what solution ultimately prevails in the New York situation.

The future for State and municipal financing

But, by far, the preferable alternative is "voluntary reorganization" if workable legislation can be quickly passed to make this happen.

An amendment to the Bankruptcy statutes which would permit a voluntary reorganization of the debt structure for states, municipalities, or political subdivisions would be a very healthy development. Such a section could be used in many instances to "ring the water" out of over-inflated debt structures, **short of default or bankruptcy, through** means of an orderly reorganization, which would extend maturities, lower interest rates, and institute economies in overall expenditures. Over-extension of debt happens in the best of families. The classic remedy is a reorganization or consolidation of the debt structure. There is no reason why there cannot be a provision in the bankruptcy statutes which provides for a voluntary and orderly reorganization, something like Chapter 11 for corporations, which falls short of default. The problem with default is that it is equated with bankruptcy. And bankruptcy is where the debtor is no longer a viable entity and is put through a process of liquidation and dismemberment. This is by no means the situation with New York, which remains a very vigorous and vital city. Therefore, a distinction should be drawn between voluntary reorganization on the one hand, and default or bankruptcy on the other.

The need to accept reality

Would the availability of such a provision under the broad umbrella of the bankruptcy statutes impact the market perception of state and municipal securities? Of course, it would. There would be recognition of existing realities, which are already present, whether or not we choose to deal with them. Cancer is not more dreaded because we develop new surgical techniques to deal with it. On the contrary, it makes us more realistic, deters us from conduct which may tend to cause cancer, and provides us with another option when we seek a remedy.

One of the New York lessons surely must be to face reality and adopt practical remedies quickly and courageously. Above all, there is no room for fear.

There are many silver linings

If properly handled, and if we conduct ourselves with moderation and assured self confidence, the results can be, over the long run, beneficial.

No matter how uncomfortable and unpleasant we now perceive our dilemma, there are many silver linings:

We are rethinking our values;

We are discovering and acknowledging our own limitations, which include, of course, the good sense to take realistic but moderated and not excessive losses in a situation like New York City, which has already gone too far;

We are sharpening our perceptions of existing realities, and for the most part gradually rebuilding our self confidence to face these realities without panic or fear;

And, above all, we are more than ever appreciative of the contribution and sacrifice that each sector in our complex society must make for the combined good, and that each, government, labor, business, the media, consumers, taxpayers, the public, all must play their vital role, constructively, cooperatively, lawfully, and with balanced good sense.

We must all work together in our City, in our State, in our Country, and in our World. If we do, then no matter how distasteful the medicine, in the end, "we shall certainly overcome."

AMENDMENT NO. 1067—CRUISE MISSILE

Mr. KENNEDY. Mr. President, I rise to indicate my support for the amendment offered yesterday by the distinguished Senator from South Dakota (Mr. McGovern) on cruise missiles. It is, I believe, the most critical defense issue being raised in this debate yesterday and today. In effect, we are being asked to approve funding for a weapons system whose implications are so far-reaching, and its potential impact on the control of the nuclear arms race so devastating, that we should proceed far more cautiously than we have so far.

The strategic cruise missile is nothing less than a revolutionary expansion of the traditional Triad concept—to a "quadrad"—coupled with a threat to the basic principles of verifying arms control agreements: That each side can use national technical means to count the number of launchers deployed by the other side. Cruise missiles would confound that capability, by permitting every American nuclear submarine to become a launcher, every surface ship, and every aircraft—whether bomber, fighter-bomber, or transport—that could carry it close to the Soviet frontier.

We have already learned how very difficult it is to get arms control agreements with regard to weapons that we can see and count accurately. How much more difficult would it be to get any agreement, in any area of arms control, once there is a proliferation of missiles in this fourth and superfluous leg to our strategic deterrent? What would the concept of "substantial equivalence" mean, if there were untold nuclear weapons on either side that the other side could not count with any assurance? We argue endlessly over whether the United States or the Soviet Union is "ahead" in the nuclear arms race—with all the factors of numbers, accuracy, reliability, throw weight, geographical elements, and many, many more—despite the staggering overkill on both sides equivalent to more than 700,000 Hiroshima bombs. Yet, if we introduce an entirely new element—especially one that raises the specter of counterforce that has so bedeviled both our military planners and our arms controllers—then we will be lucky if the SALT talks continue at all.

Therefore, Mr. President, if the Defense Department is so convinced that we need a new strategic element—that we need a quadrad—then I believe we in the Congress should ask them what they have been doing all these years in basing our deterrent capabilities on a triad. This stoll stands safely and securely on three legs; the fourth is simply a waste of money, and a serious threat to efforts to end the nuclear arms race.

We will be told that a cruise missile is needed to permit our bombers to penetrate to enemy targets. But what other means could achieve that same task? How important is the contribution of a cruise missile, compared to the new risks I have raised? How can we possibly justify both the B-1 bomber and the strategic cruise missile, even if either one or the other were justified? And how, for any reason whatsoever, can we justify placing cruise missiles on ships at sea? Clear, direct, and precise answers to these questions are certainly needed before we embark on such a major development, with such profound implications.

But why, we are asked, do we raise this issue now, before there is even any money for production and deployment? The answer is stark in its simplicity: That once we have flight-tested the strategic cruise missile, there will be no way for the Soviet Union to tell whether or not we have deployed it, or in what numbers. At that moment, SALT will hit the biggest logjam of its entire history. And the same would be true if the Soviet Union were the leader in cruise missile development.

Surely, we can learn something by looking back to our effort to rush ahead with MIRV's 5 years ago, long before the Soviet Union could possibly have acquired them, long before there was any conceivable military or deterrence need for them. Once we developed the MIRV, we condemned both superpowers to build and deploy these weapons, and to endure the endless doubt and debate that is currently plaguing efforts to reach a SALT II agreement—and we provided no real gain to our own security.

Let us then not repeat this mistake again. Let us not rush pellmell into developing another advanced technology, that will effectively enter into the strategic equation the moment it is flight-tested, years before the Soviet Union could develop its own cruise missile—as it surely will if we push forward.

Mr. President, the time to act is now. The time to step back and think about the implications of this new weapons system is now. Perhaps in time there will appear a need for it, and a means of reconciling it with the demands of limiting the nuclear arms race—though I do not now foresee such a development. But we owe it to ourselves, and to everyone interested in some day being able to limit strategic arms and bring the arms race to an end, to think clearly now about this issue, and not enter lightly into a major new development without first considering all the ramifications in full, detailed, and public discussion and debate.

I regret that the McGovern amendment was defeated in the Senate yesterday; thus it is critical that we begin a full debate on the whole issue of cruise missiles.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. In accordance with the previous order, morning business is closed.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business (H.R. 5900), which the clerk will state.

The assistant legislative clerk read as follows:

Calendar No. 426, a bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 9:20 a.m. having arrived, the 1 hour provided for debate prior to the vote in cloture under rule XXII will now begin, with the time to be equally divided between and controlled by the Senator from New Jersey (Mr. Williams) and the Senator from North Carolina (Mr. Helms). Who yields time?

Mr. LAXALT. Mr. President, in behalf of the Senator from North Carolina, we yield 15 minutes to the Senator from Arizona.

THE COMMON SITUS PICKETING BILL: A THREAT TO THE WORKINGMAN

Mr. FANNIN. Mr. President, I rise in opposition to S. 1479, the so-called common situs picketing bill. This bill would obliterate the historic distinctions between employers on construction jobs and employers in industry generally. Section 8(b)(4) of the Labor Management Relations Act prohibits secondary boycotts. It makes no distinctions between construction and industrial jobs.

Inasmuch as the entire purpose of the boycott provisions is to protect neutral employers from strike and picketing pressures in disputes in which they have no direct interests, the presence of a neutral employer is indispensable to a violation of the boycott ban.

In the case of building contractors and their subcontractors, the contention that they were ordinarily "allies" rather than neutrals was rejected by the U.S. Supreme Court in 1951, in the Denver Building Trades case. The Court in that case treated a general contractor and his subcontractor as separate employers for purposes of section 8(b)(4).

The Moore Drydock case, decided by the National Labor Relations Board in 1950, laid down the rules as to when picketing of a common situs is legal. Picketing is permitted at the common situs only under the following conditions:

First. Picketing must be limited to times when the primary company's employees are actually present at the common situs.

Second. Picketing must be limited to "places reasonably close" to the operations of the primary employer's workers.

Third. The picket signs must show clearly that their dispute is with the primary employer alone.

Fourth. The primary employer's workers must be engaged in the company's normal business.

Mr. President, there have been many NLRB decisions with which I have not agreed. However, the Moore Drydock rules are fair and equitable to both unions and management. Fortunately, all the courts before which these rules have been tested have agreed with the NLRB.

As a result of the sometimes periodic and intermittent nature of employment in the construction industry, unions literally have control of the workplace. Work on a construction project, because of its specialized nature, is frequently divided between many different employers. Those employers usually have no way of controlling or doing anything about the labor relations policies of the other employers on the job site. To obliterate the distinction between the employers at the common situs, as S. 1479 would do, would be irrational and inequitable. To permit one union to shut down an entire building project, consisting of many employers, simply because of some dispute the union may have with a single employer on the construction site, would only further magnify the lopsided economic power unions have in the construction industry. Rather than bringing any equity or balance to labor relations, this bill would give to the most powerful unions in this country more power at a time when they not only do not need it, but when it would be more appropriate to impose some kind of restraint on these big labor organizations.

I am personally opposed to imposing controls from above and would prefer that, rather than taking such a course of action, the simple restraint of free market competition be employed. However, certainly at this time there is no justification either in logic, law, or equity for giving building and construction unions more monopoly power to control the workplace than they now have under the law.

Mr. President, the construction unions' argument that they only want the same rights applicable to industrial unions is a specious argument for many reasons.

Having many different employers engaged in work at an industrial site is a relative rarity. The existence of multiple employers at a construction site is a normal, consistent way of life. Work by other employers at an industrial site is normally an incidental aspect of the industrial operation while at a construction job, the work of many different subcontractors and contractors are a necessary and vital portion of the entire project. Interruptions with the work of neutrals is inevitable in construction while it is usually not so in industrial situations.

An additional distinction is that the time factors on construction sites are usually more critical than they are on an industrial project. Unions at industrial sites normally have a collective bargaining agreement covering the entire amount of work at the site except for whatever work which may be subcontracted. However, at the constructiton situs there may be anywhere from 2 to 15 different employers on the job site, each with separate bargaining agreements and separate unions representing their employees. Quite often these unions are fighting with each other over such issues as which employee will pick up a board or push a button.

Mr. President, there is another significant difference between the construction industry and other industries. The contracts of industrial unions, railroad unions, and other transportation unions with employers almost invariably contain no-strike/no lock-out provisions and specific grievance and arbitration provisions. It is a rarity to find such provisions in the construction industry. Thus, in construction most disagreements are quickly the subject of the total economic pressure of the strike. In other industries the peaceful and orderly settlement of grievances and other day-to-day disputes by the process of the grievance and arbitration procedure is common.

Mr. President, with this common situs picketing bill the construction unions are seeking more than equal treatment. They have the same rights today as industrial unions to publicize their grievances by picketing the existence of a labor dispute.

In my opinion, Mr. President, the Congress has already been more than fair with the building trade unions. The Landrum-Griffin Act provided that the building trade unions may enter into contracts with employers requiring membership after the seventh day following employment. For industrial unions, this requirement is after the thirtieth day of employment. The Landrum-Griffin Act also, in section 704 (e)—the so-called hot cargo provisions—exempted the building trades unions. In addition, for 44 years the Congress and the courts have permitted the Davis-Bacon Act to remain the law of the land. The Davis-Bacon Act imposes a super minimum rate on the building industry which, according to a recent report issued by the Wharton School of Finance at the University of Pennsylvania, creates an additional annual cost to the economy of $1.5 billion.

Mr. President, we all know that unemployment is higher in the building and construction trades than in any other industry. We all know that wages in building and construction are higher than in any other industry. I am told that more and more construction companies are using nonunion workers and that the figure could soon reach 50 percent. In my opinion, a vote against this bill could well be an assistance to the building trades unions.

Mr. President, the effect of passage of S. 1479 will:

First. Cause the cost of union construction to rise due to increased work stoppages on union sites and enforcement of restrictive rules exacted by secondary boycotts.

Second. Cause the time to complete construction to escalate.

Third. Cause high-priority projects, such as energy-related construction, to be deferred or halted.

Fourth. Cause productivity of union contractors to decline.

Fifth. Cause union tradesmen to suffer higher rates of unemployment.

Sixth. Cause more projects to be awarded to nonunion contractors who have higher productivity.

Mr. President, this bill is sailing under false colors. It is entitled "a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers." It is really a bill to increase problems in the construction industry and create more unemployment in an industry where unemployment is already too high.

Consider the kinds of problems S. 1479 can be expected to generate.

Contractor "X" is the principal contractor of a multimillion dollar project. At the same time a number of other contractors, holding smaller prime contracts with the owner, may be performing incidental specialty work, such as site improvement, access roads, rail spur lines, well drilling, sewer and water lines, and so forth, at the same location. They have no contractual relationship with the principal contractor and their labor policies may differ from those of the principal contractor; they may be nonunion or open shop contractors. If S. 1479 is enacted into law, local unions in the area could picket the entire site at will in the hope that someone, possibly the client-owner or the principal contractor "X," will force an offending contractor "into line." Contractor "X," like the proverbial innocent bystander, will suffer, not because he has a labor dispute, which he does not have, but solely because the law would give a local union the right to punish him unreasonably and for ulterior purposes.

I cite another problem we can look forward to. A local contractor on the site of the work may become involved in local contract negotiations which have reached an impasse leading to a strike. Under S. 1479, the local union would have the right to picket the entire project, halting the work of the principal contractor even though he is not involved in any way in the contract dispute.

For these many reasons, I sincerely hope that Congress will not further burden an already sick industry. I hope that the Senate will not approve legislation which will aggrevate inflation and unemployment in an already weak economy.

Mr. President, when the time comes to vote on S. 1479, I intend to call out a loud "no," and I urge my colleagues to cast a nay vote as well.

Mr. President, as we consider the common situs picketing bill, I would like to call the attention of my colleagues to a study of the effects of this legislation by Alvin L. Hoffman, publisher of the periodical Construction Economics. I shall summarize Mr. Hoffman's conclusions by quoting to you from an article by Lou Hiner, Jr., which appeared in the Phoenix Gazette on October 29:

> Alvin L. Hoffman, publisher of "Construction Economics," has made an extensive study of the legislation and he believes that though industry management and the top labor leaders understand the "common situs" proposal, the general public has no idea what it's all about.
>
> It hasn't been stressed, for example, that the bill would grant the building trade unions the right to a type of picketing that is denied other labor unions, Hoffman says.
>
> Among the significant aspects of the bill, Hoffman points out, are:
>
> 1. Right to picket an entire work site would be a powerful weapon to force union membership on every worker—or force non-union

> contractors off the job through pressure on general contractors and owners.
>
> 2. "Common situs" picketing could shut down an entire industrial operation, retail establishment, or office building that has no direct concern with construction.
>
> "A strike by construction workers on even a very small job, over a minor matter, could result in picket lines around the whole plant. Thus, it could effectively shut down a whole industrial operation whose workers have nothing to do with even what's going on in the construction area and don't belong to anything close to a construction union," Hoffman says.
>
> It would be a powerful weapon in the hands of the building trades unions, he adds, 'and the economic power it confers is almost unimaginable.'
>
> "Passage of such a law could hurt the unions by forcing contractors to go completely non-union in order to avoid the possibility of such a complete shut-down. That idea—already beginning to emerge—can carry with it violent confrontation," he explains.

Mr. President, Gov. Ronald Reagan has also spoken out against common situs picketing legislation. The California Governor currently has a 5-minute syndicated commentary program called "Viewpoint" which is carried daily by hundreds of radio stations across the country. I wish to read a pertinent portion of Mr. Reagan's statement of November 5 on this legislation:

> If you work for a non-union subcontractor on a construction job and the union of another building trade was able to shut down all work over a beef it was having with its contractor, you'd be out of work and pretty angry about it. But that's exactly what will happen if twin bills being debated in Congress now become law.
>
> They're called H.R. 5900 and Senate bill 1479, the common situs picketing bills. These bills would give any building trades union the power to shut down an entire construction project involving perhaps the several dozen contractors because of a dispute with, say, only one of them.
>
> They could shut down work simply by setting up a job site picket line which no construction worker, truckdriver, or deliveryman in his right mind would dare cross.
>
> It would force all of them to participate in secondary boycotts which are now illegal.
>
> The big international unions have wanted for a long time to eliminate any non-union workers from construction jobs. If the common situs picketing bill passes and is signed by the President they'll get their way.
>
> About the bills, the Denver Post recently said that unions do not deny that a major aim is to force out non-union workers. If a contractor hires ten subcontractors and one of these is non-union, it is expected the other subcontractors will have a strike on their hands. The blackmail effect is obvious. Unquote.
>
> These bills are apparently part of some horse trading between Secretary of Labor John Dunlop and the international unions. Dunlop wants a new collective bargaining bill ostensibly to prevent the administration's national energy development program from becoming tied up by jurisdictional and wage disputes.
>
> It looks as if the common situs picketing bills, and thus compulsory unionism in the construction business are the prices he's willing to pay.
>
> The collective bargaining bill would create a construction industry collection bargaining committee, composed of labor, management and public members. One of its chief features would be to provide cooling off periods prior to strikes.
>
> Another feature would give the heirarchy of the international unions veto power over the contracts of their locals. They'll be specifically exempt from liability for their actions.
>
> Speaking of tradeoffs, the international union bosses have wanted this veto power for a long time. Theoretically, they've had it but didn't exercise it; fearful that if they did they wouldn't be reelected to their comfortable jobs by the officials of their locals. But if the veto power is written into federal law, they'd be off the hook. They're selling the locals on this feature by telling them it's necessary in order to get the common situs picketing bill.
>
> The losers in all this game playing will be the worker who has no interest in someone else's dispute; the taxpayers, who will bear the brunt of public assistance costs of such picketing throws large numbers of workers out on the streets, and the American economy, which badly needs a healthy construction industry.
>
> At stake is a person's right to earn a living, whether or not he chooses to join a union.
>
> The Secretary of Labor seems willing to trade this right for some dubious collective bargaining measures. The debate is going on right now. I'll bet your Congressman would like to know how you feel about compulsory unionism.

Mr. President, I know how the people of Arizona feel about this matter. My office has received literally thousands of letters, postcards, mailgrams, and phone calls about common situs picketing. I can report to you that the sentiment of my constitutents is running about 1,000 to 1 against passage of this legislation.

The ACTING PRESIDENT pro tempore. The Senator's 15 minutes have expired.

Who yields time?

Mr. WILLIAMS. Mr. President, I yield such time as the Senator from Oregon (Mr. Packwood) needs.

Mr. PACKWOOD. Mr. President, as we consider the common situs picketing bill, I would hope we would weigh everything in perspective. There is no all good and all evil to any bill that we have before us. There are side effects to everying we pass.

The Senator from Arizona has referred to the effect that it may have on costs in the construction industry. On the other side, we have to look at facts that many in the construction industry are working 1,200 and 1,400 hours a year, and not 2,000 hours, as a normal industrial worker does. Their wages on the average for a year's work in many cases are no greater than that for an industrial worker. Sure there is the possibility that common situs picketing may cause a strike that might cause an entire construction job to be shut down for a short period of time. There is always that possibility. There is always a possibility when a small craft union at united steelworkers plant goes out that the entire steelworkers will observe the picket line and the entire plant is shut down.

But I think we have to weigh the merits on both sides of this issue. If we wish to go solely on an economic basis, then maybe what we ought to say is:

> You cannot strike at all. You cannot have a common situs strike. You cannot have any strikes. We will just extend the Taft-Hartley Act. Every time there is a strike of any kind you can get an injunction and stop it.

That might keep wages down and keep costs down. But the benefits in terms of slightly reduced costs weighed against the detriment of the deprivation of the right to strike is not worth it. Therefore, we say that in those circumstances, unless it has an extraordinary effect on the entire national economy, one cannot enjoin a primary strike.

When I spoke the other day, I said that I would maintain that this type of picketing is not a secondary boycott because a secondary boycott is where one literally goes to a third party's location. If one happens to belong to a union and he wishes to strike an employer and he strikes to bring industrial pressure, he goes to the third location. If he is a Cesar Chavez United Farm Worker, he goes to the Safeway store and the A&P and stands in front of that store and says:

> Please, don't buy these grapes; please don't buy this Gallo wine.

That is, indeed, a secondary boycott. It is legal in this country today because agriculture is not covered under the National Labor Relations Act.

But it is where one carries his dispute to someplace other than where he works. The construction workers only work in one place on one job. The fact that others share the same job site is not the plumbers' fault or the electricians' fault. It is the nature of the kind of work that they are in. They are not striking or carrying a picket in front of some third-party location. They are carrying it only in the spot that they work to publicize a dispute with their employer.

What was alleged to be harmful about that? Why is it alleged that this kind of strike should not be allowed because other members of other unions not on strike might observe the picket line, voluntarily, I might add? No one is coerced into refusing to cross a picket line.

The principal objection that the opponents to this bill have is that on occasion the unions will strike together voluntarily.

We have admissions in the Record from a few days ago that really there is no serious objection to secondary boycotts or this kind of picketing, if it did not work, but it is only because one member of a union will vountarily observe another union picket line, and I wish to emphasize that word "voluntarily," because they think someday, "I might be on strike and I will need help, so I am going to observe the picket line of my fellow union member." That is what makes it effective.

It seems to me when one weighs these considerations and balances the right of a person to say, "I am not going to work," the right of another person to say, "I am not going to cross that picket line, and that is my choice," when one weighs that right, which is one of the precious rights we have in this country in terms of organization, the right to work or the right not to work, as we choose, against the potential slightly increased economic cost, if everything goes as badly as the opponents of this bill paint them to go, one has to come down on the side of that worker and his right to strike at the only place he works and realize that from time to time, voluntarily, other members of organized labor are going to observe the picket line.

That is all we are asking. We are not asking for an unfair bargaining advantage. All we are asking is for the right of a union man or woman to picket at the place where he or she works. I do not think that is too much to be asking.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. LAXALT. Mr. President, I yield to the Senator from South Carolina 8 or 9 minutes.

Mr. HOLLINGS. Eight minutes will be fine.

Mr. President, the right to strike should be related, of course, to a dispute and a recognized legal purpose. No one has contended that the union man in America does not have the right to strike. Even the opponents of the Common situs picketing bill, of which I am one, would have to agree, at first blush, that if we are able to defeat this bill, it in no way will defeat the right to strike. The right to organize and to strike properly is fundamental in America, and it is adhered to in collective bargaining and otherwise. I think there is no need for the bill at this particular time. I can see a need not to have this bill.

I have a slight familiarity with and therefore an appreciation of the construction trade. I come from a town in the South that is predominated, in a sense, by the building trades—Charleston, S.C. They have been part and parcel of our community life as well as our State's development for the 25 years or so that I have been engaged in public service, and I emphasize the fact that they have given leadership. The head of the construction trades in the Charleston area is also chairman of our North Charleston Public Service Commission, Mr. Cecil Clay. The member of our legislature who served as head of the Plumbers and Steamfitters union, Mr. Jimmy Joseph, has served with outstanding abilities. Ronald Fine, the head of our Carpenters Local Union has also made significant contributions to our community.

While it is true that they would support this bill it is not a feeling of "you and them," as described by my friend from Oregon, that their right is being taken away. The fact is that they have led, they have grown, they have constructed, and they have prospered under the present law.

We come from an area that does not necessarily relate with the particular national statistics, because we still are building, building wisely and within the economy, and rapidly. There is much construction in our area, even though someone may give some statistics that show that construction has fallen off. We are trying our very best to increase home building. But the point is that they have operated successfully, and in my time of service I have heard no complaint whatsoever that they have been stultified in the right to strike.

A national movement at a wrong time is coming about here, almost unnoticed. This is why I rise on the matter of cloture, to say that if there is a time for extended debate to bring the facts before the American people and Congress, this is the time for extended debate.

We have all the pressures of New York. We have the pressures of the economy, the pressures of the Midwest, the pressures of our defense and obvious political pressures with respect to the White House and its checkerboard game of swapping the people around right and left and trying to find national policies with respect to defense and with respect to energy. We find this bill slipping through the U.S. Senate, without notice to the American people of its true intent.

Our good friend, the labor representative, testifying for the construction trades, on the House side, made it crystal clear that he was not talking about the right to strike being taken away from him. He said in no uncertain language that the intent there was to see every job in America a union job. That is why I rise to oppose the bill. I oppose coercion.

States have operated successfully with a right-to-work law, under section 14(b) of Taft-Hartley. What we would be doing with respect to the construction trades would be to repeal indirectly that portion of section 14(b) of Taft-Hartley relating to the construction trades.

This is a time when we are trying to rejuvenate, trying to back construction and building in America, trying to increase employment in this particular sector, which would be responsive, because it has a multiplier effect in the construction trades with respect to building material, contractors, savings and loan institutions, the timber folks, and everyone else.

This is the time when the construction trades are cutting back on their hourly wage rate gains. I was in Pittsburgh not long ago, making a speech, and saw a headline in the newspaper. I wish I could recall it accurately. It was to the effect that plasterers and electricians had gotten into the realm of $16 or $17 an hour, whatever the amount was, and they were voluntarily cutting back their hourly wage rate by one-third, taking hard sought gains and victories in increases in the hourly rate and trying to do exactly what this bill undoes. The bill would try to do it by coercion.

In New York, they are trying to find some legal way to undo the pension benefits that were financially outrageous, the agreements made with respect to the garbage collectors and other municipal employees, the welfare beneficiaries, the high rental payments.

We have this movement ongoing in the present tense in America today. Just at a time when we are trying to cope with the evils and the disastrous results, here they come, pouring on more difficulties.

Not long ago, a group of us were briefed by the Cambridge survey about the volatility of our society.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. HOLLINGS. I just got started. Mr. President, will the Senator yield me a few more minutes?

Mr. LAXALT. I yield the Senator 3 additional minutes.

Mr. HOLLINGS. The people out there who are making George Wallace—incidentally, I do not necessarily go along with that movement, but I do not understand why we in Washington cannot see it—the people out there are looking for responsiveness and solutions. Here we are this morning, about to give them another problem.

There is no problem in the construction trades with respect to organizing and building and getting responses and higher wages and better working conditions, and they should be commended for all that. This is a national leadership gimmick, an organizing tool, as the man said, to make every job in America a union job, which makes for bigness, which makes for a problem.

That is what is wrong with Congress: Instead of solving problems and doing some good, we are trying to create an additional one.

The problem of maintaining a healthy labor and business climate has long been of interest to me. Our State of South Carolina has one of the best business climates of any State. And we have one of the best labor climates. Underlying this state of affairs is the fact that the individual worker in our State is protected from coercion by the South Carolina right to work law, and I would mention here my own role in writing that law as a member of the South Carolina State House of Representatives.

My determination against coercion remains. Clearly the common situs picketing bill that has passed the House, which has been recommended by President Ford, and which is likely to pass the U.S. Senate, should be defeated.

This legislation provides that on a construction job, where there are many subcontractors, as for plumbing, heating, masonry, carpentry, steel work, and so forth, a dispute between the owner and one of the subcontractors should be considered a dispute between all of them. The legal theory is that the owner and each subcontractor are engaged in a joint venture—when in law and in fact, everyone knows otherwise. Contractors and subcontractors on a construction project do not place their assets in the project for a proportional share of the profit and loss. On the contrary, there is a basic difference in interests, and many possibilities of claims normally arise over which the other subcontractors would have no control, no knowledge, and no interest.

The decision as to whether or not there is a "joint venture" should be determined according to the degree of control one party can exercise over the labor rela- maintain independent labor policies, this tions of the other parties. Since contractors and subcontractors negotiate and would indicate that one should not be held accountable for problems arising out of another's policies. This reasoning is consistent with the holding in the Denver Building Trades case that "the fact that the contractor and the subcontractor were engaged on the same construction project, and the contractor has some supervision over the subcontractor's work, did not eliminate the status of each as an independent contractor or make the employees of one, the employees of another."

Aside from the legal niceties, the practical thrust of this proposal is "to see every job in America a union job." This is exactly the testimony of the union witness in the hearings before the House of Representatives. With this tool, a union subcontractor could shut down the entire job unless all the subcontractors were union. Delivery of materials to the job site could be prevented unless the driver of the truck in which they were delivered was a union driver, and it could be stretched to require union-manufactured materials.

There seems to be little question but that this measure will increase costs. It will encourage strikes and make them longer. Power granted is seldom neglected and I feel the results could be disastrous. One union involved in the construction job, regardless of its numbers could deny the right to work to all other unions and their members. Thus neutral employers and their employees would suffer the consequences.

To me, requiring everyone to belong to a union—or requiring everyone to be nonunion—is not American. And the timing of the bill could not be worse. Unemployment is again moving upward. The housing and construction industry is still in near-depression. Now, when we are trying our level best to get the building trades going and to turn the economy around, we are going to compound all our difficulties because of a bad principle that flies in the face of prosperity, justice and commonsense. The President is insisting upon this for his 1976 campaign—I wish we could move Election Day up to January, get the campaign behind us, and get everyone back together working for this country.

The proponents of this measure allege that it will result in equity for construction workers as compared with manufacturing workers. However, I do not feel that inequity exists today. According to the Department of Labor, construction wages in 1975 are $7.17/hour compared to $4.76/hour for manufacturing, $5.20 for mining, $5.40 for transportation, and $3.47 for wholesale and retail trades. In my opinion, there is really no justification for this bill. In the past, the Congress has refused to confer secondary boycott power on the building trades union and with today's depressed construction industry, there is no reason to change this longstanding policy.

Mr. WILLIAMS. Mr. President, I yield myself 2 minutes.

While the Senator from South Carolina is still here, I want to say that he is one of our most able Members and is in a position of great responsibility, particularly right now, in areas of energy. Therefore, I can perhaps understand why he might not be aware that this bill is anything but sliding through here without notice. I do not know what the Senator's situation is, but I know that my situation, in terms of notice to the people that I represent in the State of New Jersey, is complete on this measure. I have thousands of communications. I will say they are running about equally for and against the measure. As I have come onto the floor for the last 3 months, Members from every part of the country have talked to me about this legislation and about their communications from home—again, those who are for and those who are against.

If there is any bill that has not slipped quietly through, it is this bill, which deals with an equal opportunity for construction workers to have, with their brothers and sisters of industrial society, the right to picket peacefully. This is a bill that puts them in the same situation with respect to their use of picketing in support of their position in a dispute with an employer.

Mr. HOLLINGS. Will the distinguished Senator yield just for a second on the sliding part?

Mr. WILLIAMS. Yes.

Mr. HOLLINGS. What I am talking about is sliding from the attention of the American public. Obviously, it has our attention. We know it and there are those interested groups, whether it be the union on one side or the chamber of commerce on the other, to generate letters. But we go right back to the Presiding Officer, who has seen it briefly, and we went through 27 pages of issues, and this one was not mentioned, by anyone—not the American public, because they do not, for one thing, know how to pronounce common situs picketing.

Mr. WILLIAMS. They sure do where I come from.

Mr. HOLLINGS. If enacted, they will understand exactly what is intended. That is what I mean by sliding through.

Mr. WILLIAMS. Is that sufficient on this point?

Mr. HOLLINGS. Yes.

Mr. WILLIAMS. Mr. President, I speak now in support of the motion to close debate on H.R. 5900, a bill to protect the economic rights of labor in the construction industry by providing for equal treatment of craft and industrial workers.

After debate is closed under rule XXII, each Senator will have a full hour to further debate this matter before the bill is read for the third time and placed upon its passage. I believe the Senate has reached the stage where final, earnest consideration is fully warranted.

Mr. President, the substance of the issue involved has been before the Senate for nearly a week. It was last Friday that the leadership asked unanimous consent to take up H.R. 5900. As Senators will recall, opponents of the bill objected to the request and proceeded to speak at length against the bill, holding the Senate floor against the proponents of the bill on Monday and most of Tuesday of this week.

On Tuesday, the Senate, by a 66-to-30 vote, declared its determination to take up the bill for consideration, and it has been before us since late Tuesday afternoon. But the debate which the opponents of the bill have said is vital has not occurred.

The Senator from New Jersey, as manager of the bill, has been here to participate in debate, but the opponents have not.

The Senator from New Jersey has offered an amendment in the nature of a substitute which embodies the language of S. 1479 as reported to the Senate by the Labor and Public Welfare Committee.

Only two amendments have been offered to the substitute, both by the distinguished Senator from Alabama (Mr. ALLEN), and each of them was rejected by the Senate on rollcall votes.

No other amendments have been called up, and I am led to suspect that none will be until the Senate determines that cloture should be invoked on the question of passage of the bill as amended.

Mr. President, the central issue of this legislation has already received extensive consideration, with plenty of time afforded Senators to study its provisions.

The House of Representatives passed H.R. 5900 on July 25, after comprehensive study and full debate.

In the Senate, the Labor Subcommittee considered S. 1479, the companion bill, formally on 4 days, and the committee spent 2 days preparing the bill for reporting to the Senate.

The committee report and the printed hearings of the Labor Subcommittee have been available to Senators for over 2 weeks, since October 30, so Senators have had an unusually long period of time in which to study the bill and its effects.

Given the sharp focus of the bill, the few issues that it raises, and the week-long opportunity for debate that has already been afforded, I believe it is time to bring H.R. 5900 into its final consideration.

As I have indicated, Mr. President, a decision to close debate on the bill will serve to bring the measure to the full attention of the Senate so that it can be brought to a final decision within a reasonable time.

It is my hope, Mr. President, that the Senate will adopt the motion to close debate so that we may proceed in an earnest and orderly fashion.

Mr. President, I wish to advise Senators that the Senator from New York (Mr. JAVITS) and I have introduced an amendment that contains the substance of S. 2305, a bill to establish a national framework for collective bargaining in the construction industry. This is the so-called "Dunlop bill" which would establish the construction industry collective bargaining committtee.

At an appropriate time during consideration of H.R. 5900, it is our intention to offer this amendment in the hope of incorporating the provisions of S. 2305 in the pending House-passed bill.

We do this as a means of expediting consideration of both measures. They have passed the House of Representatives, and it would be convenient, if it is the will of the Senate, for them to be considered as a package by any conference committee that may be required.

As I have said, this bill has been before the Senate now for a full week. It started just a week ago today. If its opponents were clamoring for an opportunity to debate this issue, there was all this week, and there was a limited amount of debate. I think probably the most constructive arose out of a colloquy with the Senator from Oregon (Mr. PACKWOOD) and the Senator from Nevada (Mr. LAXALT). But there has been all the opportunity of this week, yet there has been limited debate.

This is to close debate. We know what that means. That is what we will be voting on very shortly. Then we will have another extended period for all Members to have an opportunity to express themselves.

Mr. President, I yield to the Senator from Georgia.

NATIONAL PRODUCTIVITY AND QUALITY OF WORKING LIFE ACT OF 1975

Mr. NUNN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2195.

The Acting President pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 2195) to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and the character of working conditions; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes, as follows:

1. Page 7, line 3, strike out "twenty-five", and insert: "twenty-seven"
2. Page 7, line 13, strike out "three", and insert: "five"
3. Page 14, lines 19 and 20, strike out "in labor-management agreements", and insert: "in a specific labor-management agreement"

Mr. NUNN. Mr. President, the House has adopted three minor amendments to S. 2195, the National Productivity and Quality of Working Life Act of 1975.

The first amendment provides that the Board of Directors of the National Center for Productivity and Quality of Working Life shall be made up of not more than 27 members. The Senate bill provided for 25 members.

The second amendment provides that five members of the Board of Directors shall represent management, the same number as will represent labor organizations. The Senate bill provided for three members from management and five from labor organizations.

These two amendments merely equalize the representation of labor and management on the Board of Directors and expand its total membership in order to accomplish this end.

The third amendment clarifies a prohibition on the activities of the National Center for Productivity and Quality of Working Life. The Senate bill authorized the center—

> To encourage, support, and initiate efforts in the public or private sector specifically designed to improve cooperation between labor and management in the achievement of continued productivity growth: *Provided, however*, That no activities of the Center involving consideration of issues included in labor-management agreements shall be undertaken without the consent and cooperation of the parties to that agreement.

The House amendment clarifies this clause by providing that—

> No activities of the Center involving consideration of issues included in *a specific labor-management agreement* shall be undertaken without the consent and cooperation of the parties to that agreement. (Emphasis added).

In other words, the prohibition applies only where specific labor-management agreements are in effect. There will be no such prohibition in a plant or business in which there is no agreement in force.

As explained in the reports of both the Senate Government Operations Committee and the House Banking, Currency and Housing Committee, the center will not be authorized to become involved in activities pertaining to issues which are the proper subjects for bargaining, both by tradition and by a specific labor-management agreement, without the consent and cooperation of all parties to an agreement which is in effect at the time.

The amendment made by the House merely clarifies the intent of the prohibition.

I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, speaking on behalf of the minority we do accept the changes that have been made by the House and commend the House on the passage of this very important piece of legislation. The increase in the size of the Board from 25 to 27 to enable two additional members to represent business, so that both business and labor will each have five members, is a good amendment.

With his new found freedom to be designated chairman of the Board, Vice President ROCKEFELLER will certainly be able to oversee the activities of 27 members. I commend the President on his selection of Vice President ROCKEFELLER because of his energy, his deep devotion to this cause, and, certainly, we feel it will help give the prestige necessary to this very important activity.

The changes with respect to labor/management agreements do not, in any sense, alter the spirit of what the Senate intended to imply by its language, so that is certainly an acceptable amendment.

I commend Senator NUNN for the leadership he has provided in this activity and also, my distinguished colleague (Mr. JAVITS) who for so long has recognized that at the heart of our problem of reducing costs and reducing the impact of inflation is improving productivity, which must be a joint function of labor, management, and government.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. JAVITS. I thoroughly agree with my colleagues that we should accept these amendments. They are important and useful.

I want to emphasize the need for a network of action throughout the country to improve productivity. The center itself will be very helpful and a much better organization than we have had before in the Productivity Commission. However, we will still need action on the local and on the industrial level.

Until such time as we gear up for that, as we did in World War II, there will not be a very marked effect of this type of effort on productivity.

I express the hope that the center will move into its work promptly and will make recommendations through the President to Congress or to Congress directly as to what is needed to improve productivity. Labor-management productivity councils throughout the country might be necessary to bring this work on the local and the industry level to fruition.

I thank my colleague, and I congratulate and compliment him and Senator PERCY for their fine initiative.

Mr. NUNN. Mr. President, I share in the comments made by my colleague from Illinois and my colleague from New York. I concur in their remarks. I do think that this bill, more than any I have been involved with this year, represents a true bipartisan effort. It could not have been passed without the active support of the Senator from Illinois and the active support of the Senator from New York. The Senator from Illinois and I jointly cosponsored this particular piece of legislation, so it was a bipartisan effort.

Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

Mr. President, the debate has been very interesting. I regret that there has not been more active debate although there will still be an opportunity to do that, even though we vote cloture, as I hope very much we will do. One thing that is critically important is to emphasize what has been made clear in the decisions by the U.S. Supreme Court. We are not venturing into a new field. We are simply adapting a remedy which workers have had for decades. That remedy, the strike, is necessary, in order to grant employees the opportunity to bargain on an even basis with their employers. This remedy has to be adapted to the unique situation of a construction site which has subcontractors as well as a general contractor.

The Supreme Court very clearly recognized the situation and, indeed, for practical purposes invited the Congress to act in this way.

This area was originally addressed in the famous Denver Building Trades case. In that case the Supreme Court interpreted the language of the Taft-Hartley Act literally. The Court in that case prohibited common situs picketing on a construction site. The Court ruled that a contractor and the subcontractor in the construction industry were separate employers and the picketing of both employers in a construction industry dispute with one was prohibited by the Taft-Hartley Act which made such activity a secondary boycott.

(At this point Mr. Stone assumed the Chair.)

Ten years later in the General Electric case the Supreme Court applied a different standard to picketing by employees of an industrial employer. The Court set down the related work doctrine which would allow industrial unions to picket an independent contractor if their work was "related" to the everyday operation of the industrial employer. The related work doctrine has not been applied to unions and employers in the construction industry.

It seems to me, therefore, Mr. President, that this was an invitation to Congress which has now been deferred for some 14 years, to correct the disparity in treatment of industrial and construction workers. It has taken us a very long time to get to this place. We are correcting this disparity with restraint and with safeguards, including the need for getting the international union to approve the common situs picketing.

We will also set up, by amendment to this bill, a procedure by which we hope to minimize, through established techniques, the degree of labor strife which occurs in the construction industry.

Additionally we are requiring, before there may be common situs picketing, a notice of 10 days, to international unions in an effort to create a cooling off period to allow the international affiliates the opportunity to come forward and exercise a degree of mediating influence.

In short, it is simply irrational to continue to have disparate common situs picketing standards applied in construction and industrial settings. The argument which has been made so very eloquently by my colleagues, Senator Packwood and Senator Williams, is entirely valid. We are not straining the fabric of our society. We are not introducing new dangers. Workmen do have the right to picket and do have the right to strike and, as has been pointed out, in many cases other workmen who are union members walk through the picket lines. This is part and parcel of the tension of American life, and we are not trying to change it. All we are trying to do is to correct an irrational disparity which has existed by virtue of the Supreme Court decisions in this field.

If the Court had decided otherwise, that this situation in the construction industry was not a secondary boycott, as they did in the industrial setting of the General Electric case, then we would not need this law. But, in effect, the Court has invited us to act, because it found itself bound so tightly to the literal language of the Taft-Hartley Act.

For those reasons, Mr. President, I hope the Senate will move forward. I do not see that those who express fears are justified. If they are justified then, as Senator Packwood properly said, we should eliminate the right to picket altogether.

Mr. WILLIAMS. Mr. President, I yield to the Senator from Montana.

CLOTURE MOTION

Mr. MANSFIELD. Mr. President, I send to the desk a cloture motion and ask that it be read.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The second assistant legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 5900, an act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Edward M. Kennedy, Gary Hart, Alan Cranston, Thomas F. Eagleton, George McGovern, John O. Pastore, Ted Stevens, Mike Mansfield, Henry M. Jackson, Walter F. Mondale, Gaylor Nelson, John A. Durkin, Mike Gravel, Jacob K. Javits, Dick Clark, James Abourezk, and Hubert H. Humphrey.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The Senate continued with the consideration of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I want to clear up one point of contention that, I think, has been mistakenly put in the Record.

Several Senators have commented that if the legislation passes it will undo what section 14(b) of the Taft-Hartley Act has done; namely, to allow States to have right-to-work laws; that in those States you cannot have union shop contracts, a union shop contract being one that conditions continued employment on joining the union.

Under section 14(b) of the Taft-Hartley Act in any State that adopts a right-to-work law that law becomes paramount to the Federal law, and not only is it illegal for a union and an employer to sign a contract which requires an employee to join the union, it is an unfair labor practice to even ask for it in bargaining.

This common situs bill does not change that at all. This bill allows picketing at a common site. It does not enlarge one whit what the unions can demand or ask for in terms of a union shop contract, and I do not want anyone to think, as this legislation goes through, that we are somehow sub rosa trying to undermine section 14(b).

The PRESIDING OFFICER. Who yields time?

Mr. WILLIAMS. Mr. President, I have no further request. I wonder if I could get the parliamentary situation. The controlled hour ends at 10:20. Am I correct?

The PRESIDING OFFICER. The controlled hour ends at 10:20.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time may be charged equally to both sides.

The PRESIDING OFFICER. Is there objection?

Mr. LAXALT. Mr. President, reserving my right to object, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes remaining.

Mr. LAXALT. I would like to use that time, if I may.

Mr. JAVITS. I withdraw that request.

Mr. LAXALT. Mr. President, my opposition to this legislation can be summed up very simply, as I have summed it up during the course of these debates: This legislation is not in the public interest.

First, S. 1479 unnecessarily increases the power of the building trades union, and I do not think anybody argues that. They already enjoy economic advantages far beyond those possessed by nonconstruction workers. Each and every public sector in our economy deserves a voice—deserves an equal opportunity to be heard and represented. But no group should have special privileges, a louder voice and more power than its partners. In strict monetary terms, the construction worker makes far more than other workers; and, as the Senators will recall, we submitted schedules in the minority report indicating that to be the fact.

What is more, the Department of Labor figures for the last 7 years indicate that this gap is widening. In addition, the building trades unions have many nonmonetary privileges not enjoyed by other unions. Among these are the right to prehire agreement, exclusive hiring hall agreements, and exemption from the ban on "hot cargo" agreements.

Second, as I have mentioned during the course of our debates here before, the healthy mix of union and nonunion subs on construction jobs is threatened by this measure, and we cannot overemphasize this point because it is my judgment that bottom line, if this legislation is passed,

it is going to be as harmful to the building trades as anybody else.

Commonsense indicates that the threat of "common situs" strikes will polarize the industry. A general contractor, rather than face the prospect of a strike by workers to protest the presence of nonunion labor on his site, will either go one way or the other—all union or all nonunion. Basically, what I am talking about here is force and coercion—these are what this legislation permits and even encourages.

Third, and in reference to the above, S. 1479 will seriously exacerbate labor relations in the construction industry. An increase, both in the total number of strikes and in the extent of damage caused by each strike, is to be fully anticipated as a result of this bill's conferral of secondary boycott power on the unions.

Irrespective of the remarks made by the Senator from Oregon, the fact is, that under existing law enunciated by the Supreme Court of this country and by the NLRB on frequent occasions, there is a secondary boycott imposed under these conditions.

I am sure this boycott power is being sought primarily to organize the construction industry. As a spokesman for George Meany put it in the House hearings, the purpose of common situs is "to see every job in America a union job." Such an extensive organizing campaign is not illegal, but is also not likely to be accomplished in an industry 40-percent open shop by gross volume, without a substantial escalation of strike activity. This cannot help but worsen labor relations, something, I am sure, none of us want to see happen at a time when the construction industry in this country is flat on its back.

Fourth, and of most grave concern to me, is that S. 1479 would permit picketing and other activities by construction unions which would tend to undermine State right-to-work laws.

Again, contrary to the position taken by the Senator from Oregon, the bottom line effect in this case, since it arose out of the Denver Building Trades case, will be to preclude a nonunion sub from hereafter working on a union contract, and that, to me, has definite right-to-work implications.

Nineteen States have enacted such laws in order to preserve a worker's freedom of choice with respect to joining a union. In my opinion, the measure before us would encourage unionized employees, who have long objected to the presence of nonunion workers on construction sites, to strike and to ask other union workers to strike in protest of the nonunion workers.

It is very sad for me to see and to see this day when the Senate is actually seriously considering Federal legislation which could well negate the independent choice of the citizens of 19 right-to-work States. We do not have the right to do this and the last thing our country needs now is another arrogant pronouncement by the Federal Government which will impinge on State rights.

The PRESIDING OFFICER. All time of the opponents has expired. The proponents still have 6 minutes remaining.

Mr. JAVITS. Mr. President, I will want a few minutes, so why not yield the Senator a minute?

Mr. WILLIAMS. All right, we have 6 minutes.

Mr. LAXALT. I think 1 minute will do it.

Mr. WILLIAMS. I yield 1 minute to the Senator.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. LAXALT. Mr. President, once again, with my objection here to this bill as a threat to right-to-work, we are dealing with the basic of force and coercion. And I can think of nothing more repugnant to our American heritage, nothing more repugnant to the thousand-year history of Anglo-Saxon jurisprudence than to condone force and coercion by one person against another. We are asked by this measure to give a few union leaders a license to use the heavy weapon of boycott to compel from others the kind of business arrangements those unions are unable to get either by persuasion or by the merits of their case.

The demerits of "common situs" have been so repugnant to other Congresses that for the past 25 years our predecessors have refused to consider the matter. Why now? Indeed, where are the suddenly found redeeming qualities of this bill? I have not heard one scintilla of evidence presented on this floor this week which should change our attitude regarding "common situs."

Mr. President, it was a bad, counterproductive bill 25 years ago, it has not improved one bit since that time, in my judgment.

Mr. President, I ask my colleagues to turn down this measure once again.

I thank the Senator from New Jersey.

Mr. JAVITS. Mr. President, I understand it is satisfactory to Senator WILLIAMS if we divide the remainder of the time, so I will yield myself 2 minutes and then yield the remainder to Senator HATHAWAY.

Will the Chair advise me when I have used it?

The PRESIDING OFFICER. Yes.

Mr. JAVITS. Mr. President, there are two points I would like to raise.

First it is not realized that the construction trades are taking a big risk in this bill. If S. 1479 has the effect, as noted by the Secretary of Labor in his testimony before the Senate Labor Committee, of making construction projects either totally union or totally nonunion, and thus eliminating mixed projects in the interest of stabilizing construction industry labor relations, the construction unions may in fact lose a portion of their representation.

Second, I want to address the issue of the so-called right-to-work States, and the effect of S. 1479 on these States.

I must say, that the moral justification for right-to-work laws, confounds me in this context.

If the justification for State right-to-work laws is not to prevent unionization, but rather to protect against coercive unionization, S. 1479 literally does not have a direct or adverse effect on these State laws.

Since S. 1479 is not in any way interfering with the right-to-work States, it would be manifestly unfair and improper to impose the State right to work objective on the Nation by way of an amendment to the situs picketing bill. Similarly since S. 1479 leaves intact the State right-to-work laws there is no need to amend this bill to accommodate arguably conflicting interests.

Mr. HATHAWAY. Mr. President, I thank the Senator from New York for yielding to me.

Yesterday, I introduced two amendments and today I introduced two additional amendments to cover the one shortcoming which I have with the situs picketing bill.

That one shortcoming is the fact that, as I understand the bill, if enacted into law it would allow picketing for organizational purposes and thereby either coerce nonunion members to become members of a union, or force them off a job entirely.

Under present law, one union of construction workers in a given trade may not throw a picket line around the whole site with many trades or nonunion workers on the site. Instead, they are confined to picketing one entrance to the job site. This permits employees of subcontractors with whom the picketers have no dispute to come and go to work without impediment.

Contractors around the country claim this bill seriously threatens their existence. Labor asserts that the bill is necessary if building trades unions are to survive.

However, between these extremes lies a third group which deserves our concern. I am speaking now of the nonunion subcontractors and their employees who, if this bill goes into law in its present form, will be placed in a difficult position. For this bill would make it possible to shut down a whole construction site until such a nonunion subcontractor is forced off the job or his employees are forced to join a union.

Now, I have no quarrel with the principles of the American labor movement. Indeed, I endorse them. And I fully subscribe to the continued efforts of the Federal Government to promote collective bargaining between the parties to a labor dispute.

However, the result of the situs picketing bill will not encourage bargaining unit elections. Instead, it may force the unionization of people who may not wish to be unionized, but who will have no choice in the matter if they wish to continue working.

And to me this proclaims a new Government policy. Instead of encouraging collective bargaining, we would instead require construction workers to join unions even when such nonunion employees do not wish to be organized or recognized as union members. And this could and likely would be done without the benefit of an election.

Mr. President, I do believe in the union movement. I stress that unions have, throughout history, done tremendous good for their members. But I am adamantly opposed to intimidating someone into joining a union without his having at least the opportunity to vote on whether or not he and his fellow employees on a particular jobsite wish to be members of the union.

For that reason, I have submitted the four amendments which I mentioned.

The first, cosponsored by Senator TAFT, would ban situs picketing for organizational and recognitional purposes.

The second provides for an expedited representational election procedure once picketing has begun. Either party might request it and the board would be required to hold such an election, and certify its result, within 14 days of the date the request was made. In effect, this merely adds to existing law a mandate to the board to conduct an election within the specific 14-day period. The effect of this is to enable the nonunion employees to express their will on the question of whether or not they wish to be represented by the picketing union.

My third amendment is nearly identical to the second. It makes available to the parties the same 14-day election procedure. Its sole difference is that it would require picketing to cease once an election petition and charge have been filed. Since the board must conduct an election and certify the results within 14 days of filing of the petition and charge, this amendment would merely halt picketing once the board was placed under its duty to conduct the election.

The fourth amendment again provides the same 14-day election and certification procedure which I have just described. However, this amendment would require that picketing cease once the election has been held. This means that picketing would take place up to the election, but it could not continue during the interval between the election and the certification.

None of these amendments would affect or limit situs picketing for other purposes. Situs picketing would be allowed on construction sites for jurisdictional, economic, area standards, unfair labor practice, work preservation, and informational purposes. These amendments are concerned only with situs picketing used for organizational or recognitional purposes.

I shall call up one or more of these amendments at the opportune moment.

Mr. BELLMON. Mr. President, I have carefully considered arguments for and against common situs or the secondary boycott bill. Like other Members, I am extremely troubled by this measure and can see merit on both sides.

On the pro side, the argument can be made that it is unfair for union members to strive for better working conditions and higher wages and have these benefits shared by those who have neither worked nor sacrificed to make the gains. Also, there is the argument that union members may possess a higher level of competence than nonunion workers who may or may not possess skills which the job at hand requires. And, there is the possibility that nonunion employers will recruit workers at minimum wages thus forcing low standards of living upon all construction workers.

On the converse side, it is obvious that unrestrained union power can be equally as damaging to our Nation as was unrestrained corporate power, the abuse of which brought unions into existence some 30 to 40 years ago. Throughout my public career I have tried to avoid taking positions which would place American working people at a disadvantage in their efforts to bargain for wages which are adequate to provide a decent standard of living for them and their familiies.

So far as H.R. 5900 and common situs picketing is concerned, it is likely that this bill would ultimately produce total unionization or total nonunionization throughout the building trades. The nonunionization result would come if general contractors, in their need to be more competitive in order to win contracts, simply refused to hire unionized subcontractors.

Total unionization would result if widespread labor conflicts and violence became common resulting in work stoppages and forced unionization. Excessive wage increases and huge cost escalations could then bring higher costs for homes, highways, public buildings and other construction. These costs would add greatly to inflation and work great hardships upon millions.

For these reasons, Mr. President, I believe that more harm than good would result if H.R. 5900 became law. As my colleague, Senator BARTLETT, pointed out in debate earlier this week, the wage levels of construction workers are improving more rapidly than wages of industrial workers. It would seem then that the present mix of union and nonunion contractors and construction workers is satisfactory—both to the workers and to the Nation.

Also, it appears that this legislation is not desired by American citizens. In recent weeks, my office has been deluged with hundreds of letters from concerned Oklahomans who fear the consequences of this bill. There is reason to believe that the vast majority of Americans, who have taken the time to become informed on this issue, are opposed to the passage of H.R. 5900.

The results of an independent poll conducted by Opinion Research Corp., Princeton, N.J., have recently come to my attention. According to the poll, 68 percent of the American public opposes "common situs" picketing—including 57 percent of union members, 70 percent of voting age Americans under 30, 72 percent of the residents of smaller cities, and 65 percent of the people employed in the various crafts.

In addition, there is some difference among organized workers as to whether or not H.R. 5900 is necessary. The Congress of Independent Unions, with 35,000 union members, has strongly objected to this proposal, and for very good reason—the right of the individual worker to decide the particular union he wishes to join will be severely impaired. The following is an example cited in a letter recently received from the Congress of Independent Unions voicing their concern with this legislation:

> An employer having employees represented by the Congress of Independent Unions was employed as a sub-contractor on the construction of the world-famous "Gateway Arch" in St. Louis, Missouri. The contractor was paying prevailing rates, but due to the sole fact that his employees were affiliated with the Congress of Independent Unions instead of the AFL–CIO, the other trade unions at the job site picketed, and passed resolutions not to work with the contractor's employees. As a result, all work at the job site was halted until the Congress of Independent Unions was able to obtain Federal protection to complete the job under the Taft-Hartley Act.
>
> The proposed change by S. 1479 (H.R. 5900) would, in effect, prevent such employees from ever working in the construction field, unless and until they affiliated with the AFL–CIO.

Mr. President, I am concerned that this bill would be greatly destabilizing to our Nation's economy, that it would heighten polarization among the Nation's construction workers and that it would endanger the present balance which seems to work to the advantage of both construction workers and those who make use of their services. I believe H.R. 5900 is not in the national interest and should be defeated. I will vote against cloture and against the bill if cloture fails.

Mr. BAYH. Mr. President, I am going to vote today to invoke cloture on S. 1479, legislation mandating equal treatment for craft and industrial workers. The purpose of this legislation is simple—it is to allow workers at construction sites to have the same protection of their right to picket as is currently afforded workers picketing at a manufacturing site. The issue, very simply, is equal treatment under the law.

Much undue alarm has arisen over legislation legalizing common situs picketing. Much of this concern has centered on whether this legislation legalizes now illegal secondary boycotts. A secondary boycott can be defined as a combination to influence an employer by exerting some sort of economic or social pressure against other persons who deal with that employer. This is distinguished from a primary boycott which is a combination to exert pressure on an employer by refusing to deal with that employer himself. While primary boycotts are permitted under most circumstances, secondary boycotts have long been restricted, limited, and even prohibited outright because of their impact on neutral third parties.

In 1947, the Congress placed strict limitations on secondary boycotts in the Taft-Hartley Act. Section 8(b) (4) (B) of this act prohibited union conduct which induced employees to engage in strikes or concerted refusals to work, where the objective was to force an employer to cease doing business with any other person. The act was phrased in general terms, however, and did not make clear the distinction between prohibited secondary activity and protected primary activity. It was necessary for the National Labor Relations Board and the courts to spell out the differences.

Nearly all construction jobs involve a general contractor and a number of subcontractors with whom the general contracts to perform the construction and specialized parts of the overall job. It is this ad hoc combination of employers at a given job site which gives rise to the conceded uniqueness of applying the secondary boycott ban of section 8(b)(4) to common situs picketing.

Essentially the issue involved in applying the prohibition on secondary boycotts to common situs picketing is the legal characterization of the relationship between the general contractor and the various subcontractors. If each employer at a construction site is viewed as a separate legal entity then no picketing can take place against any employer at the common site. If, on the other hand, each employer at the construction site is viewed as part of the overall enterprise, picketing would be permitted without falling in violation of the ban on secondary boycotts.

Unfortunately a series of complicated NLRB rulings and Supreme Court cases, culminating in the Denver Building Trades case has resulted in contractors and subcontractors being viewed as separate legal entities. Therefore the secondary boycott principle has been applied, prohibiting picketing at common construction sites.

In his dissenting opinion in the Denver Building Trades cases, retired Supreme Court Justice Douglas, spoke eloquently for the rights for the construction unions:

> The employment of union and nonunion men on the same job is a basic protest in trade union history. That was the protest here. The union was not out to destroy the contractor because of his antiunion attitude. The union was not pursuing the contractor to other jobs. All the union asked was that union men not be compelled to work alongside nonunion men on the same job. As Judge Rifkind stated in an analogous case, "the union was not extending its activity to a front remote from the immediate dispute but to one intimately and indeed inextricably united to it.
>
> The picketing would undoubtedly have been legal if there had been no subcontractor involved—if the general contractor had put nonunion men on the job. The presence of a subcontractor does not alter one whit the realities of the situation; the protest of the union is precisely the same. In each the union was trying to protect the job on which union men were employed. If that is forbidden, the Taft-Hartley Act makes the right to strike, guaranteed by § 13, dependent on fortuitous business arrangements that have no significance so far as the evils of the secondary boycott are concerned.

The legislation before us today recognizes that all contractors working together on a building and construction site are engaged in a common economic enterprise. The allowable primary picketing in such a case should be the same as the case of a manufacturing plant. In the manufacturing setting, the union has the right to picket the establishment and peacefully advertise that an employer refuses to pay union wages. Jobbers, manufacturer contractors and subcontractors engaged in the production of goods in the clothing industry have been recognized as performing parts of an integrated process, and have therefore not been considered separate legal entities by the NLRB.

The legislation before us today would do no more than apply to the construction industry where the employers jointly are engaged in an economic enterprise, the same principle of law.

Reforms similar to those contained in S. 1479 have long had bipartisan support in both Houses of the Congress and from the White House. Legislation similar to S. 1479 has been recommended by Presidents Truman, Eisenhower, Kennedy, and Johnson. One bill, H.R. 10027, was reported favorably by the House Education and Labor Committee during the 89th Congress in 1966, but was later withdrawn from the calendar, apparently because of the issue of racial discrimination in construction. This objection is not applicable to S. 1479, however, because the bill expressly provides that it may not be construed to authorize picketing where the objective is the removal or exclusion of an employee from the site on the grounds of race, creed, color, or national origin.

The bill, S. 1479, would permit picketing only where the methods and objectives are otherwise lawful. The bill expressly provides that the labor dispute must not be unlawful, and must not be in violation of any existing collective bargaining agreement. Thus the bill will not protect violent picketing, since that is prohibited by State and local laws in all parts of the United States, and will not permit sudden or "wildcat" strikes in violation of a no-strike clause in an existing collective bargaining agreement.

Express provision is made in S. 1479 for construction projects which affect the national defense. When the site is located on a military facility or installation, prior written notice of intent to strike must be given 10 days in advance to the Federal Mediation and Conciliation Service, to State or territorial mediators, to the employers on the site, to the military agency involved, and to the union's international or national affiliate.

In conclusion, Mr. President, this legislation will protect the economic rights of construction labor, without harming the rights of neutral employers. The bill would remedy a defect in the National Labor Relations Act created by a Supreme Court decision which has long since been refined and even superseded by later interpretations. The bill would assure equal and nondiscriminatory treatment for construction and nonconstruction unions alike. It would not lessen the current statutory protection of true neutral employees in any way, nor would it spread labor disputes beyond the immediate parties. The bill has safeguards to prevent the use of strikes for racial or religious discrimination, and takes cognizance of the requirement of national security. There is ample precedent for this bill, both in the Taft-Hartley Act itself and in the numerous decisions construing it. I hope that the full Senate today brings debate on this long overdue remedy to a close and moves quickly to enact S. 1479.

CLOTURE MOTION

The **PRESIDING OFFICER**. The time for debate under the unanimous-consent agreement having expired, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate upon H.R. 5900, an act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

Mike Mansfield, Robert C. Byrd, Joseph M. Montoya, Warren G. Magnuson, Vance Hartke, John O. Pastore, Harrison A. Williams, Frank Church, John A. Durkin, William Proxmire, Jennings Randolph, Frank E. Moss, Mike Gravel, Hubert H. Humphrey, Patrick J. Leahy, Daniel K. Inouye, Abraham Ribicoff, Stuart Symington, Gaylord Nelson, Joseph R. Biden, Jacob K. Javits.

CALL OF THE ROLL

The **PRESIDING OFFICER**. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The second assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 78 Leg.]

Bumpers
Dole
Hathaway
Inouye
Javits
Kennedy
Laxalt
Mansfield
Nelson
Packwood
Scott, William L.
Sparkman
Stafford
Stone
Taft
Williams
Young

The **PRESIDING OFFICER**. A quorum is not present.

Mr. **WILLIAMS**. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The **PRESIDING OFFICER**. The Sergeant at Arms will execute the order of the Senate.

Pending the execution of the order, the following Senators entered the Chamber and answered to their names:

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Durkin
Eagleton
Eastland
Fannin
Fong
Glenn
Goldwater

Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hollings
Huddleston
Humphrey
Jackson
Johnston
Leahy
Long
Magnuson
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. Ford) is necessarily absent.

I further announce that the Senator from North Carolina (Mr. Morgan) is absent on official business.

I also announce that the Senator from New Mexico (Mr. Montoya) is absent attending the funeral of former Senator Anderson of New Mexico.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Utah (Mr. Garn), the Senator from Wyoming (Mr. Hansen), the Senator from North Carolina (Mr. Helms), the Senator from Nebraska (Mr. Hruska), and the Senator from Idaho (Mr. McClure) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. Hugh Scott) is absent on official business.

The PRESIDING OFFICER (Mr. Stone). A quorum is present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 5900, a bill to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers, shall be brought to a close? The yeas and nays are mandatory under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. Ford) is necessarily absent.

I further announce that the Senator from North Carolina (Mr. Morgan) is absent because of illness.

I also announce that the Senator from New Mexico (Mr. Montoya) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Morgan) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Utah (Mr. Garn), the Senator from Wyoming (Mr. Hansen), the Senator from North Carolina (Mr. Helms), the Senator from Nebraska (Mr. Hruska), and the Senator from Idaho (Mr. McClure), are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. Scott) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Helms) would vote "nay."

The yeas and nays resulted—yeas 58, nays 31, as follows:

[Rollcall Vote No. 486 Leg.]

YEAS—58

Abourezk
Bayh
Beall
Bentsen
Biden
Brooke
Bumpers
Burdick
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Durkin
Eagleton
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Stafford
Stevens
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—31

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd, Harry F., Jr.
Cannon
Chiles
Dole
Eastland
Fannin
Fong
Goldwater
Griffin
Hollings
Huddleston
Johnston
Laxalt
Long
McClellan
Nunn
Roth
Scott, William L.
Sparkman
Stennis
Stone
Talmadge
Thurmond
Tower
Young

NOT VOTING—11

Curtis
Domenici
Ford
Garn
Hansen
Helms
Hruska
McClure
Montoya
Morgan
Scott, Hugh

The PRESIDING OFFICER. On this vote, the yeas are 58, the nays are 31. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 9861, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 9861) making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the galleries and in the Chamber?

Mr. McCLELLAN. Mr. President, we cannot hear.

The PRESIDING OFFICER. The Senate will suspend all procedings until we have order in the Senate Chamber.

Senators are still not seated. There is still too much disorder in the Chamber.

ADDITIONAL STATEMENTS SUBMITTED ON F-18 AMENDMENT

Mr. MUSKIE. Mr. President, as I said yesterday in a colloquy with Senator McClellan, "It is vital that Congress control and limit expenditures wherever possible in the budget." In the National Defense function portion, every effort needs to be made for "prudent savings during this debate and in the House-Senate Conference on the Defense Appropriation bill." It is for this reason that I stand in support of the amendment by the distinguished Senator from Arizona (Mr. Goldwater) to delete funding for the F-18 Navy air combat fighter. If this amendment is successful and this position is held in conference, then we will have saved more than $130 million in budget authority for fiscal year 1976 and the transition quarter.

On the other hand, if Congress decides to approriate these moneys now, it is estimated we will be committed to expend for this so-called "low-cost aircraft" in excess of $2 billion over the next 5 years.

I am also concerned that the debate has failed to address the most important point: What is the F-18's mission and how does it fit our national policy? The issue seems to be who will build the aircraft, not why.

The National Defense function ceilings for fiscal 1976, as reported in the Budget Committee's second concurrent resolution, are tight. I would hope that not only the Goldwater amendment would succeed but it is my strong wish the conferees will reduce spending programs closer to the level passed by the other body.

Mr. BEALL. Mr. President, rising costs have affected every sector of our economy from the individual household to the large corporation. The U.S. Navy has also felt the pinch and has been set back in its weapons procurement by the rising costs of acquisition and operation of new systems in recent years.

Mr. President, our national security cannot be allowed to deteriorate in the face of spiraling inflation. The Navy has responded to DOD and congressional directives for cheaper weapons, and the new lightweight fighter, the F-18, is a product of this economy effort. I think the Navy has done an outstanding job of selecting an urgently needed aircraft with limited funds, while maintaining superior performance for a fighter.

In a letter to congressional committees, the Chief of Naval Operations, Adm. J. L. Holloway sums up the Navy's cost problems and force requirements and illustrates how the F-18 responds to both contingencies. I quote from that letter:

> The Navy's most pressing tactical air problem today is assuring maintenance of an adequate fighter force level. We have begun the job with the F-14. The F-14 is unequalled in its capability to perform the Navy's fighter missions, but it is expensive to acquire and operate, and our buying power is shrinking. While we might now be able to afford the acquisition of enough F-14's to fill the fighter force levels, we are faced with high follow-on operating and support costs. I believe the F-18 is a clear demonstration of Navy dedication to making the most of our limited funds.

As a member of the Senate Budget Committee, I am most impressed by the efforts of the Navy and the Department of Defense to operate within the budget parameters mandated by Congress. As the Senate has indicated this session, we are serious about the need to hold down Federal expenditures. I share Admiral Holloway's view that the F–18 is an important step toward assuring both economy and security in our Nation's defense posture.

Mr. THURMOND. Mr. President, I can seldom recall a military issue before the Congress in which it was more difficult to make a decision than this question of whether or not we should enter into development of the F–18 aircraft.

However, there is no doubt in my mind that the entire lightweight fighter development issue and its planned introduction into the inventory was handled poorly. We intended to have one inexpensive plane to supplement both the F–14 and F–15. Now we find ourselves with two planes, neither of which are particularly inexpensive. Further, hundreds of millions of dollars will have to be spent to develop them as a part of the hi-lo mix and their cost will be relatively close to the planes they will complement.

However, the Senate Armed Services Committee and later the Appropriations Committee voted in favor of funding the F–18 development. Therefore, I have come to the conclusion that in this particular case, I am going to support these committees and the request of the Navy Department and the Marines.

I do feel, however, the development of the so-called B engine for the F–14 should be completed. This is a part of the pending amendment. My main feeling is that if the whole matter were renegotiated, the F–18 would win again, simply because a prototype exists from which data is available and it would be difficult to compete against it with a proper proposal. Further, a delay would undoubtedly cost money if one accepts the point that a supplement to the F–14 is needed.

Frankly, I think the F–14 is one of the greatest aircraft we have ever produced and I would hope the Navy would be allowed to purchase more of this fine aircraft than presently planned. Not only would it be well to have more than presently planned, a version of the F–14 could be used later for the A–6 role.

Mr. WEICKER. Mr. President, as you are aware, the new multibillion dollar lightweight fighter programs have been the center of extensive controversy since the source selection annoucements of the F–16 by the Air Force and the F–18 by the Navy.

The Subcommittee on Federal Spending Practices, Efficiency and Open Government, which is chaired by the Senator from Florida (Mr. CHILES) and on which I serve as ranking minority member, held 2 days of hearings on May 20 and July 10 on these lightweight fighter programs. Extensive testimony was received from Navy and Air Force representatives, as well as a representative of the Secretary of Defense.

As originally conceived, it was the purpose of these hearings to see what has been done and what more needs to be done to implement the recommendations of the Commission on Government Procurement. We chose the Air Force/Navy Air combat fighter programs in order to illustrate how the source selection process is currently being conducted on major systems procurement efforts. With the F–16/F–18 programs projected as the "biggest arms deal of the century," the choice of this case study was particularly valid and timely.

Those who are familiar with the report of the Commission on Government Procurement are aware that a good deal of time and effort was devoted to the discussion of program costs and estimates. The subcommittee during its investigation, therefore, concentrated to a large degree on the integrity of the cost estimates which we received from the Department of Defense and the Navy.

Because we in the Congress are required to authorize and appropriate funds for major systems programs such as the F–16/F–18, the sponsor agencies have a responsibility to provide us with the necessary information upon which to base our decisions. It is here where the subcommittee was grossly disappointed in the presentation made by the Navy and the Department of Defense.

The program cost estimates which we received on the F–18 are "soft," at best. At worst, they show every potential for unacceptable cost growth in the future as we proceed with advanced research and development, and move into procurement. With regard to total program costs, the subcommittee received estimates which ranged from $13.7 billion, to $16.6 billion, to $16.9 billion. In terms of the engine development costs, we received four different estimates of the price of taking the YJ–101 General Electric engine to the F–404 configuration required for use in the F–18. These estimates range from $276 million, to $301 million, to $325 million, to $347 million. I can only conclude that somewhere in between those numbers lies the true cost of taking an engine from paper design into production.

Mr. President, in considering the funding of this F–18 program, we cannot lose sight of the fact that the F–18 and the F–404 engine are upgraded versions of the land-based F–17 which was competed by the Air Force with the F–16. The F–18 has not been competed. Neither the F–18, nor its proposed engine have proceeded beyond the paper design stage into hardware configuration. What we are considering are projections of performance. We are not considering actual performance.

Furthermore, no matter how you look at this program, the simple fact remains that we are about to embark upon a venture which requires the simultaneous development of both an airframe and an engine. A delay in the schedule of either the engine or airframe would certainly mean higher program costs; however, the failure of one or the other in meeting the performance requirements could have a devastating effect on the entire program and our national defense posture. Therefore, I believe that the risks inherent in a development program of this type must be more closely explored and evaluated.

The Senator from Arizona (Mr. GOLDWATER), offers an amendment which proposes that we recompete the Navy air combat fighter through industry-wide competition. I believe that the amendment proposed by the Senator, offers a sound, reasoned approach through which to identify, the risks, performance, and costs which will be associated with the F–18 program.

Mr. President, my decision to support this amendment has not been an easy one. As my colleagues are aware, the State of Connecticut has a number of both large and small defense contractors. Both General Electric and the Pratt & Whitney Division of United Technologies are headquartered in my State. In addition, there are any number of subcontractors who would stand to benefit from a decision to go ahead with the F–18 program.

However, in addition to the contractors, subcontractors, and employees who would be directly benefited by the F–18 program, there is a larger consideration. There is a consideration, in these days of inflation, unemployment, and high taxes, of the general worth of this program for all who must bear its costs.

I am committed to nothing less than the best possible defense and the best equipment available to maintain that defense. Armed with the facts, I am prepared to make that decision. However, the facts in this particular case are only on paper and have yet to be tested. They have not been translated into hardware. The risks have not been thoroughly explored. Based on the information which we have available at this time, I am not prepared to conclude that the commitment of large amounts of taxpayers' funds to the F–18 is warranted. I cannot ask my constituents to support a program which shows high potential for unacceptable cost growth.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on the amendment of the Senator from Arizona (Mr. GOLDWATER), No. 1087.

Mr. GOLDWATER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. DURKIN). The question is on agreeing to the amendment of the Senator from Arizona (Mr. GOLDWATER). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. McCLELLAN (when his name was called). Mr. President, on this vote I have a pair with the distingushed senior Senator from New Mexico (Mr. MONTOYA). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. STEVENS (when his name was called). Mr. President, on this vote I have a pair with the Senator from New Mexico (Mr. DOMENICI). If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Bayh), the Senator from Kentucky (Mr. Ford), the Senator from Hawaii (Mr. Inouye), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. Morgan) is absent because of illness.

I also announce that the Senator from New Mexico (Mr. Montoya) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that if present and voting, the Senator from North Carolina (Mr. Morgan) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Utah (Mr. Garn), the Senator from Wyoming (Mr. Hansen), the Senator from North Carolina (Mr. Helms), the Senator from Nebraska (Mr. Hruska), and the Senator from Idaho (Mr. McClure) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. Hugh Scott) is absent on official business.

I further announce that, if present and voting, the Senator from Utah (Mr. Garn), the Senator from Nebraska (Mr. Hruska), and the Senator from Pennsylvania (Mr. Hugh Scott) would each vote "nay."

The result was announced—yeas 19, nays 64, as follows:

[Rollcall Vote No. 487 Leg.]

YEAS—19

Bentsen
Buckley
Byrd, Harry F., Jr.
Chiles
Church
Clark
Fannin
Goldwater
Gravel
Hollings
Javits
Laxalt
Muskie
Nunn
Ribicoff
Roth
Schweiker
Tower
Weicker

NAYS—64

Allen
Baker
Bartlett
Beall
Bellmon
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Robert C.
Cannon
Case
Cranston
Culver
Dole
Durkin
Eagleton
Eastland
Fong
Glenn
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Scott, William L.
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Taft
Talmadge
Thurmond
Tunney
Williams
Young

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

McClellan, for
Stevens, for

NOT VOTING—15

Abourezk
Bayh
Curtis
Domenici
Ford
Garn
Hansen
Helms
Hruska
Inouye
McClure
Montoya
Morgan
Moss
Scott, Hugh

So Mr. Goldwater's amendment (No. 1087) was rejected.

INTERNATIONAL DEVELOPMENT AND FOOD ASSISTANCE ACT OF 1975

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Sparkman, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 9005.

The PRESIDING OFFICER (Mr. Durkin) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 9005) to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ROBERT C. BYRD. I move that the Senate insist upon its amendments and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. Humphrey, Mr. Church, Mr. McGee, Mr. Talmadge, Mr. Allen, Mr. McGovern, Mr. Case, Mr. Javits, Mr. Dole, and Mr. Bellmon conferees on the part of the Senate.

AMENDMENT NO. 1085

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of amendment No. 1085, by the Senator from California (Mr. Tunney), which will be stated.

The second assistant legislative clerk read as follows:

The Senator from California (Mr. Tunney), for himself and Mr. Dole, proposes amendment No. 1085:

On page 60, line 7, insert the following:

Sec. 752. None of the funds appropriated in this Act may be expended by the Department of the Army for the design, equipment, or construction of new ammunition plant facilities except in areas in which existing ammunition plant facilities are being closed, placed in layaway, or at which production has been curtailed.

The PRESIDING OFFICER. The time for debate on this amendment is limited to one hour, to be equally divided between and controlled by the Senator from California (Mr. Tunney) and the Senator from Arkansas (Mr. McClellan).

Mr. LEAHY. Mr. President, will the Senator yield?

Mr. TUNNEY. Mr. President, I yield to the Senator from Vermont for a unanimous-consent request.

Mr. LEAHY. Mr. President, I ask unanimous consent that Douglas Racine, of my staff, have the privilege of the floor during the debate on H.R. 9861 and all related matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. Tunney, Mr. Kennedy be recognized to call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time I have consumed not be charged against either side on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the name of the Senator from Kansas (Mr. Pearson) be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, the amendment I have submitted to H.R. 9861 would prohibit the use of funds contained in the fiscal year 1976 defense appropriation for the design, procurement of plant equipment, or construction of new ammunition plant facilities in any area except where existing ammunition facilities are being closed, placed in layaway, or at which production is being curtailed. This amendment is comprised of language that was included in the House-passed version of the appropriation but was deleted in the Senate Appropriations Committee's proceedings.

On July 22, in a letter to several Senators, Army Acting Secretary Norman R. Augustine announced the closure of five major ammunition production facilities in the United States and reductions in production capacity at 10 other plants plus 32 commercial facilities. This action would mean the direct loss of 12,006 jobs in 14 States as well as many thousands of additional indirect jobs related to the outlays for production at those plants.

The affected States include California, Florida, Illinois, Indiana, Iowa, Kansas, Louisiana, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, Pennsylvania, Tennessee, Texas, Virginia, and Wisconsin.

At roughly the same time as the Army was announcing plans to mothball some plants while reducing activities at others, the Department of Defense was requesting funds for the production of a new ammunition round at a proposed new ammunition plant at Bay St. Louis, Miss., and another facility at Texarkana, Ark. The funds projected for production at the former plant are approximately $45.2 million in this fiscal year, and the total estimated cost of this new ammunition plant in Mississippi is $330 million.

Thus, at a time when the Army is proposing closings and reductions in more than 43 facilities around the country, it is also proposing to spend over $330 million to build an entirely new plant somewhere else. The original justification for the project in the administration budget request was the need to produce the new round of ammunition, an M–483 improved conventional munitions cargo-carrier round, while at the same time not disturbing current production capability for the conventional M–107 and M–485 artillery projectiles.

But subsequently, events intervened, and a decline in demand was experienced because of the end of the Vietnam conflict and the congressional prohibition on war reserve stockpiles for allies. As a result, the Department of Defense was required to actually curtail production at these facilities, and the justification for building the new plants disappeared overnight.

But, lo and behold, in response, the Army came up with a new argument saying that it felt that the plans for construction of the new facilities should go ahead anyway—at a cost to the taxpayers of hundreds of millions of dollars—in order to give us an additional margin in the event of war in the Middle East during construction. Only after construction was complete would the question of conversion of existing facilities be reviewed.

Mr. President, that is just brilliant economics. Instead of converting existing plants at a substantially reduced cost—as the House committee determined could be done—the Army wants to build additional plants at a cost of over $500 million—plants for which the original rationale has admittedly disappeared, and then, review the question of whether those facilities are really needed.

I quote from the report of the House Appropriations Committee, prohibiting the use of funds in their bill for construction of those new facilities. Speaking of the planned reductions and their relation to the plant at Bay St. Louis the committee concluded:

> The Committee is not convinced that the foregoing action can be justified while at the same time initiating design of a new ammunition plant in Mississippi, which is estimated to cost approximately $228,500,000. The Committee recognizes the necessity for maintaining a production base for our current 155m ammunition; however, the Army plans to drastically reduce or place in layaway certain plants that have the capability of producing munitions no longer in the Army inventory. The Committee has received no concrete justification from the Army as to why some of the ammunition plants falling in the latter category cannot be converted immediately to produce the new M483 artillery projectile or parts thereof.
>
> Accordingly, the Committee has recommended prohibiting the use of funds for the construction of new ammunition plant facilities except in areas in which existing ammunition plant facilities are being closed, placed in layaway status, or at which production has been curtailed.

The implication is clear, and the conclusions of the House Appropriations Committee are unavoidable. The actions of the Army simply are not justifiable by reference to any need for additional production capacity. Even the report of the Senate Committee on Appropriations does not seriously challenge those conclusions.

Devoting only a few sentences to a project which could ultimately cost the taxpayers unnecessarily hundreds of millions of dollars, the reports simply says that the House language proscribing new facilities was deleted, because "the Committee feels that this provision establishes a—bad—precedent." Mr. President, I think agreeing to build unnecessary ammunition plants at a cost in the hundreds of millions of dollars establishes even a worse precedent.

I quote from a report compiled by the President's Economic Adjustment Committee on the effect of this action on one of the facilities in my State, Riverbank AAP, because I think it is indicative of what other Senators may face in their own States:

> Against the existing high unemployment rate and the declining agricultural employment base, the phase-down of operations at Riverbank AAP will have a significant impact on the economy of Stanislaus County (emphasis by DOD). As the largest, non-food related, industrial employer and as a user of the type of labor force that is in overabundant supply, the Riverbank Army Ammunition Plant shut down will have serious effects.—
>
> In quantitative terms, the impact will be in the range of $10 million and almost 600 direct jobs. Annual plant purchases are about $6 million. Local plant officials estimate that 60 perecnt of the total or $3.6 million flows into the local area. The vast majority of these expenditures are production related and will have a direct impact on the economy of the local area.
>
> Latest employment statistics show a serious unemployment rate in Stanislaus County of 15.2 percent for June 1975 . . . Unemployment is already high and will probably rise by an additional 1–2 percent.

Community and business leaders added their concern:

> It's a shame this has to come at a time when there already is high unemployment . . . It will work an additional hardship on a lot of people during a time when jobs are extremely hard to find. (Greater Modesto Chamber of Commerce)
>
> The closure is very unfortunate . . . It's too bad this plant can't be used for some other product than shell casings, because we really need the jobs. (Stanislaus County Supervisor)
>
> Sixty-five percent of RAAP dollars expended go to small businesses. The impact of closing the plant will fall principally on small business. (RAAP Headquarters representative.)

From these assessments and others, the picture of grave adverse economic consequences becomes abundantly clear. The possible impact becomes even more disturbing when the indirect consequences are considered. Using the generally accepted economic multiplier factor of two indirect jobs for each direct job affected, this loss could be three times the 12,000 cited in the Department of Defense estimates. In California the total job impact could be almost 900 direct and 3,000 indirect lost positions.

Added to this waste in personnel and the enormous cost in taxpayers' dollars have to be the costs of repairs, maintenance, and expansion at these facilities that are being closed or scaled down. In the House floor discussion of section 752, Representative O'BRIEN pointed out that since 1970 over $100 million has been spent to modernize the Joliet ammunition plant in his State of Illinois—one of the plants scheduled for closing. In California at the Riverbank plant, the Department of Defense plans to spend almost $25 million over the next 4 fiscal years for modernization—despite their plans to mothball its operations.

In conclusion, Mr. President, I am not denying the need for a follow-on to our present conventional ammunitions round. Nor am I criticising the need for facilities to produce the improved conventional munitions. This amendment would not delete funds for the ordnance itself. What it does is require that existing facilities be used before new facilities are built.

I believe that in this time of economic difficulty, with inflation and unemployment the highest they have been in 40 years, with our national deficit enormously larger than at any time since World War II, this Nation cannot afford to toss away over $500 million of the taxpayers' money by building unnecessary facilities, when the opportunity to convert and utilize existing facilities at a much lower cost stands undeniably right before our eyes.

I, for one, have no desire to face angry constituents who have just lost their jobs because the Department of Defense wants to add yet another new facility to its burgeoning inventory list at the expense of already established and operating plants.

I strongly urge my colleagues to join me in returning the House language to this bill and in voting for a fiscally sound defense procurement policy.

Does the Senator from Kansas, the distinguished cosponsor of this amendment, desire time?

Mr. DOLE. Yes, I do.

Mr. TUNNEY. How much time does the Senator desire?

Mr. DOLE. I think about 5 minutes.

Mr. TUNNEY. I yield 5 minutes to my friend.

Mr. DOLE. Mr. President, I regret that I was not here during the statement by the distinguished Senator from California. We were in conference on another matter.

Mr. President, I am pleased to join the Senator from California (Mr. TUNNEY) in offering an amendment which will force the Defense Department to utilize existing Army ammunition plants in the most cost-effective manner. I have introduced an identical amendment, No. 1036, which would insert language in the appropriations bill to provide that funds could not be expended by the Army for "the design, procurement of plant equipment, or construction of new ammunition plant facilities except in areas in which already existing ammunition plants are being closed, placed in layaway, or at which production has been curtailed."

Pressure has been brought by the Army to enable it to locate an entirely new production base to manufacture a new ammunition item, the 155–millimeter—M–483, improved conventional munition, at Bay St. Louis, Miss. This decision has been made despite the fact that within the last few months, the Defense Department announced closings and reductions at 15 defense installations and 32 commercial ammunition plants. The simple amendment Senator TUNNEY and I are proposing would simply force the Army to make use of some of the existing facilities and 12,000 workers laid off in the past few weeks at these facilities.

The House Committee on Appropriations and the full House have already recognized the need to utilize existing bases before constructing entirely new facilities. In fact, the appropriations bill passed by the House contained the identical language Senator TUNNEY and I are proposing be inserted in the bill.

The amendment makes good sense, for unless the new 155 millimeter ammunition item is produced at an existing facility, more layoffs and plant closures might be expected. Highly skilled persons trained at one location would be unable to be utilized at the new location. Consequently, new personnel will have to be trained and a great deal of wasted time and money might be expended.

Thus, I urge my colleagues to adopt this simple amendment which has already been agreed to by the House of Representatives. If the amendment is adopted, a more orderly program will result from upgrading existing plants or constructing new facilities near old facilities being phased out, rather than constructing new facilities where no experienced personnel are available.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield myself 2 minutes.

Mr. President, this issue will be in conference without this amendment, and it is an issue which, if it is going to be cleared up, ought to be by a different approach than what we have here, I think.

This provision would establish a precedent by restricting the use of funds for new ammunition facilities at new locations without recourse or waiver, and it seriously impairs the Department's management prerogatives to perform its mission effectively and efficiently, to make determinations about the most economy in the long run, and to determine the optimum structure and operation of its munition production base.

The distinguished Senator referred to Arkansas benefiting from this. The plant he has in mind is not in Arkansas, it is in Texas. Mr. President, this would not be a new plant; it would simply be an expansion, or modernization, so as to do a job it is capable of doing most economically, in producing this product at a point where it would be most readily available for the services.

Mr. President, as I say, this matter will be in conference, and I do not anticipate we will have any trouble working it out. I hope the Senate will stand by its Appropriations Committee and let us try to handle this matter in the most efficient and appropriate way.

Mr. President, I yield 10 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, in this field of ammunition for the Army, there just could hardly be a more important question involved. This amendment, with all due deference, has language which is very broad and very sweeping. It cuts across the very heart of virtually all of the Army's plans to modernize—that is the key word, to modernize—the capacity of the Nation for making the more advanced types of ammunition.

Now, since long before the Vietnamese fighting was over, the Army has been saying they had to have a program of the future along this line. Some Senators will recall that during the war, during the worst part of the fighting in Vietnam, we had shortages of ammunition.

This is a very serious matter, shortages of ammunition. Our Armed Services Committee has held hearings one or more times with reference to the shortages. It was not a shortage of rifles; I am talking about a shortage of ammunition.

This amendment is drawn in such broad language that it cuts across these plans for modernizing plants and making the more modern type of shells. It would affect over half of the $295 million in the bill along the lines of that subject matter. Think of that.

A floor amendment, even a committee amendment—and I speak with deference to the House—that ties up money that way is drastically wrong, and I will have a proposal later as to what I think could be done.

But the deferments under this language would have to come in commercial plants located in Wisconsin, Iowa, California, Pennsylvania, Minnesota, and in various other plants not now decided on, for a total of $82 million. I doubt that the Senators from those States realize the effect of this amendment. I have nothing but admiration for the Senator from California for looking after the situation there in the best possible way he can.

As to previously closed plants in Ohio and either Indiana or Oklahoma—it has not been decided yet which—those funds would be deferred under this amendment.

Design plans for something like $36 million in other locations under tentative consideration would be deferred, and one in Mississippi would be deferred.

Let me make haste to say, Mr. President, it is all right to have a plant in your State, but this matter of having overall responsibility in our Armed Services Committee and Appropriations Committee to try to look after the actual needs of the armed services and, more particularly, the Army, for this kind of ammunition, certainly transcends by far any little morsel of economic good that might come to any particular area or any particular State.

I am dead serious about this matter. Nothing has to be located in our area or in any area of my State or in any State. The problem here is the problem that has been building up for years: We are going to have to modernize our capacity to make ammunition not only in Government plants, but commercial plants. This has to be done, of course, by experts and on a systematic basis.

I regret unemployment. We have unemployment in our State; we have job reductions in some of the small number of military installations there, but you are always going to have some risk of disruption in the economy when you go to making changes for improvements of this kind. There is no way to avoid it, no possible way.

The priority on this matter is that we must do something about this ammunition. Some of the plants are so outworn or rundown that they cannot be modernized. The cost of manufacturing ammunition there is way out of line with what could be done on a more modern plant basis.

My very strong suggestion, Mr. President, is this: The House bill has this language in it to which I have been directing my remarks. I propose—and I am satisfied it would be by far the best method—to leave it out of this bill. Leave that language out of this bill, because if you put it in both bills you are locked in where there is not a chance for a conference committee to improve on the language to make it more nearly what was intended by the sponsors and authors. Leave it out to keep it from having these harmful, hurtful incidents I have just related. In other words, the conferees, with the skilled men from the Army, from our staffs and anywhere else we could get them, could develop something that would meet the problem without wrecking, without deferring, at least, and to that extent without wrecking, the plan the Army has worked out so dutifully and so skillfully.

If I thought there was any way to avoid spending all this money—and it will be spent over a period of years, not all at once—I would be glad to welcome it as an economy measure. But, Mr. President, there is no possible way to meet this situation without having to spend a good deal of money. Some money is going, some of it has got to go, into the modernization of plants, and some of it has got to go into these more modern plants to make some of the more modern ammunition.

For instance, the Senator mentioned Mississippi. I do not blame the Senator for wanting to jump on that. If they get their plant there in the course of time the cost is going to be lower than anyone else for this type of plant. It scored higher on a lower cost of production, lower cost of construction. They already had the land, and that is one of the differences, and it is to make a new type, a better type, of 155 millimeter ammunition.

Certainly, we are not going to back off and fail to have facilities for that better type of ammunition built, and made at a lower cost, incidentally, just because it creates some other problems.

I suppose it is customary that I would be a conferee, and I pledge myself here and now to try as a conferee, if this thing could be left open by just voting down this proposed amendment so that it would be in conference—as one conferee I would be willing and would promise now to do the very best that I could to make a contribution toward working out something realistic that would do the good for the Army and do as little harm as possible to others.

I warn now that if we do not treat matters of this kind in a more **serious** way than literally gutting an entire national program of this kind by riders, riders to appropriation bills, where a matter has not been studied or presented in full, and without any recommendations of a committee in the field of weaponry, or the staff in the field of weaponry, then we have gotten into the most dangerous and the most uncertain way of doing it, rather than the better way of doing it.

Again, if we are going to have this ammunition——

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I thank the Chair.

Mr. President, I thank the Senator for yielding.

Mr. BARTLETT addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BARTLETT. Will the Senator from Arkansas yield me 5 minutes

Mr. McCLELLAN. I am happy to yield 5 minutes to the distinguished Senator.

Mr. BARTLETT. Mr. President, first I want to say that the State of Oklahoma and the State of Indiana are now in competition for a new plant. However, it is my understanding from talking with the Under Secretary of the Army that this particular amendment would not affect the plant to be located either in Indiana or in Oklahoma.

However, my experience with this plant makes me feel very strongly about the amendment that is offered.

I think all of us have at different times been greatly concerned about cutbacks in plants. I know the Riverbank plant near Modesta, Calif., has been, apparently, closed down. But I do not think this is the way to approach that kind of problem that all of us can feel for the Senators from California about, because this is going to do damage to a program that I think is a brand new program of locating plants, having an open, aboveboard competition between a number of States and now having it finally down to two, having advocacy teams who have a chance to compete.

I just talked to the Under Secretary of the Army. I said, "How much savings has occurred already in the location of this plant either in Indiana or Oklahoma?"

He said it was in the tens of millions of dollars. My figures show $150 million savings already and the plant has not been finally decided on or located yet.

But this strikes right at every effort that we want. We in Congress want the Army to make for the most efficient economics that they can follow. We want the most for the money.

This does not provide that. This would permit, and provide, and require that plants be located in inefficient areas.

The plant at Modesta is a plant, as I understand, that has been making cartridges for 50, 60, and 80 millimeter rounds. In Oklahoma, it is an RDX filler plant, entirely different, and it should be located somewhere in the middle section of the country. So it can ship to both coasts.

It is important this location be free to be decided by the Army and not by legislating in a very selfish way by this kind of legislation.

This legislation would prevent the majority of the States of this country—I am going to have a list, a permanent list here in a minute—it would prevent them from having any opportunity of having a new ammunition plant located in their State. I know this includes North Dakota and Arkansas, and the majority of the States, I do not know about Rhode Island, but I am going to find out.

But I think it is a very unfair kind of legislation that decreases the competition now occurring in plant selection by the Army of the United States.

I think this is a new chapter in locating plants which is open and above board, in front of the press, with advocacy teams from Oklahoma and from Indiana, criticizing the other States' location, costs, and the whole ball of wax. In the process of this, the plans have been changed, the size of water lines have been reduced, and great efficiencies have been brought about.

This is very discriminating legislation that I feel is just as unfair as it could be.

Again I say as I finish, I do not think that this would affect the selection of a plant in Oklahoma or Indiana, but I think it is starting a precedent that we would regret if we passed this legislation because we would be insisting that the Army make its decisions based on inefficient accounting, inefficient economics, inefficient geography, and inefficient production base.

One other point that I have got is that it is most important for the security of the United States that we have a broad production base. The need of the additional plants and the new plants that will be built from time to time are to broaden and improve the production base for ammunition in this country.

Mr. PASTORE. May I ask a question?

Mr. BARTLETT. I yield.

Mr. PASTORE. Where are these modernization facilities to be built? Have they decided.

Mr. BARTLETT. There is a decision now on this RDX, a new filler component to be built either in Indiana or to be built in Oklahoma.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. McCLELLAN. Mr. President, I yield 3 minutes to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I have one additional point and I want to emphasize one that I have already made.

Certainly, my effort is not to try to totally kill everything that is in this House amendment. We will have it in conference, I emphasize, and we will have to deal with it and there will be a far better chance, a far better chance, to work out something that looks to the needs and the necessities of the Army, not just something they have got to have and, at the same time, look at the economy of the country.

I just point out—and I am not trying to discredit anything anywhere—but some of these plants we have just cannot be used for the manufacture of this new type of ammunition to which I have reference.

Up in Scranton, Pa., they have only 15 acres in all there which is very, very small and limited when it comes to this kind of work.

One of these plants in California has 172 acres. Another one, as I understand, has 700 acres. But the plants that they are going to locate, one in Mississippi and one somewhere else, for this special ammunition, require 2,000 acres.

I thank the Chair for the indulgence.

So, Mr. President, I try to keep myself from being involved in such an important and overwhelming matter such as this, but sometime, somewhere, the Congress is going to have to pass on a comprehensive plan with the best possible advice obtainable from the experts, either in or out of the Army, in or out of our committee staff, or from our own knowledge.

I warn this amendment with its hard language——

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. STENNIS. May I have an additional 2 minutes?

Mr. McCLELLAN. Yes.

Mr. STENNIS. As far as States are concerned, there are 15 or 20 States where the Senators have not had a chance to learn those facts. With this hard language we are about to do what I think is a reckless thing, to come in here without any legislative authorization and put a rider on an appropriation bill which absolutely cuts across this whole nationwide program from beginning to end, and limits the Army to sites where they cannot do anything except in these various areas which, unfortunately, have been adversely affected.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. TUNNEY. Mr. President, I ask unanimous consent that a statement from the GAO report be printed in the RECORD. It speaks for itself. The GAO feels the Texarkana, Ark., facilities are not needed.

I ask unanimous consent that a statement in the House committee report as it relates to the Mississippi plant be printed at this point in the RECORD, indicating that it does not feel that that plant is needed either.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

APPENDIX I

GAO REPORT ON THE PROPOSED TEXARKANA, ARK. AAP

The Army justified building the new facility at Lone Star AAP on the basis that the mobilization requirements of 2.4 million 105-mm. projectiles a month exceeded existing production capacity. Since the budget submission, developments in Southeast Asia have reduced requirements about 1 million projectiles a month. Existing 105-mm. projectile production capacity at the St. Louis AAP and at the National Presto Industries, Inc., is more than enough to meet mobilization requirements.

The Army did not make a detailed engineering study of the feasibility of modernizing the St. Louis AAP. From the information available, the St. Louis AAP should be capable of producing 800,000 projectiles a month with its present equipment. If modernization is deemed necessary, pursuant to the Army's plan to update its ammunition facilities, the cost of modernizing the St. Louis AAP would be about half as much as constructing a new facility at Lone Star, according to informal Army estimates.

Army officials inspected the St. Louis AAP in May 1974 and reported that the plant was in a high state of readiness. They also reported that buildings and equipment were in good condition. During a visit to the St. Louis AAP, we confirmed the Army's observations and plant officials told us that space at the plant was adequate to meet the assigned mobilization production requirements. We also noted that new equipment, such as lathes and forges purchased since 1969 and valued at about $19 million, was either installed or stored at the AAP.

Since existing capacity as the St. Louis AAP and the National Presto Industries, Inc., is sufficient to meet 105-mm. projectile mobilization needs and since the St. Louis AAP is in good condition, serious question is raised as to the need for constructing a new 105-mm. projectile facility at Lone Star. In our opinion this project should be deferred until future mobilization requirements justify additional production capacity.

Provide facility to make binary chemical ammunition (Project 5760317, $8.8 million.)

The Army requested $8.8 million to establish a Government-owned facility at Pine Bluff Arsenal to manufacture binary chemical weapons and to load, assemble, and pack the 155-mm. XM687 binary projectile, a new design concept in chemical weaponry. Although it uses the same basic elements of the current system, the binary projectile provides a new method for delivering and disseminating chemical agents.

The Committee is not convinced that the foregoing action can be justified while at the same time initiating design of a new ammunition plant in Mississippi, which is estimated to cost approximately $228,500,000. The Committee recognizes the necessity for maintaining a production base for our current 155m ammunition; however, the Army plans to drastically reduce or place in lay-away certain plants that have the capability of producing munitions no longer in the Army inventory. The Committee has received no concrete justification from the Army as to why some of the ammunition plants falling in the latter category cannot be converted immediately to produce the new M483 artillery projectile or parts thereof.

Accordingly, the Committee has recommended prohibiting the use of funds for the construction of new ammunition plant facilities except in areas in which existing ammunition plant facilities are being closed, placed in layaway status, or at which production has been curtailed.

Mr. TUNNEY. Mr. President, I am prepared to yield back the remainder of my time. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. STENNIS. Will the Senator from Arkansas yield a half minute to me?

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. STENNIS. Will the Senator yield a minute?

Mr. McCLELLAN. I yield.

Mr. STENNIS. Mr. President, I feel this so strongly. I have the thought in mind that maybe I should make a point of order against this amendment. It may be subject to a point of order. I do not know as I do not rule on those things. However, I do not like to do that under the circumstances and I will not do it under the circumstances. But I reiterate my warning now that something will have to be done better than just this hard language if this should be adopted. We will have a problem where we will have to seek some other kind of remedy.

Mr. HARTKE. Mr. President, I rise to oppose the amendment to H.R. 9861 sponsored by the distringuished Senator from the State of California (Mr. Tunney). As the Members of this body know quite well, I have consistently voted against measures in the appropriations bills to the Department of Defense that spend the taxpayers' dollars on weaponry and military ventures that are unjustified.

This amendment, however, neither saves the Government money nor does it promote efficiency. First of all, it handcuffs the Defense Department from utilizing its discretion in the management of its funds—discretion that the Congress normally renders to any agency. While the thrust of this amendment is directed against the construction of a new ammunition plant in one particular State, the impact will be national. The Defense Department will have almost no leeway whatsoever in deciding—no matter what proof it may produce, through study and extensive investigaton—where, if at all, a new facility to manufacture ammunition could be established to carry out Congress mandate.

Second, there is no indication at all that the adoption of this amendment will prevent the closure of any other facilities in the Nation that have, according to the Defense Department, no longer any use.

Mr. McCLELLAN. Mr. President, I renew the request for the yeas and nays.

The PRESIDING OFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCLELLAN. Mr. President, I yield back the remainder of my time.

Mr. TUNNEY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment. The yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Kentucky (Mr. Ford), the Senator from Colorado (Mr. Gary Hart), the Senator from Michigan (Mr. Philip A. Hart), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Johnston), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk) and the Senator from North Carolina (Mr. Morgan) are absent because of illness.

I also announce that the Senator from New Mexico (Mr. Montoya) is attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from New Hampshire (Mr. McIntyre) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Kentucky (Mr. Ford) would vote "yea."

I further announce that, if present and voting, the Senator from North Carolina (Mr. Morgan) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Utah (Mr. Garn), the Senator from Wyoming (Mr. Hansen), the Senator from North Caroline (Mr. Helms), the Senator from Nebraska (Mr. Hruska), the Senator from Arizona (Mr. Goldwater), and the Senator from Idaho (Mr. McClure) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. Hugh Scott) is absent on official business.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott) would vote "aye."

The result was announced—yeas 40, nays 39, as follows:

[Rollcall Vote No. 488 Leg.]

YEAS—40

Baker
Beall
Bentsen
Biden
Brock
Brooke
Burdick
Byrd,
  Harry F., Jr.
Case
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Glenn
Gravel
Haskell
Humphrey
Javits
Kennedy
Laxalt
Mansfield
Mathias
McGovern
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stevenson
Symington
Tower
Tunney

NAYS—39

Allen
Bartlett
Bayh
Bellmon
Buckley
Bumpers
Byrd, Robert C.
Cannon
Chiles
Eastland
Fannin
Fong
Griffin
Hartke
Hatfield
Hathaway
Hollings
Huddleston
Jackson
Leahy
Long
Magnuson
McClellan
McGee
Muskie
Nunn
Randolph
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Talmadge
Thurmond
Weicker
Williams
Young

NOT VOTING—21

Abourezk
Curtis
Domenici
Ford
Garn
Goldwater
Hansen
Hart, Gary
Hart, Philip A.
Helms
Hruska
Inouye
Johnston
McClure
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Scott, Hugh

So Mr. Tunney's amendment (No. 1085) was agreed to.

Mr. McCLELLAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BARTLETT. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I ask for the yeas and nays.

Mr. PEARSON. Mr. President, is the Senator on the prevailing side?

Mr. TUNNEY. Mr. President, point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. TUNNEY. Does one not have to be on the prevailing side?

The PRESIDING OFFICER. The point of order is well taken.

Mr. TUNNEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PEARSON. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. McCLELLAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCLELLAN. Let us know what is the pending motion then? What is pending?

The PRESIDING OFFICER. The pending motion is the motion to table and the motion to reconsider.

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. It has been impossible to hear what happened.

For the information of the Senate, will the Chair state the question?

The PRESIDING OFFICER. May we have order in the Senate? There will be order in the Senate.

The Senator will state his inquiry.

Mr. STENNIS. Mr. President, will the Chair state the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Kentucky (Mr. Ford), the Senator from Michigan (Mr. Philip A. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Louisiana (Mr. Long), the Senator from Montana (Mr. Metcalf), the Senator from Utah (Mr. Moss), and the Senator from Louisiana (Mr. Johnston), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. Abourezk), and the Senator from North Carolina (Mr. Morgan), are absent because of illness.

I also announce that the Senator from New Mexico (Mr. Montoya), is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from New Hampshire (Mr. McIntyre), is absent because of a death in family.

I further announce that, if present and voting, the Senator from Kentucky (Mr. Ford), would vote "yea."

I further announce that, if present and voting, the Senator from North Carolina (Mr. Morgan), would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Nebraska (Mr. Curtis), the Senator from New Mexico (Mr. Domenici), the Senator from Utah (Mr. Garn), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senator from North Carolina (Mr. Helms), the Senator from Nebraska (Mr. Hruska), the Senator from Nevada (Mr. Laxalt), and the Senator from Idaho (Mr. McClure), are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. Hugh Scott), is absent on official business.

I further announce that, if present and voting, the Senator from Pennsylvania (Mr. Hugh Scott), would vote "yea."

The result was announced—yeas 42, nays 34, as follows:

[Rollcall Vote No. 489 Leg.]

YEAS—42

Baker
Beall
Biden
Brock
Brooke
Burdick
Byrd,
  Harry F., Jr.
Case
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Glenn
Gravel
Hart, Gary
Haskell
Hathaway
Humphrey
Javits
Kennedy
Leahy
Mansfield
Mathias
McGovern
Mondale
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stevenson
Symington
Tower
Tunney

NAYS—34

Allen
Bartlett
Bayh
Bellmon
Bumpers
Byrd, Robert C.
Cannon
Chiles
Eastland
Fannin
Fong
Griffin
Hartke
Hatfield
Huddleston
Jackson
Magnuson
McClellan
McGee
Muskie
Nunn
Randolph
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Talmadge
Thurmond
Weicker
Williams
Young

NOT VOTING—24

Abourezk
Bentsen
Buckley
Curtis
Domenici
Ford
Garn
Goldwater
Hansen
Hart, Philip A.
Helms
Hollings
Hruska
Inouye
Johnston
Laxalt
Long
McClure
McIntyre
Metcalf
Montoya
Morgan
Moss
Scott, Hugh

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Leahy). Under the previous order, the Senator from Massachusetts (Mr. Kennedy) is recognized.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I ask unanimous consent that George C. Montgomery, of my staff, may nave the privileges of the floor during further consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 7, lines 12 and 13, strike out "$7,109,630,000" and insert in lieu thereof "$7,069,630,000".
>
> On page 7, line 23, strike out "$1,795,442,000" and insert in lieu thereof "$1,775,942,000".

Mr. ROBERT C. BYRD. Mr. President, will the distinguished Senator yield for a unanimous-consent request which has been cleared with him, with the chairman, and with the ranking member?

Mr. KENNEDY. Yes, I yield.

Mr. ROBERT C. BYRD. I ask unanimous consent there be a 1-hour limitation on this amendment, with the time to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, my amendment is a simple and straightforward one:

It would restore the House-passed language to provide for dismantling of the Safeguard ABM site at Grand Forks, N. Dak. According to House estimates, this would save the American taxpayer $60 million through fiscal year 1977. It is evident that the Department of Defense will continue spending millions of dollars on this unnecessary facility in the future as well.

Of course, this matter of economy would count for little if the Safeguard site genuinely contributed to U.S. defense. It does not. Rather, it is only a leftover from the years in which this country spent $6 billion on an antiballistic missile system. During that period, we in Congress concluded that even a fully deployed ABM system would not give the United States security against a nuclear attack; it might actually make that attack more likely, by seeming to threaten the Soviet Union's ability to respond to a nuclear attack by us.

Apparently, the Soviet Union made a similar analysis, for in 1972, President Nixon concluded a treaty with General Secretary Brezhnev to limit both sides to two sites each, each with no more than 100 missiles. The Russians chose to retain their site around Moscow; and built the one in Grand Forks. Then, last year, these two leaders reached a further agreement to reduce the number of sites from two to one—a protocol which the Senate ratified last week. Clearly, both sides are now even more convinced of the lack of value in ABM defenses.

This calculation about little or no operational value in ABM defenses of course applies to the Grand Forks site. Just as we have MIRVed missiles that could overwhelm any Soviet ABM system, so too, the Soviet Union is beginning to deploy MIRVs that would render Grand Forks ineffective. The validity of this statement is testified to by the Army's own decision to decrease the operational readiness state of Grand Forks next July 1. Thus, it is irrelevant to argue about how long it would take to bring the site back to maximum operational readiness, if it could be overwhelmed, anyway. It would add nothing to our security in any state of readiness.

The committee makes three basic points in asking that the funds cut by the House be restored. First, it argues that this site is needed as a "bargaining chip" at SALT. Whatever the merits of that tired and oft-refuted argument, it certainly does not apply here. The ABM issue was settled at SALT I; and the final nails were driven in the coffin of that weapons system with the conclusion of the new protocol to cut the number of sites to the one each side has built.

Even if the Russians choose to continue with an ABM site that has no military value, there is no reason for us to ape their sense of misplaced priorities; just as we have not felt it necessary to follow their misguided obsession with air defenses. So there is nothing to trade away; and no loss to us if we simply close down a system that is costing us $90 million a year to operate with little benefit.

Second, the committee argues that a full year's operation of Grand Forks would give us valuable information. But for what? To open again the whole ABM debate that has been closed by the sure knowledge that this approach to U.S. security is self-defeating? The judgment about value from 7 months' further operation of Grand Forks is directly disputed by the Government Accounting Office, which reported to the House Committee "that only limited benefits would be derived from this operation." And we should note that this is not just a research and development facility, where all the funds are devoted to acquiring more knowledge against the remote possibility that the Soviet Union could secure a breakthrough in ABM technology: fully two-thirds (1,000) of the personnel at the site are non-military contractors, while of the 485 military personnel, nearly half are there simply to provide base security. Nor does deleting funds for Grand Forks mean an end to U.S. research and development in the ABM field: there is nearly $200 million in the 1976 budget for this work, while the Committee itself accepted a $48 million reduction in this item.

Third, the committee argues that the House has underestimated the costs of dismantling the system: that it would actually cost $100 million. This figure is in dispute; but it is clear that continued operation of this facility, even at reduced readiness, would cost far more than whatever it now costs to bring operations to a complete halt and dismantle the site. Shutting down is a one-shot expense; but continued operation, even at reduced levels, will go on and on at up to today's $90 million a year.

For all these reasons, I see no point in continuing operations of the Grand Forks Safeguard site, at a continuing, needless cost to the defense budget and the U.S. economy. Here is an area where we can reduce the defense budget, without affecting our security. I believe we should not lose this opportunity to challenge the waste and bureaucratic inertia which gives us weapons we don't want or need, while so many other national needs are going begging.

Mr. President, I also want to take note of the review of this system at Grand Forks, N. Dak., by the House committee. It went into it in considerable detail, examining a number of the points we have mentioned here this afternoon.

The House committee's conclusion is very close to mine on this particular weapons system, for the reasons I have mentioned here this afternoon.

The House wants to dismantle the site; and the Senate committee wants to continue full operation until June 30, 1976, and then go to reduced operations. So we have to ask ourselves: what is the security justification for keeping this site in full operation until next July? It certainly could not be for operational considerations. The particular details of the weapons system themselves have been examined. We do not expect that it will actually be test-fired, which would be the only way to provide any additional operational testing to what has already been done.

From an operational point of view, the elements of that particular system have been fully examined and tested to their limits. Beyond that, Mr. President, there is close to $200 million retained in this legislation that will be used for examination of new technologies in this particular area.

This amendment I offer in no way attempts to reduce those particular funds, although the Appropriations Committee has reduced what was initially approximately $250 million to the figure of $200 million for continuing ABM technology.

The House says that $60 million would be saved by dismantling the Grand Forks site, even with funds provided for dismantling; while the Senate report claims the dismantling would actually cost $100 million: that it is, therefore, cheaper to keep it operating.

It is extremely difficult to convince the Members of this body and, I dare say, the American public that, whatever the cost to dismantle, it would be cheaper to keep something going and then eventually dismantle it, than to dismantle it now.

The House has estimated a figure of $45.3 million for dismantling, and the Senate has reached a figure of close to $100. But it is difficult for me to understand how, if it is going to continue to be in operation and eventually dismantled, that would save the American taxpayer any additional funds.

Then, Mr. President, the House says that Safeguard is ineffective in protecting even the one Minuteman base, because of Soviet MIRV's, and it says that bringing back to full readiness would take a long time. The Senate report says that the site is needed to protect the one Minuteman in case of a Soviet accidental attack and that the restart would only take hours.

Mr. President, it is difficult to believe that protection of the one Minuteman site would have even marginal or incidental impact in terms of a nuclear exchange with the Soviet Union.

The fact is that both countries—the United States first and then the Soviet Union have moved into MIRVing various weapons systems. As technology has shown, as this body has gone on record, and as various agreements on the ABM have reflected—ABM defenses can be overwhelmed by missiles with these MIRV's.

Finally, Mr. President, the Senate report states that this ABM site is needed as a bargaining chip. But there is no negotiation now on ABM's at the SALT talks, as I understand, where this bargaining chip could have any significance. We passed, by an overwhelming vote last week, the ABM protocol to reduce the option for the United States and Soviet Union to deploy ABM to one site on each side; and so we are on record overwhelmingly in this body, in recognizing that—in spite of the fact that some $6 billion has been spent in the development of this system—its ability to affect the strategic arms race or provide greater American security is largely illusory. This is not a matter currently under consideration at the present SALT talks; and thus it is difficult for me to understand how that bargaining chip argument could have very much weight.

To conclude, Mr. President, the Senate report and Secretary Schlesinger say that a year's operation of the site would give us valuable information. In response to that, I should point out that the GAO report done on this particular issue indicates that it would provide "only limited benefits."

Mr. President, it seems to me that this is an opportunity for us to save some resources here which, measured against the total appropriations, are not enormously significant; but measured against programs of food for the elderly, or lead paint poisoning, or neighborhood youth centers, or community health centers, or educational programs, or any of the other efforts that are of great importance to the American people—then it is a significant figure.

For these reasons, and the others in my earlier statement, I hope the amendment will be accepted.

I reserve the remainder of my time.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield to the distinguished Senator from North Dakota.

Mr. YOUNG. At the outset, I would like to state that after spending nearly $6 billion on this ABM program, $860 million on the site in North Dakota, this site first became operational 3 weeks ago.

The Army wants to operate it for the balance of this fiscal year up to July 1 to get the experience from this highly-sophisticated equipment and the most powerful radar in the United States, capable of detecting incoming missiles in space as far as the North Pole.

Then they would put it on a standby basis, operate one radar for about 40 hours a week, and operate the other very powerful radar around the clock. This would eliminate several of our radar sites on the DEW line and in Canada.

To mothball it, as required under this amendment, would cost about $100 million in order to terminate contracts and tear it down and dismantle it. There would be nothing left of the site, nothing useful at all.

The amendment offered by the distinguished Senator from Massachusetts (Mr. KENNEDY) if approved by the Senate would have far-reaching consequences that I do not believe even the sponsors would want if they realized its full effect. This amendment would require that our only ABM system would have to be immediately dismantled and the whole system rendered completely useless.

The Office of Management and Budget requested $93.4 million for this project for this fiscal year. This is what the Secretary of Defense, the Joint Chiefs of Staff, and the Secretary of the Army feel is urgently needed. My position and that of the Senate Appropriations Committee is completely in accord with that of the Defense Department.

Secretary of the Army Hoffmann estimates that the cost of dismantling or mothballing the ABM, as required in the Kennedy amendment, would be approximately $100 million. Much of this would be the result of having to terminate many very costly contracts.

If the Kennedy amendment were approved by the Senate, Congress would have to appropriate at least $55 million more to accomplish the objective of the amendment. This would be a very costly business. It would be a terrible waste of money, and we would gain nothing from our huge investment of nearly $6 billion for the entire ABM program and the $860 million in North Dakota for our only operational ABM.

The Defense Department's position, I believe, is both reasonable and right. This huge system just became operational last month.

The Defense Department wants to operate it until next July 1 to gain valuable experience from all of this newest technology in radars, computers, and other very sophisticated equipment.

Following July 1, the Defense Department wants to put our ABM on a standby basis making use of at least a part of this costly installation—the most important part of it being the perimeter acquisition radar. This is the newest and most powerful radar we have. It has a capability of detecting incoming missiles or spacecraft far into the Arctic. It would replace several of the costly radar stations we are now operating on the DEW line in northern Canada.

I just cannot believe that the U.S. Senate would want to dismantle this very costly and valuable PAR radar.

Mr. President, I want to read part of a letter I received from the Secretary of the Army. It is very illuminating on this whole subject.

> DEAR SENATOR YOUNG: This will reply to your request for the status of the SAFEGUARD ballistic missile defense system. As you know, the House Appropriations Committee imposed a $40 million reduction of the SAFEGUARD system to $45.3 million in FY 76 and deletion of funding in the transition period will require the Army to terminate the operation of the Grand Forks site. If full dismantlement is not accomplished there would be annual recurring costs for security of these facilities which would appear contrary to the obvious HAC intent expressed by deletion of all requested transition period funding. The Army is responding to the HAC action by beginning to plan for the dismantlement of the site by removing the equipment, filling the missile silos with earth and destroying the radar buildings in accordance with SAL agreements. A preliminary estimate of the cost to implement the HAC direction is $100 million for termination of contracts and dismantling of the weapon system.
>
> SAFEGUARD is the only existing BMD system in the USA. It has required a great investment to bring into being. If it is immediately closed, our ability to gain valuable operational experience and our ability to counter limited attacks or accidentally-launched missiles will be lost. Furthermore, we will have eliminated a considerable element of uncertainty in any potential attacker's planning and made his task much easier. Even if we wish to abandon an active defense capability, the large perimeter acquisition radar can be an important element of the national defense warning system, independent of the rest of the site. This advanced, phased array radar possesses a unique capability to accurately assess the nature of an attack and could provide needed information to our National Command Authorities thus permitting them to tailor their response and better control the conflict.

Mr. President, I ask unanimous consent that the entire letter be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. YOUNG. Mr. President, earlier this week the Senate passed a protocol for the limitation of antiballistic missile systems.

I ask unanimous consent that the letter I am going to read be printed in full at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. YOUNG. Mr. President, this letter is from the chairman of the Joint Chiefs of Staff, Gen. George S. Brown, USAF, Washington, D.C., September 25, 1975:

Hon. STUART SYMINGTON,
Chairman, Subcommittee on Arms Control, International Organizations and Security Agreements, U.S. Senate, Washington, D.C.

Mr. President, I will read one paragraph:

> The major concern which the Joint Chiefs of Staff have regarding ratification is related to your final question of whether ratification of the Protocol would have any effect on future military programs or spending for such programs. They believe that the United States must maintain a ballistic missile defense program of sufficient breadth and depth to insure that the United States keeps pace with continuing Soviet ballistic missile defense efforts and improvements, which in recent years have been considerable.

I might add, Mr. President, that the Soviet Union has been operating its system for 6 years. It is presently being extended and modernized.

The letter goes on to say:

> A continuation of US efforts in this regard is essential in order to ensure an adequate hedge against sudden abrogation.

There is the balance of the letter:

EXHIBIT 1

SECRETARY OF THE ARMY,
Washington, October 29, 1975.

Hon. MILTON R. YOUNG,
U.S. Senate,
Washington, D.C.

DEAR SENATOR YOUNG: This will reply to your request for the status of the SAFEGUARD ballistic missile defense system. As you know, the House Appropriations Committee imposed a $40 million reduction of the SAFEGUARD system to $45.3 million in FY 76 and deletion of funding in the transition period will require the Army to terminate the operation of the Grand Forks site. If full dismantlement is not accomplished there would be annual recurring costs for security of these facilities which would appear contrary to the obvious HAC intent expressed by deletion of all requested transition period funding. The Army is responding to the HAC action by beginning to plan for the dismantlement of the site by removing the equipment, filling the missile silos with earth and destroying the radar buildings in accordance with SAL agreements. A preliminary estimate of the cost to implement the HAC direction is $100 million for termination of contracts and dismantling of the weapon system.

SAFEGUARD is the only existing BMD system in the USA. It has required a great investment to bring into being. If it is immediately closed, our ability to gain valuable operational experience and our ability to counter limited attacks or accidentally launched missiles will be lost. Furthermore, we will have eliminated a considerable element of uncertainty in any potential attacker's planning and made his task much easier. Even if we wish to abandon an active defense capability, the large perimeter acquisition radar can be an important element of the national defense warning system, independent of the rest of the site. This advanced, phased array radar possesses a unique capability to accurately assess the nature of an attack and could provide needed information to our National Command Authorities thus permitting them to tailor their response and better control the conflict.

The Army had planned to reduce the level of operational readiness to minimize annual recurring costs. We believe that costs can be reduced to about $60 million per year while maintaining the capability to bring all of the longer range interceptor missiles and about half of the short-range interceptor missiles to full operational readiness within a few hours. The complete capability of the system could be achieved within a few months. It is conceivable that the ABM Treaty may be extended to prohibit any form of deployed ballistic missile defense. The Army plan for a minimum cost reduced readiness posture while protecting the option to resume full readiness will support negotiations to this end as well as the more costly continuous full readiness posture.

In the interest of future strategic arms limitation negotiations and to maximize the benefits of our nearly $6 billion investment in the SAFEGUARD system, I believe the funds requested in FY 76 and in the transition period are warranted and should be restored by the Senate.

Sincerely,

MARTIN R. HOFFMAN.

EXHIBIT 2

CHAIRMAN OF THE JOINT CHIEFS OF STAFF,
Washington, D.C., September 24, 1975.
Hon. STUART SYMINGTON,
Chairman, Subcommittee on Arms Control, International Organizations and Security Agreements, U.S. Senate, Washington, D.C.

DEAR SENATOR SYMINGTON: The following information is provided in answer to the questions you raised in your letter of September 5, 1975.

The 1974 Protocol to the ABM Treaty, when ratified by the U.S. Senate, will limit deployment to one ABM site but will retain the option to relocate the permitted ABM site as an explicit provision of the Protocol. This relocation provision was advocated by the Joint Chiefs of Staff in the event there was a U.S. Government decision to seek agreement with the Soviets to limit deployment to only one ABM site. With this relocation option protected, the Joint Chiefs of Staff did not oppose negotiations which led to the signing of the Protocol.

The major concern which the Joint Chiefs of Staff have regarding ratification is related to your final question of whether ratification of the Protocol would have any effect on future military programs or spending for such programs. They believe that the United States must maintain a ballistic missile defense program of sufficient breadth and depth to insure that the United States keeps pace with continuing Soviet ballistic missile defense efforts and improvements, which in recent years have been considerable. A continuation of US efforts in this regard is essential in order to ensure an adequate hedge against sudden abrogation. Further, in the US Unilateral Statement on ABM Treaty withdrawal, the United States stated that if more complete strategic offensive arms limitations were not achieved within five years, it would constitute a basis for US withdrawal from the ABM Treaty. Without demonstrable US competence in the ABM field which the US could turn to its advantage if required, the Soviet Union could be less motivated to negotiate more complete limitations on strategic offensive arms.

Therefore, providing that the US Government continues to recognize the importance of maintaining a vigorous ballistic missile defense R&D program, the Joint Chiefs of Staff support ratification of the Protocol to the ABM Treaty.

Sincerely,

GEORGE S. BROWN,
General, USAF.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. YOUNG. Yes.

Mr. KENNEDY. Am I correct in understanding that there is some $200 billion that is otherwise appropriated for research in the area of technology that is included in the legislation?

Mr. YOUNG. There is $100 million in this bill for research and development for site defense for Minuteman missiles which will do exactly the same thing the safeguard antiballistic-missile system will do.

The Senator is trying to defend every site. If we cannot defend this ABM system, how will we defend one site? That $100 million would probably expand into billions of dollars and accomplish nothing more than our ABM.

I am glad the Senator raised the question. If I were the Senator, I would ask to eliminate the $100 million.

Mr. KENNEDY. I understand that the money can be used in the areas of research and for any time in the future, am I not correct, in the terms of site defense?

Mr. YOUNG. Yes.

Mr. KENNEDY. So I want to make it very clear that this amendment does not in any way cut back the judgment of the Appropriations Committee in terms of the importance of providing moneys in this legislation for any research in this particular area

It is directed solely toward the operational aspects of the one existing site, or the soon-to-be completed site, and that is in North Dakota.

Mr. YOUNG. Yes, $100 million for site defense, and the Senator's figure was nearly two. It was reduced to $100 million, but this was for R. & D. only.

The interesting thing about it is that they would use the Sprint missile, the same one they have at the Safeguard ABM site.

I notice in the Senator's statement he thought this would not be an incentive for war—I do not have the exact language—the missiles for Safeguard can reach less than one-third of the way to Russia. It is purely defensive. It would be impossible to hurt another country except an incoming missile.

Mr. KENNEDY. On the same point, if the Senator will yield.

Mr. YOUNG. Yes, I am happy to yield.

Mr. KENNEDY. As I understand it, because I did use the figures, $200 million, and the Senator indicated it was $100 million, as I understand, on page 252 it has ballistic missile defense, advance technology $97 million, site defense $100 million, so that is $197 million, and the amendment which I proposed does not reach the $200 million that still exists there that can be used in terms of research in those particular areas.

Mr. YOUNG. The committee will put the money in the bill.

Mr. KENNEDY. But there is $200 million there that is for research, or can be used for research, in terms of site defense.

Mr. YOUNG. There is $100 million for site defense and the other is basic research and development for ballistic missile defense. Site defense will be almost exactly the same system as Safeguard, with the Sprint missile system—

Mr. KENNEDY. Is it not both of these that the ABM mode?

Mr. YOUNG. It is ballistics missile defense, which could be several categories.

Mr. KENNEDY. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. I yield 5 minutes to the Senator from North Dakota.

Mr. BURDICK. Mr. President, the Senate Appropriations Committee, in response to the House action and at the urging of the Secretary of Defense, has reinstated funds to operate the ABM system until July 1 and put it on a standby basis thereafter. Allow me to elaborate on why we feel that the Appropriations Committee decision to continue funding of the ABM through the remainder of this fiscal year makes sense.

A brief recounting of recent events may be helpful. When ABM was first authorized in 1968, 12 sites were planned. The 1972 SALT agreement limited the number of sites to one, the installation in North Dakota had been under construction since 1970. It was finally completed on October 1 of this year, after a Federal investment of nearly $6 billion. In late September the House Appropriations Committee voted to shut down the ABM site in North Dakota. Ironically, this came only a few days after it became fully operational. Now the full House has concurred in the committee's recommendation and voted to "mothball" this installation.

It seems to me that this action to scrap the program now without developing alternate uses and without gaining some working experience with the system would be as unwise as I felt deployment was in 1968 and 1969. At that time, you may recall, many of us called for additional research and development rather than construction.

Operation of the Safeguard site for the remainder of this fiscal year, as urged by the Department of Defense, will provide the Army with valuable experience in the maintenance and functioning of this complex missile defense system. This experience will also benefit our ongoing ballistic missile defense research and development program which is funded at considerable cost in the House bill. In addition, the ABM System in North Dakota contains our most modern and powerful radar, with a detection capability reaching far into the Arctic. Its components also include very highly sophisticated computers and other technical equipment. The dismantling of this perimeter acquisition radar would be a serious mistake without more thoughtful investigation into its future uses.

Preliminary Department of Defense estimates show the costs of implementing the immediate shutdown ordered by the House would be $100 million. However, continuing full-scale operations of the ABM until July 1, 1976, can enable us to get some use from a project which we have spent upward of $6 billion on to date.

In other words, there is no actual saving in the mothballing. The cost of continuation until July 1, 1976, appears to be no greater than the cost of mothballing because of the outstanding contracts.

The Committee on Appropriations believed that it is prudent to restore the funds cut by the House to gain this valuable experience, to consider the Defense Department proposal to put the ABM on a standby basis and to search for alternative uses for this facility. I concur in this option. I sincerely hope the Senate supports this position and defeats the Kennedy amendment.

Mr. PASTORE. Mr. President, I yield myself 3 minutes.

Mr. President, this is one item I agonized over to quite some extent. I must say in fairness to both sides of the discussion that the situation here is neither white nor is it black. There is a lot to be said on both sides. The Senator from Massachusetts is absolutely right. Today when we are feeling the crunch on some of these social welfare and reform programs that affect the very well-being of our people, naturally we have to be very, very careful how far we go in doing things that sometimes are unnecessary, and the judgments and the courage that we have to exercise in order to do the things that are necessary even though they must be done at tremendous sacrifice.

Mr. President, one thing that must be borne in mind is the fact that we have already spent $6 billion on this installation, and that we have come up with a very exotic radar system, which may be the answer that we have been looking for a long, long time.

We have the DEW line spread all over the northern part of Canada, and there we have to depend upon a foreign government. We have to pay for the privilege of being up there, even to protect them. The big question is: When do we become, and how do we become, self-sufficient? That is the question before us today.

The House has already called for a mothballing of this installation in every respect. We in the Senate are saying, "Let it be operational for a short while. Let us see what we can gather out of this $6 billion that we have already invested. Let us see how much we can learn. Let us find out how far-reaching this exotic radar system might be and prove to be."

If we at this juncture freeze ourselves in by adopting the attitude of the House, we will lose the opportunity of going back into conference and discussing this matter to and fro.

This is not the answer. There is $100 million in this for site protection. There is $97 million, as has been pointed out, for research and development. All these matters have to be discussed in conference.

The matter will not be resolved in this Chamber today. I would sincerely hope that we remain kind and understanding to one another; that we go ahead and meet with our colleagues on the House side and see if we cannot resolve this, bearing in mind that we should not keep this thing alive just to suit a State or to suit an individual, but to keep it alive if it is absolutely necessary to promote the security of this country. And at the same time, Mr. President, if we find that it is more important to do something else, that this is not that important, then we ought to have the courage to discard it. Until that moment comes, however, I would hope that sometimes we would listen a little more carefully to the men down there who are charged with the responsibility of guaranteeing the security and the freedom of our people. This is the important thing. The Pentagon, and the Secretary of the Army have already stated a course. I do not look upon that lightly. These requests are not too frivolous and do not come to us too lightly.

I would hope that this afternoon we would proceed calmly, judiciously, and that we do what we need to do. If it is true that this should be discarded when I go to that conference I will be the first one to say so. On the other hand, if there is something to be said in the arguments being made by the Defense Department, then I think we ought to give it serious heed because, Mr. President, we have reached the crossroads here. As I hear of détente, détente, détente, I believe in it, but only to a point. I will say this: If John Kennedy in October 1962 did not have the power behind him to tell Khrushchev, "You turn those warheads back or I will send them back," I am afraid we would have been in a bad way.

Mr. McCLELLAN. I yield 3 minutes to the distinguished Senator from Alabama.

Mr. ALLEN. I thank the Senator.

Mr. President, some Senators become very economy minded when we take up a bill providing for the defense of our country. I believe that to adopt this amendment would be pennywise and pound foolish. Some $6 billion has been invested in this site and it became operational only 3 weeks ago. Now we are confronted with an amendment that would wipe out the installation, that would make no further use of it at all. It would not even keep it on a standby basis where it might be put into use. Just throw away this $6 billion investment and claim that we are saving $40 million to $60 million.

The truth of it is that it costs over $100 million to bring the operation to a close.

Another thing, Mr. President, is that I am advised by the Army that the Soviets are not abandoning their ABM. On the contrary, they are upgrading it to the full extent allowed under the ABM treaty. So I believe we would be making a mistake to throw away this tremendous investment for the sake of cutting down on the defense appropriation.

Mr. President, I wish to share with my colleagues my view in the matter of retaining or eliminating the safeguard site. Much of the recent discussion on Safeguard has revolved around the point of its utility in the face of the massively increasing Soviet threat and its value under the constraints of the ABM treaty.

I fully recognize the points being made in regard to these so-called limitations. However, I do not believe these two factors to be either the only or the most significant considerations in the matter of the House proposed action.

The House proposed to eliminate the Safeguard site. As the distinguished Senator from Rhode Island pointed out, if the Senate accepts the pending amendment, it would wipe this matter out and remove it from further consideration in consultation with the House of Representatives in this area; there would be nothing in the conference. The whole $6 billion investment would be scrapped. Certainly, it seems that it would be very much foolish economy to scrap this $6 billion investment.

I believe this proposed action to be unwise because I believe that the Safeguard site has significant value in our overall national strategic posture. Further, one of the radars—the large par radar—can advantageously serve another mission—that of attack assessment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ALLEN. I ask for an additional minute and a half.

Mr. McCLELLAN. I yield the Senator 1 more minute.

Mr. ALLEN. The total elimination of the site seems to be based on the positive assumption that either the Safeguard site will never be effective against any future threat, that there will never be a future threat, or that there will never be any future need for this sophisticated equipment. By weight of opinion, Safeguard is effective for the mission it was designed to perform and I do not know how anyone can be that certain today that we might not suddenly wish we could restore that site sometime in the future. It seems a terribly wasteful and dangerous action to just bulldoze the site under; instead, why not keep it at some level of bring-back capability? The consequences of eliminating this Safeguard facility can be extremely expensive and dangerous if we were to need it in the future. On the other hand, the consequences of retaining a restorative capability woud be only the loss of a comparably small caretaker cost if we did not need the site in the future. I strongly support the committee position in this matter.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. KENNEDY. Mr. President, I yield myself such time as I may need.

We have heard talk here this afternoon about the security of the United States—which is very important to my good friend from Rhode Island (Mr. PASTORE) and to my good friend from Alabama (Mr. ALLEN). But what is the position of the Army on this particular system? They are reducing its operational readiness in July of next year. So let us dismiss that as an argument. We are not talking about taking some vitally important offensive or defensive weapon out of the American arsenal, and leaving ourselves helpless in the hands of the Soviet Union. It is important that we understand that point at the beginning of the argument.

The second point which we ought to understand, Mr. President, is that the posititon of the Senators seems to be: "Let us put the tens of millions of dollars in to make it operational, and then in July we will reduce its operational status, but do you know what? We will still spend $20 million of the taxpayers' money per quarter on it—$80 million a year, from now on." That is what they are asking for in this particular weapons system, because we do not hear from members of the Armed Services Committee or the Appropriations Committee when this is going to end. They only say: "We have spent $6 billion; therefore let us spend a little bit more."

Mr. President, I do not think we should spend a nickle more, unless it will improve our security, unless it will mean greater peace for our people and peoples around the world. There is no indication that it will. The Army is even going to place it on reduced operations next year.

Then we hear the argument, "Well, if we accept the amendment of the Senator from Massachusetts, we will not even have the amount of money necessary to close it down." I say let us take the amount of money necessary to close it down; let us leave the $45 million in there to close it down; and if that is not enough, then I will be the first Senator to introduce an amendment on the supplemental appropriation to get enough money to close it down, it that is needed.

The chairman of the Appropriations Committee says it is going to cost too much to close this site down. Mr. President, how can we possibly be persuaded by that argument? Under the Appropriations Committee recommendation, we find $19.5 billion for the transitional quarter. Nineteen-and-a-half billion dollars. That means, projecting it over a full year, $80 million; and that $80 million a year is at a time when we understand from the Army itself that, as an element to our security, they have such confidence in this system they are prepared to reduce its operational status next July.

We also have to ask ourselves: "What about the other research in this whole important area of weaponry?"

We have close to $200 million left in the bill by the Appropriations Committee for that particular purpose. This amendment does not touch that. I support what is necessary for continuity of research in this area as that case has been made; and I am willing, at least in terms of this appropriation bill, to support that research, although I hope that our Armed Services Committee and Appropriations Committee will examine the need for that particular item. But, Mr. President, I do not think the case has been made that would justify the continuation of the Grand Forks Safeguard system from either a research or a security point of view. It is not just one Member of the Senate who is saying that. The Army effectively says it, when they say they are going to reduce its operational readiness.

The committee says, in effect, "We can activate it more quickly if we just close it down a little bit." But if it is important to anticipate the necessity for that, we should have had a different kind of examination of the whole ABM system during the negotiations on it at SALT, because, as the Senate went on record last week, we are prepared to say that we will only permit the Soviet Union and the United States to have one system each. The argument about the importance of the Grand Forks site for our security might be more powerful if the ABM concept had any value, and if we had 12 ABM sites; but it does not and we do not. We have only one; and, in fact, even 12 would not provide us with real security, in any event—a fact that led us to abandon the 12-site Safeguard program in the first place.

But it seems, with the position the Army is taking of phasing it out as an operational system, what we can achieve in a few months is very limited—in the statement by the GAO of their evaluation.

I wish that some member of either the Appropriations Committee or the Armed Services Committee could tell us how long we will have to continue funding this program, because it looks, Mr. President, that if we fail to support this amendment we will have an open endedness about this program for the future. When we talk about a bill that size, $100 million for dismantling now does not seem like a lot. So I hope, Mr. President, that the Senate will accept the amendment.

I reserve the remainder of my time.

Mr. YOUNG. Mr. President, I will read a few words in the RECORD from Secretary of the Army Hoffman:

> The Army is responding to the House Appropriations Committee action by beginning to plan for the dismantlement of the site by removing the equipment, filling the missile silos with earth and destroying the radar buildings in accordance with SALT agreements.

Mr. President, I ask unanimous consent to have the report of the Committee on Appropriations accompanying this bill printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SAFEGUARD

The Committee disagrees with the House action requiring the mothballing of the ABM Safeguard System near Grand Forks, North Dakota.

The Committee has been reliably informed that the Soviet Union is not only operating its ABM System around Moscow, but is extending its coverage and modernizing it. Such actions can only be considered as evidence that they place a high value on their system. They believe it is a cost effective means of protecting part of their population and missile force.

Additionally, it is logical to assume they are improving their system because they consider it to be an important part of their overall strategic power worthy of consideration by potential adversaries. In this context, and from a Strategic Arms Limitation negotiation standpoint, the United States would be remiss to give up its one ABM site without an appropriate concession from the Soviets.

Safeguard provides hard evidence of the U.S. capability in Ballistic Missile Defense. Unilateral mothballing of this site, without even an attempt to get Russia to take similar action, can only be interpreted as a softening of the U.S. resolve in this important area of negotiations.

Operation of the Safeguard site for the remainder of this fiscal year, as urged by the Department of Defense, will provide the Army with valuable experience in this entirely new and complex missile defense system. This experience will also benefit our ongoing Ballistic Missile Defense Research and Development Program which is funded at considerable cost in the House bill.

This Grand Forks ABM site has our most modern and powerful radar. It is capable of detecting incoming missiles or space vehicles far up into the Arctic. It also has the latest in other highly sophisticated technical equipment such as computers.

The Soviets have had seven years of experience in operating their deployed ABM System. Undoubtedly, this experience has demonstrated the need for the improvements they are now implementing. The planned operation of our Safeguard System for less than a year, as proposed by the Department of Defense, hardly compares with the Soviets' experience but, although limited, it will be very useful.

The Safeguard System does have a positive defense capability. It can, according to the experts, provide effective defense against attacks on our Minuteman missiles in the vicinity of this ABM site. It can also defend against accidentally launched missiles either by the Soviets or a third country.

The investment of nearly $6 billion, or which $859 million was spent to build and equip the site in North Dakota, will be lost if the program is mothballed, as proposed by the House. Nothing will be gained in operational experience or Strategic Arms Limitations negotiations. This action is contrary to logic and the judgment of the Defense Department.

The budget request of $85.3 million for Operations and Maintenance and $4.5 million for military personnel will make possible full operation of this site for this fiscal year. This facility just became fully operational the week the House voted to mothball the site.

The Department of Defense states that in responding to the House action they were beginning *plans* to dismantle the site by removing the equipment, filling the missile silos with earth, and destroying the radar buildings. DOD states that the preliminary estimate of the cost to implement the House direction is $100 million for the termination of contracts and dismantling of the weapons system.

The action required by the House would not save $40 million, but actually it would result in considerably higher cost than for operating the site as planned by the Army for the balance of this fiscal year. The dismantling of this ultra-modern Perimeter Acquisition Radar would be a serious mistake.

The Committee believes that it would be more prudent to restore the funds and gain this valuable experience and to consider DOD's proposal to put this North Dakota ABM site on a standby basis beginning July 1. If the site became urgently needed for national security, the Department of Defense advises that all of the long-range interceptor missiles and about one-half of the short-range interceptor missiles could be restored to full operational readiness within a few hours.

Therefore the Committee recommends restoration of $40.0 million in Operations and Maintenance funds and $.6 million in military personnel funds as requested by the Department of Defense.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Arkansas.

I rise in opposition to the Kennedy amendment, as I do not believe it is in the best interests of the defense of this country.

Our Government has spent $60 billion developing this ABM system. I repeat

$60 billion. The system has just become operational by a few weeks, and there is talk now of closing it down. On this particular missile $860 million have been spent. Are we going to throw all that down the drain? Are we going to forget all that big expense and say it was all a mistake?

It seems to me that we at least ought to allow this system to be there the length of time the Defense Department feels is wise, and that is until next July 1, before we begin to put it on a standby basis.

This amendment would cut it off now, and there is the waste of money. How are we going to explain to the taxpayers that we spent $6 billion and $860 million more on this particular matter and then shut it off?

Mr. President, it seems to me with the modern radars, computers, and the other sophisticated equipment that is contained in this system, there should be a test, and this test can be run between now and next July 1, and I do not think it makes sense to pursue any other course.

This system has the most modern radar system in the world. Between now and next July 1 we will have the opportunity to test that radar system to remove defects and anything that may turn up wrong with it, so, in the future we will have——

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. THURMOND. Mr. President, will the Senator yield me additional time?

Mr. McCLELLAN. Mr. President, I do not have any additional time to yield. I yield to the Senator from New York. I do not have the time.

Mr. BUCKLEY. I thank the Senator from Arkansas.

Mr. President, I wish to emphasize two or three points in opposition to the Kennedy amendment.

First of all, as to the ABM system, maintaining that system reasonably intact gives us a mobilization base with which to deploy a full-scale ABM system should we ever feel a future need for it. Let us not forget that we would only feel such a need if we felt that our civilian populations were threatened. In other words, ABM is a potential lifesaving system.

Second, we cannot ignore the evidence that has been accumulated that the Soviets have violated the ABM treaty and have been testing full-scale upgrade of their SA–5 antiaircraft system ABM mode.

This is an indication or warning that means we well may one of these days wish to mobilize a larger ABM system.

Mr. KENNEDY. Mr. President, if the Senator on this point will yield for a question, I think the Senate will be very interested if the Senator would tell us where the Russian's have violated the SALT agreement, along with his authority for that charge. That would be very worthwhile and informative for the Senate.

The PRESIDING OFFICER. Does the Senator yield?

Mr. BUCKLEY. I yield on his time, not mine.

Mr. KENNEDY. Mr. President, I will ask my question on my time. The Senator's answer may also be on my time.

Mr. BUCKLEY. Mr. President, I believe that there have been sufficient reports, and I believe——

Mr. KENNEDY. From where?

Mr. BUCKLEY. Sufficiently reliable sources in the literature on aviation and literature on arms matters, indicating that there have been tests sighted or spotted as a configuration of the use of radar linked into the SA–5 system in an ABM mode. I believe this has been given very broad credence in this country.

Mr. KENNEDY. I wish the Senator would answer me and, I hope, be more specific than general references. This is a serious charge about a violation of the SALT agreement. If it is true that the Senator has particular information to this effect, I think it is a matter of great importance and consequence in terms of our relations with the Soviet Union, and I am sure he does not wish to comment lightly on it. I wish he would be more specific about his references. I wish to know what the basis for his accusations are. I am not saying it may not be true, but I do feel that, if an accusation of this nature is going to be made, we ought, at least, to have the source for it.

Mr. BUCKLEY. Mr. President, I say that there is nothing novel about this assertion. There has been concern in the intelligence area about the cheating by the Soviets. It has been a matter of newspaper articles in the Washington Post, the New York Times, and elsewhere over the past many months. So I am not saying anything new. Nor does anyone doubt the technical capacity of the Soviet Union to, in effect, connect up their radar systems with the SA–5 high-range, high-altitude antiaircraft missile system in order to upgrade them into an operative ABM system.

The mere fact that this is potentially feasible should be enough to justify continuation of this one Grand Forks ABM base as a standby from which we will in due course be able to deploy if we need—and let us hope we never do need it—a full ABM system; but, nevertheless, we need to have that security of mobilization. We need to have this system in readiness so that we can in a moment of danger deploy it.

Mr. KENNEDY. Mr. President, I wish to return to this matter.

The PRESIDING OFFICER. Does the Senator from New York yield?

Mr. KENNEDY. Mr. President, could he yield on my time? I thought we were on my time—that the response was on my time.

The PRESIDING OFFICER. The Senator is correct. That was on the time of the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I wish to ask whether the Senator now, in terms of his authority, is drawing from general newspaper articles, or whether he has some information, either from the CIA or the Joint Chiefs of Staff, or has received some classified briefing that has led him to that conclusion. Will he answer this? Or is he relying on general information sources like newspapers? It is a serious charge he has made. I wish to know how much weight to give the Senator's comments.

Mr. BUCKLEY. I wish to say I am relying both on newspaper sources and on the judgment of people whose judgment I trust and who I believe are in a position to make a judgment in these matters. Beyond that I will not go.

Mr. President, I said what I have to say, and I hope the Kennedy amendment is defeated. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I hope, if our colleague and friend from New York does have information or evidence, that he would share that with the officials in the administration responsible for the security interests of our own country, because this obviously is a serious accusation. If he does have such information, it should be evaluated by our intelligence community and political leaders.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Massachusetts has 5 minutes remaining.

Mr. KENNEDY. Mr. President, what about the opponents?

The PRESIDING OFFICER. The other side has one minute remaining.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. KENNEDY. Yes.

Mr. CRANSTON. I wish to ask the Senator one question about an aspect of the argument about this bill. It is alleged it will serve as a bargaining chip even though it served no other purpose. I cannot understand that, in view of the fact it plainly has no value. We plan to get rid of it. It has been scheduled for mothballs. We are now proposing to spend money to maintain it. How can it possibly serve as any value in bargaining with the Soviet Union? As I understand it, we are no longer bargaining about ABM's with them in any way, shape, or manner.

Mr. KENNEDY. The Senator is quite correct, particularly when they understand it is going to be taken out of full operation in July of next year; and that it is not even a matter which is on the agenda at the present SALT considerations.

The idea of "bargaining chip" is one of the three arguments made by the supporters of the bill. I find it singularly unconvincing.

The Senator is quite correct. The ABM is not on the table at Geneva at the present time, and the fact that it will be placed in reduced operation next year would make it not very much of a bargaining chip in any negotiation with the Soviet Union.

Mr. CRANSTON. It certainly does not sound to me that it would.

Mr. President, I strongly support the Senator's amendment.

Mr. KENNEDY. Mr. President, in summation, it is important to understand that this amendment does not get into the area of research and technology, in the advances being made and that can be made in the whole wide examination of various radars.

There has been a good deal of discussion that, if we accept this amendment, we will reduce our opportunities in radar development. Quite clearly, all the research money that is in the appropriations bill is untouched by this amendment. This amendment does understand that the value of the Grand Forks site in terms of our security is virtually nil.

The Senate has debated the ABM issue in the past. Our national leaders, including a President of the United States, have signed agreements with the Soviet Union on this issue. Furthermore, if this ABM site has real security value, why is the Army reducing its operational state in July of next year? So, in security value, it does not have standing. From the perspective of bargaining-chip value, it has no standing.

Yet, we find that, unless this amendment is passed, we will be in a situation (based upon what is in this appropriation, plus the $20 million for the 197T quarter) that we will be spending $80 million for the next year. This means this site will constantly be a drain on our appropriations, without increasing our security.

I hope the amendment will be accepted.

The PRESIDING OFFICER. Who yields time?

Mr. McCLELLAN. Mr. President, we are proposing by this amendment to demobilize immediately a $6 billion investment, before we have had the time and the opportunity to experiment with it, to test it in relation to the best, most sophisticated radar system I think we have—possibly one of the best in the world.

There may come a time—and it may be soon—when we can do what this amendment would have us do; but I think we should try to determine what value we have, what asset there is in this $6 billion investment, if there is any, before we completely mothball it and forget about it. That is all we are proposing, as I understand it. They want the opportunity—the system has just become operational—to determine what we have and the value of it to our security.

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes remaining.

Mr. KENNEDY. Mr. President, there has been a good deal of discussion about radar. I quote Secretary Schlesinger, who says at page 1196 of this year's Senate Appropriations Committee hearings:

> The concept behind the site system is a much more sophisticated radar capability with site defense using an improved Sprint system. It would be essentially the same missile but the radar system would be able to handle a much larger number of incoming objects.

The point is that the money remaining in these appropriations, for research in the area of radar, goes far beyond the sophistication of the PAR program. So we cannot argue that that has much meaning.

The second point is that all the aspects of this system have already been tested. We are not going to test it operationally. That would only be a last test—with any degree of legitimacy—by incoming missiles. Every other aspect has been tested.

The GAO, in its review about what could be gained by operating the system for another 7 months, says that the benefits would be marginal. I have already mentioned in the RECORD.

For those reasons and the others stated, I hope the amendment will be accepted.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Kentucky (Mr. FORD), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Utah (Mr. MOSS), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Indiana (Mr. BAYH), and the Senator from Alaska (Mr. GRAVEL) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from New Hampshire (Mr. McINTYRE) is absent because of a death in the family.

I further announce that, if present and voting, the Senator from North Carolina (Mr. MORGAN) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), the Senator from Maryland (Mr. MATHIAS), and the Senator from Idaho (Mr. McCLURE) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS), and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

The result was announced—yeas 39, nays 40, as follows:

[Rollcall Vote No. 490 Leg.]

YEAS—39

Abourezk
Biden
Brooke
Bumpers
Case
Clark
Cranston
Culver
Durkin
Eagleton
Glenn
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Javits
Kennedy
Leahy
Mansfield
McGovern
Mondale
Muskie
Nelson
Packwood
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—40

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Church
Dole
Eastland
Fannin
Fong
Goldwater
Griffin
Jackson
Laxalt
Magnuson
McClellan
McGee
Metcalf
Nunn
Pastore
Pearson
Roth
Scott,
William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—21

Bayh
Bentsen
Curtis
Domenici
Ford
Garn
Gravel
Hansen
Helms
Hollings
Hruska
Inouye
Johnston
Long
Mathias
McClure
McIntyre
Montoya
Morgan
Moss
Scott, Hugh

So Mr. KENNEDY's amendment was rejected.

Mr. YOUNG. Mr. President, I move to reconsider the vote by which the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, the Senator moves to reconsider the vote.

The PRESIDING OFFICER. Does the Senator from North Dakota move to reconsider?

Mr. YOUNG. I move that the vote be reconsidered.

Mr. ALLEN. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, what is the motion, is the motion to reconsider or is the motion to lay on the table the motion to reconsider?

The PRESIDING OFFICER. It is a motion to lay on the table the motion to reconsider.

The clerk will resume the call of the roll.

The second assistant legislative clerk resumed the call of the roll.

The PRESIDING OFFICER. The Senate is not in order, and the clerk will refrain from continuing the rollcall until the Senate is in order. Will the Senators please take their seats and the Senators will please take their conversations to the cloakroom. The Senate is not in order.

The clerk may proceed.

The second assistant legislative clerk resumed the call of the roll.

Mr. KENNEDY. Mr. President, regular order.

Mr. PASTORE. Mr. President, may we have the well cleared so we can see the American flag. [Laughter.]

The PRESIDING OFFICER. The Senator is correct. The well should be cleared. Senators will take their seats.

The second assistant legislative clerk resumed and concluded the call of the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Kentucky

(Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Utah (Mr. MOSS), and the Senator from Minnesota (Mr. MONDALE) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I also announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE) is absent because of a death in the family.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator Anderson of New Mexico.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Idaho (Mr. MCCLURE) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS) and the Senator from Pennsylvania (Mr. HUGH SCOTT) would each vote "yea."

The result was announced—yeas 37, nays 40, as follows:

[Rollcall Vote No. 491 Leg.]

YEAS—37

Allen
Baker
Bartlett
Beall
Bellmon
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Dole
Eastland
Fannin
Fong
Goldwater
Griffin
Jackson
Laxalt
Magnuson
McClellan
Nunn
Pastore
Pearson
Roth
Scott,
  William L.
Sparkman
Stafford
Stennis
Stevens
Stone
Taft
Thurmond
Tower
Weicker
Young

NAYS—40

Abourezk
Biden
Brooke
Bumpers
Case
Church
Clark
Cranston
Culver
Durkin
Eagleton
Glenn
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Javits
Kennedy
Leahy
Mansfield
Mathias
McGovern
Metcalf
Muskie
Nelson
Packwood
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Stevenson
Symington
Tunney
Williams

NOT VOTING—23

Bayh
Bentsen
Curtis
Domenici
Ford
Garn
Gravel
Hansen
Helms
Hollings
Hruska
Inouye
Johnston
Long
McClure
McGee
McIntyre
Mondale
Montoya
Morgan
Moss
Scott, Hugh
Talmadge

So the motion to lay on the table the motion to reconsider was rejected.

The PRESIDING OFFICER. The question recurs on the motion to reconsider the vote by which the amendment was rejected.

Mr. KENNEDY. The yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll for the quorum.

The assistant legislative clerk called the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FANNIN). A quorum is not present.

The clerk will call the roll of absentees.

Mr. ROBERT C. BYRD. Mr. President, the Chair had not announced that a quorum was not present when the request to call off the call was made. Until the Chair announces that, the Senator is in order.

The PRESIDING OFFICER. The Senator is correct. Is there a suggestion?

Mr. CRANSTON. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. Mr. President, I move that the Senate now proceed to the consideration of H.R. 5900 and I ask to be recognized.

Mr. MANSFIELD. Will the Senator yield?

Mr. ALLEN. I will yield for a question.

Mr. MANSFIELD. Mr. President, I would hope that the country as well as the Senate would be aware of the delaying tactics which have become a familiar pattern with the Senator from Alabama. He is trying to take over this body. If the Senators want him to, it is up to them. They will have to make a choice as to who is running this Senate, whether the ones they have elected or the ones who are trying to assume control on the basis of their own individual rights.

Mr. ALLEN. I have not yielded.

The PRESIDING OFFICER. The Chair will state that the Senator from Alabama was recognized. It is the understanding of the Chair that he yielded for a question.

Mr. ALLEN. Mr. President——

The PRESIDING OFFICER. The Parliamentarian states that when he made the motion, he lost the floor. But the Chair did recognize him again.

Mr. MANSFIELD. Mr. President, is it not the usual procedure in this body to let the joint leadership lay down what the procedure will be, what legislation will be considered, and the like? Is it or is it not? I am asking a question.

Mr. ALLEN. Up to a point.

Mr. MANSFIELD. Up to a point?

Mr. ALLEN. Yes, sir.

Mr. MANSFIELD. And the Senator from Alabama reaches that point quite often, does he not? In other words, he wants to take over the leadership on every piece of legislation which comes to the floor. What he is doing now is undertaking a delaying action. He is doing it in contradiction to what the leadership told the Senate would happen today.

Mr. ALLEN. I yielded for a question, Mr. President.

The PRESIDING OFFICER. The Senator from Alabama has the floor.

Mr. ALLEN. I do not yield further.

Mr. President, the purpose of this motion is to allow us to have an opportunity to discuss what has taken place here in the Senate with regard to this amendment. There are only some 80 Senators present.

Mr. ROBERT C. BYRD. Will the Senator yield for a question?

Mr. ALLEN. I yield for a question.

Mr. ROBERT C. BYRD. How long does the Senator intend to keep the floor, may I ask?

Mr. ALLEN. I am not able to advise the Senator at this time.

Mr. ROBERT C. BYRD. Can the Senator give me some idea?

Mr. ALLEN. Not at this time.

Mr. ROBERT C. BYRD. Very well. I will be here when the Senator completes his statement.

Mr. ALLEN. Very well.

This important question should not be decided by a vote of 80 Senators. The time for discussion of the amendment was limited to 1 hour. That was a mistake. It so happens that, in the judgment of the Senator from Alabama, if the full membership of the Senate had been here the vote would have been different. To take up an important matter like this involving a $6 billion installation and decide it with over 20 absentees does not seem to be in the interest of good Government or in the matter of a proper discharge by the Senate of its obligations.

This is a very closely contested issue, and by the happenstance of some 20-odd Senators being absent, it could not be decisive of this question.

I would hope that this matter could be passed over until the next legislative day, when a full complement of the Senate, I assume, would be present, and I rather imagine we would have a full complement of the Senate. This matter would be fully debatable had not a time limitation been agreed to; and therein is manifest the lack of wisdom in agreeing to time limitations. If we agree to a time limit on a bill or an amendment, in certain circumstances nongermane amendments can come in, or, as in this case, an unanticipated outcome of a most important issue can take place.

Our distinguished majority leader points out that the Senator from Alabama does not have the right to make this motion as a matter of proper decorum or——

Mr. MANSFIELD. Mr. President, will the Senator yield for a question?

Mr. ALLEN. Yes.

Mr. MANSFIELD. The Senator misstates the Senator from Montana's remarks.

Mr. ALLEN. Well, that was the conclusion that I drew from it. At any rate, the distinguished majority leader was critical of the action of the Senator from Alabama in making this motion.

However, this measure, H.R. 5900, as to which the Senator from Alabama has moved that the Senate proceed to its consideration, is a matter that has been before the Senate for quite some time, and acually it was through the cooperation and indulgence of the participants in that debate that the Defense appropriation bill was even allowed to be brought up.

What we were on was H.R. 5900. We were on that this morning at 10:40, when the cloture vote was taken. So the Senator from Alabama is not guilty of any lack of appreciation of the amenities here in the Senate.

Mr. President, it is the conception of the Senator from Alabama that when a matter is pending before the Senate, any Senator has a right, as a defensive measure in opposition to a bill, to move to proceed to another bill. As to just a matter of scheduling——

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me that I might make a point of order?

Mr. ALLEN. I will yield for a question.

Mr. ROBERT C. BYRD. May I address the question to the Chair?

Mr. ALLEN. No, I yield for a question addressed to the Senator from Alabama. Otherwise, I do not yield.

Mr. ROBERT C. BYRD. Mr. President, the motion that the Senator is addressing himself to is not in order.

Mr. ALLEN. I do not yield.

Mr. ROBERT C. BYRD. I ask for the regular order.

Mr. ALLEN. I do not yield for a point of order.

The PRESIDING OFFICER. The Chair would have to state that the Senator from West Virginia is correct. There was a unanimous-consent agreement that H.R. 5900, the unfinished business, would be laid aside for the remainder of the day. Therefore, the Chair would have to enforce that order.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama, in the opinion of the Chair, although he was out of order on the motion, still has the floor.

Mr. ALLEN. I thank the Chair. I hope I will not be interrupted further.

The PRESIDING OFFICER. The motion to reconsider is now before the Senate.

Mr. ALLEN. I thank the Chair.

Mr. ROBERT C. BYRD. And, Mr. President, the motion to reconsider is not debatable since there was a time limit on the amendment.

The PRESIDING OFFICER. That is correct. It is not debatable. The question is on agreeing to the motion.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

Mr. KENNEDY. I ask for the yeas and nays. Yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The clerk will call the roll.

Mr. BAKER. Point of order, Mr. President. A quorum call has been called for.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 79 Leg.]

Abourezk
Allen
Baker
Beall
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Cranston
Durkin
Eagleton
Eastland
Fannin
Goldwater
Griffin
Hart, Gary
Hart, Philip A.
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Kennedy
Laxalt
Mansfield
Mathias
McClellan
Metcalf
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stone
Symington
Thurmond
Tower
Williams
Young

Mr. ALLEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. ALLEN. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. MANSFIELD. Mr. President, the clerk has not completed calling the roll of the absentees. Am I correct?

The PRESIDING OFFICER. The absence of a quorum has been established.

Mr. MANSFIELD. Therefore, what the Senator from Alabama is advocating is out of order at this time.

The PRESIDING OFFICER. The motion is in order.

Mr. MANSFIELD. The motion is in order?

The PRESIDING OFFICER. The motion is in order, the absence of a quorum having been established.

Mr. ALLEN. I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. MANSFIELD. Mr. President, is there a quorum in the Chamber at this point?

The PRESIDING OFFICER. The Chair has already announced that there is not a quorum.

Mr. MANSFIELD. Is there a quorum in the Chamber at this point?

The PRESIDING OFFICER. There is now a quorum in the Chamber.

Mr. ALLEN. I ask for the yeas and nays.

The PRESIDING OFFICER. The motion is no longer in order. A quorum is present.

Mr. ALLEN. Mr. President, I move that the Senate proceed to the consideration of Order No. 440, and I ask——

Mr. ROBERT C. BYRD. I move to lay that motion on the table.

Mr. MANSFIELD. I ask for the yeas and nays. A motion was made to table. The motion has been made by the Senator from West Virginia, and I ask for the yeas and nays.

The PRESIDING OFFICER. The yeas and nays are ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Kentucky (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Louisiana (Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Utah (Mr. MOSS) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE) is absent because of a death in the family.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of Senator Anderson of New Mexico.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I also announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Idaho (Mr. MCCLURE) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from North Carolina (Mr. HELMS).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 58, nays 20, as follows:

[Rollcall Vote No. 492 Leg.]

YEAS—58

Abourezk
Beall
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Durkin
Eagleton
Eastland
Fong
Glenn
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGovern
Mondale
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stennis
Stevens
Stevenson
Stone
Symington
Tunney
Weicker
Williams

NAYS—20

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Dole
Fannin
Goldwater
Griffin
Laxalt
McClellan
Metcalf
Roth
Scott, William L.
Stafford
Taft
Thurmond
Tower
Young

NOT VOTING—22

Bayh
Bentsen
Curtis
Domenici
Ford
Garn
Gravel
Hansen
Helms
Hollings
Hruska
Inouye

Johnston
Long
McClure
McGee
McIntyre
Montoya
Morgan
Moss
Scott, Hugh
Talmadge

So Mr. ROBERT C. BYRD's motion to lay on the table was agreed to.

Mr. ALLEN addressed the Chair.

Mr. TOWER. Mr. President, I move that the Senate proceed to the immediate consideration of calendar No. 429, S. 2615, and I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

Mr. MANSFIELD. I ask for the yeas and nays.

Mr. ALLEN. Point of order, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

Mr. TOWER. Mr. President, I suggested the absence of a quorum before I yielded the floor.

Mr. MANSFIELD. No, Mr. President, I asked for the yeas and nays after he yielded the floor.

The PRESIDING OFFICER. The Senator lost the floor when he suggested——

Mr. TOWER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk called the roll and the following Senators answered to their names:

[Quorum No. 80 Leg.]

Abourezk
Allen
Baker
Bartlett
Beall
Bellmon
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Eastland
Fannin
Fong
Glenn
Goldwater
Hart, Gary
Hart, Philip A.
Hartke
Haskel
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Kennedy
Laxalt
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGovern
Metcalf
Mondale
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Stone
Symington
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

The PRESIDING OFFICER. A quorum is present.

Mr. MANSFIELD addressed the Chair.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. TOWER. Mr. President, a parliamentary inquiry. What is the pending business?

Mr. ROBERT C. BYRD. Regular order.

Mr. MANSFIELD. Regular order.

The PRESIDING OFFICER. The regular order has been called for.

The question is on the motion to lay on the table the motion of the Senator from Texas to proceed to consider.

The yeas and nays have been ordered, and the clerk will call the roll.

Mr. MANSFIELD. To agree to the motion to lay on the table the motion to proceed of the Senator from Texas.

The PRESIDING OFFICER. The Senator is correct.

The clerk will call the roll.

The assistant legislative clerk called the roll.

(At this point Mr. BROCK assumed the chair.)

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENSTEN), the Senator from Arkansas (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senators from Louisiana (Mr. JOHNSTON and Mr. LONG), the Senator from Wyoming (Mr. MCGEE), and the Senator from Utah (Mr. MOSS) are necessarily absent.

I further announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I also further that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator Anderson of New Mexico.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I also announce that the Senator from New Hampshire (Mr. MCINTYRE) is absent because of a death in the family.

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska (Mr. HRUSKA), and the Senator from Idaho (Mr. MCCLURE) are necessarily absent.

I also announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

On this vote, the Senator from Pennsylvania (Mr. HUGH SCOTT) is paired with the Senator from North Carolina (Mr. HELMS).

If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 59, nays 18, as follows:

[Rollcall Vote No. 493 Leg.]

YEAS—59

Abourezk
Beall
Biden
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Eastland
Glenn
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGovern
Mondale
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Sparkman
Stafford
Stennis
Stevenson
Stone
Symington
Tunney
Williams

NAYS—18

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Fannin
Fong
Goldwater
Laxalt
Metcalf
Scott, William L.
Stevens
Taft
Thurmond
Tower
Weicker
Young

NOT VOTING—23

Bayh
Bentsen
Curtis
Domenici
Ford
Garn
Gravel
Griffin
Hansen
Helms
Hollings
Hruska
Inouye
Johnston
Long
McClure
McGee
McIntyre
Montoya
Morgan
Moss
Scott, Hugh
Talmadge

So the motion to lay on the table the motion of the Senator from Texas to proceed to consider was agreed to.

Mr. ALLEN. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. Mr. President, again we may be going through an unprofitable exercise because the amendment itself is out of order in that it seeks to amend the bill in two different places. I call the Chair's attention to Senate Procedure, page 76, stating:

> An amendment consisting of two provisions amending a bill—

The PRESIDING OFFICER. The Chair must advise the Senator that the point of order is not in order unless the Senate acts favorably to reconsider because the amendment is not before the Senate.

Mr. ALLEN. May I make a parliamentary inquiry, then?

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. At such time as the Kennedy amendment becomes the pending business, can that point of order be raised?

The PRESIDING OFFICER. If the Senate does vote to reconsider the amendment, then the point of order will lie at that time, the amendment being before the Senate.

Mr. ALLEN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. The Chair will recognize in Senate procedure the statement that an amendment consisting of two provisions amending a bill at different points is, in fact, two amendments and cannot be offered together if the question is raised. Does the Chair recognize that as established procedure of the Senate?

The PRESIDING OFFICER. The Chair is aware of the section.

Mr. ALLEN. I thank the Chair.

Mr. TOWER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry, if the Senator will withhold that request.

Mr. TOWER. I will withhold it for parliamentary inquiry only.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Mr. President, is it in order to raise a point of order after an amendment has been agreed to, reconsidered and tabled, the tabling motion carries, and then the reconsideration motion does not carry?

The **PRESIDING OFFICER**. Will the Senator restate that?

Mr. **MANSFIELD**. Yes. Would it be in order, as the Senator evidently has indicated, which the Senator from Alabama has raised the point on, for a point of order to be raised on an amendment, even if it is divided into two parts, if the Senate, after that amendment was passed, moved to table the motion to reconsider and then if on the motion to reconsider that motion is defeated—would it be in order, at that time, to raise the point of order, after all these steps had been gone through?

The **PRESIDING OFFICER**. Under the circumstances as stated by the Senator from Montana it would be too late to raise a point of order. But in this instance the original amendment was defeated. If the Senate votes to reconsider, then the matter would be pending before the Senate and the point of order could be made.

Mr. **MANSFIELD**. I thank the Chair.

Mr. **PASTORE**. Will the Senator from Texas yield to me without losing his right to the floor?

Mr. **TOWER**. I yield to the Senator from Rhode Island with the understanding that I do not lose my right to the floor. First, I will ask my friend for what purpose he asks me to yield?

Mr. **PASTORE**. To reach an understanding that is sensible in a moment that is critical.

Mr. **TOWER**. Providing the Senator offers nothing which takes precedence over my suggestion of a quorum.

The **PRESIDING OFFICER**. Does the Senator ask unanimous consent to yield under those circumstances?

Mr. **TOWER**. I ask unanimous consent to yield under those circumstances.

The **PRESIDING OFFICER**. The Senator from Rhode Island is recognized.

Mr. **PASTORE**. Mr. President, what is happening here is important. I think the moment has come for a little rationality, a little commonsense. This is a highly controversial subject. The fact that it was originally sustained by a vote of 40 to 39 proves that we are pretty well split right down the middle. The time has come, I hope, for some kind of compromise.

I think what we ought to do is to get the people together who are very much interested in this, to sit down and visit with one another, a little consultation, a recess, maybe, of 15 minutes or so, and see if we can come up with a compromise and have this over with.

I realize this is an important subject. As far as I am concerned, I voted with the Senator from North Dakota because I feel that those radars are very essential to the future security of the country. I think we ought to do everything in our power to see that we prove them out. The money should be provided for that.

As far as the rest of it is concerned, maybe that could go into mothballs. The point is if we can communicate with the Pentagon or the Defense Department and we can reach a compromise on this and go to conference, I think that would be the answer. If we are going to engage in this charade all night, this is a reflection on the Senate of the United States. While I will not be here after January 1977 it would grieve me terribly to see the Senate disgraced.

Mr. **ALLEN**. Will the Senator yield?

Mr. **TOWER**. I think I have the floor.

May I respond to the Senator from Rhode Island by saying I agree with him entirely. I think what we are going through is a reflection on the Senate. The fact of the matter is some people left in good faith after the vote on the Kennedy amendment thinking that the matter was disposed of. It was brought up for reconsideration and tabling in the usual form. The yeas and nays were called for and the thing was turned around. I would like the opportunity to see that those people are brought back, those who have a vital interest in this matter. As the Senator from Rhode Island rightfully says, this is an extremely important matter that bears on the security of the United States of America and should not be taken lightly.

Mr. **PASTORE**. Will the Senator yield?

Mr. **TOWER**. Therefore, I will engage in tactics of this kind if I believe it is necessary to delay consideration of something that is of enormous importance.

Mr. **PASTORE**. Will the Senator yield?

Mr. **TOWER**. I certainly yield to the Senator.

Mr. **PASTORE**. There is no fairer man in the Senate than the majority leader.

Mr. **TOWER**. I concur.

Mr. **PASTORE**. He is the fairest man I know. I would nominate him for sainthood were it within my power to do it.

Mr. **TOWER**. And I would second it and I am a Methodist.

Mr. **MANSFIELD**. And I would decline with regret. [Laughter.]

Mr. **PASTORE**. This back and forth and the irritation existing here tonight serves no purpose at all. I say why do we not get together, as Lyndon Johnson used to say, visit with one another, come up with a healthy compromise and let us have it over with.

Mr. **TOWER**. I concur with the Senator from Rhode Island. I want my distinguished friend from North Dakota to comment on that first, if we can have a recess or a lengthy quorum call to see if we can get our heads together.

The **PRESIDING OFFICER**. The Senator from Texas has the floor and under the unanimous-consent request he yielded only for a question.

Mr. **TOWER**. I ask unanimous consent that I may be allowed to yield to the Senator from Montana under the same conditions that I yielded to the Senator from Rhode Island.

Mr. **MANSFIELD**. I would prefer that the Senator yield to the distinguished ranking Republican on the Appropriations Committee.

Mr. **TOWER**. I yield to the distinguished ranking Republican on the Appropriations Committee under the same conditions as I yielded to the Senator from Rhode Island.

Mr. **YOUNG**. Nothing would suit me better, Mr. President, than working out a compromise. In the 30 years I have been here I have never asked the leadership yet to hold off a vote while I made a trip someplace, and I will not. But here we are caught in a situation where we have a lot of absentees. I would like to discuss a compromise, but I would like to have it go over until Monday to have a little time to talk about it, talk with the Defense Department and talk with the House Members. Maybe a compromise could be worked out. But I do not think one could be worked out immediately.

Mr. **TOWER**. Mr. President, I ask unanimous consent to yield to the Senator from Montana under the same circumstances I yielded to the Senator from Rhode Island.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **MANSFIELD**. Mr. President, if I may address the distinguished Senator from North Dakota, an old friend of many years standing and a man for whom I have nothing but respect and admiration, and also the distinguished chairman of the committee, of whom I can also say the same thing, but in view of the situation which has developed, if something is not done the Senate can expect without question to stay in session very late tonight, and to have a number of useless quorum calls and votes on bills which have no relation to the pending business.

Therefore, in view of the statements made—and once again the distinguished Senator from Rhode Island regrettably is leaving us voluntarily; his loss will be a great one for the Senate, as will the retirement of the distinguished Senator from Michigan and others as well—the leadership, and this was done with the approval, so far as I know, of all Members interested in the situs picketing bill, specifically the distinguished Senator from Nevada, who has been managing his side of it, the distinguished Senator from Arizona, and I believe the distinguished Senator from Alabama was in on the deliberations by means of which we agreed to set aside H.R. 5900, the situs picketing bill today, to spend today on the defense appropriation bill, and to do everything we could to try and complete that bill tonight, and then on Monday return to situs picketing.

Have I made a reasonable statement, or have I stated that correctly, as it was understood? I yield to the distinguished Senator from Nevada.

Mr. **LAXALT**. The Senator has stated the case correctly.

Mr. **ALLEN**. The Senator from Alabama was not in on that conference.

Mr. **MANSFIELD**. At least he knew about it. I did not state he was in on it. I said I assumed he knew about it, as he knows about so many things in this Chamber, I say in all candor.

Mr. **ALLEN**. I thank the distinguished Senator.

Mr. **MANSFIELD**. I am delighted to give the distinguished Senator that compliment.

Mr. **TOWER**. May I say to the Senator from Montana, we were confronted with an unprinted amendment which I think Senators were not familiar with. Had that amendment been printed, and Senators had an opportunity to study it, I think all the agreements and arrangements would have been very fine. But sometimes we rush time agreements, without Senators knowing very well what they are considering.

Mr. MANSFIELD. Will the Senator yield right there?

Mr. TOWER. I yield on the same conditions.

Mr. MANSFIELD. The question of a time agreement was raised on yesterday. At that time, the chairman of the committee and the distinguished Republican leader said they would like to see what the Kennedy amendments and others would be before agreeing to a time limitation. The question was brought up again today. It was agreed to. I myself talked with the manager of the bill and the ranking Republican member.

It has been stated that the attendance is poor. The attendance was at a high of 89, I believe, this morning, on the cloture vote. It is now around 78 or 79, which is not a bad attendance for Friday. But I would like to get away from the specious arguments and get to the substance of this matter, based on what the distinguished Senator from Rhode Island has said and the evident interest of the distinguished Senators from North Dakota and Texas, to wit, that the Senate proceed with all other amendments to the defense appropriation bill tonight, and that at a time certain on Monday the Senate then return to the consideration of the Kennedy amendment having to do with the ABM complex in North Dakota.

Several Senators addressed the Chair.

Mr. MANSFIELD. I forgot to mention the Senator from Massachusetts. I apologize.

Mr. KENNEDY. Mr. President, will the Senator from Texas yield without losing his right to the floor?

Mr. TOWER. I yield to the Senator from Massachusetts under the same conditions as I yielded to the Senator from Rhode Island.

Mr. KENNEDY. Mr. President, I would hope we can resolve this matter. We are mature individuals and we have all had votes go for us and votes go against us, and no one is really very much surprised when these matters are close; and we find out, as our distinguished colleague from Louisiana has pointed out so vividly time and time again, it always depends on whose ox is getting gored on these matters.

I am quite prepared to try to work out some accommodation with the Senator from North Dakota on this matter. The principal thrust—could I have the attention of the Senate?

Mr. SYMINGTON. Mr. President, we cannot hear the speaker.

The PRESIDING OFFICER. The Senate will be in order.

Mr. KENNEDY. The principal thrust and purpose of this amendment is to terminate the one ABM site. I understand the concerns that the Senator from North Dakota and some others have about the PAR aspects of that particular site, and at this time we were attempting to try to find out if there was some area of common agreement or common concern.

I would hope we could resolve that. I am not interested in unduly delaying the Senate. We agreed on a 1-hour time limitation.

I would indicate, as the membership knows, this amendment was written in a "dear colleague" letter that arrived in everyone's office yesterday morning prior to the time that any agreement was made. We had an understanding with the leadership when it would be called up. So this is no real surprise.

This is an issue which is almost as old as this institution itself. We have been wrestling with the question of the ABM on a number of different votes, and even if the amendment had not been printed or we had not had votes on it, I think Senators should have had clear understanding.

I would hope something could be worked out, and our action on this measure completed. I had one other amendment, but, detecting the sense of urgency on the part of the leadership, I do not feel compelled to offer that. I think there is only one other, the Eagleton amendment, the reduction, which is an important matter, and I think there is a possibility of disposing of this whole measure even this afternoon. But I would hope we could agree to adjust our differences. I shall be glad to abide by the leadership, but I would certainly hope we could at least have an opportunity to make an honest attempt at trying to reach accommodation. If not, we will follow the guidance of the leadership.

Mr. TOWER. Mr. President, I ask unanimous consent that I may be permitted to yield to the Senator from Rhode Island under the same conditions as before.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Will the Senator from Texas yield to me for a moment?

Mr. TOWER. I have already yielded to the Senator from Rhode Island. I will yield to the Senator from Massachusetts next.

Mr. PASTORE. Mr. President, there is a great deal to be said about the argument of the Senator from Texas. The original vote was 40 to 39, and some Senators left feeling the matter had been resolved. A motion was made to reconsider; the motion was made to table; and then, of course, the vote became a little lopsided.

This is a part of the way we move. If this installation should be closed down, let us close it down, but let it be by the will of the Senate. If the decision should be made that it stay open, it should stay open, but let it be by the will of the Senate.

I think we ought to abide by the judgment of the majority leader. We all love Mike Mansfield; let us show it tonight.

Mr. TOWER. Mr. President, I agree with the Senator from Rhode Island. I am perfectly willing to accept the position of the Senator from Montana, which is correct in my opinion.

I now yield to the Senator from Missouri, under the same conditions as I yielded to the Senator from Rhode Island.

Mr. EAGLETON. Mr. President, if it would be of any accommodation to the conflicting matters before us, if this matter could be set aside and other matters could go forward, I would be very pleased to take up my ceiling amendment, and we could debate and hopefully vote on it while compromise discussions go forward between the Senator from Massachusetts, the Senator from North Dakota, the Senator from Texas, and others.

Mr. TOWER. That is what the Senator from Montana proposes. I am perfectly willing to proceed on that course, and the Senator from North Dakota is perfectly willing to proceed on that course.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. TOWER. I ask unanimous consent to yield to the Senator from Montana under the same circumstances under which I yielded to the Senator from Rhode Island.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, as I indicated earlier, the way we are going we will be tilting at windmills for the rest of the afternoon and into the evening.

I would hope there would be some way that this matter of the Kennedy ABM amendment could be settled. But I wish to make it very plain that I do not think there should be any give as far as the regular procedure is concerned because we have finished with the vote on the amendment. We have finished with the vote on tabling. We have been trying all afternoon to get up to a vote on reconsideration, and then and only then, depending on the outcome of that vote, could we determine what the next step would be.

I personally lean toward the idea that the sooner we face up to this vote on reconsideration the better off we will be and, if reconsideration is successful, then immediately, if that is the last amendment and it turns out that way, a vote on final passage.

Mr. ROBERT C. BYRD. Mr. President, will the Senator allow the Senator to yield to me under the same conditions?

Mr. TOWER. I yield to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Will the Senator allow the majority leader to yield?

Mr. TOWER. I will allow him to yield under the same circumstances agreed to.

Mr. MANSFIELD. I yield.

Mr. ROBERT C. BYRD. Mr. President, I think the distinguished majority leader has made a very good suggestion. Why not have the vote on reconsideration now and, if the motion to reconsider carries, then that vote could be put over until Monday? We could at least get the motion to reconsider out of the way today.

Mr. MAGNUSON. Mr. President, what is the matter with tomorrow?

Mr. TOWER. Why can we not lay it aside and go ahead with the Eagleton amendment?

Mr. KENNEDY. Mr. President, will the Senator from Texas yield?

Mr. TOWER. Mr. President, I ask unanimous consent that I may yield to the Senator from Massachusetts under the same circumstances that I yielded to the Senator from Rhode Island.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Are we prepared to vote on the reconsideration or not?

Mr. TOWER. May I ask the Senator from Massachusetts if he is willing to accept the suggestion that we set aside the vote on the motion to reconsider temporarily, take up the amendment of the Senator from Missouri, which has a time agreement which should take a little time, and allow us some time to sit and reason together, as Lyndon Johnson used to say.

Mr. KENNEDY. Mr. President, could we follow the majority leader's suggestion, which provides options, permit the reconsideration, then no further amendment, then the matter is before us and then set the matter aside to consider the Eagleton amendment?

Mr. TOWER. Because then the vote would recur on the amendment of the Senator from Massachusetts after the motion to reconsider.

Mr. KENNEDY. I am glad at that time to set it aside to let the Eagleton proposal come up with the hope of trying to work something out with the distinguished Senator from North Dakota. In terms of letting the membership know what I have suggested is that we continue the operation on the PAR and close the other facilities.

It seems to me that that pretty much achieves what I am hopeful will be both the objective of the Senator from North Dakota and many of us, who have been wanting to see a termination within a time frame of that particular site. We are interested in trying to be forthcoming. But I would like to follow the leadership's suggestion at this time, and then I will be glad to set it aside.

Mr. TOWER. All right.

Mr. President, I ask unanimous consent that, following the motion to reconsider the vote by which the amendment of the Senator from Massachusetts was defeated, should the motion to reconsider carry, the question recurring on the amendment of the Senator from Massachusetts be temporarily laid aside and that the amendment of the Senator from Missouri be made the pending business.

Mr. ALLEN. Mr. President, reserving the right to object, I do not feel that this is the procedure we should follow here. That also would not cover the point of order that the Senator from Alabama believes will cause the ruling out of order of the amendment.

I suggest on the contrary that we follow the majority leader's original suggestion that we consider all of the other amendments, carry this amendment over until Monday, and I would be willing to ask unanimous consent that the Senator's amendment be held to be in order so the Chair would not have to rule on that point on the Monday vote. All I am asking is that the full membership of the Senate be here.

Mr. TOWER. Mr. President, I reserve the right to object.

Mr. ROBERT C. BYRD. Mr. President, under the request submitted by the distinguished Senator from Texas (Mr. TOWER), the distinguished Senator from Alabama (Mr. ALLEN) would still be in a position to make his point of order.

Mr. ALLEN. I understand that.

Mr. ROBERT C. BYRD. So the Senator loses nothing.

Mr. ALLEN. Yes, he would lose the motion to reconsider being a buffer against the actual vote. Of course, the Senator realizes that.

Mr. TOWER. Mr. President, reserving the right to object on my own request, and I shall not object, may I say that the consent request says "temporarily laid aside." That does not mean that we agree to vote on it or consider it today. That is still a negotiable point that I think we can talk about while the debate is occurring on the amendment of the Senator from Missouri.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Texas has made a request that I hope the Senate will accede to. Under that request, if the motion to reconsider fails, then Mr. KENNEDY'S amendment is lost; if the motion to reconsider carries, the Senator from Alabama still may make his point of order. So it seems to me that the Senator from Alabama has the best of both worlds in this regard.

Mr. ALLEN. Mr. President, with the further right to object, the Senator from Alabama has seen the rollcall here of Senators demanding recognition. If we have one vote left, the Chair could easily order the rollcall, and there would be no opportunity to raise the point of order.

Mr. PASTORE. Mr. President, will the Senator from Texas yield to me?

Mr. TOWER. Actually, there is a consent request. Does not the Senator reserve the right to object?

Mr. PASTORE. Mr. President, I reserve the right to object.

Mr. President, we are making a complicated mess out of something very simple.

I think what we ought to do tonight is vote to reconsider and reconsider. Then it resolves itself into an original form and that form comes up to be voted on next Monday at 2 p.m. or 1 p.m., whenever the leadership says so. That is what we ought to do. We ought to start de novo at that time and vote the Kennedy amendment up or down.

Mr. ALLEN. I agree to that.

Mr. PASTORE. Then after that we can make the motion to reconsider, we can make the motion to lie on the table, and that is the end of it. Why complicate it with a lot of words?

Mr. JACKSON. He agreed to that.

Mr. YOUNG. Mr. President, will the Senator yield a minute?

Mr. TOWER. I yield to the Senator from North Dakota under the same conditions.

Mr. YOUNG. Reserving the right to object, the vote of the distinguished Senator from Massachusetts to keep the PAR does go partway. But I would like to discuss with the Pentagon what else should be kept. For example, we have a tremendous cost in computers. They are the best we have. Do we want to dismantle and tear all of those down? I wish to know what part of those should be kept.

Mr. JACKSON. That is covered.

Mr. YOUNG. That is why I wish the vote to go over until Monday and end the debate today.

Mr. PASTORE. That is exactly what we are doing for the Senator.

Mr. MANSFIELD. Except we vote on reconsideration today.

Mr. PASTORE. Now that is right.

Mr. McCLELLAN. Mr. President, I reserve the right to object.

Mr. JACKSON. They all agreed to it.

Mr. McCLELLAN. The purpose of having this go over to Monday, of course, is to try to get more Senators here to vote.

If this bill has to go over until Monday, I shall wish to have the full Senate present when we vote on the ceiling amendment. It is important because it involves in some degree, a repudiation of the Senate procedures with respect to a target ceiling on the budget, with respect to the Committee on Appropriations, and with respect to this contention that it is the duty or the responsibility of Congress to get back control of the budget. This amendment would simply delegate to the Secretary of Defense the responsibility that lies with this Congress to control expenditures.

If we are going to go over until Monday, for anything, I request that we go over for the Eagleton amendment.

I had not intended to do that. But a lot of Senators are gone. Some are still going. In all fairness, to preserve the integrity of the Congress retaining control over the budget and since it is more important, in my judgment, than any other issue that is going to come up here, I ask that the Eagleton amendment go over until Monday.

The PRESIDING OFFICER. The Chair advises that this request is not debatable.

Mr. ALLEN. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KENNEDY. Regular order, Mr. President.

Mr. TOWER. Mr. President, what is the status of my consent request? Has there been objection?

The PRESIDING OFFICER. It has been objected to.

Mr. KENNEDY. Regular order.

Mr. TOWER. It has been objected to.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROCK). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, there have been discussions with the interested parties on the part of the joint leadership. It is hoped that an agreement might be worked out which will meet the objectives of all concerned, or at least to a considerable degree. It is my understanding that the Senate, this afternoon, will vote, as I believe it should, on the motion to reconsider which is now pending and is not debatable.

It is my further understanding that the distinguished assistant majority leader will seek to achieve a unanimous-consent agreement of some kind or other so that we can take up a second modified Kennedy amendment, if need be, the Eagleton amendment, and the Abourezk amendment, if it is offered, immediately after the vote on cloture on Tuesday next. If that is agreed to—and the details will be spelled out by the assistant majority leader—then, after those amendments are disposed of, we shall go to final passage on the defense appropriation bill.

If the distinguished Senator from West Virginia will allow me, I should like to yield to him at this time.

Mr. McCLELLAN. Will the Senator yield further?

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. I have an amendment at the desk that I shall want to offer. Would that be included?

Mr. MANSFIELD. That would be included.

Mr. HATHAWAY. If the Senator will yield, I have an amendment and that will be included?

Mr. MANSFIELD. That is included.

Mr. HARTKE. I have an amendment that I do not want a rollcall on, but I do not want to be locked out of the possibility of having it considered.

Mr. MANSFIELD. It will be taken care of.

Mr. HARTKE. I want it to be included in the agreement.

Mr. MANSFIELD. It will be.

UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the vote on the motion to reconsider the vote by which the Kennedy amendment was defeated occur immediately; that if that vote to reconsider carries, the vote on the amendment by Mr. KENNEDY go over until Tuesday next; that that vote occur on Tuesday next at the hour of 10:45 a.m.; that upon the disposition of the vote on that amendment on Tuesday next, the Senate go into executive session and vote immediately on the three treaties—which is a three-in-one vote; that upon the disposition of that vote, the Senate resume consideration of the situs picketing bill; that the 1 hour on the motion to invoke cloture begin running, that time to be divided between Mr. WILLIAMS and Mr. HELMS; and that upon the disposition of the vote to invoke cloture, the Senate resume consideration of the pending defense appropriation bill; that at that time, the Senate then proceed to the consideration of an amendment by Mr. EAGLETON; that upon the disposition of the amendment by Mr. EAGLETON, the Senate proceed to the consideration of an amendment by Mr. HARTKE, if he so chooses to call up such an amendment; that the Senate then proceed to the consideration of an amendment by Mr. ABOUREZK, if he chooses to call up his amendment; that there be a time limitation on the amendment by Mr. HARTKE of 20 minutes, to be equally divided in accordance with the usual form; that these be a time limitation on the amendment by Mr. ABOUREZK of not to exceed 1 hour, to be equally divided and controlled in accordance with the usual form; that upon the disposition of that amendment, the Senate proceed by rollcall vote to vote on final passage, with paragraph 3 of rule XII waived; that upon the disposition of the vote on the bill, the Senate go into executive session and consider the Rumsfeld nomination for 30 minutes, the time to be equally divided in accordance with the usual form; that a vote then occur on the Rumsfeld nomination; that the Senate resume legislative session; that, however, if Mr. HATHAWAY has an amendment to the defense appropriation bill, that amendment be called up just prior to the vote on final passage, with a time limitation of 10 minutes, to be equally divided and controlled in accordance with the usual form; that Mr. McCLELLAN, who has an amendment may then call up his amendment just prior to the vote on final passage; that there be a time limitation thereon of 20 minutes, to be equally divided between Mr. McCLELLAN and Mr. YOUNG; provided further, Mr. President, that in the alternative, in the event that the vote on the motion to reconsider the vote by which the Kennedy amendment was rejected is defeated, Mr. KENNEDY, on Tuesday, at the time which was otherwise set for a vote on his amendment, be recognized to call up a modification of the ABM amendment, and that no point of order lie against that amendment in either alternative; and that there be a time limitation on that modification of 30 minutes, equally divided in accordance with the usual form.

Mr. YOUNG. Reserving the right to object.

Mr. KENNEDY. Reserving the right to object, I thought the Senator stated the enormously complex issue well, with this one possible change: if we do have a motion to reconsider here, which succeeds, and the motion is reconsidered, we will vote as indicated by the Senator from West Virginia. If I am defeated on the amendment itself, I still want the opportunity to offer a fallback position.

Mr. MANSFIELD. That is in his request.

Mr. KENNEDY. As I understood the Senator's request, it was that, if the motion to reconsider fails here, the time that was going to be allotted for the vote on my amendment would be used to consider a substitute which I would offer.

I think it is understood that, even if I am successful here on the motion to reconsider and defeated on the vote on the amendment on Tuesday next, according to the Senator's unanimous-consent request, I will also be protected for a substitute, with the time agreed upon by the Senator to follow immediately the vote on this amendment.

Could I just get the Senator's response?

Mr. ROBERT C. BYRD. Yes, the Senator is correct.

Mr. President, if Senators will just allow me to——

Mr. TOWER. Mr. President, may we have order?

Mr. ROBERT C. BYRD. There will be plenty of time to reserve the right to object and to point out any flaws in the request.

Mr. President, I ask unanimous consent——

Mr. YOUNG. Just one clarification: What time Tuesday would we vote on the Kennedy amendment, and how much time would there be for debate on each of these amendments?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(At this point Mr. CLARK assumed the Chair.)

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Will the Senate please come to order. Will the Senators please take their seats.

Mr. ROBERT C. BYRD. Mr. President, may I ask the Senator from Massachusetts a question. Do I understand the Senator to say whether or not the motion to reconsider carries, he would like to have time on Tuesday to offer a modification of his amendment, and if his amendment fails on Tuesday, he still wants time on Tuesday to offer a modification of his amendment?

Mr. KENNEDY. The Senator is correct, in spite of what happens to my amendment on Tuesday, as well.

Mr. ROBERT C. BYRD. Right, that is what I have in mind.

Mr. KENNEDY. No matter what happens to the amendment. Obviously, if it is defeated or the motion to reconsider is not successful and it is not before us on Tuesday, I would want the time allocated to consider a substitute on Tuesday, as the Senator from West Virginia's previous unanimous-consent request noted.

Mr. ROBERT C. BYRD. If the motion to reconsider at this time should fail, the Senator wants an opportunity on Tuesday to offer a modification. If the motion to reconsider at this time carries, then on Tuesday, if his amendment is rejected, he wants time to offer a modification, in either event.

Mr. KENNEDY. The Senator is correct, following the vote. I want to be protected in that way.

Mr. ROBERT C. BYRD. Yes, all right.

Now, Mr. President, let me just revise my request to this extent. May we have order, Mr. President.

The PRESIDING OFFICER. Will the Senators please take their seats? May we have order in the Senate?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday, at the hour of 10 a.m. the Senate resume consideration of this bill, and that at that time, if the motion to reconsider today carries, the vote immediately occur at 10 a.m. on the Kennedy amendment; if that amendment fails, or if today's motion to reconsider fails, the Senator be allowed to offer a modification; and that Mr. KENNEDY have, as between himself and Mr. McCLELLAN, 30 minutes to be equally divided; and that no point of order be in order against Senator KENNEDY's amendment or modification.

Mr. PASTORE. I merely want to say that I am in opposition to the Kennedy amendment, but I am going to vote to reconsider and that is for the reason that I think the amendment ought to be made alive in its original state so that we could begin to know.

I hope my colleagues will adhere to that.

I am ready to vote to reconsider.

The PRESIDING OFFICER. Is there objection to the unanimous consent——

Mr. KENNEDY. Mr. President, just for clarification. As I understood the Senator's consent request, it is that, obviously, if the motion to reconsider does not carry, then there would be no consideration of this particular amendment on Tuesday next.

If it does carry, then at 10 o'clock on Tuesday next it will be the order of the Senate to vote on that particular amendment.

Do I understand the Senator correctly?

Mr. ROBERT C. BYRD. Yes.

Mr. KENNEDY. If that amendment fails, that it will then be in order for me to offer a substitute amendment: The time, which will be ½ hour, to be equally divided between the Senator from Arkansas and myself.

Do I understand that that is the order of the amendments and the time and, furthermore, that it will be in order to consider these amendments?

I do not want to find myself on Tuesday next battling the question whether these amendments are in order.

Mr. ROBERT C. BYRD. The Senator is——

Mr. McCLELLAN. Reserving the right to object, we do not know what that second amendment will look like and there are those who want to speak on it. More time may be needed. Make it 1 hour, that is all I want.

Mr. ROBERT C. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, if Senators have no objection to the general intent of this request, we can go ahead and vote now to reconsider and I can more clearly then restate the request and the alternatives immediately following the vote to reconsider.

We have just a slight time problem here because if we come in at 10 under one situation, Mr. McCLELLAN wants an hour, and he is right in asking for an hour, but under the request there is only a half-hour to be equally divided.

Mr. TOWER. Will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. TOWER. May I suggest we go ahead and proceed to vote on the motion to reconsider. That gets out of the way a part of it, anyway.

Mr. ROBERT C. BYRD. All right.

Mr. TOWER. With the understanding there will be no vote tonight on the amendment of the Senator from Massachusetts, so that we will proceed after the vote on the motion to reconsider in working out our consent agreement.

Mr. MAGNUSON addressed the Chair.

Mr. KENNEDY. Mr. President, I am ready and prepared to agree, but I want to make sure that we are protected in the ways I have outlined to the leader.

If we agree to take no further votes tonight, there are those who might use parliamentary tactics in order to delay; but I do not want to be part of agreeing to vote and then find out when I come in Tuesday next there will be points of order made about my amendments.

Mr. MANSFIELD. The Senator is fully protected, take my word for it.

Mr. ALLEN. Mr. President, reserving the right to object, and I do not plan to object, the distinguished Senator from Massachusetts speaks to a point of order. Of course, the request did overlook the fact that a point of order can be raised to the Kennedy amendment and, actually, it would seem to be the better practice to have the motion to reconsider, which I would be willing to agree to in the interest of time, and then have the point of order ruled on and then proceed to that.

If we agree to the unanimous-consent request, I would want it definitely understood that this point is being overcome by unanimous consent. I would not want to establish a precedent that such an amendment would be in order. I would like the record to show that, that this not be established as a precedent that this amendment would be in order because, clearly, it is not in order, and I feel the Chair would so rule.

The PRESIDING OFFICER. The Chair would advise the Senator is certainly correct. The Chair would advise him if the point of order was sustained that the two parts of the amendment could be offered separately and they would be in order.

Mr. ALLEN. Yes, but it would not be under the inhibitions this amendment is under, which is that it is no longer fatal, it would be debatable from now on, of course.

I just want it understood in agreeing to this that we are allowing the amendment to come up by unanimous consent, not that it is in order, and the Senator from Alabama is insisting for the record that the amendment is out of order, but that unanimous consent is being given.

Now, a second point. I would like to have some sort of idea about what this backup amendment is.

Are we going to, instead of knocking it out altogether, cut it down to $10?

I would like for the distinguished Senator from Massachusetts to give us some idea of what his amendment will contain in the event the pending amendment is not agreed to.

Mr. MANSFIELD. Will the Senator yield?

Mr. ALLEN. Yes.

Mr. MANSFIELD. I think it would be most unfair to ask the distinguished Senator from Massachusetts at this moment what he and the distinguished senior Senator from North Dakota, the dean of the Republicans, might agree to.

Mr. ALLEN. He did not say anything about agreeing with him.

Mr. MANSFIELD. No, I understand that. They were going to get together, but, in the meantime, the distinguished Senator from North Dakota would have a chance to contact the Pentagon to find out just what was absolutely necessary, and I would take their word.

Mr. ALLEN. Would this be a cosponsored amendment?

Mr. MANSFIELD. It would be a "counderstandable" amendment. I think the amendment would be Senator KENNEDY's, but it would be after consultation with the Senator from North Dakota (Mr. YOUNG).

Mr. ALLEN. All the Senator from Alabama has been asking for, and obviously he cannot object to the request, is that this matter be voted on on Monday, that is all.

Mr. MANSFIELD. Monday? Tuesday.

Mr. ALLEN. I understand. All the Senator from Alabama has been asking for is that it be voted on on Monday. I am not raising any point.

Mr. TOWER. Tuesday.

Mr. ALLEN. I understand. All I have been asking, though, is that it be passed over until Monday, and obviously——

Mr. MANSFIELD. The Senator has 24 hours more.

Mr. ALLEN. The extra day, certainly, is perfectly all right.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. I have been insisting that we have an opportunity to have more Senators present.

I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

The Chair hears none. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senate will now proceed to vote on——

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from Washington may have 2 minutes to discuss a matter with the assistant majority leader.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. And that the Senator from Alabama be included in those 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MAGNUSON. All I wanted to note is that I think we are establishing a bad precedent if we start to ask 4 days in advance unanimous-consent requests to bring up only certain amendments.

I am always one that wants to get through with this and get it over with, but I think we cannot say to 100 Senators that come Tuesday morning only Senator HATHAWAY can bring up an amendment.

I understand about the Kennedy amendment which is now pending. But it seems to me we should not establish that precedent. We might ask that the time be 10 minutes or 20 minutes on an amendment. I know the Senate well enough that if we give them a weekend, they will sit around and think about it and come back with some amendments and they are not to be shut out.

I do not think there will be many amendments, not more than the Senator has mentioned. That is not in this last request; is it?

Mr. ROBERT C. BYRD. The Senator is correct. The request does not provide for other amendments. But may I say we have had precedents on this point. We would not be setting a precedent, No. 1.

No. 2, the distinguished chairman, the ranking minority member and all Senators here are protected insofar as any amendments they want to offer have been identified in the agreement.

No. 3, the leadership, on last evening, stated that it was the intention of the leadership to finalize this bill today.

If any Senators who were going to be absent had wanted to offer an amendment, if they had told the leadership, we would be apprised of it and we would have acted accordingly.

Mr. PASTORE. Will the Senator yield to me?

Mr. MAGNUSON. Let me finish.

That may be true. The Senator from North Dakota, the Senator from Arkansas and myself on the committee want to get it done with. But I do not think we should say that on Tuesday only certain Senators can bring up amendments.

Mr. PASTORE. I will say the Senator from Washington can bring up an amendment.

Mr. MAGNUSON. That is not the point. I do not think we can say to Senators that they cannot bring up amendments.

The PRESIDING OFFICER. The Senator's 2 minutes have expired.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the yeas and nays on the motion to reconsider be vitiated.

Mr. MANSFIELD. Mr. President, the understanding was that we would have the yeas and nays.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the Kennedy amendment was rejected. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Kentucky (Mr. FORD), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senators from Louisiana (Mr. JOHNSTON and Mr. LONG), the Senator from Wyoming (Mr. MCGEE), the Senator from Minnesota (Mr. MONDALE), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), and the Senator from Florida (Mr. STONE) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE) is absent due to death in the family.

I also announce that the Senator from New Mexico (Mr. MONTOYA) is absent attending the funeral of former Senator from New Mexico, Mr. Anderson.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I also announce that the Senator from North Carolina (Mr. MORGAN) is absent because of illness.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from West Virginia (Mr. RANDOLPH) would each vote "yea."

Mr. GRIFFIN. I announce that the Senators from Oklahoma (Mr. BARTLETT and Mr. BELLMON), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Utah (Mr. GARN), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Wyoming (Mr. HANSEN), the Senator from North Carolina (Mr. HELMS), the Senator from Nebraska Mr. HRUSKA), the Senator from Idaho (Mr. MCCLURE), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I further announce that the Senator from Pennsylvania (Mr. HUGH SCOTT) is absent on official business.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS), the Senator from Pennsylvania (Mr. HUGH SCOTT) would each vote "nay."

The result was announced—yeas 38, nays 29, as follows:

[Rollcall Vote No. 494 Leg.]

YEAS—38

Abourezk
Brooke
Bumpers
Byrd, Robert C.
Case
Church
Clark
Cranston
Culver
Durkin
Eagleton
Glenn
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Jackson
Javits
Kennedy
Leahy
Mansfield
Mathias
McGovern
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Stevenson
Symington
Tunney
Williams

NAYS—29

Allen
Baker
Beall
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Cannon
Chiles
Dole
Eastland
Fannin
Fong
Laxalt
Magnuson
McClellan
Metcalf
Nunn
Pearson
Roth
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Taft
Thurmond
Tower
Young

NOT VOTING—33

Bartlett
Bayh
Bellmon
Bentsen
Biden
Curtis
Domenici
Ford
Garn
Goldwater
Gravel
Griffin
Hansen
Helms
Hollings
Hruska
Humphrey
Inouye
Johnston
Long
McClure
McGee
McIntyre
Mondale
Montoya
Morgan
Moss
Muskie
Randolph
Scott, Hugh
Stone
Talmadge
Weicker

So the motion to reconsider was agreed to.

RESTORATION OF REDUCTION IN FEDERAL CONTRACT RESEARCH CENTERS

Mr. McINTYRE. Mr. President, the Appropriations Committee has recommended a reduction of $24 million in fiscal year 1976 and $9.5 million in 197T in the R.D.T. & E. requests for Federal contract research centers.

The FCRC's consist of Aerospace Corp., Rand, Mitre, Lincoln Laboratory, Anser, Institute of Defense Analysis, CNA, Applied Physics Lab at Johns Hopkins University, and Applied Research Lab, Penn State University. These provide essential technical and scientific support to many of the most important DOD programs.

I am opposed to these reductions because they have not been satisfactorily justified. The committee report—page 51—merely states that—

> The headquarters staffs of the Secretary of Defense and the Services contain thousands of people who are ostensibly hired to determine requirements and plan for the operation of the Defense establishment.

Presumably these people could do the work now performed by some FCRC's.

I would be the first to admit, Mr. President, that if specific hearings on the FCRC's had been held, if a comprehensive analysis had been made of both the Pentagon headquarters staffs and the FCRC's, if this clearly established that the FCRC's could be reduced, and if the reductions could be identified to individual FCRC's, then I would be willing to consider the facts supporting such an action. But I do not believe this was done.

In fact, Mr. President, the committee seems to have overlooked or ignored the results of the work of the Armed Services Committee on the military procurement authorization bill for fiscal year 1976/197T. On page 98 of its report, the Armed Services Committee stated that in his appearance before the committee, Dr. Currie, the Director of Defense Research and Engineering, stated that his staff was conducting an overall review of the FCRC's which would be completed by December 31, 1975; and that the results of this review would not be available until the fiscal year 1977 request was considered by the committee. The committee recommended, and the Senate and House approved an amount which equalled the fiscal year 1975 level increased by a 5-percent cost-of-living increase. The action recommended in the pending bill would reduce the amounts authorized by $21.1 million in fiscal year 1976 and $9.5 million in 197T.

In summary, Mr. President, the Appropriations Committee recommendation preempt the results of the current study, are arbitrary across the board cuts in the FCRC program, and will force several hundred key engineers and scientists who are performing very important work for the Government to be fired. The effect on numerous high priority programs would be very detrimental.

In conclusion, Mr. President, I recommend that when the bill goes to conference with the House, the Senate conferees make every effort to restore $21.1 million in fiscal year 1976 and $9.5 million in 197T.

INTELLIGENCE AND ACCOUNTABILITY; THE CONSTITUTIONAL REQUIREMENT

Mr. CRANSTON. Mr. President, the Constitution of the United States, article I, section 9, clause 7, reads:

> No money shall be drawn from the Treasury, but in consequence of appropriations made by law; and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

Note the words "no" and "all" in this straightforward constitutional requirement. The Founding Fathers were clear in their desire to insure accountability and responsibility in the spending of taxpayers' funds under a system of representative democracy.

Frankly, Mr. President, we have not lived up to our constitutional obligations in this body and the other House when it comes to scrutinizing the public funds spent by the intelligence agencies, especially the Central Intelligence Agency. In my view, the situation is scandalous. Year in and year out we vote billions of dollars for purposes we know not. As senior members of the intelligence oversight committees have admitted, they often do not know what they are authorizing or voting money for. To quote a senior Member of the other House:

> We have tried and tried and tried to hold the secrecy of these matters as closely as we could.

But, of course, we all bear the responsibility for avoiding responsibility in this area.

As a member of the Budget Committee, I am firmly resolved to make sure that I know what we are being asked by the administration to include in the functional targets of the budget. I am sorry to say that we recently voted on the national defense and international affairs functional targets without knowing for sure what security assistance money was in which function for whom.

As a Member of this body, I am determined to strengthen the oversight powers of Congress in riding herd on the activities and operations of the intelligence agencies. Recently, when the foreign economic assistance legislation was before us, I introduced several proposals designed to provoke discussion on alternative means for Congress to be informed and able to act on covert operations by the CIA.

As a citizen, as well as a legislator, I want to know how money raised from taxes is being spent.

Therefore, Mr. President, today I am suggesting some legislative means by which the Senate can assure that it knows where the money for the CIA is in the budget and how much it is. I do not intend to press, at this time, for amendments to the DOD appropriations bill on these matters. I am hopeful that the Church committee will recommend a comprehensive and effective oversight structure that among other things, will regularly inform us, at least in overall terms, of how the tax dollar is being spent for intelligence.

Nevertheless, it may be useful to remind ourselves in this body that we now have both the knowledge and the power to expose the amount of money being spent for any facet of national security. It is absurd to argue otherwise, as some do when they refer to section 102(d) (3) of the National Security Act of 1947, as amended. This section provides that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure. But, in no way, Mr. President, does that bind the world's most powerful legislature or prevent it from discussing whatever it pleases in open forum before the people we represent. Since when could an official of the executive branch dictate what we can and cannot discuss in this place?

Representative GIAIMO, of Connecticut, proposed a constructive, if complicated, way for Congress to reveal the total CIA budget when the defense appropriations bill was debated in the House a few weeks ago. I would like to outline it for my colleagues' consideration for possible future use if we do not soon get public accountability on the CIA budget.

Perhaps it is helpful to first give a brief description of the discussion of the CIA budget at the committee stage in the House.

COMMITTEE BACKGROUND

This year, for the first year, the Defense Appropriations Subcommittee of the House held hearings on intelligence spending. On September 25, the full House Appropriations Committee voted 30 to 19 not to receive CIA and other intelligence agency budget figures. As a result, the full committee accepted without discussion the subcommittee recommendation for a cut of $263.2 million in intelligence activities in fiscal year 1976 and $81 million in fiscal year 197T without knowing what the overall spending of CIA and other agencies would be or what operations would be curtailed by the cuts.

The Senate Appropriations Committee restored $123.4 million for fiscal year 1976 and $12.3 million for fiscal year 197T—see page 31, line 6 of the committee bill—between the time of the DOD Subcommittee markup and the full committee markup. The Director of the Central Intelligency Agency had appealed to the Senate for a restoration of most of the House cuts.

Representative GIAIMO of the House DOD Appropriations Subcommittee wanted the full committee to discuss the CIA budget in closed session. But Chairman MAHON told him at a September 25 meeting that he could not mention intelligence figures to fellow committee members. Mr. MAHON did offer to let his own committee members review the secret subcommittee testimony on intelligence agency budgets. He repeated this offer to all Members on the House floor 5 days later during the debate on the DOD appropriations bill. To see the classified intelligence hearings and budgets, a Representative has to sign for the material and refrain from taking notes. He also has to agree to disclose it only to "authorized people."

THE DOD APPROPRIATIONS BILL AND HOUSE FLOOR ACTION

When the DOD appropriations bill came to the House floor, Representative GIAIMO offered the following amendment:

> Under "Other Procurement, Air Force," on page , line after "September 30, 1978", strike the period and insert in lieu thereof: ": *Provided*, That none of the funds in this appropriation shall be available for expenditure by the Central Intelligence Agency."

The bill contains funds for the Central Intelligence Agency, the Defense Intelligence Agency, and the National Security Agency.

Representative GIAIMO's amendment dealt only with the CIA. The purpose of it was not actually to deny funds to the CIA, but rather to force publication in the bill of the total figure for the CIA concealed within it. He rejected the approach of coming to the House with a straight-out amendment saying, "*Resolved*, That there shall be appropriated for the CIA x dollars," with the amount filled in. But this is a simpler approach the Senate may wish to consider.

Instead, he chose to use a circuitous route of first seeking the will of the House as to whether or not they wished to legislate with knowledge as to what the total budget figure for the CIA is.

Therefore, the amendment did not name the amount. But Representative GIAIMO cited published estimates in the course of his remarks in the other body which indicate that the CIA budget totals approximately $750 million. I refer to his statement in the October 1 RECORD, page H9361, where he suggests that Members of the House examine the budget figure for the CIA and then compare it with published estimates he cited.

The Giaimo amendment referred to those items totaling $2,010,400,000 under the heading "Other procurement, Air Force." Here is the way those items are described in the Senate bill commencing on line 16, page 30:

> OTHER PROCUREMENT, AIR FORCE
>
> For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed six hundred and twelve passenger motor vehicles for replacement only; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 9774 of title 10, United States Code, for the foregoing purposes, and such lands and interests therein may be acquired, and construction prosecuted thereon prior to the approval of title as required by section 355, Revised Statutes, as amended; reserve plant and Government and contractor-owned equipment layaway; $2,010,400,000 *$2,133,800,000*, to remain available for obligation until September 30, 1978.
>
> For "Other procurement, Air Force" for the period July 1, 1976, through September 30, 1976; $358,000,000, to remain available for obligation until September 30, 1978.

The amendment proposed by the Congressman read that where the overall figure of $2,010,400,000 existed in the bill—see page 31, line 6 of the Senate bill—a clause be inserted which stated:

> Provided, that none of the funds in this appropriation shall be available for expenditure by the Central Intelligence Agency.

(Thus the Members were told where the CIA money was buried, i.e., under "Other Procurement, Air Force.")

Under this approach, the House could show its will without disclosing the line item figure for the CIA beforehand.

If Representative GIAIMO's first amendment had passed, he intended to offer a second amendment under title VIII—"Related Agency"—see page 60 of Senate-marked bill—restoring funds for the CIA. He planned to propose the exact figure which the committee had voted for the Agency and included in the bill without revealing it.

Thus Representative GIAIMO's amendments would not have cut the budget of the CIA. They would have taken the secret appropriation out of the bill in one place and restored it openly thereafter in another place.

If we wished to take formal action to reveal the size of the CIA's budget in the DOD appropriations bill before us, Mr. President, we could offer the Giaimo amendment at page 31, line 8 of the Senate-marked bill:

> Under "Other Procurement, Air Force," on page 31, line 8 after "September 30, 1978.", strike the period and insert in lieu thereof: ": *Provided*, That none of the funds in this appropriation shall be available for expenditure by the Central Intelligence Agency.

If it passed, a technical amendment could be offered reducing the amount on line 6, page 31 by $750,000,000—accepting Representative GIAIMO's calculations—so that it could not be used by the CIA, thereby cutting it from $2,133,800,000 to $1,383,800,000.

Then a third amendment could be offered under title VIII—"Related Agency"—stipulating $750,000,000—or less—for the CIA. For example: "For necessary expenses of the Central Intelligence Agency, $750,000,000."

It should be stressed that this discussion has focused only on the CIA's budget, and that the annual cost of the work of the entire intelligence community, including a number of other agencies, runs into the billions.

I raise these matters for my colleagues' consideration.

Thank you, Mr. President. I will offer no amendment on this matter at this time.

DRUG ABUSE OFFICE AND TREATMENT ACT AMENDMENTS OF 1975

Mr. HATHAWAY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2017.

The PRESIDING OFFICER (Mr. PROXMIRE) laid before the Senate the amendment of the House of Representatives to the bill (S. 2017) to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes.

(The amendment of the House is printed in the RECORD of September 11, 1975, beginning at page H8678.)

Mr. HATHAWAY. I move that the Senate disagree with the amendment of the House and request a conference with the House of Representatives thereon; and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HATHAWAY, Mr. WILLIAMS, Mr. RANDOLPH, Mr. KENNEDY, Mr. MONDALE, Mr. CRANSTON, Mr. NELSON, Mr. RIBICOFF, Mr. MUSKIE, Mr. NUNN, Mr. JAVITS, Mr. PERCY, Mr. SCHWEIKER, Mr. BEALL, and Mr. LAXALT conferees on the part of the Senate.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONVENING AT 8:30 A.M., THURSDAY, NOVEMBER 20, 1975, AND ORDER FOR CLOSED MEETING

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Thursday next the Senate convene at the hour of 8:30 a.m. and that at the hour of 9 a.m., extending not beyond 1 p.m., a 4-hour period, the Senate meet in closed session for the purpose of hearing a report by the distinguished chairman of the Senate Intelligence Committee, the Senator from Idaho (Mr. CHURCH) and the ranking Republican member, the distinguished Senator from Texas (Mr. TOWER).

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 9861

Mr. ROBERT C. BYRD. Mr. President, I wish now to propound again the various requests that were included in the agreement, the intent of the Senate having been understood at that time but the clear wording of the agreement being not entirely clear. The problem arises from the fact that we wish to have the cloture vote at 12:30 p.m. on Tuesday, and there are two alternative courses that we must provide for in this agreement, on both of which we wish to leave that 12:30 time intact.

Mr. President, the motion to reconsider the Kennedy amendment having carried, I ask unanimous consent that at 10:45 a.m. on Tuesday next, the Senate proceed to vote on the Kennedy amendment; that upon the disposition of that vote, if the Kennedy amendment is adopted, the Senate then go into executive session immediately and vote immediately, without debate or any intervening motion, on the three treaties, which under the order previously entered would be a 3-in-1 vote, with one rollcall vote to count for three votes on the three treaties.

That upon the disposition of that vote, the Senate immediately go back into legislative session, without further debate, and the Senate proceed immediately to H.R. 5900. Provided, the 1 hour under cloture then begin running, which would permit the vote on cloture to occur at the hour of circa 12:30 p.m.

That upon the disposition of that cloture vote the Senate resume consideration of the defense appropriation bill, and that Mr. EAGLETON then call up his amendment on which there is a time limitation of not to exceed 2½ hours;

That upon the disposition of the Eagleton amendment the Senate proceed to the consideration of the Hartke amendment, on which there is a time limitation of 20 minutes;

That upon the disposition of that amendment the Senate proceed to the consideration of the Abourezk amendment, on which there is a 1-hour time limitation;

That upon the disposition of the Abourezk amendment the Senate proceed to the consideration of the Hathaway amendment, on which there is a 10-minute limitation;

That upon the disposition of the Hathaway amendment the Senate proceed to the consideration of the McClellan amendment, on which there is a 20-minute limitation; after which a vote occur on final passage of the defense appropriation bill with paragraph 3 of rule XII waived; provided further, that following the vote on the bill, the Senate proceed with not to exceed one-half hour of debate on the Rumsfeld nomination, with a vote then occurring thereon.

Ordered further, that in the alternative, if the Kennedy amendment should not carry on Tuesday, that at the hour of 11 a.m. which would be at the end of the rollcall vote on the amendment, Mr. KENNEDY call up his modified amendment with a 1-hour time limitation on it, to be divided equally between Mr. KENNEDY and Mr. MCCLELLAN, and with an immediate vote upon the expiration of that 1 hour;

That the Senate then proceed to the automatic quorum under rule XXII, without the usual hour provided under the rule, and that upon the establishment of a quorum, the cloture vote immediately occur, which again would place cloture at about 12:30 p.m.;

That following the vote on cloture, the same sequence of amendments and votes and final passage as specified previously under the other alternative would then be followed; with the further proviso that upon the disposition then of the defense appropriation bill, the Senate go into executive session, without further debate, and immediately vote on the three treaties, with one rollcall vote;

That upon the disposition of that rollcall vote on the treaties, which will count as three rollcall votes, the Senate then proceed with debate on the Rumsfeld nomination, which, under the previous order, is to be confined to 30 minutes;

That at the expiration of 30 minutes, the vote occur on the Rumsfeld nomination, after which the Senate resume the legislative session;

Provided further that, in any event, although a point of order would properly lie against the Kennedy amendment as it is now written, and might lie against the modified version—I cannot say whether it would or not, because I do not know what that modified version would provide for—but whether or not a point of order would lie against Mr. KENNEDY's modified amendment, and even though it would lie against the current amendment, such point of order not be in order in these two instances.

I think that that additional provision to the agreement is in accordance with the intent of the Senate as it was discussed earlier.

Mr. TOWER. Mr. President, reserving the right to object, is the Senator saying that should the Senator from Alabama raise the point of order, the point of order would be out of order?

Mr. ROBERT C. BYRD. That is right. But it recognizes that the Senator from Alabama does have a valid point of order at this time, which would only be erased by unanimous consent. It is not setting a precedent that would make such a point of order not lie in the future against such an amendment, drawn as this one is and running to different sections of the bill.

Mr. TOWER. Has this been discussed with the Senator from Alabama?

Mr. ROBERT C. BYRD. He was present when I included that earlier.

Mr. TOWER. And the inclusion that the point of order not be in order?

Mr. ROBERT C. BYRD. Yes. That was included in the earlier request.

Mr. TOWER. I understand.

Mr. ROBERT C. BYRD. I am simply trying to restate the entire agreement at this time, to provide for the two alternatives, either of which may flow from the outcome of the vote on the Kennedy amendment on Tuesday.

Mr. TOWER. I will not object.

Mr. ROBERT C. BYRD. I thank the Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I should like the opinion of the distinguished Senator from Texas on this question.

As the matter now stands, the vote on the Kennedy amendment will occur at 10:45 a.m. on Tuesday. Due to the fact that next week is the final week prior to the recess, there is a great deal of business to be transacted. I wonder whether the Senator would have any objection to our moving the Rumsfeld vote—which, in either alternative under the agreement, comes at the end of the day—with the debate thereon, up before 10:45 so that we can be transacting that business and utilizing the time before we get back on the defense appropriation bill.

Mr. TOWER. The Senator from Texas would have no objection to that.

Mr. ROBERT C. BYRD. Would the Senator from South Carolina have any objection to that?

Mr. THURMOND. Mr. President, as I understand, it is the desire of the Senator to move the vote up and have it earlier than is planned at present.

Mr. TOWER. The function is to give some flexibility to the schedule on Tuesday.

Mr. THURMOND. I have no objection.

Mr. ROBERT C. BYRD. I thank both Senators.

Mr. President, I ask unanimous consent that at 10 a.m. on next Tuesday, the Senate go into executive session; that it immediately proceed with the consideration of the Rumsfeld nomination, on which there is already a time limitation of 30 minutes; that upon the expiration of that time, the Senate vote on the nomination and, without further debate, immediately resume legislative session, at which time the Senate resume consideration of the defense appropriation bill, the pending question at that time being on the adoption of the Kennedy amendment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. That would preserve the integrity of the agreement insofar as the 10:45 vote on the Kennedy agreement is concerned.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND FOR CONSIDERATION OF H.R. 5900 ON MONDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on Monday next, under the standing order, there be a period for the transaction of routine morning business, of not to exceed 30 minutes, with statements therein limited to 5 minutes each, at the conclusion of which period the Senate resume consideration of H.R. 5900, the situs picketing bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene at 12 o'clock noon on Monday.

After the two leaders or their designees have been recognized under the standing order, there will be a period for the transaction of routine morning business, of not to exceed 30 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will resume consideration of the situs picketing bill, H.R. 5900. Votes may occur on amendments thereto or on motions in relation thereto on Monday, so I would not rule out rollcall votes.

In addition, conference reports may be called up during the afternoon. There may be other measures that have been cleared for action by that time, on which rollcall votes would be necessary.

Monday could very well be the last chance for Senators to offer amendments to the situs picketing bill without having to be concerned about the rule of germaneness.

Mr. TOWER. Mr. President, they could be offered prior to the cloture vote on Tuesday. Is that correct?

Mr. ROBERT C. BYRD. They can be offered prior to the cloture vote on Tuesday.

I ask unanimous consent, Mr. President, that all amendments at the desk at the time the cloture vote occurs on Tuesday next—I make this request at the request of Mr. JAVITS—be considered as qualified under the reading requirements of rule XXII.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. ROBERT C. BYRD. This, of course, does not qualify them as to the germaneness requirement under rule XXII. That is why I say that Monday could very well be the last opportunity in which Senators could call up amendments that are not germane to H.R. 5900 and have them considered. Once cloture is invoked, of course, they cannot do that, without unanimous consent.

I think that about wraps it up insofar as Monday is concerned.

Tuesday, of course, will be an exceedingly busy day, with what appears to be possibly 12 rollcall votes—give or take. We should remember, of course, that just before final passage of the defense bill, any Senator, although he will not have time for debate on such amendment, certainly is entitled to call up an amendment; and there could be additional votes if such amendments come in at the last moment prior to the final vote.

Mr. TOWER. Hopefully, rollcall votes will not be requested. It is my understanding that some of those amendments are noncontroversial and will be accepted.

Mr. ROBERT C. BYRD. Yes.

Mr. TOWER. Senators were amply put on notice that there would be an effort to finish the bill today, so I hope there will be no more amendments on Tuesday.

Mr. ROBERT C. BYRD. We counted all the amendments about which we knew. I enumerated the various amendments and identified them by their offerors in the agreement. No Senator indicated that he was being left out. Senators who are away from town realized that we were going to try to finish the bill today. So I think the Senator from Texas is correct—I hope he will be correct. At any rate, Senators will have that opportunity before a final vote. If a Senator wants to call up an amendment, he will not be denied that right, but he will not have time for debate thereon.

Mr. TOWER. Mr. President, I inquire of the Senator from West Virginia what he anticipates for the remainder of this day.

Mr. ROBERT C. BYRD. Mr. President, I will simply suggest the absence of a quorum in a moment, because I want to be sure that we have not left any gap in this complex, hydra-headed, multidimensional-approach unanimous-consent agreement, after which I would hope to call off the quorum and move to adjourn.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT ON MONDAY, NOVEMBER 17, UNTIL 9:30 A.M. ON TUESDAY, NOVEMBER 18, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until the hour of 9:30 a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT, RUMSFELD NOMINATION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, after the two leaders or their designees have been recognized under the standing order on

Tuesday next, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with statements therein limited to 5 minutes each or, in the alternative, if Senators indicate that more than one-half hour is needed for debate on the Rumsfeld nomination, the Senate, in that event, go into executive session immediately after the two leaders or their designees have been recognized under the standing order, with such additional time being added to the half hour already ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO MONDAY, NOVEMBER 17, 1975

Mr. ROBERT C. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon on Monday next.

The motion was agreed to; and at 6:03 p.m., the Senate adjourned until Monday, November 17, 1975, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate November 14, 1975:

Department of State

Andrew L. Steigman, of Maryland, a Foreign Service officer of class 2, now Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Inter-American Foundation

The following-named persons to be members of the board of directors of the Inter-American Foundation for the terms indicated:

For the remainder of the term expiring September 20, 1976:

William D. Rogers, of Virginia, vice Jack B. Kubisch, resigned.

For the remainder of the term expiring September 20, 1978:

William S. Mailliard, of California, vice John Michael Hennessy.

For a term expiring September 20, 1980:

John Richardson, Jr., of Virginia (reappointed).

In the Air Force

The following officer for appointment in the Regular Air Force in the grade indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated and with date of rank to be determined by the Secretary of the Air Force:

MEDICAL CORPS

To be first lieutenant

Ridgley, Charles D., [redacted].

The following-named persons for appointment as a reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, United States Code, to perform the duties indicated:

MEDICAL CORPS

To be lieutenant colonel

Atkinson, Charles T., [redacted].
Camangian, Rustico S., [redacted].
Coleman, Jack A., [redacted].
Dashe, Judith, [redacted].
Gutheim, Ralph N., [redacted].
McKay, William M., Jr., [redacted].
Meyer, Robert E., [redacted].
Pierce, Frederick G., [redacted].

The following-named person for appointment in the reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593 and 8351b, title 10, United States Code, with a view to designation as medical officer, under the provisions of section 8067, title 10, United States Code:

MEDICAL CORPS

To be lieutenant colonel

Wendth, Arthur J., Jr., [redacted].

The following officer for appointment as a reserve of the Air Force (ANGUS), in the grade indicated, under the provisions of sections 593, 8351 and 8392, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Howton, William C., Jr., [redacted].

The following-named persons for appointment as temporary officers in the U.S. Air Force, in the grade indicated, under the provisions of sections 8444 and 8447, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Atkinson, Charles T., [redacted].
Belson, Thomas P., [redacted].
Camangian, Rustico C., [redacted].
Chambers, William D., [redacted].
Coleman, Jack A., [redacted].
Dashe, Judith, [redacted].
Eagleton, John E., [redacted].
Falter, Maria L., [redacted].
Gutheim, Ralph N., [redacted].
Harper, Frank G., [redacted].
Kazel, Edward M., [redacted].
McKay, William M., Jr., [redacted].
Manrique, Mauro A., [redacted].
Meyer, Robert E., [redacted].
Netreba, Jules L., [redacted].
Pierce, Frederick G., [redacted].
Rissier, Herbert L., [redacted].
Sison, Graciano P., Jr., [redacted].
Stallworth, William L., [redacted].
Taylan, Emmanuel A., [redacted].
Wise, Jack L., [redacted].

The following officers for promotion in the Air Force Reserve, under the provisions of sections 8376 and 593, title 10, United States Code:

LINE OF THE AIR FORCE

Major to lieutenant colonel

Donald, Henry L., [redacted].

CHAPLAIN CORPS

Wallace, William T., Sr., [redacted].

MEDICAL CORPS

Jacobs, Wesley R., [redacted].
Walters, William E., II, [redacted].
Silver, James A., [redacted].

NURSE CORPS

Glenn, Ellen M., [redacted].

BIOMEDICAL SCIENCES CORPS

Hatch, Richard H., [redacted].
McRaney, William K., [redacted].

In the Marine Corps

The following-named (Naval Reserve Officer Training Corps) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Johnson, Bobby R.
Maier, David F.
Wallace, George F.
Timmerman, Theodore R., III

The following-named (Navy enlisted scientific education program) graduates for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Beckle, James E.
Tekampe, Robert C.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 14, 1975:

Department of Defense

Edward Alan Miller, of Massachusetts, to be an Assistant Secretary of the Army.

General Services Administration

Jack M. Eckerd, of Florida, to be Administrator of General Services.

National Study Commission on Records and Documents of Federal Officials

The following-named persons to be members of the National Study Commission on Records and Documents of Federal Officials:

Lucius D. Battle, of the District of Columbia.

Herbert Brownell, of New York.

Ernest R. May, of Massachusetts.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

In the Army

The following-named officers for appointment in the Regular Army of the United States to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

To be brigadier general

Brig. Gen. Lee E. Surut, [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Homer S. Long, Jr., [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Jerry B. Lauer [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Donald R. Keith [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Philip R. Fei [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. John F. Forrest [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Marion C. Ross [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Joseph P. Kingston, [redacted], Army of the United States (colonel, U.S. Army).

Maj. Gen. Clay T. Buckingham, [redacted] Army of the United States (colonel, U.S. Army).

Brig. Gen. Milton E. Key [redacted], Army of the United States (colonel, U.S. Army).

Brig. Gen. Carroll N. LeTellier, [redacted] Army of the United States (colonel, U.S. Army).

In the Air Force, Army, Navy, and Marine Corps

Air Force nominations beginning James W. Beckley, to be captain, and ending Shawn N. Webster, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on September 29, 1975.

Air Force nominations beginning John B. Ackley III, to be colonel, and ending Adeline H. Pearson, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on October 6, 1975.

Air Force nominations beginning Ira R. Abbott III, to be captain, and ending Norman G. Fleig, to be major, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 6, 1975.

Air Force nominations beginning Vernon H. Amundson, to be major, and ending Carl B. Ziesmer, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 20, 1975.

Army nominations beginning E. B. Apodaca, to be colonel, and ending Allen F. Calvert, to be lieutenant colonel, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on September 24, 1975.

Army nominations beginning James R. Wendt, to be colonel, and ending James W. Ross, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 6, 1975.

Navy nominations beginning John R. Babione, to be ensign, and ending CWO3 George M. Shelton, to be a permanent chief warrant officer, W-3, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 7, 1975.

Marine Corps nominations beginning Ted O. Dickson, to be lieutenant colonel, and ending Bonni L. Sutherland, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 6, 1975.

Marine Corps nominations beginning Julius F. Knight, to be second lieutenant, and ending Frederick L. Tuggle, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 20, 1975.

EXTENSIONS OF REMARKS

AGENCY FOR CONSUMER PROTECTION

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. FORSYTHE. Mr. Speaker, last week the House of Representatives passed H.R. 7575, the Consumer Protection Act of 1975. I voted against this legislation. Unfortunately, however, opposition to the Agency for Consumer Protection established by the bill has been unfairly interpreted as opposition to consumer protection. Such an interpretation, along with much of the information presented during the long debate on this issue, simply misrepresents the nature and effect of the proposed Agency.

To clarify the situation, let me once again point out that H.R. 7575 offers no protection for individual consumers in their local communities and does not provide consumer intervenors to help resolve individual complaints about local business practices or to investigate consumer complaints involving national companies. What the Agency would do is simply represent consumer interests before other Federal agencies and the courts. Within the Federal governmental structure, however, there are already a number of departmental units with responsibilities in the consumer protection area, including an Office of Consumer Affairs located within HEW, which possesses extensive coordinating responsibilities in this field.

Additionally, the creation of the Agency for Consumer Protection means that an additional 800 to 1,000 workers will be added to the Federal payroll and the Federal deficit will be increased. The House Committee on Government Operations, of which I am a member, estimates the cost of this Agency to the Federal Government will be $100 million for each of the fiscal years 1976 through 1980.

Instead of adding another agency to an already encumbered governmental bureaucracy and thereby increasing the deficit, a more logical approach would be to use that money to insure that already existing agencies better perform their statutory mandates. The House amendment to H.R. 7575 which centralizes Federal agencies' consumer programs indicates strong support within the Congress for such a refinement of the existing programs rather than the establishment of new, redundant programs.

Furthermore, it is essential for our present economic recovery that productivity increase and prices be reduced. Such an economic recovery trend, however, could be severely hampered by the creation of this agency. In spite of the fact that its supporters emphasize that it is technically not a regulatory agency, its creation would certainly mean increased regulation. Excessive economic regulation has already been identified as an important factor in higher production costs, higher prices and high unemployment. I feel that we cannot afford to further intensify this ruinous regulation but should, instead, be carefully examining and refining the present regulatory process.

Thus, the issue in this instance is not simply a vote for or against consumer interests as the proponents of the bill would have us believe. Let me quote from the August 1974, issue of Consumers' Research magazine, published by one of the oldest and most highly respected consumers' groups in the United States.

> Consumers' Research does not believe that the continuous and endless multiplication and expensive funding of government consumer agencies (so-called) is advantageous to the consumer. On the contrary, the costs to the consumer may be expected to outweigh the benefits by far.

President Ford has already issued directives to the heads of Federal agencies to increase representation of consumer interests in their proceedings. I believe that such utilization of present agencies represents a more realistic approach than the establishment of another Federal bureaucracy that will provide consumers little real aid. For these reasons, I voted against passage of H.R. 7575. I believe my vote was not against, but was in behalf of the consumer.

AMERICA'S THIRD CENTURY

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HARRINGTON. Mr. Speaker, in the first two installments of America's Third Century, which I submitted for publication in yesterday's RECORD, deputy editor of The Economist Norman Macrae drew some startling conclusions about the coming century from data collected during a recent odyssey across the United States.

Having been sent by The Economist to obtain a first-hand account of the American condition, Macrae began his carefully researched bicentennial birthday present to the United States with the prediction that world leadership may soon pass out of the hands of this country. Claiming that America is adopting many of the upper class snob habits—antibusiness paternalism, for example—that checked Britain's economic dynamism after 1876, he observed that we are slipping into the attitudes and prejudices of early 20th century British Fabian society. The implications are enormous.

I believe that my colleagues will agree that this intriguing study—inspecting our imminent and often alarming future from a unique perspective—deserves consideration. The text of the third installment follows:

[From The Economist, October 26, 1975]

THE RETREAT FROM MR. EDISON

(By Norman Macrae)

Science is the thing that was nurtured in Britain under Charles II, and has been encrusting in post-caroline cobwebs ever since. A scientist seeks kudos by advancing the frontiers of knowledge, and if you ask him whether he is probing the frontiers that most need to be advanced then you are some sort of a slob. Technology is the thing that was nurtured in America in the days of Eli Whitney and Edison, and in those days it meant a search for the innovations that would be most saleable. In Japan it still means that.

But in modern America, while a scientist seeks kudos, a technologist now searches for something called funding. A large part of funding comes directly or indirectly from the federal government.

I met a man in Washington who makes a living studying political utterances and forecasting which sorts of technology will find politicians to be an easy touch over various periods ahead. He claims his profession is right 60% of the time, and bought me a drink because he said he had prospered through long practising what he kindly called **"Macrae's law" which I had much later preached in The Economist. This is that:**

"In modern conditions of high elasticity of both production and substitution, we will generally create a temporary but large surplus of whatever the majority of decision-influencing people five or ten years earlier believed was going to be in most desperately short supply. This is because the well-advertised views of the decision-influencers tend to be believed by both profit-seeking private producers and consensus-following governments, and these two then combine to cause excessive production of precisely the things that the decision-influencers had been saying would be most obviously needed."

Thus when Russia beat America with a sputnik into space in 1957, everybody in

Washington cried that America would be left in a "missile gap" behind Russia for the rest of the century. This meant that America would hurriedly and expensively produce a vast and unnecessary surplus of much better rockets than the Russians, and that the big technological programme for the 1960s would be to fire this surplus off at the moon.

As the American government now directly or indirectly finances more scientific research every few months than took place in all the world in all the 1923 years of the Christian era before I was born, I naturally had a yen to believe that these billions of dollars which could shape my children's futures were distributed on principles more firmly founded than those of a bad joke which I had once made up in my bath. I burrowed like a squirrel round America to find those principles, but must report that I could find only nuts.

LAND OF LOW INVESTMENT

There is an Office of Technology Assessment in the Washington phonebook, so I rang it to find the principles on which it works. It turns out to be the opposite of what its name says. It is a taxpayer-financed ecologists' organisation, created for anti-technology assessment.

If you invent a better mousetrap in America, then this committee with formidable left-wing ladies (see later) is authorised to inquire whether this might be environmentally unfair to mice. Fortunately, the office has no money, so cannot actually do anything; but this chase after moonbeams has reached the dangerously earnest stage where its literature is no longer entirely written by kooks.

The discouragement of investment in new technology in American profitmaking industry (as distinct from in politicians' latest emotional spasms) is worrying because it is a dowse that is being banked on an already spluttering light. For the last 25 years America's investment has been a lower % of gnp than any other industrial country's except Britain's. On one definition it has fallen even behind Britain's. During the third quarter of the twentieth century America's output per manhour in manufacturing doubled—but it quadrupled in some other industrial countries, and multiplied by nine in Japan; even Britain slightly exceeded America's poor performance (see chart).

This is changing the world at about the same speed as it was changed early in Britain's post-1876 decline. A swift deterioration, but with long trails of imperial glory still. In 1960, the distant year for whose figures Dr. Edward Denison produced by far the best international comparison of productivity. America enjoyed a living standard approximately twice as high as that of north-west Europe. Denison attributed about a quarter of this gap to the fact that America then, had more capital equipment per worker in industry. In much of manufacturing and the large parts of investment affected by bureaucratic decision, I think that this American advantage has now nearly gone; but in the service industries, which should be much more important in future, the American worker probably does usually have a better programmed computer behind him.

Nearly another quarter of the Denison gap in 1960 came because American workers were better educated and better deployed in workplaces with large economies of scale. In manufacturing I think that some of this advantage has now gone. America's enthusiasm for general higher education (with 56% of its high school girls and 58% of its high school boys now going on to post-secondary education) probably is not providing as many skilled craftsmen as continental Europe's apprenticeship system. If the Europeans do now have more suitable workers using a more quickly growing stock of therefore more modern machines, then America's relative decline in manufacturing should be expected to continue fast. But American (eg) banks still seem to me more efficient than European banks, especially as they now have so many able ex-postgraduate-students about.

And that leads to "Denison's residual", which accounted for most of America's lead over Europe in 1960. This was Europe's "lag in the application of knowledge" and "general efficiency", so that, as I said in my last study of America in 1969:

"North-west Europe's real output per worker in 1960 was only approximately the same as America's in 1925, although by 1960 Europe's workers were much better educated than American workers had been in 1925—and had of course a far more advanced technology to draw on. The implication is that there is some long-standing, history-given, go-getting element in America's culture which Europeans and others have been unable to imitate."

In that study I searched America for this residual, and thought that I found it in the greater instinct of Americans, shown equally by the American engineer in the factory and the American housewife in the kitchen, to say: "now here is the problem, how can I solve it by a systematic approach?" On this trip I searched for it again.

It is still there when Americans are allowed to make individual decisions. But an increasing number of decisions in America are now being caught up in bureaucratic nets instead. In business this applies particularly to ventures into new fields. If you are introducing a new product in America, then the order of operation is laid down as (1) recognition of need, (2) proposal of design, (3) verification of design concept . . . and so on to stage number umpteen. All those departments and layers of management in big corporations then insist on being consulted at every stage, building up their empires of staff to meet the extra work which they create for themselves. This is serious because half the non-food products in the supermarkets of rich countries did not exist in precisely that form ten years ago, and half those on sale now will have been replaced by competitors in ten years' time. One reason for the growth of American multinational subsidiaries abroad is that they provide top management with the fatal option of the easy let-out; it is simpler to say "let's repeat this set-up and lay-out in Brazil" than to go through all the hierarchical pains of a brand new investment project each time you want to look expansive.

Consultants report that American firms reach initial decisions about investment more quickly than the Japanese, but then take much longer to bring them into effect. The increasing time between the beginning and completion of any task in American business—which Professor Kenneth Galbraith thinks is an "imperative of technology" and a sign of the need for planning—is in fact a sign of increase in bureaucratisation and of the need for America to escape from economic planning back to paying more attention to a rapidly-changing market.

The wheel has come full circle since the generation of Rockefeller, Carnegie and Henry Ford. In 1965–1975 what name of a new and domestically based American entrepreneur springs to mind? Even Britain has produced more Jim Slaters.

MANAGEMENT DOESN'T EXIST

In the mid 1960s, shortly after people had grown tired of saying that America was bound to pull ever further ahead of Europe because of a "technology gap" (even though America was investing a smaller % of gnp than any continental European country), it became fashionable to say that America was bound to pull ever further ahead of Europe because of a "management gap" (i.e., America had elevated management into a science). It has now been discovered, however, that management science does not exist except in the following ingenious sense.

Big American corporations will often centralise their policy making, and get a significant initial gain in effectiveness; but then, as time passes, will find that this does not work because the central planners do not know what is really going on out in the field. So these corporations will then decentralise, and get a significant initial gain in effectiveness, but will then find that all their divisions are going in different directions. So they will then recentralise, and get a significant gain in effectiveness, but after a time . . .

This constant reorganisation is in fact very sensible, and is a main reason why I judge that big American corporations are still often the most efficient day-to-day business operators (though not investors) in the world. European and Japanese companies do not keep their executives on their toes by reorganising nearly as frequently, and governments do not have the opportunity to do so. This is one reason why governments are such inefficient operators. In many of them you nowadays have at the same time all the disadvantages of centralisation (because cabinet ministers are signing bits of paper that have no relevance to what is actually going on) and decentralisation (because what is actually going on is diverging impossibly in a dozen different directions at once).

Still, the present American corporation management system—of chop a little and change a lot—is a device for dealing with the problems set by bureaucracy, not for replacing it by entrepreneurship. In a search for entrepreneurship American corporations have passed in recent decades through phases of being led at one stage by engineers (who tend to disregard both balance sheets and people), then by super-salesmen (whom the general public nowadays find absurd), and then by accountants.

There is no doubt that America has gained briefly from the age of the rule of accountants. The visiting economic journalist is still bedazzled by the way in which he can get from a quite junior employee in an American corporation more sensible and detailed statistical answers about cash flow targets, about what sales and profit trends as between different products are, than he can usually get at very top levels in equivalent British companies. It must be a continuing advantage to American corporations that they know what they at least think they are trying to do.

Nevertheless, I believe that the age of the rule by accountants is ending, for two reasons. First, in an age of inflation, the units in which they think they work have proved to be units that are too easily fiddled in order to fool stockholders (which may not matter) and fool themselves (which does matter). Secondly, the mode of organisation favoured by the accountant-presidents has been the old hierarchical mode. The hierarchical system served America well in the manufacturing age, when every engineering boss from Henry Ford down could arrange with precision what the person immediately below him did with his hands. But now that most Americans are white collar workers, each corporation executive is finding to his surprise that it is less easy to sit trying to arrange what the person below him should do with his imagination.

In ten years' time, my guess is that the accountants will be departing from the top, and will be succeeded by . . . perhaps the packagers of technology for transfer to the

places that can most economically use it, but more probably by the organisers of incentives.

TAX LOOPHOLES: THE LEGEND AND THE REALITY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. KEMP. Mr. Speaker, the House will soon consider the proposed Tax Reform Act of 1975, H.R. 10612. Despite its title, many question just how many real reforms are in that package, and I am among them.

A penetrating analysis by one of the country's leading economic analysts, Dr. Roger A. Freeman, has been made of the myths and realities surrounding tax loopholes, and inasmuch as the closing of tax loopholes has been one of the prime missions of the Committee on Ways and Means in the drafting of H.R. 10612, I think it important to offer this analysis to my colleagues.

Dr. Freeman is well qualified to make such an analysis of tax policy. He is the author of two important books in the subject field—"Tax Loopholes: The Legend and the Reality" and "The Growth of Government." Dr. Freeman has been a senior fellow at the Hoover Institution at Stanford University since 1962. He served as a special assistant to the President of the United States during 1969–70 and was in the White House as an assistant during the years 1955–56. For 5 years he was the assistant to the Governor of Washington, and he has served intermittently as research director for the Education Committee of the President's Commission on Intergovernmental Relations and as a consultant on school finance to the White House Conference on Education. He has been vice president of the Institute for Social Research in Washington, D.C., and research director of the Institute for Studies in Federalism at Claremont Men's College in California.

Dr. Freedom delivered this presentation at Hillsdale College in the most recent Center for Constructive Alternatives Seminar, "The Power of the Purse String: Taxes and the IRS."

His analysis follows:

TAX LOOPHOLES: THE LEGEND AND THE REALITY

(By Roger A. Freeman)

For close to twenty years so-called loopholes in the federal income tax have been the subject of a lively public controversy. They were investigated in several extensive hearings by the two tax writing committees of Congress—the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. A large majority of Congress as well as the Executive Branch, not to mention the nation's press, television networks and some of the largest organizations supported tax reform, a term that has come to be virtually synonymous with the drive to close loopholes.

It is thus not surprising that the Congress took repeated action to close loopholes in the income tax—in 1969, 1971, and again in 1975. What may be surprising is the fact that every time Congress enacted a tax reform bill, the amount of untaxed income was larger afterwards than it had been before and the percentage of total personal income exempted from the federal income tax as well as the number of Americans paying no income tax had substantially increased. In other words, whenever Congress tightened or closed some loopholes—or acted as if it had—it always opened or widened others more extensively. That strongly suggests that the real aim of the "close the loopholes" drive is not so much to subject more tax free personal income to the tax as to shift the burden of taxation from some economic groups to others—to tax some more lightly and others more heavily. To be specific, the real goal and purpose of the campaign to close loopholes is to redistribute income from some less favored groups—presumably from groups with less voting power—to some with more votes and therefore greater political appeal to office holders and office seekers.

The amounts we are talking about here are huge. All personal income in the United States totalled $945 billion in 1972 (according to the national income and products accounts) of which only $445 billion showed up as taxable on federal income tax returns. In other words, $500 billion—or 53 percent of all personal income—went tax free in 1972, up from $363 billion or 48 percent in 1969. Counting offsetting items—amounts which are taxed although they are not personal income under prevailing economic definitions—untaxed income totalled $563 billion in 1972, up from $414 billion in 1969.

That increase in tax free income is easily explained by the fact that several "tax reform" measures went into effect between 1969 and 1972, especially the Tax Reform Act of 1969, which has since become more affectionately known as the Lawyers and Accountants Full Employment Act of 1969. About $70 billion in personal income escaped federal income taxation in 1972 as a direct consequence of the Tax Reform Act of 1969.

You are probably acquainted with complaints that the property tax and the sales tax permit many exemptions which have eroded the tax base and thereby not only cut the revenues of schools, cities and states but also given advantages to certain favored groups of taxpayers over others. But exemptions in the property and sales taxes equal only between one-fourth and one-third of their respective tax bases. In the federal income tax they total more than half the base—and it has become the leakiest tax known.

Yet the income tax is by far the most important revenue producer in our fiscal system. While the United States imposed a personal income tax later than most other industrial nations, in 1913, after the adoption of the XVI Amendment to the U.S. Constitution, it now leans more heavily on income taxes—graduated personal income tax and corporate profits tax—than any other major country. Other industrial countries use a general consumption tax as a major producer of revenue for their national government. The United States is the only country not to do so.

Yet it has restricted the personal income tax base to less than half of the personal income. If all exclusions, exemptions, deductions and credits were repealed and all personal income were subjected to the tax, the tax rates could be halved—from the present 14 percent to 70 percent range to a 7 percent to 35 percent range. Alternatively, a flat 10 percent tax on *all* personal income would yield about as much revenue as the present rate scale on half the income. Some would favor such a system. But there is not a chance in a million that such a plan could be adopted. The simple facts of political arithmetic—of counting where the votes are—rule it out.

Let me quote to you from a recent article by a leading spokesman of the tax reform movement, Stanley S. Surrey of the Harvard Law School, who served as Assistant Secretary of the Treasury for Tax Policy from 1961 to 1969. It appeared in the *New York Times Magazine* for April 13, 1975, under the title "The Sheltered Life":

"To most people, the Federal income tax is a complex system designed to extract large sums from their pocketbooks—about $150-billion, or more than half the Government's total income. Few realize, however, that while collecting these taxes from individuals and corporations, the Government is simultaneously paying between $80- and $90-billion to some of them. It does this by simply not collecting any or all the taxes it might on certain types of activites—those that, because of their claimed value to society, are permitted special tax benefits. If the Government were first to collect this $80-to $90-billion in the regular income tax sweep and then to disburse it again for these benefited activities, we would refer to the process as a subsidy . . . Since the special tax benefits a person may claim generally increase as his income rises, the poor gain little from them, while the wealthy may utilize them as a major way to supplement their incomes at Government expense."

As ordered by the Budget Reform Act of 1974, the budget volume sent by the President to the Congress with his recommendations for the forthcoming fiscal year now contains a chapter and a table on so-called tax expenditures. (*Special Analyses, Part I F*) But the biggest tax concessions are not classified tax expenditures, only certain selected ones. No total is given and the budget states "Tax expenditure estimates cannot be simply added together to form totals for functional areas or a grand total."

Despite this warning, Surrey and some congressional enthusiasts have added the tax expenditures shown in the budget and came up with a total of $78 billion for FY 1975, a completely unrealistic and meaningless figure.

In his mentioned article in the NYTM for April 13, 1975, Surrey refers to the tax ex-
says "explains why some of our wealthiest individuals pay little or no income tax."
penditure table in the U.S. budget which he

Which are the largest items of "tax expenditure" listed by Surrey? The biggest is the deduction allowed homeowners for the property taxes and mortgage interest they pay—$10 billion—which Surrey calls a housing assistance program for homeowners. But homeownership is not concentrated in the top brackets. About two-thirds of American families live in their own homes and the great majority of them are in the middle income brackets.

The next biggest items listed by Surrey are long-term capital gains, which are usually taxed at half the rate of ordinary income and which he estimates at between $7 and $10 billion. Then there is interest on municipal bonds which Surrey places at $4 billion, of which $3 billion is refunded to states, cities and schools in the form of lower interest rates. This leaves $1 billion for investors. Other tax expenditures listed by Surrey are small—$1 billion each or less.

This leaves the big question: where are the items that composed the $563 billion of untaxed income in 1972, or the bulk of the $78 billion tax expenditures claimed for 1975? Mr. Surrey never says. The plain fact is that most of the $563 billion in untaxed income is in the middle and lower income brackets and is broadly distributed through all sections of the American public with only a tiny percentage accruing to high-income persons. The truth is that most high income persons pay very high income taxes.

What then are the big "loopholes," the provisions which account for most of the $563 billion of untaxed income in 1972? By far the largest loophole is personal exemptions—at $750 a head—which total $155 billion. Many feel that $750 is not enough, that it costs more to support a child. That may well be true. But then, why should the U.S. Government pay a tax bonus for every child at a time when we are trying to reduce population growth and reach ZPG? Should there not be a penalty rather than a premium?

Tax free income from social benefits—social security, unemployment compensation, public assistance, veterans benefits, employer contributions to pension and welfare funds and other transfer payments account for another $93 billion. Those remedial provisions largely benefit low-income and low-to-middle-income persons. Little of it goes to wealthy families.

The other big item is itemized deductions. They totalled in 1972 $97 billion. But those itemized deductions equalled 55 percent of reported income on returns itemizing deductions in the adjusted gross income (AGI) bracket under $5000, 20 percent in the $15,000 to $25,000 income bracket, and 22 percent in the income class from $100,000 on up. In other words, itemized deductions free a much larger share of the income from taxation in the low brackets than in the high. More importantly, most persons in the lower income brackets use the standard deduction instead of itemizing. Under the liberalized provisions of the Tax Reform Act of 1969, standard deductions went up 218 percent between 1969 and 1972—from $22 billion to $70 billion— while income increased only 26 percent and itemized deductions 21 percent.

Of the $301 billion difference between adjusted gross income (AGI) and taxable income (TI) on 1972 income tax returns only $13 billion was in brackets from $50,000 income on up. That still leaves the possibility open that many rich people pay little or no income taxes. I'll discuss that in detail a little later.

However, the conspiracy theory of tax law—that loopholes are the result of sinister machinations of lobbyists for moneyed interests who either bribed lawmakers or pulled the wool over the eyes of unsuspecting congressmen and the public—won't stand up under examination. No public laws are subjected to more painstaking and detailed congressional study, to more open hearings, to more thorough debates, year after year, than the tax laws.

It may be helpful to say a few words about the history of the income tax and the tax reform movement. When first imposed in 1913, the federal income tax was levied at rates from 1 percent to 7 percent and was a minor factor in the fiscal picture. That changed sharply during World War I when rates were lifted to between 6 percent and 77 percent. After the war they were cut to a range from ½ percent to 24 percent.

In World War II the income tax turned into a mass tax, the number of taxpayers multiplied tenfold, and the rate scale was pushed to its highest level—23 percent to 94 percent. Not until 1964 was the scale reduced to between 14 percent and 70 percent, where it now stands.

The huge amounts of untaxed income were first called to broad public attention in 1955. The subject soon caught attention and has been on the public agenda ever since. When in 1961 the most articulate spokesman for loophole closing, Stanley Surrey, became Assistant Secretary of the Treasury for Tax Policy—and thus the highest tax policy official in the land—energetic action on tax reform might have been expected. But neither President Kennedy nor President Johnson would send Mr. Surrey's major recommendation to Congress. On balance, they recommended a widening of tax loopholes. Before leaving office after eight years, Surrey submitted a comprehensive report on tax reform, especially on loopholes, which he called tax expenditures. It soon began gathering dust because President Johnson was no more anxious to open that Pandora's box than was his successor.

But then an event occurred that made tax reform the hottest subject in Congress. In the interim period between the resignation of Henry Fowler, President Johnson's Secretary of the Treasury, and the appointment of David Kennedy by President Nixon, Joseph Barr served as Secretary of the Treasury for 31 days. On January 17, 1969, two days before leaving office, Mr. Barr testified before the House Ways and Means Committee with a statement that reverberated throughout the nation's media and stirred the country:

"We face now the possibility of a taxpayer revolt if we do not soon make major reforms in our income taxes. The revolt will come not from the poor but from the tens of millions of middleclass families and individuals with incomes of $7,000 to $20,000, whose tax payments now generally are based on the full ordinary rates and who pay over half of our individual income taxes.

"The middle classes are likely to revolt against income taxes not because of the level or amount of the taxes they must pay but because certain provisions of the tax laws unfairly lighten the burden of others who can afford to pay. People are concerned and indeed angered about the high-income recipients who pay little or no Federal income taxes. For example, the extreme cases are 155 tax returns in 1967 with adjusted gross incomes above $200,000 on which no Federal income taxes were paid, including 21 with incomes above $1,000,000."

It is understandable that such a sensational story—that the very rich escape paying income taxes—emanating from the Secretary of the Treasury would cause a national stir. There was no taxpayers' revolt brewing *before* Mr. Barr exploded his bomb. But there was one in the making soon afterwards. It prodded Congress into frantic action which, within a few months, produced probably the worst piece of tax legislation ever—the Tax Reform Act of 1969.

For reasons of his own Mr. Barr did not discuss the methods or specific code provisions which enabled some high-income recipients to avoid paying taxes, though he must have known what they were or could easily have found out. Thus it was widely interpreted as an accusation against all rich people as tax evaders and against Congress for permitting such a scandal. It was not until much later that the Treasury made all of the relevant facts public, though some of them had been available right along, especially on the comparative tax burden of the middle class. Recipients of an AGI between $7000 and below $20,000 accounted in 1972 for 57 percent of the reported income and paid 49 percent of the tax. So, clearly they were not overburdened relative to the rest of the population. The real shift is between the groups at the top and at the bottom of the scale: those under $7000 income received 16 percent of AGI and paid 6.5 percent of the tax; those at $20,000 and up received 27 percent of AGI and paid 44 percent of the tax.

For 1972, 22,929 individual income tax returns were filed with an AGI of $200,000 or more; 22,821 of those returns or 99.5 percent were taxable. They reported an average AGI of $414,640, an average taxable income of $302,015 on which they paid a tax of $177,640, or an average rate of 59 percent. There were 108 returns (0.5 percent) with an adjusted gross income of $200,000 or more which reported no taxable income.

There were 1030 returns with an AGI of $1 million or more of which 1024 (99.4 percent) were taxable. Each individual involved paid on the average $1,019,577 in income tax, equal to 46 percent of his AGI and 65 percent of his taxable income.

What this means is that well over 99 percent of all high-income returns for 1972 paid high income taxes. Between 0.5 percent and 0.6 percent of the earners of a high gross income reported no taxable *net* income because losses, deductions, credits, or other offsetting items exceeded their gross income. Obviously it is only under very unusual circumstances that recipients of a high *gross* income have no taxable *net* income.

The most frequent case of this type is this: a person borrows money to invest at a higher rate of return than the interest he is paying. For example an individual borrows $10 million and earns on it 10 percent, or $1 million. He must report that $1 million as AGI and is classified as a man with a million dollar income. He is of course entitled to an itemized deduction of the interest he paid, e.g., $800,000. That leaves him with a taxable income of $200,000. If the taxpayer has big losses that year or pays high state and local taxes because of a non-recurring high income in a preceding year he may wind up with no federal tax liability for a particular year. There was one case out of every 172 recipients with a *gross* income of $1 million or more in 1972 which showed no *taxable* income.

There were altogether 16.7 million individual income tax returns in 1972 which reported no taxable income—21.5 percent of all 77.6 million returns. Ninety-two percent of the nontaxable returns were in the under $5000 AGI bracket. At $10,000 and above AGI only 0.4 percent of the returns were not taxable.

Many additional Americans have been freed of any tax liability by various "tax reform" laws of recent years and many of them have also been made the recipients of government largesse. That division of the American people into two groups—those who support the government and those who are supported by it—has created a dangerously high incidence of "representation without taxation" which in recorded history has more often destroyed free government than "taxation without representation," which the founders of this country fought.

Those who aim at an even stronger redistribution of income by repealing some types of remedial tax provisions while widening those that benefit persons in the low brackets appear to believe that government has a prior claim to all income and that a person is really not entitled to the earnings resulting from his individual effort. There can of course be—and there are—wide differences of opinion of how a fair tax load should be allocated, and whose hardships should be recognized in the income tax. Most of the current provisions that shield some income from the full impact of the rate schedule—or from any tax—were put there not by inadvertence but to meet one or both of these objectives:

"(1) to provide greater equity, horizontal or vertical, among taxpayers and different types and magnitudes of income by taking into account differing circumstances and offering relief for hardships;

"(2) to provide incentives to taxpayers to engage in or enlarge activities which are held to be desirable as a matter of public policy. This is done by offering rewards to some and imposing penalties on others.

"These two objectives often produce conflicting results when translated into tax policy."

One of the most frequently attacked "loopholes" is the provision to tax long-term capital gains at half the normal tax rate. Some ask: why should money made from money be taxed more lightly than money made from working? That sounds persuasive but is misleading. Suppose you bought a house ten years ago for $20,000 and now sell it for $30,000. Should you have to pay income tax on the $10,000 you gained? Obviously, that gain is fictitious, a mere paper gain. If you wanted to buy another home of equivalent value you would have to pay at least $30,000. That is why the law exempts such "gains" on the sale of residences under certain circumstances. But the same situation exists with other types of investment, except that the owner has to pay an income tax on half the paper gain even if it is fictitious. When you change from one investment to another you may only roll over your money but may have little or no real gain. Capital gains are not included in personal income in the national income and products accounts and the advocates of taxing capital gain as if it were ordinary income must engage in elaborate mathematical gymnastics to adjust their statistics.

The United States once tried taxing capital gains as ordinary income, from 1918 to 1921. What happened was that investments with gains were not sold, only those with losses, so that the Treasury had a net revenue loss. That would happen again if normal tax rates were applied to long-term capital gains. Investments would be effectively "frozen" which could well be the most effective way to assure stagnation in the national economy. This is why most industrial countries either do not tax capital gains at all or tax them at lower rates than ordinary income, usually at lower rates than the United States. Claims that federal revenues would increase $7 to $10 billion a year by taxing long-term capital gains as ordinary rates are sheer demagoguery. The chances are there would be a net loss.

Much of the controversy over loopholes focuses on itemized deductions which in 1972 totalled $96.7 billion:

[In billions]

Deductions for state and local taxes paid	$36.2
Deductions for interest paid	27.3
Deductions for charitable contributions	13.2
Deductions for medical & dental expenses	10.1
Deductions for casualty losses, child care expenses & other	9.9
Total	96.7

As I mentioned earlier, itemized deductions free a larger percentage of the income in the lower income groups than in the higher. Still, Mr. Surrey has a point when, in the earlier cited article, he charges that a $1000 deduction may mean a net $140 benefit to a person in the low brackets and up to $700 to a person in the high brackets. That is simply the result of our progressive rate scale—from 14 percent to 70 percent. As long as it is regarded to be equitable to tax one person's income at 70 percent and another's at a mere 14 percent, it seems natural that a deduction is more valuable in the higher brackets. Those who want it otherwise appear to believe in the principle: Heads I win, tails you lose.

A correction of the unequal benefits of deductions could be achieved by converting from deductions from the tax base to credits against tax liability. This would be desirable in some cases, such as education.

But to abolish deductions and shift to direct governmental subsidies, as Surrey suggests, would be about the worst that could be done. It would sound the death knell to most voluntary activities and private education, concentrate all power in the federal government, and extinguish much of the freedom that is still left to Americans after the vast expansion of governmental authority in recent decades.

The largest deduction is for state and local taxes paid, with the heaviest concentration in the center of the income scale. Not to allow this deduction would be to levy a tax on a tax or on mere phantom income, not on real and available income. We already impose too much double taxation, as it is. If, for example, a person earns a monthly salary of $2000, about $400 may be withheld for federal income tax, aside from $117 for social security tax, so that he gets less than $1500 in take-home pay (minus possible other deductions). But he is federally taxed on $2000, that is on $500 more than he actually receives. About 30 states do the same: they impose their income tax on the gross income, making no allowance for the fact that in the above cited case the recipient gets only $1500 and not $2000. To curtail the existing—and inadequate—federal deduction for state and local taxes would be a move in the wrong direction and make our tax system even more capricious and unfair than it already is.

The deductibility of interest paid was originally allowed mostly with the thought in mind of borrowing for business purposes, i.e., with the intent of earning income. But interest on home mortgages and for consumer financing now accounts for three-fourths of the interest-paid deduction. Home ownership has tremendously expanded, to a point where now nearly two-thirds of all American families live in their own homes, helped and deliberately encouraged by the deductibility of mortgage interest and real estate taxes. Consumer financing also has sharply grown. To disallow those deductions without an equivalent would deal a severe blow to residential construction and the major retailing and manufacturing activities and to the entire economy. It is inconceivable that Congress would do this. Politically it would be suicidal. Millions of families could not afford to own and furnish their homes were it not for such tax advantages. An extension or carry-through for renters may at some time be considered. Meanwhile the popularity of condominiums is growing by leaps and bounds, to a large extent because of the tax advantages they confer.

It was particularly the deductibility of charitable contributions which caused Mr. Surrey and others to call deductions "tax expenditures." Instead of allowing a deduction of donations, government could provide direct subsidies to private schools, colleges and thousands of other institutions, as has been suggested. That would, within a short time, bring the end of private education and most other voluntary activities in the United States. That may be the real goal of those who advocate repeal or curtailment of the deduction for contributions. Of course it would be enormously expensive to the taxpayers to educate at governmental institutions the millions of young people who presently attend private schools and colleges.

Disallowance of the charitable deduction would hit churches and all religious activities especially hard. They could not be granted direct governmental subsidies because of the U.S. Supreme Court's interpretation of the "no establishment" clause of the First Amendment to the U.S. Constitution. Could it be regarded as good policy and in the public interest to deal a devastating blow to religious activities in the United States, contrary to a well founded tradition that antedates even the Constitution?

Some regard the joint income tax return—or split-income provision—to be a loophole. Undoubtedly it saves many married couples sizable amounts in taxes. Between 1948 and 1969 a single person had to pay up to 42 percent more in income taxes than a married couple with the same income. Organizations of single people continued to complain about this inequity and demanded redress. They succeeded in 1969 in having Congress reduce the tax disadvantage of single persons to a maximum of 20 percent. That created another, unexpected and unintended inequity. A man and a woman in the upper-middle income brackets who earn about equal incomes now pay up to 19 percent more in income taxes than if they were not married. They could of course, live together, but they could not get married without getting a sizable boost in their tax bill. This has been called a "tax on marriage" and a bonus for divorce or "living in sin."

There is a way out of this dilemma that could do justice both to married and single persons. But in the strife of contesting forces, Congress has not seen fit to provide a fair method of taxing single and married persons on a more equitable basis.

IN CONCLUSION

In its allocation of mitigative features—or "loopholes" if you please—the federal income tax shows the same bias which characterizes the entire American tax structure: in favor of consumption and against capital formation and investment, in favor of the low (or no) producer and against the high producer and earner.

That is politically understandable. Four out of every five personal income tax returns in 1972 reported an AGI under $15,000 and 95 percent were under $25,000. On the other hand, only 3 percent of all returns showed AGI of $30,000 or more and a mere 0.8 percent of $50,000 or over. With whom is the vote-hungry member of Congress or candidate going to place his bet—and vote: with the 51 percent who report an income under $8000 or with the 0.8 percent with an income of $50,000 or more?

But the American people are paying a high price for this bias—in a much lower rate of investment than is enjoyed by other industrial countries, in a smaller rate of economic growth, and in higher unemployment.

Even more ominous is the creation of a growing mass of people who clamor for ever greater benefits from the government to whose support they do not have to contribute. The growing irresponsibility of voting of representation without taxation—poses a grave threat to the preservation of free government in the United States. History issues a stern warning which we can neglect at our dire peril.

RENT CONTROL IS A NONISSUE IN THE NEW YORK CITY DEBATE

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ROSENTHAL. Mr. Speaker, in the current debate over ways to avert a New York City default, no area of life in the Nation's largest city has escaped scrutiny. While I welcome this inquiry, which I feel can only benefit the city in the long run, I deplore the efforts in some quarters to use the crisis facing New York as an excuse for attacking programs to which these special interests object.

Principal among these nonissues which have unfortunately received an undue amount of attention is New York's rent control program. In fact, the critics of this program have been so successful that the board which the House legislation would create to oversee the proposed Federal loan guarantee system would have authority to recommend the suspension of rent control as a condition of making available the loan guarantees.

It is no secret that real estate interests in New York have long opposed the rent control program. They have argued that rent control has precluded them from making a reasonable rate of return on their rental property, forcing them to abandon many buildings which otherwise might have been saved. They claim that this has aggravated the city's fiscal crisis by removing from the tax rolls, or lessening the assessed value of, many properties.

The real facts are otherwise.

Housing deterioration in New York is predominantly due to factors other than rent control. Chief among these are landlord neglect and tenant poverty. Housing deterioration is widespread in central cities throughout the Nation, including cities which have no rent control program.

According to a major survey of New York City's housing conducted by the U.S. Census Bureau last February and March, the rental vacancy rate in the city is only 2.8 percent. Clearly the sparse availability of housing, as anyone who has ever sought an apartment in New York City knows, has created a landlord's market. Instead of aiding the city's financial situation, the repeal of rent control would have precisely the opposite effect as middle-class taxpayers are driven out of the city by soaring rentals. This has been the apparent consequence of every past easing of the city's rent control laws.

At present, fewer than 640,000 units or less than one-third of the more than 2 million rental apartments in the city are subject to rent control. An approximately equal number are governed by rent stabilization which limits the permissible annual increase in rents. If these apartments were to be priced at the free market rate, the low vacancy rate and the limited space in the city for new construction would assure monumental rent increases which would work tremendous hardship on untold thousands of apartment dwellers and would cause many to seek accommodations in the suburbs or even other cities. The impact on the city's economy would be catastrophic. I urge my colleagues to keep this in mind when listening to the arguments of the real estate industry spokesmen who seek windfall profits at New York City's expense.

CONGRESS ACTION OVERDUE

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

CONGRESS' ACTION OVERDUE—ENERGY SOLUTION SLIPPERY

Congress is once again under the gun to act on a comprehensive energy bill. The interim legislation extending price controls on "old" domestic oil, which President Ford signed Sept. 30, expires at the end of this week.

Without a new energy bill, either acceptable to the President or passed over his veto, the issue which has had the White House and Congress at loggerheads all year would be settled by default. The expiration of the President's authority to control oil prices would see the price of oil from pre-1972 wells in the United States of America rise immediately from $5.25 a barrel to the current market levels in the $10–$11 range.

While an argument can still be made to let the oil price do just that, it now appears likely that Mr. Ford and the Democrat leadership in Congress will compromise on a plan for phased decontrol. What still needs to be debated is the length of the period to elapse before all domestic oil carries the prevailing market price.

More than 10 months of stalemate and debate on oil price policy has been instructive, even if it represents 10 lost months in the race with time to reduce our dependency on imported oil. Indeed, the fact we are importing more oil today than we were when the Arabs clamped on their embargo two years ago shows how little is being accomplished by those conservative measures which are now affecting our fuel consumption.

We have seen the Organization of Petroleum Exporting Countries, which holds the whip-hand on the world oil market, raise prices by 10 per cent, emphasizing again the penalty we pay through our subservience to the OPEC cartel. We have seen the federal courts question the legality of President Ford's tariff on oil imports, with the possibility the Supreme Court will block that approach toward fuel conservation.

We have seen an object lessen in the self-defeating nature of attempts to protect consumers from realistic prices for fuel—a natural gas shortage looming for some states this winter and for the nation as a whole in years to come. Paradoxically, decontrol of natural gas prices is gaining support in Congress at the same time congressional leaders are trying to prolong the period that oil prices remain under control.

Congress and the White House seem to have reached a consensus that sudden, full decontrol of oil prices would have too sharp an impact on the cost of living to be tolerated. We must hope that under the pressure for compromise in the next few days a decontrol plan does not emerge which goes too far in the other direction. An effective energy program requires the stimulus to oil production and fuel conservation which only uniform, realistic market prices for oil will produce.

THE SECOND BUDGET RESOLUTION: NOTHING TO BE PROUD OF

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HARRINGTON. Mr. Speaker, the House Budget Committee's second concurrent resolution on the budget, like its predecessor, is a great disappointment. The resolution fails to confront the most urgent economic and social problems crippling the country. The timidity that characterizes the document reveals a slavish acceptance of the administration's misguided economic priorities and a fear of anything but halfway measures.

By reporting this measure, the new Budget Committee has endorsed the goal of 7.5 percent unemployment nationally through the balance of the fiscal year. Even if these target levels were reached, New England, with a current unemployment rate of 13.9 percent, would still be left in the unacceptable range of 9 to 10 percent. The report indicated a strong preference on the part of the committee to pay the costs of unemployment—$19.1 billion for unemployment compensation, $6.6 billion for food stamps, and $5.8 billion for AFDC—rather than to pay the cost of new jobs.

Using inflation as a threat, the committee, like the President, encouraged Congress not to pursue a vigorous, straightforward course toward full employment and economic recovery, but rather to cling to an arbitrarily set budget ceiling and blindly hope for the best.

I could not in good conscience support the compromises drawn up by the committee under the pressure of Presidential vetoes and retarded program implementation. House Concurrent Resolution 466 leaves us $3.8 billion below the targeted outlays set forth in the first budget resolution and 837,600 jobs below our employment creating goals. Endorsing an unnecessarily low Federal deficit level, the committee and now the Congress have embraced the false dichotomy created by the administration, separating purely economic objectives from social needs. Social policy will now be formulated within the narrow confines of an artificial deficit ceiling.

It seems quite clear that the time has come to augment the stimulative capabilities of the private market by taking it upon ourselves to set a budget level which can provide the economic stimulus necessary for recovery. It is easy to infer from the budget report that the committee believes that simply the increase of subsistence level Federal transfer payments—social security, unemployment compensation and food stamps—is a satisfactory and effective economic stimulus.

In my opinion, the resolution accepted by the Congress yesterday called for an allocation of funds to the least necessary or needy programs, leaving little stimulus for improvement in the areas of employment, education and programs for the poor, elderly and handicapped. Falling heavily into the spending patterns of the past, as Representative HOLTZMAN pointed out in her dissenting views, the resolution authorizes 45 percent of general revenue funds for defense, $8.3 billion more than last year, in a time of peace. Such unproductive spending in itself should significantly stimulate inflation. Having rejected Representative HOLTZMAN's amendment for increasing elementary education spending by $200 million, this resolution instead offers $1.3 billion to support prices of tobacco, wheat, peanuts, and other commodities. Endorsing $91.2 billion in outlays for defense, the committee rejected Ms. HOLTZMAN's amendment to add $644 million for housing allowances and other benefits for SSI beneficiaries.

I did not lend my support to such obviously misguided priorities. To do so would only nave served to promote the administration's policy of limited growth that has cost the Nation so much already.

Only Representative O'NEILL's amendment offered hope for increasing national targets in the critical areas of employment, manpower training, and education. I supported his amendment as the only chance to salvage something of our original goals and to prevent the terrible wastage of human resources that I anticipate now that the resolution has passed.

BACKGROUND ON THE CALIFORNIA NUCLEAR ENERGY INITIATIVE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BROWN of California. Mr. Speaker, during the past few months I have seen several references to the California nuclear initiative in the national media, as well as the CONGRESSIONAL RECORD, and I have received extensive information on this subject from within the State of California. It is obvious to all who are involved with this issue that the outcome of the vote next June will be of national significançe. While I believe excessive rhetoric is being used by both sides, the fact remains that the voters of California will have to decide. The debate surrounding this initiative can be healthy, and I hope that it is capable of clarifying the important questions surrounding the widespread application of nuclear reactors for domestic energy use.

In order to share some of the background information on this ballot measure with my colleagues, I wish to insert into the RECORD at this time an article from the November 9 edition of the Los Angeles Times.

The article follows:

NUCLEAR POWER: VOTERS TO DECIDE—STATE TO HOLD INITIATIVE ON PLANTS IN JUNE

(By Robert A. Jones)

Rarely, if ever, has a new technology offered the promise and threat of nuclear energy. Burning with an azure luminescence in the manmade caves of modern reactors, nuclear fission offers the kind of reliable energy that has become elusive in recent years, free of traditional pollutants, a major prop for this nation as it gobbles one-third of the world's energy output.

And yet the reactors themselves are symbols of the potentially destructive rage they contain. Eight-inch-thick steel cores surrounded by 3½ feet of reinforced concrete, the whole thing guarded by an elaborate, incredibly expensive safety system, they seem to be cages for some unspeakable monster. And they are.

Radioactive emissions, if released through catastrophic accident, could threaten entire cities; in Europe, nuclear plants have already been subject to terrorist raids, and the possibility remains that fissionable material could be stolen for conversion to crude atomic bombs. Nuclear wastes, containing some of the most toxic materials known to man, pose the unique problem of requiring storage for several hundred thousand years while the radioactivity decays.

Are the risks worth the great promise? Will the monster stay in its cage? For more than two decades the debate has increased in ferocity as the momemtum of nuclear power slowly built. Now, in California, it seems to be headed for a climax. Next June the voters of the state will be asked to review the awesome array of technical issues behind the nuclear question and reduce their opinion to a simple yes or no.

The Nuclear Power Plant Initiative itself is an outgrowth of an informal coalition now fitting under the umbrella of Californians for Nuclear Safeguards. Middle-class, largely environmentalist but not entirely so, the framers of the initiative believe the nuclear industry has never proven the safety of its energy systems. Now, with California poised on the brink of a massive commitment to nuclear technology, they say the time for such proof has come.

The Safeguards committee has been joined by traditional conservation groups such as the Sierra Club, Friends of the Earth, and also by Project Survival, a zealous, similarly middle-class group whose force is grass-roots organization.

While the make-up of the initiative's sponsors is hardly surprising, neither is that of the opponents. Citizens for Jobs and Energy thus far has been funded largely by the state's major utilities and nuclear hardware firms such as Bechtel Corp. and Westinghouse Electric Corp.

But while its most visible cochairman is former Gov. Edmund G. (Pat) Brown, the opposition drive has also attracted a sprinkling of environmentalists who see nuclear energy as a sanctuary from accelerated consumption of fossil fuels.

Kermit Smith, one such conservationist and former chairman for the Sierra Clubs initiative campaigns, has called the environmental goals of the initiative a "prime example" of reverse logic since most of our environmental problems stem from oil and coal sources of power, rather than nuclear sources."

For the state's energy future, the outcome of the June vote almost certainly will be monumental. At present there are three nuclear power plants operating in California which together produce only 4% of the generating capacity in the state. But in the next 20 years utilities plan 28 more plants that would raise the nuclear share to one-third and make nuclear energy the state's largest single source of power.

Nationwide, other sections of the country are making similar commitments to nuclear energy, and expectations are that the present investment of $100 million will blossom into $1 trillion by the turn of the century. It is very big business, and the Ford Administration as well as many state governments are counting heavily on the nuclear juggernaut to save them from the now well-known agonies of oil and natural gas scarcities.

The prospect that nuclear energy's momentum may be broken in California has understandably caused concern among Washington's energy planners and producers of nuclear hardware, who have to regard the California initiative as a kind of nuclear watershed. If such an initiative succeeds here, they feel, similar stop-nuclear efforts in a dozen states would receive impetus.

No one argues the enormity of the issue. In one sense the debate will involve not just nuclear energy but a way of life. If California turns its back on nuclear energy it will also be turning away from a faith in big technology that has gone almost unchallenged since World War II. Such a decision, while lifting the threat of radiation contamination, will almost certainly force the people of the state to make do with less. It could, in fact, become a turning point away from the giddy escalation of energy and material consumption that has defined the American good life for generations.

The initiative statute would not, by itself, stop nuclear development in the state. It would, however, establish a multilayered review of nuclear safety systems. Failure to pass any of the reviews would mean a gradual phase-out. Here are the basic provisions:

1—Currently the liability for catastrophic nuclear accidents is limited to $560 million by the federal Price-Anderson Act. The industry and now-defunct Atomic Energy Commission argued for years that the probability of nuclear damage exceeding that figure is all but nil. If that is true, critics say, the liability limits serve no purpose and should be removed.

However, studies sponsored by the AEC, while still insisting the chance is very small, now put the maximum potential damage at between $4 billion and $30 billion. The initiative would force a cutback in nuclear plant output to 60% of maximum power if the liability limits have not been removed by Congress within a year of passage, and further reductions of 10% for each year the limitations remain.

2—The Legislature would be empowered to study and judge the effectiveness of reactor safety systems and the disposal of nuclear waste. By June 8, 1979, the Legislature would determine whether it was "reasonable" to expect safety systems and waste disposal to be adequate within two years. Approval would require a two-thirds majority. If the safety systems or waste disposal methods failed the vote of confidence, operating plants would be reduced to 60% of full power and no new plants would be built. The Legislature would be advised by a panel of 15 citizens and scientific experts financed with an annual $800,000 outlay from the state's general fund.

3—By June 8, 1981, the safety procedures approved two years before would have to be developed and operating to the satisfaction of a two-thirds majority of the Legislature. If not, operating plants would be reduced to 60% of capacity and no new plants would be constructed. In addition, the power output of existing plants would be reduced an additional 10% per year until safety requirements were met.

Meanwhile, the governor would be required to publish annually his plans for a quick evacuation of populated areas in the event of a nuclear accident.

Both the issue of nuclear safety, with its great implications for human health, and the initiative itself, with its possible impact on economic growth, will inevitably strike at very deep, and real, human fears. Thus far, however, both sides of the campaign say they will try to avoid the rhetorical spectaculars of past initiatives where opposing groups were reduced to shouting slogans at each other over television.

They have not been entirely successful. There has been early squabbling over who is running a "fear campaign," and it now seems the issue will roll toward next June under the burden of two names: the "Nuclear Safeguard Initiative," used by its proponents, and the "Nuclear Shutdown Initiative," a creation of Winner/Wagner & Associates, the campaign manager firm retained by the opponents.

The complex machinery of the state Political Reform Act of 1974, however, now promises to become the center of intramural bickering. Project Survival has already filed a complaint with the Fair Campaign Practices Commission in Sacramento alleging that the state's utilities and large energy companies have concealed campaign expenses under the rubric of corporate public relations and advertising.

"Can Exxon advertise the virtues of nuclear energy on television night after night and claim they are not affecting the campaign?" asked Richard Hicks, a volunteer attorney for Project Survival.

Officials of Citizens for Jobs and Energy have hinted that should such issues be pressed they might insist on strict accounting by initiative supporters of volunteer time, travel expenses, and the donated efforts of normally highly-paid executives.

Nonetheless, the early months of the campaign have produced remarkable efforts to keep the awesome complex of issues within a rational focus. A three-month spectacular by the Assembly Committee on Resources, Land Use and Energy will ask almost every question there is to be asked on the nuclear issue. By the time it closes its inquiry in mid-December the committee, chaired by Assemblyman Charles Warren (D-Los Angeles), will produce most of the nation's nuclear experts for their opinions on the initiative and their testimony will eventually be published in book form.

Already, the Warren hearings and a series of nuclear conferences have broken the issue of the initiative itself into several subcategories. Briefly, they are:

Reactor Safety—"Some recent work by E. Fermi and L. Szilard leads me to expect that the element uranium may be turned into a new and important source of energy," one of President Franklin D. Roosevelt's science advisers wrote him in 1939. However, the adviser continued, "certain aspects of the situation seem to call for watchfulness . . ." It was the first known letter proposing the use of nuclear energy, and it framed the quandary that is yet to be settled.

Those aspects calling for "watchfulness," only vague premonitions in 1939, are now well known and they continue to haunt the nuclear industry. Reactors, using fuel more dilute than that of atom bombs, cannot explode, but they can do other things almost as destructive. The nuclear cores, deprived of the water that cools them, can melt from extreme heat and radioactive emissions could be spread over populated areas in concentrations heavy enough to produce deaths, cancer and genetic defects.

Nuclear plants are now constructed with extraordinary safety systems to prevent such an occurrence, and the record has thus far been nearly perfect. No member of the public has ever died as a result of a nuclear accident, although three government workers were killed 14 years ago when an experimental reactor in Idaho went out of control. A government-sponsored study recently put the annual chance of a person dying from a nuclear accident at one in 300 million.

Nonetheless the principal safeguard, known as the emergency core-cooling system (ECCS), has never been tested in an actual emergency. Designed to flood the core with water if the standard cooling system fails, the ECCS has suffered a series of embarrassing mechanical defects. Last Jan. 23 reactors were shut down and inspected when cracks were found in the plumbing of one emergency system, and during a major fire at the Brown's Ferry nuclear plant in Alabama this year the ECCS pumps in one unit were rendered inoperative when the fire destroyed the instrumentation.

Sabotage and Theft—Most reactors now use enriched uranium as fuel, but they produce as waste plutonium, the principal ingredient in nuclear weapons. Soon plants may use the recycled plutonium as fuel itself, meaning that—under current plans for expansion—tons of the material will crisscross the state, all of it vulnerable to terrorists. Adequate protection, critics say, would require something close to a police state and would cost so much that nuclear energy would lose much of its economic appeal.

Waste Storage—Disposal of the waste not converted for reuse in nuclear plants has troubled the industry since its inception, and a final solution to the problem is still being sought. The difficulty, one that is unique in energy technology, stems from the nature of the waste itself: Highly radioactive and therefore toxic to humans, the plutonium, cesium and strontium within the waste remains dangerous for hundreds of thousands of years. Within such a framework, can any storage be "permanent," or is this generation leaving a deadly legacy to those who follow?

Economics—For years the trump card of nuclear advocates was the cost of delivered electricity. Some estimates put nuclear energy at less than half the cost of oil or natural gas-fired plants. But lately nuclear economics has become shaky. Construction costs have increased ferociously and now stand at about $1 billion per plant, as opposed to $2 to $400 million for an equivalent fossil-fueled plant. Water requirements to cool the waste heat are also enormous: One estimate has put the total at 340,000 acre-feet per year (equal to one-third the entire annual flow of the state water project) if all the currently proposed inland plants in California used the "wet tower" cooling systems.

Though the cost of oil will very probably continue to rise, and with it the price of oil-produced electricity, so may the cost of uranium ore. In fact, the available resources of uranium remain something of a mystery; a scarcity of uranium, which has been predicted by some experts, could collapse the economic argument that is the basis of much of the nuclear appeal.

A staff report by the Assembly Committee on Resources, Land Use and Energy has predicted that electricity costs will rise 25% in the short term should the initiative pass. But in the more distant future, the report says, costs may not rise at all.

Jobs—Though opponents of the initiative have already printed material claiming the initiative "would certainly result in decreased job opportunities," the case has by no means been proven. A Warren committee report argues that easy availability of energy often results in net employment loss, since machines are used to perform manual tasks. It cites another report, by the Ford Foundation Energy Policy Project, which concludes that restricted energy use could result in 5% more jobs by the year 2000. What is clear, however, is that the nuclear industry itself would suffer severe employment declines temporarily at least as utilities curtailed construction plans while safety systems were being studied by the Legislature.

As the campaign gathers momentum, it is possible that the initiative itself will become as controversial as the nuclear issue it raises, a happenstance that clearly would delight nuclear supporters.

Former Gov. Brown calls the initiative "the most preposterous thing ever foisted on the people of California," a "deceptive" measure that he believes is unconstitutional and conflicts with the already legislated duties of the Energy Resources and Development Commission.

Certainly, the initiative would establish another layer of regulation on top of the Energy Commission's own approval process, and the possibility that nuclear energy would be excluded altogether at some future date could throw into havoc the commission's plans for a coordinated energy policy.

Commission Chairman Richard L. Maullin has been circumspect in his approach to the initiative, saying he is reluctant "to give either side a line in a political brochure." But Maullin concedes that the commission will eventually take a stand on one side or the other, and this week Commissioner Richard E. Tuttle became the first on the panel to oppose the measure, saying the initiative "would impair California's capacity to respond reasonably to the energy problem."

But to its opponents the most galling item in the initiative is the requirement that legislative approval of nuclear systems be by two-thirds majorities. "Why, you can't get a Mother's Day resolution passed by a two-thirds vote in the Legislature," Brown said. The two-thirds rule would, in effect, allow 14 state senators to block nuclear energy altogether.

Dwight Cocke, manager of the Northern California office of the Safeguards Committee, concedes that the initiative "is not the absolutely perfect way to deal with the problem." It is a compromise, he says, that "allows many interests to be reflected: the scientific community, the public, and the industry."

The multitude of voices may, in fact, become the greatest difficulty in the campaign. Already, before the Warren committee, some of the nation's most eminent nuclear scientists have alternately praised and condemned the plan. The initiative, in fact, is not one issue but many, all of them addressed by decades of government and industry studies which have often reached contradictory conclusions.

And in spite of the promised commitment to "information campaigns," there is a widely held belief by both camps that the final vote may not be determined by the public's careful sifting of the available facts. Rather, they say, the outcome will more likely be a test of the accumulated faith or skepticism in the leadership of the nuclear movement, a leadership that now promises to change the shape of California's energy future.

CRIMES AND VICTIMS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HUGHES. Mr. Speaker, on November 4, the Criminal Justice Subcommittee of the Judiciary began hearings on compensation for victims of violent crime.

In Tuesday's Washington Post, the lead editorial, amplified the need for some form of victim compensation. I sincerely hope that in the near future, we will be able to answer to the challenges presented in this article. With the crime rate increasing, now more than ever, Congress needs to act on legislation in the area of victim compensation.

We must also make it much more difficult for the felons and other irresponsible members of society to secure handguns, provide our law enforcement authorities with the tools to combat crimes, and demonstrate to those who with the handgun, that we mean business in the sentencing process. The article follows:

[From the Washington Post, Nov. 4, 1975]

CRIMES AND VICTIMS

The dismaying story of Sally Ann Morris is an admonition to this city and a reproach to the way that we who live here are running it. While walking through Georgetown with a friend in mid-evening last June, Mrs. Morris was shot in the back. It was an unprovoked attack, apparently a botched attempt at a holdup. She was gravely wounded, and is still far from recovery. Because of her long convalescence and the prospect of further surgery, her employer dismissed her. Since she had separated from her husband several years before, she and her five-year-old daughter now have no support but welfare. Not only has this assault inflicted great physical suffering and financial poverty on her, but she is fearful that her assailants may try to kill her as a witness to their previous crime. Police arrested four suspects after the June shooting but they were all released on personal recognizance pending trial, and they immediately disappeared. So much for their putative ties to the community.

Here we have, in one unhappy case, the illustration of at least three serious and harmful deficiencies in our present laws. First of all, the District of Columbia needs legislation to compensate the victims of crimes. Health insurance covers most, but not all, of Mrs. Morris' medical bills. So far they come to about $10,000. But while she recovers she has nothing on which to live but $200 a month in welfare payments. The traditional public response is to murmur, "tough luck," and turn the conversation to something more cheerful. That isn't good enough.

The second deficiency is demonstrated by the disappearance of the four suspects. Two of them were well known to Metropolitan Police, who believe them to have been responsible for a series of armed robberies that had afflicted Georgetown for some weeks before this shooting. The other two suspects were apparently driving a car for the gunmen. The Bail Reform Act has properly set stringent restrictions upon the power of judges to hold suspects in prison. Suspects are entitled to a presumption of innocence, after all, and except in extreme cases they are also entitled to freedom in which to prepare for trial. But it is hard to think of a better example of an extreme case than that of the two men who attacked Mrs. Morris. The time has come for Congress to hold oversight hearings on the Bail Reform Act and the way in which it is working in practice. The Act has brought much improvement to the administration of justice in this city, but experience under it is beginning to raise questions as to whether the rights of the general public are being adequately protected.

Finally, there is always the fact that anybody with a few dollars can get a handgun—easy to conceal, simple to use, efficiently constructed for the single purpose of killing and maiming human beings. A recent letter to the editor of this newspaper angrily asserted that gun control laws were always ineffectual and useless. Certainly state and local laws can't accomplish a great deal, in a society as mobile as this one. But the unrestricted sale of handguns is having the same kind of impact on American life as the tarffic in drugs. A gun law certainly would not be totally effective. Neither are the heroin laws totally effective, but we haven't heard anyone offer that as a reason for legalizing heroin. A good gun law can make a real difference where it counts—in the homicide and robbery rates. If you doubt it, compare the outrageously high rates in this country with those of any other advanced democracy. Incidentally, for young Americans—those in their late teens and early twenties—homicide is now the second most common cause of death. This country pays a terrible price for its fascination with firearms. If President Ford and Congress can jointly screw up their courage to take on the vociferous handgun industry, they can reduce the risk of Americans from the heavily armed addicts, lunatics and professional stick-up men on our streets. For Mrs. Morris, unfortunately, that help will come a little late.

SENATE CAMPAIGN DISCLOSURE REPORTS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. FRENZEL. Mr. Speaker, the following correspondence is submitted to amplify and clarify my remarks in the RECORD of October 20 when I said campaign disclosure reports, due to be filed on October 10, had not been received at the Federal Elections Commission on October 20. As this correspondence reveals, those reports were received late in the day on October 17.

The correspondence shows that the Secretary of the Senate has cooperated satisfactorily with the FEC, as has the Clerk of the House.

Nevertheless, a 7-day time lag, especially in the preelection reports, is not adequate for reasonable supervision.

The correspondence follows:

NOVEMBER 13, 1975.

Hon. FRANCIS R. VALEO,
Secretary of the Senate,
Washington, D.C.

DEAR MR. VALEO: Thank you for your letter of November 10 enclosing a copy of a letter from Chairman Curtis of the Federal Election Commission on the subject of my remarks in the Congressional Record of October 20, 1975.

My remarks were made as a result of discussions with Commissioner Aikens, who informed me on October 20 that the Commission did not have some of the required quarterly reports at that time which were to have been filed the previous Tuesday. In discussing the matter with Commissioner Aikens again this morning, I am told that in fact the reports in question were received, as was indicated in Chairman Curtis' letter, late Friday, October 17. At the time Commissioner Aikens and I discussed the matter, she was unaware that those reports had been received on the previous Friday.

Commissioner Aikens made it quite plain to me that she was assigning no blame for the receipt of those reports. I don't either. The point I was trying to make was that when there is a multiple point of entry, there are going to be late reports, no matter what the circumstances. The reports may be filed late. They may be transmitted late. They may be held and batched for the mutual convenience of the administrators. Whatever the case, I am, of course, pleased with Chairman Curtis' statement that the Commission staff is satisfied with the cooperation that it has received from your office to date. Like Chairman Curtis, I appreciate your personal role in achieving that cooperation and congratulate your staff as well.

I shall enter your letter, Chairman Curtis' letter and mine in the Record so that all those who participated in the debate of October 20 will know of the fine record of your office and that the reports were received earlier than one week late as noted.

Yours very truly,

BILL FRENZEL,
Members of Congress.

OFFICE OF THE SECRETARY,
Washington, D.C., November 10, 1975.

Hon. BILL FRENZEL,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FRENZEL: In the event that you have not seen this letter from Mr. Curtis, I am forwarding a copy for your interest.

Sincerely yours,

FRANCIS R. VALEO,
Secretary of the Senate.

Enclosure.

FEDERAL ELECTION COMMISSION,
Washington, D.C., November 10, 1975.

Hon. FRANCIS R. VALEO,
Secretary, U.S. Senate,
Washington, D.C.

DEAR FRANK: I am responding to your letter of October 22 making inquiry with respect to the remarks of Congressman Frenzel which appeared in the Congressional Record on October 20, 1975.

I have looked into this matter and found no significant delay in the transmittal of Senate records to the Federal Elections Commission. On October 20, the Commission was able to display Senate reports which had been received in your Office of Public Records as late as Friday, October 17. Some of the reports in that group had been received prior to October 17, including the October 10 item cited in the Floor debate, reflecting the practice of your staff to defer microfilming on a daily basis the few documents that are filed in non-peak periods.

While the Commission may reserve the possibility of suggesting some revisions in current procedures, depending on the outcome of the point of entry question, I am advised that the Commission staff is generally very satisfied with the cooperation it has received from your office to date. I would like to take this occasion to express the Commission's appreciation to you and your staff.

With kind regards, I am

Sincerely,

THOMAS B. CURTIS,
Chairman.

OFFICE OF THE SECRETARY,
Washington, D.C., October 22, 1975.

Mr. THOMAS B. CURTIS,
Chairman,
Federal Election Commission,
Washington, D.C.

DEAR TOM: I am writing to inquire about the source of and the grounds for the Commission criticism of the performance of the Senate which is contained in the comments of Congressman William Frenzel during the course of House debate on Monday, October 20.

During consideration of the rule, on the House resolution of disapproval of the Commission's proposed regulation on point of entry for campaign reports, Mr. Frenzel stated: "Right now, the Commission is not getting reports from the Senate or from the Clerk of the House in what it considers to be a timely manner. I must say, and emphasize, to the House, that the Senate record on this is worse. Some Senate reports from October 10 have not reached the Election Commission, at least as of early this morning, when I talked to them."

As you know, I have stated my preference for the proposed regulation providing for the Commission to be the single point of entry. I do believe, however, that, pending the adoption of that regulation, the work of the Senate Office of Public Records has continued to be, as in the past, exemplary in the manner in which it carries out the responsibilities which are assigned to it by me pursuant to the law. I am dismayed, to say the least, that the Commission or one or more of its employees is purported to be in the remarks of Congressman Frenzel the source of an implied inadequacy on the part of that office. After reading the Congressman's remarks, I have made personal inquiry into the matter and, I am satisfied, that there has not been any delay whatsoever in forwarding any and all materials to the Commission except, of course, when there is a delay on the part of the candidate or committee in filing with the Senate. If, as is purported in the Congressman's remarks, there is information to the contrary, I would appreciate your advising me of the particular instances in which the Commission believes the Senate has delayed or has in any way been delinquent in the transmittal of campaign reports.

Sincerely,

FRANCIS R. VALEO,
Secretary of the Senate.

SENATOR GAYLORD NELSON DEMONSTRATES CONCERN FOR THE FUTURE OF SMALL BUSINESS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BROWN of California. Mr. Speaker, all of us have given lip-service to the need to protect or promote the small business or the small farm, but most of us have also supported programs and policies which tend to harm the small business and the small farm. Big government and big business, for reasons not too difficult to understand, have grown up together.

Now, in the field of new energy technologies, we have an opportunity to encourage small businesses. Senator GAYLORD NELSON, like many other observers of the Federal energy programs, was skeptical of the lipservice given to helping small business, and began an investigation into the subject of "Energy Research and Development and Small Business".

This investigation, conducted by the Senate Select Committee on Small Business, which is chaired by Senator NELSON, has now been published. While I have not reviewed all of the more than 2,600 pages of documents in the hearing record, I have reviewed enough of this work to commend Senator NELSON on the fine job that he did.

Energy R. & D. is not unique, but it may provide a unique opportunity. The opportunity can be taken advantage of if the Energy Research and Development Administration were to follow just one of the Senate Select Committee on Small Business Recommendations. That recommendation is:

> ERDA should concentrate more of its energies and funds on smaller, decentralized applications of solar energy, many of which are already proven, less expensive to implement, less prone to large-scale blackouts or other failures, and less likely to lead to the establishment of anti-competitive and concentrated conditions in the emerging solar energy industries.

At this time I wish to insert into the RECORD an article written by Senator NELSON on the problems facing small enterprises in general, which I believe every Member of this body would find of interest.

The article follows:

[From the Los Angeles Times, Nov. 10, 1975]

THE AGONY OF AMERICA'S SMALL BUSINESS

(By Gaylord Nelson)

America's small business community is so sorely beset with serious trouble that the health and vigor of our entire economic system is threatened.

This is the picture that has emerged from 47 days of testimony that have been taken in the past ten months by the Senate Small Business Committee, of which I am chairman.

The worst inflation and recession since the 1930s has aggravated this condition. But the root cause is that small business has been at the bottom of the priority list of successive administrations. It now suffers from an accumulation of federal policies that are discouraging the formation of small enterprises, holding down the expansion of existing firms and forcing small family-owned operations, including farms, stores and factories, out of the hands of small entrepreneurs.

There are, in America today, approximately 13 million business enterprises. About 400,000, or 3%, are big businesses, with masses of employes, plants scattered around the globe and budgets that in some cases surpass even those of nations. The other 12.6 million enterprises make up the U.S. small business community.

Just what is small business? What do we mean or should we mean when we use the phrase?

Each of us might define it differently in terms of capital invested, gross sales, number of employes and position in the marketplace relative to its percentage of the total national production of a particular product. We all probably would agree that sole proprietorships or firms with 10, 50, 100, 200 or 500 employes are small business. Most of us, including myself, probably would agree that 1,000, 1,500 or 2,000 employes and more still is a small business.

In any event, precisely where those lines are drawn does not go to the heart of the matter. When we talk about small business we are talking about *independent* small businesses. We are talking about individuals who own them, who manage them, who control them. We are not talking about subsidiaries or branches of large conglomerates and major corporations no matter how small the branch or the subsidiary.

Some statistics about this small business community underscore its importance to U.S. economic vitality. Small business furnishes 52% of all private employment, 43% of the entire U.S. business output and one-third of the gross national product. It is the traditional source of local and national economic growth.

Yet our small businesses are sinking deeper into a morass of federal rules, regulations and paper. They are victimized by discriminatory federal income tax laws. They are being driven out of business by confiscatory estate taxes.

Let me tell you about some of the specific problems of American small business that have been underscored in our hearings:

Tax rates discriminate against small businesses and contribute to their financial weakness. The largest corporations pay only about 25% of their income in federal taxes because of special privileges that have accumulated over the years. In contrast, many smaller firms pay more than 50%. Thus a small firm attempting to accumulate capital to grow may be paying twice as much as a giant competitor.

Paperwork is out of control, imposing a $40 billion yearly burden on the economy, more than half borne by small business.

Family farming, accounting for 25% of all self-employment, is in serious trouble. More than one-third of all U.S. farms went out of business in the last 15 years.

The housing industry, composed mostly of small and independent firms, has been forced to cut production from nearly 2.4 million units in 1972 to a rate at the end of last August that would produce 1.26 million this year. Unemployment in construction is 21.2%. Administration policy is directly responsible for this depression in housing.

Federal regulations, such as the 330-page document on occupational safety and health, are proliferating and sap the time, funds and productive energies of small enterprise.

There is an acute shortage of capital for smaller firms. Only 10 stock issues have been sold by small- and medium-sized businesses in the past 20 months. During the same period, some interest rates for smaller borrowings reached 15% to 18%.

Bankruptcies in the year ending June 30, 1975, jumped 45% to 30,130. This is almost twice the 1966–1970 level.

Rules governing recovery of capital invested in equipment are so complex that this tax saving device is poorly utilized by small firms.

The estate tax exemption of $60,000—set in 1942—is so out of date in the modern inflation-ridden economy that it is prohibiting many owners of family farms, factories and stores from passing along their enterprises to their children.

In the past year, some emergency measures already have been taken to help small businessmen—although when the Ford administration proposed the recession emergency tax cut, it earmarked virtually all business help for big business.

Then the six senators on the Senate Small Business Committee—they also sit on the Senate Finance Committee, which handles tax legislation—were able to persuade Congress to shift a significant portion of these funds to small business. As a result, 1975 tax rates were reduced 9% for companies that earn less than $25,000 and 40% for those earning between $25,000 and $50,000. This is the largest small business tax cut in a quarter century.

We also succeeded in doubling the amount of used machinery outlays eligible for the investment credit, and in increasing permissible accumulated earnings not subject to taxes from $100,000 to $150,000.

Next came a group of bills now moving through the legislative process. One would make the tax cuts permanent. Another could grant a partial tax credit for wages paid.

Early last month the Small Business Advisory Committee to the Commissioner of Internal Revenue held its first meeting with the IRS to provide the service with better and continuous insight into the special problems of small business.

Also, the first meeting was held early last month by a new federal organization that holds great promise for small business. It is the Commission on Federal Paperwork. Some citizens may be amused by the need for such a group, but not the small businessman. He grasps at any hint of aid to halt the blizzard of paperwork now burying him.

Currently my committee staff is drafting additional proposals to remove federal impediments to small business creation, growth and survival. A substantial reform of the estate tax law is being written, plus a measure to simplify capital cost recovery. The premier pieces of legislation will entail a sweeping reform of regressive and oppressive income tax measures that plague small business.

Overall, we have an important new matter of concern to America. This new issue—the health of independent small business—involves vital economic, social, sociological and philosophic questions.

It involves the question of survival of a competitive free enterprise system.

It involves issues respecting the kind of productive efficiency and creativity that flow from personal management, ownership and responsibility.

It involves questions of economy of scale.

It involves the basic issue of preserving opportunities for free choice and individual self expression.

So far as our family farmer-businessman is concerned, there is involved the great question of stewardship of our land. Should the man who tills the soil and produces the food and fiber own the land? Or should absentee corporate giants own the land and hire hands to till the soil, and manage that vital resource?

And finally, the whole matter gets down to this question: What is our view of ourselves and our future as a people?

We have not addressed ourselves to these issues in any thoughtful, persistent, creative fashion. We have assumed that because the country is big and the economy is big that big is good. This has been the conventional wisdom. While some bigness is dictated by the nature of things, a good deal of bigness is bad for the economy and bad for the free enterprise system. The large conglomerates that absorb independent businesses and engage in predatory competitive practices simply do not serve our best interests.

Important though these matters are, we will have to ponder them in the future because the current plight of small business demands immediate action.

JOHN L. FRANSON ON THE ENVIRONMENT

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. REUSS. Mr. Speaker, I want to place in the CONGRESSIONAL RECORD the excellent speech by John L. Franson, southwest regional representative for the National Audubon Society, prepared for delivery at the President's Forum on Domestic Policy held on November 11 in Austin, Texas. Mr. Franson thoughtfully addresses the critical energy and environmental decisions facing this country, and I know that, as always, his views warrant very serious consideration by Members of Congress. The text of Mr. Franson's statement follows:

STATEMENT OF JOHN L. FRANSON

Vice President Rockefeller, Distinguished Cabinet Members and Friends,

My name is John Franson and I am presently the Southwest Representative for the National Audubon Society which encompasses Louisiana, New Mexico and Texas. I was formerly their representative in Indiana, Illinois, Kentucky, Ohio and Tennessee and before that I worked for some years in the conservation field in Wisconsin.

I appreciate the invitation to be heard by the distinguished Vice President and Cabinet members on behalf of the President. This is a rare opportunity.

One of my concerns and that of the National Audubon Society is the apparent fact that we are on an almost single source of energy treadmill—fossil fuels. An alternative which is being developed, nuclear energy, seems no more encouraging considering the dangers and nuclear waste disposal problems involved.

I don't know of any real progressive development that has been made in this great society lately without the help of industry. I believe that one of the primary goals of the Administration and Congress should be to encourage industry to develop alternatives. These should be alternatives that are safer and less environmentally damaging than most of the programs that we now have and those which we know will eventually terminate because of the lack of resources.

To be more specific, I believe that the federal government along with states should more seriously consider more stringent surface mining regulations such as restoring the landscape including the topsoil and the terrain and the natural plant life after the mining operation to make it productive.

There are ways to sensibly take resources such as coal. Alternatives such as underground coal gasification have not even been seriously considered. Probably there would be new thinking and new incentives created by industries if our government and our laws encouraged industry to restore mountains, prevent filling valleys with tailings and re-establishing water supplies before tearing them down. The present thrust toward oil shale development is a good example of industrial administrative irresponsibility for a few drops of oil. This would never be an issue if the industry took its environmental responsibility and had to pay the social consequences. Likewise with strip mining.

We need land use planning more than we need strip mining and we need mass transit systems more than we need more highways and gasoline controls.

What are some of these alternatives that should be considered? Well, so far we have given short shrift to solar energy, geothermal energy, tidal energy and may not have even tapped other sources heretofore unexplored.

So far we have not even begun to develop recycling that would help save our eastern forests from becoming monocultures and enable us to use refuse for sources of heat and cooling rather than landfills.

So far we have destroyed thousands of acres of wetlands whose acres can produce ten times the amount of protein as the same amount of wheat.

So far we have forgotten about returnable bottles that were once a reality in this country. Now we use the most expensive material we can produce in terms of energy—aluminum—as trash.

So far we have allowed the greatest users of energy, the great industries, to get energy the cheapest while the householder pays the bill and is careful not to use too much.

Money or the lack of it seems to be a direct reflection in some ways on the waste of energy and resources. At public expense we can build plans and begin construction on enormous canal systems such as the Cross-Wabash and Tennessee-Tombigbee which will subsidize barge traffic while the railroad industry which already exists and which would be far more efficient nationally stands in decay.

We can generate such agricultural subsidies as the Garrison-Division Ditch in North Dakota to encourage wasteful agricultural practices and drainage of wetlands and channelize our streams which erode our topsoil and cause flooding elsewhere just to perpetuate federal programs and agencies. Other agencies or portions of them, such as the Environmental Protection Agency (E.P.A.), National Oceanic And Atmospheric Administration (N.O.A.A.) and the U.S. Fish and Wildlife Service, are left short of funds. Others less environmentally concerned are traditionally lavished with them.

The government, hand in hand with industry, encourages the use of deadly non-selective chemicals while they could just as well be working to encourage research and the marketing of alternative means of biological control and sterilants and attractants which would be just as effective, more selective, and less deadly to mankind and the other creatures that live with him and which we need to live.

Moreover, we give away our public lands, and allow them to be ravaged.

If we are to have a healthy country, I hope that you will carry this message back with you and to the President and Congress on behalf of the National Audubon Society and myself.

A TRIBUTE TO THE LATE BOB CONSIDINE

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. MURPHY of New York. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article by the late Bob Considine, one of this Nation's outstanding journalists, whose understanding of the American soldier was unparalleled, and whose death was a loss to all Americans, as President Ford's remarks indicate.

[From the Baltimore News American, Feb. 13, 1975]

HAPPY BIRTHDAY, GI-JOE

(By Bob Considine)

As we near the 200th anniversary of the United States Army it is time to pause a bit and recollect that there's always been a GI-Joe around America and the world, thank God, a kind of steady fellow who marches to a distant drum which sometimes only he can hear.

Joe jigged into step with others like him two centuries ago in protest against George III's "intolerable acts," harsh codes intended to punish the colonies for dumping his majesty's oolong into Boston harbor.

Joe didn't ask any questions about "What's in it for me?" when he headed across hill and dale toward war. He knew what was in it for him: his right to be his own man, and free. Gen. Thomas Gage he had hardly heard of. But somebody told him Gen. Gage was moving his Redcoats toward Concord to destroy or capture the pathetic arms the Americans had painfully cached there. That was too much.

So Joe helped stop Gage in his bloody tracks at Lexington, April 19, 1775, and on the following June 17 did the same, thank you, at a mound of earth named Breed's Hill, later known as Bunker.

Breed's or Bunker; it didn't matter. What mattered was the extraordinary knowledge gained through those hard times, namely, that Joe and his friends, second class citizens of a mighty crown, were every bit as good and tough and brave as the properly trained and disciplined forces of Britain.

That was really something. Lessons learned from those battles left an imprint that was to last two long centuries and will continue to leaven the American military man as far into the future as the mind's eye can scan.

The prime lesson was that which was best exemplified by George Washington, an old pro who heard a drum of his own and left the creature comforts of Mt. Vernon to become commander in chief of the Army, June 15, 1775, at the request of the Second Continental Congress. Washington approached his dangerous job with what was a relatively rare philosophy for those times. He preached and practiced that the American military was the servant, not the master, of the elected civilian government. And he made it stick.

Lots of people forget what Joe did for his country in the 19th century. The United States entered that century barely able to stand in its own two boots; it finished up as a continent-wide world power. Joe fought in 90 major wars, expeditions, campaigns and occupations during that century. He buffered for Lewis and Clark and Zebulon M. Pike, cut the roads to the opened West, deepened the harbors and rivers, laid the ties, stretched the communications wires, protected the mails, and Americanized the flood of immigrants that flowed in from lands across the seas.

It wasn't always roses. He fought against his brother in the War Between the States. One of his heroes, Tom Jefferson, reduced his ranks from 4,000 to 2,600 but Joe shrugged and took it. But by the coming of the 20th century Joe was liberating fellow freedom-lovers as removed as Cuba is from the Philippines. He was digging a big ditch in Panama, and killing a tough little bug that tried to stop him by giving him yellow fever.

Joe became part of something big in World War I. Until May of 1917 everything about the Army had been volunteer. Now, conscription of men between 21 and 30 . . . several millions of them. And hosts of enlistees, too, many of them prodded by a poster drawn by James Montgomery Flagg showing Uncle Sam, looking very flinty (Flagg used himself as his model) pointing a bony finger at the viewer and saying, "I want you!"

There was a bigger and bloodier war after that, followed by the first war of the United Nations, and a war in Indochina that Joe didn't quite understand. But he did what was asked of him, and he walked out of all of them with his chin up.

A good, brave colonel named Peter Petersen has written a belated tribute to the Joes of the U.S. Army entitled "Against The Tide—An Argument In Favor Of The American Soldier." It portrays Joe as a very human being, given to occasional beefs and gripes, but always ready to put his life on the line if his country's security and honor is at stake. The book, published by Arlington House, knocks down four perennial raps that have burdened the American fighting man from the start:

—That army training turns men (and women) into robots; that many veterans, particularly from Vietnam, become detrimental to society; that career soldiers are martinets, and that ". . . privates are oppressed pawns, junior officers naive, and senior officers manipulators."

Joe's in another kind of army now. All volunteer again, because of more intelligent recruitment and communications. It's better trained and equipped than any we ever had before. He's spread all over Christendom and then some.

He actually was tailored into his uniform, not pushed into it. He eats better than he and his pal Willie did in World War II. He's lots warmer than he was at Valley Forge. Nobody tells him to shave his head. He's studying everything from archaeology to zoology, and making many times as much as he ever made in his life. He's surrounded by more pros and fewer bureaucrats and goldbrickers than ever before. His girl friend has just enlisted and Joe's thinking of seeing the chaplain, getting hitched, and asking him to put in a word to transfer them to Munich or Miami, Taipei or Tahoe.

SEPTEMBER 26, 1975.

PRESIDENTIAL STATEMENT ON THE DEATH OF BOB CONSIDINE

Bob Considine was a great reporter—one of the greatest. He always said that was his greatest accolade: reporter. Bob was also a great man. It can be said without fear of challenge that Bob never made an enemy in the world—and that is saying something because the world was literally his beat. It is likely that no reporter in history traveled as much or was as prolific as Bob. The quality and scope of his writing, his personal courage and his outstanding character—all made him a super star long before the term was ever used. Bob used to say that only three things mattered in life: work, family and faith. He may have forgotten a fourth: friends. No reporter in America had more friends than Bob—in and out of his profession. We will miss him. We will miss his stories, his gentle good humor and, above all, his sterling example of personal integrity. Mrs. Ford and I join Bob's dear wife, Millie, and the Considine family in their prayers—in the words that Bob was so fond of quoting: "May the angels lead thee into paradise and may the martyrs receive thee at thy coming. . ."

DO NOT PASS BAD LEGISLATION ON BASIS OF HIGH EMOTION

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HÉBERT. Mr. Speaker, everyone in the House knows how strongly I deplore irresponsible attacks upon our intelligence agencies, namely the Central Intelligence Agency and the Federal Bureau of Investigation.

I have repeatedly said that these agencies are vital to America's survival, and if there are problems, we can right them without destroying the usefulness of these agencies.

Similarly, I have been very concerned about the trend of the Supreme Court in recent years which has coddled criminals. Fortunately, that trend is on its way to being reversed, and I am hopeful it will continue.

However, Mr. Speaker, it is most refreshing to note that there are others who share my viewpoints. I want to insert in the RECORD an article which appeared in the Baton Rouge Morning Advocate on November 8, 1975.

It is written by Ben R. Miller, a prominent Baton Rouge, La., attorney who held national offices with the American Bar Association, including important committee chairmanships. His words, I feel, are most noteworthy:

LOCAL ATTORNEY WARNS: DO NOT PASS BAD LEGISLATION ON BASIS OF HIGH EMOTION

(By Ben R. Miller)

For close to two decades the very liberal majority on the Warren Supreme Court handcuffed law enforcement officers instead of the criminal. But now that the new Burger Supreme Court seems likely—once the ailing and aging Douglas can be replaced—to soon have a clear majority able to eliminate the imbalance favoring rights of the criminals over rights of the victims and of society itself, the very liberal majority in the Democratic Congress seems determined to maintain the imbalance—and at the same time destroy the capability of the FBI and the CIA to protect us against domestic subversives and foreign enemies.

For under emotions generated by the Watergate episode, these congressional liberals seem determined to not only disarm the police and the law abiding citizens in their unending fight against the criminals in our society, but to also destroy the ability of our intelligence agencies to forewarn and forestall subversive activities both here and abroad against our nation.

Over 20 years ago, the Warren Supreme Court freed Judith Coplon, an American citizen turned Russian spy. A speaker before the Louisiana State Bar Association had this to say about it at the time:

"The Supreme Court has twice reversed the conviction of Judy Coplon, because they said if the FBI had not been engaging in this 'dirty business' of tapping her telephone wire in the Department of Justice where she had worked—then the FBI would not have known that she was going to meet a representative of the Russian Embassy on a certain corner in New York City and hand him secret documents of the United States Government; and, therefore . . . we can't even introduce evidence of the papers we took from her possession as she handed them to a Communist agent. Just think what Communists, who seldom laugh, must do when they look at the fruits of the follies of free men!"

That speaker was Warren E. Burger, now the Chief Justice of the Supreme Court.

Some liberals in Congress now, however, would extend this farce even further by punishing those who would similarly catch such a spy in the future! For, under the appealing phrase "Protection of Privacy," they would in effect prohibit all wiretapping by the FBI or the CIA and all surveillance of dangerous domestic or foreign subversives. The sophisticated subversives and the organized crime syndicates all use the most advanced techniques of "spying" on law enforcement officers, and on the CIA; and foreign agents seek all modern means to break our codes, to wiretap and scan the mail of those they suspect of being our agents.

But these mistaken liberals would say it is naughty for our defenders to do so.

To unilaterally disarm our intelligence gathering forces is as absurd as saying that the police in seeking to overtake the fleeing murderer or kidnapper or to catch the bomber before he can toss his bomb into the Senate chamber, must not exceed the "legal" speed limit of 55 miles an hour; or that in the deadly continuing challenge by our foreign enemies our plans for weapon changes and future plans, as well as the names and addresses of all our informers abroad must be open for full "public" inspection. Try playing bridge or poker with your neighbors under such a naive philosophy.

The late J. Edgar Hoover, whom many of the bleeding hearts in and out of Congress have suddenly acquired the courage to attack now that he is dead, testified in Congress on April 17, 1969, in part:

"I dare say that the most violent critic of the FBI would urge the use of wiretapping techniques if his child were kidnapped and held in custody.

'Certainly, there is a great need to utilize this technique to protect our country from those who would enslave us and are engaged in treason, espionage, and subversion and who, if successful, would destroy all our institutions and all our freedom."

It is always a danger to legislate in times of high emotions. The recent assassinations and attempted assassination of public figures have triggered efforts by some to make illegal the possession of all hand guns—not merely a much more reasonable and acceptable approach to the problem by tightening their sale, and requiring their registration. Yet those of you who saw the morning news on Friday, Oct. 31, saw how the citizens and the police authorities of the central area of Florida are helpless to stop a wave of brutal crimes, and citizens there, including elderly widows, are purchasing hand guns and taking training from the police in their proper handling, so as to better protect themselves, their families and their property from criminals who have no problem in themselves acquiring hand guns and to whom a "law" making their possession illegal would be but a joke.

We need to let our representatives at all levels of government know our opinions on these vital questions—which transcend all party, racial or religious bounds.

RECORD HARVEST STRAINS NATION'S TRANSPORTATION SYSTEM

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. FINDLEY. Mr. Speaker, as the Members leave Capitol Hill tonight and join the congestion of homeward-bound traffic, they may wish to reflect upon the impact that traffic delays have upon the Nation's economy. Traffic tieups waste precious fuel and produce additional cost to the commuter. Congested commercial shipping means extra fuel lost and higher commodity prices. At the present time, grain laden barges seeking transit through the locks at Alton, Ill.—a vital link in our Nation's inland waterways transportation system—experience an average delay of 48 hours. While sitting behind the steering wheel in tonight's traffic jam, the Members may wish to compute what such delays in commercial transportation might add in costs to that steak from the corn fattened steer which they contemplate having for supper.

I wish to draw the attention of my colleagues to the following article by C. Robert Hillman of the Chicago Sun Times, which appeared in the Washington Post on Wednesday, November 12, 1975:

BUMPER CROP RUNS RISK OF ROTTING ON GROUND

(By C. Robert Hillman)

Chicago Sun Times

BRADFORDTON, ILL.—For John Mavis, the elevator manager here, the 175,000 bushels of corn piled along the highway outside his office is a bumper crop only if it doesn't rot.

Like nearly a third of the 750 country elevators in Illinois, the Bradfordton Co-op has dumped corn on the ground because its silos and grain bins are bursting at their seams.

Illinois farmers have nearly finished harvesting the state's largest corn crop, some 1.2 billion bushels. Yet the bumper crop brought in more rapidly than usual because of ideal autumn weather, has crippled the railroads' capacity to move the grain. Covered hopper cars are especially scarce because many of them have been spoken for by the nation's largest grain companies.

After a flying tour of the state last week, Illinois Agriculture Director Robert Williams estimated that more than 5 million bushels of corn were heaped unprotected on the ground.

"It doesn't take a genius to figure out that, left there long enough, the corn will very simply rot," he said. Williams, himself a farmer and elevator owner near Carmi in southern Illinois, blamed the railroads.

Much corn in this area can be trucked directly to river terminals such as Havana and Beardstown on the Illinois. But the shortage of rail cars already has diverted large amounts of grain to the trucks and barges and they now are becoming scarce.

The shortage problem here is further complicated because many farmers, who have filled their bins, want to hold their corn in nearby elevators, hoping the price will go up.

This year's bumper corn crop, now predicted by the Agriculture Department at 5.7 billion bushels, up 23 per cent from 1974's skimpy harvest, has driven the price down.

After nearly a week of prodding, Williams said he persuaded the Interstate Commerce Commission to order railroads to give priority in their distribution of empty rail cars to elevators with large amounts of corn on the ground.

To solve the recurring problems of a bumper crop, though, Williams said a national agricultural transportation policy must be worked out with the railroads and the federal government.

The photograph of mountains of corn dumped on the ground for lack of adequate transportation facilities, which accompanied this article, dramatically illustrates the plight of American farmers in getting their grain to market. It also portrays the plight of the consumer who is trying to understand the reasons for the constant increase in food prices.

The biblical plagues of Egypt may no longer confront us and the historic famines of China may be diminishing. But hunger is still an enormous problem in the world, one which is exacerbated by the inability of this country's transportation system to speed its bountiful harvests to foreign and domestic markets.

MALPRACTICE INSURANCE FEES SWAMP AREA HOSPITALS

HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. CARTER. Mr. Speaker, as my colleagues are well aware, medical malpractice has become a matter of national concern because of the dramatic increases in the cost of medical malpractice insurance for health care professionals in the last 15 years, and because of the increasing unwillingness of many insurers to offer medical malpractice insurance. Physicians in many instances are faced with the possibility of being unable to obtain coverage. This, in turn, creates a situation where patients injured through the negligence of health care providers might not be able to obtain adequate compensation for such injuries. Despite skyrocketing medical malpractice insurance costs, only a small portion of these dollars actually goes to the injured patient or his legal representative, ranging from 16 to 38 cents per dollar.

The causes of this crisis are certainly more apparent than any concrete solutions. The consumer revolution has touched off a legal rights explosion. Patient reluctance to sue for damages has faded fairly quickly. Traditional legal defenses such as governmental and charitable immunities, have also disappeared. Time limitations on bringing suit have been lengthened, and "expert" witnesses are now willing to testify. New drugs, medical machinery, and other advances in technology increase the risk and potential for lawsuits as much as they do the possibility of cure. In addition to these factors, the press has given increased visibility to this issue, and has heightened the public's sensitivity to this problem.

A number of approaches for dealing with this situation have been suggested and are being explored. Legislation has been introduced in both the Senate and the House proposing various alternatives. Proposals range from the offering of reinsurance for all claims over $200,000 to the formation of joint underwriting associations in States where such an approach is needed. The appropriate locus for administration of these solutions is as yet undecided.

Other suggestions concern changes in the existing legal system under which negligence, liability, and awards for damages are determined. Arbitration panels could be set up to provide an alternative to litigation. Also under consideration is the idea of a no-fault medical injury compensation system which would draw upon the approach used in the workmen's compensation system in this country. Recently, hospital associations in several States have formed captive insurance companies designed to write policies exclusively for member institutions. Similarly, some physicians have banded together to sponsor group insurance for themselves on a State or county basis. Still other physicians may even be considering practicing without any liability insurance at all.

I certainly hope that whatever the mechanism or mechanisms we select to address this situation, that we may keep in mind, the ultimate goal of providing equal access to quality care at a reasonable cost for all of our citizens.

As an example of the widening impact of the medical malpractice insurance problem, I am submitting a recent article from the Washington Star for consideration by my colleagues. It describes how concern for this situation has spread from individual physicians to the hospitals in which they work; and it forecasts still further increases in hospital costs, and thus in patient charges, as a result of increases in insurance premiums:

MALPRACTICE INSURANCE FEES SWAMP AREA HOSPITALS

(By Robert Pear)

The malpractice insurance crisis has spread from physicians to the hospitals in which they work.

One by one, Washington-area hospitals are reporting dramatic increases in their insurance premiums. As they negotiate rates for next year, they are learning, as one hospital administrator put it yesterday, that the insurance companies are "in the driver's seat."

The hospitals' plight, less publicized than that of doctors, was summed up in recent testimony before the D.C. City Council by G. T. Dunlop Ecker, administrator of the Greater Southeast Community Hospital, speaking on behalf of the D.C. Hospital Association.

"In 10 District hospitals for which information is available," Ecker said, "malpractice insurance costs were $863,564 in 1971. For these hospitals, the costs in 1975 had increased to $3,775,029—an increase of 330 percent. The increase this year alone over last year was 106 percent."

The current cost of $3.77 million, he explained, means that an average charge of $3.80 must be passed along to each patient for each day of hospitalization.

At Sibley Memorial Hospital, a 360-bed institution in Northwest, this year's premium is more than five times the size of last year's—$407,000 versus $76,000.

The increase has been even sharper at Fairfax Hospital, which is paying eight times as much in premiums for less coverage than it had last year.

"The cost of professional liability insurance at the Fairfax Hospital has risen from $69,577 in 1973 to $76,660 in 1974 to $646,072 in 1975," according to John P. O'Brien, vice president of the Fairfax Hospital Association, the nonprofit corporation that operates the hospital.

Last year, O'Brien said, the hospital had $10.3 million worth of coverage at a cost of 41 cents per patient day. This year, he said, "the cost of $6.3 million in insurance (all that can be obtained) will be . . . $3.45 per patient day."

"The claims record of the Fairfax Hospital is excellent, so this does not appear to be the cause of the enormous premium increase," O'Brien said in a letter to state Sen. Edward E. Willey, the Richmond Democrat and pharmacist who heads the Virginia Commission to Study Costs and Administration of Health Care Services.

Since Fairfax Hospital opened in 1961, it has paid claims of $31,282 and total premiums of $1.03 million, O'Brien said in his letter.

While there were sizable increases in the cost of basic insurance, the greatest jump was in the premium for excess coverage, which protects a hospital against unusually large claims. Often such claims are designed to make up for years of lost earnings or to compensate for a patient's "pain and suffering."

For Fairfax Hospital, the cost of $9 million in excess coverage last year was $8,688. This year, O'Brien said, "on the basis of information received to date, no insurance company will write $9 million worth of coverage. The most we have been able to obtain is $5 million at a cost of $280,000, an increase of 5,700 percent."

The problems here are part of a national trend involving at least 40 states. A spokesman for the American Hospital Association, Michael Lesparre, said that aggregate malpractice premiums for the country's nongovernmental hospitals rose from $350 million in early 1974 to $750 million this year, with next year's total expected to be $1 billion.

The estimates, which he described as conservative, were based on reports from state hospital associations.

The insurance problem also has hit medical schools and university hospitals, which undertake more complicated procedures than smaller hospitals.

At Howard University Hospital here, the premium has gone up almost 200 percent from last year, according to Dr. Charles S. Ireland, the hospital director. At Georgetown University Hospital, sources said, the cost of basic coverage is up 83 percent over last year.

At Suburban Hospital in Bethesda, patients may have to pay an extra $4 or $5 a day next year as a result of a decision by the Aetna Life and Casualty Co. to stop writing malpractice policies in Maryland.

In announcing the decision last week, Aetna officials said they, like other underwriters, had found malpractice insurance unprofitable in Maryland.

As one partial solution, hospitals here would like to reduce their liability in malpractice suits so they are no longer co-equal defendants with the doctors. On this issue, the interests of hospitals and physicians diverge.

The D.C. Hospital Association wants to have negligence apportioned among the defendants named in a malpractice suit, so that if 30 percent of the negligence is due to the hospital and 70 percent to a doctor, the damages would be assessed accordingly.

Traditionally, when hospital and doctor are sued together, their liability is "joint and several"—in other words, each is legally responsible for the full amount.

As a result, the hospital may pay half the damages if one doctor is involved, or one-third of the damages if two doctors are involved.

Hospital administrators contend this arrangement is unfair to them.

"The largest number of claims are filed initially against the physician," said William M. Bucher, executive director of the Hospital Association. "The hospital is involved only as an afterthought, as the house in which the work was done.

"The real issue as I see it," Bucher said, "is that the more sophisticated medicine gets the more people will expect to have corrected."

In recent years, doctors often have said that medical technology seems to have raised the patients' hopes of a cure to unrealistic levels. Now, hospital officials say, if an expensive piece of medical machinery exists, patients increasingly believe their hospital should have and use it.

One novel approach was illustrated by the Pennsylvania Hospital Association, which voted last week to form its own nonprofit company to handle the malpractice insurance of its members.

The action came one day after Employers Insurance of Wassau, which handled the malpractice policies of 142 association members, announced it was canceling all policies by August 1976. The company also sought a 245 percent rate increase from the insurance commissioner, saying it might quit the state before the August deadline if he failed to act quickly on the rate request.

Hospital associations in several other states also are forming "captive insurance companies," designed to write policies exclusively for member institutions.

Earlier this year the American Hospital Association made plans for an insurance pool that could provide coverage for hospitals unable to find an underwriter in the commercial market. The pool has not yet been set up.

BICENTENNIAL PLAN

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. DENT. Mr. Speaker, I recently received a letter from a constituent who expressed the feeling that a great number of the programs currently being instituted in celebration of our country's Bicentennial are somewhat questionable as to the meaning that is involved. I am certainly not of the humbug variety, and in fact, find meaning in a number of the celebrations planned. But I wish to include this column, entitled, "Bicentennial Plan," and the letter in the RECORD in order that we might have the benefit of another view on the Bicentennial—a view that makes sense, in my mind:

LATROBE STEEL CO.,
Latrobe, Pa., October 16, 1975.

Hon. JOHN H. DENT,
Rayburn Building,
Washington, D.C.

DEAR REPRESENTATIVE DENT: In the helter-skelter rush to celebrate the Bicentennial, many meaningless and useless programs have been initiated. Certainly, we are all proud to be citizens of this great country which has been under constant attack for decades, both internally and externally,

Many concerned citizens realize that one of the greatest dangers to their freedoms is not necessarily encroachment by external foreign powers but the heavy burden of the bureaucracy in Washington laid upon their shoulders which continually saps their strength

I believe the enclosed editorial for a new and meaningful Bicentennial plan is excellent and recommend it to you for a real and effective Bicentennial program. The goal suggested by Walter Campbell, if accomplished, would convert this country again to the world's greatest nation. I sincerely ask you to initiate such a program for the benefit of every citizen of our country.

Sincerely,

ALEX SIMKOVICH.

[From Industry Week, Sept. 15, 1975]

BICENTENNIAL PLAN

(By Walter J. Campbell)

WHISPERING PINES, N.C.—Perhaps it was the mail bringing an offer of a replica of George Washington's sword for $950, and other gimmicks at ridiculous prices, that suggested we should plan some more meaningful action to celebrate our country's 200th anniversary.

Perhaps it was the edict by the Dept. of Health, Education & Welfare that this state locate a new veterinary school in a city other than that selected after careful planning by the North Carolina education officials—under threat of losing all federal aid funds to education.

Perhaps it was the absurd investigation of a General Foods Corp. promotion, planned many months ago and involving a minuscule percentage of the output of can lids.

Perhaps it was the sum total of thousands of other examples of the exercise of bureaucratic power in a fashion more arrogant than wise.

Perhaps it was a growing conviction that government intrusion into social and economic affairs, whenever and wherever observed, generally has left the world somewhat worse and a lot more expensive.

Perhaps all these suggest as a Bicentennial program the pruning of a government that has grown too big, too arrogant, too inefficient, and too costly.

Perhaps we should pick this time to reaffirm the Declaration of Independence—not against a foreign despot, but against a domestic government that far exceeds what that government was intended to be or needs to be.

Let there be no delusions about the difficulties of such a pruning.

It will require extreme pressure on Congress, a body that has acquired the habit of catering to bureaucratic entities rather than serving the interests of the citizens.

It will require pinching the monstrous pipeline of public monies that flow to too many bureaus and too many programs.

But 200 million citizens can apply that pressure and can pinch that pipeline.

And, should we be able to return a reasonable government to the people, we certainly would have something to celebrate.

ENVIRONMENTALISTS' ENERGY PROGRAM

HON. RICHARD L. OTTINGER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. OTTINGER. Mr. Speaker, I would like to insert for the benefit of our colleagues the October 20, 1975, Environmental Study Conference factsheet, "Energy Development Supported by Environmentalists," by ESC staff writer Bruce R. Myles. Mr. Myles has done an outstanding research and writing job, and I believe all Members will find his paper very interesting and helpful.

The factsheet follows:

ENVIRONMENTAL STUDY CONFERENCE FACTSHEET—ENERGY DEVELOPMENT SUPPORTED BY ENVIRONMENTALISTS

(By Bruce R. Myles, ESC Staff Writer)

SUMMARY

Environmentalists do not oppose developing new energy sources and, in fact, support gradual development of *oil and gas on the OCS*, a crash program to commercialize *solar energy technologies*, and a wide range of aggressive *energy conservation* strategies.[1]

Coal will have to play a large role in meeting U.S. energy needs for at least the short and mid term, environmentalists agree. They want expansion of deep-mining for high-Btu, low-sulfur coal in the East, so that strip-mining in the West can be minimized. They support legislation to regulate strip-mining and reform leasing of federal coal lands in the West, improvements in mine health and safety programs, and R&D to increase the efficiency of underground mining.

In addition to tapping the above energy sources, environmentalists recommend converting organic *urban and agricultural wastes* into solid, liquid or gaseous fuels, which could provide as much as 10 percent of all U.S. energy needs.[2] They also support research in *geothermal energy* uses, *oil shale production, coal liquefaction and gasification*, to determine if their commercialization is environmentally acceptable and economically feasible.

With respect to *nuclear power*, environmentalists disagree only about the extent to which it should be restricted. Most urge that no further plants be built unless and until such crucial problems as radioactive waste disposal and plant accidents and sabotage are solved. With a few exceptions, environmentalists regard nuclear energy as the technology of last resort.[3] They disagree more often about what should be done with existing fission plants, which already supply a sizeable portion of the electricity in Chicago, Boston, and other cities in the East.

DETAILS

Limiting nuclear power to reactors already built or on order was considered by the Energy Research and Development Administration in the June, 1975 comprehensive energy plan it submitted to Congress, "A National Plan for Energy Research, Development and Demonstration: Creating Energy Choices for the Future." ERDA concluded that even with maximum development of non-nuclear energy sources, limiting the de-

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Footnotes at end of article.

velopment of nuclear energy would lead to unacceptable oil imports.

ERDA believes that only the pursuit of all potential energy technologies, including nuclear and energy conservation, can satisfy what it projects to be our future energy needs. This strategy would lead to energy consumption in the year 2000 of 137 quadrillion Btu's, compared to 73 quadrillion Btu's in 1973.

An energy strategy emphasizing improved efficiencies in end-use technologies without such all-out energy development (including nuclear) could reduce U.S. energy consumption growth from a projected three percent to less than two percent annually, ERDA estimated. This would bring total consumption in the year 2000 to about 121 quadrillion Btu's. But ERDA believes this strategy still would require unacceptable oil imports.

Some environmentalists argue that the limited nuclear power scenario ERDA discounted would be very workable if the agency considered the total energy savings possible from increased efficiencies in transportation, space heating and industrial process heat, and could result in energy independence by the year 2000.[4]

They note that ERDA projects auto efficiency to increase only to an average of 28 miles per gallon by the year 2000, as an example of the agency's underestimating energy conservation savings. Legislation now moving through Congress (HR 7014, S 1883) envisions the 28 mpg standard being achieved in 1985, 15 years earlier, environmentalists point out. Auto efficiency increased from 13.9 mpg in 1974 model-year cars to 15.6 mpg in 1975 models, and to 17.6 mpg in 1976 models, according to the Environmental Protection Agency.

Energy use in major consuming areas can be cut a total of 20–40 percent by eliminating waste (e.g., through better insulation and recycling) and increasing efficiencies (e.g., of motors), environmentalists project. This could enable holding energy consumption in the year 2000 to well below ERDA's estimate of 121 quadrillion Btu's.

If changes to less energy-intensive living habits (e.g., carpooling, bicycling) are considered, consumption could be cut even more.[5] European nations such as Sweden and West Germany, which have higher standards of living (based on per capita income) than the U.S., use only about half as much energy per capita as the U.S., environmentalists point out.

Environmentalists question ERDA's (and the energy industry's) *basic asumption that energy growth is needed* because of expanding population and rising affluence of lower economic groups.[6] They believe that middle- and higher-income groups already waste far more energy than lower-income groups require to improve their standard of living.

They point out that S. David Freeman, former director of the Ford Foundation Energy Policy Project and now a consultant to the Senate Commerce Committee, agrees that zero energy growth can be achieved without causing economic hardship if energy conservation is vigorously pursued. Freeman notes that from 1870 to 1950, U.S. GNP increased six-fold while energy consumption per capita only doubled.[7]

Robert Williams, who directed energy conservation and environmental impact research for the Ford Foundation project, agrees with Freeman and asserts that 1973 U.S. energy consumption could have been 45 percent lower, postponing for another 18 years the actual 1973 consumption.[8]

Conservation measures favored by environmentalists include energy efficiency standards for homes, buildings, automobiles, and major appliances, and government programs to encourage or require industry to install energy-conserving devices. Electric utilities should be directed by Congress and state utility commissions to implement conservation programs, including flattening of rate structures (eliminating discount rates for bulk users) and peak load pricing (the charging of higher rates during peak consumption hours), they believe. Tax and other incentives should be provided to encourage recycling of materials.[9]

ERDA is criticized by some environmentalists for over-emphasizing *oil shale development and coal gasification and liquefaction.*[10] They urge that ERDA give more attention to the use of coal as a direct heating fuel in industry, particularly industries now using natural gas. However, they do support an escalated program to develop low-Btu gas from coal for use in combined cycle (gas and steam turbine) electrical generation systems.

Environmentalists are apprehensive about the large water requirements for coal gasification and liquefaction and oil shale processing.[11] They also have concerns about the water and air pollution, land disturbance, and economic and social impacts of production of these energy sources. They doubt that the net energy gain would be worth the total costs involved. And some environmentalists, being skeptical of pessimistic estimates of the amount of oil and gas reserves left in the U.S. and offshore, do not believe synthetic fuels will be required to replace oil and natural gas in 25 to 40 years, as ERDA and industry believe.[12]

ERDA was commended by at least one environmentalist for its funding of R&D for in-situ (underground) instead of surface processing of oil shale, which impacts the environment more severely than the experimental in-situ process.

With respect to production of *oil and gas on the Outer Continental Shelf,* most national environmental organizations support gradual development of these energy resources, but only because they consider it preferable to alternatives such as nuclear, oil shale, and strip mining. Drilling should be barred from sensitive coastal and marine areas, they believe. States and localities should be allowed to participate in all phases of planning and production to protect wetlands, estuaries and the marine environment, they feel.

Low-technology and decentralized solar energy systems are preferred by environmentalists to solar electric power plants, which are to be demonstrated by ERDA within the next five years. They see the latter as having large air or water requirements for cooling their rejected heat. For the short term, solar heating and cooling and wind power systems are regarded by environmentalists as the most practical. They do support R&D on solar power plants, as well as R&D to assess the practicality of ocean thermal energy conversion systems and solar (photovoltaic) cells. Some environmentalists are enthusiastic about harnessing energy in the tides to produce electricity. ERDA believes tidal power would be localized and make a relatively small contribution to total energy needs.

Geothermal energy systems based on using the steam from hot dry rocks below the earth's surface to generate electricity could provide a significant portion of U.S. energy needs in the future. Environmentalists support hot dry rock research, development and demonstrations with strict environmental controls. Maximum development of hot, dry rocks and other geothermal energy systems could provide up to 12.5 percent of U.S. energy needs in the year 2000, according to ERDA data.

Additional *hydro-electric power* projects are opposed by environmentalists on the grounds that the small amount of energy added to the total supply would not be worth the price of destroyed natural habitats. Hydropower projects planned, under construction and capable of development within the next 20 years could increase hydro-electrical generation by about 20 percent over 1975 generation, according to the Federal Power Commission. But hydropower in 1995 would account for only 4 percent of electrical generation, compared to about 15 percent today.[13]

ENVIRONMENTAL CONTACTS ON ENERGY PROGRAMS

Coal: John McCormick, Joe Browder, Louise Dunlop, Dave Calfee, all of Environmental Policy Center (EPC), 547–6500. Ed Strohbehn, Natural Resources Defense Council (NRDC), 737–5000.

Electric Utilities: Rick Morgan and Thomas Riesenberg, Environmental Action Foundation, 659–9682. Marc Messing, EPC, 547–6500.

Energy conservation: Grant Thompson, Environmental Law Institute, 659–8037. Dr. Albert J. Fritsch, Center for Science in the Public Interest (CSPI), 332–6000. Jim Cubie, Congress Watch, 546–4936.

Geothermal energy: Arthur Tamplin, NRDC, 737–5000. Harry Gilbert, Common Cause, 833–1200.

Hydro-electric power: Brent Blackwelder, EPC, 547–6500. Bill Painter, American Rivers Conservation Council, 547–6500.

Nuclear power: Jim Cubie, Congress Watch, 546–4936. John Abbotts, Public Interest Research Group, 833–9700. Laurence Moss, FEA Environmental Advisory Group, (703) 560–7529. Jeff Knight, Friends of the Earth, 543–4313. Gus Speth and Thomas Cochran, NRDC, 737–5000. Bob Alvarez, EPC 547–6500. Franklin Gage, Task Force Against Nuclear Pollution, 543–7232.

OCS oil and gas: Maxine Lipeles, EPC, 547–6500. Ann Asher, Concern, Inc., 965–0066.

Oil shale: John McCormick, EPC, 547–6500. Kathy Fletcher, Environmental Defense Fund, (303) 831–7559. Dr. Fritsch, CSPI, 332–6000.

Solar energy: David Mazzelli, Common Cause, 833–1200. Marc Messing, EPC, 547–6500. Wilson Clark, EPC, (509) 674–2422.

Solid Waste: Patricia Taylor and Blake Early, Environmental Action, 833–1845.

FOOTNOTES

[1] Although all environmentalists do not agree on all energy policy issues, there is a broad consensus on the major ones. A good sampling of environmentalists' positions on energy development is the testimony several groups gave before the Council on Environmental Quality during its September 3–4, 1975 hearings on the Energy Research and Development Administration's comprehensive energy plan, "A National Plan for Energy Research, Development and Demonstration: Creating Energy Choices for the Future," ERDA–48. Vols. I and II. See also the recommendations of the Federal Energy Administration's Environmental Advisory Committee, and the February 1975 "Citizens Energy Platform" prepared by several environmental and consumer groups, including the Environmental Policy Center, Friends of the Earth, and the Center for Science in the Public Interest. The Sierra Club has published one of the most complete position papers of any environmental group on energy programs, entitled "Energy and The Sierra Club" (June, 1975). See also "The Sierra Club and Nuclear Power" (June, 1975).

[2] EPA estimates that the potential energy recovery from the organic municipal wastes of all SMSA's in the U.S. in 1973 was the equivalent of about 424,000 barrels of oil per day, or slightly more than one percent of U.S. energy consumption. With respect to agricultural wastes, the Ford Foundation's Energy Policy Project staff estimated in "Energy Conservation Papers" (1975) that about 5.4 quadrillon Btu's of energy, or about 7.5 percent of our total energy needs, could be recovered from crop residues, and another .7 quadrillion Btu's from feedlot manure.

The Citizens Advisoy Committee on Environmental Quality estimates in a more optimistic assessment, "Energy in Solid Waste: A Citizen Guide to Saving" (1975), that energy recovery and recycling could save more than 85 percent of the crude oil now imported into the U.S., or roughly one-seventh of total U.S. energy needs in 1973. Glass bottles, rubber tires and metal cans were singled out in the report as prime candidates for recycling, which involves less enegy consumption than production from virgin materials.

[3] A notable exception to the widespread opposition to nuclear power among environmentalists is the position of Laurence Moss, former president of the Sierra Club and now chairman of the FEA Environmental Advisory Committee. Moss believes that the mining and burning of coal entails at least as much harm to the environment and human health as nuclear power. He also emphasizes the danger of possible climatic changes that could result from an excessive buildup of atmospheric carbon dioxide, which is emitted by fossil-fuel power plants.

The major concerns of environmentalists about nuclear power are how and where to store radioactive wastes dangerously active for thousands of years and the possible release of harmful amounts of radioactive particles following an accident or sabotage at a nuclear power plant. Thousands of persons could be injured or killed by a severe nuclear reactor accident. Estimates of damage resulting from such an accident range from several billion dollars to $280 billion, depending on the proximity of the reactor to population centers. Other concerns are about possible accidents during transport of nuclear materials and exposure of uranium workers and others to cancer-causing uranium tailings.

Few environmentalists have made definitive statements about the wisdom of developing fusion (to be distinguished from fission), but most favor at least R&D to assess better its practicality and environmental impact. J. G. Speth of the Natural Resources Defense Council recommends rapid development and demonstration of fusion and several other energy options in his September 4, 1975 testimony before CEQ. But he added that ERDA should keep the fusion program directed at the cleaner forms of fusion energy and away from concepts such as "fusion hybrids", which would be used to breed fuel for fission reactors. Ecologist Barry Commoner has stated that fusion looks no more promising or less dangerous than fission.

[4] See testimony of James Cubie and John Wasilczyk of Congress Watch before the CEQ on the ERDA energy plan, September 4, 1975. The two authors elaborate their analysis in August 1975 comments on the Nuclear Regulatory Commission's draft environmental impact statement on the proposed expansion of U.S. uranium enrichment capacity. In addition, see their paper entitled "ERDA's Limited Nuclear Power Scenario: Was the Deck Stacked?" ERDA officials confirmed by telephone that the calculations with ERDA data made by the two are accurate.

[5] A good guide to a less energy-intensive lifestyle is Dr. Albert J. Fritsch's "The Contrasumers—A Citizen Guide to Resource Conservation," available from the Center for Science in the Public Interest.

[6] ERDA's preferred combined technologies scenario of 137 quadrillion Btu's by the year 2000 would mean about a doubling of energy consumption in 30 years, between 1970 and the year 2000. The current population growth rate of the U.S. is .9 percent a year, with a doubling time of 77 years, according to the Population Reference Bureau. The bureau projects in a recent report that at current growth rates the U.S. can reach zero population growth before 2050. See "Population Bulletin, U.S. Population in 2000—Zero Growth or Not?" (1975).

[7] See Freeman's June 2, 1975 address to the World Future Society.

[8] See Williams' June 2, 1975 testimony before the House Interior Subcommittee on Energy and Environment.

[9] Startling examples of possible energy savings through recycling of metals are that up to 74 percent less energy is used when steel is made from scrap rather than from ore, and that 95 percent less energy is used when scrap aluminum is used in aluminum production, according to Tilton G. Dobbin, assistant secretary of the Commerce Department for domestic and international business. He told the National Association of Recycling Industries at an April 10–15, 1975 meeting in New York City that tax incentives and correction of freight rates that discriminate against scrap as opposed to virgin materials must be implemented before the full potential of recycling can be realized.

[10] See September 4, 1975 testimony of John McCormick of the Environmental Policy Center before CEQ.

[11] Augus MacDonald of the Center for Science in the Public Interest has analyzed the environmental impact of oil shale production in "Shale Oil" (1974), available from CSPI.

[12] John Abbotts and Anita Gunn of the Public Interest Research Group cite inconsistencies and shortcomings in U.S. Geological Survey and National Academy of Sciences reports on oil and gas reserves. Their skepticism about warnings of oil shortages should not be taken as an execuse to waste fossil fuels, they warn. Rather, it should be a reminder that a headlong rush into synthetic fuels and nuclear power may be unnecessary.

[13] FPC "Staff Report on the Role of Hydroelectric Developments in the Nation's Power Supply" (1974).

NEW YORK CITY AND THE URBAN CRISIS

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BADILLO. Mr. Speaker, there has been a great deal of debate on the "New York crisis," and a lot of time has been expended both in seeking for solutions and afixing the blame. In debating the pros and cons, unfortunately too few have acknowledged the fact that we are not dealing with a "New York problem" at all, but an urban crisis which is increasingly engulfing the cities of our Nation.

Eroding tax bases, changing population trends, economic upheavals, changed life patterns, and Federal programs have profoundly, and adversely, affected the development and viability of our urban centers. During the past few decades their traditional roles as industrial, financial and cultural centers have increasingly been eroded, until today their very raison d'etre is being questioned. There is an increasing sentiment for containing them, for abandoning them and their ills to their own resources.

Yet the crisis they are facing and the travail they are undergoing are not of their own making and it is not within their power to resolve them. And unless we act now to reverse their deterioration they will falter and fail and their failing will inexorably undermine our national economy.

David S. Broder, in a recent article, very perceptively examined the New York situation within the context of our national urban crisis. For the information of my colleagues, I would like to insert his comments as they appeared in the Washington Post:

[From the Washington Post, Nov. 5, 1975]

Urban Ills

(By David S. Broder)

President Ford's preference—which is shared by most politicians of both parties in Congress—is to treat the New York City problem as the last act of a morality play. The wicked wastrel gets his deserved comeuppance and is forced to repent for past sins by declaring default.

It's a play well-tailored to the anti-government sentiments of the national audience. It's also a way for the President and like-minded politicians to conceal from the country the reality that we face.

I do not refer here to the financial and psychological consequences of a New York City default. Whatever those are will be known soon enough.

The concealed reality is that the basic forces that have pushed New York City to the brink are operating inexorably against other old big cities, and will leave them equally exposed to financial ruin unless we as a country face up to some facts we have spent 25 years ignoring.

Most important of these facts is that what we call a city is a legal-geographic trap maintained by the outside majority as a means of isolating problems we are not prepared to face and solve. The historic refusal to let most older cities expand their legal borders to incorporate the "real cities" they have become makes it ludicrous, if not indecent, for the President and other Potomac moralizers to lecture New York on the need for self-reliance.

The real New York City is an area of some 15 million people, spanning three states. The legal New York City is a fraction of that area, with 7.5 million people jammed into its confines.

The selection of which people live inside and outside the borders of legal New York City is not random; it is the end-product of two generations of national policy.

Two great waves of population change have swept through the old cities—an ingathering of the poor from the South and Puerto Rico and an outflow to the suburbs of more affluent whites. The two streams are not equal in volume. New York and most other old cities have had net losses of population; Neal Peirce, author-columnist, has estimated the New York loss at almost a half-million people in the past five years.

And the racial and economic gap between the inner city and its suburbs has grown even faster than population has declined. Ed Hamilton, the former New York City budget chief, cites figures showing the city's median family income is now only half that of its suburbs.

That is, of course, exactly what the Kerner Commission meant when it warned seven years ago that "our nation is moving toward two societies, one black, one white—separate and unequal."

It is not New York alone that has been victimized by these trends. The same kind of change—often at a more rapid rate—has hit Baltimore, Boston, Detroit, Cleveland, Philadelphia, St. Louis, Chicago, San Francisco, and, yes, even such "new cities as Denver and Salt Lake City.

Behind all these trends lies federal policy. Federally financed farm mechanization programs cost thousands of farm jobs for southern blacks; federally financed defense jobs lured those blacks to the northern cities. The failure of the federal government to provide uniform national income maintenance programs made it advantageous for the poor to remain in the northern cities, even when the jobs began to move away.

And, of course, federal housing subsidies and mortgage guarantees built the new suburban communities to which the affluent whites fled from those poor-infested center cities. And federal funds built the commuter highways on which they made their exit.

Never during this process did federal officials say, "This is going to end in disaster unless we find some way to allow those cities to expand their borders to encompass the suburbs we have created around them."

Instead, federal officials said annexation was a matter of state policy, and most states kept the cities from expanding. Those officials said the city's claims to equality of representation in Congress and the legislatures was a matter for the courts. But, by the time the courts got around to enunciating the one man-one vote doctrine, the cities were already being emptied of all but the poor.

Those same federal officials turned their backs on yet a third problem—the problem of school desegregation, leaving that, too, to the courts. And the courts, pursuing their own necessarily circumscribed mandate, have imposed "solutions"—like busing in the big-city school systems—that have accelerated the flight to the suburbs and the decay of the old center cities.

That is the reality that lies behind the New York City crisis. But it is complicated to discuss in these terms, and uncomfortable for those like the President and the congressional leaders, who have been on the scene for 25 years while these forces were gathering momentum unchecked.

It's so much easier to blame it all on John Lindsay, Abe Beame, the greedy New York unions and the avaricious New York banks, and pretend it can't happen elsewhere.

It not only can happen elsewhere, it will, And who will our "leaders" blame then?

FORMER CITY POLICEMAN SHOULD BE LISTENED TO

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. COTTER. Mr. Speaker, I want to call to my colleagues attention an editorial which appeared in the Hartford Times on Monday, November 10, 1975. It speaks eloquently of the frustrations of a very unusual policeman.

Our criminal justice system has failed miserably in dealing with the underlying problem—recidivism. It just does not seem to be willing to remove from the streets those few individuals who commit most of the felonies.

Mr. Speaker, until State legislatures and judges come to grips with this problem we will not only lose the battle against crime but we will also lose the services of men like John Chapin who bring quality, creativity, and intelligence to police work.

The article follows:

FORMER CITY POLICEMAN SHOULD BE LISTENED TO

John Chapin was not the average Hartford policeman, and for that reason particularly his views on crime and criminals merit special attention.

Chapin served on the Hartford Police Department for five years, reluctantly resigning two weeks ago with a sense of bitter frustration over the inability of the criminal justice system to deal effectively with either hardened criminals or juvenile felons.

As a police officer, Chapin was called upon to risk his life enforcing the law, but, in his own words, "We were laboring without any genuine expectation of having a significant effect on crime in Hartford." And how could there be a significant effect when the criminals arrested are promptly released by the courts?

Chapin identified the problem well. He said: "The hue and cry is let's determine why people commit crimes by getting to the root causes of crime. Unfortunately, people in low-income areas have to live with upper-middle-class criminology experiments. Generally speaking, those people stranded in our urban centers are the crime victims, whereas the men who engage in the experiments live in the seculsion and relative security of their suburban homes."

But Chapin does not stop there: "Many judges also attempt to introduce middle-class values to people in situations where those values have no bearing. They assume that a person who has committed several felonies will respond to verbal reprimands and exhortations to change his criminal behavior and become a pillar of the community. In my estimation, judges either naively underestimate the incorrigibility of a large segment of the criminal population or callously fail to prevent the strong likelihood of further felonies by administering 'swift and certain punishment.'"

As a case in point, and an impressive one, Chapin cited Superior Court Judge William L. Hadden's recent decision in the Spencer Wolfe murder case in Meriden. "Although 17-year-old Wolfe confessed to murdering a Meriden acquaintance by firing twice with a rifle, Judge Hadden fatuously characterized Wolfe in his sentencing statement as an 'All-American boy,' and directed that Wolfe receive a two to four-year suspended sentence."

Chapin said, "I fear that Judge Hadden's utter failure to discharge his sworn duty is simply a dramatic example of widespread and flagrant miscarriage of justice."

Chapin, like an increasingly large number of respected criminologists, argues, "The criminal justice system must have a punitive effect if it is to merit the respect and/or fear of those members of society who do not accept the fundamental mores of our culture."

The underlying problem, therefore, is recidivism, since, "in the back of every police officer's mind there is a realization that the criminal will generally be back on the streets within two hours. There are probably 200 to 300 people who are responsible for committing most of the felonies in Hartford. Furthermore, I can recall only a single instance in five years of police work in which an individual I arrested for a serious felony was a genuine 'first offender.'"

Chapin said: "If this perception is essentially correct, I think one must logically conclude that our society can no longer afford to engage in utopian criminology experiments which have had an inconclusive statistical effect on recividism at best."

Chapin is not all talk, however. He also is prepared to identify specific measures for the Connecticut General Assembly to enact to combat the ever-increasing lawlessness in the state. He advocates the creation of new incarceration facilities, which would permit judges to prescribe realistic criminal sentences which they do not now do because they claim that the lack of prison facilities presents a serious problem.

In the event that that fails to persuade the judges to respond in a tougher manner, Chapin suggests that the General Assembly draft a statute similar to the Colorado habitual offender law. "This statute provides specific minimum and maximum sentences after the commission of a third felony and a mandatory life sentence after commission of a fourth felony."

With regard to juvenile justice, Chapin proposes that the law be changed so that juveniles cannot escape the consequences of their earlier criminal conduct, which is now the case, and he urges that the law prohibiting the police from photographing juveniles be repealed. "The rape victim is hardly comforted when a police officer is unable to show her known 14 year old or 15 year old rapists because the police are prohibited from photographing them after a first offense."

John Chapin cannot easily be branded as some illiterate cop who has been out on the front lines too long: He is a graduate of St. Paul's School in New Hampshire and a 1970 graduate of Trinity College, spent 13 months in the administrative division of the Hartford Police Department, was one of Police Chief Hugo Masini's "brain trust" and is the grandson of the founder of the Hudson Motor Company, as well as the founder and director of a four-year-old bookstore in Farmington.

John C. Chapin obviously was the kind of individual Hartford—and every other city—needs on its police force. He understands the problems, he is articulate and willing to act upon solutions, given the chance. The present criminal justice system denies that opportunity, and understandably, Chapin's bitter frustration has led him to search for alternative avenues for achieving the changes necessary in the system.

Hopefully, he will continue his campaign: It is far too important to be lightly treated or abandoned.

John Chapin quite obviously has a great deal he can contribute.

THE MILTON HELPERN INTERNATIONAL CENTER FOR FORENSIC SCIENCES IN WICHITA, KANS.

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. SHRIVER. Mr. Speaker, I take this opportunity to bring to the attention of the House a significant event which occurred last month in Wichita, Kans., that will have great impact on criminal investigations. On October 24, 1975, the Milton Helpern International Center for the Forensic Sciences was dedicated on the campus of Wichita State University.

The center was originally founded in 1966 by Dr. William Eckert, a pathologist and deputy coroner, and it is named for Dr. Helpern, the retired chief medical examiner of New York City.

The center will initially serve as an important reference base to supply needed information to scientists involved in criminal investigations. It will be the base for the international and national forensic science organizations. There will be valuable exchange of information through meetings and seminars.

We are pleased at the establishment of this center in Wichita, and in a university setting. It will serve all of us well.

Under leave to extend my remarks in the RECORD, I include an editorial from the Wichita, Kans., Eagle, and a feature article by Rayetta Furnas of the Kansas City, Mo., Times discussing this important development:

[From the Wichita, Kans. Eagle]

PRIDEWORTHY ADDITION

Who'd expect Wichita to be headquarters for an international organization of men concerned with the medical aspects of crime investigation? Not many people, apparently, but it has been since 1966—and last week's dedication of The Milton Halpern International Center for the Forensic Sciences on the Wichita State University campus made it, you might say, official!

It's time to recognize, again, the professional zeal and enthusiasm of Dr. William Eckert, the driving force behind Wichita's unique status. He founded the International Reference Organization in Forensic Medicine, whose acronym, INFORM, also is the name of its publication, which he edits in collaboration with Dr. Thomas Noguchi, Los Angeles' chief medical examiner and coroner.

Also active in the organization is Dr. Milton Halpern, retired chief medical examiner of New York City, for whom the new forensic sciences center was named.

Because of the activities of Dr. Eckert, deputy Sedgwick County coroner, associate director of laboratories at St. Francis Hospital and now director of the Halpern center, law enforcement officials, coroners, medical examiners and others interested in forensic pathology have been gathering here twice a year from all parts of the nation to attend sessions of the Western Conference on Criminal and Civil Problems. And in 1978, the International Sciences—which has just elected Dr. Eckert as its president—will convene in Wichita, its 1975 meeting was in Zurich, Switzerland.

Forensic scientists, you may have gathered, are autopsy specialists—men concerned with investigating the cause of death in cases which have criminal or other legal aspects. The Halpern center will fit in well several other WSU programs, including the Wichita branch of the University of Kansas medical school and the Administration of Justice department.

It's something to be proud of.

[From the Kansas City Times, Oct. 27, 1975]

CRIME STUDY CENTER AT W.S.U. CERTAINLY IS NOT ELEMENTARY

(By Rayetta Furnas)

WICHITA.—Applying science to police work was probably first introduced to the public by Sherlock Holmes but it's doubtful he would find the new forensic sciences center at Wichita State University "Elementary, my dear Watson."

The Milton Helpern International Center for the Forensic Sciences, the only one of its kind in the world, was formally dedicated at W.S.U. Friday by Dr. Milton Helpern, retired chief medical examiner of New York City.

The dedication was held in conjunction with a 2-day seminar of the Western Conference on Criminal and Civil Problems, in which nationally known forensic scientists who have conducted investigations into some of the most sensational murders and disasters participated.

Helpern center, which will initially be a reference base to supply needed information to scientists, was developed by Dr. William Eckert, Wichita pathologist and deputy coroner, through I.N.F.O.R.M. (International Reference Organization in Forensic Medicine), which was founded by Eckert in 1966. It will also be the base for the international and national forensic science organizations and will bring many of the meetings and seminars of both groups to Wichita.

"These seminars bring information to the grassroots," Dr. Eckert explained in a recent interview. "It enables a small town marshal in western Kansas to sit down and talk to Dr. Thomas Noguchi and exchange personal philosophies." Dr. Noguchi is chief medical examiner-coroner of Los Angeles County, who investigated the Manson murders, the Robert Kennedy assassination and the Symbionese Liberation Army shootout.

"It brings the scientific role to law enforcement. Evidence may be lost if the person checking the scene of a crime or disaster doesn't know how to check it," Eckert said.

Dr. Eckert, who has been named director of Helpern center, actually began the resource operation in his office at St. Francis Hospital several years ago, "attempting to capture the literature in forensic sciences."

"It was only natural to transfer it to a university setting," he said. "Here we can attract scholars, and the center provides an educational base for visiting lecturers." Dr. Eckert's collection is now primarily made up of information written by forensic scientists around the world but he hopes to expand his resources to include tapes and films and eventually to catalogue his literature by computer. Conducting short courses for law enforcement agencies in small towns is also a future ambition.

The center, now located in a Cape Cod style house on the W.S.U. campus, contains enough literature about some of the most bizarre international crimes in history to easily keep a mystery writer or a television crime show producer content for years. Dr. Eckert said I.N.F.O.R.M. has already been used as a resource for some mystery writers and by the film industry.

Though scientists and law enforcement agencies will benefit directly from Helpern center, students at W.S.U. will also be able to utilize the center's materials. The administration of justice department, through which Eckert teaches a course in forensic science, will use the new center. But Dr. Eckert hopes it will develop into a co-operative effort with other departments including sociology, psychology, history and anthropolgy and that audio visual films of famous crimes and disasters will be available for classroom use.

Dr. Eckert, who was elected president of the international Association of Forensic Sciences at a meeting in Zurich last month, receives phone calls from forensic scientists all over America and Canada and has been contacted on cases as far away as Singapore and South Africa. If the informtion needed isn't available in his realm of research, he usually knows the name of the person who can provide answers.

"Wichita is in a unique location," he said. "People don't realize how beneficial our position is. It costs the same to call or to come here from California as it does from New York. It's also an ideal international meeting place."

Dr. Eckert worked as consulting medical examiner with the Los Angeles County Coroner's office after the assassination of Sen. Robert F. Kennedy. He has studied the applications of computers to forensic sciences and has done primary research in the patterns of injury in traffic accidents.

Dr. Eckert became interested in forensic pathology in the early 1950s while a medical student in New York City. He describes Dr. Milton Helpern (for whom Helpern center is named) as "the best known forensic scientist in the world," and credits Helpern with being influencial in his choosing the field of pathology.

A pathologist is a doctor who specializes in pinpointing the cause of death by charting the course of disease or injury through the breakdowns in the body's systems and tissues. A forensic pathologist follows the same procedure but his focus is directed toward the violent, unexpected or unexplained death.

In an interview, Dr. Helpern, who was in Wichita to attend the seminar and to give the dedication speech, reminisced about some of the unusual cases he has seen in his 42 years in the New York medical examiner's office.

The 73-year-old doctor estimates he has performed about 25,000 autopsies and supervised 100,000 more.

But most of his enthusiasm was devoted to the new center, which he described as a "very romantic thing that will prove to be of international value. The Europeans are also very intrigued with it," he said.

Though crime investigation has been advanced greatly through scientific knowledge. Dr. Helpern believes an added asset to the field would be for communities to utilize medical examiners in place of elected county coroners.

"It's not that elected coroners are not conscientious," he said. "It's just that they are not properly trained." He suggested that districts be divided when counties are not large enough economically to warrant a medical examiner.

Dr. Helpern believes also that good communications between the police department or the investigating agency is necessary for results to be accurate. He commended the rapport between his former office and the New York police.

"But the doctor must remember that his responsibility is only the autopsy," he said. "He should narrow down the investigation as much as possible and continuously ask himself 'is that all you can find out?' but he shouldn't get too wrapped up in the investigation.

"Some doctors don't take enough interest—others over interpret the case. Leave the examination of the guns to the ballistics department and the examination of the bodies to the pathologists," he said.

Another key speaker who attended the seminar and dedication was Noguchi. He recounted the investigation of the S.L.A. shootout and presented a film about the event.

Attending law enforcement agents were also familiarized with the Robert Kennedy assassination in a speech by Robert Joling of Tucson, lawyer and president of the American Academy of Forensic Science, who outlined the reasons for the "second gun theory," which has recently reopened the investigation.

National seminars on forensic science have been held every two years in Wichita since 1970, and with its secretariat established at Helpern center, the International Association of Forensic Sciences will convene here in 1978. The international group includes more than 1,000 medical-forensic investigators from approximately 100 countries.

Dr. Eckert's resource collection now contains about 30 categories of forensic science compilations on subjects that include suicidology, homocide, sex crimes, drugs, aircraft and traffic accidents.

Eckert said that forensic scientists are also becoming more interested in crime and accident prevention. He cited examples of head helmets and car safety as innovations created by pathologists.

"We are also concerned with investigations of the living," Eckert said, explaining that rape victims, brutalization cases and persons who show self-destructive behavior are some who are being studied by the medical and legal experts.

Civil unrest or revolutions can also be studied and determinations made as to when "kindling points" might be reached in certain areas. Eckert said that although forensic scientists may be unable to prevent a civil disorder, they can be helpful in predicting it and hence help law enforcers be prepared for it.

WARRANTY LAWS

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. LEVITAS. Mr. Speaker, the cover story of the November 10 issue of U.S. News & World Report focuses on the growing concern throughout this country of the burgeoning Federal bureaucracy and the impact this is having on the quality of life for all Americans. In particular, the article portrays the public's frustration with the wide discretion given unelected and largely unaccountable bureaucrats in promulgating rules, many of which carry criminal sanctions. The gap between what Congress intended when it passed a law and what happens at the end of the line is great.

But no one among us who communicates regularly with his constituents needs to be told that this is one of the chief concerns of most Americans. The burden of the bureaucracy is felt by all, whether it be the small businessman forced to wade through a sea of technical and complex regulations just to determine if he risks a heavy fine for what someone in Washington—unfamiliar with his business—regards as unsafe, or the company owner ordered to install in 2 months safety devices which could not be feasibly designed or installed for at least 7 years, or the workingman who expects to have the Government provide a safe work environment only to find laxity in pursuing meaningful safety standards and over-zealousness in going after the meaningless easy pickings, or the consumer forced to pay higher prices because of needless and excessive Government regulation.

Let me hasten to point out that the problem is one created by Congress in passing the buck and in passing the laws that are too broad. Congress has been passing laws that say to bureaucrats, "go and do good" and pass the regulations needed to "do good."

The impact is felt by all, and the public is looking for a solution. When they talk to us, Members of Congress, they are talking to the right people. Congress created the problems by delegating authority to numerous Federal agencies, and we must solve the problem by making the bureaucracy accountable to the people through their elected representatives.

Toward this end, I have introduced H.R. 3658, the Administrative Rulemaking Control Act—and companion bills with over 135 cosponsors among my colleagues—which would allow a majority in either House of Congress to veto certain bureaucratic regulations which go beyond the intent of Congress or which are otherwise foolish, arbitrary, or oppressive.

The excerpt below, from the U.S. News & World Report cover story, is just one more indication of the necessity for prompt action by Congress to take the Government from the hands of the bureaucrats and for Congress itself to face the issues, legislate specifically and reassume responsibility for the lawmaking process in this country.

WARRANTY LAW: THE BEST LAID PLANS

The new Federal Warranty Act is a vivid example of the frequent gap between congressional intent and life in the real world.

In this case, Congress wanted to make sure consumers wouldn't get stuck with faulty products. It passed a law setting broad rules covering warranties and ordered the Federal Trade Commission to draw up specific guidelines.

But the law went into effect July 4 and the FTC, which was given six months to issue its regulations, is still holding hearings.

CHAOS, NOT CLARITY

Manufacturers, retailers and consumers have all been left in a quandary about what the law requires.

The upshot: Some companies have restricted the language of their warranties and others have labeled theirs "limited" rather than "full" even though the wording is the same.

So much uncertainty exists that some companies have withdrawn, temporarily, the guarantees they once supplied with their product.

And at the retail level, storekeepers are balking at a proposal that would require them to keep on file a "library" of warranties on every product worth more than $5 that they carry in stock.

Although Congress obviously intended to protect consumers from deceptively worded and misleading warranties, the immediate effect of the law has been to actually weaken some warranties previously considered models.

For example, Corning Glass Works switched to a limited warranty "at least until present confusion is cleared up," says a company official. He adds: "This puts us in something of an awkward position, since at the hearings that led to the new law, our warranties were singled out as among the simplest and clearest in the country."

Proposed FTC regulations would compel manufacturers to put a tag or sticker on their products saying, "The retailer has a copy of the complete warranty on this product. Ask to see it."

One dissenting FTC member, Mayo J. Thompson, complains that such a warranty "library" would "drag the customer away from the merchandise and over to the reading stall."

The costs would far outweigh the benefits, he says. He sees the proposed regulation as proof of "the astonishing capacity of those who pass the laws and those who enforce them for overestimating the public's interest in some of the more esoteric forms of consumer information."

In sum, the warranty law, as critics see it, shapes up as one more instance of an all-too-common congressional practice—legislation that leaves the really tough decisions to administrators.

Says one lawyer: "Congress just came up with some sweeping changes and then dumped the whole thing in the Trade Commission's lap. It's a classic case of bungling a very touchy issue."

STOPPING TERRORISM WITH THE RESOURCES OF CIVILIZATION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. McDONALD of Georgia. Mr. Speaker, terrorism—the calculated use of extreme violence to demoralize and intimidate a population or government into granting certain demands—is the growing trend of the decade. Terrorist organizations, many of which use the theories of Marx and Lenin to rationalize or excuse their savageries, have formed a loose-knit "terrorist international." We find terrorist revolutionaries from Latin America also active in Europe; Arabs assisted by Japanese and Germans; Irish by Libyans, and so on.

And behind the many terrorist barbarians stands the Soviet Union, with its KGB operators equipping terrorists from dozens of groups either directly or through third parties such as Syria, East Germany, North Korea, Czechoslovakia, Cuba, or Iraq—with the Chinese Communists doing their best to match the Russian effort.

In a hard-hitting article published in the New Statesman, Paul Johnson has plainly indicated the true parameters of the struggle. The question is whether the United States and the Western democracies "are going to uphold the standards of international behavior set by their forebears;" and whether they have the will to do so effectively "in the most systematic, relentless and comprehensive manner, and if necessary—while they still possess it—with overwhelming force."

The article also correctly points out that the United Nations is controlled by police states, totalitarian dictatorships and barbarities like Idi Amin's Uganda. The example of the United Nations' condemnation of Israel, at Communist and Arab instigation equating Jewish nationalism—Zionism—with the sort of racist genocidal policies carried out by Idi Amin in Uganda or Adolf Hitler, is seen by Mr. Johnson as a foretaste of future U.N. actions.

For this reason he suggests that it may be time "for the United States Government to cut off the U.N.'s money, and send the whole squalid circus packing."

In light of this latest disgrace, and of the fact that our country seems to have finally realized that the U.N.'s International Labor Organization—ILO—also is completely dominated by the Communist and totalitarian bloc, it is indeed time for the civilized nations to draw the line and abandon the U.N.

I commend the full article to the close attention of my colleagues:

THE RESOURCES OF CIVILISATION

(By Paul Johnson)

At an immense gathering in Leeds in October 1881, W. E. Gladstone, perhaps the noblest man England has ever produced, and also a passionate friend of the Irish nation, said some trenchant things about Irish terrorism. His voice, one present observed, had 'the note of a clear and deeptoned bell'; and certainly his words have a striking resonance today:

"If it shall appear that there is still to be fought a final conflict in Ireland between law on the one side and sheer lawlessness on the other, if the law purged from defect and any taint of injustice is still to be repelled and refused, and the first conditions of political society to remain unfulfilled, then I say, gentlemen, without hesitation, the resources of civilisation against its enemies are not yet exhausted."

Is it not time to remind the world once again that civilisation still has the resources and, more important, the will to seize its enemies by the throat? In Britain, as well as in Ulster, we face in the IRA not a nationalist movement, not a league of patriots, not 'guerrillas' or 'freedom fighters', or anything which can be dignified with a political name, but an organisation of psychopathic murderers who delight in maiming and slaughtering the innocent, and whose sole object and satisfaction in life is the destruction of human flesh. The misguided patriots who joined the IRA in the heady days of 1968 and after have melted away and have been replaced by men and women who have far more in common with Ian Brady and Myra Hindley than with old-style terrorists like Michael Collins and De Valera. Not that these last two—both saints in the Irish political calendar—can escape their share of the moral responsibility. When old Dev was laid to rest recently, with full honours civil and military, I reflected that he had played a sinister role in teaching his compatriots to prefer guns and dynamite to argument and persuasion, and that he could fairly be described as the spiritual grandfather of today's Patrick Joseph O'Gelignites and Bridget McSadists.

However, retribution is coming. There can be no doubt that the IRA terror campaign in this country has been counter-productive. Those, like myself, who once urged the withdrawal of British forces, on the grounds that this would oblige moderate elements on both sides to come together, have been persuaded by the IRA gangsters that Britain must continue to maintain order in Ulster, if necessary for all eternity—or until the Irish in their wrath rise and exterminate the IRA themselves. In the meantime, civilised society must be protected in Britain too. Last week's murder of a distinguished doctor may well prove a turning-point in persuading the British public that convicted terrorists must be executed without pity or delay.

In point of fact, 80 per cent of the public have long since needed no further proof that death is an appropriate punishment for mass-terrorists both in terms of natural justice and as a deterrent. What is new, and remarkable, is that the overwhelming majority of those middle-class intellectuals who supported the abolition of capital punishment have now come round to the view that prison sentences, however long, do not offer society sufficient protection from the terrorist professionals. There is a widespread belief among the terrorists themselves that the British Government is on the verge of capitulation in Ireland, and that part of the bargain will be the immediate release of IRA 'political prisoners'. Hence, when the four monsters who exploded the bomb at Guildford were sentenced recently, the 'girl friend' of one of them, present in court, screamed at her grisly paramour: 'Don't worry—you will never serve it.' Thus no punishment at present available to the British courts acts as a disincentive to the killers, however atrocious their crimes.

The majesty of the law could, it is true, be somewhat strengthened if the Prime Minister were to make a binding statement to Parliament, couched in terms even he could not subsequently wriggle out of, that in no circumstances whatever will convicted IRA murders be released before the completion of their sentences. But this is not enough. What the public demands, what it has a moral and constitutional right to demand, and what Members of Parliament must now, it seems to me, concede to it, is a new anti-terrorist law which makes the death sentence mandatory for those convicted of political murder. There are a number of different ways in which a statute could be framed but two characteristics are essential. First, the law must be subject to annual review by Parliament, lapsing automatically if the Commons judges its usefulness to be over. Second, it must provide, within the framework of natural justice and our customary legal safeguards, for an accelerated procedure so that the guilty can be tried, sentenced and executed before their confederates or paymasters can organise any violent interference with the course of justice. In the long history of English (and Scottish) jurisprudence there are ample precedents for avoiding "the law's dalays' in such cases; and no one need feel that bipartisanship on Ireland has its limitations.

CAMPAIGN NEEDED

Whether the Government can be persuaded to take such a lead is to be doubted. Harold Wilson has never shown much inclination to organise effective action against Arab terrorists, or those whose oil-wealth finances them; and this week his tongue in raw from licking the boots of the Crown-Prince of Saudi Arabia. However, he is at least susceptible to public opinion, if it is expressed vociferously enough. Perhaps a national campaign is needed. Certainly Mrs. Thatcher has the right to start putting on the pressure, and to remind the Government that bipartisanship on Ireland has its limits—its—and its price.

Such indications that the British Government is prepared to deploy the resources of civilisation would, moreover, have a therapeutic effect well beyond the confines of the Irish problem. For terrorism and its condonation, even encouragement, by legal governments is the greatest evil of our age, a more serious threat to our culture and survival than the possibility of thermonuclear war or the rapid depletion of the planet's natural resources. Some terrorist groups already dispose not only of vast sums of cash but of comparatively sophisticated weapon systems; how long will it be before they get their first A-bombs, especially since more than a score of countries will be producing them by the end of this decade? It may be said: no government would be irresponsible enough to hand over nuclear weapons to psychopathic murders. Alas, this is not a James Bond fantasy but a reasonable deduction from the recent behaviour patterns of many so-called nations.

A fortnight ago the UN Social, Humanitarian and Cultural Committee—a nomenclature so rich in savage irony as to eclipse even a Swift—passed by 70 votes to 29 a resolution condemning Israel as a 'threat to world peace' and Zionism as a 'racialist and imperialist ideology'. In fact, as all educated people know, Israel, far from being a threat to anyone, stands in perpetual danger of extermination from its bloodthirsty neighbours; and Zionism is neither a racial nor an imperial but a cultural phenomenon. Of course, at the UN facts and realities do not matter. What matters is force, money and physical power.

Indeed, the UN is rapidly becoming one of the most corrupt and corrupting creations in the whole history of human institutions. How many of the delegates were actually bribed by Arab governments to vote against Israel on this occasion is a matter of speculation; but almost without exception those in the majority came from states notable for racist oppression of every conceivable hue—Iraq, for instance, has recently murdered or expelled over 300,000 Kurds on purely racial grounds—and whose common characteristics are totalitarian governments, absence of the rule of law, a fettered press, concentration camps, political murder, huge corruption at all levels, vast armed forces and impoverished workers.

Some of these states—which might more accurately be described as tribal barbarisms—have a perfectly genuine hatred for Israel. For Israel is a social democracy, the nearest approach to a free socialist state in the world; its people and government have a profound respect for human life, so passionate indeed that, despite every conceivable provocation, they have refused for a quarter of a century to execute a single captured terrorist. They also have an ancient but vigorous culture, and a flourishing technology. The combination of national qualities they have assembled in their brief existence as a state is a perpetual and embittering reproach to most of the new countries whose representatives swagger about the UN building. So Israel is envied and hated; and efforts are made to destroy her. The extermination of the Israelis has long been the prime objective of the Terrorist International; they calculate that if they can break Israel, then all the rest of civilisation is vulnerable to their assaults.

In some ways what is said and voted at the UN does not matter. There may be a case—not yet, I would say, an overwhelming one—for the United States government to cut off the UN's money, and send the whole squalid circus packing. The slab of steel and glass on the East River might then be put to some useful purpose. But breaking up the UN would not end the problem, which springs not from paper votes but from the physical supplies of arms and money which certain states are prepared to pour into the terrorist cauldron. Russia, while ferociously executing dissidents in her own midst (those who hijack Soviet aircraft unsuccessfully know they will never emerge from the KBG interrogation cellars), equips a wide variety of terrorist gangs beyond her sphere of control.

But Russia's activities at least have a certain kind of deprived rationale. Other tyrannies appear to be motivated by the sheer lust for destruction. Thus Ghadaffi, the madman who controls Libya, sends money and arms to both Protestants and Catholics in Ulster; and Amin, the Ugandan monster, is ready to provide weapons (which he recently received from Russia) to anyone interested in killing Britons, as he puts it. These savages are not ostracised by the world community. On the contrary, Dom Mintoff, the Labour Prime Minister of Malta, finds it convenient to treat Ghadaffi as an honoured ally. Amin, who is said to have beaten the Ugandan Lord Chief Justice to death, and whose murders already ran into thousands, has been chosen by his African colleagues as their chairman and exemplar.

The melancholy truth, I fear, is that the candles of civilisation are burning low. The world is increasingly governed not so much by capitalism, or communism, or social democracy, or even tribal barbarism, as by a false lexicon of political clichés, accumulated over half a century and now assuming a kind of degenerate sacerdotal authority. We all know what they are; those who do not have only to peer into the otherwise empty head of an average member of the fascist Left—that men with coloured skins can do no wrong, and those with white ones no right—unless of course they call themselves communists; that murdering innocent people for political purposes is acceptable providing you call yourself a guerrilla; that, in the right political circumstances, a chunk of gelignite is morally superior to a rational argument. The assumption is that an Armalite rifle has, as it were, a spiritual life of its own, depending on whether it is in the hands of an American (bad) or a South East Asian (good).

TIME FOR MORAL LEAD

In the old days the civilised powers would simply have occupied a barbarous territory like Ghadaffi's Libya, or Amin's Uganda, and set up a responsible and law-abiding government. Such operations may no longer be possible, or even desirable. But there is something to be said for replacing the UN concept by a league of civilised powers—the conditions of membership being such criteria as democratic politics, a free press, the rule of law and a determination to stamp out terrorism. Harold Wilson often drones on about Britain (under Labour) giving a 'moral lead'. Here is an excellent opportunity to exercise one, by putting such a proposal to like-minded governments.

After all, civilisation not only has a right but a positive and imperative duty to defend itself. We are the beneficiaries of the past and, more important, the trustees of the future. I was much struck the other night by a remarkably clever and funny play by Simon Gray, *Otherwise Engaged*, on at the Queen's. A decent, peaceable, reasonable minded and patient publisher plans to spend a few quiet hours on Saturday listening to his new album of Wagner. He is constantly interrupted by an endless succession of unreasonable and hysterical people who, while demanding and getting his help, subject him to sneers, reproaches, insults and even physical assault. Eventually, in perfectly rational anger, he strikes back—just once—and instantly the circle of devils dissolves and he is allowed to listen to *Parsifal* in peace.

I see this play—it may not have been the author's intention—as a powerful analogy of Western civilisation and its treatment by the rest of the world in the last quarter-century. Loaded with quite unnecessary guilt, we have given aid and comfort, and received nothing but abuse and violence. We have not won the friendship of the world beyond; all that has happened is that we have forfeited its respect. Thus do men betray their responsibilities with the best intentions.

Has not the time come to change our strategy? What I think the rest of the world is waiting for—indeed hoping for—is some positive sign that the civilised powers are going to uphold the standards of international behaviour set by their forebears; that they are going to do so in the most systematic, relentless and comprehensive manner, and if necessary—while they still possess it—with overwhelming force. All over our tormented planet, there are millions of decent, peaceable and intelligent men and women of all religions, complexions and races, who are praying that the resources of civilisation are not, indeed, exhausted—and that the Brezhnevs and the Amins, the Ghadaffis and the Maos, the Arafats and the O'Sadists will not be allowed to take over the earth.

JOHN SIMONDS OF GANNETT NEWS SERVICE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BROWN of California. Mr. Speaker, I have just learned that John Simonds, one of Washington's finest reporters, will soon be leaving us. The Gannett newspaper chain, for which he has been a reporter for almost 10 years, is promoting John, effective December 1, to the position of managing editor of the Honolulu Star-Bulletin.

This move, of course, will require great sacrifices on the part of John and his family. For example, since such a promotion undoubtedly involves some increase in monetary compensation, it can be predicted that the Simonds family's income taxes may go up. Also, as he listened to this morning's weather predictions of possible snow flurries this afternoon, John inevitably must have thought of the fact that he and his family will no longer be able to enjoy the exciting changing of the seasons, as Hawaii is famous for having the same, boring weather all year long—almost always a temperature in the high seventies, with only occasional rain to break the monotony of the clear blue sky. And John will have to give up one of the fringe benefits of his current job—the automatic exercise he has received every day running back and forth between the Capitol press galleries, the various House and Senate Office Buildings, and the Gannett office more than a mile away in the National Press Building. In his new desk job, John will have to watch his weight much more carefully, particularly in light of the tempting variety of exotic and delicious food for which Hawaii is well known.

I imagine, however, that John; his lovely wife, Kitty; and their two children, Max and Malia, will somehow adjust. Perhaps John can take up surfing for exercise, although he would probably be the only person riding the waves at Waikiki while wearing a tie and trenchcoat.

Mr. Speaker, my staff and I had the pleasure of dealing with John Simonds from January of 1973, when I first came to represent the area served by the San Bernardino Sun-Telegram, one of the approximately 50 Gannett newspapers, until early in 1974, when a form of reapportionment within the Gannett Washington Bureau changed the congressional office assignments of the organization's reporters. Never, during the more than 20 years since I was first elected to public office, have I had the pleasure of working with a reporter for whom I developed greater respect. There were times when I wished that one or another of his articles—reporting some incident in which I had put my foot in my mouth or something—had been lost on its way to the typesetting room, but this only enhances John's credentials as a fair and objective newsman. He manages to develop a close relationship with the subjects of his articles without in any way compromising his integrity as a reporter.

Let me conclude, Mr. Speaker, by referring to and endorsing the remarks yesterday of our esteemed colleague in the other Chamber, Senator Church, who commented on John's consistent accuracy and fairness, and described John as a professional and a gentleman. I join John's many other Washington friends in wishing him and his family the best of luck in Hawaii as John takes on his challenging new job at the Star-Bulletin. Washington's loss is Honolulu's gain.

THREE THREATS TO THE PRIVATE SECTOR

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the Record, I include the following:

Three Threats to the Private Sector

(By Dallin H. Oaks, President, Brigham Young University)

Our earliest and most of our greatest colleges and universities, hospitals, museums, homes for the poor and aged, and a host of other charities were founded by private initiative. It is not an exaggeration to say that our country has been built upon private initiative, and that until the last half-century the function of government has been to protect private initiative and occasionally to give it benign regulation or assistance.

As we observe the hundredth birthday of Brigham Young University, an institution founded in that tradition, we are troubled by several threats to private initiative. These threats stem from the actions of our government and the attitudes of our citizens. I urge each of you to take careful notice of these threats and to lend your voice and influence to counteract them. In my judgment, the private sector is seriously threatened in America today and that threat is affecting or will shortly affect all nongovernmental institutions, including those formed for religious, educational, cultural, social, and other charitable purposes.

The first threat is government competition. Two fellow presidents of private institutions have recently commented on this threat. In his essay "In Defense of the Private Sector," Stanford President Richard W. Lyman takes sad note of the fact that the tides "are running against the private sector in American life generally." Yet the private sector is vital to preserving pluralism in our society because, as President Lyman observes, "a society is more likely to be open and free, [and] the individual citizen's capacity to stand up against the otherwise overwhelming force of modern government is substantially strengthened, if the state does not possess a monopoly of service to the public . . ." (*Daedalus* Winter, 1975 (2):156–157). Commenting on a different aspect of government competition, Boston University President John R. Silber reminds us that forty-eight private, independent colleges and universities have closed their doors since 1970. He criticizes what he calls the "mindless" government decisions to spend millions to expand public institutions, thus promoting the competitive demise of private colleges, rather than spending the smaller sums that would save private institutions and use their unique facilities and advantages ("Paying The Bill For College," *Atlantic Monthly,* May 1975, pp. 33–40).

As various arms of government assume more and more of the functions traditionally performed by private organizations, and as government's share of the market in these areas grows larger and larger, the influence of private organizations and the private sector is bound to diminish. When this happens the base of public support is eroded—a fatal weakness in a democratic society—and new laws and regulations are less likely to take account of the special needs of the private sector. Soon private organizations in competition with publicly supported ones are on the defensive, and their survival is threatened.

The weakening effects of government competition are evident in two statistical measures. In the stressful financial conditions of the past two years, faculty salaries have increased a total of 12 percent in public institutions but only 7 percent in private ones. (*The Chronicle of Higher Education,* 10 February 1975, p. 1). This disparity mirrors the comparative financial weakness of the private sector. Second, just twenty-five years ago private colleges and universities enrolled 50 percent of all students in higher education (American Council on Education, *A Fact Book on Higher Education,* First Issue, 1974, ¶ 74.9). Today that figure has fallen to 24 percent—and the true level is much lower than 24 since during this same period many of the institutions that are private in form have ceased to be private in fact because of their heavy reliance on government appropriations for campus construction, research, and student assistance. This drastic reduction in the competitive position of private institutions has been accompanied by a succession of laws regulating more and more aspects of the educational process, without distinction between public and private. Now the federal government is moving to take over the formal accrediting function heretofore handled by private organizations. If that should happen, every educational institution in the country will be formally subject to government authority in all of its educational functions, and truly independent private education will have ceased to exist. One can see the same trends in different stages of progression in such diverse private activities as the care of the poor and aged, hospitalization, and support for the arts and humanities.

Diminished public appreciation of, and political support for, the private sector inevitably leads to the other two threats to the future of private initiative. The second threat is the reduction of financial support for the private sector. Part of this reduction concerns the psychology of giving. As individuals come to believe that a particular charitable activity has been taken over by the government and is supported by taxes, they are less inclined to support it with their contributions and their time. In addition, the financial base of the private sector is being undermined by present and proposed provisions in the tax law. As income, property, and other taxes have taken an increasing proportion of our national revenue, the special tax advantages granted to charitable contributions and private organizations have become an increasingly important source of reliance for all types of charitable giving. Consequently, we are now in a position where slight modifications in the tax laws can have devastating effects on the flow of funds to private charitable organizations. Against that background we should be alarmed at the recent tax imposed on the income of large private foundations, which has had the effect of directly reducing the amount of their grants in the private sector, just as if the government had imposed a direct tax on charities. Of even greater concern are current proposals to close so-called loopholes in the tax law by reducing many of the tax incentives that have promoted charitable gifts, especially by wealthy taxpayers. The proponents of this measure have assured alarmed representatives of charitable organizations that they will not suffer any financial loss from decreased private gifts since the government will make up the losses by appropriations. That is a classic illustration of a proposed exchange of freedom for security. I fervently hope that our citizens and lawmakers clearly understand the difference between the private nature of an organization supported by charitable gifts, and the quasipublic nature of an institution that must depend upon direct government appropriations.

The third threat to the private sector is outright government regulation of private organizations. Scores of examples could be cited. In addition to an accumulation of laws pertaining to employment and unemployment, tax reporting, occupational health and safety, and the like, educational institutions have recently been subjected to far-reaching new federal regulations under Title IX of the Education Amendments of 1972. These regulations introduce the federal government for the first time into the business of prescribing and supervising institutional activities in such diverse areas as athletics, placement, student financial assistance the conduct of educational programs and activities facilities, and housing both on and off campus. To cite another example, many state legislatures have enacted or are considering laws to prescribe licensing requirements and curricular and other supervision for private colleges and universities.

All these threats to the private sector result from the pursuit of appropriate and laudable goals, such as the promotion of equal opportunity, the protection of the consumer, the closing of tax loopholes, and improvement in the quality and quantity of services available to our citizens. But it is now all too apparent that we pay a price for each of these government interventions in the private sector, and it is time that the price is explicitly recognized by our legislators and our citizens. In my judgment the price is too high in many of these instances.

As a result of decades of subordinating the needs of the private sector to the pursuit of other goals we now face a very real prospect that the private sector will cease to exist in our society unless it can arouse powerful support from our citizens and significant protection from our lawmakers. I charge each of you who has benefitted from the independence, diversity, and resources of the private sector in education to be defenders of private initiative and the private sector in every area of modern life.

UNITED AUTO WORKERS STATEMENT ON THE NEW YORK CITY FISCAL CRISIS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Ms. ABZUG. Mr. Speaker, this morning I had the honor of addressing the New York-New Jersey United Auto Workers Convention. This trade union, which has a history of leadership in promoting progressive legislation, adopted the following statement on the economy which provides some keen insights into the real economic problems we are facing. I would like to share this statement with my colleagues.

An End to the Nixon-Ford Economics of Scarcity

New York City will apparently soon default. President Ford has proclaimed to the Nation his opposition to any action to prevent default. Mr. Ford and his Secretary of the Treasury William Simon, have declared repeatedly they do not regard default by New York City, even if followed soon thereafter by default of New York State, as having any serious implications for the rest of the country.

The position of Mr. Ford and Mr. Simon is sharply at variance with that of many others. Helmut Schmidt, Chancellor of West Germany, on the occasion of his visit some three weeks ago, said he thought a default by New York City would have extremely grave consequences for Europe. Finance ministers of other European countries meeting shortly thereafter expressed the same views.

Reverberations from New York City have already affected the sale of bonds by other cities and states. Buffalo has had great difficulty in selling $29 million of municipal notes. Yonkers, New York, our fourth largest city, announces it may soon be forced to default. New Jersey is having great difficulty in marketing housing bonds. The President of the Senate in Massachusetts has declared that State may soon be forced into bankruptcy.

The callous indifference of President Ford to the plight of New York City and New York State is a curious contrast to his position on other matters. In the last two or three weeks before the fall of Saigon, President Ford pounded daily upon the doors of Congress demanding a billion dollars to save that city. He is now demanding almost $5 billion for an aid program for the Mid-East. He has nothing but condemnation for New York City in its hour of crisis for past "fiscal irresponsibilities".

President Ford makes these statements at a time when the federal deficit will surpass anything previously known by many billions of dollars. At the same time he calls for the expenditure of billions more for war ships and bombers that he knows are obsolete before they leave the drawing boards. No fiscal irresponsibility of any city or state could begin to match that of the federal government under the Nixon-Ford leadership.

The one consistency in all of Mr. Ford's economies has to do with eliminating programs that help people, such as food stamps, education, school lunches, housing, etc. Alternatively, New York City's troubles relate almost entirely to programs designed to help people, such as free tuition in city colleges, a welfare burden, an extensive city hospital system designed primarily to aid the poor and other social service programs.

Efforts have been made to identify public employee unions as the cause of the problem. It is said that salaries and fringe benefits provided for city employees are extravagant and are bankrupting the city. Demands are being made for a freeze on wages and a reduction of pension programs.

The attacks on public employee unions are generally from the same groups that have traditionally attacked other unions. In days gone by, industrial unions and building trades unions were regularly accused of causing inflation and high prices by demanding high wages and promoting poor work practices. The purpose then, as now, was to discredit unions, inhibit their growth, diminish their bargaining power and lessen their political effectiveness.

The intensity of the current campaign against public employee unions is undoubtedly related to the fact that this is the only sector of the labor movement that has grown in the last decade. Most of the three million members in federal, state and municipal employment that are now unionized have been organized in the last ten years. Other unions during the same period have declined.

What are the facts about public employee unions? Traditionally, workers have accepted public service jobs at lower wages for security reasons. These jobs were "civil service" and thus immune from layoffs so characteristic of private industry. The one advantage, in addition to steady employment, was a pension system at the end of the road guaranteed by law. For this security, public employees frequently worked at wages 30 to 40 percent below wages for comparable jobs in private industry.

Their wages still lag behind. Wages of the non-uniformed public employees of New York City, who constitute the great bulk of city employees, average $9,600 per year, about $3,000 less than an assembly line worker in our major auto plants. Almost the only benefit that frequently exceeds that of workers in private industry is their pension program. However, the job security once synonymous with civil service has largely disappeared.

Can we afford decent wages, good health care protection and good pensions for public employees? The answer is we can afford such benefits for both public employees and employees in private industry if the economy is functioning properly. The Nixon-Ford program has crippled the economy so that one third of the total plant capacity is idle and one forth the work force is unemployed, partially employed, or improperly utilized. This is the lost wealth of the Nation and so long as the economy limps along in this fashion, the general approach will be to cut wages further, reduce benefits and make more layoffs.

The UAW's answer is a mobilization of our resources for full production and full employment. We want national planning to achieve these goals. As Hubert Humphrey has said this will also require "a government that gives orders to the oil companies rather than one that takes orders from them."

We can have good jobs and good pay, health care and good pensions for our old age, if we are determined to do so. Smaller countries with a fraction of our resources have shown it can be done. We, in the UAW, are not prepared to settle for any less.

THE CROSS WABASH WATERWAY

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. ROUSH. Mr. Speaker, over the years since 1968, we in the Congress have provided some $500,000 for the study of a possible navigation canal involving the Wabash River in routes to Lake Michigan and to Lake Erie. The latter route would pass through my congressional district at the top of the Wabash River basin, thence down the Maumee east of Fort Wayne en route to Toledo, for a total canal length of some 430 miles from the Ohio River. The route to Lake Michigan would be about 330 miles long.

In 1972 the Corps of Engineers, which has been conducting these investigations, found that these whole-route canals would lose from 70 to 80 cents on every Federal dollar invested in them.

We then provided additional funds for study of a mere 42-mile segment from the Ohio River to Mount Carmel, Ill., with an additional 10-mile stub to Carmi, also in Illinois. The Corps of Engineers has since suggested that this truncated version might exhibit a benefit-to-cost ratio of 1.1:1 at such time as about 27 million tons of commodities were annually transported over that system. There was no reliable evidence as to when or whether such annual tonnage would be produced. The Corps explicitly recommended termination of studies above Mount Carmel.

Yet we are now looking at requests for additional Federal funds to extend studies far above Mount Carmel, all the way to Terre Haute—almost halfway from the Ohio River to Fort Wayne, the largest city in my district.

I should like to point out to my colleagues that even the tentative and highly marginal feasibility of a canal from the Ohio to Mount Carmel totally ignores two factors which should be decisive in any further consideration of any part of this project. The 1.1:1 benefit-to-cost ratio completely ignores the costs in business to the many existing rail carriers which now literally spiderweb the entire region to be served. These carriers have stated that they have the capacity to handle all of the bulk commodities requiring movement in the service area of any portion of the proposed canal. The Louisville & Nashville Railroad has explicitly testified to this capability. The rails have also stated that they are able and willing to expand their systems to accommodate any future requirements.

Among the rail lines which serve the areas that would be affected by a Wabash Canal are—in addition to the L. & N.—the Chessie System, Penn Central, Illinois Central, Norfolk & Western, and the Southern Railroad.

It seems clear to me that tonnage shipped by barge would be taken from the rails. This is, in fact, acknowledged in many documents, including documents prepared by the Wabash Valley Interstate Commission, a bistate compact between Indiana and Illinois.

The second factor ignored in the feasibility of the segment to Mount Carmel is the unrealistic interest charges assigned to the use of Federal funds. It is patently clear that rates in the vicinity of 5½ percent do not reflect true costs. The economic damage to the railroads aside, the unrealistic discount rate used in attempting to show feasibility reduces the benefit-to-cost to well below one to one.

The administration has asked the Congress to reduce spending in order to control the rising tide of inflation; and I agree with the President that we should do so in every reasonable and responsible way that we can. If ever a program offered an opportunity to take this kind of action, the Wabash canal is a prime example.

The corps has given a variety of estimates on the costs. The versions which would lose at least 70 to 80 cents on the dollar have been put at approximately $2 billion, although I have reason to doubt this low figure. In 1961, the corps estimated the cost of a canal from Fort Wayne to Toledo alone at up to $1 billion; and that is a distance of only 120 miles. How a canal system totaling almost 800 miles could be built for just $2 billion is difficult to imagine—even if we ignore about a dozen years of the greatest inflation in history between those two estimates.

All this and much more are before us. Perhaps it was worth the half-million dollars we have utilized to develop the information, but now we have that information, and there would seem little justification in spending any more.

In addition to the very poor economics of a Wabash canal, many environmental considerations have recently come forward. The Corps of Engineers itself has reported that over 60,000 acres of land would be taken, including some of the richest farmland in the Wabash River Basin, not to mention large forested and wildlife areas. The corps also reports that the canal would destroy outright over 500 miles of natural river systems, most of it in Indiana; and the agency freely acknowledges a permanent adverse effect upon water quality, and possibly severe ecological effects that could be caused by migration of aquatic life from one region to another. At present, such migrations are prevented because there is no link between Lake Erie and the Ohio River.

Some of my colleagues may observe that these remarks seem addressed to the whole route canals to the Great Lakes rather than to shorter segments. But to me, it is unreasonable to think that any segment of such a canal—including the 42-mile segment to Mount Carmel—is anything but the beginning of the through routes.

The U.S. Fish and Wildlife Service has officially stated this in a letter of July 3, 1975, to Col. James Ellis, District Engineer for the Wabash River Basin of Indiana and Illinois. Moreover, even if all we were talking about was the segment to Mount Carmel, the environmental devastation the canal would create for that portion would justify cessation of further consideration. To give my colleagues just a glimpse of these adverse effects, I caused the entire seven-page FWS letter to be inserted in the CONGRESSIONAL RECORD on November 3, 1975. The meandering Wabash River from the Ohio to Mount Carmel is just under 100 miles in length. It is one of the most significant wildlife areas in the Midwest, a fact I believe is well attested to by the FWS. It should not require much imagination, even for those of us who are not professional biologists, to envision the effects of a straightened 42-mile canal crossing and cutting off these natural meanders.

Mr. Speaker, as I have written a number of my colleagues, I am unalterably opposed to this canalization in any form, now that we have such highly persuasive economic and environmental information. Though I greatly respect those among my colleagues who may continue to support this project, the data that are now available have convinced me that it is not in the interests of the Federal taxpayers, nor in the interest of any reasonable standard of environmental quality, to continue to pursue this project. I would add that my constituents have expressed their overwhelming opposition to this canalization project, and I wholeheartedly concur with their objections and their reasons.

It is my intention, if necessary, to seek limitations on future appropriations which would prevent further expenditures on this wasteful and destructive proposal. I hope that my fiscally and environmentally concerned colleagues will support me when I take this step.

TAKING A SECOND LOOK AT NEW YORK CITY'S FISCAL PROBLEMS

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. HOWARD. Mr. Speaker, in the wake of two highly acclaimed studies revealing the damage to municipal bond markets of a New York City default, evidence is accumulating that the administration's hard line stance on aid to the city may ironically fail to "play in Peoria" as well as more urban areas. The disappearance of a ready bond market for municipal bonds and a sharp increase in interest rates in addition to the failure of voters to approve State bond issues has caused many of those originally opposed to Federal aid to reconsider their stands.

According to the Municipal Finance Officers Association study released November 7, increased interest costs made necessary by erosion of credit confidence will boost State and local long term debt by about $1 billion on bonds sold in the first 9 months of this year. This will not only adversely affect the urbanized

States, such as my own State of New Jersey, but also the less populous States which have traditionally borrowed on a smaller scale.

A study released recently by the Joint Economic Committee reported similarly gloomy forecasts for increased interest costs and added an even more ominous prediction: New York City financial default will cause slower economic recovery and higher unemployment throughout the Nation.

I am placing two constituent letters in the Record which I think accurately reflect the trend of an increasing number of citizens toward favoring Federal aid to New York City. The first is from "an executive WASP" who says he has had a change of heart. The second is from the board chairman of a New Jersey bank who fears default would result in a very weakened investment market, and would have a damaging ripple effect on the economy.

The letters follow:

November 10, 1975.

Re: New York City.
President Gerald Ford,
The White House,
Washington, D.C.

Dear Mr. President: I am writing this as a registered Republican for my adult life and would have to classify myself as a middle-class, executive WASP—one of the silent minorities.

When New York City's current problems first came to light my reaction was "Good! The chickens have finally come home to roost" I thought that a default would be a good thing for all the bureaucracies of this country, including the Federal government's whose time of reckoning is yet to come. There is really no difference between our Federal government's ways and New York City's except the Federals have a printing press for money.

However, I have done a 180 degree turn in my thinking in regard to help for New York. I feel a default would indeed be disastrous for this country and need not occur for a good object lesson to be learned by all. What really convinced me was Theodore White's article in the November 10, 1975 issue of "New York" magazine. This summation of causes and responsibilities is excellent. It is my opinion that the Federal government has no choice but to guarantee long-term obligations for the city with stringent controls over future budgets exercised.

My position was exactly as yours a week ago. It was butressed by the Puritan tradition of hard-work, you get nothing for nothing etc. However, New York's problems transcend this and some of the responsibility for them rests with the Congress in Washington.

Washington must give the guarantees and then look into its own affairs because, to quote your prophetic words, "who will bail out the United States?"

(Signed)
A New Jersey Resident.

November 10, 1975.

Hon. James J. Howard,
Rayburn Building,
Washington, D.C.

Dear Mr. Howard: The default and possible bankruptcy of New York City will have a devastating effect on the very backbone of our economy. Already we have witnessed events that are making it more and more difficult for municipal and other levels of government to raise sufficient funds through the bond market.

Several New York State municipalities have found the market virtually closed to them. At best some of them have received inadequate bids at considerably higher interest rates. A few weeks ago Chicago withdrew a proposed bond issue when it was indicated it would meet with difficulty. In New Jersey, voters turned down proposed bond issues that would have provided $922 million for much needed capital improvements and created 118,000 jobs which would have given jobs to many of the state's 13.6 per cent unemployed workers. The defeat of these bond issues can be traced directly to the fact that voters were deeply concerned about the New York crisis.

New York City needs Federal assistance now to solve its severe short-term financial problems. The long-term solution will require greater fiscal responsibility and self-discipline on the part of both public and elected officials with guidance from the Federal government and private sector.

Congress cannot ignore New York City's situation because all of us will suffer from the serious consequences.

This great nation of ours is just beginning to recover from the worst recession since the 1930's. A default by New York City would reverse this trend and bring still higher unemployment as businesses fail. It would have a rippling effect on all segments of our economy.

The opponents to aid for New York forget that the confidence of investors has been shaken over the past few years. A default would erode this confidence to the point where all investment markets would suffer.

If New York does default, the credit markets will be closed to all but a few municipalities and other governments. This will mean that funds for much needed capital improvements and sevices will not be available. The inability to raise needed monies through the bond market will cause a deterioration of our way of life since all governments will not be able to function properly.

The solving of New York City's fiscal difficulties will take a great deal of hard work. It will require cooperative efforts from many groups and individuals.

In my judgment, the program that is adopted must be sound and not one that will just keep the city above water for the next three to five years and lead to more problems. It is quite evident that without such a program at the Federal level, all of us will suffer. We cannot permit New York City to default.

(Signed)
A New Jersey Banker.

IN THE BICENTENNIAL TRADITION—THE KOSCIUSZKO HOUSE

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. EILBERG. Mr. Speaker, in the tradition of the bicentennial the Brigadier General Thaddeus Kosciuszko House, in Philadelphia has been saved.

Through the concern and dedication of the members of the Polish Heritage Society, the Polish National Congress, the Philadelphia City Council and the Congress, the home of this great man is being restored in time for the 1976 bicentennial celebrations.

Gen. Thaddeus Kosciuszko was a man unusual even in the tradition of the famed American patriots. He was a hero of two countries who rejected his aristocratic heritage to espouse democracy and human freedom. General Kosciuszko was respected not only for his brilliance as an officer, in such battles as Saratoga, the first major American victory, for which he is given much credit, but for his consideration of both his troops and his prisoners. Such was his devotion to the American cause that he turned down many offers of promotion to avoid internal jealousies. Only after the war was over was he promoted to brigadier general and awarded 4 years back pay and land in the "wilds" of Ohio.

Though he was honored, respected, and established in America, Kosciuszko went back to Poland to fight in her struggling bids for independence. After some incredible victories, over vastly larger Russian forces, Kosciuszko was made President of the short-lived Polish Democracy and quickly passed far-reaching reforms. Unfortunately, overwhelming Russian forces soon overcame the struggling Poles and a severely wounded Kosciuszko returned to his friends in America to stay at 301 Pine Street in Philadelphia. Here he regularly conversed with such men as Vice President Thomas Jefferson. And here, with Jefferson as his executor, he made his final testament to his ideals of human freedom. He left all his American property to free and educate Negro slaves, that they too might enjoy independence.

This unusual gentleman, in every sense of the word, is having his American home restored. However, not without a fight from those who appreciate his ideals and his contributions, who had to fight the initial rejection by the Advisory Board on National Parks, Historic Sites, Buildings and Monuments. The Board ruled this residence unworthy of restoration.

I am proud to say they succeeded, because Congress passed H.R. 6759. This site is now being restored for every American to appreciate during our bicentennial celebrations.

At this time I enter into the Record an article from the magazine "Destination: Philadelphia" about Thaddeus Kosciuszko and the restoration of his American home:

The Thaddeus Kosciuszko House

A battered brick house at 301 Pine Street, three blocks from Philadelphia's waterfront, is now being restored by the National Park Service. In the Bicentennial Year of 1976, it will open to the public. It was once the home of Thaddeus Andrew Bonaventure Kosciuszko, an extraordinary man who played a part in the histories of Poland and America.

Kosciuszko (Pronounced "Koshchoosh-ko") was born in 1746, the son of a small Polish land owner. He was a brilliant cadet at the Warsaw Military Academy and was sent to France for further studies. He studied engineering at a military academy in Mezieres, and the liberal arts in Paris. When Kosciuszko returned after five years in France, he found no opportunity in the small army of the tottering Polish Kingdom. An unhappy love affair also contributed to his decision to leave Poland in 1775. It is not known when he decided to go to America, nor when or where he landed in America. We know that he was in Philadelphia in August 1776 and offered his services to the Continental Congress Board of War. The 30-year-old Pole was a well trained officer, with the much needed skills of an engineer, and in October 1776 Congress commissioned him as a Colonel with "the pay of sixty dollars a month."

Kosciuszko was first employed on some fortifications in the Port of Philadelphia. The handsome Polish gentleman made an excellent impression on everyone. Most of the foreign volunteers were constantly pressing for more rank, pay, and personal publicity (The 20-year old Marquis de Lafayette demanded and got a commission as a Major General!). Kosciuszko, on the other hand, was modest to a fault. He actually declined several offers of promotion, writing to an aide of General Gates:

"My dear Colonel if you see that my promotion will make a great many Jealous, tell the General that I will not accept of one because I prefer peace more than the Greatest Rank in the World."

He spoke perfect French and erratic English. His own name proved difficult to Americans, who misspelled it in many different ways from Kuziazke to Cosieski.

In 1777, Kosciuszko was sent North to serve at Ticonderoga on Lake Champlain. He advised his commander, General Schuyler, to flatten the top of steep Sugar Loaf Hill and to place artillery there. Schuyler rejected the plan. Soon General John Burgoyne's army arrived from Canada, dragged a cannon to the top of the hill and forced the Americans to abandon Ticonderoga. Kosciuszko distinguished himself on the long retreat to Saratoga where he built a fortified camp. Burgoyne was twice defeated attacking the American positions, and on October 17th he surrendered his army to General Gates. Saratoga was the first major victory of the Americans, and Kosciuszko was given much credit for it.

There were no good roads in 18th Century America, and rivers were the main highways in peace and war. Kosciuszko was now sent to West Point on the Hudson to fortify this bend of the river. He replaced Colonel De la Radiere, an overbearing French engineer. The American officers were delighted with the able new Chief Engineer whose "manner of treating the people was more acceptable." Kosciuszko blocked the Hudson by a massive iron chain and began to build forts and batteries on the river banks. In September 1778, he first met George Washington who came to inspect the work in progress. Afterwards Kosciuszko wrote to General Gates:

"His Excellency was here with General Portail to see the works after all conclusion was made that I am not the worst of Inginier."

Kosciuszko was at West Point for two and a half years. His fortifications were so formidable that the British never dared to attack them. Many Americans noted the "soft manners" and gentle character of this tough professional soldier. In his leisure hours he built a rock garden which still flowers at West Point. He shared his own bread rations with hungry British prisoners, and later he gave up his coffee and sugar to the sick in a miserable army hospital.

With the Hudson Valley secured, Kosciuszko went South for two and a half years of varied service under Generals Gates and Greene. He built a fleet of boats on the Cheraw River in North Carolina; was defeated and wounded in an assault on a British fort called Ninety-Six, and he was victorious in the attack on Savannah. There the news of peace reached him in April 1783.

Kosciuszko travelled to Philadelphia where Congress was considering the claims of the foreign officers who had rarely been paid. All officers who had not been promoted since 1777 were advanced, and Kosciuszko became a Brigadier General after seven years of outstanding service.

Congress also awarded him some $12,000 in back pay and 500 acres of public land in distant Ohio. Washington gave him an inscribed sword of honor which is now in the National Museum in Warsaw. Kosciuszko was present in New York when General Washington bid farewell to his principal officers. In July 1784 Kosciuszko sailed for France on the *Courier de l'Europe* which made a fast crossing of twenty-four days. A travelling companion, Colonel Humphreys made a little poem about him:

Our Polish friend whose name still sounds so hard;
To make it rhyme would puzzle any bard;
That youth, whose bays and laurels early crown'd,
For virtue, science, arts and arms renown'd.

Kosciuszko returned to Poland and lived as a farmer. In 1792, as a Major General, he led Polish forces in desperate resistance against a Russian army. After the Second Partition of Poland in 1793, he became dictator of Poland, taking an oath to liberate the country. At first, he scored some successes against the superior forces of Russia and Prussia, but on October 10th, 1794, the small Polish army was crushed at the battle of Maciejowice.

Kosciuszko was terribly wounded by sabers and bayonets. Legend had it that he cried out "Finis Poloniae!" as he fell from his horse. It was indeed the end of Poland as an independent country for 124 years (A Polish Republic was established after World War I). The gallant Polish leader was now a celebrated figure in Europe; the English poet Thomas Campbell wrote the famous lines:

Hope for a season bade the world farewell
And Freedom shriek'd—as Kosciusko fell!

After two years of Russian captivity, the Tsar released the ailing Koscuiszko who was lionized in England. In 1797, he crossed the Atlantic again, to visit his many American friends. In 1776, he had arrived in Philadelphia as an obscure stranger; then, in 1797, Philadelphia gave him a hero's welcome as he was carried ashore from the *Adriana*. The crowd pulled Kosciuszko's carriage to his lodgings at 301 Pine Street. There he lived quietly for eight months, seeing his old friends. Philadelphia was then the capital of the United States, and Vice-President Jefferson was a frequent visitor. Kosciuszko made Jefferson executor of his will which made a most unusual disposition of his American assets. Kosciuszko directed that they be sold and the proceeds used to free and educate Negro slaves, so that they could make "a free and happy life." (After Kosciuszko's death the will was contested and broken by some of his relatives.

Kosciuszko returned to Europe in 1798 and lived in France. It is believed that he planned to lead another movement for the liberation of Poland. Unable to come to an agreement with Napoleon on the independence of Poland, Kosciuszko never saw his homeland again. He retired to the Swiss town of Soleure where he died in 1817, a lonely exile of seventy-one. His body rests in the cathedral of Cracow, the ancient capital of the Polish Kings, and he is the national hero of Poland to this day.

Kosciuszko was the same man in the Old World and in the New. In Poland he fought for his country's independence and freed his own serfs. In America, he helped to win independence and wanted to free the black slaves. At West Point a memorial stands above his rock garden. In Washington, a fine Kosciuszko monument stands on Lafayette Square, close to the White House. Soon Philadelphia will have another shrine to the memory of a hero of two continents.

LULAC ORGANIZATION FOSTERS HIGHER EDUCATION FOR HISPANIC STUDENTS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. DE LA GARZA. Mr. Speaker, the League of United Latin American Citizens has for many years been a force for great social good in our country. Its efforts on behalf of Hispanic Americans have resulted in outstanding economic gains for a large and important segment of our population. The League has consistently encouraged greater participation in governmental processes by Spanish-surnamed citizens.

Some 2 years ago the League of United Latin American Citizens founded the National Education Service Centers, an organization with the purpose of broadening opportunities for Hispanic Americans to attend colleges and universities. Since its establishment it has helped to enroll nearly 11,000 students in undergraduate and graduate programs and has aided them in obtaining financial assistance to further their education.

A recent article in the Washington Star tells how the League of United Latin American Citizens National Education Service Centers has aided Hispanic citizens to find their way to higher education. It is an inspiring story and, wishing to share it with my colleagues, I am placing it in the RECORD in connection with my remarks:

HELPING LATIN STUDENTS FIND THE WAY TO COLLEGE

EASING THE TRANSITION FROM THE BARRIO TO HARVARD

(By Elizabeth Roach)

Rick Manzanares met Enriques Vargas one day when Vargas, a year away from graduating from Southern Colorado State College, was looking for information on graduate school.

"He was super-aggressive, very self-confident and wouldn't leave us alone," said Manzanares, who was then director of the Colorado Springs office of the League of United Latin American Citizens National Education Service Centers (NESC).

Manzanares is now director of field operations at the NESC national headquarters at 400 1st St. NW. And Vargas, a 28-year-old native of Mexico City who came to this country at the age of 10, is now in his first year at Harvard University Graduate School of Business Administration, thanks to NESC.

Founded in July 1973, NESC is an organization whose primary goal is to increase opportunities for Hispanic Americans to attend colleges and universities.

NESC has helped enroll 10,715 students in undergraduate and graduate programs and has helped get them a total of $9.6 million in financial aid.

Staffers at NESC's 11 field centers—located in Boston, Chicago, Seattle and Topeka, Kan., as well as in cities in the west and southwest—help potential students apply to schools, assist them in filling out forms, inform them of loans and scholarships available and help them through counselling, to define their educational alternatives. So far, 32,137 students have received counselling from NESC personnel.

One of NESC's goals, according to executive director Rodolfo H. Castro, is to help in the educational formation of Hispanic Americans who will be able to provide leadership in each field.

"We didn't have the professionals to service our own community. Our generation didn't have the preparation for college. We want to make sure our students don't go into woodshop, that they go into algebra," he said.

Vargas is grateful for the help he got. "I have nothing but praise for them. They helped from the very outset, and here I am," he said. "They opened my eyes to things I never thought I could get next to."

Another first-year Harvard business administration student, Mike Enriquez of Phoenix, Ariz., says NESC helped orient him as to what Harvard wanted in the essay part of the application form, typed it for him and helped him look for funds.

Like Vargas, Enriquez has a one-year fellowship from the Council for Opportunity in Graduate Management Education, and both say they found out about the fellowships through NESC.

"They were with me all the way," Enriquez said. "If anyone two years ago had told me I'd be in Harvard, I would have said they were crazy."

Vargas and Enriquez may be somewhat outstanding NESC case histories. Castro, himself a graduate of the same school who describes himself as coming from a barrio in a California "desert community," said NESC places 90 to 95 percent of its students in local schools.

He said another activity of NESC is the LULAC Scholarship, which awarded $300 to $500 to 50 Spanish-surnamed college students throughout the nation for the 1975–76 academic year.

No deadline has been set yet for application for next year's scholarships, Castro said, and interested persons may write to the national headquarters for an application.

GUNS DO KILL PEOPLE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, this morning's Wall Street Journal contained a very interesting article on the subject of gun control.

I am sure my colleagues will find some of the statistics in the article very enlightening.

For instance, Atlanta's commissioner of public safety maintains that three out of four handgun homicides in that city were motivated by "anger and drunken argument, jealousy and revenge." Clearly, 121 of the handgun homicides in Atlanta could have been prevented if a handgun had not been available.

The police director of Newark, N.J., cites the growing use of handguns by juvenile offenders—a problem that is manifesting itself in many American cities.

Perhaps the most interesting statistic in this very informative article is the result of a Lou Harris poll, which indicates that 77 percent of those interviewed favored mandatory Federal registration of handguns.

Mr. Speaker, as a cosponsor of a number of handgun control and registration bills, I am pleased to see this growing sentiment among the American public that favors more stringent laws on handguns.

I hope my colleagues will take the time to study this article, and will join with me in supporting legislation that will remove the handgun menace from American society.

The article from the Wall Street Journal follows:

GUNS DO KILL PEOPLE

(By Allen L. Otten)

WASHINGTON.—Congress usually likes to listen to experts.

Senate and House committees are always gathering advice from leading economists and businessmen on proper economic policy, from tax experts on changes in tax laws, from military men on new weapons systems or from scientists on medical or space problems. And, to a substantial degree, the lawmakers heed this advice.

In one area, though, Congress turns a deaf ear on the experts: on controlling handguns. FBI directors, Secret Service chiefs, big city police commissioners and others who are directly on the line in fighting murder, robberies and other crime and violence all urge tough handgun laws—and still nothing happens.

This train of thought was prompted by recent testimony to a Senate committee by five key law enforcement officials. The men involved—in charge of police in Los Angeles County, Boston, Atlanta, Newark and San Antonio—can hardly be called wooly-headed criminal coddlers, yet one after the other they pled with the Senators to enact the strictest sort of federal controls on handguns. Their testimony was completely convincing to any remotely open mind.

Over and over they stressed the growing number of violent crimes committed with a handgun—and how much deadlier guns are than any other possible weapon.

Handguns, asserted Boston Police Commissioner Robert diGrazia, are "the main source of violent crime. . . . The handgun is used for nothing except to kill people."

If the country doesn't soon adopt a tough gun control law, warned Los Angeles County Sheriff Peter Pitchess, more and more people will be buying guns in mistaken hopes of self-defense, and soon "we are going to revert to the old law of the West where the fastest gun will prevail." For every robber stopped by an armed homeowner or storeowner, he said, "four homeowners or members of their family suffer death in a gun accident."

Atlanta's Commissioner of Public Safety, A. Reginald Eaves said three-fourths of the 161 handgun homicides in his city last year were motivated by "anger and drunken argument, jealousy and revenge—three out of four deaths which I believe could have been prevented, were a handgun not available."

Hubert Williams, police director of Newark, pointed out that handguns are not only being used in more crimes, but escalate the damage caused in those crimes, and "an even more ominous trend . . . is the rapid increase in gun violence by juveniles." In 1974, he reported, one-fourth of Newark's 75 gun homicides were charged to youths between 12 and 18. Mr. Eaves similarly stressed that "teenagers really feel superior with the use of a handgun. Once taken out of their hands, you will cut down the number of teenagers involved in aggravated assaults and homicides."

Police Chief E. E. Peters reported that during the first eight months of 1975, San Antonio had 92 murders, including 60 committed with handguns. Despite state and local laws against carrying firearms, the city has had 595 robberies and 419 assaults with guns.

One after another, the police officials rejected the argument that "guns don't kill people, people kill people." Responded Mr. Pitchess: "If we accept such ridiculous logic then there is no reason to restrict people from owning machine guns, hand grenades and bombs. After all, we have nothing to fear from such weapons so long as the people who possessed them behave." In most cases, Mr. diGrazia said, "the unavailability of a handgun could mean the noncommission of a violent crime."

Unanimously, the five men found state and local laws incapable of doing the job, since "guns don't observe state boundaries" but flow easily from one place to another. Four of the five urged a federal law outlawing handgun ownership for all but police and military personnel, arguing that mere registration would be ineffective and a waste of time. Mr. Peters endorsed either registration or outlawing handguns.

Why, in the face of such overwhelming expert judgment, doesn't Congress act? The reason, everyone here pretty well agrees, is that the Natonal Rifle Association and other opponents of gun control have managed to establish the notion that the office-holder who backs gun curbs faces certain defeat at the next election. They claim the scalps of former Sen. Joseph Tydings, former Sen. Joseph Clark, and half a dozen others.

Yet if these groups aren't paper tigers, they may be at best cardboard tigers. Pollster Louis Harris told the same Senate committee that his most recent survey, admittedly taken just a few weeks after the two assassination attempts on President Ford, showed a whopping 77% to 19% majority for mandatory federal registration of handguns, up sharply from a 66% to 30% margin in 1971. Even handgun owners, he said, were 61% to 33% in favor.

Groups fighting gun control are politically effective, Mr. Harris suggested, only because candidates fail to mobilize the far more numerous pro-control voters. Any candidate making tough gun controls a major campaign issue will win, he predicted. In the same vein, the U.S. Conference of Mayors calls the political clout of gun control opponents a "myth," and says that "most of the alleged NRA victories over political foes can be attributed to factors other than the issue of gun control and NRA power."

The pattern of congressional interest in gun control has been a flurry of concern right after some dramatic event: the assassination of John Kennedy, the assassination of Martin Luther King and Robert Kennedy, the attempts on Mr. Ford. Then the events recede in time, and congressional concern ebbs.

This hasn't quite happened yet, but there are signs it may be about to happen. Gun control advocates in Congress are squabbling among themselves on the proper approach, and the closer election day comes, the slimmer the chances of action.

Perhaps, though, it really is time for Congress to listen to the gun control experts. Maybe the people are more in line with the experts than Congress thinks.

SOCIAL SECURITY REFORM

HON. JOSEPH D. EARLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. EARLY. Mr. Speaker, the Ways and Means Subcommittee on Social Security is in markup on legislation "focusing on the large backlog of hearings cases pending before the Social Security Administration." I commend Chairman

BURKE and the subcommittee members for their intentions and I anxiously await the report on their findings.

Mr. Speaker, it is not my intention to take away from the work of the subcommittee in this or any other area of social security reform. However, the House has acted on only one bill to aid senior citizens in the 94th Congress, the Older Americans Act Amendments of 1975, currently in a joint House-Senate conference. Considering the plight of senior citizens today, the lack of remedial action by this Congress to make necessary changes in the direction of the social security program, medicare, and supplemental security income appears to me to be singularly negligent.

There are retired persons in my congressional district in Massachusetts and throughout the country who want to work. Since the enactment of the Social Security Act in 1934 senior citizens who have participated in the social security program have been severely restricted in the amount of outside income they may acquire under penalty of loosing social security benefits. We are not talking here about a so called giveaway program. Social security is a participatory program. Each individual in the program contributes automatically from his earnings. And yet, the Federal Government will refuse the participant his return on his contribution if he continues to earn even a subsistence level income after retirement.

In a democracy such as ours, built on the foundation of free enterprise, the existence of regulations such as this one, designed to penalize older Americans for their continued participation in the work force seems to me to be in open contradiction to that foundation. Certainly, an income ceiling for social security recipients would be far more easily understood if the average social security income were such that older Americans relying solely on that income could live with dignity and not in near poverty as is the case with many senior citizens today. The ceiling would be more understandable at a cut off point of, say, $7,500, or even $5,000, but the current figure of $2,500 is not enough to increase the average yearly social security income to much above the HEW income level classification, "near poor."

Mr. Speaker, the social security system is penalizing people for growing old. Increases in the supplemental security income program trigger decreases in social security benefits. The logic of this particular provision totally escapes me. What kind of administrative whitewash is it to increase social security insurance benefits and accordingly reduce social security or vice versa. Why not just eliminate the cost-of-living increases and save the cost of the administrative juggling necessary to balance increases with decreases. Perhaps that savings could be used for real increases to social security recipients.

Since the creation of the social security system our economy, our social structure and the actual makeup of the older American population has grown and changed, markedly. I think most everyone in the Congress would agee that the present social security network does not adequately conform to the particular needs and demands of our aging citizens. For instance, older Americans are far more likely to need medications, special health apparatus, nursing care, and so on, than any other age group of Americans, yet medicare does not begin to cover these special costs.

At its inception social security was intended to be a supplemental retirement income program—supplemental being the key word. However, the necessity of a federally administered retirement program, supplemental or full, was brought about by the increasing instances of individual Americans who were unable to or neglected to establish private retirement savings plans for themselves. That being the major impetus for the creation of the program, it is not difficult to understand why many Americans rely solely on social security for their retirement income. Nor is it difficult to see the need for reforms in the system.

The social security system over the past 40 years has become a bureaucratic patch quilt of sectional reforms and revisions, many of which were inadequate as such and most of which could not begin to tackle the type of comprehensive upgrading and updating of the system I believe is called for if we are to realistically meet the needs of older Americans.

I wholeheartedly urge the Social Security Subcommittee to deal with major reforms in the social security program as soon as possible. This is a situation that demands action and should be given the highest of priorities in the 94th Congress.

THE LONDON TIMES VIEWS ON NEW YORK CITY'S DILEMMA

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. SCHEUER. Mr. Speaker, President Ford's continuing opposition to financial aid for New York City is causing continued fear and apprehension in Europe. In an October 31, London Times editorial, Mr. Ford's unyielding position on aid to New York City was assailed as an "act of monumental folly."

The London Times fears that a failure to aid New York City prior to default would undermine the economy of the West—

> It is no exaggeration to say that for the financial system of the United States, for the reputation of that country, and for the rest of the non-communist industrial world, it could be a disaster. That any President of the United States should contemplate taking the risks involved indicates that Mr. Ford has not grown in stature with office.

Clearly, there is a widespread perception abroad that our President fails "to understand the nature of a modern financial system and the importance of secondary and psychological factors, if he thinks that the damage of the default could be wholly or reliably contained" by a Federal Reserve bailout of banks which default as a direct result of the city's default on its own bonds.

It is increasingly obvious that our European allies are more concerned with the effects of a default than is President Ford. Europe demonstrates little comprehension of our federalist system, and many prominent Europeans believe that if the Big Apple goes rotten the whole basket will soon spoil.

I urge all my colleagues to join together and not allow the economy of the West to enter the precipitous and murky world of default and bankruptcy, a world which may well see the entire West entering a new recession if not a depression.

The text of the October 31 London Times article follows:

[From the London Times, Oct. 31, 1975]

WHOM THE GODS WISH TO DESTROY

Those close to President Ford may well have known it for some time. The rest of the world, however, has only just begun to realize for certain that he intends to let the City of New York go bankrupt. His speech at the National Press Club in Washington on Wednesday made it clear that the decision to let financial events run their course is a central part of his long-term political philosophy and of his short-term campaign to secure the Republican nomination for the 1976 Presidential election. Unless he changes his mind, the United States and the world is about to witness the biggest financial default by any city in history.

If he sticks to his resolve it will be an act of monumental folly. It might help him get the Republican nomination, where the only threat is from the right wing of his party. It would, however, do nothing else for him. It is no exaggeration to say that for the financial system of the United States, for the reputation of that country, and for the rest of the non-communist industrial world, it could be a disaster. That any President of the United States should contemplate taking the risks involved indicates that Mr. Ford has not grown in stature with office.

The New York Times has called President Ford's position one of "anti-urban bigotry." It is clear from the tone and content of his speech on Wednesday that he is calling for support from the wells of populist political sentiment which is instinctively hostile to the big city, the urban political machine, hostile both to the immigrant and the pillars of finance. With his personal and political roots in a community like Grand Rapids, Michigan, the President is perhaps not able to comprehend the impact which the default of New York will have. It is surprising that his closer financial and economic advisers, like the Secretary of the Treasury, Mr. Simon, and the Chairman of the Council of Economic Advisers, Mr. Greenspan, both of whom have first-hand experience of the world of finance, should not have tried more effectively to divert the President from his chosen course.

The monetary authorities have made it clear that they would not allow the City's default to lead to the bankruptcy of any financial institution left holding its discredited bonds. Indeed, the Federal Reserve in the United States, like the Bank of England in this country or the central bank in any developed financial system, cannot allow a major bank to default and the Federal Reserve may in recent years already have given temporary assistance to one or two over-stretched banks. But the Administration would be failing to understand the nature of a modern financial system, and the importance of secondary and psychological factors, if it thinks that the damage of the default could be wholly or reliably contained by such back-door financial support to a group of banks.

However the events are presented, the City's default will be seen and exploited by others as evidence that the American system does not work. At a more practical level, it will make the position of all other American cities so much harder. The cost of financing their expenditure by borrowing will rise even higher than it has already.

All of this might be reconsidered, however, if the default of New York would in any way help to solve the problems with which the City, the State and the Federal Government are faced. The fact is that it will not. In particular default will make much more difficult the problems of the deteriorating inner city and the black and immigrant poor, problems which ought to be federal and not of one city, however big. The effects on the financial systems of the world and on the recovery of the American economy could be of the most serious kind. Friends of America can only hope that the President will change his mind at the eleventh hour.

THE U.N.'S INFAMY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 13, 1975

Mr. GILMAN. Mr. Speaker, I rise to voice indignation and condemnation of the despicable resolution passed this week by the United Nations General Assembly equating Zionism with racism.

Zionism, in its most fundamental sense, is a Jewish nationalism, the doctrine advocating that Jews, like all other peoples throughout the world, have a homeland of their own. It is the very same doctrine that the United Nations recognized and supported at the time of Israel's inception in 1947.

I have a deep sense of admiration for the manner in which my colleagues in the House have responded in giving their wholehearted support to House Resolution 855 chastising the U.N. General Assembly for its vile action.

The time for a reassessment of our position in the United Nations is long overdue. How can we have faith in a world body which is not representative of the world population? How can we honor an organization such as this which is blatantly anti-Semitic? Have they lost sight of the tragic holocaust that destroyed 6 million people just 30 years ago? Are they regressing in their humanitarian concerns?

This latest irresponsible U.N. action makes the purposes of the U.N. even more suspect. Equating Zionism with racism is but another spiteful Arab-Communist inspired swipe at the State of Israel, an attack on all world Jewry, and affront to all mankind.

During the last decade the world community has observed a gradual deterioration of the political importance and credibility of the United Nations. This unfortunate turnabout has been felt not only in the maintenance of world peace, but also in the direction of the U.S. foreign policy.

During the past decade the United Nations has experienced an influx of numerous "ministates" which have produced a new majority whose real economic and political importance have been greatly overrepresented. We have seen a gradual straying from the basic tenets of the U.N.'s Charter. Such continued violations can only result in a diminution of support by the United States, and possibly a complete withdrawal by our Nation.

In July of 1975, before the Committee on International Relations' Subcommittee on International Organizations I recommended that we should seek to bring an end to:

The domination of the United Nations by countries which possess neither economic or political power;

The coercion of industrial powers to unrealistic demands;

The manipulation of the U.N. Charter for unilateral ends;

The existing system of unrepresentative and bloc voting;

The use of, and tolerance for, terrorism as a legitimate political weapon; and

The practice of expulsion and suspension of member nations for ideological goals.

When Arafat, toting a pistol on his hip, spoke before the General Assembly, and soon to be followed by Uganda's dictator, Idi Amin, it was obvious to the world how badly its credibility and morality had eroded.

Ambassador Daniel P. Moynihan, our representative at the U.N., in condemning the U.N. action on the night the General Assembly performed its shameful act, eloquently reflected our Nation's abhorrence, stating:

> There will be time enough to contemplate the harm this act will have done the United Nations. Historians will do that for us, and it is sufficient for the moment only to note one foreboding fact. A great evil has been loosed upon the world. The abomination of anti-semitism—as this year's Nobel Peace Laureate Andrei Sakharov observed in Moscow just a few days ago—the abomination of anti-semitism has been given the appearance of international sanction. The General Assembly today grants symbolic amnesty, and more, to the murderers of the six million European Jews. Evil though in itself, but more ominous by far is the realization that now presses upon us, the realization that if there were no General Assembly, this could never have happened.
>
> As this day will live in infamy, it behooves those who sought to avert it to declare their thoughts so that historians will know that we fought here, that we were not small in number—not this time—and that while we lost, we fought with full knowledge of what indeed would be lost.

The nations that supported this U.N. resolution gave the heinous work of Nazi Germany their seal of approval. They have sanctioned an attack on Israel. They have discredited the lofty objectives and ideals of the U.N. Let us make note of the 72 nations that voted for this racist resolution: Afghanistan, Albania, Algeria, Bahrain, Bangladesh, Brazil, Bulgaria, Burundi, Byelorussia, Cambodia, Cameroon, Cape Verde, Chad, China, Congo, Cuba, Cyprus, Czechoslovakia, Dahomey, Egypt, Eq. Guinea, Gambia, East Germany, Grenada, Guinea, and Guinea-Bissau.

Also, Guyana, Hungary, India, Indonesia, Iran, Iraq, Jordan, Kuwait, Laos, Lebanon, Libya, Madagascar, Malaysia, Maldives, Mali, Malta, Mauritania, Mexico, Mongolia, Morocco, Mozambique, Niger, Nigeria, Oman, Pakistan, Poland, Portugal, Qatar, Rwanda, Sao Tome, Saudi Arabia, Senegal, Somalia, Southern Yemen, Soviet Union, Sri Lanka, Sudan, Syria, Tanzania, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, Yemen, and Yugoslavia.

The White House denounced the U.N. action, warning that the anti-Zionist vote "undermines the principles on which the United Nations is built."

Ambassador W. E. Waldron Ramsey of Barbados, in criticizing the resolution, stated:

> The black man knows what racism is . . . the resolution is unworthy and perverted . . . It would divide the unity of the Third World and of the African Nations.

Editorially the New York Times on November 11, 1975, commented:

> The vote of the United Nations General Assembly yesterday in condemnation of one member-state's national movement, Zionism, was offensive, spiteful and futile and stupid as well.

The Washington Post on November 12, 1975, said:

> The resolution by the U.N. was an infamous act. Both the substance of the decision and its likely political effect must be thoroughly deplored.

Ambassador Chaim Herzog of Israel noted that—

> The U.N. has been dragged to its lowest point of discredibility by a coalition of despotisms and racists.

The Chicago Tribune on November 13, 1975 commented:

> The United Nations General Assembly's approval of a resolution calling Zionism "a form of racism and racial discrimination" has cast a dark and somber shadow over the future of the world organization.

In Pittsburgh, the Post-Gazette said:

> The resolution itself had racist overtones in view of the long, dark history of anti-semitism, never more evident than in this century's Nazi era. Indeed, Centuries of anti-semitism in Europe spurred the Zionist philosophy of a national homeland in Palestine.

The Los Angeles Times, stating that "the U.N. Takes to the Alley" said:

> The diverse motives of the 72 members . . . can be discerned and explained, but the moral malice and historical ignorance behind the vote cannot be excused.

Mr. Speaker, it is now incumbent upon Congress to influence the United Nations to reconsider its crude, outrageous denunciation, otherwise, the real victims would be the United Nations itself and all the countries which have a stake in the U.N. Assembly's viability and its goals for peace.

RETIREMENT OF HERMAN BRANDT

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. BELL. Mr. Speaker, I would like to take this opportunity to draw attention to the distinguished service of Herman Brandt in the South Bay area of Los Angeles County.

Mr. Brandt was a key figure in the formation of the South Bay Hospital and in 1955 was appointed president of the hospital board of directors.

In 1957 he was elected secretary-treasurer of the board and served in that capacity until 1969. Since that time he has remained as one of the five elected board members.

On October 15, Herman Brandt announced his retirement. Because of his years of dedication and leadership, his fellow trustees have named him board member emeritus.

This is fitting recognition for his two decades of effort in behalf of his fellow man.

I wish to express my appreciation, and that of the community, for the fine accomplishments of Herman Brandt. They will not be soon forgotten.

And, as a board member emeritus of the South Bay Hospital, we know that Herman Brandt will continue to provide wise and experienced counsel to the community and to the hospital which has grown so impressively, because of his work.

FREEDOM DIES IN ITS SLEEP

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. SYMMS. Mr. Speaker, it is easy to talk in vague generalities about the evils of big Government, and to make sweeping statements about the erosion of personal freedom by Government intervention. Most Americans would agree that there is far too much inference in their daily lives by Government at every level.

But, Mr. Speaker, how many of us have stopped to think about how very real and legitimate these concerns are? How many of my colleagues have paused to ponder over how deeply intertwined the Government has actually become in almost every aspect of our daily affairs?

Commentator Paul Harvey recently drove this point home in a very relevant and down-to-earth manner. His column, entered below, should raise the eyebrows of even the most arrogant advocates of "big brother" Government. His message is plain and simple—there are too many bureaucrats, too many laws, and too much Government. I commend it to my colleagues in hopes that they will take his observations to heart.

Big Government is a creature of our own creation, fathered by an obsession with passing more laws. It is therefore our responsibility in Congress to cut Government back down to size. Repeal. Repeal. Repeal.

The article follows:

FREEDOM DIES IN ITS SLEEP

(By Paul Harvey)

Michigan's Sen. Robert Griffin said it: "In the long course of history freedom has died in various ways. Freedom has died on the battlefield. Freedom has died because of ignorance and greed. But the most ignominious death of all is when freedom dies in its sleep."

Tom Jefferson said it 200 years ago: "As government grows, freedom recedes."

Russell Baker recently reminded himself of the extent to which government already inhibits his freedom.

He awakened this morning with a woman whom the government had licensed him to marry.

He rolled over on bedding certificated by a federal agency and turned on the radio to a station broadcasting only with government permission.

The electricity which powered that radio—and his shaving mirror light—is priced at rates established by the government and brought to him by a government-created monopoly.

Outside is his car—licensed by the government, registered with the government, built to government specifications. And taxed by the government. Each year. So that, in fact, he does not own his car, he rents it—from the government.

And this is true also of his house.

If you think you own yours, stop paying taxes and you'll see who owns it.

Nor is Mr. Baker free to drive his car faster than the government allows or to park it near a fireplug or a stop sign or in any space reserved for government officials.

He may park alongside a parking meter—if he makes a cash contribution to government.

Or he could leave his car at home and take a bus, which is owned by the government, runs on schedules established by the government at fares set by the government.

In an airplane he must submit his luggage and himself to search by the government, pay a further tax to the government to fly on an aircraft licensed by the government along routes authorized by the government, and in and out of government airports along skyways dictated by the government.

His clothes carry government labels. His breakfast foods are certified by government. He washes his dishes in water bought from government and heated by oil, the price of which is decreed by government.

And in this "land of the free" let him or you or I try to keep our schoolchildren out of schools which are required by government, in a building owned by government, to be taught by persons employed by government to teach whatever government wants them to be taught.

Before leaving the house he places his garbage outside to be picked up by government. He places a government stamp on an envelope and drops the envelope in a government mailbox.

And he hasn't even left for work yet.

Wait till he gets to work!

THE ARTS MAY BE OUR "RIGHT MEDICINE": REPRESENTATIVE HAMILTON

HON. PHILIP H. HAYES

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HAYES of Indiana. Mr. Speaker, one of my colleagues from Indiana, Representative LEE H. HAMILTON, has written a newsletter about the place of the arts in America which was excerpted on yesterday's editorial page of the Washington Post. Mr. HAMILTON has very accurately, I believe, described the growing contributions which the arts are making, not only to our society but to the world as a whole. And he notes that not only are the arts good for our Nation's soul, but they also contribute to its economic well-being. I wish to share his views as they appeared in the Post by having them inserted in the RECORD at this time:

FOR THE RECORD

(From a newsletter by Representative Lee H. Hamilton, D-Ind.)

In part because of the active role the National Endowment for the Arts has played in the expansion of the arts, the United States is becoming aware that it is a major force in the arts and rich in cultural resources.

All of this represents a profound change in the relationship of government to the arts in this country. Over many years the government and the artists have eyed each other with suspicion, and patronage of the arts was not considered a part of government's role. A declining number of persons still feel that way. They fear the big hand of government could stifle and censor the arts, and they point to other pressing needs. But President Washington observed that "the arts . . . are essential to the prosperity of the states," and others have pointed out that a nation which refuses to spend a penny for the arts for every $500 it spends on defense may find it has much less to defend.

The arts still have their problems, of course. They tend to be the preserve of the white middle and upper classes in the country, and inflation and the recession have made the normally tough financial problems of the arts even worse.

But despite the current problems, the arts are an economic as well as cultural resource. Money spent on the arts influences the economy of an entire community and has a multiplier effect. The arts are an asset in the tourist industry, they attract business and industry, and they enhance real estate values.

People are more conscious of the arts today, a broad geographical and economic base of support for the arts has been established, and the unifying effect of the arts may be just the right medicine for a country which is more diverse than ever.

CONGRESSIONAL CERTIFICATE OF APPRECIATION AWARDED TO CHI KAP-CHONG, U.N. KOREAN WAR ALLIES ASSOCIATION

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MURPHY of New York. Mr. Speaker, I invite your attention to the Certificate of Appreciation awarded by you for the Congress of the United States, and by me, as the chairman of the Delegation of Congressional Veterans of the Korean War, to a great friend of the United States and a distinguished citizen of the Republic of Korea, Mr. Chi Kap-Chong.

This is the first such award ever presented by the Congress to a Korean national, and because of the unique nature of this occasion, I request that the copy of the award be inserted in the RECORD in its entirety:

THE U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., November 12, 1975.

For outstanding service this certificate of appreciation is presented to Chi Kap-Chong, Director, Executive Board, the U.N. Korean War Allies Association, Inc.

In appreciation for his distinguished contribution to promoting better understanding and close friendship between the United States Congressional Veterans of the Korean War and Korean citizens who fought together for the defense of freedom and democracy.

His accomplishments were felt and greatly appreciated by all the United States Congressional Veterans of the Korean War. His devoted efforts to encourage the comradeship between the people of the United States of America and the Republic of Korea are noteworthy. Through his personal efforts and energy, and because of his imagination and leadership, the national interests of our two countries have been greatly furthered.

JOHN N. MURPHY,
Chairman, U.S. Congressional Veterans of the Korean War.
CARL ALBERT,
Speaker, U.S. House of Representatives.

1975 NOBEL PRIZE FOR ECONOMICS

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. SYMINGTON. Mr. Speaker, recently the 1957 Nobel Prize for economics was awarded jointly to Tjalling C. Koopmans of Yale University and academician Leonid Kantorovich of the Institute of Economic Management in Moscow. The Nobel memorial prize in economic science was established in 1969.

As chairman of the subcommittee in the House which has legislative jurisdiction over the National Science Foundation, I was especially pleased to learn of the selection of Dr. Koopmans for this high honor. Like Profs. Kenneth Arrow, Wassily Leontief, and Paul Samuelson, American Nobel laureates in economics in previous years, Professor Koopmans' research has long been supported by the National Science Foundation's economics program under its Division of Social Sciences. From 1961 to 1963 Professor Koopmans also served on the Economics Panel of the Foundation. NSF support for his work began in the late 1950's and has continued up to the present. The fields he has pursued with this support, in which he has made major contributions, include the theory of economic growth and optimal resource allocation. For the past several years he has concentrated on problems associated with depletable resources in the context of economic growth. It is for his contribution to the theory of optimum allocation of resources that he has been awarded the Nobel Prize jointly with Kantorovich, who is being honored for his work in this area.

Born in the Netherlands in 1910, Professor Koopmans received his M.A. degree in economics from the University of Utrecht in 1933 and the Ph. D. in economics from the University of Leiden in 1936. He came to the United States in 1940, and has been professor of economics at Yale University since 1955. He has also served as Director, Cowles Commission for Research in Economics, formerly located at the University of Chicago, and later moved to Yale University where it was renamed the Cowles Foundation for Research in Economics.

For Members' further reference, the New York Times and Washington Post of October 15 contained further details on the work of Koopmans and Kantorovich.

ASIA IS REPORTED FREE OF SMALLPOX

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. FLORIO. Mr. Speaker, on various occasions in the past, I have taken the liberty of informing my colleagues of the accomplishments of, and the necesity for, the World Health Organization. I am most pleased to present a news item from the New York Times which requires no further elaboration except to say that it is certainly a tribute to the remarkable achievements of the WHO:

[From the New York Times, Nov. 14, 1975]

ASIA IS REPORTED FREE OF SMALLPOX FOR THE FIRST TIME IN HISTORY

GENEVA, November 13.—The World Health Organization announced today that Asia was free of smallpox for the first time in history.

Dr. Donald A. Henderson, head of the W.H.O. smallpox eradication unit, said that painstaking double-checking in house-to-house surveys by 12,000 health workers in 150,000 Bangladesh villages had failed to find a single case of the disease since the one recorded on Sept. 15 in the last Asian area where it was once endemic.

The intensive worldwide vaccination campaign launched by W.H.O. in 1967 has gradually confined the disease to a 75-square mile corner in a remote region of Ethiopia. By the end of next March the last case should be stamped out there so that the whole world can then be considered free of smallpox, Dr. Henderson said.

The last person reported to have had smallpox in Bangladesh was a 2-year-old girl, who suffered only a mild case because she had been vaccinated while the disease was still in the incubation stage.

A disease that causes high fever and leaves disfiguring pockmarks when it does not kill, smallpox is one of the few infectious that spread directly from human to human—by inhalation—without an indirect stage in an animal or insect. Neither is it spread by food or water.

Because of that, scientists maintain that by breaking the human-to-human chain the disease will die out once the last scab leaves the skin of the last patient.

Absolute certainty is not possible—there could be an isolated group of humans somewhere unreached by the doctors—but scientists believe that when the last case vanishes in Ethiopia, there will be a 99 percent certainty that the disease has disappeared.

A former United States public health worker, Dr. Henderson said that the disappearance of smallpox from the world would mark the "first time that any disease has been wiped out deliberately by a campaign."

The final attacks on smallpox have been greatly aided by the offering of cash awards to persons reporting previously unrecorded cases, Dr. Henderson told a news conference.

The form of the smallpox left in Ethiopia is of the mild type that is fatal to only 1 percent of its victims, Dr. Henderson explained.

In 1967 there were 10 to 15 million cases of smallpox in 43 countries with two or three million deaths, the WHO official said. This year there have been 18,700 cases, with about 3,000 deaths, with only four countries that were still harboring the disease. Three of these—Nepal, India and Bangladesh—have now been declared free of smallpox.

In Ethiopia about 60 cases are being found weekly. The final drive to eradicate the disease there is being conducted by a team of 500 Ethiopians and 14 international advisers who are using four helicopters and 70 vehicles in a systematic "search and vaccinate" campaign.

TEACHER TOOK THE LEAD

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. ROUSSELOT. Mr. Speaker, today I want to bring to the attention of this body an unusual example of teaching and patriotism that was brought to my attention by an editorial in the San Gabriel Valley Daily. In a day when the virtues of America and the pride in flag and country are often scoffed at as "old-fashioned" and "passé" I think it is fitting that we recognize and commend people who go out of their way to show their love of country and who try to share it with others. Following is a story about how one teacher provides an example of patriotism to his students while trying to teach them at the same time what America is all about.

[From the San Gabriel Valley Daily, Nov. 6, 1975]

TEACHER TOOK THE LEAD

Teachers often are unfairly the target of those who blame schools for faltering patriotism on the part of our young.

A story out of Shelton, Conn., tells of one teacher who went out of his way to instill a sense of patriotism in his science class students.

Paul Hatje stood to recite the pledge of allegiance in his homeroom during the opening weeks of school. He stood alone. After continued encouragement, three boys out of his 21 students joined in.

Then Hatje had an idea. "I remembered a book called 'America in Verse' and I took it to school hoping that it might help solve the problem." He proceeded to read from the book, starting with "Our Dream" by Thomas Wolfe. The students seemed to be receptive, so Hatje read on, delivering several selections of writings by President John F. Kennedy. "There wasn't a stir or the slightest murmur, so I kept going," he said.

Finally, he concluded with part of Wolfe's "The Promise of America:"

"So then, to every man his chance—

to every man, regardless of his birth, his shining, golden opportunity

to every man the right to live, to work, to be himself, and to become whatever his manhood and his vision can combine to make him

this, seeker, is the promise of America."

Hatje said as he turned to recite the Pledge of Allegiance, all but one of the students were standing with him.

"I was overwhelmed by the whole thing," he recalled. "I really choked up."

Hatje had good reason to be "choked up." As a Marine he served in the Korean War. Thirty-three thousand Americans died in that war, including 4,267 Marines, so that people in a strange land with a strange language might live in freedom.

Better than most, Hatje knew why it was important for his homeroom students to know why we salute the flag of the United States.

The story of Hatje's success in instilling pride in America and the flag for which it stands is inspiring. We would like to see it repeated in classroom after classroom across the nation. Whether it is depends in large part on the teacher in those classrooms.

DRAFT STATEMENT ON H.R. 5512, THE NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. FISHER. Mr. Speaker, as a cosponsor of H.R. 5512, I urge my colleagues to approve this legislation dealing with the management of the National Wildlife Refuge System and the jurisdictional authority over three particular game refuges, the Kofa Game Range, Charles Sheldon Antelope Range, and the C. M. Russell National Wildlife Range.

Previous laws enacted by Congress, such as the 1956 Fish and Wildlife Act and the 1966 National Wildlife Refuge System Act, have stressed protection and enhancement of our wildlife resources. The three game ranges specifically covered by H.R. 5512 have been under the joint administration of the Bureau of Land Management and the Fish and Wildlife Service for years. However, the arrangement has been an uneasy one, with each agency requesting sole jurisdiction over the refuges.

There is some debate as to which agency is more suited to the management of the wildlife refuges in the manner intended by Congress. The traditional orientation of the BLM is multiple land use management, stressing livestock grazing, timber production, and mining. In recent years the BLM budget has placed emphasis on activities aimed at developing energy resources available on our public lands. The law establishing the Fish and Wildlife Service specified that it would have responsibility over matters such as migratory birds, game management, and wildlife refuges.

The question is not whether the activities of the Bureau of Land Management are good or bad—what is at stake is whether the public is better served by the management of wildlife refuges by this agency or by the agency whose expertise is more focused on the protection of our wildlife resources. In my judgment the Fish and Wildlife Service is the appropriate agency to manage and protect the wildlife refuges.

Earlier this year, the Secretary of the Interior made the decision to grant sole jurisdiction over the three ranges to the BLM. The legislation before us today, H.R. 5512, is an outgrowth of strong congressional opposition to the Secretary's decision and serves to clarify further the intent of Congress that the Fish and Wildlife Service have primary responsibility over the National Wildlife Refuge System. The bill specifies that the refuge system shall be administered by the U.S. Fish and Wildlife Service, except for those areas such as the three refuges which would not be assigned to BLM as the Secretary of the Interior proposes but would continue to be jointly administered. H.R. 5512 would bar the transfer or sale of lands in the National Wildlife Refuge System as of January 1, 1975, without the explicit approval of Congress. It is not unreasonable that Congress participate in the crucial decisions related to the management of our refuge system and to the future management of the three refuges in question.

I oppose the proposed amendment to this legislation which seeks to remove from coverage of the bill the Kofa Game Range, Charles Sheldon Antelope Range and the C. M. Russell National Wildlife Range. I did not agree with the Secretary's original decision to place these areas solely under the BLM and believe that this amendment would distort the intent of H.R. 5512. I urge my colleagues to reject this amendment and vote for the final passage of H.R. 5512.

THE U.N. AND ZIONISM

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MAZZOLI. Mr. Speaker, on Tuesday I joined with a unanimous House of Representatives in voting for House Resolution 855, which condemned the United Nations' adoption of a resolution equating Zionism with racism. House Resolution 855 also called upon the United Nations to reconsider its unwise and unjustifiable action.

I concur in the views expressed in the House resolution, and those voiced within and outside this body concerning this reprehensible action of the General Assembly. As Secretary Kissinger has stated, the vote was "highly irresponsible, extremely unhelpful and can only lead to an increase in world tensions."

All who serve in this body are aware of the vocal minority in the country which bombards us with communications urging that the United States withdraw from the United Nations and expel the world organization from our shores.

This viewpoint has been abetted in recent years by the evidence that the United States sustains approximately one-fourth of the total U.N. budget. And, we can anticipate that opposition to our continuing membership in the U.N. will increase in the wake of this latest action.

Coming as it does at a time when tensions in the Middle East have been relaxed somewhat and hope rekindled as a result of the Sinai agreement, and, coming further as it does at a time when it seems a peaceful solution to the political differences in that region is possible, the U.N. vote is particularly unfortunate.

However, Mr. Speaker, it is most important, in my opinion, that while condemning this vindictive action by the General Assembly, we do not succumb to the temptation to withdraw our influence and support from the United Nations.

We must not lose sight of the importance of maintaining a viable world forum wherein all nations can present their grievances and seek their redress and in which differences between and among nations can be ventilated and resolved.

A withdrawal from the U.N. or a retaliatory cut in our financial support would be unwise, ill-considered and would play right into the hands of the critics of the U.N. who have spent years and millions of dollars trying to destroy this world forum.

THE LAUGHABLE TRAGEDY

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. SYMMS. Mr. Speaker, the author of the following article is a constituent of mine and a fellow farmer in Canyon County, Idaho. Since Mr. Batt is also the majority leader of the Idaho State Senate, I am his constituent as well. From the perceptiveness into the budgetary problems of our Federal Government displayed in this brief essay, I feel I am ably represented.

I would like to commend Mr. Batt for an excellent article that is not only accurate in its conclusions but is also most appropriate for my colleagues and me during this time of consideration of fiscal year 1976 budget proposals.

I must say that I share the frustration Mr. Batt speaks of; for it amazes me how the Congress of the United States, in a society based on individual responsibility, has always managed to operate on a system that rewards fiscal irresponsibility. The "big spenders" seem to thrive on creating red ink budgets, and in so doing, establish the habit of "going along the most to get along the farthest." For this, they are rewarded with reelection by their constituencies who then wonder why it is that the U.S. Government was short $79 billion from income to outgo in this past year.

I insert the following article from the Lewiston Morning Tribune of November 2, 1975:

[From the Lewiston Morning Tribune, Nov. 2, 1975]

THE LAUGHABLE TRAGEDY

(By Phil Batt)

WILDER.—If it weren't for the tragedy of the situation, it would be almost laughable. Ninety five per cent of the politicians seem to be concerned about everything but solvency.

The President says his proposed $28 billion tax cut must be accompanied by a $28 billion reduction in federal expenditures. But only last year he was recommending a raise in taxes. The political winds have changed. The President and the Congress alike talk of deficits of only $50 billion to $100 billion per year. Yet they try to outdo each other in reducing taxes.

At least President Ford is willing to cut out some of the fat. Most of the Congress will concede a cut in one place while protecting or advocating more in another. The hawks won't shave defense; the bleeding hearts won't knock undeserving recipients off welfare. The result is a dangerously bloated, uncontrolled budget.

Sen. Church uses some of the strangest logic. Because we have wasted money supporting tinhorn dictatorships and bailing out poorly-managed businesses, he now says that we should save New York City from its own profligate spending. It is like saying that if you lost half your borrowed money shooting craps, you should throw the other half in the river because it is no more foolish.

The public is disenchanted with all this political byplay. They want action. They want the farmer to quit raiding the treasury through subsidies. They want billion dollar cost overruns on fighter-bombers and post exchange boondoggles stopped. They want federal support of desert survival training for children ended, along with rent-a-tent programs and duplicating health planning agencies. But most of all they want food stamps and welfare taken away from those who don't need them.

The list is endless. The cry that most expenditures cannot be reduced is as phony as a three dollar bill. The public would also like a tax cut but I'll bet most would gladly forego this if it would get the government back in the black.

It is totally shameful that we are passing this huge debt on to our children and their children. Is it more important that we ride our deficit-propelled economy to another record high, or that we leave future generations a fighting chance to remain solvent?

COMPLETE NATURAL GAS DEREGULATION NEEDED

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. GRADISON. Mr. Speaker, I would like to report that my name has been erroneously listed as a cosponsor of H.R. 10616.

I am extremely interested in this bill as it contains the major provisions of the bill recently passed by the Senate, S. 2310 as amended. The partial natural gas price deregulation included in this bill is a significant step toward increasing our domestic natural gas production and eliminating the natural gas shortages we are now experiencing.

However, I do not believe this bill goes far enough to promote domestic production. I favor complete deregulation of natural gas, which would mean that as existing contracts expired, they could be renegotiated at an unfixed price. Price controls have led to widespread natural gas shortages, causing curtailments of service which has affected industry and ultimately unemployment. H.R. 10616 realizes the need for deregulation and moves in that direction, but does not take the final step to complete deregulation.

I regret that the mixup about my cosponsorship of this bill has taken place, and I wanted to take this opportunity to set the record straight about my position on natural gas deregulation.

SAN CLEMENTE POLICE OFFICERS CHECK IN ON ELDERLY

HON. ANDREW J. HINSHAW

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HINSHAW. Mr. Speaker, I feel privileged to bring to the attention of the Congress and its Members a program of community service of outstanding merit that is being conducted with outstanding success by the San Clemente, Calif., Police Department. This program, I firmly believe, warrants consideration in other communities throughout our country, wherever we have older Americans residing alone, who too often wonder if anyone really cares what happens to them.

Called YANA—for You Are Not Alone—this public safety program for our older Americans was started several years ago by the San Clemente Police Department after its chief, Clifford Murray, had heard about a similar program in Florida.

This is how the YANA program works:

The older members of the community—usually 60 plus—who reside alone may sign up for the program at the police department to be called at the time of their choice once every 24 hours. This phone call assures that person that should they fall, become ill, or need assistance, they will be contacted by the police department sometime during each 24-hour period.

The phone calls are made by people on the police department staff, and are carried out during their workday schedule. No extra people have been hired. Furthermore, there is no charge to the elderly for this public service effort by the San Clemente Police Department.

Any telephone calls that may go unanswered within a 24-hour period are followed up immediately by an officer personally checking at their place of residence to determine why the phone call was not answered. Since the start of the San Clemente program some 25 older citizens have been assisted in one way or another.

The San Clemente service, as might be expected, provides a high point in the lives of many of these elderly people who find a call from police personnel a highlight of their day. It also frees these older citizens who reside alone from many of the fears they would ordinarily entertain of becoming ill with no one to assist them, or suffering because of no one being in touch with them.

Too often, good works go unattended. I am pleased that one of the Orange County newspapers, the Daily Pilot, took note of the San Clemente Police Department's program and published the following article under the headline:

NOT JUST A ROUTINE CALL—SAN CLEMENTE OFFICERS CHECK IN ON ELDERLY

(By Jack Chappell)

Old Age: Golden Years for some, but years of fear and the pain of loneliness for many others.

It can be a time of tragedy too as the infirm elderly struggle with the hazards and complexities of everyday living.

A minor fall can incapacitate a senior citizen and if unable to reach help, an elderly person living alone can be in real peril in his own home.

San Clemente is a city with a high population of elderly residents and to meet some of their special problems, the police department initiated a program called "You Are Not Alone," YANA for short.

People who sign up for the program receive a telephone call at a specified time each day either from the police dispatcher or the city switchboard operator Joann Sellers.

If the call goes unanswered, a police officer is dispatched to find out what's wrong.

The program was started less than a year ago after several tragic deaths. In one case an 80-year-old man fell, injured himself and starved to death before anyone found him.

Under the YANA program, several elderly people have been rescued from potentially dangerous circumstances, Police Lt. Albert Ehlow, program supervisor, said.

In one instance, an 82-year-old woman fell in her garage, broke her arm and lacerated her face. She couldn't get out of the garage or summon help.

When the woman failed to answer her YANA check call police officers were dispatched, found her and rushed her to the hospital.

In another case, an elderly couple became trapped in their bathroom. Officers freed them after their phone call went unanswered.

"Our YANA people have come to really like and accept the program. In fact, if there's a delay in our calling them, they call us," Lt. Ehlow said.

Forms on file with the department list the person's doctor, special medicines, person to be called in an emergency and other data.

The cost of the program is minimal. No extra persons were hired. The phone calls have just been absorbed into the normal work schedule, Lt. Ehlow said.

The only cost is that of an officer's time used when there is a false alarm, he said.

Mrs. Sellers said that beyond just being a public safety program, the YANA calls bring some variety and interest into the callers' lives.

"Almost all of them talk about the weather or about their family, if anybody has come to visit lately. They get very excited about visits," she said.

The department employees collect birthday cards and send them to their YANA family members on their birthdays. There are about 25 people in the group, all but four of them women.

"We have quite a few who come up here and drop off cakes and candy for us. At Christmas time, most of them stopped by and dropped off something like that. It was really sweet," Mrs. Sellers said.

"I have one little man, 92. Every morning when I call, he'll say, 'Good Morning Sunshine.'

"He cheers me up."

AMENDMENTS TO H.R. 10612, TAX REFORM ACT OF 1975

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. VANIK. Mr. Speaker, as a member of the Ways and Means Committee, which spent more than 5 months laboring over the tax reform bill, I must confess little pride over the final product. The bill does little more than "reshuffle" tax loopholes and preferences. I support the measure primarily as a vehicle on which more substantial and meaningful reforms can be appended by the House of Representatives.

In its final form the bill promises to increase Treasury receipts by $750 million, a fourth-tenths of 1 percent increase in Federal tax receipts. It fails to meet the $1 billion in additional revenues mandated by the House Committee on the Budget. In the face of loopholes which are frequently estimated to range between $50 and $100 billion, it is an insignificant achievement by any standard.

I support the recommendation of Chairman ULLMAN for a rule which will make in order votes on several proposals which could raise additional revenues if finally enacted.

However, the really big loopholes still persist. The committee proposal leaves the foreign source income loophole practically untouched. In 1974, a year of unprecedented profits, the American oil companies doing business abroad paid nothing in foreign source income and very little in Federal income taxes. In the Tax Reduction Act of 1975, language was adopted to treat foreign oil dividends from domestic corporations as foreign source income. This language uniquely gave Aramco a $35 million tax break. By a close vote, the committee voted to extend the loophole. The House membership should have an opportunity to express its will on this issue.

The "reform" bill also extends the 10-percent investment credit for 5 years to 1981 at a cost of about $17 billion. The individual tax cut enacted in the spring of this year is extended for only 1 year through 1976. In the absence of legislative action next year, the individual tax cut will expire and individual taxes automatically increase at an average of almost 8 percent in 1977. If the Congress decides to extend the 1975 individual tax cut beyond 1976, it may be compelled to provide additional tax "breaks" for the business sector which already has the 10 percent investment credit "locked in" until 1981. The House should be permitted to keep the individual tax cut extension in tandem with the business tax cut extension so that the issue could be simultaneously debated and voted upon. I will urge the Rules Committee to adopt a rule modification to make a vote on this possible.

It is also my hope that the Rules Committee will make in order on the tax reform bill a proposal I offered in the Ways and Means Committee to provide a 100-percent unjust enrichment tax on the $1.7 billion in import taxes collected by early November under President Ford's import tax program. The import tax is currently under attack by the oil companies in the U.S. Supreme Court. The tax was collected from the consumers through higher prices. It would be a travesty of justice if this huge sum of money collected from American consumers would be paid over to the oil importers which have already demonstrated their capacity to escape taxes. I hope that the Rules Committee will make in order an amendment to return these import tax collections to the U.S. Treasury.

If the rules permit amendments of this type to eliminate loopholes and increase revenues, the bill can be made acceptable.

Following are the four amendments I would like the Rules Committee to clear for floor action:

First. Foreign source income-Aramco loophole:

AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 237, after line 24, insert the following new section:

SEC. 1036. CERTAIN DOMESTIC DIVIDENDS CURRENTLY TAKEN INTO ACCOUNT IN COMPUTING FOREIGN OIL RELATED INCOME.

(a) CERTAIN DIVIDENDS NOT RELATED TO BE TAKEN INTO ACCOUNT IN COMPUTING FOREIGN OIL RELATED INCOME.—Paragraph (3) of section 907(c) (relating to foreign income definitions and special rules) is amended—

(1) by striking out subparagraph (B),

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively, and

(3) by striking out "and dividends described in subparagraph (B)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1974.

Second. Advancing termination date of business tax cuts to equal the termination date of individual tax cuts: Actually two separate amendments since two different titles of H.R. 10612 are affected:

AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 169, line 2, strike out "TWO YEARS" and insert in lieu thereof "ONE YEAR".

Page 169, line 6, strike out "TWO YEARS" and insert in lieu thereof "ONE YEAR".

Page 169, line 12, strike out "December 31, 1977" and insert in lieu thereof "December 31, 1976".

Page 169, line 14, strike out "January 1, 1978" and insert in lieu thereof "January 1, 1977".

Page 169, line 20, strike out "December 31, 1977" and insert in lieu thereof "December 31, 1976".

AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 155, line 6, strike out "SEC. 802." and insert in lieu thereof "SEC. 801".

Third. Unjust enrichment tax on possible oil import tax refunds to oil companies:

AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 295, after line 25, insert the following new title:

TITLE XII—TAX ON UNJUST ENRICHMENT WITH RESPECT TO CERTAIN ILLEGAL LICENSE FEES

SEC. 1201. UNJUST ENRICHMENT TAX WITH RESPECT TO ILLEGAL LICENSE FEES ON THE IMPORTATION OF PETROLEUM AND PETROLEUM PRODUCTS.

(a) IMPOSITION OF TAX.—An unjust enrichment tax is hereby imposed with respect to any license fee on the importation of petroleum or petroleum products after April 30, 1973, if—

(1) the Supreme Court of the United States has held the imposition or collection of such fee to be unconstitutional, unlawful, or otherwise invalid, and

(2) the person—

(A) who is entitled to a refund of such license fee, or

(B) who was liable for such license fee but did not pay it,

establishes (in such manner and within such period as the Secretary of the Treasury or his delegate shall prescribe by regulations) that such person bore the burden of such license fee and did not or will not pass such burden on to any other person.

(b) AMOUNT OF TAX.—The amount of the tax imposed by subsection (a) with respect to any fee shall be 100 percent of such fee.

(c) PERSON LIABLE FOR TAX.—The person liable for the tax imposed by this section with respect to any fee shall be the person referred to in subsection (a)(2).

(d) ADMINISTRATION OF TAX.—Each provision of law applicable to the tax imposed by section 4081 of the Internal Revenue Code of 1954 (to the extent not inconsistent with the provisions of this section) shall apply with respect to the tax imposed by this section.

TAX REFORM

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HARKIN. Mr. Speaker, on Monday of next week, the Rules Committee will be asked to grant a modified open rule on the tax bill, H.R. 10612. If granted, the full House of Representatives will have the chance to vote on several important reform amendments. I want to make clear to the Members of this body that I strongly support this request, and that I do so in the interests of tax justice and good government. H.R. 10612 makes improvements in the tax code, but it is obvious that major tax inequities remain intact. The Members of this body have the right to consider and determine these questions, and the people of this country have every right to know how each of us stands on the important issue of tax reform.

In a letter I have today sent to the members of the Rules Committee, I make this argument and I indicate my specific concern for the need to eliminate entirely the deduction for regular taxes paid. The text of my letter follows:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 14, 1975.

Hon. RAY MADDEN,
Chairman, House Committee on Rules
Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the Ways and Means Committee has reported to the House its Phase 1 Tax Reform bill, H.R. 10612, and the Rules Committee will be asked to provide a "modified-open" rule permitting amendments to strengthen the minimum tax, to apply the limitation on artificial losses to real estate, to restore the withholding tax on U.S. portfolio income of foreign investors, to restrict tax deferral of Domestic International Sales Corporation (DISCs), and to eliminate the refundable tax carryback for individuals' capital losses. I write to support the request and to urge you to grant a rule which will allow full House consideration and determination of these key provisions.

I am specifically concerned about strengthening the minimum tax by eliminating the deduction for regular taxes paid. The minimum tax was enacted when Congress learned in 1969 that, in 1967, 155 taxpayers with adjusted gross incomes of over $200,000 and 21 taxpayers with incomes over $1 million paid no federal income tax. In determining minimum tax liability, present law permits an individual to reduce his preference income by the amount of his taxes paid. This deduction, also known as the Miller Amendment, accounts for about half of the gap between the minimum tax's nominal rate of 10% and the effective rate of 4.4%.

H.R. 10612 makes improvements, but it does not provide the reform required. In its present form, the bill applies a 14% rate to preference income reduced by a deduction for 50% of regular taxes paid and an exemption of $20,000 which is phased out as preference income raises to $40,000. Fourteen percent is the rate applicable to taxpayers with regular taxable income of less than $1,000; and, it is obvious, the effective rate for many taxpayers subject to the minimum tax will be much less than this rate.

I am in full agreement with the Additional Views of Congressman Joseph Fisher and others, "No deduction should be allowed for regular taxes paid." The minimum tax is imposed on income which would otherwise be sheltered. The fact that a taxpayer might pay regular taxes on other income, just like everyone else, should not justify reductions in the taxpayer's minimum tax liability. To be effective in reducing the tax disparity between preference income and wages and salaries, the minimum tax should tax preference income regardless of regular tax liability.

Eliminating the deduction for federal taxes paid will increase federal revenues by an estimated $300 million each year. Adoption of all five amendments would increase revenues by an estimated $1.6 billion in 1976, and which would rise to $3.4 billion a year by 1981. In light of the nation's deficit and our Budget Resolution, we would be prudent and wise to consider and, if valid, adopt these revenue gaining tax reforms.

Thank you for your consideration of this very important matter.

With warm regards,

TOM HARKIN,
Member of Congress.

I sincerely hope that this time next week I can report to my constituents and we can report to the American people that the House of Representatives was willing to face up to the issue of tax reform. I hope we can tell them that the "executive suite loophole" was eliminated, and other tax reforms were adopted so that the wealthy can no longer shelter their income from taxation, and the wealthy will have to pay at least a minimum tax on all income regardless of source.

THREE WISHES

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MAZZOLI. Mr. Speaker, I recently came upon some interesting observations made by my daughter, Andrea, in a composition she prepared for her seventh grade class at Queen of Apostles School, Alexandria.

I would like to share these observations—Andrea calls them wishes—with my colleagues.

I am particularly struck by her third wish which, while not perfectly phrased, is nonetheless a very perceptive observation on the state of things today in our chosen profession of public service:

THREE WISHES

(By Andrea Mazzoli)

If I ever had three wishes, I know what I would wish for. Number one wish would have to be, that I could take any trip in the world and that I could spend as much money as I could on anything that I ever wished for I know it sounds conceited, but you do have to admit that you would like it, too. I have never been out of the United States, and it would be a great adventure to visit other countries.

My second wish would be that our great country wouldn't have so many great problems. We have so many unsolved problems, that I hate to think of what's going to come next. This wish would also clean out all of the problems we have now, and make the ones that'll be coming up not so bad.

My third, and last wish has to do with our country again. I wish that people would understand the problems our government people face. They try to do what's right for the country. People think that these people can do everything, but that they're just not doing anything. Well, they're wrong. No one can do everything, including them. I'd hate to see them take up that leadership. If they did, they'd soon find out what it's like.

Those were my three wishes. I know that none of these can come true, but it would be great if they did!

AMNESTY FOR POLITICAL PRISONERS

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. RIEGLE. Mr. Speaker, on Wednesday, November 12, Ambassador Daniel P. Moynihan, U.S. Representative to the United Nations, proposed a worldwide amnesty for political prisoners. As the Ambassador pointed out, the time for this amnesty is long past due. I would like to call to the attention of my colleagues a partial text of Ambassador Moynihan's speech to the United Nations Committee Three:

AMNESTY FOR POLITICAL PRISONERS

(By Daniel P. Moynihan)

Mr. Chairman, my delegation rises to address the Third Committee in a matter which may be the most important social, cultural and humanitarian proposal which the United States has made in many years and which we regard as one of the most important which this committee will ever have had before it.

In an address on the occasion of the 30th anniversary of the United Nations, U.S. Secretary of State Henry A. Kissinger took note that we are living at one of the rarest moments in the modern history of the world. For at this moment, in all of the world, there is not a single nation-state engaged in war against another nation-state.

It appears to the United States that such a moment invites—calls for—not less extraordinary measures of reconciliation not only between nations, but within them. To this end, the United States desires to propose a world-wide amnesty for political prisoners. It proposes a General Assembly resolution which:

"Appeals to all governments to proclaim an unconditional amnesty by releasing all political prisoners in the sense of persons deprived of their liberty primarily because they have, in accordance with the Universal Declaration of Human Rights, sought peaceful expression of beliefs and opinions at variance with those held by their governments or have sought to provide legal or other forms of non-violent assistance to such persons."

The United Nations has, in truth, already taken, at this General Assembly, at least two steps in this direction.

A draft resolution in the Special Political Committee entitled "Solidarity with the South African Political Prisoners," calls on "South Africa to grant an unconditional amnesty to all persons imprisoned or restricted for their opposition to apartheid or acts arising from such opposition. . . ."

The United States voted for this resolution.

A draft resolution in the Social Cultural and Humanitarian Committee, entitled "Protection of Human Rights in Chile," called for the government there to ensure "The rights of all persons to liberty and security of person, in particular those who have been detained without charge or in prison solely for political reasons."

The United States voted for this resolution.

Is there, however, any reason to stop there, to limit our concerns to only two members of the United Nations, when there are altogether 142 members?

THE APPEAL OF AMNESTY

Now it follows from these considerations that even as South Africa and Chile are obliged by certain standards concerning prisoners, for example, so equally are all other members of the United Nations. It is implicitly acknowledged, however, that it is for governments themselves to conform to international standards. And if some governments, then all governments.

Hence, at this moment, the singular appeal of amnesty. A moment of peace and of peacemaking, and a mode which allows governments to do what they ought without the appearance of coercion. All governments.

Universality in this matter is of special concern to the United States government—and we would hope to all governments. There are two grounds for this concern which strike us with special force.

The first is that the selective morality of the United Nations in matters of human rights threatens the integrity not merely of the United Nations, but of human rights themselves. There is no mystery in this matter. Unless standards of human rights are seen to be applied uniformly and neutrally to all nations, regardless of the nature of their regimes or the size of their armaments, unless this is done, it will quickly be seen that it is not human rights at all which are invoked when selective applications are called for, but simply arbitrary political standards dressed up in the guise of human rights. From this perception it is no great distance to the conclusion that in truth there are no human rights recognized by the international community.

A generation ago the British poet Stephen Spender came to this perception in the course of visits to Spain during its long and tragic civil war. He had first come to Spain out of sympathy for one of the sides in that heart-rendering conflict. He had returned to England to report what he had seen of atrocities committed by the other side. Thereafter he made several trips to Spain, over the course of which he was forced to realize that atrocities were not a monopoly of one side only; they were, indeed, all too common on both sides. At which point, to his great and lasting honor, he wrote: "It came to me that unless I cared about every murdered child indiscriminately, I didn't really care about children being murdered at all."

This is what the United States proposal is about. Unless we care about political prisoners everywhere, we don't really care about them anywhere.

Our concern about discriminatory treatment is not eased by scrutiny of the list of cosponsors of the draft resolutions on South Africa and Chile. The South African draft resolution has 60 cosponsors; the Chilean draft resolution was 33. The United States has broken down these respective lists according to "The Comparative Survey of Freedom," that great contribution to clear thinking and plain speaking which is the work of Freedom House, an American institution of impeccable credentials, which traces it beginnings to the first efforts of the United States to win support for the nations then engaged in the mortal struggle against Nazism and Fascism in Europe.

"The Comparative Survey of Freedom" ranks the levels of political rights and civil rights in individual nations on a scale of 1 to 7 and then gives a general summary ranking "Status of Freedom," by which nations are classified as Free, Partly Free, or Not Free. One of the melancholy attributes of a nation judged "Not Free" is that, in the opinion of the distinguished political scientists who carry out this survey, the nation is one in which individuals are imprisoned for political beliefs or activities of a non-criminal nature. In other words a nation with political prisoners.

What does "The Comparative Survey of Freedom" tell us about the cosponsors of these resolutions? It tells us that in its judgment, no fewer than 23 of the cosponsors of the draft resolution calling for amnesty for South African political prisoners, have political prisoners of their own. In the case of the draft resolution calling attention to the plight of political prisoners in Chile, it would appear that 16 of the cosponsors fall into the category of nations which have political prisoners of their own.

This leads to a particularly disturbing thought about the processes by which the United Nations has come to be so concerned about human rights in some countries, but not in others. This is that we tend to know about violations of freedom—know at the time and in detail—only in those countries which permit *enough* freedom for internal opposition to make its voice heard when freedoms are violated.

This is the case, is it not, in South Africa, where there are said to be over 100 political prisoners? For it is not necessary to *go* to South Africa to learn of violations of human rights there. One need only subscribe to the South African press, a press which while no doubt curbed in some ways, or even many ways, is nonetheless capable of frontal assault on the policies of the South African government.

Is it not also the case that the freedom of the press in South Africa—such as it may be, for we do not assert it to be complete—contrasts sharply with that of its neighbors? In the Monthly Bulletin of the International Press Institute of June 1975, Mr. Frank Barton, Africa Director of IPI, is reported as having told the assembly of that impeaccably neutral and scrupulous organization: "The unpalatable fact is—and this is something that sticks in the throat of every self-respecting African who will face it—that there is more press freedom in South Africa than in the rest of Africa put together".

And what of Chile, that troubled land, where at least one estimate states that there are some 5,000 political prisoners, and which is rated "Partly Free" by the Freedom House comparative survey?

Are we not forced to acknowledge the point made recently by Mr. Robert Moss, the editor of The (London) Economist's Foreign Report: "If the military regime in Chile, following the example of all self-respecting Communist revolutionaries, had flatly decided to shut out all foreign reporters and civil rights investigators for a period of, say, six months after the coup, our diet of horror stories from Chile would have been meager indeed."

It is not the purpose of this statement to be accusatory, or to arouse ill feeling. But is it not the case that this year we have seen any number of regimes completely or almost completely seal off their countries, barring or expelling foreign newsmen, so that at most rumor reaches the outside world as to what is going on inside.

Simple justice requires that the United States, for one, acknowledge that while we have supported the General Assembly resolutions critical of repressive practices of the government both of South Africa and Chile at this General Assembly, we have done so in the company of nations whose own internal conditions are as repressive or more so.

INSIDE ISRAEL

And what of Israel, a country rated "Free" by Freedom House, with high if not perfect scores in Political Rights and Civil Rights? Is it not enough to say that much of the case being made against Israel by other nations today, is made in the first instance by the fully legal opposition parties within Israel, including Arab-based parties, many of which have been quite successful in electing members to public office, and that this opposition is given notable expression in the Arabic language press in Israel which has been described as the freest Arab-language press in the world?

Thus we come to the second of the concerns which animate the United States at this point. This is the concern not only that the language of human rights is being distorted and perverted; it is that the language of human rights is increasingly being turned in United Nations forums against precisely those regimes which acknowledge some or all of its validity and they are not, I fear, a majority of the regimes in this United Nations. More and more the United Nations seems only to know of violations of human rights in countries where it is still possible to protect such violations.

Let us be direct. If this language can be turned against one democracy, why not all democracies? Are democracies not singular in the degree to which at all times voices will be heard protesting this injustice or that injustice? If the propensity to protest injustice is taken as equivalent to the probability that injustice does occur, then the democracies will fare poorly indeed.

And it is precisely this standard which more and more appears among us, albeit in various disguises. In 1971, for example, the World Social Report presented to the General Assembly was virtually a totalitarian document. The fundamental premise on which the assessment of social conditions in respective countries was made was that the absence of social protest indicated the absence of social wrong. Hence, without exception, the police states of the world were judged most in the right.

THE LINCOLN IMAGE

Americans, and those who have studied the history of the United States, will perhaps recall the memorable image which Abraham Lincoln once used in a speech given in 1858 which we have come to call his "Framing Timbers Speech." He was protesting what he judged to be the overall purpose being served by many seemingly unrelated legislative measures of the time "all the tenons and mortices exactly fitting . . . and not a piece too many or too few"—for the purpose of extending slavery into our Western territories. (For the history of freedom in the United States is hardly without blemish.) Lincoln spoke of a "concert" of behavior.

The United States makes no such assertion at this time. But it reserves the right to judge, in the months and years ahead, that there has indeed been a "*plan or draft*" involved in all the multifarious activities at the United Nations concerning human rights which with nigh inhuman consistency seem always, somehow, to be directed toward nations at least somewhat more free than most members of the UN, and which now most recently have been directed toward a democratic society that is unquestionably free. We reserve the right to learn that our worst suspicions have been confirmed. But in the hope that we will not be, we here and now declare what our suspicions are. Our suspicions are that there could be a design to use the issue of human rights to undermine the legitimacy of precisely those nations which still observe human rights, imperfect as that observance may be.

To those members of the United Nations who would allay our suspicions we make this simple appeal: Join us in support of our draft resolution calling for amnesty for all political prisoners. The list of known prisoners, a list assembled by organizations such as Amnesty International, is a sufficiently long and harrowing one. But there is far more horror to be felt at the thought of the names we do *not* know. It is time to free these men and women. The time for this amnesty is past due, and the path is long. Let us take the first step here and now.

A ZIONIST IS "SOMEONE WHO DOES NOT WISH TO SEE ISRAEL DROWNED"

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. DRINAN. Mr. Speaker, I make available to my colleagues a very perceptive and moving article in the Boston Globe for November 14, 1975, by Ellen Goodman, a regular and most creative feature writer of that daily.

Ms. Goodman's comments on the allegation that Zionism is a form of racism are compelling and unforgettable.

The article follows:

A SENSE OF IDENTITY

(By Ellen Goodman)

I was born in 1941, in Boston, the same year that the last of my father's relatives were rounded up to be murdered in Germany.

I knew that as a piece of family history, something I was told and something I read about but never lived through. On the whole, I have suffered very little discrimination. I remember being taunted and pushed home from the gym—once. I remember in college that certain clubs were "restricted." I remember Father Feeney. But like most of my generation I grew up relatively secure and comfortable, largely melted into the American pot.

But now I don't know.

I have never been a Holocaust Jew—one who justifies ethnic isolationism with a 30-year-old paranoia, one who insists that we remember in order to prepare for the inevitable. I have not seen a pogrom in every insult or an exit visa in every slight. A friend of mine who grew up in Dachau drives a Volkswagen, and next to him, the martyred posture of some other American Jews seemed fake.

My own adult brand of Judaism is a cross between my sense of humor and my sense of taste—jokes and bagels. What is left of my haphazard kosher upbringing (Chinese food on paper plates) is a strong aversion to drinking milk. What's left of my religious training is some prayers, some songs and some guilt that nothing more is left of my religious training.

If you pushed me hard on the question—and I'd rather you didn't—I would have to say that I'm an agnostic like my father's father before me. That's a Jewish agnostic, like my father's father before me.

But now I am worried.

I don't go to Temple. I can't read Hebrew. I have never been to Israel. I have wished it well and watched it. I have praised its energy and criticized its narrowness, the narrowness of a government that imposes orthodoxy on the unorthodox and has made many mistakes as, say France.

But now I feel threatened.

The United Nations has declared that Zionism is racism. I have to read that again. Zionism is racism. A statement like that requires the historical perspective of a lobotomized child. If Zionism is racism, what was Nazism: A Liberation Front? Maybe, on the other hand, it requires the historical perspective of an oil embargo. You see, I am becoming cynical.

What does the UN mean by Zionism? The Arabs have sworn that they will push Israel into the sea (Don't tell me that's rhetoric; everything is rhetoric until it is possible). Is a Zionist someone who does not wish to see Israel drowned? Then, I am a Zionist.

I discover that, having been born an American Jew, third generation, middle-class, college-educated and all the rest, I would feel less safe in my own country if there were no Israel. Let me put it this way: If the world opinion turns against Israel under the code phrase Zionism, it turn against "Zionists" in Russia and Brazil and everywhere—everywhere there is a Jew who has kept his traveling papers in order in some recess of his mind. Do I seem alarmed? Forgive me. No, I'm not looking for an attic, but I guess I think that it could happen.

I hear the UN resolution, and in some unknown corner of my memory (or is it my father's?) there is a click: "Oh, no, here we go again."

In a concentration camp, my snobbish German great-aunts were gassed along with what they would have considered the Polish "riff-raff;" the atheists were murdered with the orthodox; the children with the elderly. All the Jews were to be murdered. That is racism.

Until recently many American Jews, like Elie Weisel the novelist, sought to explain why the Nazi extermination—a catastrophe that ironically produced the United Nations. It was viewed as a moral aberration, an event so horrendous that it purged the world of anti-semitism. Well, we once believed that atomic weapons would purge the world of war—by making it too obscene to contemplate.

Now I am not sure.

DOUBLE BOTTOM TANK SHIPS

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mrs. SULLIVAN. Mr. Speaker, at this time I would like to associate myself with the comments of Mr. Murphy of New York which were contained in the Congressional Record of October 9, 1975, beginning on page 32628, with respect to the Office of Technology assessment report on "Oil Transportation by Tankers: An Analysis of Marine Pollution and Safety Measures."

In all the circumstances, I think that I must agree with Mr. Murphy that the portion of the OTA report categorically stating that double bottoms will prevent most oil spillage is unacceptable. The report states:

> From a technology standpoint, however, it is generally accepted that double bottoms will prevent most oil spillage which results from limited intensity hull ruptures due to groundings. . . .

The report goes on to say:

> This report supports the finding that the double bottoms offer a significant degree of protection from oil pollution in the event of a grounding accident.

I concur with Mr. Murphy's analysis of the OTA report and that these conclusions in the report are not based on strong evidence and rationale which can be found in the report, and certainly the report does not make any attempt at all to examine all the evidence which could lead to a contrary conclusion. It is almost as though this portion of the report was structured to reach a conclusion favoring double bottoms without any attempt to examine, or even present any of the evidence unfavorable to double bottoms.

In fact, the report was so biased and one-sided in the connection, as Mr. Murphy points out, apparently three of the review panel members objected to the conclusions drawn with respect to double bottoms. In fact, additional material was provided in an attempt to correct the imbalance of this portion of the report and to give it some semblance of credibility.

During part of the August recess, Mr. Speaker, I visited major ports and shipyards in Northern Europe. At each yard, I made it a point to inquire into the feasibility of double bottoms and to ask how those European yards felt about the construction of double bottoms in tankers. The general consensus was that double bottoms would not prevent pollution in many types of incidents and did present problems. For example, the European yards indicated that double bottoms could be an added expense, running anywhere from 5 to 20 percent extra, depending upon the circumstances. In addition, it was explained that double bottoms could lead to trapping gases and possibly dangerous explosions, instability in the event of an incident and actually could cause more pollution in some circumstances. This information from the European yards agreed with the conclusions reached by the Coast Guard Subcommittee of the Merchant Marine and Fisheries Committee after its hearings on double bottoms in the 93d Congress. It also agreed with the conclusions reached by the Intergovernmental Maritime Consultative Organization—IMCO—on this subject.

Mr. Speaker, I was a strong supporter of the establishment of the Office of Technology Assessment, so I was very disappointed in the uneven treatment of the double bottom controversy by OTA in the report referred to above by me and Mr. Murphy. OTA is presently working on several other matters of importance to our committee. I do hope that OTA's treatment of these matters will be more balanced and equal than its work and conclusions on the double bottoms issue.

UB SYMPHONY BAND TO PLAY AT CAPITOL

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. NOWAK. Mr. Speaker, the justly famed State University of New York at Buffalo Symphony Band will perform in Washington, D.C., on Monday, November 17, as part of the "Bicentennial Parade of American Music." There will be a concert on the Capitol steps at 11 a.m. and another in the Kennedy Center Foyer at 4:30 p.m.

I am inserting a Buffalo Evening News article which discusses the band's participation in the New York Day Bicentennial observances, and describes the background of our distinguished conductor, Frank Cipolla.

UB Symphony Band To Play at Capitol

(By Herman Trotter)

"Throughout history the band has traditionally been the stepchild of the orchestra," says Frank Cipolla, speaking of the musical discipline that has occupied his entire professional life.

Monday, however, Mr. Cipolla and his UB Symphony Band will have an unaccustomed but well-deserved moment in the national spotlight as the only concert band representing New York State in Washington, D.C.'s "Bicentennial Parade of American Music."

It's a continuing celebration which over the 20 months from May 1975 through the end of 1976 will feature musical organizations and soloists from each of the 50 states. Monday is "New York Day."

As its part of the day's festivities, the UB Symphony Band will give two concerts, one on the steps of the Capitol Bldg. at 11:00 AM and another at 4:30 PM at the John F. Kennedy Center for the Performing Arts.

The entire project was developed by the National Federation of Music Clubs, with substantial financial backing from Exxon U.S.A. One of its objectives is to highlight music written in, or having some strong connection with the home states of the various performers.

Thus, the UB Symphony Band's Washington program will include "George Washington Bridge" by William Schuman, "Variations on a Shaker Tune" by Aaron Copland and "the Prelude and Dance" by Paul Creston—all New York-born composers.

Also scheduled is "Spirit of the North" by the flamboyant Patrick Gilmore, who was for many years director of New York's famous 22d Regiment Band.

Though it has no connection with New York, the program will also include an interesting oddity, "Santa Ana's Retreat from Buena Vista," which Mr. Cipolla's research indicates is the only piece for band ever composed by the immortal Stephen Foster.

An additional Western New York touch will be added to the band's concerts, as the programs will be announced by Washington TV newsman Henry Tenenbaum, who formerly was a newscaster for Buffalo's Ch. 7 under the name Henry Lawrence.

Although Mr. Cipolla readily admits that bands still run a distant second to symphony orchestras with respect to the number of permanent organizations giving regularly-scheduled concerts, he is very happy with the progress that has been made in establishing a serious band literature.

"Important composers as far back as Cherubini and Mehul (late 18th Century) have written works for band," Mr. Cipolla explained, "but a mass movement towards building up a body of literature had to wait until the early 20th Century when a few English composers, notably Gustav Holst, took the lead.

"Still, it was really only after World War II that any great number of influential composers turned their attention to the band. The bulk of the literature used to be made up of orchestral works transcribed for band.

"But now we find men of the stature of Karel Husa writing important, large-scale compositions for band, and then on the basis of outstanding acceptance transcribing them for orchestra. That's a switch!"

Mr. Cipolla became director of bands at the State University of Buffalo in 1961. It was a homecoming for the Buffalo native who had graduated from Rochester's Eastman School of Music and then spent several years at the University of Missouri.

Much of his effort here has been aimed at stripping the band of that "stepchild" image. When the 75-member entourage of the UB Symphony Band boards the two specially-painted bicentennial buses this Sunday for the trip to Washington it will mark a major step in that direction.

It is with great pride that I welcome our talented symphony band to the Nation's Capital, and I am pleased to invite my colleagues to enjoy Monday's performances. It will be a rewarding experience.

VETERANS—THE GREEN BERETS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. McDONALD of Georgia. Mr. Speaker, I could not help but note that patriotic voices around the country could still be heard last November 11 when America took time out to pay tribute to its veterans—both living and dead. The voices of these patriots will not be stilled. I would like to pay tribute to one organization that will stand forever in commemoration of her fallen comrades, and that organization of the famed Green Berets is called the Special Forces Decade Association which will be soon redesignated the Special Forces Association.

The reason for forming such an organization was best described by one Bill "Pappy" Greer who was an officer of chapter No. 1 of this association—formerly located in Vietnam prior to Kissinger's retreat from victory.

"Pappy" Greer stated:

> There is something about men who share hardships, adversity, tragedy and the good times together which enables them to form more close and enduring friendships with their compatriots.

Men like these—the Green Berets should know of such adversity and tragedy. They had the highest record for valor and men killed-in-action of any organization that operated behind the lines in Southeast Asia.

I pay special tribute to the survivors of that war who formed together to perpetually remember their fallen comrades. Memories run deep and it is indeed fitting that this association of Green Berets saw fit in their October 1975 issue of their publication called "The Drop," to render a fitting reminder for those who ran out on their country and their fellow soldier. I would like to share their remembrance with my fellow House Members:

> AMNESTY
>
> A—is for America, the country you have deserted.
>
> M—is for Man, which you are not.
>
> N—is for Nausea, which Americans feel when they think of you and Amnesty.
>
> E—is for Eternal, may you have an everlasting stay wherever you are.
>
> S—is for Sympathy, that we do not have for you.
>
> T—is for Temper, which red blooded Americans will lose with Amnesty.
>
> Y—is for Yellow, the color of the stripe running up your spine, which in "Old Glory" you will never find.
>
> Amnesty—Never!

I could only add one sentiment to that expressed by an anonymous Green Beret. For that I would like to go back 2000 years to book V of Homer's "Iliad":

> On the side of valor the odds of combat lie; The brave live glorious, or lamented die; The wretch who trembles on the field of fame, Meets death, and worse than death—Eternal Shame.

May, "those brave men of the Green Beret," continue the Special Forces Association in that tradition of esteem and sacrifice that is always looked on with the highest of favor by their fellow patriotic Americans.

USRA-CHESSIE DEAL WILL COST TAXPAYERS MILLIONS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HEINZ. Mr. Speaker, on November 9, 1975, a new railroad was created as a result of what is considered the largest corporate reorganization in the history of this country. This reorganization was put into motion by the passage of the Regional Rail Reorganization Act of 1973 and went into effect last Sunday without a word of debate on the House floor.

I suspect that many Members were unaware of a deal between the United States Railway Association and the Chessie System which may wind up costing taxpayers millions of dollars. It is estimated that a deficiency judgment alone could cost the U.S. Treasury $145 million. I have grave concern about what appears to be a bargain sale that will take the taxpayers to the cleaners.

The fact is that the USRA allowed the Chessie system to pick up almost 2,000 miles of track from the bankrupt Erie-Lackawanna Railroad at the bargain price of $54.5 million. According to USRA, the Chessie transaction is essential to carrying out the final system plan and satisfying one goal of the 1973 law that set up the program to restructure the Northeast railroads. That goal is maintaining competition in the region. The Erie-Lackawanna places a total value of $492 million on all their property, 60 percent of which is scheduled to be turned over to the Chessie for less than scrap value. The alternative to the take it or leave it offer by Chessie, in what had to be considered a buyers market, was Unified ConRail, considered by many to be nothing more than a monopoly operation in some major markets in the Northeast and Midwest.

There is no doubt in my mind that Erie-Lackawanna will go to court to seek a deficiency judgment that will eventually come out of the taxpayers' pocket. At the same time, Chessie had considered closing down some of the Erie-Lackawanna operations that were included in the deal, such as the Meadville Car Shops. This would result in hundreds of employees on furlough who would qualify for the generous labor protection benefits established in the Regional Rail Reorganization Act and prompt an additional drain on Federal funds.

While USRA has generously accepted the Chessie offer, we in Congress must justify the use of these tax dollars to underwrite one of the Nation's richest railroads without any quid pro quo. In return for the bargain price granted to Chessie, I believe that the Congress might now consider requiring that Chessie continue such worthwhile Erie-Lackawanna operations as the Meadville shops and provide service over some or all of those contested branch lines which may otherwise be abandoned under the reorganization.

In the case of some 300 miles of contested branch lines scheduled for abandonment in Pennsylvania, it is estimated that some 5,000 people will be out of work when these lines are abandoned on Feb. 6, 1976. If the Chessie is going to get a multimillion dollar bargain, to me it only makes common sense that the Chessie should operate some or all of these contested lines. This will preserve valuable jobs in these times of high unemployment. It will also save taxpayers expected welfare and unemployment compensation bills.

Mr. Speaker, I urge my colleagues to closely scrutinize these aspects of the final system plan, so that we may take the necessary action to protect the interest of the taxpayers.

CHILD AND FAMILY SERVICES ACT

HON. RICHARD F. VANDER VEEN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. VANDER VEEN. Mr. Speaker, I would like to take this opportunity to include in the RECORD a copy of an editorial from my home newspaper. The Grand Rapids Press. The article deals with the inaccurate material that has been circulated concerning H.R. 2966, the Child and Family Services Act. The editorial follows:

> CHILD BILL FRAUD
>
> Despite the risk of lending unearned credence to one of the most specious and inflammatory leaflets to gain widespread distribution in the Grand Rapids area, comment must be made on a two-page publication entitled "Raising Children—Government's or Parent's Right?"
>
> The material attacks U.S. House Bill 2966, commonly known as child and family services legislation. The proposal would expand a number of family services already provided to a limited number of persons. The proposal's stated purpose is to reduce infant mortality (the U.S. ranks 14th in this regard) and physical and mental impairments by authorizing prenatal and family health care assistance and to extend day care services beyond current Headstart programs.

Similar legislation was vetoed by President Nixon in 1971 largely on the basis of cost. At the time the Press found difficulty reconciling Mr. Nixon's demands that able persons on welfare must be made to work with his rejection of a bill which would have permitted day-care aid for a single parent who was forced to remain at home with young children.

The current legislation, similar in purpose to the 1971 bill, has been altered to meet previous criticism. First-year planning and operations would be scaled down considerably, funds would be authorized for personnel training and the bill, throughout, emphasizes and clarifies the voluntary nature of the program. Nothing in the bill makes participation mandatory, and much of the program would be directed by the parents.

The extent to which the federal government should involve itself in family services is a proper issue which can be debated responsibly. What is not responsible, however, is the distribution of emotional and patently false material which makes rational discussion all but impossible. It is the politics of fright.

The local situation is especially disturbing because the leaflet has been widely distributed in schools, churches and working places and has triggered hundreds of inquiries to Rep. Richard Vander Veen's office. It is also distressing to find that such obviously spurious information is taken seriously.

There are several elements in the two-page letter which should automatically raise doubts about the veracity. Nothing on the material identifies its source; that should be sufficient reason to discard any "fact" sheet. As proof of its allegations against the Child and Family Service Act, the letter quotes from the 1971 Congressional Record. The reference is not to the bill itself but to a speech by Sen. Carl Curtis of Nebraska who equated the legislation to a "Charter of Children's Rights."

The "charter" had been advocated, unsuccessfully, by two parties in Britain and bears no relationship to the particulars in the proposed U.S. legislation. The Congressional Record is a repository for any variety of outrageous claptrap deemed worthwhile by a Member of Congress. In this case Sen. Curtis used his privilege not wisely, not responsibly, but well enough, apparently, to suit his purposes.

Finally, the purported "facts" contained in the flyer are so outlandish and totally out of character for the bill's two respected sponsors—Rep. John Brademas of Indiana and Sen. Walter Mondale of Minnesota—that they should be discounted out of hand.

Those who have gone on record as supporting the intent of the legislation include the Salvation Army, the National Conference of Catholic Charities, eight national Baptist organizations, the National PTA and a dozen or so organizations representing handicapped persons.

Still, the concept of expanding federal aid to poor families with pre-school children must be debated intelligently. That cannot be done, however, when certain opponents to the bill deliberately obfuscate the issue with a layer of lies and emotions.

Rep. Garry Brown of Schoolcraft opposes the legislation but nevertheless felt moved to inform his constituents that the flyers, like those distributed in Grand Rapids, contained "false and misleading information."

Rep. Vander Veen, who said he will not decide how to vote on the bill until he sees its final form, has called the discrediting material "a deliberate attempt to mislead the public."

The congressman is much too kind. The flyer is a gross form of public deception which threatens to make legitimate debate on an important issue impossible. And unfortunately, those well-meaning persons who have innocently caused its dissemination have not advanced the cause of good government.

NEW YORK CITY

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MICHEL. Mr. Speaker, bailing out New York City would do more to convince the people of middle America that their Government is irresponsible than anything since Watergate.

I think this is a time when we need to restore people's confidence in Government, not destroy it by subsidizing those, like the present and former city administrations in New York, who have been irresponsible in their conduct of their responsibilities.

A bail-out would make of the Federal Government an accomplice after the fact to New York's dereliction.

In my district, and I think in the vast majority of the country, that fact is appreciated. People there know that no solution for New York is possible unless the New Yorkers themselves are willing to make some sacrifices in order to get the job done.

That attitude is expressed in unmistakable form in an editorial in a recent issue of the Pekin Daily Times, a fine newspaper in my district. I insert this editorial, written by editor F. F. McNaughton, here in the Record:

The Editor's Letter

(By F. F. McNaughton)

New York can come out of it.
Budget: $12,300,000,000
What are biggest expenses?
1st—Welfare and charity $3,400,000,000
2nd—schools $2,500,000,000
3rd—interest $1,600,000,000
Almost three-fourths.
What shall they do?

First, New York state now invites the destitute to come, by paying high welfare. It must repel. They could reduce the $500-a-month payments to poverty families until the New York City debt is reduced (then hike the payments again later).

Second, schools can be cut drastically. I went to a one-room school with 8 grades, and usually a teen girl as teacher. While I was a senior at college there was an influenza epidemic all over the land. A school board, miles away, telephoned to the college: "Can you get anybody?" They sent me, age 19. Sent me down by train. Every—I mean every—teacher was dead or down sick.

(Later the school board gave me such a boost that I got a principalship and also Cecille McMillan, a senior; but not till school was over. I was 20 then. That good pay ($900) sent me to get a Master's Degree in Columbia University. And this is the reason I'm taking so much interest in New York.)

I'm still writing about the $2,500,000,000 and what can they do about it. $17,000 teachers' pay average must be cut. And put 10 more students in classes. You know all of that.

But here's what's coming! Teachers, now wed, or resigned, or over 65 (probably the best) must step up and teach without pay; go without pay as substitutes.

Yes, without pay. Others 500,000 can turn in a day, each, without pay.

Under good management, all can do some work without pay. (New York City's high pay to labor has been a bone of contention across the land. We hear it; we see it in bold face type. So let's recruit enough free labor to do the whole deal. New York's budget could be cut in half.)

New Yorkers, write, phone, go to Mayor Beame to say: "I'm an auditor—free." "I'm off Monday; I'll come." "Here's a good cop for a night." "Hell's fire, I can sit a night for you at a firehouse." George Meany knows when to let this happen. The town where I had my first newspaper needed a recreation building for all; union men did it free. Here at Pekin, union men pitched in, donating labor to redo the park pool.

I'm thinking New York should strke a medal for those who step forth and contribute time and money to pull the city out of this mess.

BUDGET TARGETS AND THE DEBT LIMIT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. FISHER. Mr. Speaker, adoption of the second budget resolution for fiscal year 1976 marks another step forward in the application of the new congressional budget procedures which provide targets for budget authority, outlays, revenues, deficits and the public debt. This action marks the completion of the "dry run" year for the new procedures. Next year the new congressional budgetmaking will be in full operation. For the first time, Congress will have the machinery for handling its budget responsibilities in a disciplined and comprehensive way.

The second budget resolution adopted this week sets binding totals for the items mentioned above at a slightly higher level than the first budget resolution adopted 6 months ago. These increases have not been the result of congressional actions, which have remained within the earlier guidelines, but have occurred because of the automatic increase in certain long-term programs that are affected by the continuing economic recession. Unemployment benefit payments, which go automatically to the large number of qualified unemployed workers, account for a large part of these increases. This highlights the point that unemployment and business recession are the real villains responsible for our budgetary difficulties. A 1-percent drop in unemployment would bring in around $15 billion of additional tax revenues with no increase in tax rates, and would reduce unemployment benefit payments by some $2 billion.

Outlays approved by the second resolution exceed those in the first resolution by some $7 billion, principally for people programs, such as income security, health, veterans' benefits and the like. In addition, new outlays have been approved stemming from the recent commitments made in connection with the Sinai agreements. Other national defense outlays are changed only very slightly.

With unemployment still a major

problem and with the need to restore the economy to a more prosperous condition, it seems to me that the fiscal year 1976 budget targets that have been adopted are realistic. I wish outlays could be less, revenues greater, and the deficit reduced. But restoration of the economic health of the Nation does not permit this at the present time.

Fortunately, there is evidence that the economy is beginning to improve, not smoothly and without hesitation, but still to improve. As this trend continues, it should be possible next spring to present a budget resolution for the following fiscal year in which the deficit will be considerably lower. With a better outlook for jobs and incomes, Federal revenues will increase and certain outlays will fall, notably unemployment benefit payments, certain veterans' and income security payments, along with a few others. In such circumstances, it should be possible actually to reduce the outlays for other programs which no longer can in part be justified as antirecession measures. I expect to vote increasingly for budget restraint and cuts. With an improving economy such votes will be responsible and needed. The real test of the new congressional budget procedures, therefore, will come next spring and next fall as economic conditions in the country make possible significant reductions in the budget deficit and, therefore, in the public debt.

This view is further strengthened by the likelihood that with an improving economy, inflationary forces may become active again, requiring restraint in budget outlays and reduction in budget deficit. The actual selection of budget outlays to be held back and, if possible, cut will not be easy. The Congress will have to try to select those which will have a maximum effect on restraining inflation and on eliminating remaining pockets of unemployment and recession.

Closely related to the budget resolution is the action also taken this week to increase the temporary debt limit through March 15, 1976, by $18 billion, to a total of $595 billion. It is deplorable that the debt limit has to be raised again. But, if this were not done, by the end of the week the Government would not have been able to meet its obligations and pay its bills. The debt ceiling is the result of appropriation and revenue actions taken previously by the Government. The way to prevent increases in the debt limit is to spend less money or raise more.

The principal issue considered by the House was not the debt limit by itself, but whether to attach to the debt limit bill a provision setting a ceiling of $395 billion on Government spending in fiscal year 1977 which begins October 1, 1976. The time to deal with the spending limit for the next fiscal year is not now in connection with a debt limit to extend only through next March 15, but in the normal and planned sequence established by the new budget procedures, which incidentally have been widely supported by House Republicans and Democrats alike. This means that once the President had submitted his budget next January, as scheduled, the new machinery for congressional budget consideration would begin to operate and there would be reported to the House the first budget resolution next March containing the preliminary targets on spending, revenue, debt, and so on. To set spending limits for fiscal year 1977 now not only would negate and perhaps destroy the promising new budget process, but would commit the Congress and the country to a budget expenditure program even before the President and the executive branch had submitted its budget. This would be a most unfortunate way to proceed and would invite further distrust of the Congress and doubt as to the seriousness of its intentions to deal with the budget in a disciplined and orderly way.

Having said this, I do think that next spring, and thereafter, the Congress would do well to establish limits on Federal outlays for fiscal year 1977 that would reflect the need to bring the budget under better control and to reduce as much as possible any prospective deficit. As I argued earlier, this will hinge largely on the state of the national economy. But assuming the economy continues to improve, it will be most important that 1977 outlays be held back so that with rising revenues, significant reductions in debt can be achieved.

These matters are too important to the country, to all the people, not to be dealt with in an orderly and an intelligent manner with a minimum of political posturing, jumping the gun, and trying to put the other side in a bad light.

REV. JOHN T. WEEDEN

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. STOKES. Mr. Speaker, next month, a distinguished citizen and theologian of Cleveland will celebrate his 50th year as a minister of the gospel.

Rev. John T. Weeden, B.D., D.D., pastor of St. Timothy Baptist Church, has long been an active and devoted member of the Cleveland religious and civic community. He is beloved by his parishioners and revered by friends and associates in all walks of life.

For a half century, three churches have thrived under his able guidance: Bethany Baptist Church and Eastern Star Baptist Church, both in Indianapolis, Ind. And Cleveland's St. Timothy Missionary Church located at 7101 Carnegie Ave.

Dr. Weeden was born 75 years ago in Statesville, Tenn., son of the late Mr. and Mrs. Louis D. Weeden. His parents, both farmers, gave him a deeply religious up-bringing and instilled in him a strong motivation for education.

Dr. Weeden attended elementary school in Watertown, Tenn., and Roger Williams Bible College in Nashville. In 1916, he migrated to Indianapolis and matriculated at Manual Training High School, Indiana Central College and Butler University. He received his formal religious training at the Moody Baptist Institute in Chicago, Ill., and studied political science at Case Western Reserve in Cleveland.

Dr. Weeden has often said that everything good in his life always happened during the month of August. He experienced his natural and spiritual birth in August and another event equally special. Gladys Mae Evans became his bride on August 2, 1922, and together they raised nine children, five sons and four daughters. Dr. Weeden now boasts of a family that consists of 38 grandchildren and 14 great grandchildren.

Though busy with his church and family, the world has certainly been no stranger to this always curious individual. Dr. Weeden has traveled throughout Europe, Africa, Asia, the Near and Far East, and South America. In 1955, Monrovia College and Industrial Institute of the Methodist Episcopal Church in Liberia awarded him a doctor of divinity degree.

Other honorary degrees and associations include a bachelor of divinity from the American Academy of Professional Arts in 1967 and admission to the Knights of the Kingdom of God, Nassau, the Bahamas in 1960.

To name but a few of his illustrious affiliations: Past president of the Ohio Baptist Convention, U.S.A.; president of the Baptist Ministers Conference of Cleveland and vicinity; liaison of the 21st District of Congressman LOUIS STOKES and vice president of the Pastors' Division of the National Baptist Congress of Christian Education.

Also, board member of the National Baptist Sunday School Publishing Board; member of Cleveland Kiwanis Club No. 2; board member Brothers' Brother Foundation, National and International; past president of the Cleveland Missionary Baptist College of Biblical Education.

In addition to the above, Dr. Weeden is an executive board member of the National Baptist Convention, U.S.A.; vice president of the International Ministers' Alliance of Cleveland, executive board member of the Interchurch Council of Cleveland, and trustee of the Forest City Hospital of Cleveland, Ohio.

Dr. Weeden is keenly interested in concerns of young people and worked closely with the local Y.M.C.A.'s. He has also been an active participant and consultant to the Cleveland Chapter of the National Association for the Advancement of Colored People, and the Cleveland Urban League.

I am sure that all of my colleagues in the Congress extend congratulations to Dr. John T. Weeden and the St. Timothy Missionary Baptist Church.

We all wish you much success and many more years of valuable service to your church and community.

THE U.N. ANTI-ZIONIST RESOLUTION

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. BINGHAM. Mr. Speaker, the United Nations General Assembly resolution condemning Zionism as a form of racism has brought the United Nations to the lowest point in its history. By this vote, the U.N. General Assembly has made a public declaration that does violence to history, logic, and commonsense; it has perverted the U.N. role as a peacekeeper into that of a peace-preventer; and—most reprehensible of all—it has fanned the flames of that oldest, most virulent, and most destructive form of racism, the foul disease of anti-Semitism.

How cruel are the ironies of history. Who can forget the world into which the United Nations was born 30 years ago; the United Nations, a ray of hope and light after the darkest night in man's history? And who can forget what preceded that bright day? Who can forget Auschwitz, Buchenwald, Dachau, and Treblinka?

Out of the ashes of World War II there arose the United Nations; and out of the dark night of Hitler's "final solution" arose, phoenix-like, the State of Israel. Andrei Gromyko, along with Harry Truman, welcomed Israel into the United Nations; he proclaimed Zionism "the national liberation movement of the Jewish people." It was—and is—that; but it was more. Hand in hand with the United Nations, the State of Israel's existence symbolized the failure of the most extreme racist episode in all history; and its support by the United Nations was a loud rejection by the community of nations of all racist persecution. When the flags of Israel and the United Nations flew proudly side-by-side, we saw a proclamation: Never Again, the flags proclaimed. Never Again to any people.

What a cruel dashing of hope the recent U.N. resolution is. What breaking of human, and humane, solidarity. What a break with the best in our past, and what an affirmation of the worst. What a cowardly act. What a lie

Sadness today must envelop all lovers of peace, and anger all those who love truth. This week 72 member states of the United Nations struck a blow against both peace and truth.

But it is not enough for us to be sad—and angry. The question that confronts us is: What do we do about this shameful resolution?

It is easier to say what we should not do than what we should do. Clearly we should not take any action which, in the short run or in the long run, will hurt the interests of the United States or of Israel.

In my judgment this means that we should not withdraw from the United Nations, tempting as that course may seem at the moment. We must remember that the General Assembly is only one of the organs of the United Nations. There is also, very importantly, the Security Council. The Security Council has not adopted the anti-Zionist resolution, nor could such a resolution have been adopted in that body. For the United States to withdraw from the Security Council would be highly dangerous to American and Israeli interests. The Soviets learned this lesson very dramatically in 1951 when they had "taken a walk" from the Security Council at the time of the North Korean attack on South Korea and thus were not present to veto the Security Council's resolution providing for United Nations resistance to that aggression.

Another important organ of the United Nations is the Secretariat, headed by the Secretary General. The Secretariat is responsible for operating the U.N. forces that are currently in the Sinai and on the Golan Heights and which Israel very much wants to have remain there. These essential U.N. operations, it is universally agreed, have been carried on in an impartial manner. And the Secretariat had nothing whatsoever to do with the passage of the anti-Zionist resolution. So it would make no sense to withhold funds from the Secretariat.

Should we perhaps withdraw, at least temporarily, from the United Nations General Assembly? Again this is a tempting course. But again I believe such action would be a mistake. The General Assembly will be taking up many other matters in the coming weeks. As to these matters we want our voice to be heard and our influence, such as it is, to be felt. Even as to matters affecting the Middle East, should we leave the field of battle to the enemy? I think not.

Does this mean that we are helpless to do anything in the face of this horrible action engineered by the PLO and the radical Arab States? Certainly not.

First of all, I believe we should start now a campaign to reverse the position taken by the General Assembly in the 1976 session. To that end, we should, first, consult with those 34 nations that voted with us and with at least some of those who abstained. Second, we should seek means to make as many as possible of those countries who supported the resolution regret their action. This can be done both through citizen as well as Government action. I understand there is an organized movement underway for Jewish groups to stay away as tourists from such countries as Mexico and Brazil. I say good for them, and I will stay away too. Other citizen boycotts are in order. In our governmental dealings with such countries, also, we should seek ways to make them feel our fury, and we can find such ways if we look.

Finally, I believe the friends of Israel, including the Government of the United States, should embark on an educational campaign as to the true meaning of Zionism. We have not done enough to offset the poisonous propaganda of the radical Arabs that Zionism connotes an expansionist Israel, as President Sadat said to me the other day; we must effectively pin down as a lie the myth, widely circulated in the Arab world, that the ideal of Zionism is expressed in an inscription on the Knesset wall: "To a greater Israel, from the Nile to the Euphrates." We must make it understood to the governments and peoples willing to listen that Zionism is an expression of the yearning for a return to Jerusalem that is at the heart of the Jewish faith; we must make them understand that they cannot be anti-Zionist and at the same time not be anti-Jewish, as they claim.

I am hopeful that these things can be done. The sky is dark, but there is light on the horizon, if we have the wisdom and the determination to reach it.

GUN CONTROL

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. RUPPE. Mr. Speaker, it appears that the Congress will soon begin to deliberate possible gun control legislation. I am aware of the tremendous emotional feelings which this issue arouses both pro and con. I urge my colleagues to debate the matter calmly and rationally so that we do not write a bill which is directed against innocent and law-abiding parties. For in dealing with the issue, we might inadvertently restrict one of our basic freedoms, and also end up not solving the basic problem.

After 9 years in Congress, I must report that there is no change in my basic position regarding firearms legislation. Northern Michigan residents have steadfastly indicated their opposition to gun control bills and I concur with their views. Hunting, fishing, and outdoor sports are an integral part of life in my district, and I can see no reason to write restrictive legislation to, in effect, punish thousands of honest constituents. I must therefore, express my opposition to the current efforts of the House Judiciary Committee's Subcommittee on Crime to restrict the private ownership of handguns. If such a bill is enacted, it will leave the ordinary citizen bereft of any protection for his family. Writes one northern Michigan resident:

> Let's not disarm the private individual and leave him at the mercy of the armed criminal.

Further, I would oppose any type of Federal legislation which would mandate the registration of firearms. Such action would only create another unnecessary bureaucracy in Washington and would be ineffective in dealing with the more immediate problem of crime. New York City, which has a strong firearms law on the books, seems to be rife with illegally held weapons. The cost of a registration program would be staggering, especially at a time when our budget deficits are so high. If handguns are banned, I could foresee the development of a vast underground traffic dealing in illegal weapons, and I doubt these traffickers would be law-abiding citizens.

The Congress, instead of trying to remove guns from the private citizen, should address the problem of writing a strong bill which punishes the criminal instead of the honest man. I have become a cosponsor of legislation which would provide mandatory sentences for felonies committed with a firearm, in addition to the penalty provided for by law. Criminals should be put on the alert that if they use a gun during the commission of a crime, they will be penalized and not released.

I would like to address one final aspect of the gun issue. For years, the Saturday night special has been an integral element of the urban street crime scene. These small, malicious weapons are easily obtained by the criminal, used in robberies and assaults, and then quickly disposed of. They are cheaply made, generally unsafe, and have no place in the home of the sportsman or hunter. If the House Judiciary Committee is able to write legislation carefully defining the Saturday night special, I would consider supporting a ban. In my 1975 questionnaire results from 11th District residents, over 70 percent responding favored a ban on the special. But I would not support restrictive legislation aimed in any way at the average citizen.

All too often in the past, we have turned to the Federal Government as the one body which can solve a problem quickly through the passage of legislation. But we must realize that the enactment of an all-encompassing gun control bill would not make the streets safe again. The Congress must realize that the war against crime must be fought against the criminal, not the gun owner. The thrust, therefore, of any bill must be toward the illegal elements in this country, and not punishment of all gun owners and hunters for the misdeeds of a small criminal minority.

THE RECORD OF JUSTICE DOUGLAS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. RODINO. Mr. Speaker, the voice of Associate Justice William O. Douglas no longer will be heard from the Supreme Court bench, but I earnestly hope that it will be heard in other forums for years to come.

Mr. Justice Douglas is uniquely American. During the most difficult periods of this Nation's recent history, his wisdom and courage helped mark the trail of freedom and justice. There is need for this man and the special insight he brings to the basic principles on which America stands.

Mr. Speaker, one does not merely summarize the accomplishments thus far of a man like Mr. Justice Douglas. One can only point to special achievements that stand above the excellence that for him is routine. His devotion to the first amendment and to the principle of dissent are two that warrant special attention. For him, the right of the individual to be heard is paramount, inviolable. An individualist himself—some say almost a recluse—he nonetheless has fought harder for the right of every man and woman to speak what is in their minds and hearts than anyone in this century.

Closely related is his adherence to the principle of dissent, fostered by such Justices as Harlan, Holmes and Brandeis. Mr. Justice Douglas has not only continued this tradition, he has enlarged upon it and left it stronger than when he came. Our Nation, our law, and our freedom are the better for his work.

Mr. Speaker, I include the Washington Post editorial of Friday, November 14 on Mr. Justice Douglas at this point in the Record.

The Record of Justice Douglas

As a long-time admirer—and occasional critic—of Justice William O. Douglas, we profoundly regret his departure from the Supreme Court. But we deeply respect the courage and good judgment which impelled him to make this hard decision when his health no longer permitted him to continue. And we welcome the opportunity his retirement gives us to say some of the things about his long and illustrious career that newspapers normally don't get around to saying about great figures and old friends until after they are gone.

Justice Douglas is always so insistently himself—so intensely individualistic—that he has attracted violent detractors as well as ardent admirers in his long career, most of it spent in sevice on the Supreme Court of the United States. Physically rugged, an outdoorsman by inclination, gifted intellectually, temperamentally lonely and independent, he is as indigenously American as Uncle Sam. He loves his country passionately—its mountains and rivers and wild places if not its crowded cities—as he loves its great traditions and its ideals of personal freedom and opportunity.

Justice Douglas has his own ideas of decorum and propriety as he has his own strong convictions about the meaning of the Constitution; and it was on the basis of these ideas and convictions, unmoderated by popular standards or conventions, that he patterned his private conduct and his public judgments. He believes that judges should be in the main streams of life, not isolated or insulated from popular feelings; and so he has expressed his personal views freely about matters of foreign policy such as the Vietnam war and about domestic affairs as well. He has lectured and written books and magazine articles on a wide variety of non-judicial subjects—a practice which his critics condemned as unbecoming to a Supreme Court Justice. For a time, while on the Court, he served as the salaried president of a not altogether savory private philanthropic foundation—which led to an abortive attempt to impeach him in 1970. Perhaps, as some critics have contended, these extracurricular activities by the Justice resulted in some impairment of his prestige and influence. At worse, however, they were indiscretions growing out of his aloof indifference to the opinions of others. He has marched only to the fanfare of his own trumpet and followed only his own star.

In his service on the Court, Justice Douglas was commonly called an "activist." This is to say that he allowed his interpretations of the laws and the Constitution to be infused in some measure with his system of ethical values. He cared about justice no less than about the law; and he believed that judicial restraint in its true sense entailed a deference to the great constitutional assurances of individual rights and liberties rather than a deference to the judgments of legislatures. In this attitude, he was allied closely in innumerable cases with Hugo Black; together and individually, often in dissent, sometimes in opinions for the Court, they produced some of the noblest and most moving expressions of faith in the irrepressible freedom of the human spirit.

Like Justice Black, Justice Douglas believes in a preferred position for the First Amendment as the guarantor of a freedom indispensable to the functioning of any self-governing society. He moved from an early acceptance of Justice Holmes' clear and present danger doctrine to a later attitude of absolutism respecting the protection of speech and of the press. "The First Amendment," he wrote in one of his books, "The Right of the People," "was a new and bold experiment. It staked everything on unlimited public discussion. It chose among conflicting values, selecting the freedom to talk, to argue, and to advocate as a preferred right. It placed us on the side of free advocacy, come what may." This view has made him an uncompromising foe of every sort of sedition statute, of every limitation on efforts to gather and disseminate news or opinion and of censorship in any form, whether in relation to politics or to esthetics.

Behind Justice Douglas' philosophy regarding the First Amendment lies a conviction that the Bill of Rights was intended, above all else, to impose a check upon the headstrong passions and prejudices of majorities. "A great risk in any age, he once wrote, is the tyranny of the majority. Freedom of expression is the weapon of the minority to win over the majority or to temper the policies of those in power." It may well be that Justice Douglas' most significant service to his country lies in his role as a nay-sayer to popular enthusiasms. He resolutely resisted the tyranny of majorities at a time in the nation's history when demagogues were recklessly exploiting popular fears and anxieties regarding "subversive activities" and a supposedly overwhelming "Communist conspiracy." He kept his head—and his faith in freedom.

But the country has a manifold indebtedness to this exuberantly prolific and energetic man. His ability to master complex problems and to write about them swiftly and incisively enabled him to carry a heavy share of the Court's load in the handling of difficult economic and fiscal cases as well as in the defense of civil liberty. From his early years on the Securities and Exchange Commission, he was an inveterate challenger of business and banking threats to a free economy. Over and over again, by admonition and by example, he reminded the country of the importance of its physical environment and its dwindling natural resources. He has produced no fewer than 17 books.

William O. Douglas has a stature not often equalled in public life. His retirement takes from the Supreme Court one of its most powerful and dramatic figures—one of those who help to make the Court, as it should be, a coequal and effective partner in the operation of a political system of divided powers—and a bulwark of human liberty.

FOOD STAMP PROGRAM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MICHEL. Mr. Speaker, the Senate Subcommittee on Agricultural Research and General Legislation has recently concluded its first set of hearings on reform of the food stamp program, and I want to call to the attention of the Members the particularly cogent and comprehensive testimony on this subject by Mrs. Connie Armitage, president of the National Federation of Republican Women. Speaking as a representative of one of the Nation's largest volunteer groups, as a college professor, and as a consumer, Mrs. Armitage highlighted a number of the growing problems with the food stamp program. Her complete testimony follows:

Testimony of Connie Armitage

Mr. Chairman and distinguished members of the Agriculture Committee. My name is Connie Armitage. I am currently completing my fourth year as President of the National Federation of Republican Women which, both in terms of numbers and effectiveness, is the nation's largest political organization of women. And, we're all nonpaid volunteers.

Members of federated clubs in every state have carefully studied the Food Stamp program this year from two perspectives.

First, in Club meetings through research materials, speakers and discussions, our members have examined the legislation enacted as the Food Stamp Act of 1964 and its goal of insuring proper nutrition for all Americans. Then, they have looked at the way the program has been administered and at the incredible growth of the Food Stamp caseload and cost to the taxpayers of the nation.

But the other perspective our members have observed the food stamp program from, Mr. Chairman, is unique from that of most Members of Congress and from that of the witnesses I am aware have testified at these hearings. That perspective is from the check-out counter lines of the grocery stores and supermarkets throughout the United States.

From both perspectives, our members and local clubs and State Federations of clubs have emphatically called for immediate reforms. Via letters, resolutions, petitions and other forms of expressing themselves to you and to the public, Republican women insist that the food stamp program must be brought under control, confined to the truly needy, and reformed so as to eliminate the gross abuses and eligibility loopholes that exist today.

Other witnesses prior to me this week have given detailed, statistical evidence of these loopholes and abuses. You have before you the best available facts, testimony, numbers and other proofs necessary to establish the convincing need for sweeping reform. It is therefore not my purpose to dwell at any length on trying to convince this distinguished Committee of the need for change. From the reports and remarks I have heard, it seems you are convinced. I hope a sufficient number of your colleagues are equally convinced.

Moments ago, I mentioned the grocery stores where, without benefit of all the charts and statistics and testimony you have access to, every thinking housewife, consumer and taxpayer knows that the food stamp program is not functioning properly.

First, we see the people for whom the original food stamp legislation was written—the non-voluntary poor. Through unemployment, disability, the demands of child-rearing and other circumstances, these Americans do benefit from the financial leverage that Food Stamps provide at the food marketplace. I know of no one who seriously objects to our tax dollars being spent to help insure an adequate and wholesome diet for these poor families.

In fact, there are few sadder experiences than to witness a poor mother at a check-out counter with insufficient stamps and money to purchase the food she needs for her family. Many of us have seen such scenes. Actually, the only thing sadder than to see such a person's agony is to be in her shoes.

Accordingly, few would oppose increased Food Stamp benefits for those who are genuinely in need through no lack of effort on their own part.

I submit, however, that under the current Food Stamp operation, these cases of genuine need for increased benefits are the exception, not the rule.

More often, again from the perspective of being behind the market basket, we witness abuses to the system that are obvious, that are an insult to our sensibilities and a cause for resenting the way in which we see our taxes spent.

While I, as a college instructor, can appreciate the ingenuity and resourcefulness of college students in cutting corners, making budget ends meet, and saving money for priorities more enjoyable than food purchases, it is a distortion of the intent of the program for students to receive Food Stamps in the "Carte Blanche" way they now can.

In counties around the nation with large numbers of college students, high percentages of food stamp recipients who are not on public welfare turn out to be college students. For instance, we are told that—

In Champaign County, Illinois, home of the University of Illinois, 85 percent of all food stamp recipients not on public welfare are students;

The figure in February, 1973 was 78 percent in Jackson County Illinois and it was 75 percent in DeKalb County of the same state.

In Santa Clara County, California, home of Stanford University there were 15,000 food stamp recipients in October a year ago. At the same time, the University of California at Berkeley had 15,000; the University of Florida had 3,000, the University of Michigan had 2,100 and other colleges had similarly high percentages of food stamp recipients.

This is a difficult problem, but the central issue is that students have chosen higher education and become voluntarily unemployed for a period and at a time when others may not be able to make that choice. To require the working taxpayers, including those the same age who have not been able to attend college for lack of tuition or other resources, to support such voluntarily unemployed persons is a terrible inequity and is one that must be eliminated.

Mr. Chairman, it is my firm belief that voluntary unemployment, for whatever reason, should not entitle a person to qualify for tax-supported living. This is clearly the unanimous opinion of the Republican women throughout the nation whom I represent here today. They have expressed themselves on this at every level of our organization beginning with their local clubs and climaxing with our recent national convention.

Other forms of voluntary unemployment include the striker and those who otherwise terminate their employment without good cause.

Another common occurrence in our super markets and other stores accepting food stamps is to see them used to pay for the type and grade and quality of foods, particularly meats, that hardly indicate that the purchaser is poor. I understand you heard testimony yesterday that when a shopper was told that food stamps could not be used to purchase dog food, which is not an eligible purchase, she promptly substituted top grade steak for her dog's dinner because food stamps can be used for that. Such incidents have done more to expose the inequities of the Food Stamp program to the average taxpayer than have the reports of fraud, theft, counterfeiting, black marketing and other illegal activities.

Observing shopping habits and incidents at the market is a real education. I was pleased to learn of the first hand testimony of Pennsylvania Congressman Edwin D. Eshleman and Robert Walker of his staff as a result of Mr. Walker's experiences in Lancaster County as a bagger of groceries. Typical bags of groceries purchased with food stamps contained sweets, soft drinks and expensive convenience foods instead of the low cost, high nutrition foods one would expect to find there.

My final observation from this unscientific but nevertheless valid perspective is simply that almost across the board, the wrong people are turning up at the cash register with food stamps. By the wrong people I mean those who, by any stretch of the imagination are not in need of nutritional assistance. Most of us know people who are "taking advantage" of the loose eligibility requirements and other deficiencies in the food stamp program.

All of this has done considerable damage to the average citizen's concept of and respect for government and the law. The prevalent attitude today among too many of our countrymen is that government programs, such as the food stamp program, are *intended* to be abused by the clever; that you're a fool if you don't partake of "free" government paychecks, food, training, transportation, health care, and other social services.

Thinking Americans know, however, that these abuses to our tax-supported programs are bankrupting the nation. By allowing these inequities and loopholes to continue to exist, we are hastening the day of ultimate collapse of the very economy which has been able to pay for them in the first place.

The skyrocketing rate by which the number of taxpayees is increasing in comparison with the shrinking precentage of taxpayers threatens to topple our entire economy and transform us into another bankrupt, whimpering socialist state incapable of economic progress and leadership in the world.

This Committee in this Congress can take affirmative action to straighten out this situation now on one issue—the food stamp program. If you will now have the courage to confine this one program to the needy by responsible eligibility definition and say "no" to the cheaters, the indolent and the opportunists who do not deserve food stamps, you will have taken a major step in the right direction.

The Legislative Committee of the National Federation of Republican Women and thousands of us as individuals have examined the various proposals for legislative reform of the food stamp program. We have compared the provisions of the major bills now being considered by this Committee and have watched for the Administration's various pronouncements.

First, we strongly believe eligibility for food stamps must have a specific ceiling. We feel the appropriate level of this ceiling should be the official federal poverty indices established and defined by the Office of Management and Budget. With such realistic limits, persons with high incomes and assets will not qualify and thereby drain resources from a program that is designed for the legitimately needy.

We favor a $25 monthly income deduction under this program for the elderly, recognizing their plight of living on fixed, limited resources in an economy where inflation and rising prices hurt them most. We also favor substituting the Low Cost Diet Plan for the Economy Diet Plan, thus raising coupon allotments by 29%.

Our organization feels that the food stamp formula should be simplified by basing it on family size, income range and responsible estimates of what average families in these categories spend on food, instead of the present patchwork of complex deductions and exemptions.

We insist that loopholes which permit the voluntarily unemployed to receive food stamps and otherwise to manipulate the system be eliminated.

Instead of eligibility being based on variations of "net" income after deductions and exemptions, we believe gross income figures should be used.

After examining all of the available legislative proposals, the National Federation of Republican Women urges enactment of the National Food Stamp Reform Act (S-1993) as sponsored by the distinguished Senator from New York, Mr. Buckley, and U.S. Congressman Robert Michel from Illinois, and co-sponsored by many other Members of Congress from both political parties.

We reject as dangerous and irresponsible the concept of eliminating the purchase requirement in this food stamp program. To do so would totally strip this nutrition program of its accountability and purpose and turn it into simply another federal handout, tantamount to a guaranteed annual income.

Mr. Chairman, in support of this statement, I am pleased to submit to you a copy of an official resolution, adopted unanimously by the delegates to the 18th Biennial Convention of the National Federation of Republican Woman in Dallas, Texas on September 13, 1975.

On behalf of all Republican women, our member clubs and our half-million member campaign force throughout the country, the NFRW Convention urges "immediate enactment of the National Food Stamp Reform Act in the current session of the 94th Congress."

I thank you for your attention and have appreciated this opportunity to express the concerns and frankly, the anger, of our members who are taxpayers, consumers and community leaders throughout the nation.

THE NATIONAL FEDERATION OF REPUBLICAN WOMEN RESOLUTION ON FOOD STAMP REFORM

Whereas:

Expenditures for the Food Stamp program have grown by over 14,000% in the last 10 years, the Food Stamp program has spiraled in the same period to the point where one in eleven Americans receive food stamps and one in four may be eligible; by no stretch of the imagination are one in four Americans in need of tax-supported government nutritional assistance;

There have been instances of food stamps being sold by authorized recipients;

Among the explanations for the massive program growth are a defective eligibility formula and loopholes that permit nonneedy persons to qualify, examples of such loopholes exist in the fact that there is no maximum income limit, no minimum age, no prohibition against the transfer of property to qualify; additionally ownership of an expensive home and sending a child to private school actually helps one to qualify;

College students and strikers often rely on food stamps when, in fact, they are voluntarily unemployed and need not meet work requirements that should be central to any welfare system, while persons at the lowest end of the economic spectrum with no other outside income find food stamp allotments insufficient to meet their need, the National Food Stamp Reform Act has been introduced by Senator James Buckley of New York and Congressman Bob Michel of Illinois, as S 1993 and HR 8145 with 94 bipartisan co-sponsors in the Senate and House;

The National Food Stamp Reform Act contains forty-one separate provisions which would reform the eligibility and bonus value formula, close numerous eligibility loopholes, curb the receipt of food stamps by the voluntarily unemployed; eliminate numerous administrative complexities; improve cash and coupon handling methods; sharply curtail opportunities for criminal activity; and increase coupon allotments for the truly needy;

Now, therefore, be it resolved:

That the National Federation of Republican Women urge immediate enactment of the National Food Stamp Reform Act in the current session of the 94th Congress and the signature of such act by the President of the United States, to bring immediate reform to the burgeoning food stamp program;

That the governing laws of this program make the resale of food stamps illegal, and

That copies of the resolution be sent to the President of the United States, the Vice President of the United States, the President Pro Tempore of the Senate, the Speaker of the House, the chairman and ranking minority member of the Senate Agriculture Committee, the chairman and ranking minority member of the House Agriculture Committee, and Senator James Buckley and Congressman Bob Michel.

ENERGY BILL

HON. JACK HIGHTOWER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HIGHTOWER. Mr. Speaker, with only one vote next week each of us will exercise our responsibility to determine whether our Nation will continue to have an abundant supply of energy. How we vote will long be remembered because every American will be affected by it in their daily lives for years to come.

Dolph Briscoe, the Governor of the State of Texas, addressed himself to our situation last Monday in a statement delivered before Vice President NELSON ROCKEFELLER and other administration officials during a White House Public Forum on Domestic Policy in Austin. I would commend his remarks to my colleagues as we near a congressional decision on the conference-approved energy bill:

You are here today to learn first hand what concerns this part of the nation. I won't mince words. I will speak quite frankly.

This part of the country is concerned to the point of alarm over the lack of progress in addressing the energy problem. It has now been more than two years since the beginning of the Arab oil embargo and yet we are no closer to achieving the goals of Project Independence now than we were in October of 1973. In fact, our dependence on foreign oil is greater today than it was two years ago because of increasing demands and declining domestic production.

Foreign oil now accounts for 40% of total United States consumption.

Our crude reserves of oil and gas will last only ten years at present rates of production and consumption.

We have more coal than any nation on earth.

We have more shale reserves now than our original continental petroleum supply.

We have vast untapped reservoirs of oil and gas off our coastline. As a matter of fact, approximately only 2% of the Continental Shelf and offshore areas have been developed. Yet this 2% produces 18% of the oil and 22% of the gas used in America today.

Despite these facts, we become more dependent on foreign oil every day.

It isn't as though the energy crisis caught us by surprise. It isn't as though it happened suddenly when the Arab oil embargo went on two years ago.

A generation ago, the late Ernest O. Thompson, chairman of the Railroad Commission of Texas, who has been called the father of oil and gas conservation, made this statement:

"Let's not quibble about words. The facts are real. We are up to our necks in oil. We cut and the importers take the field. It is not fair dealing. Unless the trend is reversed we shall face a dwindling oil supply for national security. We must not allow our imports to supplant our own oil here at home and cripple our defense. We must never be at the mercy of foreign oil."

And yet that's exactly what has happened.

The eastern states chose unreliable foreign imports rather than being served by their sister states—and rather than developing natural resources within their boundaries and off their shores.

In my judgment, the beginning of the end of energy self-sufficiency in the United States commenced with the disastrous 1954 Supreme Court Decision allowing the Federal Power Commission to regulate natural gas at the well head. As I told the Midwestern Governors' Conference in Rapid City, South Dakota, on July 9, 1973: "Natural gas is today our cleanest and most desirable fuel, and this unnatural restriction of price by governmental control has resulted in lavish and wasteful use which now threatens to exhaust the supply. If the government required that Cadillacs and Chevrolets be sold for the same price there would doubtless be few Chevrolets sold and they would soon be out of production. In effect, this is what federal price control has done in the use of natural gas as opposed to coal and oil."

As bad as the problem is, we know it can be solved. We have but to look to those dark days of World War II when this great nation was under attack from all sides and we had our backs to the wall—we had an energy crisis then; but we solved it. After our entry in the war it became apparent that we could not move the vast petroleum resources of Texas to the northeast coast by the use of sea transportation. Technology, hard work and determination on the part of the petroleum producers, the pipeliners and the federal government enabled the old time pipeliners to build what we now know as the Big Inch Pipeline from Longview, Texas to the East Coast—a distance of 1,400 miles—in 11 months and 16 days. Texas furnished 75% of the petroleum products consumed by the entire allied war effort. It has been aptly observed that the allies floated to victory on a sea of Texas oil.

Texas did its part then.

Texas has always done its part.

From the time the Railroad Commission started keeping records, until December 31st of last year, there were 620,599 wells drilled in Texas. 373,731 of those wells produced oil, 35,643 produced gas, 202,869 were dry holes, 975 of those holes were offshore in federal and state waters. Texas has been drilling offshore since 1939, and in a major way since 1950.

Texas has developed its resources.

Texas has taken the environmental risks so that the entire nation would have an abundant supply of oil.

I can take you to communities in this State that have producing oil wells in residential areas, on town sites and church yards. And you would find those communities as clean and as fine as any you will ever see.

For taking these risks, for producing the oil—and I might add, for warning the nation for a quarter of a century about the dire consequences our national policies would have—we have been accused of profiteering and we have been called domestic Arabs. We have been the guys in the black hats to the other parts of the nation. Free enterprise has been given a black eye. But history tells us that the free marketplace works when we let it. From 1920 to 1938 the price of gasoline, before taxes, was cut in half—under the free enterprise system. At the same time the average octane rate of gasoline increased by ten points. This was done without federal regulation.

Texas has done its share. But Texas can no longer go it alone. The other states must now do their share as well. The other states must drill off their shores. The other states must mine their coal and develop their shale, wherever possible and without delay. And federal regulations need to be written to encourage them to do it, not to discourage them to do it.

But we need still more. We need a national energy policy to put an end to our current state of indecision and inaction in this vital area.

I believe the first element in a national energy policy must be the removal of price controls on oil and gas at the wellhead. If oil and gas prices are allowed to reflect the relative scarcity of these fuels, alternate energy sources and additional oil and gas supplies will be developed without massive federal intervention. There is not a man or woman—in or out of government—who is smart enough to make price controls work.

The removal of artifically-low oil and gas prices will also provide incentives to conserve energy and produce energy-efficient appliances and vehicles—again, without the specter of government edict.

Decontrol should be accompanied with the removal of import tariffs. Imported oil is expensive enough without the addition of tariffs.

We must also guarantee a reasonable return on investment for the expensive processes—shale oil production and coal gasification and liquification—if we are to expect their development.

Similarly, the federal government should continue to provide financial support for research and development projects in areas which are not commercially attractive but do hold forth the promise of long term success. Particular emphasis should be placed on nondepleting and environmentally acceptable sources such as nuclear fusion and solar generation of electricity.

A national energy policy must recognize the fact that 75 percent of our energy needs are met by oil and gas. Consequently, we must continue to discover new oil and gas supplies and increase our recovery of petroleum from known reservoirs.

Additionally, we can afford to delay development of the vast oil and gas resources believed to exist in the federally-owned Outer Continental Shelf lands.

Our national energy policy must provide for realistic environmental standards especially in the area of coal mining and utilization.

A national energy policy must provide for an accelerated licensing and environmental review process. We must distinguish between valid environmental concerns and obstructionist delays.

A national energy policy should not preempt traditional areas of state responsibility. Likewise, state governments should be given the opportunity to participate in the decision-making process regarding energy and national resource policy.

In short, I believe a national energy policy must be adopted immediately. This policy must embrace the overall concept of permitting the market place to allocate supplies and determine demand. It is precisely our deviation from this philosophy which is the root cause of current over-demand and under-supply.

It is time we stopped playing political football with the energy crisis. It is time we stopped using the energy crisis as an issue in the 1976 presidential sweepstakes. It is time we stopped blaming each other for our collective inability to agree on a policy.

The American people are not interested in hearing who is at fault. They are tired of hearing the Administration blaming Congress and the Congress blaming the Administration. Energy is not a Republican issue; it is not a Democratic issue; it is an American issue which affects the lives of all of us.

Another embargo would cripple this nation. An embargo in time of national emergency would devastate both our ability to protect this nation against aggression and our ability to sustain our domestic economy. The facts are that simple and that urgent.

We are all joined together in a common peril and the time has come to join together in common purpose.

I believe that a truly effective energy policy will be impossible to achieve until we all agree to divorce it from partisan politics.

I believe the time has come to say that the energy issue will not be an issue in the 1976 campaign at any level—local, state, congressional or presidential.

In the perilous and uncertain days following World War II, when partisan sniping threatened to wreck this nation's foreign policy, the late Senator Arthur Vandenberg rose above the ranks of party affiliation and called for a bi-partisan approach to foreign affairs. He called for us to speak with a single voice to the rest of the world: not a Democratic voice, not a Republican voice, but an American voice. He called for us to remove foreign policy bickering from our campaigns, and from our campaign rhetoric. And because other leaders from both parties were wise enough to follow Senator Vandenberg, we were able to survive a dangerous era as a united people with a common policy. For an entire generation, politics stopped at the water's edge.

Can we do the same in the field of energy?

Can we agree when the solutions are obvious—and disagree not as Republicans and Democrats, but as Americans?

Can we come together, in just this one area, and forge a truly strong and effective energy policy?

I believe we can if we try.

And I believe the consequences of our failure are too great a peril for the American way of life.

SULTAN OF SMUT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MICHEL. Mr. Speaker, the current issue of Reader's Digest contains a remarkable and hard-hitting investigative article by George Denison which discusses the shameful and sordid career of Mike Thevis, the pornography king whom Denison aptly calls "the Sultan of Smut."

I read the article with a mixture of embarrassment and pride—embarrassment to think that such activities could make a man so rich, and pride at learning that the authorities have at last been able to catch up with him, and put him behind bars.

The trend toward permissiveness has, I think, finally turned the corner. Recent court decisions, and many new local ordinances passed in their wake are making it possible, for the first time in recent years, to put some controls on the pornography rackets, as the downturn in Thevis' career evidences.

I insert Mr. Denison's article in the Record.

Sultan of Smut

(By George Denison)

In New York's Times Square a panel truck circulates among dozens of "adult bookstores" where the driver unloads cartons filled with slick-paper magazines graphically depicting every imaginable sex act. Within minutes, clerks have piled row after row of the magazines on display shelves.

In Nashville, Tenn., a mailman enters a sleazy bookstore across the street from the Grand Ole Opry and hands the owner a packet of 8-mm. film canisters. The proprietor walks to the rear of his shop and inserts the new films in several of his peep-show vending machines. Soon, customers are popping quarters into the machines to see the latest hard-core sex movies.

In Atlanta, Ga., more than 300 workers arrive each morning at a complex of buildings and warehouses covering a full city block. There they spend the day at long tables sorting and packing thousands of sex publications and artificial penises and vaginas to be sent all over the country.

Behind each of these scenes of the nation's largest pornography network has been the power and influence of a single man—bearded, balding, 43-year-old Michael George Thevis, America's sultan of smut.

But federal, state and local police officials report that Thevis is more than a giant of pornography; he has been spreading his empire into dozens of new enterprises, ranging from trucking to music publishing, here and in 15 other countries. Thevis' legitimate businesses have included an automobile dealership, a furniture-manufacturing company, a liquor store, and mail-order cheese and fruit clubs. Among his real estate holdings are a luxury 24-story apartment building and 208 townhouses in Atlanta. During 1973–74, he poured more than $8 million into a record company, GRC, with offices and studios in Hollywood, Atlanta and on Nashville's Music Row.

The basis of Thevis' estimated $100-million wealth, however, remains the pornography racket. And a top-level police intelligence report concludes that "Thevis is backed, and ultimately controlled, by the nation's organized-crime structure." Cautions U.S. Attorney Gerald Gallinghouse of New Orleans: "In view of the record established in several trials, it would be inaccurate to classify Mike Thevis as a mere smut merchant; law-enforcement authorities have traced his continued role in a variety of criminal activities."

Riding the Boom. Born in Raleigh, N.C., Thevis was strictly brought up by his Greek-immigrant grandparents. At 17, he left home and hitched a ride to Atlanta. There he began working nights at a newsstand, going to high school by day. Two years later, he had graduated and, with $2000 in savings, opened his own newsstand. At first, Thevis built his business through the sale of newspapers and greeting cards. But soon he discovered far greater profits could be made by offering sex-oriented materials.

By the early 1960s, Thevis was publishing and distributing his own erotic books and magazines (he prefers to call them "adult materials"), and his pornography conglomerate spread from the South to the West Coast. "I rode the boom to its crest, and I made a lot of money," he says. "I'm not sorry for it."

Meanwhile, Thevis paid a price for his skyrocketing wealth. By his own admission he has been arrested 88 times by Atlanta police. Yet batteries of attorneys and a fortune in legal fees kept him out of prison until the federal government went after him in 1970. Then, within a six-month period, U.S. Attorneys in Jacksonvlle, Atlanta and New Orleans obtained four separate convictions of Thevis for shipping obscene materials across state lines and through the mails. Following the New Orleans trial, federal judge Herbert Christenberry clamped Thevis in jail—where he spent 15 days until his lawyers got him released pending appeal. Until late last year, that was Thevis' only stint behind bars. Then, following lengthy appeals, he began, in the first week of December 1974, a federal prison term which could total eight years.

Throughout his legal battles, Thevis, who prides himself on being a good family man sought desperately to win respectability and social acceptance. In 1970, he used front men to buy into the most fashionable area of northwest Atlanta. He put together a 27-acre tract and also shelled out $1.2 million in cash to build a 30-room mansion. The Thevises entertained frequently, and threw one party whose bill for flowers alone reached $10,000. He turned over his estate and swimming pool to visitors from orphanages, backed the Little League and helped finance the Atlanta symphony and Metropolitan Opera appearances in the city. His publicists saw to it that Thevis' charitable, civic and religious activities received wide press coverage. Operating his business from a posh office in downtown Atlanta, he drove a Mercedes and supplied the highly paid executives of his far-flung subsidiaries with Continentals.

The Family in Charge. Even as Thevis moved into "legitimate" businesses, police authorities were tracing his involvement with the Mafia. Crime experts have linked two Cosa Nostra families—those of Carlo Gambino in New York and Sam DeCavalcante in New Jersey—to Thevis through his dealings with such firms as Star Distributors, a New Jersey smut conglomerate run by veteran pornographer Robert "Debe" DiBernardo.

Evidence of Thevis' links to still another Mafia family was uncovered in February 1969, when FBI agents raided a Brooklyn warehouse run by the Cangiano brothers, pornographers for Mafia don Joe Colombo. There the agents seized $550,000 worth of hard-core sex material that the Cangianos planned to ship to outlets in some 12 states. Discovered were records showing that one customer for the erotic films was Mike Thevis.

Nothing better illustrates the sinister force surrounding Thevis than an incident that occurred six years ago in Las Vegas. There, attending a convention of smut distributors, Thevis was feeling expansive. He claimed that he owned 90 percent of the sex-film vending machines in the United States. This brought a sharp retort from Debe DiBernardo. "Don't forget, Mike," he said in a soft voice, "you *manage* those machines. The family is in charge!"

Thugs in Pornland. The pornography trade has been marked consistently by gangland-style violence. Police records in several states reveal a chilling pattern of strong-arm tactics, even murder, directed at those connected with smut. While authorities cannot say just how directly Thevis is tied to such crimes, consider what has happened to these people known to have associated with him in pornography traffic:

Kenneth "Jap" Hanna left Thevis' smut operations in 1969 and went into business with a New York Mafia pornographer. Their specialty was plagiarizing sex magazines, films and photographs produced by others. Early on the morning of November 13, 1970, Hanna attended what his wife later described as an "urgent" meeting with Thevis. Two hours later, someone drove Hanna's gold-colored Cadillac into the parking lot of the Atlanta airport. Stuffed in the car's trunk was Hanna, shot four times at point-blank range. The case remains unsolved.

In September 1973, James A. Mayes, Jr., a former Thevis bodyguard who had gone into the pornography business for himself, walked out of his peep-show shop on Atlanta's Peachtree Street and switched on the ignition of his truck. A dynamite blast blew the 40-year-old Mayes through the roof.

Prior to his imprisonment for burglary in 1974, Clifford "Sam" Wilson regularly carried out strongarm tactics under direct orders from Thevis' top lieutenant. Wilson testified in federal court in the fall of 1974 that he organized burglaries of pornographic bookstores owned by men forced to do business with Thevis, and shipped the books and films to stores in other cities for resale. On one occasion, Wilson said, he burned down a large smut warehouse owned by a Thevis competitor in Louisville, Ky. Afterward, he phoned the warehouse owner to warn: "This is your last chance. The next time we have something to say to you, it is going to be the children, your home."[1]

On February 3, 1974, Orlando Fla., police arrested Rodney Smith and two other Thevis henchmen for beating a former Nashville, Tenn., theater operator with a lead pipe. The three charged that the victim had skipped out with $6000 in receipts from a Thevis-owned sex theater. They pleaded guilty to kidnapping and assault with intent to commit murder.

Still in Control. As he fought to avoid prison in late 1974, Thevis waged a full-scale legal and public-relations campaign. Highlighting this effort was a bizarre press conference he held in the immense living room of his hotel-size Tudor mansion on September 19. "I want people to think better of Mike Thevis," he announced before a battery of newsmen and popping flashbulbs as his two-year-old son snuggled next to him. Thevis then offered to donate his $5-million estate to Atlanta for use as a school and to spend some $3.3 million restoring a historic Peachtree theater for public benefit.

Since the U.S. Supreme Court denied the final appeals on his obscenity convictions in July 1974, attorneys for Thevis have urged that his jail sentences be eliminated for "humanitarian" reasons. They claimed, first, that injuries sustained in an August, 1973, motorcycle accident left him so badly crippled that he could not withstand the rigors of prison life. Additionally, they maintained that Thevis had sold all his pornographic enterprises and was engaged only in legitimate businesses.

At hearings to consider reductions in Thevis' sentences, prosecutors presented solid evidence to refute both these claims. FBI agents and other witnesses testified that they had seen Thevis walking with a cane, driving a car and conducting his business in normal fashion. Despite his contention that he was physically unable to come to New Orleans and Jacksonville for court hearings, Thevis had traveled widely on business, including several visits to his offices in Nashville.

Federal agents, posing as pornography dealers in New Orleans, were recently told by Thevis associates that he still controls the area's sex outlets. Thevis himself testified that he sold all of his smut businesses in July 1974; but the so-called buyer turned out to be one Laverne Bowden, a long-time official in the Thevis operation, and authorities believe the sale to be a sham. Thevis admits that he still owns buildings in which pornographic businesses are being conducted.

As Thevis lieutenants operate the business while the smut king awaits parole from prison, his empire faces a new barrage of legal challenges. Earlier this year, Peachtree National Distributors, a Thevis company, was found guilty in federal courts in Jacksonville and Atlanta of "knowingly transporting obscene material by common carrier." Moreover, Thevis and two of his companies are being sued for $8.3 million by eight persons who claim they were defrauded in a complicated franchise scheme to manufacture tape cassettes.

Clearly, Mike Thevis has not reformed. His story is that of a man who has pried every advantage from permissive laws to enrich himself while victimizing his fellow citizens. Although he is now finally behind bars, the criminal, often violent pattern of his rise to wealth and power is a story that should concern and shame every one of us.

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[1] Thevis is awaiting trial as a co-conspirator in this case.

HOW TO GET OUR ECONOMY AND SOCIETY MOVING AGAIN?

HON. JOHN L. BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. JOHN L. BURTON. Mr. Speaker, one of my constituents, Mr. Steve Tyson, has sent me a communication setting forth his views on how we can get our economy and society moving again. I am placing this communication into the CONGRESSIONAL RECORD because I am sure our colleagues will find it provocative and helpful:

Congressman John Burton: One of the models that economists use is the Robinson Crusoe economy where a person makes everything he uses. We live in a capitalist society where one must have cash to pay for the things he uses. One cannot live off the land as Robinson Crusoe did unless, of course, you happen to own the land. We live in a society where 90% of the wealth is produced by capital and 10% by labor, and we have a situation where the concentration of wealth is in relatively few hands. Now suppose one finds oneself without money, or capital in any form, what is one to do? You can't evaporate or quit eating just because you have no cash.

It seems to me that at present middle class people are just poor folks dressed up on government money. Given the concentration of wealth, one of the functions of government is to take from the rich and give to the poor, but to give in such a fashion that the people receiving the money do something that makes them feel that they are earning the money and that they do some work that hopefully benefits society. Under the present system there are three ways to get money from the government: the lowest is "welfare" where they will give you just enough to keep you alive and that's about all; second is to go to work for them in some capacity and they will pay you an average wage; and the third way is to contract with them and hit them for a bundle. Even the cops and robbers are working for the government. The government will spend $10,000 a year to keep a person in the slammer and then when he gets out what do they give him? Nothing, so all he knows how to do is hold ups, so he gets caught again and is back in jail.

Now it's tough to be a capitalist with 50¢ in your pocket but that's the system. They don't teach "Survival in a Capitalist Society" in school. Automation puts over a million people out of work a year; but that's what we want isn't it, for the machines to do the work? If we are better off as a people working 8 hours a day rather than 12 or 16, then doesn't it follow that we would be better off still if we worked 5 hours a day? Naturally there must be some point where we can go no lower in hours worked, but it is getting lower and lower as the machines do more and more of the work.

The problem is to get the cash to the people who are capitaless so that they can buy the goods that the capital produces, and that we, as a people, are capable of producing. There is also what I like to call the air conditioned Pontiac notion of reality, wherein somehow we have gotten to the point that we believe that if he does not own or aspire to own an air conditioned Pontiac, there must be something wrong with him. Americans have reached a point that life has become continuous transport; we are either driving around in a car and being transported physically or we are behind the television set being transported temporally.

Pedestrian life in America has almost vanished, except in the cities. I'm sure that you have heard the expression "Get your feet back on the ground." My point here is that I don't believe that the government ought to try to put everyone into a Pontiac with high wages. Robinson Crusoe could not have done as well as he did without the tools that he salvaged from the wreck of the ship, and like him, we must have the tools of life to survive to produce the goods of subsistence and the goods of civilization.

What I suggest is a subsistence allotment for each and every citizen that would be adequate to provide food and shelter based on a national average, and adjusted accordingly to increased productivity of the country as a whole and to inflation. Additional consideration must be provided to account for the tools of life.

I also feel that each and every American should receive a Medicard every month that would provide for complete health care. The money for this should come from the Department of Defense on the grounds that America's first line of defense is a healthy people.

Will you please put these sentiments into legislative form and present them to the Congress.

STEVE TYSON.

ILLEGAL DISCHARGING OF UNION ORGANIZERS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MILLER of California. Mr. Speaker, I am submitting into the RECORD today an article which appeared in a recent issue of the Nation magazine which deals with a critically important issue under consideration by the Subcommittee on Labor-Management Relations. That subcommittee, which it chaired in extraordinarily able fashion by our colleague, FRANK THOMPSON of New Jersey, is considering legislation which would curtail the outrageous practice by which some unscrupulous employers fire workers engaged in union organizing activities.

Despite the provisions of the Wagner Act which declared such firings illegal over 40 years ago, the practice has continued to the present day. There are annually over 20,000 cases involving illegal discharges which are brought before the National Labor Relations Board. By 1980, the committee estimates, that figure could double.

The sad fact is that many employers engaged in such practices would rather breach the law than recognize their workers' legal union actions. The present grievance route for an injured worker takes so long that few can afford to wait to see whether the case will ultimately be resolved in his or her favor. Only 25 percent of the workers illegally discharged are ever reemployed. And although most do receive back wages, guilty employers frequently do not even mind this penalty as it is deductible as a business expense and is often cheaper than permitting the wage increases which would have resulted from unionization.

The legislation under consideration by Congressman THOMPSON's subcommittee will remedy this situation by providing more direct legal and administrative remedies for an aggrieved worker, and by increasing the costs to an employer who undertakes such illegal actions against his workers. I am grateful for the opportunity to serve with Mr. THOMPSON on this subcommittee, and believe that all workers should recognize the very great benefit which this legislation would bring, to each individual, and to the labor movement throughout the Nation.

The article follows:

[From The Nation, Oct. 25, 1975]

THE NLRB DOWN SOUTH—HOW 7,041 GOT FIRED

(By Ed McConville)

DURHAM, N.C.—People just won't believe Bruce Lemmond when he tells them he was fired for union activity. At first he didn't believe it, either. Like most of us, he had learned in school that a federal law protects the rights of workers to join unions without fear of reprisals from their employers. Specifically, Section 8(a) (3) of the National Labor Relations Act (NLRA), passed in 1935, states: "It shall be an unfair labor practice for an employer, by discrimination in regard to hire or tenure of employment . . . to encourage or discourage membership in any labor organization. . . ." Yet, forty years after passage of the Wagner Act supposedly granted workers the "right to organize," the evidence is overwhelming that Bruce Lemmond and thousands like him are still being fired for their union activities.

In 1973, Lemmond, 28, was working as a truckdriver at the Florida Steel Corp. plant in Charlotte, N.C. The United Steel Workers of America was meeting fierce resistance in its attempt to organize the Tampa-based company, which has plants in Florida, both Carolinas and Georgia. Lemmond became active in the organizing campaign; he encouraged others to attend union meetings with him and even admitted to management that he favored the union. He says his immediate supervisor tried frequently to dissuade him from supporting the Steel Workers (itself violation of the NLRA).

"Everybody up there told me they'd get rid of me for union activity," Lemmond says, but he had more faith in Florida Steel's fairness. "I never thought I'd get fired because I'd never done anything wrong." And, he reasoned, even if the company did consider doing anything rash, there was always that law.

One Thursday in June 1973, some steel fell off the back of Lemmond's truck as he drove through the plant gates. He stopped at the guardhouse to ask for help reloading it. Five men lifted the steel back onto the truck while Lemmond stood chatting with a supervisor. The work completed, he drove away, thinking nothing more about the routine mishap.

He was given a written reprimand for allegedly refusing to help load the steel back onto the truck and for talking to union organizers through the fence when he should have been working. Lemmond swears, to the satisfaction of the National Labor Relations Board (NLRB) officials, that he was not asked to help by the supervisor, who "stood there and talked to me the whole time." He acknowledges that union organizers were present outside the gate, but says he did not speak to them, realizing that "talking union on company time" would get him in trouble.

After reading the reprimand, Lemmond asked what would happen if he refused to sign it. "We can fix another one up for you real easy," he recalls a supervisor saying. "So what could I do?" asks Lemmond. "It really made me mad, but I signed it."

Upset, he asked his dispatcher if he might take the rest of the afternoon off, and the man said yes. "See you Monday," he smiled gratefully. "See you Monday," replied the dispatcher.

But when Lemmond returned to work on Monday morning, company officials contended that he had quit in anger Friday. As he tells it, "I said, 'No I never quit,'" but a supervisor answered, "It's too late now. We've already turned your vacation time in."

"There wasn't anything I could do," says Lemmond. "They'd fired me."

"It was unreal," he recalls. "When they first did it, I told my wife, 'They're crazy. There's no way they can get away with this. I might be out of work a week before they have to take me back.'"

But it has been more than two years since Lemmond and twelve other employees were discharged from Florida Steel's Charlotte operation—and seventeen months since the firings were judged illegal by the NLRB. Yet to date none of them has received any redress from the company, the NLRB, or the courts.

Their predicaments are not isolated instances of a practice that died out after the turbulent 1930s. In fiscal 1974 alone, NLRB regional offices awarded $8.4 million in back pay to 7,041 employees "discharged for union activity."

Several times that number of workers, fired for highly questionable reasons during organizing campaigns, have been unable to meet the rigorous standards of evidence required by the NLRB and the courts. For example, an NLRB trial examiner ruled against twenty-two J. P. Stevens and Co. employees dismissed en masse in 1973 for trying to ask questions during an anti-union speech given in the plant during working hours. He held that, since the twenty-two were being paid for the time they spent listening to this "captive audience" speech, they were guilty of insubordination serious enough to warrant their dismissal. Many more discharged workers never file charges with the NLRB, and countless other union supporters are harassed to the point of quitting. The NLRA does not cover employees "forced to quit," only those formally fired.

A disproportionate number of these firings occur in the largely unorganized South, particularly in the aggressively anti-union textile industry. The most notorious offender has been J.P. Stevens, the nation's second largest textile manufacturer. Over eight years. Stevens has been forced to reinstate 289 illegally fired workers, with back pay awards totaling more than $1.3 million. The NLRB has found the company guilty in thirteen separate firing cases, and none of the decisions has been overturned by the courts. Additional cases are pending. The U.S. Court of Appeals held Stevens in contempt in 1972 for refusing to comply with the court's decrees prohibiting further unfair labor practices.

While not nearly as large as Stevens, the Florida Steel Corp. has begun to amass an imposing legal record of its own. It is involved in eleven separate unfair labor practice cases, six of which entail firings for union activity. In three of these six, Florida Steel has been ordered by the NLRB or its trial examiners to reinstate eighteen illegally fired workers. It settled another case out of court, with back wage payments to five fired workers, and decisions have yet to be rendered in the two remaining cases.

Firing for union activity has increased dramatically since the early 1960s, according to Congressional reports. Why has this primitive labor relations practice again become prevalent? Basically, because it works. Labor leaders and government officials agree that getting rid of a union's more active supporters can have a chilling effect on other workers, leaving them too frightened to support the union overtly or covertly. Employers feel free to flout the NLRA's prohibition against illegal discharges because it is backed by enforcement provisions that are both too little and too late.

The Act permits the NLRB, when it finds a worker has been fired for siding with a union, to order two basic "remedies." It can order the company involved to reinstate the fired employee in his former job or a "substantially equivalent" one and it can direct that the discharged employee be reimbursed for the back wages he would have earned had he not been fired.

According to Daniel Pollitt, one of the South's leading labor lawyers, Southern textile executives laughingly refer to NLRB back pay awards as the "hunting license" they need to engage in illegal union-busting activities. Pollitt says Southern corporations willingly pay these relatively small sums time and again to avoid eventually having to pay the much higher costs of a union contract. In a 1972 decision finding Stevens in contempt of its order to stop firing union sympathizers, a U.S. Court of Appeals found that "the record here strongly justifies the inference that the company deliberately took their chance in ignoring our decrees because they thought it profitable for them to do so."

A closer look shows why the companies thing that way. Back pay awards are tax-deductible as a legitimate business expense. And if a fired employee is able to find work before being reinstated, his earnings during the period are subtracted from what the company must pay him.

Why, then, doesn't the NLRB use stronger measures to prevent illegal discharges? The board points out that, as written, "That Act is not a criminal statute. It is entirely remedial. It is intended to prevent and remedy unfair labor practices, not to punish the person responsible for them." But how can the Act effectively prevent unfair labor practices if it cannot punish those responsible? As early as 1961, a Congressional subcommittee chaired by Rep. Roman Pucinski (D., Ill.) recommended that "the knowing commission of an unfair labor practice be made penal, punishable like any other federal crime." Like many other sound suggestions to strengthen the NLRA, this proposal has been largely ignored from that day to this.

Technically, a federal Court of Appeals can impose jail sentences for contempt of its decrees enforcing board orders, but NLRB officials and labor lawyers cannot recall a single instance in the forty years of the Act's existence where a corporation executive went to jail for illegal firings.

Several amendments designed to provide the NLRA with more effective deterrents have been put forward. The Pucinski committee and later the Special House Subcommittee on Labor, chaired by Rep. Frank Thompson (D., N.J.), have recommended that government contracts be denied to employers who repeatedly violate the Act. Union leaders have pointed out that companies practicing racial discrimination are disqualified from receiving government contracts and that, in the words of a Textile Workers Union of America resolution, "It is just as serious a violation of a worker's civil rights to fire him because he exercises his right to join a union under the law.'

Such a prohibition would give potential labor law violators much greater pause than do existing back pay awards—the Act's most habitual violator, J. P. Stevens, received $10.6 million in contracts from the Defense Department alone in fiscal 1974. The $104 million in government contracts which Stevens has received since 1968 is eighty times greater than the $1.3 million it has lost in back pay awards since 1967.

The Textile Workers Union of America has proposed that chronic labor law violators be ordered to pay triple damages, as now provided for violators of the antitrust laws, or punitive damages, as now provided for willful violators of certain other laws. Both the Pucinski and Thompson subcommittees advocated amendments authorizing individuals fired for union activity to sue their employers in civil court for triple damages. At present the NLRA does not allow employees to initiative private suits for damages resulting from the loss of their jobs, although it does permit employers to sue unions for damages arising from secondary boycotts.

Besides providing a deterrent that amounts to little more than a slap on the wrist, the Act furnishes "relief"—which usually comes years too late to do the fired workers any good. Dismissed employees must wait until all appeals in their cases have been exhausted before they can return to work and collect their back pay—and confirmed labor law violators almost always appeal in NLRB trial examiner's adverse decision to the five-member board in Washington and then to the federal courts.

Some 90 per cent of the unfair labor practice rulings against employers in fiscal 1974 were made at the trial examiner level, but Southern companies like Stevens and Florida Steel have appealed every adverse firing decision to the full board and the courts. According to a penetrating Thompson subcommittee report which has been allowed to gather dust since 1968, company appeals in these discharge cases are often "merely an excuse for delay." A U.S. Circuit court has ruled that most of Steven's grounds for appeal "are entirely frivolous; all are without merit."

Pollitt, who currently serves as counsel to the Thompson Special House Subcommittee on Labor, says it takes a minimum of two and a half years from the time a worker is fired to get his case through the Fourth Circuit Court of Appeals, the circuit in which most Southern textile companies are located. He estimates that, by the time their cases are settled, only about a quarter of the workers entitled to reinstatement and back pay can even be located.

"There's very few people who will need the money years later," says Lemmond angrily. "By then they've found something else. They need it when they get fired. I needed it then. I needed it bad." Lemmond was out of work for three months, and is still paying back the money he had to borrow then from his brothers to support his wife and daughter. At that, he suffered less than did most of his fired co-workers at Florida Steel. "I was lucky, because I was younger and could drive a truck. Some of 'em weren't so lucky."

In April 1974, ten months after he was fired, Lemmond was informed that an NLRB administrative judge had found that he and twelve other workers at Florida Steel had been illegally discharged for union activity. The company appealed this decision to the full board, which upheld it in October 1974, sixteen months after Lemmond had lost his job. It then appealed the board's ruling to the Fourth Circuit Court.

During oral arguments before the court last April, a company attorney said he had just learned that a former Florida Steel supervisor, whose confession of his role in setting up union sympathizers to be fired was crucial to the trial examiner's finding, had accepted money from the union. His evidence? The statement of a company official that the supervisor in question had casually admitted this to him at the time of the NLRB hearings. A highly unlikely proposition, vehemently denied by the supervisor in a signed statement. NLRB attorneys opposed the company's request that the court send the case back to the board to adduce further evidence on the supervisor's motivation for testifying against his former employers. Nevertheless, this June, two full years after Lemmond's firing took place, the court remanded the case back to the board for further testimony. "I can't believe the court bought it," said an NLRB official privately. In his opinion, "the company was just bluffing at the last minute to gain time."

In any case, the hold of additional hearings before a trial examiner, the issuing of another board decision and the rendering of a final court ruling is certain to consume at least another year, by which time Lemmond and his co-workers will have been waiting at least three years for relief.

"I can't understand why the courts are so slow," said Lemmond. "I wish I had a pile of money and could hire smooth lawyers to stall for me like the company. The labor board proved they were wrong, but they're a big corporation, so they're not wrong, they don't have to pay. If they had sued me for three months' pay and won, how long do you think the judge would give me to pay?"

While Lemmond says he would risk his job again to fight for a union, some of the Florida Steel employees fired with him are not so sure. "I'm still in favor of unions," said Eric Swanson, an articulate 29-year-old college dropout, "but if I was put in the same position again, where I was forced to lose another job, and to lose this amount of time and money, and to undergo this degree of disappointment, I doubt that I would take the same chance again."

Much attention, but little action, has been devoted over the years to the inadequacies of the Act's remedies for illegal discharges. In 1959 a panel of legal experts advising then Sen. John F. Kennedy on labor law reform, commented that: "In labor-management relations justice delayed is often justice denied. A remedy granted more than two years after the event will bear little relation to the human situation which gave rise to the need for government intervention."

Representative Thompson has worked conscientiously for the last decade to overcome Congressional indifference and hostility to any measure that would put teeth in the Act. In 1968 his Special House Subcommittee on Labor suggested several thoughtful legislative solutions to the problem of delay, none of which aroused much enthusiasm in the full House. One proposed amendment would have reinstated any employee, pending appeal, after a trial examiner had determined that he had been fired for union activity. That would keep an illegally fired person out of work for about six months—an unhappy prospect, but better than three or four years. Another proposal would have made an NLRB trial examiner's decision in a firing case final within the agency, though still subject to appellate court review. The full board would have reviewed a case only if at least two of its members thought the decision contained serious procedural errors. Yet another amendment would have created a "subsistence fund," from which the government would lend a fired worker money until his case was settled.

Encouraged by the election of a liberal majority in last November's Congressional elections, the Thompson panel is again holding hearings on the NLRA's inadequate protections for fired workers. It plans to report out two bills incorporating some of the proposals discussed here, to make the Act's deterrents more effective and to bring quicker relief to illegally discharged workers.

The bills face an uncertain future this session, with other, better publicized measures claiming higher priority among legislators. But whether the situation receives attention from the media or not, the fact remains that many American workers still are not free to make an uncoerced choice about whether or not to join a labor union—a right the National Labor Relations Act supposedly guaranteed forty years ago.

LOCKS AND DAM 26—A VIEW FROM THE WATER CARRIERS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. OBERSTAR. Mr. Speaker, one of the many great debates which has confronted Congress in the past, and will again—possibly next spring—is the question of whether or not to replace the locks and Dam 26 at Alton, Ill., on the Mississippi River.

I think it is not too early to begin getting this debate on record, letting all sides in the controversy present their views in reasoned and factual, if spirited, debate.

To this end, I am including for the Record the remarks of John W. Lambert, of the Upper Mississippi Waterway Association, to the Ohio Valley Improvement Association, presenting the case of construction of the new facility.

I invite, encourage, and will place in the Record, the views of other groups on this complex project, so each Member will have all the facts, all the viewpoints, on which to make a judgment before the issue reaches the House floor.

The article follows:

STATEMENT BY JOHN W. LAMBERT BEFORE THE OHIO VALLEY IMPROVEMENT ASSOCIATION

There is today a great battle raging over the reconstruction of Lock 26 at Alton, Illinois. But, Lock 26 is not the real issue, it is just the pretext for the war of attrition that is coming. The opening battle could just as easily have been joined at Gallipolis.

The gut issue here is the survival of water transportation as a highly efficient and economic competitor to rail transportation.

Let there be no question that waterborne commerce has become a critical factor in the movement of essential commodities. This success has apparently been our one failure.

In a study recently completed by the Upper Mississippi Waterway Association, it was shown that 56 percent of the export grain moving from the Upper Mississippi Basin is transported by barge, 14 percent by the Great Lakes, and the remaining 30 percent by rail. (Note that the inland waterway system moves 70 percent of our export grain from the Basin.) Over 40 percent of all the fertilizer moving into this agriculturally rich region is moved by barge, 28 percent of all refined petroleum products (70 million barrels) move by barge, with pipelines being the primary carrier at 60 percent of the total. The railroads barely count in this latter category.

The barge industry also is responsible for transporting 58 percent of the coal consumed by six Basin public utility systems serving five million people—over a third of the the Basin's population. The logistical need and the economic importance of this waterway mode is self-evident.

Our Study further proved that the river mode is predominant over rail in several other vital comparisons:

1. We are less energy intensive. River commerce moves at a level of over 400 ton-miles to the gallon of diesel fuel, while railroads achieve slightly over 200 ton-miles to the gallon.

2. A comparison of safety records shows the waterways to be infinitely safer for employees and the public.

In 1973, rail accidents reached a 16-year high and increased by 24.7 percent over the number of accidents in 1972. The statistics are grim: 1,916 dead, and 18,234 injured.

U.S. Coast Guard statistics for the same year show incidents involving just over 500 vessels operating on the Western Rivers with only 68 accidents resulting in 26 deaths and 16 injuries.

The National Transportation Safety Board calculated the six-year average of freight transportation fatality rates for 1963–68—the most recent figures available. They found that per billion ton-miles, railroads had 2.5 deaths, while marine transportation had .31, and petroleum pipelines had .011. Federally regulated highway transport topped the list with 10.9 deaths per billion ton-miles.

In the area of accidental pollution, the railroads again win the prize. Data on file for all liquid spills reported in 1973 indicates that spills from tank barges were 1,500,000 gallons or 7.6 percent of the total. Railroads accounted for 450,000 gallons or 1.8 percent. Considering that pipelines move the largest majority of liquid products, with water carriers a strong second, and rails a poor third or possibly fourth, the record of the nation's tank barge operators is obviously far superior to the railroads.

A recent intensive study by the Arthur D. Little Company concluded that the waterway industry was the best regulated from a safety standpoint, and the movement of hazardous commodities by water was substantially safer for the public and the environment.

3. The UMWA Study also reviewed the capital efficiency of barge vs. rail, and the railroads came up short again. The Study proved that the barge is 285 percent more capital cost efficient per ton of carrying capacity. And steel resources devoted to barge construction permits 61 percent greater cargo carrying capacity per ton than steel resources devoted to rail.

Now that we have completed the first phase of embarrassing the railroads, let's discuss Lock 26. Never has so much misinformation been doled out in such great quantities and with such evangelistic fanaticism. Winston Churchill must have been talking about the Western Railroad Association, The Sierra Club, and the Izaak Walton League when he said, "A fanatic is one who can't change his mind and won't change the subject."

The reconstruction plan of the Corps of Engineers proposed an 18 foot sill depth. This was not a design criteria arrived at casually or through some plot, but rather it was based on the hydraulic engineering requirements for displacing sufficient water to pass a 15-barge tow and substantial ice through the chambers with maximum efficiency and minimum risk from ice damage.

This sill depth measurement has been the thread from which the environmentalists and the railroads have woven the hysterical fable of a 12-foot channel all the way to Minneapolis—a distance of 650 miles.

In the first place, the Corps of Engineers themselves, at the request of Congress, completed a study of the feasibility of a 12-foot navigation channel on the Upper Mississippi and the Illinois Waterways. This 1972 Study concluded that such a project was not economically justified. They did find economic justification for a 12-foot channel on the Illinois Waterway.

But, quite apart from what any study might show, the decision to build or not to build any structure or any project is solely in the hands of the Congress of the United States. And the appropriation of funds is also their sole prerogative. The attempt by the Sierra Club and the Western Railroads to convince the public that the Corps and a handful of barge operators are going to sneak a 12-foot channel into the Upper Mississippi is nothing short of an outrageous absurdity.

Even if some clandestine plot like this were in the works, how do we extract the funds from Congress? And if it takes 10 years to rebuild each lock on the Upper Mississippi, our devious scheme will unfold in 250 years. Even if we "conspirators" could take over the government and cut the construction time in half, my goal would be realized when I am 196 years old.

One of the other "big lies" that the railroads and their pals are using (and to great advantage, I might add), is the line that "we don't need a new Lock 26—just patch up the old one for about a fourth the cost. Now, this is a very compelling argument to a Congress and an Administration inundated with appropriation demands and fighting an ever increasing Federal deficit.

What the Congress, the shipper, and the public do not understand is the engineering uncertainties and the incalculable time frame for total traffic disruption involved in rehabilitation. (And I am compelled to say to my friends at the Corps that they have done a poor job of articulating this matter.)

The rehabilitation of old Lock 26 is like a job of exploratory surgery. First, they would have to immobilize the patient. In this case that means driving a sheet pile cofferdam around both chambers. You can't cofferdam one chamber at a time. That is an accepted engineering fact.

So, once the patient is made non-functional, the chambers are dewatered so that the true extent and nature of the physical disability can be ascertained. Only then can the Engineers make a proper assessment of the cracks, leaks, scouring, and the shifting and tilting of those mountains of concrete. Just arriving at that point of assessing the repair job will take months.

If the rehabilitation is then deemed to be reasonably simple, the effects on commerce could still be devastating. Lock 26 might be closed for a year. If the rehabilitation is extensive, it might be closed for up to three years. No one knows the cost of that patch-up job, it could be as little as $100 million, but it could just as easily be $250 million or more. But even if it makes fiscal sense to do a $250 million repaid job rather than a $400 million reconstruction of a new lock, what has been the cost of the closure of two river systems, the Upper Mississippi and the Illinois, and the residual effects on the rest of the river systems?

I wonder if we could properly weigh the effect on the shipping public, the loss of jobs, the dislocations in energy and agriculture? And even if all that counts for nothing, as it does by Sierra Club methods of accounting, what will have been achieved in the final analysis is the rehabilitation of a bottleneck.

The railroads have been the architects of the "big lie" that a new Lock 26 will seal their financial doom. If they have been dealt a mortal blow, it came long before this and the fatal wound was largely self-inflicted. They have just been slow bleeders. They have conducted a veritable exposition of business mismanagement.

While average car capacity has increased from 46.3 tons in 1929 to 70.5 tons in 1973, the size of the car fleet has shrunk from a peak of 2.6 million cars in 1929, and near 2 million as early as 1958, to 1.7 million in 1973. Gross carrying capacity of the fleet is, therefore, virtually unchanged over 44 years.

As the car fleet has dwindled, so has the trackage covered by the railroads. From a high of 386,000 miles in 1939, total railroad trackage in the U.S. has been reduced to 328,000 miles in 1973, a 15 percent reduction. Current plans offered by the U.S. Railroad Association call for the abandonment of over 6,000 miles of additional lines unless they are subsidized.

A lack of demand has not been the cause of the rails' financial plight. Revenue ton-miles for Class I railroads has increased by 37 percent from 1963 to 1973. Gross freight revenues over the same period increased by 69 percent. But, skyrocketing labor costs, losses on passenger operations, and long deferred maintenance of right-of-ways and equipment took an inevitable toll from profits of rail operations. Gross after-tax income peaked in 1966 and, after a precipitous decline in 1970 recovered, but was still 14 percent lower in 1973 than it was 10 years previously.

Despite a steady decline in the financial condition of the railroad industry as a whole, it is interesting to note that cash dividends have remained at roughly the same high level for years. Over $409 million was paid out in 1972 and $405 million in 1973. While it is true that the rate of return has declined, the dollar amounts of dividends are enormous and raise a question as to the prudence of management, which maintained dividend levels at the expense of allowing plant maintenance to fall below needed levels.

It was not competition that brought the railroads to their present predicament, but largely their own mismanagement, misuse of depreciation, executive opulence, customer indifference, and a refusal to adjust to the changing needs of shippers and markets.

Many of the railroads didn't have to be good transportation managers, they could rely on their endowment—the land grants. It's a little like marrying a rich woman. The pressures for excelling at business are far less compelling.

I know there is great gnashing of teeth among railroad executives and their apologists when the subject of land grants is raised. They say they paid that bill many years ago. They argue that the land was only worth about $500 million and their favored rates to the government for many years paid the cost twice over. If that is so, isn't it strange that in 1974, just that one year, 13 major railroads had extra pre-tax net income from sources other than rail transportation business of almost $500 million.

In truth, their land grants have been an endless gusher of wealth, and the benefits have run into the billions. The railroads paid for those land grants about as equitably as we paid the French for the Louisiana Purchase or as we paid the Czar for Alaska.

The railroads should quit feeling so self-conscious about the land grants. They don't have to continuously justify being given a 130 million acre gift and all the timber, minerals, oil, gas, coal, and real estate business that went with it. Those grants were necessary in their time to stimulate the national economy and provide a right-of-way that private capital could not have built.

In exactly the same fashion the government, with the acquiescence of the public, built an interstate freeway system. The trucking industry couldn't have financed it. Similarly, the government built and financed the U.S. Airways System, a network of navigational and air traffic control complexes that commercial aviation could not possibly have financed. And with the same fundamental logic, the government created a system of inland waterway transportation. And the citizens of the U.S. use those same public right-of-ways to drive their millions of cars, fly their 140,000 private aircraft, and boat, camp, fish, and hunt, in the case of the waterways.

In short, Congress, in its wisdom, and with the clear mandate of the public, has chosen at various times in our history to subsidize one or another form of transportation "to advance the aims and purpose of government."

Now comes Mr. William T. Coleman, Jr., the new Secretary of Transportation. His talent for making incorrect decisions based on improper facts is positively uncanny. He is absolutely undaunted by his lack of historical or technical perspective in the matter of transportation. Like the comedian, Professor Irwin Corey, Mr. Coleman could bill himself as "The World's Foremost Authority." The Wall Street Journal calls him the "Wild Man of Transportation." And they quote a railroad executive as saying, "Fortunately, he's our wild man."

Now I know that Mr. Coleman is a distinguished lawyer, has served as a United Nations' Delegate, has been a member of several commissions and investigative groups. And I am certain he is a good American and a fine upstanding citizen. But nothing in his background has prepared him to attack the nation's complex transportation policy problems in the biased, free wheeling, hip-shooting fashion he has exhibited.

Almost at the outset of his administration of DOT, last Spring, Mr. Coleman showed his amazing lack of objectivity. When asked by the Senate Public Works Committee to conduct an advisory study on the Lock 26 problem, he responded to Senator Magnuson that he would have his staff hop right to it, but said that he was confident the railroads could handle all sorts of river tonnage because they had so much excess capacity. He had arrived at the conclusions before the study had commenced.

I was one of those individuals who was summoned to Washington, D.C., to be questioned by a lot of theoretical economists and railroad agency bureaucrats who were doing this so-called study. Here is the product of that 120-day exercise. It has all the polish of a crash course in brain surgery.

The summary arrived at in the DOT study, of course, had to track with Mr. Coleman's pre-ordained conclusion. Hence, the summary contains some extraordinary findings. Time doesn't permit me to regale you with all of them.

First of all, there is a criticism of the Corps of Engineers' water-rail grain rate differential evaluation on the ground that "prior and subsequent movements by truck are often ignored." If that seems confusing, your thought process is functioning perfectly. It is an irrelevant and meaningless criticism. How in the hell do those heavy thinkers at DOT think any grain gets off the farm, whether to a rail sub-terminal or a water terminal, if not by truck.

And is there the slightest awareness at DOT that there is more grain now being stored on the farm than in commercial elevators? Do they know that more grain is being trucked then railed to the river and the head of the Lake's terminals? Do they know that this situation is being forced on the agricultural community by the relentless abandonment of rail branch lines? Do they know that the railroads are concentrating their efforts only in the areas of highest traffic density, so that they might maximize their efficiency, thereby abrogating their competitive right to vast amounts of export grain traffic?

The DOT summary again criticizes the Corps for attempting to forecast traffic flows 50 years in advance. Now there is a brilliant statement coming from a lot of people with master's degrees in economic forecasting. Apparently, the new slogan at DOT is "think small."

The DOT summary says that increased waterway capacity is "contrary to a basic principle of our National Transportation Policy." Indeed. Where is that written? I believe it is a matter of law that Congress will establish the National Transportation Policy.

The DOT review of rail and water carriers fuel effectiveness was so inept that they could not even properly present the various studies in one table. The entire subject was apparently so confusing to them (and generally uncomplimentary to the rails) that they said "... intermodal comparisons of energy intensiveness are at best, inconclusive. At worst, they divert attention away from the more significant intermodal economic issues." In other words they didn't like the results, so this particular issue of energy intensiveness became unimportant.

Most of the remaining conclusions and recommendations of the DOT summary relate slyly or directly to the burden of the waterways on the poor taxpayers. And as a matter of fact, when we were being interrogated by the authors of this alleged study, they weren't seeking to be informed. They were jousting with us over user tolls, and that was the theme from start to finish.

While seeking billions in aid for the railroads ($16 billion by 1980, according to the plan embodied in the R. R. Revitalization Act), Mr. Coleman is assailing the highway and water transport industries for having some sort of unfair advantage because of Government investment in our public right-of-ways. And while actively pursuing the deregulation of railroads as an act of economic efficiency, there seems to be a concerted plan at DOT to impose more layers of regulation on the waterways—the safest of all modes. We hear rumblings of monstrous systems of vessel traffic control, vast computer networks, and great fleets of 4–5 million dollar jet planes. With all of this, the U.S. Coast Guard will direct every twitch of water commerce, even though it is unnecessary, unwanted, and outrageously extravagant.

Mr. Coleman's plan, in a nutshell, is pretty simple. It consists of bringing all modes of transportation to the same level of mediocrity, removing all inherent advantage, removing all incentive for competition, and letting the shipping public suffer the effects in high cost or logistical breakdown.

From the exquisite isolation of the Nassif Building, I wonder if Mr. Coleman and his merry men know that there are already grain car shortages in the Midwest? I wonder if they know that grain is being piled in the open for lack of rail cars—not a lack of barges? Do they comprehend that there is an energy crisis and that just in order to keep up with the nation's normal growth problems, our various transportation systems are going to have unprecedented demands made on them in the immediate future? I believe that Mr. Coleman has his mind made up and doesn't want to be confused by any facts to the contrary.

Ladies and gentlemen, if you are informed or stirred by the speakers you will hear at this great convention, then I beg you: don't savor that feeling of fervor, like a cold beer on a hot day, go share it with your Senators and Congressmen. There are a lot of good people on Capitol Hill wanting to be informed and desperately desiring to make the right decisions for the future. They can't make those policy decisions in a vacuum or based on the views of one party to a dispute. And make no mistake, this battle for a transportation monopoly or a balanced competitive system will be won or lost in the Congress of the United States.

OUR VIOLENT SCHOOLS—PART II

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. BIAGGI. Mr. Speaker, I am pleased to insert the second in a three part series in the New York Daily News on the problems of school violence in the city of New York. The article today focuses on violence against teachers by students and the basic lack of protection they have to prevent it.

The article discusses a little known but very serious contributor to the school violence problem, namely the inability of school officials to accurately know in advance which of their students might have a history of violence outside of the school. The reason by law family courts are not allowed to reveal the outcome of juvenile cases.

Another problem facing school administrators is lax record keeping within the board of education where school records containing reports on children involved in school violence are not transferable from school to school.

Finally, the article discusses the city's 18 special schools for problem students known as the "600" schools. In these facilities, students involved in school violence receive extensive counseling and psychological help. The problem is that the schools only can take care of a total of 7,500 students far below the numbers of children that are actually involved in school violence.

It is imperative that this Nation begin to address itself to this national problem. Efforts should be made to adequately fund the Juvenile Justice Act of 1974 and place special emphasis on providing re-evaluation to students engaged in acts of school violence.

Mr. Speaker, the quality of education in this Nation is deteriorating due to school violence. Many qualified teachers today shun assignments in our major cities because of their fear of violence. It is a grave situation. I hope my colleagues will give this article their closest consideration and develop suggestions on ways to end the problem of violence in America's schools:

[From the New York Daily News, Nov. 11, 1975]

THE BATTERED TEACHERS

(By Judson Hand)

She seemed a quiet, friendly girl. And Sheila Gutter, the dean at John Adams High School in Queens, liked her. One day Mrs. Gutter asked the girl to write out an account of a classroom fracas in which the girl had taken no part.

"She went all to pieces," says Mrs. Gutter. "With a policeman standing by, she wheeled and smashed me with the heel of her hand, breaking my cheek bone and injuring my nose and eye. I had been taken completely by surprise."

What Mrs. Gutter did not know was that the girl had twice been transferred out of other schools because of disciplinary problems—once for assaulting another teacher. When the girl arrived at John Adams, school records of her past violence did not accompany her; so Mrs. Gutter had no way of knowing she was dealing with a deeply disturbed student.

Nor did Susan Hutchner, who suffered cracked vertebrae when she was pushed hard into a metal chalk tray by a third grader with a history of violence.

Such mix-ups are all too common in the city's public schools and are a major reason for the continued rise of violence in the class-rooms.

Instead of the psychological help and discipline they need, the problem kids frequently get transfers to schools which are not geared to coping with their disruptive ways. Too frequently, the kids repeat their pattern of violence in the new schools.

KEPT IN THE DARK

In addition, there are students who have relatively clean records in school but histories of violence out of school. In dealing with such cases, the schools are, more often than not, kept in the dark by Family Court procedures.

By law, Family Court is not allowed to reveal how juvenile cases are disposed. Therefore, teachers are often not told that they have a young mugger or robber in their classrooms.

Furthermore, once a kid does get violent in school, it's difficult, if not impossible, for a principal to act decisively. After he has given the kid two five-day suspensions, he must arrange a superintendent's hearing if he wishes to take more drastic action. Since these hearings involve lots of paperwork and red tape and since the accused student is entitled to counsel at such a hearing, principals prefer to have the disruptive kid quietly transferred to another school.

"This game of musical chairs solves nothing," comments Dr. Delius Wilson, principal of Boys and Girls High School in Brooklyn, which is currently experiencing a wave of violence. Dozens of teachers have been attacked or threatened, a girl has been stabbed and fights between students have become commonplace.

If a kid is charged with a crime in school and turned over to the police, chances are he won't be put away for long. About half of the juveniles arrested are, in effect, able to cop pleas and have their cases adjusted or dropped before they ever come to Family Court.

As a result, points out Jeremiah McKenna, formerly general counsel of the New York State Select Committee on Crime, many young killers and practically all of the juvenile rapists, robbers, burglars and drug offenders have been released by the courts back into the school system.

One alternative is for a principal to arrange to send a disruptive kid to one of the city's 18 special schools for problem students, the so-called "600" schools. In such schools, classes are small and students receive extensive counseling and psychological help. They are closely watched, and even escorted, in some instances, to subway stops to forestall trouble.

"Kids do learn at 600 schools," contends Ruben Birnbaum, who teaches science at one of them. "We concentrate on reading and the other basics while we attempt to help students straighten out their heads."

The catch, however, is that these special schools enroll only about 7,500 children. They are far too small to accommodate today's bumper crop of violent and deeply troubled kids. And other programs which are designed for disruptive kids are also woefully inadequate. Furthermore, many such programs have been sharply reduced or discontinued altogether because of recent cuts in the school budget.

In a dim hallway at Boys and Girls High School I talked to a former troublemaker who said that "hard times" and not special programs were what had turned him into a serious student.

"See that?" he asked, displaying a report card in which he had been given satisfactory marks in all subjects, including English, math and social studies. "You'd never know I practically never went to school at all in junior high."

He said he and small groups of other truants used to threaten smaller kids on their way to school, sometimes with a pocket knife, and extort their lunch money from them.

"We wanted the money," he explained. "Besides, it was exciting and, in a group like that, you don't feel guilty. We never did get caught. It was easy."

"We never really hurt anybody," he added with a laugh, "but we sure shook up some kids."

Now, said the youth, he's worried about getting a good job in today's recession "and so I figure I'd better learn something at last."

DON'T THINK AHEAD

When asked if he thought some of his confederates in the rip-offs might reform, too, he said: "Naw. Most people won't think five minutes ahead. They need something special to open their eyes, know what I mean?"

Some school violence can be prevented with greater school security. Some young thugs can be reformed in special programs. A few, like the youth at Boys and Girls High, may reform themselves. But the basic question would remain unanswered: What has caused the increase in school violence?

It is a question for which there are almost as many answers as there are shades of opinion. However, at U.S. Senate hearings last summer on U.S. school violence, these trends were evident:

Teachers tended to blame much of the violence on a lack of parental discipline.

Parents tended to divide into two camps. One group said teachers were too rigid. The other said they were too lenient.

Many parents and teachers agreed that some of the school violence is the inevitable consequence of social ills outside the schools, such as poverty, the drug culture and crime on the streets.

Parents and teachers alike kept referring to the prevalence of violence on TV as a possible incitement to violence for impressionable kids.

Whatever the cause, most parents would agree with Mrs. Gutter of John Adams High School, who says: "It may take some time to remedy the environmental causes of violence. Meanwhile, life and school must continue. We have to do the best we can with what we've got."

To Mrs. Gutter and others, this means finding alternative ways to educate disruptive children with a high potential for violence, beginning in the earliest grades and continuing until these children can fit into regular classes.

"We have no choice but to compensate for the life these problem children live outside the school," she says.

The problem with Mrs. Gutter's kind of solution is that it requires money, lots of money, at a time when school budgets are shrinking so drastically that regular school programs can be maintained only with difficulty.

IGNORING COMMUNIST BLOODBATH IN SOUTHEAST ASIA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. CRANE. Mr. Speaker, while the United Nations speaks harshly about Zionism and Israel, and regularly condemns such countries as Taiwan, Rhodesia, and South Africa, world opinion remains almost completely silent about those real flights into barbarity which are taking place in today's world.

South Vietnam is today being victimized by a brutal Communist regime which does not hesitate to slaughter all those who do not fit into its own scheme for the future.

The British journal, Weekly Review, recently reported that:

> According to information received from South Vietnamese intelligence officers still operating underground in the Saigon area, more than one million South Vietnamese are expected to be executed before the bloodbath ends. Communist counter-intelligence and security personnel are now preparing the groundwork for a massive liquidation to be carried out in the Saigon area. The targeted people will be quietly collected and executed at designated locations outside Saigon.

Columnist Ernest B. Furgurson notes that the world has completely ignored reports about "land reform" which is now taking place in South Vietnam. He writes that:

> In South Vietnam now, as in Russia, China and North Vietnam before, genuine land reform is a legitimate, indeed desperately overdue process. The bland announcement from Saigon that such a program has begun may mean no more than what it says. The negative reference to "Vietnamese traitors" who received land under previous gestures toward reform may merely mean they are being stripped of their rice patties. Or it may class them together with the kulaks of Russia and the landlords of China—classes that ceased to exist.

Mr. Furgurson laments the world's double standard and notes that:

> Either way, it is nothing to get excited about—hardly anything to squeeze into the paper. Just history, taking another step. Occasionally it steps on people.

The American people sacrificed thousands of men and billions of dollars in an effort to prevent tyranny from taking over South Vietnam. Now, neither Americans nor others in the world seem concerned about the unfortunate fate of the South Vietnamese people. We who live in freedom forget that the bell, in the long run, tolls for us as well.

I wish to share with my colleagues the thoughtful column, "Communist 'Land Reform': Dare We Say 'Bloodbath'?" as it appeared in the November 2, 1975 issue of the Baltimore Sun and insert it into the RECORD at this time:

COMMUNIST 'LAND REFORM': DARE WE SAY 'BLOODBATH'?

(By Ernest B. Furgurson)

WASHINGTON.—It made barely a blurb on the wire, and did not squeeze into any of the papers read here. One reason is that it was phrased in officialese. It avoided the word "bloodbath," which excited so much hard feeling last spring when Saigon was falling.

Instead it said objectively that the "Communist government in South Vietnam has begun new land reforms . . . the local government of Huong Thuy district near Hue has redistributed land to more than 10,000 farmers and confiscated that occupied by 'Vietnamese traitors'" who received it under the Thieu regime.

There was no stated connection between that dispatch and the one a few hours earlier, one that did get brief shrift in the local journal. It was attributed to "intelligence reports," which is not a very fashionable source in Washington this year. Those reports, it said, "indicate that repressive measures against dissidents in South Vietnam are more intense now than at any time since the Communist takeover. . . ."

"Officials here," which could mean a desk officer at the CIA or somebody's favorite lieutenant colonel in an inner ring of the Pentagon, reportedly had no clue about just how many persons had been affected by these "repressive measures." "But they say there has been a marked increase over the past month in reports of executions, of dissidents killed in 'automobile accidents' and of persons not returning from Communist re-education classes."

Easy, of course, to brush off such a report as just another scare story by spooks or hawks trying to justify their earlier propaganda. There was no provable bloodbath immediately after Saigon fell, and now the cold warriors are trying to invent one six months later. Possible. But consider history.

In the course of Communist revolutions and civil wars in this century, the elimination of undesirable elements in the population has not normally come with or directly after military success. It is not a spontaneous undertaking. It takes months often years, to decide systematically just who is a traitor, a capitalist, an undesirable element. Seeing that they inspire no further trouble comes under the heading of "consolidation of the revolution."

In Russia, it came in growing waves, first the repression of the kulaks (richer peasants) between the Revolution and the Civil War of 1921–22, then the huge condemnation of peasants to execution or concentration camps during the collectivization of agriculture in 1928–32, then Stalin's excesses during the purge years of the later 1930's. At the height of the purge, 1936–38, some 8 million were arrested, of whom about a million were executed and perhaps another 2 million died in prisons.

In China, estimates of the dead run from 2.8 million to 10 million. Those were village leaders, members of landlord families, Nationalist party members, industrial and commercial bureaucrats, and assorted others. The catch-all word to describe their fate is "liquidation."

In North Vietnam, one estimate projected from executions at the village level is that about 5 per cent of the total population died in the process of land reform. The figure is not checkable, and very likely is high. But one aspect of it is true to precedent: "Land reform" has been so inevitably accompanied by mass arrests, executions and repression that it can be read almost as a synonym for those measures.

In South Vietnam now, as in Russia, China and North Vietnam before, genuine land reform is a legitimate, indeed desperately overdue process. The bland announcement from Saigon that such a program has begun may mean no more than what it says. The negative reference to "Vietnamese traitors" who received land under previous gestures toward reform may merely mean they are being stripped of their rice paddies. Or it may class them together with the kulaks of Russia and the landlords of China—classes that ceased to exist.

Either way, it is nothing to get excited about—hardly anything to squeeze into the paper. Just history, taking another step. Occasionally it steps on people.

A BILL TO BAN INTERLOCKING DIRECTORATES AMONG LARGE CORPORATIONS

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HARRINGTON. Mr. Speaker, in 1912, a congressional committee reported:

> When we find common directorship in banks and other businesses located in the same area and representing the same class of interests, all further pretense of competition is useless.

Two years later, in an attempt to preserve competition among major American corporations, Congress passed the Clayton Act. Section 8 of this legislation provides that—

> No person at the same time shall be a director in any two or more corporations . . . if such corporations are or shall have been theretofore, by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

However, this narrow provision does not forbid indirect ties among competing corporations. For example, it is perfectly legal for two competing firms to each have a director on the board of a third business entity which has business ties with both of them. The effect of these interlocks may inhibit competition among all three companies.

In fact, in 1969, a Federal Trade Commission report on corporate mergers maintained—

> The existing law on interlocking directorates is inadequate, and interlocks among our great corporations are especially inimical to competition because the economy has become increasingly concentrated among a few hundred corporations.

The gregarious nature of American industry is well demonstrated by the extent of indirect interlocks among major petroleum companies.

Another FTC study released last year claimed that the U.S. eight largest oil firms are, to some extent, "commonly rather than independently owned." For example, the FTC pointed out that the Chase Manhattan Bank, through various nominees, is both the largest shareholder in Atlantic Richfield and the second largest shareholder in Mobil. The FTC reasoned that it is certainly not in the interest of Chase Manhattan to promote vigorous competition between these firms.

The practice of having directors of oil companies serve on the boards of directors and advisory committees of our American financial institutions is widespread.

For example, "Interlocking Oil: Big Oil Ties With Other Corporations," a study authorized last year by Angus McDonald of the Center for Science in the Public Interest, found the major, integrated oil firms to be sharing 163 indirect interlocks—in which, theoretically, competing entities have members sitting as directors on the corporate boards of third parties.

McDonald discovered the following:

> The Bank of America, largest in the United States, has a total of 16 directors, 4 of whom are oil men. Another oil executive is a member of the bank's advisory committee. The individuals are:
>
> E. Hornsby Wasson, director of Standard of California;
>
> John G. McLean, director of Continental;
>
> Chauncey J. Medberry, III, chairman of Getty Oil;
>
> Robert DiGiorgio, director of Union Oil;
>
> Prentiss Cobb Hale, director of Union Oil.
>
> Chase Manhattan, the second largest bank in the United States, has a total of 25 directors, four of whom are oil men. Another oil man is a member of Chase Manhattan's advisory board. The individuals are:

John Kenneth Jamieson, chairman and chief executive of Exxon;

William P. Tavoulareas, director of Mobil;

William A. Hewitt, director of Continental;

Robert O. Anderson, director of Atlantic Richfield;

John E. Swearington, chairman of Standard of Indiana.

The First National City Bank, third largest in the United States has a total of 26 directors, three of whom are oil men. The individuals are:

Albert L. Williams, director of Mobil;

William I. Spencer, director of Phillips;

William G. Gwinn, director of Shell.

The Morgan Guaranty Trust Company, fifth largest in the United States, has a total of 24 directors, four of whom are oil men. Another oil man is a member of the advisory committee. The individuals are:

Bert S. Cross, director of Exxon;

Emilio G. Collado, director of Exxon;

Elmore C. Patterson, director of Atlantic Richfield;

Thomas G. Gates, director of Cities Service;

J. Paul Austin, director of Continental.

The Chemical Bank of New York, sixth largest in the United States, has a total of 22 directors, four of whom are oil men. Five members of the advisory committees are also oil men. The individuals are:

Ralph Warner, Jr., chairman of Mobil Oil;

James G. Riordan, director of Mobil Oil;

T. Vincent Learson, director of Exxon;

Howard W. McCall, director of Texaco;

Monroe Edward Spaght, director of Shell;

H. I. Romnes, director of Cities Service;

William C. Renchard, director of Amerada Hess;

William S. Boothby, director of Getty Oil,

Joseph A. Thomas, director of Getty Oil.

In all, 132 of the 450 oil firms interlocks, McDonald found, involve banks, and another 31 involve insurance companies, which has especially ominous implications for competition.

In order for a company to enter the petroleum industry, or any highly capital intensive business, enormous amounts of capital are required. As I have indicated, financial institutions capable of funding such endeavors share common concerns with the large vertically integrated oil firms. Hence, for these banks to finance a new corporation interested in competing in the petroleum industry would not at all be in their best interests. Thus, as the independents find it increasingly difficult to get the requisite financial assistance, the prospects of increasing competition become increasingly limited.

Management interlocks are not limited to the oil industry. Neither are the anticompetitive implications of such interlocks. In 1965, the House Antitrust Subcommittee conducted a study on interlocks in American corporations generally. Although this study is 10 years old, its findings and conclusions undoubtedly suggest the magnitude of our current problem. In 1965, the 26 directors of General Motors Corp. held management positions in 22 banks and financial institutions, 4 insurance companies, and 32 industrial-commercial corporations. Through its directors, General Motors has two ties each with Melon National Bank & Trust Co., Canada Life Insurance Co., A.T. & T., International Nickel Co. of Canada, Ltd., and Gulf Oil Corp. In addition, it had single interlocks with United States Smelting, Refining and Mining Co., Gillette, Rail Trailer Corp., Gar Wood Industries, Harshaw Chemical Co., and Jones and Laughlin Steel Corp.

The study indicated that the Ford Motor Co. had 19 directors who took part in the management of 12 banks and financial institutions, 3 insurance companies, 38 industrial-commercial organizations, and 3 other companies which included a link with the New York Stock Exchange. Among the banks and financial institutions, members of Ford's management participated in two interlocks each with Morgan Trust Co., One William Street Fund, Inc., and there were three interlocks with Federal Street Fund. Three of Ford's directors served with General Foods Corp., and two with Continental Can Co. Other companies linked with Ford's management were Owens-Corning Fiberglass Corp., Trans World Airlines, Pan American World Airways, B.F. Goodrich Co., and Sears, Roebuck & Co.

In general, interlocks generate several potential problems according to the House study:

The impairment or elimination of competition between firms which use interlocking directorates as effective liaisons;

Preferential treatment in the supply of material and credit to favored companies;

Withholding of capital and credit from "outside" competitors;

Where an individual serves in the managements of differing corporations, his conflict of interest may result in "inside dealing" for his personal gain, at the expense of either or all of the corporations he serves. In a broader framework, his loyalties to the stockholders of each of the respective corporations are divided;

Finally, by means of interlocks, control over the major part of American commerce could be concentrated among the hands of so few individuals "that the normal social and political forces relied upon to maintain a free economy would be ineffective to control abuses."

It is important to note that the Holding Company Act of 1935 prohibits both direct and indirect interlocks in utility holding companies. While the Federal Trade Commission staff recommended several years ago that indirect interlocks be prohibited in industrial corporations as well, no law has yet been passed making them illegal.

In an attempt to correct this shortcoming in law, I have introduced legislation prohibiting:

First. Interlocks between competitors achieved by means of directors of one company acting as officers of another, and directors of one company being large stockholders in another;

Second. Interlocks between potential competitors;

Third. Vertical interlocks between buyers and sellers, including industrial firms and various kinds of financial institutions providing lending or investment services;

Fourth. Indirect interlocks achieved through third-party organizations of any form—whether partnerships, proprietorship, associations, or corporations.

After years of investigation by such groups as the Federal Trade Commission, the Federal Power Commission, the Judiciary Committees of both Houses of Congress, and private research organizations, it seems imperative that we learn from our recent bitter experience in the energy area and correct these anticompetitive abuses.

I introduced this bill on March 6, and will soon be seeking cosponsors.

BUFFALO MAN ENDS 57-YEAR RAILROADING CAREER

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. NOWAK. Mr. Speaker, with all the unhappy news that barrages us daily from around the world, it is always refreshing to read an item in one's local newspaper that accents the positive, the bright side of life.

Such was the case on October 30, 1975, when the Buffalo Courier-Express contained an article on the retirement of Mr. John Demicke, who had a 57-year career in the railroading business.

Mr. Demicke is a member of a long-established family in South Buffalo, which is the site of a large portion of my city's immense railroad network.

When asked if he would recommend railroading as a career today to young people, the newspaper account quoted Mr. Demicke as replying:

Only if they really like it.

As a young person studies the alternative career opportunities before him, Mr. Demicke's advice would serve well as a principal criterion in making a choice of what field to pursue. It is simple principle that too often, unfortunately, is overlooked.

I would like to share with my colleagues the following newspaper article and join Mr. Demicke's many well-wishers for a fruitful retirement:

VETERAN CONDUCTOR HANGS UP LANTERN

(By Ray Dearlove)

When the Lehigh Valley Railroad's Apollo I freight train pulled into Buffalo from Sayre, Pa., Wednesday afternoon, it meant the end of a 57-year railroading career for its conductor, John Demicke of 129 Bloomfield Ave.

The freight cars of Apollo I, a fast-freight piggyback train, were left at the Tifft Junction near Harlem Rd., and the train crew rode into the Lehigh Valley's Tifft Terminal off Tifft St. east of Fuhrmann Blvd. in the cab of Engine 320, the lead engine of a three-engine power package.

A lot of hot coffee and yard personnel were on hand as Demicke stepped down the engine ladder for the last time.

STARTED IN 1918

Demicke, 76, started his rail career when he was 19 years old and looking for work in 1918. He was in East Buffalo one day and landed a job as an apprentice in the shop of the Lehigh Valley Railroad.

After one winter in the shop, Demicke became a brakeman and continued in that post until 1936, when he was promoted to conductor. He fell in love with the conductor job, a love that only his age prevents him from continuing.

"I liked being a conductor because they are in charge of the train, along with the engineer," said Demicke. "It's a lot of responsibility, and I loved every minute of it."

Demicke had the Buffalo-Manchester, N.Y., run from 1936 until 1972, when it was changed from Manchester to Sayre, Pa. His last crew included Michael Ternisky of Manchester, engineer; Roy Batchelor of Corfu, fireman; William Penque of Niagara Falls, head trainman, and John Wall of Lake View, flagman.

NEVER A SCRATCH

"I've had several train accidents occur over the years while on duty, but I never got a scratch," recalled Demicke. "Years ago it was nothing to work a 16-hour day, but now they have a maximum of 12 hours."

Demicke said he will keep busy visiting "15 or 16 grandchildren and a lot of friends." A widower, he also keeps a large vegetable garden behind the house he owns on Bloomfield Ave.

When asked if he would recommend railroading as a career to young people today, he said he would, but "only if they really like it." He said railroading "must be in your blood, and you must live for it and by it."

Demicke said freight trains are longer nowadays, some reaching two miles in length. As he said it, he looked down the Lehigh Valley tracks and one got the impression that John Demicke would be a regular visitor to Lehigh Valley's Tifft Terminal.

$200,000 PER DAY, AND THE TAXPAYER SHOULD PAY?

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mrs. SCHROEDER. Mr. Speaker, with reference to section 103 of H.R. 3474, the bill to authorize funding for the Energy Research and Development Administration, and specific reference to the proposals which the Senate added to this bill to authorize a guaranteed loan program for synthetic fuels such as oil from oil shale and synthetic gas from coal, I want to share with my colleagues an article from yesterday's Oil Daily.

I believe the article speaks for itself, as follows:

$200,000/DAY COAL GAS INFLATION CITED

LOS ANGELES.—"The nation's growing shortage of gas supplies is the result of two basic causes, both of which lie squarely in the lap of governments," Joseph R. Rensch, Pacific Lighting Corp. president, told a meeting of the Americanism Educational League.

He identified these causes as federal wellhead price regulation of natural gas moving in interstate commerce, and the "inordinately long delays in governmental approvals required for the development of new gas supplies.

"We have the sublime contradiction—political leaders who are all too ready to shout 'crisis,' but who at the same time help perpetuate a system of delays and obstructions which only deepen the crisis," he charged.

He noted his company's many programs to acquire gas supplies from new sources and mentioned particularly its coal gasification project in New Mexico and a major pipeline project to bring Alaskan North Slope gas to southern California.

The loss of time in getting these projects, underway, penalizes the consumer, Rensch pointed out. For example, he said, inflation had increased the cost of the coal gasification plant $200,000 for each day of delay.

According to Rensch, when political leaders formulate a national energy policy, they are first responsive to pressure groups such as the more militant environmental organizations and self-styled consumer advocates.

"But these minority group advocates share a common characteristic: they do not have to accept the responsibility in later years for the adverse consequences of their acts," said Rensch.

Another phenomenon accompanying the formulation of energy policy by politicians, he said, is a perpetual attack on the major energy suppliers, typically the oil companies.

"For example," he said, "any objective evaluation will show that deregulation of wellhead gas prices is clearly in the long-term interest of the consumer. But a great deal of the reluctance of Congress to face up to this stems from the fact that oil companies—those popular whipping boys—are also viewed as the beneficiaries of deregulation."

CONGRESS MUST TAKE BLAME FOR OSHA

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. SYMMS. Mr. Speaker, one of my constituents in Weiser, Idaho, sent me a letter that I received this morning in which he addressed the problem of excessive bureaucracy and specifically the Occuppational Safety and Health Administration—OSHA. He pointed out that politicians do not like to take responsibilities for agencies like OSHA. Nevertheless, those in the producing end of the economy that pay the taxes to run this place back here must bear the burden of an agency like OSHA that has 100 word definitions of "ladder" and "exit" to help people understand their regulations; that has a 122-word definition of "means of egress."

Businessmen who have no legal or scientific training are unable to understand OSHA regulations; this is especially true of small businesses who cannot afford a team of lawyers or special interpreters of Government regulations. Equally unnerving is the sheer volume of the regulations—thousands of them for one operation. And all of this adds to consumer prices.

In some cases the practices of OSHA have terminated small businesses. For example, in Boise, Idaho, a small granite shop—owned and operated by two men—received OSHA fines and penalties totaling several thousand dollars. The necessary modification would cost a lot more, and they did not have the means to fight this case in the courts. So what does someone in this position do? These men had never had accidents in their shop. They were the sole employees and operators of their business, so why should it be the business of the Federal Government to investigate their working conditions, deem them unsafe, and saddle them with fines and repair orders to the point where they could no longer operate their business.

I think that this is an example of just what is wrong in this country today. It is this type of activity by the Government—this excessive power of Government—that is driving the American people to the point of political revolution against big government. This is why I have introduced a bill, H.R. 1086, to repeal OSHA.

TORMENTED GUN VICTIMS ASKS WHY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MAZZOLI. Mr. Speaker, the criminal justice system in the United States focuses largely on the criminal—his punishment and rehabilitation. Recently, more emphasis is being given to the prevention of crime before it happens.

But both of these approaches omit consideration of the most tragic aspect of any crime—the victim. This omission is even more unfortunate in view of the prolonged mental and physical suffering the victim must endure, often simply because he or she happened to be in the wrong place at the wrong time.

I am pleased to note that the House Subcommittee on Criminal Justice, under the capable leadership of Representative WILLIAM HUNGATE, is holding hearings on legislation to provide compensation for victims of crime.

Already 11 States and several nations have similar programs. In my judgment it is time we created a program on the Federal level to aid victims of crime.

I am also pleased that Representative WILLIAM MANN, chairman of the District of Columbia Committee's Subcommittee on Judiciary will, in due course, be undertaking action on legislation to compensate D.C. crime victims like Sally Ann Morris, whose sad plight is detailed in the following article from the Washington Post of October 29, 1975.

[From the Washington Post, Oct. 29, 1975]

TORMENTED GUN VICTIM ASKS WHY

(By Ron Shafer)

"The thing that bothers me, and always will, is why they shot me. You just don't shoot someone in the back like in a western movie. I didn't pose any threat to them, I was running away . . ."

Sally Ann Morris, 26, is still asking herself why she was the one shot by robbers four months ago while on a Saturday night date in Georgetown. That chance encounter left her wounded, necessitated a traumatic operation and required weekly visits to a psychiatrist to survive the life left to her. She still walks with a cane.

Compounding all this is the fear that the ordeal is not yet over and that her assailants may return and kill her. Four suspects arrested in the case, who were released on personal recognizance, pending trial, promptly disappeared and are at large today.

Morris, a claims adjuster for an Alexandria insurance company before the Georgetown shooting last June, decided to tell her story but insisted that her present whereabouts be kept secret.

"I don't want people to feel sorry for me, but just for them to know that it can happen in one second. They should know what can

happen," she said recently during an interview at the home of a friend.

Sally Morris' misfortune occurred June 28 on her way to a dinner urged on her by her boyfriend because she was so morose over the recent death of her father.

It was about 10:30 p.m., she recalled. She and her boyfriend, Henry Miller, were walking down 33d Street, heading for an M Street restaurant. They were talking about the cobblestone sidewalks and the stately trees in the area when two men approached.

As they passed the couple, one of the men pulled out a gun, cocked it and stuck it in Sally Morris' back. "I knew right away they were going to fire it because you just don't cock a gun without a reason," Morris said.

Instinctively, Miller grabbed her and they started to run. After a few steps, she said, she heard gunfire and felt a slap at her back. "It felt like a burning needle that went through me real quick. It sort of numbed me."

An ambulance was called and people began to gather, some on the run, asking what had happened. Someone suggested that she lie down.

"I am a self conscious person and I hate to be stared at," Morris said. "All of a sudden I became two people: one was lying on the sidewalk, the other was looking down at me, saying, this isn't real, you've got just gone to a play. I kept thinking, why can't you just faint and you'll be out of it."

The ambulance took 40 minutes to arrive, Morris said. "Then things really started to hurt. They are rough. I should have taken a taxi," she said, chuckling as she told her story, her long red hair framing a youthful freckled face. She smoked one cigarette after another.

At Georgetown Hospital, a nurse probed her midsection, asking "if my stomach always stuck out here," said Morris, who separated from her husband in 1972 and has a 5-year-old daughter. "I said, lady, all I've had is a Cesarean. If there's anything else there, I didn't have it when I came in here."

"Then," Morris recalled the nurse saying, "that's where the bullet is."

The bullet hit Sally Morris in the small of the back, ripped through her intestinal tract and lodged in her lower abdomen. It fractured her hip so that she still cannot walk without a cane.

Doctors had to perform a colostomy, rerouting the undamaged intenstinal tract to a substitute opening surgically created in her lower abdomen. This type of operation allows body waste to be passed into a disposable plastic bag attached to the new opening.

"It's kind of embarrassing, like when you go out and it (the plastic bag) starts to bloat like a balloon," she said. "People stare, like what's going on down there? And it makes noises. You're supposed to say, oh, my stomach's growling. And there are a few other problems, like sometimes it'll decide to leak . . . or you'll empty it out and miss the toilet and you just stand there and cry."

When Morris recently showed the waste contraption to her 5-year-old daughter—"She asked to see . . . and I showed her because I thought she would understand"—the daughter said, "Mommy, I don't want to sleep with you anymore."

Since the operation, Morris has lost her job with the Safeco Insurance Co. of America in Alexandria. She faces further surgery next month—hopefully to eliminate the need for the colostomy—and her employers felt they had to replace her.

"We were willing to wait longer if we could see light at the end of the tunnel, but neither she nor her doctor could," said Tom Davis, Morris' boss at the insurance firm. Morris has not returned to work since the shooting four months ago.

Morris has also given up her third floor apartment because she said she can no longer walk up the stairs. Now she faces medical bills she cannot pay and finds herself consumed with fear.

"It's my charade, pushing real emotions in back and trying to be cheerful outside." Morris said. "But I still go into a lot of depression, and I have nightmares."

According to police, the four suspected assailants of Morris have been identified as James Andrew Weeks, 29; Roy Weeks, 25; Terry Ann Stewart, 23; and Eunice Walker, 25, all District residents. Police said the two men had been committing armed robberies in Georgetown for several weekends before the Morris shooting, escaping by hiding in the back seat of a getaway car driven by the women.

The frustration growing from the aftermath of that night in Georgetown ultimately caused Morris to beg for financial help—apparently without success—in a letter to President Ford. Near the end of her hospital stay she wrote to the President: "I know the physical loss can never be replaced, but to be in debt—why?"

She said the White House informed her by telephone that a law clerk would look into her case, but she has heard nothing since.

Maryland has passed legislation to allocate money to the victims of crimes. The District and Virginia has not. Congress has also failed to approve federal legislation that would provide funds for crime victims.

Health insurance will pay 90 percent of the $10,000 Morris has accumulated in medical bills, but she must still live on $200 a month in welfare payments and has no money to pay the rest of her medical and psychiatric expenses, she said.

"I have also lost a lot of feeling about people and I'm trying to get that back," she said. Miller, her boyfriend of three years, "treats me like a china doll; he doesn't let me go anywhere by myself." But she finds herself not caring about him like she used to.

"For the first week I blamed him. I thought why couldn't it have been him, he could have taken it better. Why me? Isn't that just terrible to think like that? . . . And then I spent a long time thinking: if it had just taken longer to park, or if we had gone down another street . . ."

NEW YORK METRO AREA POSTAL UNION RESPONDS TO PRESIDENT FORD

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. MURPHY of New York. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following advertisement published in the New York Times of November 11, calling upon the President to put aside political differences in dealing with the New York fiscal crisis:

AN OPEN LETTER TO PRESIDENT GERALD R. FORD

(By Moe Biller)

Dear Mr. President: I have the honor of being president of the largest Local Postal Union in America. Our 26,000 members are Blacks, Hispanics, Jews, Italians, Irish—you name it.

If we are anything, collectively, we are New York City. If New York City is anything, New York is America. Yet, from Yugoslavia to Detroit you personally, Mr. President, have been preaching the gospel that New York City is something less than America. In fact, it would be surprising if your audiences have not come away with the idea that New York is "Sin City."

What are the sins? Unemployment . . . a crippling recession . . . spiralling inflation . . . poverty . . . deprived minorities . . . these are the "sins" of New York. But, Mr. Ford, we New Yorkers did not create unemployment or the recession or inflation; we did not invent poverty. We have more minority problems than the rest of the nation because we embraced our brothers and sisters from other states, not because we have deprived them.

If the Beautiful Lady in our Harbor has been a symbol for America she has been more than that for New Yorkers. She has been a "love affair." What she stands for, we practice: compassion, refuge, opportunity; equality and hope—hope denied in other doom-and-despair areas of our own country and other parts of the world.

"Blessed are the poor" said the prophet. Who but New Yorkers seek to bless them? "The wretched refuse of your teeming shore," wrote the poet. Who but New Yorkers accept them?

"Let him who is without sin cast the first stone" reads the Testament. Who but Gerald Ford casts the first stone? Mr. President, where is this middle-America ethic that you supposedly epitomize? Is the smile for which Gerald Ford is famous really a smirk? Has "Mr. Nice Guy," the never offending "Mr. Nice Guy," now decided that in order to win reelection he can and must offend the nearly 8 million Americans who live in New York City?

And, worse, have you decided this selective genocide is preferable to defeat at the polls? New York City has not asked you for a handout, Mr. President. Nor do we want one.

We are head to head with a monumental fiscal crisis. Your answer is to abandon or emasculate the social programs and institutions and traditions that have made this the greatest city in the history of civilization. Our answer is a simple Federal guarantee of our obligations to bridge us through this critical period.

We are tough. We are resilient. We are determined.

And we can and will survive. The only thing that can destroy it is a continuation of the National policy authored by you, aimed at our destruction.

If we go down, Mr. President, New York State does down. If the Empire State goes down, can the Nation survive? The National crisis, of which New York City is just one victim, also has been prostituted into the most vicious anti-Civil Service Union crusade in history.

Because our Unions have been the most dynamic and effective in the last decade, you seek to visit on us the blame for all the ills of the world.

There is still time for you, Mr. President, to put aside your political time table and to reassume the mantle of morality with which you seemingly were cloaked on assuming the Presidency. You cannot hope, Mr. President, to find the Pearly Gates open if you have slammed shut the Golden Door.

ONSITE CONSULTATION BILL TO HELP SMALL BUSINESSES

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, the Wall Street Journal recently carried an informative article on the problems facing millions of small businessmen and women. The Manpower, Compensation, and Health and Safety Subcommittee has become keenly aware of many of the difficulties of small business owners through 31 days of oversight hearings on the Occupational Safety and Health Act of 1970.

It is therefore timely that I bring this article to my colleagues' attention, as the House of Representatives on Monday, November 17, will be considering H.R. 8618, a bill to amend OSHA to provide Federal onsite consultation to employers. The committee is aware that small businesses may not have the resources to retain private consultants to counsel on applicability of OSHA standards. Accordingly, H.R. 8618 gives preference to small businesses and to hazardous industries.

I believe this bill will be of great assistance to this Nation's small businesses, and I urge my colleagues to support this amendment.

Text of the article follows:

[From the Wall Street Journal, Nov. 13, 1975]

THE NEW FORGOTTEN MAN

(By Irving Kristol)

It was about a hundred years ago that the American social theorist William Graham Sumner coined (or popularized) the phrase, "the forgotten man." He was referring to the average taxpayer, not poor enough to be the object of official compassion, not rich enough to remain basically unaffected by official depredations. There never was any popular animus against such a person; the political process simply ignored him, even as it afflicted him.

The phrase caught on, and those of us of a certain age can well remember the standard cartoon, on the editorial pages of the more conservative press, in which a naked John Q. Citizen, his nudity concealed only by a barrel, pathetically clutched the last few dollars of his after-tax income and desperately pleaded that attention be paid to him.

During the years of the post-war boom, 1945–1965, this image rather faded from the popular imagination. Taxes grew steadily in this period, to be sure, but incomes rose even faster, and the average citizen was not perceived to be suffering much, nor did he himself seem to feel any particular distress. In the late '60s, of course, all this began to change, as inflation took hold, economic growth slowed down, and the spirit of a taxpayers' rebellion began slowly to intrude itself into the political consciousness. The average taxpayer, a relatively small minority of the population in Sumner's day, is now the overwhelming bulk of the citizenry. He may remain, in 1975, an unduly afflicted being, but no one can say that he has been forgotten. The level of taxation has become a major political issue, which even the most spendthrift of politicians has to take account of.

Meanwhile, however, a whole new class of forgotten men has emerged. Like his counterpart of yesteryear, today's forgotten man is—if the opinion polls are to be believed—a fairly respected and well-regarded citizen. No one is leading a crusade against him, and it is probable that no one really wants to. He is merely being chivvied, harassed, ruined, and bankrupted by a political process that takes him for granted and is utterly indifferent to his problematic condition. I refer to the small businessman.

AN INVISIBLE FIGURE

It is astonishing and dismaying how little interest there seems to be in the condition of small business in the United States today. Big business is in the spotlight to such a degree, and is the focus for such passionate concern (pro or con), that the smaller businessman is an invisible figure, offstage somewhere.

One can understand why and how this has happened. Big business is certainly far more important today, economically and politically, than it ever was. Economically, because the overall health of the economy, in terms of investment, economic growth, employment, hinges very much on the health (or lack thereof) of big business. Politically, because the struggle for control over the decision-making process of the large corporation—which is what "regulation" is all about—will certainly have a profound effect on the ultimate status of the private sector vis-a-vis the political sector, in our still-mixed economy. Both our collective prosperity and individual liberty, therefore, are very much at issue in the current controversies over the ways in which big business should be organized and operated.

But if small business is of lesser economic significance than it used to be, its economic role is still terribly important. And the fact that the future of the large corporation involves the future of our private sector should not obscure the more basic fact that small business preeminently is the private sector.

Economically, small business plays a critical role in the process of innovation. When one surveys the new products and new processes of the past 25 years, it is extraordinary how many of them were introduced by aggressive entrepreneurs or smaller business firms. The Xerox copier, the Polaroid camera, the mini-computer, high-fidelity recordings, frozen foods, wash-and-dry clothing, etc.—the list is long and impressive. Nor is it only product innovation that small business is so good at. It also rates high marks for conceptual innovation, for coming up with a new way of organizing older services. Containerization; the discount store; the motel; franchising the sale of hamburgers, fried chicken, and other food products—these, among others, were ideas in the head of an individual that proved fruitful and beneficial because our economic system permitted them to compete with existing ideas as to how things should be done. Obviously, not all the innovations of entrepreneurs succeed; indeed, most of them fail, as they are bound to, in a high-risk, high-payoff situation. But this brash willingness to risk failure is itself one of the major merits of a system of "free enterprise."

The large corporation may be the end-product of "free enterprise" but it is not its quintessential representative, either in theory or practice. It is true that, in the United States as compared with the Soviet Union, the large corporation is relatively innovative, does preserve an entrepreneurial aspect. (To the degree that government gets involved in decision-making, it is always the avoidance of risk that will take priority.) But even at its best, the large corporation will never be as enthusiastic about innovation as its tiny competitors. It has a huge investment in existing products and procedures that it would prefer not to write off too quickly. It usually makes more economic sense for it to seek marginal improvements in productivity rather than to concentrate on a new product that may or may not sell, or a new process that may or may not work. And its vast bureaucracy is always, to some extent, a conspiracy against innovation: layer upon layer of experts—lawyer, engineers, marketing men—are at hand to point out all the things that can go wrong. These objections will have both merit and force; a corporate officer will have to take them seriously. Only the entrepreneur, with little to lose, can boldly ignore them.

But small business is even more important politically than economically. It is integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society. It is the small businessman who builds up those large fortunes which then sustain the not-for-profit sector—the universities, foundations, philantropies—which is so important a buffer between the public and private sectors. (Corporate executives almost never accumulate that amount of capital, despite their high salaries.) It is the successful small businessman who maintains his roots in a local community, becomes a visible symbol of success to everyone, gives the politicians in our smaller towns and cities their own access to funds (and therefore a greater independence from national organizations), supports all those local activities—social or cultural—which keeps community morale high. And it is in the small business sector that those who are discriminated against, whether it be for their politics, race or religion, can find, and have traditionally found, sanctuary.

Indeed, when we talk about "liberal capitalism," we are talking specifically about a political-economic system in which *small* business is given the opportunity not only to survive, but to prosper. If Yugoslavia or Russia were, tomorrow, to permit their major nationalized industries to sell shares to the public, in order to raise capital, it would not involve any grand reformation of their systems. On the other hand, if they gave entrepreneurial freedom to small business, it most certainly would. Then, and only then, could one talk seriously about "liberalization."

Similarly, in the "capitalist" countries the very largest of our corporations are already, and will surely remain, "quasi-public" institutions. That is the way they are described in all the business-school texts; that is the way they are referred to casually by politicians and the media; and, in truth I have yet to hear the chairman of a major corporation publicly insist that what he commands is a species of private property, in the traditional sense of that term. (The exact meaning of "quasi-public," of course, is nuclear, and its definition is what the fighting is all about.)

DIFFERING ATTITUDES

Small business, in contrast, even where there is public ownership of shares, is still generally perceived to be a species of private property and to possess the legitimacy which most Americans are still willing to concede to private property. In this respect, the United States is very different from Western Europe. Here, it is only big business that public attitudes are likely to be hostile to. There, all business falls under a shadow of distrust and disfavor. Popular opinion there is inclined to be antibusiness per se—i.e., anti-capitalist. We are still, in principle and to a large degree in actuality, a liberal-capitalist society. And it is small business that makes it so.

It is therefore all the more paradoxical that, in our taxation and regulatory policies, so little attention is paid to the needs of small business. I note that the House Ways and Means Committee has just decided to continue a lower tax rate on the first $50,000 of corporate income, after which the full 48% rate applies. What a pitiful gesture! Why shouldn't the corporate income tax be far more graduated than this, so that the full 48% rate applies only when a firm reaches, say, the $2 million income level? *That* would make a difference. Why doesn't a Republican administration, concerned about the survival of liberal capitalism, press for such a reform? Why does it persist in trying to lower the tax ceiling for all corporations—a proposal which Congress will certainly ignore, while it just might be willing to give smaller business a break? The answer, I suggest, is that it is so concerned—we are all today so concerned—about "macroeconomic" phenomena that the economic and sociological and political importance of the smaller businessman or smaller business firm has simply been overlooked.

One also may properly wonder why no greater efforts are made to protect smaller businesses from the horrendous burden which the newer regulatory agencies impose on them. Big business finds it difficult enough to cope with all the expensive changes required to meet new rule governing air pollution, water pollution, noise, safety, etc. But, in the end, big business has the resources to survive this experience, harrowing as it is. Small business will not survive it, and is not. All over the nation, smaller firms are being pushed into liquidation of mergers by their inability to cope with these new burdens. They need more time, more generous (albeit temporary) exemptions. Why don't we hear more voices, and louder ones, demanding that they receive such differential treatment?

If small business is going to survive in this country, it is going to have to organize itself more effectively so that its interests are respected. Just why it has so far failed to do this, I do not know. But I do know that unless it does, it will perish from neglect. And much that is precious to the American way of life will perish with it.

FARMING—A WAY OF LIFE

HON. WILLIAM C. WAMPLER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. WAMPLER. Mr. Speaker, a recent editorial in the Virginia Farm Bureau News, points up a serious financial situation that exists on many farms all across America. It makes me ask the question: What is keeping the American farm family down on the farm?

Because of the gravity of this situation and the faith all of us place on the American farmer to provide each of us with our basic daily requirements for food and fiber, it occurred to me that each Member of the House might desire to examine the points raised in this editorial. The text of the article follows these remarks:

[From the Virginia Farm Bureau News, November, 1975]

A WAY OF LIFE

At a recent press conference a member of the VFBF Women's Committee stated, "We could be much better off financially to sell our farm and equipment and live off our investment."

This farmer's wife was talking about a $600,000 farm operation. Her statement drew the unasked question, Why not?, and she continued with "We're farming because we enjoy it."

Farming is a business, but it is also a way of life. In recent years many farmers have had to leave the farm because of high taxes, transfer of estate losses, government policies or crop losses due to acts of God.

Profit motivation in farming is a matter of survival, but there is more to it than that. There is the love of the land, and the satisfaction of making a contribution to mankind.

If farming were just a business, giant corporations would take over. There are some large farm operations run by corporations, but it amounts to less than one per cent of all the farms in the U.S.

One reason for the failure of giant corporations in agriculture is it is hard to find a 40-hour-per-week employee to attend the midnight birth of a calf, or cut the lights on a tractor or combine and drive half the night.

Because of higher food prices at the supermarkets there is a myth about the financial situation of American farmers. The truth is that in some cases it is critical.

With the cost of living rise of 14 per cent in 1974, the farmer's cost of production climbed 22 per cent. And the prices they received for their production fell 15 per cent.

At a time when the cost-price squeeze is so severe, it's frightening to think that government decisions are being made to weaken the farmer's chances of survival.

Now is the time government should be making farming a more attractive way of life. Instead, government made attractive market promises to get all-out production. Farmers gave all-out production, only to see more restrictions placed on foreign markets.

FOOD STAMP REFORM

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. HEINZ. Mr. Speaker, I regret that official business prevented my being present yesterday during the consideration of the Findley amendment to H.R. 10647, the supplemental appropriations bill, which would have denied food stamp benefits to households having aggregate annual incomes exceeding the official poverty level. I wish to go on record in opposition to this amendment.

As the sponsor of the Food Stamp Reform Act of 1975, H.R. 10467, which proposes a major overhaul and reform of the entire food stamp program, I am concerned that this amendment represents an unworkable, piecemeal approach to a highly complex problem—providing adequate nutrition to this Nation's needy.

The Findley amendment, which establishes food stamp eligibility for a family of four at $5,050 in annual aggregate income, actually provides a disincentive for work, and places a severe hardship on the working poor and the recently unemployed.

Mr. Speaker, it is clear that we must take immediate steps to improve our food stamp program, and make it more responsive to the wishes of the American people and to the needs of the poor. The legislation which I have proposed, H.R. 10467, would remove an estimated 1.5 million unneedy households from the food stamp rolls, while saving an estimated $350 million per year in administrative costs. In addition, this legislation would:

Provide an eligibility limit of $7,776 annual cash income for a family of four, with a standard deduction of $125 per month—$150 for the elderly;

Establish a standard benefit ratio;

Eliminate the current food stamp purchase requirement which discriminates against the poorest of the poor; and,

Eliminate categorical eligibility.

H.R. 10467 will put food stamps out of reach of people who should not be eligible, while leaving them within the proper reach of the poor. I believe that this type of overall reform—rather than a piecemeal approach—will restore the food stamp program to its original purpose: insuring that all individuals, regardless of income, receive adequate nutrition.

REGULATING BUSINESS OUT OF BUSINESS

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. ABDNOR. Mr. Speaker, distinguished colleagues, many words have been written and spoken about the need for governmental reform. The calls for responsive government and noninterference have resounded through these halls.

With all due respect for my distinguished colleagues, none has written or spoken so eloquently or forcefully as a letter I received recently from a constituent, Mr. Bruce Hodson of Martin, S. Dak.

Though his letter was initiated in response to proposed Federal Trade Commission regulations on "credit practices," his letter is testimony to the effect of Government regulations on all of our citizens. I include his letter to be placed in the Record, and I ask that my colleagues take note of it as an eloquent statement of the average frustrated American:

BLACKPIPE STATE BANK,
Martin, S. Dak., October 28, 1975.

Hon. JAMES ABDNOR,
Member of Congress, Second District, South Dakota, Longworth House Office Building, Washington, D.C.

DEAR JIM: Your letter of Oct. 20th, with enclosure of the proposed regulations by the Federal Trade Commission on "Credit Practices", at hand . . . I took it home last evening to study, since I am too busy during the day with farmers and ranchers to do that during the office day.

To say that I am particularly surprised, would be a misstatement. After I spend the time required with Federal and State Examiners. . . . File the pension reports required. Sell the Government's Series-E Bonds and cash them. . . . Check the premises for compliance with OSHA. . . . Make the required study on the Safety and Security Act. . . . Take an extra few minutes on each loan to see if we are complying with the Fair Housing Act. . . . That we do not treat unfairly the minority or the Females. . . . Comply with Wage and Hour. . . . Fill out some Credit Reports making sure to comply with the Fair Credit Reporting Act. . . . Explain one more time to a customer why we must take down currency info to comply with the Financial Record Keeping Act. . . . Cash hundreds of welfare checks at a financial loss. . . . Get raked over the coals for not making a loan where the party can't possibly repay . . . etc., etc. . . . All this while I try to keep my head down during this Indian War, I sure as hell don't have much time left to digest another regulation.

Jim, I am very much upset. . . . As you know, Dad started this bank in 1919. . . . He struggled through a severe depression . . . the Drought. . . . The grasshoppers and morman crickets. . . . Bad prices and winter storms . . . I now have some sons of my own working to take over. . . . We give people good service for cheaper interest than they can get anywhere. We don't use discount interest, add-on interest, fees or charges. . . . We loan any quality borrower (and a few who aren't) money to meet their needs. . . . We charge interest only when they return the money, and then only at simple interest rates. . . . We pay all the legal fees on real estate closures and filing fees at the courthouse. . . . No gimmicks, just plain simple understandable business with common ordinary, simple, honest, hard working country people . . .

Jim, it takes the full time salaries of two people in our small shop to handle free government chores . . . Chores that we have already paid taxes for someone else to do. . . . If we make an error the loss is ours. . . .

We buy and sell Series E bonds. . . . The Bank collects Withholding and Social Security Taxes for IRS. . . . The re-imbursement was supposed to be the use of an account called 'Treasury Tax and Loan Account'. . . . The balance of which is to be withdrawn occasionally, but with some balance left for the banks loan use to local people. . . . Now they talk about making us pay for that account, when the joke is they have been withdrawing the balance to the penny, as often as twice a week. . . . Thats a compensating balance?

At yearend we are required to prepare in triplicate a tax form indicating the sum of interest paid to all customers, and mail to each customer and the government. . . . Again we pay the postage.

We cash thousands of dollars worth of 'food stamps' every week, and wait about a week to get our funds back, but the government won't even furnish us stamped envelopes. . . . We do the work, advance the money, and are taxed for it by stamps. . . .

We are considering discontinuing selling Series-E bonds, and let the postoffice handle them again. . . . They get better pay and less hours anyway.

We have been forced to print thousands of dollars worth of 'newly required forms' over the last few years, only to find that they are soon thrown away, because they no longer comply. . . .

There are hundreds of people in government, willing to legislate every moment of my life and know all about how to run a country bank, but have never worked in one. . . . They like to deal in "overall" best interests". . . . I deal with individuals, in overalls, with problems. . . .

This new legislation implies that I am a dishonest banker, out to beat the public. . . . If so, why isn't there another bank across the street taking away my people?

I have concluded one thing, the government no longer wants people like me in business. . . . They have the legislative powers to make it impossible to survive. . . . They can't seem to write a law that is directed at the real problem maker . . . Why?, for fear of what and whom? If they really don't *mean* people like us, as they like to tell us at meeting, then why in hell don't they spell that out in the regulations, and leave me alone? . . .

When prime interest rates went above 14 percent, we never rose above 8 percent. . . . We use "slave labor"—I work the wife and family members to give that service to friends with whom we have a common interest, to survive in this rural community that we all believe in.

However, Jim, I have come to a definate conclusion. . . . I am doing my sons no favor by passing along such a headache . . . I am throwing in the towel. . . . We have discontinued the pension plan, because I can't cope with the extra work. . . . I have voluntarily paid in all the money, without any requirements upon the employees. . . . But thats being dropped. . . . .

We soon intend to tell IRS to collect their own taxes, and the Postoffice to sell their own Series E bonds. . . .

And as a clincher, we intend to sell out and leave banking. . . . I have no idea what country America will do without all country banks, but thats the trend, and I may as well join in before they put us out of business, anyway.

This last set of regulations is the straw that broke the camels back. We resent the implication that we "rip-off" our friends. . . . And thats who we deal with, many, old time family friends, whom we have served for 3 generations, on a first name basis. If some other lending agency can tend to their needs with any more compassion then we have, and give them better service, for less than we have, then we don't belong here anyway.

I apologize Jim for the length of this rambling letter, I honestly did not intend that it be this long, and I'm sure that to read it all you also may have to "take home some homework" as I do. But I assure you that it comes from the heart, and in my small way I had to protest this callous indifference by big brother government. It sure as heck isn't what I thought I was enlisting for and spent a number of years fighting for in the forties.

Thanks again for the opportunity to speak out. A reply isn't necessary, use your time to fight these injustices.

The fine wet snow over the weekend was the answer to our prayers!

Respectfully yours,
B. B. HODSON, *Cashier*.

AMBASSADOR MOYNIHAN DEFENDS U.S. PRINCIPLE

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. DOMINICK V. DANIELS. Mr. Speaker, much has been said this week on the floor of the House about the outrageous action of the United Nations in adopting a resolution equating Zionism with racism.

I wish to call to the attention of my colleagues an editorial that appeared in this morning's Wall Street Journal citing the strong position adopted by our distinguished U.N. Ambassador Daniel P. Moynihan. As the editorial points out, this Nation has a vested interest in the preservation of the principles that form the very fabric of American democracy. These principles include a sense of fair play, especially as it applies to smaller nations who are struggling valiantly to preserve the concept of democracy in a world overly enamoured with the siren song of socialism.

Our distinguished Ambassador has raised a clear and strong voice in opposition to this rash U.N. action, and has come forth with a counter-resolution urging amnesty for political prisoners.

This resolution confronts our detractors with the reality of their own political hypocrisy. Those who have cast the stone against Israel now find their own glass house in jeopardy.

Mr. Speaker, I commend the Wall Street Journal editorial to my colleagues, and I hope they will join with me in congratulating Ambassador Moynihan for his forthright stand on this issue.

The editorial from the Wall Street Journal follows:

A NATIONAL INTEREST IN PRINCIPLE

Ambassador Daniel P. Moynihan has found just the right rhetoric to deal with the UN's hypocrisy, notably the recent vote equating Zionism with racism. He retaliates by calling on all its members to live up to the principles they apply so one-sidedly. His latest proposal, excerpts of which are reprinted nearby, is a world-wide amnesty for political prisoners.

The Zionism vote and amnesty proposal are definitely related, in that both are strong Americal stands on principle. Their consistency gives them a force that simple propaganda could never achieve. And we would be quite satisfied with the American side of things if we could be sure that everyone in Washington really understood what their semi-autonomous UN Ambassador is up to.

Unfortunately, we suspect that the professional diplomats at Foggy Bottom don't really comprehend the strength of Ambassador Moynihan's strategy. Of course, he was appointed by President Ford and Secretary Kissinger, and presumably they approve of his work. And in the Zionism fight, it probably was wise to delegate leadership to European governments. Still, we hear disturbing reports that in this campaign the State Department's backing was tepid, that it was slow in carrying the fight outside of the UN halls, and if left to itself the department probably would have ignored the whole issue.

We are worried by these reports since they seem so typical of that bureaucracy. The bias at State is to define American interest in terms of narrow tangibles on one hand and soupy generalities on the other. So in our foreign dealings we compromise our devotion to the principles of the Constitution and Declaration of Independence in return for trade agreements, and try to compensate by windy talk of world peace and human brotherhood. Often, as the Ambassador sees, this talk is turned not against the worst offenders, but against those where some chance of redemption still exists. It is hard to realize that while we do have national interests, it is also true that a bonafide moral principle is a precisely definable entity, demanding specific action, and that when it is compromised we pay a discernible price.

And it is precisely because Ambassador Moynihan does understand this truth that his brief career at the UN has been so spectacular. He is making a remarkably consistent defense of our political values, which would have been gravely compromised by silence on the Zionism issue. His amnesty proposal is simply his latest effort to show that the United States does stand for something.

Since we believe that principles, and the lack of them, shape events, we believe that this country can draw great benefits from Mr. Moynihan's course of action, just as the United Nations may yet pay a heavy price for its own. But we hope the folks at State agree.

ANALYSIS ON PROPOSED PROCEDURAL RULES FOR ENFORCEMENT OF CIVIL RIGHTS LAWS

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Ms. SCHROEDER. Mr. Speaker, it has come to my attention that proposed consolidated procedural rules for the enforcement of civil rights laws would have the effect of removing a guarantee from

HEW insuring investigation of individual complaints, eliminating the fall annual survey on discrimination and, in essence, refusing to establish, for the implementation by the Office of Civil Rights, priorities in the area of sex discrimination.

These proposed procedural rules would have negative consequences on title IX of the Education Amendments of 1972, title VI of the Civil Rights Act of 1964, and other applicable civil rights laws. In order to best expose the full extent of the impact of these proposed rules, I submit for the record a section-by-section analysis. It is my hope action will be taken to reject the items at issue in order to further secure civil rights for women in accordance with the true intent of Congress.

COMMENTS ON THE PROPOSED CONSOLIDATED PROCEDURAL RULE

SUBPART B—COMPLIANCE INQUIRIES

Sec. 81.4—Compliance Information

Sec. 81.4(a) lists the kinds of data recipients must maintain. The list should include the participation of students in extracurricular activities.

Sec. 81.4(b) requires that data be preserved for 3 years, and that information concerning grievances and the effectiveness of grievance procedures be retained for three years from the time the case is closed. Since HEW has allowed civil rights cases to drag on for more than three years (e.g., the Berkeley case under Executive Order 11246), five years is a more realistic period.

Sec. 81.4(c) requires recipients to furnish data at the request of the Director. OCR should collect basic data annually, and this should be specified here.

Sec. 81.5—Submission of information and Sec. 81.6—Treatment of compliance information

This section would replace the existing regulation's provision for the submission and investigation of complaints. Sec. 81.5 provides that any person or organization may submit information suggesting possible noncompliance to OCR in writing.

Sec. 81.6 provides that OCR will consider all compliance information, regardless of source, in setting enforcement priorities. It also provides that OCR will notify those submitting compliance information as to whether the Department expects to conduct a compliance review covering the matters raised within 12 months. OCR will also notify the sender about grievance procedures and any other public agencies with authority to deal with the problem.

As discussed in greater detail elsewhere, we strongly oppose the inclusion of this provision as a substitute for the existing complaint enforcement mechanism. Procedures should provide for the submission of complaints, acknowledgement of the complaint within 30 days, and prompt investigation.

Sec. 81.7—Compliance reviews

This section provides that the Director will periodically review recipients' practices and policies, and notify the recipients of the result in writing. OCR wil decide where and on what schedule reviews will be made using all data available and "taking into account priorities and available resources."

Procedures should not provide for the use of "priorities" without specifying the priorities. Nor should "available resources" be included as a factor, since this is simply license to use lack of resources as an excuse for inaction.

Sec. 81.7(b) should specify that the complainant as well as the recipient will be notified of the results of a compliance review.

Sec. 81.8—Determination of Compliance

Sec. 81.9—Preliminary Finding of Noncompliance

Sec. 81.10—Determination of Noncompliance

These sections specify that based on a compliance review or other information the Director will notify the recipient in writing that it is in compliance or that it has failed to comply. The recipient will be notified that possible noncompliance exists and will have 30 days to submit further information. If the Director finds a failure to comply, the written notice must state the reasons. This section should cover complaint investigations as well as compliance reviews.

The Director should be required to notify the complainant as well as the recipient in each situation. In addition, we oppose the inclusion of Sec. 81.9 and the preliminary finding of noncompliance with a 30-day response period. This is an unnecessary procedure whose only result will be delay of at least 30 days, and probably a much longer period.

The Director should also notify the complainant in advance of the date of the compliance review or complaint investigation in writing, and the regulation should specify that complainants will be afforded an opportunity to submit additional information during the compliance review or complaint investigation. In addition, access to all records involved in the investigation should be afforded the complainant.

Finally, time limits are essential to making this system work. The regulation should specify a time limit for completion of the review or investigation and for notifying recipient and complainant after the completion of a review or investigation.

Sec. 81.11—Voluntary Compliance

This section requires a recipient, within 90 days of receiving a notice of noncompliance, to either comply fully or submit a plan specifying a time by which it will comply fully. Under unusual circumstances, the recipient may take 90 days to submit to the Director a commitment to submit a plan.

We applaud the 90-day time limit here but oppose the "unusual circumstances" loophole. We see no reason why it should take three months to submit a commitment to submit a plan. This loophole would permit indefinite inaction on the part of the recipient.

In addition, the rule should place time limits on the period over which a plan may operate. Without that, the rule would permit 10, 20, 30 year plans: permanent noncompliance with a law (in the case of Title IX) already three years old.

SUBPART C—ENFORCEMENT ACTIONS

Sec. 81.12—Procedure for effecting compliance

This provides that if the Director finds that a recipient has failed to comply with the statute or any of the requirements of regulations under the statute, compliance may be effectuated by final termination or other authorized means.

The word "may" in this section appears to make enforcement action optional. We believe it is illegal for the Director not to act once a determination of noncompliance has been made. The word "shall" should therefore be substituted for "may" wherever it appears.

Sec. 81.13—Termination of or refusal to grant or to continue Federal financial assistance

This section provides that an order suspending or terminating federal aid will not take effect until HEW notifies the recipient, has failed to secure voluntary compliance, makes a finding on the record after opportunity for a hearing that the recipient has failed to comply, and notifies Congress of the action to be taken. The section also specifies the scope of a termination order and the circumstances under which it can be made.

Again, we urge that time limits be set for each stage of the process, and that notice to the complainant be required.

Sec. 81.14—Hearings

This section provides for notice to the recipient that a hearing may be requested or that it has been set. It also allows for waiver of a hearing and the submission of written arguments instead. It provides for notice in the Federal Register of hearing actions and decisions on appeal. Sec. 81.14(f) allows interested persons to petition the administrative law judge for permission to participate as amicus curiae.

As we have already stated in our comments on the Title IX regulation, we believe that the victims of discrimination should have the same procedural rights as the institutions charged with discrimination. Therefore, this section should provide for notice to complainants that they may request a hearing. Complainants should be allowed to submit written arguments and the opportunity to take part in a hearing as a party to the case rather than as amicus curiae.

Sec. 81.15—Deferral of consideration of applications

The Director may defer action on applications while administrative proceedings are underway.

Again, we urge that "may" be changed to "shall".

Sec. 81.16—Decisions and notices

This section provides for notice to the recipient and *amicus curiae* of the law judge's decision, and provides for appeal of such decision at the request of the recipient or HEW.

Again, the rights of the complainant and the recipient should be identical. The complainant should have the right to appeal, receive notices, present oral arguments, and so on.

Sec. 81.17—Post-Termination proceedings

This provides for restoration of federal funds if the recipient corrects its noncompliance.

This section should provide for notice to the complainant that such a proceeding is being initiated and opportunity for the complainant to examine the relevant documents and comment to the Director on the recipient's plan for compliance. This section should also contain time limits to assure the recipient prompt consideration.

Sec. 86.20—Intimidatory or retaliatory acts prohibited

This forbids recipients from intimidating or discriminating against anyone who has assisted in an investigation under this regulation.

This provision has no teeth and provides no real protection from the many kinds of serious harassment to which complainants are frequently subjected. HEW should include stiff provisions for immediate action to stop intimidation: authority to go to court for an injunction, with attorney's fees and court costs going to the institution attempting intimidation, a provision for the immediate deferral of applications, an assurance that HEW will act on an intimidation complaint within 30 days, and so on.

Allowing harassment to continue unchallenged undermines the entire system of civil rights guarantees, since it makes individuals afraid to exercise their rights. The regulation should require swift action to stop this insidious process.

SUBPART E—RULES OF PRACTICE FOR CONDUCTING HEARINGS

This subpart spells out detailed provisions for hearings. Once again, we simply urge that complainants have precisely the same due process rights as recipients.

LIBERTY'S LIBERTY BELL

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 14, 1975

Mr. WILSON of Texas. Mr. Speaker, throughout the United States a tremendous momentum is developing in honor of our country's Bicentennial celebration. The spirit of 1976 is providing Americans everywhere with the opportunity to review and appreciate the heritage of the past and to accept the challenge of the future to renew national harmony and solidarity in an effort to fulfill the ideals of the American Revolution.

In the many Bicentennial communities throughout the United States, our forefathers' principles and inspirations are being reaffirmed by the individual initiative of Americans to celebrate the Bicentennial in their own communities and in their own special ways. Nowhere do people have any more special reason to celebrate the Bicentennial than in Liberty, Tex. The citizens of Liberty have been given their very own liberty bell and as their Bicentennial gift to the Nation will construct an authentic "ringing bell tower" from which the bell will be displayed and rung on appropriate occasions.

Liberty's liberty bell is the first true replica of the original Liberty as it was first cast for the province of Pennsylvania in 1752. It was cast by the same Whitechapel Bell Foundry of London, England, in the same moulding shop using the same form used in casting the original Liberty Bell. The bell is 47 inches in diameter and weighs 2,016 pounds. The headstock, supporting straps, clapper, clapper staple, and 7 foot in diameter wheel are all as they were with the original bell.

Liberty's liberty bell was cast in 1960 through the efforts of KTRK–TV of Houston, which as a public service interested a group of Texans, who were benefactors of the Liberty Muscular Dystrophy Research Foundation, Inc., in providing the necessary funds and in commissioning this replica to be cast as a symbol of "liberty from dystrophy."

The Liberty Bell replica was brought to Texas aboard the steamship *Letitia Lykes* through the courtesy of the Lykes Steamship Co. and was unveiled at the Port of Houston in a public ceremony on August 19, 1960, led by Roy H. Cullen and Claude B. Hamill of Houston. It was formally dedicated to Sallie and Nadine Woods in a public ceremony held on the courthouse square in Liberty, Tex., on September 13, 1960, in recognition of their pioneering efforts in establishing on March 20, 1950, the first organized effort to promote research of the cause and cure of muscular dystrophy. Lloyd Gregory of Houston was master of ceremonies for this occasion and the late Wright Morrow, former Democratic National Committeeman of Houston, delivered the principal address. The bell was rung 16 times on that occasion by movie actor John Wayne—the only time the bell has ever been rung. In the years following the bell has stood as the silent symbol for the Liberty Muscular Dystrophy Research Foundation, Inc.

On July 12, 1971, the board of directors of the Dystrophy Foundation, acting on the recommendation of Ben Rogers of Beaumont, president, delivered custody and control of the bell to Sallie and Nadine Woods with the authority to make permanent placement of the bell. Because the support of their fellow citizens in Liberty first enabled the Woods sisters to launch the muscular dystrophy movement, they have chosen to give their bell to Liberty. Upon the Woods sisters' request, John Middleton and Charles W. Fisher, Jr., of Liberty agreed to serve as cochairmen of a committee to cause this bell to be brought to Liberty and erected in a suitable tower.

In honor of our country's 200th anniversary, the Bicentennial Commission of Liberty has joined the efforts to provide an appropriate bell tower from which the liberty bell will ring to celebrate patriotic occasions and at such times as a cure for muscular dystrophy and other afflictions of mankind may be discovered.

The Liberty Bell Tower will be located on the grounds of the Geraldine D. Humphreys Cultural Center as the focal point for the development of a lovely park plaza designated by the city of Liberty to be preserved as a green area within the heart of the city. Formal dedication and the ringing of the ball are scheduled for April 24, 1976, the date of Liberty's all-day Bicentennial celebration.

The Liberty Bell has long been our Nation's symbol of freedom. Since the long-silent Philadelphia bell can no longer proclaim its glad message, what more fitting spokesman can it have than its own first true replica? When the liberty bell in Liberty, Tex., rings forth, its peals will indeed bring new hope to the horizons beyond 1976 and new life to the bells' inscription "Proclaim liberty throughout all the land unto all the inhabitants thereof."

SENATE—*Monday, November 17, 1975*

The Senate met at 12 meridian and was called to order by Hon. DALE BUMPERS, a Senator from the State of Arkansas.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Hear the words of the 92d Psalm:

It is a good thing to give thanks unto the Lord, and to sing praises unto Thy name, O Most High:

To shew forth Thy loving kindness in the morning and Thy faithfulness every night. Psalms 92: 1, 2.

Make ready our hearts, O Lord, for the coming festival of thanksgiving that neither exalting in our successes nor magnifying our failures, we may simply rejoice in Thy goodness to this people from generation to generation.

We lift our praise to Thee singing:

"Not alone for mighty empire,
  Stretching far o'er land and sea;
Not alone for bounteous harvests,
  Lift we up our hearts to Thee.
Standing in the living present,
  Memory and hope between,
Lord we would with deep thanksgiving
  Praise Thee most for things unseen."

—REV. WILLIAM P. MERRILL, 1911.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 17, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DALE BUMPERS, a Senator from the State of Arkansas, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. BUMPERS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, November 14, 1975, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the Legislative Calendar, with the exception of unobjected-to measures, be dispensed with under rule VIII.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations under New Reports.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE

The second assistant legislative clerk proceeded to read sundry nominations in the Department of Justice.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I request the President be notified.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(All nominations confirmed today are printed at the end of the Senate proceedings.)

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. HUGH SCOTT. I yield back my time, Mr. President.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements limited therein to 5 minutes each.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NO COMMITTEE MEETINGS DURING CLOSED SESSION OF SENATE ON THURSDAY

Mr. MANSFIELD. Mr. President, as the Senate is aware, there will be a closed session of the Senate on next Thursday from the hour of 9 a.m. to the hour of 1 o'clock in the afternoon. The purpose of that closed session will be to hear a report by the distinguished chairman of the Senate Committee on Intelligence Activities, the Senator from Idaho (Mr. CHURCH), and the distinguished ranking Republican member of that committee, the Senator from Texas (Mr. TOWER).

My purpose in rising at this time is to serve notice that there will be no committee meetings allowed on Thursday during that period.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. TALMADGE). Without objection, it is so ordered.

CONWAY, ARK.

Mr. BUMPERS. Mr. President, in this morning's Washington Post, there is an article on the city of Conway, Ark., population of a little more than 17,000. The story points out that contrary to many cities in the country—most notably New York City—the city of Conway has money that it does not have budgeted and does not know what to do with.

I might say from my own personal experience I know it to be one of the finest cities, providing one of the finest qualities of life, of any city in the State of Arkansas. It is an interesting study in what a city can do when it is required to do it.

The distinguished Senator from Georgia is the author of a constitutional amendment, of which I am a coauthor, which would move this country toward having to live under the same constraints.

While I was Governor of my State, I said many times that we operated within the limitations of the revenues available, not because we always wanted to, but simply because the State constitution required it. It requires every city, every county, and the State, to all live within their means.

I think that many cities, counties, and States in this country are going through a serious evaluation of their prior spending practices in light of what has happened in New York City.

I am not commenting, Mr. President, one way or the other, on how I intend to vote on New York City, if and when it comes before this body. I am simply saying that Conway, Ark., is an outstanding example of how people can enjoy a good quality life and still live within a fiscally responsible budget.

Mr. President, I ask unanimous consent that the article in the Washington Post this morning be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 17, 1975]

ARKANSAS CITY, ITS COFFERS JAMMED, SCORNS NEW YORK'S PROFLIGATE WAYS

(By Bill Richards)

CONWAY, ARK.—A couple of years ago Tom Wilson flew to New York City on business only to discover he had landed in one of the ultimate municipal nightmares—a strike by the city's garbagemen.

The experience, Wilson recalled last week, was enough to convince him he had been given a prophetic glimpse of the future.

"We had some New York City bonds at the time—I won't tell you how much," the 70-year-old chairman of the board of the First State Bank and Trust Co. of Conway recalled with a note of banker's discretion in his voice, "and on my return I disposed of them all."

If the slightest touch of smugness can be detected these days in the voices of Wilson and the 17,960 other residents of this prim, little central Arkansas city, it may be because while the fortunes of New York and some other big cities have hit bottom, Conway's cup runneth over.

The big problem around the unpretentious, one-story, cinder block city hall these days is what to do with the extra money left this year after the bills were paid.

City treasurer Doris Nunn discovered there was a surplus last spring after Conway paid off its only bond issue—on the city hall—16 years before the note came due.

That saved $16,486 in interest and left $10,000 that Nunn had collected from Conway's taxpayers this year by law because city officials had figured the tax into the city's annual budget.

"It was tremendous," said Jim Hoggard, who became mayor of Conway last January. "Here was everyone going around complaining about the price of food and gas and everything, and we showed up and announced that not only were we cutting taxes but we were looking for ways to give back $10,000."

Since then Hoggard said he has given the matter some deep thought but he can't make up his mind. "I'd give the money back in rebates but it only comes to one or two dollars for the average taxpayer and we figured the bookkeeping and stamps and everything would probably cost more than that," he said.

It is thinking like this that has gotten Conway where it is today—a bit tight with the dollar perhaps, but definitely solvent.

Last week, after Alderman James Clark suggested replacing four of the city's eight police cars because they were leaking oil, the city council decided instead to plug the leaks and squeeze another few months out of the vehicles.

When it was proposed recently that the city start its ambulance service to replace a declining private service, the city council decided to think about it for a while.

The council also is still mulling over a request for a new firehouse from the residents on the west side of Conway, who say their homes are too far away from the city's two fire stations.

"We don't buy things until we have the money in the bank to pay for them, and when the money is there we spend like it was our household budget," said the 30-year-old mayor, who in a three-piece, pinstriped suit looks the model of conservatism, if a little startling, at 8 a.m. in the back booth of the Co-ed Cafe, where most of Conway's businessmen gather each morning.

"We're a community of small businessmen who operate on a budget and are used to it," said Jim Brewer, manager of the Conway Corp. The corporation operates the city's electric, water and sewer utilities and its sole stockholder is the city.

Last year, said Brewer, the corporation turned back $4,700 in profits from electricity service to the city budget.

The concept of a city owning its utilities is not unique, Brewer said, but the operations of the Conway Corp., which is run virtually independently of the city like a private corporation, are unusual.

The corporation floats its bonds, has a top credit rating, and has enough in the bank to pay off all bond obligations whenever it wishes, Brewer said.

"We're on top because of good management," he said. "We don't hire kinfolks and we don't have any political obligations."

Conway owes its good fortune at least in part to growth, Hoggard said. Since the 1960s, the city has landed at least one sizeable new industry a year and has increased its population 20 per cent, also upping its tax base, he said.

Because it is a small city, Hoggard said, it's a little easier to maintain tighter budget control than it would be in New York City.

The mayor sent around a memo last week to his five city department heads with a reminder that if they attend a municipal league convention in Hot Springs 90 miles from here they ought to go in a carpool.

"Mayor Beame has probably got more personal assistants than I have on our whole city payroll," Hoggard said of New York City Mayor Abraham D. Beame.

New York City's financial problems have received heavy play in the Conway Log Cabin Democrat, the local daily newspaper. The reaction here has been mixed—awe at the size and complexity of New York's problems and a heavy dose of disapproval over the city's profligate ways.

"There's a pretty strong feeling here about the way they were running their borrowing system up there in New York," said Hubert Ferguson in his office at the Conway Printing Co.

"You borrow to buy houses and boats but you don't borrow to pay for the everyday necessities like groceries and the rent. You work for that.

Since the news of Conway's budget surplus got out, Hoggard has accumulated a folder of letters suggesting what should be done with the $10,000.

Several of the writers have suggested Conway donate the extra money to New York in a kind of there-but-for-the-grace-of-God-go-I gesture.

"We try to be gracious about those suggestions," said Hoggard, thumbing through the letters with a smile. "We tell them we have local needs in Conway, too."

THE RESPONSIBILITIES OF THE PRESS

Mr. BUMPERS. Mr. President, I ask unanimous consent that there be printed in the RECORD an article by the former distinguished Senator from Arkansas, J. William Fulbright, which appeared in yesterday's Washington Star. This is a reprint of the same article that first appeared in the Columbia Journalism Review, the November-December issue. It is one of the most cogent, compelling, and persuasive articles I have ever read regarding not only the rights but the duties and responsibilities of the press. It would be time profitably spent if every person in the United States could read this in its entirety, and it would be especially rewarding and, I think, gratifying and fulfilling if every Member of the Senate would take the time to read this very intelligent, thoughtful article regarding the responsibilities of the press and what the abrogation of those responsibilities means to the future of this country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A GLUT OF SOME TRUTHS CAN POISON THE NATION

(By J. William Fulbright)

Heresy though it may be, I do not subscribe unquestionably to the Biblical aphorism that "the truth shall make you free." A number of crucial distinctions are swept aside by an indiscriminate commitment to the truth—the distinction, for instance, between factual and philosophical truth, or between truth in the sense of disclosure and truth in the sense of insight.

There are also certain useful fictions—or "myths"—which we invest with a kind of metaphorical truth. One of these is the fiction that "the king can do no wrong." He can, of course, and he does, and everybody knows it. But in the course of political history it became apparent that it was useful to the cohesion and morale of society to attribute certain civic virtues to the chief of state, even when he patently lacked them. A certain dexterity is required to sustain the fiction, but it rests on a kind of social contract—an implicit agreement among Congress, the press and the people that some matters are better left undiscussed, not out of a desire to suppress information, but in recognition, as the French writer Jean Giraudoux put it, that "there are truths which can kill a nation."

What he meant, it seems, was that there are gradations of truth in a society, and that there are some truths which are more significant than others but which are also destructible. The self-confidence and cohesion of a society may be a fact, but it can be diluted or destroyed by other facts such as the corruption or criminality of the society's leaders. Something like that may have been what Voltaire had in mind when he wrote, "There are truths which are not for all men, nor for all times." Or as Mark Twain put it, even more cogently, "Truth is the most valuable thing we have. Let us economize it."

In the last decade—this Vietnam and Watergate decade—we have lost our ability to "economize" the truth. That Puritan self-righteousness which is never far below the surface of American life has broken through the frail barriers of civility and restraint, and the press has been in the vanguard of the new aggressiveness.

This is not to suggest in any way that the press ought to pull its punches, much less be required to do so, on matters of political substance. I myself have not been particularly backward about criticizing presidents and their policies, and I am hardly likely at this late date to commend such inhibitions to others. I do nonetheless deplore the shifting of the criticism from policies to personalities, from matters of tangible consequence to the nation as a whole to matters of personal morality of uncertain relevance to the national interest.

By and large, we used to make these distinctions, while also perpetuating the useful myth that "the king can do no wrong." One method frequently employed when things went wrong was simply to blame someone else—in a ceremonial way. When I began publicly to criticize the Johnson administration, first over the Dominican intervention in 1965, then over the escalating Vietnam war, I was at some pains to attribute the errors of judgment involved to the "president's advisers" and not to the president himself—although I admit today that I was not wholly free of doubts about the judgment of the top man.

Our focus was different in those days from that of more recent investigations, especially Watergate, but also the current inquiries concerning the CIA and the multinational corporations. It was sometimes evident in hearings before the Foreign Relations Committee on Vietnam and other matters that facts were being withheld or misrepresented, but our primary concern was with the events and policies involved rather than with the individual officials who chose—or more often were sent—to misrepresent the administration's position. Our concern was with correcting mistakes rather than exposing, embarrassing or punishing those who made them.

In contrast, a new inquisitorial style has evolved, which is primarily the legacy of Watergate, although perhaps it began with the Vietnam war. That protracted conflict gave rise to well-adjusted opposition based on what seemed to me—and still does—a rational appreciation of the national interest. But it also set loose an emotional mistrust—even hostility—to government in general.

Somehow the policy mistakes of certain leaders became distorted in the minds of many Americans, especially young ones, as if they had been acts of premeditated malevolence rather than failures of judgment. The leaders who took us into Vietnam and kept us there bear primary responsibility for the loss of confidence in government which their policies provoked. I am as certain today as I ever was that opposition to the Vietnam war—including my own and that of the Senate Foreign Relations Committee—was justified and necessary. Nonetheless, I feel bound to recognize that those of us who criticized the war as mistaken in terms of the national interest may unwittingly have contributed to that surge of vindictive emotionalism which now seems to have taken on a virulent life of its own.

The emotionalism has not survived without cause, to be sure. The Watergate scandals provoked a justified wave of public indignation, and a wholly necessary drive to prevent such abuses in the future. Moral indignation, however—even *justified* moral indignation—creates certain problems of its own, notably the tendency of indignation, unrestrained, to become self-righteous and vindictive. Whatever the cause and antecedents, whatever too the current provocation, the fact remains that the anti-Watergate movement generated a kind of inquisition psychology both on the part of the press and in the Congress.

If once the press was excessively orthodox and unquestioning of government policy, it has now become almost sweepingly iconoclastic. If once the press showed excessive deference to government and its leaders, it has now become excessively mistrustful and even hostile.

The problem is not so much the specific justification of specific investigations and exposures—any or all may have merit—but whether it is desirable at this stage of our affairs—after Vietnam and Watergate—to sustain the barrage of scandalous revelations. Their ostensible purpose is to bring reforms, but thus far they have brought little but cynicism and disillusion. Everything revealed about the CIA or dubious campaign practices may be wholly or largely true, but I have come to feel of late that these are not the kind of truths we most need now; these are truths which must injure if not kill the nation.

Consider the example of the CIA. It has been obvious for years that Congress was neglecting its responsibility in failing to exercise meaningful legislative oversight of the nation's intelligence activities. A few of us tried on several occasions to persuade the Senate to establish effective oversight procedures, but we were never able to muster more than a handful of votes. Now, encouraged by an enthusiastic press, the Senate—or at least its special investigating committee—has swung from apathy to crusading zeal, offering up one instance after another of improper CIA activities, with the apparent intent of eliciting all possible public shock and outrage.

It seems to me unnecessary at this late date to dredge up every last gruesome detail of the CIA's designs against the late President Allende of Chile. Perhaps it would be worth doing—to shake people up—if Watergate were not so recently behind us. But the American people are all too shaken up by that epic scandal, and their need and desire now are for restored stability and confidence.

The Senate knows very well what is needed with respect to the CIA—an effective oversight committee to monitor the agency's activities in a careful, responsible way on a continuing basis. No further revelations are required to bring this about; all that is needed is an act of Congress to create the new unit. Prodding by the press to this end would be constructive, but the new investigative journalism seems preoccupied instead with the tracking down and punishment of wrongdoers, with giving them their just deserts.

My own view is that no one should get everything he deserves—the world would become a charnel house. Looking back on the Vietnam war, it never occurred to me that President Johnson was guilty of anything worse than bad judgment. He misled the Congress on certain matters and he misled me personally with respect to the Gulf of Tonkin episode in 1964. I resented that, and I am glad the deceit was exposed. But I never wished to carry the matter beyond exposure, and that only for purposes of hastening the end of the war. President Johnson and his advisers were tragically mistaken about the Vietnam war, but by no standard of equity or accuracy did they qualify as "war criminals." Indeed, had Mr. Johnson ended the war by 1968, I would readily have supported him as my party's candidate for re-election.

Watergate, one hopes, has been consigned to the history books, but the fame and success won by the reporters who uncovered the scandals of the Nixon administration seem to have inspired legions of envious colleagues to seek their own fame and fortune by dredging up new scandals for the delectation of an increasingly cynical and disillusioned public. The media have thus acquired an unwholesome fascination with the singer to the neglect of the song.

The result is not only an excess of emphasis on personalities but short shrift for significant policy questions. It is far from obvious, for example, that Watergate will prove to have been as significant for the national interest as President Nixon's extraordinary innovations in foreign policy. The Nixon détente policy was by no means neglected, but it certainly took second place in the news to Watergate.

Similarly—to take a more recent topic of interest to Congress and the press—it strikes me as a matter of less than cosmic consequence that certain companies have paid what in some cases may be commissions, and in others more accurately bribes, to foreign officials to advance their business interests. Such laws as may have been violated were not our own but those of foreign countries, and thus far the countries involved have exhibited far less indignation over these payments than over their exposure by a U.S. Senate subcommittee. I should not have to add, I trust, that I do not advocate corporate bribery either abroad or at home, nor would I object to legislation prohibiting the practice.

At the same time, the subject does not strike me as deserving of a harvest of publicity. It disrupts our relations with the countries concerned, and what is worse, it smacks of hypocrisy and that same moral prissiness and meddlesome impulse which helped impel us into Vietnam.

A recent instance of misplaced journalistic priority, which came within my own domain, was the media's neglect of the extensive hearings on East-West detente held by the Foreign Relations Committee during the summer and fall of 1974. The issues involved—the nuclear arms race and the SALT talks, economic and political relations between the United States and the Soviet Union and China—were central to our foreign policy and even to our national survival. At the same time that the media were ignoring the detente hearings, they gave generous coverage to the nomination of a former Nixon aide as ambassador to Spain, a matter of transient interest and limited consequence.

To cite another example: the press and television gave something like saturation coverage in 1974 to Congressman Wilbur Mills' personal misfortunes; by contrast I do not recall reading anything in the press about the highly informative hearings on the Middle East, and another set on international terrorism, held in the spring of that year by Congressman Lee Hamilton's House Foreign Affairs Subcommittee on the Near East and South Asia.

The crucial ingredient, it seems, is scandal—corporate, political or personal.

The national press would do well to reconsider its priorities. It has excelled in exposing wrongdoers, in alerting the public to the high crimes and peccadilloes of persons in high places. But it has fallen short—far short—in its higher responsibility of public education. With an exception or two, such as the National Public Radio, the media convey only fragments of those public proceedings which are designed to inform the general public.

A superstar can always command the attention of the press, even with a banality. An obscure professor can scarcely hope to, even with a striking idea, a new insight, or a lucid simplification of a complex issue. A bombastic accusation, a groundless, irresponsible prediction, or, best of all, a "leak," will usually gain a congressman or senator his heart's content of publicity; a reasoned discourse, more often than not, is destined for entombment in the Congressional Record. (A member of the Foreign Relations Committee staff suggested that the committee had made a mistake in holding the 1974 detente hearings in public; if they had been held in closed session and the transcripts then leaked, the press would have covered them generously.)

We really must try to stop conducting our affairs like a morality play. In a democracy we ought to try to think of our public servants not as objects of adulation or of revilement, but as servants in the literal sense, to be lauded or censured, retained or dispensed with, according to the competence with which they do the job for which they were hired. Bitter disillusionment with our leaders is the other side of the coin of worshipping them.

President Ford was hailed as a prince of virtue and probity when he came to office. Then he pardoned President Nixon and was instantly cast into the void, while the media resounded with cries of betrayal and disillusion. Many theories, often conspiratorial, were put forth—all except the most likely: that the President acted impulsively and somewhat prematurely out of simple human feeling.

Secretary Kissinger, for his part, has been alternately hailed as a miracle worker and excoriated as a Machiavellian schemer, if not indeed a Watergate coconspirator.

My point is not that the character of our statesmen is irrelevant but that their personal qualities are relevant only as they pertain to policy, to their accomplishments or lack of them in their capacity as public servants. Lincoln, it is said, responded to charges of alcoholism against the victorious Gen. Grant by offering to send him a case of his favorite whisky. Something of that spirit would be refreshing and constructive in our attitude toward our own contemporary leaders. None of them, I strongly suspect, is either a saint or a devil, but a human like the rest of us, whose proper moral slot is to be found somewhere in the vast space between hellfire and the gates of heaven.

The media have become a fourth branch of government in every respect except for their immunity from checks and balances. This is as it should be—there are no conceivable restraints to be placed on the press which would not be worse than its excesses. But because the press cannot and should not be restrained from outside, it bears a special responsibility for restraining itself, and for helping to restore civility in our public affairs.

After a long era of divisiveness and acrimony in our national life, we are in need of a reaffirmation of the social contract among people, government and the media. The essence of that contract is a measure of voluntary restraint, an implicit agreement among the major groups and interests in our society that none will apply their powers to the fullest. For all the ingeniousness of our system of checks and balances, our ultimate protection against tyranny is the fact that we are a people who have not wished to tyrannize one another.

"The republican form of government," wrote Herbert Spencer in 1891, "is the highest form of government: but because of this it requires the highest type of human nature—a type nowhere at present existing."

We have shown in times of adversity in the past that we are capable of this "highest type of human nature." We would do well, if we can, to call it into existence once again. It has never been needed more.

ORDER FOR ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR GRIFFIN AND SENATOR JAVITS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, Mr. Griffin be recognized for not to exceed 15 minutes and that he be followed by Mr. Javits to be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. PROXMIRE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1537.

The PRESIDING OFFICER (Mr. TALMADGE) laid before the Senate the amendment of the House of Representatives to the bill (S. 1537) to amend the Defense Production Act of 1950, as amended.

(The amendment of the House is printed in the RECORD of November 14, 1975, beginning at page 36620.)

Mr. PROXMIRE. Mr. President, I move that the Senate disagree to the amendment of the House and request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees.

The motion was agreed to, and the Presiding Officer (Mr. TALMADGE) appointed Mr. PROXMIRE, Mr. SPARKMAN, Mr. WILLIAMS, Mr. TOWER, and Mr. BROOKE, conferees on the part of the Senate.

NEW YORK CITY

Mr. PROXMIRE. Mr. President, there still is a great deal of opposition to any kind of assistance for New York, and I do think that those who take that position have overlooked the very substantial reductions in expenditures that New York has already made and is in the process of making.

SIXTEEN DAYS TO DISASTER—CONSEQUENCES OF NEW YORK DEFAULT

Again and again we run into articles and editorials that say the one consequence of default would be tough discipline, real reduction in spending on the part of New York. Those that say this fail to recognize that New York has already taken steps which have gone very far, and in the judgment of many people may have gone too far.

For example, the New York Times pointed out in an editorial on Saturday:

> President Ford already has driven a hard bargain with Governor Carey, forcing him to take measures that go substantially beyond the tough requirements of pending Congressional legislation in return for Federal assistance that would be far less than Congress might well have been ready to provide.
>
> There are disturbing elements in the Carey compromise. Its complex provisions for debt reorganization are subject to legal challenge.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIXTEEN DAYS TO DISASTER—IF DEFAULT COMES

> The Ford Administration continued to play a cruel and dangerous game of "chicken" with state and city officials yesterday as the clock relentlessly ticked on toward a municipal disaster that even some of the President's closest advisers now admit could have grave national and international repercussions.
>
> With the final deadline for New York City default now only 16 days away, there is no time for procrastination or political gamesmanship in Washington—or in Albany, where partisan wrangling over the state deficit and measures to eliminate it have seriously delayed action on a fragile package that offers the last hope of averting bankruptcy for both city and state.
>
> President Ford already has driven a hard bargain with Governor Carey, forcing him to take measures that go substantially beyond the tough requirements of pending Congressional legislation in return for Federal assistance that would be far less than Congress might well have been ready to provide.
>
> There are disturbing elements in the Carey compromise. Its complex provisions for debt reorganization are subject to legal challenge and could have an adverse impact on the future fund-raising capacity of this and other municipalities. The plan to tap municipal pension funds for $2.5 billion oversteps sound actuarial practice and, in effect, mortgages the city to the unions whose excessive power and claims have been a principal cause of its fiscal predicament. Mandated tax increases for a city and state that are already the most heavily taxed in the nation could accelerate the flight of industry which has been another major source of economic and fiscal distress.
>
> Despite these shortcomings, New Yorkers are compelled to accept the Carey plan as a last desperate bid to avert the far greater disaster toward which the city is being swept as a result of the Ford Administration's vindictive myopia. The local dimensions of that disaster were spelled out in some graphic detail yesterday by Deputy Mayor Kenneth Axelson who warned that "we will literally have to shut down the city" if assistance is not forthcoming by Dec. 1.
>
> Mr. Axelson reported that the city will have only $125 million in cash in hand during the first week in December to meet $300 million in payroll and welfare payments. He said the city would have to resort to the use of scrip even to cover fully the cost of such essential services as police, fire, sanitation, health and welfare. All construction would stop. Schools would be closed early for an indefinitely prolonged Christmas vacation. Other city programs would be suspended.
>
> Only immediate resolute action in Washington and Albany can forestall the unfolding of this grim scenario, with all of its frightening implications for city, state and nation.

NEW YORK MAKES BIG TAX INCREASE

Mr. PROXMIRE. Mr. President, I would also point out the very sharp increases in taxes. I have a detailed listing of tax increases, including sales tax, surcharge on the State income tax, the gasoline tax, bank tax, liquor tax, cigarette tax. All these would be increased in New York which is the most heavily taxed State in the Union. This is another indication of the very substantial sacrifice that New York is making, and Members of the Senate should understand it and appreciate it.

Here is what Governor Carey is asking the State to do:

A 1-cent increase in the State sales tax of 5 percent to raise $450 million.

A doubling of the present 2½-percent surcharge on the State income tax, to raise $115 million.

An increase of 2 cents a gallon on the State's gasoline tax to raise $115 million.

A 33-percent increase in bank taxes to raise $55 million.

A 75-cent-a-gallon increase in liquor taxes and a 20-percent increase in wine taxes, to raise $32 million.

A 2-cent-a-pack increase in the cigarette tax to raise $40 million.

An emergency surcharge on the corporate franchise tax to raise $80 million in the 5 remaining months this year and $60 million next year.

At a time when it is politically impossible to raise taxes in almost any city or State and when bond isues are failing everywhere, Governor Carey's program to help New York help itself is a tough and extremely responsible effort.

I believe we also should be aware of the fact that the plans now in the event of default call for a reduction in salaries, at least temporarily, of as much as 50 percent. Also, that all New York employees not be paid in scrip at least for a time because of the likelihood that after default there will be no money available because of the complications of bankruptcy for weeks and perhaps for months.

Not enough has been said about New York's sacrifices during her financial crisis. I ask unanimous consent that an article from the New York Times for Saturday, November 15, 1975, entitled "Governor Begins the Bargaining for Higher Taxes" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNOR BEGINS THE BARGAINING FOR HIGHER TAXES

(By Francis X. Clines)

> ALBANY, November 14.—Governor Carey today opened the bargaining for higher taxes with the Legislature by describing a $1.7 billion shortage in the state budget over the next 17 months that, he said, required tax increases on income, sales, banks, corporations, liquor and cigarettes.
>
> The Governor's position was presented publicly by Budget Director Peter C. Goldmark Jr., although the Senate Republican leadership already had rejected it privately yesterday as unrealistic and too large.
>
> Mr. Goldmark described an array of increases totaling $860 million annually, that was received by legislators more as a selective smorgasbord from which some items would eventually be selected and others rejected.
>
> One clear measure of the Governor's flexibility was his inclusion of a gasoline-tax increase of two cents a gallon—an idea that he joked about publicly yesterday in the light of his politically disastrous proposal last spring for a 10-cent increase in the gasoline tax.

STRATEGY IS SKETCHED

> The revenue-shortage and proposals were presented in a news briefing at which Mr. Goldmark sketched the Governor's strategy of trying to deal at once with the current year's budget deficit as well as next year's alleged revenue needs in advance of the normal budget bargaining next February and March.
>
> A spokesman for Republican Senator Warren M. Anderson, the majority leader from Binghamton, said Mr. Anderson agreed with neither the Governor's estimate of the revenue needs nor his attempt to lump the two budgets.
>
> The state tax increase—whatever the final total turns out to be—would be levied in addition to New York City tax increases of up to $250 million that were being negotiated in private as part of the state-city fiscal agenda of the special legislative session.
>
> Republicans and Democrats agreed that considerable bargaining remained over the size and shape of the state tax increases. At the same time, New York City officials insisted they had hopes of obtaining an increase in the city's income tax on residents and commuters, as preferable to the city sales tax increase of one percentage point suggested by the Governor.
>
> The city sales tax struck many politicians here as the more likely to be enacted, particularly since Mr. Carey has talked favor-

ably of the proposal by Nassau and Westchester officials that they be granted optional authority to raise local sales taxes by one percentage point. This would let the suburbs raise the revenues they needed and still maintain the current one-cent tax advantage merchants there have over neighboring stores.

Thus, under the "crisis" mood rooted in the threatened default of the city and state agencies, the day-old special session is thick with talk of higher taxes on the state, city and suburban levels.

The proposals listed by Mr. Goldmark included the following:

A one-cent statewide increase, to five cents, in the state's part of the sales tax, coupled with state income-tax credits to ease the burden on families earning up to $20,000 annually. This would produce $450 million, Mr. Goldmark said.

A doubling of the current 2½ percent "temporary" surcharge on income taxes, to yield $115 million.

A two-cent-a-gallon increase in the state gasoline tax, curently eight cents, to yield $115 million.

A 33 percent increase in bank taxes, to yield $55 million.

A 75-cent-a-gallon increase in liquor taxes and a 20 percent increase in wine taxes, to yield $32 million.

A two-cent-a-pack cigarette tax increase to yield $40 million.

An emergency surcharge on the corporate-franchise tax, scaled to produce $80 million for the five remaining months of the current fiscal year and $60 million in the next budget year, which begins April 1.

OPPOSITION TO CHANGE

Various politicians, including the Governor in public remarks yesterday, indicated a state increase in the sales tax was not so likely as other possibilities. If both state and city sales taxes were enacted, this would mean a two-cent raise in the city over the current eight-cent-on-the-dollar-tax.

In the early sparring today, assemblyman Perry B. Duryea of Montauk, L.I., minority leader, challenged the Governor and maintained that there was no need to include the state-tax issue in the current complicated agenda. The Governor has argued that if the state is to accomplish its regular borrowing next spring it must show potential investors a healthy budget balanced with new taxes or budget cuts.

Mr. Goldmark said the $1.7 billion shortage in the next 17 months included a current budget deficit of close to $700 million. Senator Anderson insists the deficit is less than $300 million.

Also included by Mr. Goldmark was an estimated revenue shortfall next year of close to $800 million. Senator Anderson's staff challenged this since the next budget is not yet settled.

Mr. Goldmark also estimated that about $200 million was needed to bolster the state's borrowing agencies and to aid the Metropolitan Transportation Authority.

"The dispute on the budget gap is entering the religious phase," Mr. Goldmark declared, trying to summarize the faith and zeal of the disputation between rival budget specialists.

He estimated that there was no way to cut the current $10.7 billion budget appreciably, because so much of it, particularly welfare and education aid, already had been advanced. Next year, he estimated, there could be up to $400 million in cuts, possibly including local-aid reductions. But these cuts were open to as much political challenge as the Governor's tax proposals.

NEW YORK CITY FINANCIAL CRISIS—TRAGEDY IN THE SCHOOLS

Mr. PROXMIRE. Finally, Mr. President, I would like to call the attention of the Senate to the effect of this default, if we do have a default, on schools, and the sacrifices the schools in New York have already made. There has been a 12-percent cut in teachers since last June. Some 8,138 teachers have been laid off. Guidance and counseling activities are out at most schools. Most tutorial and remedial programs are finished. The art and music programs have been cut or done way with entirely. Extracurricular and after-school programs are out.

In the elementary and junior high schools 90 minutes have been cut from the school week. Elective courses in high schools have been cut back.

In some schools as many as one-fourth to one-half of the classes are above the limits in pupil size, above the State law in pupil size. Many classes for handicapped children exceed the State limit for size.

In some schools, because of cuts in teachers and increases in class size, children have been moved three to four times. In one school, children have been moved as many as eight times.

Because layoffs have come according to seniority, a disproportionate number of minority teachers have been laid off, because they were the last to be hired.

When people say that New York City must go through the wringer and make hard sacrifices in order to qualify for Federal aid, they are right. But the consequences of the cuts in the schools, the children, and the future of New York City and the United States are very grim.

I ask unanimous consent that an article by Leonard Buder, from the New York Times, for Sunday, November 16, 1975, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Cutback Here Saps Morale; Future Bleak

(By Leonard Buder)

Only a year after it appeared that New York City's problem-plagued public schools were finally headed for better times, the 1.1-million-pupil system is now in the deepest trouble it has ever known.

The city's financial crisis has forced crippling cuts in school programs and services and apparently sapped the spirit of staffs and students. But gloomy as the present picture is, the future looks bleaker. "The name of the game is survival, not teaching," a Brooklyn teacher said bitterly, speaking of the effects of recent budget cuts on his high school. And the principal of a Bronx school remarked sadly, "All the heart has been wrenched out of the schools."

With the latest round of budget cuts, ordered late last month by the city administration, "we now find ourselves a staggering quarter-billion dollars short of what we need to maintain services at last year's level," said School Chancellor Irving Anker. But with the instructional staff cut 12 percent since last June—8,138 teachers' jobs have been eliminated—last year's level of services is already just a memory in the school system.

In most of the 950 public schools, staff reductions and other economies have led to the curtailment of guidance and counseling services, tutorial and remedial help, art and music programs, extracurricular and after-school activities and many other programs. "We've lost all the services and now it's just the basics," said Patricia Gilmartin, principal of Public School 21 on Staten Island.

IMPACT OF TEACHERS' STRIKE

In the elementary and junior high schools, 90 minutes have been cut from the pupils' school week, a consequence of the settlement that ended the city teachers' five-day strike in September. The strike also had its roots in the city's fiscal predicament. In the high schools, the number and range of courses, particularly elective, have been sharply reduced.

About the only thing the system has more of this year than last are oversized classes. At some schools, the sizes of one-fourth to half the regular classes are above contractual limits and, authorities concede, many classes for handicapped youngsters exceed state standards.

At Abraham Lincoln High School in Brooklyn—where the teacher spoke of "survival"—Jay Barchat, a junior, said that "classes are so large they are losing their identity" and that communications between students and teachers are becoming more difficult.

"We seem to be watching the American dream dissolve into a nightmare of denial and frustration," Chancellor Anker declared in a recent speech. A little more than a year ago, in a message to the school staff carried by the system's own radio and television stations, Mr. Anker had spoken so optimistically about the educational outlook that he felt it necessary to disclaim being "Pollyanna-ish."

At that time, he cited the system's new sense of stability and promise, a position that did not then seem ill-founded. (Ironically, Mr. Anker may have to find a new vehicle for his opening-of-school message next fall; the school radio and television are scheduled to become budget casualties.)

David Seeley, director of the Public Education Association, told a recent legislative hearing: "A Kafka novel is but a pleasant daydream compared to the real nightmare that is now going on in our schools."

There are many facets to this "nightmare," among them the following:

Successive waves of staff reductions and seniority "bumping," as well as the general reorganization that followed the September teachers strike, have forced schools to shuffle and reshuffle pupils and classes in an effort to reduce excessively large classes and to deploy depleted staffs better. Some pupils have already been in three or four different classes this term, with as many different teachers. At Lincoln some classes have had as many as eight different teachers so far.

A 50 per cent reduction in school security forces, another economy measure, has spawned a new climate of fear in many schools in the city. Principals used to be accused of minimizing "untoward incidents" to avoid what was regarded as negative publicity. Now they are often calling attention to such problems in an effort to get more security officers.

SIXTY DOORS FOR TROUBLE

At De Witt Clinton High School in the Bronx, the number of security officers was cut this fall from 16 to six. The school, which has an enrollment of 5,000 boys, occupies a building with 60 outside doors—all possible points of entry for intruders and potential trouble spots.

With the help of the teachers, Allan Weissberg, the principal, said, "we're able to hold our own, but we're expending a tremendous amount of energy, and how long can you keep this up?"

Because staff reductions are made on the basis of seniority, a disproportionately high number of minority teachers have been laid off since they were among those recently hired. Some district superintendents and principals have also complained they were forced to let go some of their most exciting "young talent" to make room for teachers with greater seniority who had been "excessed" from schools elsewhere.

Teacher morale is generally at a low ebb throughout the system. Younger teachers are worried about their jobs; older teachers are worried about their pensions. Virtually all express concern about conditions in the schools. "The volume of work is incredible," said Melvyn Glenn, an English teacher at Lincoln. "I feel like a camel, not a teacher."

There are also less dramatic, but still revealing, consequences of the crisis. At Junior High School 80 on East Mosholu Parkway in the Bronx, a popular chess club and the student newspaper have been discontinued and the school yearbook will probably also be dropped. Lillian Samuelson, the assistant principal, has not had the heart to tell the pupils about the yearbook. "Why upset them now?" she asked.

At Junior High School 167 in Manhattan, Bernice Frankenthaler, the principal, also pointed to the loss of extracurricular activities and said sadly, "All the things that are important to the kids, that teach them how to get along with others and keep them healthy, are no more."

Jeffrey Borenstein, a 17-year-old Brooklyn high-school senior, said it in another way: "Many of the extra things that make going to school worthwhile are being cut, and this concerns me deeply. The experience should not be only learning."

Contributing to the loss of spirit among so many teachers and supervisors—apart from the concrete realities of the situation—is that the financial crisis proved a brutal disillusionment to many members of a profession that regard education as a foundation stone of a democratic society.

The city budget cuts, which hit the school system disproportionately more severely than other municipal services, appeared to provide an early indication of where education ranked in the city's order of priorities. Or perhaps this merely reflected a view that there was some fat in the $2.8-billion school budget.

But as the crisis worsened and concern shifted to what would happen if the city defaulted on its financial obligations, it almost seemed as if no one in authority regarded education as one of the vital "life-support services," such as police, fire and sanitation. It could be that past strikes had demonstrated it was easier for the city to live with a two-month school shutdown than with a one-week garbage pile-up.

THE POLITICAL REALITIES

The order of city priorities "makes a great deal of sense if you see the world exclusively in political terms," said Dr. Bernard R. Gifford, the system's young deputy chancellor, adding: "All eight million New Yorkers are potential victims of crime or natural disasters. Fewer than 700,000 New Yorkers are parents of public-school children; and the actual consumers of public education are the one million-plus pupils attending the school system, who are poor in economic resources as well as in political influence."

Despite appeals from school officials and spokesmen for such groups as the Public Education Association, the Citizens Committee for Children and the United Parents Associations, there has been no significant rallying of public support to the school system.

With the 1975–76 school year only a little more than two months old, Chancellor Anker acknowledged he is concerned that some people in the school system might be ready to write off the year or, at best, regard it largely as a "holding" period.

"The educational needs of our children are very great," he said. "As bad as conditions are, we cannot afford to waste a year of a child's education. The consequences would be too tragic."

EXPERT SAYS NEW YORK HAS DEFAULTED; AID SHOULD BE FORTHCOMING

Mr. PROXMIRE. Mr. President, in the Committee on Banking, Housing and Urban Affairs, there was no difference of opinion between the majority and minority over aid to New York City. The difference was whether that aid should come before or after default.

The President has also said he favored aid after default.

Now, according to no less an authority than Prof. Vern Countryman of Harvard Law School, there has been a "default." The city will suspend the payment on principal of as much as $1.6 million in short-term notes before next June 30.

When a city or State either fails to pay interest or principal or when it stretches out one or the other, that is technically a default. And that now allows aid to New York City to go ahead from the point of view expressed by both the minority on the Senate Banking Committee and by President Ford himself.

We should pass the bill on the Senate calendar as soon as possible.

I ask unanimous consent that an article from the New York Times for Saturday, November 15, 1975, on this issue be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOTE MORATORIUM HELD NO DEFAULT

(By Stevene R. Weisman)

ALBANY, November 14.—Governor Carey's office today sought to dispel the notion that a "moratorium" on the city's debts would be tantamount to the default that city and state officials have been struggling for months to avoid.

"This does not constitute a default by the City of New York," said Simon H. Rifkind, a former Federal judge, who is chief counsel of the Municipal Assistance Corporation, at a briefing here. "This does not constitute a sort-of default or a sham default. It is not any kind of breach of contract."

In effect, Mr. Rifkind rebutted comments by Ron Nessen, President Ford's press secretary, that the moratorium, which would suspend the payment on principal of as much as $1.6 million in short-term city notes maturing before next June 30, amounted to the default that Mr. Ford advocated two weeks ago.

"If he [Mr. Nessen] wants to misuse the English language, he has the privilege of doing so," Mr. Rifkind said with a wave of his hand.

"BUNCH OF SEMANTICS"

However, other legal and financial experts tended to side with the White House.

"It's just a silly bunch of semantics," said Prof. Vern Countryman at Harvard Law School. "Technically, there is a default if the city doesn't meet its obligations when they come due. I would call it [the proposed legislation] a default."

The legal and semantic argument was joined today when Mr. Carey's office disclosed details of the moratorium legislation, which has become the essential ingredient to winning support of the Ford Administration for some sort of Federal guarantees for future city loans.

The legislation was carefully drafted to include language from a range of United States Supreme Court decisions upholding similar debt moratoriums in the past. It cites the "grave public emergency" facing the city and imposes a three-year suspension on "enforcement" of the short-term notes "so as to avoid destructive actions during the time the city requires to regain its financial health."

The moratorium is actually conditional, in that owners of expiring city notes are to be given a chance to exchange them for long-term bonds issued by the Municipal Assistance Corporation—an "attractive" alternative that Mr. Rifkind said most note-holders would accept.

He explained further that, if the noteholders chose not to accept the bonds, they would receive 6 per cent interest on their notes for each year the moratorium lasted. In the event of an outright default, he said, noteholders would receive no more than 3 percent under existing state law.

For example, an investor with a $10,000 note due next spring with an 8 percent interest payment would receive, under the bill submitted, only 6 percent, or $600, on the date of maturity. He would receive $600 a year for each year of the moratorium, and payment of the $10,000 in three years.

One municipal bond expert predicted yesterday that most note-holders would agree to this arrangement rather than to exchanging notes for 15-year M.A.C. bonds.

"I've found an extraordinary willingness among my customers to stretch out their payments," said James A. Lebenthal, executive vice president of Lebenthal & Company, one of the largest retailers of municipal bonds in the country.

"Let the President and the media have a field day semanticizing whether a rose is a rose and a rollover on notes is a moratorium is a delay is a default. One thing that the plan is not is bankruptcy."

Were the city to default outright—that is, simply miss a payment on a note falling due—experts agree that it would be plunged into years of litigation over how to work out the curtailed payments to creditors of all kinds.

CONSEQUENCES CONCEDED

Yet Mr. Carey's fiscal planners have conceded that the consequences of the moratorium may equal the consequences of an outright default—in the sense that investors will refuse to buy New York City bonds and notes for years.

Another problem cited by lawyers in this regard was that at least 30 states prohibited financial institutions and trustees from buying securities of a locality in default. Mr. Rifkind said that the moratorium ought not to bring New York City securities under these different statutes.

But Professor Countryman disagreed, saying:

"This is probably a bigger problem than can be handled in Albany. If they think they're going to avoid the problem by going around yelling 'no defaut,' they're in trouble. There is no way other states are going to say this is not a default."

In his "small lecture on the law" this morning, Mr. Rifkind said the moratorium was not a default because there was "a general principal of law" that the state could change the laws governing any sort of contract "to protect the welfare of its citizens." The most-important precedent is the United States Supreme Court's upholding of a moratorium on mortgage payments enacted by New York State during the Depression, he said.

However correct the law might be, the moratorium presented a ticklish situation for M.A.C. officials, who have all along opposed the idea as tantamount to a default. Felix G. Rohatyn, the M.A.C. chairman, said a few weeks ago that "an involuntary moratorium is default, and default in our view is not an acceptable solution."

Asked this week about that comment, Mr. Rohatyn said "I was wrong," adding that the alternative—a long, drawn-out bankruptcy proceeding—would produce "chaos" and "anarchy."

WHY NEW YORK CITY NEEDS GUARANTEE BEFORE DEFAULT

Mr. PROXMIRE. Mr. President, the reason the Senate Banking, Housing, and Urban Affairs Committee's majority voted a bill to guarantee New York City's borrowings before default was that the consequences of default would not only be more costly but were too harsh to contemplate.

When default occurred in Detroit in the early 1930's, as much as half of the city's employees were laid off, employees were paid in script. Those who remained on the payroll took huge reductions in their salaries—as much as 50 percent.

Deputy Mayor Kenneth S. Axelson of New York City, who is in the job from industry at $1 a year, has worked out some of the consequences of default if New York goes under. It means closing the schools, halting all public construction, and possibly the payment of those employees who are left, in script.

I ask unanimous consent that an article from the New York Times for Saturday, November 15, 1975, in which Mr. Axelson's considered and responsible views on this issue are given, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USE OF SCRIP IS PLANNED IF CITY DEFAULTS

(By Glenn Fowler)

If the city were forced to default next month, municipal employees and welfare recipients would receive part of their biweekly stipends in scrip, public schools would close indefinitely well before the Christmas holiday, all public construction would be halted and only the most essential services—police, fire, garbage collection and nondeferable hospital care—would be maintained.

These consequences of default were drawn publicly for the first time yesterday by a city official, Kenneth S. Axelson, the new Deputy Mayor for Finance, in a talk at the City Club of New York.

"We had a dry run on the night and morning of Oct. 16 and 17 and that experience scared the devil out of all of us," Mr. Axelson said. "It suddenly comes cracking down, how disastrous and how uncertain it all is. You realize how unprepared you are."

WORK ALL NIGHT

He was referring to the tense 24-hour period four weeks ago, when the city went to the brink of default and was saved by a teachers' union commitment to buy additional Municipal Assistance Corporation bonds.

At that time, Mr. Axelson disclosed, 200 city officials, bankers, lawyers and others labored through the night to prepare the paper work they might need to deal with an orderly default.

"Two weeks from next Monday," Mr. Axelson warned the luncheon group at the Biltmore Hotel, "our financial world will collapse," unless Federal aid or another form of relief is forthcoming. While many New Yorkers may envision simply a scaling down of city services, the reality will be much more harsh.

Only essential services—police, fire, garbage collection, water supply and the municipal hospitals—will be assured of continued operation. Day-care centers, facilities for the elderly, libraries, parks and zoos will have to close.

Public schools, scheduled to close for Christmas week on Dec. 24, would, instead, suspend classes earlier in the month, Mr. Axelson said, remaining closed for an indefinite period "until the money can be found to reopen them."

Perhaps the most startling of his statements to the City Club, a civic watchdog group that has been sharply critical of city budgetary practices for many years, was the revelation that scrip would be used in place of cash for salaries and welfare payments.

"There just won't be enough cash left for payrolls and welfare," he said. "To keep things going, the city might pay people 15 percent cash, 25 percent scrip."

He quickly added, however, that it was not yet settled in the minds of the city's legal advisers whether scrip could be used for welfare payments without jeopardizing the 75 percent share of public-assistance outlays paid by the Federal and state governments.

CUT IN PURCHASES

The city would have to rely on voluntary acceptance of the scrip by supermarkets, department stores and other merchants, because it cannot issue legal tender in competition with the Federal Government.

"Vender payments would stop at once," he continued. "We'd have to go on a C.O.D. basis for things the city buys."

City purchases would be cut to a bare minimum—food for hospitals, fuel for emergency vehicles, but not for other city cars.

Public construction, already cut sharply in the fiscal crisis and facing further reductions ordered by the State Emergency Financial Control Board, would come to a full halt after default, Mr. Axelson declared.

"And forget about debt service," he said. Until priorities were established for payment of claims, the interest and amortization of the billions of dollars of city financial obligations would go unpaid.

Mr. Axelson did not mention utility and rent payments by the city in his talk. But earlier this month Consolidated Edison indicated that it would supply electricity, gas and steam to the city only if the service was ruled vital and cash payment was made.

DEFICIENCIES SPECIFIED

As for rent on offices and other space in privately owned buildings occupied by the city, no firm plans have been made.

In the wake of default and the large-scale shutdown of municipal services, Mr. Axelson said, "we would hope to reopen the city in ensuing weeks as the cash flow starts again."

The city's projections for the first week in December envision $125 million in revenue on hand and $300 million in payroll and welfare outlays due. This has led to the possibility of default in the absence of a Federal loan guarantee for city obligations or other aid, such as new state funds.

Mr. Axelson, asked later yesterday why the Beame administration had chosen to speak out at this time on the specific plans in the event of a default, said: "We're getting awfully close, and people should know what's ahead. We kept it on the back burner until now because we didn't want to be called alarmist."

Elsewhere in his City Club talk, Mr. Axelson defended the actions of city officials during the budget crisis. He said the city, faced with the need for $200 million in new taxes as well as cuts in expenditure, would press for an increase in the municipal income tax.

"Raising the sales tax is regressive," he said. "Higher income taxes are much fairer." And he urged a restructuring of the commuter tax on out-of-city residents.

"If I lived outside New York, I'd pay one-eighth what I now pay," said Mr. Axelson, whose $143,000 annual salary is being paid by J. C. Penney, from which he took a leave of absence on Sept. 16 to enter city service at $1 a year.

Asked whether he was afraid of political consequences of deep personnel cuts and other economies that might be unpalatable to large numbers of New Yorkers, Mr. Axelson replied:

"No, I've found that a great change took place in New York City on Sept. 16, the day I became Deputy Mayor. Before that day I had all the solutions to the city's problems. But in two months since then, things have gotten much more complicated, because I find I don't have all the answers any more."

Mr. Axelson was critical of the Board of Education, Board of Higher Education and Health and Hospitals Corporation—the three large independent city agencies—for their alleged foot-dragging on making budget cuts.

OFFICIALS CONTRADICTED

In answer to a question, he said that Mayor Beame had given ultimatums to officials of all three institutions, telling them to come up with definite plans to cut expenditures.

"It isn't a question of free tuition, or how important the City University is to New York, as its officials keep telling us," he said. "It's merely a fact that the city can no longer support the City University system as it has been doing, and changes have to be made. Whether its reducing services, closing graduate schools, changing the admissions policy, merging with the State University, getting more state aid or charging tuition, is up to them. There are many options."

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR THE SENATE TO CONVENE AT 9 A.M. EACH DAY FOR THE REMAINDER OF THE WEEK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that each day for the remainder of this week, through Friday, the Senate convene at 9 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER THAT THE NEW YORK CITY RELIEF MEASURE BE HELD AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the House bill on New York City comes over, it be held at the desk, and that the leadership be authorized to call it up at any time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 1537) to amend the Defense Production Act of 1950, as amended, with an amendment in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. BUMPERS) laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE DEPARTMENT OF AGRICULTURE

A letter from the Secretary of Agriculture transmitting, pursuant to law, a report on Information and Technical Assistance delivered by the Department of Agriculture in the fiscal year 1975 (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION BY THE DEPARTMENT OF DEFENSE

A letter from the Acting General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize the Secretaries of the military departments to reimburse certain nonappropriated fund instrumentalities located in the Ryukyu Islands and Daito Islands, Japan (with accompanying papers); to the Committee on Armed Services.

TRANSACTIONS OF THE EXPORT-IMPORT BANK

Three letters from the Chairman of the Export-Import Bank transmitting, pursuant to law, statements with respect to certain transactions of the Bank (with accompanying papers); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the Chairman of the National Railroad Passenger Corporation transmitting, pursuant to law, a report entitled "The Criteria and Procedures for Making Route and Service Decisions" (with an accompanying report); to the Committee on Commerce.

REPORT OF THE COMMISSION ON FEDERAL PAPERWORK

A letter from the Deputy General Counsel of the Commission on Federal Paperwork transmitting, pursuant to law, a report outlining the records systems proposed by the Commission (with an accompanying report); to the Committee on Government Operations.

NATIONAL SCIENCE FOUNDATION SYSTEMS

A letter from the Director of the National Science Foundation transmitting, pursuant to law, a report on a planned addition to the NSF systems of records for review (with accompanying papers); to the Committee on Government Operations.

RIVER PLAN OF THE DEPARTMENT OF AGRICULTURE

A letter from the Chief of the Forest Service, Department of Agriculture, transmitting, pursuant to law, a copy of a River Plan for the Chattooga River of North Carolina, South Carolina, and Georgia (with accompanying papers); to the Committee on Interior and Insular Affairs.

DISTRIBUTION OF SHAWNEE JUDGMENT FUNDS

A letter from the Secretary of the Interior transmitting, pursuant to law, a proposed plan for the use and distribution of Shawnee judgment funds awarded before the Indian Claims Commission (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACT BY THE DEPARTMENT OF THE INTERIOR

A letter from the Acting Assistant Secretary of the Interior transmitting, pursuant to law, a proposed concession contract for the provision of certain services at Independence National Historical Park (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

A letter from the Secretary of Health, Education, and Welfare transmitting, pursuant to law, a report on the requirements of the Rehabilitation Act of 1973 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF THE FEDERAL ELECTION COMMISSION

A letter from the Vice Chairman of the Federal Election Commission transmitting a report relating to allocation of campaign contributions and expenditures (with an accompanying report); to the Committee on Rules and Administration.

REPORTS OF THE SPECIAL SUBCOMMITTEE ON CRIMINAL LAWS AND PROCEDURES—SENATE REPORT NO. 94-456

Mr. McCLELLAN, from the Committee on the Judiciary, submitted a report pursuant to Senate Resolution 255, section 7, 93d Congress, 2d session, entitled "Report on the Activities of the Special Subcommittee on Criminal Laws and Procedures of the Committee on the Judiciary, 93d Congress, 2d Session," which was ordered to be printed.

HOUSE BILL REFERRED

The bill (H. R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes, was read twice by its title and referred to the Committee on Commerce.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BIDEN:

S. 2677. A bill to abolish certain Federal regulatory agencies and to cause the self-destruction of certain Federal regulatory agencies or their successor agencies after a specified period of time, to provide that copies of budget requests and legislative recommendations of regulatory agencies be submitted to the Congress, and for other purposes. Referred to the Committee on Government Operations.

By Mr. GRAVEL (for himself, Mr. ABOUREZK, Mr. HARTKE, and Mr. McGOVERN):

S. 2678. A bill to prohibit the production of fissionable nuclear materials for use in weapons; to make public the number and potential explosive yield of nuclear weapons currently possessed by the United States; to make public the amount of weapons-grade fissionable nuclear material now possessed by the United States; and to provide for congressional review of any increase in such number, potential explosive yield or amount. Referred to the Joint Committee on Atomic Energy.

By Mr. CASE:

S. 2679. A bill to establish a Commission on Security and Cooperation in Europe. Referred to the Committee on Foreign Relations.

By Mr. CHILES:

S. 2680. A bill for the relief of the estate of Russell J. Davis. Referred to the Committee on the Judiciary.

By Mr. BROCK:

S. 2681. A bill to provide for open meetings of the Board of Directors of the Tennessee Valley Authority, and for other purposes. Referred to the Committee on Public Works.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BIDEN:

S. 2677. A bill to abolish certain Federal regulatory agencies and to cause the self-destruction of certain Federal regulatory agencies or their successor agencies after a specified period of time, to provide that copies of budget requests and legislative recommendations of regulatory agencies be submitted to the Congress, and for other purposes. Referred to the Committee on Government Operations.

Mr. BIDEN. Mr. President, commentators from all sides of the philosophical spectrum, from people such as Senator BARRY GOLDWATER to Ralph Nader, have criticized our present system of government regulation.

Agencies like the Interstate Commerce Commission or the Civil Aeronautics Board tend to deter competition rather than stimulate it; they bar new companies from entering the market rather than facilitating it; they increase costs to business and the consumer rather than cutting them. Furthermore, such agencies often appear to be controlled by members of the very industry they are supposed to regulate.

These agencies are accountable to no one. They have developed vast bureaucracies and a momentum of regulation on their own that has gone unchecked by either the Congress or the President.

Congress has, for the most part, neglected its oversight responsibility in this area. Congress does not become concerned about regulatory activities until it is affected, as, for instance in the recent reversal of a rule proposed by the Federal Election Commission.

Mr. President, the legislation which I am introducing today, the Regulatory Agency Responsibility Act, will force Congress to exercise its oversight function.

The act works in a very simple way. If both Congress and the President fail to exercise this function and fail to find that the agency should remain in existence, it will go out of business at the beginning of the fiscal year which starts on October 1, 1976.

A similar bill has already been introduced in the House of Representatives by Congressman ABNER J. MIKVA of Illinois, who is to be commended for developing this concept.

This legislation concerns those independent agencies which are most involved in economic regulation such as the Interstate Commerce Commission, the Federal Trade Commission and the Consumer Product Safety Commission.

Some of these agencies may be doing a good job and some may not. The purpose of this bill is to find out which agencies are working well and to correct the problems in those agencies which are inefficient or costly.

Because of the possible constitutional problems, the legislation does not deal with those agencies which are part of the executive branch such as the Food and Drug Administration or the Internal Revenue Service. This is not, of course, to suggest that executive agencies should be free of oversight.

Under the first title of the bill, the major independent agencies would be abolished on October 1, 1976, unless both the President and Congress investigated the effectiveness of the agencies, the President made a recommendation that the agency not be abolished, and Congress enacted a concurrent resolution to disapprove the abolishment. In this way, we would have to look at each agency and make a determination as to how to make it work better—or, whether it had outlived its usefulness. Those agencies which were not abolished would remain in existence for another 7 years and then would once again be subject to the review process and face possible abolishment.

If an agency was abolished, the President would then submit to Congress a proposal for the successor agency which would then take over the functions of the abolished agency. Congress could, of course, act on the President's proposal and submit and enact proposals of its own. Hopefully, this successor agency would be free of the problems which caused the abolishment of the predeces- also decide that there was no further sor agency. Naturally, Congress could also decide that there was no further need for the agency and refuse to approve any succesor agency.

The second title of the bill goes to a slightly different aspect of our regulatory structure. Just as there has been too little congressional oversight into activities, there has, at times, been too much executive interference in the workings of our supposedly independent agencies. Quite clearly, neither the President nor Congress should be involved in the day-to-day workings of an independent agency. They were made independent just for that purpose.

Under title II, an independent agency could not be required to "clear" with the executive branch testimony it was going to give to Congress. Additionally, when the agency transmitted its budget request to the executive branch it would also be required to transmit a copy of such request to Congress. In that way we could determine decisions which the President made in regard to the agency's request.

The substance of title II has already been adopted as part of the Consumer Product Safety Act and as an amendment I offered to legislation creating the Privacy Protection Commission.

Finally, Mr. President, while this legislation will obviously not cure our regulatory ills, it will go a long way toward forcing Congress and the executive branch to oversee the effectiveness of the regulatory agencies and to make the necessary improvements.

Mr. President, I ask unanimous consent that the text of the Regulatory Agency Responsibility Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2677

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Regulatory Agency Responsibility Act".

TITLE I—ABOLITION OF UNNECESSARY AGENCIES PURPOSE

SEC. 101. It is the purpose of this title to (1) abolish, not later than October 1, 1976, certain Federal regulatory agencies which the President and the Congress determine have inadequately promoted the public welfare, unnecessarily fostered unwieldy and costly bureaucracies, unsuccessfully carried out the purposes for which they were established, and otherwise outlived their usefulness, and (2) to cause the self-destruction of those remaining agencies, their successors, or new regulatory agencies established after the date of enactment of this title, which are determined to have failed to accomplish such purposes seven or fifteen years after October 1, 1976, depending on how long such agencies have been in existence.

DEFINITION OF FEDERAL REGULATORY AGENCY

SEC. 102. As used in this title (except in section 105) the term "Federal regulatory agency" means—

(1) the Civil Aeronautics Board;

(2) the Federal Communications Commission;

(3) the Federal Maritime Commission;

(4) the Federal Power Commission;

(5) the Federal Trade Commission;

(6) the Interstate Commerce Commission;

(7) the Securities and Exchange Commission;

(8) the Consumer Product Safety Commission; and

(9) the Nuclear Regulatory Commission.

TERMINATION OF CERTAIN REGULATORY AGENCIES

SEC. 103. Each Federal regulatory agency is abolished not later than October 1, 1976, unless, prior to such date—

(1) the President (A) conducts an investigation of the agency's overall performance, including, but not limited to, a study of the agency's effectiveness in accomplishing its general purposes and promoting the public welfare, (B) makes public a report on the findings of the investigation, and (C) recommends to the Congress that such agency not be abolished;

(2) each relevant committee of the House of Representatives and the Senate and each relevant joint committee of the Congress conducts an inquiry into the performance and effectiveness of such agency and makes public a report of the findings, conclusions, and recommendations resulting from that inquiry; and

(3) the Congress adopts a concurrent resolution disapproving the abolition of that agency.

SELF-DESTRUCTION OF AGENCIES AFTER SEVEN OR FIFTEEN YEARS

SEC. 104. (a) Each Federal regulatory agency not abolished under the provisions of section 103 or any successor agency established under the provisions of section 106, shall be abolished on October 1, 1983, except that any agency which has been in existence for twenty-five years or less on the date on which the determination under this section is made shall be abolished not later than October 1, 1991, unless the President and the Congress take the actions set forth in clauses (1), (2), and (3) of section 103 of this title to disapprove such abolition. Any agency not abolished under the provisions of this section or any successor agency established by section 106 shall be subject to the termination provisions of section 103 not later than October 1 of every seventh year occurring after October 1, 1983, except that any agency which has been in existence for twenty-five years or less on the date on which the determination under this section is made shall be subject to the termination provisions of section 103 on October 1 of every fifteenth year occurring after October 1, 1991, and shall be abolished on such date unless the President and the Congress take the actions set forth in clauses (1), (2), and (3) of section 103 of this title to disapprove such abolition.

(b) For the purpose of this section and section 105, the Director of the Office of Management and Budget shall make the determination required with regard to each agency subject to this title 60 days prior to October 1 in each year in which that agency is subject to being abolished under the provisions of subsection (a).

SELF-DESTRUCTION OF NEW REGULATORY AGENCIES ESTABLISHED AFTER OCTOBER 1, 1974

SEC. 105. (a) Each regulatory agency established by the Congress on or after October 1, 1974, shall be abolished fifteen years from the date on which it was first authorized to exercise its functions under the Act establishing such agency unless the President and the Congress take the actions as set forth in clauses (1), (2), and (3) of section 103 of this title to disapprove such abolition.

(b) Any regulatory agency established on or after October 1, 1974, not abolished under the provisions of subsection (a) of this section, shall be subject to abolition on October 1 of every fifteenth year occurring after October 1 of the year provided in subsection (a) of this section, until such agency has been in existence for twenty-five years, in which case such agency shall be subject to the termination provisions of section 103 on October 1 of every seventh year occurring after October 1 of the year provided in subsection (a) of this section, and shall be abolished on such date unless the President and the Congress take the actions set forth in clauses (1), (2), and (3) of section 103 of this Act to disapprove such abolition.

(c) For purposes of this section "regulatory agency" means an agency having quasi-legislative or quasi-judicial functions which has jurisdiction over the subject matter administered by the agencies listed in section 102.

PLAN FOR THE TRANSFER OF CERTAIN OF THE ABOLISHED FUNCTIONS TO THE PRESIDENT OR A SUCCESSOR AGENCY

SEC. 106. (a) Not later than January 2, 1976, and on or before a date six months prior to each date of abolition of an agency as specified in sections 104 and 105 of this title, the President shall prepare and submit to the Congress a plan for the orderly transfer of such functions, powers, and duties, if any, as are determined by the President to be essential to the public health, safety, or welfare, from an agency subject to the termination provisions of this title to the President or to a successor agency designated by the President. Such plan shall be accompanied by the text of any Executive order or regulation proposed to be issued to implement such plan. In accordance with the provisions of this section, the President is authorized to take whatever action is necessary to insure that the requirements of the laws administered and enforced by the Federal regulatory agency are effectively carried out upon the abolition of the agency.

(b)(1) Any plan prepared by the President pursuant to this section shall take effect if and only if—

(A) the President transmits to the House of Representatives and to the Senate a copy of the plan (together with the text of any Executive order or regulation proposed to be issued to implement such plan); and

(B) before the close of the first period of thirty calendar days of continuous session of the Congress after the date on which the copy of the plan referred to in subparagraph (A) is delivered to the House of Representatives and to the Senate, neither the House of Representatives nor the Senate adopts by an affirmative vote of the majority of those present and voting in that House a resolution of disapproval.

(2) For purposes of paragraph (1)(B) of this subsection—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

(3) For purposes of this section, the term "resolution of disapproval" means only a resolution of either House of Congress, the matter after the resolving clause of which is as follows: "That the ——— does not favor the taking effect of the proposed plan prepared pursuant to section 106 of the Regulatory Agency Responsibility Act, transmitted to the Congress by the President on ———", the first blank space therein being filled with the name of the resolving House and the second blank space therein being filled with the day and year.

(c)(1) A resolution of disapproval in the House of Representatives shall be jointly referred to the appropriate committee having jurisdiction over the subject matter regulated by the agency subject to abolition and the Committee on Government Operations A resolution of disapproval in the Senate shall be jointly referred to the appropriate committee having jurisdiction over the subject matter regulated by the agency subject to abolition and the Committee on Government Operations.

(2)(A) If the committee to which a resolution of disapproval has been referred has not reported it at the end of 7 calendar days after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution of disapproval which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, is highly privileged (except that it may not be made after the committee has reported a resolution of disapproval), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution of disapproval.

(3)(A) When the committee has reported, or has been discharge from further consideration of, a resolution of disapproval, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate on the resolution of disapproval shall be limited to not more than 5 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate is not debatable. An amendment to, or motion to recommit, the resolution is not in order, and it is not in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(4)(A) Motions to postpone, made with respect to the discharge from committee or the consideration of a resolution of disapproval, and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decisions of the Chair relating to the application of the rules of the House of Representatives or the Senate, as the case may be, to the procedure relating to any resolution of disapproval shall be decided without debate.

(5) Whenever the President transmits copies of any proposed plan to the Congress, a copy of each plan shall be delivered to each House of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(6) This subsection is enacted by the Congress—

(A) as an exercise of the rule-making power of the House of Representatives and the Senate, respectively, and as such it is deemed a part of the rules of the House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions of disapproval described in subsection (a)(3); and they supersede other rules only to the extent that they are inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(d) Any plan submitted by the President pursuant to this section which is not disapproved by either House of Congress shall take effect on October 1 of the year in which it is submitted, or on such earlier date as may be provided therein, except that no such plan shall take effect prior to the close of the period specified in subsection (b)(1)(B).

TRANSFER OF PERSONNEL, PROPERTY, AND FUNDS

SEC. 107. (a) Whenever there is a transfer of essential functions to the President or to a designated successor agency, there are authorized to be transferred to the President or to the designated successor agency, as the case may be, the personnel, liabilities, contracts, property, records and unexpended balances of appropriations and other funds which relate primarily to the functions so transferred.

(b)(1) Except as provided in paragraph (2) of this subsection, personnel engaged in functions transferred under this title shall be transferred in accordance with applicable laws and regulations relating to the transfer of functions.

(2) The transfer of personnel pursuant to subsection (a) shall be without reduction in classification or compensation for one year after such transfer.

(c) In exercising his power to transfer personnel as authorized by this section, the President shall transfer only the minimum number of personnel necessary to perform functions and activities determined by the President to be essential. Any of the personnel authorized to be transferred by this title which the President or the head of a designated successor agency shall find to be in excess of the personnel necessary for the administration of his function shall, in accordance with law, be retransferred to other positions in the Federal Government or be separated from the service.

CONTINUATION IN EFFECT OR ORDERS, RULES, CERTIFICATES, AND LICENSES

SEC. 108. All orders, determinations, rules, regulations, permits, certificates, licenses, contracts, rates, and privileges which have been issued, made, granted, or allowed to become effective by a Federal regulatory agency abolished by this title or by any court of competent jurisdiction, under any provision of law affected by this title, and which are in effect at the time this section takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed by the President, the head of a designated successor agency or by any court of competent jurisdiction, or by operation of law.

PENDING ACTIONS AND PROCEEDINGS

SEC. 109. (a) No suit, action, prosecution in a criminal proceeding, or other judicial proceeding lawfully commenced by or against any officer or agency in his or its official capacity or in relation to the exercise of his or its official functions, shall abate by reason of the taking effect of any provision of this title, and the court, unless its determines that the survival of such suit, action, or other proceedings is not necessary for purposes of settlement of the questions involved, shall allow the same to be maintained, with such substitutions as to parties as are appropriate. In all such suits, actions, and proceedings, appeals shall be taken and judgments rendered in the same manner and effect as if this Act had not been enacted.

(b) No cause of action by or against any officer or agency in his or its official capacity or in relation to the exercise of his or its official functions shall abate by reason of the enactment of this Act.

(c) No administrative action or proceeding lawfully commenced shall abate solely by reason of the taking effect of any provision of this title, but such action or proceeding shall be continued with such substitutions as to parties and officers or agencies as are appropriate. Orders shall be issued in the actions or proceedings and appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted.

APPROPRIATIONS AUTHORIZED

SEC. 110. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TITLE II—BUDGET REQUESTS AND LEGISLATIVE RECOMMENDATIONS—REPORTS TO THE CONGRESS

BUDGET REQUESTS

SEC. 201. Whenever any agency listed in section 203 submits any budget estimate or request to the President or the Office of Management and Budget, it shall concurrently transmit a copy of that estimate or request to the Congress.

LEGISLATIVE RECOMMENDATIONS

SEC. 202. Whenever any agency listed in section 203 submits any legislative recommendations, or testimony, or comments on legislation to the President or the Office of Management and Budget, it shall concurrently transmit a copy thereof to Congress. No officer or agency of the United States shall have any authority to require any agency listed in section 203 to submit its legislative recommendations, or testimony, or comments on legislation, to any officer or agency of the United States for approval, comments, or review, prior to the submission of such recommendations, testimony, or comments to the Congress.

APPLICABILITY

SEC. 203. The provisions of this title shall apply to the following agencies: Civil Aeronautics Board, Federal Communications Commission, Federal Maritime Commission, Federal Power Commission, Federal Trade Commission, Interstate Commerce Commission, Securities and Exchange Commission, Consumer Product Safety Commission, and Nuclear Regulatory Commission, or any agency-subject to which functions have been transferred after October 1, 1976.

By Mr. GRAVEL (for himself, Mr. ABOUREZK, Mr. HARTKE, and Mr. MCGOVERN):

S. 2678. A bill to prohibit the production of fissionable nuclear materials for use in weapons; to make public the number and potential explosive yield of nuclear weapons currently possessed by the United States; to make public the amount of weapons-grade fissionable nuclear material now possessed by the United States; and to provide for congressional review of any increase in such number, potential explosive yield or amount. Referred to the Joint Committee on Atomic Energy.

NUCLEAR WEAPONS SUFFICIENCY ACT

Mr. GRAVEL. Mr. President, today I am introducing a bill which I hope will prove to be a first step in restoring reason to the United States' nuclear defense policy.

I call this measure the "Nuclear Weapons Sufficiency Act," and the idea behind the act is simple and logical: you cannot kill an enemy more than once; you cannot intimidate anyone by threatening to blow him up a 39th or a 40th time; and the frantic acquisition by our military of ever more atomic bombs and ever more overkill capability is wasteful and demoralizing.

The increasing number of U.S. nuclear weapons is not giving us security, Mr. President, nor is it protecting our freedom, nor upholding the values of our civilization. To the contrary, it is making this country, and the rest of the world with us, each day less secure, less free, less humane.

It has been recognized since the Hiroshima blast 30 years ago that nuclear weapons would change the nature of war. Many people suggested that man himself might have to change to accomodate to the new realities of nuclear fission and fusion.

But in those 30 years we have not changed. Even the most obvious fact about nuclear weaponry seems to be ignored: that a point is reached—is soon reached—when additional numbers of nuclear weapons threaten not the enemy who may seek to overwhelm us, but rather threaten the whole of human civilization and the biophysical environment from which that civilization has sprung.

Before the atomic bomb, more weapons may have meant more security. Today, more weapons can mean suicide.

The Nuclear Weapons Sufficiency Act adresses the three great problems which atomic weaponry has brought to the United States: The proliferation of nuclear arms; excessive military secrecy; and nuclear pollution.

The act is a first step in confronting these problems. It would do three things:

First, it would make public the basic information needed for citizen comprehension of our nuclear arsenal: how many atomic weapons we have deployed; the total explosive potential—megatonnage—of these weapons; how many weapons we have stored; and the total amount of weapons-grade plutonium and uranium in U.S. possession.

Sensitive information like the accuracy of our missiles would remain classified. But the basic outline and dimensions of our nuclear arsenal would become public knowledge, as they must if citizens and Congress are ever to exercise any control over the excessive nuclear ambitions of our military.

Second, the act would require the United States to cease the production of fissionable materials for weapons.

We have already amassed an enormous amount of plutonium and weapons-grade uranium—so much, in fact, that the Government has previously offered to cut off production on a bilateral basis. Even if we possessed only the amount that is now contained in deployed and stockpiled warheads, that amount would be sufficient for our defense, because the fissionable component can be removed from one weapon and reassembled in a new one.

By stopping the production of weapons plutonium, we would also halt the generation of weapons-related radioactive fission wastes. More than 200 million gallons of these cancer-causing, mutating high-level wastes have already been created in the U.S. nuclear weapons program.

Finally, the Sufficiency Act would require the President to announce publicly and to justify any proposed increase in the number of deployed weapons over the number currently deployed, or any increase in total deployed megatonnage—and the Congress could then debate and, if it chose, could disallow such an increase. This means the Congress would be in a position, if it so decided, to impose a ceiling on the number of nuclear weapons deployed by this country; and it means both Congress and the public would have the information necessary to make such a decision.

This provision would not tie the hands of the administration. Already, according to publicly available estimates, we deploy some 8,000 strategic—long-range—nuclear warheads and some 22,000 tactical—short-range—weapons. The total explosive power of our arsenal is reported to be in the neighborhood of 8,000 megatons, the equivalent of 8 million tons of TNT, or 2 or 3 tons for every person on earth—or, put another way, some 615,000 Hiroshima equivalents, or 4,000 World War II's.

Within these very high limits, the administration and the military could, under the bill I am proposing, do as they saw fit. Most notably, the improvement of missiles, the expansion of the strategic force—especially the submarine force—and other activities deemed necessary would be completely unaffected by this measure.

What the Congress would be saying in passing the Sufficiency Act is simply:

"If 30,000 atomic bombs, or 4,000 World War II's, are not enough to defend us, then what will be enough? If you believe we need more, you must explain why."

I want to emphasize, Mr. President, some of the things the Sufficiency Act is not.

It is not unilateral disarmament, because it is not disarmament at all.

It does not leave this country without defense, because ever greater overkill capability—the second and the third TNT equivalent ton for every human being on the planet, or the 40th time we can evaporate every large Soviet city—is paranoia, Mr. President, not defense.

This act is not a constriction on the actions of the President, because he is left free, within the already enormous bounds of our current arsenal, to act entirely as he understands the interest of the country to require. And even if he believes our nuclear force should double or triple in size, he is free to do that, provided only that he can persuade the Congress he is doing the right thing. He would not even need the Congress' permission, but would only be subject to its disallowing any increase it found to be contrary to the national interest.

I make no secret of the fact that I myself would seek to contain our nuclear force at or below its present level. I believe that our current arsenal, and the overkill contained there, is bestial; that it represents a horrible victory of amoral technological capability over the qualities of restraint and compassion which are the real achievements of human culture; and that, in fact, these terrible weapons and our readiness to employ them prove that we as a Nation have only only a tenuous hold on these qualities, the very ones which we sometimes say the weapons are defending.

This brings us to what the Nuclear Weapons Sufficiency Act does achieve. The act begins to restore to the Congress and to the people the right to exercise reasonable control over the war-making powers of the Nation, and it opens to the public view the basic factual information which is essential for such control.

Specifically, it asks the voter, rather than the Rand Corp., "How much is enough?"

Why have we not previously insisted on a clearer view of our nuclear arsenal? Is it because good people feel repelled and overwhelmed by this subject?

A terrible analogy presents itself:

We were quick to condemn the self-enforced ignorance of German citizens in World War II. But I say bluntly, Mr. President, that we are laying out a feast of death and genocide beside which the stench of Auschwitz and Dachau would hardly be noticeable.

What is 6 million next to 600 million?

More precisely, we as citizens are allowing this catastrophe to proceed, and on our freeways and in our well-heated homes, we are ignoring this central enterprise of our Government.

I know we are trying to negotiate an end to this threat. And I know we are not alone in this eschatological folly.

But the fact is that our SALT negotiations are becoming programs for scheduling and even accelerating the production of more weapons by both sides. Meanwhile, we ignore our obligation under the Non-Proliferation Treaty, to reduce the number of atomic weapons.

On the subject of nuclear defense, I believe American citizens feel helplessness and frustration. On the one side, they see the need for realistic military preparedness. But on the other hand, I believe they understand that defense and suicide are becoming one.

Military secrecy is being used, Mr. President, to cut off understanding and real debate of this subject. The military will oppose the provisions of my bill which would make public the size of our nuclear force. I do not doubt that the generals will maintain that this information could aid an enemy.

But it is not the Soviets or the Chinese who will learn anything from the publication of these basic, nonsensitive facts. We have thoroughly impressed the Communist world with the power of our weapons.

It is the American voter whose eyes will be opened, and it is this voter and his commonsense which frighten our military planners.

In the Nuclear Weapons Sufficiency Act, I offer a first step toward a nuclear defense posture which is strong, democratic, and moral. This is a bill which deserves the support of all those willing to trust the wisdom of the people.

We are already as safe as nuclear weapons can make us. More weapons will not make us safer.

I would like to quote President Eisenhower:

> Every addition to defense expenditure does not automatically increase military security. Because security is based upon moral and economic, as well as purely military strength, a point can be reached at which additional funds for arms, far from bolstering security, weaken it.

I believe that if, as this bill proposes, we let the people decide, they will find that we have reached and long surpassed the point of nuclear sufficiency.

Mr. President, I ask unanimous consent that there be printed in the Record the text of the Nuclear Weapons Sufficiency Act.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2678

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nuclear Weapons Sufficiency Act".

Sec. 2. (a) The Congress finds that—

(1) the United States has deployed nuclear weapons sufficient in number for the national defense and the defense of its allies;

(2) increases in the number of nuclear weapons deployed by the United States will increase the likelihood of nuclear war and of accidental explosion or other hazardous release of radioactivity;

(3) the United States possesses a surplus of weapons-grade fissionable nuclear material sufficient for such emergency needs as might arise;

(4) the production of weapons-grade nuclear materials, especially plutonium, endangers the earth's environment; and

(5) the secrecy surrounding the military nuclear program of the United States is excessive, at times undermining the democratic process without adding to the defense or security of the United States.

(b) The Congress therefore declares that—

(1) production by the United States of fissionable nuclear materials for weapons should be discontinued:

(2) the number and potential explosive yield of United States nuclear weapons should be maintained at or below present levels; and

(3) the number and potential explosive yield of United States nuclear weapons should be public knowledge.

Sec. 3. The Energy Research and Development Administration is hereby directed to cease, within 60 days after the date of enactment of this Act, the production and purchase of fissionable nuclear materials for use in weapons. Thereafter, the production or purchase of such materials for use in weapons may be made only if specifically authorized by legislation enacted after the date of enactment of this Act.

Sec. 4. (a) The Secretary of Defense is hereby directed to submit a report to the Congress, within 30 days of the enactment of this Act, setting forth:

(1) the total number of nuclear weapons deployed and the total number of such weapons stored by the United States as of the date of enactment of this Act;

(2) the total potential explosive yield of nuclear weapons deployed by the United States; and

(3) the total amount in weight of weapons-grade plutonium and uranium possessed by the United States.

(b) (1) The United States shall not deploy nuclear weapons in excess of the number deployed as of the date of enactment of this Act, as reported pursuant to subsection (a) (1) of this section; nor shall the total potential yield of such weapons exceed the yield figure reported pursuant to subsection (a) (2) of this section; except that the President may authorize an increase in such number of deployed weapons and/or the potential yield thereof if—

(A) he reports to the Congress the extent of such increase and certifies to the Congress in writing that such increase is essential to the national defense of the United States;

(B) 60 days of continuous session of the Congress have expired following the date on which certification with respect to such increase is received by the Congress; and

(C) neither House of Congress has adopted within such 60-day period, a resolution disapproving such increase.

(2) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of such 60-day period.

By Mr. CASE:

S. 2679. A bill to establish a Commission on Security and Cooperation in Europe. Referred to the Commission on Foreign Relations.

PROPOSAL FOR MONITORING THE HELSINKI ACCORDS

Mr. CASE. Mr. President, the recent refusal by the Soviet Union to let one of its most distinguished citizens, Andrei Sakharov, travel to Oslo to personally receive his Nobel Peace Prize is deeply disturbing.

This refusal and other developments, raise serious questions about the willingness of Moscow to honor the spirit and letter of the Helsinki Agreement signed in August by the United States, the U.S.S.R., and 32 other nations.

Part of the agreement, known as the Final Act of the Conference on Security and Cooperation, pledges the signatories to respect human rights. The agreement contains a pledge to allow freer movements and contacts and to respect such basic human rights as freedom of thought, conscience, religion and relief.

As the Washington Post pointed out in a recent editorial on Mr. Sakharov, "on both these counts, the Kremlin is now defaulting on its Helsinki pledge."

There are other reasons for concern about Moscow's intention to abide by the agreement. We have received disquieting reports that obstacles are still being raised in the way of family reunions. Also, there have been continuing reports of harassment of Russian Jews and political dissidents.

The attitude of the Soviet Government on the general issue of human rights was made clear in its strong reaction against the American resolution introduced in the United Nations last week calling upon all governments to release their political prisoners.

Because of the questions these and other reports have raised about Moscow's willingness to abide by the Helsinki agreement, I think there is an increasing need to monitor the extent of compliance with the agreement which Moscow so badly desired.

To be sure, a monitoring procedure would not necessarily assure compliance. But it would have the effect of providing at least a mechanism to evaluate the degree of compliance and to focus international attention on possible violations.

Although the State Department and Defense Department will keep an eye on the degree of compliance in their immediate areas of interest, Congress should be able to play an important role in the all-important area of human rights which all too often appear to be of only secondary concern to the executive branch.

Congress has shown its concern for human rights in a variety of ways—most recently in the passage of amendments earlier this month to H.R. 9004, the Economic Aid bill.

It is only fitting that we follow up our concerns by making an effort to monitor the actions of the Soviet Union—which, as the recent grain agreement shows, is becoming an increasingly important consumer of American products to improve her standard of living.

Our mechanism to monitor the Helsinki accord has been proposed in the House of Representatives by Mrs. Fenwick of New Jersey and a number of her colleagues. I think her proposed Commission is a good step in the right direction and today I am introducing her bill, H.R. 9466, for consideration by the Senate.

The bill would establish an 11-member Commission, including members of the congressional and executive branches of Government. The proposed Commission on Security and Cooperation in Europe will show that we are just as concerned about human rights aspects of the Helsinki agreement as the military and trade sections.

Mr. President, I introduce, for appropriate reference, a bill to establish a

Commission on Security and Cooperation in Europe, and I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is established the Commission on Security and Cooperation in Europe (hereafter in this Act referred to as the "Commission").

SEC. 2. The Commission is authorized and directed to monitor the acts of the signatories which reflect compliance with the articles of the Final Act of the Conference on Security and Cooperation in Europe, with particular regard to the provisions relating to Cooperation in Humanitarian Fields.

SEC. 3. The Commission shall be composed of eleven members as follows:

(1) Four Members of the House of Representatives appointed by the Speaker of the House of Representatives. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the House, from the minority party. The Speaker shall designate one of the House members as chairman.

(2) Four Members of the Senate appointed by the President of the Senate. Two members shall be selected from the majority party and two shall be selected, after consultation with the minority leader of the Senate, from the minority party.

(3) One members of the Department of State appointed by the President of the United States.

(4) One member of the Defense Department appointed by the President of the United States.

(5) One member of the Commerce Department appointed by the President of the United States.

SEC. 4. In carrying out this Act, the Commission may require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued over the signature of the Chairman of the Commission or any member designated by him, and may be served by any person designated by the Chairman of such member. The Chairman of the Commission, or any member designated by him, may administer oaths to any witness.

SEC. 5. The Commission is authorized and directed to report to the House of Representatives and the Senate with respect to the matters covered by this Act on a periodic basis, and to provide information to Members of the House and Senate as requested.

By Mr. BROCK:

S. 2681. A bill to provide for open meeting of the Board of Directors of the Tennessee Valley Authority, and for other purposes. Referred to the Committee on Public Works.

Mr. BROCK. Mr. President, I am today introducing legislation requiring the Board of Directors of the Tennessee Valley Authority to open up their deliberative process to the public. The bill requires that any decision by Board members involving any action with respect to the operation of TVA, with two exceptions, shall occur in public session. It further requires that at least three meetings annually be held in different parts of the Tennessee Valley. The purpose of this legislation is to insure that the people of the Tennessee Valley have the maximum possible opportunity to observe how decisions affecting their everyday lives are made.

Last November, I introduced similar legislation. Before it was enacted, the Board of Directors by a unanimous vote agreed to open their meetings to the public. At the time, I was very pleased with the Board's action and decided not to push my legislation.

However, after some 10 months' experience with voluntary open meetings, I have concluded that a tough legislative mandate would be preferable. I should note that I am not alone in this regard. Every member of the Tennessee delegation in the House has either introduced or cosponsored legislation requiring open Board meetings.

The principal reason for legislation of this type is to establish the clear and unambiguous policy of the Congress on this matter. S. 5, recently passed by the Senate, goes a long way in this regard, but does not establish strongly enough the particular need for TVA to open up its decisionmaking process to the sunshine of public view. A recent study by the East Tennessee Research Corporation found that of 138 purchase awards made by the Board during the period between January, when meetings were first opened, and September, 105 were decided by informal action outside the public meeting. Of the 51 project authorizations, 27 were made informally. Such actions in the face of open meetings has led the Nashville Banner to describe open meetings as "a sham on the public"; something I am sure the directors never intended. The ETRC study concluded that half of the Board's decisions since it opened its meetings to the public have actually been made informally, and therefore outside public scrutiny.

Mr. President, I know that the two present Board members have made an enormous effort to heighten public understanding of their work and of the operations of the Authority. I commend them in their efforts. And I am sure that the third member, whoever he will be, will do likewise. Nevertheless, I think that the public interest will be served best by giving the Board a clear congressional mandate in this area.

The legislation I am introducing today does just that. It excepts only national security and sensitive personnel matters from Board decisions which must be made in public session. While I realize that it is virtually impossible to prevent the Board from circumventing such a provision if they wish, I believe that public and congressional scrutiny will deter such a course. I am also certain that the present Board, as well as future Boards, will do everything in its power to comply with the spirit of the legislation.

The ETRC report also noted that general citizen attendance at the meetings had fallen off drastically. Therefore a section of my bill mandates that at least three meetings a year be held outside the Knoxville area. Perhaps, by bringing the Board closer to the people whom it must serve, this trend will be reversed.

Mr. President, for the purpose of establishing more clearly the legislative intent of my bill, I ask unanimous consent that the text of the legislation, together with the ETRC report on the TVA Board's first 10 months experience with open meetings, be printed in the RECORD.

There being no objection, the bill and report were ordered to be printed in the RECORD, as follows:

S. 2681

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831a) is amended by adding at the end thereof the following new subsection:

"(i) (1) All meetings of the board shall be open to the public, except that a meeting or a part of a meeting may be closed to the public if a majority of the board determines that the matters to be discussed at such meeting or such part of a meeting will—

"(A) disclose matters necessary to be kept secret in the interests of national defense; or

"(B) relate specifically to matters of Corporation personnel.

"(2) For purposes of this subsection, the term 'meeting' means the deliberations of at least the number of individual board members required to make any decision involving any action taken by the board with respect to the operation of the Corporation.

"(3) In order to develop the greatest possible awareness of the activities of the board and the Corporation, the board shall conduct at least three meetings at a place other than the place at which the board normally conducts its meetings. The board shall determine the times and places of such meetings but shall give adequate notice to insure that residents of the areas in which such meetings are held are able to participate.".

SEC. 2. The amendment made by this Act shall become effective 30 days following the date of its enactment.

MEMORANDUM

From: Neil G. McBride
Staff Attorney
East Tennessee Research Corporation
Jacksboro, Tennessee 37757
(615) 562-3396

Re: Evaluation of Decision-making at TVA Open Board Meetings January 16 through August 28, 1975.

Date: September 23, 1975.

(Note.—The statistics in this memorandum are based on information supplied at ETRC's request by TVA's Office of Public Information. TVA has cooperated fully with ETRC's requests for information on this subject.)

HISTORY

Until the first public meeting was held on January 16, 1975, formal meetings of the Board of Directors of the Tennessee Valley Authority were closed to the public. During the Summer and Fall of 1974 several influences resulted in widespread public demand for open meetings. The public was concerned over rapidly rising electric rates and the effect of the coal shortage on their power supply. The Watergate crisis increased public respect for the importance of open government, creating an awareness which resulted in the passage of a Tennessee "sunshine" law and which strengthened federal laws governing public access to government. Finally, the region's press began to request better access to TVA so it could cover its activities more thoroughly.

Press interest was first stimulated by a series of articles in the Whitesburg, Kentucky, *Mountain Eagle*. Reporter James

Branscome's efforts to get into the meetings and his stories written from outside the closed sessions (detailing the millions of dollars spent mysteriously inside) caught the attention of the Nashville *Tennessean* and the Louisville *Courier-Journal* and then of the national media.

The debate culminated with Senator Brock's introduction of legislation which would require public board meetings. After the legislation was introduced TVA announced that it would voluntarily open Board meetings to the public.

The first public meeting was held on January 16, 1975, in a room crowded with national and local reporters, leaders of organized citizens' groups and curious members of the general public. Thirty-seven items were on the agenda. Twenty-one of them had been "informally approved" by the Board prior to the meeting.

FORMAT OF BOARD MEETINGS

The Board meets at TVA's headquarters in the New Sprinkle Building in Knoxville, Tennessee. TVA mails out copies of its proposed agenda with its regular press releases several days before the meeting. At the meeting copies of previous press releases relating to proposed actions are also distributed. Copies of the agendas for the meetings held between January 16 and August 28 are attached below.

Meetings usually begin around ten in the morning, and are conducted by the General Manager, R. Lynn Seeber. Mr. Seeber reads off a concise statement of the proposed action to be considered. A member's silence indicates approval, and the manager moves on to the next item. Members may interrupt to ask questions, which are answered by Mr. Seeber or the responsible staff member. When the Board considers items of special public interest, such as a major expense for pollution control or a proposed rate increase, the staff may make a special presentation.

The formal session may take forty-five minutes or two hours, depending on the agenda. After the formal session, the Board takes a break to re-arrange the meeting room so that the remainder of the meeting may be televised. The second half of the meeting consists of a press conference, the first part of which is devoted to questions with a general question and answer period. Both the press and the public may ask questions. The Board usually allows adequate time to answer all the questions it receives from the press and the audience.

Representatives of the area's major newspapers, radios and radio and television stations regularly attend the meetings along with leaders of citizens groups who are specially concerned with certain aspects of TVA policy. After the first meeting, few members of the general public have attended.

Representatives of the East Tennessee Research Corporation attended the first open meeting and have attended nearly all the Board's meeting since then. The meetings contain very little substantive discussion of the matter under consideration. Dissenting votes are rare. Occasionally a board member will have a question which cannot be answered or a reservation which cannot be resolved and an item is deferred for further discussion. As the meetings are now conducted they create the appearance that the atcual decisions are made elsewhere. To some observers, the meetings seem to be "set pieces". On January 20, 1975, the *Nashville Banner* ran an editorial about the first meeting, calling it a "sham on the public"; saying that purchases involving millions of dollars were made "without even the pretense of discussion". The meetings do not appear to be the working sessions of the directors of a major federal agency. What discussion there is seems primarily for the benefit of the public and not the participants. Almost no discussion of broad policy issues takes place at the meetings—all items are considered against the background of policy assumptions already understood and agreed upon.

INFORMAL APPROVALS

Eleven public meetings (not including one-item meetings held for certain formal purposes) have been held since January 16th. Copies of the agenda for each of these meetings are attached below. These agendas are numbered in sequence. For numbered meetings are not included in TVA's compilation of meeting agendas. The public information office reports that these meetings, Numbers 1125, 1129, 1133 and 1136, were single-item meetings called for formal purposes, such as the purchase of federal revenue bonds.

At these eleven meetings the Board considered 361 proposed actions. Forty-seven percent of these items—169 of them—were informally approved prior to the public meeting. A list of the informal actions announced during the eleven meetings between January 16 and August 28 is attached below.

Board decisions are divided into eight categories: Personnel Actions, Consulting and Personal Service Contracts, Purchase Awards, Project Authorizations, Fertilizer Contracts, Power Items, Real Property Transactions and Unclassified. Ten of the Board's informal actions dealt with personnel matters. At the first open meeting TVA explained that personnel actions "have always been approved in advance of the Board meeting to avoid the possible embarrassment to the employee of having his or her merits (or demerits) discussed before others."

Of the other proposals before the Board, Purchase Awards and Project Authorizations are generally the subject of the greatest public interest. Of the 138 purchase awards considered during this period, 105 (76 percent) were decided by informal action outside the public meeting. Of the 51 project authorizations, 27 (53 percent) were made informally.

HOW INFORMAL APPROVALS ARE MADE

Representatives of TVA's Public Information Office explain that informal actions are taken several ways. Usually an item is circulated among the three Board members with background information. Acceptance or rejection is indicated by initial. It a member has a question about a proposal, he may discuss it with the general manager or a staff member. Decisions may be adopted informally which were passed with a dissenting vote. ETRC has requested the public information office to provide a list of voting records on formal an informal actions.

Since May 20, 1975, TVA has had only two board members. Since a decision requires two votes, all actions taken since that time would had to have been unanimous.

Informal approvals are sometimes announced two meetings after being taken by the Board. For example, on July 10, item C-9 was informally approved on June 9, in order to expedite the purchase of spot coal, three days prior to a meeting on June 12. At the last meeting for which records have been compiled, the agenda listed three items which the Board approved informally on the day of the previous public meeting. The agenda included two items approved the day before the previous meeting.

Items which have already been informally approved are marked with an asterisk on the agenda circulated at the meeting. During the meeting, the General Manager announces the items approved informally and gives a brief explanation of why such action was necessary. Common justifications include:

"to be within the bid acceptance period"

"approved January 9, 1975, as current contract expired December 31, 1974"

"to expedite delivery"

"in order to expedite the acquisition"

"to expedite the arrangements"

ETRC is studying the background material on some of these informal actions in an effort to evaluate whether more of these decisions could be made at public meetings. A preliminary study of the descriptions of the actions given in the agenda, however, suggest that many of these informal actions could, with adequate preparation, be made during public meetings. Bid acceptance periods, for example, could be fixed to coincide with board meetings. Contracts which are due to expire could be renewed in advance.

CONCLUSION

Since TVA's Board of Directors opened its meetings to the public, nearly half of its decisions have been made informally, outside the public meetings. At a time when the public values open government more than ever, this large number of "secret" decisions weakens confidence in TVA's credibility. Such informal actions make it difficult for the public to know the full considerations behind Board decisions and whether dissenting votes were cast. The Board must inevitably take some actions between formal meetings. A preliminary analysis of the informal actions taken since the meetings were opened to the public indicate that, with a greater commitment to public decision-making, the Board could make significantly more of its decisions in public.

Additional research is necessary to determine the full significance of the practice of taking informal actions outside public meetings: How does the pattern adopted since meetings were opened to the public compare to the practice before that time? Is there a difference in dissenting votes between formal and informal actions? What are the administrative difficulties the Board faces in making fewer informal decisions? ETRC has begun analysis of these issues and will distribute it when it is complete.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1776

At the request of Mr. Hugh Scott, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 1776, a bill to establish the Valley Forge National Historical Park in the Commonwealth of Pennsylvania.

AMENDMENTS SUBMITTED FOR PRINTING

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS—H.R. 5900

AMENDMENT NO. 1127

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS (for himself and Mr. Javits) submitted an amendment to the title of the bill (H.R. 5900) to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

AMENDMENT NO. 1128

(Ordered to be printed and to lie on the table.)

Mr. ALLEN submitted an amendment intended to be proposed by him to amendment No. 1096 to amendment No. 1058, to the bill (H.R. 5900).

ADDITIONAL STATEMENTS

FREEDOM IS WORTH FIGHTING FOR

Mr. HANSEN. Mr. President, last Saturday the distinguished senior Senator from Hawaii, Mr. Fong, delivered an address entitled "Freedom Is Worth Fighting For" at a gathering here in the Nation's Capital to honor the birthday of Dr. Sun Yat-sen, the indefatigable chief engineer of the overthrow of the Manchu dynasty and founder of the Republic of China in 1912.

While lauding the courage and perseverance of Dr. Sun in behalf of freedom for the people of China, Senator Fong called upon free people everywhere today to "exert the same brand of courage, the same kind of discipline, and the same spirit of sacrifice" as Dr. Sun.

Senator Fong warned that—

> Along life's pathway, there are always those who are striving to snuff out freedom's candle—by terrorism, sabotage, assassination, invasion, by brute force.

He noted that since World War I, the light of freedom has been extinguished for more than 30 once-free nations and more than 1.2 billion people.

In view of the "truly alarming erosion of freedom in the world," Senator Fong said it is "imperative" for Americans to "keep strong and prepared for any eventuality, for there is no other country to save us."

Compared with the sacrifices which Dr. Sun made for the people of China and the sacrifices our forefathers made for the American people, Senator Fong said:

> What we are being asked to do today is a small price to preserve our Nation, to perpetuate freedom and democracy, and to advance social well-being.

He noted that we Americans are "only asked to support a little more for better defense forces to keep our Nation secure from attack," to "depend on government a little less, to save a little more, to work a little harder, to produce a little more, to drive a little less, to keep our homes a little cooler in winter and a little warmer in summer, to conserve our energy resources and our natural resources."

In this way, Senator Fong declared, our economy can recover, our people can have jobs and our Nation can become stronger for the long haul ahead.

Coming from Hawaii, which suffered a devastating attack in World War II, Senator Fong speaks with particular authority on the need for strong defense as an indispensable way to preserve America's freedom and independence.

Therefore, I ask unanimous consent that his address be printed in the Record for the benefit of my colleagues and readers of the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Freedom Is Worth Fighting For

Ambassador and Mrs. Shen, Dr. and Mrs. Mott, My Colleagues in Congress, Distinguished Guests, Ladies and Gentlemen:

Good Afternoon and Aloha!

I want to thank the Greater Washington Council of the United Board for Christian Higher Education in Asia for inviting me to participate in today's delightful reception in this lovely setting of Twin Oaks, which Ambassador and Mrs. Shen so graciously made available for this occasion.

I feel deeply honored that I have been asked to speak on this occasion to mark the anniversary of the birth of Dr. Sun Yat-sen, beloved Founder of the Republic of China and its First President.

I am especially pleased to pay homage to Dr. Sun, not only as just tribute to a giant in world history, but also for a most personal reason. You see, my father was born in the very same Chung-shan District of Kwangtung Province as Dr. Sun, only eight years earlier. My father left China at age 15 for Hawaii, where he later married and raised a family. Because of Dr. Sun's successful revolution, I can still recall witnessing as a little child in 1911, my father shedding his badge of bondage from the Manchu Dynasty by cutting off his queue.

As a United States Senator from Hawaii, where I was born and raised, it is appropriate to recall that Dr. Sun Yat-sen had strong ties to my homeland from the time he was a young boy, when in 1878 he entered Iolani College in the Kingdom of Hawaii, a fine secondary school founded by English missionaries. His older brother was already in Hawaii, farming and prospering.

Dr. Sun was well acquainted with Hawaii after we were annexed to the United States in 1898, when our people became American citizens under the U.S. Constitution. Undoubtedly, the government and freedoms enjoyed by the people of Hawaii influenced Dr. Sun's thinking and philosophy.

Dr. Sun proved a bright scholar at Iolani and was awarded a government scholarship to enter Oahu College. But his family insisted he return to China after completing his studies at Iolani. They feared he would forget his native land and become too "westernized."

But later, he returned to Hawaii as a medical doctor, and it was in Honolulu that he formed his first revolutionary hui. And, after the first revolution failed in China, his family had to flee the long arm of the Manchus in Hong Kong and take refuge in Hawaii.

Time and time again, during Dr. Sun's protracted and difficult efforts in Europe, the Far East, and the United States to raise funds and organize China's revolution, Dr. Sun returned to Hawaii.

So we in Hawaii feel a deep Aloha and kinship with Dr. Sun Yat-sen. We have long admired his courage, perseverance, and inspired leadership in behalf of the people of China and we salute his epochal achievement of founding the first republic in Asia.

As a matter of fact, only last month, the elected Council of the City and County of Honolulu, which is Hawaii's largest county containing more than 80 per cent of all our people, adopted a resolution reaffirming the strong bonds of friendship with the Republic of China.

In the ten minutes or so allotted to me today, it would be difficult indeed to capsulize the three score years of Dr. Sun's life and his monumental achievements. Eminent scholars have devoted entire books to chronicling his life and deeds. You who are students and you who are disciples of Dr. Sun know full well, without embellishment by me, how much Dr. Sun did to bring nationhood and democracy to the people of China and how he wrote the blueprint for their social well-being.

Rather than to recite the history of Dr. Sun Yat-sen, I would like to dwell today on some of the lessons we can learn from him, which are just as valid today as in his day. In reviewing his illustrious career, I was reminded that Dr. Sun was not an instant success or an overnight hero. He suffered many failures. One revolutionary uprising after another was quelled and he faced a long, hard road to organize each new one. But instead of wallowing in discouragement and giving up in despair, he learned from his failures and persisted and persisted until at last the dynasty was overthrown and the new republic founded.

So one of the greatest lessons we learn is not to let one episode or several episodes of failure discourage us. There is always tomorrow, and tomorrow we can do better.

Dr. Sun was not a "summer soldier" or a "sunshine patriot." Had he been, he would have quit the struggle very early in life. After all, he was once imprisoned in London in the Chinese Legation. During the long revolutionary struggle, a price was on his head. His family was in physical danger. Having tried valiantly several times, was he not entitled to call it quits?

But no. So fervently did he believe in his goals of setting the people of China free from tyrannical rule that he never gave up, and finally the glorious day arrived when China was free.

So, from Dr. Sun, we also learn to be good soldiers in the struggle against tyranny, through good times and bad.

From Dr. Sun, as from my Nation's Revolutionary heroes, we learn that freedom is worth fighting for. Now, we ask ourselves, how can we best honor the memory of such a distinguished freedom fighter?

We can do it by doing our part to keep the torch of freedom alive in this world where it is threatened in every quarter of the globe.

You who live in the Republic of China on Taiwan are showing the same courage, the same fortitude, and the same unflagging zeal in behalf of freedom as did Dr. Sun Yat-sen. Oh, how I recall the many prophets of gloom and doom, who forecast that Taiwan could never become a viable economic entity, that Taiwan could not survive in the modern world and that it would ultimately be swallowed up by powerful neighbors.

But you have confounded the severest critics. Just as Dr. Sun succeeded where lesser men failed, so the Republic of China on Taiwan, under your late, renowned President Chiang Kai-shek and now under your distinguished new leaders, is succeeding where lesser leaders would fail.

Within the past year, it was my privilege and pleasure to visit the Republic of China on Taiwan on two separate occasions. I was amazed at the economic, technological, and social progress made there in such a relatively brief span of time. Taiwan is truly a showcase of progress, freedom, enterprise, and prosperity in Asia. If Dr. Sun were alive today, he would be amazed and proud and vindicated.

In addition, I was impressed by the strong and ready defense posture you are maintaining on Taiwan. Most of all, I was impressed by the spirit of your people, by their will and determination to resist any force that might seek to deprive them of their liberty and their self-determination.

Larger than three-fourths of the nations of the world in terms of population, the Republic of China on Taiwan, with its strong defense posture and the enlightened spirit and determination of its people, is a gibraltar of freedom. A nation of 17 million people ready and resolved to defend its freedom is indeed a mighty force.

If ever there is a living memorial to the precepts of Dr. Sun Yat-sen, who cherished freedom, it is the Republic of China on Taiwan. I congratulate you.

We who enjoy freedom know how dear freedom is. Freedom comports with man's natural and irrepressible ambition for a better life for himself and his family. Freedom allows people to speak freely, write freely, worship freely, and to retain much of the fruits of their labor.

Totalitarianism denies these basic and natural aspirations of mankind. Authoritarianism relegates each person to the ignoble status of a cog in the governmental machine, a mere pawn in the hands of the rulers. Each person is told what he must study, what work he must do, where he must live, and woe to anyone who steps out of line.

Freedom liberates and elevates the human spirit and soul. It is a candle that lights the dark.

Along life's pathway, there are always those who are striving to snuff out freedom's candle—by terrorism, sabotage, assassination, invasion, by brute force.

Since the end of World War I the light of freedom has been extinguished for more than 30 once-free nations and more than 1.2 billion people. In 1975 alone, two nations, South Vietnam with some 20 million people and Cambodia with its 7½ million people, have lost their freedom. Laos, with 3.3 million people, is in mortal peril. Thailand's 36.3 million people and South Korea's 35 million people are in perpetual danger. Portugal is torn apart in a struggle to determine if her 8.6 million people will live under totalitarian rule. Israel's 3.4 million people live in constant fear of attack.

In view of the truly alarming erosion of freedom in the world, no people should delude themselves that freedom will last forever.

Freedom can be lost for us, too, if we do not exert the same brand of courage, the same kind of discipline, and the same spirit of sacrifice of the man we honor today.

You in the Republic of China or Taiwan are making sacrifices to make certain that your defenses are adequate to the threat you face. And you are making economic and humanitarian progress at the same time.

Likewise, little Israel prizes its independence, freedom, and survival as a nation—so much so that 40 per cent of its annual budget goes for defense purposes. One-third of its entire gross national product is devoted to defense measures.

If we in America were to apply one-third of our gross national product, currently estimated at an annual rate of $1.5 trillion, to our national defenses, we would be spending a total of $500 billion. If we were to devote 40 percent of our $375 billion annual Federal budget to making our defenses stronger so as to deter war, we would be spending $150 billion for defense. Instead, we are currently spending only about $92 billion.

This is not to say that we need to spend 40 per cent of our budget or one-third of our gross national product for defense. But in view of the erosion of freedom and the growing strength of our adversary, we need to ask ourselves whether we Americans value our freedom and independence and survival as much as the people of Israel and as much as the people of the Republic of China.

Without strong and adequate defense forces, how can America hope to deter a potential aggressor, how can America hope to survive, how can we hope to preserve our precious freedoms? It is imperative we keep strong and prepared for any eventuality, for there is no other country to save us.

Today, we Americans are only asked to support a little more for better defense forces to keep our Nation secure from attack. We are only asked to depend on government a little less, to save a little more, to work a little harder, to produce a little more to drive a little less, to keep our homes a little cooler in winter and a little warmer in summer, to conserve our energy resources and our natural resources so that our economy can recover, so that our people can have jobs, and our Nation become stronger for the long haul ahead.

Compared with the sacrifices which Dr. Sun made for the people of China and the sacrifices our forefathers made for the American people, what we are being asked to do today is a small price to preserve our Nation, to perpetuate freedom and democracy, and to advance social well-being.

All of us—Americans, Israelis, people of the Republic of China, free people everywhere—wish that circumstances did not require such huge expenditures and such a large portion of our natural and human resources for our national security. We long for the millenium, so that swords could indeed be turned into plowshares.

But instead of peace in our time, we have suffered war and the threats of war, not only political war, but in some areas of the world religious as well. Freedom and totalitarianism have clashed in wars of aggression and continue to clash today in many countries in civil war, rebellion, and insurrection.

Even Christianity, the faith that Dr. Sun adopted and that the United Board for Christian Higher Education in Asia is propagating, is unable to escape the ravages of war. Christians are fighting Christians in Ireland, as Catholics and Protestants continue their conflict. Moslems are fighting Christians in Lebanon.

And so, as we honor today the memory fo Dr. Sun Yat-sen, a great statesman, an illustrious leader, a lofty idealist, an innovative crusader, a fearless freedom fighter, let us all re-dedicate ourselves to seek the millennium, but, until that glorious day, to remain ready and prepared to preserve freedom and independence.

Let us pledge that, whatever the sacrifice to preserve freedom and independence, we shall be willing to make it.

Freedom! Who needs it?

We all do!

Freedom! Who must protect and nurture it?

We all must!

Thank you and Aloha.

FEDERAL STUDENT LOAN PROGRAM IN DEEP TROUBLE

Mr. PERCY. Mr. President, on November 14, the Permanent Subcommittee on Investigations opened hearings into the federally insured student loan program. That program promised to deliver the American dream to millions of undereducated citizens in this country.

In concept the program is simple. Its objective is to pledge the credit of the Federal Government so that undereducated or untrained Americans can, with borrowed money, pursue a course of instruction that will make them valuable additions to the work force of this country. Once they complete this education and are employed, they pay back the loan.

Sadly, this loan guarantee system, with an annual volume exceeding $4 billion, was started with the noblest of intentions, but now falters because of bureaucratic myopia.

Seven months ago, the subcommittee heard how the Department of Health, Education, and Welfare had failed to establish adequate controls over the prepaid health plans administered by the State of California. Last week, we began to hear another account of HEW failure. While our March hearings involved the health of millions of Americans, the sessions that began Friday focus on the education of millions of Americans. The responsibility of HEW for the health and education of the needy cannot possibly be overstated.

As these hearings proceed this week, we expect to hear testimony that HEW has not satisfactorily protected either the students or the taxpayers. With 19,000 institutions eligible for student loan guarantees and millions of Americans eager for a better education, the situation is tailor-made for ripoffs by certain fly-by-night promoters, unqualified schools and lender institutions which do not demonstrate due care.

Most of the schools which are operating under the student loan guarantee program are making a good faith effort to deliver quality training to enrollees. However, a number are not and it is these schools which concern us here today.

They should also concern HEW. But unfortunately, mounting evidence assembled over the past several months indicates that HEW may lack the information and resolve necessary for the responsible management of this program.

For example, HEW has no way of knowing how many of the schools involved in the program are dependent upon the student loan program for their survival, since it has no figures indicating what percentage of enrollees at each approved school have federally guaranteed loans.

HEW has developed no reliable system to determine when a student leaves school, a fact which is essential if a determination is to be made as to how much money the student or HEW is obligated for.

HEW has not established a definition of what is "due diligence" on the part of lending institutions in seeking repayment for a defaulted guaranteed loan, thus thoroughly confusing the schools and the lending institutions involved in the delivery of education to those in need.

It simply is not sufficient that HEW contemplates the implementation of a more advanced computer system over the next 3 years, as they will tell us. How many more ripoffs and raids on the Federal Treasury amounting to how many more hundreds of millions of dollars will occur in the interim?

The program is designed to foster what is essentially a private relationship between the student and the lender. The Department must insist that the institutions involved in this program—specifically the lending institutions, the accrediting organizations and the schools themselves—assume far greater direct responsibility for its orderly operation, and not expect the Government to do the job which they should be doing. If this is not done, it should be made clear by HEW that these institutions and not the Federal Government will be left holding the bag.

Congress has imposed on HEW a major responsibility for assisting the citizens of this country in realizing their American dream. Too often, HEW has turned that dream into a nightmare.

Mr. President, as hearings resume on loan programs this week, I wish to compliment Senator NUNN, who is so ably presiding at them.

I also want to express my appreciation to Senator JACKSON, the chairman of the subcommittee, for his attention to this matter and for assigning staff to pursue it.

These hearings are being carried on with the full knowledge and support of Senator Pell, the chairman of the Subcommittee on Education of the Labor and Public Welfare Commission and Senator Javits, the ranking Republican on the full Labor and Public Welfare Committee. They have been of inestimable assistance to us as we work together to identify the problems so that the student loan guarantee program can be improved.

Finally, I wish to commend John J. Walsh, an investigator on the subcommittee, and LaVern J. Duffy, assistant counsel on the subcommittee, who carried out the investigation and whose excellent work should set the stage for upgrading the program.

I ask unanimous consent to have printed in the Record the opening remarks of Mr. Walsh as well as a statement by James D. Martin, of the General Accounting Office, both of whom testified before the subcommittee November 14.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of James D. Martin, Deputy Director, Manpower and Welfare Division, U.S. General Accounting Office, Before the Permanent Subcommittee on Investigations on the Guaranteed Student Loan Program

Mr. Chairman and members of the Subcommittee. We welcome this opportunity to discuss the Guaranteed Student Loan program administered by the Office of Education, Department of Health, Education, and Welfare. We will provide you with background information on the program and describe some major weaknesses that we have noted during our program audits.

Since 1969, we have issued several reports on the program. We are required by law to examine annually the financial statements of the Student Loan Insurance Fund. We are now auditing the Fund's fiscal year 1975 financial statements and looking at the Office of Education's procedures for collecting defaulted loans.

PROGRAM HISTORY

The Guaranteed Student Loan program was authorized by the Higher Education Act of 1965. There are two components—a program of direct federally insured loans and a reinsurance program for eligible State or private nonprofit agency loans. Under both, loans are made by commercial lending institutions, State lending agencies, or schools.

The overall program was conceived as an incentive for States to establish lending programs for students to pursue education beyond the high school level. The Federal component was initially viewed as temporary based on the premise that eventually each State would have a program. At the time the act was approved, 17 States had independent agencies which administered student loan insurance programs; now, 25 States, the District of Columbia, and one private nonprofit organization have such programs. In the future, when I refer to State agency programs, that means all programs having reinsurance agreements with the Office of Education.

Generally, a lender cannot participate in the direct federally insured component if eligible schools in the State have reasonable access to the State agency component. Lenders may participate in the direct Federal component if—

The school that the student wishes to attend is not recognized as eligible by the State agency, but is recognized by the Office of Education;

The student is unable to meet State residency requirements for participation; or

The residences of prospective borrowers make it impossible for a lender to have access to a single State agency to guaranty its loans.

Presently, lenders in all 50 States and the District of Columbia participate in the direct Federal component.

Our first chart shows the growth of the Federal and State compenents in terms of the dollar value of loans made. During the first 2 years only the State agencies made insured loans. In fiscal year 1968, the Office of Education implemented the direct Federal portion and insured about $67 million in loans compared to about $369 million insured by State agencies. However, in fiscal year 1972, more loans were insured by the Office of Education—$708 million—than by State agencies—$594 million. In total, through June of this year, the Office of Education had insured about 3.5 million loans amounting to $3.8 billion, while State agencies had insured about 4.5 million loans totaling $4.5 billion. However, contrary to the initial intent, the trend has been toward greater use of the Federal component.

Most of what I have to say today will be directed toward the federally insured component of the program because most of the problems seem to lie there. State agencies are more selective in their loan approval process and have reported much lower default rates. Within requirements set forth in the law each State agency can establish its own policies and procedures for loan origination and collection, and make its own agreements with lending institutions.

BRIEF DESCRIPTION HOW THE PROGRAM WORKS

Students generally find out about the existence of the program from financial aid officers at the schools they are planning to attend or from Office of Education publications.

Students may apply for a loan if they have been accepted for enrollment in an eligible school or are already attending a school on at least a half-time basis and are in good academic standing, and are citizens or nationals of the United States. School eligibility is determined by the Office of Education and is based largely on the accreditation process which I will touch on later.

Students may borrow up to $2,500 in each academic year for educational costs. Total loans outstanding may not exceed $7,500 for undergraduate or vocational students and $10,000 for graduate students.

The current maximum annual interest rate which lenders may charge is 7 percent. The Federal Government pays lenders a special allowance of up to 3 percent a year on the average quarterly unpaid principal balance to provide an equitable yield to the lenders. The repayment period usually begins from 9 to 12 months after the student graduates or ceases to be at least a half-time student, and normally extends from 5 to 10 years with a minimum repayment of $360 per year. Repayment may be deferred for military, Peace Corps, or Vista service, or resumption of full-time study.

The Federal Government pays lenders all interest accruing on the loan prior to the beginning of the repayment period for a student who qualifies. Students automatically qualify for interest subsidies on loans up to $2,000 a year if their adjusted family income is less than $15,000. If the student applies for a loan in excess of $2,000 or has adjusted family income of more than $15,000, the amount of the loan to be subsidized is recommended by the school based on its assessment of the family's ability to pay for the cost of education. The interest subsidy and special allowance applies to loans made under both the Federal and State components.

Claims against the Government may arise from death, disability, bankruptcy, or default on the part of the student borrower. The Government pays 100 percent of all lender losses on death and disability claims for both program components. On default claims, the Federal Government pays 100 percent of lender losses for the Federal component and reimburses State or private guaranty agencies for 80 percent of their payments to lenders.

LENDER ELIGIBILITY

The Office of Education approves lenders for participation in the direct federally insured component. It has designated banks, savings and loan associations, credit unions, and similar institutions that are subject to Federal or State examination as regulated lenders; lenders such as insurance companies, pension funds, and educational institutions are termed nonregulated.

Institutions wishing to be approved as lenders must submit application forms and their most recent financial statements to the Office of Education. According to an Office of Education official, approval of regulated lenders is fairly routine. Approval of applications from nonregulated lenders depends on the total amount of loans that the lenders wish to make. There are presently about 8,000 regulated and 300 nonregulated lenders involved in the Federal component. Of the 300 nonregulated lenders, over 200 are schools, and, of these, 40 are proprietary schools.

Once lenders are approved they enter into a contract of insurance with the Office of Education. The Office of Education has the authority to terminate the insurance contract of any lender that is not administering the program in accordance with applicable regulations.

ELIGIBILITY OF SCHOOLS

School eligibility for participation in the Guaranteed Student Loan program and other Office of Education administered programs is determined by the Office of Education's Accreditation and Institutional Eligibility staff. This staff determines whether the institution applying for eligibility meets certain minimum statutory requirements and confirms its eligibility status. For the most part, however, the key for achieving eligibility is accreditation. Thus, in making its institutional eligibility determinations the Office of Education relies, to a great extent, on the findings of private, independent organizations—namely, the accrediting agencies.

These agencies have no legal authority to require institutional compliance with their criteria and do not view their role as regulatory. The Office of Education has little input into the accrediting process and performs limited monitoring of eligible institutions and programs.

We are currently looking at how the accreditation process works. We intend to examine the various methods used to determine eligibility for all Federal student assistance programs and to what extent Federal agencies rely on accreditation and the accrediting bodies for eligibility determinations and program regulation and enforcement. We will also evaluate the extent of coordination among the Federal and State agencies, the accrediting bodies, and various educational committees and commissions.

OFFICE OF EDUCATION PROGRAM AND STAFFING

The Guaranteed Student Loan Program is funded from three appropriations. Expenses for interest subsidies, special allowances and death and disability claims are paid from higher education appropriations. Staffing and computer services expenses are included in the Office of Education Salaries and Expense Appropriation. A third appropriation, for Student Loan Insurance Fund is used to pay claims on all defaulted loans. Fiscal year 1975 appropriations totaled $197.6 million for defaults and $382.4 million for program activities. Fiscal year 1976 estimates for these two purposes were $201.8 million and $452.0 million, respectively. The Office of Education does not keep its records in a manner that would permit a determination of charges to the Salaries and Expense Appropriation for staffing and computer services.

Our second chart depicts the authorized and actual staffing levels for the program. The program was administered by the Office of Education's Bureau of Postsecondary Education prior to March 1974 when the headquarters Office of Guaranteed Student Loans was formed under the Deputy Commissioner for Management.

The headquarters office responsibilities include: developing program policies and procedures, developing and operating the computer-based information system, establishing and maintaining liaison with program participants, and processing death, disability and bankruptcy claims. Responsibilities of the Office of Education staff in the 10 HEW regional offices fall mainly into two areas—program compliance and default claims and collections.

Until the summer of 1974, all lenders' claims were processed at the headquarters office. At that time, responsibility for handling default claims was delegated to the regions and a backlog of claims was parceled out to them. Lenders were told to mail all subsequent claims directly to the regions.

DEFICIENCIES NOTED DURING PRIOR AUDITS

Before beginning a more detailed discussion of program processes and problems, it might be well to take a few moments to summarize shortcomings in the program that we have commented on in prior audit reports. Since fiscal year 1969 we have reported numerous problems, and although HEW has taken some action, most of the problems remain uncorrected.

The most severe of these problems deals with the automated guaranteed loan system. The Office of Education uses this system to maintain detailed records of the program for control and financial reporting purposes. We began auditing the Student Loan Insurance Fund in 1969 and in each year since have reported to HEW either (1) that we could not express an opinion on the Fund's financial statements because of inadequate records or (2) that the Fund's financial statements did not fairly present its financial condition.

The automated system began operating in fiscal year 1971, but has never provided the information needed for program control or accurate statements of the program's financial condition. This is an extremely important point because all reported program statistics, including the data on our charts, must be viewed in light of the inability of the current automated system to provide accurate information. In responding to our latest report HEW generally agreed with our recommendations and described actions that would be taken to improve recordkeeping. However, these improvements might not take effect for another 1½ to 2 years.

Other major problems that remain uncorrected are inconsistent methods used in estimating current and future program losses; a lack of procedures to determine whether defaulted loans are collectible; and a lack of consolidated information on program costs.

Regarding the last problem, HEW has told us that a task force is reviewing and updating HEW's accounting procedures, and that this work should be completed by the summer of 1977. However, Office of Education officials estimate it will take another 12 to 18 months after that to implement any revised procedures.

If you will refer now to our third chart, I will discuss the various program phases.

APPLICATION PROCESS

Students obtain loan applications from participating lenders, schools, State or private guaranty agencies, or HEW regional offices. The student is required to provide information on family income and other student assistance obtained and certifies that the guaranteed loan will be used only for educational purposes. The student then forwards the completed application to the school that he will be attending.

The school, which may also act as a lender, certifies (1) that the student is enrolled or has been accepted for enrollment, (2) that he or she is in good academic standing, and (3) the amount of other financial aid that it has made available to the student. The school also provides an estimate of the student's college expenses and shows the portion of the requested loan that is required to meet the student's immediate educational expenses. The school returns the application to the student who then submits the application to the lender. The lender determines whether the loan will be made and, if so, the amount.

Applications under the direct Federal component are processed by two private firms under contract with the Office of Education. One receives all loan applications and reviews them for completeness, performs various clerical edits, and generates magnetic tapes containing all pertinent application data. The second contractor checks the magnetic tapes to ensure that (1) schools and lenders are eligible to participate in the program, (2) loan amounts do not exceed $2,500 annually, and (3) errors do not exist in the data fields. All applications are screened against the loan control master file which contains historical records of students, loans, and associated statistical and demographic data.

It is at this point that we have noticed a difference between the State and Federal programs. Under the State program, the lender submits the student's application directly to the State or private guaranty agency. If the agency insures the loan, funds are disbursed to the student. The Office of Education is not notified by the lender until after the disbursement takes place. As a result, the Office of Education has no opportunity to review its records and determine whether the student has any outstanding federally insured loans or has defaulted on previous loans. An Office of Education official told us that under the present system it is possible for a student to receive both a Federal and State insured loan.

Before continuing, I would like to point out that in an independent evaluation of the loan control master file, a sample of 50,000 records contained 205,000 errors. Also, we noted that the contractor responsible for reviewing applications has not established internal controls to assure that all applications received are considered and placed in the file. As a result, we believe reliance on the loan control master file as an internal control mechanism is questionable.

After the contractors complete their tasks, the lenders are notified of approval or disapproval. If approved, the borrower must execute a promissory note before the lender can disburse funds. The note is to be signed by the student without a cosigner unless individual State laws require a cosigner to create a binding obligation.

Lenders notify the Office of Education when funds are disbursed and this information is recorded in the loan control master file. However, I would like to point out that an Office of Education report showed that as of October 1975 approximately 295,000 loan disbursements had not been matched with data in the file.

Program guidelines encourage lenders to make multiple disbursements of loans to students. However, an Office of Education official stated that most lenders disburse the loan in a single installment before the academic year begins.

In an April 1970 report to the Congress, we pointed out that multiple disbursements could sigificantly reduce the Government's interest costs and also might help reduce the potential loss on defaulted loans. Recent program regulations require schools that act as lenders to make multiple disbursements but other lenders are not required to do so. The Office of Education's new automated system, which I will discuss later, will require that multiple disbursements be made for all direct federally insured loans.

POSSIBLE PROGRAM ABUSE

One area that bears special mention concerns proprietary schools that act as lenders. The Office of Education's Deputy Commissioner for Management recently pointed out in testimony before a congressional subcommittee that in assessing default problems certain types of lenders have contributed to the problems in a manner that is disproportionate to their loan volume. He stated that educational institutions acting as lenders are the worst and that the delinquency rate on loans may be proprietary schools acting as leaders increased from 38.5 percent in fiscal year 1973 to 46.3 percent in fiscal year 1974. He pointed out that the rate might be higher because many of the proprietary schools have sold their loans to other lenders.

Educational institutions acting as lenders certify students as eligible for loans and also disburse the loan proceeds. This does not provide for the segregation of duties which a good internal control system would dictate. The absence of such controls can lead to program abuses.

The possibility of such abuses occurring under State guaranty programs is not as great because most State agencies insist on a third-party lender rather than permitting schools to act as lenders.

Pending legislation (H.R. 4376) would eliminate proprietary schools as lenders. Schools enrolling students who already have loans and needing additional loans to continue their education would be permitted to continue as lenders until June 30, 1978.

IN-SCHOOL PHASE

The in-school period of a loan covers that period of time during which the student is enrolled, on at least a half-time basis, at an eligible school. During this period, the student has no obligation to begin to repay his loan.

However, during this phase, the Office of Education bills lenders for insurance premiums; lenders bill the Office of Education for interest subsidies and special allowances; and the Office of Education helps lenders keep abreast of student status.

To obtain Federal insurance, lenders must pay the Office of Education a one-time insurance premium based on each loan disbursed. The current average premium is $6.50 a loan which the lender either collects from the student, or deducts from the proceeds of the loan. The Office of Education bills lenders for premiums on the basis of lender reports of new loans made. If lenders do not remit the premiums, the Office of Education will not insure the loans.

The next transaction during the in-school phase occurs when lenders bill the Office of Education for interest subsidies and special allowances. In fiscal year 1975, $212 million was paid to lenders for interest, bringing the cumulative total for interest since inception of the program to $1.1 billion. Also, for fiscal year 1975, $115.5 million was paid as special allowances, for a cumulative total of $259 million.

Public Law 90-460, enacted in August 1968, set the maximum interest rate at 7 percent.

For eligible loans made prior to December 1968, the Office of Education pays 3 percent interest during the repayment period, and the student pays the balance.

As I mentioned earlier, the Office of Education also pays a special allowance to lenders whenever existing economic or money market conditions impede or threaten the program and cause the return to lenders to be less than equitable. The special allowance rate is set at the end of each quarter by the Secretary of HEW, in consultation with the Secretary of the Treasury and the Director, OMB, and has ranged from ¾ of 1 percent to the maximum of 3 percent. The rate for the third quarter of this calendar year—July to September 1975—was 2.25 percent.

Lenders generally bill the Office of Education every 3 months for interest subsidies and special allowances. Lenders are required to show the average quarterly unpaid principal balance for all eligible loans on their bills. These bills are received at the Office of Education and given a cursory manual review. The information is then keypunched and fed into the computer system. Normally, checks are to be mailed to the lenders within a month.

There are weaknesses in the interest billing and special allowance process. The most serious were pointed out in our March 1973 report to the Secretary, HEW and in a September 1973 HEW Audit Agency report.

In our March 1973 report, we recommended that the Office of Education evaluate alternative methods for providing lenders with more timely information on the status of student borrowers. Lenders were not being provided with timely information when students dropped out of school. This decreased the possibility of collection and also increased the interest and special allowance costs because lenders continued to bill for them.

The HEW Audit Agency reported in September 1973 that in a sample of 108 lending institutions, 96 made errors in interest billings to the Office of Education. Most of the errors were caused by lenders continuing to bill after the interest subsidy period had expired—usually because they were unaware that students had left school. Essentially nothing has been done by the Office of Education since 1973 to alleviate this problem.

Another problem with interest billings is that the Office of Education cannot verify the accuracy or propriety of lender billings. Mathematical computations can be checked; however, this does not insure the accuracy of the base figures used by lenders in computing the amount of the interest billed—the average unpaid principal balances of the different subsidized loans.

In its 1973 report, the HEW Audit Agency recommended that the Office of Education provide on-site guidance and monitoring of lending institutions. The Office of Education agreed that this should be done and admitted that the only way to determine the accuracy of interest billings would be to perform on-site examinations of lender records. At the 10 HEW regions, about 40 people are assigned as field examiners to carry out such reviews. Indications are, however, that these people are performing other duties, mainly in the area of claims and collections.

VERIFICATION OF STUDENT STATUS

Another major aspect of the program discussed in our past reports is the verification of student status. The Office of Education has used a Student Confirmation Report to Provide lenders with this information.

In the spring and fall of each year these reports are sent to participating schools. Institutions are requested to indicate any change in a student's status and the effective date of such change. When the form is received by the Office of Education, the information is sent to a contractor, keypunched, and used to update the loan control master file. The information is then relayed to lenders.

The Office of Education views the Student Confirmation Report as a lender service and does not take any type of follow-up action on students shown to have withdrawn, graduated, or never enrolled. One Office of Education official stated that the reports are not very effective because (1) schools often do not complete the reports accurately, or fail to return the reports, and (2) about 10 percent of the students with loans are attending foreign institutions and the response rate from these schools is poor.

The contractor returns the batched reports to the Office of Education for storage but they are not filed in any particular order. This makes it difficult to use successive reports from an institution for comparative purposes. However, we found and compared three successive reports from a small institution that had about 400 students with loans, and learned that the Office of Education did not update its computer files with the information shown on these reports. Also, some students appeared twice on the same report. Their names and birth dates were the same but their social security numbers differed. It is possible that these students received two loans under different social security numbers. Office of Education officials have stated that there is no easy way to check whether a student has two separate loans under different social security numbers.

STATUS OF PRIOR GAO RECOMMENDATIONS

In response to the recommendation in our March 1973 report about student status, the Office of Education designed a two-section postcard system. The card was to be pre-addressed with the lender's address and sent to the financial aid officer of the college the student was attending. The financial aid officer was expected to tear off the first section of the card and place it in the student's financial aid records and give the second section of the card to the registrar to place in the student's registration file. When the student terminated his enrollment, the registrar was expected to record the date and check the reason for the termination on the card and mail the pre-addressed card to the appropriate lender. However, the system was never implemented largely because the Office of Education has been developing a new automated system.

The American Bankers Association task force on student loans listed one of the lender's main complaints as the lack of notification by schools of students' status. In its March 1975 report, the Association recommended that the Office of Education *require* schools to notify lenders when students graduate or leave school.

REPAYMENT OR DEFAULT PHASE

A number of possible actions can occur during the repayment phase of a loan as you can see on the process flow chart. First, the student enters repayment status and could pay off the obligation. Second, payment of the loan principal may be deferred if a student resumes full-time study in an eligible institution or serves in the Armed Forces, Peace Corps or Vista. Other possible actions—default, death, disability, and bankruptcy—all result in claims against the Federal Government. Lenders are required to take collection action during the repayment phase until a claim is submitted to the Office of Education.

The Office of Education is responsible for providing lenders with pre-claims assistance, processing claims for purchase by the Government, and in the case of defaults, attempting collection of the balance of the debt including interest.

This next chart shows the dollar volume of default claims paid from the inception of the program through fiscal year 1975. On the average, defaults represented over 90 percent of the total number and dollar value of all claims paid for these fiscal years. It is easy to see why defaults on Guaranteed Student Loans have become the single most publicized aspect of the program in recent months.

Default can be measured in a number of ways. The Office of Education has chosen to define the default rate as the ratio of the total dollar amount of loans in default claims status to the total dollar amount of loans in repayment status. The Office of Education estimates that in fiscal year 1976 the default rate will be 19 percent for the Federal portion and 10.5 percent for the State portion, or an overall rate of 14.1 percent.

In September 1974, we provided data to the Subcommittee on Education, Senate Committee on Labor and Public Welfare, showing that the eventual default rate on all direct federally insured loans in repayment status as of December 31, 1973 could be as high as 24.3 percent.

GENERAL PROCESSING OF CLAIMS PAPERWORK

When lenders determine that claims exist for federally insured loans, they are required to submit applications for payment together with the supporting promissory notes and loan applications. In the case of death, disability or bankruptcy, the lenders must also submit certain forms showing that they have made the required determinations in each case. These claims are processed by the Office of Education headquarters office, whereas defaulted loans are processed by the regional offices.

Program regulations state that a loan is in default when the borrower has failed to make a payment which in the case of a loan repayable in monthly installments has been overdue for 120 days, or in the case of a loan repayable in other than monthly installments, has been overdue for 180 days. Regulations also provide that the Office of Education can reimburse a lender for a loss incurred on a defaulted insured loan *only* if the lender has exercised due diligence in collecting the loan. These regulations are incorporated by reference in the lender's contract of insurance with the Office of Education.

When submitting default claims, the lenders are required to send their payment records and any other documentation showing that reasonable care and diligence was exercised in their collection efforts. Upon receipt of the default claims, regional claims examiners should: establish physical control over the claims; review the claims for compliance with legal and policy requirements; determine whether lenders have exercised reasonable care and diligence in collecting loans; and approve valid claims for payment.

When claims are approved, a record of approval is sent to the Office of Education headquarters, where payment of the claims is authorized.

Prior to the Education Amendments of 1972, the Office of Education paid the interest subsidy until repayment status was reached, that is, through any grace or deferment period. The amendments authorized the Office of Education to insure *interest* as well as principal, so that on claims for subsequent loans the Office of Education pays interest subsidy during the period that the loan is delinquent. To avoid penalizing lenders for processing delays, the Office of Education recently authorized payment of insured interest up until the time that the claim is actually approved for payment.

Data on claims activity comes from the automated system's Claims and Collection Master File. We tested the accuracy of the file, by selecting a sample of claims for both federally insured and State insured loans and checking them against the loan master file.

Data for about 15 percent of the claims could not be found in the file. An Office of Education internal study of claims paid showed a similar percentage of missing data. In these instances, the Office of Education cannot be certain that the claims paid were supported by valid loan commitments for insurance or reinsurance.

WORK AT SELECTED HEW REGIONAL OFFICES

Because of the default rate and the recent transfer of the claims purchase and collection function to HEW regional offices, we recently checked these and other operations at two of HEW's regional offices—Chicago and San Francisco. Office of Education records show that as of June 30, 1975, about 28,400 claims were being held pending review for acceptability for purchase, and the Chicago and San Francisco regional offices held about 11,000 of them or almost 39 percent.

In the San Francisco regional office, claims are logged in and assigned a batch number in date sequence. They are stored in locked file cabinets until they can be reviewed by claims examiners. Reviews are made in batch number sequence. This allows for processing the claims on a first-in and first-out basis and also provides a safeguard for the promissory notes contained in the claims folders. These notes represent the Federal Government's legal proof of claim against the student.

However, the Chicago regional office has not established accountability or control over claims transferred from Office of Education headquarters, or received and purchased from lenders. We observed numerous loan files containing borrowers' promissory notes stored on the office floor, on top of filing cabinets, and on window sills. Because a system had not been devised for storing claim files received from lenders, claims were not processed in the order received. Also, in a sample of 120 claims, 12 promissory notes were not available in Office of Education files. As a consequence, the Government will not be able to enforce collection on these notes.

In Chicago, random processing coupled with the large backlog resulted in delays of up to 6 months in approving and paying claims. These delays result in the Federal Government paying unnecessary interest costs, and the collectibility of loans being reduced.

COMPLIANCE WITH LEGAL REQUIREMENTS AND LENDER DUE DILIGENCE

To see how well the Chicago and San Francisco claims examiners were checking for compliance with legal and policy requirements and lender due diligence, we randomly selected and examined 245 claims. Of these, the majority had been purchased by Office of Education headquarters and the remainder had been recently reviewed and approved by the regional offices.

In a number of instances legal and policy requirements had not been met because default dates were inaccurate, claim amounts were incorrect, or the dates the student ceased at least half-time study were not verified. However, the most serious problem pertained to the check for lender due diligence.

Program regulations do not provide specific procedures for lenders, but require them to use collection practices no less extensive and forceful than those generally used by financial institutions. The program manual states that lenders should explore all avenues of collection short of legal action prior to filing a claim.

The program manual contains procedures for nonregulated lenders to use as a guide in their collection operations. These procedures include such things as exit interviews with borrowers, reminder letters prior to the date of first payment, personal contact in the event of missed payments, and periodic collection letters if personal contact is unsuccessful.

We used these stated procedures in our checks for lender due diligence for both types of lenders on the basis that the Office of Education would not expect regulated lenders to be less forceful and aggressive in their collection actions.

We believe that 235 of the 245 claims, or 96 percent, should not have been approved for purchase, but should have been returned to the lenders either because they had not met typically acceptable collection procedures or the files did not show if the lenders had taken the required actions.

In contrast the San Francisco regional office processed 14,600 claims during the year ended June 30, 1975. Of these, 3,272 were returned to lenders but only 146 were returned for failure to exercise due diligence. The Chicago regional office processed 3,900 claims from December 1974 through June 1975 and a total of 110 were returned to lenders.

The San Francisco office had one supervisory claims examiner and three full-time examiners, and, as of June 30, 1975, a backlog of about 2,600 claims. The Chicago office had one full-time claims examiner with some staff assigned on a temporary basis; and, as of June 30, 1975, there was a backlog of about 8,600 claims. The size of the collection staffs combined with the large backlog of claims in both regions allowed the examiners to give each claim only a superficial review.

To alleviate the backlog of unexamined claims in some regions, the Office of Education in June 1975, instituted a limited claims review process for certain lenders. Under this process the claims examiners are to review the claim package for the correct forms, the accuracy of mathematical computations, and the proper expiration of any grace or deferment periods. The claims examiners are not to check for lender due diligence; this review is to be made by the collection staff after the claim is purchased. The limited review process is authorized until December 1975.

LENDER COLLECTION PRACTICES

Because our sample showed almost total noncompliance with the Office of Education's acceptable collection practices we visited four lenders—two in each region—and looked at their collection procedures. Three lenders were financial institutions and one was a school. As of June 30, 1975, the four lenders had about 80,200 federally insured student loans outstanding totaling $87.4 million.

The school—which had the smallest number and dollar volume of loans outstanding—had procedures which met the Office of Education collection criteria but generally they were not followed.

Our sample check at the three financial institutions showed that their federally insured loan collection procedures were not as aggressive and forceful as their practices for commercial loans. Officials from the largest of these lenders—$73 million in outstanding federally insured loans—told us that their procedures for collecting student loans are different from those for collecting commercial loans because they do not view student loans strictly as loans. They consider them a special type of credit because collateral is not required.

Officials from three of the four lenders told us that the Office of Education needs to more clearly define what constitutes due diligence in collection efforts. This lack of a definition had varying interpretations.

This problem has been widely recognized within the financial community. The American Bankers Associations' task force report on the Guaranteed Student Loan program issued last spring included the lack of a clear definition of due diligence as one of the persistent problems plaguing the program.

OFFICE OF EDUCATION COLLECTION ACTIVITIES

Once the Office of Education has purchased a default claim from a lender, it must attempt to collect the debt due the Government. It has authority within certain limits to compromise, suspend or terminate collection of such claims. Also, in instances where the debtors' ability to pay can be established, but collection efforts have been exhausted, it can refer the claim to GAO for further action. If we cannot collect, the claim may be referred to the Department of Justice for litigation.

Since 1971 we have periodically reported to the Office of Education that it needed to establish and maintain an effective collection operation for defaulted loans. As I mentioned earlier, we are again involved in reviewing Office of Education collection activities. Information developed to date indicates that the regional offices are not following HEW collection guidelines or the Federal Claims Collection Standards.

EXISTING AUTOMATED SYSTEM CONTROL PROBLEMS AND THE OFFICE OF EDUCATION'S PLANNED NEW SYSTEM

Aside from the data reliability problems in the present automated system that I have been discussing, we have also noted basic problems in the system's organization, control, and contract management functions. We believe these latter problems have kept the Office of Education from improving the system's reliability.

In recent years, the Office of Education has been almost entirely dependent on private contractors for the program's data processing services. In fiscal year 1975 six contractors are involved in the daily processing of information, and 10 others had contracts for other services. We believe the Office of Education has been lax in its contract management. For example, it did not always evaluate thoroughly the tasks to be contracted; estimate the total contract costs; coordinate well with contractors; or evaluate the contractors' final products before acceptance.

We also believe that the Office of Education needs to develop adequate computer controls for the flow of documents in the existing system. These controls are critical because of the involvement of so many different parties in the processing, and are needed to minimize inadvertant or intentional destruction or distortion of processed information. As an example of what can happen, the Office of Education, in reply to this Subcommittee Chairman's request for information on the payment of interest subsidies and special allowances, stated that such information was lost in April 1973 for a significant number of lenders. The data is available in hard copy form, but it is no longer available in the computer system.

SUCCESSOR SYSTEM

To cure these ills, the Office of Education is developing a new automated management information system for the program. The system is being developed, however, without documented studies of alternatives and associated comparative cost analyses required by GSA.

The new system rests on two basic concepts—the regionalization of default claims processing and collection activities, and the use of an escrow account. According to HEW's General Counsel, regionalization violates section 403 of the General Education Provisions Act. This particular section, added by the Education Amendments of 1974, provides that the Commissioner of Education shall not delegate to any regional office, any function which was not carried out in accordance with regulations effective prior to June 1, 1973, by employees in such offices unless the delegation of the function is expressly authorized by law enacted after the effective date of the Education Amendments of 1974. The Office of Education is preparing legislation to correct the violation, but in the meantime it is proceeding with regional claims and collection activities.

The concept of escrow has been approved by the Secretary, HEW, but the Office of Education has not decided how to implement it. Office of Education officials told us that some questions regarding the legality of an escrow arrangement still remain.

As should be evident by my remarks, we think that major improvements in program operations and controls are necessary. Mr. Chairman, that concludes our statement. We will be happy to answer any questions that you or the other Subcommittee members may have.

STATEMENT JOHN J. WALSH, INVESTIGATOR, PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

My name is John J. Walsh and I am an investigator on the staff of the Senate Permanent Investigations Subcommittee. I was assigned to work on the investigation of the Federally Insured Student Loan program and the direct grant programs in the spring of 1975. I participated in meetings with the General Accounting Office where it was agreed that to complement the general review of management controls and practices to be done by the General Accounting Office, the Subcommittee staff would focus on specific case examples involving the programs.

The first step was a review of HEW files involving problem schools. Some 30 or 40 files were reviewed. The files were in deplorable shape. There was no one master file on any school. Pertinent documents were scattered through many different files in many different offices. Material in the files was not maintained chronologically, by subject matter or in any kind of order. Incoming correspondence was found with no record of a reply; outgoing correspondence was found which referred to incoming letters which could not be located. In most cases, it was necessary to completely rearrange the file before one could understand the nature of the school's problems.

It was apparent from the files reviewed that a major problem existed in the Advance Schools located in Chicago, Illinois. Advance is a correspondence school which went bankrupt in 1975, leaving about 70,000 students stranded and about $150 million in guaranteed student loans in the hands of some 45 financial institutions, a substantial part of which could become default claims against the Government.

Another major problem area was in the Dallas Region where a number of schools had been suspended or removed from the program. In this region several investigations were already under way; and a substantial number of cases were awaiting investigation when personnel became available. A number of HEW officials in the Dallas office had been suspended from their duties because of alleged improprieties. More will be set out later concerning these cases but because of the advanced stage of these investigations, it was decided that Subcommittee efforts might be duplicative of work already done.

The file reviews showed problem schools in every region of the country but it was noted that there was a large number of problem schools in California. The file reviews indicated a possible pattern where schools had been operated intensively for a short period of time to build up the student body, usually immediately after opening or after a change in ownership. A large cash inflow would be provided from the sale of guaranteed loans. The school would be closed abruptly and the students would be unable to complete their classes. Financial institutions which had obtained these loans would have substantial claims but the school would be out of business and many of the students would be unable to pay or had not finished their courses so that they were not accountable for the full amount of their loans.

The files reviewed failed to show any pending prosecutions or, in fact, even any pending investigations in California. After a review of a number of California problem schools, it was decided to focus attention on the operations of Automation Institute of Los Angeles, Inc., doing business at West Coast Schools.

The HEW file showed that this school closed down in May 1973, leaving many students unable to complete their education; that there had been a change in ownership shortly after the school closed; and that a large number of student loans had been sold to financial institutions in the last few months of the school's existence. An audit had been started by HEW but had never been completed because the current owner, one Fred Peters, had moved the books and records to an undisclosed location. There was no indication in the HEW files of any ongoing investigation or even of any attempts to locate the books and records.

The major question addressed in the file appeared to be whether HEW should pay default claims to the financial institutions which held the students' notes as there was some unresolved question as to whether refunds were due to students because of the schools' closing. As testimony will later show, the investigation disclosed some startling facts as to this school and its principals' activities but there was no reason to suspect the existence of these problems from the HEW file. This, of course, raises the question as to whether the same types of problems and even criminal acts could be found in other schools in California or elsewhere if an adequate effort was made to discover them.

The investigation of West Coast Schools began at the Los Angeles office of the HEW audit division. It was found that an audit of West Coast Schools had commenced after the school was closed on May 24, 1973. While the audit was never completed, it was found that government funds paid to the school for the grant programs could not be accounted for. However, the audit had been dropped indefinitely because the books and records had been moved and HEW was unable to find out their location.

The Los Angeles audit office reported to the Subcomittee staff in June 1975, that while no one in the Federal Government was showing any interest in the West Coast Schools case, the Fraud Section of the Los Angeles County District Attorney's office was interested and was taking some action. It was felt that the logical approach was to look into the matter of how much money was obtained by the sale of guaranteed loans and from grant programs and try to determine what happened to this money—whether the money was actually used for the school or whether it was uesd for the benefit of the owners. The Los Angeles County District Attorney's Office was contacted and that office was interested in pursuing this matter. However, a major problem was encountered. Within the last two years of the school's operations, nearly 50 bank accounts had been opened and the funds received by the school had been shuttled through these accounts. These included local accounts, out-of-state accounts, accounts of West Coast Schools, accounts of dummy corporations set up by the West Coast Schools' officials, and personal accounts of West Coast Schools' officials. It was agreed that the Los Angeles County District Attorney's office and the Subcommittee staff would work together to try to trace the movement of these funds through this maze of bank accounts, and try to determine whether the money was being spent for legitimate purposes or whether it was being diverted for personal gain. Mr. Andrew Ewing, Investigator for the Los Angeles District Attorney's Fraud Section was designated to work with the Subcommittee staff and his cooperation and assistance has been invaluable.

I want to present at this time a chronology of the pertinent events pertaining to West Coast Schools.

WEST COAST SCHOOLS CHRONOLOGY

Throughout the chronology, reference will be made to West Coast Schools even though the true name is Automation Institute of Los Angeles, Inc., d/b/a West Coast Schools.

June 13, 1966: Automation Institute of Los Angeles was incorporated under the laws of the State of California. The President was Edward Tokeshi; the Vice President was Yale Lasker. The purpose of the company was to operate a computer training school at 451 South Hill Street, Los Angeles, California. Tokeshi and his family owned 80 percent of the stock; Yale Lasker, 20 percent.

1969: Automation Institute of Los Angeles was accredited by the National Association of Trade and Technical Schools and was approved by HEW as a lender.

1969: Fred Peters appeared on the streets of Los Angeles, unemployed and penniless. He was employed as a telephone interviewer by the Jane Arden Employment Agency, salary $450 per month. His supervisor was O. A. (Dan) Dameron, Branch Manager.

April 1, 1970: Fred Peters was hired as Placement Manager for Automation Institute of Los Angeles by Edward Tokeshi at a salary of $850 per month.

1971: Fred Peters was promoted to Vice President of Automation Institute of Los Angeles. He bought 20 percent of the stock from Yale Lasker. The money for this purchase was loaned to Peters by Edward Tokeshi.

1971: Fred Peters hired Dan Dameron as his assistant.

1971: Fred Peters was made President of Automation Institute and Edward Tokeshi became Chairman of the Board. Peters assumed active control over the affairs of the corporation and intensified the efforts of the school to obtain funds by selling guaranteed student loans and by applying for financial assistance grants.

November 1971: Automation Institute purchased five West Coast Trade Schools in the Los Angeles area from Computing and Software, Inc. These five schools had been operating in the Federally Insured Student Loan Program since July 7, 1967, without accreditation. They had been given a grace period by HEW to secure accreditation from the National Association of Trade and Technical Schools by September 1, 1972, or be dropped.

After the purchase of the five trade schools, the corporation now was known as Automation Institute of Los Angeles doing business as West Coast Schools. Salesmen were hired and an intensive advertising campaign both in the press and on television was initiated to sign up new students and to increase the enrollment in the new schools.

September 20, 1971: Fred Peters was appointed by James Hoffe, Senior Program Advisor for Financial Assistance, HEW San Francisco, to the Advisory Panel for Region IX of HEW. The function of the panel was to review applications for financial assistance grants from schools in Region IX and to recommend how much in Federal funds should be awarded to each school.

December 2, 1971: Group II Equities was incorporated this date under the laws of the State of California with 20,000 shares of common stock authorized at a par value of $10 per share. Directors were listed as F. P. Fisher, D. M. Carman, and Edward Tokeshi. As of May 31, 1973, officers were identified as D. M. Carman, President; Fred Peters, Vice President; F. P. Fisher, Secretary/Treasurer. As of August 1, 1974, the charter of the corporation was suspended.

Peters had brought Fisher and Carman into the management of West Coast Schools about the time of the purchase of the new schools.

March 1972: HEW reminded West Coast Schools by letter that the September 1, 1972, deadline for accreditation of the five nonaccredited trade schools was approaching.

April 14, 1972: An investigation was being conducted by the Federal Home Loan Bank Board into irregularities by certain Savings and Loan Associations in their acquisition and handling of Federally Insured Student Loans. Warren Tappin, HEW San Francisco, contacted the local office of the Federal Home Loan Bank Board and wrote a lengthy report to William M. Simmons, Chief of the Insured Loans Division in Washington, D.C.

The following is quoted from page 10:

"It is quite apparent from the delinquent accounts that we are also going to experience difficulty with Automation Institute of Los Angeles, California. The Association [U.S. Life Savings and Loan] accepted over $1 million of paper from the school . . . This is another school that we have been watching as I am confident that we will experience basically the same problem with this institution that we have and are experiencing with Airlines Schools Pacific."

The report was never sent to the HEW file on Automation Institute and as far as is known no action was taken on the report.

May 26, 1972: Group III Equities was incorporated under the laws of the State of California. 7,500 shares of no par value stock authorized. Directors were F. P. Fisher, Fred Peters and David M. Carman. The corporate charter was suspended as of July 2, 1973.

July 7, 1973: West Coast Schools was notified that the eligibility status of the five unaccredited schools for insured student loans would be extended to October 31, 1972. The unaccredited schools were not eligible to receive the direct grant of Federal funds from the College Work Study and National Direct Student Loan Programs.

September 1, 1972: Fred Peters, Peter Fisher and Dave Carman bought the remaining 80 percent of stock from Edward Tokeshi and his family and assumed full control of Automation Institute. The price was $141,900 and this sum was paid to the Tokeshi family from the Schools' own funds.

December 31, 1972: Mr. Peters was notified that HEW was extending the eligibility of the schools for the insured student loan program until February 16, 1973.

January 1973: The National Association of Trade and Technical Schools denied accreditation to the five newly purchased West Coast Schools.

January 11, 1973: Lenora W. Mallory, HEW Washington, wrote Fred Peters informing him that the HEW Division of Insured Loans had approved the continuation of Automation Institute's participation in the insured loan program for the next 12 months. However, the letter stated that Automation Insitute was instructed not to write more than $300,000 in loans during this period. Actually, between January 1, 1973, and May 24, 1973, the date the school closed, over two million in loans was written. HEW had no mechanism whatsoever to be informed on a current basis as to how much in loans the school was writing nor did HEW have any means to enforce any limitation it imposed. Fred Peters thus could and did ignore the restriction with impunity.

February 6, 1973: PFC Investments was incorporated this date under the law of the State of California. 7,500 shares of no par value stock was authorized. Directors were listed as F. P. Fisher, W. Fred Peters, and D. M. Carman. California records indicate that as of August 5, 1975, the corporation was in good standing.

February 14, 1973: R. L. Mappus, Senior Program Officer, Guaranteed Student Loans, HEW, San Francisco, wrote William Simmons, Director, Insured Loans Division, Washington, D.C., of some irregularities on the part of West Coast Schools in the handling of student loan paper. The following is quoted:

"The aforementioned facts and the exhibits attached clearly indicate . . . above and beyond reasonable suspicion of irregular practices on the part of the subject. . . . A program review will be conducted on this school prior to the end of March 1973. In the meantime, it seems logical that we further restrict or suspend this school contract as a lender."

March 7, 1973: S. W. Herrell, Acting Deputy Associate Commissioner, Office of Education, HEW, wrote Fred Peters saying a decision on the continued eligibility of the five West Coast Schools was deferred until April 14, 1973, pending action by the accrediting agency (NATTS) on an appeal hearing set for April 6, 1973.

March 9, 1973: William M. Simmons, Jr., Director, Insured Loans Division, wrote to S. W. Herrell, Acting Deputy Associate Commissioner, referring to certain complaints and investigations made concerning West Coast Schools and says:

"I would be remiss in my duty to you and to the program if I did not apprise you of my concerns and strongly recommend that we suspend any further insurance for students in these schools until both the schools' accreditation status and Mr. Peters' performance under his contract of insurance becomes more clear."

April 26, 1973: R. L. Mappus, HEW, San Francisco, wrote Fred Peters saying that because of accounting deficiencies disclosed in a program review recently conducted, HEW would withhold action on all student loan applications until West Coast Schools made refunds of $550,000 and reimbursed HEW for excess interest billed HEW effective June 1, 1973.

April 26, 1973: Phillip A. Taylor, NATTS, advised HEW that the previous action in January 1973, denying accreditation had been reaffirmed following an April appeal hearing.

May 1, 1973: William M. Simmons wrote S. W. Herrell, Acting Deputy Associate Commissioner, saying "we urge in the strongest possible terms that eligibility for further participation in the GSL program by these schools be denied."

May 5, 1973: William M. Simmons sent another memo to S. W. Herrell reporting further information on the activities of Fred Peters and saying: "In view of this and other irregular activities previously reported, we would like to reaffirm our prior recommendation that no further extension of these schools' eligibility be granted."

May 5, 1973: The HEW file shows a draft memo dated this date setting out a chronology of pertinent actions in the West Coast Schools case which says:

"In view of the denial of accreditation of the schools by a nationally recognized accrediting agency, we can see no loophole in the law which would permit the commission to grant continued eligibility to these schools."

May 4, 1973: A package of $323,500 worth of Federally Insured West Coast Schools' student loans were sold to the Kern County Employees Credit Union, Bakersfield, California. David Sawaya, a money broker, and Dan Dameron, a West Coast Schools employee, delivered the package of loans and received three $100,000 Ginnie Mae certificates in payment.

May 9, 1973: Officers of Automation Institute of Los Angeles were listed on this date as Fred Peters, President; D. M. Carman, Vice President; F. P. Fisher, Secretary/Treasurer.

May 19, 1973: The three $100,000 certificates were sold by the City National Bank for net proceeds of $290,717. A $3,000 commission was paid David Sawaya and $287,717 was deposited this date to the account of Group III Equities at the Union Bank, Century City Branch, Los Angeles, California.

May 22, 1973: A check for $290,000 signed jointly by Peters, Fisher and Carman was cashed at the Union Bank and taken out in $100 bills.

May 24, 1973: Fred Peters announced that all six schools operated by Automation Institute would be closed indefinitely.

June 4, 1973: On this date, almost two weeks after the school closed, John Ottina, Commissioner of Education, signed a formal notification to Fred Peters that the five West Coast Schools not accredited were no longer eligible for participation in the Federally Insured Student Loan Program.

June 11, 1973: Alexander Grant and Company, certified public accountants, had made in the fall of 1972, an audit of the books of Automation Institute for the period ending June 30, 1972, and published a qualified report. In the spring of 1973, information was reported to Alexander Grant by employees of the school indicating improprieties on the part of the management of the school. Officials of Alexander Grant attempted to obtain access to the records of the school to determine whether their qualified report should be reviewed and withdrawn, but the school officials rebuffed them. On this date, a letter from Alexander Grant was directed to D. W. Stepnick, Director of HEW Audit, Dr. Leonard Spearman, Director of Student Assistance, and Mr. William M. Simmons, Jr., Director of Insured Loans, all in Washington, D.C., advising these officials of the existence of these allegations. More details concerning this incident will be set out later.

June 11, 1973: Peters, Fisher and Carman appeared at the First National Bank of Arizona with a brief case full of $100 bills which they exchanged for $278,000 in cashiers checks. This incident became known to Gene Ferguson, a Los Angeles newscaster who gave it wide publicity on his broadcasts over Station KPOL.

July 12, 1973: A $100,000 package of Federally Insured Loans was sold by Automation Institute to Ralph's Credit Union, Los Angeles. Ralph's Credit Union was not aware that the schools were closed and that the paper was of doubtful value. This transaction will be examined further.

August 1973: Gene Ferguson met with HEW officials in San Francisco, Dr. Edward Aguirre, Regional Commissioner of Education, Florance Van de Camp, Regional Legal Counsel, Rudy Mappus, Senior Program Officer and others. He gave them copies of transcripts of his broadcasts setting out allegations of fraud and a copy of an affidavit from an officer of the First National Bank of Arizona giving details concerning the $278,000 in cash. Although these officials retained copies of these documents and sent copies of the documents to Washington, no action was taken either in San Francisco or Washington to make this information available to HEW auditors; to the HEW Office of Investigations; to the United States Attorney or to the FBI.

August 9, 1973: HEW auditors commenced an audit of West Coast Schools records in Los Angeles. No attempt was made during this audit to look into the disposition of the $278,000 in cash or to contact Alexander Grant to learn what information that company had concerning West Coast Schools.

December 12, 1973: HEW submitted a draft of a proposed audit report prepared by the Regional HEW Audit Agency based in Los Angeles. The audit began August 13, 1973, and the period covered in the audit was from July 1, 1970 through July 31, 1973. The audit was concerned primarily with the accountability for National Direct Student Loan Funds and College Work Study Funds received by the school which amounted to $1,209,827 during this period. The conclusion was that the school did not have adequate accounting records, procedure or control to effectively manage these funds. It was recommended the school be required to refund $462,588 in program funds and concluded that as much as $666,319 or more of these program funds were not accounted for. Fred Peters disputed the conclusions in this draft audit report and no action was ever taken to try to collect the money.

February 11, 1974: West Coast Schools continued to submit invoices to HEW requesting payment of interest and special allowance direct to West Coast Schools even though the school was closed May 24, 1973.

March 1, 1974: A package of Federally Insured Student Loans amounting to $480,317 was sold to the Big Spring Savings Association, Big Spring, Texas, by a group of people working out of Phoenix, Arizona. Fred Peters and Pete Fisher were part of this group. Included in this package of insured loans was $159,284 of West Coast Schools' loans. These were of doubtful value since the school had been closed almost one year. The Big Spring Savings Association remitted the purchase money before the actual delivery of the loan files. The purchase money was divided by the group in Phoenix. Fred Peters received $100,000. An investigation of this incident was initiated by the United States Attorney's Office in Phoenix, Arizona later in 1974, but nothing came out of it.

April 1974: A memo to the Secretary of HEW was sent by John R. Ottina, Commissioner of Education. The following is quoted:

"Needless to say Mr. Peters and the loan proceeds have left the scene but we have had some indications recently from his attorneys that he may be willing to come to the conference table (privately) with OE personnel and our legal counsel. Our future course is not set because many pieces of the puzzle are yet missing."

April 22, 1974: An investigation into West Coast Schools was initiated by the Office of Investigations and Security for HEW. This investigation was based upon a complaint made by a letter dated December 12, 1973, addressed to Congressman Edward R. Roybal by Ricardo Livas, a former employee.

Livas was found to have been employed prior to 1971 and his allegations were found to be largely non-specific and not relative to the operations of Fred Peters. The investigation was also based on a memorandum dated April 12, 1974, prepared by John R. Ottina setting out some information about Peters and West Coast Schools. Nothing was mentioned in this memorandum concerning the reports of alleged improprieties made to HEW by Alexander Grant Company, or about the $278,000 in $100 bills.

April 29, 1974: The HEW file contains a draft memo by William A. Morrell, Assistant Secretary for Planning and Evaluation, on the subject of preventing the recurrence of cases like West Coast Schools. The following is quoted:

"We must have the mechanism and the will to take what will undoubtedly seem drastic action. There is no question that such action will in some cases force the closure of schools . . . But we must be willing and able to make up our minds quickly when the risk to prospective students and the Federal Government tips the scales in the direction of closure. It seems likely that considerable losses would have been avoided in the West Coast Schools case had action been taken more quickly."

NASA (THAT'S RIGHT, NASA) IS A GOOD THING

Mr. MOSS. Mr. President, in the current issue of the Washington Monthly, Tom Bethell has written an original and stimulating analysis of NASA and the civilian space program.

He points out that our spending for space is a miniscule fraction of our spending on programs dealing with human welfare. For example, the Department of Health, Education, and Welfare spends the equivalent of NASA's annual budget every 10 days. While eliminating NASA might make some more funds available for social programs, it would have little effect on poverty, urban decay or pollution.

Mr. Bethell finds that much of the opposition to the space program is based on an underlying and illogical bias against technology. He also believes that the space program provided some of the initial impetus to the environmental movement by enabling us, for the first time, to see the Earth as a whole and to perceive how fragile it is.

Because Mr. Bethell's article provides an uncommon and thought-provoking view of the space program, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Monthly, November 1975]

NASA (THAT'S RIGHT, NASA) IS A GOOD THING

(By Tom Bethell)

Shortly after the Apollo 11 flight carried men to the moon for the first time, in July 1969, James Clayton, a *Washington Post* staff writer, wrote a column entitled "Public Relations Dream." "The flight of Apollo 11 was a public relations man's and a reporter's dream," he wrote. "Never before have so many people seen, heard and read about a single event in such great detail."

As with much else that has been written about the space program, these observations, after the passage of a few years, have assumed a surprising air of false prophecy. A public relations dream? Today, for reasons that are not at all immediately obvious, the space program appears to have been in many respects—and especially as far as the liberal opinion-making axis is concerned—a monumental public relations failure.

As if to underscore this, three days after Clayton's column appeared in the *Post*, John W. Finney wrote in *The New York Times*, under the headline "Apollo's Success May Bring Fund Cut":

"In a Congress increasingly preoccupied with problems on earth, the success of the Apollo moon landing has generated little enthusiasm for bold new ventures in space.

"Instead of inciting new Congressional interest in space programs, the very success of the Apollo 11 mission seems to have enhanced the interest in some Congressional quarters in cutting the $3.7-billion civilian space budget." Finney quoted Senator Mike Mansfield making a comment that typified the mood at that time. "There are problems on planet earth that must be faced up to," Mansfield said.

One need hardly add that this mood has prevailed throughout the past six years, up to and including this summer's Apollo-Soyuz Test Project, the handshake across space with the Russians. For years the space program had acres of blandly favorable coverage, and long uncritical hours devoted to it by television, and perhaps partly because of this blandness, the public began to turn against the space program. Partly also, as astronaut Michael Collins has said, there is a "Super Bowl syndrome" at work here. The first moon landing was, as it were, Super Bowl, and then they just kept playing the same Super Bowl over and over again. Largely as a result of these attitudes, the last four of the eleven planned lunar landings were canceled; a projected moon base never got off the drawing boards; the idea of manned flights to the planets, which many people assumed would follow soon after the moon program, never got much further than an enthusiastic endorsement from Vice President Spiro Agnew, which was promptly ridiculed.

Today there are no further manned space flights planned by the United States until 1980, when astronauts will be aboard the earth-orbiting Space Shuttle. (What the Space Shuttle will be shuttling is not entirely clear, although the possibility exists that the space program could ultimately solve the energy crisis. The sun radiates enormous energy, and it will probably be feasible to collect this energy with large mirrors in space and then relay it to earth by microwave.) Next year, if all goes according to plan, the Viking space craft currently heading out from the earth will land on Mars, on July 4, 1976, and conduct some ingenious computerized experiments to determine if there is now, or has ever been, life on Mars. The possible implications of such experiments are incalculable. At the same time, new earth satellites are being launched with sensing devices to detect air pollution, water pollution, crop disease, water runoff, and forest blight.

But, despite all this, public opinion (closely followed by Congress) has hacked away at the space program as being an enormously expensive plaything of scientists. NASA's budget has been cut and cut again, until today one almost has the feeling that the U.S. space program, set in motion by the launching of Sputnik in October 1957, came to an end with the establishment of friendly space relations with the Russians in July 1975. The public relations dream, it turned out, has rapidly been concerted into a great wail of disapproval heard across the land. We have problems here below! No more money must be spent in space! Technology is getting out of control!

STRANGE, SMELLY AND INCOMPREHENSIBLE

Possibly as a result of what appears to have been excessive television coverage, the public's perception of how much the space program cost the country is highly exaggerated. Astronaut Mike Collins, now the director of the Smithsonian's soon-to-be-opened National Air and Space Museum, polled a hundred visitors at random entering a Smithsonian building, asking them which agency had the larger budget: NASA or HEW. Forty said NASA, ten were undecided, the remaining half guessed right. In fact, HEW spends the equivalent of NASA's annual budget, which is now $3.5 billion, every ten days. A graph of the budgets of the various government departments would show that since 1965 the budget of one department, and only one, has steadily declined: NASA's.

And quite right too, many will respond. HEW may be spending $120 billion this year (including Social Security trust funds), but that money is going for health, education and welfare. I do not wish to convey the impression that I am against health, education and welfare, but I shall argue that the space program, in the past six or seven years, has not received anything like the credit due to it in the intellectual, academic, news-making and opinion-forming strata of society.

Part of the reason is that a pronounced anti-technological bias exists in these sectors. For some time now we have grown accustomed to thinking in a stereotyped way about college science majors, as being slightly less than fully human, with computer-like minds, toiling in strange, smelly and incomprehensible laboratories, while the liberal arts student was concerned with the loftier things in life, such as poetry, beauty, justice, and, if anything, tended to flaunt his ignorance of science, as a demonstration of his own sensitivity. The result has been that science graduates these days tend to know a good deal more about the arts than arts people know about science.

But in recent years this bias seems to

have become more pronounced and more widespread, tending towards outright hostility to technology. Thus, when technology is perceived at all, it is nowadays usually perceived as something that threatens to harm either man or the earth. It is true that technology is nearly always double-edged; both good and harm can come of it. Since the beginning of the 1970s, especially, there has developed a widespread vogue of perceiving the harm to the exclusion of the good: the oil that pollutes; the atomic energy that endangers man; the automobile that gives us exhaust fumes; the jet airplanes that hurt our ears; the computer that will "print out" the secrets of our lives at the touch of a button. This was the technological *fall-out,* atomic fall-out itself being the most probable initiator of this new, disenchanted attitude. But, throughout all this, the benefits of technology were taken for granted—that is, not noticed.

By the time of the moon landing, technology was considered to be getting "out of control" by Marshall McLuhan. In view of the pinpoint accuracy characterizing all stages of the Apollo 11 mission, this was a remarkably inappropriate comment, but it nevertheless typified the feelings of many in the liberal arts sector at that time and since.

Today we have arrived at a point where approval of technological advance is about as fashionable as approval of the CIA. The space program has very much been a victim of these anti-technological attitudes, but there is both great irony and great confusion in this perception.

So Neil Armstrong's boot touched the moon—and the great outcry went up: what about the problems on earth? In particular, two problems were singled out time and again. First, poverty and inner-city decay. If we can put a man on the moon, everyone immediately asked, why can't we straighten out our cities? Therein lay a confusion about the differences between aerospace and urban problem solving. Secondly, the environment became the rage. We learned the word "ecology," and it was, almost overnight, the burning issue of the times. It was more important, surely, to clean up the environment than to send men on such trival, rock-collecting expeditions. Therein lay an exquisite irony, an irony that even today hardly seems to have been noticed.

THE SPACE RACE

First, a brief survey of some aspects of the space program is in order. When Sputnik was launched, in October 1957, President Eisenhower's response was to downgrade the feat, to denigrate it, to avoid a "space race." Sherman Adams said that the government wasn't interested in an "outer space basketball game." Eisenhower (correctly, as it now seems) was not impressed by the military potential of space. Echoing this view, *U.S. News & World Report* wrote in April 1958:

"A satellite cannot simply drop a bomb. An object released from a satellite doesn't fall. So there is no special advantage in being over the target." The article concluded that "the earth would appear to be, after all, the best weapons carrier." Today, this view is generally accepted.

But the Soviet achievements continued to mount. A second, much larger Sputnik was launched; then came Lunik, orbiting the moon, then Lunik II, actually crashing into the moon. Meanwhile the Vanguard rocket failed to lift off the launching pad at Cape Canaveral in December 1957.

By 1959 Vice President Nixon was reiterating that the U.S. had no need for a "massive crash program" to catch up with the Russians, and the Democrats were beginning to establish a useful campaign issue for themselves. Numerous magazine articles of the period deplored the Russian lead, and the concept of national "prestige" was aired at every possible opportunity. In October of 1959 *Newsweek* would run a major article entitled "How to Lose the Space Race," as follows: "1. Start late. 2. Downgrade Russian feats. 3. Fragment authority. 4. Pinch pennies. 5. Think small. 6. Shirk decisions."

One day we were told that "this country is lacking in a sense of urgency," and the next day we were told that "Eisenhower's recent comments on the space race have ignored or belittled the critical factor, prestige."

Prestige—the critical factor! What a different time that was! President Kennedy's speech to Congress early in 1961 soon followed: "If we are to win the battle that is now going on around the world between freedom and tyranny, the dramatic achievements in space which occurred in recent weeks [Yuri Gagarin's earth orbit, the first man in space] should have made clear to us all, as did the Sputnik in 1957, the impact of this adventure on the minds of men everywhere who are attempting to make a determination which road they should take."

Kennedy went on to call for a U.S. manned landing on the moon "before this decade is out," adding: "Let it be clear that I am asking the Congress and the country to accept a firm commitment to a new course of action . . . ." Congress, of course, went along, and NASA's 1962 budget was doubled, to $1.8 billion, and redoubled in 1963 to $3.7 billion. By 1964 the budget request was $5.7 billion, and Dan Greenberg would foresightedly comment in *Science* magazine:

"Any way you slice it, an accelerated moon program can command political support only in a Cold War context, and if that were removed the administration would find that its various enticements—lunar adventure, civilian by-products, contracts and judicious site selection—would not be sufficient to coax $5.7 billion out of a conservatively oriented Congress."

Prophetic remarks, even though Congress would later become liberally oriented. But critics who had little use for the Cold War also had little use for the space program, as Senator Fulbright demonstrated in a Senate speech a month before Kennedy's death. "The real question is one of priorities," said Fulbright, "of how we are to allocate our great but not unlimited resources among many important national programs, of which space is only one." He expressed the opinion that "we are placing excessive emphasis on space in relation to other national programs, notably in the areas of education and employment."

This was among the first of many such speeches, their volume increasing, it may be said, as the perception of the reality of the Cold War decreased. The alternatives that Fulbright proposed—education and employment—were, however, curiously chosen, inasmuch as the space program had already done so much to boost the teaching of science in high schools and colleges across the U.S. and was contributing just as much to employment as any other form of government spending. By 1965 the space program was employing 400,000 people. But just as "science" seems not to have been regarded as belonging within the realm of education, so government money spent on paying technicians and engineers and physics Ph.D.'s and builders of rockets was rarely perceived as contributing to employment. One need hardly add that this fate did not befall government spending on liberal arts and public welfare projects. It is here, especially, that one may see the antitechnological bias of so many opinion-makers and government policy-formulators in our day. (Nearly all of them are liberal arts graduates, of course.)

THE WHOLE EARTH

By the end of 1967 the United States was well on the way to "winning" the space race, but public interest was concomitantly flagging. Interest had peaked in 1965, thereafter to decline, as, in perfect step, did NASA's budget. A poll taken at the end of 1967 asked respondents to suggest alternative ways of spending government money; among the answers were to reduce air and water pollution, to "keep America beautiful," to increase the "war on poverty."

In December 1968, the Apollo 8 mission orbited the moon. Apart from the first moon landing the following July, this would be perhaps the most significant Apollo flight. At Christmas, 1968, pictures of the earth taken from a distance were available for the first time in history. We could see, at last, the Whole Earth.

From the Index to The New York Times:

"Astronauts say earth appears as blue sphere veiled with clouds, Dec 23; editorial hails pictures of earth from 200,000 miles in space, Dec 24; A. MacLeish comment on vision of earth as seen by astronauts from space, Dec 25; Moon as colorless gray; Borman calls it 'vast, lonely and forbidding sight,' Dec 25; Dr. B. Commoner says man may destroy environment out of ignorance, Dec. 29; editorial calls for all-out effort to halt destruction of environment, Dec 30."

The British astronomer Fred Hoyle had written in 1948: "Once a photograph of the earth, taken from outside, is available—once the sheer isolation of the earth becomes plain, a new idea as powerful as any in history will be let loose . . . ."

And a new idea was certainly abroad in the land—environmentalism—although, as I have suggested, whispers and murmers and intimations of that idea were already at large. But after Apollo 8, the whispers *suddenly* became a roar—with a swiftness out of all proportion to any actual increase in pollution that may have been occurring. The number of column-inches in *The New York Times* index under "Environment" and "U.S., Environmental Problems" (combined) went from zero (in 1964) to 12 (in 1966) to 20 (in 1968) to 230 (in 1970).

The space program, it now appears, had this quite unforeseen effect: science writers, forecasters, columnists and the like had, almost to a man, spoken of the program in "terms such as going to the stars," "a further step in man's evolution," and much else from science fiction. But in the event, by far the most important effect was to focus attention back onto the earth, and this, in retrospect, was not surprising, because it so happens that the best location from which to see the earth—to see it "whole"—is from outside. As one NASA official points out, there is an almost inevitable connection between the space program and environmentalism for that reason.

The *Times* editorial of December 30, 1968, reflected this new awareness: "Despite the latest major advance in space exploration, this planet is going to be the human race's chief habitat for many generations to come. The time is overdue for a really major effort to insure that earth remains livable not only today and tomorrow, but also decades and centuries from now."

Thousands of such editorials and comments would blossom across the land, with the space program getting no credit for the new awareness of the environment, and quite often being cast in the villain's role. Sometimes these statements attained a surprising level of myopia, as in the following comments, made in 1970, by former U.S. Secretary of the Interior Stewart Udall:

"Our triumph in sending the first men safely on a round trip to the moon gave us a moment of national pride. It was an important event for our 'world prestige,' as we call it. But I think we can look back on it now with a little less giddiness. I must confess that I had reservations about the space program even when President Kennedy made the decision for a crash effort in this area. . . . The truth is that this feat has had, and will have, little effect on the condition of man."

Shortly after this dismissal of space flight's effect on man, the following events occurred in swift succession: the National Environmental Policy Act became law; "Earth Day" was celebrated, with nationwide participation estimated as having been as high as 20 *million*—the environmental movement at that point becoming a crusade; the Environmental Protection Agency was formed; the Environmental Quality Council issued its first annual report.

Whereupon Stewart Udall persisted. "In the seven months that have intervened since my opening statement," he said, "this country has experienced a remarkable expansion of its environmental awareness . . . The word 'ecology' has entered the ordinary stream of conversation. . . . To be sure, there are grounds for pessimism. . . . In a kind of Roman Carnival atmosphere, we save our highest praise for robot machines and for men that circle the moon. President Nixon ecstatically opined that 'nothing ever changed the world more' than the Apollo 13 mission to the moon. Months later we find that it did not change this world at all or contribute to a resolution of its crises. I am more convinced than ever before that the preservation of the human environment of this planet is far more important than further excursions into outer space."

A CERTAIN ABSENCE OF LOGIC

The moon landing of Armstrong and Aldrin touched off a remarkable amount of such hostility, as *The Washington Post* (one of the few liberal papers at the time to retain a balanced view) noted: "The voices of the critics seem almost equal to those of the unabashed admirers."

The Boston Globe unleashed a diatribe. "Human, in its best sense, man is not," the paper declared. "He is one of the most destructive and avaricious of earth's animals, over all of whom he was created to reign, unable and often unwilling even to feed all of his own kind, habitually fouling his own environment. . . ." (That was on the day man first walked on the moon.)

Lewis Mumford, urbanologist, said: "The moon landing is a symbolic act of war."

Marquis Childs, columnist, said: "To speculate about what might have been done with $24 billion, or even a part of it to cure the sickness of the cities and end the ruinous waste of the environment is idle."

Tom Wicker, columnist, said: "As Senator Edmund Muskie suggested in a thoughtful television comment from the launching site, the gap between what has been accomplished in space, and what remains to be done on earth, may yet serve as an inspiration."

The *Wall Street Journal* (persistently skeptical about the space program) wrote: "Will it simply be the first of an indefinite number of pointless extraterrestrial visits, of little benefit to man while his earthly condition deteriorates?"

Arnold Toynbee, historian, said: "It's rather scandalous, when human beings are going short of necessities, to do this."

Marshall McLuhan, thinker, said: "Let's face it, it belongs to the 1850s. It's H. G. Wells."

Mark Van Doren, poet, said: "Man's true business is to live quietly, sweetly, generously."

Reinhold Neibuhr, theologian, drew attention to " . . . a very wealthy nation that meanwhile has air pollution, water pollution, and in the cities a resentful Negro minority and decayed inner cities."

Kurt Vonnegut, writer, said: "This is poor people's money that is being spent." Also from Vonnegut: "Earth is such a pretty blue and white pearl in the pictures NASA sent me. It looks so *clean*. You can't see all the hungry, angry earthlings down there—and the smoke and the sewage and the trash and sophisticated weaponry."

It is with a sigh of relief, then, that one turns to *The Washington Post*, which humorously took note of an "Aggrieved Lunar 'They,' as in: "You would think if they can go to the moon, at least they could . . .' " The *Post* discerned "a perceptible ring of whininess to the voice," a "certain absence of what the fastidious would call logic."

Precisely—and herein lay the confusion. Landing on the moon was perceived as an extraordinarily difficult technical feat that had been achieved not only within schedule but (as is much less well known) within the budget estimate established in 1961. How could this be done, and yet our cities remain such a mess? everyone was asking. Several editorial writers addressed themselves to this question and noted that there was no guarantee that the money if not spent on space, would have been diverted to "the cities" or to "poverty." But this in itself was a highly misleading riposte.

Russell Schweickart, one of the Apollo 9 astronauts, who today is employed at NASA headquarters, makes the following startling observation: "If you compare the amount of money spent on the space program," he says, "with the amount spent on activities related to human welfare by HEW and HUD in the decade of the 1960s, NASA spent $25 billion, HEW and HUD spent $550 billion. That is, NASA's expenditure was five per cent of the total. Now, can anyone really say that if only that extra five per cent had been spent on the cities, or housing, or poverty, it would have made any difference?"

No. The fact is, the big money was already being spent on the earthly problems, but it wasn't, alas, making much of a dent. That, perhaps, was what subliminally irritated many people about the space program: its goal was so flawlessly, almost effortlessly, attained, whereas other more pressing goals seemed unattainable. Hence the money spent by NASA was quite unfairly blamed.

But what hardly anyone seems to have realized is that while landing men on the moon was a technological problem, poverty and "cleaning up the cities" are political problems. It is worth examining the difference between these two categories of problem. When does a political problem become "simplified" down to a technological one? The answer is, when a *unanimous, national* desire exists to solve the problem; when *people* no longer stand in the way of achieving the desired goal. That, it may be said, is what happened in the early 1960s with the space program. Under Eisenhower, the obstacles to progress in the space program were political because there was not yet a consensus as to whether the problem should be tackled at all. Kennedy then proceeded to make a frank appeal to nationalistic sentiments. His speech to Congress was replete with such slogans as "freedom around the globe," "freedom shall survive," "on the side of liberty," and, best of all, ". . . cause one or all Americans some inconvenience, or some hardship, or some sacrifice." Congress was reminded of its "duty." and, in the very last sentence, Kennedy said, ". . . our country is united in its commitment to freedom, and is ready to do its duty."

United. That was it. Kennedy made it sound rather as though the Battle of Britain was about to be fought once again, but, whatever the rhetorical posturing, the fact is that the country, at that time, was ready and willing to be united on that issue. There was no substantial disagreement. The most effective means of uniting a people, of course, is to conjure up the specter of a threat. The Russians were perceived as constituting just such a threat, both militarily and to our "prestige." Thereafter the space program had no further political obstacles in its path (until the Red Scare abated, that is).

The same is very far from being the case with welfare, or poverty, or the condition of our cities. Technologically, it would be simple to rehabilitate downtown urban areas, for example. The difficulty is that there is no general agreement that this problem really should be solved at all. If, however, all-powerful visitors from outer space were to arrive and advise us that in five years they would make a choice between the communist and capitalist systems, based on the conditions existing in major Russian and American cities, the political obstacles to urban rehabilitation would disappear instantly, one might safely assume, and the only remaining difficulties would be technological.

FOLLOWING FOREIGN POLICY

The notion of a threat from outer space brings us back to the space program. Shortly after the moon landing, it became a commonplace to take note, as *The New York Times* took note, of "the conditions of enormously wasteful national rivalry that marred the ascent to the moon. Here is a project that makes sense only if it is conducted on a truly international basis—with contributions of money, men and technology from all interested nations, and with central direction provided by an agency of the United Nations."

But, thought Howard Simons of *The Washington Post*, "if the past is prologue, the prospect for meaningful space cooperation is bleak indeed."

Now we have witnessed the Apollo-Soyuz Test Project, an exercise in detente in space, and an illustration of a new dictum comparable to the claim that the Supreme Court follows the election returns: the space program follows foreign policy. One might have expected the liberal arts wing to be pleased at the triumph of its pet reform of the space program. Not so. *The New York Times* took due note of the fact that the Soviets were using the event to make invidious nationalistic comparisons, while Jonathan Spivak of *The Wall Street Journal* complained that it was "a costly space circus of almost no scientific significance." NASA officials fall notably on the defensive when the subject is raised. Apparently the truth is that national objectives, once attained, seem worthwhile, but when international comity is attempted, doubts prevail.

In short, now that we are cooperating (in part) with the Russians, what are we cooperating for? What further objective is there? There's research of course, pure scientific research, but people will be reluctant to support large expenditures just in the name of research, even though it may in fact turn out to be far more valuable than anyone realizes at the time. This is such a sensitive point with NASA at present that if you query them about indirect benefits, or "spinoff," as it is called, they will send over bulky packages of documents detailing so much spinoff that your head will reel.

Not that these claims are exaggerated. It is the well known liberal put-down of the space program—that it gave us nothing but Tang and Teflon—that is spurious. One might mention, out of a wide range of examples: heart pacemakers, artificial limb attachments, technology adaptable for rapid transit (used in San Francisco's B. A. R. T.), videotape storage and retrieval systems (to which NASA waived patent rights), a wide range of new computer applications, miniaturization techniques, heat pipe products now being used in the Alaska pipeline to prevent thawing of the permafrost—and one could go on for pages.

A CHANGED PERSPECTIVE

Let us return now to Fred Hoyle's prediction: that a picture of the earth, taken from the outside, would release a new idea. It did, as it now seems, but, curiously enough, not the idea that Hoyle had thought. He thought that, perceiving ourselves in the loneliness of space, a new brotherly love among men would arise, and wars would cease. It didn't happen. But suppose, in a future mission, we were to encounter intelligent life in outer space! Would this not, at last, tend to make a reality of the United Nations? Would not the specially designed Apollo-Soyuz coupling device then suddenly acquire tremendous significance? The consequence of perceiving that we are not alone in space could, in itself, be the ultimate space spinoff.

At this moment the Viking spacecraft is headed for Mars, there to look for signs of life. Probably no life will be found (although no one really knows), but suppose it finds an extinct civilization. Could we not gain enormous knowledge in the past few years of our own planet Earth? What, then, of Senator Fulbright's contrasting space exploration with education, as though there was nothing to learn from the space program?

As has many times been said, we live in the age of technology. Future generations will no doubt find our jet planes more aesthetically pleasing than our paintings, just as they are likely to read of the exploits of our astronauts with more interest than we do today. We should not be surprised, then, that the important ideas of our time—such as environmentalism—are "spinning off" from our most advanced technology. Further space exploration, as I have suggested, could result in even more momentous ideas.

The suggestion that the environmental movement was fathered by the space program is an emotional idea, and it strikes people oddly, sometimes eliciting strong reactions pro and con. The NASA people I spoke to were aware of the connection, but they treat it gingerly. The astronauts, certainly, are aware of it. And further, some of them believe that there may have been more truth to Fred Hoyle's original prediction—that national rivalries would abate—than we yet know. John Glenn, now Ohio's junior senator, whose office includes not merely a conventional globe but a large color photograph of the earth as well as a painting of the earth above the mantel, recalls that when he looked out of his space craft, "You look down at the Mideast, and you think about the warring groups, and you don't see the boundaries—it all seems so infinitely stupid."

Michael Collins wrote in his book *Carrying the Fire*: "The earth *must* become as it appears: blue and white, not capitalist or communist, blue and white, not rich or poor, blue and white, not envious or envied." And, further: "I really believe that if the political leaders of the world could see their planet from a distance of, let's say, 100,000 miles, their outlook would be fundamentally changed. That all-important border would be invisible."

I asked Collins how the earth looked to him. How did it strike him, from space. "Fragile," he said.

Last year Russell Schweickart spoke to an environmental group on Long Island. Speaking without notes, he seemed to surprise even himself as he described the impact of space travel:

". . . From where you see it, the thing is a whole, and it's so beautiful. And you wish you could take one from each side in hand and say, 'Look at it from this perspective. Look at that. What's important?'

"And so, a little later on, your friend, again those same neighbors, another astronaut, the person next to you, goes out to the moon. And now he looks back and he sees the earth not as something big, where he can see the beautiful details, but he sees the earth as a small thing out there. And now that contrast between that bright blue and white Christmas tree ornament and that black sky, that infinite universe, really comes through. . . . It becomes so small and so fragile, and such a precious little spot in that universe, that you can block it out with your thumb, and you realize that on that small spot, that little blue and white thing, is everything that means anything to you, all of it is on that little spot out there that you can cover with your thumb.

"And you realize that that perspective . . . that you've changed, that there's something new there. That relationship is no longer what it was. . . . I've used the word *you* because it's not me, it's not Dave Scott, it's not Dick Gordon, Pete Conrad, John Glenn, it's you, it's us, it's we, it's life. We've had that experience."

TOWARD ENERGY INDEPENDENCE

Mr. GRIFFIN. Mr. President, on October 6, the Vice President addressed a meeting of business executives here in Washington on the energy problems. I commend his remarks to my colleagues, and ask unanimous consent that the text be printed in the RECORD following my remarks.

In addition, Mr. President, AFL–CIO President George Meany has endorsed the concept of the administration's energy proposal and I ask unanimous consent that his statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE VICE PRESIDENT'S ADDRESS

I want to thank all of you very much for coming here today and for giving me a chance to visit with you, try to outline first briefly the conceptual thinking in back of this program and then answer or at least discuss your questions. I will do my best to answer them.

I think the legislation will go up this week. The subject is a complicated one and there have been varying points of view as you all know by reading the press. Therefore, it has caused some difficulty in trying to get the thing worked out so that it could be put in detailed language for the legislation and the message.

I hesitate to talk about the whole subject because I know everybody in this room is totally familiar with the subject, but let me just for the record give you a brief outline of the past and how it came about as to where we are now.

This country of course up to the 1960's was the major producer and exporter and had the reserves to export additional amounts if necessary and so when on two or three occasions other nations around the world tried to raise the prices of oil substantially, we just exported more and were able to hold the price.

Then as we got into the mid-60's OPEC had been formed and we became a net importer, didn't have the reserves to dominate world prices and therefore triggered by the conflict in the Middle East, the Arab countries finally moved and in two years raised prices 500 percent.

At that point, particularly the Eastern Seaboard of this country suffered quite a setback because of the boycott and the price increase. The boycott, let's face it, there were enough leaks and there were enough countries that didn't join it so that it really wasn't as overwhelming as it might have been.

I was at that point Governor of New York deeply concerned; but Libya allowed oil to go to one of the British Islands in the Caribbean and be refined there and come into New York for power and so forth which if they had really tightened down we would have been in a much more difficult situation.

The President, as you all know, spent a lot of time discussing the economics and having the summit meetings when he first took office last fall a year ago. One of the major subjects was this question of energy. He came out of those with a clear determination for energy independence as being essential for this country's national security; second, that this should be achieved by 1985.

He then worked out the details of legislation which would encourage private enterprise because energy has always been a private enterprise operation in this country except for Naval reserves, which would encourage private enterprise to accelerate production domestically.

I don't think we really have recognized quite as clearly as it seems to me the fact exists that this—because there is a great deal of talk about the free market system—that the free market system should do this and that they should be the ones that without Government intervention except through a framework of laws which would give incentive.

All right. The framework of laws has never been achieved because one can speculate here—but first it is a complicated subject and it was complicated when—I have to again go back a second. It was complicated when the United States Government controlled the price of interstate gas at a very low price so that the most desirable fuel turns out to be the cheapest fuel. What it did was of course it really hit the coal industry over the head so that our greatest resource was least developed and had more problems and while gas when it was first controlled was a byproduct of oil and was being burned and therefore was in surplus. The price that was set was so low that as people shifted to gas they were unable to get the production, the increased production or even if they could get production—like in the case of Texas—they couldn't ship it on the interstate lines.

Now as you know—we had a meeting in this room, as a matter of fact, with a group of Governors who came in organized by Jim Rhodes of Ohio pointing out that they had lost 600,000 man days of work last year due to the shortages of gas and it was going to be a lot—that was a warm winter—worse next year and his people, the industrial groups in his State were willing to finance production of gas at higher prices if they could just get permission to move it on interstate pipelines and the concept of a common carrier be adopted rather than a regulated price.

That has been very slow in coming because the Federal Power Commission was afraid that if they made such a ruling that they would be challenged in the courts by the ecologists and that they would then be overruled. So they wanted legislation.

I only mention this because where government stepped in to regulate one phase of the energy industry it totally disrupted the industry and shows very clearly what can happen through government regulation. The President, as you know, has fought regulation and he has been for decontrol. He wanted an orderly decontrol on oil. He wanted 39 months. But then we go back to what has happened in Congress. He sent up a 500 and some-page bill.

This bill was complicated and the public I don't think has really since the energy crisis that they saw two years ago when there were lines waiting for gasoline—has eased off. It was really sort of personified at a meeting of the Midwestern Governors' where none other than Governor Exon asked me if there really was an energy crisis. He said, "How can there be an energy crisis when there is plenty of oil and gas around?" I said, "You have really expressed the whole thing right there. There is plenty of oil and gas around because we are importing now almost 40 percent of our consumption."

Domestic consumption is going down. So as long as we import it there isn't a crisis in the sense that you are thinking of it, but if the Middle East situation blew up again or if for some other reason other than price or through a boycott we could then find ourselves in the middle of a full-blown crisis which for certain parts of the country would be total . . . disaster. And I don't think anyone has really figured out how this country would survive a really effective boycott because we don't have transportation from the west to the east to handle the movement of energy in sufficient quantities to keep our operations going; our society going.

We just have seen a 10 percent increase take effect in the world oil prices and as I say Congress has not taken any effective action; little pieces of action, but no comprehensive action. Finally, the management-labor committee had some concepts as to how to encourage through incentive industry to invest more domestically.

That legislation hasn't gotten off the launching pad in Congress.

So as I view the situation we find ourselves in a free market industry, but the free market has been a world market. Now national policy expressed by the President is that we should be a self-sufficient, independent producer of energy. We have the resources. Nobody knows yet at what price. That is a national policy superseding a free market position because the free market was an international one. Then a great many people have felt that this OPEC price structure would break down as production increased.

Walter Levy who is one of the most sophisticated people in the business and many of you know him, has said right along there wasn't a chance; that they would do exactly what they did do. He predicted that six or eight months ago, or even longer maybe, that they would not decrease the price; they would not break the price; they would hold and they would increase the price. That is what has happened.

So when people say that the use of Federal funds through a structure that is in a sense comparable to the RFC conceptually, but not for bailouts, but for stimulating new industry or new production, and they say this is an allocation of capital and this is going to take it from a whole lot of other things, the answer on the allocation of capital is very simple. The President has said our national policy is self-sufficiency by 1985.

The estimates vary between $600 billion and $800 billion will be required to achieve that object. That is out of about $4 trillion $300 billion that has been estimated as industry's capital requirements during this ten-year period for meeting needs of the American people and our responsibilities in the world.

We will fall short of that as estimated—again these are all estimates; therefore, they are just guestimates—fall short by about $600 billion.

So there is going to be a shortage. Nobody knows how much money will come back into investments from Arab countries where the accumulation of capital is taken place. But I would imagine that Saudi Arabia alone is up to about $7 billion now in investment in treasuries. These securities, were this corporation to be passed by the Congress on the $100 billion basis over ten years because that is the life of the corporation, would probably average out to about $10 billion a year. If this country moves towards self-sufficiency it would take $60 billion to $80 billion a year and so $10 billion is 12, 14 percent of the total that is required.

What would the conditions be in determing how this money would be used? The conditions are simply two basically: One, that it contributes to the self-sufficiency; two, that it would be used for financing through private enterprise just as the Military buys its equipment through private enterprise where those objectives, those investments cannot be obtained by private enterprise themselves; in other words, where they either can't get the money or for some reason are unwilling to; primarily can't get it, can't get it because they can't earn.

If you take a look at the utility industry—what, 70 percent of the atomic power plants?—and of course atomic power is the great potential we have in this country for energy. The others are important, but the long-term, major producer of energy is atomic for the time being; solar and thermal, out further.

I will come back to gas, coal and oil in a minute. But let's say these 70 percent or 70 percent of the atomic power plants that were planned were cancelled. There is a whole very complicated series of reasons as to why. Local regulations of the State Public Service Commissions where they can't get rate increases so they can't earn enough money to be able to borrow the money is one factor. Also you can't get the increase you are on line with your power. These atomic power plants, most efficient ones, cost about $1 billion. Therefore, you would have $1 billion up not for four years as it used to be, but now with all of the filings that you have to make on impact statements, the local suits, it is up to between 10 and 11 years. So you have $1 billion tied up for 10 or 11 years with no basis for earning. That is one very good reason.

Also uncertainties are another and all kinds of regulations from Washington. The labor-management recommendations were to encourage and allow for a greater accumulation of capital by corporations.

Of course, the bill was immediately tagged by the opposition as being just a special interest bill for big business and big industry and for capital rather than for the people which is an easy, cheap shot politically, but it isn't going to help the country.

So that bill hasn't gotten off. The real question has to be first how does government when it has set a national policy that cuts across a free market operation work with the industry in trying to work that out; in this case domestic production?

The first approach the President has was this very comprehensive legislation.

One has to ask is it that the Congress going through this evolutionary change that all of our establishment institutions have gone through is unable with such an overwhelming majority by the opposition to the Executive Branch—in other words, the Democratic Party as distinct from the Republican Party—is it unable to organize itself and does the committee structure of 300 different committees which the Congress has in both Houses, is it so cumbersome and does it involve so many committees when you have a comprehensive piece of legislation of this kind, does this make it impossible for the Congress to act effectively and rapidly in the national interest through jurisdictional disputes, et cetera, et cetera and within the House the Caucus which is in conflict with the committees?

Or does one come to the conclusion reluctantly or just as a suspicion even—not a conclusion—that there would be those in Congress in the opposition party who would just as soon have the issue or would just as soon see us run short of energy, have the President take off controls because they lapsed and not be able to work out an orderly extension and then have perhaps chaotic conditions in 1976 and maybe this would be politically advantageous?

One hesitates to even think that anyone for political purposes would be willing to see the Nation run the risks which we are running and have the people suffer in a way that they might suffer very easily were such a chaotic situation exist. But one can't eliminate that possibility entirely.

But whatever the situation is, there is no action. Therefore, we are in a stalemate. The problem is getting worse and we are up to now close to $30 billion with a 10 percent increase in foreign exchange imports. Luckily our farmers have been tremendously productive. So they are producing a major new source of foreign exchange. Other areas have been able to export. So our balance of payments is reasonable at the moment, but with consumption going up, with production going down, with the depletion allowance taken off, with the old oil still under control—it is not under control at the moment but possibly under control—nobody can afford to put the money into the secondary retrieval of oil because it falls under old oil.

So that we have the situation where as I say our production is declining and our consumption is increasing and nobody thinks there is a crisis.

Let's go to the areas that the Energy Independence Authority might serve. The best illustration is rubber reserve under Bernie Baruch in World War II which did a heck of a job. They contracted with six or seven private companies to develop synthetic rubber production and of that group I think four or five came through with processes or variations of a basic process which were successful. They sold the company, the plants and the process and we have a new industry in the United States. It was a self-liquidating operation.

This corporation, the concept of this corporation is a self-liquidating corporation to finance those risks, which private enterprise cannot or will not undertake at the present time to contribute to self-sufficiency and do it to the maximum degree possible with private capital participation and through private industry and then sell it as rapidly as possible.

Let me take three or four different areas. First, we have ERDA. Some people say what do you need this for if you have ERDA? ERDA's powers go to laboratory experiments relating to energy. But they do not have the funds or the authority to take those laboratory experiments and take them out onto a full commercial production. Of course, here you move from a limited expense to a much larger expense. The commercial production is essential in order to find out what the cost of energy would be.

For instance, gasification of coal is being done and so its liquefaction of coal in South Africa. It comes out between $30 and $40 a barrel equivalent energy. But it does produce gas. It is essential.

There are new methods that can come up that would take a little longer to go down the line which might reduce it to $20 a barrel equivalent of oil or even down to $11, plus the fact that there is then the possibility of In-Situ, drilling a hole down in the deep coal mine, setting off an explosion, setting it on fire; the heat does the same thing underground that is done on top and you would draw up the gas that is created by the burning of the coal underground.

There are those who feel that this will be a far cheaper method but an experiment like that would cost $200 million to find out.

A gasification plant, surface plant is about $1 billion. There is a need for 18 to 24 surface gasification plants, traditional, known, proven style right now for the next—having to be built right now if we are going to meet the gas supplies and this is what the gas industry is looking for. There right away is $18 billion to $24 billion to produce gas the most expensive way.

Some may have to be produced. Laws change. We can get them changed so that gas can be purchased in another area, surplus gas and piped through the interstate gas system. It is complicated. But that is one area.

Coal, of course, gets tied up with the whole ecological problem. I visited out in Wyoming, Gillette, one of the most fascinating mines where they took off 23 feet of surface, then 70 feet of coal, clay underneath; they took the topsoil off first, stacked it; then took the rest off, put it behind where they are digging the hole and then end up by putting the topsoil back on, making six lakes, 6,000 acres. The only difference you will find is you will have lakes which you never had before.

The growth will be as good if not better and the only other difference is it will be 123 feet lower than it was before. But I was there. The antelope were grazing still right around where the mining operation was going on. This whole mine which produces 20,000—I guess 20 million tons a year, has 55 people. Everything is automated, the whole thing. It is a superb operation. In other words, it can be done. But they had to build their own railroad to get it to the main line. They are servicing midwestern cities. If you want—let's say if as a nation we decide or it proves to be feasible—to produce low-sulfur coal in the west and the ecological problems are worked out and this whole thing has got to be done so that we don't get our energy at the expense of our environment. I am confident we can do both together and the research can be done together.

But then you come to the problem that a lot of railroads can only move coal cars at the rate of ten miles an hour because of the condition of the roadbeds. There is about $11 billion of roadbed work to be done in this country.

It is also conceivable that this corporation could loan, but I don't think the railroads can borrow money. Therefore, they might buy preferred stock in a railroad to give them the funds or to invest the funds to fix up their roadbeds which could then be earned out of coal: all of this being contingent upon a conversion of eastern plants from oil to coal.

If they do, they have got to have coal. The coal has got to be produced. It has got to be transported so that you have got to have the government in a position or somebody in a position to be the catalyst, the fallback position where private enterprise cannot or will not finance the effort to achieve this independence.

All of it then could be sold. No loans are made after; no commitments made after ten years.

Oil, we have got twice as much oil in shale as you all know in this country as the Arabs have oil in the Middle East in known reserves. The problem is to get it out. You can mine the shale. You can cook the oil out. Then you end up with what I call talcum powder which is in a much larger volume than the shale you have mined because it has been cooked and so it is not dissolved. There is very little water where the shale is. Therefore, what do you do with the stuff? You could fill a valley but if you have a heavy wind, this stuff is going to blow all over the west.

Again, you can do an experiment for $200 million of trying to develop In-Situ production of shale, drill down, put off an explosion, set it on fire, draw off the gas, the gasified oil and recondense it.

The Livermore Laboratories have done some work on this with Edward Teller and they feel, although nobody else is willing yet to agree with them, that this might be produced at the rate of between the cost of $7 and $8 a barrel.

If it were that, this would be one of the great bonanzas that has happened to this country. It would be fantastic.

The Occidental company is the only company that I know that has done any major work in the field but they can't afford this kind of an experiment.

Many of the companies bought I think over $1 billion in leases out in Colorado for shale, but they were going to do surface mining. None of them have gone ahead because of the uncertainties and the ecological problems. So that is another area.

Then you come down—I have covered the coal, oil, gas; not covered it but mentioned them—to the question of electricity through atomic.

One of the standard methods of financing, whether it is airplanes or a lot of other things in this country, is the lease purchase operation where somebody finances an airplane and the company purchases it. It is perfectly conceivable that an atomic power plant costing $1 billion could be financed by the government under a contract with a private company for lease purchase with a contract with the Public Service Commission that as and when it comes on line the rates will be such that this company can earn whatever is necessary to pay back.

The President in his message to the Congress in January said we need 200 atomic power plants by 1985. We now have maybe 60. The remaining ones, 70 percent were cancelled. California has the proposition next June banning all atomic power plants in California; and Oregon on Friday; they have got one of the same.

If this country bans atomic power plants and we don't move in these other fields, we are going to be totally in a situation which there are some ecologists who would like to see a no-growth society. A no-growth society means no jobs for the young people that are coming on because our whole society has been geared to increased employment based on increased productivity.

I happen to think that that is the hallmark of America. It is our strength. It is our success and that we can do the ecological side of this problem plus the development side.

You come to industry itself and energy. I don't know. There are close to 18 States that are going to be in a serious condition—industries in 18 States—if they don't get gas this winter. But here is how complicated this gets. If we have a cold winter, even if the interstate pipelines are allowed to be used, there is going to still be a shortage because there isn't enough gas being produced to sell.

That means that industry which depends on gas and gas is a small percentage, whether it is textiles in South Carolina or glass in Pennsylvania or what not, they all need it, but it is a small percentage of their cost.

So they would then go in and probably buy up propane because they could come in and buy propane. But propane gas is what the farmers depend on to dry their crops and to heat their homes and they are small buyers. They are not big buyers. So the next thing you would have to have would be control of propane and it is just going to take this government one by one further and further into controls and the more government gets into controls in my opinion the more they distort the economy and make it difficult for us to get back on a sound basis.

Therefore, in conclusion, it seems to me that this idea of the government acting as a catalyst to get or to help get us off dead center in becoming self-sufficient as a nation across the board in all of these fields on a self-liquidating basis, that this is essential for our national security, to our industrial growth, to employment. That is a pretty good combination of the three.

If we don't do it, in my opinion, there are elements in this country and some of them in the Congress who would like to see industry fail and not be able to meet the needs of the country and then say, fine, we told you the system was no good; that capitalism doesn't work; that private enterprise doesn't work. Therefore, we have got to take it over. Then we will move as the British moved taking over one industry after another and of course the problems that grow out of that; then they start subsidizing; then unlimited capacity to pay and, therefore, you get into the most difficult situation and the most dangerous situation where you have neither a capitalist system nor a socialist system and you have the worst of both and nobody can make an investment because they don't know what the conditions are going to be, what the regulations are going to be, what the resources are going to be. Therefore, you have a plurality and we have higher unemployment and demand for more expenditures by the Federal Government which the President has had the courage to resist to a degree that is perfectly extraordinary and if he didn't, we would have more inflation.

This is then also I would say to you, those who study this question, that Fabian socialists like inflation because that is the quickest way to equalize capital that you can do in any country. You don't have to expropriate anything. Just people's values are gone because inflation just wipes them out and the Germans went through that and we know what happened from that.

So I would just like to say that while this has been opposed and we all know that because you all read it in the papers; because it says it would be a first step towards government takeover.

The President has already said we have to have an allocation of capital. He has asked private enterprise to do it. So it isn't a question of taking the capital from housing and all of these other areas that people talk about. There is plenty of money right now in the savings and loan associations. People haven't got enough confidence to invest in housing. So it isn't that.

Secondly, as far as a step towards socialism, I think it is exactly the opposite. I think it is government's showing their concern for the present system, free enterprise and capital and that they are trying to help stimulate and bridge over this period.

There is one other thing I forgot to say and then I will stop; that is, that the Federal Energy Administration would have the responsibility of acting as the clearing house for all of the ecological and regulatory functions that government has at State and Federal levels, State, Federal and local levels.

So all of them would be cleared through this. They would then make recommendations to simplify these structures based on their experience. Any private operation which was investing in capital to achieve energy self-sufficiency could also use this corporation as the clearing house for all of its contacts with government.

So that they could get a system which would accelerate and maybe cut down on the time because with a loss or time due to the delays and the suits that take place. This is a very, very serious thing in terms of cost and expense.

I would also say the way the legislation is being drafted it would give the board the discretion, a five-man board the discretion so that there wouldn't be a basis for suits. In other words, you couldn't sue the corporation for a decision because all of the key decisions are left to the judgment of the board.

Therefore, there aren't criteria and therefore hopefully we can keep this from getting another—I hope too many of you aren't lawyers because I don't want to cut down on the business—but hopefully we can get this thing so that we can get it rolling and get action fast and decisions made the way they are done in private enterprise as distinct from the way they are done too often in government.

That I think is the summary. Any questions we can get into would develop details of the situation, but that in essence is the summary.

I should say perhaps what makes me think it will go through Congress. This is something that labor wants very badly. It is jobs through industry and not jobs through dole.

Therefore, I am pretty sure labor is going to give it very strong support. If industry at the same time feels it is desirable and worthwhile and gives it support, then I think its passage has got very great potential.

If industry is opposed to it, that will nullify labor support and probably nothing would happen. But I think it is a turning point for this country and if we don't have energy we are not going to have growing industry; if we don't have a growing industry, we are not going to have jobs and we are going to have a lot of problems. We have got them, but they will be worse.

Thank you.

Are there any questions?

QUESTION. Mr. Vice President, could you relate this program to the $6 billion synthetic fuel program that we read about recently? Is it part of it?

The VICE PRESIDENT. The $6 billion synthetic fuel program is one that Senator Jackson has proposed. It hasn't passed yet. So what we did in the thinking on this was to just make a provision that they would be complimentary if that passes. In other words, of course, that is an outright expenditure. In other words, that is government putting the money in the budget expenditure. This other one is a loan or an investment or a guarantee of a loan and on a self-liquidating basis. So that is the difference. But if that one passes, fine. Whatever they do that wouldn't have to be done here.

So that they will be totally complimentary.

QUESTION. Mr. Vice President, you mentioned many of the traditional sources of energy but you hardly touched on solar energy. I wonder. Here is one that has few ecological problems and would it be participating in this program and how?

The VICE PRESIDENT. Again, solar energy and thermal energy are very important parts. They are not large scale producers of energy immediately, but they are very important parts of the program. Any group who has something, who wants to produce any new process or develop equipment or whatever or may be for solar energy would, if they can't get the funds themselves, be eligible for assistance in the way of a loan, a loan guarantee from this authority.

I should mention also that conservation is included in here. In other words, support for the conservation of energy if that can't get its own financing because you can save a lot of energy which would reduce the need to produce it; and that that is part of this, too. Pipelines are included in this as eligible if they can't get the financing.

Alaska could produce an awful lot more oil if they opened up more lands; five, six, seven million barrels a day. That would take four or five pipelines. So you are talking a lot of money and that has to be balanced out.

Sir:

QUESTION. Mr. Vice President, you had mentioned the government-owned, contract-type of plant such as the rubber plants in World War II. Is there any way you are going to insure that this legislation is so worded that someone of a different philosophical outlook cannot turn this energy independence agency into a Federal oil and gas corporation running the same way as TVA?

The VICE PRESIDENT. It requires that everything be sold and that it be self-liquidating and it be done through private enterprise and with private enterprise participation. I think the private enterprise participation is one of the most important. For instance, if you build a power plant, atomic power plant under lease purchase contract with a contract with the Public Service Commission, you actually then have a contractual relationship so that the ownership, unless somebody abrogates the contract, is in the hands or will be in the hands of the private enterprise. Nothing will be done where the government sets up some new form of TVA.

It happens that the Governor of Pennsylvania who is a declared candidate for the Presidency, Governor Schapp, has got a program he has been trying to get—I don't know whether it has surfaced yet—other Governors in the Eastern Seaboard to join in sponsoring which involves a TVA at the mine heads to produce electricity at the mine heads which would be owned by the government, mined and then distributed from there.

So that I think that we are on the verge. I flew to the coast Thursday night with a Senator who has introduced a bill to break up the oil business and have just producers, distributors, marketers, each one would be in a separate company. I only mention that. This is a Republican and it shows that people are looking in Congress for ways—or political in political life—of being responsive to the public but not, in my opinion, too clear as to what the impact would be on our system.

Sir:

QUESTION. Mr. Vice President, you indicated that this authority would be able to produce hopefully about 14 percent, I believe you said, of the energy needed?

The VICE PRESIDENT. Capital.

QUESTION. Of the capital.

The VICE PRESIDENT. Of the capital needed to meet the self-sufficiency.

QUESTION. Is there some way this could be helpful if private industry does not come forth with the other 86? Do you think there is any problem in that other 86 being raised during that period of time?

The VICE PRESIDENT. Let's take a case in point. Let's say they invested $200 million in either an In-Situ gasification of coal or In-Situ gasification of oil project and it proved to be within let's say lower cost of present imported oil prices. I don't think you would have to worry about it because the government would not continue. They would sell, either sell the process or make it available, whatever the procedure would be, whatever they did in the rubber research type of thing. I think you would find then a tremendous amount of capital. Capital goes where it can get earnings. If capital can find attractive earnings in producing energy in this country for self-sufficiency, they will invest in it. If they can't, they will invest in the McDonald Hamburger stands, not that I am against them. I am for them. (Laughter) But they are not going to solve our energy problem. We have a free capital market. They go where the returns are. The question is can the government help point the way to good returns?

QUESTION. Sir, you mentioned in connection with the nuclear power plants a contract between the Federal Government and the State Public Service Commission. I don't think you will get many States that will willingly enter into such contracts, but if you do you could do that right now without having to have the lease-back arrangement and the Federal Government build the plants.

The VICE PRESIDENT. Great. Then we wouldn't have to put any Federal money in.

QUESTION. I would think that would be the place to look; is the Federal Government using its influence with the State commissions to get the rates up? That will bring the capital in and you won't have to build the plants through the government.

The VICE PRESIDENT. There is only one flaw in your argument, if you will forgive me—at least a political flaw; and, that is, as one who only two years ago left Governorship and who saw the beginning of the pressures due to, first, ecology on using non-sulphur fuels and the increased cost in getting the non-sulphur coal, non-sulphur oil; then the embargo and then the world price increase of 500 percent. These poor public service commissioners have had to take double and triple the cost of electricity to consumers, if not more.

Their problem is right now that they have gone through so many increases—this is true because I was very close to the commission there and when I got a new commissioner, Chairman of the Commission, who had been a strong consumer advocate, I said, "Look, in your advocacy of the protection of the consumer do you include—this is before I offered him the job—the protection of the consumers' need for additional power in the future? If so, do you visualize that that is going to take higher rates and more money in order to get the capital in?" He said, "I read you. I agree with you and you have no problem." I took him on.

He did a superb job. He was pilloried by the public. He was sued by my own attorney general. (Laughter) It was purely political. I love him, too, and he was sued by the city. In other words, these people have been in the most difficult political situations because every consumer of electricity—I can only speak for New York, but I suppose it is very similar in other parts—has just gone through the most unbelievable increases in cost.

So my reason for thinking what I say is they would be so glad to see something built that will protect the needs of the community but doesn't have to raise the rates until further down the road when they may not even be on the commission. (Laughter) They would be very happy, in my opinion—this is a political judgment—to sign a contract for the future whereas they could not go through another major increase now particularly as the people aren't going to get the benefit for 11 years. The alternative to this is, what is happening again in New York State where we had an authority which was created to develop hydro-electric power on the St. Lawrence with Canada. Each of us has a power authority. We run it jointly.

This power authority now being the only one that could raise the money has already built one atomic power plant. It is now going into a second atomic power plant. It has built the grid to connect it and the first thing you know we are going to see this same thing happen that government is going to come in to meet the demands. I just think if you believe in private enterprise, if you believe in the capitalist system, you have to stand up and see what does it take to help that system work? You have got the very simple and right answer. If government would just get off their backs, then we wouldn't have any problem. But this is a democracy. Government is the creation of the people and it has got politicians like myself in it and they may not be always as totally objective in their views of what is needed because of these political pressures. Therefore, I think here is a possibility

If we can do what you say, perfect. They will try. But we talked about shortcutting some of the environmental requirements. If you did that, the legislation would be killed. So we have got to live within this, but let's have a central point where we can clear all of this stuff and where you develop perhaps standard forms and so forth and to the degree we can get what you suggest, wonderful. Then no money would be needed.

Thank you.

Sir; way in the back?

QUESTION. Mr. Vice President, I am wondering about the effect of this plan on competition within the LNG industry. For example, if one small project were to be given substantial Federal help or one Alaska pipeline, what would the effect be on other applicants who didn't get help?

The VICE PRESIDENT. There is a very interesting thought here and that is I think—don't hold me on this one—but I think it will be in the legislation that no loan would be made below the rates of what a prime producer of energy can get in the open market.

In other words, the government won't come in and take a weak company—this is not a bailout. This is not going to be for the bailing out of a defunct company. This will only be to produce energy to achieve these goals. But the rate of the loan would not be lower than what the prime rate would be for a successful company.

Most companies will not want to borrow from the government, I imagine, if they can get it from private.

Sir?

QUESTION. What provision is made, Mr. Vice President, in the event that loan is in default?

The VICE PRESIDENT. I think the plant, the operation, whatever it is, would be completed and the property sold. They take a loss. If you are in this business of trying to produce risk or go into risk areas, you are going to have some major successes and some failures. I think that is why 25 percent of the capital or 25 percent of the $100 billion will be equity and 75 percent loans.

I hope that they will make enough successes which they can sell at a profit to overcome the losses which would be at a loss, you know, where there would be a default. But then they have just got to sell it. This is specifically stated not to become a government operation.

Sir?

QUESTION. Mr. Vice President, please detail a little more of this clearing house concept. What authority would that have? Is it advisory primarily? Is it in the ecology field only? Or could it spread to other areas of agencies?

The VICE PRESIDENT. Any clearances that would be by a division of FEA which would specialize in government clearances, of all types, and so if there is a project which contributes towards energy self-sufficiency, financed or not financed, partially or not by the government, they would be eligible, to have all of their clearances done through this division.

This could very well lead to recommendations—I think it will be so stated in the legislation—as to simplification of clearances. To me the most interesting case, a friend of mine who is a lawyer in New York tried to set up a corporation for the seven utility companies in New York State last year, which would be a financing construction company. The credits weren't strong enough to do it themselves so they wanted to set up a joint company.

He said there were, I have forgotten, 14, 17 different regulatory bodies, State and national, which were involved. He could not devize a corporation which could meet all of those, including Anitrust, and so forth and so forth. So they finally had to give it up.

If there is a central group and you get some very able people who understand the law, the ecology, production, and so forth, I think this unit could become an extremely efficient unit.

I am not sure why in many cases these things can't be standardized. Why do you have to spend a great deal of money each time you file an impact statement, starting from scratch? The impacts can't be that different. There are certain criteria that go into them. I have a feeling, I don't know, I have a feeling this could be a very interesting and useful step.

Thank you very much. I apologize for having to go, but I go to open the Senate and I am not allowed to speak there. That is why perhaps I talk so long here. I can't speak up there without unanimous consent, which I don't get very often.

I would love to follow up. If any of you have questions as time goes by on this, of course, you get the legislation shortly, but I would be delighted to see them because to me this has got to be the heart of our future strength and vitality as a nation; our ability to meet our people's needs; to provide employment; to be secure and to meet our responsibilities around the world.

I think we have got to get rolling as far as this economy is concerned if we are going to stay the leader of the free world or if the free world is going to have a leader. Let me put it that way.

Thank you very much, indeed.

MR. MEANY'S STATEMENT

On the basis of the analysis and recommendations of the AFL-CIO Energy Policy Committee, the AFL-CIO endorses the concept of the Energy Independence Authority, a proposal initiated by Vice President Rockefeller and introduced in the Congress by the Ford Administration.

Private industry, left to itself, cannot and will not resolve the energy crisis which still plagues this nation. The American people should not be deluded by the current easy availability of energy supplies. While the gas lines have disappeared, the dependence of the United States on oil from insecure foreign sources still exists. This nation is more vulnerable to an Arab oil embargo today than in 1973. Government must provide the initiative and incentive for development of energy projects that will place this nation on the road to energy independence.

It is estimated that capital in the amount of $600 to $800 billion will be needed in the next ten years to finance investments for energy independence. Most projects would be capitalized from private sources; however, those deemed vital to the national interest but unable to secure private capital, would be financed through a new government corporation with authority to make direct loans, provide loan guarantees, and other financial assistance to energy independence projects.

While the AFL-CIO does endorse the creation of an Energy Independence Authority and the basic program set forth in the bill, we expect to have a number of proposals for improvements in the specific terms of this measure.

At the proper time, we will testify before Congress on the legislation and will make detailed proposals and suggestions to strengthen the bill.

The federation's Energy Policy Committee—composed of Secretary-Treasury Lane Kirkland, Vice Presidents Paul Hall, Martin Ward, William Sidell, A. F. Grospiron, Murray Finley and Joseph Keenan—will continue its study of this and other proposals.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, time and time again we hear the same unfounded criticisms of the Genocide Convention. Especially with regard to that portion of the convention—article II—mentioning racial groups:

> . . . with intent to destroy, in whole or in part, a national, ethnic, racial, or religious group, as such.

For example: a minority group, obviously part of a racial group engages in violent acts of one form or another. Members claim that to denounce them is to cause serious bodily harm. Their conclusion: Complicity in genocide.

This, Mr. President, is simply not the case. Even if the convention were in effect in America, very little would be changed. Any American citizen or public official charged with murder of an individual or group can now be arraigned, charged, and tried for the alleged crime in a local State court. Ratification of the Genocide Convention—assuming enabling legislation is passed which follows the general convention guidelines—would not create a new Federal cause of action. It would simply add an additional jurisdiction in which these cases could be tried.

On Friday I argued that we must take a more practical look at the convention. The importance of ratification is such that a rational decision should be of paramount concern to every U.S. Senator. I hope that my colleagues will not be persuaded by arguments which are designed to play upon the passions of the American people and not upon their rational faculties.

IMPACT OF A NEW YORK CITY DEFAULT ON OUT-OF-STATE BUSINESS FIRMS

Mr. PROXMIRE. Mr. President, the impact of a New York City default would be felt throughout the economy and would damage hundreds of business firms located in almost every State in the Nation. The comptroller's office of the city of New York has compiled a two-part list of firms currently doing business under contracts with the city. This lengthy list demonstrates beyond any doubt that the New York City financial crisis is a national problem and that many cities and towns around the country will suffer job losses and economic hardship if New York City cannot pay its bills. Enactment of legislation to prevent default and get New York City back on its feet is essential to avoid a severe setback to economic recovery.

Mr. President, I ask unanimous consent that this study of the impact of a New York City default on out-of-State business firms be printed in full in the RECORD.

There being no objection the study was ordered to be printed in the RECORD, as follows:

REPORT NO. 1 ON IMPACT OF NEW YORK CITY DEFAULT ON OUT-OF-STATE BUSINESS FIRMS

[Based on a sample of 25 percent of current contracts between city of New York and out-of-State business firms, excluding all contracts under $25,000]

DEFAULT IMPACT STUDY ON OUT OF STATE COMMUNITIES

State and city	Company	Product or service	Contract amount	Contract amount unpaid	Contract No
Alabama:					
Alexander	Russel pipe		$648,091.15	$503,777.55	524033
North Birmingham	Heil Co.[1]	Truck bodies			524282
Birmingham	Walters Inc.[2]	Gas trains	2,755,000.00		218481
California:					
Pomona	FMC Corp	Power sweeper	1,400,000.00	782,248.00	524264
Burlingame	Marathon Electric[1]	Funrace stoker	125,000.00		222547
South El Monte	Elmonte Rubber	Safety surface	56,300.00	56,300.00	225075
Cuperstino	Four Fase System	CRT terminal	1,760,744.00	920,474.00	221390
Colorado: Fort Collins	Colorado State University	Study	85,000.00	85,000.00	223375
Connecticut:					
Bethel	Gray Pollution	Rehabilitation of furnaces	3,706,000.00	2,926,764.00	223529
New Haven	Johnson[2]	Furnace structure	120,000.00		223529
Do	A.B. King[2]	Ducts for cooling	44,000.00		223114
Do	do	do	112,000.00		223114
Delaware	Agrico	Acid for floridation	686,000.00		
Florida:					
	Motorola	Communications equipment	1,163,070.00		
Miami	Milgo		250,000.00	141,988	223577
Idaho: Boise	Mirrison-Knudson	Contractor	7,482,000.00	1,300,617.00	222000
Illinois:					
Danville	Hyster	Fork lift trucks	29,743.00		524559
Do	Illinois Stoker [2]	Stokers	732,000.00		223114
Chicago	Chicago Blower [2]	Air cooling	80,000.00		223529
Do	M. H. Detrick [2]	Refractory work	100,000.00		223114
Do	Medicus	EDP	53,000.00	30,559.75	223161
Do	Chicago Blower [2]	Draft fans	100,000.00		222547
Do	Pullman [3]	Trains	208,541,827.00	144,267,181.65	218668
Do	Greeley & Hansen	Engineering	1,330,000.00	1,110,361.33	220529
Glendale Heights	Chicago Blower [2]	Draft fans	80,000.00		224372
Do	do [2]	Blowers	116,000.00		223114
Schammberg	Motorola		349,846.00	349,846.00	224372
Joliet	Biddle Purchasing		120,332.00		
Indiana:					
Fort Wayne	International Harvester	Trucks	151,534.00		
Do	do	do	35,707.36	35,707.36	523890
Do	do	do	848,037.00	848,037.00	226001
Do	do	do	300,000.00	212,364.60	523184
Do	do	do	908,000.00	908,000.00	524225
Do	do	do	757,000.00	757,000.00	524573
Do	do	do	59,000.00		552983
Do	do	do	132,290.00	86,953.88	523272
Do	do	do	382,192.00	54,721.96	523798
Do	do	do	203,217.00	70,008.87	524044
Do	do	do	10,230,492.00	10,230,492.00	524282
Do	Aron Scher & Son	Construction	785,000.00	216,750.00	212269
Kansas: Chanute	Kustom Electronic	EDP	411,120.00	210,239.33	221627
Louisiana: Baton Rouge	Yaun Manufacturing Co.	Clamshell buckets	205,720.00	205,720.00	524436
Maryland:					
Frostburg	Kayser Brick[2]	Brick	500,000.00		223529
Gaithersburg	IBM	370 system	621,647.00	34,799.21	220862
	Union Carbide	Rapid waters	101,500.00		
Massachusetts:					
Framingham	Perrini-N. River	Construction	229,000,000.00	45,739,203.00	215714
Westwood	Safety Lines	Crosswalks	137,550.00	137,550.00	221472
Do	do	do	180,776.00	180,776.00	221473
Michigan:					
Grand Rapids	American Seating	Seats for Yankee Stadium	1,766,824.40	758,321.00	224185
Romeo	Ford Motor	Tractors	138,520.00	138,520.00	524496
Detroit	do	Trucks	51,895.00	51,895.00	523985
Do	do	Tractors	151,534.00	151,534.00	524493
Pontiac	Plymouth	Police cars	3,244,629.00	1,630,909.00	524102
Detroit	Dodge	Cars	66,155.89	66,155.89	524429
Do	Buick	do	60,724.00	10,232.00	524230
Do	GMC	Trucks	10,380.00	10,380.00	524097
Do	do	do	40,068.00	18,164.00	524046
Do	do	do	5,940.00	5,940.00	524045
Do	do	do	29,600.00	29,600.00	524005
Do	do	do	20,675.00	20,675.00	523962
Do	do	do	19,562.00	9,781.00	523797
Total	GMC		126,225.00	94,540.00	
Detroit	McCloud Wylie and Smith	Evaluation, Board of Education	26,042.00	26,042.00	219968
Minnesota: St. Paul	White Motors	Trucks	35,520.00	35,520.00	524560
New Jersey:					
Mahwah	North American Phillips	Emergency report systems	1,130,512.00	795,893.00	225142
Glenn Rock	Motorola	Radios	198,502.00	79,601.00	223239
Do	do	do	327,160.00	327,160.00	227771
Woodridge	Heifetz Metal	Kitchen equipment	154,989.00	154,989.00	224433
Jersey City	Raymond International	Borings	1,739,807.50	1,739,807.50	224454
Passaic	Handi Hut		82,540.00	82,540.00	224519
Monvale	Otis Elevator	Escalators	1,580,731.00	344,946.00	221480
Paterson	A. & P.	Food	828,720.00		222703
Newark	Edison Jamacia	Management garage	550,611.00	383,033.00	223727
Secaucus	Associated Wreckers	Urban renewal	132,500.00	32,655.00	227356
Do	do	do	294,000.00	294,000.00	222357
Haylet	Roy Kay Co	Heating	72,900.00	72,900.00	221645
Verona	ARA Services		449,216.00	72,987.00	221654
Cresskill	W. Walsh Co	Borings	58,537.00	27,896.00	221752
Glen Rock	Motorola	2-way radios	327,160.00	67,570.00	222771
Passaic	OCE Industries	Paper	56.095.00	34,261.00	223002
Jersey City	Warren George	Test borings	1,136,000.00	161,162.00	222386
	C.&F. Steel		150.000.00		218481
Harrison	Cambell Foundry		1,139,220.00	841,762.00	524102
Piscataway	LRC Construction	Water mains	381,242.00	117,761.00	219918
Paterson	Railroad Construction	Bx. terminal	204,209.00	25,960.00	222092
Leonia	Drake Block Co	Silicon carbide refractory	173,000.00	173,000.00	228114

See footnotes at end of table.

REPORT NO. 1 ON IMPACT OF NEW YORK CITY DEFAULT ON OUT-OF-STATE BUSINESS FIRMS—Continued

[Based on a sample of 25 percent of current contracts between city of New York and out-of-State business firms, excluding all contracts under $25,000]

DEFAULT IMPACT STUDY ON OUT OF STATE COMMUNITIES

State and city	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
Ohio:					
Loudonville	Flexible Co	Busses	$2,420,000.00	$44,455.00	220883
Do	do	do	8,205,586.00	445,227.00	220885
Galion	Galion Manufacturing Co	Asphalt rollers	151,766.00	36,664.00	524183
Columbus	J. T. Edwards	Structural steel [2]	750,000.00	----------	222547
Akron	Tire Supply Co	Tires	845,000.00	----------	----------
Pennsylvania:					
Harrisburg	Corddry, Carpenter	Engineering	1,400,000.00	1,256,892.00	214844
Plaza	Comprehensive Designs	Computer services	70,000.00	41,938.00	223685
Fort Washington	Honeywell	EDP	1,599,685.00	1,226,070.00	220345
Leesport	Hastings Pavement	Paving block	2,985,000.00	1,538,982.00	223704
Allentown	Mack Truck	Trucks	71,853.00	71,853.00	523961
Do	do	do	149,152.00	149,152.00	524591
Willow Grove	Philco Ford		30,000.00	30,000.00	223579
Cornwell Heights [2]	Hussong Walker	Conveyors	300,000.00	----------	222547
Philadelphia [2]	Beaumont Birch	do	275,000.00	----------	218481
Hagerstown	K. M. Universal		135,000.00	----------	----------
South Carolina: Lando	Alran Sales	Blankets	177,810.00	177,810.00	524535
Texas:					
Dallas	Action Community	Community process system	900,000.00	470,400.00	224414
Houston	Horn Construction, Brown & Root	Construction	46,500,000.00	29,161,038.00	221576
Do	do	do	2,665,872.00	100,646.00	219808
Longview	do	do	1,000,000.00	1,000,000.00	222547
Virginia: Culpepper	City Tank Corp	Collection body parts	150,000.00	----------	----------
Wisconsin:					
Milwaukee	P. & H. Harnishfager	Power drives	110,000.00	----------	223114
Do	Heil Co	Collection bodies	300,000.00	----------	----------

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[1] Subcontractor with International Harvester of Fort Wayne, Ind., contract for $10,230,492.

[2] Subcontractor; unpaid contract amount not presently available.

[3] See Pullman subcontracting, table B.

TABLE B.—PULLMAN CONTRACT

State and city	Company	Product or service	Contract amount	Contract amount unpaid	Contract No
Illinois: Chicago	Pullman	Trains	$208,541,827.00	$144,267,181.65	218668
Subcontractors by State:					
California: Los Angeles	California Metal Enameling Co	Ceiling panels	942,425.00	817,190.00	----------
Connecticut: Milford	Translite	Signs	1,774,815.00	1,564,691.00	----------
Illinois:					
Chicago	Metal-Wood	Floor panels	735,660.00	399,812.00	----------
Niles	Vapor Corp	Heating	1,012,355.00	633,294.00	----------
Do	do	Door operators	6,346,930.00	4,225,523.00	----------
Schaumburg	Motorola	Radios	885,500.00	489,900.00	----------
Libertyville	Morton Manufacturing	Doors	2,509,985.00	2,167,410.00	----------
Indiana: Elkhart	Adams & Westlake	Panels	2,480,265.00	2,176,581.00	----------
Kansas: Atcheson	Rockwell International	Car trucks	24,248,740.00	18,308,356.00	----------
Michigan:					
Ann Arbor	Bendix Corp	Control panels	1,189,020.00	705,432.00	----------
Grand Rapids	American Seating	Seats	3,244,035.00	3,061,209.00	----------
Do	Bronson Manufacturing Co	Fiberglass forms	1,139,015.00	971,983.00	----------
New Jersey: Totowa	Ellcon National		2,484,575.00	1,344,005.00	----------
Ohio: Mansfield	Ohio Brass Co	Rail contacts	685,400.00	385,480.00	----------
Pennsylvania:					
Swissvale	Westinghouse	Automotive equipment	4,604,600.00	1,064,440.00	----------
Erie	General Electric	Motors	36,460,750.00	18,981,095.00	----------
Do	do	Gear boxes	6,177,225.00	3,356,505.00	----------
Do	do	Electric motors	17,415,025.00	10,700,290.00	----------
Do	do	Truck brakes	4,108,015.00	1,499,641.00	----------
Do	do	Propulsion	1,896,365.00	1,554,089.00	----------
Do	do	Cab brakes	987,040.00	630,379.00	----------
Broomal	Walton Products	Electric coupler	3,812,975.00	2,123,553.00	----------
South Carolina, Sumter	Exide Power Systems	Batteries	376,530.00	333,498.00	----------
Texas, Plano	Gulton Ind	Lighting	4,107,930.00	3,082,326.00	----------
England, Chippenham	West Code Inc	Brakes	4,542,860.00	1,308,170.00	----------

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[1] Subcontractor with International Harvester of Fort Wayne, Ind., contract for $10,230,492.

[2] Subcontractor; unpaid contract amount not presently available.

[3] See Pullman subcontractors, table B.

Note: New York State contractors not included.

REPORT NO. 2 ON IMPACT OF NEW YORK CITY DEFAULT ON OUT-OF-STATE BUSINESS FIRMS

[Based on an examination of remaining 75 percent of current contracts between city of New York and out-of-state business firms, excluding all contracts under $25,000]

FINANCIAL DATA

Report, section	Type of contract	Contract amount	Balance unpaid
III	Prime contractors	$339,000,000	$108,000,000
III	Subcontractors by State	79,000,000	NA
V	a. Subcontractors by Project, other	170,000,000	142,000,000
	b. Subcontractors by Project, water pollution	824,000,000	NA
Total report No. 2		1,400,000,000	[1] 250,000,000
Total report No. 1		556,000,000	268,000,000
Grand total		1,956,000,000	[1] 518,000,000

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[1] Includes all available information.

II.—PRIME CONTRACTORS BY STATE

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
ALABAMA					
Birmingham	U.S. Pipe & Foundry	Valves	$71, 656	$117	523, 649
Do	do	do	123, 230	73, 689	523, 675
Do	do	do	56, 073	246	523, 793
Anniston	Dresser Manufacturing	do	484, 381	124, 490	524, 056
Do	Russel Pipe & Foundry	Pipe fittings	219, 287	2, 747	180, 730
Alexander City	do	Valves	65, 880	20, 816	524, 103
CALIFORNIA					
El Monte	El Monte Rubber Corp	Safety surfacing	64, 650	13, 234	212364
Do	do	do	166, 200	8, 351	212548
Do	do	do	44, 732	521	216040
City of Industry	Royal Industries	do	52, 925	52, 925	225236
Do	do	do	261, 700	261, 700	225235
Palo Alto	Computer Curriculum	Computer instruments	71, 245	10, 258	219387
Do	Davis, MacConnell Ralston		50, 000	9, 413	214064
Anaheim	Olson Laboratories	Diagnostic vehicle inspection	900, 000	450, 000	226304
Menlo Park	Stanford Research	Management studies	94, 540	1, 237	209662
Berkeley	Incos Corp	Data processing	52, 962	52, 962	524361
El Segundo	RPC Corp	Consultant	43, 539	3, 910	212952
CONNECTICUT					
Bridgeport	Remington Arms	Ammunition	87, 946	9, 637	524252
Do	do	do	346, 139	30, 699	524323
Bethel	Gray Pollution Control System	Incinerator repair	116, 646	116, 646	225744
Branford	Stanwick Corp	Study-ferry system	70, 000	7, 584	206971
Hamden	Kevin Roche, John Dinkeloo & Asso	Supervision construction	66, 220	6, 621	210323
Jewett City	Plastic Wire & Cable	Signal cable	28, 236	835	523312
New Britain	Koehler-Dayton	Marine sewage treatment plant	73, 483	22, 045	217886
Newton	Eureka Fire Hose	Fire hose	28, 262	565	522047
Stamford	S.M.S. Partnership	Architectural services	1, 337, 750	1, 003, 312	214896
Windsor Locks	The Magovern Co., Inc	Telescopic boom arc	26, 770	400	522721
DISTRICT OF COLUMBIA					
Washington	American Inst. for Research	Prototype job analysis	34, 951	10, 466	224521
Do	Lohnes & Culver	Consultants	53, 897	18, 759	216746
Do	M. S. Gins & Co	Partition folders	213, 303	2, 133	523603
Do	Marcou O'Leary	Study on planning	65, 000	8, 500	212282
FLORIDA					
Coral Gables	Wackenut Corp	Guard service	60, 483	10, 225	221682
Do	do	do	648, 979	36, 382	521778
ILLINOIS					
Chicago	Greeley & Hansen	Consultant	112, 100	14, 000	215699
Do	do	do	1, 450, 000	44, 511	209760
Do	do	do	1, 235, 000	242, 469	209781
Do	Karoll	Clothing	32, 143	253	523857
Do	Perma Line Corp	Installation of center and lane lines	395, 892	3, 959	218027
Decatur	Mueller Co	Valves	42, 278	14, 647	523795
East Alton	Olin Corp	Ammunition	227, 497	182	521794
Schamberg	Motorola	Communication	224, 615	2, 492	521737
IOWA					
Dubuque	A. Y. McDonald	Valves	47, 774	289	522888
LOUISIANA					
aton Rouge	Yaun Manufacturing	Buckets, spare scoop sets	64, 760	317	522658
Do	do	do	154, 016	1, 816	523105
Do	do	do	64, 500	1, 000	523700
Do	do	do	158, 400	258	522233
MARYLAND					
Gaithersburg	I.B.M	Professional services	74, 954	2, 014	217920
Do	I.B.M	Business machinery	67, 000	497	215464
Do	I.B.M	Sprint software	60, 000	4, 043	214108
Baltimore	Armco Drainage	Steel pipe	38, 903	705	507115
Do	Baltimore Paint	Paint	74, 550	49, 203	522796
Rockville	Prismo Universal Corp	do	30, 425	24, 380	522265
MASSACHUSETTS					
Boston	Play Timber Co	Construction of playlots	35, 755	35, 755	216162
Do	do	do	38, 506	38, 506	216161
Quincy	Educational Play	do	35, 356	35, 356	216160
Do	do	do	36, 273	36, 273	216163
Amherst	University of Massachusetts	College training	390, 420	27, 054	214939
Brockton	Knapp King Size	Safety shoes	163, 570	7, 717	522919
Cambridge	U.S. Playground Equipment	Construction of playlots	48, 731	48, 731	216159
Do	Pietro Belluschi, Eduardo Cataland, Architects	Preparation of plans and specifications	742, 600	11, 390	210235
Do	Dyna Tech R/D Co	Research antagonist drugs	89, 897	2, 114	217992
Do	Golder, Gass & Associates	Supervision of boring	22, 000	356	219257
Newton	Safety Lines Marking	Installation center lane marking	285, 650	2, 850	215627
Do	850 St. Mark's Inc	Rehabilitation	660, 921	470, 710	225464
Springdale	Sidal Aluminum	Aluminum sign blanks	256, 992	228	523911
Springfield	Hano Business Forms	Printing	57, 406	6, 735	532582
Westwood	Safety Lines Marking	Marking school crosswalk lines	108, 500	1, 124	217998
Do	do	do	107, 250	1, 123	217999
MtCHIGAN					
Ann Arbor	Xerox Universal Micro Film	Cataloging library	500, 000	6, 358	215602
Do	do	do	54, 000	1, 927	522569
Detroit	Detroit Overall	Clothing	35, 100	7, 938	523357
Inster	Michigan Pipe Cleaning	Sewers installation	70, 800	70, 800	225706
Menominee	L. E. Jones	Steel casting	30, 000	4, 121	522060
Southfield	Sondberg & Ferar	Design and construction passenger car	72, 000	326	210800
MISSOURI					
St. Louis	Nooter Corp	Furnish shaft caps	2, 669, 239	2, 669, 239	219577
Do	Horner & Shifrin	Consultant	34, 890	1, 264	216905
Kansas City	Black & Veatch	do	1, 545, 000	146, 698	208425
NEBRASKA					
Omaha	Peter Kiewit Sons, Inc	Sewers	35, 887, 009	518, 891	218218
Do	Peter Kiewit Co	Construction, rapid transit railroad	69, 595, 920	35, 446, 771	210158
Lincoln	O.M.C. Lincoln Development	3 wheel vehicles	369, 622	2, 000	523434

II.—PRIME CONTRACTORS BY STATE—Continued

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
NEW JERSEY					
Hackensack	Raymond Int'l	Test borings	$168,124	$40,227	217536
Harrison	Campbell Foundry Co	Large valve boxes	199,793	20,067	523446
Do	do	Valve boxes and hydrant boxes	1,139,220	777,362	524102
Do	do	Iron St. castings	191,950	1,568	522339
Do	do	do	354,250	70,250	523617
Hoboken	Ind. Wrecking Co	Demolishing	72,000	72,000	225775
Do	do	Demolishing 3 bldg	26,000	26,600	226004
Do	do	Demolishing	95,600	55,055	222970
Do	Burlington Elev	Elevators	105,385	17,815	215986
Do	do	A. Jackson H.S	60,000	3,950	211481
Do	do	Elevators	82,429	618	208793
Do	Ind. Wrecking Co	Demolishing 8 bldg	56,300	56,300	226121
Do	do	Demolishing 6 bldg	55,100	55,100	226112
Do	do	Demolishing 7 bldg	53,100	53,100	226046
Do	do	Demolishing	23,700	3,555	225852
Jersey City	Reiner Machinery Corp	Miscellaneous machinery work class	133,920	133,920	225486
Do	do	do	93,250	93,250	225631
Do	do	Fixed equipment for material testing	67,870	11,862	281795
Do	Warren George Inc	Test borings and subsoil	106,450	103,767	226053
Do	Roderman Industries	Drydock and repair fuel oil barge	32,750	185	225975
Lodi	Progress Combustion	Replacement of oil burners	168,800	168,800	707850
Morristown	Lewis G. Goodfriend Associates	Evaluate noise sources control	30,800	1,538	217972
North Bergen	SAS Equipment Co	Demolition	41,000	18,450	225857
Do	do	Demolition of building No. 203, 3d St	79,700	79,700	226276
Newark	Edison Parking of New Rochelle	Management and operation of municipal garage.	425,520	425,520	226222
Do	do	do	335,670	15,306	211686
Do	Frank Grace & Sons	Preparing computer drawing and specs	141,700	21,200	207572
Newark	Norpac Corp	Wax paper	25,900	25,900	524406
Do	Federal Pacific Electric Co	Outdoor switch gear	35,019	35,019	523370
Do	Armor Tile Corp	Refracfory	26,790	26,790	708377
North Bergen	Pioneer Packaging	Paper table napkin	37,327	20,045	524279
Newark	Edison Parking Co	Parking gargage	382,005	18,777	215221
Do	do	Management and Operation of Muni Park garage	438,432	18,562	218200
Do	do	do	314,130	60,109	219079
Do	Flockhart Foundry	Iron street castings	161,350	71,300	523779
Do	do	do	158,125	3,679	521660
Montvale	Otis Elevator	Premaintenance and repairs	334,826	203,778	706445
Do	do	Premaintenance and service	130,289	6,339	706446
Paramus	Computing & Soft Ware Inc	Microfilming medicad eligibility fill	47,300	29,270	521112
Do	do	Temporary quality composition personnel	43,000	7,198	217588
Piscataway	LRC Construction	Hydrants	62,750	3,998	212697
Bayonne	Drackman Assoc		71,000	71,000	226105
Belleville	Wallace & Herman	Chlorination equipment	50,223	50,223	524295
Belford	Oswald Bros. Enterprises Inc	Sewer cleaning	72,270	72,270	225664
Blackwood	Richard Abel & Co	Doors	45,000	9,540	521725
Bloomfield	Atlantic Track & Turnouts	Steel rail turnouts	35,870	25,970	524110
Burlington	U.S. Pipe & Foundry	Valves and hydrants	790,065	261,357	524054
Cresskill	W. M. Walsh Co	Borings	41,844	1,820	211766
Do	do	Design-Kingsbourgh C.C	34,722	3,552	213981
Carlstadt	W & H Conneiars Sys	Carton Handling system	37,300	37,300	524340
Do	W. A. Croft-N.J	Turnbine gen. set	27,390	250	522149
Clifton	Tile Meas. Inc	Multimedia sys	62,890	1,318	217098
Dunellen	Buffalo Tank	Tanks	37,458	37,458	524603
Elizabeth	Hudson Eng. Co	Conversion of boat	25,000	25,000	707928
Elmwood	Marcal Paper	Toilet tissues	117,000	12,180	523998
East Brunswick	Central Jersey Landscapes	Landscaping flushing meadow	138,039	31,634	195817
East Orange	Jeffrey Manufacturing	Chain conveyor	29,273	29,273	524435
Do	Halevy H. Simmons Associates	Prov. Brownsville Childhood Center	43,620	21,842	218039
Do	N.J.—YMHA–YWHA Corp	Operation of Round Lake Camp	41,250	572	226253
Englewood	Crest Bldg. Restoration Corp	General construction	34,900	349	217425
East Orange	U.S. Pipe & Foundry Co	Valves, hydrant standpipes	177,873	6,535	518700
Fort Lee	Rugby Wrecking Co	Demolition	174,731	170,296	225973
Do	do	do	66,240	66,240	225886
Florence	Griffin Pipe Prod. Co	Ductile cast iron pipe	71,499	1,984	519643
Fort Lee	John J. Baffa, P.E	Prepare plans and specifications	90,000	34,749	209946
Franklin Lakes	Wm. C. Westerbelt & Sons	Fast drying surface on tennis courts Central Park.	153,715	428	217481
Glen Rock	Motorola Inc	Repeator equipment 2-way installation communications systems.	397,018	397,018	225476
Do	do	do	684,367	100	522296
Hackensack	Raymond International	Borings	493,879	149,257	219575
Piscataway	LRC Construction	Watermain	227,800	69,920	217258
Princeton	Educational Testing Service	Reports	85,750	85,750	214114
Palisade Park	John C. Mahl Jr. & Johnson	Engineering Research of Rikers Island	30,000	21,246	214174
Passaic	Popular Service Inc	Process peak violations	588,500	38,900	217324
Patterson	Progressive Comb. Co	Heat and ventilation	58,445	290	706494
Do	do	Replace oil burner	49,445	1,500	706654
Do	do	do	86,345	10,694	707077
Do	do	Replace oil burner and wiring	58,420	1,050	707083
Do	do	Replace oil burher	49,804	49,804	706147
Do	do	Heating and vent construction	83,147	1,640	706290
Do	do	Replace oil burner	53,445	358	706427
Do	do	New steam heat boil	57,790	38,539	707598
Do	do	Heat and ventilation	114,220	114,220	707701
Do	do	do	97,200	97,200	707735
Patterson	Progressive Comb	Heat and ventilation	67,100	67,100	707737
Do	do	Replace oil burner	84,445	60,962	707739
Rahway	Weather Shield Ent	Window—replace	32,750	32,750	707895
Saddlebrook	Seraise Dynamics Corp	School lunches	502,918	82,311	218724
Secaucus	Associated Wrecking	Demolition	76,000	76,000	225885
Do	do	do	113,500	113,500	225881
Do	do	do	251,800	251,800	226217
Toms River	Vanguard System	Key punch	69,750	15,138	217860
Do	do	Office service	125,673	46,686	215368
Teaneck	Int. Viscose	Closed circuit TV	410,424	410,424	225490
Do	do	do	168,257	168,257	225803
Weehauken	Valient Metal Products	Steel shelves	26,300	5,036	524052
Do	Union Drydock	Repair barges	85,200	5,580	225515
Woodridge	Heifetz Metal Crafts	Kitchen equipment	784,969	224,848	215586
Do	do	do	145,635	10,186	216088
Do	Terminal Construction	Construction	33,200,000	7,674,162	218447

II.—PRIME CONTRACTORS BY STATE—Continued

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
NORTH CAROLINA					
Elizabeth City	Sanders	Valves	$84,403	$421	
Do	do	do	102,995	13,884	
Chapel Hill	University of North Carolina	Narcotic research	39,811	9,401	
OHIO					
Cleveland	Apcoa Division, I.T.T., Consumer Division	Furnish lab/material for operation management parking garages.	37,020	2,126	206027
Do	do	do	374,699	33,462	215817
Do	do	do	381,600	2,882	217363
Do	do	do	330,630	12,854	277714
Akron	B. F. Goodrich	Fire hoses	43,246	2,181	521424
Do	do	do	197,825	190,719	524090
Loudonville	Flexible Co	Delivery of passenger buses	10,754,175	10,754,175	225460
Do	do	do	7,124,710	7,124,710	225459
Girard	Syro Co	Galvanized guide rails	114,000	7,450	524520
Do	do	do	27,929	27,929	522126
Hamilton	The Leshner	Wiping rags	36,000	20,000	523949
Toledo	Lily Owens	Paper cups	26,687	1,452	524209
Do	do	do	52,520	16,303	524376
PENNSYLVANIA					
Old Forge	Garlet Co	Traffic signal post	103,800	103,800	524495
Do	do	do	806,500	210,898	523883
Do	do	do	1,242,000	8,544	523723
Do	do	do	253,250	49,000	523691
Allentown	Mack Trucks	Pumpers	1,910,794	9,542	521256
Do	do	Rescue apparatus	135,000	1,000	520110
Do	do	do	1,879,368	9,155	523444
Do	Lehigh Steel	Structural steel	4,700,000	104,264	212329
Philadelphia	Maurice Boutin	Consultant	45,000	3,896	211119
Do	do	do	145,000	2,414	211120
Do	Globe Protection	Guard service	26,192	5,356	520918
Do	do	do	124,580	2,333	217434
Do	Beaumont Birch	Steel chain conveyer	61,400	61,440	524262
Do	do	do	27,648	27,648	523461
Do	Day & Zimmerman	Study—Air pollution	226,500	28,000	209176
Do	do	do	196,700	2,159	217649
Do	do	do	162,300	108,300	209706
Bradford	Dresser Manufacturing	Clamps	49,638	49,638	524483
Bryn Mawr	Ransom F. Shoup	Voting machines	210,000	1,647	218679
Chalfont	Asplunda Chipper	Inspect/install aerial tree trimmer	24,225	4,054	223202
Clarkes Summit	International Salt	Salt—deicing	2,746,500	101,063	523365
Do	do	do	874,500	1,339	524322
Franklin	Franklin Steel	Sign post	86,400	57,024	523079
Pittsburgh	Blair Knox Equipment	Grapples	34,495	1,725	523694
Do	Development Dimensions	Professional services	68,000	68,000	226017
Reading	International Rope	Rope	39,579	6,855	522610
Williamsport	E. Keller	Water wall tubes	38,662	38,662	226214
Willow Grove	Philco Ford	Equipment	699,756	8,083	521551
York	American Chain	Chains	26,300	4,050	523664
Spring City	Spring City Foundry	Terminal boxes	48,300	960	523299
Do	do	do	74,500	36,408	523625
Do	do	do	79,300	79,300	524365
Carlisle	Volk Manufacturing	Snow plows	45,195	216	521410
Do	do	do	53,676	274	523897
RHODE ISLAND					
Newport	U.S. Naval Underwater Systems	Consultant	25,000	25,000	225724
TEXAS					
Tyler	Tyler Pipe Industry	Cast iron plugs	1,063,629	219,662	524032
Houston [1]	Horn Construction	Construction	68,958,886	24,773,367	218407
Do.[1]	do	do	55,000,000	4,547,220	217482
VIRGINIA					
Alexandria	Russell Pipe & Foundry	Cast iron plugs	648,091	502,766	524033
Arlington	Stanwick Corp	Consultant	35,810	5,191	211528
Do	American Management Systems	Professional studies	40,000	4,772	217461
WISCONSIN					
Clintonville	Seagrave Fire Apparatus	Fire apparatus	1,163,400	5,872	519249
Do	do	do	2,388,476	11,932	522654

[1] Part of joint venture. See table A Texas.

SEC. III. SUBCONTRACTORS BY STATE

[Contract amount unpaid not available]

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
ALABAMA					
Birmingham	U.S. Pipe	Castings	$79,798	$79,798	
Do	do	do	790,000	386,899	
Anniston	Dresser Ind	Valves	484,382	134,492	
Alexander	Russell Pipe	Castings	65,880	29,797	
Anniston	Dresser Ind	Clamps	50,138	50,138	
Birmingham	U.S. Pipe	Valves	44,983		
Mobile	Wolf Ridge Plastics, Inc	Plastics plates and ducts	460,000		
Anniston	Phelps Dodge	Copper pipe	6,500		
Birmingham	Stockman	Acid res-pipe	3,000		
Do	do	Valves and fillings	24,000		
CALIFORNIA					
Walnut Creek	Concrete Grinding & Grooving	Grooved roadway	1,727,733	28,000	
Sacramento	Wemco Div. Envirotech Corp	Removal and refurbishing	1,000		
Burlingame	Aluminum Plumbing Fixtures Corp	Shower	500		
Do	Hisolar	Expansion joints	2,000		
Los Angeles	Mason Ind	Vibration eliminator	7,200		
North Hollywood	Bobrick	Accessories	1,600		
Berkeley	Hospital Systems, Inc	Wall consoles	142,000		

SEC. III. SUBCONTRACTORS BY STATE—Continued

[Contract amount unpaid not available]

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
COLORADO					
Denver	John Mansville	A. C. tile	$3,200		
Do	do	Insulation	2,000		
Do	do	do	7,900		
Do	do	Pipe insulation	4,650		
Do	do	do	5,000		
CONNECTICUT					
Bridgeport	Bridgeport Brass	Brass pipe	1,000		
Danbury	Control Instruments	Fuel gazer	500		
Westhaven	Bilco Co	Roof scuttle	200		
New Haven	Sargeant Co	Hardware	6,200		
Bridgeport	Jenkins	Valves	1,800		
Do	Haevey Hubbel	Wiring device	6,200		
Plainville	General Electric	Switchboards	43,000		
Bridgeport	Hubbel	Switches	10,000		
Bristol	General Electric	Switchboards	30,000		
Danbury	Preferred Utilities	Gages	8,000		
Westhaven	Bilco Company	Hatchway doors	1,000		
New Britian	Tuttle & Barley	Grilles diff	3,100		
Wilton	Arititectoral Lead	Exterior lead	735,000		
Stamford	C. E. Controls	Upgrade boilers	35,000		
Glenbrook	Todd CEA Inc	Buzzer controls	79,000		
Haniden	Philip Genovese	Engineering	15,000		
Do	do	do	35,500		
Greenwich	Petro Concrete	Sludge tank	3,700,000		
Brookfield	Construction products	Materials	9,700		
Bridgeport	Trio Ind. Inc	Metals	70,000		
Do	do	Aluminum windows	22,000		
Do	do	Arch metal	50,000		
Do	do	Metal windows	450,000		
Do	Structural rest	Restoration	30,000		
West Hartford	Drum & Bush	Air-conditioning units	32,000		
Greenwich	Petro Concrete	Roofing coves	2,540,000		
DELAWARE					
Wilmington	Sanitation Tank Services Inc	Glass holder	105,000,		
Do	Sampson Tank Services Inc	Erection of gasholder	144,200		
Do	Speakman	Faucets	1,000		
DISTRICT OF COLUMBIA					
Washington	Ewell W. Finley P.C	Engineering	5,500		221520
Do	do	do	66,900		224795
ILLINOIS					
Chicago	Greely & Hanson	Consulting engr	1,520,000		
Aurora	Lyon Metal Products	Lockers and benches	6,127		
Chicago	Greely & Hanson	Consulting engr	26,235		
Do	De Leuw Cather	Engineering	275,000		
Peoria	Caterpillar Tractor	Emergency generator	165,000		
Chicago	Visicon Co	Alarm systems	1,000		
Do	Cerro Wire & Cable	Wire	21,000		
Do	Zenith Controls	Remote control contacts	5,000		
Springfield	Simplex Co	Pumps and tanks	2,000		
Chicago	Crouse-Hinds	Cost boxes	800		
Do	U.S. Steel	Metal bucks	16,000		
Do	U.S. Gypsum	Drywall	45,000		
Danville	Bohn	Coils	2,000		
Chicago	Cerro Wire & Cable	Wire	110,000		
Do	do	do	50,000		
Peoria	Caterpillar	Emergency generators	90,000		
Chicago	Dorbin	Automatic dampers	8,000		
Do	U.S. Gypsum	Gypsum board	2,000		
North Brook	Acoustic Development Corp	Telephone boothes	4,200		
Broadview	Elkay Manufacturing	Plumbing fixtures	42,100		
Do	W. D. Allen Manufacturing	Fire control equipment	14,000		
Morton Grove	Bell & Gossett	Centrifugal pumps	18,000		
INDIANA					
Brazil	Arketex Ceramics	Masonry work	10,000		
Indianapolis	Holcomb & Hoke	Folding partitions	1,140		
Fort Wayne	General Electric	Transformers	20,800		
Do	do	do	25,000		
Michigan City	Dwyer Corp	Kitchen units	13,200		
Kokomo	American Standard	Plumbing fixtures	1,500		
Elkhart	Nibco	Copper fittings	1,000		
IOWA					
Burlington	General Electric	Electric switchboard	40,000		
KANSAS					
Mission	Marley Co	Cooling tower	47,000		
KENTUCKY					
Covington	Freis & Sons	Detention equipment	32,000		
Do	do	Jail equipment	63,000		
Lexington	Mason & Hanger	Consulting engineer	4,050,000		
Do	do	do	4,028,000		
Do	do	do	5,890,000		
Louisville	Caldwell Tanks	Water towers	67,000		
Do	do	do	192,500		
Do	do	do	150,000		
Do	American Standard	Plumbing fixtures	1,000		
Erlanga	Post Glover Electric	Nurses call	5,000		
MARYLAND					
Elbridge	Liskey Aluminum	Aluminum	10,000		
Baltimore	Baltimore Brick Co	Brick	1,000		
Do	Anchor Post	Permanent chain	18,000		
Do	do	Chain link	22,676		
Hyattsville	Potomac Iron	Structural steel	1,161,450		

SEC. III. SUBCONTRACTORS BY STATE—Continued

[Contract amount unpaid not available]

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
MASSACHUSETTS					
Cambridge	Lynn Sign	Exterior illuminating sign	$10,000		
Boston	Westinghouse Electric	4,000 amp circuit breaker	8,000		
Wellsley	General Electric	Electric buss duct	32,500		
Do	do	Electric panel boards Bds	48,000		
Do	Plasterer Wire & Cable	Wire	30,000		
Westfield	Sterling	Fintube	2,000		
Lacon	Hampton Engineering	Grounded outlets	10,000		
Hinghan	Russel Electric	Automatic transfer switches	35,000		
Pittsfield	General Electric	Voltage regulators	15,000		
Cambridge	Grace Construction	Spray fireproofing	32,000		
Everett	Market Forge	Mediprep	18,000		
Braintree	Symmons Industrials	Plumbing fixtures	12,000		
Gardner	Simplex Time	Frequency control	15,000		
Boston	Metcalf & Eddy	Consulting engineer	1,290,000		
Norwood	Elemco	Test high voltage cables	14,000		
Malden	Glover Coating	T-lock membering	1,275,000		
Natick	Ward Weller Co	Aluminum guard railing	41,456		
Do	do	Aluminum railings	525,500		
Malden	Glover Coating	Tank covers	17,500		
Hudson	Wardweller	Aluminum hand railings	265,000		
MICHIGAN					
Kalamazoo	Vecta Group	Carpentry	4,100		
3 River	Armstrong	Humidifier	1,000		
Escorse	Walcon Corp	Aluminum louvers	2,600		
Rochester	Milco Spec	Metal spec	35,000		
MINNESOTA					
Minneapolis	Sonneborn Co	Metallic water	18,000		
MISSISSIPPI					
Jackson	Armstrong Cork	Flooring base	22,000		
Clinton	Eaton Manufacturing Co	Water coolers	1,000		
MISSOURI					
St. Louis	Medart	Lockers	2,400		
Do	Miss. Glass	Wire glass	6,600		
Do	Consol. Alum	Elbow couplings	7,000		
Do	Alco Control	Mech. controls	12,000		
Do	Emerson Elec	Heating cable			
NEW JERSEY					
Fairfield	Elivin J. Smith Division	Metal siding	100,000		
Belle Meadow	Nichols Engineering & Research	Incinerators	438,800		
Newark	Cyclon Fence	Chain link fencing	57,785		
South Hackensack	J. B. Eurell Co	Insulating concrete file	58,000		
Nutley	Haughton Elevators Co	Elevators	79,850		
Clifton	Fischer & Porter	Meter gages controls data loggers	550,000		
Westfield	Honeywell Inc	Controls	115,000		
Jersey City	J. R. Hass Co., Inc	Painting	50,000		
Do	Warren George Inc	Drilling and grouting	50,000		
New Brunswick-American	American Standard	Plumbing fixtures	500		
Do	Buffalo Tank	Fuel tanks	5,000		
Newark	Federal Pacific	Switch gear	175,000		
New Brunswick-American	American Standard	Plumbing fixtures	5,300		
Piscataway	J. R. Smith	Drains	500		
Harrison	Campbell Foundry	Manhole covers	2,000		
Union City	Simplex Corp	Metal acousticals	5,000		
Bayonne	Bayonne Block	Concrete blocks	3,000		
Cranford	Construction Specialties	Louves	1,250		
Wharton	L. E. Corp	Vinyl wall covering	14,700		
Springfield	Uni Strut	Misc. metal	8,100		
Piscataway	Smith Mfg	Plumbing fixtures	9,200		
Carlstatt	American Standard	do	7,800		
Iselin	Siemans Corp	Vac-pump	10,000		
Jersey City	Lightolier	Light fixtures	73,100		
Carlstatt	Lexington Standard	Partitions	10,000		
Leonia	Glenwood Constr	Concrete	175,000		
Woodbridge	Heifitz Metal	Kitchen equipment	90,000		
North Bergen	Erelich Insul	Insulation	70,000		
Wycoff	Tern Construction	Flooring	10,000		
Palisades Park	Quality Insulation	Insulation	40,000		
Carlstadt	Pioneer Fireproof	Hollow metal	99,750		
Union City	Norwalk Metal	Kitchen	430,725		
North Arlington	Concrete Plank	Concrete	5,000		
North Bergen	SAS Equipment	Demolition	100,000		
Englewood	Crest. Bldg. Restoration	Restoration	57,700		
Newark	Edwards & Kelsey	Engineering	17,890		
Ridgefield	Brisk Water Proof	Silicone water replacement	21,300		
Kearny	Pipe Protection Service Inc	Pipe protection (coating)	58,870		
Jersey City	Atlas Steel Prod	Metal wall	9,175		
Union	Great Lamb Dredge & Dock Co	Sampling outfall	5,000		
Burlington	Burling Testing Co	Testing switch gear	26,675		
Elizabeth	Weeks Const. Co	Dredging marine work	3,637,000		
Hackensack	Raymond Int'l Inc	Piezometers	15,500		
Do	do	Pikes	5,160,000		
Englewood	Modern Folding Doors, Inc	Folding doors	3,800		
South Kearney	Modern Transportation Co	Cleaning	28,000		
Weehawken	Valiant Metal	Inspection of conduits, benches	18,500		
Elizabeth	Weeks Dredging Contracting, Inc	Dredging	300,000		
Union	Great Lakes Dredge & Dock Co	Rock demclitions	750,000		
Do	do	Mud removal	140,000		
Jersey City	Warren George, Inc	Borings	22,800		
Kearney	Pipe Protection Service Inc	Cutting pipe field joints	150,000		
North Bergen	King Insulation	Insulation	160,000		
Denville	Hazards Research Corp	Gas detection and monitoring	20,000		
South Kearney	Modern Transportation	Removel residual sludge	70,000		
Harrison	Campbell Foundry	Castings	1,490,000		
Do	do	do	713,240		
Do	do	do	1,930		

SEC. III. SUBCONTRACTORS BY STATE—Continued

[Contract amount unpaid not available]

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
NEW JERSEY—Continued					
North Brunswick	N. Maltere & Sons	Tile rods, steel exp. bearings	$654,000		
Morristown	Omark Industries	Studs	200,000		
Carteret	Karl Koch Erecting Co.	General contracting	430,000		
Newark	Robinson Pipe Cleaning Co.	Sewer cleaning	276,000		
Ridgefield	Brick Water Waterproofing Co., Inc.	Waterproofing	285,000		
Do	Brisk Waterproofing Co., Inc.	do	14,430		
Roseland	Colonial Manufacturing Co.	Inserts screens	4,000		
Hoboken	Burlington Elevators	Elevators	54,121		
North Bergen	King Insulation Co.	Piping system	26,000		
South Hackensack	J. B. Ewell Co.	Roof insulation modified	16,500		
Fairfield	Precast Concrete, Inc.	Precast drainage structures	469,671	$15,000	
Jersey City	Joseph T. Ryerson & Co.	Steel edging			
Little Ferry	Walker Porous Wall Pipe	Porous pipe			
Newark	United States Steel Supply	Fence work	963,227	110,000	
Do	Cyclone Fence	Chain link fence	446,921	50,000	
Ridgefield Park	Peitz Industries	Interlocking pavers	1,745,000	100,000	
Harrison	Campbell Foundry	Castings	417,710	355,217	
Do	do	do	707,067	653,365	
Do	do	do	476,525	93,415	
Do	do	do	187,375	49,960	
Do	do	do	2,036,540	1,800	
Do	do	do	586,000	11,378	
Do	do	do	648,415	2,000	
Do	do	do	841,830	151,000	
Do	do	do	155,888	5,669	
North Bergen	English Institute Inc.	Insulation	70,000		
Wyckoff	Tern. Construction				
Do	R. C. Public Associates	Flooring	10,000		
Hoboken	MTS Steel Products	Partitions	10,000		
Linden	Brazill Bros	Am.electrical systems	20,000		
Summit	W. D. Virtue	Arch terra	6,000		
Carlstadt	S. W. Lind. Inc.	Window screens	5,050		
Middlesex	Rure Associates Inc.	Aluminum window	9,985		
Weehawken	Valient Metal	Steel lockers	8,742		
Hillside	Doors Inc.	Overhead doors	7,500		
Hackensack	National Air Balance	Air balance	3,500		
Weehawken	Valient Metal	Lockers	68,000		
Harrison	Campbell Foundry	Supply castings	323,600	70,000	
Perth Amboy	Chevron Asphalt	Cement	1,070,000	29,000	
Passaic	Handi-Hut	Information	88,000	22,000	
Do	do	Bus shelters	255,000	6,000	
North Bergen	Lervgust Corp.	Steel curb	265,000	232,000	
Dover	Hermit Inc.	S.S. stacks	96,000		
Ridgefield Park	I. Damiano	Lab equipment	4,000		
Bloomfield	Elbert Lively Co.	Hoisting equipment	142,000		
Berlin	Formigle Corp.	Concrete deck	80,500		
North Arlington	Tecfab of New Jersey Division, Concrete Plank Co.	Concrete plank	32,150		
Elizabeth	Weeks Dredging & Construction Inc.	Dredging operations	95,000		
Passaic	Gaess Environment Service Corp.	Clean hydraulic	10,000		
Fairfield	Recast Construction Co.	Precast construction	120,000		
East Paterson	Bergen County Cut Stone Co. Inc.	Limestone work	7,400		
Palisades Park	New Jersey Paquet Landscape	Landscape	90,000		
Passaic	Sibbie Cont. Corp.	Install by boring	9,000		
Hawthorne	Mayfair Window & Glass Co.	Install aluminum windows	150,000		
Carlstadt	Lexington Standard	Partitions	10,000		
Leonia	Glenwood Conc.	Concrete	175,000		
Woodbridge	Herfitz Metal Craft	Kitchen equipment	90,000		
Harrison	Campbell Foundry	Castings	525,000	10,000	
Do	do	do	630,000	58,000	
Do	do	do	1,237,000	35,000	
Hoboken	MTS Steel	Partitions	10,000		
Linden	Brazill Bros	Air elec. supply	20,000		
Summit	W. D. Virtue	Air frig	6,000		
Carlstadt	F. W. Sind	Window screening	5,050		
Middlesex	Rure Associates	Aluminum windows	9,985		
Weehawken	Valiant Metal	Steel lockers	8,742		
Hillside	Doors, Inc.	Overhead doors	7,500		
Hackensack	Natl Air Balance	Air balance	3,500		
Weehawken	Valient Metal	Steel lockers	68,000		
Fort Lee	Quality Ins.	Insulation	175,000		
Union City	Norwalk Metals	Food service	504,000		
Dover	Hermex	Breeching	98,000		
Netcong	N.J. Drilling	Conc. drop holes	24,000		
Rockaway	Moore Trench American Corp.	Water pumping	100,000		
Do	do	Dewatering	1,894,000		
Do	do	Test wall	9,300		
Newark	Jersey Testing Lab	Conc. cylinders testing	15,000		
Do	Robinson Pipe Cleaning Co.	Pipe cleaning	6,000		
Flemington	Mergentine Contr. Corp.	Drilling caisons	300,000		
Bloomfield	Elbert Lively Co.	Hoisting equipment	5,000		
Kearny	Modern Transp. Co.	Emptying dig. tanks	30,000		
NORTH CAROLINA					
Charlotte	NC Granite Corp.	Chess tales and granite	1,745,000		
Do	Willard Lead	Radiation protection	45,000		
OHIO					
Columbus	Kinnear	Fire shut	10,000		
Youngstown	Youngstown Sheet	Elec. cond	25,500		
Amelia	Ind. Air	Vent fans	5,000		
Champion	U.S. Plywood	Doors	5,200		
Toledo	U.S. Steel	G.I. pipe	2,000		
Owens	John Mansville	Insulation	600		
Cleveland	Sherman Williams	Paint	300		
Youngstown	Youngstown Sheet	Duct work	25,000		
Dayton	Chrysler Air Temp	Chillers	14,000		
Warren	Peerless	Fans	4,000		
Columbus	Weiman	Purafy	10,000		
Youngstown	Youngstown Sheet	Conduit	82,000		
Oxford	Square D	Trench duct	10,000		
Youngstown	Youngstown Steel	Conduit	15,000		

SEC. III. SUBCONTRACTORS BY STATE—Continued

[Contract amount unpaid not available]

City	Company	Product or service	Contract amount	Contract amount unpaid	Contract No.
OHIO—Continued					
Akron	Wilkinson Co.	Corner guards	$4, 500		
Cleveland	Picker Corp.	Film load	7, 800		
Hamilton	Mosler Safe Co.	Vault door	1, 850		
Columbus	Weinman Pump	Pumps	19, 000		
Hamilton	Mosler Safe	Safe	10, 000		
Cincinnati	American Machine	Equipment	15, 000		
Columbus	Kinnear	Fire shut	10, 000		
Cleveland	E. F. Harserman	Metal partitions	15, 000		
Akron	Transformers Consultants	Painting	3, 875		
Do	do	Hot oil cleaning	8, 100,		
Do	do	Testing	2, 100		
Marietta	Forms Scientific	Cold storage	16, 500		
Columbus	Jeffry Sludge Collectors	Sludge collectors	1, 750, 000		
OREGON					
Portland	Columbia	Cascade timber	469, 671	$15, 000	
PENNSYLVANIA					
Harrisburg		Engineering	5, 000	2, 500	
Beaver		do	5, 100	2, 550	
Pittsburgh	United States Steel	Steel	530, 000	50, 000	
Bethlehem	Bethlehem Steel	Steel pipe	500		
Pittsburgh	Pittsburgh Paint	Paint	10, 000		
Levittown	All Lite Metal	Louvers	100		
Pittsburgh	Wheatland Pipe	Conduit	25, 500		
Do	Ite Imper	Fitting	700		
Do	Pittsburgh Paint	Paint	30, 100		
Do	do	Glass	5, 000		
Stove	Slagg Co.	Brassfittings	1, 000		
Pittsburgh	H. K. Dorki	Motors	1, 000		
Do	Westinghouse	Motor starters	1, 000		
Do	Picker	X-ray lts	3, 500		
Do	Steel Coty	Boxes	7, 000		
Bristol	Keystone	Lighting fixtures	15, 000		
Nazareth	Carlon Manufacturing	Conduit	10, 000		
Philadelphia	Itt Nesbeth	Temp controls			
Do	Air Stream	Louvers			
Pittsburgh	Alcoa	Gravel	3, 700		
Lansdale	American Olear	Tile	17, 000		
Lancaster	Armstrong	Floor coverings	78, 000		
Philadelphia	Wm. Hodges	Metal shelves	12, 700		
Erie	Amsco	Or lights	3, 500		
Conshohocken	Wood Industries	Exp. tanks	13, 000		
Valley Forge	Certain Teed Products	Insulation	13, 700		
Pittsburgh	United States Steel	Steelplates	530, 000	50, 000	
New Holland	T. Sralgaro Inc.	Carpentry	136, 846		
Trerose	Rulin Coat Co.	Hydraulics	15, 000		
Monsey	Const. Spec.	Concrete	40, 000		
Beaver	Michael Baker	Engineering	5, 100	2, 550	
Do	do	do	177, 180	123, 000	
Harrisburg	Corddry Corp.	do	5, 000	2, 500	
Pottstown	Seelye, Stevenson Valve & Knecht	do	418, 400	308, 000	
Exton	Mobil Dredging	Cleaning	54, 000		
Pittsburgh	EC1 Soletamlie	Walls	800, 000		
Philadelphia	Day & Zimmerman	Consulting engineers	1, 225, 000		
Harrisburg	Corddry, Corp.	do	900, 000		
Exton	Mobil Dredging	Cleaning tanks	48, 000		
Hatfield	Eastern Press	Concrete	1, 500, 000		
Colmar	FMC Corp.	Screening equipment	210, 000		
Exton	Mobil Dredging	Cleaning	160, 000		
RHODE ISLAND					
Providence	Moliterno Stove	Granite curb	255, 000	232, 000	
SOUTH CAROLINA					
Spartanburg	Lockwood Greene	Architects	200, 000		
Summerville	Flovertown Aluminum	Aluminum window	41, 000		
TENNESSEE					
Kingsport	ASG Ind.	Glazing	15, 500		
Selmer	G.E.	Plug-in bus duct	20, 000		
TEXAS					
Houston	Candill Rowlett Scott	Architects	500, 000		
Do	Polysonics	Pipe insp.	750, 000		
Tyler	Tyler C. I. Pipe	C. I. Pipe	8, 000		
VERMONT					
City to be supplied	Rock of Ages	Marble works	150, 000		
VIRGINIA					
Roanoke	Roanoke Iron & Bridge	Iron and steel	10, 000		
Richmond	Robert Shaw	Auto contr.	12, 000		
Do	Amer. Steril	Sterilizers	15, 000		
Norfolk	J. G. Wilson	Rolling doors	11, 500		
Richmond	Amer. Steril	B. P. Washers	500		
WEST VIRGINIA					
Wheeling	Fire Prof. Prod.	Equipment	60, 000		
WISCONSIN					
Thunsville	Super Sky Prod.	Sky lights	8, 000		
Algonia	United States Plywood	Doors	32, 000		
La Cross	Trane	Rebest coils	5, 000		
Verona	Corues	Diffusers	4, 650		
Milwaukee	Johnson Control	Controls	5, 500		
Do	General Electric	X-ray duct	15, 000		
Do	Lock Corp.	Metal lockers	5, 200		
Madison	Ohio Med. Prod.	Oxygen supply	52, 000		
La Cross	Trane	Fan unit	112, 000		
Madison	Electro Systems	Elec. equipment	19, 450		
Two Rivers	Hamilton Manufacturing	Lab equipment	75, 000		

SEC. A-IV.—SUBCONTRACTORS BY PROJECT

[(a) Other (b) Pollution control]

PROJECT—C-226. TOTAL CONTRACT AMOUNT $1,757,600. BALANCE UNPAID $51,000

State and city	Company	Product or service
Alabama: Holt	Central Foundry	Cast iron pipe.
Arkansas: Magnolia	Southern Extrusions, Inc	Aluminum angles.
California: Los Angeles	Group Arte	Trash receptacles.
Connecticut:		
Fairfield	Emeco Steel Corp	Galvanized steel.
Greenwich	Proudfoot Co	Acoustical block.
Hamden	H. A. Leed & Co	Aluminum louvres.
Stamford	P.P.C. Industries	Epoxy paint.
Twerryville	Gudney Electric Co	Electrical fittings.
Georgia: Atlanta	Georgia Marble Co	Marble chips.
Illinois: Harvey	Allied Tube & Conduit Co	Galvanized steel conduit.
Louisiana: New Orleans	Division Alpro Acoustical	Perforated aluminum panels.
Massachusetts: Milford	Bettinger Corp	Signs.
New Jersey:		
Bayonne	Bayonne Nipple Corp	Galvanized pipe.
Carlstadt	Kowneer—Architectural Products Inc.	Ferrules store front.
Do	American Metaseal Co	Epoxy adhesive.
Do	J. Blum & Co	Aluminum sheet plate.
Clark	Louis Asphalt	Waterproofing fabric.
Elizabeth	Unistrut Eastern Syce. Co	Steel struts.
Fairlawn	Glen Rock Lumber Supply, Inc	Lumber.
Fort Lee	John V. Dinan	Building exams.
Garwood	Serex, Inc	Sand-blasting.
Lincoln Park	Crinnel Manufacturing Corp	Iron flanges.
Lyndhurst	Peter A. Frasse	Stainless steel.
Do	Sica Chemical	Epoxy waterproofing.
Pennsouken	Appco Porcelain Co	Signs.
Trenton	Novagard Corp	Terrazzo sealant.
North Carolina: Greensboro	Andco Bldg. Spec'ty Inc	Aluminum brick vents.
Pennsylvania:		
Bethlehem	Bethlehem Corp	Reinforcing bars.
Carbondale	Henrick Manufacturing Co	Aluminum grilles.
Nazareth	Coplay Cement Manufacturing Co.	Cement.
Philadelphia	Safetee Glass Co	Safety glass.
Pittsburgh	Universal Atlas Cement	
Do	Pittsburgh Steel Corp	
Plymouth	G. & W. H. Corson	Lime.
Ohio:		
North City	Norton Co	Abrasive aggregates.
Toledo	Owens Corning Fiberglass Corp	Insulation.
Wooster	Wooster Products Co	Nonslip stair nosing.
Youngstown	Youngstown Sheet & Tube Corp	Galvanized steel conduit.
Pennsylvania: Sharon	Sawhill Tubular Products	Galvanized pipe.
Rhode Island:		
East Greenwich	Winstrom Manufacturing	Aluminum pipe.
Pawtucket	American Insulated Wire	Insulated wire.
Texas: Houston	National Cellulose Corp	Acoustic spray on material.

PROJECT T-30449, TOTAL CONTRACT AMOUNT, $4,409,000

Illinois:		
Oakbrook	Portec, Inc., Railway Prod	Insulated joints.
Do	do	Rail anchors.
Massachusetts:		
Rehoboth	Bird Tie Pads, Inc	Tie pads.
Worcester	Electric Cable, Division U.S. Steel.	Signal bonds.
New Jersey:		
Fort Lee	Crouse Hinds Co	Conduit fittings.
Livingston	Robert McKeown Co	Glyptol paint.
Plainsborough	Hudson Portland Cement Co	Cement.
West Orange	Kopper Co., Inc	Protection board.
Ohio:		
Ashtabula	Railroad Rubber Products, Inc	Rubber abrasion plates.
Cleveland	Erico Products, Inc	Contact rail joints.
Do	do	Neg. rail bonds.
Do	do	Contact rail connectors.
Mansfield	Ohio Brass Co	"F" Anchors.
Pennsylvania:		
Meadville	Singer Co	Switch Snow Melters.
Mount Pleasant	Permail, Inc	Insulated Joints.
Philadelphia	Minn. Mining & Manufacturing	Do.
Steelton	Bethlehem Steel Co	End approaches plates.
Do	do	Brackets-splice.
Do	do	Contact rail.
Do	do	Special work portions—Bolts, spikes, ties, plates.

PROJECT C-266, TOTAL CONTRACT AMOUNT $629,608, BALANCE UNPAID $260,523

Connecticut:		
Stamford	Hunts, Douglas Inc	Metal ceiling panels.
Do	Electric Heater Co	Water heater.
Willimantic	Brand Rex Co	Insulated wire.
California: Oakland	Kayser Aluminum Chemical Corp.	Aluminum sheet.
Illinois: Palatine	H. B. Fuller Co	Components.
Michigan: Detroit	American S.T.O	Exhaust fans.
Missouri:		
St. Joseph	Hilliard Chemical Corp	Seales and polishing wax.
St. Louis	Alcan Aluminum	Aluminum sheet.

PROJECT C-266 TOTAL CONTRACT AMOUNT $629,608, BALANCE UNPAID $260,523—Con.

State and city	Company	Product or service
New Jersey:		
Clifton	Terrazzo & Marble Supply Co	Terrazzo materials.
Somerville	Wilkinson	Tile terrazzo.
Parsippany	Interpace Corp	Celanic and terra.
Cranford	Builders General	Portland cement.
Jersey City	Ryerson, Inc	Aluminum sheet.
Summit	W. D. Virtue	Shapes tile.
Carlstadt	Julius Blum & Co	Aluminum sheet and shapes.
Ohio: Wooster	Wooster Manufacturing Co	Nonslip treads.
Pennsylvania: Wampum	Medusa Portland Cement Co	Colored cement.

PROJECT 131A-6, TOTAL CONTRACT AMOUNT $53,264,019, BALANCE UNPAID $50,700,000

New Jersey:		
Secaucus	Fitzpatrick & Schiavone	
Woodbridge	Consolidated X-Ray Service	X-Ray inspection for welding.
Ohio: Barberton	Babcock & Wilcox	Heavy wall pipe.
Pennsylvania:		
Hazelton	Vitra Technical Engineers	Building inspection.
Newton Square	Jaegle Paint Co	Paint.
Pittsburgh	Levinson Steel Co	Structural steel.
Tennessee: Knoxville	Tucker Steel Division of U.S. Industries, Inc.	Structural steel.
Texas: Houston	Cameron Iron Works	Heavy wall pipes.

PROJECT D-20104, TOTAL CONTRACT AMOUNT $54,052,215 BALANCE UNPAID $42,290,552

California: Fullerton	Cold Forming	Tension set.
Connecticut: Brookfield	Vinocon	Seismologist.
Illinois: Broadview	W. D. Allen Mfg. Co	Signs.
Massachusetts:		
Boston	Helsey	Water meters.
Do	S.R.I	Instrumentation.
New Jersey:		
Fort Lee	John V. Dinan	Building exams.
Harrison	Campbell Foundary	Receiving basin covers.
North Bergen	Fairbanks Co	Gate valves.
Clifton	Applied Polymers	Water proofing.
Newark	Stockham Valves & Fittings	Gate valves.
Ohio: Youngstown	Commercial Shearing	Temporary steel.
Pennsylvania:		
Erie	Zyln Industries	Shock absorbers.
Bethlehem	Bethlehem Steel	Structural steel.

PROJECT 131-D-1, TOTAL CONTRACT AMOUNT $10,415,000, BALANCE UNPAID $1,980,000

Pennsylvania: Bethlehem	Bethlehem Fabricators	Structural steel.

PROJECT 131A-7, TOTAL CONTRACT AMOUNT $41,140,766, BALANCE UNPAID $38,950,000

New Jersey: Carlstadt	Pioneer Industries	Hollow metal doors and frames.
Ohio:		
Cleveland	Master Builders	Admixtures.
Do	do	Air entertainment.
Pennsylvania:		
Whitehall	Portland Cement Manufacturing Co.	Cement.
Nazareth	Lone Star Industries	Do.
Bethel	Modern Concrete Products	Concrete drain pipe.
Philadelphia	Eastern States Paint & Varnish	Paint.
Canonsburg	Fort Pitt Bridge	Structural steel.
Mountain Top	Connell Iron Works	Steel doors.

PROJECT D-24525, TOTAL CONTRACT AMOUNT $82,929, BALANCE UNPAID $82,929

Illinois: Skokie	Portland Cement Association Research & Dev. Lab., Cement and Concrete Research Inst.	Testing facilities and personnel to evaluate concrete ties and rail fastening system.

PROJECT D-31311, TOTAL CONTRACT AMOUNT $1,739,807, BALANCE UNPAID $1,503,490

New Jersey: Hackensack	Warren-George	Borings.
Texas: Houston	Raymond International	Do.

PROJECT C-30717, TOTAL CONTRACT AMOUNT $1,589,880

New Jersey:		
Upper Saddle River	Tidewater Roofing & Metal Inc	Waterproofing.
Carlstadt	Pioneer Industry	Hollow metal doors and frames.
Lyndhurst	Neill Supply Co. Inc	Pipe.
Hasbrouck Heights	Progressive Brick Co	Transite ducts.
Harrison	Campbell Foundry Co	CI manhole heads and rungs.
Newark	Flockhardt Foundry	CI manhole head drainage plates.
Perth Amboy	McCormicks & Co	Sand.
Ohio: Wooster	Wooster Products Inc	Door saddles.

SEC. A-IV.—SUBCONTRACTORS BY PROJECT—Continued

[(a) Other (b) Pollution control]

PROJECT D-30336, TOTAL CONTRACT AMOUNT $807,140, BALANCE UNPAID $156,230

State and city	Company	Product or service
Connecticut: Jewett City	Plastic wire & Cable	Wire.
New Jersey:		
Hoboken	Strachan MacKoe Corp	Drain traps.
South Plainfield	Vitranlic Co. of America	Pipe couplings.
Hillside	Hadfield Wire & Cable	Wire.
Livingston	Russell & Stull	Incandescent fixtures.
Kearney	Mac Products, Inc	Power cable.
Ohio: Canton	Boss—Division of Union Metal	Terminal boxes.
Pennsylvania: York	Wm. Christensen	Pipe.
Rhode Island: Pawtucket	American Insulated	Wire.

PROJECT WP 136 OAKWOOD BEACH, TOTAL AUTHORIZED AS OF APR. 1, 1975, $229,109,317

Alabama: Birmingham	Beloit Pass Co	Sewage screens.
California:		
Sacramento	Wemco Division Envirotech	Sl. pump equipment.
Pico River	Amer. Dyne Ind	Spray water system.
Harbor City	Tube Line Manufacturing	Weld fittings.
Menlo	Allan Shermanhoff	Gate access.
Van Nuys	Holophane Co	Lighting fixtures.
San Jose	General Electric	Motors.
Colorado:		
Denver	Holophane Co	Lighting fixtures.
Do	do	Outdoor lighting fixtures.
Connecticut:		
Terryville	O.Z	Conduit.
Do	O.Z	Conduit fittings.
Do	O.Z	Conduit connectors.
Seymour	Kerite Co	Cable.
Bridgeport	Harvey Hubbell	Wiring dev.
Do	Bryant Lighting	Lighting fixtures.
Fairfield	Coldwell Wilcox	Mud valves.
Greenwich	Anaconda	Wire.
Georgia:		
Roane	GE Co	Transformers.
Rome	Fairbanks Moss	Water pumps.
Illinois:		
Harvey	Allied Tube	Conduit.
Highland	B-Line	Do.
Westchester	Belden Corp	Wire.
Chicago	Association Research	High pot testers.
Do	do	Meters.
Elgin	Simpson Electric	Do.
Sycamore	ITE Holub	Tools.
Chicago	Pyle National	Lighting equipment.
Do	Appleton Electric	Do.
Highland	B-Line	Conduit supports.
Chicago	Appleton	Lighting fixtures.
Wheaton	Spray Systems Co	Nozzle Assembly.
Chicago	FMC Corp	Tank mixing.
Illinois:		
Bensonville	Clow Corp	Pressure valves.
Aurora	Aurora Pumps	Water pumps.
Chicago	Chicago Pumps	Do.
Wheaton	Spraying System	Spray system.
Aurora	Walker Process	Air diffuser equipment.
Chicago	FMC Corp	Sludge coil equipment.
Aurora	Walker Process	Do.
Kentucky:		
Florence	Husky Products	Connectors.
Louisville	Benjamin Products	Lighting fixtures.
Do	Tube Turns	Welding fittings.
Do	American Air Filter	Air filter equipment.
Cambellsville	Ingersoll Rand	Water pumps.
Massachusetts:		
Pittsfield	General Electric	Transformers.
North Andover	Eastern Tank	Bin hopper.
Do	do	Sludge tanks.
Burlington	Spraying Engineering	Spray water system.
Worcester	Norton Co	Air diffuser equipment.
Quincy	Quincy	Compressor air equipment.
Maryland: Taneytown	Worthington Pump	Pumping components.
Michigan:		
Wayne	Unistrut	Conduit.
Grand Rapids	Taylor Forge	Welding fittings.
Detroit	Hotrerice	Gages.
Minnesota:		
St. Paul	3M Co	Splicing.
Sartell	Delurik	Valves.
Mississippi: Vicksburg	Westinghouse	Lighting fixtures.
Missouri: Kansas City	Deving Lighting Fixtures	
New Jersey::		
Carteret	Steel City	Conduit.
Newark	Pfaff & Kendell	Floodlite poles.
Elizabeth	Thomas L. Betts	Conn. and lugs.
Florham Park	ASCO	Switch gear.
Montvale	Holophane	Lighting fixtures.
Bloomfield	Westinghouse	Lamps.
Carteret	Steel City	Conduit.
Kenilworth	Stone Co. Lighting	Fixtures.
Newark	Federal Pacific	Motor control.
Peapeck	Komline-Sanderson Sludge	
North Carolina: Albemarle	Federal Pacific	Circuit breakers.
Ohio:		
Youngstown	Steel Duct	Conduit.
Cleveland	General Electric	Lamps.
Vermillion	Art Metal	Lighting fixtures.
Warren	Standard Transformers	MTD transformers.
Norwood	Allis Chalmers	Electric motor.
Columbus	Weinman Pump	Water pumps.
Cleveland	Ferro Co	Air diffuser.
Columbus	Jeffrey Manufacturing	Sludge equipment.
Do	do	Sewage screens.
Marion	Fairfield Engineering	Do.

PROJECT WP 136 OAKWOOD BEACH, TOTAL AUTHORIZED AS OF APR. 1, 1975, $229,109,317—Continued

State and city	Company	Product or service
Pennsylvania:		
Fort Washington	Honeywell	Recorder.
East Pittsburgh	Westinghouse	Motors.
Plymouth Manufacturing	James Biddle	Meters.
Pittsburgh	Russell & Stoll	Ltg. fixtures.
Sharon	Westinghouse	Do.
Allentown	Bonney	Tool works.
Pittsburgh	U.S. Steel	Steel pipe.
Bethlehem	Bethlehem Steel	Do.
York	Allis Chalmers	Valves.
Pittsburgh	Dravo Co	Air diffuser equipment.
Mont	Joy Manufacturing Co	Compressed air equipment.
Rhode Island: Pawtuket	Carroll cable	Wire.
Tennessee: Sparta	Benjamin Products	
Texas: Houston	Wide Lite	Ltg. fixtures.
Wisconsin:		
Cudahy	Ladish Co	Welding fixtures.
Oshkosh	Sorgel	Transformers.
Milwaukee	Rex Chain Belt	Scum equipment.
Do	Link Belt	Monitoring system.
Do	Rex Chain	Sludge equipment.
Do	Syntron	Vibrator.
Do	Rex Chain	Scum and sludge equipment.
Do	do	Sewage screens.

PROJECT PW-53 NEWTON CREEK, TOTAL AUTHORIZED AS OF APR. 1, 1975, $169,673,348

Texas:		
Houston	Bettis	Ball valves.
Do	Korkap	Rigid conduit, coupling, etc.
Virginia:		
Richmond	Reynolds Metal Co. Mill Products Division.	Aluminum air-piping.
Salem	GE	Motor control.
Wisconsin: Milwaukee	Heil Co	Screening and transportation equipment.
Alabama:		
Anniston	M. & H. Valve Fitting Co	Large globe and check valves.
Birmingham	U.S. Pipe and Foundry Co	Cast iron pipe and fittings.
California:		
Los Angeles	Tubesales (Alcoa Aluminum)	Aluminum air tubing.
Sacramento	WEMCO Division of Arthur G. McKee.	Pumping units.
Colorado: Englewood	Wilkerson Corp	Air fillers lubricants.
Connecticut:		
Fairfield	Krajewski Pesant	Level indicators.
Do	Coldwell-Wilcox	Float systems.
New Haven	Cerro Wire and Cable	Wire and cable.
Illinois:		
Addison	Lunkenheimer Valve Co	Ball valves.
Aurora	Henry Pratt Co	Valves.
Do	Aurora Pump Co	Sewage pumps.
Chicago	McAlear	3 in pressure reduction valve.
Do	The Electric Products	Main electric motors.
Do	Vapor Corp	Steam generator.
Do	Crane Co	Globe and needle.
Elgin	Simpson	Portable instruments.
Parkridge	Square D	Circuit breaker.
Indiana:		
Fort Wayne	International Harvester Co	Transportation equipment.
Hammond	Hammond Valve Corp	Bronze gate valves.
Michigan City	Dwyer Products	Culinary equipment.
Iowa: Marshalltown	Fisher Control Co	Differential controllers.
Kentucky: Louisville	American Air Compressors	Water air check valves.
Louisiana: Shreveport	Old Dominion Steel Corp	Steel tanks.
Massachusetts: Orange	Rodney Hunt Machine Co	Sluice gates.
Michigan: Battle Creek	Union Pump Co	Pumping units.
Minnesota:		
Sartell	DeZurik Corp	Valves.
St. Paul	Healy-Ruff Co	Pump controls.
Missouri: St. Louis	Allied Pump Corp	Sump pump.
New Jersey:		
Englewood	Versa Products Co	Directional control.
Englewood Cliffs	Crouse-Hinds	Electric parts.
Hatfield	Wire & Cable	
Palisades Park	Farris Engineering Corp	Safety and relief valves.
South Plainfield	Vitaulic Co. of America	Type B coupling and fittings.
Trenton	DeLaval Turbine	Main Sewage pumps.
Ohio:		
Bremen	Bremen Manufacturing Co	Pressure tanks.
Cleveland	Electric Products Co	Large motors.
Columbus	Weinman Pump Manufacturing	Sewage pumps.
Salem	Hunt Valve Co	Control valves.
Pennsylvania:		
Bradford	Dresser Industries	Pipe couplings.
Bala Cynwyd	Walworth	Valves.
Coraopolis	Homestead Valve	Do.
Douglasville	Hilty's Welding	Aluminum Seal water tanks.
Exton	B.E. Wallace Product	Gantry A frames.
Franklin	Chicago Pneumatic Tool Co	Air compressors.
Jeanette	Elliot Co., division of Carrier Corp.	Automobile strainer.
Philadelphia	Welsbach Corp	Ozonating equipment.
Do	Youngstown Steel	Rigid steel conduit.
Pittsburgh	Bacharach Instruments	Gas detectors.
Do	Midland-Ross	Channel hangers.
Do	United States Steel Supply	Structural steel.
Warminster	Fischer & Porter	Measuring devices.
York	Allis-Chalmers	Cone check valve.
Do	Wright Hoist Division	Cranes and hoists.

SEC. A-IV.—SUBCONTRACTORS BY PROJECT—Continued

[(a) Other (b) Pollution control]

PROJECT PW–53 NEWTON CREEK, TOTAL AUTHORIZED AS OF APR. 1, 1975, $169,673,348—Continued

State and city	Company	Product or service
Rhode Island:		
Lincoln	Collyer	Insulated wire.
Providence	B.I.F	Flow meter with purge system.
Do	R. P. Adams	Prostone litters, litters and sep.
West Warwick	American Tubed Controls	Industrial air vent.
Wisconsin:		
Milwaukee	Manning, Maxwell, Moore	20-ton crane.
Do	Link Belt Co	Bar screens, skip hoists, and conveyors.

PROJECT PW101 PORT RICHMOND, TOTAL AUTHORIZED AS OF APR. 1, 1975, $175,363,006

Alabama: Mobile	Wolfridge Plastics	Tanks.
Connecticut:		
Fairfield	Coldwell-Wilcor	Sluice gates.
Stanford	Door Oliver	Grit removal.
Norwalk	Flygt	Pumping units.
Illinois:		
Peoria	Caterpillar	Diesel electric.
Chicago	General American	Trans. Corp.
Do	H. C. Prince	Field jointer.
Do	Frank A. Kristel	Seal water.
Do	Atlanta Engineering	Supports.
Do	Koppers Co	Hot coal tar primer.
Aurora	Walker Process	Air header assembly.
Massachusetts: Worcester	Norton Co	Ceramic air diffusers.

PROJECT PW 103 WARD'S ISLAND, TOTAL AUTHORIZED AS OF APR. 1, 1975, $126,575

Alabama: Birmingham	Wolf Ridge Plastics	Fiberglass.
Illinois: Aurora	Aurora Pump	Hydraulic pumps.
New Jersey: Dunellen	Buffalo Tank	Steel tanks.
Ohio: Hanesville	Hydro-matic Pump	Submersible pumping units.
Pennsylvania:		
Erie	Eriez Manufacturing	Bin vibrator.
Do	Allen Sherman Hoff	Hopper discharge gates.
Rhode Island: Pawtucket	William H. Haskell Co	Silicone, bronze bolts and nuts.

PROJECT JAMAICA WATER POLLUTION WP 247, TOTAL AUTHORIZED AS OF APR. 1, 1975, $32,709,166

Alabama: Birmingham	U.S. Pipe & Foundry	Pipe, fittings, coating.
California:		
Sacramento	WEMCO	Pumping units, sludge thickening.
Bristane	Municipal Equipment	Tank collector mechanisms.
Sacramento	WEMCO	Grit separator and washer, rake classifier dewatering.
Compton	Varec, Inc	Gas equipment.
Menlo Park	Allen Sherman Hoff	Grit bin slide gates.
Connecticut:		
Naugatuck	Uniroyal Comp	
Milford	U.S. Electric Motors (Emerson)	Air compressor motor relocated.
Georgia: Woodstock	Erb Manufacturing Co	Fiberglass caps.
Illinois:		
North Brook	Barrett Electronics Corp	Elec. tractor control system.
Mattson	Allis-Chalmers	Fork lift trucks.
Aurora	Aurora Pumps	Pumping.
Chicago	F.M.C. Corp. G. A. Fleet Assn	Do.
Do	Walker Process Equipment	Air diffusers, nonporous.
Do	Henry Pratt	Ball valves.
Indiana:		
South Bend	South Bend (Al Colby)	Head and bench lathe.
Connersville	Roots-Connersville	Centrifugal blowers.
Kansas:		
Hutchinson	Johnson (Al Colby)	Drilling machine.
Kansas City	Fairbanks Morse	Radial sewage pumps pipe supports.
Maine: Portland	Uniplast Corp	Sodium hydro. Storage tanks.
Massachusetts:		
Orange	Rodney Hunt Co	Sluice and slide gates.
Burlington	Spray Engineering Co	Foam control spray nozzle.
Do	do	Adj. joints jet stabilizers.
Cambridge	Anderson Engineering Co., Inc	Snow plows with attach.
Michigan:		
Kalamazoo	Kalamazoo (Al Colby)	Band saw.
Muskegon	Bennett Pump Co	Barrel pump.
Minnesota: Sartell	Dezurik Corp	Plug valve.
New Jersey:		
Peapack	Komline Sanderson Engineering	Pumping units.
North Arlington	Pipe protection service	Coating.
South Plainfield	Vitaulic Co. of America	Fittings, flanges, couplings.
Secaucus	Weatherite-Div. of Irving Raincoat Co.	Waterproof waders.
Riverton	Rulon Co. On-Concrete Plank Co.	Cement lining.
Plainfield	Interpace Corp	Feed pumps.
Palisades Park	Robbins-Meyers Inc., Moyno Pump Division.	Sample pumps.
South Hackensack	General Rubber Corp	Blowers-expansion joints.
Newark	Plastic Piping Systems	Sodium hypoch. storagetanks.
Ohio:		
Cleveland	Reliance Electric Co	Pumping.
Cincinnati	Powermatic (A. L. Colby)	Cutting belt, sander, grinder, drill press.
Do	Greeves Machine Tool Co. (A. L. Colby).	

PROJECT JAMAICA WATER POLLUTION WP 247, TOTAL AUTHORIZED AS OF APR. 1, 1975, $32,709,166—Continued

State and city	Company	Product or service
Cleveland	Hertner Manufacturing Co	Forklift truck charger.
Do	White Motor Corp	Chassis diesel truck.
Troy	Hobart Bros. Co	Electric tractor charger.
Lisbon	Chester Hoist	Shop equipment.
Oregon:		
Portland	Cascade Manufacturing Co	Forklift truck rotator.
Do	Fabri Valve (Dillingham)	Valve, steel knife gate.
Pennsylvania:		
Exton	Up-Right Scaffolds	Folding scaffold.
Hatfield	Hallowell (A. L. Colby)	Steelwork bench.
Warminster	Fischer & Porter Co	Storm overflow control.
Bethlehem	Bethlehem Steel Co	Pipe.
York	Allis Chalmers Corp	Cone check valve.
Bradford	Dresserman Co	Flexible coupling.
Bala Cynwyd	Walworth Co	Iron and bronze body and valves.
Pittsburgh	Koppers Co	Bitumastic lining-ferrous pipe.
York	Allis Chalmers Manufacturing Co.	Pumping units
Eaton	Yale Industries Trucks-Eaton Corp.	Pallet truck.
Erie	Zurn Industries	Strainers.
Reading	General Battery Co	Batteries.
Plymouth Meeting	C. & D. Batteries	Electric tractor batteries.
Wisconsin:		
Milwaukee	Rexchain Belt	Cleaning and removal equipment.
Do	P. & H. Harnisch feger Corp	Hoisting, cranes.
Do	The Heil Co	Hoisting, dolly units.

PROJECT WP–237 BOWERY BAY, TOTAL AUTHORIZED AS OF APR. 1, 1975, $90,108,540

Alabama:		
Birmingham	U.S. Pipe & Foundry	Cast pipe and fittings.
Do	American Cast Iron Pipe	Do.
Mobile	Wolf, Ridge Plastics Inc	
Do	do	Reinforced plastic pipe and storage tanks.
California: Sacramento	Wemco	Gilt removal equipment.
Burbank	Envirotech Corp	Testing.
San Diego	International Harvester	Emergency generator.
California: Fresno	Floway Pumps, Inc	Vertical diffusion vane pumps.
Connecticut:		
Stamford	Hilti, Inc	Anchor bolts.
Do	Presser Division	
Georgia: Rome	Fairbanks Co	Platform trucks.
Illinois:		
Blue Island	Federal Sign & Seal Corp	Alarm horns.
Chicago	Tuthill Pump Co	Rotary pumps.
Indiana: Michigan City	Phillips Drill Co	Anchor bolts.
Kentucky: Louisville	Ed. H. Marcus Paint Co	Paint.
Kentucky:		
Louisville	Celanese Corp	Pipe fittings.
Do	do	Do.
Louisiana: Shreveport	Riley Begird, Inc	Air blower silencers.
Massachusetts:		
Worcester	Norton Co	Air diffuse tubs.
Orange	Rodney-Hunt	Sluice gate.
Michigan: Muskegon	Division Dressen-balustics	Hoist.
Missouri: St. Louis	Interstate Machine Co	Water pump assemblies.
New Jersey:		
Trenton	DeLaval Turbine, Inc	Air blowers.
Cherry Hill	Valec, Inc	Flame checks and traps.
North Arlington	Pulon Co	Cement fixings for pipes and fittings.
Hamelta	Mercer Rubber Co	Pipes joints.
Saddle Brook	Dow Chemical Co	Pipes and fittings.
Florham Park	Automatic Switch Co	Switches.
Newark	Atlas Valve Co	Valves.
Harrison	Worthington Pump International, Inc.	Centrifugal pumps.
Midland Park	I II Marlow	Vortex pumps.
Peapack	Komling & Sanderson Engine Corp.	Plunger pumps.
Ohio:		
Youngstown	Youngstown Steel & Tube Co	Steel pipe.
Brecksville	Ric-Vil, Inc	Underground pipe conduit.
Cleveland	Meriam Instruments Co	Instruments.
Oklahoma: Tulsa	John Zinc Co	Waste gas control.
Oregon: Portland	Bingham Williamette Co	Ball valves.
Pennsylvania:		
Warminster	Fischer & Poiter Co	Controllers, meter pressure.
Pittsburgh	Koppers Co	Protective coating.
Bradford	Dresser Manufacturing Co	Couplings.
Bethlehem	Bethlehem Steel Corp	Steel pipe.
Pittsburgh	Pittsburgh Steel Corp	Do.
Coraopolis	Homestead Valve	Plug valve.
Colmar	F.M.C. Corp., Environmental Equipment Division.	Sludge collectors.
Pittsburgh	Joy Manufacturing Co	Air compressor.
Do	Bachaiach Instrumental Corp	Gas meters.
Erie	Zuin Industries, Inc	Micro strainers.
Rhode Island:		
Providence	General Signal Corp	Butterfly valves.
Bristol	Kaiser Aluminum & Chemical Corp.	Steel pipe.
Texas:		
Houston	Mission Manufacturing Co	Check valves.
Missouri City	E–I–M Co., Inc	Electric valves.
Wisconsin:		
Milwaukee	Hecht Co	Hoist equipment.
Waukeshaw	Envuex Div. of Rexnard	Gas mixing system.

TAXPAYER ASSISTANCE OFFICE

Mr. ROTH. Mr. President, last June 12, 1975, I introduced legislation (S. 1925) to establish a Taxpayers Assistance Office to serve as an ombudsman for taxpayers complaints and to provide expanded assistance to taxpayers. I introduced this legislation after becoming convinced that the Internal Revenue Service, which is the only direct contact most citizens have with the Federal Government, has not been responsive to the needs of the American taxpayer.

After I introduced my legislation, the General Accounting Office released a report criticizing the effectiveness of the existing IRS taxpayer service program. And yesterday, the Administrative Conference of the United States released a major study which charges that the IRS treatment of American taxpayers frequently is "whimsical, inconsistent, unpredictable, and highly impersonal." The Administrative Conference's study recommended that Congress establish a taxpayer assistance center to offer advice, assistance, and legal representation to individual taxpayers.

I believe that this study verifies the need of congressional action to provide expanded taxpayer assistance, and I urge each of my colleagues to study this report carefully.

I ask unanimous consent that an article from this morning's New York Times regarding the Administrative Conference study be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPORT IS CRITICAL OF IRS ON TREATMENT OF TAXPAYER

(By David Burnham)

WASHINGTON, November 16.—The treatment of American taxpayers by the Internal Revenue Service frequently is "whimsical, inconsistent, unpredictable and highly impersonal," according to a year-long Federal study made public today.

The study charged that pressures from an unacknowledged quota system and the lack of broad guidelines had resulted in the agency's providing "dissimilar treatment of similarly situated taxpayers."

The study said that the powers given the I.R.S. by Congress make its agents among the most powerful in government, but the general lack of laws and regulations makes the application of these powers erratic.

"By default, then, the agency and the commissioner have been left to forage for themselves," it said.

The $216,000 study, undertaken by a small team of experts for the Administrative Conference of the United States, is reported to represent the most extensive outside investigation of the operations of the revenue service in at least 30 years.

The conference was established by Congress in 1964 to study how government agencies work and to make recommendations aimed at improving their efficiency.

A spokesman for the I.R.S., which has more than 80,000 employees and each year processes well over 100 million individual and corporate tax returns, said it had just received the final draft of the study and would not have an immediate comment.

Among some of the findings of the study were the following:

Depending on where they live, taxpayers apparently can expect wide differences in the intensity with which the service enforces the tax laws. In 1971, for example, its Cincinnati district collected only 19 percent of its initial delinquent tax claims, while the Newark District collected 88 percent of its initial assessment. The next year, the Little Rock district collected 24 percent while the Baltimore district collected 74 percent.

There is considerable variation in the relative number of audits made on taxpayers in different income levels, with low income returns in some instances being subject to more examinations than higher ones. In 1974, for example, the study found that 3.6 percent of the returns in the low income group with itemized deductions were examined while 2.4 percent of those in the $10,000 to $50,000 group were subject to audit.

Another variation found by the study was that the larger the Government's initial claim against a taxpayer, the smaller the percentage of the assessment that is ultimately recovered. Several years ago, for example, the agency recovered 61 percent of the claims against those earning under $10,000, 53 percent of those earning between $50,000 and $100,000 and 39 percent for those in the $500,000 to $1 million class.

CAN HIRE LAWYERS

The report attributed the decreasing success of the I.R.S. with wealthier taxpayers to the ability of high income citizens to hire lawyers.

This conclusion led the study group to one of its major recommendations—that Congress establish a taxpayer assistance center independent of the Treasury Department and the Internal Revenue Service to offer advice, assistance and legal representation to individual income taxpayers.

"The center," the report said, "would assist the taxpayer in preparing for and conducting his audit, determining whether an administrative appeal should be taken from the service's conclusions based upon the audit and presenting an appeal."

The report said the center should be authorized to charge a reasonable fee to taxpayers with the ability to pay.

This recommendation—like scores of others made by the study group, which was headed by Charles Davenport, now assistant director for tax policy of the Congressional Budget Committee, will be considered during an assembly of the Administrative Conference on Dec. 11 and 12 before it is formally submitted to Congress.

PRESSURE ON QUOTAS

The report, nearly one thousand pages long, concluded that yearly development by top I.R.S. officials of an "audit plan" with specific numerical goals for most units within the service resulted in intense pressure on individual agents to complete cases according to a quota.

"Numerous interviews with agents and management personnel indicated they believe that closing cases so as to 'make the audit plan' is the most important part of their job," the report said.

"Revenue officers believe that production statistics are a significant factor in their evaluation, official decrees notwithstanding," it said in discussing the collection of delinquent taxes. "Our analysis and application of general management theory support this conclusion."

The combination of pressure from agency officials to close cases and the lack of broad guidelines to help agents know when such action is desirable results in unequal treatment of taxpayers, according to the study. Some revenue service officers, it said, admitted taking drastic actions against delinquent taxpayers because they knew their unit's production statistics were below the annual audit plan.

It added: "The orientation toward management by the number in evaluations also operates to the detraction of more subjective matters, such as uniformity of taxpayer treatment, quality of decision-making and attitudes toward taxpayers."

Another section of the report dealt with the confidentiality of tax returns. Despite the public impression that returns are carefully protected by the service, the study found this impression an illusion.

During 1974, for example, the Justice Department in Washington and United States attorneys across the country asked for almost 30,000 returns in connection with various criminal investigations. At the same time, the Census Bureau drew statistical material from 20 million returns.

The White House and at least six Federal agencies asked the I.R.S. to make more than 2,000 "tax checks" on individuals who were under consideration for appointment to various posts.

One problem in providing tax returns to Federal prosecutors undertaking a criminal investigation is that the procedure may violate the taxpayers' constitutionally guaranteed right against self-incrimination.

SIX TEENAGERS KILLED IN BOMBING—"A HEROIC AND DARING OPERATION"

Mr. BAKER. Mr. President, on Thursday, November 13, a bomb exploded on a thoroughfare in Jerusalem. It was early in the evening, and the streets were crowded with young people and shoppers. Six teenagers were eating ice cream at a sidewalk cafe. They are dead; many more were injured.

Shortly after the blast, Al Fatah, through the Palestinian news agency, Wafa, issued the following statement:

> A heroic and daring operation was carried out in the heart of Jerusalem, Zion Square, at 7 p.m. today resulting in a large number of casualties among the settlers.
>
> An explosive charge blew up at a time the square was swarming with hundreds of settlers, and according to preliminary estimates 20 were killed and 50 wounded, most seriously.

It has been said that this "heroic and daring operation" against those six young teenagers was a celebration of the first anniversary of the address by Yasir Arafat before the United Nations General Assembly. Perhaps, in addition, it was a celebration of the recent anti-Semitic action of the PLO's "right" to speak for the Palestinians at Geneva. Whatever the occasion, it was neither heroic nor daring—it was an act of murder of six innocent people. Such acts, and regrettably there have been many, lead me to wonder whether the PLO, and its leader Yasir Arafat, really care whether the Palestinians are ever accorded a legitimate place in the world community.

In May, during my visit to the Middle East, I met with Arafat. In the course of our conversation, I stressed repeatedly the counter-productivity of violence and argued that the Palestinian cause could be advanced by a renunciation of terror. Refusing this, Arafat said:

> I am against violence, but I have the right to struggle within my homeland in order to liberate it.

Mr. President, few people would deny that the Palestinian people have legitimate aspirations to a home in the Middle East. I doubt seriously that there will ever be a true peace in the Middle East until those aspirations are realized. But, I will not believe that the civilized world has become so cynical, so inured to violence and arbitrary death, that it will long countenance a policy characterized by the murder of those six young boys and girls.

If Yasir Arafat entertains any hope of continuing to speak in the world community for the Palestinian people, I would again urge that he renounce terrorism and murder as the means by which to achieve a home for his people. I would hope that he soon will realize the need, the desperate need, for responsible leadership; and I would urge this Government and this Congress to vigorously oppose any accordation of respect for or recognition of the PLO until such leadership is forthcoming.

LEGAL OPINION OF STATE DEPARTMENT ON SINAI AGREEMENTS

Mr. PERCY. Mr. President, Monroe Leigh, the State Department Legal Adviser, has replied to the memorandum of September 24, 1975, prepared by the Senate Office Legislative Counsel, concerning certain of the Sinai agreements. The September 24 memorandum was published on page 32705–32712 of the October 9, 1975, issue of the CONGRESSIONAL RECORD.

At the request of the Department of State, I ask unanimous consent to have the legal adviser's reply printed in the RECORD.

There being no objection, the reply was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE LEGAL ADVISER'S REPLY TO SENATE OFFICE OF LEGISLATIVE COUNSEL MEMORANDUM ON CERTAIN MIDDLE EAST AGEEMENTS

The Memorandum of September 24, 1975 prepared by the Senate Office of the Legislative Counsel (OLC) concludes that "Agreement E," a Memorandum of Agreement between the United States and Israel dated September 1, 1975, and possibly "Agreements G and H," setting forth particular assurances from the United States to Israel and Egypt respectively, "are beyond the power of the President to enter into without the advice and consent of the Senate." The OLC Memorandum concludes further that "Agreement F," a U.S.-Israel Memorandum of Agreement dated September 1, 1975 dealing with the Geneva Peace Conference, "is within the President's power to make and constitutes a valid executive agreement."

On the basis of these conclusions, the OLC Memorandum also finds that absent advice and consent of the Senate, under U.S. domestic law, Agreement E and possibly Agreements G and H will be without force and effect. Further, "because Israel should reasonably have known" of the constitutional defect with respect to Agreement E, that Agreement will be without force and effect under the international law. Agreements G and H, on the other hand, should be considered valid under international law, since "it would probably be unfair to conclude that Israel should reasonably have known" of the constitutional defect.

I

The subject of choice of form in the making of international agreements has not been addressed in any depth by United States law or by international law. The international legal system recognizes only one class of international agreements, characterizes them as "treaties," and regulates all agreements in identical fashion. United States law, on the other hand, permits the President to choose the form of international agreement he prefers, although both treaties and executive agreements are equally binding in domestic law, just as both are legally binding in international law. The key difference between the two forms lies essentially in the mechanism of approval by the legislative branch. Treaties are approved by the Senate after they are concluded. Most executive agreements are authorized by statute prior to their conclusion, some are authorized by treaty, and a small fraction are authorized solely by the Constitution.

The choice of form in the United States has never been regulated by law. There are no judicial decisions with respect to choice of treaty or executive agreement, no statutes or federal regulations, and only a few insubstantial discussions of the issue in the legal literature. On the other hand, practice over the years since the founding of the Republic has generated a set of customs and usages concerning form which are invariably adhered to in the process of international agreement making. The fact that we have had not a single judicial test of the choice of form throughout the nation's history attests to the general satisfaction with the functioning of the process and with the choices made by the several Presidents.

In my view, the choice of treaty or executive agreement is not amenable to precise rules of law. The determination by the President that one or the other form of international agreement would be desirable or necessary in a given case is intimately bound up with the conduct of U.S. foreign policy and the innumerable factors governing our relationships with other nations. Choice cf form may have significant political ramifications. A treaty on a particular subject with one nation may best be done as an executive agreement with another nation; an executive agreement with a nation this year may better be entered into as a treaty relationship next year. As will be noted, the President's choice is not totally unfettered. He is expected to adhere to the customs and practices which have developed since the conclusion of the first executive agreements in the early years of the Republic. But it has never been thought that such practices should be codified into precise rules of law, nor have the legislative or judicial branches in the United States ever considered that rules of law already existed in this area. This is not the view, however, expressed in the Memorandum of the Senate Office of Legislative Counsel.

The entire analysis of the OLC Memorandum rests upon the proposition that all "important" international agreements must, as a matter of law, be submitted to the Senate as treaties and there receive advice and consent to ratification before such agreements may validly become the law of the land. That proposition is totally false and renders invalid most of the analysis that flows from it, as well as the final conclusions reached.

A review of the various sources listed in the OLC Memorandum reveals the paucity of legal authority cited in support of the asserted rule: Neither (1) the text of the Constitution nor (2) the intent of the framers, as discussed at pages 4–5 of the Memorandum, include anything of direct relevance to this issue; (3) actual practice as a source of law supports the contrary argument, as the Memorandum itself appears to concede; (4) Supreme Court and other cases have never supported the asserted rule or even addressed themselves to it; (5) the criteria suggested by various authorities are mixed, of uneven authority, and do not constitute legal standards binding anyone; (6) the criteria employed by the Department of State are by their own terms non-binding internal sources of guidance for use by Department officers.

It is notable that the OLC Memorandum cites not a single statute, judicial decision, or scholarly authority to support the proposition that "important" agreements as a matter of law must be submitted as treaties. In fact there is no legal authority for that proposition and the Memorandum therefore relies upon various "suggestions" and "criteria" having no legal status. A more detailed discussion of the several sources listed in the OLC Memorandum is set forth below.

The OLC Memorandum indicates little understanding of the essentiality of a legal underpinning for all international agreements, whether treaties or executive agreements. All executive agreements entered into by the United States are authorized by law, whether statute, treaty, or the Constitution. By far the greatest proportion (about 86%) of executive agreements are authorized by statute. Only approximately 2–3% are authorized solely by Constitution. The Agreements with Israel and the assurances given to Israel and Egypt contain a variety of obligations, each of which is authorized by statutory or Constitutional provision.

Within the general framework of international agreements authorized by statute, treaty, or Constitution, the President has the discretion to choose whether to conclude any particular agreement as a treaty or as an executive agreement. Provided the agreement is properly authorized by law, there is no legal requirement that it be concluded either as a treaty or executive agreement. The President's choice is based upon his appraisal of the merits of each approach. He naturally takes into account prior U.S. practice with respect to the general type cf agreement in question, and he takes into account the several sources of guidance provided by the Department of State Circular 175 Procedure.

His determination is thus shaped by general standards and usages that have evolved over the years and the President will rarely disregard this "common law". He will not willingly or lightly flout the general expectations and preferences of the Congress, or the established practices of many years' duration.

But ultimately it is the President as the sole negotiator for the nation in foreign affairs who must determine the degree of formality and solemnity he wishes to give to a particular international agreement. Such policy considerations weigh heavily in his final determination. Since these considerations are necessarily relevant to the conduct of U.S. foreign policy, a legal requirement that a particular type of agreement has necessarily as a matter of law to be submitted as a treaty would constitute an unacceptable interference with the President's capacity to serve as negotiator in international affairs, and for that reason, would probably be unconstitutional.* Be that as it

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*Section 205 of the National Aeronautics and Space Act of 1958 (72 Stat. 426) provides:

> The Administration, under the foreign policy guidance of the President, may engage in a program of international cooperation in work done pursuant to this Act, and in the peaceful application of the results thereof, pursuant to agreements made by the President with the advice and consent of the Senate.

Upon signing the Act on July 29, 1958, President Eisenhower stated:

> The new act contains one provision that requires comment. Section 205 authorizes cooperation with other nations and groups of nations in work done pursuant to the act and in the peaceful application of the results of such work, pursuant to interna-

may, there is certainly no legally authorized international agreement which by law must be submitted as a treaty. The OLC's contrary conclusion is legally unsupportable and flies in the face of U.S. practice almost from the beginning of the Republic.

The several sources relied upon in the OLC Memorandum are demonstrably insufficient to establish a rule of law requiring "important" international agreements to be submitted as treaties.

(1) The text of the Constitution. Clearly, the text of the Constitution provides no guidance. While the text provide for the making of treaties in Article II, Section 2, there is no express language with respect to the legal right of the President to enter into executive agreements. Nevertheless, this right has been established over the years and has been recognized as valid by countless authorizing statutes, scholarly writings, and by the Supreme Court, U.S. v. Belmont, 301 U.S. 324 (1937); U.S. v. Pink, 315 U.S. 203 (1942). The choice of instrument treaty or executive agreement, is obviously not addressed by the text of the Constitution, even by implication.

(2) Intent of the Framers. The intent of the framers of the Constitution also provides no guidance on the choice of treaty or executive agreement. The quotations cited by the OLC are not relevant to the issue. To the extent that international agreement-making was viewed by the framers as in part a legislative function, that is certainly supported by the advice and consent provision of Article II, Section 2. The legislative grounding for executive agreements is demonstrated by the fact, previously noted, that most executive agreements are authorized by statute. Only a small fraction are authorized solely by the Constitution without any congressional imput, but such Constitutional authorization for executive agreements has been upheld by the Supreme Court, Belmont and Pink cases, supra.

(3) Actual Practice. In the absence of any statutory or judicial support for the legal rule asserted by the OLC, actual practice takes on added significance as the one source with any legal weight. Practice does not necessarily define a rule of law, but absent more authoritative prescriptions, it assumes a legal importance it would not otherwise possess. Yet practice does not support the OLC conclusion. It does support the contrary conclusion.

As the Memorandum concedes, from the early days of the Republic, executive agreements have been concluded on matters of great national importance. The Memorandum attempts to minimize the significance of such practice by arguing that "Custom and usage . . . suggest that various Presidents have not adhered to the intent of the Framers."

It would have been more accurate to state that the Framers revealed no intention on this issue. The Memorandum, quoting Professor Louis Henkin, cites several examples of executive agreements dealing with important subjects. In none of these or many other examples that could be cited has it been held by any court or by the Congress that the executive agreement in question was invalid because it had not been submitted as a treaty.

There exists good reason why the longstanding U.S. practice of permitting the President wide discretion in choosing between treaty or executive agreement has not been overturned by statute or judicial holding. First, the precise form of an international agreement depends in part upon foreign policy considerations that are not reducible to a simple rule of law. How much formality and dignity to give to an arrangement with another country is not something that lends itself to precise rule-making. Additionally, definitional problems would abound.

Further, the apparent assumption running throughout the OLC Memorandum is that the treaty is somehow a more democratic form than the executive agreement. Yet an agreement authorized by statute obviously is grounded in the support of both Houses of Congress, rather than one, and as noted, most executive agreements are authorized by statute. In addition, whenever an agreement requires funding for its implementation, Congress has an opportunity to disapprove even an agreement it had previously authorized, by withholding necessary funds. Most important executive agreements require Congressional authorization and appropriation of funds.

In sum, Presidential discretion in deciding whether to conclude a particular international agreement as a treaty or as an executive agreement is supported by long-standing practice, which in turn is based upon strong policy considerations and democratic procedures.

In an attempt to shore up its position with respect to the legal significance of U.S. practice in this area, the OLC Memorandum cites the 1969 National Commitments Resolution of the Senate. However, this sense-of-the-Senate Resolution has no status in law and does not, for that reason alone, establish the rule contended for in the OLC Memorandum. Even if the Resolution were statutory law it would not resolve the problem of treaty versus executive agreement. The Resolution requires "a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such [national] commitment." But a statute may specifically provide for international agreements for certain purposes. In such cases, which are common, the President still has to decide whether a particular agreement should be in the form of a treaty or executive agreement.

Similarly the 1972 Senate Resolution on Bahrain is not binding as a matter of law since it only expresses the sense of the Senate. The War Powers Resolution of 1973 contains nothing of relevance to the issue under consideration.

The reference to "Congressional-Executive Agreements" in the OLC Memorandum is somewhat curious. As noted, the vast majority of executive agreements are authorized by statute. What the Memorandum refers to only incidentally is in fact the central method for authorization of executive agreements, and has been throughout the nation's history. As for the capacity of the Congress to disapprove such agreements by concurrent resolution (as distinguished from an Act of Congress) after they have been entered into, the Administration has taken the position that such right is an unconstitutional encroachment upon the powers of the President. The right of the Congress to invalidate executive branch action by means of the "legislative veto" has not yet been addressed by the courts. There are many examples in current U.S. law of the legislative veto beyond the area of international agreements. None of the existing examples has been judicially tested. The Department of Justice views all legislative veto provisions as unconstitutional (see the statement of Assistant Attorney General Antonin Scalia before the Subcommittee on Separation of Powers of the Senate Judiciary Committee, on S. 632 and S. 1251, May 14, 1975). The Department of State has not taken a position on all legislative veto provisions, but has submitted its view that the legislative veto is unconstitutional in the context of executive agreements (see the statement of Monroe Leigh, Legal Adviser of the Department of State, before the Separation of Powers Subcommittee on May 13, 1975).

(4) Supreme Court cases

As the OLC Memorandum concedes, there are no Federal Court cases holding an executive agreement invalid because not submitted as a treaty. However, a few "tangentially relevant" Supreme Court cases are cited by the OLC as providing "some guidance."

(a) In *Holmes* v. *Jennison*, 14 Peters 540 (1840) Chief Justice Taney adopted Vattel's distinction between treaties and compacts or agreements. The treaty was an agreement made "for perpetuity, or for a considerable time" and other agreements had "for their object matters of temporary interest" and "are fulfilled by a single act. . . ." However, the case dealt only with Article 1, Section 10 of the Constitution, which prohibits the states of the United States from entering into "any treaty, alliance or confederation," but permits them, with Congressional assent, to conclude "any agreement or compact with another state, or with a foreign power." Limitations on state activity in making international agreements are not properly viewed as analogous to limitations on the powers of the Federal Government to enter into international agreements.

The actual language used by Vattel in 1758 in Le Droit des Gens, in the translation appearing in Borchard, Executive Agreements, at p. 668, is as follows:

"Section 152. Treaties of Alliance and other public treaties. . . . A treaty, in Latin foedus, is a pact entered into by sovereigns for the welfare of the State, either in perpetuity or for a considerable length of time.

"Section 153. Compacts, agreements or conventions. Pacts which have for their object matters of temporary interest are called agreements, conventions, compacts. They are fulfilled by a single act and not by a continuous performance of acts. When the act in question is performed these pacts are executed once for all; whereas treaties are executory in character and the acts called for must continue as long as the treaty exists.

"Section 192. Treaties executed by an act done once for all. Treaties which do not call for continuous acts, but are fulfilled by a single act, and are thus executed once for all, those treaties, unless indeed we prefer to give them another name (see Sec. 153), those conventions, whose pacts which are executed by an act done once for all and not be successive acts, are, when once carried out, full and definitely consummated. If valid, they naturally bring about a permanent and irrevocable state of things. . . ."

It should be noted that Vattel's distinction has nothing to do with "important" or "unimportant." Rather he distinguishes agreements "executory in character" and calling for acts which "must continue as long as the treaty exists" from "matters of temporary interest" which are "fulfilled by a single act and not by a continuous performance of acts." If Vattel is the ultimate authority on these matters, then contrary to the OLC position, importance of the subject matter is not the key to the problem.

(b) In *Valentine* v. *U.S. ex rel Neidecker*, 299 U.S. 5 (1936), the Supreme Court held that the President did not have the power to extradite to France a U.S. citizen accused of commiting crimes in France since the U.S.-France Extradition Treaty of 1909 stipulated in Article V that neither party "shall be bound" to deliver up its own citizens under the stipulations of the convention. The Court held that in the absence of a statute, the President's power was governed by the existing treaty, and that treaty did not au-

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tional agreements entered into by the President with the advice and consent of the Senate. I regard this section merely as recognizing that international treaties may be made in this field, and as not precluding, in appropriate cases, less formal arrangements for cooperation. To construe the section otherwise would raise substantial constitutional questions. [White House Press Release. July 29, 1958]

Since 1958 many executive agreements have been concluded in this area.

thorize extradition by a nation of its own citizens. Thus the President was without power to surrender the respondents in the case.

The OLC argues that the Court "did not treat the case as one involving an executive agreement, but it seems likely that at least an informal one had been made. By implication, the Court thus seems to have held that the making of such agreement was beyond the President's power." In fact, a close reading of the case reveals no evidence whatever of any executive agreement, informal or otherwise. The Court implied nothing with respect to informal agreements as beyond the power of the President. All the Court held was that extradition was governed in this particular case by the U.S.-France Extradition Treaty of 1909, and that that treaty did not authorize extradition of a nation's own citizens. Since the Treaty governed extradition relations between the United States and France, and since there was no other governing law, the President was not empowered to extradite the respondents. The case has nothing whatever to do with the issue of treaty versus executive agreements.

(c) The OLC Memorandum also cites the Belmont case, but tries to limit its meaning by arguing that the Supreme Court "failed to discuss . . . the distinction between the President's authority to negotiate with the Soviet Government and his authority, or lack thereof, to determine the form which any resulting agreement should take." It is not readily apparent what this argument is supposed to mean. The fact is that in Belmont the Supreme Court held that executive agreements (the Litvinov Assignment in this case) as well as treaties "are to be exercised without regard to state laws or policies." Clearly the Court recognized the difference between treaties and executive agreements as a matter of form, and held that both could override inconsistent state law. Mr. Justice Sutherland said in Belmont:

". . . while this rule in respect of treaties is established by the express language of cl. 2, Art. VI, of the Constitution, the same rule would result in the case of all international compacts and agreements from the very fact that complete power over international affairs is in the national government and is not and cannot be subject to any curtailment or interference on the part of the several states. [citing Curtiss-Wright] In respect of all international negotiations and compacts, and in respect of our foreign relations generally, state lines disappear. As to such purposes the State of New York does not exist. . . ."

It should be noted that the Supreme Court in this case did not mention the "importance" test as a factor which might limit the capacity of the President to enter into executive agreements. Not only could the President make international agreements other than treaties on important subjects, but such agreements prevailed over inconsistent state law. The teaching of Belmont provides no support for the OLC position.

The Memorandum, however, argues further that the agreement in question in Belmont was part of a transaction that included the recognition of the Soviet Union by the United States. "Since the power to recognize foreign governments," says the Memorandum, "is exclusively granted to the President by the Constitution, arguably this case validates the use of executive agreements only where such a specific constitutional power exists."

First, the President's power of recognition is not specifically granted by the Constitution. It is an implied power derived from Article I, Sections 1 and 2. Second, as Professor Henkin points out, such limitation as argued for by OLC was neither expressed nor implied in the Belmont case nor in the Pink case five years later (*United States* v. *Pink*, 315 U.S. 203 (1942). In Belmont the Supreme Court said that "an international compact, as this was, is not always a treaty which requires the participation of the Senate. There are many such compacts, of which a protocol, a modus vivendi, a postal convention, and agreements like that now under consideration are illustrations." This is hardly an implication that only agreements relating to recognition or similarly accepted Presidential powers may override state law and policy.

In the Pink case, which also dealt with the relation of the Litvinov Assignment to New York State law, the Supreme Court, quoting from The Federalist, No. 64, said that "All constitutional acts of power, whether in the executive or in the judicial department, have as much legal validity and obligation as if they proceeded from the legislature. . . ." The Court continued: "A treaty is a 'Law of the Land' under the supremacy clause (Art. VI, Cl. 2) of the Constitution. Such international compacts and agreements as the Litvinov Assignment have a similar dignity. Again, there was no hint from the Supreme Court that executive agreements had necessarily to be limited to subjects of lesser importance than treaties.

(d) The OLC Memorandum also cites *United States* v. *Capps*, 204 F. 2d 655 (4th Cir. 1953). That case, as the Memorandum points out, merely held that an executive agreement was void if in conflict with an applicable statute. Here is one difference between treaties and executive agreements. Treaties may supersede prior conflicting statutes, while executive agreements may not. The case has no relevance to the issue at hand.

The OLC Memorandum does not cite *United States* v. *Curtiss-Wright Corp.*, 299 U.S. 304 (1936), in which Justice Sutherland stated:

"As a member of the family of nations, the right and power of the United States in that field are equal to the right and power of the other members of the international family. Otherwise, the United States is not completely sovereign. The power to acquire territory by discovery and occupation . . ., the power to expel undesirable aliens . . ., *the power to make such international agreements as do not constitute treaties in the constitutional sense* . . ., none of which is expressly affirmed by the Constitution, nevertheless exist as inherently inseparable from the conception of nationality." (italics added)

Still again, the Court did not state or imply that executive agreements must by law be limited to undertakings of lesser importance than those embodied in treaties. Surely such limitation would not be consistent with "the conception of nationality" enunciated by Justice Sutherland, and would be inconsistent with international practice as well. The United Kingdom, for example, does not submit all its treaties to Parliament for approval, and importance is not necessarily the test when submissions are made. While British treaties are often placed before Parliament for a period of twenty-one days, the practice is not required by law and is frequently ignored. The twenty-one day practice, known as the "Ponsonby rule," was described by Lord McNair in, The Law of Treaties (1961), as follows: "Governments appear to regard the rule as being in the nature of a principle of which they can suspend the operation when particular circumstances so require, for instance, when ratification is urgent and Parliament is not sitting. The practice only applies to treaties that are made subject to ratification." (at p. 99.) The United Kingdom does not distinguish in her domestic law between treaties and executive agreements.

(5) Comments of authorities and views of the Committee on Foreign Relations.

The comments and views cited in the OLC Memorandum are all directed toward establishing a rule requiring that agreements of importance be submitted as treaties. The Committee on Foreign Relations, for example, has stated that the "traditional distinction between the treaty as the appropriate means of making significant political commitments and the executive agreement as the appropriate instrument for routine, nonpolitical arrangements has substantially broken down."

The fact is, however, as recognized by the OLC in its description of actual practice since the earliest days of the Republic, there has never been such a clear-cut distinction. It is not a traditional distinction and it is not a current distinction. And indeed, if it is a distinction at all, it prefers a one House (Senate) right of approval for "important" agreements rather than a two-House legislative support for executive agreements through statutory authorization. In this sense, the statutorily authorized agreements are, in the words of Professor Myres McDougal, "considerably more responsive to majority will and the national interest" than are treaties. It is instructive here to cite Professor McDougal at some length. In an exhaustive article on the subject of treaties and executive agreements written in 1945, Professor McDougal, after a review of the intent of the framers of the Constitution, states:

"The fact of final and decisive importance, however, that puts to permanent rest these obscurities and omissions in the fundamental document is, as we have several times indicated above, the interpretation of the people who have lived and worked under it for 150 years. It has been their conclusion that the treaty-making procedure is neither exclusive nor the sole recourse of the Federal Government for the making of important international agreements. Whatever some of the Framers may in their secret recesses have intended about the treaty-making clause, and whatever, furthermore, the much perplexed members of the state conventions may have thought that the Framers intended, the generations of Presidents, Supreme Court Justices, Senators, Congressmen, and plain citizens who have made our Constitution "a continuously operative charter of government' and our government a living organism, have decreed that the Constitution confers upon the Congress and the President all of the broad powers needed to establish a completely adequate procedure wholly independent of the treaty-making procedure—and considerably more responsive to majority will and the national interest—for the making and honoring of international agreements of all kinds and of all decrees of importance.

"No illusion as to the exclusiveness of the treaty-making clause, that is at all affected by intimations of reality, can survive the fact that of the 'nearly two thousand international instruments' entered into by the United States between 1789 and 1939 'only some eight hundred were made by the treaty process.' Even the most casual summary must dispose of any lingering, oligarchical hope that these some twelve hundred international agreements other than 'treaties' have been confined to matters of unimportance or of presidential whim. 'Importance' and 'dignity,' Professor Quincy Wright has written, 'are hard words to define, but the United States annexed Texas and Hawaii, ended the first world war, joined the International Labor Organization, the Universal Postal Union and the Pan American Union, settled over ten billion dollars worth of post-World-War I debts, acquired Atlantic naval bases in British territory during World War II, acquired all financial claims of the Soviet Union in the United States, joined the United Nations pledging itself not to make separate peace in world war II and to accept the Atlantic Charter, submitted over a score of cases to international arbitration, and modified the tariff in numerous reciprocal trade agreements, by means other than the treaty-making process.' " [Footnotes omitted] Myres S. McDougal and Asher Lans, The Yale Law Journal, Vol, 54: 181; pp. 237–238.

(6) Criteria employed by the Department of State

Reliance by the OLC on the Circular 175 Procedure criteria for deciding upon treaty or executive agreement is entirely misplaced. The standards set forth in the Circular 175 are by their terms not legally binding on the President or the Secretary of State, but are internal Department of State rules for the guidance of Department of State officers. Failure to follow them is not a violation of law or of Federal regulations.

Failure to adhere to the Circular 175 standards has no effect whatever on the validity of any international agreement. This is specifically set forth in the Circular 175 procedure itself. Section 711 of the Procedure provides:

"This chapter is intended solely as a general outline of measures and procedures ordinarily followed which, it is recognized, cannot anticipate all circumstances or situations that may arise. Deviation or deorgation from the provisions of this chapter will not invalidate actions taken by officers nor affect the validity of negotiations engaged in or of treaties or other agreements concluded."

Further, even if the Circular 175 standards were law, and even if their violation would or could invalidate a particular international agreement, it is impossible to determine that such standards have been violated in the case of the Middle East documents in question. Only four of the eight factors listed could possibly lead to the conclusion that a treaty is the more proper form (a., c., e., and g.) and of those factors, three (c., e., and g.) are questionable. Thus, (c), subsequent legislation here means primarily funding, rather than authorizing legislation; (e), the preference of the Congress is not known in this case; and (g), the need for a prompt conclusion of the agreements has to be balanced against its proposed duration and whether or not it is routine. None of the other standards indicate that a treaty is the proper form.

In addition, while OLC has even gone so far as to argue (pp. 18–19 of the Memorandum) that "the broadest reasonable construction" of "Agreement E" is that the United States "will introduce its armed forces" under specified circumstances contemplated by the Agreement, there is, of course, no obligation or intention whatsoever under this Agreement for the United States to introduce its armed forces into the Middle East. Similarly, there is no relationship at all between the Agreement itself, and the balance of the OLC's "broadest reasonable construction" thereof as set forth on p. 19 of the Memorandum. To take but one example, it is incredible that OLC should give the impression that U.S. obligations under the Agreement might be "undertaken without regard to (A) the financial cost to the United States." Such argumentation has nothing to recommend it, and is certainly futile in the context of applying the Department's Circular 175 Procedure.

III

Since the primary conclusions of the OLC Memorandum are incorrect, it follows that the agreements in question will have full force and effect in domestic and international law even without the advice and consent by the Senate to their ratification. The Memorandum, at p. 35, speaks of the "status of an agreement which is beyond the President's sole power to make and which has not been given the advice and consent of the Senate." This confirms the impression that the writer of the Memorandum failed to appreciate that most executive agreements are authorized by statute. The phrase "sole executive agreement," which is taken from Professor Henkin, refers to those agreements entered into by the President pursuant to his independent Constitutional powers, and without any reference to statutory or treaty authority. Such agreements are uncommon, as noted. In any event, while some of the obligations with respect to the agreements in question are of this character, many are not. In any case, however, whether an agreement is authorized by Constitution, treaty, or statute, it cannot be refused full force and effect in either municipal or international law simply because it was not submitted to the Senate as a treaty.

APOLLO-SOYUZ

Mr. PROXMIRE. Mr. President, in continuing the debate over détente I feel that it is wise occasionally to evaluate the usefulness of past cooperative activities before moving on to other expensive manifestations of our good will toward the U.S.S.R.

In the case of the recently completed Apollo-Soyuz test project $225 million of the taxpayers' money were spent for little more than that famous handshake in space. The final balance sheet shows that for its $225 million and at some risk to its astronauts the United States bought: First, results from two or three experiments—which could have been carried out more profitably on a mission designed specifically for these and other valuable experiments; and second, the handshake.

The Russians, on other hand, came away with close contact with our advanced spacecraft and ground control system; a look at our computer technology; and whatever information they gleaned before they got caught bugging the conversations of our astronauts during the training mission.

Perhaps the most disturbing aspect of this episode is the curious lack of critical scrutiny by the American news media. Too many commenators treated the flight as they would, say, an Evel Knievel jump: celebrating the spectacle without questioning the reasons behind it.

Mr. President, I ask unanimous consent to have printed in today's RECORD an article which appears in the current issue of National Review, written by Mr. Michael S. Kelly. Mr. Kelly sums up many of my objections to the recently completed mission and puts the whole question of technological transfer between countries into perspective.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the National Review, Nov. 21, 1975]

WHO'S DETENTING WHOM?

(By Michael S. Kelly)

Now that the dust has settled around the Apollo-Soyuz Test Project (ASTP), it is time to take a good look at it, and see how well—or how poorly—the American taxpayers' $250 million has been spent.

First off, it should be emphasized that the events surrounding the mission belied a remark made by some NASA official long ago, that the mission was only "20 per cent political," the rest scientific and technical. If one were asked what seemed to receive most of the attention during the ASTP flight, one would most certainly have to say that it was politics. More specifically, the Apollo-Soyuz mission was mainly a *show*, put on for the American people and the peoples of all other nations—save Russia.

The show began on July 15, with the launch of a Soyuz/SL-4 combination from the Soviet launch center at Tyuratam. For years, the Soviets had called this the Baikanur Cosmodrome, and the American press continued to do so despite the fact that there is no launch center at Baikanur; it is 200 miles from there, at Tyuratam. We, by the same token, could call Kennedy Space Center our "Miami Launch Facility."

The flight was covered on American television and, for the first time ever, on Soviet television. The Soyuz was placed into a usable orbit, the apogee, perigee, and inclination of which were determined and announced by ground trackers some minutes after orbital injection. Soyuz encountered minor difficulties, such as the cosmonauts' forgetting to turn on their radio, and malfunction of the television cameras, but in general things went smoothly. The Soviets put the Soyuz into a continuous yaw maneuver to stabilize it (i.e., they spun it about an axis perpendicular to the solar panels and on a line with the sun), and sat back to wait for the Apollo.

Launch of the Apollo-Saturn IB came later that day. Figures for apogee and perigee of the craft's orbit were called out seconds after the booster had shut down, not by ground trackers or controllers, but by Vance Brand, who had read the data off the Apollo's on-board guidance computer. The ground thanked him, and said that they would check it out themselves.

The Apollo also met with some minor difficulties, such as the apparent malfunction of the inadvertently overloaded waste system, but things went well overall.

The Apollo then began a series of orbit circularization and phasing maneuvers which eventually brought it within view of the Soyuz. The rendezvous and docking maneuvers were carried out exclusively by the Apollo. After the two spacecraft had been joined, and the necessary preparations made, the hatches were opened and the Great Handshake in Space was bumblingly carried out. Unscheduled messages from President Ford and Secretary Brezhnev were read to Thomas Stafford, Donald Slayton, Aleksei Leonov, and Valeriy Kubasov as they sat wedged in the Soyuz orbit module. The spacemen held an impromptu press conference in the cramped Soyuz, expressing syrupy sentiments and asserting that joint space exploration was the only way to go.

Though the actual handshaking and ceremonial political oratory beamed back to earth really occupied little of the mission's time, the effort involved in staging these events took its toll on the crews. "Strains of spaceborne diplomacy may have contributed [to fatigue and wasted time]," reported *Aviation Week & Space Technology*, "but the real cause was the innumerable tasks of stowage and unstowage, unmounting and remounting of television cameras—a raft of picayune detail involved in just moving around that never appeared on the TV screens on the ground, but contributed to crew work-load and fatigue."

Later in the mission, the craft undocked, and the Apollo performed delicate fly-around maneuvers around the Soyuz for experimental purposes. The American crew exhibited great skill at handling the Apollo, and again confirmed the importance of the man/machine interface in space operations.

There was also a second docking exercise, in which the Soyuz was the "active" spacecraft. This involved the Soyuz' releasing its docking latches during separation, and activating them during re-docking. The Apollo carried out all maneuvers during this exercise, because the Soyuz was incapable of doing so. This was certainly a legitimate experiment, since the Soviets had to verify their docking mechanism, too; but it led to the general impression that the Soyuz had actually done something major during the mission, when it had not.

Two experiments were carried out during the fly-around. One was the photographing of an artificial solar eclipse, produced by interposing the Apollo between the sun and the Soyuz. The cosmonauts took the photographs, using American film given them by the astronauts during docking. The Apollo crew then tested the ultraviolet absorption of tenuous space gases by bouncing a beam of ultraviolet light off a reflector on the Soyuz. Only one other experiment took place which could be called a joint effort. This was a materials experiment conducted during the docked phase. The Soviets handed the Americans an ampule containing a test material, which was then placed in a furnace on the docking module, heated, and returned to the Soviets for transport to earth.

This experiment took precedence over another "science" activity, the melting together of lead and gold from both countries in the materials furnace. "The uniform mixing of unlike materials in space," said NASA, "will create a new substance which symbolizes the success people and nations have found in putting aside their differences to work together in space." This symbolic experiment was dropped because of cooling problems with the furnace, and only the real experiment was carried out.

"There was little in the way of U.S. science or flight activity that could not have been done better and easier in a Skylab orbital workshop," commented *Aviation Week*. The only real scientific work was done after the joint phase of the mission was over. Then the American crew spent 16 to 17 hours a day trying to keep up with a jammed experimental schedule. "Jamming the schedule was deliberate," according to *Aviation Week*, "an effort by both NASA and the experimenters to produce tangible science and technology to go with intangible international well-wishing."

Then, finally, the last Apollo mission ended—but not without mishap. Because of an oversight on the part of the crew, toxic gases were sucked from an attitude control thruster into the spacecraft cabin after it had re-entered the atmosphere. The gases were of corrosive nature, and the crew had to be hospitalized for a period of time for observation. No permanent disability resulted.

No major mishap occurred on the flight itself, because of the extraordinary care taken by NASA and by the Soviet space agency in the planning stages. The ASTP was a show, and it had to look good. NASA made sure that American equipment carried the critical burdens, and the Soviets, according to the CIA, carried out preparations "more extensive and thorough than for any previous Soviet mission." This understates Soviet ardor somewhat; if they had thought it would improve their vehicle's chances of working properly, the Soviets probably would have licked it clean from base to nose.

The Apollo spacecraft carried the entire burden of maneuvering and of attitude control in the docked configuration. An American satellite, the ATS–6, handled communications from both of the linked craft. The Saturn IB handled the task of lifting the American-made docking module into orbit. American-made radio-ranging equipment was installed on the Soyuz to guide the Apollo in for the rendezvous. The Soviets used American cameras and film in some cases, because their own were inadequate in many respects. There were few, if any, experiments which required the presence of a Soviet spacecraft or crew. If this was supposed to be a *joint* mission, then it most certainly was a *joint* political mission, for there was little international technical participation.

This, in fact, is what it was. And in its course, the American people were treated to one of the biggest Big Lies ever to come along. The lie had two themes: 1) the Soviets aren't such bad guys after all; and 2) the Soviets have a fairly decent space program and, therefore, must be quite technically competent.

That the first theme was being actively, intentionally pushed was demonstrated by NASA's characterization of the Soviet crew on the mission's crew patch. The NASA cartoonist had chosen a cute little teddy bear to symbolize the representatives of the country that invented concentration camps, slaughtered over twenty million of its own people, and combines modern industry and barbaric torture. Was NASA, by some incredible oversight, unaware of this side of its ASTP partner? The answer was given by a member of the American crew: "We don't discuss politics [with the Soviet crew]."

The news media participated heavily in spreading this first part of the lie. Editorial writers hailed the mission as a "symbiotic relationship" between capitalism and Communism, an historic first step toward the opening of space to all mankind. Some passively ignored the fact that the Soviet Union is in many ways worse than Nazi Germany; others boldly cited our "differences," then said that these should not stand in the way of a "warm relationship."

The complete lack of critical analysis of this mission, from conception to completion, represented a serious lapse of integrity on the part of the American media. With very few exceptions, there was no deviation from the NASA line in any area of media coverage, and some of that coverage was unmistakably biased in favor of the lie.

For example, Jules Bergman of ABC News was approached by a young reporter, a Mr. James Konzak of the Purdue Engineer, who had some strong objections to the ASTP. "The mission is wrong," maintained Mr. Konzak, "because it implies a moral sanction of the Soviet Union by the United States." He went on to say that such opposing views should be given more coverage. Mr. Bergman replied, somewhat icily, "Well, you're entitled to your opinion, but I report fact, not opinion." That evening, Mr. Bergman's special on the ASTP was aired. In it, he reported the well known "fact" that the ASTP is a very good thing, because it is good for detente.

During the Soyuz launch, one network carried commentary by a former astronaut, who was apparently trying to be as kind to the Soviets as possible by praising the method they used to launch their rocket.

"They held their rocket down until it built up full thrust," he bubbled, "and even we didn't do that on some of our earlier missions." Pad holddown allows buildup of full power before takeoff, and a complete automatic check of the rocket's operation to find malfunctions or potential malfunctions before it is too late. The fact is, the Soviet rocket was not held down, but took off the instant its thrust exceeded its weight—a rather dangerous practice for a rocket that has no provision for close-to-the-ground abort.

Sometime later Walter Cronkite, apparently carried away by the excitement, suggested that those who consider the Soyuz unsafe were worried about the wrong spacecraft. As proof, he cited the "fact" that the only spacecraft to run into trouble while actually in space was an Apollo (Apollo 13); the Soyuz, he added triumphantly, has flopped only during launch and re-entry. This remark ignored three things. (1) Even NASA admits that failures "during other periods of flight" give some indication of the overall reliability of the Soyuz, which works out to about 74 per cent, compared with a demonstrated 92 per cent rate for the Apollo. (2) The Soyuz has, in fact, had failures while in space. Soyuz 10 was aborted after a still-undisclosed occurrence; according to one Soviet space official, "We were lucky to get the crew back." Some observers also believe that the Soyuz 1 mission was aborted after a failure in space. That flight ended in the death of the pilot, Vladimir Komarov. (3) The Apollo, unlike the Soyuz, has never claimed the lives of any crew during flight.

Some reporters and commentators did point out the limited maneuverability of the Soyuz, but usually in a tone that said: "So what?" No one bothered to mention that the Apollo had such an enormous maneuvering capability that, in the event of a short burn on the second stage of its launch vehicle, it could have dragged the 25,000-pound stage into the proper orbit, and still completed the basic rendezvous and docking mission.

Little, if any, mention was made of the fact that the Soyuz carried no onboard computer of any kind, while the Apollo had two: the standard Apollo flight computer (apparently still beyond Soviet capability, though long outdated here), and a backup navigation computer in the form of a Hewlett-Packard HP–65 programmable pocket calculator (available to the general public here, but so far beyond Soviet technology that the USSR could not, until recently, have built even one device of similar capability, even if she had devoted her entire industrial capacity to the problem).

Such de-emphasis of the huge gulf existing between American and Soviet technology was galling, to be sure; but at least it was passive, and not quite as rankling as the position taken by NASA. NASA was apparently trying to convince America that the Soviets are not technologically backward, and it spared no efforts in its campaign.

The two chief exponents of this view were Captain Chester M. Lee, ASTP Program Director, and Glynn S. Lunney, ASTP Technical Director. Typical of the red herrings these gentlemen drew across the trail was a line repeated over and over, like a magic incantation, to ward off those evil spirits which reminded us that, next to the Apollo, the Soyuz was a pile of junk.

"You can't say that the Soyuz is inferior to the Apollo," the chant went, "because they were designed for different things. The Apollo was designed for lunar missions, and had to be very complex and sophisticated. The Soyuz was designed for earth-orbit missions, and could be less so." One might as well say, "You can't say that a savage's birch-bark canoe is inferior to the *USS Enterprise*. The *Enterprise* was designed to carry aircraft to any point in the world, and had to be very sophisticated. The canoe was only designed to float around in a stagnant swamp, and could be less so."

From 1961 until about 1967, the United States and the Soviet Union were in a "race" to see which one could put men on the moon first. Each taxed her technology to the limit in the production of advanced spacecraft. The Soviets had to drop out of that race, not, as some now suggest, because she thought unmanned lunar exploration a better way to go, but because she proved herself basically incapable of sending men out of earth orbit with any assurance of returning them alive.

The point is this: the Soyuz is not relatively backward because it was designed for earth-orbit missions. Instead, earth-orbit missions are the only ones the Soviets undertake because the Soyuz is the best spacecraft they can build. If they had been able to come up with an Apollo, they would have had men on the moon.

The argument is, therefore, specious. But a comparison between the Soyuz and an American craft that was designed for earth-orbit missions—the Gemini—is not flattering to the Soyuz. In virtually every respect, the Gemini is superior to the Soyuz. It is of better design and superior capability, and it represents a broader technological base. More to the point, the Gemini was obsolete five months before the Soyuz ever flew.

Almost as if in anticipation of such a comparison, Mr. Lunney stated that the Soyuz is "adequate for [its] mission" (emphasis added. This reporter was offered an essentially identical argument once, by a neo-socialist who was defending the Soviet space program. "But it works," he said.

How well? The Soyuz has a 26 per cent operational failure rate, including two inflight aborts, one probable inflight abort, two dead crews, one crew that was lucky to get back alive, and one launch-abort. Its method of stabilization induces such motion sickness that one crew required several weeks to recover. The Soyuz is far from "excellent" (the word applied to it by Vance Brand of the American ASTP crew), and if one sets one's standards higher than the occasional completion of a successful mission, or the safe return of the crew most of the time, one could not even call it "adequate."

At the pre-flight press briefing, Mr. Lunney insisted that he had never considered the Soyuz "primitive." But "primitive" is a relative term and, relative to the only available standards of comparison, that is precisely what it is.

It is worth mentioning that, while Mr. Lunney's views coincided with the official NASA line, other NASA employees did not share his opinions. One young engineer told this reporter some time ago, "We were surprised at how primitive [the Soyuz] is." Another described the Soviet approach as "plain goddam brute-force engineering."

The whole point in establishing whether or not the Soyuz is inferior or backward or what-have-you is not to poke fun at Soviet technology, but to bring it into perspective. In this respect, Apollo-Soyuz was an object lesson of enormous value, in that it gave America a good, clear, unmistakable picture of what areas the Soviets are behind in technically. This should be sufficient to warn us to keep certain types of technological information secret. Unfortunately, Apollo-Soyuz was designed for just the opposite purpose.

Last year, this reporter wrote: "One of the objectives of the ASTP is to open the way for technology sharing between the United States and the Soviet Union" (NR, Oct. 25, 1974). This statement has been widely misunderstood and distorted, and should be clarified and amplified.

An example of the distortions this remarks has suffered comes from NASA's rebuttal to it, which said: "This is not true. Technology transfer has never been an objective of ASTP." This completely ignores two parts of the original statement: the words "open the way," and the context—detente.

During the Sixties, scientists on both sides of the Iron Curtain clamored for greater freedom of scientific exchange between the free and the Communist nations. NASA itself approached the Soviet Union on no fewer than 18 occasions with proposals for various types of joint scientific ventures (each was refused). Businessmen put pressure on political leaders to ease trade restrictions with Iron Curtain countries, which they saw as potentially insatiable buyers of high-technology items. The net effect of all this was to create the unmistakable impression that, at least in the scientific and technological communities, there was a great desire for East to meet West.

This impression was not lost on the authors of the policy of detente. They lumped together all of the pleadings of scientists and businessmen under the heading "Science," and began looking around for some sort of symbolic gesture to show that under the new camaraderie of detente, there certainly would be greater scientific and technological cooperation between the U.S. and the Soviet Union.

They did not have to look far. NASA, in its incomprehensible lust for a joint venture with the Soviets, was thinking about the possibility of a docking between an American and a Soviet spacecraft. At first, it considered a Soyuz link with the Skylab, but was informed that the Soyuz could not be launched into that high an orbit. Then the idea of an Apollo link with Salyut was mentioned, and vetoed out-of-hand by the Soviets. Finally, Apollo-Soyuz was dreamed up, and was eventually signed into being at the Moscow Summit.

The relationship of the ASTP to detente cannot be ignored. The ASTP was the technical portion of detente. It was designed to show that America and the Soviet Union "can work together" and to spur more of this togetherness in the future.

Even NASA recognizes the project's importance to future "cooperation." The closing line of its rebuttal is one that contrasts strikingly with, if not flatly contradicts, the assertion that "technology transfer has never been an objective of ASTP"; [The ASTP] is new, unique, and has never been done before *and could lead to future joint scientific or technological efforts in space or some other field*" (emphasis added, as if it were necessary).

NASA attempts to evade the fact that such joint efforts presuppose technology transfer, saying, "Well, technology transfer is not our goal, and we try to avoid it as much as possible." But one does not try to avoid transfer of technology by inviting highly trained observers from an enemy nation into one's most advanced facilities, allowing them to operate and train on one's equipment, and plugging any gaps in their knowledge by eagerly answering their myriad questions. Furthermore, one does not put a lid on the amount and type of information such observers might gain in the future by pointing to these activities and saying, We hope we can do this again, not just in this field but in others.

So far, what we have lost by way of technology is probably very little. But, to quote Senator William Proxmire, "Any technology drain . . . will result in Soviet military benefits and U.S. losses. The Soviet space effort, unlike ours, is fully integrated with its military operations. For this reason, all future missions should be viewed with a great deal of skepticism."

But now that space "cooperation" is a set part of detente, any backing down on joint space efforts by the United States will appear to be a breach of our new-found "friendship." We will come off as villains if we attempt to avoid committing suicide.

Of course, there is no indication that we will try to avoid it, and much evidence to suppose that we will not. NASA is trying to stir up Soviet interest in another joint venture, and has said that it will offer to fly Soviet payloads in the shuttle/Spacelab combination (which, according to NASA, does not qualify as a joint activity). The Soviets have shown little or no interest in scientific ventures so far; they have reacted coolly to NASA proposals of joint soil sample returns from the moon or Mars, and to having cosmonauts flown in the Spacelab (or astronauts in Salyut). But they do seem interested in another joint docking mission.

The lack of scientific interest on the part of the Soviets showed up even during the ASTP. According to Aviation Week, "Soviet scientists expressed interest in a number of excellent Apollo-Soyuz joint experiments but were vetoed by political authorities."

The Soviet space program has never been oriented toward scientific study, but instead toward military ends and scoring propaganda points with the world. The launching of even a single SL-4 must be an incredible drain on the inefficient and ill-managed Soviet economy, and it is doubtful if the leaders of that country, knowing that they are incapable of dealing with reality here on earth, are very eager to waste money determining the nature of reality on some other planet.

So it seems that the future of space "cooperation" will be reserved for Apollo-Soyuz-type stunts, in which this country will spend money that could better be used for other types of space flights to grant an unearned legitimacy, both technological and moral, to the Soviets, while giving them an eyeful of our hard-earned technology. Nor are such flights a useful preparation for future joint rescue missions, since the Soviets have not told us what they will be flying in the future; indeed, they have not indicated that they will be flying anything new at all (save one reference to an improved Salyut, weighing 25 tons instead of the current 19 tons; the Soviets do not, at present, have a booster large enough to place such a payload in orbit). Nor is there any indication that they are capable of introducing a new manned spacecraft. The SL-4 booster, able to place up to 16,500 pounds into orbit, is the largest man-rated rocket the Soviets possess. They have apparently been trying to man-rate the SL-12 up-rated Proton for quite some time, without success. The largest rocket they have, the giant Saturn V-class booster which develops ten million pounds of thrust, still has some bugs in it, such as its habit of blowing up. The rocket has never been flown successfully, though it has been under development for at least six (and probably more than ten) years.

The problem the Soviets face with larger rockets is lack of computer control and checkout capability. Our astronauts saw no equipment for such activities at Tyuratam, the Soviet launch center, and it probably is not extensively employed in other areas of Soviet rocketry.

Lacking the ability to check over their boosters with computers before launch, and being unable to determine the exact nature of malfunctions occurring in flight, the Soviets have a hard time getting the bugs out of their rockets. It is possible to fly smaller rockets with fair reliability in the absence of computers, but it becomes more difficult as size increases, and is probably impossible beyond a certain point.

Without larger man-rated boosters, the Soviets will not be able to introduce a spacecraft with much more maneuverability or habitable volume (the two factors determining a craft's usefulness in space rescue) than the Soyuz. When they *do* come up with a heavier, more maneuverable craft than Soyuz, carried by a larger booster, it will be a clear, unequivocal sign that they have begun to master computer control of missiles—something that applies to their ICBM program as well, and is therefore an event to be dreaded, not eagerly awaited.

Since, in the spirit of detente, this country is selling millions and millions of dollars' worth of computers (and "electronic navigation equipment" that may be used to improve the very poor accuracy of Soviet ICBMs) to the Russians, their mastery of ICBM computerization may not be far off. But the technology will take years to filter down to the civilian space effort.

The question may legitimately be asked if *anything* good came from the ASTP. The answer would certainly have to be "Yes," though it would have to be qualified carefully.

There were, indeed, many useful and interesting experiments conducted in the Apollo. Of particular importance were the Materials Science, Electrophoresis, and Far-Ultraviolet Astronomy experiments. Though researchers admitted that their experiments were being carried out as "an afterthought," and that the joint antics were the primary objective of the ASTP, this did not in any way diminish the value of the work done.

But important as the work was, it was performed on a flight designed for another purpose, under conditions not conducive to thorough investigation. The experiments could have been a part of a far more valuable mission, such as a 100-day Skylab flight. This is what *should* have been done, for the ASTP, in and of itself, was of no value whatsoever. During the joint phase, it accomplished no serious scientific work that required the presence of Soviet cosmonauts or equipment; it did not, judging from current Soviet reaction to NASA proposals, pave the way for serious scientific work in the future; the level of "understanding" and "trust" it wrought may be ascertained from the fact that our ASTP specialists in the Soviet Union found evidence that a room adjacent to their mission support room had been bugged; and it left the impression, in the minds of many, that the Soviets actually have a progressive space effort, when they do not, and that they are really not evil at all, which they are. American politicians who usually complain stridently of the waste of money our space program represents *really* have something to complain about now. But they are strangely silent.

Since NASA appears most eager to fly more joint missions with the Soviets, and since we have a President and a Secretary of State who are fully committed to the policy of detente, it seems that U.S.-Soviet space "cooperation" is with us to stay. But it might be nice, prior to and as a condition for any future joint missions, if we could get NASA and our Executive to answer a very fundamental question that should have been explored many years ago.

"I was born a slave, while you were born free," said Aleksandr Solzhenitsyn to an audience in New York. "Why then do your help our slaveowners?"

BARUCH COLLEGE PRESIDENT OPPOSES BILLS TO CHANGE HATCH ACT

Mr. FONG. Mr. President, Dr. Clyde J. Wingfield, president of the Bernard M. Baruch College of the City University of New York, has offered valuable expert views on the Hatch Act and on pending congressional bills that would undermine the law which has served our Nation so well for 36 years in protecting Federal employees from the the encroachments of partisan politics.

Two bills to change the Hatch Act—H.R. 8617, already passed by the House of Representatives, and S. 372—are now being speeded for action by the Senate Post Office and Civil Service Committee.

In a statement to the committee, Dr. Wingfield sets forth his reasons for opposing the two bills. He states that Federal employees feel the need for the protections of the Hatch Act and further that the Hatch Act does in fact work.

"Not only can partisan politics adversely affect the neutrality and fairness and, therefore, the efficiency of the career public service, but a fully mobilized, poliically potent public service could today gravely impair the operation of the established electoral politics," warns Dr. Wingfield.

I believe my colleagues will be interested in Dr. Wingfield's timely warning on legislation to revamp the Hatch Act, and I therefore ask unanimous consent to have his statement printed in full in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY CLYDE J. WINGFIELD REGARDING S. 372 AND H.R. 8617

My name is Clyde J. Wingfield. I am President of the Bernard M. Baruch College of the City University of New York.

I am honored to have been invited to present my views on proposed legislation concerning federal employees' political activities. Much of this statement was made on May 2, 1975 to the Sub-Committee on Employee Political Rights and Inter-Governmental Programs in New York.

I speak today as an individual and not on behalf of an institution or organization. However, my motive here is conditioned by my professional responsibilities and interests. The Public Service—and in particular, administration in the Public Service—has been the principal concern of my academic career. I am past President of the National Association of Schools of Public Affairs and Administration. At Baruch College, which has the nation's largest School of Business and Public Administration and annually graduates a substantial number of students who pursue public service careers, I am concerned both with the preparation of future practitioners and with the practice of public administration.

Since S. 372 and H.R. 8617 provide the basis for a substantial redefinition of the more salient components of the Hatch Act, I feel it is appropriate to frame my remarks here within the broad context of the dynamics between public service and partisan politics. The deliberations of your Committee must necessarily involve a consideration of both the broader theoretical implications of federal employees in the total political process as well as the practical consequences which ensue from legislation in the area of partisan politics. It is on these considerations that I base my opposition to the legislation under consideration by this Committee.

The matter under consideration by this Committee is a complex one. At its most fundamental level it addresses itself to the extraordinary delicate balance between individual political on the one hand, and those responsibilities endemic to the effective and efficient administration of the Public's business on the other. Since its inception, the character of this Republic has consistently reflected the need for proper balance between rights and responsibilities.

The common characteristic of persons who hold positions of public responsibility, be they of an elective-representative nature or a professional-public service character, is the maintenance of a proper sense of public accountability in the conduct and the execution of their duties. The difference is in the method of that accountability. In the case of the former, it is through direct public elections and partisan political processes. In the case of the latter, it is by the performance and execution of responsibilities established by law.

Legislation in this sensitive area must be philosophically compatible with the U.S. Constitution while at the same time fully considering the practical restraints requisite for the proper administration of the government. I agree with Alexander Hamilton's sentiments in Federalist #27 where he stated that "I believe it may be laid down as a general rule, that their (the people's) confidence in and obedience to a government, will commonly be proportioned to the goodness or badness of its administration."

It is my conviction that the public interest, particularly in this post-Watergate era, is best served by a delineation between policy and administration and the consequent separation of the public service for partisan politics. It is interesting to note that, to a very substantial degree, Watergate was repugnant to the Congress and the general public precisely because that delineation and separation was neither correctly understood nor observed.

While the Constitution is equally silent on the subject of political parties and on a professional, neutrally competent public service, one of the framers of the Constitution was not. During his term as President, Thomas Jefferson caused an executive order to be issued stating that "It is expected that he (public servants) will not attempt to influence the votes of others nor take any part in the business of electioneering, that being deemed inconsistent with the spirit of the Constitution and his duties to it."

The long experience of the public service suggests that the clear separation of governmental policy formulation from governmental administration is useful to the achievement of good government.

In a recent Supreme Court decision (June 1973), this separation was the central issue. In the *Civil Service Commission vs. the National Association of Letter Carriers,* the Court found that freedom of speech, assembly and associated constitutional guarantees were not unreasonably limited by Congress in the Hatch Act. The Court was also careful to say that while it felt the balance Congress had struck was a reasonable one, Congress was free to alter that balance. I urge that not be done as proposed by either S. 372 or H.R. 8617.

What the Letter Carriers sought but were denied by the Supreme Court was the right to engage in highly active partisan politics. S. 372 and H.R. 8617 would appear to provide them with that right. The result would be the risk of substantial and significant retrogression to the politicization of the public service resembling the old spoil system of the 19th century.

In a major research study conducted in the mid-1960's for the Commission on Political Activity of Government Personnel, members of the Public Service as well as officials of political parties were scientifically surveyed regarding their perceptions of the Hatch Act.* In the instance of the survey of federal employees covered by the provisions of the Hatch Act, several responses are of particular interest and perhaps worth repeating here:

1. Reasons for refraining from political activity: "What were the specific reasons you didn't go ahead—that is, what kept you from doing these thing?" 89% of the respondents indicated that legislation (i.e. the Hatch Act) prohibited them from participation in this type of activity.

2. Responding to the question "If federal employees were allowed to be more active in politics, do you think that would change things like promotion decisions and job assignments?" 52% of federal employees surveyed responded yes.

3. In surveying the attitudes of federal employees towards the Hatch Act, 14 categories of responses were allowed. The category which ranked #1 with the highest response was: The Hatch Act should remain as is; do not favor changes.

As part of the same study, party leaders were asked if the Hatch Act denied their parties the services of persons covered by the act. More than 80% indicated that it did. These same party leaders were also asked if the Hatch Act put government employees beyond the reach of the two political parties as a source of funds. A substantial majority indicated that it did.

What these small pieces of data indicate

**The Commission on Political Activity of Government Personnel,* A Commission Report, Research: Volume Two, U.S. Government Printing Office, Washington, D.C. 1968.

to me is that there is a felt need on the part of the federal employees for the provisions and protections of the Hatch Act . . . and further that the Hatch Act does in fact work.

Given the complexity of issues and challenges confronting the federal government, the need for a public service that possesses integrity, efficiency and impartiality is even more critical today than it was in 1940.

For the Public Service to conduct itself in the highest professional manner, it remains not only desirable that it be protected from the encroachments of partisan politics but that those who wish to manage or engage in campaigns for political office should make a choice between that activity and the career Public Service.

I should emphasize here that I do not believe this is a one-way proposition. Not only can partisan politics adversely affect the neutrality and fairness and, therefore, the efficiency of the career Public Service, but a fully mobilized, politically potent Public Service could today gravely impair the operation of established electoral politics.

Thus, it is my conviction that the public interest is best served by maintaining those provisions of the Hatch Act which respect and protect both the Public Service and legitimate partisan political processes. It is one thing for the Public Service to be subordinate to the political process, and another to be dependent upon politics—or equally as bad, to dominate partisan politics. The first comports with, the last violates the fundamental principles of good government.

OMAN NATIONAL DAY

Mr. HARTKE. Mr. President, one of the oldest independent nations in the Middle East celebrates its national day on November 18, 1975. The Sultanate of Oman dates back to 1650 when the Portuguese were expelled by the Omani ruler.

The present Sultan of Oman, Qaboos Ibn Sa'id Al BuSa'id is a member of the family that has been ruling Oman since the middle of the 18th century.

Prior to 1970, the country of Oman was in a state of stagnation due to progressive measures instituted by former Sultans. However, on July 23, 1970, Sultan Qaboos took cntrol of the government and began to utilize the oil revenues for the benefit of the population of Oman: an example of his majesty's concern for his people is manifested in his program for the education of women. In 1969, there were no women in the schools in Oman, and today there are 12,000 women in all levels of education. Before 1970, there were only three government schools and 30 teachers whereas today there are 115 schools, 1,225 teachers, and 75,000 students. Also in response to the need for education, the government has embarked on a program of adult education. There are now 59 adult education centers with 4900 adult students.

Since 1970, the Sultanate of Oman and the Sultan has encouraged visitors to see the vast improvements that have transpired. As a part of the overall development plan, social services now benefit the entire population, and health care now reaches the most remote areas of the country.

Mr. President, I am sure that I express the sentiments of my colleagues when I wish the Sultan and the people of Oman heartfelt best wishes on their National Day.

DEATH OF COL. LABRE GARCIA, FORMER SENATE STAFF MEMBER

Mr. THURMOND. Mr. President, it was with deep regret that I have learned of the death on November 7 of Larry Garcia, former minority counsel on the Senate Armed Services Committee.

Mr. Garcia served on the committee during the period when Senator Margaret Chase Smith of Maine was the ranking Republican member. However, since we consider our committee nonpartisan, his work encompassed duties far greater than minority counsel. His assistance to all members of the committee and especially our distinguished chairman, the senior Senator from Mississippi, Mr. Stennis, was exceptional.

Mr. President, prior to his work in the Senate, Mr. Garcia served on the House Armed Services Committee after a 28-year career in the U.S. Air Force. His life was an outstanding example of service to his country and one worthy of emulation by others.

My sympathy is extended to his wife and children who should find some comfort in the great service he rendered his country. In closing, Mr. President, I ask unanimous consent that a biography on Mr. Garcia be printed in the Record.

There being no objection, the biography was ordered to be printed in the Record, as follows:

Colonel Garcia

Colonel Labre (Larry) R. Garcia, USAF (Retired) of 10020 Cedar Lane, Kensington, died at Bethesda Naval Hospital on 7 November 1975 after complications resulting from a recent operation. Well known for many years among service and congressional circles, "Larry" was born in Antonito, Colorado, 21 April 1910. His father, Celestino Garcia, was a rancher who was well known in state politics, having served as a state senator for several terms. Larry came to Washington in 1935 and obtained his law degree from American University in 1939. For a short while he practiced law in the District of Columbia before he was drafted in March of 1941 and sent to Infantry Officer Candidate School in Fort Benning, Georgia.

Larry initially served as an infantry officer, but because of his legal background, he was soon transferred into military government activities. During World War II he served in North Africa, Sicily, and Italy, with both the American 5th Army and the British 8th Army.

At the close of World War II he returned to civilian law practice in Washington for a short period of time before joining the State Department as a foreign service officer. Most of his service during this period of his life was in Germany where he was appointed Presiding District Judge for the occupation forces and later Presiding District Judge of the High Commissioner, United States Military Forces.

Upon his return to the United States, he was active in the Army Reserve, but in April, 1953, he transferred his commission to the United States Air Force and went on active duty in the Office of the Secretary of the Air Force in the Office of Legislative Liaison. Colonel Garcia remained in this capacity throughout the remainder of his military career except for one short tour in Germany as a contracts and procurements officer. In 1967 as an Air Force colonel, he was assigned to the Congress on the staff of the House Armed Services Committee. In May of 1968 he retired from the United States Air Force with 28 years of military service. He remained on the House Committee staff for two years after which he became the minority-staff member of the Senate Armed Services Committee. In 1973 he retired from the Committee and joined the Raytheon Corporation as a consultant.

Colonel Garcia is survived by his wife, Anne R. Garcia, and three children, Kim, Kristina, and Judith. He was a member of the Sigma Delta Kappa fraternity. Among his military medals are the Legion of Merit with Oak Leaf Cluster, Bronze Star, American Defense Service Medal, the American Theatre Medal, the European Theatre Medal with Silver Star, and the Brazilian Mahalha de Guerra.

ECONOMIC AID

Mr. PACKWOOD. Mr. President, I commend to my colleagues attention an editorial which appeared in the New York Times this morning, dealing with economic and developmental foreign assistance.

The Senate has recently passed the International Development and Food Assistance Act of 1975, H.R. 9005. Senator Magnuson and I introduced an amendment to the Senate version which would delineate criteria to measure progress in development. Senator Humphrey guided this amendment through the Foreign Relations Committee, and the amendment became a part of the bill as passed by the Senate.

I would strongly urge that the Senate conferees to H.R. 9005, retain this very important provision when they meet with the House conferees this week.

I ask unanimous consent that the text of the New York Times editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

And Economic Aid, Too

American economic and development aid is another matter. The pending $1.3 billion authorization bill for development assistance, which goes to conference committee in a few days, will still leave the world's richest nation near the bottom of the list of aid contributors in percentage of gross national product. In 1961 the United States gave 51 percent of all the world's development aid; it was 19 percent in 1974. The rejection by half of Black Africa and other Third World countries of the American campaign in the U.N. against the anti-Zionist resolution doubtless reflects, at least in part, the decline of stature that has accompanied the decline in American generosity toward the world's impoverished people.

One way to halt the erosion of Congressional and public support for foreign aid is to improve the chances that aid will do the job most Americans feel it should be doing—and has failed to do. The Senate version of the development assistance bill would do that by requiring the President progressively to concentrate the bulk of American aid on the poor countries that take the most vigorous action to help themselves in four critical areas. Aid would be related to achievements in land reform, greater self-sufficiency in food production, reduced infant mortality and control of population growth, with annual reports to the Congress on what has been achieved.

The greatest advances in food output have been made in countries that have given land to the tiller as well as better fertilizer and technology. Better nutrition, in turn, is demonstrably the most effective way to reduce infant mortality, which, paradoxically, helps to reduce rather than to increase population growth. Farm parents who firmly expect their first two or three children to live turn away from the practice of having seven or eight children as insurance against childhood deaths.

The pending Senate aid bill, if approved in conference, could put development assistance on this right track. It would encourage help from those who help themselves, but it would not forestall any subsequent Congressional action to discourage Third World governments from undermining the United Nations and human rights worldwide.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Mr. ROBERT C. BYRD. Mr. President, will the Chair recognize the Senator from Rhode Island at this point?

The ACTING PRESIDENT pro tempore. The Senator from Rhode Island is recognized.

PUBLIC BROADCASTING FINANCING ACT OF 1975

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 441, H.R. 6461, an act to amend certain provisions of the Communications Act of 1934.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 6461) to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I move that all after the enacting clause of H.R. 6461 be stricken, that there be substituted therefor the text of S. 2584, as reported by the Committee on Commerce, and that it be considered original text for further amendments.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. PASTORE. Mr. President, I ask for the yeas and nays on final passage.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. PASTORE: Mr. President, this committee substitute is a compromise bill to provide long-range funding for public broadcasting in the United States.

On March 21, the Senate Commerce Committee reported another bill, S. 893, to provide long-term financing for the Corporation for Public Broadcasting. That bill was then referred to the Senate Committee on Appropriations where it is now pending.

The committee substitute is in every significant way a duplicate of the earlier legislation that was favorably reported by the Senate Commerce Committee. Like S. 893, this legislation has three principal purposes relating to the Corporation for Public Broadcasting and the system of noncommercial educational radio and television stations:

First. To provide long-term Federal financing for the Corporation for Public Broadcasting by means of a 5-year authorization;

Second. To assure that a portion of Federal funds is distributed to local noncommercial educational broadcast stations; and

Third. To expand the scope of the Public Broadcast Act of 1967 to include the development and use of nonbroadcast communications technologies for the distribution and dissemination of educational radio and television programing.

The only significant difference between this bill and S. 893 is the separation of the appropriation and authorizing functions with respect to long-term funding for public broadcasting. The committee hopes that this bill will provide the appropriate compromise vehicle to authorize long-term public financing for public broadcasting.

The Corporation for Public Broadcasting is functioning now on a continuing resolution. The basic programing decisions for the next TV season must be made within the next few months, so it is important that authorizing legislation be enacted.

I should like to summarize why this new legislation is necessary. Companion legislation to S. 893 in the House of Representatives, H.R. 6461, was favorably reported by the Committee on Interstate and Foreign Commerce on May 22, 1975, and was then referred to the Committee on Appropriations. But the House Appropriations Committee reported the bill unfavorably on July 22, 1975.

The House Appropriations Committee opposed H.R. 6461 because it objected to the inclusion of appropriations in the authorization vehicle. The Appropriations Committee had no objection to the authorization language, the matching requirements, or the other essential features of the bill. The House Appropriations Committee stated in the body of its report that it would make appropriations to carry out the intent of H.R. 6461 following its enactment. The House Appropriations Committee apparently does not intend to delay in any way the availability of funds for public broadcasting. But the House Committee did object to the automatic appropriation for the 5-year period ending September 30, 1980, as proposed by H.R. 6461. It "does not in principle oppose advance appropriations for public broadcasting, and will include appropriations for the 3 fiscal years ending September 30, 1974 in an appropriation bill if and when H.R. 6461, or similar legislation, is enacted."

The committee now proposes this 5-year authorization bill for the Corporation for Public Broadcasting with the assurance of the Appropriations Committees that they will proceed immediately to consider appropriations for the Corporation under the authorizing legislation.

The bill provides the following authorizations.

For the fiscal year ending June 30, 1976, $88 million; for the period July 1, 1976, through September 30, 1976 $103 million; for the fiscal year ending September 30, 1977, $121 million; for September 30, 1978, $140 million; and $160 million for the fiscal year ending September 30, 1980.

Mr. HELMS. Mr. President, the Senator from North Carolina is greatly concerned about the 5-year funding of the Corporation for Public Broadcasting, as contained in this bill. In fact, this Senator would be concerned about a 5-year funding of any agency, because it is a plain fact of life that you are not going to authorize funds and then reduce the amount when appropriation time rolls around. So this bill is going to add to the burdens of the American taxpayers.

Furthermore, Mr. President, the Senator from North Carolina is greatly concerned about the whole concept of the Government operating a communications facility, particularly one that has a demonstrable record of propaganda and ill-advised activism.

I have received hundreds of protests from citizens of my State and other States who have viewed with astonishment and sometimes disgust the program material distributed by this Government facility and paid for by the taxpayers of this country.

Mr. President, I am going to vote against this bill. I realize that, like so many other matters that come before the Senate, it is already a fait accompli. It will be approved, perhaps because not enough Senators have given enough thought to the implications of a tax-paid Government facility with such a potential for propaganda. I think that somewhere along the line, the Senate of the United States should take a look at what it is doing in approving the financing of putting the Government in the news business, and that is what it amounts to.

Furthermore, Mr. President, the Senator from North Carolina, with all due respect to the distinguished Members of the committee, regrets the recent disapproval of the nomination of a distinguished citizen of this country whose name was sent to the Senate for consideration as a member of the Public Broadcasting Board. I refer, of course, to Mr. Joseph Coors, of Colorado.

I know Mr. Coors intimately. I know of his dedication to his country. I have observed him sacrifice both his time and his energy, not to mention his own personal resources, in advancement of a sound philosophy of government in which he fervently believes.

I hope the Senator from North Carolina is incorrect in his feeling that the nomination of Mr. Coors may have been rejected by the committee simply because of his conservative political and governmental philosophy. We have come to a pretty poor pass, I think, when a man who is decent and honorable and capable and courageous cannot be approved simply because the prevailing majority does not agree with him.

So I regret the rejection of Mr. Coors, which of course has little to do with the matter before us; but I have not had occasion prior to this time to address myself to my sadness that he was rejected in his nomination.

Mr. PASTORE. Mr. President, will the Senator yield at that point?

Mr. HELMS. I am delighted to yield.

Mr. PASTORE. I can say to my distinguished colleague from North Carolina that I never agonized over an appointment more in my life.

Mr. HELMS. I know that that is correct.

Mr. PASTORE. I think he understands that. As a matter of fact, at the termination of the hearings, I asked Mr. Coors categorically if he thought he had been treated fairly, and he said yes, he thought so.

The question that concerned the committee was a conflict of interest. I have said many, many times—this rejection is no reflection upon Mr. Coors' integrity. His political philosophy is his own business, and we had no right to nor did we get involved in it. I assure the Senator from North Carolina that we did not become involved in it. But there was a question of conflict of interest.

I asked Mr. Coors if he did not agree that there was a conflict of interest. He agreed.

Then I said to him,

> Well, then, why don't you resign as a director of Television News, Inc.?

He paused to think, and he said that that would be cosmetic and that that would not make any difference, because he still owned the majority of the Television News, Inc. stock.

I said:

> But it would seem a little more likely that this nomination would be amendable to confirmation if that were done.

Mr. HELMS. Mr. President, if the Senator will yield, that is typical of the Joe Coors I know. He would not engage in any subterfuge with the Senator, or anyone else.

Mr. PASTORE. He made that offer, as I understand it, before the Television News, Inc. Board of Directors, the board overruled him. And that raised—to use a kind word—a disturbing atmosphere.

Had he resigned from the TVN Board, he would have had much stronger support among committee members. Both Senator Griffin and Senator Weicker suggested the same thing; and he said he would take it under advisement.

I said:

> Well, when can we hear from you?

He said:

> The directors are meeting on October 2.

When we finally heard from him again, he sent a letter in which he said that he would not resign from the TVN Board and that his directors had said that they would still continue to try to do business with Public Broadcasting.

I want the Record to show clearly that Senator Pastore is not the kind of fellow who, just because somebody disagrees with him, would oppose their nomination.

Mr. HELMS. The Senator from North Carolina would sign an affidavit to the effect that the Senator from Rhode Island is not that kind of man. He is a gentleman.

Mr. PASTORE. I would never do a thing of that kind.

Mr. HELMS. Absolutely, the Senator from North Carolina knows that, which is why I admire the Senator from Rhode Island, even though we often disagree on various issues.

Mr. PASTORE. As I said to Mr. Coors:

> You would make a fine member of the Cabinet. You would fit in any other post in government, and I wish you would get the appointment. But here, you have a conflict of interest which the Committee could be criticized for ignoring.

That is the reason why he was rejected.

I know that certain editorials have been written saying that this was a reinstitution of the Joe McCarthy era, and all that baloney—and I use the word "baloney."

The members of the committee are not that kind of people. Speaking for myself, neither am I. I certainly would not hold the political views of Mr. Coors against him.

Mr. HELMS. I appreciate the Senator's comments, and I reiterate, the Senator from Rhode Island is a man of impeccable integrity. I was certainly not referring personally to him or to anybody else. But the fact remains that Mr. Coors' TV News, if that is the name of it, went out of business. The TV News, I believe the Senator will discover, is no longer operative. All that the company now does, if my information is correct, is produce documentaries. There are three or four other members, sitting on the Public Broadcasting Board right now, who engage in the very same thing. I say to the Senator that they have the very same conflict of interest—if indeed that is what it is—that the distinguished committee used as its stated basis for the rejection of the Coors nomination.

That is all beside the point, Mr. President. I really arose to express my concern about the 5-year funding of this Public Broadcasting Corporation and my concern about the Government's participation in the distribution of political and philosophical ideas in the mass communications arena. I am going to vote against the bill, and I have asked the distinguished Senator from Rhode Island to obtain the yeas and nays, which he has done, and for which I thank him. Unless other Senators have comments, I am prepared to vote.

Mr. THURMOND. Will the distinguished Senator yield?

Mr. HELMS. I am delighted to yield to my able friend from South Carolina.

Mr. THURMOND. Mr. President, I wish to associate myself with the remarks of the able and distinguished Senator from North Carolina with regard to his comment on Joe Coors. I had not had the pleasure of knowing Mr. Coors personally until I met him in connection with the hearing down here, but I have many people in whom I have confidence who have talked to me and written me about him. They tell me that he is one of the finest men in this country, that he is a man of integrity, a man of character, a man of courage, a man of capacity, and that he is deeply dedicated to the best interests of this country. They also tell me of his deep and manifest interest in education and in public broadcasting. From all that I have learned about him, I reached the conclusion that he would have made an outstanding and excellent member of the broadcasting board.

I am sorry that his name was not considered favorably, but I wanted to make these remarks for the Record in order for the Record to show that, if I had been a member of that committee, I would have voted for him. If his name should come to the Senate, I would vote for him here.

I thank the Senator very much.

Mr. HELMS. I thank the distinguished Senator.

Mr. PASTORE. Mr. President, I merely want to say again, I agree Mr. Coors is an honorable man. He is a distinguished personality and a very successful businessman. His personal philosophy or his point of view on political questions were of no concern.

Mr. President, I ask unanimous consent that a colloquy on this bill between the Senator from Minnesota (Mr. Humphrey) and me be printed at this point in the Record.

There being no objection, the colloquy was ordered to be printed in the Record, as follows:

Mr. Humphrey. I thank the distinguished Senator from Rhode Island for yielding. First, let me compliment the distinguished Chairman of the Communications Subcommittee for the excellent work he has done in bringing forward a long-term financing proposal. I have always been a strong advocate of public broadcasting. I think the genius shown by the distinguished Senator from Rhode Island in creating the original concept and promoting it over the years is appreciated by the American people.

I have become aware of a problem concerning the lack of a guaranteed funding base for public radio. In previous years a guaranteed base has not been critical, because Congress handled this legislation on an annual or semi-annual authorization and appropriation cycle. S. 2584, however, is a five-year authorization. This longer-term arrangement demands careful consideration by the Senate.

My concern is based on a decision that was reached by the Corporation for Public Broadcasting after the Subcommittee on Communications had completed its hearings on public broadcasting funding legislation. Although the Corporation, in an ambiguously worded resolution, pointed out the need for the expansion of the public radio service, as well as the improvement of existing stations and services, the Board then announced that it was cutting the percentage of support for public radio activities in fiscal year 1977. The inconsistency between those statements and the action is not only confusing but also raises the question of whether and to what extent the CPB will continue this pattern.

I feel quite strongly that there should be some sort of guaranteed reservation of funds. This would assure that public radio service would be made available to the entire population and that those stations which presently serve 64 percent of the population would be improved on an annual basis as CPB funds continue to increase.

To date, the public radio system has received approximately 17 percent of the monies distributed between radio and television by the Corporation. This has meant that over the last five years there has been little or no increase from year to year in the community service grants made to local stations by the Corporation.

All of the discretionary money that would be normally available to help develop the existing system has gone to projects to expand the coverage of the system from some 40 percent of the population up to the present 64 percent. Based on experiences of my own constituents, this has resulted in a stagnation in federal funds to assist local service at the very time we should be improving local service.

The Corporation for Public Broadcasting in the CPB–PBS Agreement recognized the need to develop local stations in television when it guaranteed 50 percent of the total appropriation in any given year to public television community service grants. The Corporation further guarantees its own growth and development through the reservation of 10 percent of the total appropriation for its own use. The Corporation does not give any guarantee to the radio community, thereby placing the radio stations in constant jeopardy of having their funds diminished.

Given the situation I have outlined, I think it would be fair and equitable for the Corporation to reconsider its FY 1977 decision thereby providing not only for the development of the present public radio system, but also the expansion of the system. It is my understanding that it would take at least 16.75 percent of the total appropriation to get the existing system moving again with increased community service grants and should take an additional 5 percent to 8 percent per year of the appropriation for the purpose of completing the basic radio system.

Mr. PASTORE. If the gentleman will yield, he is referring to at least a 25 percent commitment of the total appropriation for radio purposes. Is that correct?

Mr. HUMPHREY. Yes; that is correct, and I think that is only fair, given the existence of the CPB–PBS 50 percent guarantee policy for public television and the 10 percent guarantee for the Corporation itself. Of course, 50 percent is not all the public television industry receives. They receive roughly 80 percent of the money when we count CPB's support of television programming and interconnection services.

Mr. PASTORE. Numbers like 50 percent or 10 percent or 25 percent tend to be arrived at rather arbitrarily. Is there some justification the Senator can offer for the 25 percent?

Mr. HUMPHREY. I agree with the distinguished Chairman that numbers of this type are arrived at rather arbitrarily, but I think in this case we have a precedent that sets aside 17 percent, and we have seen that it stagnates the growth of the present system while building the new stations. Five to eight percent of the appropriation seems to me a reasonable additional commitment when we consider that 34 of the top 100 markets have no public radio service and that 11 states have no public radio service.

Mr. PASTORE. I agree with the Senator that the existing radio system should not be taxed unduly to develop the new stations. There has been a long history of underdevelopment of the radio system. Our original bill in 1967 provided for the development of one or more systems of public radio and television. We have largely completed the development of the television system and this legislation requires that CPB begin to give the radio system more attention.

Mr. HUMPHREY. I might say it is due to the leadership of the gentleman from Rhode Island that radio was included in the bill at all in 1967 and was made eligible for grants under the Educational Broadcasting Facilities Act. I compliment the gentleman on his foresight in starting the development of public radio.

In Minnesota, for instance, local support is growing by leaps and bounds and the Public Radio stations now cover the entire state. All of our major educational institutions, major industries and citizens have joined together to build a really first-rate public resource. Minnesota has proven that public radio, given sufficient federal, state and local support, is a vital and appreciated resource. I think it is important not to nip this development and enthusiasm in the bud.

Mr. PASTORE. I share the Senator's belief that Public Radio is very important. States such as Minnesota stand as models to the rest of the Nation for the services and quality that public radio has to offer to the listening public. I agree with the distinguished Senator from Minnesota that the system we began in 1967 must be quickly completed because frequency allocations are drying up.

I might point out that the funding mechanism in S. 2584 assures, for the first time, that every qualified radio station will receive annual support from the Corporation for Public Broadcasting.

The Senator from Minnesota has described the inadequacy of community service grants to public radio stations in the past. As the Senator realizes, the entire public broadcasting system has been severely starved for adequate, assured funding. It is my hope that this legislation will begin to open up adequate financial resources to all of public broadcasting. The substantially increased authorization ceilings in this bill would greatly increase the available support for public radio, even if its historical share remained constant.

It is my hope that the Corporation for Public Broadcasting and the local radio stations, whose views CPS must solicit, will work together to determine the most effective way federal support can be used to make public radio all that you and I have worked for over the years. This bill gives National Public Radio an assurance that every qualified public radio station will receive a community service grant. It requires that these grants come from the 50 percent share that was formerly solely for television community service grants. This is a beginning.

I oppose the imposition of a rigid formula because it would restrict the flexibility now needed by the CPB to channel funds into those areas of the country where either the television or radio system needs the greatest degree of stimulation. The extremely limited federal monies available to public broadcasting must do the best job possible. It is the consensus of the Committee that a rigid formula for the allocation of monies between public radio and television will not contribute to this goal.

Mr. HUMPHREY. I thank the gentleman for his statement and his assurances, and I want to assure him that he can count on my support not only for this bill but also for a reexamination of the state of development of public radio.

Mr. PASTORE. I assure the Senator from Minnesota that the Communications Subcommittee of the Senate Commerce Committee will closely monitor the decisions by CPB which affect public radio.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

Mr. HANSEN. Mr. President, the long-range funding for public broadcasting is on the calendar and presently under discussion. I do not wish to speak directly to this issue, but, rather, to say, that the connection between public broadcasting and one of the President's nominees, who was rejected by the Committee on Commerce, directs me to make an observation about a very good and long-time friend of mine, Joe Coors.

Mr. Coors is highly regarded in the West and, I think, indeed, wherever he is known. He and his family have been public benefactors for years. They have contributed to a number and a great variety of different projects in Colorado, in the West, and for the Nation. I think Mr. Coors has the highest sense of personal integrity of anyone I have ever known. I have nothing but great admiration for him and for his family.

I must say I was sorely distressed that he was rejected by the Committee on Commerce. It occurred to me at the time that the question might appropriately be asked, are there not other members on the Public Broadcasting Board who have similar interests that could have been brought into question, just as was true with Joe Coors. I leave that up to the committee to answer.

I did not want to permit this legislation to pass without taking this opportunity to speak in his behalf and to acknowledge the great contribution that the Coors family, and Joe specifically, have made to a better America.

Mr. PASTORE. I thank my distinguished colleague from Wyoming. Let me put this as strongly as I can: where there was a vacancy for the Secretary of Commerce, had the President sent up the name of Joe Coors, I would have voted for him. But the Corporation for Public Broadcasting seemed to be the wrong place for him, for the simple reason that he is in competition with Public Broadcasting. That was the reason that the majority of the committee rejected him for that particular post.

There is no question about his integrity. He is a wonderful family man, he is married to a very lovely lady. We received a nice letter from her. We asked him at the conclusion of the hearings if he thought he had been treated fairly. He said, "Yes, I have."

As I said to Mr. HELMS, I have never agonized more over a nomination than I did over this one. I always hoped that he would resign from the TVN Board of Directors.

Mr. HANSEN. I appreciate the comments by my good friend from Rhode

Island, Mr. President. I have oftentimes disagreed with my good friend, but I have never questioned his honesty or his integrity either, as he knows.

Mr. HELMS. Third reading, Mr. President.

Mr. PASTORE. Before we get to that, may I make a parliamentary inquiry. As I understand it now, everything after the enacting clause in the House bill has been deleted and the text of the Senate bill has been substituted therefor.

The PRESIDING OFFICER. That is correct.

Mr. PASTORE. I thank the Chair.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from North Dakota (Mr. BURDICK), the Senator from Iowa (Mr. CULVER), the Senator from Mississippi (Mr. EASTLAND), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Mississippi (Mr. STENNIS), and the Senator from California (Mr. TUNNEY) are necessarily absent.

I also announce that the Senator from Wyoming (Mr. MCGEE) is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. BURDICK), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senator from Oregon (Mr. HATFIELD), the Senator from Nebraska (Mr. HRUSKA), the Senator from Nevada (Mr. LAXALT), the Senator from Idaho (Mr. MCCLURE), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) would vote "yea."

The result was announced—yeas 67, nays 6, as follows:

[Rollcall Vote No. 495 Leg.]

YEAS—67

Abourezk
Baker
Beall
Bellmon
Brock
Bumpers
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Domenici
Durkin
Eagleton
Fannin
Fong
Ford
Garn
Glenn
Gravel
Griffin
Hansen
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hathaway
Huddleston
Jackson
Javits
Johnston
Leahy
Long
Mansfield
Mathias
McClellan
McIntyre
Metcalf
Mondale
Morgan
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Talmadge
Thurmond
Tower
Weicker
Williams
Young

NAYS—6

Allen
Bartlett
Buckley
Helms
Proxmire
Scott, William L.

NOT VOTING—27

Bayh
Bentsen
Biden
Brooke
Burdick
Culver
Curtis
Eastland
Goldwater
Hatfield
Hollings
Hruska
Humphrey
Inouye
Kennedy
Laxalt
Magnuson
McClure
McGee
McGovern
Montoya
Muskie
Randolph
Ribicoff
Stennis
Taft
Tunney

So the bill (H.R. 6461), as amended, was passed as follows:

Resolved, That the bill from the House of Representatives (H.R. 6461) entitled "An Act to amend certain provisions of the Communications Act of 1934 to provide long-term financing for the Corporation for Public Broadcasting, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Public Broadcasting Financing Act of 1975".

SEC. 2. Subsection 396(k) of the Communications Act of 1934 is amended by inserting after paragraph (2), the following paragraphs:

"(3) There is hereby established in the Treasury a fund which shall be known as the Public Broadcasting Fund, administered by the Secretary of the Treasury. There are authorized to be appropriated to said fund for each of the fiscal years during the period beginning July 1, 1975, and ending September 30, 1980, an amount equal to 40 per centum of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year second preceding each such fiscal year, and for the period July 1, 1976, through September 30, 1976, an amount equal to 10 per centum of the total amount of non-Federal financial support received by public broadcasting entities during the fiscal year ending June 30, 1975: *Provided, however,* That the amount so appropriated shall not exceed $88,000,000 for the fiscal year ending June 30, 1976; $22,000,000 for the period July 1, 1976, through September 30, 1976; $103,000,000 for the fiscal year ending September 30, 1977; $121,000,000 for the fiscal year ending September 30, 1978; $140,000,000 for the fiscal year ending September 30, 1979; and $160,000,000 for the fiscal year ending September 30, 1980.

"(4) The funds authorized by this subsection shall be used solely for the expenses of the Corporation. The Corporation shall determine the amount of non-Federal financial support received by public broadcasting entities during each of the fiscal years indicated in paragraph (3) of this subsection for the purpose of determining the amount of each authorization, and shall certify such amount to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall disburse to the Corporation, from such funds as may be appropriated to the Public Broadcasting Fund, the amount authorized for each of the fiscal years and for the period July 1, 1976, through September 30, 1976, pursuant to the provisions of this subsection.

"(5) The Corporation shall reserve for distribution among the licensees and permittees of noncommercial educational broadcast stations that are on the air an amount equal to not less than 40 per centum of the funds disbursed to the Corporation from the Public Broadcasting Fund during the period July 1, 1975, through September 30, 1976, and in each fiscal year in which the amount disbursed is $88,000,000 or more but less than $121,000,000, not less than 45 per centum in each fiscal year in which the amount disbursed is $121,000,000 or more but less than $160,000,000; and not less than 50 per centum in each fiscal year in which the amount disbursed is $160,000,000.

"(6) The Corporation shall, after consultation with licensees and permittees of noncommercial educational broadcast stations that are on the air, establish, and review annually, criteria and conditions regarding the distribution of funds reserved pursuant to paragraph (5) of this subsection, as set forth below:

"(A) The total amount of funds shall be divided into two portions, one to be distributed among radio stations, and one to be distributed among television stations. The Corporation shall make a basic grant from the portion reserved for television stations to each licensee and permittee of a noncommercial educational television station that is on the air. The balance of the portion reserved for television stations and the total portion reserved for radio stations shall be distributed to licensees and permittees of such stations in accordance with eligibility criteria that promote the public interest in noncommercial educational broadcasting, and on the basis of a formula designed to—

"(i) provide for the financial need and requirements of stations in relation to the communities and audiences such stations undertake to serve;

"(ii) maintain existing, and stimulate new, sources of non-Federal financial support for stations by providing incentives for increases in such support; and

"(iii) assure that each eligible licensee and permittee of a noncommercial educational radio station receives a basic grant.

"(B) No distribution of funds pursuant to this subsection shall exceed, in any fiscal year, one-half of a licensee's or permittee's total non-Federal financial support during the fiscal year second preceding the fiscal year in which such distribution is made.

"(7) Funds distributed pursuant to this subsection may be used at the discretion of stations for purposes related to the provision of educational television and radio programing, including but not limited to producing, acquiring, broadcasting, or otherwise disseminating educational television or radio programs; procuring national or regional program distribution services that make educational television or radio programs available for broadcast or other dissemination at times chosen by stations; acquiring, replacing, and maintaining facilities, and real property used with facilities, for the production, broadcast, or other dissemination of educational television and radio programs; developing and using nonbroadcast communications technologies for educational television or radio programing purposes.".

Sec. 3. Subsection 396(g)(2)(H) of the Communications Act of 1934 is amended by deleting the period after the "Broadcasting" and inserting the following: "and the use of nonbroadcast communications technologies for the dissemination of educational television or radio programs.".

Sec. 4. Subsection 396(i) of the Communications Act of 1934 is amended by inserting after the word "appropriate" the following sentence: "The officers and directors of the Corporation shall be available to testify annually before appropriate committees of the Congress with respect to such report and with respect to the report of any audit made by the Comptroller General pursuant to subsection 396(1), or any other matter which any such committee may determine.".

Sec. 5. Section 397 of the Communications Act of 1934 is amended by inserting, after paragraph (9), the following paragraphs:

"(10) The term 'non-Federal financial support' means the total value of cash and the fair market value of property and services (except for personal services of volunteers) received—

"(A) as gifts, grants, bequests, donations, or other contributions for the construction or operation of non-commercial educational broadcast stations, or for the production, acquisition, distribution, or dissemination of educational television or radio programs, and related activities, from any source other than (i) the United States or any agency or establishment thereof, or (ii) any public broadcasting entity; or

"(B) as gifts, grants, donations, contributions, or payments from any State, any agency or political subdivision of a State, or any educational institution, for the construction or operation of noncommercial educational broadcast stations or for the production, acquisition, distribution, or dissemination of educational television or radio programs, or payments in exchange for services or materials representing the provision of educational or instructional television or radio programs.

"(11) The term 'public broadcasting entity' means the Corporation, any licensee or permittee of a noncommercial educational broadcast station, or any nonprofit institution engaged primarily in the production, acquisition, distribution, or dissemination of educational television and radio programs.".

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

Mr. ALLEN. What is the motion?

Mr. PASTORE. To reconsider the vote by which the bill was passed.

The PRESIDING OFFICER. The question is on the motion to table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I ask unanimous consent that the bill S. 2584 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL TREATMENT OF CRAFT AND INDUSTRIAL WORKERS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 5900, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (H.R. 5900), to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers.

The PRESIDING OFFICER. The Senator from Maine.

Mr. HATHAWAY. Mr. President, what is the pending business?

The PRESIDING OFFICER. Amendment No. 1058 to H.R. 5900.

AMENDMENT NO. 1093

Mr. HATHAWAY. Mr. President, I call up my amendment No. 1093 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. HATHAWAY) proposes that amendment No. 1093—

Mr. HATHAWAY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, lines 4 through 6, strike the following: "if another labor organization is lawfully recognized as the representative of his employees", and insert in lieu thereof the following: "presently prohibited by paragraph 7 of subsection (b): *And provided further*, That if a labor organization engages in picketing for an object described in paragraph 7 of subsection (b) and there has been filed a petition under subsection (c) of section 9, and a charge under subsection (b) of section 10, the Board shall conduct an election and certify the results thereof within fourteen calendar days from the filing of the later of the petition and the charge.".

Mr. HATHAWAY. Mr. President, in studying the bill I was struck by the fact that in its provisions there was no opportunity provided for employees of a nonunion subcontractor to express their desire as to whether or not they wish to be represented by a union.

Present law does authorize representational elections, but they take too long to conduct and thus do not serve the needs of the construction industry. Construction projects often last only a few months. In many parts of the Nation, much of the work is seasonal. Thus, ordinary election procedures do not accomplish their end before a job has ended or the departure of many of the employees.

The only change made in present law by my amendment is that when a petition for election is filed by either the employer or the union, and a charge is filed under section 8(b)(7) alleging that organizational or recognitional picketing is taking place, the Board must hold an election and certify the results of it within 14 days from the later of these two filings.

In passing, I should note that the whole question of organizational and recognitional picketing was vigorously debated by Congress in 1959. From that debate came the compromises found today in section 8(b)(7) of the National Labor Relations Act. That section proscribes organizational or recognitional picketing where another union already represents the employees. It prohibits such picketing within 12 months after a valid election has been held. And in any other situation, it limits such picketing to 30 days, by which time a petition for an election must be filed.

My amendment does not liberalize or change these restrictions. Rather it simply provides that in the construction industry, an expedited election can be requested, must be held, and its results certified within 14 days.

The unit in which the election is to be held consists of the employees of the nonunion, picketed-against employer who are employed on that particular construction site.

The amendment is, in part, an experiment and is limited to this particular industry because of the relatively short duration of construction projects and the well-known difficulty of holding elections in this industry, which factors have in the past discouraged the use of the election procedure. The amendment is limited to 8(b)(7) situations and thus preserves the distinction between 8(b)(7) organizational and recreational picketing, and area standards picketing.

If adopted, this amendment will encourage labor peace in the construction industry through the mechanism that is the foundation of a democracy—the ballot box. And it may provide a useful grievance procedure for future legislation. I am confident that the Senate Labor and Public Welfare Committee will join me in carefully watching the operation of this amendment, if adopted.

Mr. BUMPERS. Will the Senator yield for a couple of questions?

Mr. HATHAWAY. I yield.

Mr. BUMPERS. I apologize for getting in on only the last part of the stated purposes of the amendment. It would be helpful to me if the Senator could give me a hypothetical case, and point out how the amendment would affect H.R. 5900 or the substitute therefor.

Mr. HATHAWAY. A hypothetical case would be as follows: Say that the plumbers on a job are not organized, and the XYZ union wants them organized as members of the XYZ union.

Under the bill, if it passed with this amendment in it, the union would have to go through the notification procedure in order to get permission from the national organization to conduct situs picketing for such organizational or recognitional purposes. This, as the Senator may know, would require a 10-day notice to the employer that picketing would take place for these purposes. And after such 10-day period, picketing for the entire site would be permitted under the bill for organizational purposes if the local had received authorization from its national parent organization.

At that time, as soon as the picketing starts, the employer of the plumbers, the plumbing subcontractor, could file a petition with the National Labor Relations Board and file a charge, which he is required to do under section 8(b)(7), alleging or stating that picketing is going on at his construction site for the purpose of organization.

Under the terms of the amendment, the National Labor Relations Board would then establish an election date, a date on which an election by the nonunion members would take place to determine whether or not they wanted to join the union. Then the Board would have to certify whether or not that election was a legitimate one which had taken place in accordance with all provisions of law, and state the results of that election, all of this to be done within 14 days of the time that the charge and petition were filed.

So if the employer does file his petition and charge on the first day of picketing, within 14 days thereafter there would have to be a certification by the Board as to whether or not the employees are going to be represented by the union.

That would mean, as a practical matter, that the Board would call for an election within 10 days, so that the Board would have an additional 4 days to listen to arguments by both sides as to whether or not the election was duly held. There might, for example, be charges of fraud made by the employer or by the union, and the Board would have to make determinations of those matters before issuing its certificate.

Thereafter, under the terms of the National Labor Relations Act, if the union is certified as the representative of the employees, thereafter the employer is obligated to bargain with the employees. This, of course, does not deprive the employer of his right to appeal, or the employees, either.

Mr. BUMPERS. This thing is set in motion by the employees of a union subcontractor on the jobs if they picket, for example, in the first instance, against a nonunion sub on the job who is not paying area scales; is that correct?

Mr. HATHAWAY. That is correct.

Mr. BUMPERS. All right. Then, under the bill as it is now stated, there is 10 days notification required before picketing can commence?

Mr. HATHAWAY. That is correct.

Mr. BUMPERS. And if the companion bill, the so-called Dunlop bill, passes the Senate, that also means that during that period of time the union international must be notified and sign off on the strike; is that correct?

Mr. HATHAWAY. I believe that is correct.

Mr. BUMPERS. Could the manager of the bill answer that question definitely for me? Is that correct?

Mr. WILLIAMS. Mr. President, I think two situations were sort of combined in the Senator's statement. I did not hear all the Senator said, but——

Mr. BUMPERS. Let me repeat my question, to be sure I am understood.

We are talking about the 10-day period during which there would be no picketing; that is, the 10-day notification period of an intention to picket. It is my understanding that the so-called Dunlop bill, which is reputed to be the companion bill to this measure to make it acceptable to the President, provides that during that same 10-day period notification must also be given to the international or the national here in Washington, and that the international must sign off and agree to the strike before picketing can be commenced. Is that correct?

Mr. WILLIAMS. I believe what the Senator has described, and described accurately, is amendment No. 1058, the situs picketing substitute to the bill that is before us. That provides for the 10-day notice before picketing. Now, the Dunlop bill, the collective bargaining measure, provides a 60-day notice before termination of the labor-management contract. That is a different period of time. They will come together, but they are separately stated. There is a 60-day notice nuder the Dunlop bill. That, of course, is not before us yet.

Mr. BUMPERS. Yes.

Mr. WILLIAMS. But if we deal just with the situs picketing amendment which is before us as a substitute to the House bill, there is the 10-day notice requirement before picketing; and what is added here by the Hathaway amendment is an expedited determination in the one situation where you can picket for organizational purposes. This is not picketing for area standards. This is organizational, and it is separately provided for under the Taft-Hartley Act, section 8(b)(7). If it is for organizational purposes, then there will be the notice and if there is picketing and a section 8(b)(7) charge and an election petition, then a limitation on the number of days picketing can be undertaken for organizational purposes. Of course, if the union is certified it can continue picketing to secure a contract.

Mr. BUMPERS. Does the present law provide for the same 14-day election procedures which the Senator from Maine has just described?

Mr. WILLIAMS. No, that is the expedited procedure that would be arrived at under the Hathaway amendment.

Mr. BUMPERS. But it also adds a dimension to H.R. 5900, because it does not contemplate that organizational picketing would be permitted, does it?

Mr. WILLIAMS. H.R. 5900 does not make unlawful what is now lawful in terms of organizational picketing.

Mr. BUMPERS. So that would mean that if an organizational picket were commenced, the 10-day period of notification would still be applicable; is that correct?

Mr. WILLIAMS. That is right.

Mr. BUMPERS. But at the end of the 10-day notice, picketing could commence, and while the election is being held, assuming it is requested by the employees of the nonunion subcontractor, the picketing would——

Mr. WILLIAMS. Well, either way, as long as there is a request for an election, whether the employees ask or whether the employer asks.

Mr. BUMPERS. All right.

Mr. WILLIAMS. There is a petition for election.

Mr. BUMPERS. All right. This also means that during that period of time, any other union subcontractors on the job would also be shut down unless they were willing to cross the picket line, because the entire site would be picketed during the 14-day period during which the election would be set up and held?

Mr. WILLIAMS. Yes. This is a lawful practice, and the other provisions of law would be made available to them.

Mr. BUMPERS. I think I understand the substance of the amendment. I was just trying to—standing here reflecting on some way in which we might expedite it still more, because there again, my primary reservation about this whole approach, this whole bill, has been that innocent employees of other union subcontractors, to say nothing of their employers, are the ones who are hurt most by these kinds of practices; and if there were some way to expedite calling an election and holding one, so that the 10-day notification period could be concurrent with the 14-day election, then we would only have 4 days of confusion and chaos on the job.

Mr. WILLIAMS. Well, the 10-day notice, of course, is in there for one basic reason: to see if the thinking of the parent organization of the union would lift the dispute above the local level for a review at the national level.

It might well be that this would be worked out short of picketing within that 10-day period.

There is one element I did not hear the Senator from Maine say. He probably did, and I did not hear it.

It should be said that the 14-day provision of the Hathaway amendment is a provision for a maximum and not a minimum in which certification of the results of an election must be made.

Mr. HATHAWAY. That is correct.

Mr. WILLIAMS. In other words, at any time within that 14 days there could be an election, and that would be expedition of an expedited period of 14 days.

Mr. HATHAWAY. Not only an election but certification of election to take place within the 14 days.

Mr. WILLIAMS. So the Senator from Arkansas, who is most concerned here and very thoughtfully contributing to an understanding of this amendment, should know that his desire to see the determination made at the earliest possible time, so that there would be a limitation of the workers' need as they see it to picket, would be met in that 14-day period.

Mr. BUMPERS. That is right.

Mr. HATHAWAY. I gather the Senator from Arkansas has received a direct answer to his question. It is also contained on page 3 of the substitute which provides not only for the 10 days, but for authorization from the parent union before picketing can take place. The so-called Dunlop bill need even be considered for purposes of this feature.

Mr. BUMPERS. That is the point I was confused on here. It is a sort of an unrelated thing to what we were talking about.

The Senator is now telling me that the notification to the international does take place during that 10-day period. Is that correct?

Mr. HATHAWAY. That is correct. Unless the parent labor organization has given written authorization to the union seeking to picket, it cannot picket. So it is a condition precedent to such picketing. In other words, the union gives its notification to all unions on the job and to all employers that it intends to picket after 10 days have expired. But if it does not, in the meantime, get a written authorization from the parent union, then it cannot picket and cannot then carry out its intention to do so.

Mr. BUMPERS. That was right.

Mr. HATHAWAY. That is contained in this substitute.

Mr. BUMPERS. Pardon?

Mr. HATHAWAY. One does not have to resort to the Dunlop bill which we are going to take up later.

Mr. BUMPERS. The language here is the thing that confused me, but the Senator from New Jersey a while ago, in mentioning the Dunlop bill, mentioned that 60-day notification prior to the expiration of the contract had to be given, but I thought I had remembered seeing the provision in this bill which read as follows:

> *Provided further*, That a labor oganization before engaging in activities permitted by the above provisos shall provide prior written notice of intent to strike or refuse to perform services, of not less than 10 days to all unions and the employer and the general contractor at the site and to any national or international labor organization of which the labor organization involved is an affiliate and to the Collective Bargaining Committee in Construction. . . .

And then it goes ahead to say that no picketing may commence without the written authorization of such national or international headquarters.

Mr. WILLIAMS. That is right. That is why I think for purposes of consideration of the Hathaway amendment we should deal, first, foremost, and perhaps exclusively, with the amendment as it amends the substitute from which the Senator read. We can discuss the effects of the Dunlop bill, but that is not before us, and we do not know that it will be part of the substitute as another title.

It will be the intention of the Senator from New York and this Senator to offer that later on, but here we can deal with the Hathaway amendment as it affects only the part that it amends, and that is the 10-day provision of the substitute.

Mr. BUMPERS. I thank both the manager and the Senator from Maine for an excellent explanation of that. It makes the so-called Dunlop bill a little less necessary so far as I am concerned. I am not sure why it is being called a companion bill, because I think the essential safeguard, notifying the international at the time within 10 days from the time proposed picketing is commenced, is the thing that most people were concerned about.

Mr. WILLIAMS. I offer one observation at that point. The Hathaway amendment deals with the situation where there is a desire on the part of employees to have an election for recognition of a union.

Mr. HATHAWAY. That is correct.

Mr. WILLIAMS. The Dunlop bill deals with collective bargaining where union organization already has been accomplished and we have employees represented by a union.

Mr. BUMPERS. I thank the Senator.

Mr. WILLIAMS. I thank the Senator from Maine for his constructive proposal. I am very grateful to the Senator from Arkansas for the very thoughtful colloquy and dialog into which he led us.

The Hathaway amendment will make it doubly clear that picketing, which is unlawful under any provision of section 8(b)(7), is not made lawful by this bill.

The amendment, in the judgment of this Senator, is sound for a variety of reasons and many reasons.

Most important, it does not change the law, regarding the distinction between picketing regulated by section 8(b)(7) and "area standards" picketing which is not, as explained in three cases from the National Labor Relations Board, the *Houston Building Trades and Construction Council (Claude Everett Construction Company,)* 136 NLRB 321; *Local Union No. 741 etc. (Keith Riggs Plumbing and Heating Contractor)*, 137 NLRB 1125; *United Brotherhood of Carpenters etc. (National Mill Designs)* 209 NLRB 921.

I also welcome the constructive and imaginative proposal of the Senator from Maine for prompt elections where the union is picketing for organizational or recognition purposes and the other conditions for an expedited election under present law have been met. Delay has been one of the most serious problems in the administration of the act, and this amendment is well-designed to deal with the problem in the immediate context before us.

So I favor the amendment offered by the Senator from Maine, who is a valued member of the Committee on Labor and Public Welfare that brought this measure to the floor. At an appropriate time we shall wish to vote for it.

Mr. JAVITS. Mr. President, I join our colleague. What this does is highly desirable. We have to adapt certain aspects of situs picketing to the normal picketing situation in order to deal with the unique problem of a construction site. I believe Senator HATHAWAY has offered us another opportunity to conform the general policy and principle of the bill to the very special situation of a construction site by simply shortening the time in which various actions are to take place.

I, therefore, consider the amendment desirable and join with the Senator from New Jersey in accepting it.

Mr. ALLEN. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. ALLEN. I yield.

Mr. THURMOND. Mr. President, I ask unanimous consent that Mr. Bill Coates, of my staff, have the privilege of the floor during the discussion of this bill.

The PRESIDING OFFICER (Mr. BELLMON). Without objection, it is so ordered.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. It seems to the Senator from Alabama that this amendment introduces a new feature to this bill, a feature that covers some of the ground covered by the Dunlop bill. It is the understanding of the Senator from Alabama that if the bill itself is amended in such a way that the Dunlop bill would become germane and therefore could be considered by the Senate after cloture is adopted, the same rule does not apply with respect to an amendment.

The question that the Senator from Alabama wishes to propound is this: If this amendment adds an additional feature to the Javits-Williams amendment and is adopted and that area covers the area covered by the Dunlop bill, would not the Javits-Williams amendment, as amended by the Hathaway amendment, still have to comply with the germaneness requirements of rule XXII in the event cloture is adopted?

The PRESIDING OFFICER. Until the Javits-Williams amendment is adopted and following the adoption of cloture, it would have to comply with the germaneness rule; and if an amendment is adopted to it which renders it nongermane, then the entire amendment could be stricken on a point of order.

Mr. ALLEN. In other words, Mr. President, if an amendment contains germane matters and nongermane matters, it would be subject to a point of order on the germaneness requirement in the event cloture is adopted?

The PRESIDING OFFICER. The Senator is correct.

Mr. ALLEN. I thank the Chair.

Mr. JAVITS. Mr. President, does this ruling have any reference to a finding of whether or not the Hathaway amendment is germane?

The PRESIDING OFFICER. The ruling does not.

Mr. JAVITS. I thank the Chair.

We are ready to vote on this amendment.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLEN. If, at the time cloture is invoked, as I anticipate it will be, the parliamentary situation is exactly as it is now, could the point of order be raised as to the Hathaway amendment to the Javits-Williams amendment on the point of germaneness, or would one have to wait until the Javits-Williams amendment is the pending business?

The PRESIDING OFFICER. The Chair will answer the question in a general way.

If a nongermane amendment is added to an amendment before cloture, then after cloture the amendment which had been amended and not acted upon prior to invoking cloture would be subject to a point of order.

Mr. ALLEN. I did not quite hear the last phrase.

The PRESIDING OFFICER. The

amendment that the amendment was added to, if not acted upon until after cloture, would be subject to a point of order.

Mr. ALLEN. Yes, but the point I was raising was would the point of order lie as to the Hathaway amendment prior to being added to the Williams-Javits amendment? I am not asking for a ruling on the germaneness.

The PRESIDING OFFICER. If an amendment were, in fact, nongermane and the action came after cloture, it would be subject to a point of order.

Mr. ALLEN. That is, an amendment to an amendment, such as the Hathaway amendment?

The PRESIDING OFFICER. A pending amendment would be subject to point of order.

Mr. ALLEN. I thank the Chair. That answers my question.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I have made a study of the Hathaway amendment and have advised with parliamentary experts as to the effect of the adoption of the amendment on the parliamentary situation. It seems to be the view of the parliamentary experts that the Hathaway amendment would be germane, that it would not in and of itself pave the way for the Dunlop bill being ruled germane. So while I do not favor the amendment, I am not going to seek further to block the adoption of the amendment.

Mr. WILLIAMS. I have nothing further.

Mr. JAVITS. I am ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

Mr. HELMS. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from North Dakota (Mr. Burdick), the Senator from Iowa (Mr. Culver), the Senator from Mississippi (Mr. Eastland), the Senator from Colorado (Mr. Haskell), the Senator from South Carolina (Mr. Hollings), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Massachusetts (Mr. Kennedy), the Senator from New Hampshire (Mr. McIntyre), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from Connecticut (Mr. Ribicoff), the Senator from California (Mr. Tunney), and the Senator from Vermont (Mr. Leahy) are necessarily absent.

I also announce that the Senator from Wyoming (Mr. McGee) is absent on official business.

I further announce that, if present and voting, the Senator from Maine (Mr. Muskie), and the Senator from Minnesota (Mr. Humphrey) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. Curtis), the Senator from Arizona (Mr. Goldwater), the Senator from Nebraska (Mr. Hruska), the Senator from Nevada (Mr. Laxalt), the Senator from Idaho (Mr. McClure), and the Senator from Ohio (Mr. Taft) are necessarily absent.

On this vote, the Senator from Ohio (Mr. Taft) is paired with the Senator from Arizona (Mr. Goldwater).

If present and voting, the Senator from Ohio would vote "yea" and the Senator from Arizona would vote "nay."

The result was announced—yeas 60, nays 17, as follows:

[Rollcall Vote No. 496 Leg.]

YEAS—60

Abourezk
Baker
Beall
Biden
Brock
Brooke
Buckley
Bumpers
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Dole
Domenici
Durkin
Eagleton
Fong
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Hatfield
Hathaway
Huddleston
Jackson
Javits
Long
Magnuson
Mansfield
Mathias
McGovern
Metcalf
Mondale
Moss
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stevenson
Stone
Symington
Weicker
Williams

NAYS—17

Allen
Bartlett
Bellmon
Byrd, Harry F., Jr.
Fannin
Garn
Hansen
Helms
Johnston
McClellan
Morgan
Scott, William L.
Stennis
Talmadge
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Tower
Young

NOT VOTING—23

Bayh
Bentsen
Burdick
Culver
Curtis
Eastland
Goldwater
Haskell
Hollings
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Humphrey
Inouye
Kennedy
Laxalt
Leahy
McClure
McGee
McIntyre
Montoya
Muskie
Ribicoff
Taft
Tunney

So Mr. Hathaway's amendment was agreed to.

Mr. HATHAWAY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. WILLIAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 1096, AS MODIFIED

Mr. JAVITS. Mr. President, I call up amendment No. 1096 on behalf of Senator Williams and myself. I send it to the desk together with a modification thereof to be incorporated therein. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York (Mr. Javits) for himself and Mr. Williams, proposes an amendment No. 1096, as modified.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1, before line 1, insert the following:

"TITLE I—PROTECTION OF ECONOMIC RIGHTS OF LABOR IN THE CONSTRUCTION INDUSTRY".

On page 1, line 1, strike "That (a) section" and insert in lieu thereof "Sec. 101. (a) Section".

On page 5, line 22, strike out "Sec. 2." and insert in lieu thereof "Sec. 102.".

On page 5, line 22, strike "Act" and insert in lieu thereof "title".

On page 5, line 23, strike "Act" and insert in lieu thereof "title".

On page 5, after line 23, add the following:

"TITLE II—CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING

"SHORT TITLE

"Sec. 201. This title may be cited as the 'Construction Industry Collective Bargaining ing Act of 1975'.

"FINDINGS AND PURPOSES

"Sec. 202. (a) The Congress finds and declares that the legal framework for collective bargaining in the construction industry is in need of revision; and that an enhanced role for national labor organizations and national contractor associations working as a group is needed to minimize instability conflict, and distortions, to assure that problems of collective-bargaining structure, productivity and manpower development are constructively approached by contractors and unions themselves, and at the same time to permit the flexibility and variations that appropriately exist among localities, crafts, and branches of the industry.

"(b) It is therefore the purpose of this title to establish a more viable and practical structure for collective bargaining in the construction industry by establishing procedures for negotiations with a minimum of governmental interference in the free collective-bargaining process.

"CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING COMMITTEE

"Sec. 203. (a) There is hereby established in the Department of Labor a Construction Industry Collective Bargaining Committee. The Committee members shall be appointed as follows:

"(1) Ten members shall be appointed by the President from among individuals qualified by experience and affiliation to represent the viewpoint of employers engaged in collective bargaining in the construction industry.

"(2) Ten members shall be appointed by the President from among individuals qualified by expirence and affiliation to represent the viewpoint of the standard national labor organization in the construction industry.

"(3) Up to three members shall be appointed by the President from among individuals qualified by training and experience to represent the public interest, one of whom shall be designated by him to serve as Chairman.

"(4) The Secretary of Labor, ex officio.

"(5) The Director of the Federal Mediation and Conciliation Service, ex officio.

The employer, labor, and public members shall be appointed by the President after consultation with representative labor and management organizations in the industry whose members are engaged in collective bargaining. Any alternate members who may be appointed shall be appointed in the same manner as regular members. All actions of the Committee shall be taken by the Chairman or the Executive Director on behalf of the Committee.

"(b) The Secretary of Labor may appoint such staff as is appropriate to carry out the Committee's functions under this title and with the approval of the Committee, may appoint an Executive Director.

"(c) The Committee may promulgate such rules and regulations as may be necessary or appropriate to carry out the purposes of this title including the designation of 'standard national construction labor organizations' qualified to participate in the procedures set forth in this title.

"NOTICE REQUIREMENTS

"SEC. 204. (a) In addition to the requirements of any other law, including section 8(d) of the National Labor Relations Act, as amended, where there is in effect a collective bargaining agreement covering employees in the construction industry between a local construction labor organization or other subordinate body affiliated with a standard national construction labor organization, or between a standard national construction labor organization directly, and an employer or association of employers in the construction industry, neither party shall terminate or modify such agreement or the terms or conditions thereof without serving a written notice of the proposed termination or modification in the form and manner prescribed by the Committee sixty days prior to the expiration date thereof, or in the event such collective bargaining agreement contains no expiration date, sixty days prior to the time it is proposed to make such termination or modification. The notice required by this subsection shall be served as follows:

"(1) A local construction labor organization or other subordinate body affiliated with a standard national construction labor organization shall serve such notice upon such national organization.

"(2) An employer or local association of employers shall serve such notice upon all national construction contractor associations with which the employer or association is affiliated. An employer or local association of employers, which is not affiliated with any national construction contractor association shall serve such notice upon the Committee.

"(3) Standard national construction contractor associations shall serve such notice upon the Committee with respect to termination or modification of agreements to which they are directly parties.

The parties shall continue in full force and effect, without resorting to strike or lockout, all the terms and conditions of the existing collective bargaining agreement for a period of sixty days after the notice required by this subsection is given or until the expiration of such collective bargaining agreement, whichever occurs later.

"(b) Standard national construction labor organizations and national construction contractor associations shall promptly furnish to the Committee copies of all notices served upon them as provided by subsection (a) of this section.

"(c) The Committee may prescribe the form and manner and other requirements relating to the submission of the notices required by this section.

"ROLE OF THE COMMITTEE AND NATIONAL LABOR AND EMPLOYER ORGANIZATIONS IN COLLECTIVE BARGAINING

"SEC. 205. (a) Whenever the committee has received notice pursuant to section 204 it may take jurisdiction of the matter, with or without the suggestion of any interested party, by transmitting written notice to the signatory labor organization or organizations and the association or associations of employers directly party to the collective bargaining agreement during the ninety-day period which includes and immediately precedes the later of: (1) the ninetieth day following the giving of notice under section 204(a); or (2) whichever is applicable, (A) the thirtieth day following the expiration of the collective bargaining agreement, or (B) the thirtieth day following the date proposed for termination or modification of such agreement.

"(b) The Committee shall decide whether to take such jurisdiction in accordance with the standards set forth in section 206. When the Committee has taken jurisdiction under this section, it may in order to facilitate a peaceful voluntary resolution of the matter and the avoidance of future disputes: (1) refer such matter to voluntary national craft or branch boards or other appropriate organizations established in accordance with section 207; (2) meet with interested parties and take other appropriate action to assist the parties; or (3) take the action provided for in both preceding clauses (1) and (2) of this subsection. At any time after the taking of jurisdiction, the Committee may continue to meet with interested parties as provided herein.

"(c) When the Committee has taken jurisdiction within the ninety-day period specified in this section over a matter relating to the negotiation of the terms or conditions of any collective bargaining agreement involving construction work between: (1) any standard national construction labor organization, or any local construction labor organization or other subordinate body affiliated with any standard national construction labor organization, and (2) any employer or association of employers, notwithstanding any other law, no such party may, at any time prior to the expiration of the ninety-day period specified in this subsection, engage in any strike or lockout, or the continuing thereof, unless the Committee sooner releases its jurisdiction.

"(d) When the Committee receives any notice required by section 204 it is authorized to request in writing at any time during the ninety-day period specified in subsection (a) of this section participation in the negotiations by the standard national construction labor organizations with which the local construction labor organizations or other subordinate bodies are affiliated and the national construction contractor associations with which the employers or local employer associations are affiliated.

"(e) In any matters as to which the Committee takes jurisdiction under subsection (a) of this section and makes a referral authorized by subsection (d) of this section, no new collective bargaining agreement or revision of any existing collective bargaining agreement between a local construction labor organization or other subordinate body affiliated with the standard national construction labor organization, and an employer or employer association shall be of any force or effect unless such new agreement or revision is approved in writing by the standard national construction labor organization with which the local labor organization or other subordinate body is affiliated. Prior to such approval the parties shall make no change in the terms or conditions of employment. The Committee may at any time suspend or terminate the operation of this subsection as to any matter previously referred pursuant to subsection (d) of this section.

"(f) No standard national construction labor organization or national construction contractor association shall incur any criminal or civil liability, directly or indirectly, for actions or omissions pursuant to a request by the Committee for its participation in collective bargaining negotiations, participation in collective bargaining negotiations or the approval or refusal to approve a collective bargaining agreement under this title: *Provided*, That this immunity shall not insulate from civil or criminal liability a standard national construction labor organization or national construction contractor association when it performs an act under this statute to willfully achieve a purpose which it knows to be unlawful: *Provided further*, That a standard labor organization shall not by virtue of the performance of its duties under this Act be deemed the representative of any affected employees within the meaning of section 9(a) of the National Labor Relations Act or become a party to or bear any liability under any agreement it approves pursuant to its responsibilities under this Act.".

"(g) Nothing in this title shall be deemed to authorize the Committee to modify any existing or proposed collective bargaining agreement.

"STANDARDS FOR COMMITTEE ACTION

"SEC. 206. The Committee shall take action under section 205 only if it determines that such action will—

"(1) facilitate collective bargaining in the construction industry, improvements in the structure of such bargaining, agreements covering more appropriate geographical areas, or agreements more accrurately reflecting the condition of various branches of the industry;

"(2) promote stability of employment and economic growth in the construction industry;

"(3) encourage collective bargaining agreements embodying appropriate expiration dates;

"(4) promote practices consistent with appropriate apprenticeship training and skill level differentials among the various crafts or branches;

"(5) promote voluntary procedures for dispute settlement; or

"(6) otherwise be consistent with the purposes of this title.

"OTHER FUNCTIONS OF THE COMMITTEE

"SEC. 207. (a) The Committee may promote and assist in the formation of voluntary national craft or branch boards or other appropriate organizations composed of representatives of one or more standard national construction labor organizations and one or more national construction contractor associations for the purpose of attempting to seek resolution of local labor disputes and review collective-bargaining policies and development in the particular craft or branch of the construction industry involved. Such boards, or other appropriate organizations, may engage in such other activities relating to collective bargaining as their members shall mutually determine to be appropriate.

"(b) The Committee may, from time to time, make such recommendations as it deems appropriate, including those intended to assist in the negotiations of collective-bargaining agreements in the construction industry; to facilitate area bargaining structures; to improve productivity, manpower development, and training; to promote stability of employment and appropriate differentials among branches of the industry; to improve dispute settlement procedures; and to provide for the equitable determination of wages and benefits. The Committee may make other suggestions, as it deems appropriate, relating to collective bargaining in the construction industry.

"MISCELLANEOUS PROVISIONS

"SEC. 208. (a) This title shall apply only to activities affecting commerce as defined in sections 2 (6) and (7) of the National Labor Relations Act, as amended.

"(b) Nothing in this title shall be construed to require an individual employee to render labor or services without the employee's consent, nor shall anything in this title be construed to make the quitting of labor by an individual employee an illegal act; nor shall any court issue any process to compel the performance by an individual employee of such labor or services, without the employee's consent; nor shall the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment of such employee or employees be deemed a strike under this title.

"(c) The failure or refusal to fulfill any obligation imposed by this title on any labor organization, employer, or association of employers shall be remediable only by a civil action for equitable relief brought by the Committee in a district court of the United States, according to the procedures set forth in subsection (d) of this section.

"(d) The Committee may direct that the appropriate district court of the United States having jurisdiction of the parties by petitioned to enforce any provision of this title. No court shall issue any order under section 205(c) prohibiting any strike, lockout, or the continuing thereof, for any period beyond the ninety-day period specified in section 205(a).

"(e) The decisions and actions of the Committee, pursuant to this title may be held unlawful and set aside only where they are found to be arbitrary or capricious, in excess of its delegated powers, or contrary to a specific requirement of this title.

"(f) Service of members or alternate members of the Committee may be utilized without regard to section 665(b) of title 31, United States Code. Such individuals shall be deemed to be special Government employees on days in which they perform services for the Committee.

"(g) In granting appropriate relief under this title the jurisdiction of United States courts sitting in equity shall not be limited by the Act entitled 'An Act to amend the Judicial Code to define and limit the jurisdiction of courts sitting in equity, and for other purposes,' approved March 23, 1932 (29 U.S.C. 101).

"(h) The Committee may make studies and gather data with respect to matters which may aid in carrying out the provisions of this title.

"(i) Notwithstanding anything in subchapter II of chapter 5 of title 5, United States Code, in carrying out any of its functions under this title, the Committee shall not be required to conduct any hearings. Any hearings conducted by the Committee shall be conducted without regard to the provisions of subchapter II of chapter 5 of title 5, United States Code.

"(j) Except as provided herein, nothing in this title shall be deemed to supersede or modify any other provision of law.

"(k) In all civil actions under this title, attorneys appointed by the Secretary may represent the Committee (except as provided in section 518(a) of title 28, United States Code), but all such litigation shall be subject to the direction and control of the Attorney General.

"COORDINATION

"SEC. 209. (a) At the request of the Committee, the other agencies and departments of the Government shall provide, to the extent permitted by law, information deemed necessary by the Committee to carry out the purposes of this title.

"(b) The Committee and the Federal Mediation and Conciliation Service shall regularly consult and coordinate their activities to promote the purposes of this title.

"DEFINITIONS

"SEC. 210. (a) The terms 'labor dispute', 'employer', 'employee', 'labor organization', 'person', 'construction', 'lockout', and 'strike' shall have the same meaning as when used in the Labor-Management Relations Act, 1947, as amended.

"(b) As used in this title the term 'Committee' means the Construction Industry Collective Bargaining Committee established by section 203 of this title.

"SEPARABILITY

"SEC. 211. If any provision of this title or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this title or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 212. There are authorized to be appropriated such sums as may be necessary to carry out this title.

"EXPIRATION DATE AND REPORTS

"SEC. 213. (a) This title shall expire on December 31, 1980.

"(b) No later than one year following the date of enactment of this title and at one-year intervals thereafter, the Committee shall transmit to the President and to the Congress a full report of its activities under this title during the preceding year.

"(c) No later than June 30, 1980, the Committee shall transmit to the President and to the Congress a full report on the operation of this title together with recommendations, including a recommendation as to whether this title should be extended beyond the expiration date specified in section (a) of this section, and any other recommendations for legislation as the Committee deems appropriate.".

Amend the title so as to read: "An Act to protect the economic rights of labor in the building and construction industry by providing for equal treatment of craft and industrial workers and to establish a national framework for collective bargaining in the construction industry, and for other related purposes."

Mr. PEARSON. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order. Members will kindly take their seats or retire to the cloakroom.

The Senator may proceed.

Mr. JAVITS. Mr. President, this amendment adds a new title II to the common situs picketing bill to incorporate the provisions of another construction industry labor relations bill already ordered reported by the Labor and Public Welfare Committee, entitled "The Construction Industry Collective Bargaining Act."

Both of these bills are germane in one package. I wish to announce that to the Senate. They have a significant and direct effect on the economic activity permitted by local building trades unions, impose new notification requirements in addition to those presently contained in the National Labor Relations Act, establish and give important functions to a new tripartite committee, the Construction Industry Collective Bargaining Committee, and provide new statutory roles in collective bargaining for the international building trades unions and for employer associations.

Since the Construction Industry Collective Bargaining Act was proposed by the administration it is popularly, and quite properly, known as the Dunlop bill. Since that time there has been a good deal of debate over the interrelationship between these two bills, and we might just as well have it straight on the table, Mr. President: the fact is that both bills are supported by the administration, and indeed on at least two occasions President Ford has publicly stated that he would condition his approval of the common situs picketing bill on the passage by Congress of the Construction Industry Collective Bargaining Act.

For example, on August 25, 1975, he said:

> If that second bill—

Meaning the subject of this amendment—

> Comes to the White House with the original bill, then I think we have to put together, working with labor and management and the Congress, an acceptable solution to this long-standing conflict.

As far as I know, that is still his position.

I have today, Mr. President, received from the Secretary of Labor a letter which I shall read to the Senate, because I think it is so meaningful. We have a Secretary who not only can approve or disapprove an act on the part of the administration, but can also give an enormous weight to his opinion through his own experience, which, in the case of Secretary Dunlop, is about 30 years in this field. He writes to me under today's date—and I think it is important that the Senators present hear it:

> In response to your request, I am writing to summarize briefly the reasons why I support S. 1479, the Common Situs Picketing Bill, currently before the Senate.
>
> As you know, my personal experience as a mediator and arbitrator in the construction industry consists of more than 30 years of continuous involvement. Over that time, I have observed and resolved a great variety of disputes in this highly complex and fragmented industry, many of them bitter and emotional. And over that time, I have seen the issue of common situs picketing develop since its beginning in 1949. That broad overview has led me to a number of conclusions upon which I base my support of this bill.
>
> In general, mixing labor policy (union and non-union) on any single job is not conducive to sound labor relations, to cooperation on a job, nor to increased productivity. Rather, mixing labor policies tends more to stimulate disputes between workers operating under different wages and benefits doing the same or similar work, who must necessarily interface with each other for practical purposes. A single, consistent labor policy (union or non-union) enhances overall labor relations and, in the long run, results in beneficial gains for both the employers and employees, and the public.
>
> Much of the criticism of the legislation has been based on the erroneous assumption that the legislation would legalize picketing for purposes now unlawful under existing statutes—racial discrimination, picketing directed at non-construction industrial employers or work operations other than construction, product boycott, etc. This is not the case as the legislation clearly provides.
>
> Nor is the bill inflationary. Construction wages and fringe benefits are negotiated typically at intervals of two or three years on an area-wide basis, while issues related to common situs picketing arise on individual projects during the term of the agreement.
>
> In my considered judgment, the passage of the common situs picketing legislation is not likely to produce major disruptive effects in the industry as often charged.
>
> Past legislative proposals have incorporated many amendments and a number of restraints to protect the rights of employers, employees, and neutral third parties. Among those proposed for example by Secretary George P. Shultz in 1969 and included in the

current legislation are: (1) the prohibition against racial picketing, (2) the enforceability of no-strike clauses, and (3) protections for industrial and independent unions.

There are, in addition, two new provisions which this Administration proposed in both S. 1479 and H.R. 5900, which I believe strengthen the worthiness of this bill. These provisions set forth the requirement of (1) a ten day period of notice of intent to picket that must be given to various interested parties and to the standard national labor organizations engaged in collective bargaining in the industry, and (2) authorization of such picketing by the appropriate national union.

These requirements should contribute substantially to the peaceful resolution of disputes. They would, I am convinced, contribute greatly to responsible behavior by labor organizations and contractors and should mitigate the concerns of those opposed to the legislation.

As you are aware, there currently is another bill before the Congress dealing with the construction industry—the Construction Industry Collective Bargaining Bill. It stands, I believe, on its own merit in providing a much needed mechanism by which the sector of industry engaged in collective bargaining could work cooperatively toward solving many of its problems.

In closing, I hope these comments are helpful to you in the Senate's consideration of S. 1479. If I can be of any future assistance, please let me know.

Sincerely,

JOHN T. DUNLOP.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Can the Senator tell me the mechanics involved in his amendment?

Mr. JAVITS. The mechanics of the amendment which I am submitting are as follows: First, there is established a construction industry collective bargaining committee, composed of 10 management and 10 labor representatives, with up to three neutral members, or 23 in all, to be appointed by the President. The Secretary of Labor and the Director of the Federal Mediation and Conciliation Service are ex officio members, making a group of 25.

This committee, building on the previous experience of the Construction Industry Stabilization Committee, will identify pattern-setting collective bargaining agreements in the construction industry which have a potential disruptive and unsettling effect on bargaining in the industry generally. It will have the power to intercede before such agreements are finally reached by the parties. That is accomplished by a 60-day notice to the international union and to this committee before a contract expires. The committee can take jurisdiction of the proposed contract negotiations in order to determine what it will or will not do about particular negotiations—heading off unnecessary strikes and wage agreements that are inflationary and disrupt established patterns across the country. It will also be expected to promote agreements covering appropriate geographic areas, encourage voluntary procedures for dispute settlement, and to undertake other measures to rectify what is widely recognized as an unwieldly and unstable labor relations situation in the construction industry.

Here is how it works. Both local labor unions and local contractor associations, will be required to give 60 days' notice to their respective national organizations before the termination or modification of collective bargaining agreements. The national organizations, in turn, are required to forward these notices promptly to the Construction Industry Collective Bargaining Committee. The unions and the employers association are also required to give notice to the committee when they are themselves parties to expiring collective bargaining agreements or contracts which are proposed to be modified.

The committee is then authorized to take jurisdiction over the labor negotiations of which it has received notice, if it determines that such action will promote the basic purposes of the act. The specific criteria in the act for asserting jurisdiction include: facilitating collective bargaining, promoting construction industry stability, encouraging bargaining agreements with more appropriate expiration dates and geographic coverage.

After taking jurisdiction and for 30 days after the termination date of a contract, the labor contract—conceivably, of course, they will deal with the matter and work out some settlement in the interim, that is in the 60 days. During this period no party to the agreement will be allowed to initiate or continue any work stoppage unless the committee sooner disaffirms its prior assertion of jurisdiction. Having asserted jurisdiction, it retains that jurisdiction for the 60-day period of the notice and for 30-day cooling-off period thereafter in which no work stoppage is permitted by law.

Mr. PASTORE. Is this tantamount to some form of arbitration?

Mr. JAVITS. Yes, somewhat. For practical purposes it is an agreed-upon mediatory body with a designated set of powers, and the reason for making the Director of the Federal Mediation Service an ex officio person is because all of the expertise and personnel which could conceivably be thrown into the breach.

After taking jurisdiction, that is 60 days before the expiration of the contract, the committee may assist the parties directly by mediating the dispute itself, or it may refer the negotiations to a national craft or branch board in the industry itself. Such boards, composed of both labor and management representatives, operated successfully under the Construction Industry Stabilization Committee, during our price and wage control period, and we consider them a most useful adjunct to the operations of this new committee.

The committee—that is the official committee which I have just described—may also request—request, I emphasize that word—the direct participation of the national construction labor organizations and the national construction contractor associations whose members are involved in the negotiations.

If the committee requests such participation by the labor organization concerned, no new collective bargaining agreement or revision of an existing agreement may take effect until it has been approved by the national construction labor organization with which the local labor union is affiliated.

I wish to emphasize there that there is no other cooling off period. That is the 60-day notice plus the 30-day cooling off is all there is, but a contract cannot be effective once it has been referred to the international union unless it is approved by the international union.

It is critical to the functioning of this new mechanism provided in the bill that these organizations take steps from time to time to restrain their subordinate bodies in order to bring about collective bargaining stability and the reduction of inflationary wage agreements. Accordingly, it is intended that civil and criminal liability should not be imposed on these organizations simply because, as called for in the bill, and what we consider to be in the public interest, they participate in the negotiations or approve, or refuse to approve, a collective bargaining agreement.

In addition, and it is very important to note this, I provided by amendment of my own that the committee may relinquish jurisdiction over a particular negotiation. This was done in order to allow the committee a maximum of flexibility.

Mr. PASTORE. Mr. President, will the Senator yield for a further question?

Mr. JAVITS. I yield.

Mr. PASTORE. Is there any limitation as to the size of the project?

Mr. JAVITS. Into which?

Mr. PASTORE. The size of the project.

Mr. JAVITS. The size?

Mr. PASTORE. Let us assume that the person wished to build, let us say, a $60,000 home and the carpenters were of the union.

Mr. JAVITS. Right.

Mr. PASTORE. And then for some reason they engaged a contractor for the electrical worker who was nonunion. What happens in a case of that kind?

Mr. JAVITS. In a case of that kind, they will not take jurisdiction unless the taking of jurisdiction complies with the criteria set forth in the bill. If a $60,000 house is going to be a big rallying point, for example, for the construction labor wages in a standard metropolitan statistical area, which sometimes happens, the committee may take jurisdiction. That is why we did not make it dollars or size or number of employees because sometimes something small can be a bellweather we gave the committee this criteria that it had to promote construction industry stability and encourage bargaining agreements with appropriate expiration dates and geographic coverage so the committee would not be expected to take jurisdiction of every dispute and that is the way we control it.

We contemplated that we were dealing with great groupings where we have, as we have in the construction industry, agreements between contractor organizations and labor organizations. They each are acting together, and that is what the bill is designed to suit, the actual practice in the construction industry.

The importance is that we had a lot of experience. We have had a lot of bad experience, which has resulted in runaway costs of construction, archaic practices, et cetera. Labor has had a lot of bad experiences in the common situs problem being unable to picket and, therefore, to wage an effective strike, where there was a common situs for a number of contractors. We have had a good experience in the Construction Industry Stabilization Board during the price control price and wage control period. This is the quiescence of our wisdom brought up to date.

We have many technical difficulties. Senator ALLEN already has raised those technical difficulties with the Chair in a parliamentary inquiry relating to germaneness if we vote cloture. But Senator WILLIAMS and I felt that good faith to the Senate required us, whatever may be the technical fate of this—and we believe they are germane and so intimately relate to each other that they properly pass muster under the germaneness rule and rule XXII—but whatever may happen, at least, it was our pledge of good faith to the Senate that it is our design to do both—not to do one, but to do both—and if the Senate will permit us, we will wrap them both in one bill.

That is the purpose of the offering of my amendment.

Mr. WILLIAMS. Mr. President, over the last few days on this floor, we have heard of the fragmentation and economic troubles inherent in the construction industry of this country.

We have heard that there are over a half-million contractors spread across the Nation, each engaging in his own collective bargaining with various local groups of employees.

We have heard of how the recent and continuing inflation, followed by recession, has left the construction industry in dire economic straits.

The members of the Labor and Public Welfare Committee heard all of this and also heard some valuable suggestions to cure these problems during our hearings on the common situs picketing legislation in July.

The suggestions were offered by Secretary of Labor John Dunlop and in September they were gelled into the Construction Industry Collective Bargaining Act of 1975, the subject matter of this amendment that I propose today.

The purpose of the Construction Industry Collective Bargaining Act is to start this vital industry back on the road to reform, and is designed to bring a new era of stability to the industry.

It creates a committee within the Department of Labor composed of representatives from management, labor, and the public. The committee, called the Construction Industry Collective Bargaining Committee, is authorized by the legislation to review collective bargaining agreements and to become involved in any labor-management matter within the construction industry, at its discretion.

The bill takes the approach of placing increased responsibilities on the standard national construction unions and the national construction contractors associations.

Local labor organizations affiliated with the standard national labor organization in the industry will be required to give 60 days notice to their national unions before the expiration or reopening of collective bargaining agreements.

Similarly, contractors or contractor associations engaged in collective bargaining with such labor organizations will be required to notify either the national association with which they are affiliated, or the committee directly if there is no such national affiliation.

These requirements will give national organizations advance warning as to upcoming negotiations.

The standard national labor organization and the national contractor associations engaged in collective bargaining will then be required to forward such notices promptly to the committee.

The committee's primary functions under the bill will be to decide which contract renewals to take jurisdiction over, and what action or actions to take once jurisdiction is assumed.

The taking of jurisdiction will result in a "cooling-off period" of up to 30 days beyond the expiration of the contract. This cooling-off period will give everyone involved more time to work out an acceptable settlement.

In deciding whether or not to take jurisdiction, the committee, in accordance with standards specified in the legislation, will be interested in those negotiations and contracts which could have a major impact of one sort or another on collective bargaining, either regionally or nationally.

The committee, with its considerable expertise, will be in a position to observe the complete picture in the industry as a whole.

The committee will also have the power to request national employer and labor organizations to assist and mediate in the resolution of the local negotiations over which the committee takes jurisdiction.

Mr. President, I ask unanimous consent that certain relevant portions of the committee report on S. 2305 be printed at this point in my remarks.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXPLANATION OF THE "CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING ACT OF 1975"

PURPOSE

The purpose of S. 2305 is to reform the framework of collective bargaining in the construction industry. It is designed to create a labor relations structure which can reflect and effectively promote the national interest in diminishing inflationary wage settlements, unproductive manpower utilization, and prolonged work stoppages. By creating a new tripartite committee composed of labor, management, and public representatives, the bill establishes a forum for the expression of these national interests and provides for the direct participation of national labor organizations and national contractor organizations in local and regional collective bargaining. At the same time, it preserves the flexibility to consider the variations that necessarily exist among localities, crafts and branches of the industry.

The Construction Industry Collective Bargaining Committee (CICBC) will be responsible for identifying key construction industry collective bargaining situations for their possible pattern-setting impact on bargaining in the industry. Where appropriate, it will intercede before potentially disruptive new settlements are reached by the parties which are likely to lead to widespread wage distortions and costly work stoppages. It will also promote agreements covering more appropriate geographic areas, encourage voluntary procedures for dispute settlement, and take other steps to remedy the underlying labor relations defects in the construction industry.

The legislation is intended to reform the structure of bargaining and improve the dispute settlement process with a minimum of governmental interference in the collective bargaining process. S. 2305 is experimental in nature, and by its terms will expire in five years. It is, however, an experiment based on the instructive and successful experience of the past several years when representatives of labor and management in the construction industry met with public members to dicuss, analyze and resolve their problems. This experience includes the operation of the Construction Industry Collective Bargaining Commission, established by Executive Order in 1969, and the subsequent Construction Industry Stabilization Committee, established in 1971 under the Economic Stabilization Act of 1970. The bill applies solely to national construction industry labor organizations and their affiliates, and to contractors and their associations engaged in collective bargaining with them in this industry. It does not apply to bargaining between contractors or contractor associations and independent unions, or to the non-union sector of the industry.

CONSTRUCTION INDUSTRY COLLECTIVE BARGAINING COMMITTEE

The focal point of S. 2305 is the establishment of the Construction Industry Collective Bargaining Committee (CICBC). This Committee is to be composed of ten management representatives, ten labor representatives, and up to three neutral members, all appointed by the President after consultation with national labor unions and contractor associations. The Secretary of Labor and the Director of the Federal Mediation and Conciliation Service are to be no-voting ex officio members of the CICBC. The President will appoint one of the neutral members as Chairman. The Committee will be supported administratively by the Department of Labor. The Secretary of Labor is authorized to appoint appropriate staff to the Committee and, with its approval, appoint the Executive Director.

NOTICE REQUIREMENTS IN COLLECTIVE BARGAINING

Local labor organizations and other subordinate bodies affiliated with national construction labor organizations will be required to give 60 days notice to their national unions before the termination or modification of collective bargaining agreements, including those modifications permitted by any "reopener" provisions in such agreements. Contractors and contractor associations engaged in collective bargaining with such unions are similarly required to notify the national organization with which they are affiliated, or the Committee directly if there is no national affiliation. When national contractor associations or standard national labor organizations receive notice under this bill, they are required to forward such notices promptly to the Committee. It is intended that, when practicable, such notices should generally be forwarded to the CICBC within three days. If a national construction labor or contractor organization is itself a party to an agreement, it must give notice directly to the Committee.

Although the terms of the bill are inapplicable to the unusual situation of negotiations leading to an initial agreement where a previous agreement has not been in effect, it is specifically intended that revised agreements involving changes in bargaining relationships are to be covered fully by the terms of the Act. Collective bargaining in the construction industry is commonly conducted by employer associations on behalf of individual employers. If at any time an employer chooses to withdraw from such a multi-employer arrangement, or new employers join it, such changes will not constitute an initial agreement nor affect obligation of the employer association to comply with the requirements of the bill, which apply to the termination or modification of agreements and to the negotiation of any subsequent agreements. Similarly, an employer seeking to withdraw would also be subject to these requirements.

Under the bill, the Committee is authorized to designate those "standard national construction labor organizations" and "national construction contractor associations" which are qualified to participate in the new procedures. The Committee notes that Secretary of Labor Dunlop, in testimony presented to the Labor Subcommittee, referred to the national labor organizations as the 17 international unions affiliated with the Building and Construction Trades Department of the AFL–CIO, and the International Brotherhood of Teamsters.

FUNCTIONS OF THE COMMITTEE

After receiving the required notice, the Committee may take jurisdiction over the labor negotiations if it determines that such action will meet one or more of the following criteria: facilitating collective bargaining, promoting construction industry stability, encouraging bargaining agreements with more appropriate expiration dates and geographic coverage, promoting practices consistent with apprentice training skill level differentials, and promoting voluntary procedures for dispute settlement. The CICBC, in its discretion, may take jurisdiction on its own initiative or at the request of an interested party.

Once the Committee has taken jurisdiction, it may assist the parties by referring the labor matter to a national craft board, or to the national dispute procedures established by the appropriate branch of the construction industry. The Committee may also select to meet with the parties and take other appropriate action to assist the parties. Craft boards were established voluntarily pursuant to Executive Order 11588 operating under the Construction Industry Stabilization Committee. Membership was composed of representatives from contractor associations and from the international construction unions. These boards provided a preliminary review of collective bargaining agreements submitted to the CISC by the local parties, and assisted in local negotiations at the request of the CISC. Since such craft and branch boards have performed effectively in the past, the Committee expects that additional boards will be established. It is not intended, however, that the CICBC will delegate to them its principal functions of asserting jurisdiction or referring labor matters to national union and contractor organizations.

The Construction Industry Collective Bargaining Committee may request the national construction labor organizations and the national construction contractor associates whose members are directly involved to participate in the negotiations. If the Committee, after asserting jurisdiction, makes such a request, any new collective bargaining agreement or revision of an existing agreement must be approved by the standard national construction labor organization with which the local labor organization or other subordinate body is affiliated for the agreement to be of any force or effect.

The Committee considered a possible modification of the bill to impose upon national construction contractor associates a corresponding duty of prior national approval of collective bargaining agreements. However, because of the substantial differences in the relationship between international unions and their subordinate organizations, and between national contractor associations and their employer members, the Committee concluded that this approach is presently unworkable. The Committee also understands that most national contractor associations are opposed to such a requirement, as is the Department of Labor as expressed in testimony by Secretary Dunlop. Of course, nothing in S. 2305 prevents the voluntary formation of multi-employer bargaining units at the national level, as is permitted under present law, under which comparable authority could be exercised. Nevertheless, the Committee expects the CICBC to include this issue among its studies of collective bargaining in the construction industry, and to prevent its conclusions and recommendations to the Congress.

JURISDICTIONAL PERIOD

In all cases, the CICBC's decision to assert jurisdiction over a construction industry labor matter, and to refer it to the national labor and contractor organizations, is confined to a specific 90-day period consisting of the 60-day required notice period, plus the next 30 days. Accordingly, if timely notice is given 60 days before the termination date of a collective bargaining agreement, the Committee's jurisdictional period will terminate 30 days after the expiration date of the contract.

If the serving of the required notice is delayed, the jurisdictional period consists of the 90 days following the actual date of giving notice. If early notice is given (for example, 80 days before the expiration date) to terminate or modify the agreement on the expiration date, the CICBC may take jurisdiction during the same period as if timely 60-day notice had been given. The giving of early notice would not extend the period during which a strike, lockout, or change in terms or conditions of employment is prohibited under this Act. In the case of a collective bargaining agreement which contains a "reopener" provision (permitting negotiations over mid-term modifications of the agreement), or an agreement containing no expiration date, the jurisdictional period runs during the 90 days following the giving of notice, or the 90 days which includes and immediately precedes the 30th day after the proposed effective date of the modification, whichever is later. During the 60-day notice period, the parties are required to continue in full force and effect, without resorting to a strike or lockout, all the terms and conditions of the existing collective bargaining agreement.

EFFECT OF ASSERTING JURISDICTION

In every case where the Committee has asserted jurisdiction, whether or not it has referred the matter to the appropriate national organizations, a 30-day "cooling-off" period is imposed. No party to the agreement may initiate or continue any strike or lockout prior to the expiration of the full 90-day period (the 60-day notice period plus the succeeding 30 days), unless the Committee earlier releases its jurisdiction.

When the CICBC has requested the participation of the appropriate national organizations, the national union's approval is required in the case of all agreements entered into or intended to be effective during or after the 90-day jurisdictional period. Moreover, such approval is required whether the new or revised agreement is entered into prior to, or subsequent to, the assertion of jurisdiction by the CICBC. The parties are not permitted to agree or consent, either formally or tacitly, to any changes in the terms or conditions of employment prior to national union approval of the new collective bargaining agreement.

Neither party may unilaterally impose new terms and conditions of employment, except to the extent otherwise permitted by law, prior to the approval of the new agreement. If, prior to the essertion of jurisdiction, and the request for national participation, the parties have put into effect a new agreement or revision, the parties must return to the terms and conditions of employment specified in the earlier agreement upon assertion of jurisdiction and the making of such request.

As the Committee may at any time relinquish its jurisdiction, it may also separately suspend or terminate the requirement that the national union must approve any local agreement before it is permitted to take effect. The Committee is expected to scrutinize carefully the progress of the negotiations and the procedures it has invoked, and it is to suspend or terminate the approval power of the international union only when it determines that such action is necessary to facilitate the bargaining or to accomplish other purposes of the Act. It is also intended that the CICBC is authorized to offer its advice and assistance to the parties even when it does not have jurisdiction over a labor matter.

ENFORCEMENT

In the event that the procedures required by the Act are not followed by the parties, the CICBC may direct that the appropriate U.S. District Court be petitioned to enforce any provision of the Act, including the issuance of an injunction prohibiting any strike, lockout, or the continuation of the strike or lockout, for the period prohibited under the Act. In granting injunctive relief, the District Courts are not bound by the restrictions on injunctions contained in the Norris-LaGuardia Act of 1932.

It is the Committee's expectation that the membership of the Construction Industry Collective Bargaining Committee will include individuals with a particular familiarity with the construction industry and its labor relations issues. The special expertise and experience of Committee members with regard to these matters is crucial if this legislation is to achieve its intended purposes. Accordingly, in the event that judical review of the CICBC's actions and decisions is sought, S. 2305 provides that they may be held unlawful and set aside only where they are found to be arbitrary or capricious, in excess of its delegated powers, or contrary to a specific requirement of the Act.

The legislation, in section 8, provides that "except as provided herein, nothing in this Act shall be deemed to supersede or modify any provision of law." The Committee intends that the requirements of this legislation are in addition to the requirements imposed by other laws, and that they will be only minimally affected by it. For example, it is not intended that this bill preempt the jurisdiction of the National Labor Relations Board. The notice provisions of section 8(d) of the NLRA remain in full force and effect, notwithstanding the existence of comparable provisions in this bill. Similarly, the questions with which the NLRB has traditionally dealt, such as issues relating to mandatory or permissive subjects of bargaining, and the legality of contract clauses, will continue to be dealt with by the NLRB in cases filed with it. The additional notice requirements, the requirement of national union approval, and the provisions prohibiting strikes or lockouts, are examples of the limited changes to the requirements of present law contained in the Act.

The bill, in section 5(f) limits the civil and criminal liability of national construction labor organizations and national construction contractor associations which might be imputed to them from the actions they take at the request of the CICBC. It is to be expected that their actions will, at times, include steps to restrain their subordinate bodies in the interest of collective bargaining stability and the reduction of inflationary wage agreements under the guidance of the CICBC. The Commitee intends that civil and criminal liability should not be imposed on these organizations because, as contemplated by the Act, they have participated in negtiations, or approved or refused to approve a collective bargaining agreement, pursuant to a request of the CICBC.

This provision recognizes that, under established agency principles, the national organizations should not be held liable under this Act unless they clearly have authorized, participated in or ratified the illegal conduct. Similarly, the national organization does not become a party to or an obligor under a collective baragining agreement to which its subordinate organization is a party unless it has expressly agreed to do so. Section 5(f) begins from these principles and adds further protections. Accordingly, under section 5(f) when a national organization participates in local negotiations at the request of the CICBC pursuant to the Act, it is not to be held liable, for example, in the event of a wildcat strike, a breach of contract strike, or misconduct by union pickets or employer agents at a picket line.

The Committee provided these protections because it concluded that they are essential if the overall purposes of the legislation are to be achieved, and that there remain countervailing protections for third persons which the bill does not limit in any way. Local organizations, employees and employer agents continue to be liable for their torts, breaches of contract and violations of statutes. The courts also retain the authority to negate any provision in a collective bargaining agreement which is unlawful whether or not the agreement has been reached under the aegis of this bill. Moreover, section 5(f) is not intended to protect actions by a national organization that are not part and parcel of its responsibilities under sections 5(e) and 5(f).

Finally, as an additional safeguard, the Committee has provided that the CICBC has the power to withdraw its authorization for a national organization to participate in collective bargaining negotiations. It is the Committee's intent that the CICBC should invoke this power to assure that the national organizations utilize the authority granted to them in a manner consistent with the objectives of the bill.

STUDIES AND RECOMMENDATIONS

The Committee is authorized to make broad studies of collective bargaining in the construction industry and to make general recommendations with regard to bargaining structures, improvement of productivity, stability of employment, differentials among branches of the industry, dispute settlement procedures, and other related matters. The CICBC is required to submit annual reports to the Congress, and by June 30, 1980, is to make its final recommendations to the Congress, including a recommendation as to whether the Act should be extended.

EXPIRATION DATE

The legislation will take effect upon enactment, and remain in effect for a term of 5 years, expiring on December 31, 1980.

Mr. WILLIAMS. The effect of all of the powers and authority granted to this committee will be a reduction in the rampant fragmentation that is peculiar to this industry.

Some might ask why this result is so pressing and necessary. A close look at collective bargaining in the construction industry is required in order to fully answer that question.

The causes of the fragmented and often chaotic condition of collective bargaining in the construction industry are rooted in the organization and economic circumstances of the industry itself.

As I said before, as many as 800,000 local construction firms have been identified across the country. And for the most part, collective bargaining in the industry is carried on only by the local unions themselves.

One result of this localized bargaining has been that labor relations in construction have too often been characterized by numerous work stoppages and rapidly escalating wage rates. The fragmented collective bargaining structure typically leads to comparison of wage and fringe packages among the same trades in adjacent areas. Attempts to bring about stability in wage levels or uniformity in wage increases have been frustrated as local union groups compete to gain settlements higher than other crafts in the area or higher than other locals of their union in nearby communities.

In today's market conditions, the practice of comparing wage and fringe packages, together with the different expiration dates for collective bargaining agreements, results in "leapfrogging" settlements.

Each trade seeks to negotiate a better settlement than the others, or at least to maintain its traditional differential with other trades. As a result, high settlements and high levels of compensation spread among crafts and branches of the industry and across broad geographic areas with interconnected labor markets. Distortions in wage relationships occur among crafts within and across geographic areas.

The Labor and Public Welfare Committee believes that it is necessary to review and modify the structure of collective bargaining in this vital industry in order to bring about a sharp curtailment in whipsawing distortions of appropriate wage relationships, inefficient manpower utilization and costly strikes. An enhanced role for national unions and national contractor associations, cooperating with each other, is needed to provide leadership in solving the critical problems related to the collective bargaining structure, productivity and manpower utilization in the construction industry. This legislation is designed to establish a mechanism to achieve these objectives through the voluntary collective bargaining process, without resort to wage and price control or other forms of compulsory interference.

Mr. President, my purpose in offering the Construction Industry Collective Bargaining Act as an amendment to H.R. 5900 is easily understood.

It is not hard to imagine that the fragmentation of this industry results in much strife among the workers and between the employers and their employees.

We are here today to see that the construction workers' right to engage in legitimate and peaceful concerted activity is insured. No one of us, however, wants to see this legislation result in more crippling and devastating work stoppages.

That is precisely why I have offered this amendment to H.R. 5900. While guaranteeing the right of construction workers to use the economic devises available to them in a labor dispute we can, at the same time, create a force which can help to mitigate the unrealistic and harmful effects of the high level of fragmentation within this industry.

Both of these concepts are closely related and I feel there is no reason for them not to be considered together.

I therefore urge my colleagues to adopt this amendment.

Mr. ALLEN. Mr. President, I have an amendment to the amendment to the amendment at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alabama (Mr. ALLEN) proposes an amendment to amendment No. 1096, as modified:

At the end of the amendment add the following proviso: "*Provided further*, That the provisions of this Act shall not be applicable as to construction work contracted for prior to the effective date of this Act.".

Mr. ALLEN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum, for the purpose of getting sufficient Senators in the Chamber so that I may request the yeas and nays.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, does the Senator from Alabama wish to discuss his amendment at this time?

Mr. ALLEN. Not necessarily.

(The following proceedings occurred later in the day:)

Mr. JAVITS. Mr. President, if I may address a question to the Senator from Alabama and the Senator from North Carolina (Mr. HELMS). We would like, if we could, to go right on through having debate and vote today upon the amendment which the Senator from Alabama has presented to Senator WILLIAMS' amendment and mine, and then upon our amendment. There is no point to exhausting the Senate if both Senators feel that they wish to speak upon this question and the extent of their contribution to the debate would take us beyond a reasonable hour this evening. If that is their disposition, then I think the leadership is quite right to ask to adjourn. If, on the other hand, they wish to allow votes to be taken, we certainly would be very pleased and very anxious to vote.

Mr. ALLEN. I have no objection to my amendment coming to a vote in just a few minutes.

Mr. JAVITS. I think we might have objection to that.

Mr. ALLEN. I wonder why the Senator brought the matter up?

Mr. JAVITS. That is fair enough. We would have objection to that. We would have to determine whether all the people who should vote or would have an interest in voting are here.

Mr. ALLEN. It is not the Senator from Alabama who is holding it up, apparently.

Mr. JAVITS. I think that is very fair.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. Bellmon). The Chair, on behalf of the Vice President, appoints the Senator from Minnesota (Mr. Humphrey) to attend the 18th session of the Conference of Food and Agriculture Organization, to be held in Rome, Italy, November 8–27, 1975.

ORDER FOR THE SENATE TO CONVENE AT 8:30 A.M. ON THURSDAY NEXT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Thursday, instead of the Senate convening at 9 a.m., it meet at 8:30 a.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 9 a.m.

After the two leaders or their designees have been recognized under the standing order, Mr. Griffin and Mr. Javits will be recognized for not to exceed 15 minutes.

Tomorrow is going to be a very busy day, with several votes. Morning business will last until 10 a.m.

The Senate will then go into executive session to debate the Rumsfeld nomination, on which there is a time limitation of 30 minutes. Whether or not that will be a rollcall vote remains to be seen. It could very well be a voice vote. In any event, the vote on the Rumsfeld nomination will occur at 10:30, after which the Senate will proceed to vote at 10:45 on the Kennedy amendment to the defense appropriation bill, depending on what happens to the Kennedy amendment. If the Kennedy amendment fails, debate will then occur for 1 hour on a Kennedy modified amendment.

Then, under the order previously entered, there will be a 15-minute quorum call and then an immediate cloture vote, without the usual 1 hour on cloture. A cloture vote will occur at 12:30.

Regardless of the outcome of the cloture vote, at 12:45 debate will occur on the Eagleton amendment. There is a 2½-hour limitation on that amendment, but all that time may or may not be taken.

After the vote on the Eagleton amendment, which would set a ceiling on the defense appropriations, the Senate will take up the Hartke amendment, on which there is a 20-minute time limitation.

Upon the disposition of that amendment, the Senate will take up the Abourezk amendment, on which there is a 1-hour limitation, if taken.

The Senate then will take up the Hathaway amendment, on which there is a 10-minute limitation.

The Senate then will take up the McClellan amendment, on which there is a 20-minute limitation, after which the time on final passage of the bill will occur, unless other amendments come in, in which case there will be no time for debate thereon. Senators could demand and would be entitled to vote thereon, which indicates the number of votes and the sequence of amendments and votes in the event the Kennedy amendment fails.

I am still going down the first alternative. After the vote on the defense appropriation bill, the vote would occur on three treaties. That is to be a 3-for-1 vote, with one roll call on the three treaties to count for three rollcalls. That is the road the Senate will take in the event the Kennedy amendment fails at 11 o'clock tomorrow morning.

The other alternative, following the Rumsfeld vote, in the event that the Kennedy amendment to the defense appropriation bill should carry, is that immediately, the 3-for-1 vote on the treaties will occur. Then, at 11:15, the hour on cloture will begin. At 12:15, the automatic quorum, at 12:30 the cloture vote. In either alternative, the vote on cloture will occur circa 12:30 p.m.

Still going down the second road now, following the cloture vote, the debate will occur on the Eagleton amendment, with a 2½-hour limitation thereon; then the vote. The Senate will then take up the Hartke amendment, on which there is a 20-minute limitation. The Senate will then take up the Abourezk amendment, on which there is a 1-hour limitation, if taken; then the Hathaway amendment, on which there is a 10-minute limitation. Then the Senate will take up the McClellan amendment, on which there is a 20-minute limitation. The Senate will then vote on final passage of the bill, with, as I say, the opportunity for an amendment, without debate thereon, to come in if Senators have such to offer prior to the vote on the bill.

So, looking at the schedule for tomorrow, I see a vote on the Kennedy amendment for sure; three votes on the treaties for sure—that is four votes; a vote on cloture—that is five; a vote on the Eagleton amendment—that is six; a vote for sure on final passage—that is seven. So I can see seven sure votes tomorrow, and that is not counting a rollcall on the Rumsfeld nomination.

It is not counting rollcalls on the Hartke, Abourezk, Hathaway, and McClellan amendments. So we will have at least seven rollcall votes tomorrow.

Mr. President, continuing with the statement of the program, if cloture is invoked on situs picketing on Tuesday, the Senate will be acting on amendments and, hopefully, final passage of situs picketing on Wednesday. If the Senate completes action on that bill at a reasonable hour on Wednesday, it is hoped that the Senate can proceed to take up the concurrent resolution on revising the congressional budget for the fiscal year 1976.

On Thursday, beginning at 9 a.m. and extending to 1 o'clock p.m., there will be a closed session for the discussion of the report on the investigation of the CIA, and no committees will be authorized to meet during that 4-hour period.

On Thursday afternoon, the Senate will, likely, continue action on the concurrent resolution revising the congressional budget. On Friday, the debate will likely be on the New York matter and the Senate will be acting on other bills, likely and hopefully, during the day.

The Senate will come in early each day, Tuesday through Friday. Long daily sessions are expected. Rollcall votes are expected to occur daily on Tuesday through Friday, and conference reports may be called up. All the measures to be acted on are not necessarily enumerated in the foregoing.

ADJOURNMENT TO 9 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 9 o'clock tomorrow morning.

The motion was agreed to, and, at 3:26 p.m., the Senate adjourned until tomorrow, Tuesday, November 18, 1975, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate, November 17, 1975:

Department of Justice

Jesse W. Grider, of Kentucky, to be U.S. marshal for the western district of Kentucky for the term of 4 years.

Sherman L. Hansford, of Kentucky, to be U.S. marshal for the eastern district of Kentucky for the term of 4 years.

Joseph A. Nardoza, of Virginia, to be a member of the Board of Parole for the term expiring September 30, 1977.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Monday, November 17, 1975*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Not by might, nor by power, but by My spirit, saith the Lord.—Zechariah 4: 6.

Our Father God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, help us in the quiet of this opening moment to draw near unto Thee, with Thy spirit and conscious of Thy presence may we face the tasks of this day thinking clearly, speaking confidently, and acting courageously in the faith that all noble service is based upon patience, truth, and love.

In these decisive days through which we are living make us genuine enough to maintain our integrity, great enough to be humble, and good enough to keep our faith always regarding public office as a sacred trust. Grant us wisdom, grant us courage that we fail not man nor Thee.

In the spirit of Him who is the Way we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2195. An act to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and the character of working conditions; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 9005) entitled "An act to authorize assistance for disaster relief and rehabilitation, to provide for overseas distribution and production of agricultural commodities, to amend the Foreign Assistance Act of 1961, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Humphrey, Mr. Church, Mr. McGee, Mr. Talmadge, Mr. Allen, Mr. McGovern, Mr. Case, Mr. Javits, Mr. Dole, and Mr. Bellmon to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2017) entitled "An act to amend the Drug Abuse Office and Treatment Act of 1972, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hathaway, Mr. Williams, Mr. Randolph, Mr. Kennedy, Mr. Mondale, Mr. Cranston, Mr. Nelson, Mr. Ribicoff, Mr. Muskie, Mr. Nunn, Mr. Javits, Mr. Percy, Mr. Schweiker, Mr. Beall, and Mr. Laxalt to be the conferees on the part of the Senate.

RESIGNATION AS CLERK OF U.S. HOUSE OF REPRESENTATIVES

The SPEAKER laid before the House the following resignation as Clerk of the U.S. House of Representatives:

Washington, D.C.,
November 14, 1975.

Hon. Carl Albert,
Speaker, House of Representatives.

Dear Mr. Speaker: I hereby submit my resignation as Clerk of the U.S. House of Representatives, effective at the close of business on November 15, 1975.

With kind regards, I am,

Sincerely,
W. Pat Jennings,
Clerk, House of Representatives.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

APPOINTMENT AS CLERK OF U.S. HOUSE OF REPRESENTATIVES

The SPEAKER. Pursuant to the provisions of the Legislative Reorganization Act of 1946, as amended by Public Law 197, 83d Congress (67 Stat. 387, 2 U.S.C. 75a-1(a)), the Chair appoints, effective at the close of business on November 15, 1975, Edmund Lee Henshaw, Jr., of Virginia, to act as and to exercise temporarily the duties of Clerk of the House of Representatives.

Will Mr. Edmund Lee Henshaw, Jr., come to the well of the House to take the oath of office.

Mr. HENSHAW presented himself at the bar of the House and took the oath of office.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the only bill on the Consent Calendar.

PROVIDING FOR DISPOSITION OF FUNDS APPROPRIATED TO PAY JUDGMENT IN FAVOR OF COWLITZ TRIBE OF INDIANS IN INDIAN CLAIMS COMMISSION DOCKET NO. 218

The Clerk called the bill (H.R. 5090) to provide for the disposition of funds appropriated to pay a judgment in favor of the Cowlitz Tribe of Indians in Indian Claims Commission docket numbered 218 and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McKAY. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

The SPEAKER. This concludes the call of the Consent Calendar.

PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT, NOVEMBER 18, 1975, TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tomorrow night, November 18, 1975, to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. BAUMAN. Mr. Speaker, reserving the right to object, may we know what the reports are?

Mr. BOLLING. The bill that is presently before the Committee on Rules is H.R. 10612, the Tax Reform Act of 1975. The further bills that will be before the Committee on Rules tomorrow are H.R. 8578 from the Committee on Education and Labor, for the restoration of Federal matching share for community action programs;

H.R. 30, from the Committee on Interior and Insular Affairs, establishing the Hells Canyon National Recreation Area in the States of Oregon, Idaho, and Washington; and

H.R. 8631, from the Committee on Atomic Energy, amendments to the Price-Anderson provisions of the Atomic Energy Act of 1954.

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for his courtesy, but further reserving the right to object, I would like to inquire of either the majority leader or the majority whip as to the schedule for today. When we left here on Friday afternoon we were told that the program for today would be announced at the beginning of the session today as to whether or not we would have a full schedule of suspensions and whether or not we would take up the New York bailout legislation.

Can we be given any word as to the situation as to the schedule and the program for today?

Mr. O'NEILL. Mr. Speaker, if the gentleman will yield, I regret to say that I did not hear the question of the gentleman from Maryland inasmuch as I was engaged in a conversation.

Mr. BAUMAN. On Friday afternoon I had inquired of the majority whip as to whether we would take up today the entire 12 suspensions, the New York legislation, or both, or parts thereof. My question is, What is the program for today?

Mr. O'NEILL. Mr. Speaker, the program for today is that we will take up suspensions Nos. 1, 2, 3, and 4. Suspensions Nos. 5 and 6, at the request of the chairman of the Committee on Public Works, have been removed; we will then take up suspension No. 7 and we will stop at suspension No. 7 and then go into the New York bill.

We hope we can complete the rule and the 3 hours of general debate today and then on tomorrow we would expect to continue on with that.

Mr. BAUMAN. Would the gentleman from Massachusetts anticipate that we will be in session today until 6 or 7 o'clock?

Mr. O'NEILL. Oh, yes.

Mr. BAUMAN. I thank the gentleman from Massachusetts and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 703]

Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Archer
Bedell
Bergland
Biaggi
Boggs
Breaux
Breckinridge
Brown, Ohio
Burke, Fla.
Burton, Phillip
Chisholm
Clay
Conyers
Coughlin
Dent
Diggs
Dingell
Eckhardt
Edwards, Calif.
Esch
Eshleman
Fary
Fish
Fraser
Gaydos
Gonzalez
Hastings
Hébert
Heckler, Mass.
Helstoski
Hillis
Hinshaw
Holtzman
Horton
Howard
Jones, Ala.
Karth
Kastenmeier
Mathis
Michel
Milford
Mills
Mink
Mosher
Peyser
Pike
Railsback
Rees
Rhodes
Risenhoover
Rosenthal
Sarbanes
Shuster
Sikes
Staggers
Symington
Teague
Thompson
Udall
Wampler
Wright

The SPEAKER. On this rollcall 369 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

JEWS, BLACKS, AND WOMEN—THE HYPOCRISY OF OTHER NATIONS

(Mr. HEINZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEINZ. Mr. Speaker, I wish to call my colleagues' attention to an article that appeared Sunday in the Washington Post under the disturbing headline: "Jews, Blacks, Women Out of Job Plan."

The article refers to a plan by the State of California to help unemployed members of the State Transportation Department by providing them jobs building highways in Saudi Arabia. According to State officials, women, blacks, and Jews all would be unacceptable to the Saudi Government.

I find this announcement shocking and deplorable. One of our great States has been put in the position of literally ignoring and possibly violating our own civil rights laws to accede to the divisionary whims of a country that only recently had clothed itself in moralistic robes and led the fight to declare Zionism as racist.

I intend, Mr. Speaker, to ask the Justice Department to see if this action by one of our States violates any provisions of our own Civil Rights Act. If it does not, I will offer legislation that would make such actions illegal.

We must not allow the hypocrisy of other nations to soil our own hard-won civil rights gains.

I have asked unanimous consent that the newspaper article to which I refer be published in the Extensions of Remarks.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which a vote is objected to, under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

MEDICARE DEADLINE AMENDMENTS

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10284) to amend title XVIII of the Social Security Act to assure that the prevailing fees recognized by medicare for fiscal year 1976 are not less than those for fiscal year 1975, to extend for three years the existing authority of the Secretary of Health, Education, and Welfare to grant temporary waivers of nursing staff requirements for small hospitals in rural areas, to maintain the present system of coordination of the medicare and Federal employees' health benefit programs, and to correct a technical error in the law that prevents increases in the medicare part B premiums.

The Clerk read as follows:

H.R. 10284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PREVAILING CHARGE LEVEL FOR FISCAL YEAR 1976

SECTION 1. (a) Section 1842(b)(3) of the Social Security Act is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of the third and fourth sentences preceding this sentence, the prevailing charge level in the case of a physician service in a particular locality determined pursuant to such third and fourth sentences for the fiscal year beginning July 1, 1975, shall, if lower than the prevailing charge level for the fiscal year ending June 30, 1975, in the case of a similar physician service in the same locality by reason of the application of economic index data, be raised to such prevailing charge level for the fiscal year ending June 30, 1975.".

(b) The amendment made by subsection (a) shall be applicable with respect to claims filed under part B of title XVIII of the Social Security Act with a career designated pursuant to section 1842 of such Act and processed by such carrier after the appropriate changes were made in the prevailing charge levels for the fiscal year beginning July 1, 1975, on the basis of economic index data under the third and fourth sentences of section 1842(b)(3) of such Act; except that (1) if less than the correct amount was paid (after the application of subsection (a) of this section) on any claim processed prior to the enactment of this section, the correct amount shall be paid by such carrier at such time (not exceeding 6 months after the date of the enactment of this section) as is administratively feasible, and (2) no such payment shall be made on any claim where the difference between the amount paid and the correct amount due is less than $1.

EXTENSION OF AUTHORITY TO WAIVE 24-HOUR NURSING SERVICE REQUIREMENT FOR CERTAIN RURAL HOSPITALS

SEC. 2. Section 1861(e)(5) of the Social Security Act is amended by striking out "January 1, 1976" and inserting in lieu thereof "January 1, 1979".

COORDINATION BETWEEN MEDICARE AND FEDERAL EMPLOYEES' HEALTH BENEFITS PROGRAM

SEC. 3. Section 1862(c) of the Social Security Act is repealed.

TECHNICAL AMENDMENT RELATING TO PART B PREMIUM DETERMINATIONS

SEC. 4. (a) Section 1839(c)(3) of the Social Security Act is amended by striking out "June 1" each place it appears and inserting in lieu thereof "May 1".

(b) The amendments made by subsection (a) shall apply with respect to determinations made under section 1839(c)(3) of the Social Security Act after the date of the enactment of this Act.

The SPEAKER. Is a second demanded?

Mr. DUNCAN of Tennessee. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. ROSTENKOWSKI).

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on November 5, the Committee on Ways and Means unanimously ordered the bill H.R. 10284, favorably reported. Such unanimity clearly reflects the committee's judgment as to the desirability of the provisions contained in this bill. Moreover, because of the time limitations inherent in existing legislation, the committee believes that prompt action on the bill is necessary if unwarranted hardships for medicare beneficiaries are to be avoided.

Of the four provisions in the bill, two are designed to avert critical problems that, if left uncorrected, would adversely affect medicare beneficiaries. First, the bill would eliminate an unintended effect of the application of the economic index required by the Social Security Amendments of 1972. The purpose of the economic index is to assure that increases in prevailing physician charge levels are related to rates that economic data indicate would be fair to all the parties concerned. However, delays in implementing the index have resulted, in some cases, in rollbacks in prevailing charges for fiscal year 1976 below the prevailing charge levels of fiscal year 1975. This means a beneficiary who may have been reimbursed $20, for example, for an office visit in fiscal year 1975 may get only $15 in fiscal year 1976.

In view of the fact that the index was never intended to have such an adverse effect on beneficiaries, the committee concluded that legislation is needed to eliminate the rollbacks. Thus, the bill provides that during fiscal year 1976 no prevailing charge level for a physician's services would be less than the prevailing charge for the same service in fiscal year 1975.

Second, the bill would extend for three years existing authority to grant temporary waivers of nursing staff requirements for the purpose of enabling small hospitals in rural areas to continue their participation in medicare. Failure to continue this temporary authority could severely disadvantage medicare beneficiaries in those rural areas where such hospitals represent the only available acute care inpatient facilities. The committee continues to firmly believe in the importance of having registered nursing personnel on duty around the clock. Consequently, the waiver may only be applied when the hospital meets all necessary health and safety standards and the Secretary of HEW is convinced that the waiver will not represent a hazard to patient welfare. During the past 5 years under this waiver provision, several hundred small rural hospitals that formerly could not meet the nursing staff requirement have been able to come into compliance. The evidence indicates that the remaining 72 rural hospitals should be able to acquire the necessary nursing staff during the 3-year period of the extension.

A third provision of the bill would provide for the continuation of the present system of coordination of the medicare and Federal employees' Health Benefits programs. The committee has concluded, on the basis of extensive analysis, that the present system of coordination remains the most desirable and effective approach. After full consideration of alternative approaches by HEW, the Civil Service Commission and the GAO, it became clear that the medicare supplements provided under FEHB today are quite rich. Enrollment of medicare beneficiaries in low-option FEHB plans will ordinarily result in full coverage under the existing relationship between medicare and the FEHB programs. The chairman of the Subcommittee on Retirement and Employee Benefits, Committee on Post Office and Civil Service, has also endorsed our committee's conclusion that the present method of coordination be continued. He has cosponsored the bill.

The fourth provision of H.R. 10284 would correct a technical error in existing law under which premiums for part B permanently frozen at the current rate of $6.70. Under this provision of the bill, increases in premiums would be permitted on July 1, 1976, and in future years at rates no greater than the rate of increase in monthly social security benefits. Since its inception, part B of medicare has been financed through a combination of monthly premiums paid by beneficiaries who choose to enroll and payments from general revenues. Although the premium was originally designed to equal one-half of program cost, the 1972 amendments limited the maximum premium increase each year to the percentage by which social security monthly benefits are increased.

The committee recognizes that some people would prefer not to allow the part B premium to increase at a time when the elderly, as well as others, are feeling the effects of inflation in health care costs. Failure to increase the premium, however, will result in millions of dollars of unintended increased general revenue expenditures.

Mr. Speaker, the urgency and validity of this bill is further confirmed by the concurrence of the chairman of the Committee on Interstate and Foreign Commerce in the provisions of the bill and his agreement to hold in abeyance any jurisdictional questions in order not to delay House consideration and passage of the bill.

In summary, enactment of H.R. 10284 will preclude the imposition of unintended hardships on beneficiaries and help to maintain the program's viability. For these reasons, Mr. Speaker, I urge my colleagues to vote for passage of H.R. 10284.

Mr. DUNCAN of Tennessee. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is with a sense of accomplishment that I speak today in support of H.R. 10284, a bill that has the unanimous support of the full Ways and Means Subcommittee, as well as of its Health Subcommittee.

As many of my colleagues are aware, the costliness of the medicare program has been the object of criticism in recent months, and it cannot be denied that substantial legislative reform may well be overdue. Nevertheless, it also needs to be emphasized that since its inception the medicare program has helped provide quality medical care and a higher level of health to a large number of our elderly and disabled citizens.

H.R. 10284 may be viewed as one step in what must be regarded as a most important overall objective of this Nation— to provide access to high quality health care to all Americans, in a manner that is efficient, equitable, and cost-effective.

Two days of public hearings on issues in medicare reform brought out the many problems in medicare that may warrant legislative action. They illuminated the problems that can result if complex programs are enacted rapidly, without appropriate mechanisms and resources to insure their successful implementation.

I am pleased to be able to say that H.R. 10284 illustrates the ability and determination of the Ways and Means Committee to take effective action when necessary, in order to prevent hardship to certain groups of people affected by the medicare legislation. For although this is a relatively modest bill, it is concerned with four very important issues, and will require immediate legislative action by the Congress because of time limitations inherent in existing legislation.

One of the significant changes this legislation will bring about is the repeal of section 1862(c) of the Social Security Act. That statute calls for medicare to stop making payments, as of January 1, 1976, for services furnished to a beneficiary for which he also has coverage under the Federal employees' health benefits—FEHB—program. After careful consideration of reports by the Civil Service Commission, the Department of Health, Education, and Welfare, and the General Accounting Office, it became clear that the medicare supplements provided under FEHB today are quite rich, and that enrollment of medicare beneficiaries in low-option FEHB plans will ordinarily result in full coverage of most charges under the existing relationship between medicare and FEHB.

Since it appears that any change in the existing relationship would be costly to the Government, and in that equity does not require such an increase in expenditures, the committee has unanimously voted to repeal section 1862(c) and thereby maintain the present relationship between FEHB and medicare.

There is certainly much to be done to provide relief to those of our elderly populations who are feeling the high inflation of health costs. However, the part B premium increase is, in our opinion, the most equitable way to sustain a sound financial basis for the medicare program, since it would not result in disproportionately greater costs to the very sick—as would the establishment of a system of increased deductibles and coinsurance.

The remaining two matters H.R. 10284 deals with are equally important, although not quite as complex in nature. The first concerns the need to extend the waiver granted to certain rural hospitals from compliance with the requirement to have round-the-clock registered nursing care. The committee considered the problem carefully, and is assured that the Secretary of HEW will exercise careful and conscientious discretion to insure that only those hospitals which are making genuine good faith efforts to comply with the regulations will be allowed the benefits of this waiver. We are confident that the progress other rural hospitals have made in providing higher quality care to their patients will continue, and that all such hospitals will act in good faith to comply not just with the standards of the Government but, more importantly, the highest standards of the medical and nursing professions. Extension of the waiver for 3 years, under such conditions, represents what I believe to be a sensible compromise between the views of those who advocate a longer extension and of those who believe it necessary to require all hospitals to comply with the regulation at this time.

Finally, H.R. 10284 would prevent the use of the so-called economic fee index in determining reimbursement to physicians from causing a "rollback" so that physicians might receive less in fiscal year 1976 than in fiscal year 1975 for the same service. Such a rollback in prevailing charges pursuant to requirements of the 1972 amendments to medicare could prove very detrimental to medicare beneficiaries, since physicians understandably would be most reluctant to accept assignments of claims under such conditions.

In summary, H.R. 10284 is an example of how "technical" amendments to the medicare law can be exceedingly important in helping to maintain the program's viability and effectiveness. I believe it is important to observe in this regard that the enactment of H.R. 10284 will not result in increased costs to the Government—a point that I am particularly pleased to emphasize. Nor would any other existing rights or obligations of medicare or social security beneficiaries be changed by the enactment of this legislation.

For these reasons, Mr. Speaker, I strongly urge my colleagues to vote in favor of enacting this important, timely and remedial legislation. It is vital that the time limitations which H.R. 10284 is concerned with not be allowed to slip by, and that the changes which H.R. 10284 contemplates be enacted at this time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. White).

Mr. WHITE. Mr. Speaker, it is my distinct privilege to be a cosponsor of this bill and to speak in its behalf.

As you know, section 3 of the bill provides for the repeal of section 1862–C of the Social Security Act. It is essential that this section of the law be repealed by January 1, 1976.

The objective in enacting this clause was to achieve an improved method of coordination between the medicare and Federal employees' health benefits programs. In the 3 years since enactment, the Civil Service Commission, the Department of Health, Education and Welfare, and the General Accounting Office have studied various methods of coordinating these programs to meet the objectives of that legislation. The Civil Service Commission and HEW have determined not only that compliance with section 1862–C is unfeasible, but that compliance would in fact be disadvantageous to Federal employees, annuitants, and the Government.

If section 1862–C is not repealed by January 1, persons enrolled in the Federal employees' health benefits program who are eligible for medicare will be denied a substantial portion of their medicare benefits. Such denial will require these persons to obtain more comprehensive coverage in the FEHB program or elsewhere at increased personal cost. In addition, the Civil Service Commission has estimated the increased FEHB premium payments for Federal employees, annuitants, and the Government for 1976 alone to be $235 million. Because premium payments will be proportionally higher in those health benefit plans with greater numbers of medicare beneficiaries, the very persons intended to benefit from the provisions of section 1862–C will suffer an economic disadvantage if the section is not repealed. Clearly, this is not what Congress intended.

The aim of section 1862–C is laudable: However, much study has shown that the objective cannot be feasibly attained. Rather, than permit the exclusion of medicare coverage to have such an unwanted effect, which would clearly frustrate congressional intent, we must repeal section 1862–C.

The bill before us also addresses the issue of nursing service requirements for small hospitals in rural areas. The present law allowing waivers for the 24-hour registered nurse coverage requirement has made it possible for many good and otherwise qualified rural hospitals to continue as providers under medicare and medicaid. The bill would extend the authority for this waiver, which is due to expire at the end of this year, for 3 more years.

Attracting enough R.N.'s for 24-hour coverage has always been a problem for rural hospitals.

Loss of certification as qualified providers under medicare and medicaid would work a severe hardship on both the rural hospital and the patient. Such facilities depend significantly on their patient load covered under these programs. A closing or loss of certification of just one of these hospitals would force an expensive and unneeded burden on the patient, who in West Texas, would have to travel hundreds of miles to the next available medical facility.

I urge my colleagues to vote favorably on this legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, in behalf of the many senior citizens who have contacted me to voice their concern over medicare cutbacks, I urge passage of H.R. 10284 now before us, which seeks to prevent such cutbacks and assure that the prevailing fees recognized by medicare for fiscal year 1976 are not less than those for fiscal year 1975.

While the cost of living continues to soar and the economic problems of older Americans living on fixed incomes are exacerbated by inflation, now is the time to insure that there will be no cutbacks in medicare benefits. Hence, enactment of this legislative is imperative.

The measure will prevent reduction in benefits that would result under regulations issued by the Social Security Administration, under Public Law 92–603. That law instructed the Secretary of Health, Education, and Welfare to roll back medicare payments toward doctor bills to the amounts physicians were charging in 1969 and 1970, plus a small yearly increase to be set by the Secretary.

As stated to me by the chairman of the House Ways and Means Committee:

> It was certainly not the intent of Congress that these limitations should be so severe as to penalize beneficiaries . . . Of parcular concern is that these new regulations are having the unintended and unanticipated effect of rolling back fiscal year 1976 prevailing charge levels below fiscal year 1975 levels in certain areas.

Because HEW is bound by statutory requirements, congressional legislative action is required. We have the opportunity today to prevent medicare cutbacks by supporting and passing H.R. 10284.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. Rostenkowski) that the House suspend the rules and pass the bill H.R. 10284.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that I may be permitted to revise and extend my remarks and that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

OCCUPATIONAL SAFETY AND HEALTH ACT AMENDMENT

Mr. DOMINICK V. DANIELS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8618) to amend the Occupational Safety and Health Act of 1970 to provide additional consultation and education to employers, and for other purposes.

The Clerk read as follows:

H.R. 8618

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21 of the Occupational Safety and Health Act of 1970 is amended by adding at the end thereof the following new subsection:

"(d) (1) In order to further carry out his responsibilities under this section, the Secretary may visit the workplace of any employer for the purpose of affording consultation and advice to the employer. Such consultative visits may be conducted only upon a valid request by the employer for consultation and advice at the workplace concerning the obligations of the employer under section 5. In making consultative visits under this subsection, the Secretary shall give priority to small businesses and to hazardous workplaces. The Secretary shall make and transmit to the employer a written report, containing recommendations regarding the elimination of any hazards disclosed during any such consultative visit.

"(2) No consultative visit authorized by this subsection shall be regarded as an inspection or investigation under section 8 of the Act and no citations shall be issued nor shall any civil penalty be imposed by the Secretary upon such visit, except that: (A) where an employer fails to eliminate an imminent danger disclosed during a consultative visit, the Secretary shall take any appropriate action under section 13 to eliminate such condition; and (B) if there is substantial probability that death or serious physical harm to employees could result from conditions disclosed during a consultative visit, the Secretary shall immediately notify the employer of such conditions and afford the employer a reasonable time to eliminate such conditions. Where the Secretary is not satisfied through a further consultative visit, documentary evidence, or otherwise that such elimination has taken place, the Secretary may take any appropriate action under this Act.

"(3) Information regarding consultative visits shall not be transmitted to representatives of the Secretary engaged in enforcement activities except where necessary in order to carry out the provisions of paragraph (2).

"(4) Except as otherwise provided, nothing herein shall affect the duties and responsibilities of the Secretary under sections 8, 9, 10, and 13. Advice given during a consultative visit shall not be binding on the Secretary in the event of any inspection of the workplace. In the event of such inspection, a written report of the consultation visit may, with the consent of the employer, be considered by the Secretary for the purpose of determining the employer's good faith in proposing penalties.

"(5) In prescribing rules and regulations pursuant to this subsection, the Secretary shall provide for the separation of functions between officers, employees, or agents who conduct consultative visits pursuant to this subsection and officers, employees, or agents who conduct inspections or investigations under section 8.

"(6) In order to further carry out his responsibilities under this section, the Secretary shall establish programs for the education and training of employers and employees which, to the extent practicable, shall be conducted in local communities and shall deal with hazards in particular industries.".

Sec. 2. For the purpose of carrying out the amendment made by the first section of this Act, there is authorized to be appropriated the sum of $2,000,000 for the period beginning July 1, 1975, and ending September 30, 1976, $7,000,000 for the fiscal year ending September 30, 1977, and $8,000,000 for fiscal year ending September 30, 1978.

The SPEAKER. Is a second demanded?

Mr. SYMMS. Mr. Speaker, I demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SYMMS. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from New Jersey (Mr. Dominick V. Daniels) will be recognized for 20 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 8618, a bill to amend the Occupational Safety and Health Act to provide consultation and education services to employers, upon request, at their workplaces.

As sponsor of the original bill and as chairman of the subcommittee which has jurisdiction over OSHA, I want to reiterate my support for this landmark piece of legislation enacted in 1970 to protect the lives, health, and safety of 65 million working men and women.

I realize that no law is perfect, that there comes an appropriate time to amend a law in order to improve it. Today, the time has come for us to amend and improve the original Occupational Safety and Health Act. Accordingly, I urge my colleagues to support H.R. 8618, which authorizes the Department of Labor to visit the workplace of employers for the purpose of affording consultation and advice. This onsite consultation service will be voluntary, based solely upon an employer's request for consultation to assist him in interpreting standards as they apply to his workplace. The bill directs the Labor Department to give priority in filling requests to small businesses and hazardous workplaces.

A consultative visit authorized by this amendment is not an inspection. No citation shall be issued nor any civil penalties imposed except in the case of an uncorrected imminent danger or an unabated serious hazard.

The bill clearly separates consultation from enforcement proceedings, and provides for separation of consultation and compliance staffs.

The Secretary is directed to establish programs for education and training of employers and employees, which shall be conducted in the local communities.

This amendment does not weaken nor diminish the vital enforcement provisions of OSHA, including first instance sanctions. I believe that this bill will, in fact, improve working conditions because employers who in good faith request consultations will surely act upon the consultant's advice and improve safety and health practices.

The chances of each of the 5 million workplaces covered by OSHA being inspected are statistically remote. Therefore, programs of onsite consultation in every jurisdiction will have two major benefits. First, it will assist employers in complying with the act, and second, it will upgrade working conditions for employees.

The most persuasive case for Federal onsite consultation comes from employers doing business in 22 jurisdictions where onsite consultation is not available. These businessmen have every reason to be concerned because Congress has not responded to the need for consultation in every State.

Specifically, under the two existing consultation programs employers in 34 jurisdictions can receive consultation within their workplaces. Employers in the other 22 jurisdictions covered by OSHA cannot. The purpose of H.R. 8618 is simple—it will rectify this glaring inequity.

Under OSHA currently, a businessman in Kansas can receive consultation, while a similar businessman across the river in Missouri cannot. The same is true for New York and New Jersey, Wisconsin, and Illinois. Likewise, a businessman who operates several establishments in different States may receive consultation in one State but not in another. An employer should not be deprived of onsite consultation simply by virtue of the State in which he locates his business. Nor should workers employed in those businesses be denied safeguards to be gained by onsite consultation.

Critics of OSHA have complained that standards are complex and confusing. Clearly onsite consultative services which offer an employer an opportunity to apply OSHA standards to his own workplace will remedy this situation.

Consultative services will also assist employers in understanding sophisticated health hazards, which, without such services, would have gone undetected.

Further, onsite consultation to employers will facilitate the dissemination of information under the act by placing in the law a mechanism for imparting information directly to employers, pointing out specific hazards in the workplace, and providing advice on elimination of hazards.

Onsite consultation to employers has been considered at great length by the Manpower Compensation, and Health and Safety Subcommittee. Thirty-one days of oversight hearings have been held on OSHA since its enactment. In July 1975, 4 days were devoted exclusively to consultation. Numerous members of Congress testified in support of consultation and 120 members have sponsored consultation bills. The National Association of Manufacturers, National Federation of Independent Business, the National Society of Professional Engineers, Associated General Contractors of America, and the National Small Business Association endorse H.R. 8618. The Department of Labor has testified for the bill. I have a letter from Secretary of Labor John T. Dunlop who unequivocably endorses the bill. I have inserted this letter in the Congressional Record on Friday, November 14, 1975. It appears on page 36649.

I hold no pride in this legislation simply because it bears my name. But I do hold a very deep and abiding concern for the American worker—a concern for the life and health of millions of working men and women.

In summary, may I state that it is my considered judgment that enactment of H.R. 8618 is a responsible and necessary step in improving the 1970 OSHA legislation:

It will improve the mechanism to secure voluntary compliance.

It does not weaken or diminish the enforcement provisions of OSHA.

It does not eliminate first instance sanctions which is the heart of OSHA.

It provides onsite consultation to employers in every State.

It will mitigate the criticism leveled at OSHA.

OSHA will gain greater acceptance in all 56 jurisdictions covered by the act and thereby increase worker safety.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank my distinguished colleague, the gentleman from New Jersey (Mr. Dominick V. Daniels), for yielding.

I should like to ask the gentleman this question: In the case of small businesses which request that the Department of Labor come in and consult as to the conditions in the industry or plant, if the small business should comply with all the suggestions of the investigative or consulting officer of the Department of Labor, will this constitute a protection for the small business, so that it will be assured of some protection against a citation? In other words, what would happen if the Department of Labor comes in and says, "This is fine. Everything is great in this plant," and then the plant is visited by OSHA and the opinion is that everything is perfectly terrible and they say, "Here is a big fine"?

What recourse has the little business?

Mr. DOMINICK V. DANIELS. Mr. Speaker, I thank the distinguished gentlewoman from New Jersey (Mrs. FENWICK) for her question.

What occurs is this: Upon voluntary request and a consultation, the consultation officer will view the work site, and upon the conclusion of the visit, he will advise the employer as to whether or not he is in compliance or in violation of the act.

The employer will receive a written report from the consultant and will be given a time limit within which to correct any violation if it is an imminent danger or serious danger. However, if subsequently an enforcement officer should visit that place and cite him for a violation, the written report that was previously given to him by a consultant may be used by the employer in mitigation of any penalty that the Secretary may deem it advisable to impose.

Mrs. FENWICK. Mr. Speaker, I thank my distinguished colleague for his response.

Mr. DOMINICK V. DANIELS. I thank my distinguished colleague.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I would be happy to yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Speaker, I thank the gentleman for yielding to me.

I think it is a matter of understatement that in administering the Occupational Safety and Health Act that there has been an undue burden, in a relative way, placed upon what we commonly refer to as the small businessman or the small contractor as opposed to the large one, or the small manufacturing facility as opposed to the large manufacturing facility. As I view the gentleman's proposal it is only intended that these people who do not have the financial or other resources to comply with OSHA to the extent that a larger firm does be provided a mechanism by which one who is really interested in complying with occupational standards can find out for themselves what their problems are and then be able to do something about it.

It would seem to me that any small businessman who asked this help, who makes a valid request, is acting in good faith and wants to provide for safety.

Mr. DOMINICK V. DANIELS. I agree with the gentleman.

Mr. WAGGONNER. So I see absolutely nothing wrong in this amendment to try to relieve the burden on the small businessman because, in the final analysis, he wants to provide for safety, he wants to know what he has got to do to comply. He simply needs some help and some capability that he does not have himself. It would just seem the better part of wisdom and in the interest of safety in small business establishments for us to allow this new proposal to become effective and I support the distinguished gentleman's proposal.

Mr. DOMINICK V. DANIELS. I want to thank the gentleman from Louisiana for his contribution and may I further add that this amendment specifies that priorities shall be given small businessmen on their requests for consultation and also to those industries which are deemed hazardous.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I am happy to yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Speaker, I want to see if I understand thoroughly and correctly the amendment proposed by the gentleman from New Jersey. First I understand that a small businessman wondering if he is in compliance or out of compliance with OSHA, can call upon the agency to send an enforcement officer to make an inspection of his place?

Mr. DOMINICK V. DANIELS. That is correct, he may call a consultant.

Mr. LANDRUM. Once the expert has made the inspection, then the small businessman is entitled to a report from the agency on whether he is in compliance or out of compliance?

Mr. DOMINICK V. DANIELS. That is right.

Mr. LANDRUM. And if he is out of compliance, then he is entitled to know from the enforcement officer what it will take to get into compliance?

Mr. DOMINICK V. DANIELS. The consultant will supply a written report. However, may I add at this particular point if the consultant finds that there is an imminent danger, it must be corrected immediately or otherwise he reports it to the Secretary of Labor for the protection of the worker.

Mr. LANDRUM. If the gentleman will yield further, in any event the small businessman in making this inquiry to the agency is entitled to know from the agency, from its representatives, whether or not he is in compliance and what it will take to get into compliance before any assessment is made against him?

Mr. DOMINICK V. DANIELS. That is correct.

Mr. LANDRUM. Or before any charges are preferred against him.

Mr. DOMINICK V. DANIELS. Let me correct the gentleman at that point so that there is no misunderstanding. The consultant cannot issue a citation nor may he impose a fine.

Mr. LANDRUM. Mr. Speaker, I commend the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) for presenting such a sensible amendment and I hope for its adoption, and if it is adopted, that the agency will then exercise the same good judgment in administering it as the gentleman from New Jersey has in presenting it.

Mr. DOMINICK V. DANIELS. I thank the gentleman.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, as I understand the bill, it would apply to all businesses but particular emphasis is placed on small businesses and extra hazardous situations, is that correct?

Mr. DOMINICK V. DANIELS. That is correct.

Mr. WHITE. Mr. Speaker, this is a measure that should have been included in the original legislation, in fairness to the American public. I certainly commend the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), and the gentleman's committee for bringing it before the House because it certainly will correct an inequity in the present law.

Mr. DOMINICK V. DANIELS. I thank the gentleman.

Mr. GRASSLEY. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Iowa.

Mr. GRASSLEY. I thank the gentleman for yielding.

I have one question. Suppose an employer asked for consultative services provided by this act and sent a letter to the appropriate agency asking for that service, and before the consultant got there to make the inspection and the recommendations, an enforcement officer went around there in the meantime. Would the employer be protected by the mere fact that he made a request for the consultative services?

Mr. DOMINICK V. DANIELS. Under those circumstances, this bill does not stop the Department of Labor from performing its duties as mandated by the act. At the present time the statute provides for offsite consultation as well as for enforcement. The only reason why consultation is not provided in the workplace is because as the act has been interpreted, it is prohibited. However, if by some remote chance an enforcement officer walks into a plant while a consultation is taking place, the enforcement provision must continue to operate.

These are two separate procedures.

Mr. GRASSLEY. I thank the gentleman for answering my question.

Mr. JONES of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. I thank the gentleman for yielding.

Repeatedly here in the last few minutes we have heard references to small businesses. Is there anywhere in the bill or report a clear-cut definition of what a small business might be?

Mr. DOMINICK V. DANIELS. As I understand it, yes. I understand that it is in the report.

Mr. JONES of North Carolina. Reading from page 6:

> The bill directs the Labor Department to give priority in filling requests to small businesses and to hazardous workplaces. The size of the business shall be determined by the number of employees. Although the program gives priority to hazardous industries and to small businesses because of their special problems. . . .

Mr. DOMINICK V. DANIELS. I do know that under the Small Business Administration Act they do define what small businesses are, and the definition varies from industry to industry. In one industry a small business may be considered a business of 50 or less employees; in another industry it may be 750 or less. However, my bill puts no numerical limitation on size of a business.

Mr. JONES of North Carolina. I thank the gentleman very much. I just wanted to make clear what a small business might be.

Mr. DOMINICK V. DANIELS. I thank the gentleman.

Our subcommittee held 31 days of

oversight hearings. Four days were devoted exclusively to this particular legislation, and this legislation has the support and endorsement of many Members of Congress who testified before the subcommittee. In fact, 120 Members cosponsored onsite consultation legislation.

The National Association of Manufacturers, the National Federation of Independent Businesses, the National Society of Professional Engineers, the Associated General Contractors of America, and the National Small Business Association endorse H.R. 8618. The Department of Labor has testified for the bill. I have inserted in the Congressional Record a letter from the Honorable Secretary of Labor, John T. Dunlop, and it appears in the Congressional Record of Friday, November 14, at page 36649.

I want to point out that OSHA applies to not only the 50 States, but six other jurisdictions, Puerto Rico, Guam, American Samoa, the District of Columbia, and the trust territory. Twenty-two of these jurisdictions have already adopted their own occupational safety and health laws and 20 of these jurisdictions provide for onsite consultation. By an appropriation from the Committee on Appropriations for the Department of Health, Education, and Welfare and the Department of Labor for fiscal year 1975 as well as for fiscal year 1976, $5 million was appropriated to provide onsite consultation to the other 34 jurisdictions that do not provide this service.

The Secretary of Labor as a consequence of the adoption of that legislation entered into contracts with 15 of those 34 States, giving them a 50–50 grant to provide onsite consultation. One of those States dropped out of the program, so actually 14 States plus 20 States provide onsite consultation. Therefore we have 22 jurisdictions which do not provide onsite consultation.

Today the State of New York provides onsite consultation and the State of New Jersey, where I come from, has no onsite consultation. Is it fair for the businessmen in New York to get their service and the businessmen in New Jersey not to get it? The same thing is true between the States of Wisconsin and Illinois. Wisconsin provides onsite consultation and Illinois does not. Likewise the same situation is true with Missouri and its adjoining State of Kansas. But also let us take another situation of an employer who has a number of establishments located in various States. Some States provide onsite consultation and some States may not provide consultation.

CALL OF THE HOUSE

Mr. FORD of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. O'HARA. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 704]

Andrews, N.C.
Andrews, N. Dak.
Bergland
Boggs
Breckinridge
Brown, Ohio
Burke, Fla.
Carter
Conyers
Coughlin
Dent
Diggs
Dingell
Drinan
Eckhardt
Edwards, Ala.
Edwards, Calif.
English
Esch
Eshleman
Fary
Fraser
Gaydos
Gibbons
Gonzalez
Harsha
Hastings
Hébert
Heckler, Mass.
Helstoski
Hillis
Hinshaw
Horton
Howard
Jarman
Jones, Ala.
Jones, Okla.
Karth
Kastenmeier
Kindness
Leggett
Lott
Martin
Mathis
Meeds
Michel
Milford
Mink
Mitchell, Md.
Mosher
Moss
Murphy, N.Y.
Peyser
Pickle
Railsback
Rhodes
Risenhoover
Rosenthal
Sikes
Skubitz
Staggers
Stuckey
Symington
Udall
Ullman
Wampler
Wilson, C. H.
Wright

The SPEAKER pro tempore (Mr. O'Neill). On this rollcall 365 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

OCCUPATIONAL SAFETY AND HEALTH ACT AMENDMENT

The SPEAKER pro tempore. The Chair recognizes the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. Mr. Speaker, I reserve the balance of my time.

Mr. SYMMS. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. Quie).

Mr. QUIE. Mr. Speaker, the necessity for the Occupational Safety and Health Act of 1970 became apparent when it was discovered an estimated 14,000 employees are killed in the course of their employment annually and another 2.2 million employees suffer disabling injuries and that efforts to reduce those statistics were uncoordinated and unsuccessful.

Accordingly, OSHA was enacted to protect American workers, with the purpose of providing every working man and woman in the Nation safe and healthful working conditions. No one disputes the goals of the act, but many have disputed the administration and enforcement of the act.

Over the last 3 years, the Education and Labor Committee has held over 30 days of oversight hearings on OSHA under the able leadership of Chairman Daniel and ranking member Esch. The Subcommittee on Environmental Problems Affecting Small Business of the Permanent Select Committee on Small Business has held hearings on the effects of the administration of OSHA on small business. Numerous witnesses before both committees have objected to the administration of the act, while, at the same time endorsing the purposes and goals of the act. The great majority of complaints have resulted from the inability of businesses, particularly small businesses, to understand and cope with the many standards and complex regulations promulgated under OSHA. Although Congress hoped and intended that the act would help achieve voluntary compliance through an enforcement system, those resultant enforcement efforts have only built up opposition to OSHA. Part of this opposition is probably the result of a lack of communication; a failure that H.R. 8618 seeks to rectify.

As a cosponsor of a bill identical to H.R. 8618, I firmly support this long-debated, thoroughly examined concept of on-site consultation. The reason I do so is because I believe on-site consultation will encourage voluntary compliance by employers which presently lack the resources and knowledge of coming into compliance with OSHA and its regulations. If our objective continues to be a safe and healthful working environment for all employees, we should seek to obtain that objective as quickly as possible.

Obviously, an enforcement effort that may not ever reach an employer will not achieve the goals of the act. However, if employers are sincere in their desire to maintain safe and healthful workplaces for their employees, this bill will give them the assistance they seek, and will therefore achieve the goals of the act sooner.

In addition to encouraging voluntary compliance, let me briefly state other reasons that cause me to support this bipartisan bill:

First. First-instance sanctions under enforcement are maintained;

Second. It provides technical assistance to employers, particularly small businesses by adequately trained personnel;

Third. It does not, in any way, lessen effective health and safety standards;

Fourth. It provides that consultation is only one element of a broad program of educational assistance to employers and employees;

Fifth. It will tend to lessen hostility to the act, and lessen criticism of the voluminous, vague, and complex standards promulgated under the act;

Sixth. It offers an opportunity to all employers, with priority to smaller employers and hazardous workplaces, to avail themselves of an opportunity to comply without penalty;

Seventh. It does not detract from the enforcement effort in that it provides funds separate from those funds dedicated to enforcement; and

Eighth. It effectively separates the enforcement from the consultation program.

Despite the laudable objectives of the bill, there has been criticism against the bill from organized labor and some criticism from management. Unions are concerned that the enforcement effort will be diluted if on-site consultation is enacted. Since OSHA's enforcement effort has not been lessened since passage of the Steiger amendment to the appropriation bill—the 7(c)(1) program—I fail to see how H.R. 8618 will lessen enforcement. Separate funds and separate personnel are provided. Certain management groups feel that any consultation bill should insulate them from any responsibility in case of a subsequent inspection, but this should not be the result of a consideration bill. A middle ground has to be reached. A compromise position has resulted in H.R. 8618. I believe it is a good bill for both the employers and the employees of this Nation. I urge my colleagues' support in this bipartisan effort to achieve the goals of OSHA.

Mr. SYMMS. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. Anderson).

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of H.R. 8618 which amends the Occupational Safety and Health Act of 1970 to provide on-site consultation and education for employers to assist them in complying with OSHA standards.

Mr. Speaker, I do not think a day goes by that my office does not receive a letter from a small businessman or a worker, complaining about OSHA. Some, in their frustration even to comprehend all the rules and regulations being promulgated by this agency, suggest that OSHA be abolished. But I think most will concede that there is a need to provide safe and healthful working places and conditions, and that a reasonable enforcement agency is necessary to insure that goal. The key word here, it seems to me, is the word "reasonable." I do not necessarily want to imply that OSHA has been unreasonable, or malicious or overly zealous in its enforcement mission.

If OSHA can be faulted for anything, it is that it tends to be too bureaucratic and gets carried away in drawing up regulations that are so laden with gobbledy-gook that even an FBI cryptographer would have difficulty decoding them. Pity then the poor small businessman who has not been tutored in reading gobbledy-gook and who cannot afford to hire a translator or special consultant to assist him in interpreting and implementing those standards. Is it any wonder that small businessmen are howling for us to get the bureaucrats off their backs?

Mr. Speaker, I was pleased to read in Friday's Record an insertion by the chairman of the Safety Subcommittee which authored this bill, the gentleman from New Jersey (Mr. Daniels). In connection with this legislation he inserted the article from the Wall Street Journal of November 13, 1975, by Irving Kristol, entitled, "The Forgotten Man." The new forgotten man, according to Kristol, is the small businessman who is being "chivvied, harassed, ruined, and bankrupted by a political process that takes him for granted."

Kristol views small business in America as the quintessential representative of free enterprise, as being integral to that diffusion of power and wealth, and to the economic and social mobility which are the hallmarks of a liberal society, and as the social glue of our communities. He asks why "no greater efforts are made to protect smaller businesses from the horrendous burden which the newer regulatory agencies impose on them." He goes on, and I quote:

> Big business finds it difficult enough to cope with all the expensive changes required to meet new rules governing air pollution, water pollution, noises, safety, etc. But in the end big business has the resources to survive this experience, harrowing as it is. Small business will not survive it, and it is not. They need more time, more generous (albeit temporary) exemptions. Why don't we hear more voices, and louder ones, demanding that they receive such differential treatment?

Mr. Speaker, the bill before us today is certainly no panacea for the problems of small businessmen, even with regards to OSHA. But I think it is a very important beginning. What this bill does is to provide for the first time that businessmen can receive on-site OSHA consultations without running the risks of first-instance citations. I just cannot understand the arguments of those who say this is somehow diluting OSHA.

If anything, it helps to strengthen OSHA by helping to insure greater and more comprehensive compliance nationwide. Employers who might not otherwise be in compliance because they just do not understand what is expected of them, will now have a chance to learn and comply. I am astounded by the assertion of opponents that this bill somehow shifts or diverts the focus of OSHA from compliance to consultation. This sets up a wholly false dichotomy since consultation can only result in greater compliance, not less. Subsection (d)(4) of this bill makes it quite clear that nothing in this bill shall in any way affect the enforcement provisions of the act. The committee report, on page 9, elaborates on this, and I quote:

> The Committee reiterates its firm commitment to first instance sanctions and other enforcement procedures in the Act. The Committee intends that the compliance effort continue unabated; that the establishment of Federal on-site consultative services in no manner diminish the enforcement provisions.

The report goes on, and again I quote:

> The well-being of every American working man and woman is an essential human right that is to be preserved and protected by the Act. This amendment will help to secure this right.

Mr. Speaker, I think the intentions of the authors of this bill are quite plain; they are spelled out in black and white in both the bill and the report. This bill is designed to bring about greater compliance through consultation and education, while at the same time retaining first-instance citations on inspection visits. I frankly cannot understand why there is opposition to consultation and education. I can not believe that there are those who would rather keep the "forgotten man," the small businessman, in the dark or blinded by the smog of gobbledygook, than to provide him with the necessary assistance to fully comply with OSHA standards. I cannot comprehend the thinking of those who argue that the heavy hand of the Government should be used to the exclusion of a helping hand.

Yes, we have a strong and necessary enforcement role to perform when it comes to the health and safety of American workers. But I would submit that we will soon have a revolt of the "forgotten man" on our hands if his Government is only perceived as an agent of harassment, punishment, and regulatory strangulation. It is high time we woke up and recognized that small businessmen are people too, and demonstrated some of the human compassion which characterizes so much of the other legislation we act on.

Mr. SYMMS. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. Steiger).

Mr. STEIGER of Wisconsin. Mr. Speaker, it is with some risk that I rise in support of this bill.

I happen to think it is a good bill. I most especially want to pay tribute to the gentleman from New Jersey (Mr. Dominick V. Daniels), who has kept his word and who has been a man of great integrity in bringing the bill to the floor, and he has done so under what I recognize as difficult circumstances and under a great deal of pressure from those who oppose the bill.

Mr. Speaker, I must also, I think, to be fair, pay tribute to two other Members, the gentleman from Michigan (Mr. Esch), the ranking member of the subcommittee of which the gentleman from New Jersey is chairman, who has been in the forefront of those who have suggested changes; and I must likewise pay tribute to the gentleman from Illinois (Mr. Findley) because he, in part, is responsible for the fact that the bill is before us today. The gentleman from Illinois (Mr. Findley) has been doing what I did not agree with and what I strongly oppose in dealing with this issue through the exception concept on appropriation bills.

The exemption concept is wrong but it has been that pressure that is in part responsible for the fact the bill is on the floor today.

Those who oppose the bill, Mr. Speaker, do so, in my judgment, with peril and very shortsightedly. The bill corrects what has, from the very beginning, been known as one of the problems under the Occupational Safety and Health Act, that is, how do we get through to those who do not have the staff, who do not have the expertise and who do not have the time to look over the standards to know what applies to their work place environment. Consultation is the only way to do it. Having been out in this field, as the Members in this body know, and having offered the $5 million amendment on the House floor for consultation under 7(c)(1) of the act, I am persuaded that this bill provides us with a way to respond effectively for those who do have legitimate questions while at the same time preserving the integrity of the act.

I urge the House to pass this bill overwhelmingly this afternoon. I am grateful to the gentleman from New Jersey for what he has done to make it possible for this to happen.

The intent of the OSHA Act is to improve the safety and health conditions of the workplace through education and enforcement. The means to achieve this purpose is voluntary compliance with OSHA standards. The fear of enforcement which has permeated the act is directly attributable to the first-instance citation concept which was adopted as a means to insure voluntary compliance. This concept is workable only when an employer knows precisely what is required of him.

H.R. 8618, I feel, will do much to further the purpose of the act. We have heard countless times in hearings, from constituents and on this very floor that off-site consultation, which is proper under the act, is not sufficient assistance for those good-faith employers seeking to achieve voluntary compliance. If this amendment is not approved, I suggest we will be denying a much-needed service to businesses in our districts, especially small businesses.

I am aware of several arguments against passage of such an onsite consultation amendment, At this point, I would like to address some of them just briefly.

First, many argue that any on-site consultation dilutes the enforcement procedures which are the very heart of the act. I disagree. Dilution of the act's effectiveness lies in exemption, which we hear about annually during the Labor-HEW appropriation's debate and not in consultation. We must deal with the problems which cause some of us to support exemption proposals. I am confident on-site consultation will deal with these problems, most predominant and significant of which is the lack of technical information on how to apply OSHA's standards to one's individual operation.

I might add at this point that we often hear about nuisance standards. OSHA is well aware of this problem, and has assured us they are seeking, with special emphasis to revise and withdraw these unnecessary and troublesome standards. So that everyone may have input, public hearing will be included in this effort.

Further, the committee has emphasized in its report on this bill their firm commitment to first-instance sanctions and other enforcement procedures of the act. To imply that this well-intentioned amendment will diminish the enforcement procedures thus withdrawing congressional commitment to promote the general welfare of our Nation's workers is an unfounded falsehood.

Second, it has been suggested that because 20 out of 22 States with approved State plans provide on-site consultation and that 15 other States have applied for Federal funds under OSHA's 7(c)(1) on-site consultation program, there are sufficient avenues for on-site consultation already in existence. I disagree. This premise and the accompanying implication that this bill's 100 percent funding provision would discourage States from applying or renewing their 7(c)(1) contracts are also unfounded. There is no indication that the 7(c)(1) States will not renew their contracts, and I sincerely believe as far as OSHA is concerned, the States will choose to continue present consultation programs at the State level where they can have input into the program and deal with labor and management on a more local level. With the growing indignation of Federal Government enforcement programs, I do not foresee States dismantling their on-going programs.

Third, OSHA is initiating a new national emphasis program, the intent of which is to coordinate its education and training, consultation, enforcement, and reporting and evaluation mechanisms with labor, management and the scientific community in order to identify high-hazard industries and occupations, establish clear standards based on input from all the affected and interested groups, conduct extensive training programs for inspectors and establish guidelines for employers and employees.

Some feel that this new program and the present on-going, on-site consultation activities do not warrant passage of the amendment today. The national emphasis program is projected to cover 475,000 of the estimated 63 million employees and 5,200 of the approximately 5 million employers. This new program holds high promise for those industries involved. But we must not forget those other industries not initially involved and we must not close the doors to anyone seeking voluntary compliance. I think the bill we are considering here today would greatly enhance OSHA's capabilities in the new program and at the same time compliment their existing enforcement, consultation and education efforts.

Mr. SYMMS. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, first of all I thank my colleague, the gentleman from Wisconsin (Mr. STEIGER) for his kind words. Second, Mr. Speaker, I would like to take this opportunity to commend my colleague, the distinguished gentleman of New Jersey (Mr. DANIELS) on his perseverence in bringing this bill, H.R. 8618, to the floor for a vote today. He has kept his word.

I have been interested in providing on-site consultation services as part of OSHA for several years. Three times the House has passed my amendment to limit enforcement of the OSHA regulations. My main purpose was to encourage Congress to authorize onsite consultation. Congresman DANIELS promised me that his subcommittee would report such a bill. Today is the fulfillment of that promise. While it does not go as far as I would wish, I consider this an advance.

The need for onsite consultation has been apparent for years. Most employers have been anxious to comply with the OSHA regulations but have not had the resources nor knowledge to achieve this goal. So voluminous and complex are the regulations that if they were stacked on the floor of this Chamber they would constitute a 17 foot high pile of written material. It is no wonder that many employers feel frustrated by the possibility that they might be inspected without notice and fined for violations they did not even know existed. Voluntary on-site consultation will help employers identify and remove any hazards in the workplace. This bill should help replace suspicion with a spirit of cooperation in the important task of improving health and safety.

Currently, the chances of a small business being inspected under OSHA are slim. Some have made an attempt to comply with the standards but have been unable to find out exactly what the standards are.

The bill before us will not lessen OSHA enforcement. It will not lessen the health and safety of our Nation's workingmen and women. To the contrary, it should enhance health and safety. The consultation authorized by the bill will fulfill a much needed function—helping employers comply with OSHA's requirements.

OSHA will not be diminished in any way by this bill. It will be strengthened. As businesses feel less threatened by OSHA and find in the consultation a helping hand, voluntary compliance will be increased.

That is why this bill deserves the support of every Member of the House.

My principal regret is that this bill creates a separate corps for consultation purposes. It would be far more efficient to have a single corps of consultants-inspectors but perhaps that can be achieved in time.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I will if I have time remaining.

The SPEAKER pro tempore. The gentleman has one-half minute remaining.

Mr. FINDLEY. I yield to the gentleman.

Mr. SEIBERLING. Mr. Speaker, I wonder if I could ask the gentleman a question. All I have heard so far is support from both sides of the aisle for this bill and I must say that, on its face, it looks like a reasonable bill. However, I see that 11 members of the committee signed dissenting views, and I see that both the AFL–CIO and the National Chamber of Commerce are opposing it. I wonder if the gentleman could tell me what the basis for their objections are.

Mr. FINDLEY. As one who has long supported changes in the basic law, I am hardly the one to turn to, but I do view this bill as a step forward and I would gladly yield to someone who would like to respond on the gentleman's point.

The SPEAKER pro tempore. The time of the gentleman has expired.

The gentleman from Idaho has 8 minutes remaining and the gentleman from New Jersey 4 minutes remaining. Does the gentleman from Idaho desire to yield time?

Mr. SYMMS. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GOODLING).

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding. We finally have a piece of legislation before us that will give us the opportunity to have a Federal agency do some public relations work. If ever there was a time in the history of our country that we should be doing some public relations work with our constituents, the time is now.

It seems to me that if the Members hear the things that I hear as I travel across the country they know that the public formulates their opinion about us simply from the agencies that serve them, and many of those opinions are not very good. Here we have an opportunity to do some public relations work. I am very proud to have been part of the committee that helped bring this before our body today and I would urge everyone to support this legislation.

Mr. SYMMS. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in support of the OSHA reform bill that is now before us. I consider it a sorely needed move in the direction of bringing under control an unwieldy and pretentious bureaucratic agency.

I have voiced my views before to this body on the subject of OSHA. I believe that in the final analysis, the only real solution to the problems and endless "horror stories" that this law has given us, is to repeal the act entirely. I introduced a bill that would accomplish this last March. It is still my contention we should abolish the law and return the authority to State governments to administer appropriate safety provisions.

If that is not possible at this time, the very least we can do to mitigate the situation is approve the bill (H.R. 9618) that is currently being considered.

One of the most frustrating problems that OSHA has presented to employers is trying to interpret the incredibily nebulous and ambivalent surfeit of laws and regulations that are imposed on them by the act. In many instances employers and businessmen would be more than happy to comply with the OSHA requirements if only they could understand what they meant. Chairman Robert T. Moran of the Occupational Safety and Review Commission, the independent agency created to hear appeals from rulings by OSHA inspectors, says this about the nature of the regulations that employers are required to adhere to:

> Far too many standards are, to paraphrase Winston Churchill "riddles wrapped in mysteries inside enigmas." They don't give the employer even a nebulous suggestion of what he should do to protect his employees from whatever-it-is, also left unexplained, which represents a hazard to their safety and health.

After citing one of the familiar "horror stories" that OSHA is so famous for Moran went on to lament:

> What do you think it tells us to do? I have no idea—and I don't think OSHA could tell you either, before an inspection, citation, complaint hearing and post-hearing brief.

He then summarized by saying:

> I submit that there isn't a person on earth who can be in full compliance with the requirements of this standard at any particular point in time.

In a 1973 statement, issued by the Federation of American Scientists, this was said about the laws and requirements that OSHA was administering:

> Regulations are voluminous and complex; the language is convoluted beyond recognition except by a scientist or a lawyer. Worse yet there is no provision for a penalty-free consultation with an Occupational Safety and Health Administration inspector.
>
> The Occupational Safety and Health Act, in short, has surfaced at least as many problems as it was designed to solve.

I would be inclined to agree with the conclusions of the Federation of American Scientists as regards OSHA. I agree in particular that it is unfortunate that the people who are obliged to comply with OSHA regulations are not given the benefit of a "penalty-free consultation with an Occupational Safety and Health Administration inspector." Mr. Speaker, I would suggest that if we are going to live with the OSHA law, the very least we can do is make provisions that would render the law, as much as possible, tolerable and easy to live with by providing means whereby employers can be informed and made aware of what is expected and required of them by OSHA. This is the goal of H.R. 8618.

H.R. 8618 would provide a needed program of Federal on-site consultation and education to encourage and assist employers to comply with the safety and health standards promulgated under the Occupational Safety and Health Act of 1970. Testimony that substantiates this kind of service is abundant. The Small Business Subcommittee reported that what troubled small businessmen the most was the fact that OSHA was not able to provide businessmen with any onsite consultation without automatically triggering the enforcement process and procedures.

The National Federation of Independent Businessmen has also underscored the need for onsite consultation services that are called for by H.R. 8618:

> The goal of OSHA—preventing the useless, job-related loss of health, life and limb—will never be reached until the present distrust and suspicion of the law by the small business community is eliminated. We view the establishment of an effective and equitable onsite consultation program as an important step in this direction and we feel strongly that this program must be successful.

Under the provisions of H.R. 8618 the employer, upon request, would be provided with consultation from a Federal OSHA consultant without fear of being cited or fined for being found in noncompliance with the law. Under present law there is no such guarantee. The essence of the bill before us is as simple as that. It is an entirely reasonable and a very necessary proposal that we need to pass if we are intent on living with OSHA.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. ROUSSELOT. I yield to the gentleman from Missouri.

Mr. HUNGATE. I thank the gentleman for yielding.

Mr. Speaker, I wish to rise in support of H.R. 8618 and to commend my colleague, Representative DOMINICK DANIELS for his efforts in bringing this bill to the floor today. As chairman of the Subcommittee on Manpower, Compensation and Health and Safety. Mr. DANIELS has persisted in formulating this legislation, whose enactment is vital to small business.

As chairman of the Subcommittee of the House Select Committee on Small Business which has held two sets of hearings on the impact of the Occupational Safety and Health Act on small business, I am most interested in this bill.

Our hearings have established that small business' objection to this act is their inability to determine what is expected of them. OSHA's regulations are voluminous, technical, and complex, and small businesses do not have the resources to daily monitor the Federal Register or hire engineers to interpret the technical language contained in these regulations. The issue for these businessmen is not opposition to the concept of occupational safety or health, but rather their difficulty, indeed their inability to implement the act properly. Small businessmen want to provide their employees with a safe and healthy working environment and what they need is assistance.

H.R. 8618 would provide onsite consultation and education to encourage and assist employers to comply with the safety and health standards of the Occupational Safety and Health Act of 1970. The bill would authorize Department of Labor representatives to visit the workplace of employers for the purpose of affording consultation and advice without being required to give citations. The bill separates consultation proceedings from inspection and provides for separation of consultation and compliance staffs. No citations shall be issued nor any civil penalties imposed except in the cases of an uncorrected imminent danger or an unabated serious hazard.

This will provide some needed assistance to the small business sector of our economy and I therefore urge my colleagues to support it.

Mr. Speaker, an inquiry has been made as to why some of these organizations would oppose this. This is a small business problem. The U.S. Chamber of Commerce and many of those people are great big business. There was a Regional Small Business Conference held this past week and the three greatest causes of small business failures are OSHA, EPA, and high interest State. Today, we have a chance to do something about this.

Mr. ROUSSELOT. I appreciate the gentleman's comments. There is no doubt about the fact that many local chambers of commerce do favor these amendments, and to imply that the National Chamber of Commerce expresses the wishes of many of the local units is not true.

Mr. SYMMS. Mr. Speaker, I reserve the balance of my time.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. FORD).

Mr. SYMMS. Mr. Speaker, I yield 2 minutes to the gentleman in the well, the gentleman from Michigan (Mr. FORD).

Mr. FORD of Michigan. Mr. Speaker, I thank the gentlemen.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Michigan.

Mr. O'HARA. I thank the gentleman for yielding.

Mr. Speaker, I noted that the rules provide that half of the time on these suspensions shall be given to opponents of the bill, and I think that the weaknesses of this bill are demonstrated by the extent to which the proponents of the bill have gone to cut off the opponents with only 5 minutes.

I wish to associate myself with the remarks and observations of the gentleman from Michigan on this bill, and I hope that his views will prevail.

Mr. DOMINICK V. DANIELS. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. I thank the gentleman for yielding.

I tried to be extremely fair in this debate, and I said to the gentleman when he approached me today that I would see to it that he received time.

Mr. FORD of Michigan. I cannot yield further, because I am the only one who is going to speak against the bill, as futile as that may be. I have only 2½ minutes in which to do it.

Mr. Speaker, I am the only one speaking because the gentleman from Pennsylvania (Mr. GAYDOS), who has led the battle against this bill, had to go to the hospital this morning and could not be on the floor. I feel, as a last-minute substitute for him, that I would rather be here supporting him than speaking for him.

Mr. Speaker, if we look at the dissenting views in the report, we will find that 11 Members on the Democratic side, who I think have demonstrated a good many accumulated years of interest and concern for this type of legislation and service on that committee, have stated in the strongest possible terms their concern for proceeding today to try to pull the wool over the eyes of the so-called small businessman by purporting to do something for him, while we are not doing anything at all.

The gentleman from Illinois, Mr. ANDERSON, has expressed his frustration over the fact that the AFL-CIO, the United Auto Workers, the United Steel Workers, and the U.S. Chamber of Commerce have all written to us in the last few days expressing their strong opposition to this bill. I can understand his consternation. We all received their letters and it is interesting that they repeat many of the same criticisms that we will find in the dissenting views of the 11 Democrats, incidentally a majority of the Democrats who were present and voting on this bill when it came out of the committee.

We do not attack it only because we feel it is a disservice to take attention away from the respective areas of trouble with OSHA, and that is in the OSHA administration and in the OSHA regulations and in the enforcement by OSHA, but also because many people believe that this seemingly simple piece of legislation is somehow going to solve their problems.

As the gentleman from Illinois pointed out, the private sector has been heard from. The Mutual Allied Insurance Group, when it testified before the committee on behalf of the industry most concerned as private enterprise in the problems of OSHA, says:

> We seriously doubt that adding relatively small numbers of Federal consultants to this effort—an effort for which there is a very small response by some of those who need it most—will be of any real help to the small businessman.

Twenty of the 22 States which have State plans already have submitted section 18(b) consultation plans for which 50 percent of the cost is being funded by the Federal Government, and another 15 States have had section (c) money approved, and that leaves only 15 States and the District of Columbia which do not have consultation plans.

We have two kinds of State consultation, funded 50-50 by Federal funds at the present time. This bill would impose a third line of consultation with 100-percent Federal funding in some States. We would have three types of federally funded consultation.

Reference was made earlier by one of the proponents of the bill to the Wall Street Journal article but he did not mention that in the article the writer pointed out that at present, with the number of people in OSHA, it would take an inspector, if he were to visit each person on his route once and then come back again, if he went the entire route, 66 years to get around a second time.

This bill proposes to take that already inadequate and undertrained and clearly in many instances incompetent staff and say to them: "Now on top of all the other jobs you are supposed to do and you are not doing, we are going to have you go out and advise private enterprise on how to comply with the law." It is unreasonable and just plain silly to think they are going to do that, and that this bill is going to be a genuine answer to the concerns of both industry and labor.

I have already mentioned, Mr. Speaker, this legislation is opposed not only by the AFL-CIO, the United Auto Workers, the United Steelworkers, and the Textile Workers, but also by the Chamber of Commerce of the United States and by the American Society of Safety Engineers.

The reason these groups are opposing this bill is because we are not considering a simplistic "what's best for labor vis-a-vis what's best for management" issue, but the issue of whether this legislation is workable and necessary.

The answer to this question from both labor and management seems to be a resounding "no."

The Chamber of Commerce, in a letter to members of the House of Representatives dated November 13, 1975, details the specific criticisms of H.R. 8618, and expresses its opposition to the bill by concludign that the provisions of this bill "will result in an unused and unworkable program."

The American Society of Safety Engineers—which represents the views of 14,000 members of the safety profession—stated their opposition in a letter sent to members of the Committee on October 23, 1975, and concluded that—

> No program at all is preferable to one which may be misleading, breed a false sense of security, and offer substandard services.

Mr. John J. Sheehan, legislative director for the United Steelworkers, told the subcommittee in his testimony on July 31, 1975, that enactment of this bill would be "unnecessary, duplicative, and harmful." The Textile Workers Union stated in their letter of November 12, 1975, that—

> Worker protection through OSHA will be eroded if H.R. 8618 is enacted. The bill is divisive and unnecessary.

The proponents of H.R. 8618 state in the committee report that—

> H.R. 8618 will further the major objective of OSHA, which is to provide safe and healthful working conditions for the 65 million workers covered by the Act, by establishing on-site consultation in every jurisdiction, and by providing for corrective procedures in cases where a consultant discovers an imminent or serious danger.

Mr. Speaker, I would have to differ with the committee's assertion that this bill will "further the major objective of OSHA which is to provide safe and healthful working conditions."

One of the basic strengths of the Occupational Safety and Health Act has been the principle of first instance citation "which requires OSHA inspectors, who visit work sites so infrequently, the same ones that the Wall Street Journal article I referred to says that the average employer would see about every 66 years to cite (but not necessarily fine) violations." This legislation would erode the "first instance citation" principle and weaken, rather than strengthen the major objective of OSHA. This objective would be further weakened by the creation of an entire new staff of onsite consultants because, unless we are willing to commit millions of more dollars for these consultants, their budget will have to be at the expense of the inspectors of which there is already a totally inadequate number.

The committee also states that the bill provides for "onsite consultation in every jurisdiction." This sounds somewhat enticing at first. But, anyone who is familiar with the present law can tell us that onsite consultation is presently possible in every State. I have already alluded to the fact that there are two provisions in present law which make State onsite investigations possible, and that 35 States, including my own State of Michigan, have their own State onsite programs.

The adoption of this legislation will do nothing more than establish yet a third layer of the Federal bureaucracy to provide for something which is already available under no less than two provisions of the present law.

Furthermore, we should keep in mind that the programs which would in part be supplanted by this legislation are State programs devised by each State and administered on the State level. The adoption of this legislation would replace many of these programs with a Federal program and replace the State consultants with Federal inspectors from Washington.

A vote for this legislation is in effect a vote for more "big government" to which the President claims to be opposed, and it is a vote for further erosion of "States rights."

Mr. Speaker, in addition to interfering with present State onsite consultation programs and setting up another layer of bureaucracy, this bill will also seriously undermine and weaken OSHA by permitting the new consultants to compete directly with the meager Federal funds available for inspection and promulgation of occupational safety standards—and I say "already meager" because, according to the Assistant Secretary for OSHA in May of this year only 171 of the 341 authorized job slots for OSHA had been filled.

And in addition to the "first instance citation" principle it would involve OSHA in a conflict of interest situation which would make it both a regulator and a consultant. Furthermore, Mr. Speaker, the adoption of this legislation and its resulting diversion of resources from OSHA's key enforcement mission could well result in the creation of a new wedge for employer groups who would like to see the teeth extracted from the law.

Mr. Speaker, I urge my colleagues to defeat this legislation, and I remind them that the reliance by States on consultations without enforcement was one of the principal reasons why a Federal job safety and health law became necessary in the first place.

Mr. SYMMS. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Speaker, as a cosponsor of this bill, I rise to ask for its quick enactment. An inspection of this bill will quickly show that it does not violate the letter or the spirit of the present OSHA law, and that its passage will work toward improving compliance and trust in the law.

Under the OSHA law today, inspectors cannot provide onsite consultations without reporting and prosecuting every violation found on the site during the inspection.

Hearings in 1972 and 1974 in the Select Committee on Small Business, on which I am privileged to serve as the ranking minority member, have demonstrated how this provision of the law imposes an unwarranted and heavy burden on small businessmen. They cannot ask OSHA for assistance in complying with the law without exposing themselves to the possibility of a citation and fine, even though they are making a "good faith" effort to meet their responsibilities under the law.

This provision is unfair, as it leaves small businessmen with three distasteful choices. They can hire a full-time safety and health expert, hire a part-time consultant, or try to do the work themselves. The first two options are too costly for small businessmen. And the third option is practically impossible, because of the mammoth size of the OSHA regulations and their lack of central indexing.

The lack of an onsite consultation provision is imposing a disproportional hardship on small businessmen. Let me give a few examples, culled from testimony given to the Small Business Committee.

Many small businessmen have petitioned for variances from OSHA regulations, but they have had to wait for up to a year for a decision. In the meantime, they can be slapped with citations for the same infraction they are seeking a variance for. The record of the Small Business Committee shows that while a farm association was waiting for a decision on a variance request, one of its member companies was inspected and fined $750 for violating that particular regulation. Subsequently, the variance was granted, but the citation and the fine stood.

Let me give another example, which relates to section 5(a)(1) of the OSHA law, which is commonly known as the "general duty clause." This particular section allows OSHA inspectors to cite a businessman for a situation which the inspector deems to be serious, but for which no standard exists, or where an existing standard is of questionable applicability.

Undoubtedly, OSHA cannot anticipate every possible danger to workers, so there is flexibility built into the law to cope with such situations. But it is inherently unfair when OSHA asserts its authority to fine someone for a violation of a general standard when no particular regulation describing the hazard exists.

Mr. Speaker, throughout the small business community, there is widespread mistrust and fear of the OSHA law and regulations. This is hampering compliance with these standards and eroding the confidence of small businessmen in their Federal Government.

Passage of this bill—to establish a free program of onsite OSHA consultation without fear of citations and fines—would go a long way to cure this mistrust and fear and boost voluntary compliance with the law. It would remove the greatest source of injustice in the OSHA law.

I ask my colleagues to support this bill.

Mr. SYMMS. Mr. Speaker, I would like to thank the gentleman from Massachusetts (Mr. CONTE) for his insight into the Steiger law. I share his concerns. Rather than its being amended, I think the law should be abolished.

I would like to praise the chairman of the committee (Mr. DOMINICK V. DANIELS) for the length and fairness of the hearings he held last year. I had the privilege to testify before this subcommittee on some of the glaring errors I see in the OSHA bureaucracy and the OSHA legislation from its inception, and about its unconstitutionality, and its failure to place the responsibility for job safety where it belongs instead of at the Department of Labor.

I do have to express disappointment here today that this legislation is coming in here with a closed rule where it cannot be amended, as the gentleman from Michigan (Mr. FORD) pointed out. It seems as though it needs some amendments. It needs a full-scale overhaul.

I would like to see this Congress vote it up or down, and clarify the onsite inspection which in theory I favor.

If this bill is this good, my question is why do we have to bring it in here under a suspension of the rules on the calendar? Why is the committee afraid to bring it in here and let everybody have a crack at OSHA? I say they do not want mayhem on the House floor, no legislation has brought the government more disfavor from middle-Americans.

One of the problems we can see coming in this legislation if we have all these onsite inspections, is money. I would like to know who is going to pay for all the people to come around and do the inspections? Is the small businessman going to be protected from people writing tickets from the compliance officer—that is inspector? This has not been answered yet.

I would like to see this defeated and brought back under an open rule so these areas can be answered.

This is one of those pieces of legislation where we are damned if we vote for it and damned if we do not. This legislation to improve OSHA is like treating cancer with vaseline and aspirin.

I would like to tell a true story about the Idaho Concrete & Pipe Co., which last year won the Governor's Safety Award in Idaho for a small construction company, which operates a building trade business with the best safety record in the State of Idaho. They have an outstanding safety record for about 30 years of operation. They were fined $800 for an accident that happened on the job trying to place a concrete panel in position, which had nothing to do with any kind of compliance whatsoever or onsite inspection. They already had that, but they were fined $800 because it showed up in the paper they had an accident and then the OSHA people came and found there had been a human error on the part of the crane operator thus they were fined the $800. There was nothing to correct—what good will this legislation do for them?

This legislation will not correct this kind of error. The basic bad of OSHA will not be corrected with this legislation—only mute some legitimate opposition. What about individual responsibility? What about the safety record we have achieved in America before OSHA. I would remind the Members that, it is capital accumulation and formation that does a lot more for buying and building safe tools than the tax and tax, spend and spend, regulate and regulate philosophy that brings forth legislative bureaucratic nightmares like OSHA, which should be repealed, I repeat repealed.

Mr. DOMINICK V. DANIELS. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Iowa (Mr. SMITH).

Mr. SMITH of Iowa. Mr. Speaker, I want to commend the gentleman from New Jersey for bringing this legislation to the floor. I served on this Small Business Committee that went into this matter. I also have served on the HEW subcommittee which recommends appropriation for OSHA every year since the bill passed.

I say that a vote against this bill is the same as a vote for an outright exemption for employers of about 10 or 15 employees. I do not think that is the way we ought to go.

There is a difference between a big business and a small business. The automobile business or the steel business is big enough to have resources to find out what they are supposed to do. Many of these small businessmen have never been able to find out what they are supposed to do.

What is wrong with a small businessman who wants to provide a safe place to work finding out what he is supposed to do? We are not going to have enough enforcement officers in this country to have enforcement inspection in every year in every plant. To the extent we furnish consultation service for these small businesses, that is just an additional plant that will be safer than it otherwise would have been. I think a small businessman should be able to secure advice and I urge passage of this bill.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise in support of the amendments to the Occupational Safety and Health Act which we are considering here today. Since the creation of OSHA there has been a distrust and suspicion of the law by the small business community, since onsite consultation visits were prohibited except as part of an enforcement proceeding.

These amendments are a positive step forward in our efforts to recreate an atmosphere where our small businesses can survive, and hopefully flourish. It is common knowledge among those of us with small business backgrounds that small business is the mainstay of our competitive economic system. Small businesses provide jobs, generate taxes, and make important civic and social contributions to the communities in which they are located.

And yet today, small business is caught in a deadly crossfire—on the one hand they must face the costly, excessive, and increasingly burdensome Government regulations and on the other hand they must keep up with the pressures to serve the public. Faced with these obstacles, is it any wonder why so many small businesses are literally being forced to close their doors?

Familiar with the extraordinary contributions small businesses provide to society and the free enterprise system, I think it is about time that those of us who are concerned about the future of free enterprise in America stand up and be counted—and the way to do so is to support these amendments.

Mr. McCOLLISTER. Mr. Speaker, I rise in support of H.R. 8618, to amend the Occupational Safety and Health Act of 1970 to authorize a program of voluntary, onsite consultations to help businessmen understand and comply with OSHA regulations.

The greatest failure of the Occupational Safety and Health Act has proved to be the lack of any provision to give businessmen the technical assistance they need to understand the regulations and comply with the complex standards. In my experience as a small businessman and as a member of the House Small Business Committee, I know that most small businessmen are financially incapable of employing a full-time safety and health expert or expensive part-time consultants.

The present act prevents OSHA inspectors from providing the type of expertise businessmen need if they are to comply with the standards. Because of the complexity of the standards, small businessmen are especially burdened in their compliance efforts.

The House Small Business Committee held extensive hearings on this subject in each of the last two Congresses. They recommended provision for voluntary, onsite consultations for small businessmen. This bill institutes such a program.

I received a particularly poignant letter recently from one of my constituents who had been widowed by an industrial accident in a small firm. She urged that we not simply exempt small businesses from health and safety regulations because such risks of illness and injury know no size distinction. I agree. Clearly, the Congress does not wish to expose employees of smaller firms to disproportionate risk of accident or illness.

Yet the evidence is preponderant and compelling on this point; small businesses have been struggling to come into compliance with OSHA regulations. First of all, many of the small businessmen cannot even figure out what they are required to do. The stack of OSHA regulations is growing constantly and now exceeds 17 feet thick. Then there is the problem of unnecessary fear on the part of small businessmen. Today, there is reason for that fear. OSHA inspectors have little or no discretion. They must cite every violation they find, subjecting the businessman to penalties for violations of regulations which were unknown or, which he thought had been adequately dealt with. But that fear can be prevented with a workable consultation program.

I commend Chairman DANIELS and Congressman ESCH for their energy and responsiveness on this problem. Extensive hearings only confirmed that action is badly overdue. On the necessity for passage of this bill, I think all workers and businessmen can and should agree.

Passage of H.R. 8618 will speed compliance with the Occupational Safety and Health Act. It will hurry the day when workingplaces will be safe and healthy. And it eliminates the threatening posture of the Federal Government in its relationship with the Nation's small businessman.

Mr. ASHBROOK. Mr. Speaker, I rise in support of H.R. 8618.

The Occupational Safety and Health Act as written has caused much confusion and has generated considerable hostility in its enforcement. The controversy arises from the lack of technical advice for businesses, particularly small businesses, in attempting to comply with numerous and complex health and safety standards. Probably most small businesses are not even aware of the standards as published in the Federal Register and, if they are aware of the publication, probably cannot interpret most of the standards. In order to get a proper interpretation, small businessmen would have to hire consultants or attorneys which are usually prohibitive because of cost or unavailability. This bill will rectify this obvious shortcoming in the Occupational Safety and Health Act.

The concept of first-instance sanctions requires that employers come into compliance before they are inspected. If the information for compliance was readily available prior to inspection, that concept would make sense. But experience has proved that the information is not readily available. H.R. 8618 will assure that an employer who wishes to comply with the act will now have the opportunity to have the necessary information available so that he can comply and, at the same time, maintain the concept of first-instance citations.

Organized labor has opposed this amendment to OSHA. It is unfortunate that organized labor is opposing a bill that will ultimately assure safer and more healthful working conditions for the employees it represents. The enforcement effort alone can never provide the type of protection organized labor has demanded in the past, but onsite consultation holds out a glimmer of hope for achieving voluntary compliance. It would appear that organized labor has its priorities mixed up when it opposes this bill.

It has also come to my attention that the National Chamber of Commerce does not support this bill. H.R. 8618 would probably benefit the chamber's members more than any other group in the country, except the National Federation of Independent Business. Apparently, the chamber would like to see other amendments to OSHA and hopes to achieve them in the near future. But the chamber is being politically unrealistic, and they should know that. The chamber should be out supporting this bill with all the might they have, instead of leaving that burden to the Associated General Contractors, National Association of Manufacturers, and National Federation of Independent Business, all of which have endorsed this bill wholeheartedly. Being a political realist as far as OSHA is concerned, I support this bill as a definite improvement over the experience of the past. Of course, I would further amend OSHA. I support its repeal but this is at least a positive step in the right direction.

Mr. WHITE. Mr. Speaker, it is my pleasure to be a cosponsor of an identical bill authored by the distinguished subcommittee chairman, and I wish to associate myself with his remarks as well as commend him for his work on this essential piece of legislation.

It has been 5 years since the Occupation Safety and Health Act was implemented. While the facts may show the very real need for a uniform code of employment safety practices, experience with the program indicates an equally compelling need to make adjustments in the present law.

Perhaps the most discussed amendment to the OSHA law is one which would statutorily provide for onsite, nonenforcement consultations to employers. Consultative services and education of the employer with respect to the requirements of the OSHA law have been issues in almost every Labor-HEW appropriations bill we have considered since enactment of OSHA. There is widespread agreement as to the propriety and need for employer education and consultative services, yet we have continued to only provide this through individual fiscal year appropriations.

Obviously, it is time to amend the law itself.

During the previous session, I testified before the Select Labor Subcommittee on several aspects of the law and the administrative problems of it. It is good to know that the Labor Department has begun providing advisory centers in their field offices and publishing "plain language" bulletins, in addition to increasing an educational program to all sectors of the small business communities. If OSHA is to work in the way in which we intended, we must direct its implementation efforts toward effective assistance to the employer and employee to obtain compliance.

This bill would provide a program of consultation and education by the Department of Labor for employers and employees, and I feel it would go a long way toward lessening the problems presently being experienced.

I hope my colleagues will vote to pass this bill today.

Mr. HAMMERSCHMIDT. Mr. Speaker, today, we have a unique opportunity to make a long sought-after and much-needed modification of the Occupational Safety and Health Act, by providing a program of onsite consultation and education to encourage and assist employers to comply with the complex, voluminous, and onerous regulations under the program.

I cannot think of a more responsible and necessary change in the OSHA program than that which we consider today. I commend the Subcommitee on Manpower, Compensation, Health, and Safety for having conducted 31 days of oversight hearings since enactment of OSHA, with extensive testimony having been received on the need for a program of onsite consultation. H.R. 8618 is a bipartisan measure, which should have broad appeal to all who are concerned with the proper, yet equitable, administration of the program, regardless of our philosophical persuasions.

Ask any businessman and he will tell you how much he would welcome such assistance, through education and consultation, to better enable him to comprehend and comply with this most frustrating of Federal regulatory programs. The result of enactment of H.R. 8618 will not be to weaken the occupational safety and health program created by Congress in 1970 nor should it be interpreted as a vehicle for noncompliance. On the contrary, the bill will strengthen the program by making it more understandable to the Nation's small businessmen who must grapple with its complexity in their everyday conduct of business.

The provisions of this legislation are simple yet far reaching. The Department of Labor is authorized to visit the workplace of the employer to offer consultation and advice, upon a valid request by the employer seeking a clarification of his obligations under the program. I am convinced that a significant element of understanding will emerge, which unfortunately, is absent at the present time. Small businessmen are exerting every possible effort to fulfill those obligations and comply with the regulations, but a sense of understanding and contact with the Federal Establishment which administers OSHA is missing. These are vital ingredients in an effective and cooperative partnership between the Federal Government and the private sector. H.R. 8618 will fill that void and insure a workable climate. What is so vitally needed is a line of communication, provided by this measure.

Mr. Speaker, the Nation's largest voice of independent business, the National Federation of Independent Business, which is some 432,000 members strong, endorses this bill and has pointed out to us that the problems small companies have in complying with OSHA have been well documented and publicized. I fully subscribe to its view that a program of onsite consultation is the only way to help overcome these problems.

I, therefore, urge the full and active support of my colleagues, on both sides of the aisle and from all persuasions, in behalf of H.R. 8618.

Mr. PRESSLER. Mr. Speaker, I rise in support of H.R. 8618, a bill to provide businesses with assistance in order to comply with the Occupational Safety and Health Act of 1970. I also endorsed this measure in the Education and Labor Committee, where it was reported by a 23 to 10 vote. I am confident the measure will pass by a similar majority of the whole House.

Job safety is a laudable goal, and one which has the support of both employees and employers. A safe and healthy environment in which to work not only increases productivity, but builds morale. The Occupational Safety and Health Act of 1970 provided the framework by which on-the-job safety could be achieved.

Unfortunately, in many instances—particularly those involving small businesses—assistance and encouragement to comply with the law has not been forthcoming. Anyone who has looked at the OSHA regulations realizes that there are 281 pages of sometimes technical regulations for machine and tool compliance. Fortunately, the Occupational Safety and Health Administration has started to simplify some of these regulations, and compile guidelines for specific industries. The administration's efforts in this area are to be applauded. Nevertheless, many small businesses are often in the dark about whether or not they are complying with the law. And, it seems punitive to slap a fine on a business where a safety violation, unbeknownst to the employer, exists.

H.R. 8618 will provide consultation to those businesses needing help in identifying potential violations of OSHA regulations. As such, it goes a long way toward insuring the assistance and encouragement specified in the Occupational Safety and Health Act of 1970. Onsite consultation will not be provided as a "tip-off" for OSHA inspectors. It is a service provided to businesses for the furtherance of on-the-job safety. Most important, H.R. 8618 promotes safety in a positive, rather than punitive, manner.

I ask my colleagues to join me in voting favorably on H.R. 8618. This legislation can only help employers and employees. No one will lose from the passage of this legislation—employees will have a better place in which to work, and their employers will have help providing this environment.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. McFALL). Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 705]

Andrews, N.C.
Andrews, N. Dak.
Archer
Beard, R.I.
Bergland
Boggs
Brademas
Breckinridge
Brown, Calif.
Brown, Ohio
Burke, Fla.
Carter
Cederberg
Clay
Conyers
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Helstoski
Hillis
Hinshaw
Horton
Howard
Jacobs
Jones, Ala.
Karth
Mathis
Michel
Milford
Mink
Mosher
Moss
Peyser
Railsback
Rhodes
Risenhoover
Ruppe
Scheuer
Stanton, James V.
Steelman
Stuckey
Symington
Udall
Wampler
Wiggins
Wilson, C. H.
Wilson, Tex.
Wright

The SPEAKER pro tempore. On this rollcall 372 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

OCCUPATIONAL SAFETY AND HEALTH ACT AMENDMENT

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) that the House suspend the rules and pass the bill H.R. 8618.

The question was taken.

Mr. FORD of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will point out to the gentleman that the quorum has been established, and there has been no intervening business.

Mr. FORD of Michigan. Mr. Speaker, I therefore demand the yeas and nays.

The yeas and nays were refused.

Mr. FORD of Michigan. Mr. Speaker, I demand a division.

The question was taken; and on a division (demanded by Mr. FORD of Michigan) there were—ayes 115, noes 15.

Mr. FORD of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present, as evidenced by the vote just cast.

The SPEAKER pro tempore. The Chair will point out to the gentleman that a quorum had been established just prior to the vote. The Chair determines that a quorum is still present.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON CRIME OF COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Crime of the Committee on the Judiciary be permitted to sit today during the 5-minute rule.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Michigan?

There was no objection.

REAL ESTATE SETTLEMENT PROCEDURES

Mr. BARRETT. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2327) to suspend sections 4, 6, and 7 of the "Real Estate Settlement Procedures Act of 1974," as amended.

The Clerk read as follows:

S. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Real Estate Settlement Procedures Act Amendments of 1975".

SEC. 2. Section 3(1) of the Real Estate Settlement Procedures Act of 1974 is amended—

(1) by inserting "(other than temporary financing such as a construction loan)" immediately after 'includes any loan";

(2) by inserting "a first lien on" immediately after "is secured by" in subparagraph (A);

(3) by striking out "is eligible for purchase by" in subparagraph (B)(iii) and inserting in lieu thereof "is intended to be sold by the originating lender to";

(4) by striking out "or" the first time it appears in subparagraph (B)(iii);

(5) by striking out "from any" and "could" in subparagraph (B)(iii) and inserting in lieu thereof "a" and "is to", respectively; and

(6) by inserting the following immediately before the semicolon at the end of subparagraph (B)(iv): ", except that for the purpose of this Act, the term 'creditor' does not include any agency or instrumentality of any State".

SEC. 3. Section 4 of the Real Estate Settlement Procedures Act of 1974 is amended—
(1) by inserting "(a)" immediately before "The Secretary" in the first sentence;

(2) by striking out the words "minimum" and "unavoidable" in the parenthetical phrase in the first sentence;

(3) by striking out the last sentence thereof and inserting in lieu thereof the following new sentences: "The Secretary may, by regulation, permit the deletion from the form prescribed under this section of items which are not, under local laws or customs, applicable in any locality, except that such regulation shall require that the numerical code prescribed by the Secretary be retained in forms to be used in all localities. Nothing in this section may be construed to require that that part of the standard form which relates to the borrower's transaction be furnished to the seller, or to require that that part of the standard form which relates to the seller be furnished to the borrower."; and

(4) by adding at the end thereof the following new subsection:

"(b) The form prescribed under this section shall be completed and made available for inspection by the borrower at or before settlement by the person conducting the settlement, except that (1) the Secretary may exempt from the requirements of this section settlements occurring in localities where the final settlement statement is not customarily provided at or before the date of settlement, or settlements where such requirements are impractical and (2) the borrower may, in accordance with regulations of the Secretary, waive his right to have the form made available at such time.".

SEC. 4. Section 5 of the Real Estate Settlement Procedures Act of 1974 is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after subsection (b) the following new subsection:

"(c) Each lender shall include with the booklet a good faith estimate of the amount or range of charges for specific settlement services the borrower is likely to incur in connection with the settlement as prescribed by the Secretary.";

(3) by striking out "an application" in the first sentence of subsection (d), as redesignated by paragraph (1) of this section, and inserting in lieu thereof "or for whom it prepares a written application"; and

(4) by inserting "or preparation" immediately after "receipt" in the second sentence of subsection (d), as redesignated by paragraph (1) of this section.

SEC. 5. Section 6 of the Real Estate Settlement Procedures Act of 1974 is repealed.

SEC. 6. Section 7 of the Real Estate Settlement Procedures Act of 1974 is repealed.

SEC. 7. Section 8 of the Real Estate Settlement Procedures Act of 1974 is amended in subsection (c) by striking out "or" immediately before "(2)", and by inserting before the period at the end thereof the following: ", or (3) payments pursuant to cooperative brokerage and referred arrangements or agreements between real estate agents and brokers, or (4) such other payments or classes of payments or other transfers as are specified in regulations prescribed by the Secretary, after consultation with the Attorney General, the Administrator of Veterans' Affairs, the Federal Home Loan Bank Board, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Secretary of Agriculture".

SEC. 8. Section 10 of the Real Estate Settlement Procedures Act of 1974 is amended to read as follows:

"ESCROW ACCOUNTS

"SEC. 10. A lender, in connection with a federally related mortgage loan, may not require the borrower or prospective borrower—

"(1) to deposit in any escrow account which may be established in connection with such loan for the purpose of assuring payment of taxes, insurance premiums, or other charges with respect to the property, in connection with the settlement, an aggregate sum (for such purpose) in excess of a sum that will be sufficient to pay such taxes, insurance premiums and other charges attributable to the period beginning on the last date on which each such charge would have been paid under the normal lending practice of the lender and local custom, provided that the selection of each such date constitutes prudent lending practice, and ending on the due date of its first full installment payment under the mortgage, plus one-sixth of the estimated total amount of such taxes, insurance premiums and other charges to be paid on dates, as provided above, during the ensuing twelve-month period; or

"(2) to deposit in any such escrow account in any month beginning with the first full installment payment under the mortgage a sum (for the purpose of assuring payment of taxes, insurance premiums and other charges with respect to the property) in excess of the sum of (A) one-twelfth of the total amount of the estimated taxes, insurance premiums and other charges which are reasonably anticipated to be paid on dates during the ensuing twelve months which dates are in accordance with the normal lending practice of the lender and local custom, provided that the selection of each such date constitutes prudent lending practice, plus (B) such amount as is necessary to maintain an additional balance in such escrow account not to exceed one-sixth of the estimated total amount of such taxes, insurance premiums and other charges to be paid on dates, as provided above, during the ensuing twelve-month period: *Provided, however,* That in the event the lender determines there will be or is a deficiency he shall not be prohibited from requiring additional monthly deposits in such escrow account to avoid or eliminate such deficiency.".

SEC. 9. Section 18 of the Real Estate Settlement Procedures Act of 1974 is amended by striking out subsection (b) and by striking out "(a)" in subsection (a).

SEC. 10. The Real Estate Settlement Procedures Act of 1974 is amended by redesignating section 19 as section 20 and by inserting the following new section immediately after section 18:

"AUTHORITY OF THE SECRETARY

"SEC. 19. (a) The Secretary is authorized to prescribe such rules and regulations, to make such interpretations, and to grant such reasonable exemptions for classes of transactions, as may be necessary to achieve the purposes of this Act.

"(b) No provision of this Act or the laws of any State imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Secretary or the Attorney General, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.".

SEC. 11. Section 121(c) of the Truth in Lending Act is repealed.

SEC. 12. The provisions of this Act and the amendments made hereby shall become effective upon enactment. The Secretary may suspend for up to one hundred and eighty days from the date of enactment of this Act any provision of section 4 and section 5 of the Real Estate Settlement Procedures Act of 1974, as amended by this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROWN of Michigan. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania (Mr. BARRETT) will be recognized for 20 minutes, and the gentleman from Michigan (Mr. BROWN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. BARRETT).

Mr. BARRETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Subcommittee on Housing and Community Development held extensive hearings on October 28 through 30 on the problems that have arisen in the implementation of the Real Estate Settlement Procedures Act. Testimony was heard from industry witnesses, administration officials, and representatives of consumer groups. Based on this testimony, S. 2327, the bill before us was approved with only minor amendments for full committee action. Last Thursday, the full Committee on Banking, Currency and Housing agreed to report out this bill by a vote of 31 to 5.

I am sure all of the Members of this body have received extensive correspondence on the Real Estate Settlement Procedures Act from their districts and from around the country. Most of these letters have been very negative with regard to the operations of RESPA. I believe that the bill before us is responsive to those complaints. It makes the changes which must be made if RESPA is to be a workable statute, and it does this in a manner which does not compromise the basic consumer protection purposes of the law.

In enacting RESPA, we sought to provide prospective home purchasers with adequate protection against unconscionable fees at settlement by providing them with adequate advance disclosure of what these costs will be.

Some of these disclosure requirements, however, have proved to be unduly rigid and unworkable in practice. These are modified in this bill. For example, the bill before us today repeals the mandatory 12-day advance disclosure requirement embodied in section 6 of RESPA. This requirement has proved to be extremely burdensome not only to lenders, but even more importantly, to prospective homebuyers. In its place the bill would provide that a disclosure of good faith estimates of settlement costs be made in the special information booklet that is provided the borrower at the time a written application for a mortgage loan is made. This, I feel, provides the flexibility needed if the law is to work—yet continues the basic congressional intent of providing the homebuyer with adequate advance information as to what their costs will be at the time of settlement.

The other provisions in this bill are of a similar nature. The changes this bill makes in existing law are urgently needed and are supported by the administration, the settlement industry, and by major consumer groups. I strongly urge similar support by the Members of this body and prompt passage of this much-needed bill.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. BARRETT. I am delighted to yield to the chairman of the full Committee on Banking, Housing and Currency.

Mr. REUSS. Mr. Speaker, I thank the gentleman for yielding, and I commend the gentleman and his colleagues on the Subcommittee on Housing for producing a realistic and constructive piece of legislation which I hope will be overwhelmingly supported.

Mr. Speaker, I rise in support of S. 2327, a bill to amend the Real Estate Settlement Procedures Act of 1974. This bill was reported out of the Committee on Banking, Currency and Housing by a vote of 31 to 5 after careful consideration by the Subcommittee on Housing and Community Development, chaired by our distinguished colleague from Pennsylvania, Bill Barrett. The subcommittee conducted extensive hearings on the problems resulting from the implementation of RESPA, and the results of the subcommittee consideration are contained in the bill before us this afternoon.

In making changes in RESPA, we feel that a number of provisions of the act, particularly section 6, the 12-day advance disclosure provision, and section 7, the disclosure of previous selling price provisions, missed the mark and are counterproductive, period. This bill retains the goals and purposes that the Congress established in passing RESPA last year by making the act a workable instrument on behalf of all parties involved in a real estate transaction.

Mr. Speaker, I urge the prompt approval of S. 2327.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. BARRETT. I am glad to yield to the distinguished Majority Leader.

Mr. O'NEILL. I thank the gentleman for yielding.

(By unanimous consent, Mr. O'Neill was allowed to speak out of order.)

FURTHER LEGISLATIVE PROGRAM

Mr. O'NEILL. Mr. Speaker, at this time I should like to make a further announcement. I had announced earlier in the day that we would go through suspension No. 7, omitting 5 and 6, and at that time we would get into the rule on New York legislation. At the request of both the leadership on the other side of the aisle and the chairman of the committee and his members on this side of the aisle, the New York bill will be taken up tomorrow. Therefore, we will continue with the remainder of the suspensions, following through 8 to 14, and hope that we can complete the suspension list today.

Mr. BARRETT. Mr. Speaker, I yield 2 minutes to the gentlewoman from Missouri (Mrs. Sullivan).

Mrs. SULLIVAN. Mr. Speaker, I urge the Members to defeat this bill, which would repeal the most important homebuyer protections of the Real Estate Settlement Procedures Act of 1974.

I know that the Members have been deluged with complaints about this law from all of the people in their districts in the busines of selling, financing, or transferring residential real estate. So have I. There may even have been some letters of complaint from homebuyers protesting what they were told were unnecessary delays in acquiring possession of their homes because of RESPA.

Some of the complaints were valid, Mr. Speaker. But the complaints—although directed at the law—were really brought about not by the provisions of the law but by the initial regulations issued by the Department of Housing and Urban Development.

The regulations have since been amended and clarified. The law is not defective and does not need any changes until we have had a fair opportunity to assess its operation.

It has only been in effect for 5 months. And it is working.

CHANGING "RESPA" INTO THE "REAL ESTATE SPECULATORS PROTECTIVE ACT"

Mr. Speaker, if this bill is enacted, the Real Estate Settlement Procedures Act—RESPA—will be turned into the "Real Estate Speculators Protective Act." The cries mentioned consumer groups are for this bill.

One of the worst things this bill does to low- and moderate-income families is to repeal section 7 of RESPA, a section which now requires the kind of unscrupulous real estate speculators—who victimized thousands upon thousands of inner city homebuyers in recent years—to reveal to the buyer how much the speculator actually paid for the property, and how much was actually paid to fix it up before reselling it. There are stiff penalties in the law for violation of section 7. As a result, although the new law has been in effect, as I said, for only 5 months, it has put a real crimp into the selling of homes by professional speculators at greatly inflated prices.

Representative Parren J. Mitchell and I tried to strengthen this provision of the law further in committee, to make sure the homebuyer has this information on the property's sales history before contracting to buy it, rather than after the sales contract has been signed and a mortgage applied for. But the Banking Committee instead voted to repeal section 7 entirely, under intense pressure from the real estate industry.

So if this bill becomes law, speculators in inner-city housing can resume their old tricks of buying up slum properties at low prices, transferring them back and forth several times at increasingly higher prices to their secretaries, brothers-in-law, or other "straw parties" in order to establish fictitiously high "market prices," and then resell the properties to unsuspecting moderate income families unsophisticated in real estate techniques.

HAPPENED WITH SICKENING REGULARITY

These are the things which happened with sickening regularity in Washington, D.C., and many other cities in this country, and which were exposed in an investigation in 1969–70 by an Ad Hoc Subcommittee on Home Financing Practices and Procedures of which I was chairman. Others who served on that subcommittee in the 91st Congress were Representative James M. Hanley of New York, former Representatives Frank J. Brasco of New York and Chester L. Mize of Kansas, and the Honorable J. Glenn Beall, Jr., of Maryland, now a U.S. Senator. Out of our investigation came a series of reforms in the Housing Act of 1970 to protect federally chartered or insured savings institutions from the depredations of speculators claiming fictitiously high market prices for property on which the speculator seeks a mortgage; and also the provisions of section 7 of RESPA last year providing similar protections to the homebuyer.

Section 7 of RESPA, requiring disclosure of the previous selling price on speculator-owned housing, also was a direct response to the section 235 FHA scandals. But I want to make clear that its origin was primarily in the speculation which occurred on conventional loans, not FHA's. The FHA scandals of course conclusively demonstrated the need for such legislation.

ANTIHOMEBUYER PROVISIONS OF BILL SPELLED OUT IN DISSENTING VIEWS

Mr. Speaker, there are so many things wrong with this bill, from the homebuyers' standpoint, that I cannot begin to cover them all in the time available to me this afternoon. I urge the Members to read my dissenting views in House report 94-667, the committee report on S. 2327, as amended.

The bill would destroy the effectiveness of the law's main purpose, which is to alert homebuyers in advance of settlement of all of the charges they will have to pay in closing the deal, and enable them to negotiate better terms on any of the settlement terms which are in fact negotiable.

It enables the industry to go back to the old habit of making truth-in-lending disclosures as to interest rates and other charges only at the time of settlement, when it is too late for anyone to use this information in order to shop for better terms.

If this bill is defeated this afternoon under Suspension of the Rules it would then have to be brought before the House under an Open Rule providing for amendments. An anticonsumer bill of this nature should certainly not be jammed through on a take-it-or-leave-it basis without any opportunity for amendments. It is a bad bill designed to accomplish the most selfish goals of an industry whose own excesses made necessary the enactment of the law in the first place.

It took 5 years of hard work and some bitter battles in the House Committee on Banking and Currency to enact a law last year to protect homebuyers against predatory abuses, unconscionable overcharges and flagrant "featherbedding" practices in the transfer of residential real estate; it is now taking only 5 months of real estate industry lobbying pressure to convert that law into a hollow shell which would permit elements of the industry to resume doing many of the very things which made the original law necessary.

HISTORY OF THE LAW

The Real Estate Settlement Procedures Act of 1974—RESPA—grew out of investigations by the Banking Committee in 1969-70 into inner-city real estate speculation abuses involving conventional mortgages from insured savings and loans in the District of Columbia, and in 1971-72 into the nationwide scandals involving subsidized housing for low-income families under the FHA section 235 program. A comprehensive series of articles by Ronald Kessler in the Washington Post about the great variations in settlement costs in Maryland, Virginia, the District of Columbia, and other areas of the Nation added significant additional documentation of the need for corrective legislation dealing with real estate transfers. Studies made by the Department of Housing and Urban Development under section 701 of the Emergency Housing Act of 1970 into excessive closing costs on FHA-insured and VA-guaranteed mortgages prompted former HUD Secretary George Romney to propose Federal regulation of prices charged for settlement services on FHA and VA housing.

All of these factors led to the inclusion in the comprehensive housing bill approved by the Banking Committee in 1972—but never acted on in the House—a far-reaching title IX which subsequently became the basis for the separate legislation known as the Real Estate Settlement Procedures Act of 1974.

THE DRIVE TO REPEAL RESPA

The act is far less comprehensive than the legislation I originally offered to the Housing bill in 1972. It was watered down so substantially that all of the trade associations in the real estate industry supported it last year, and the legislation was eventually passed with little controversy last December, to take effect June 20, 1975. However, after it went into effect under regulations issued by HUD, industry sources almost immediately began a campaign to repeal it, claiming it was unworkable. Delays—which have always been characteristic of real estate settlements—were now all being blamed on RESPA. Some homebuyers who had to wait what they were told was an extra 2 weeks for settlement "because of some crazy law passed by Congress," naturally joined in denouncing the act. HUD subsequently met all of the legitimate complaints by issuing a series of technical amendments to the regulation and several legal interpretations which eliminated all of the earlier problems of compliance with the law.

But the easing of the requirements through administrative action came after so many protests had been initiated by the real estate industry over the "unworkability" of the new law that by then most Members of Congress had been deluged with complaints.

The legislation the House is about to consider repeals two of the most important requirements of the law—one to provide home buyers with information in advance of settlement on the actual charges they are going to be required to pay in order to obtain possession of the dwelling; the other, a requirement that real estate speculators disclose to buyers the previous selling price, in the last arm's-length transaction, and the cost of subsequent improvements of any property acquired by the speculator within the previous 2 years and not used as his own residence.

REPEAL OF ADVANCE DISCLOSURE REQUIREMENT

One of the sections of the Real Estate Settlement Procedures Act which S. 2327, as amended, would repeal is its most important provision—the heart of the law. It is intended to give home purchasers an opportunity to shop around for the best terms on any real estate settlement charges which are in fact negotiable. It is also intended to give buyers ample advance warning—before going to settlement—of how much money they will need to have with them in order to cover all of the multitude of fees, assessments, and charges of all kinds the buyer will be required to pay at settlement. The law now provides for a waiver of advance disclosure requirements to any buyer who needs or merely wants to go to settlement without 12-day advance information on the costs. HUD's regulations now provide that by ultilizing the waiver privilege, a settlement can occur within 24 hours after the closing costs are disclosed to the buyer. Thus, there is no longer any legitimate basis for the attacks on the law as causing unnecessary delays. This is a deliberate smokescreen at this point, an untrue charge being vigorously promoted by the professionals in the real estate industry who perhaps do not want their customers to learn how to negotiate better terms for legal fees, title search, title insurance, and other expenses of acquiring a mortgage and a home. Everyone who has ever bought a home without having their own lawyer at their elbow through every stage of the proceedings knows whereof I speak.

S. 2327, as amended and approved by the Committee on Banking, Currency and Housing, professes to meet this situation by requiring the lender merely to give the purchaser in advance only a "good faith estimate of the amount or range of charges for specific settlement services the borrower is likely to incur." But it should be noted that in repealing section 6, the bill eliminates any penalty whatsoever for failing to give information which is, in fact, a "good faith" estimate.

And it will be only when the buyer actually goes to settlement that he or she will learn exactly what settlement charges are being required. There will not be even 1 day's advance notice of the accurate costs.

Not only did the committee reject my amendment to strike from the bill the section repealing section 6 of RESPA, but also rejected an amendment by Representative SPELLMAN to require that the actual settlement charges merely be available to the buyer 1 day before settlement. This indicated to me that the committee is not interested in enabling homebuyers to go to settlement fully prepared for what they are going to be called upon to pay. Under the tension of signing the mass of settlement papers, thrust at the buyer, one after another, by people ordering one to "sign here" and "sign there," the average homebuyer, and particularly the first-time buyer, is too intimidated by the strangeness of the proceedings and the magnitude of the obligations being assumed to question individual items at that point.

Ideally, every homebuyer should have at every stage from sales contract signing to settlement a lawyer who represents only the buyer. Instead, the lawyer whose fee the homebuyer is paying is often the lender's lawyer as well, and may also be representing the title company, too, and may even be sharing in the premium for title insurance. Such arrangements have been documented in our hearings. But until homebuyers become sophisticated enough to obtain their own lawyers before entering into far-reaching real estate transactions, section 6 of RESPA, as presently written, is their only real protection against excessive charges. It will be a sad day for consumers if this section of the law is repealed after only 5 months of operation.

PROTECTING THE REAL ESTATE SPECULATOR

Another tremendously important consumer protection in RESPA which this bill repeals is section 7, providing for disclosure to the buyer of the previous selling price, plus the cost of improvements, of a house being sold by a real estate speculator who acquired it within the preceding 2 years and did not use it as the speculator's own residence. This section of the law stemmed from the studies made by the Committee on Banking and Currency in previous Congresses into victimization of low- and moderate-income families by real estate speculators buying up old homes at bargain prices and, after a few cosmetic touches but no real repairs or improvements, selling them to unsuspecting buyers at fantastically inflated prices.

FHA, to its everlasting shame, went along with thousands of such shoddy deals under the so-called "235" subsidized housing programs. but our investigations also showed that many such properties were foisted on moderate-income families in Washington and elsewhere under conventional loans as well, issued during periods of relatively easy mortgage market conditions by careless or corrupt officials of savings and loans.

An experienced or knowledgeable home buyer makes it a point to investigate the true value of a house offered for sale, including the previous sale price and the cost of any improvements for which building permits were obtained. But what we found in our 1969–70 investigation, and also in 1971–72, was that many unsophisticated low-income homebuyers—subsidized or not—bought homes which had been bought and sold several times in a matter of days or weeks, often in fictitious straw party deals at sharply increasing prices to establish an artificially high "market price."

Section 7 of RESPA now requires that the last arm's length transaction of a speculator-sold home must be disclosed to the buyer. It has already put a real crimp in unscrupulous real estate speculation, without hurting the legitimate remodeler who puts fair value into a restored property. The intensity of the drive to repeal section 7 certainly indicates that section 7 is doing what we intended it to do and should therefore be retained in the law. If we take it out of the law, the moderate-income family buying a home from a professional real estate speculator will again be helpless in defending against the real estate "sharpies" who infest many of our inner cities.

It was unscrupulous speculators who made the "235" program into a crook's grabbag, while the FHA eventually was left "holding the bag"—as owner of thousands upon thousands of dilapidated, abandoned housing. And what the FHA did not get stuck with, the Federal Savings and Loan Insurance Corporation had to take over to bail out failing savings and loans which had invested heavily in conventional mortgages in overpriced speculator-sold houses. The facts have been fully documented in Banking Committee investigations.

Eliminating section 7 from the law would give a new twist to the law's acronym, RESPA—the Real Estate Speculator's Protective Act.

THE $9½ BILLION ESCROW KITTY

In 1972, the committee voted to include in the comprehensive housing bill reported that year a provision calling upon the Federal Reserve Board to investigate the feasibility of requiring interest to be paid by mortgage lenders on the escrow accounts they require mortgagors to establish and maintain for the payment of taxes and casualty insurance. When the 1972 Housing bill died in the Rules Committee that year, I asked the General Accounting Office to make such a study, and it did so.

The GAO reported that about $9½ billion was being placed over a year's time in such accounts on one to four family dwelling units, that an infinitesimal number of such accounts were interest bearing—except in the few States which require interest to be paid on such accounts—and that many lenders—particularly large institutions with many mortgages outstanding—derived substantial profits from the temporary investment of those funds.

But the GAO study also indicated that smaller-sized real estate lending institutions probably only broke even or perhaps even had expenses from the maintenance of tax and insurance escrow accounts which exceeded the income from the escrow money.

Based on the GAO findings, I proposed including in RESPA last year a provision which would not require interest to be paid on escrow accounts but instead would give individual homebuyers the option of paying their own taxes and insurance rather than being required by the lender to maintain an interest-free escrow account for this purpose. This proposal was rejected by the committee last year and again on the bill now before us. Since this legislation is coming before the House under Suspension of the Rules, there is no opportunity to offer such an amendment on the House floor. That is unfortunate, because many of our home-buying constituents with sizable real estate tax bills each year would prefer to pay the taxes directly, meanwhile investing the money in interest-bearing accounts. Under most home mortgages, however, the homebuyer does not have that option. In rejecting that amendment, the committee is further acting to convert RESPA into a law to aid everyone involved in a real estate transaction but the homebuyer.

REPEAL OF ADVANCE DISCLOSURES REQUIRED ON MORTGAGE FINANCE CHARGES AND RATES UNDER TRUTH IN LENDING

Another glaring anticonsumer provision of S. 2327 as amended by the House Banking Committee repeals requirements in both the Truth in Lending Act and the Real Estate Settlement Procedures Act that the finance charges called for in a mortgage on residential real estate, including the exact annual percentage rate, must be disclosed prior to settlement. Lower court decisions have held that disclosure of the interest rate and other aspects of the finance charge at the time of settlement destroys the whole purpose of the Truth in Lending Act in such transactions, by precluding any opportunity on the part of the buyer to shop for the best terms. By the time the buyer usually received this information it was on a take-it-or-leave-it basis at settlement. The Federal Reserve Board thereupon recommended that the truth in lending disclosures on residential real estate be made at least 10 days before settlement.

Congress last year amended the Truth in Lending Act therefore to require that the truth in lending disclosures, along with estimated closing costs, must be given the homebuyer before a loan commitment is issued by the lender. When RESPA was passed, this section of the Truth in Lending Act was allowed to stand as regards mortgages not covered by RESPA, but all transactions covered by RESPA were required to provide for disclosure of the truth in lending information as part of a package of other information called for under RESPA.

S. 2327 as amended would once again permit the lender to make the truth in lending disclosures at the time of settlement, whether or not the transaction is covered under RESPA. The result would be that on a mortgage covered by truth in lending but not by RESPA, the homebuyer would not be entitled to any information in advance on closing costs or finance charges and annual percentage rate; and on those mortgages covered by RESPA, which includes most but not all residential mortgages, the important truth in lending disclosures would again come at the last minute.

This is yet another example of the way this bill has been written to take away protections now in the law for consumers and twist the law into an industry statute.

S. 2327 SHOULD BE DEFEATED

S. 2327, as amended by the House Committee on Banking, Currency and Housing, is the real estate industry's bill to pull the teeth of a consumer law which has been in effect less than 5 months. We have been deluged with demands from constituents in that industry to either repeal RESPA outright or pass this bill which cripples it.

As I told the Housing Subcommittee when this bill was being acted on at the subcommittee level, I am reminded of the promise in the 1936 Republican platform to repeal the Social Security Act as "unworkable." Now we are being urged after only 5 months of operation to get rid of the most important features of the "Homebuyers' Security Act." The new law has not had a fair chance to operate. Granted that HUD's original regulations were cumbersome and unclear; they have since been cleaned up and clarified. All of the legitimate problems which the industry encountered under the regulations during the first few months of the act's operations have been resolved administratively. Unnecessary delays have been eliminated. Why, then, the rush to gut the law?

The answer is that RESPA now provides consumer-homebuyers with information they need in order to arrive at prudent decisions connected with the largest expenditures most families ever make. An industry which generally succeeded for generations in making real estate transfers incomprehensible—and excessively expensive—for most homebuyers apparently liked it better the old way. S. 2327 should be defeated. The existing law should be given further opportunity to operate under HUD's revised and more understandable requirements. It should have at least a year of continued operation without change before we assess what changes are really necessary. By next June, we can then make rational and deliberate improvements in the act to make it a more effective instrument for helping homebuyers, instead of tearing it apart under lobbying pressure from an industry which depends for its very existence on the extensive assistance it receives each year from the Congress of the United States.

I believe in, and have worked hard over 20 years, helping to write legislation to aid the home building and real estate lending industry. But when that industry mounts a direct attack on the consumers of their product, as is being done in this bill, my loyalty is to the consumer.

Mr. PATMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I will be happy to yield to the gentleman from Texas.

Mr. PATMAN. I thank the gentlewoman for yielding.

I just want to say that the speaker is one of the best friends that small business has in the House of Representatives. I am in accord with her views. I know about this bill, and I expect to vote accordingly, like she votes. She says she is going to vote "no" on the bill; that is the way I am going to vote.

Mrs. SULLIVAN. I appreciate the gentleman's comments.

Mr. BARRETT. Mr. Speaker, I yield now to the gentleman from Michigan (Mr. Brown).

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

Mr. Speaker, I rise in enthusiastic support of S. 2327, the Real Estate Settlement Procedures Act Amendments of 1975. I have received numerous complaints from my district about the provisions of the original Real Estate Settlement Procedures Act. The original act was designed to help inform the consumer about settlement charges connected with buying or selling a home, by requiring mortgage lenders to disclose probable settlement charges at least 12 days before the buyer and seller closed a sale. In reality, though, the new law which took effect this June, has only led to confusion, delays, and redtape for consumers and lenders alike. As a constituent recently wrote to me:

> As a practical matter, by the time the consumer receives a disclosure of RESPA, he is already contractually obligated to pay nearly all the various settlement costs and cannot, in fact, "shop around." Another factor is that very little time and costs in real estate deals is related to preparing, recording and retrieving land title documents. As to the threat of regulation, the short-term effect of RESPA will be and has been to drive charges upward.

Mr. Speaker, I want to commend the gentleman from Michigan (Mr. Brown), his cosponsors, and the Banking and Currency Committee for so quickly responding to these very valid complaints by bringing out this bill so expeditiously. This bill would remove the onerous burdens of RESPA and replace them with a workable consumer information approach which does not involve the built-in delays and costs of the present law. I am especially pleased that the committee has managed to bring us a bill which is apparently acceptable to all concerned groups—consumers, lenders, realtors, credit unions, and title companies. I urge passage of this bill so that we can remove the unworkable and burdensome provisions of the present law while preserving the essential interests of consumers.

Mr. BROWN of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to associate myself with the remarks of the chairman of the subcommittee and to thank him for the expeditious handling of H.R. 10283 which is now before us as a House amendment to S. 2327.

This legislation had strong bipartisan support when it was introduced and it received virtually unanimous support from every witness who appeared before the subcommittee during 3 full days of hearings on the problems caused by RESPA.

The bill before us today is identical to H.R. 10283, as introduced, except for three technical and clarifying amendments. As a result, it is safe to say that this bill has the full support of such varied groups as consumers, lenders, attorneys, realtors, title companies, and homebuilders.

If you recall, RESPA was adopted as the lesser of two evils and was thought to be a desirable alternative to that which many thought would be a totally unworkable and heavy handed Federal bureaucracy set up to regulate all settlement costs. Yet even the alternative has proven in practice to be unworkable, onerous, and cost ineffective from a consumer's standpoint. The bill before us today makes the necessary changes in the law to make it work in the interest of all.

The main objection made in committee to this bill was over the repeal of the disclosure of the previous selling price on certain nonowner-occupied properties.

In the dissenting views, the objections start off alleging that RESPA was an outgrowth of the FHA scandals of a few years ago. Unfortunately, this contention is in error.

Section 7, dealing with the previous selling price of certain properties, undoubtedly had its underpinnings in those scandals, but it is obvious that section 7 is quite extraneous to the basic issue of settlement costs. RESPA came about partly as the result of news reports of considerable differences in the costs home buyers were asked to pay for settlement services in various parts of the country. A number of the articles were misleading and gave the exaggerated impression that these exorbitant costs, where they existed, were due solely to unscrupulous settlement practices. The result was RESPA.

With respect to section 7, however, the problem being addressed was not settlement practices but rather the problem of fraudulent or negligent appraisals, and in some instances, collusion between speculators and certain Federal officials. Accordingly, section 7 applied criminal penalties of up to 1 year in prison and a $10,000 fine for violations. But, the provisions were so broad as to make virtually any seller of an existing home subject to at least some of its requirements and thereby risk the penalties for noncompliance.

The vast majority of the members of the committee and witnesses felt that this section should be repealed, especially since the FHA has worked into its appraisal procedures safeguards which parallel those attempted in section 7.

Mr. Speaker, I would just like to add that we are hopeful that passage of this bill today will be followed by the Senate agreeing to the House amendment and sending the bill to the President for signature before the Thanksgiving recess. If this is done, there will be reason to give thanks by all those buying or selling homes and those who make their living providing settlement services.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from New York (Mr. Gilman).

Mr. GILMAN. Mr. Speaker, I rise to associate my remarks with the gentleman and wish to commend the gentleman from Michigan (Mr. Brown), the sponsor of H.R. 10283, a bill amending the Real Estate Settlement Procedures Act of 1974—RESPA. The distinguished members of the House Banking and Currency Committee have done splendid work in amending the more onerous sections of RESPA.

Congress enacted RESPA to benefit consumers purchasing real estate by attempting to control excessive real estate settlement charges in high cost areas. However, since the passage of RESPA, my office, along with many of my colleagues, has received numerous complaints about the burdensome paperwork that this law has imposed upon consumers, banks, builders, title insurance companies, attorneys, and real estate agents.

While testifying before the House Banking and Currency Committee on the need for changes to sections 4, 6, and 7 of RESPA, I noted that the current provisions of that law has unduly extended the time required for the preparation of contracts of sale due to the prior research needed to secure all the information now required by RESPA and the additional time needed in the preparation of the contractual documents themselves. I pointed out that time is particularly valuable in any real estate transaction and that the extensive and complicated settlement forms and the 12-to-15-day "cooling-off" period imposed by RESPA has resulted in delay and confusion in relocating families, concluding rental arrangements, in job transfers and increased costs to consumers by way of higher attorney fees.

Banking institutions have complained that the vague wording of the act has caused differing interpretations by those seeking to comply, resulting in a plethora of new forms, as attorneys and real estate agents strive to satisfy both the requirements of RESPA and the differing interpretations placed on that act by those institutions administering it. For example, various advance disclosures required under 6(a) of the RESPA are difficult to comply with when banks operating in many municipalities have varying tax periods. Such advance disclosures place an undue burden upon the lender and are confusing to the borrower.

It has also been brought to my attention that attorneys for banks and purchasers and in some cases, attorneys for sellers, have found it necessary to raise their fees as much a 50 percent above what they were charging prior to the advent of RESPA. A simple contract now takes extensive additional preparation time by the attorney, and the completion of the RESPA forms at the closing consumes additional time. Since the lending institutions are not permitted to charge for these added services, the work falls upon the attorney who has nothing to sell but his time.

It certainly is important to retain those parts of RESPA which reduce the charges and expenses to the home purchaser and which alert the consumer to what his approximate closing costs will be and I am happy to see that those provisions in RESPA have been left substantially intact by the committee. But, at the same time, we should act expeditiously to alleviate all other unnecessary and impractical burdens imposed by RESPA.

Accordingly, I urge my colleagues to support the committee's amendments to RESPA in order to alleviate the most troublesome features of an otherwise admirable piece of consumer legislation.

Mr. BROWN of Michigan. I thank the gentleman for his comments.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Michigan. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Speaker, the Senate bill S. 2327 suspends sections 4, 6, and 7 of RESPA. In effect here we are considering H.R. 10283 under the suspension procedures. I did not quite understand how the gentleman considers the provisions of H.R. 10283 superior to the provisions of the Senate bill.

Mr. BROWN of Michigan. The Senate bill merely suspends sections 4, 6, and 7. The bill H.R. 10283 repeals these provisions but provides for a good-faith estimate of settlement costs to be included to the booklet that is given to the applicant by the lender at the time the loan application is made. We think there is no reason to suspend these provisions because we would create confusion. I think we have reached agreement that these provisions should be repealed and not just suspended.

Mr. ICHORD. Does it remove the requirement of a 12-day advance disclosure of settlement costs? Does H.R. 10283 do that?

Mr. BROWN of Michigan. It does. It repeals in that regard. But as I pointed out, disclosure is accomplished by the good-faith estimate of specific settlement charges that are given at the time the loan application is made by the borrower.

This estimate is included in the total information that is required to be given to the applicant at the time the application is made, so the consumer has an advantage and he is not locked into a straitjacket, as he is with the present 15-day disclosure requirements.

Mr. ICHORD. Mr. Speaker, I thank the gentleman for his contribution.

Mr. Speaker, with very strong reservations and reluctance, I will vote today for S. 2327, the amendments offered by the Committee on Banking and Currency to the Real Estate Settlement Procedures Act (P.L. 93-533). Along with 398 Members of the House, I voted in favor of passage of RESPA last year. I felt at that time as I still do today that we must do all we can to further national housing goals in this country and curb isolated irresponsible practices in real estate transactions. However, I am frank to admit that both my vote and House passage of RESPA on August 14, 1974, was a mistake. Neither Congress as an institution nor the individual Members of Congress are infallible. In this particular instance Congress overreacted to a problem at hand in enacting RESPA with the result that this law regrettably wrought unfortunate effects diametrically opposed to Congress' original good intentions. RESPA was passed with the specific goal in mind of encouraging homeownership by minimizing the unnecessary costs and difficulties of purchasing housing. When RESPA was implemented last June, its effects actually discouraged homeownership by increasing the costs and difficulties of home purchasing.

These inadequacies and oversights were pointed out to Congress from all affected sectors of the American public—realtors, lenders, lawyers, and the consumer. My files are filled with letters from Missourians who are appalled that Congress ever enacted this law.

In response I introduced the first bill to call for repeal of RESPA in its entirety. I was joined on this bill by 13 of my colleagues. While I still believe that repeal and subsequent redrafting might be the most efficient way of handling the problems of RESPA, I also know that legislative relief from the most unfortunate provisions of RESPA must be forthcoming immediately. Given this situation, I was extremely pleased that the Senate passed S. 2327 on October 9 which suspends for 1 year some of the most onerous provisions of RESPA, namely sections 4, 6, and 7 and repeals sections 121(c) of the Truth-In-Lending Act which requires a full statement of closing costs in connection with consumer and home mortgage lending. I felt this bill would provide Congress the leadtime necessary for a comprehensive and indepth review of Public Law 93-533 with an eye to correcting its obvious inadequacies. I hoped that the Banking and Currency Committee would report out an identical bill and testified in support of same on October 28.

What the Banking and Currency Committee did report out and what we must vote on today under suspension of the rules is H.R. 10283, the legislation which the House is offering as its response to the failings of RESPA. The majority of the provisions of this legislation are firm and responsible responses to the problems we now confront under RESPA. Where the Senate passed bill only suspends for 1 year section 6 of Public Law 93-533 providing for a 12-day advance disclosure of settlement costs by lenders, H.R. 10283 would entirely repeal this section although section 5 of H.R. 10283 places some caveats on this repeal which I will discuss in a moment. Where the Senate passed bill also only temporarily suspends section 7 providing for the disclosure of the previous selling price of existing real property, H.R. 10283 would also entirely repeal this section which has only led to unnecessary and complicated paperwork and caused inconvenience, delay, and possible criminal liability for many innocent sellers and lenders. H.R. 10283 would also repeal section 121 (c) of the Truth-In-Lending Act; would add greater clarification and resolve ambiguities which have arisen under section 8 of RESPA relating to the prohibition of kickbacks and unearned fees; and put greater flexibility into the escrow provision of RESPA. I have no serious objections to these provisions of H.R. 10283. My reservations and reluctance to support H.R. 10283 arise from sections 2, 3, and 4. Section 2 of H.R. 10283 purports to further limit the definition of "federally related mortgage loan" to cover only the purchase of homes. I believe greater study and consideration should have been given to limiting the coverage of RESPA to those mortgages which are truly Federal, such as FHA loans and VA loans. Section 3 of H.R. 10283 amends rather than suspends section 4 of RESPA pertaining to the uniform settlement statement. I strongly object to this amendment believing that it would have been more prudent for the House to concur with the Senate suspension thus allowing greater time to determine how this statement can be further simplified or indeed determined if it is necessary at all. If any of my colleagues have seen the lengthy HUD statement form they would realize why lenders violently object to this tremendous paperwork burden. As one lending institution in my district expressed to me:

> We have made one loan on real estate since this act (RESPA) became effective. It took one person three hours to read the instructions regarding the disclosure statement and to endeavor to try to get the right information in the proper place. After spending all this time trying to comply, we still did not feel confident that it was done properly.

Yet, another banker sent me the huge new packet of Federal paperwork required by RESPA and said:

> It is just this sort of bureaucratic redtape, which, instead of solving some isolated cases of bad mortgage loan practices, simply makes lenders, like ourselves, somewhat less eager to make home loans because of all the disclosure and reporting that is necessary . . . there has to be a better way.

I regret that the House Banking Committee did not see fit to at least suspend this requirement and take a longer look at the possible negative effects this paperwork is having on home purchasing. Finally, I object to section 4 of H.R. 10283 which nullifies to some extent the benefits of the bill's suspension of the "advance disclosure of settlement costs" provision of RESPA. Section 4 requires that a lender provide to a borrower along with the HUD Special Information Booklet a good faith estimate of the amount or range of charges a borrower is likely to incur in connection with the settlement. Thus H.R. 10283 on the one hand removes the advance disclosure of RESPA while at the same time requiring that estimates of the same information be given at any time a written loan application is filed. Bankers and lenders are therefore still required upon penalty of law to furnish information which is not known or readily available to them.

Despite these objections, I will vote in favor of H.R. 10283. I do so only because of the urgent need for some legislative relief from the provisions of RESPA and because it appears that H.R. 10283 is the only bill which will come before us offering such relief. In the conference meeting between H.R. 10283 and S. 2327, I would hope that the House conferees would at least agree to the Senate suspension of section 4 of RESPA in lieu of their own recommended amendments. I believe that all of us—Congress, realtors, lenders, lawyers, the American consumer—have a better idea now of the direction in which we would like to head and are better aware of the failings of our past efforts in this area. What we need most is time to put the benefit of our hindsight to work and come up with the appropriate legislative vehicle to obtain our ends. While I believe repeal of RESPA would have better insured this time for reconsideration, H.R. 10283 is better than no action at all. RESPA demands immediate solution and H.R. 10283 at least offers some relief.

Mr. BARRETT. Mr. Speaker, I yield 2 minutes to the gentleman from New York, (Mr. LaFALCE).

Mr. LaFALCE. Mr. Speaker, as a sponsor of H.R. 10283, I rise in strong support of and I exhort all my colleagues to join me in supporting this measure.

Mr. Speaker, I have deep and abiding faith in our Federal system of government. As an attorney I have studied this system in some detail. As a State legislator for 4 years I worked within the system, devoting my attention to those matters where the States carry governmental responsibility. And as a Member of the House of Representatives I am seeing the system from a different perspective, concerning myself with national issues.

One of the major areas of concern with which I used to deal in the State legislature was the vast and complicated field of real estate transactions. The States, during our Nation's 200 year history—and, for that matter, even longer—have had the prime responsibility to oversee property rights and the mechanics of property transfer. All 50 States do this differently; some do it better than others but most, in my opinion, do it reasonably well.

Last year Congress, in its wisdom, chose to enact the Real Estate Settlement Procedures Act—RESPA—in response to a growing consumer movement and to some abuses which have, concededly, existed in some parts of the country with respect to closing costs and some other aspects of the process of transferring real property from one party to another. I have no quarrel with the intentions of my colleagues in the 93d Congress; I am sure that all who voted for this law last year thought that they were doing the best thing for all Americans.

But there is an old saying about good intentions, and there is another one about a legislature's ability to deal with morality. And I think that our experience under RESPA gives us a clue as to how old sayings get coined.

After its enactment last year HUD produced a booklet about real estate closings which, under RESPA, must be distributed to home purchasers prior to closing. The booklet, I might add, has received praise from almost all quarters, and I compliment HUD for providing it. Indeed, I have the pleasure to compliment HUD for all of its efforts with respect to RESPA, and particularly those of HUD's General Counsel, Bob Elliott and his colleagues.

But HUD's best efforts could not overcome some of the severe deficiencies in the law itself. Having come to that realization, helped immeasurably by over 200 comments on RESPA from knowledgeable people in western New York, I am pleased to be a sponsor of H.R. 10283 and I exhort you to vote in favor of the bill today.

At the conclusion of my remarks, Mr. Speaker, I will present to each of you some excerpts from the communications I received, but first let me explain H.R. 10283.

H.R. 10283 does not repeal all of RESPA—something many thought should be done. Indeed, because of my inclination not to tamper with our Federal system and because most of the States had been performing reasonably well in carrying out their responsibilities in this area, I leaned toward outright repeal of RESPA in its entirety. But I understand the necessity for compromise, and I feel that the compromise exemplified by H.R. 10283 is a reasonable one—it retains those provisions of RESPA which can be useful and helpful to home buyers; it repeals and eliminates the more onerous provisions; and it clarifies some of the ambiguous provisions of last year's effort.

A brief recitation of this bill's provisions will be helpful, Mr. Speaker, for I know that my colleagues on the floor today want to know in detail the changes which our subcommittee and committee have recommended.

The bill reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Real Estate Settlement Procedures Act Amendments of 1975".

Sec. 2. Section 3(1) of the Real Estate Settlement Procedures Act of 1974 is amended—

(1) by inserting "(other than temporary financing such as a construction loan)" immediately after "includes any loan";

(2) by inserting "a first lien on" immediately after "is secured by" in subparagraph (A);

(3) by striking out "is eligible for purchase by" in subparagraph (B)(iii) and inserting in lieu thereof "is intended to be sold by the originating lender to";

(4) by striking out "or" the first time it appears in subparagraph (B)(iii);

(5) by striking out "from any" and "could" in subparagraph (B)(iii) and inserting in lieu thereof "a" and "is to", respectively; and

(6) by inserting the following immediately before the semicolon at the end of subparagraph (B)(iv): ", except that for the purpose of this Act, the term 'creditor' does not include any agency or instrumentality of any State.".

Sec. 3. (a) Section 4 of the Real Estate Settlement Procedures Act of 1974 is amended—

(1) by adding "(a)" before "The Secretary";

(2) by deleting the words "minimum" and "unavoidable" in the parenthetical phrase;

(3) by deleting the last sentence thereof; and

(4) by adding at the end thereof the following new sentences: "The Secretary may, by regulation, permit the deletion from the form prescribed under this section of items which are not, under local laws or customs, applicable in any locality, except that such regulation shall require that the numerical code prescribed by the Secretary be retained in forms to be used in all localities. Nothing in this section may be construed to require that that part of the standard form which relates to the borrower's transaction be furnished to the seller, or to require that that part of the standard form which relates to the seller be furnished to the borrower".

(b) Section 4 of such Act is further amended by adding the following new subsection:

"(b) The form prescribed under this section shall be completed and made available for inspection by the borrower at or before settlement by the person conducting the settlement, except that (1) the Secretary may exempt from the requirements of this section settlements occurring in localities where the final settlement statement is not customarily provided at or before the date of settlement, or settlements where such requirements are impractical and (2) the borrower may, in accordance with regulations of the Secretary, waive his right to have the form made available at such time.".

Sec. 4. Section 5 of the Real Estate Settlement Procedures Act of 1975 is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after subsection (b) the following new subsection:

"(c) Each lender shall include with the booklet a good faith estimate of the amount or range of charges the borrower is likely to incur in connection with the settlement as prescribed by the Secretary.";

(3) by striking out in the first sentence of subsection (d), as redesignated by paragraph (1), "an application" and inserting in lieu thereof "or for whom it prepares a written application"; and

(4) by adding in the second sentence of subsection (d), as redesignated by paragraph (1), "or preparation" after the word "receipt".

Sec. 5. Section 6 of the Real Estate Settlement Procedures Act of 1974 is repealed.

Sec. 6. Section 7 of the Real Estate Settlement Procedures Act of 1974 is repealed.

Sec. 7. Section 8 of the Real Estate Settlement Procedures Act of 1974 is amended in subsection (c) by striking out "or" immediately before "(2)", and by inserting before the period at the end thereof a comma and the following: "or (3) payments pursuant to cooperative brokerage arrangements between real estate agents, or (4) such other payments or classes of payments or other transfers as are specified in regulations prescribed by the Secretary, after consultation with the Attorney General, the Administrator of Veterans' Affairs, the Federal Home Loan Bank Board, the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Secretary of Agriculture".

Sec. 8. Section 10 of the Real Estate Settlement Procedures Act of 1974 is amended to read as follows:

"ESCROW ACCOUNTS

"SEC. 10. A lender, in connection with a federally related mortgage loan, may not require the borrower or prospective borrower—

"(1) to deposit in any escrow account which may be established in connection with such loan for the purpose of assuring payment of taxes, insurance premiums, or other charges with respect to the property, in connection with the settlement, an aggregate sum (for such purpose) in excess of a sum that will be sufficient to pay such taxes, insurance premiums and other charges attributable to the period beginning on the last date on which each such charge would have been paid under the normal lending practice of the lender and local custom, provided that the selection of each such date constitutes prudent lending practice, and ending on the due date of its first full installment payment under the mortgage, plus one-sixth of the estimated total amount of such taxes, insurance premiums and other charges to be paid on dates, as provided above, during the ensuing twelve-month period; or

"(2) to deposit in any such escrow account in any month beginning with the first full installment payment under the mortgage a sum (for the purpose of assuring payment of taxes, insurance premiums and other charges with respect to the property) in excess of the sum of (A) one-twelfth of the total amount of the estimated taxes, insurance premiums and other charges which are reasonably anticipated to be paid on dates during the ensuing twelve months which dates are in accordance with the normal lending practice of the lender and local custom, provided that the selection of each such date constitutes prudent lending practice, plus (B) such amount as is necessary to maintain an additional balance in such escrow account not to exceed one-sixth of the estimated total amount of such taxes, insurance premiums and other charges to be paid on dates, as provided above, during the ensuing twelve-month period: *Provided, however*, That in the event the lender determines there will be or is a deficiency he shall not be prohibited from requiring additional monthly deposits in such escrow account to avoid or eliminate such deficiency.".

SEC. 9. Section 18 of the Real Estate Settlement Procedures Act of 1974 is amended by striking out subsection (b) and "(a)" in subsection (a).

SEC. 10. Section 19 of the Real Estate Settlement Procedures Act of 1974 is redesignated as section 20 and a new section 19 is added to read as follows:

"AUTHORITY OF THE SECRETARY

"SEC. 19. (a) The Secretary is authorized to prescribe such rules and regulations, to make such interpretations, and to grant such reasonable exemptions for classes of transactions, as may be necessary to achieve the purposes of this Act.

"(b) No provision of this Act or the laws of any State imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Secretary or the Attorney General, notwithstanding that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.".

SEC. 11. Section 121(c) of the Truth in Lending Act is repealed.

SEC. 12. The provisions of this Act and the amendments made hereby shall become effective upon enactment, except that the Secretary may suspend for up to one hundred and eighty days from the date of enactment of this Act any provision of this Act or the Real Estate Settlement Procedures Act of 1974 if the Secretary determines such suspension is necessary to carry out the purposes of either Act in an orderly manner.

The above bill contains many changes, but four are most basic: First, section 3 changes RESPA's present requirement for a single "uniform settlement statement" covering the entire Nation; HUD will now be permitted to tailor such statements to the varying requirements of individual States' laws. This will greatly simplify the statement—it was almost a miracle that HUD was able to come up with one, complicated as it was, which covered all 50 States—and will ease burdens on many of those involved in real estate transactions. An added benefit: purchasers will be able to understand the form much more easily.

Second, the bill repeals the "advance disclosure of settlement costs" requirement in the present law and replaces it with a provision calling for estimates of closing costs likely to be incurred at closing. This relieves a heavy burden from the lender while still assuring that purchasers will not be surprised by undisclosed closing costs.

Third, the bill repeals section 7 of RESPA which presently requires nonoccupant owners to disclose the price for which they purchased a house if they have owned it for less than 2 years and presently prevents a lender from giving a loan commitment until the lender confirms that the seller has given such information. This provision is aimed at preventing abuses by speculators—abuses which were most prominently dsplayed in the section 235 scandals a few years ago. Yet RESPA's sweeping power, encompassing almost every residential real estate transaction in the Nation, brought this section into play in innumerable situations where speculation, with or without abuses, simply was not present. And sellers quite legitimately objected to the disclosure requirement.

Congress probably does have a responsibility to try to cut down on many of the abuses and "rip-offs" which do occur, particularly with respect to purchasers with low and moderate incomes. But I suggest, Mr. Speaker, that we can deal with almost all of these situations in a more limited way by amending the FHA legislation and the VA legislation, to the extent that additional safeguards are needed. It would be better, in my judgment, to legislate in a way which permits us to deal with 95 percent of the abuses rather than to write a law in which 95 percent of its application pertains to situations where abuses are not present.

Finally, this bill clarifies other provisions of RESPA, as follows. It will—

Permit the Secretary of HUD to exempt certain classes of settlements from the uniform settlement statement requirements;

Make clear that cooperative brokerage and referral arrangements of real estate agents are exempt from the prohibition against kickbacks and unearned fees, and allow HUD to exempt other payments or classes of payments, or other transfers;

Provide that 2 months' escrow payments for taxes, insurance, and other charges may be required at settlement rather than 1 month's payments; and finally

Repeal a section of the Truth in Lending Act requiring a full statement of closing costs in connection with consumer home mortgage lending.

Mr. Speaker, RESPA was in many respects a good idea. But it strikes me as a situation where Congress tried to do what more patient people who work on uniform State laws have been doing for years now. The Uniform Commercial Code is now in effect in 49 States, an astonishing record, which has the effect of rationalizing the legal ground rules of our Nation's commercial life to a very considerable degree. Perhaps it would be equally desirable to have a uniform real estate settlement law on the books of all our States. I am told, in fact, that this is being looked into. But an act of Congress, we must always remember, is not and cannot be a substitute for seeking uniformity among our States.

The Federal Government has limited powers, and that is as it should be. RESPA, in some respects, went to the extremes of those powers. And if we learn from this experience we will question more closely when other proposals skirting the edges of Federal constitutional powers are put before us. In that sense, RESPA has performed a service. And with the enactment of this bill, Mr. Speaker, it is my firm belief that we will have a law which works to the benefit of consumers without putting undue burdens on lenders, attorneys, realtors, and all the others involved in making the property transfer system work.

Mr. Speaker, I noted earlier that I wanted to share some excerpts from the communications I have received concerning the Real Estate Settlement Procedures Act. Without further ado, I shall proceed.

Ben and Michael Gold of Niagara Falls:

> I urge you . . . to eliminate this stupidity and restore sanity to real estate closings.

W. Alfred Brim of Lockport:

> More and more we are living in a fish bowl. What difference does it make what I charge the seller to the buyer?

Robert Hille and Richard Kahl of Niagara Falls:

> (The consumer's) main concern is to get (the home) financed regardless of cost.

Bernard E. Hart of Medina:

> RESPA is a perfect example of bureaucracy at its worst.

Joseph W. Bielmeier, and colleagues, of North Tonawanda:

> The effect of RESPA has . . . been to make it more difficult (and sometimes impossible) to transfer property . . .

William B. May of Lockport:

> The cure has proven to be much worse than the disease.

Robert Boysen of Lockport:

> Congress should stop acting like a State Legislature.

Anthony Parone of Niagara Falls:

> I am seriously considering increasing my fees . . . because of the . . . added time and work which must be performed . . .

David McIntyre of Lockport:

(Consumers) bitterly resent the required delay time between mortgage application and closing . . .

Tom Mack of Medina:

I strongly feel that the area is not proper for federal regulation but should be left to the states.

Bryant S. Kurtzman of Niagara Falls:

This act has done nothing to reduce the cost of real estate closing . . .

Nunzio Rizzo of Niagara Falls:

(RESPA requires) burdensome and totally unnecessary paperwork.

Ira Hovey of Niagara Falls:

(RESPA) is sheer nonsense.

Tomas L. Miller of North Tonawanda, a real estate broker:

We have found very few buyers or sellers understand the (RESPA) forms when they are submitted to them.

Ralph A. Boniello of Niagara Falls, an attorney with a large real estate practice:

It has become necessary to add another employee to our staff to process this (RESPA-related) work.

Chester Grove of Lockport:

(RESPA is) a good example of well-intended legislation which, in practice, has added to the burdens of practicing (law) in the real estate field without helping the consumers.

Leonard G. Tilney, Jr. of Lockport:

Let the American people make a choice on their own for once. Don't take care of us from womb to tomb.

Robert S. Roberson of Lockport:

Why saddle 200,000,000 people with RESPA instead of correcting the abuses where they exist?

Paul C. Stolzenfels of North Tonawanda:

If our citizenry is not individually responsible for their own actions, the government will flounder in its efforts to protect the individual.

Paul I. Miles of Medina:

(RESPA), many times, results in a refusal of marginal borrowers merely because it is not worth the effort to process their papers.

Albert E. Moss of Niagara Falls:

The Act should be so worded that any member of Congress can have it enforced in his district when he feels there is a need for same.

Carlton Marvin of Niagara Falls:

The whole subject . . . deters buying.

Alan R. Golkin of Niagara Falls:

The RESPA forms . . . infringe on the rights of both buyers and sellers.

Susan M. Bannan, Secretary to an attorney in Lockport, wrote a letter worthy of being quoted at length:

1. RESPA forms are only understandable to the secretary who has to prepare them and the bank mortgage officer who has to prepare the advanced settlement statement.

2. RESPA forms have added approximately two hours more work to the finalizing of a file for closing. There are more phone calls than necessary, many just to get all of the Seller's expenses.

3. Many, or most, buyers do not feel that they should have to disclose their final figures to the seller.

4. Niagara County banks require the RESPA form to be completed in full. I have run into attorneys for the Seller who do not want to disclose their fee, but the bank requires it to be on the form.

5. I have run into the situation where some banks still require the Statement of Actual Costs to be signed by the Buyer and Seller. Sometimes a Seller does not attend the closing of the transfer, having signed a deed in advance. Therefore, more running for necessary signatures.

6. I have received numerous phone calls from Realtors, requesting information on expenses and fees for some of the forms that they must fill out. Also, many ask how to fill out their forms.

I do not know if RESPA is actually accomplishing what it was set up to do. It is my personal opinion that it is not helping anyone."

Edward L. Smith of Niagara Falls:

I believe that the average (purchaser) who has the ability and acumen to accumulate $15,000 for a down payment on a home, already has proven his intelligence and he does not need the government to "protect" him.

Francis W. Shedd of Niagara Falls:

As is often the case, legislation introduced to protect the consumer ends up costing the consumer more.

W. Harwood Hooper of Lockport:

The requirements of this Act make "Big Brother" nearer a reality and for the protection of our constitutional right to privacy, the Act should be repealed or at least drastically amended.

Jay Brett of Niagara Falls:

Amend this millstone around the consumer's neck.

Tom Beecher of Buffalo:

The Feds should stay out of local practice (of law).

Tom Kelly of Buffalo:

I think RESPA uniquely illustrates the lack of confidence of the Congress of the United States in the intelligence of the American people . . .

Myron M. Siegel of Buffalo:

We seem to keep legislating higher consumer costs without real positive benefits.

Carl Cole of Buffalo:

I cannot for the life of me see any useful purpose for RESPA in New York State.

Earl T. Horohoe of Buffalo—citing an instance where "points" were charged by the lender to the seller:

Why doesn't Congress increase the interest rate that can be charged on a mortgage rather than allow a bank or other lending institution to rip-off a seller for five percent of the mortgage money lent?

Paul Hassett, Jr. of Buffalo:

Since the earliest days of the common law, the control of real property has been the exclusive province of the local jurisdiction . . .

Peter D. Cook of Buffalo:

It is the old story; if the consumer wants protection, he will pay for it.

Fred Wolf of Buffalo:

The Consumer Protection Act (truth in lending) offered adequate disclosure to a consumer . . .

Sunderland P. Gardner of Buffalo:

I have not heard of one consumer who has been aided by RESPA and have heard many complaints of upset scheduling . . .

Walter Brock of Buffalo:

(Each locality) is better fitted for handling its own affairs as to real estate . . .

John W. Dorn of Buffalo:

(RESPA) has attempted to further erode the State's control over its own internal affairs . . .

Raymond A. Dworakowski of Buffalo:

Laws should help simplify situations, not compound them as (RESPA) is doing . . .

Eugene O'Connor of Buffalo:

The public is totally confused. . . .

Thomas L. David of Buffalo:

I believe the RESPA law should be repealed and if necessary replaced with some general disclosure mechanism.

Nino R. Sciolino of Buffalo:

(Consumer interests) are not any better served by this Act since it appears to serve no purpose whatsoever.

Douglas W. Kuhn of Buffalo:

The delays and costs engendered by RESPA in its present form far exceed any benefits derived from the Act.

Jim Kane of Kenmore:

In my opinion, this law indicated that the Federal government has carried the once worthy goal of disclosure to the point of absurdity.

James A. Garvey of Buffalo:

(RESPA) accomplishes nothing useful.

Peter Margin of Buffalo:

The waiting periods are a source of unending annoyance and inconvenience of all concerned.

Ronald Cohen of Buffalo:

It (RESPA) is an unnecessary waste of energy. . . .

Jerry Radin of Kenmore:

I can appreciate that in certain jurisdictions purchasers have been swindled but the shotgun cure affects the good areas as well as the not so good areas. Selective legislation is indicated.

Nick Longo of Buffalo:

After the deal is signed up, disclosure of the costs does not make the costs any less.

J. W. Moore of Buffalo:

Presently, the benefit if any of the procedure is outweighed by the complexity of the forms.

Bill Bellas of Buffalo:

Both the seller and the buyer are very dissatisfied with (RESPA).

John P. Cox of Buffalo:

Any layman, given an explanation of what these disclosure statements are about or what their origination is, can only shake his head at such wonderful government protection.

Spero L. Yianilos of Buffalo:

I characterize RESPA as "fighting windmills" and urge its immediate repeal as far as New York State is concerned.

John Smythe of Buffalo:

The remedy (RESPA) was a disaster—the good guys were put in the same boat as the bad guys and the consumer ending up with the dirty end of the stick.

Terry D. Smith of Buffalo:

The requirements of the Act in question are onerous and cumbersome.

Fenton Harrison of Buffalo:

I believe that the Federal government is infringing on "states' rights" and that there is no Constitutional justification for doing so.

Charles Blaine of Buffalo:

Home buyers never know what their costs will be until after they are committed to buying a house.

David L. Pestell of Tonawanda:

We feel that RESPA is another form of "Big Brother Watching Us."

Joe Cane of Buffalo:

(RESPA) is a total failure which has created a bureaucratic morass with negligible, if any, benefits.

Richard C. Wagner of Buffalo:

RESPA has contributed nothing but delay, additional expense, needless red tape and paperwork to the closing of routine real estate transactions.

Leon L. Lancaster, Jr., of Buffalo:

I feel that the disclosures required of the parties are an unnecessary invasion of privacy.

Don Holzman of Buffalo:

I can't see that (RESPA is helping consumers in the least.

H. M. Emminger of Tonawanda:

(RESPA is) the most outlandish law that I have seen in 20 years in (the real estate) profession. . . .

Keith Bowes of Kenmore:

Federal legislation for the purpose of protecting the consumer from his own decisions is counterproductive. . . .

Lester Block of Buffalo:

(RESPA's) benefits are purely theoretical.

George R. Blair of Buffalo:

The entire Act is a joke and does nothing but create paperwork and difficulties for any person who honestly wants to buy or sell a house.

Ross M. Cellino of Buffalo:

The net result of RESPA has been to increase the cost to the consumer.

John Papsidero of Buffalo:

(RESPA) is highly impractical and tend to delay proceedings. . . .

Joseph C. Vispi of Buffalo:

(RESPA) has probably created more confusion for attorneys, real estate brokers and banks than any other legislation in recent times.

Andrew L. Gaeta of Buffalo:

This is a bad law, and should be repealed. . . .

Frank Laski of Buffalo:

RESPA was (enacted with) noble intentions, but with unsatisfactory practical results.

Malcolm K. Buckley, Jr. of Buffalo:

It is my belief that certain sections do have merit. Those sections dealing with disclosure merely increase expenses to the consumer, whether direct or indirect, serve no useful purpose and merely delay the closing date.

Thomas R. Donovan of Kenmore:

This law is nothing but a lot of nonsense and has caused a great deal of trouble in the process in closing of real estate transactions.

Ed Spector of Tonawanda:

Repeal RESPA. It accomplishes nothing. It informs nobody. It protects few, if any. Only the paper companies have any reason to see this silly legislation continue on the books.

Robert E. Heath of Holley:

Every purchaser that I have talked with . . . has commented to the effect that this is more government red tape that is interfering with their private lives.

Roland Benzow of Buffalo:

RESPA is a far cry from "Interstate Commerce" and what was intended originally to be the boundary of Federal interference.

Richard J. Attea of North Boston:

If a change is not made, the net result will be increased costs which will ultimately be borne by the individual who is buying or selling a home.

Lawrence M. Hankin of Buffalo:

(RESPA is) perhaps one of the most unrealistic and unworkable statutes enacted.

Gerald R. Haas of Buffalo:

We do not believe that making residential real estate transactions more complicated (the major result of RESPA) can conceivably reduce costs in the long run.

Frank M. Spitzmiller of Buffalo:

Certainly in Erie County, we can see no practical reason for the retention of this Act . . .

Sean Hill of Buffalo:

(RESPA is) a perfect example of unnecessarily expanding Federalism.

George R. Grasser of Williamsville:

I am personally not in favor of action by the Federal government unless there are abuses which can not be prevented on a local or state level.

I think, Mr. Speaker, that these reactions tell a story. They tell me that RESPA should be changed drastically. I completely agree, and I urge my colleagues to join with me in this effort.

Mr. BARRETT. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. STEPHENS).

Mr. STEPHENS. Mr. Speaker, the bill that we are talking about today is an important compromise. It is H.R. 10283—the Brown-Stephens bill. In answer to the questions that were asked by the gentleman from Missouri a moment ago, what we have done in arriving at a compromise in this piece of legislation is to take the inflexibility out of the law that was written into it when we passed the bill last year. What we have done in respect to RESPA is to take the harassment features out, but leave the protective features in that will guide the buyer and protect the buyer, without harassing the lender and without harassing the buyer.

I think this is a very fine compromise. I hope that it will pass without any great degree of opposition. We have found that the RESPA regulations following the 1974 law were so inflexible that it would even require a lender that paid all the settlement costs, that had no settlement costs, to file a three- or four-page settlement cost statement where every answer was zero, zero, zero.

So we have taken out not only the impractical and the unreasonable kinds of requirements like that, because of the inflexibility, but we have also taken out the harassment features.

Mr. Speaker, I hope everybody will support this piece of legislation.

Mr. BARRETT. Mr. Speaker, I have no further requests for time. I reserve the balance of my time.

Mr. BROWN of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROUSSELOT).

Mr. ROUSSELOT. Mr. Speaker, I rise in support of H.R. 10283, a bill which I cosponsored in order to provide badly needed relief to buyers and sellers of real estate, and to the depressed real estate and housing industries, from the regulatory excesses of RESPA.

This bill provides greater flexibility to the Secretary of HUD to modify, or to delay implementation of section 4 of RESPA, which presently requires the use of a uniform, national form for disclosure of settlement costs and section 5, which requires that the lender give the borrower an information booklet. Section 6, which requires advance disclosure of actual or estimated settlement costs, and section 7, which requires the seller to disclose his previous investment in the property, both of which carry criminal penalties, would be repealed entirely.

It has been not quite 5 months since RESPA was first implemented, but we have already witnessed a groundswell of demands that this law be substantially modified or repealed, and a concensus has developed in the Congress that this must quickly be done. It is to be hoped that this entire experience will lead Congress to be much less hasty in the future to enact legislation which, though well-meant, gives such enormous power to executive departments and independent regulatory agencies that it is open to abuse.

We should also recognize that the problem of regulatory abuse will not disappear with the passage of this bill. There remains many statutes, including the Emergency Fuel Allocation Act, for which this House approved a 30-day extension last Friday, which have also given rise to widespread regulatory abuse. Congress should lose no time in reviewing, amending, and, where necessary, repealing such laws, so that the good work which we have undertaken in the case of RESPA can be just the beginning of conscientious and thorough-going regulatory reform.

Mr. Speaker, I am pleased that the chairman of our Subcommittee on Housing, Mr. BARRETT, and that the ranking Republican Member, Mr. BROWN of Michigan moved in a positive manner to make sure that all the people that had to deal with this law at the local level had a chance to be heard. Those involved in settlement procedures had a chance to explain to us what the results of the defects in the RESPA had on those who had to work with the bill at the local level.

Now, Mr. Speaker, the claim has been made that we did not take enough time to insure that the consumers were adequately protected in settlement procedures and how such consumers are to be notified.

We did have several individuals who testified on behalf of consumer groups. I would like to ask the chairman of my committee if he was satisfied that those who testified representing various consumer groups were convinced that this legislation not only helped to reduce the costs in many ways, but also still provide adequate protection disclosure.

Mr. BARRETT. Yes, I would have to say to the gentleman that everybody who appeared before our committee was absolutely satisfied that this bill would give fairness to all sides, protection to the consumer and protection to the lenders and realtors. Everybody was satisfied.

As I pointed out in my statement, the last law was unjustifiably rigid, and we had to put this flexibility into RESPA to get the housing market moving again.

Mr. ROUSSELOT. I appreciate my chairman's comments. Also, this bill addresses itself to some of the unwieldly rules and regulations that were issued by HUD. Is that not correct?

Mr. BARRETT. We adjusted the unwieldly legislation in this bill.

Mr. ROUSSELOT. I appreciate the comments of the chairman of the subcommittee. Also, I want to thank the gentleman from Georgia (Mr. STEPHENS) for his willingness in making sure that we, along with the chairman of the committee, had a real chance to dig into these problems and then respond with appropriate legislative relief. I thank the gentleman for his comments.

Mr. BARRETT. I thank the gentleman from California.

Mr. BROWN of Michigan. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I rise in support of H.R. 10283 as one of its original cosponsors, and I thank the gentleman from Michigan for yielding me this time.

In taking this time, I want to commend the gentleman from Michigan (Mr. BROWN) for his leadership in bringing this bill to the floor. I know he has worked very hard on it, and I appreciate the fact that he did ask me to cosponsor the bill with him. At the same time, I want to commend the gentleman from Pennsylvania (Mr. BARRETT), the chairman of the subcommittee, for making it possible for us to bring the bill here to the House floor today.

Many Members have been deluged with letters and calls, I am sure, just as I have been, that the Real Estate Settlement Procedures Act which we passed last year has caused delay, inconvenience, and expense to everyone coming in contact with its provisions. Today, the shoe is on the other foot. It is the consumer, the intended prime beneficiary of the Real Estate Settlement Procedures Act, who is complaining the most.

Since the law became effective June 20 of this year, it has been a nightmare to the home-buying consumer. Even if the purchaser is ready to settle on a house, compliance with the law forces him to wait 12 to 15 days before he can settle. In turn, the cost of settlement has increased significantly. In the short life of this law, we have heard numerous tales of personal hardship, with families having to stay at motels to wait out the advance disclosure periods, or commuting hundreds of miles on a daily basis because of enforced delays. Furthermore, we have heard that the paperwork associated with processing the settlement on a home may measure 40 feet, end to end.

Now, more than ever before, the home buyer needs a lawyer at settlement because of the current law. In short, RESPA has backfired. Last year, Congress and HUD overreacted to certain abuses in the real estate settlement field. Now, our mistakes are coming back to haunt us.

Therefore, I urge support of this bill and passage of it without further delay.

Mr. BROWN of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Speaker, I offer my heartiest congratulations to the members of the House Banking Committee for bringing to the floor this much-needed piece of legislation, H.R. 10283. The home-buying public and all related lending institutions have suffered far too long under the burden of this unnecessary over-regulation, passed by a Congress so heavily lobbied by consumers that it forgot where protection ends and bureaucratic nightmares begin. This bill offers a fine compromise by repealing those provisions of RESPA which have proven onerous and often outrightly harmful to prospective home purchasers and the entire home mortgage industry, while retaining a number of clauses guarding against misrepresentation in the settlement process.

We have thus far been operating under legislation ballyhooed as "just what the doctor ordered," when, in fact, this doctor overprescribed. Home buyers have been hung up without housing waiting for the 15 day "shop around" period to expire. Even when buyers are well satisfied that they have a "good deal" in terms of closing costs, banks are terrified of granting a waiver to the RESPA law. And talk about paper work: RESPA forms, laid end to end, add 70 feet to the previously required 40 feet of papers for a typical FHA home loan. Moreover, estimates run as high as $50 to $90 that will be tacked on to mortgage costs via higher interest rates, if these processing requirements continue. I do not call that consumer protection.

I admit that unregulated closing costs can lead to wide-ranging abuses, at the consumer's expense. But my mail has unanimously proven that, in this case, the corrective medicine Congress chose to enact was much worse than the original illness. It is about time we started admitting our regulatory mistakes and began correcting the abuses of this Federal privilege. I applaud my colleagues' action—and urge them to apply this method in other areas where over regulation is squeezing the life out of the industry and invading the rights of our private citizens.

Mr. BROWN of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Speaker, I rise in support of this legislation which would amend the Real Estate Settlement Procedures Act of 1974.

Frankly, as I stated in my remarks on October 30, I favor repeal of the entire Act. Although RESPA has been in effect for only a short while, it has already proven itself to be burdensome, costly and unworkable.

RESPA was enacted with good intentions. It was supposedly designed to limit abuses in real estate closings. In practice, however, it has been a disaster. This law has resulted in unnecessary paperwork, increased settlement costs and delayed transactions.

In short, RESPA has failed to benefit either the consumers or the realtors and lenders. That is why I think everyone would be best served by outright repeal of the act. Nevertheless, H.R. 10283 would improve the situation and I strongly favor its passage.

The bill eliminates the requirement that the borrower be told the previous selling prices of a property or—if there was no previous owner—the original price and cost of improvements. In addition, it provides that precise estimates of settlement costs are not required. Instead, there need only be a good faith estimate of these costs.

Other changes, such as specifying that cooperative brokerage and referral arrangements are not prohibited as kickbacks, also are made by this bill. These changes should help correct the most onerous provisions of RESPA. I urge the passage of this legislation.

Mr. BROWN of Michigan. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I know that there are many of my colleagues who are interested in the outright appeal of RESPA; and the problems, which the law we passed last year created, justified some of that thinking, I feel.

However, I believe in the legislation before us that we have truly reached a workable compromise, and I think it is well to advise my colleagues that this was best said, I believe, by Ms. Kathleen O'Reilly, of the Consumer Federation of America, when she said:

> We enthusiastically endorse H.R. 10283 . . . (It) is a magnificent opportunity to bring lenders, credit unions, realtors, title companies, and consumers together.

Mr. Speaker, H.R. 10283, of course, by action of the committee has now become S. 2327. I would urge my colleagues to support the legislation at this time.

Mr. BARRETT. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon (Mr. AuCOIN).

Mr. AuCOIN. Mr. Speaker, this legislation is a small milestone. It is a commonsense approach to a basic problem: Laws passed with good intentions sometimes do not work. And when they do not work—when they prove harmful to the very people they were enacted to protect—they should be amended or repealed as quickly as possible.

I was not a Member of Congress when the original RESPA legislation was passed, but I know that legislative bodies are not infallible. We cannot expect them to be perfect in their work because no law which is the product of a committee of so many men and women can please everyone in every respect. Our constituents, however, have a right to expect us to listen to the voices of those who are most directly affected by legislative action.

In the case of RESPA, the House Banking, Currency, and Housing Committee has heard those voices and has listened carefully. I commend the committee for this, and I hope that such responsiveness will continue to be characteristic of committee activity.

But the real lesson of RESPA, Mr. Speaker, is this: Congress simply must begin to look at the cumulative effect of the many regulations and requirements the government places on financial institutions, on realtors, and the many other industries and enterprises affected by legislation such as RESPA. The weight of the administrative burden they are being forced to bear is significant: We may well be approaching the breaking point and the Government has an obligation to understand this.

Mr. HAMMERSCHMIDT. Mr. Speaker, as a cosponsor of H.R. 10283, the amendment to the Senate bill S. 2327, which we are now considering, to amend the Real Estate Settlement Procedures Act of 1974, I urge passage of the bill in order to eliminate its more objectionable features and thus hopefully resolve the serious problems that have resulted from its implementation.

I am certain that we have all received the expressed concerns of businessmen associated with real estate and lending institutions, the overwhelming majority of whom go about their daily conduct of business in an honest, ethical way, but who are being penalized and treated as suspected criminals under this law, due to the misconduct of a very small percentage of others. On the original enactment I voted to send the bill back to committee for further consideration of these matters but that vote failed.

While RESPA was enacted in good faith—by a majority of Members—for the purpose of correcting abuse of unreasonably high settlement costs and encouraging homeownership, the statute is clearly having the opposite effect. The measure now before us seeks to eliminate the unanticipated adverse effects of Public Law 93–533.

Consider, for example, the type of stated concerns I have received from people in Arkansas, relative to problems under RESPA:

"The enactment of the Real Estate Settlement Procedures Act has created numerous problems for both the lender and the borrower on certain real estate loans."

"The people that need this type of thing to keep them honest need to be out of the banking business."

"While there is no question as to the legitimate concern of Congress for this legislation, it remains questionable at this point whether or not the act, as it has been promulgated—in reality does offer the buyer any more protection than he already was being afforded."

"In reality this legislation, like so much Government regulation, has worked to the detriment of those it was intended to help. It not only increases the costs of settlement, but causes considerable delay in closing a loan."

These are representative, Mr. Speaker, of the sentiments being expressed by so many reputable and honest businessmen and businesswomen in Arkansas. They probably closely resemble those of others throughout the Nation. I believe the message is clear. Therefore, I urge enactment of S. 2327 as amended, which will enable business persons and consumers alike to live with RESPA.

Mr. DON. H. CLAUSEN. Mr. Speaker, housing starts have fallen sharply in recent years and are only now beginning to recover strength. The Real Estate Settlement Procedures Act—RESPA—has, in my opinion, delayed this recovery which is so vital to our overall economic well-being.

RESPA has failed to live up to its original purpose which was to reform real estate settlement procedures and hold down excessive closing costs. Instead, it has become an albatross to the consumers it was designed to protect and help. A number of its provisions are causing a good deal of confusion and inconvenience to both the industry and the consumer.

In addition, it has become evident that the law has failed to curb the abuses it was designed to attack.

Financial trade associations, consumer groups, savings and loans, and real estate people in my congressional district have all voiced their dissatisfaction with RESPA and have identified many difficulties encountered in complying with the law.

One of the most frequently criticized sections of the law is that which deals with the advance disclosure statement. This lengthy document must be presented to the buyer and seller by the lender 12 days prior to closing. The form is difficult to understand and in many instances the information called for is not available to the lender and must be obtained through a time-consuming and costly process. Savings and loan organizations in my district have labeled this provision a "paperwork nightmare," and stated that obtaining the information was a "practical impossibility."

The U.S. League of Savings Associations estimates that the disclosure rules have increased the waiting time between loan application and settlement by an average of 11.5 days, man-hours for processing by 50 percent and added $35 in costs per loan. Others have estimated the increase in costs per loan to be $80.

One purpose of the advance disclosure was to let the buyer know exactly how much money he or she must have at the time of settlement. However, inasmuch as several of the items on the statement such as taxes change from day to day the form quickly goes out of date and becomes only an approximation, the buyer must still contact the financial institution just prior to settlement to obtain an exact figure.

Another reason for the disclosure was to encourage buyers to "shop around" for lower closing costs. This has not been the case. I am of the opinion that the complexity of the form as well as buyer apathy has caused its failure. Buyers, on the whole, are more concerned with the terms of the loan than the closing costs.

I am a cosponsor of the legislation we are considering to repeal these controversial sections of the law and amend several others and I urge my colleagues to support it.

I shall also be urging my colleagues on the House Banking, Currency and Housing Committee to take a closer look at the entire RESPA law to determine whether or not it is the best means for providing viable consumer protection or whether an alternate approach would do the job better.

Mr. BARRETT. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. BARRETT) that the House suspend the rules and pass the Senate bill S. 2327, as amended.

The question was taken.

Mr. ASHBROOK. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. BARRETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FAIR CREDIT BILLING ACT AMENDMENTS

Mr. ANNUNZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10561) to amend chapter 4 (which relates to credit billing) of the Truth in Lending Act with respect to the use of cash discounts, and for other purposes.

The Clerk read as follows:

H.R. 10561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair Credit Billing Act Amendments of 1975".

SEC. 2. (a) Section 103 of the Truth in Lending Act (15 U.S.C. 1602) is amended by redesignating subsections (p), (q), (r), and (s) as subsections (r), (s), (t), and (u), respectively, and by adding after subsection (o) the following:

"(p) The term 'discount' as used in section 167 means a reduction made from the regular price. The term 'discount' as used in section 167 shall not mean a surcharge.

"(q) The term 'surcharge' as used in section 103 and section 167 means any means of increasing the regular price to a cardholder which is not imposed upon customers paying by cash, check, or similar means.".

(b) Section 130(f) of the Truth in Lending Act (15 U.S.C. 1640(f)) is amended to read as follows:

"(f) No provision of this section or section 112 imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board or in conformity with any interpretation or approval by an official or employee of the Federal Reserve System duly authorized by the Board to issue such interpretations or approvals under such procedures as the Board may prescribe therefor, notwithstanding that after such act or omission has occurred, such rule, regulation, interpretation, or approval is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.".

Sec. 3. (a) Section 167(a) of the Truth in Lending Act (15 U.S.C. 1666f) is amended by inserting immediately after the last sentence thereof the following: "No seller in any sales transaction may impose a surcharge on a cardholder who elects to use such a credit card in lieu of payment by cash, check, or similar means.".

(b) Section 167(b) of the Truth in Lending Act (15 U.S.C. 1666f) is amended by striking out "not in excess of 5 per centum".

Sec. 4. Section 171 of the Truth in Lending Act (15 U.S.C. 1666j) is amended by inserting a new subsection (c) to read as follows:

"(c) Notwithstanding any other provisions of this title, any discount offered under section 167(b) of this title shall not be considered a finance charge or other charge for credit under the usury laws of any State or under the laws of any State relating to disclosure of information in connection with credit transactions, or relating to the types amounts or rates of charges, or to any element or elements of charges permissible under such laws in connection with the extension or use of credit.".

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois (Mr. Annunzio) will be recognized for 20 minutes, and the gentleman from Ohio (Mr. Wylie) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. Annunzio).

Mr. ANNUNZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1056 passed the subcommittee by a 6-to-0 vote, and it passed the full committee by a 28-to-0 vote.

Mr. Speaker, no consumer should ever have to pay more than the regular price of goods and services. Yet a Senate bill proposes to encourage sellers to surcharge customers to pay by credit card. Such surcharges will cause consumers substantial harm and should not be permitted. Under a surcharge plan, a credit card customer would pay $10.50 for an item regularly priced at $10. The cash customer, who was intended to benefit from a cash discount, would still pay the old regular price. As the Members can tell, the credit card customer would be penalized and the cash customer would get no benefit at all.

Accordingly, I introduced the Fair Credit Billing Act Amendments of 1975 to bar sellers from using surcharges to penalize consumers who pay by credit card rather than cash.

This act was unanimously reported out of the Consumer Affairs Subcommittee on October 28, 1975, after full hearings.

Mr. Speaker, I introduced a clean bill with the cosponsorship of six of the members of the Subcommittee on Consumer Affairs. Another member of the Subcommittee on Consumer Affairs should have been listed as a cosponsor. Through an inadvertent clerical error, the name of the gentleman from Ohio (Mr. Wylie), who is the ranking minority member of the subcommittee and who has given of his time and effort and was cooperative with me in every way possible to bring this bill to the House, was omitted as a cosponsor of the bill. I regret, I will say to the gentleman from Ohio (Mr. Wylie), this mistake very much. I want the record to show that the gentleman from Ohio (Mr. Wylie) should be considered not only as a cosponsor of this bill but as one of the leaders in the subcommittee in bringing this bill before the House.

There are an estimated 500 million credit cards in circulation which account for $28.2 billion in outstanding credit. From these facts it is obvious that surcharging credit card users would place a terribly unfair burden on already hard-pressed consumers.

I introduced H.R. 10561 to protect consumers from these extra charges and to encourage sellers to offer discounts from regular prices to cash customers. The amount of savings from these discounts is not limited in any way. This act clarifies that such discounts will be exempt from State usury and related laws.

The legislation bars sellers from surcharging those who pay by credit card instead of paying by cash, check, or similar means. It has been asserted that this will preclude small retailers from charging a higher price to those who purchase by credit card rather than by cash. This legislation will not do that.

On the contrary, the whole thrust of this legislation is to encourage retailers to offer price differentials by giving price reductions to those who pay by cash. What the law forbids is penalizing credit card users by making them pay a price above the regular price. Such penalties in the form of surcharges would be a price raise, not a price difference based on a discount. I believe that discounts to cash customers are an equitable way to benefit cash-paying consumers without harming credit card users, and it gives retailers, small and large, more pricing freedom than they now have.

This act also addresses itself to the important problem of compliance with the Truth in Lending Act. Creditors are often hit with costly lawsuits for unintentional technical violations because, even though they attempt to comply, the laws and regulations are too complicated and ambiguous. An amendment to section 130f, the Good Faith Compliance with the Truth in Lending Act, I believe, will help resolve these problems.

Section 130f exempts from liability under truth in lending creditors who are acting in good faith in conformity with any rule, regulation, or interpretation by the Federal Reserve Board. The amendment adds to the exemption any interpretation or approval by an official or employee of the Board authorized by the Board to issue such interpretation or approval under such procedures as the Board may prescribe.

With formal advisory opinions, creditors will at last have a reliable way to know how to comply with truth in lending. Consumers should benefit because creditors will no longer be able to explain away violations by claiming they could not find out how to comply. Consumers, creditors, and the Board should find they are involved in less litigation.

Finally, H.R. 10561 will help consumers in three important ways: By encouraging sellers to offer cash discounts, by prohibiting sellers from surcharging credit card use, and by increasing compliance with truth in lending by authorizing the Board, if it wants to, to issue formal advisory opinions.

Mr. Speaker, I also want to take the time to commend all the members of the subcommittee for the outstanding cooperation they afforded me throughout all of the hearings. We had complete and full hearings. There were practically no objections to the bill.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at the outset, I want to comment the gentleman from Illinois (Mr. Annunzio) for his leadership in bringing this bill to the House floor today, and I also want to say to the gentleman from Illinois (Mr. Annunzio) how very much I appreciate his remarks about the inadvertent omission of my name as a cosponsor on the bill. I think I was No. 2 in indicating that I did want to be a cosponsor, after the distinguished chairman. But those things happen. However, the record will show that I am a cosponsor, and I certainly appreciate your comments.

This bill does four things, in substance. It clarifies the meaning of the word "discount."

I did not think that clarification of the meaning of the word "discount" was necessary, but a gentleman from the other body raised the issue as to whether the word "discount" could be used synonymously with the word "surcharge."

On September 16 of this year the chairman of the Federal Reserve Board, Dr. Arthur Burns, wrote a letter to me and asked for my understanding as to what the word "discount" meant in section 167 of the statute. He said that a question had been raised as to whether the word "discount" could be used synonymously to the definition in Black's Law Dictionary, which, simply stated, says that "discount means something less" and "surcharge means something more." Therefore, the two cannot be used synonymously.

As a matter of fact, they are the antithesis of one another. However, for the sake of clarification, we have brought this bill to the floor today, and we define the word "discount" and we define the word "surcharge." We make a definite distinction between the word "discount" and the word "surcharge."

Mr. Speaker, the second thing this bill does is that it exempts the provisions of the fair credit billing law from the usury laws of any State where a question might be raised as to whether a cash discount would violate the usury laws of that State.

Again, I do not believe there is a problem; but in those 12 States where the word "discount" could be construed as a violation of their usury laws, this Federal law shall preempt State law and permit cash discounts without violating State usury laws.

The third thing is that it provides for advisory opinions by the Federal Reserve

Board for small businessmen. This is a a great benefit to small businessmen who cannot afford huge legal staffs to interpret the truth in lending law or the fair credit billing law, which is chapter 4 of the truth in lending law. Simply stated, it would permit a small businessman to request an advisory opinion from the Federal Reserve Board, upon which he can rely in the event that he is sued in a court of law as a good faith defense.

The fourth thing the bill does is that it prohibits the imposition of a surcharge on those people who choose to use credit cards.

Again, we did not think that that was necessary, but we have included it in the law just to show congressional intent.

The bill is necessary to clarify the provision of the truth in lending law which we passed last year. The main purpose is to clarify the present law so that there will be no apprehension in anybody's mind as to what the word "discount" means; second, it preempts State usury laws that treat discounts as finance charges; third, it allows the Fed to render advisory opinions to merchants who are in doubt as to the meaning of the law; fourth, it forbids the imposition of a surcharge on the person who uses his credit card.

For all of these reasons I think the bill is a necessary implementation of the truth in lending law and I would urge adoption of this bill.

Mr. GRASSLEY. Mr. Speaker, the main purpose of this bill is to distinguish once and for all between "surcharge" and "discount."

However, I hope it has the effect additionally of encouraging business people to give cash discounts for cash purchases.

This way, and only this way, will the customer who pays cash be free of subsidizing the customer who wants to charge through use of a credit charge.

I maintain that such subsidization of the credit customer by the cash customer is fundamentally wrong.

Mr. ANNUNZIO. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

The SPEAKER pro tempore. Does the gentleman from Ohio desire to yield further time?

Mr. WYLIE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. ANNUNZIO) that the House suspend the rules and pass the bill H.R. 10561.

Mr. ANNUNZIO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ANNUNZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill H.R. 10561 just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REVIEW OF CERTAIN DISABILITY RETIREMENT BY SECRETARY OF DEFENSE

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9691) to amend title 10 of the United States Code in order to make certain disability retirement determinations by the Secretaries of the military departments subject to review by the Secretary of Defense.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1216 of title 10, United States Code, is amended—

(1) by striking out "The Secretary" in subsection (b) and inserting in lieu thereof "Except as provided in subsection (d) of this section, the Secretary"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Secretary concerned may not, with respect to any member who is in pay grade O–7 or higher or is a Medical Corps officer being processed for retirement under chapter 63 or 65 of this title—

"(1) retire such member under section 1201 of this title;

"(2) place such member on the temporary disability retired list pursuant to section 1202 of this title; or

"(3) separate such member from an armed force pursuant to section 1203 of this title by reason of unfitness to perform the duties of his office, grade, rank, or rating unless the determination of the Secretary concerned with respect to unfitness is first approved by the Secretary of Defense on the recommendation of the Assistant Secretary of Defense for Health and Environment.".

SEC. 2. The amendments made by the first section of this Act shall apply with respect to unfitness determinations made on or after the date of the enactment of this Act by the Secretaries of the military departments concerned for purposes of sections 1201, 1202, and 1203 of title 10, United States Code.

The SPEAKER pro tempore. Is a second demanded?

Mr. O'BRIEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. STRATTON) and the gentleman from Illinois (Mr. O'BRIEN) will be recognized for 20 minutes each.

The Chair now recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 9691 would amend chapter 61 of title 10, United States Code, to provide that in the case of general and medical officers retiring for age or length of service, a finding of unfitness for duty, which would make the officer concerned eligible for disability retirement, must be approved by the Secretary of Defense on the recommendation of the Assistant Secretary of Defense for Health and Environment.

The degree to which a retiring officer is found eligible for disability retirement governs the degree to which his retired pay may be tax exempt.

The bill is an evolutionary step in the continuing efforts of our committee to forestall potential abuses in disability retirement procedures in the military departments.

The bill is an evolutionary step in the following investigation into the case of a general officer where the senior medical officer of the Defense Department disagreed with the Secretary of the military department on the eligibility for disability retirement.

Several years ago, investigation found that the percentage of disability retirements was substantially higher for general and flag officers and medical officers than for other officers or enlisted personnel. As a result of the exposure given to the subject by our committee, the Department of Defense issued a new policy directive intended to clean up abuses.

Part of the revised policy was that in the case of general and medical officers, a determination of unfitness was to be reviewed by the Assistant Secretary of Defense for Health and Environment, who is the senior medical official in the Department of Defense.

In the case investigated by our committee, we found a fundamental inconsistency between the statute, which gives final determination authority to the departmental Secretary, and the Defense Department policy guidelines, which intended the Assistant Secretary of Defense for Health and Environment to have final say. The Assistant Secretary for Health and Environment reviewed the case involved and recommended against disability retirement. He stated that, in line with Defense Department policy, there was not sufficient, clear and convincing evidence of a deterioration in the general's physical condition of a magnitude sufficient to overcome the presumption of continued fitness. The Secretary of the Navy rejected the views of the Defense Assistant Secretary and approved disability retirement, with a disability rating of 40 percent.

Mr. Speaker, it should be understood that the retired pay and medical-care eligibility of a full-career officer do not change as a result of the disability retirement. The only thing that changes is the amount of retired pay subject to tax. The percentage of disability is applied against his basic pay, and that amount of his retired pay is tax exempt. In the case involved here, the general's last active-duty base pay was $36,000 a year and his retired pay is $27,000. Since he is 40-percent disabled, 40 percent of his base pay, or $14,000 a year of his retired pay, is tax free.

The case reviewed by the committee involved Gen. Earl E. Anderson, former assistant commandant of the Marine Corps. It should be understood that the committee intends no criticism of General Anderson personally in reporting H.R. 9691 and had no evidence in its hearing that General Anderson himself attempted to gain a certain level of disability retirement. The bill is prospective in nature and will apply to unfitness determinations made on or after the date of enactment. It will not, therefore, change General Anderson's retired status.

The committee is concerned with the system. In its report, which is available to all Members, the committee reviews its findings in the case in detail as symptomatic of problems with the functioning of the disability-retirement system. The policy requiring review by the Assistant Secretary of Defense for Health and Environment was obviously meant to bring the independent judgment of the Department's senior medical official to bear on decisions involving general and medical officers—decisions where there might be considerable pressure within a service to give disability benefits to the individual. H.R. 9691 achieves that purpose and solves the inconsistency in present procedures by giving the Defense Assistant Secretary the final determination through the superior authority of the Secretary of Defense.

The possibility of continued abuse is present, and the bill is another step in the effort to reduce potential abuses.

The committee hearing also raised the larger question of the rationale for awarding physical disability retirement in the case where an individual has already qualified for length-of-service retirement, particularly one who has completed a full 30-year career. Some suggested eliminating disability retirement for length-of-service retirees. The committee believes that in such a complex area involving so many people, the ramifications must be carefully studied before such action is taken. The committee, therefore, has directed the Department of Defense to conduct a thorough study of the effect of eliminating disability retirement for those who serve 20 years or more. The Department is to report its findings by next August 1, and the committee will await the results of the study before taking more comprehensive legislative action.

The bill was approved by the Armed Services Committee by a voice vote. It will result in no change in the budgetary requirements of the Department of Defense.

I urge its prompt approval.

Mr. O'BRIEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join in urging the House to suspend the rules and pass H.R. 9691, which would make disability retirement determinations in behalf of senior officers subject to approvel at the Defense Department level.

The bill is a classic example of a congressional committee carrying out its oversight function. It is not the beginning of our performance of oversight in this area, and it is probably not the end of it. But it is a useful step along the way and it is an example of Congress giving necessary direction in a policy area when there is a conflict among senior officials of the executive branch in policy implementation.

In seeking further safeguards with the present bill, the committee does not intend criticism of the Department Secretaries who, at present, have the legal authority to make determinations in cases of this kind. If one will read the committee report, which details the case examined by the committee, it will be seen clearly that the present authority for final determination is in conflict with the intent of Defense Department policy for a final determination by the senior medical officer of the Department. The committee concluded that the final review should be made at the Defense Department level and to effect that, reported the present bill. It is certainly not unique in law to put limitations on the authority exercised by appointed officials at various levels or to provide, in sensitive policy areas, that decisions be concurred in the highest level.

In seeking reform here, the committee also is not intending any personal criticism of General Anderson, who had a very distinguished career as a Marine Corps officer culminating in the assignment as assistant commandant. The bill is prospective in nature and does not change General Anderson's disability retirement. Again, if one will read the report, it is obvious that the committee is concerned not with General Anderson as an individual, but with the system of making such determinations.

I think we all know that this is an area which has caused difficulties in the past, and I think all of us know that there have been abuses of the disability retirement procedures because disability retirement can provide substantial savings in taxes on retired pay. I think we all know also that these abuses are not limited to the military. A recent front-page story in one of the Sunday papers pointed out that physical-disability retirements had greatly increased among employees of the District of Columbia and the increase was coincident with the change in IRS rulings which provided new tax advantages for disability retirees.

I think all congressional committees which have responsibilities in these areas should be diligent in reviewing the law so that abuses of the system can be curtailed. We want to be fair to those individuals who are disabled in their employment with the Government. But at the same time we have a responsibility to be fair to the American taxpayer.

The practice of granting disability retirements to people who have completed a full career appears to have evolved without clear policy direction from the Congress, and it is necessary for the Congress to review this whole area and make such changes as are necessary. To this end, our committee has directed a long-range study by the Department of Defense into the effect of eliminating all disability retirements for those who complete a sufficient career to be eligible for length-of-service retirement. We did not want to move hastily in this area because it involves many thousands of people at various age groups. However, we do feel that further oversight by the Congress is required.

In the meantime, the changes dictated by H.R. 9691 are necessary; and I urge the House to support the bill.

Mr. STRATTON. Mr. Speaker, I have no further request for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Stratton) that the House suspend the rules and pass the bill H.R. 9691.

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the bill (H.R. 9691) just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PAY OF NUCLEAR QUALIFIED OFFICERS

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2114) to amend title 37, United States Code, relating to special pay for nuclear qualified officers, and for other purposes, as amended.

The Clerk read as follows:

S. 2114

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 5 of title 37, United States Code, is amended as follows:

(1) Section 302a is amended by striking out "July 1, 1975" wherever it appears therein and inserting in place thereof in each instance "October 1, 1977".

(2) Section 303 is amended by striking out "July 1, 1975" wherever it appears therein and inserting in place thereof in each instance "October 1, 1977".

(3) Section 312(e) is amended by striking out "June 30, 1975" and inserting in place thereof "June 30, 1976".

Sec. 2. This Act shall become effective July 1, 1975.

The SPEAKER pro tempore. Is a second demanded?

Mr. O'BRIEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. Stratton) and the gentleman from Illinois (Mr. O'Brien) each will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2114, as amended by the Armed Services Committee, extends until June 30, 1976, the authority to pay bonuses to nuclear-qualified officers in the Navy. It also extends entitlement to special pay of $100 a month to optometrists and veterinarians in the uniformed services who entered active duty after July 1, 1975.

The nuclear bonus for Navy officers is

for those who complete their obligated service but who have less than 10 years of service. The bonus is for up to $15,000, paid in equal annual installments, to officers who extend their obligated service for 4 years.

There is a critical retention problem in this field. The committee is presently conducting hearings on legislation to revise and increase the special pay available to nuclear-qualified officers. In the meantime, it is important to extend the bonus law so that there is special-pay authority available while the Congress is investigating the retention needs for nuclear-trained officers and considering alternative approaches to special pay.

The entitlement to the $100-a-month special pay continues for veterinarians and optometrists who were on active duty prior to June 30. However, the authority to make such payments to newly appointed officers expired on June 30. Therefore, newly appointed veterinary and optometry officers are making less than their fellow professionals. Continuation of special pay for these health professionals is considered necessary if the uniformed services are going to be able to compete for an adequate number of such personnel.

COMMITTEE AMENDMENT

S. 2114, as passed by the Senate, provided only for an extension of the bonus authority for nuclear-qualified officers until September 30, 1977. The committee amendment is in the nature of a substitute and incorporates the substance of H.R. 7642, which passed the House on October 6.

The committee concurred with the Senate on the need to extend the authority for a bonus for nuclear-qualified officers in the Navy. However, the committee believes an extension until June 30, 1976, is sufficient to allow adequate time for Congress to consider problems in this field and to act on legislation for necessary changes in special pay.

In addition, the committee reaffirms its belief that special pay for newly appointed optometry and veterinary officers should be enacted without delay. The committee, therefore, incorporated the substance of H.R. 7642, which addressed the special-pay needs of both the nuclear-qualified officers and the health professionals, in S. 2114 so as to speed enactment of legislation.

COST

There will be no increase in the budgetary requirements of the Department of Defense as a result of the enactment of S. 2114. It continues special-pay authority that was exercised in fiscal year 1975. The cost of bonuses for nuclear-qualified officers as a result of enactment of this bill will depend on the number who sign active-duty agreements. In fiscal year 1975 the cost for those who signed new agreements was $331,000. In fiscal year 1976 there will be an estimated cost of $1.2 million for the annual bonus payments to officers who signed agreements in previous years.

The cost of special pay for optometrists and veterinarians who earned active duty after July 1, 1975, is estimated at $175,000.

All of these costs have been included in the defense budget.

Therefore, Mr. Speaker, I urge approval of this legislation and I reserve the balance of my time.

Mr. O'BRIEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2114, as amended by our committee, extends the authority for special pay for nuclear-qualified officers in the Navy and provides for special pay of $100 a month for veterinary and optometry officers who entered the uniformed services after July 1 of this year.

The chairman of our Subcommittee on Military Compensation has already explained that we amended the Senate bill to substitute H.R. 7642 which the House has already approved. We did this to make it simpler for the Senate to consider the portions of the bill it has not acted on as yet and to facilitate enactment of these needed authorities.

By our substitute amendment, we added to the bill authority for $100 a month special pay to optometrists and veterinarians who entered active duty after July 1, 1975. Under present law, $100 a month special pay has been and continues to be paid to those who were on active duty prior to June 30, 1975. Until enactment of this bill, therefore, we are in the position where optometry and veterinary officers are paid different amounts merely because of the date on which they entered service. This is obviously an unjustifiable and inequitable situation.

Retention among veterinary and optometry officers is still below the level required. Our committee believes that special pay for these highly trained specialists has to continue to be paid to keep the retention problem from becoming critical. If special pay is provided, it should be paid equally to all officers in the specialty.

Mr. Speaker, the committee debated whether the nuclear-bonus authority should be passed separately while waiting to see if the Senate takes up the earlier House-passed bill. Certainly the committee did not wish to see the bonus authority for nuclear-qualified officers delayed. But a majority of the committee believed the two items should be combined and that this approach would allow for prompt action in both areas.

Finally, the House should be aware that the authority contained in this bill for nuclear-qualified officers is a stop-gap measure to keep some bonuses available for these critically needed officers while the committee examines problems in the nuclear Navy. We have already held an initial hearing on H.R. 10451, which would provide for bonus payments over most of a nuclear-qualified officer's career rather than the one-time payment contained in S. 2114. Our Military Compensation Subcommittee intends to talk directly with officers in this field and to draft legislation that will help solve the Navy's serious retention problem.

Meanwhile, I urge the House to approve S. 2114 and I hope the Senate will accept the amendments and send the bill to the President.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. STRATTON. Mr. Speaker, does the gentlewoman from New Jersey desire me to yield?

Mrs. FENWICK. Yes.

Mr. STRATTON. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman.

I wonder if the gentleman could tell us the cost of these bonuses?

Mr. STRATTON. The cost of the bonus is estimated to be $1.2 million for fiscal 1976. In fiscal year 1976, about $1.2 million will be paid to those who have previously made agreements. It is estimated that the cost for those who would be entering into new agreements would be on the order of about $330,000 additional.

In the case of optometrists and veterinarians, it would be about $175,000 for fiscal year 1976.

Mrs. FENWICK. I see. So that the total is about $1.5 million? It is not $1.75 million?

Mr. STRATTON. No. Actually, the budget anticipates that these bonuses would continue anyway, and so the cost of the bonuses has been included in the budget. This would not represent an addition to the budget.

Mrs. FENWICK. I see. I thank the gentleman.

Mr. STRATTON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the Senate bill S. 2114, as amended.

The question was taken.

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3, rule XXVII, and the prior announcement of the Chair, further proceedings on this vote will be postponed.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill S. 2114.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3922

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the managers have until midnight tonight to file a conference report on the bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such Act, to prohibit discrimination on the basis of age, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PER DIEM EXPENSES OF SERVICE MEMBERS ON OFFICIAL BUSINESS

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8089) to amend section 404(d) of title 37, United States Code, relating to per diem expenses of members of the uniformed services traveling on official business, as amended.

The Clerk read as follows:

H.R. 8089

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 404(d) of title 37, United States Code, is amended—

(1) by amending clause (2) by striking out "$25" and inserting in place thereof "$35"; and

(2) by amending the last sentence to read as follows: 'Under regulations prescribed by the Secretaries concerned, when either travel is to an area designated as a high cost area in those regulations or the per diem of clause (2) of this subsection is less than the amount of the actual and necessary expenses required by the unusual circumstances of the travel assignment, reimbursement may be authorized for actual and necessary expenses, but not for more than $50 for each day in a travel status.".

SEC. 2. The amendments made by this Act become effective on the first day of the first calendar month following the date of enactment.

The SPEAKER pro tempore. Is a second demanded?

Mr. O'BRIEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. STRATTON) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. O'BRIEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 8089 is a Defense Department proposal which increases the maximum allowable amount for reimbursement of a military man's expenses on official travel from the current $25 a day to $35 a day. Additionally, the alternative reimbursement available under certain conditions when actual expenses exceed the allowable per diem would be increased from $40 a day to $50 a day. This actual expenses reimbursement would now be authorized in designated high-cost areas, as well as the current proviso for this reimbursement in "unusual circumstances."

As we are all aware, costs have gone up and the official military traveler is no exception to this experience. Since the current per diem rate was established in December of 1969, the Consumer Price Index shows that the cost of food away from home has risen 37 percent, and an authoritative cost index of prices for food and lodging away from home has established the average daily cost to be $34.02. The proposed amounts in this bill are identical to those which were authorized in Public Law 94–22 for civilian employees of the Federal government. The executive branch estimate of the cost of the proposal is approximately $98.7 million annually, an amount already programed for this purpose in the fiscal year 1976 defense budget. The Congressional Budget Office estimates this cost to be $88.6 million in fiscal year 1976 and $110.7 million in future years.

The committee approved the bill by a voice vote.

The committee did amend the bill to make it effective on the date of enactment. As introduced, it had an effective date of July 1, 1975.

I urge approval of H.R. 8089, as amended.

Mr. O'BRIEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 8089. The import of this bill is quite clear. It raises the authorized rates for military personnel in reimbursement of expenses incurred in official travel. The rates authorized by this bill are exactly those now in the law for civilian employees of the Federal Government.

Earlier this year, the Congress passed an increase in per diem rates for civilians based on evidence that the $25 per diem rate was inadequate in over 50 percent of the cases of official travel. Military personnel engaged in official travel are subject to the same expenses. In passing this bill, we will simply be providing equity between civilians and military personnel in an area warranting such action.

H.R. 8089 should receive favorable action by this House.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 8089, as amended.

The question was taken.

Mr. STRATTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 8089.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SIXTY-DAYS PAY FOR ACCRUED SERVICE LEAVE

Mr. STRATTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9573) to amend section 501 of title 37, United States Code, to limit the total cumulative entitlement to payment for unused accrued leave to 60 days, and for other purposes.

The Clerk read as follows:

H.R. 9573

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Leave Act Amendments of 1975".

SEC. 2. Section 501 of title 37, United States Code, is amended as follows:

(1) Subsection (b) is amended as follows:

(A) The first sentence is amended to read as follows: "A member of the Army, Navy, Air Force, Marine Corps, Coast Guard, or National Oceanic and Atmospheric Administration, who had accrued leave to his credit at the time of his discharge is entitled to be paid in cash or by a check on the Treasurer of the United States for that leave on the basis of—

"(1) in the case of an officer, the basic pay to which he was entitled on the date of discharge, plus the allowances for quarters and subsistence applicable to him at the rates prescribed in accordance with section 1009 of this title; or

"(2) in the case of an enlisted member, the basic pay to which he was entitled on the date of discharge, plus the allowance for quarters applicable to him at the rate prescribed in section 1009 of this title and the allowance for subsistence at the rate prescribed in section 1009 of this title when permission to mess separately is granted.".

(B) The second sentence is stricken.

(C) The third sentence is stricken and the following sentences are inserted in place thereof: "However, a payment may not be made under this subsection to a member who is discharged for the purpose of accepting an appointment or a warrant, or entering into an enlistment, in any uniformed service. Payment may not be made to a member for that leave he elects to have carried over to a new enlistment in any uniformed service on the day after the date of his discharge. Payment may be made to such member for that leave not carried over to that new enlistment. However, the number of days for which payment is made may not exceed sixty, less the number of days for which payment was previously made under this section after the effective date of the Leave Act Amendments of 1975.".

(D) The last sentence is amended by striking out "his armed force" and inserting in place thereof "any uniformed service".

(2) The last sentence of subsection (d) is amended to read as follows: "However, the number of days upon which payment is based is subject to subsection (f).".

(3) Subsection (e) is amended by striking out "Environmental Science Services Administration" and inserting in place thereof "National Oceanic and Atmospheric Administration".

(4) Subsection (f) is amended to read as follows: "The number of days upon which payment under subsection (b), (d), or (g) is based may not be more than sixty, less the number of days for which payment was previously made under those subsections after the effective date of the Leave Act Amendments of 1975. For the purpose of this subsection, the number of days upon which payment may be based shall be determined without regard to a break in service or change in status in the uniformed services.".

(5) The second sentence of subsection (g) is amended to read as follows: "However, the number of days upon which the lump-sum payment is based is subject to subsection (f)."

(6) Clauses (2), (3), and (4) of subsection (a) are repealed.

SEC. 3. This Act becomes effective on the first day of the second month after enactment.

The SPEAKER pro tempore. Is a second demanded?

Mr. O'BRIEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York (Mr. STRATTON) will be recognized for 20 minutes, and the gentleman from Illinois (Mr. O'BRIEN) will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 9573 is also a Defense Department proposal which limits the total cumulative entitlement for payment of unused accrued leave to 60 days over a career for enlisted personnel, as is now the case for officers. The 60-day limit would not apply to leave for which payment had been received prior to enactment of the bill.

The bill would also:

Allow enlisted personnel, upon discharge and reenlistment, to carry forward unused leave to be paid for any part not carried forward not in excess of a total of 60 days.

Increase the rates for quarters and subsistence allowances paid enlisted personnel on leave to those currently applicable. Present law provides the rates in effect in 1964. Current rates are about three times higher.

Make the quarters-allowance reimbursement available to all enlisted personnel. It is presently available only to those in grade E-5 and above.

At present, Mr. Speaker, enlisted members are authorized to be reimbursed at each reenlistment for up to 60 days of unused accrued leave. This reimbursement can occur five or more times during an enlisted man's career and is quite expensive, running to annual payments well in excess of $100 million

A practice has developed of enlisted men accumulating rather than taking leave, using the leave law as a means of gaining a cash payment.

The purpose of leave entitlement, however, is to grant service personnel a period of rest from duty to maintain their effectiveness. It is not and was never intended to be a means of supplementing pay.

In short, then, the major impact of this bill will be to encourage enlisted personnel to use their leave entitlement. I want to emphasize that the import of this bill is not to sanction the losing of leave above the 60-day limit. The bill will encourage military commanders to assure that leave is provided, and the committee will monitor the situation to assure this takes place.

The bill includes, in effect, a saved-pay provision by not counting in the total 60-day allowance any leave for which payment has been received in the past.

Members should be aware that the Defense appropriation bill as approved by this House included a provision designed to limit use of funds for payment of accrued leave in excess of 60 days over an entire career. The appropriation bill, however, does not provide for the compensating adjustments favorable to enlisted personnel included in our bill. I might add that the Appropriations Committee report language accompanying this section encouraged legislative action of the sort contained in this bill.

The amount of savings which will result from this bill is subject to a great many variables, such as how many personnel will reenlist and how much leave they will cash in. The estimates of savings range from $70 to $100 million in the first full fiscal year after enactment with proportionately less savings during the current fiscal year. However, the potential savings are substantial and should be a matter of interest to Members of this House.

Mr. Speaker, the bill does not alter an existing entitlement; it insures the original and beneficial purpose behind the granting of leave. The committee approved H.R. 9573 by voice vote. I urge its approval.

Mr. TEAGUE. Mr. Speaker, will the gentleman yield?

Mr. STRATTON. Yes, I yield to the distinguished gentleman from Texas.

Mr. TEAGUE. Mr. Speaker, I will ask this question: Is there a provision whereby, if a circumstance developed where a man cannot take his leave, he would not lose it?

Mr. STRATTON. Mr. Speaker, I will say to the gentleman that under the bill we provide for a total of 60 days of unused leave, and if he cannot take his leave up to a total of 60 days he can be paid for that leave.

Mr. TEAGUE. Up to 60 days?

Mr. STRATTON. Up to 60 days. And in addition to that, contrary to the practice that I understand has been in effect in the past, we are insisting that commanders encourage their personnel to take their leave, and we do not anticipate that any circumstances will develop where personnel are denied leave beyond that 60-day period.

Mr. TEAGUE. Mr. Speaker, I was thinking specifically of a man who spent most of his years in Vietnam and received a very serious injury resulting in bone grafts and skin grafts and he would not be able to take his leave for a considerable period of time.

Mr. STRATTON. Under present regulations, which would not be repealed by this legislation, in the case of somebody who is in hostile fire areas, which would apply to Vietnam in the past, he would be able to have a total of 90 days leave which he could cash in. Also in the case of someone who is missing in action, there would be reimbursement for 150 days of leave granted.

Mr. TEAGUE. Mr. Speaker, I thank the gentleman.

Mr. O'BRIEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking minority member of the Military Compensation Subcommittee, which considered this bill, I support H.R. 9573.

Prior to 1946, when the Armed Forces Leave Act was enacted, enlisted personnel in the military were not provided a right to leave, as were officers, rather they were granted administrative furloughs. The inequity of this differentiation, plus the fact that many enlisted personnel lost leave at their separation at the end of the war, led to the enactment of a statutory entitlement to leave. This statute also provided a means of reimbursement for unused accrued leave. It was clear at the time of the passage of the Armed Forces Leave Act of 1946 that this reimbursement was made available only for those unusual situations when leave could not be used.

Unfortunately, today, the entitlement to reimbursement for enlisted personnel has evolved into a practice in which leave is accumulated so that it can be cashed in. The problem in this situation lies not with the servicemen themselves who decide to sacrifice their earned leave for a cash payment, it rests with the law which encourages this practice by providing a cash incentive to do so.

H.R. 9573 will terminate this practice, thereby saving $90 to $100 million annually. However, this bill will have a beneficial collateral effect by encouraging service personnel to take leave, rather than lose it—the original purpose behind the leave entitlement.

Mr. Speaker, the members of the committee were sensitive to the fact that this legislation might be perceived as further whittling away of entitlements for service personnel.

It should not be viewed as such. The legislation does not consider leave already cashed in prior to its effective date as a portion of the 60 days total. Further, the bill has in it a provision which will protect an enlisted man who might have made commitments—financial or otherwise—in anticipation of being reimbursed for leave at the end of his current enlistment. The bill allows this person the option to cash in a portion of his accrued leave at any enlistment point—as long as it does not exceed a cumulative total of 60 days, carry over his unused leave into the next enlistment, or do a combination of both of these. This option will provide a means of securing the funds necessary if a commitment has been entered into in expectation of reimbursement.

H.R. 9573 is responsible legislation, Mr. Speaker, and should be passed.

Mr. Speaker, I have no further requests for time.

Mr. STRATTON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill—H.R. 9573.

The question was taken.

Mr. STRATTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3 of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill—H.R. 9573—just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORITY FOR DEPARTMENT OF DEFENSE TO SELL STOCKS OF THE CHEMICAL CARBONYL CHLORIDE

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill—H.R. 9570—to authorize the sale and shipment incident to sale of the chemical substance carbonyl chloride by the Department of Defense.

The Clerk read as follows:

H.R. 9570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. The Secretary of Defense is authorized to dispose of the entire inventory of the chemical substance carbonyl chloride under his jurisdiction by sale within the United States of the carbonyl chloride or of any commercially available derivative thereof.

Sec. 2. Nothing contained in section 409 of Public Law 91–121, as amended, or in section 506 of Public Law 91–441, shall be deemed to restrict any sale authorized by section 1 hereof, or any transportation incident to such sale.

The SPEAKER pro tempore. Is a second demanded?

Mr. O'BRIEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. Schroeder) and the gentleman from Illinois (Mr. O'Brien) will each be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. Schroeder).

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 9570, is legislation which was proposed by the Department of Defense and referred to the Committee on Armed Services. The request for this legislation is part of the Department of the Army's program to dispose of all toxic chemical stocks at Rocky Mountain Arsenal, which is located outside of Denver, Colo.

This bill addresses the disposal of the chemical, carbonyl chloride, which is also called phosgene. Carbonyl chloride is a toxic chemical, produced in large quantities annually by many domestic manufacturers, and used in the plastics industry. Because the chemical stored at Rocky Mountain Arsenal is identical in all respects to the commercial product and the commercial product is a widely used one, the Army desires to sell its stocks to American industry. This sale offers a potential savings to the taxpayer of $3 to $4 million.

Carbonyl chloride was originally purchased by the Army as a chemical warfare agent. In the early 1960's the Department of Defense determined that carbonyl chloride was no longer a required chemical warfare agent, and in 1964, all munitions were unloaded and the chemical was put in storage containers. However, since the carbonyl chloride was originally purchased as a chemical warfare agent, the Department of Defense must comply with the provisions of existing law as regards both disposal and transportation of chemical warfare agents. This bill would remove these restrictions for the proposed sale of carbonyl chloride only.

Mr. Speaker, I know of no opposition to this bill, and I urge its prompt enactment.

Mr. O'BRIEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 9570, the bill granting the Secretary of Defense authority to dispose of all carbonyl chloride stocks. The intent and substance of H.R. 9570 has been explained by the distinguished gentlewoman from Colorado (Mrs. Schroeder) of the Armed Services Committee, of which I am a member.

I would like to emphasize again, though, the economic savings which could be realized from such a sale. It has been pointed out that $3 to $4 million would be saved. The major portion of this savings is actual cost to the Department of Defense and not the price to be paid by the buyer. This is because detoxification of chemical warfare agents is both a hazardous and involved procedure, and extensive facilities are required. These facilities would require the major portion of the cost difference and would also consume precious energy.

Due to the extensive experience of American industry in handling this chemical safely and the cost savings which would be realized from such a sale, I urge my colleagues to unanimously support this bill.

Mr. Speaker, I have no further requests for time.

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time and yield back the balance of my time.

Mr. O'BRIEN. I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. Schroeder), that the House suspend the rules and pass the bill H.R. 9570.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 1537) entitled "An act to amend the Defense Production Act of 1950, as amended," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Proxmire, Mr. Sparkman, Mr. Williams, Mr. Tower, and Mr. Brooke to be the conferees on the part of the Senate.

FEDERAL ASSISTANCE TO STATE BOATING SAFETY PROGRAMS

Mr. HUBBARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5630) to amend the Federal Boat Safety Act of 1971 in order to increase the Federal Government's share of the costs of State boat safety programs, and to increase the authorization for appropriations for such programs, as amended.

The Clerk read as follows:

H.R. 5630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 30 of the Federal Boat Safety Act of 1971 (85 Stat. 224; 46 U.S.C. 1479) is amended by striking out "for the fiscal year ending June 30, 1972, and $7,500,000 for each of the four succeeding fiscal years," and inserting in lieu thereof the following: "for each of the fiscal years beginning with fiscal year 1972 through fiscal year 1976, $2,500,000 for the transition period of July 1, 1976, through September 30, 1976, and $10,000,000 for each of the fiscal years 1977, 1978, and 1979.".

The SPEAKER pro tempore. Is a second demanded?

Mr. du PONT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. Hubbard) will be recognized for 20 minutes and the gentleman from Delaware (Mr. du Pont) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I will gladly defer to my colleague, the gentleman from Delaware (Mr. du Pont).

Mr. du PONT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5630 and fully support the statements made by the subcommittee chairman, Mr. Biaggi. What we are doing here is simply extending a very successful Federal program. Five years prior to the passage of the Federal Boat Safety Act, nearly 7,000 U.S. citizens died in boating accidents. In addition, fatalities were also surging upward. Congress passed the Federal Boat Safety Act in an effort to promote boating safety at the State level. The concept has been a working partnership with the States, and I think it has proved itself successful. By the end of the 3 years of its operation, all eligible jurisdictions, with the exception of Alaska and American Samoa, were participating. The results have been gratifying. A 1974 survey conducted by the National Association of State Boating Law Administrators found that programs that had been inadequate before passage of the law were now successfully moving forward. Nowhere is the evidence more convincing than in the Coast Guard's statistics for boating accidents.

Following a steady increase in accidents up through 1973, the United States began to experience a reduction in accidents by 1974. In 1971, the fatality rate was 20.6 deaths per 100,000 boats in use; in 1974, the rate fell to 16.9. The Coast Guard is just beginning to measure the effectiveness of this program and your committee unanimously agrees that this work should go forward. We have not only extended the program for 3 years, but we have authorized an additional $2.5 million for the implementation of the boating safety program. It is our belief that the evidence submitted to the committee justifies this increase. Not only have increasing numbers of people taken to the water for recreation, but in many areas, the Coast Guard has had to reduce their search and rescue responsibilities because of ever-expanding commitments in other missions. Therefore, the Federal boat safety program constitutes an important supplement to the Coast Guard's boating safety efforts. I therefore urge my colleagues to suspend the rules on H.R. 5630.

Mr. Speaker, the committee markup on this bill was held on September 12, and testimony was received from Admiral Siler, Commandant of the U.S. Coast Guard, representing the Department of Transportation, and from representatives of State boating law administrators, and of interested industry groups.

The State and industry representatives supported the extension of the authorization and supported the increase in the authorization level from $7.5 million to $10 million for each fiscal year. The administration witness supported only a 2-year extension of authorization through fiscal year 1978, but during the course of the hearings it was the committee's conclusion that the 3-year extension was somewhat more practicable.

The bill as introduced proposed to increase the Federal matching share to a maximum of 50 percent, and the administration witness proposed that the Federal share should not exceed 33⅓ percent. No witness presented any testimony that any experience under the present act has indicated any problem on the Federal share provision, and the committee in reporting the bill deleted the increase.

Mr. Speaker, there are some other changes that have been proposed in the legislation, and some of those can be postponed for consideration in the second session of the Congress. But the same cannot be said of the extension of authorization under section 30 of the act. Because of the requirements of the Congressional Budget Act of 1974, and because of the fact that the Committee on Appropriations will be beginning hearings early in the second session on fiscal year 1977 appropriations, the authorization under this legislation should be passed and put in place as quickly as possible.

Mr. Speaker, I have no requests for time.

Mr. HUBBARD. Mr. Speaker, I will speak very briefly on behalf of H.R. 5630, as amended, simply stating that the bill, as amended, did pass our Committee on Merchant Marine and Fisheries unanimously. The purpose of the bill as reported is to extend and increase the authorization for Federal funding to assist the several States, including the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, in the establishment and operation of comprehensive State boating safety programs.

The gentleman from Delaware has accurately and in an excellent manner presented more facts about the bill.

I have no further requests for time, Mr. Speaker.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of the passage of H.R. 5630, and solicit the support of all Members of the House.

The situation is simple. In 1971, the Federal Government embarked on a program to create uniform safe practices throughout the field of recreational boating. There are now operating on the navigable waters of the United States some 8 million recreational boats, and some estimates place the participation in this very healthy, enjoyable activity at something approaching half the population at sometime during the year. Citizens of the United States are willing to spend millions of dollars of their hard earned money in participating in various facets of the activity, and the support necessary for their participation spreads throughout the United States, creating badly needed employment. The ripple effect extends throughout the economy.

In order to encourage the States to develop their proper role in this joint Federal-State effort, section 30 of the basic act provided for Federal assistance to the States in development of their programs. In the first year of the Federal grants, all States participated to some degree. Even though the act at that time authorized grants on a basis of up to 75 percent Federal fund share, of the total $23 million reported expended on boating safety programs at all levels of State government, only approximately $3 million was contributed from Federal funds, approximately 13 percent of the total. In fiscal year 1973, the Federal share was increased to about $4 million, or 15 percent of the total. The same Federal share was contributed in fiscal year 1974, with $3.5 million. These figures are at best good estimates, but it is clear that the Federal Government has not really lived up to the promise of the Federal Boat Safety Act. Of the $7.5 million authorized in fiscal year 1973, only $4.5 million was appropriated. Of the $7.5 million authorized in fiscal year 1974, only $3.5 million was appropriated. Only in fiscal year 1975 and fiscal year 1976 have we come close to the authorization level. In each of those years, the appropriation was $5.8 million.

I recognize that full funding under the act has not been possible because of various demands on the Federal budget. And yet, the inability to reach the level previously envisioned has meant that the program has not progressed at the speed at which we originally hoped that it would. If it had, we might have reached the point where we could make a judgment as to exactly how Federal assistance could be continued. Since we have not reached that point, it is mandatory that we continue this program for an additional 3 years so that we can make that evaluation.

We all realize the demands on the tax dollar. Those demands are felt at the State level, as well as the Federal level, and if sufficient State resources had been available in the first place, it is logical to assume that their boating safety programs would have moved much more rapidly.

It is clear that the Federal support has had a salutary impact. The recognition by the Federal Government of the proper role of the States in the field of boating safety and the offer to assist the States in carrying out their proper role have increased the awareness of the boating problem at the local level, and the States have cooperated enthusiastically. It is my belief that at the end of the present proposed extension of section 30 many of the States, in fact a majority, will be in a position to administer their programs without further Federal assistance. It is my further belief, however, that some of the States with relatively small boating populations, but with extensive boating areas utilized by residents of other States, will continue to need some sort of assistance. Whether this should continue to be through a Federal assistance program or through some sort of regional arrangement, can be considered later. At the present time, the extension of the Federal support program on the level proposed of $10 million per year is mandatory, and to the extent possible, we should urge that the program be fully funded in order to complete the expansion of the necessary State programs and place them in a position to be self-reliant at the earliest time possible.

I urge all Members to support the enactment of H.R. 5630, as reported by the Committee on Merchant Marine and Fisheries.

Mr. RUPPE. Mr. Speaker, I rise in support of H.R. 5630. The increased authorization provides for a most cost-effective Federal program and is perhaps the most persuasive factor in insuring uniformity in meeting Federal standards. There is built-in accountability for such funds to insure their efficient application to the most critical State needs.

The Great Lakes region contains one-third of all the registered boats in the country and my State of Michigan has the largest registration of all with a rising boat population. This has gone from about 534,000 in 1974 to approximately 577,000 in 1975. These numbers are swelled in all our States by the vast influx of boats that are trailered-in seasonally from other inland States.

This pending legislation is designed to meet this rising tide that brings with it a threat to life and property—and to do it in a most cost-effective way for all concerned. It appears that the big effort on the part of most Great Lakes States is to establish a quality training program with Federal assistance. This is the people-to-people "grass roots" part of any State program that would reach all levels of State boating safety law enforcement echelons. Accordingly, this vital aid to what is an acknowledged shared responsibility is one that I strongly endorse.

Mrs. SULLIVAN. Mr. Speaker, I rise to urge the passage of H.R. 5630, as reported by the Merchant Marine and Fisheries Committee on October 22, 1975. The bill, as reported, is a simple one. It authorizes appropriations of $2.5 million for the interim period between July 1, 1976 and September 30, 1976, and $10 million for each of the fiscal years 1977, 1978, and 1979, under section 30 of the Federal Boat Safety Act of 1971. The section involved relates to Federal financial assistance to the States, the Commonwealth of Puerto Rico, the District of Columbia, the Virgin Islands, Guam, and American Samoa, in order to enable those entities to develop effective recreational boating safety programs.

The Federal Boat Safety Act of 1971 was enacted to create a comprehensive Federal program to improve boating safety and to foster greater use for recreational purposes of the navigable waters of the United States. In establishing that program, the Congress wished to make certain that such expanded use would not result in confused, unregulated growth, but would be accompanied by continued attention and emphasis upon the development in a safe, sane manner. To accomplish that purpose, the act not only provided a more flexible regulatory supervision of boating operations, but it also established Federal standards of construction and performance for all boats to be sold for use in the United States and for requirements as to the safety features of associated boating equipment. It requires a manufacturer of boats and associated equipment to establish and maintain records, make reports, and provide necessary information to assure that his product was in conformance with Federal standards. It was one of the very first pieces of national legislation which required the manufacturer to give notification of defects discovered and to furnish such notification to the first purchaser of the equipment, to subsequent purchasers, if known, and to all dealers and distributors to whom the defective product had been delivered. Another important feature of the act was its stated purpose of developing uniformity in State boating activities and of encouraging the States to cooperate with the Federal Government in the supervision and enforcement of truly safe boating practices.

In inducing the States to initiate and expand boating safety programs, section 30 of the basic act provided an authorization for appropriations of $7.5 million per year, for a period of 5 years from fiscal year 1972 through fiscal year 1976, such funds to be available to assist the States in the cost of their individual programs. The concept behind the provision was that the Federal assistance was necessary for the States to initiate programs or to expand existing ones, and it was thought that a 5-year experience would demonstrate whether such Federal assistance could then be terminated.

As the Subcommittee on Coast Guard and Navigation has begun its oversight review of the total Federal Boating Safety program, it has become apparent that, although the States have progressed significantly, they are not yet in a position to continue their programs without continued Federal assistance. Since actual funding was available for the first time in the summer of 1972, there has really been only a three-year experience upon which to base a decision of future direction. The hearings on H.R. 5630, therefore, resulted in a uniform recommendation from all witnesses that a continuation of the authorization under section 30 for an additional period of time is necessary.

As implementation of the basic act has progressed, the differing organizational arrangements and accounting systems in the many States made it difficult for most of them to identify their total expenditure for boating safety, both prior to the Federal Boat Safety Act, and in the initial phase of the implementation. That is important because only through the total expenditure analysis will the Federal Government be able to get a complete measure of the impact of its efforts in contributing to State costs. Most States have overcome their early difficulties in evaluating their boating programs. Many of them found it necessary to change their own State laws, but by this fall, 50 of the 55 eligible jurisdictions had brought their legislation into basic compliance wtih Federal standards. According to the U.S. Coast Guard, this achievement can be attributed largely to the Federal support through the State Boating Safety Assistance program. Of those not yet in basic compliance with Federal standards, three have pending legislation to bring them into compliance.

As to the actual expansion of State programs, most States have increased the number of patrol craft on State waters and have formed a nucleus of boating enforcement officers, and personnel are being trained as rapidly as they can accomplish it, not only to enforce boating laws during the boating season, but to give education courses to organizations, individuals, and schools throughout the year. They have developed coordination programs with other recognized leaders in the boating safety field, such as the U.S. Power Squadron, the American Red Cross, the Coast Guard Auxiliary, and others. Many of them have passed legislation requiring new operators to complete approved boating courses before they are authorized to operate a boat.

Much progress has been made by individual States. It is clear that the program is working and that a higher level of uniformity is being attained each year. In 1974, the rate of fatalities from boating accidents had been reduced to 16.9 fatalities for each 100,000 boats, an achievement significantly lower than for any year since recordkeeping was initiated in this area in 1961. Of those States with complete financial records over the past 5 years, State expenditures have increased on an average of 70 percent.

Mr. Speaker, the record in boating safety since the passage of the Federal Boat Safety Act of 1971 has been an excellent one. This does not mean that it cannot be improved, and the Subcommittee on Coast Guard and Navigation is now undertaking a complete oversight of the Federal Boat Safety Act and all its provisions to see whether changes in the act can encourage further improvement. This, however, will require additional hearings and testimony from various interested and affected groups. In the meantime, the Congressional Budget Act of 1974 makes it desirable for this authorization feature for the Federal assistance to the States to be enacted expeditiously, without awaiting a review of other features of the act. Support for the extension for at least a limited period is unanimous. Further review in the 95th Congress should enable us to decide whether at that time it should be continued on a permanent basis or whether it could be terminated.

As to the level of the Federal authorization, there was some slight disagreement. The Department of Transportation, representing the administration, proposed continuing the level at $7.5 million. Industry witnesses and representatives of the States, including personal letters to the committee from any State Governors, proposed a new level of $10 million per year. The committee felt that such a $10 million level was justified, is needed, and subject to the availability of funds in the overall budget, believes that such a level should be fully funded. The provision in the bill for authorization during the interim period between fiscal years 1976 and 1977 is at the same proportionate rate as for the following 3 fiscal years.

I urge the support of all Members for this very necessary legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky (Mr. HUBBARD) that the House suspended the rules and pass the bill H.R. 5630, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill as amended was passed.

The title was amended so as to read: "A bill to amend the Federal Boat Safety Act of 1971 in order to increase and extend the authorization for appropriations for financial assistance for State boating safety programs.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DU PONT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5630.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

LIGHTHOUSE SERVICE RETIRED PAY

Mr. HUBBARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6851) to increase the retired pay of certain members of the former Lighthouse Service, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the annual rate of retired pay received by a person under section 6 of the Act of June 20, 1918, as amended and supplemented (33 U.S.C. 736–765), who was retired on or before October 1, 1972, shall, effective on the first day of the calendar month following enactment of this Act, be increased by $270.

The SPEAKER. Is a second demanded?

Mr. DU PONT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. HUBBARD) and the gentleman from Delaware (Mr. DU PONT) each will be recognized for 20 minutes.

The Chair recognizes the gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 6851 is a simple, uncomplicated bill to correct an inequity in the retired pay of former members of the U.S. Lighthouse Service, by increasing the annual retired pay by $270.

The former U.S. Lighthouse Service, which served the Nation so well for so many years as an independent organization, was consolidated with the U.S. Coast Guard effective July 1, 1939, and since that time its former personnel have continued to serve the Nation well.

At the time of the consolidation with the Coast Guard, employees of the Lighthouse Service, in many cases, had an option of accepting new appointments as members of the Coast Guard Corps. Many did so. Others retained their status as civilian employees of the Coast Guard and continued to perform their same duties.

Those members of the Lighthouse Service who became a part of the military personnel of the Coast Guard became eligible for retirement under the military retirement system. Those who remained as civilian employees continued to be eligible under the provisions of the Lighthouse Service Retirement Act for retirement. The Lighthouse Service Retirement Act was enacted in 1918. This bill applies to those civilian employees who have subsequently retired under that act.

The most recent amendment of the Lighthouse Service Retirement Act was enacted in October 1972, and provided that a retiree could compute his annuity under the act on the basis of his average annual pay for the last 3, rather than the last 5, years of his service. This, of course, in most cases, permitted a higher retired annuity and followed a similar change which had been made to the Civil Service Retirement Act for civil service retirees in 1969.

Both the Civil Service Retirement Act change in 1969 and the Lighthouse Service Retirement Act change in 1972 were prospective, in effect, and did not apply to the eligible personnel who had retired prior to the enactment of the respective amendments. It was recognized that the change of law in 1969 for civil service retirees placed those retiring after that date on a slightly better footing than those who had retired prior to that date, and so in 1974, Public Law 93–273 authorized an increase of $20 per month, or $240 per year for those civil service personnel who had retired prior to the change of computation system. H.R. 6851 is designed to do the same thing for those Lighthouse Service retirees who had retired prior to October 1972, when the change of computation amendment was passed for Lighthouse Service retirees. It provides that those Lighthouse Service retirees whose retired pay is computed on the last 5 years of service will have their retired pay increased to bring them to the same general footing as those Lighthouse Service and civil service retirees whose annual retired pay is based on the last 3 years of service computation.

In considering the bill, the subcommittee was reminded that since the civil service retirement change in 1974, the retirees involved had had the advantage of two cost-of-living increases, the first of 7.3 percent and the second of 5.1 percent, based upon their additional pay. The Committee on Merchant Marine and Fisheries therefore, amended H.R. 6851, to accomplish essentially the same increase for the retirees affected by this bill, and amended the bill to provide for an increase of $270 rather than the $240 originally proposed.

With the passage of H.R. 6851, the Lighthouse Service retirees of the pre-1972 category would be placed on the same footing as their fellow Lighthouse Service retirees and on the same footing as civil service retirees generally.

I urge the passage of H.R. 6851.

Mr. DU PONT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6851. As my colleague has so ably stated, this bill is in the nature of a technical amendment to provide the same level of benefits enjoyed by civil service retirees to Lighthouse Service retirees. The legislation is supported by all the members of the Merchant Marine Committee and by the administration. The cost would be roughly $76,000 per year. I urge prompt passage by the House.

Mr. BIAGGI. Mr. Speaker, I rise to support the passage of H.R. 6851, a bill to increase the retired pay of certain members of the Lighthouse Service. This bill Mr. Speaker, is a matter of simply equity. In 1972, the Lighthouse Service Retirement Act was amended to liberalize the method of computing the base pay on which annuities would be paid. After that time, retirees have been permitted to base their retired pay on the average salary from the last 3 years of service, rather than the last 5 years of service. This liberalization was not extended retroactively to those already retired in 1972. H.R. 6851 is designed to place the two groups on the same footing by increasing the retired pay of the pre-1972 retirees by $270 per year. The cost of the legislation at approximately $77,000 per year is extremely small for this equitable action. The bill gives to the earlier Lighthouse Service retirees the same fair treatment which the Civil Service Retirement Act provided for early civil service retirees in the same circumstances, in 1974.

Mr. OBERSTAR. Mr. Speaker, early this year, I was asked by a retired former Lighthouse Keeper why he had not received a $20 a month annuity increase which had been approved for all civil service retirees who had retired prior to October 1969 when a new 3-year computation formula became effective. The answer, of course, was that Lighthouse retirees received their annuities under a separate statute.

After receiving a draft of appropriate legislation, on May 6, 1975, I introduced H.R. 6851 to bring the Lighthouse Service Retirees Act into conformity with the Civil Service Retirement Act. At my request, my bill was amended to increase the annuity increase to $22.50 a month, which is the amount civil service retirees are now receiving after application of two cost-of-living adjustments.

As of mid-October when the House Merchant Marine and Fisheries Committee favorably reported this bill, only 272 Lighthouse Service retirees remained on retirement rolls.

The committee, at the same time, reported out a companion bill, H.R. 1535, introduced by our colleague JOHN DINGELL, which addresses the same inequity to the 339 surviving widows receiving annuities under the Lighthouse Service Retirees Act as compared with widows under the Civil Service Retirement Act.

I urge my colleagues to approve each of these measures which are, in essence, only conforming amendments to provide equity to a very small group of retirees and their survivors.

The SPEAKER pro tempore (Mr McFALL). The question is on the motion offered by the gentleman from Kentucky (Mr. HUBBARD) that the House suspend the rules and pass the bill (H.R. 6851), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HUBBARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 6851), just passed.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

LIGHTHOUSE SERVICE WIDOWS BENEFITS

Mr. HUBBARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1535) to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service, as amended.

The Clerk read as follows:

H.R. 1535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the benefits payable under section 1 or section 2 of the Act of August 19, 1950, (64 Stat. 465, 466), as amended (33 U.S.C. 771, 772) shall, effective on the first day of the calendar month following enactment of this Act, be increased by $26 per month.

SEC. 2. The increases under this Act shall apply to benefits which commence before, on, or after the date of enactment of this Act, but no increase in benefits shall be paid for any period prior to the date of enactment of this Act, or the date on which the eligibility for benefits commences, whichever is later.

The SPEAKER pro tempore (Mr. McFall). Is a second demanded?

Mr. du PONT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Kentucky (Mr. Hubbard) and the gentleman from Delaware (Mr. du Pont) will each be recognized for 20 minutes.

The Chair now recognizes the gentleman from Kentucky.

Mr. HUBBARD. Mr. Speaker, I yield myself such time as I may consume. It will be a brief statement.

Mr. Speaker, H.R. 1535 is a bill which, in some respects, does for Lighthouse Service widows what the previous bill, H.R. 6851, did for the Lighthouse Service retirees.

Benefits for widows of Lighthouse Service employees are governed by the act of August 19, 1950, which originally provided for such widows monthly benefits of $50 per month. In subsequent years, the act was amended in two steps, to a benefit of $100 per month. At the same time, in 1967, these benefits were made subject to the cost-of-living annuity provisions of title 5 of the United States Code, whereby the periodic cost-of-living increases are applied to these widows annuities. Based on such increases, these elderly widows, most of whom are nearing the end of their life span, are receiving $174 per month. It is simply unrealistic to expect that a single person, particularly one who is aged, can support herself on $174 per month, and in the case of those without other means of support, these widows are enduring real hardship.

The bill under consideration would increase the present widows annuities from $174 per month to $200 per month, a small enough increase for these women, many of whom actively assisted their husbands during their active careers in the maintenance of isolated, remote lighthouses.

I urge the passage of H.R. 1535.

Mr. du PONT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to associate myself with the remarks made by the gentleman from Kentucky (Mr. Hubbard). H.R. 1535 very simply is a bill to increase benefits to some 339 lighthouse widows by $26 per month. The committee initially received opposition to the bill because as drafted, it would have increased benefits from $175 per month to $353. That was not the intent of the legislation and the committee has amended the bill so that the intended increase of benefits to $200 per month is achieved. Given the cost of living, I think this is only a modest increase at best and I would hope that the House will act promptly on this measure by suspending the rules.

Mr. BIAGGI. Mr. Speaker, I rise to join in support of H.R. 1535, a bill to provide for a very modest increase in the benefits of lighthouse service widows. These women, in general, of whom there are fewer than 350 still alive, contributed many hours of their lives in the support of their lighthouse service husbands stationed on remote, isolated islands and rocks to keep burning the lights so necessary for the safe navigation of vessels along our coastlines. Many of the lighthouses today have been automated and it is no longer necessary to expose personnel to this arduous and remote duty, but in the days not many years ago when it was necessary to maintain these lights in hours of darkness and reduced visibility, the widows who are the subject of H.R. 1535 participated actively in assisting their husbands to perform this duty. It is the least that we can do to show them this small token of our appreciation in the days of their declining years when many of them can hardly keep their necks above the rising tide of inflation, and constant increasing cost of food, housing, and medical care.

I urge the support of all Members for the passage of H.R. 1535.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. Hubbard) that the House suspend the rules and pass the bill H.R. 1535, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HUBBARD. Mr. Speaker, I ask unanimous consent that all Members who wish to do so may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 1535, as amended, just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The debate has been concluded on all motions to suspend the rules.

Pursuant to clause 3, rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order: S. 2327; H.R. 10561, H.R. 9691; S. 2114; H.R. 8089 and H.R. 9573.

Pursuant to the provisions of clause 3(b)(3,) rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

REAL ESTATE SETTLEMENT PROCEDURES

The SPEAKER. The unfinished business is the question of suspending the rules and passing the Senate bill S. 2327, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the Senate bill.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. Barrett) that the House suspend the rules and pass the Senate bill S. 2327, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 379, nays 21, answered "present" 1, not voting 32, as follows:

[Roll No. 706]

YEAS—379

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen

Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer

Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Lott
Lujan
McClory
McCloskey
McCollister
McDade

McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, James V.
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—21

Abzug
Burton, John
Dingell
Drinan
Gonzalez
Hechler, W. Va.
Holtzman
Kastenmeier
Koch
Long, Md.
Mitchell, Md.
Moss
Mottl
Myers, Pa.
Rosenthal
Roybal
Stark
Steiger, Ariz.
Sullivan
Van Deerlin
Young, Ga.

ANSWERED "PRESENT"—1

Edwards, Calif.

NOT VOTING—32

Andrews, N. Dak.
Ashley
Bergland
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Fraser
Gaydos
Goodling
Hastings
Helstoski
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Mathis
Michel
Milford
Mosher
Patman, Tex.
Peyser
Rhodes
Riegle
Stanton, J. William
Symington
Udall
Wampler
Wright

The Clerk announced the following pairs:

Mr. J. William Stanton with Mr. Andrews of North Dakota.

Mr. Dent with Mr. Ashley.

Mr. Eckhardt with Mr. Horton.

Mr. Helstoski with Mr. Milford.

Mr. Jones of Alabama with Mr. Peyser.

Mr. Karth with Mr. Hastings.

Mr. Mathis with Mr. Brown of Ohio.

Mr. McCormack with Mr. Wampler.

Mr. Patman with Mr. Gaydos.

Mr. Udall with Mr. Michel.

Mr. Symington with Mr. Hinshaw.

Mr. Riegle with Mr. Burke of Florida.

Mr. Bergland with Mr. Goodling.

Mr. Fraser with Mr. Fary.

Mr. Howard with Mr. Wright.

Messrs. KOCH, GONZALEZ, JOHN L. BURTON, DINGELL, and ROSENTHAL, and Ms. ABZUG changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read "An Act to amend the Real Estate Settlement Procedures Act of 1974."

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. EDWARDS of California. Mr. Speaker, on S. 2327, Real Estate Settlement Procedures, I voted "present" because I own common stock in a title company in California that handles real estate settlements as part of its business activities.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b)(3), rule XXVII, the Chair announces he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

FAIR CREDIT BILLING ACT AMENDMENTS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill H.R. 10561.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. ANNUNZIO) that the House suspend the rules and pass the bill H.R. 10561, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 398, nays 3, answered "present" 2, not voting 30, as follows:

[Roll No. 707]

YEAS—398

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—3

Myers, Pa.
Steiger, Ariz.
Symms

ANSWERED "PRESENT"—2

Gonzalez
Sullivan

NOT VOTING—30

Andrews, N. Dak.
Bergland
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Fraser
Gaydos
Goodling
Helstoski
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Madden
Mathis
Michel
Milford
Mosher
Patman, Tex.
Peyser
Rhodes
Riegle
Symington
Udall
Wampler
Wright

The Clerk announced the following pairs:

Mr. Dent with Mr. Brown of Ohio.
Mr. Howard with Mr. Fary.
Mr. Patman with Mr. Wampler.
Mr. Karth with Mr. Milford.
Mr. McCormack with Mr. Andrews of North Dakota.
Mr. Eckhardt with Mr. Peyser.
Mr. Bergland with Mr. Fraser.
Mr. Gaydos with Mr. Burke of Florida.
Mr. Helstoski with Mr. Goodling.
Mr. Riegle with Mr. Horton.
Mr. Symington with Mr. Hinshaw.
Mr. Udall with Mr. Madden.
Mr. Wright with Mr. Michel.
Mr. Mathis with Mr. Jones of Alabama.

Messrs. **SHUSTER** and **TREEN** changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE AUTHORIZING OF TECHNICAL CHANGES IN ENGROSSMENT OF H.R. 10561

Mr. **ANNUNZIO.** Mr. Speaker, I ask unanimous consent that in the engrossment of the bill the following technical changes be made in H.R. 10561.

Page 1, strike out line 7 and 8 and insert in lieu thereof, "(p), (q), and (r) as subsections (r), (s), and (t), respectively, and by adding after subsection (o) the"

The **SPEAKER.** Is there objection to the request of the gentleman from Illinois?

There was no objection.

REVIEW OF CERTAIN DISABILITY RETIREMENT BY SECRETARY OF DEFENSE

The **SPEAKER.** The unfinished business is the question of suspending the rules and passing the bill H.R. 9691.

The Clerk read the title of the bill.

The **SPEAKER.** The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 9691, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 398, nays 4, answered "present" 1, not voting 30, as follows:

YEAS—398

[Roll No. 708]

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammer-schmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Holland
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—4

Brinkley
Holt
McDonald
Mitchell, N.Y.

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—30

Andrews, N. Dak.
Bergland
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Flood
Fraser
Gaydos
Goodling
Helstoski
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Mathis
Michel
Mikva
Mosher
Patman, Tex.
Peyser
Rhodes
Riegle
Symington
Udall
Wampler
Wright

The Clerk announced the following pairs:

Mr. Dent with Mr. Bergland.
Mr. Patman with Mr. Fary.
Mr. Howard with Mr. Jones of Alabama.
Mr. Flood with Mr. Karth.
Mr. Mathis with Mr. Andrews of North Dakota.
Mr. McCormack with Mr. Horton.
Mr. Symington with Mr. Brown of Ohio.
Mr. Riegle with Mr. Fraser.
Mr. Eckhardt with Mr. Mikva.
Mr. Helstoski with Mr. Peyser.
Mr. Gaydos with Mr. Burke of Florida.
Mr. Udall with Mr. Goodling.
Mr. Wright with Mr. Wampler.

Mrs. **SULLIVAN** changed her vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PAY OF NUCLEAR QUALIFIED OFFICERS

The **SPEAKER.** The unfinished business is the question of suspending the rules and passing the Senate bill (S. 2114), as amended.

The Clerk read the title of the Senate bill.

The **SPEAKER.** The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the Senate bill (S. 2114), as amended.

The vote was taken by electronic device, and there were—yeas 372, nays 34, not voting 27, as follows:

[Roll No. 709]

YEAS—372

Abdnor
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong

Ashbrook
Ashley
Aspin
AuCoin
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bell
Bennett
Bevill
Biaggi
Biester
Blanchard
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hughes
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Milford
Miller, Calif.
Miller, Ohio
Mills
Minish
Mink
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—34

Abzug
Badillo
Bedell
Bingham
Blouin
Brodhead
Carney
Collins, Ill.
Conyers
Dellums
Drinan
Evans, Ind.
Foley
Ford, Mich.
Harkin
Harrington
Hechler, W. Va.
Holtzman
Hungate
Koch
Krebs
Lehman
Levitas
Mikva
Mineta
Mitchell, Md.
Obey
Rangel
Scheuer
Simon
Stark
Studds
Weaver
Yates

NOT VOTING—27

Andrews, N. Dak.
Bergland
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Fraser
Goodling
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Mathis
Michel
Patman, Tex.
Peyser
Rhodes
Riegle
Symington
Udall
Wampler
Wright

The Clerk announced the following pairs:

Mr. Dent with Mr. Udall.
Mr. Patman with Mr. Fary.
Mr. Howard with Mr. Fraser.
Mr. Eckhardt with Mr. Mosher.
Mr. Bergland with Mr. Wampler.
Mr. Gaydos with Mr. Peyser.
Mr. McCormack with Mr. Andrews of North Dakota.
Mr. Karth with Mr. Goodling.
Mr. Riegle with Mr. Jones of Alabama.
Mr. Wright with Mr. Brown of Ohio.
Mr. Symington with Mr. Burke of Florida.
Mr. Mathis with Mr. Horton.

Messrs. YATES, MIKVA, BLOUIN, FOLEY, KREBS, and Mrs. COLLINS of Illinois changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PER DIEM EXPENSES OF SERVICE MEMBERS ON OFFICIAL BUSINESS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 8089), as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 8089, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 351, nays 55, not voting 27, as follows:

[Roll No. 710]

YEAS—351

Abdnor
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carter
Casey
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Tex.
Conlan
Conte
Corman
Cornell
Coughlin
Crane
Daniel, Dan
Daniel, R. W
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Derwinski
Devine
Dickinson
Diggs
Dingell
Downey, N.Y.
Downing, Va.
du Pont
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Kindness
Koch
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mann
Martin
Matsunaga
Meeds
Melcher
Metcalfe
Mezvinsky
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, N.Y.
Moakley
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Pattison, N.Y
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Runnels
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin

Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—55

Abzug
Ambro
AuCoin
Bedell
Brodhead
Burke, Calif.
Burlison, Mo.
Carr
Chisholm
Collins, Ill.
Conable
Conyers
Cotter
D'Amours
Dellums
Derrick
Dodd
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Edgar
Evans, Ind.
Evins, Tenn.
Fenwick
Fithian
Ford, Tenn.
Grassley
Green
Harkin
Harrington
Hechler, W. Va.
Heckler, Mass.
Holtzman
Keys
Krebs
Litton
Maguire
Mazzoli
Meyner
Mikva
Mitchell, Md.
Moffett
Mottl
Patterson, Calif.
Rangel
Roberts
Roybal
Santini
Sharp
Stark
Studds
Sullivan
Weaver
Wirth

NOT VOTING—27

Andrews, N. Dak.
Bergland
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Fraser
Gaydos
Goodling
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Mathis
Michel
Mosher
Peyser
Rhodes
Riegle
Symington
Teague
Udall
Wampler
Wright

The Clerk announced the following pairs:

Mr. Dent with Mr. Fary.
Mr. Gaydos with Mr. Fraser.
Mr. Eckhardt with Mr. Jones of Alabama.
Mr. McCormack with Mr. Udall.
Mr. Karth with Mr. Andrews of North Dakota.
Mr. Howard with Mr. Goodling.
Mr. Mathis with Mr. Brown of Ohio.
Mr. Wright with Mr. Wampler.
Mr. Symington with Mr. Burke of Florida.
Mr. Riegle with Mr. Peyser.
Mr. Bergland with Mr. Horton.
Mr. Teague with Mr. Mosher.

Messrs. MAZZOLI, CONYERS, FITHIAN, GREEN, DUNCAN of Tennessee, and STARK, Mrs. MEYNER, and Ms. KEYS changed their vote from "yea" to "nay."

Mr. POAGE changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SIXTY DAYS PAY FOR ACCRUED SERVICE LEAVE

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 9573.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from New York (Mr. STRATTON) that the House suspend the rules and pass the bill H.R. 9573, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 399, nays 3, answered "present" 1, not voting 30, as follows:

[Roll No. 711]

YEAS—399

Abdnor
Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Casey
Cederberg
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Hastings
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holtzman
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wydler
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—3

Holt
Mitchell, N.Y.
Rosenthal

ANSWERED "PRESENT"—1

Johnson, Pa.

NOT VOTING—30

Andrews, N. Dak.
Bergland
Boggs
Brown, Ohio
Burke, Fla.
Dent
Eckhardt
Fary
Fraser
Gaydos
Gonzalez
Goodling
Hinshaw
Horton
Howard
Jones, Ala.
Karth
McCormack
Mathis
Michel
Moakley
Mosher
Peyser
Rhodes
Riegle
Symington
Teague
Udall
Wampler
Wright

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Mr. Howard with Mr. Goodling.
Mr. Wright with Mr. Brown of Ohio.
Mr. Symington with Mr. Wampler.
Mr. Riegle with Mr. Peyser.
Mr. Moakley with Mr. Burke of Florida.
Mrs. Boggs with Mr. Mosher.
Mr. Teague with Mr. Bergland.

So (two-thirds having voted in favor thereof), the rules were suspended, and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1537, DEFENSE PRODUCTION ACT AMENDMENTS

Mr. REUSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1537) to amend the Defense Production Act of 1950, as amended, with a House amendment thereto, insist on the House amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Messrs.

REUSS, ASHLEY, BLANCHARD, LAFALCE, REES, PATTERSON of California, Mrs. SPELLMAN, and Messrs. MCKINNEY, SCHULZE, and GRADISON.

PERSONAL EXPLANATION

Mr. ASHLEY. Mr. Speaker, on last Friday, November 14, I was unrecorded on rollcall 702, which was the vote that occurred on H.R. 10031, the Defense Production Act Amendments of 1975.

Not only was I present and voting, Mr. Speaker, I was the floor manager of the bill on which I for some reason am recorded as not voting. I was here. I did vote. I voted in the affirmative.

I ask that the permanent RECORD may so indicate.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute.)

Mr. O'NEILL, Mr. Speaker, I take this time to announce additions to the program for tomorrow.

The first thing tomorrow, after the Private Calendar, we will consider conference reports. We will consider the conference report on H.R. 10029, the military construction appropriations for fiscal year 1975; and the conference report on S. 1517, the Foreign Relations Authorization Act for fiscal year 1976; then we will consider under suspension the conference report on S. 6, education of handicapped children; and then we will add to the suspensions the conference reports on H.R. 8841, the amendments to the Federal Insecticide Act; and then the New York bill, H.R. 10481, which has an open rule with 3 hours of debate.

We will work until a reasonable time and we may possibly get into the amendments.

PLIGHT OF NEW YORK

(Mr. RYAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYAN. Mr. Speaker, as a Member of Congress from the San Francisco Bay area, with a population of 4½ million people, I am legitimately concerned about the plight of New York City. Its trouble is massive. Some months ago, Newsweek magazine on August 4 made the following comment about the trouble in New York:

> Remedying it might require such drastic action that life in New York would be profoundly changed. The week was a swirl of crisis meetings and ultimatums. The garbage began piling up on the streets again—a fragrant harbinger of hard times ahead. Disgruntled city workers blocked the Brooklyn Bridge. The city's pint-size Mayor Abe Beame announced his umpteenth austerity plan, then lost his temper when he found out city workers were leaving the job at 3:30 in the afternoon.
>
> There was no question that New York's problems were largely due to the expansiveness, ineptitude and plain irresponsibility of its leaders who were abetted by complaisant bankers and aggressive union bosses. . . .
>
> Among the common strains were accelerating demands by municipal unions, the flight of the middle class, wholesale abandonment of taxpaying properties, and the continuing concentration of poorer, minority inhabitants who traditionally require more services. . . .
>
> At the recent Mayors' Convention in Boston, San Francisco's Mayor Joseph Alioto warned that the "seeds of New York are in every American city." . . . This year, the inexorable upward push of city wages and fringe benefits has collided with revenue losses caused by the recession. *Tax defaults will force Detroit to eliminate 3,582 jobs—nearly 20 per cent of the city payroll.* In Cleveland last week, 3,500 municipal employees walked off the job, further crippling a city that already has been forced to lay off 1,120 employees. Buffalo, New York, anticipates a $23 million deficit unless 1,600 workers are cut from the payroll—25 per cent reduction—and the city of Boston still faces a $20 million deficit after trimming its work force by 10 per cent. The main elements of the problem could be traced to the pressure of unions, the city's traditional philosophy of service to its citizens, and the awesome army of workers ultimately formed to satisfy both. With a payroll of approximately 320,000, New York has one civil servant for every 24 citizens.

THE UNITED NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, the vote of the United Nations General Assembly in approving a measure equating Israel's national movement, Zionism, with racism was vindictive, shortsighted, and unwise.

Whatever satisfaction Arab governments and their Communist and Third World supporters may have gotten from this vote will no doubt be temporary.

However, such irresponsible action by the majority may well have taken the world body a step closer to its finish as a force in international affairs.

The anti-Zionist vote followed two other one-sided resolutions that were supposedly in support of the rights of Palestinian Arabs.

One resolution called for the Palestine Liberation Organization—PLO—to be included on its own terms as an equal partner in any Middle East peace talks. The second resolution established a 20-nation U.N. Committee on the Exercise of the Inalienable Rights of the Palestinian People, designed to promote creation of an independent Palestinian state in Palestine.

Israel denounced both resolutions as "utterly unacceptable." It repeated that it would not participate in any negotiations or consultations with the PLO and called the Assembly action a "tragic blow" to current peace efforts.

The PLO generated more support in the Assembly this year than last year when it attempted to have similar resolutions passed. Behind this transformation of the General Assembly into a consistent opponent of American initiative and policy are two primary factors:

The admission of dozens of new members, many of them newly independent former Asian and African colonies of Britain, France, and the Netherlands. The General Assembly's one-member, one-vote rule means that the United States, with its more than 200 million people, has an equal vote with the smallest nation.

Another factor is the political situation generated by the Arab nations and the global oil picture. Few countries in Africa and Asia, even in the West, are willing to risk antagonizing the Arabs.

There is also a report that the Arabs have been offering cash and other rewards for votes. European supporters of Israel reported that in many places they traveled seeking support, the Arabs had been there before them.

The recent partisan votes in the General Assembly have tragically given comfort to extremists on all sides at a time when voices of moderation need to be heard in peace negotiations.

The United Nations has played an active role in the quest for peace in the Middle East. Many might hope that the anti-Zionist resolution, like several previous examples of empty rhetoric from the General Assembly, could be ignored. However, it may not be that easy this time. Though the General Assembly is hardly the branch of the U.N. that wields the most influence, more responsible states within the world organization will no doubt be offended by the shallow action of the Assembly.

Continuation of bloc-voting tactics could easily turn the organization worthless.

Unless a radical reversal of direction comes soon, the U.N. will continue to lose prestige and influence and stands a good chance of losing its U.S. financial support which at present stands at 25 percent of the body's total budget.

Both the U.S. House and Senate have condemned the U.N. resolutions and the Senate has voted to reassess the participation of the United States in the U.N. In view of these recent events, I think the Senate has taken a step in the right direction. I would hope that we in the House would do likewise as soon as possible. Our financial support cannot continue under these circumstances.

INTERNATIONAL TERRORISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, international terrorism is a serious problem that threatens to tear the fabric of international harmony. Terrorist actions, when they occur, are strongly denounced by numerous nations and, I am confident, by all of my colleagues. Unfortunately, little is done after the shock of the act fades.

In August, I led to the Far East a fact-finding mission consisting of 10 of our colleagues. During the delegation's meeting with Japanese Prime Minister Takeo Miki, the Prime Minister suggested that the nations of the world join together in an international treaty to deny sanctuary to international terrorists. I and the other members of the delegation agree that something must be done and that the United States should play a leading role in attempts to curb terrorism. Accordingly, I am today introducing a measure calling on the President to "actively seek an international convention which has as its goal a multilateral treaty to deny sanctuary to terrorists." This measure is cosponsored by Congressmen Gus Yatron, Stephen Solarz, Benjamin Gilman, Tennyson Guyer, Donald Clancy, Kiki de la Garza, John Myers, Herman Badillo, Norman Mineta, and Paul Simon. I am proud to announce that the entire membership of the study mission has cosponsored this resolution.

According to Mr. Robert A. Fearey, Special Assistant to the Secretary of State and Coordinator for Combating terrorism, some 800 individuals have been killed as a result of international terrorist acts since 1968. About 1,700 additional people were injured during this 8-year period. While these terrorist acts constitute but a minute percentage of the violent acts in the world, in their shock and impact they disrupt the course of life far out of proportion to their numbers. Governments have been forced to increase security precautions at international conferences; businessmen run the risk of being kidnapped and possibly kidnapped; air travelers may find their lives endangered. Terrorists may strike anyone, anywhere, with no reason or logic except their own blind fury.

In 1972, the United States proposed to the United Nations a "Convention for the Prevention or Punishment of Certain Acts of International Terrorism." The U.N. unfortunately did not pursue the matter. In an August speech to the American Bar Association Annual Convention, Secretary of State Kissinger urged the "United Nations once again to take up and adopt this convention or other similar proposals as a matter of the highest priority." Rather than sitting back and urging other nations to act on this problem, I feel that it is imperative for the United States to take an active role and press for action on this grave menace. While U.N. action is, of course, desirable, I feel that we must place our emphasis on securing an international agreement, whether it be under the auspices of the U.N., or outside of it.

In the past, the U.N. has proven itself to be incapable of dealing with the problem of international terrorism in a meaningful way. The reason for this is the sympathy certain nations have for the terrorists' cause and the resulting reluctance to prosecute the terrorists. These nations have blocked U.N. actions on this and have even managed to exclude international terrorism from the organization's agenda. Thus, I feel that, if necessary, we must be prepared to work outside of the U.N. with nations that share our concern.

This reluctance by some nations to act against international terrorists presents us with an additional problem. A multilateral treaty to deny sanctuary to international terrorists has an obvious weakness. One nation, by opening its doors to terrorists, can negate the efforts of all other nations. However, a multilateral treaty, by making more concrete other nations' refusal to grant sanctuary, would tend to isolate the recalcitrant nation from the rest of the world. The greater the support we can muster for such a treaty, the more pressure would be exerted on the holdout nation or nations. In addition, acceptance of the treaty by a number of nations would also serve to further estrange terrorist groups from the remainder of the world. Thus, even though we may not be able to achieve immediate success through such a treaty, I feel it would represent a meaningful step toward curbing terrorism.

One of the first problems any convention would encounter in attempting to draft such a treaty as I have proposed, would be how to define international terrorism. I cannot stand before you now and issue of the definitive statement on what international terrorism is. No one can. I would suggest, however, that the definition contained in the 1972 U.S. Draft Convention provides a basis for further consideration.

In the near future, Mr. Speaker, I will be seeking additional cosponsors for this legislation. I urge my colleagues to give it the strong support I feel it deserves.

U.S. EXECUTIVES IN ASIA URGE EASING BAN ON DEALING WITH VIETNAM, CAMBODIA

The **SPEAKER** pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. Meyner) is recognized for 5 minutes.

Mrs. **MEYNER**. Mr. Speaker, the issue of whether or not this country should lift its trade embargo of Vietnam is being discussed today by the Subcommittee on International Trade and Commerce of the House International Relations Committee.

Hopefully, the full committee and the entire Congress will have the opportunity to work their will on this important subject in the near future.

An article appeared in the Wall Street Journal last week which shows that many American businessmen favor lifting the embargo. I recommend it to all of my colleagues:

[From the Wall Street Journal, Nov. 13, 1975]

Trading With Indochina: Many U.S. Executives in Asia Urge Easing Ban on Dealing With Vietnam, Cambodia

(By Seth Lipsky)

Hong Kong.—Only six months or so after the Communist take-over of South Vietnam and Cambodia, a campaign is building among American businessmen in Asia for an easing of Washington's strict embargo against commercial relations with the countries of Indochina.

Opponents of the embargo are contending that, since the war is over, trade sanctions in effect for years against North Vietnam—and extended to South Vietnam and Cambodia when their governments fell—shouldn't be allowed to harden into a decades-long freeze-out similar to the one the U.S. maintained against China until recently. Such a policy, they argue, not only would deny American companies access to potentially important markets in Indochina but could damage U.S. economic relations in Southeast Asia generally.

Their campaign is being spurred by increasing signals from the Vietnamese Communists themselves that they would like to deal with American corporations and by a concerted drive by the Japanese to beat other trading powers to the Indochina market.

Last weekend in Seoul, South Korea, the Asia Pacific Council of American Chambers of Commerce called on the governments of the U.S., Vietnam and Cambodia to move, "on the basis of reciprocity," to "bring about a smooth and rapid development of trade." Some local American Chamber of Commerce groups have been pushing even stronger positions. And in coming months, businessmen opposing the embargo will probably step up their support for two bills in Congress—one introduced only last week—that would lift the embargo against North and South Vietnam.

A "SHAM ISSUE"

It is too soon to tell whether the lobbying effort currently under way will result in any early changes in U.S. policy. But, barring an unexpected increase in interest in Congress, few Asians expect the administration to act on its own before next year's elections. The State Department is opposed to ending the embargo, and this week, reinforcing that stand, President Ford notified congressional leaders that the U.S. has removed Vietnam and Cambodia from the list of nations eligible for special tariff concessions.

Some businessmen are also opposed to ending the embargo so soon after a bitter war. And others downplay the importance of the issue. One observer calls it a "sham issue," arguing that trade isn't likely to be significant even if the embargo is ended.

Opponents of the embargo argue, however, that past U.S. trade sanctions against Communist nations have gained little, if anything for U.S. business interests. So they are putting out cautious feelers, especially toward Vietnam, discussing the matter with U.S. diplomats and taking up the issue publicly.

Says one member of the American Chamber of Commerce in Hong Kong, describing the attitude of his colleagues: "We don't want another Cuba." A business consultant says: "We have learned from history that it doesn't pay to embargo."

With surprising speed, the Communists themselves have been making it known they are willing—and apparently even eager—to deal with Americans. They began sending out such signals less than a month after Saigon fell to the Communists April 30. The most important was an invitation, dispatched in late May, to Bank of America's Asia representative, Louis Saubolle. A French citizen with wide experience in Asia, Mr. Saubolle went to Hanoi in July, traveling as an official of his bank. He was the first official of a U.S. bank to go there in at least 22 years.

When he returned in mid-July, after a week of meeting with North Vietnamese trade officials and others and of touring the Hanoi area, Mr. Saubolle gave an upbeat report. Although the Vietnamese were still sorting out their development plans, he said he saw a small but "very definite market" for goods from the outside.

Vietnamese officials, Mr. Saubolle said, argued that the trade embargo wasn't effective; they said they had obtained U.S. cotton from third parties. Mr. Saubolle also said he understood that the North Vietnamese had been able to obtain U.S. pharmaceuticals. Most important, Mr. Saubolle said, the Vietnamese stressed repeatedly that they were willing to deal with American corporations on a basis they considered to be "mutually beneficial."

FURTHER SIGNALS

Since then, other signals have followed. An American who is an oil consultant has been to Hanoi, presumably to explore the question of what the Vietnamese want to do about possible offshore oil. In broadcasts, the Communists have indicated they would be willing to deal with major oil companies in the West, including U.S. firms and those that had been exploring oil and gas in South Vietnamese offshore waters.

Such explorations, by Mobil Oil Corp. and Shell Oil Co., were halted in early April, shortly before Saigon fell. It was the impending collapse of a hospitable government, not geological conditions, that prompted American oil companies to halt their explorations. By April, according to one well-placed oilman, the companies had found "traces" of oil but hadn't determined whether there were commercial quantities. "Given the right conditions," this oilman said, "I think they'd like to pick it up again."

Other signals have come from Communist officials who have talked with several Western newsmen visiting Vietnam since the take-over. The officials have said they would be willing to do business with the Americans.

Aside from the Bank of America visit, any contacts that have taken place with American companies presumably have been indirect. Because the embargo is so strict, some American executive are unwilling to discuss the matter in detail. But the South Vietnamese apparently have indicated they would like some companies that had operations in the South to reopen there. And bankers say that Vietnamese authorities cabled some U.S. banks inquiring about government deposits frozen by the U.S.

FREEZING BANK ACCOUNTS

However, there is little American executives can do but listen. On April 30, as Saigon fell, Washington moved under the Trading With the Enemy Act to freeze all South Vietnamese bank accounts in U.S. institutions at home and overseas and to freeze all Vietnamese accounts held in U.S. dollars anywhere. This action affected about $70 million. Most of this, the State Department says, is official funds, and most is in the U.S. Earlier, on April 17, as Phnom Penh fell, Washington announced it was freezing Cambodian assets. Foreign bankers say that, in practice, it is nearly impossible for the U.S. to block South Vietnamese or Cambodian U.S. dollar assets if they are held in non-American banks outside the U.S.

In mid-May, acting under the Export Administration Act of 1969, which allows the use of export controls to further U.S. foreign policy the administration placed South Vietnam and Cambodia under its strictest limits—called Category Z. The combination of restrictions—then already in effect generally for North Vietnam and North Korea—made it illegal for American businessmen to buy Vietnamese or Cambodian goods or to export their own products to those countries, even through a neutral middleman. (The administration, however, has allowed some shipments that it considers humanitarian.)

The reasons for the U.S. embargo are, of course, political and have little to do with the amount or kind of trade with Indochina. In the past five years, U.S. commercial exports that weren't financed by the U.S. Agency for International Development were all but nonexistent to Cambodia and ranged between a paltry $30 million to $50 million for Vietnam. That figure was given before a House panel in June by Robert H. Miller, deputy assistant secretary of state for East Asian and Pacific affairs. "It is reasonable to assume," he said, "that even without controls, U.S. trade with South Vietnam would be practically nil for the foreseeable future."

Businessmen agree that trade wouldn't be likely to leap to significant levels in the short term. But they aren't discounting the possibility that Vietnam could become an economic power to be reckoned with. There are rich agricultural areas and timber in the South and coal in the North. And there is the possibility of offshore oil. Although some others scoff, Bank of America's Mr. Saubolle, who is among the most ardent proponents of ending the embargo, argues that "before too long, Vietnam could emerge as a serious competitor in the world export market."

THE BUSINESS ROUNDTABLE STRIKES AGAIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, under our Constitution, every citizen has the right to petition their government. As we all know, some citizens have proved much more effective in exercising that right than others.

One of the most powerful groups—the Business Roundtable—has just scored another victory in stopping proconsumer legislation.

I am referring to the efforts of the Business Roundtable to stop a major bill to strengthen this country's antitrust laws. This legislation, which was duly reported out of a legislative committee—the House Judiciary Committee—and which was cosponsored by the chairman of that committee and all of the Democrats on that committee—was shelved by the Rules Committee on November 5 by a voice vote.

According to both the New York Times and the Washington Post, the Business Roundtable was responsible for this action in the Rules Committee.

What is this organization? The Business Roundtable is a business lobbying group that includes the biggest of the big corporations in this country. Among its 158 corporate members are the big three of the auto industry, the three largest banks in the country, seven of the largest oil companies and the granddaddy of big utilities—A.T. & T.

This is not the organization's first success in blocking public interest legislation.

THE BUSINESS ROUNDTABLE AND MR. BURNS

On October 4, 1973, the House Banking Committee reported out a bill which would provide for a General Accounting Office audit of the Federal Reserve System and requested, on October 12, 1973, a 2-hour open rule from the House Rules Committee.

Then Dr. Burns went to work. Having failed to prevent the House Banking Committee from reporting out this bill, he called the chairman of the third largest bank in the country—Gabriel Hauge of the Manufacturers Hanover Trust Co.—and asked for his help. Mr. Hauge promptly tapped the most powerful group of big business lobbyists he could think of—sure enough, the Business Roundtable. This all took place on October 19, 1973.

The Business Roundtable wired, wrote and pressured and on three separate occasions—October 24, 1973, October 30, 1973, and on November 6, 1973—the House Rules Committee failed to grant a rule to the audit bill. Only after the personal intervention of the Speaker in early 1974, did the House Rules Committee grant a rule on this legislation. Unfortunately, the bill was weakened on the House floor and the Senate took no action in that session of Congress.

Mr. Speaker, I want to place in the RECORD at this point a column by Jack Anderson which explains in detail the Business Roundtable activity in 1973:

[From the Washington Post, Dec. 12, 1973]

BURNS OPPOSED GAO AUDIT OF FED

(By Jack Anderson)

Pipe-puffing Arthur Burns, chairman of the powerful Federal Reserve Board, doesn't want to open his books to government auditors.

When House Banking Committee Chairman Wright Patman introduced legislation to subject the Fed's fiscal operations to government audit, therefore, Burns quietly got on the phone to top bankers and urged them to bring pressure on Congress to kill the bill.

Competent sources have told us about Burns' telephone campaign and have supplied us with documentary evidence of one key call. Under the massive assault by Burns and the bankers, the bill was successfully blocked.

The bill was the outgrowth of charges that the Fed was more interested in protecting the bankers than the public. Burns was absolutely opposed to allowing the General Accounting Office to scrutinize the Fed's books.

We have now obtained an internal memo detailing some of his backstage maneuvering. Dated "10/19/73 4:40 p.m." it tells of a telephone message from John Lee of the New York Clearing House, a link between local banks and the Federal Reserve System.

The memo states that Lee "had a call from Gabriel Hauge (board chairman) of Manufacturers Hanover Trust. Mr. Hauge had a call from Arthur Burns, chairman of Fed. Mr. Burns asked Mr. Hauge if he could muster some support in New York to help the Fed repel a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System."

Bankers, no matter how they feel about the Fed, are particularly vulnerable to its pressures. Dr. Burns had no difficulty mustering support to beat back the audit.

A spokesman for Burns said that Burns remembered the conversation with Hauge and that Burns "undoubtedly did mention" the bill, but did not "recollect the tone of the conversation" about lobbying.

Hauge agreed the audit bill "must have been part of the conversation." But like Burns, Hauge could not recall the references to lobbying. Hauge said he has opposed an audit of the Fed for many years.

Rep. Patman has charged over the past few months that Burns and the Fed mounted "an unprecedented effort" to sabotage the audit bill. Our discovery of the memo on the exact course of the campaign, however, is the first substantive evidence to back up Patman's charge.

We have also uncovered a Mailgram, sent to business leaders on Oct. 18 by John Harper, chairman of The Business Roundtable, an organization of big businessmen.

"It is important businessmen be heard on this issue. . . " Harper told his members. "By their very nature the activities for which the Federal Reserve has responsibility are highly skilled and of such a confidential nature that an audit type of exposure would be seriously counter-productive."

Over the years, the GAO has conducted hundreds of investigations of classified operations without breaching any secrets. This was a fact the big money chose to ignore.

Now this year, we are back again to the same muzzling techniques. The bill requiring an audit of the Federal Reserve System has 120 cosponsors in the House of Representatives. The Subcommittee on Domestic Monetary Policy held

6 days of hearings on this legislation, compiled a hearing record of over 700 pages, voted out the legislation on May 14 on a 6-to-1 vote. The full Banking Committee voted out the legislation on June 25 by a 16-to-13 vote.

But the House Rules Committee, on September 24, 1975, voted to indefinitely postpone any action of this legislation.

ARE THE SPECIAL INTERESTS RUNNING THIS "REFORM" CONGRESS?

Mr. Speaker, the time has come to publicly address ourselves to the question of influence in the legislative process. If all the testimony and exhibits in a legislative hearings can be ignored, if all the time spent by members of the primary committees can be cavalierly dismissed, then there is little reason indeed to even hold hearings on legislation.

The cynicism of the American people about their elected officials can only deepen if we continue to operate in this fashion.

Mr. Speaker, this Business Roundtable is the granddaddy of the lobbying outfits—the real fat cats. I sincerely question the use of corporate funds in these heavily financed campaigns and it might be appropriate for the Justice Department to take a look at how these corporations are involved and whether or not our current laws governing lobbying are sufficient to control such activities in the public interest. At a minimum, a determination should be made as to whether this organization has filed the necessary papers with the Clerk of the House and is in compliance with the existing act covering lobbying activities.

Mr. Speaker, I include in the RECORD the New York Times article of Sunday, November 16, by Eileen Shanahan entitled "Antitrust Bill Stopped by a Business Lobby":

ANTITRUST BILL STOPPED BY A BUSINESS LOBBY—TOP EXECUTIVES UNITED IN NEW GROUP TO BLOCK PLAN FOR SUING A COMPANY

(By Eileen Shanahan)

WASHINGTON, November 15.—A carefully organized lobbying effort, chiefly directed by a little-known organization whose members are all giant corporations, has succeeded in killing a proposed major amendment to the antitrust laws. Similar efforts against other legislation are in process and planned.

The organization is the Business Roundtable, whose 158 corporate members range, alphabetically from the Alice Chalmers Corporation to Xerox Corporation. Its members include the three largest automobile manufacturers, the three largest banks, seven of the largest oil companies, the largest steel companies, major retailing organizations and many of the largest utilities, including American Telephone and Telegraph Company.

The Business Roundtable has an annual budget of "around $1.5-million," according to its executive director, John Post, although most expenses of its lobbying campaigns are borne who send their executives to Washington to talk to members of Congress.

The money to run the Roundtable comes from the corporate members' dues, which range from $2,500 to $35,000 a year, depending on the size of the company, according to Mr. Post.

The legislation killed 10 days ago by the lobbying of business Roundtable members, together with the efforts of a few nonmember corporations, would have given the attorneys general of the 50 states authority to sue vidators of antitrust law on behalf of the citizens of their state and to collect money damages.

The damages, which could run to many millions of dollars in some cases, would have been three times the amount of any overcharges that had resulted from company actions, such as price-fixing agreements, that had been found to be illegal.

The money would have been paid back to the persons injured by the illegal actions, insofar as they could be identified, and any left-over money would have been kept by the state to use for valid public purposes related to the injury inflicted on the state's citizens.

For example, damages collected from drug companies might have been used to finance public health services.

An unusual aspect of the Roundtable's successful lobbying against this bill is that the measure was killed in the House Rules Committee, after its corporate opponents had succeeded in having the measure amended, but not in stopping it, in the House Judiciary Committee.

AWARE OF BUSINESS LOBBY

Members of the Rules Committee on both sides of the issue agree that it was business lobbying that killed the bill and they also say they were aware of the Business Roundtable as the major orchestrator of the lobbying.

"The Business Roundtable, that's the name I keep hearing," said Richard Bolling, Democrat of Missouri, one of the three members of the 16-man Rules Committee who voted to permit the bill to go before the House of Representatives for a vote. The majority of the committee voted to send the bill back to the Judiciary Committee for further consideration.

Mr. Bolling said he had been approached on the legislation by representatives of four or five corporations, among them, General Motors Corporation and Bristol-Myers Company.

Bristol-Myers, the drug company, is not a member of the Business Roundtable. Its chief lobbyist on the antitrust bill was Philip A. Lacovara, a lawyer now in private practice here. Earlier, as a member of the staff of the Watergate special prosecutor, he argued Nixon v. United States—the case for release of President Nixon's tapes, before the Supreme Court.

Another lobbyist whose name was mentioned by many Rules Committee members was Arnold M. Lerman of Wilmer, Cutler & Pickering, one of the largest and best-known firms.

Mr. Lerman has confirmed that he was retained by the Business Rountable to work for defeat of the antitrust bill. He said:

"I was kind of an idea guy. I did the legal analysis so the company executives could talk to members of Congress about the problems with the bill."

Mr. Lerman also said that he had called a number of chief counsels of companies that are Roundtable members "and told them there was a very serious problem and they ought to be concerned and doing something about it."

LAWYERS DID MAIN WORK

These "house counsels"—lawyers who are on the payrolls of Business Roundtable companies—carried the main burden of the successful effort to defeat the antitrust bill, according to Mr. Post. The reason, he said, was that this legislation was so complex and technical that the corporate chiefs themselves were not well qualified to discuss it with members of Congress.

Ordinarily, it is the corporate presidents or board chairmen who lobby for the Business Roundtable lobbying, Mr. Post said, often bringing with them "a plant manager from the Congressman's area.

"It's much more impressive," he said, "if the plant manager can talk about the jobs that might be lost in the Congressman's own district if a particular piece of legislation goes through."

The businesses that fought the legislation principally argued that, if it were enacted politically ambitious state attorneys general would file lawsuits that could cost companies millions—in some cases, so much more that the company might have to go out of business at the same time, it was argued, the individual citizens of a state would receive economically insignificant sums of money, perhaps less than $1 in many cases.

Many of the detailed provisions of the bill, such as the manner in which the damages were to be established, were also attacked by the business lobbyists.

Advocates of the legislation argued that only the fear of potentially large damage awards would provide an effective deterrent to various types of illegal collusion among businesses.

The lobbying effort on this antitrust bill was organized by an antitrust group of the Business Roundtable, which was created early this year. It is headed by Robert S. Hatfield, chairman of the board of Continental Can Company, Inc.

BUSINESSMEN "CONCERNED"

Mr. Post said that the special group had been created because Roundtable members "were getting concerned about the attacks on 'economic concentration.'"

This is the phrase used by those who feel that too few corporations control too much of the production in a given industry or the economy as a whole.

Members of the Roundtable, according to Mr. Post, are concerned about a large number of proposals for amending the antitrust laws that are pending before the Senate Antitrust Subcommittee and they are already working to modify or defeat them.

He said the business executives were also concerned about a recent surge of talk about establishing a national economic planning agency; about presentations now being made to the Council on Wage and Price Stability that allege that some price increases have been unjustified; and about investigations by the Federal Trade Commission into alleged excessive "concentration" of economic power in a number of industries.

"The whole theme of the Business Roundtable is to get the chief executive of the companies involved," Mr. Post said.

This, when the recent antitrust bill came to Mr. Post's attention, while it was still in the judiciary committee, he told every member of the Roundtable about the bill, its probable dangers, and the desirability of a lobbying effort against it.

Mr. Lerman said that he thought the great value of the business roundtable was that "it provides a way by which the company executives can exchange information and views and communicate throughout the business community in a broader way than they have before."

He explained that, previously executives within an industry generally received alerts through their trade associations about legislation that others in the industry feared might be harmful, but that there had been little communication between different industries.

Mr. Post was responsive to most questions about the Roundtable's activities, but was reluctant to say what legislation outside the antitrust area the organization might now be involved in. When pressed, he did say that he thought the Roundtable had helped to reduce the vote by which Congress recently passed legislation creating a Consumer Protection Agency. The victory margin was narrow enough to make it unlikely that the bill could be passed over President Ford's expected veto.

Mr. Post said the Roundtable had also been involved in the successful effort to get the House Ways and Means Committee to postpone consideration of changes in the tax profits earned overseas by American corporations.

The Roundtable is "somewhat" involved in the effort to get natural gas prices decontrolled and in environmental legislation, he said.

In addition to its legislative activities, the Business Roundtable also finances litigation on behalf of small and middle-sized companies, when the Roundtable thinks the litigation has potential importance to other companies, Mr. Post said.

AMENDMENTS TO THE TAX REFORM ACT OF 1975, H.R. 10612

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. VANIK) is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, the Rules Committee of the House of Representatives is currently wrestling over the issue of procedural rules relating to H.R. 10612, the so-called Tax Reform Act of 1975.

While I join in the recommendations of the Ways and Means Chairman AL ULLMAN, the distinguished gentleman from Oregon, to permit a House vote on six separate tax amendments, I do not believe the House should be limited to these six issues in a 674-page bill. The Ways and Means Committee itself had 87 rollcall votes and hundreds of votes by division.

It seems incredible to limit or restrict the participation of the Members of the House in this way. Every member of the other body can call for a vote on any issue or submit any amendment. Members of this body are certainly entitled to a vote on every pertinent section—or to strike out objectionable provisions which would increase or at least protect Treasury revenue. The Members of the House are entitled to a bigger piece of the action.

In the Ways and Means Committee deliberations, there was very little concern about protecting Treasury receipts. On most tax loophole extensions, the Treasury representatives nodded in agreement and minimized the consequences. The Treasury had no public defender.

Old loopholes have been redesigned into new ones. The so-called Reform Bill proposal leaves the foreign source income loophole practically untouched. In 1974, a year of unprecedented profits, the American oil companies doing business abroad paid nothing in foreign source income and very little in federal income taxes. In the Tax Reduction Act of 1975, language was adopted to treat foreign oil dividends from domestic corporations as foreign source income. This language uniquely gave Aramco a $35 million tax break. By a close vote, the Committee voted to extend the loophole. The House membership should have an opportunity to express its will on this issue.

Under the Tax Reform bill, the individual tax cuts of the spring are extended through next year. Thus the bill is a time bomb which raises individual income taxes about 8 percent on January 1, 1977—right after the election. While individual tax cuts end next year—business tax reductions, in the form of the 10 percent investment credit, roll merrily on to 1981. Next year—on the eve of the political campaigns—Congress will be confronted with the need for extending the individual tax cuts through 1977.

I propose an amendment which would roll back the 10 percent investment credit to 7 percent at the end of next year so that the additional business tax cuts would terminate at the same time next year. This would permit the Congress to extend both for a longer period next year and avoid a situation where additional and new tax concessions must be made to the business sector in order to get an extension of the individual tax cut. Otherwise, the business sector—with its investment credit tax break "locked into" the law, could exact additional tax breaks for going along with extension of individual tax reductions.

Some Members may prefer an amendment to extend both the individual tax cut and the 10-percent investment credit through 1977 and take the issue out of next year's political controversies — or some may prefer an amendment to extend the individual tax cuts along with the 10-percent investment credit to 1981.

I prefer keeping congressional control on both individual tax cuts and the 10-percent increase of the investment credit so that revenue losses may be related to fiscal control and debt management. If the business sector can have a ten percent investment credit until 1981 it may defer the purchase of essential equipment until a later date. The investment credit is a recession fighting tool and there should be some incentive for utilizing it immediately. It would seem prudent to consider both of these revenue losers at the same time next year.

I hope that the Rules Committee will also make in order on the tax reform bill a proposal I offered in the Ways and Means Committee to provide a 100-percent unjust enrichment tax on the $1.7 billion in import taxes collected by early November under President Ford's Import tax program. The import tax is currently under attack by the oil companies in the U.S. Supreme Court. The tax was collected from the consumers through higher prices. It would be a travesty of justice if this huge sum of money collected from American consumers would be paid over to the oil importers which have already demonstrated their capacity to escape taxes. I hope that the Rules Committee will make in order an amendment to return these import tax collections to the U.S. Treasury.

Following are the three amendments on which I would like the Rules Committee to permit separate votes:

First. The import tax unjust enrichment amendment to retain $1.7 billion in the Treasury;

Second. The surtax and investment credit limitation amendment (making 10 percent credit for business and special surtax benefits end the same time as individual tax cut, January 1, 1977); and

Third. The Aramco amendment, to treat Aramco dividends as dividends of a domestic corporation.

The amendments follow:

IMPORT TAX UNJUST ENRICHMENT AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 295, after line 25, insert the following new title:

TITLE XII—TAX ON UNJUST ENRICHMENT WITH RESPECT TO CERTAIN ILLEGAL LICENSE FEES

SEC. 1201. UNJUST ENRICHMENT TAX WITH RESPECT TO ILLEGAL LICENSE FEES ON THE IMPORTATION OF PETROLEUM AND PETROLEUM PRODUCTS.

(a) IMPOSITION OF TAX.—An unjust enrichment tax is hereby imposed with respect to any license fee on the importation of petroleum or petroleum products after April 30, 1973, if—

(1) the Supreme Court of the United States has held the imposition or collection of such fee to be unconstitutional, unlawful, or otherwise invalid, and

(2) the person—

(A) who is entitled to a refund of such license fee, or

(B) who was liable for such license fee but did not pay it,

establishes (in such manner and within such period as the Secretary of the Treasury or his delegate shall prescribe by regulations) that such person bore the burden of such license fee and did not or will not pass such burden on to any other person.

(b) AMOUNT OF TAX.—The amount of the tax imposed by this subsection (a) with respect to any fee shall be 100 percent of such fee.

(c) PERSON LIABLE FOR TAX.—The person liable for the tax imposed by this section with respect to any fee shall be the person referred to in subsection (a) (2).

(d) ADMINISTRATION OF TAX.—Each provision of law applicable to the tax imposed by section 4081 of the Internal Revenue Code of 1954 (to the extent not inconsistent with the provisions of this section) shall apply with respect to the tax imposed by this section.

THE SURTAX AND INVESTMENT CREDIT LIMITATION AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 154, strike out line 3 and all that follows down through line 5 on page 155.

On page 155, line 6, strike out "SEC. 802." and insert in lieu thereof "SEC. 801".

On page 169, line 2, strike out "TWO YEARS" and insert in lieu thereof "One Year".

Page 169, line 6, strike out "TWO YEARS" and insert in lieu thereof "One Year".

Page 169, line 12, strike out "December 31, 1977" and insert in lieu thereof "December 31, 1976".

Page 169, line 14, strike out "January 1, 1978" and insert in lieu thereof "January 1, 1977".

Page 169, line 20, strike out "December 31, 1977" and insert in lieu thereof "December 31, 1976".

THE ARAMCO AMENDMENT TO H.R. 10612 OFFERED BY MR. VANIK

Page 237, after line 24, insert the following new section:

SEC. 1036. CERTAIN DOMESTIC DIVIDENDS CURRENTLY TAKEN INTO ACCOUNT IN COMPUTING FOREIGN OIL RELATED INCOME

(a) CERTAIN DIVIDENDS NOT TO BE TAKEN INTO ACCOUNT IN COMPUTING FOREIGN OIL RELATED INCOME.—Paragraph (3) of section

907(c) (relating to foreign income definitions and special rules) is amended—

(1) by striking out subparagraph (B),

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively, and

(3) by striking out "and dividends described in subparagraph (B)".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years ending after December 31, 1974.

PRAYER AND BIBLE READING RULING

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I note that a Federal judge in Florida—who, incidentally, is my good friend—has ruled that prayer and Bible reading cannot be held in Okaloosa County schools. It is my understanding that attendance for prayers and Bible readings was on a voluntary basis; that students with written permission from their parents were excused from attendance at school sessions where prayer was held and passages read from the Bible. Consequently, I am unable to understand the ruling.

In my efforts to comprehend the ramifications of the Supreme Court ruling against prayer in the schools, I have believed that voluntary prayer and Bible reading can be made available if not sectarian in nature. I have also understood that the Supreme Court ruling was carefully researched by the Okaloosa County School Board and school superintendent in an effort to conform to the spirit and letter of the Court's decision.

To me it is most unfortunate that the students of Okaloosa County have been deprived of the benefit of prayer or Bible reading. This is particularly true since a countywide vote showed that about 90 percent of the county favor these teachings.

I am equally disturbed by the fact that, while prayer and Bible readings are opposed by some, nothing is said against teachings which orient public schoolchildren toward Communist or Socialist patterns. Apparently a teacher can poison the minds of students at will by creating doubts about this Nation's system of government and the free enterprise system and no one protests to the courts.

There is a hope that a substantially new Supreme Court can be induced to review the ruling which is now in existence and to provide one more in keeping with the Constitution and the desires of the American people. In the meantime, Congress can and should deal in a positive way with the problem of voluntary prayer in the schools. The House has, on a number of occasions, attempted to accomplish this but significant action has always been blocked before a needed measure could become law.

HOME HEALTH CARE—PART XXVII

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, together with 114 House cosponsors, I have introduced H.R. 4772 and 4774, the National Home Health Care Act of 1975, reintroduced on September 24 with amendments as H.R. 9829. The bill has been given equally strong support in the Senate where it has been introduced as S. 1163 by Senators Frank Moss and Frank Church, respective chairmen of the Senate Subcommittee on Long-Term Care and Committee on Aging, Hugh Scott, Senate minority leader, and Senators Williams, Domenici, and Tunney.

To discuss the need for home health services and the public support this proposal is receiving, it is my intention to place statements in the Record by experts and lay persons commenting on this subject.

I am appending an article which appeared in the New York Times last week on the Nursing Sisters of the Sick Poor and the service they render to the poor housebound in the city of New York.

[From the New York Times, Nov. 12, 1975]

Nurse Care for the Housebound

(By Richard F. Shepard)

The visiting nurse is an old New York institution. The patient who is housebound is ill in such fashion that a hospital is often not needed, and the question of how the lonely sick get medical care is a troublesome one. It is a perennial problem, and the nurses who deal with it are devoted to their service.

One organization of such nurses was literally imported to Brooklyn 70 years ago. On Oct. 21, 1905, three nuns landed in New York from France and made their way across the East River to set up the Nursing Sisters of the Sick Poor, a Roman Catholic order devoted to practicing just what their name preached.

They settled on Clinton Street, in a home as poor as the ones they visited. There were many demands upon them. If someone in the family was sick, the breadwinner couldn't stay home to take care of them. If the breadwinner was sick, there was no money to have anyone in to nurse him.

The Nursing Sisters of the Sick Poor grew, moving to larger quarters on Henry Street. More nuns joined, eager to serve people directly. In 1968, the Nursing Sisters moved into their present home, a bright, modern building on Prospect Park West, near 19th Street. They have branch offices in Bay Ridge and in Nassau County, at Rockville Centre.

There are 137 sisters, one-third of them semiretired and older, a third working in the order and a third working at other activities, such as maternity consultants and other specialized work. All are Registered Nurses, most have their Bachelor of Science degrees and some are in pursuit of their master's degrees.

Sister Maureen Ruxton, a 36-year-old woman with a ready smile, has spent half of her life in the order. As she got ready to visit a patient in Bay Ridge, she spoke about what she does and why she does it:

"What I liked was that this had service to people. You get a lot of elderly and young sick people who feel that nobody cares any more. The work we do involves the laying of hands on people, a personal touch that means so much. If you walk in with a long face, forget it. If you look happy, well, maybe you can pass it along to them."

The sisters meet all types of people, sharing in common their need to be nursed to health. Within one month, the sisters make over a thousand visits. Cases come through referrals, hospital home-care departments, clinics and doctors.

Sister Maureen has learned to say, "You should be well and healthy" to elderly Jewish patients. She has learned that some people are saintly and that some people are devilish when they are sick, and that there is such a thing as a will to live, although it may not always carry the day.

The first call that day was to Benjamin N. Ashton, a 95-year-old Scotsman who lives with his daughter and son-in-law in Bay Ridge. Mrs. Thomas Callahan, the daughter, greeted Sister Maureen at the door. Her father has a pacemaker and she was worried about the battery, whether it was getting weaker.

Mr. Ashton, a former shipyard blacksmith, was small and wiry and cheerful as he sat in a comfortable chair with his pipe on a small table nearby. He doesn't smoke as much as he used to, he said, but he still has half a dram of Scotch every morning.

"I haven't been out of here since I came upstairs a long time ago," Mr. Ashton said.

Sister Maureen took the blood pressure and examined Mr. Ashton's chest.

"He eats and sleeps and has no pain," his daughter said.

"I'm doing all right, eh?" the patient asked.

"Everything seems good," the nurse said. "You're doing better than others."

"Young people can't take it any more," Mr. Ashton said, laughing. "I'll show you how I walk."

He walked with his cane, but he really didn't seem to need it.

"Would you go outside with me?" Sister Maureen asked after Mrs. Callahan explained that her father was reluctant to leave the apartment.

"I'd go anywhere with you," Mr. Ashton replied dashingly.

"What's your remedy for a long life?" the nurse asked.

Mr. Ashton pondered and then answered: "Live long enough."

Sister Maureen said goodbye. Mrs. Callahan asked when she would be back and said, "Thanks a lot, sister. It's a load off my mind. I can't take care of all this myself."

TWENTY-FIVE MEMBERS OF CONGRESS FILE SUIT TO END PARTICIPATION OF SECRETARY MORTON AND KLEPPE IN THE ARAB BOYCOTT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, today 25 Congressmen join together to file this suit against Commerce Secretary Rogers Morton and Interior Secretary Thomas Kleppe. I am distressed that the Secretaries' actions relating to the pernicious Arab boycott force us to take this step. This boycott, against the Jewish people and the State of Israel, is abominable, and participation in it by any official of the U.S. Government against an ally of our country is reprehensible.

I welcome legitimate moves by Congress or other parties that serve to eliminate any shred of private and public American participation in this boycott. Therefore, I am pleased that Congressman Moss' Commerce Subcommittee on Oversight and Investigation cited Secretary Morton for contempt of Congress due to his refusal to divulge to an authorized congressional committee information concerning U.S. business' involvement in the Arab boycott.

Our complaint, however, has a different focus and does not in any way relate to the specific issue before the Oversight and Investigation Subcommittee. Our complaint seeks an adjudication that, first, current actions by the two Secretaries and their Departments are illegal and unconstitutional, and second, the defendants cannot promote trade between American firms and boycott participants. Most importantly, the suit demands affirmative action by the defendants to implement U.S. national policy which opposes restrictive trade practices fostered or imposed by foreign countries against other countries friendly to the United States. * * *

Every branch of Government and every member therein, whether it be U.N. Ambassador Daniel P. Moynihan or a Member of Congress, has an obligation to fight prejudice. This complaint is an endeavor by my colleagues and myself to fulfill this obligation and uphold our Nation's integrity.

Mr. Speaker, joining as plaintiffs in the suit are the following Members of Congress:

BELLA ABZUG (Democrat, New York).

JAMES BLANCHARD (Democrat, Michigan).

WILLIAM BRODHEAD (Democrat, Michigan).

ROBERT DRINAN (Democrat, Massachusetts).

JOSHUA EILBERG (Democrat, Pennsylvania).

DONALD FRASER (Democrat, Minnesota).

MICHAEL HARRINGTON (Democrat, Massachusetts).

ELIZABETH HOLTZMAN (Democrat, New York).

EDWARD I. KOCH (Democrat, New York).

WILLIAM LEHMAN (Democrat, Florida).

CLARENCE LONG (Democrat Maryland).

MATTHEW MCHUGH (Democrat, New York).

ROBERT NIX (Democrat, Pennsylvania).

JAMES OBERSTAR (Democrat, Minnesota).

RICHARD OTTINGER (Democrat, New York).

FREDERICK RICHMOND (Democrat, New York).

BENJAMIN ROSENTHAL (Democrat, New York).

JAMES SCHEUER (Democrat, New York).

PAUL SIMON (Democrat, Illinois).

STEPHEN SOLARZ (Democrat, New York).

MORRIS UDALL (Democrat, Arizona).

HENRY WAXMAN (Democrat, California).

CHARLES WILSON (Democrat, Texas).

LESTER WOLFF (Democrat, New York).

SIDNEY YATES (Democrat, Illinois).

THE REGULATORY AGENCY SELF-DESTRUCT ACT

(Mr. MIKVA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MIKVA. Mr. Speaker, I am pleased to announce that today Senator JOSEPH BIDEN is introducing a companion measure to H.R. 9125, the Regulatory Agency Self-Destruct Act, which I introduced in the House of Representatives on July 31, 1975. Although Senator BIDEN's bill differs in some respects from the measure I introduced, both bills share the common goal of reforming "the feudal baron of permanent government"—the regulatory bureaucracy.

Many of the regulatory agencies have grown progressively larger and more solidly entrenched and today represent a formidable obstacle to good government. The power of the agencies is maintained not only by their regulatory power but also by their strangulation of attempts at genuine reform.

Federal regulatory agencies were originally established with a mandate for promoting the general welfare. But somewhere along the line, that mandate has been forgotten or, worse, ignored. Rather than regulating in the public interest, many such agencies have become albatrosses around the necks of American consumers and business. Rather than promoting public trust in governments, they have promoted public distrust.

Many of the problems of the regulatory agencies are well known to the Members of Congress. The decisions of some regulatory agencies frequently discourage legitimate competition and produce unnecessary added costs to both consumers and business. The regulatory agency process also results in unconscionable delays in deciding cases and in what Senator Paul Douglas called "clientilism," a situation where the regulators become the promoters of their regulatees.

Underlying all of these difficulties is the fundamental problem that these bureaucracies become permanent governmental bodies which resist, one might even say are oblivious to, forces of reform. For example, one of the more flagrant cases of regulation gone sour is the distintegration of this country's railroads. It is difficult to imagine how the present state of affairs could be worse had there been no regulation of the industry. And yet it is interesting to note that while one railroad after another goes bankrupt, the Interstate Commerce Commission continues to prosper.

Each year the Commission adds more staff and receives more funds. Since 1974, the budget authority for the ICC has increased by nearly 25 percent. Equally distressing is the attempt of the CAB to try to explain to the public how consumers are benefited by denying the airlines the right to lower their ticket prices—even while they are urged to compete on the frills of air transportation—like movies, liquor, and pianos.

As a matter of fact, one of the few "growth industries" in these days of economic recession is the regulatory agency business. Between fiscal years 1974–76, eight regulatory agencies—CAB, CPSC, FCC, FMC, FPC, FTC, ICC, SEC—show an estimated average increase in budget authority of about 15 percent. Perhaps this "growth," while many businesses and consumers are suffering the effects of recession and unemployment, symbolizes a major part of the problem—that bureaucratic inertia sweeps regulatory agencies merrily along, insulates them from outside forces and helps to make them highly resistent to change.

Mr. Speaker, the bill I introduced in late July, the Regulatory Agency Self-Destruct Act, shifts the burden to the regulatory agencies themselves to defend their performance and justify their very existence. If they fail to prove that they have acted to promote the public welfare, such agencies would self-destruct.

Under the provisions of the bill, each Federal regulatory agency would self-destruct on July 4, 1976, the date of the 200th anniversary of this Nation's founding. The Bicentennial celebration could be given added significance if we required these agencies to shape up or ship out.

If, however, the President and the Congress determine that July 4, 1976, is too soon for a determination of the appropriate end of some or all such agencies, the self-destruct mechanism would be triggered in after 7 years. Those agencies which have been in existence for less than 25 years would self-destruct after 15 years. And any new regulatory agency established by Congress would also be subject to the self-destruct features.

The battle to reform the bureaucratic regulatory agencies is becoming increasingly important and will continue to escalate for what is at stake is the restoration of public trust in Goverment.

I am sure that all of us have received letters from constituents describing "Kafka-like" experiences with one of the nine regulatory agencies covered in this act. My constituents are deeply disturbed by the treatment they sometimes receive from agencies of their Government: conflicting directives, failures to respond to inquiries, delays, and insolence.

Mr. Speaker, it is time for Congress to cease abdicating its responsibilities to some mindless, faceless bureaucracy and to reassert its control over the Federal Government. Congress must demonstrate to the American public that Government is there to help solve problems, not to create them. Enactment of the Regulatory Agency Self-Destruct Act would be such a demonstration.

SOLAR ENERGY IS HERE AND NOW—IN VIRGINIA

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, Congressman GILBERT GUDE and I would like to bring to our colleagues' attention an important article about solar energy being applied now already in Virginia. Here at last, is an example in our own backyard of an important new building at Madeira School that has wisely applied solar technology for the heating of water and space heating.

Wolf von Eckardt, the widely respected architectural critic of the Washington Post, has given this building exactly the appropriate kudos, saying that architect Arthur Cotton Moore has done what others have been talking about for too long—put solar to work and applied it with wisdom and taste.

Both Congressman GUDE and I introduced last July two bills which would aid the country in replicating such solar energy installations throughout the country. Hearings have just been completed on both a loan bill for builders and homeowners to aid in installing solar equipment, and legislation requiring that Federal Government investigate the feasibility of using solar energy on a lifecycle cost basis for all Federal buildings.

I urge the Members of Congress to read this Washington Post article and realize that the availability of solar applications is here and now—and that it is time for us in Congress to move with a positive and vigorous program to utilize solar energy in Federal buildings and to facilitate its use by homeowners everywhere.

The article follows:

A School Under Glass, Gathering Sunshine

(By Wolf Von Eckardt)

Solar Energy has created one of the brightest new buildings in the Washington area—the Madeira School Science Building.

It has the simple beauty of an old windmill.

Like a windmill, it is a direct statement of human technical inventiveness that fits harmoniously into the natural landscape.

Once the building's cedar siding has weathered to grey silver, this latest marvel of the building art will, in fact, look as though it has stood forever in the hilly woods of Greenway, Va., where the Madeira School for girls is located.

The dominant feature of this sunheated building is a huge (4,600 sq. ft.) sloping roof of black glass, the solar collector. When the sun shines, the glass heats up like a closed car.

It heats a special oil that runs through a system of tubes under the glass. Most household solar heating heaters use water that requires poisonous anti-freeze chemicals and in time corrodes the pipes.

The oil heats a 10,000-gallon storage tank of water. The hot water, in turn, heats the building, the green house, which is part of it, and a nearby swimming pool and gymnasium. When I visited the building last Wednesday, the first cool rainy autumn day after a week of sunshine, the stored water temperature was 98 degrees Fahrenheit.

What I find so delightful about this building is that its architect, Arthur Cotton Moore, does not make more of the technology than there is to it. He had made it not a solar energy plant, but a delightful science lab for girls in a delightful setting. It is part of the science lesson that the building is heated by sunshine.

Or, as Moore puts it, he married technical efficiency and the pleasant accommodation of human purposes. As in any good marriage, there had to be some give and take on both sides.

It would have been technically more efficient, for instance, to give the solar collector roof a steeper slant. But that woulld have made an excessively high ceiling and little sense.

To make the sunshine collecting roof seem smaller than it is, Moore sank its lowest part in the ground. It shelters a walkway alongside the building, which serves as a shortcut between the old and the new sections of the Maderia campus.

Moore also made the roof trapezoid in shape so it will look less overwhelming and more interesting than a dumb, big, black glass panel. One of the building's pointed corners is all glass to accommodate a greenhouse. In a touch of sheer delight, some space between that and the building itself is left open, connected only by a flying beam.

The interior is as flexible as the school wanted it to be. It is just a great big loft with the pipes and ducts open to view. They are painted to indicate their function: blue for fresh air, red for heated air, etc.

The 6,000-square-foot laboratory and teaching space can be divided into smaller rooms by glass sliding doors. There is also a photography laboratory and ample instructors' prep rooms and offices.

Sunshine will provide at least 60 percent of the heat for the building. The storage tank will keep warm for two or three days without sunshine. If it starts to cool, an oversized boiler in the adjacent gymnasium will automatically warm it up again.

There is no air-conditioning, in part because cross ventilation should keep the girls cool, in part because solar air-conditioning is not sufficiently advanced yet.

The government and big industry seem reluctant to advance solar technology, particularly the direct conversion of solar radiation into electricity. "The suspicion is almost unavoidable that giant firms, because of their large investments in nuclear technology, hope that solar energy will not gain rapidly," said Sen. Gaylord Nelson (D-Wis.), not long ago.

Moore, at any event, got no help from any of the government bureaucracies that are supposed to help research and develop the idea of stealing heat from the sun.

"They did not even answer my phone calls," he said.

Like a windmill, the Madeira Science Building is no earth-shaking technological breakthrough. But at a time of frivolous architectural stunts and muscle flexing—when architects make concert hall lobbies look like "space age" boiler rooms—Moore has shown us that a true technical advance can be handled simply and humanely.

He has shown us that technology need not scare us, that we can bring it down to the human scale and esthetic continuity.

But most of all, after years of talk about applying solar heating to a large building, Maderia and Arthur Moore just went and did it.

THE TIME TO STOP THE CONCORDE IS NOW

(Mr. SCHEUER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, the Federal Aviation Administration has finally released what it is terming its "final environmental impact statement" on the British/French supersonic aircraft, the Concorde.

While this final statement on the environmental effects of allowing the Concorde to land on a regular basis at Kennedy and/or Dulles airports is not labeled a formal cost-versus-benefits analysis, I believe that the American public is now able to clearly assess what the costs and benefits of the Concorde are to us, especially the tens of millions of Americans who live near any international airport where the Concorde might be permitted to land and take-off.

Clearly, the costs and potential liabilities of the Concorde are overwhelming, and the benefits are minimal.

Secretary of Transportation William T. Coleman himself acknowledges that, based on the final environmental impact statement, there will be major costs and risks involved in allowing the Concorde to land here or anywhere else in the world. Coleman yesterday summarized the 10-pound final report and included these capsules:

Due to depletion of ozone in the atmosphere caused by even a limited number of Concorde flights into our country, these flights "may create an incidence of 200 new cases of skin cancer in the United States this year."

These stratospheric operations of the Concorde on the limited basis of six daily landings and six daily take-offs in the United States are predicted to result in "small changes in the Earth's stratospheric opacity and ozone layer."

The noise levels produced by the Concorde and inflicted on the hundreds of thousands of people who live near Kennedy and Dulles Airports will be "at least twice as loud" as the long-range jets such as the Boeing 707 and McDonnell-Douglas DC–8, and "roughly four times as loud as newer, long-range, wide-body aircraft" such as the Boeing 747 and the Douglas DC–10.

The Concorde will be emitting a far-greater-than-average level of low frequency noises. These will be readily identifiable as coming from the Concorde, will be heard by more people than the sounds from other jet aircraft, and will result in structural vibrations in buildings near its arrival and departure paths which will be five times as great as the vibrations caused by any other kind of airplane.

We who live in the district surrounding Kennedy Airport are deeply indebted to Mr. Coleman and the FAA for finally releasing their final report on the burning issue of the Concorde.

It's comforting to be told that there may well be new regular noises roaring over Kennedy Airport eight times a day that are at least twice as loud as any of the other jetcraft which regularly disrupt our lives.

It is reassuring to be informed that the Concorde will produce structural vibrations in the homes near the flight paths roughly five times as great as "conventional" jet aircraft—but that these vibrations, the FAA predicts, will be below the structural damage limits. Clearly, our houses will shake like mix-masters eight times a day, but the FAA promises that they will not crumble down on top of us.

It is nice to learn that there will be more stench and air pollution and greatly increased dangers of airplane crashes around Kennedy so that business executives and upper-income travelers can shave a few hours off their exhausting cross-oceanic flights.

We are especially relieved to learn that there will be only 200 new cases of skin cancer—although we are comforted to know that the FAA believes no one will die from it—as the result of the Concorde's arrival into our lives. I am wondering just how far this administration thinks it can go with this game of triage—playing God—with the lives of our citizens. Two hundred new cases of skin cancer is 200 too many.

There remains a vast array of problems and unanswered questions about the Concorde, around which the administration continues to tapdance. There are the tremendous hazards of air crashes posed by the Concorde approaching our airports with inadequate fuel reserves which disrupt the holding patterns and flight patterns of other aircraft scheduled to land. There have been two major crashes at Kennedy Airport since June—one of them the worst fatal crash in our Nation's history. But why not add yet another risk to one of the world's busiest airports, says the Ford administration.

There remain the cat-and-mouse games which the Concorde will be playing with our noise monitors at the end of our runways, the Concorde swerves into a major 25-degree bank over our homes as soon as it leaves the ground to avoid recording its hideous and illegal roar into the noise monitors there.

Perhaps the most perplexing unanswered question concerns the secret diplomatic maneuvers of the Nixon and Ford administrations which have placed such threatening pressures on the FAA to approve the Concorde.

Rarely has the FAA felt constrained to engage in such a protracted period of analysis and introspection, of revised statements, of hedging and delay, exemplified by the most recent decision announced by Secretary Coleman not to act on the final environmental report but to hold even more hearings and delay his decision for yet another month after those hearings are held early next year.

We now have a final environmental impact statement on the Concorde. Now it is time for a final foreign policy impact statement on the Concorde from the Ford administration. It is time for the public to know exactly what tight little private arrangements were made between the White House and the British and French during the Nixon and Ford administrations. It is time to let the American people find out whether diplomatic expediency or urgent questions of health, safety, and the environment are now predominant in governmental decisionmaking.

Secretary Coleman himself has stated the case against the Concorde with his own FAA final report, and stated it well. The hearings next January are bound to produce the same repetitive testimony and counterclaims. Why, then, does he want delay and more delay, before making his decision?

Is it that Secretary Coleman and Secretary Kissinger and President Ford really want a 6-month test period for the Concorde which the residents near either Kennedy or Dulles airports will be told to endure? This test period would be cruel and unnecessary punishment for these hundreds of thousands of residents. The nightmare noises which roar out of the Concorde are just as horrendous and mind shattering to people living near these airports, whether or not they are termed by the Ford administration to be "test" noises.

The fact is that the Concorde is too much noise at too great a safety risk and it cannot be permitted at Kennedy Airport or Dulles Airport or anywhere else in this country—not even once. The time to stop the Concorde is now—not a year from now after a contrived testing period.

BLACK LUNG VICTIMS DESERVE SIMPLE JUSTICE

(Mr. PERKINS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PERKINS. Mr. Speaker, one of the most blatant examples of heavy-handed pressure from an official that I have ever seen has occurred in the Social Security Administration. Robert L. Trachtenberg, Director of the Bureau of Hearings and Appeals, has sent a letter to all of the black lung administrative law judges, in a bald attempt to intimidate them into making fewer awards to deserving victims.

Mr. Speaker, I am going to include a copy of the letter and an article from the Louisville Courier-Journal about it, in the RECORD with my remarks, so the Members themselves can look at this gross and extreme violation of ethics, due process and simple justice.

But I want to call it to the special attention of the Committee on Ways and Means, which oversees the social security program, and to the Judiciary Committee, which will be concerned about the violations of good judicial procedure on the part of a Government official.

Mr. Speaker, last week the Subcommittee on Labor Standards reported the Black Lung Benefits Reform Act of 1975 to the full Committee on Education and Labor. We are going to work hard to make that piece of legislation a strengthening bulwark of the black lung program.

We are going to have to do it, to insure that those coal miners who are suffering from black lung because they dug the coal the Nation needs, and their widows and children, get the benefits they deserve. And we are going to have to see to it that obstacles to simple justice, such as officials who cannot see people but only see percentages and figures, are not allowed to destroy the program.

MEMORANDUM

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, SOCIAL SECURITY ADMINISTRATION,

October 20, 1975.

To: All Black Lung Administrative Law Judges.
From: Bureau of Hearings and Appeals.
Subject: Processing Black Lung Cases.

In my memorandum of July 1, I stressed the need to increase production at the hearing level and I am very pleased that there has been a substantial increase in the number of Black Lung case dispositions. However, I am concerned that this increase in production has been accompanied by a significant increase in the Black Lung reversal rate.

During the period January through July 1975, the reversal rate in Black Lung showed a slight decline. This can be attributed to the fact that current medical evidence submitted by a claimant in support of his application for Black Lung benefits must be related back to the jurisdictional cut-off date of July 1, 1973. While such evidence must be considered, its significance generally lessens as we move further away from the cut-off period. The recent increase in the reversal rate during the last two months is therefore difficult to understand. Our review of the individual production records shows that the higher reversal rate was caused largely by an increase in the reversal rate of a relatively small number of judges.

In consideration of the overall increase in the reversal rate, I have decided to reinstitute the review of favorable Black Lung hearing decisions by the Appeals Council's support staff in the Division of Appeals Operations. Therefore, all such decisions (with the claim file) should be forwarded to: Bureau of Hearings and Appeals, P.O. Box 2518, Washington, D.C. 20013.

I am fully convinced that we can substantially increase production and at the same time maintain a high level of quality. As ALJs you are charged with the responsibility of awarding benefits only to those individuals who meet the requirements of the law and denying benefits to those who do not meet these requirements. Although your favorable decisions will again be reviewed in Central Office, I do not expect that this procedural change should affect the high level of productivity you have demonstrated during these past few months.

The action being taken should not be construed as an attempt to interfere with the independence of Black Lung judges. All Black Lung judges must continue to exercize independent decisional judgment. I will not tolerate a policy that restricts favorable actions to any set figure. I am only interested in insuring that all decisions rendered are correct, allowing for a reasonable difference of judgment.

ROBERT L. TRACHTENBERG,
Director.

SOCIAL SECURITY TO CHECK RULINGS ON BLACK LUNG

(By Ward Sinclair)

WASHINGTON.—Social Security officials, "concerned" about an increase in black-lung cases being won on appeal by disabled coal miners, have ordered field judges to send their decisions to Washington for high-level review.

The agency's action was denounced yesterday by Rep. Carl D. Perkins, D-Ky., as the most "gross and extreme violation of ethics, due process and simple justice as I have seen in years."

Perkins, a longtime critic of Social Security's handling of the black-lung program, said the order was a "shameful, contemptible attempt to intimidate" administrative law judges who rule on miners appeals.

The 7th District congressman, chairman of the House Education and Labor Committee, said he intends to conduct hearings in the near future on this new element in the black-lung controversy.

At stake are millions of dollars in black-lung benefits that Social Security would be forced to pay from the increase in decisions favorable to disabled miners appealing claims rejections.

The instructions to the judges around the country were contained in a memorandum sent last month by Robert L. Trachtenberg, director of the Social Security Administration's Bureau of Hearings and Appeals.

Trachtenberg declined to be interviewed about the memo. But the bureau's executive director, Jan J. Sagett, denied yesterday that the order was an attempt to intimidate judges or infringe on their independence.

Sagett defended the decision to review the new approvals as part of "our obligation to the Social Security trust fund and to the taxpayers." He "categorically" rejected any suggestion that the agency is consciously attempting to hold back legitimate claim payments.

Perkins, however, saw it differently. "He (Trachtenberg) may claim he is not attempting to interfere with the independence of these judges, but there is not a man or woman who got this memo who doesn't know better," he said.

"If that is not intimidation on the part of an official, then I have never seen intimidation in an agency of federal government," he added.

Trachtenberg's memo, after informing judges that they must send claim-approval decisions to Washington for higher review, cautioned that the order "should not be construed as an attempt to interfere with the independence of black-lung judges."

But earlier, Trachtenberg said he was "concerned" about "a significant increase" in the judges' rate of reversal of black-lung denials. He noted that the trend was down between January and July, but then suddenly spurted upward in a way that was "difficult to understand."

He reminded the judges that they "are charged with the responsibility of awarding benefits only to those individuals who meet the requirements of the law and denying benefits to those who do not meet these requirements."

In view of the increase of reversals, Trachtenberg said, all such decisions now must be forwarded, with each miner's case file, to Washington for review by the agency's Appeals Council staff.

Sagett contended that the decision was merely a return to a procedure followed earlier. The council reviews claims denials, but it also makes periodic random checks of all decisions to determine "quality" of the field judges' decisions.

Sagett said the "comprehensive review" of black-lung decisions had been suspended earlier this year "very reluctantly" in order to get more agency personnel involved in cleaning up a backlog of pending claims.

"We saw as our goal to get as many claimants a hearing as possible. We thought we could take these steps to free up the manpower," he said.

But, as this occurred, Sagett said, "the quality of decisions without comprehensive review deteriorated . . . We are also looking at the high-affirmers (of denials), not solely picking on judges who are paying the claims."

Perkins, other member of Congress and miners' organizations have complained about the arbitrariness of Social Security rulings in denying benefits to black-lung claimants who feel they are entitled.

The critics also have charged that many of the denials resulted from an agency decision to attempt to hold down the soaring cost of the black-lung program, which has paid out more than $3.6 billion since it began in 1970.

Until the Trachtenberg memo surfaced, there had been no firm indications that officials here were keeping track of the various law judges' reversals of denials of applicants' claims.

SENIOR CITIZENS SEMINAR

(Mr. EILBERG asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EILBERG. Mr. Speaker, on Saturday morning October 18, I held a seminar on the problems of older and retired persons for the leaders of senior citizens' organizations in my district.

The purpose of the meeting was to hear from the senior citizens about what they consider to be the main problems facing them and how Government can best deal with these issues.

A panel of experts from city, State, and Federal agencies was present so answers and advice could be given on the spot.

About 75 people attended the seminar which lasted more than 3 hours. The discussion was spirited and I believe both the senior citizens and the government representatives benefited from the exchange.

We, in Government, were given first hand information about the problems of our older citizens and how existing programs are working.

The persons who attended the meeting were given valuable information about where they can get help and information to aid them in dealing with the problems they and the members of their organizations face every day.

At this time I enter into the RECORD the minutes of the seminar.

MINUTES OF THE SENIOR CITIZENS SEMINAR—OCTOBER 18, 1975

The Senior Citizens Seminar convened at 9:30 a.m. with The Honorable Joshua Eilberg presiding.

Congressman Eilberg stated that this Seminar was designed to help each of us understand more thoroughly the needs of our senior citizens and just how government can and should help to meet them. A Panel of Experts was present to answer questions. He stated that they cannot provide solutions for all of the problems, but they should be able to give suggestions for dealing with the issues raised. Because time was limited, Congressman Eilberg asked everyone to limit their comments to five minutes in length so that the greatest number of persons could be heard on each issue. The longer prepared statements will be placed in the Congressional Record and mailed to everyone who has attended this Seminar.

For the vast majority of senior citizens the number one and often only problem is economic. Adequate, even outstanding, health care is available to everyone who can pay for it. The same is true for housing, food, transportation, and all of the other problems which make retirement less than the "Golden Years" we all think they should be. Also, it is not enough for people to have only the means to provide the basic necessities of life. Senior citizens should be able to have at least a few luxuries. They should be able to pay for some entertainment, or the ability to waste a few dollars on something unnecessary and frivolous just because they want to.

Congressman Eilberg stated that it is his intention to work at the federal level to provide senior citizens with the maximum amount of benefits. This means that when President Ford announces he is going to cut federal spending that Social Security, Veterans Benefits, and Health Care Programs are not going to be reduced as he has demanded. If anything is done in these areas, it will be to increase the benefits available. There are too many other areas of government which are bloated and wasteful which can be reduced or eliminated without depriving people of the help they must have to live a decent life.

Congressman Eilberg further stated that there are serious problems with the Social Security System, but he believes, as do many experts in the field of Social Security that the short-term problems can be managed while the system is being revamped. In these hard economic times, persons on fixed incomes have been hit the hardest by inflation. Pensions and other benefits have certainly not increased at the same rate as the price of food, housing and just about everything else. People who receive Social Security are going to have to be allowed to earn more money without a reduction in their benefits and the demeaning and embarrassing Means Tests are going to have to be modified or eliminated.

There is also going to have to be a concerted drive to provide housing for senior citizens. There are many excellent facilities in the Northeast, but they are all filled to capacity and have impossibly long waiting lists. The federal government is not going to build these facilities, but it will have to provide money for loans and other assistance to see to it that they are built.

At this time, Congressman Eilberg stated that he is co-sponsoring legislation, the Kennedy-Corman Bill, which provides full complete health care for all people. Health care today, including the vital area of preventive care, is simply too expensive for too many people, especially the elderly. It is a disgrace in this country that people put off visits to the doctor because they cannot afford his fee.

Congressman Eilberg stated that he hoped the leaders of the senior citizens groups in the Fourth Congressional District would relay the message that there are many people in government who care about them and are working on their behalf.

Congressman Eilberg proceeded to introduce the Panel of Experts as follows:

The Honorable Melvin Greenberg, Councilman, 10th District.

Mr. Jack O'Brien, Supervisor, Social Security Administration, 7959 Bustleton Avenue, Philadelphia, Pa. 19152.

Mr. Edward Lynch, Public Relations Department, SEPTA, 200 W. Wyoming Avenue. Philadelphia, Pa. 19140.

Mrs. Victorina Peralto, Director, Adult Services, 1405 Locust Street, Philadephia, Pa. 19102.

Mr. Edward Schwartz, Deputy Director, Adult Services, 1405 Locust Street, Philadelphia, Pa. 19102.

Mr. Francis C. Ganiszewski, Deputy Commissioner, Department of Public Welfare, 8th Floor, City Hall Annex, Philadelphia, Pa. 19107.

Mr. Anthony Morrone, Philadelphia Housing Authority, 2012 Chestnut Street, Philadelphia, Pa. 19103.

Mr. Ephraim F. Goldstein, Executive Vice President, Federation Housing, Inc., 1511 Walnut Street, Philadelphia, Pa. 19102.

Mr. Milton Jacobs, State Board of Nursing Homes, 6635 Eastwood Street, Philadephia, Pa. 19149.

Mr. Fred Whitely, Manager, Bureau of Employment Security, 5115 Griscom Street. Philadelphia, Pa. 19124.

Mr. Milton Lax, Veterans Benefits Counselor, Veterans Administration, District Office, 5000 Wissahickon Avenue, Philadelphia Pa. 19144.

Mr. Joseph J. Baker, Veterans Services Officer, Veterans Administration, District Office, 5000 Wissahickon Avenue, Philadelphia, Pa. 19144.

Mr. Anthony Massot (Philadelphia Postal Retirees Senior Citizens Club) stated that he is deeply concerned about the economic depression our country faces. On behalf of all the senior citizens, he commended Congressman Eilberg for his assistance to the elderly. He further stated that in order to fight inflation, Congress must act immediately on the necessary tax cuts not tied to a reduction in spending. Mr. Massot also indicated that he would like to see the Kennedy-Corman Bill passed.

With respect to Nursing Home Care, Mr. Massot stated that this type of facility should be made available to all Americans regardless of their financial position. He indicated that the present Administration is opposed to any type of financial legislation to aid the elderly and advised those in attendance that we face a long hard road but progress can and should be made in this area.

Mr. Massot also took issue with the fact that the retired federal employees pension is subjected to federal income tax, whereas participants in the Social Security Program are not.

Congressman Eilberg stated that he has sponsored House Resolution 4278, which would exempt the first $5,000 from the federal income tax.

Mr. Massot urged Congressman Eilberg to exert his influence in the House Ways and Means Committee to have this legislation passed.

Mr. Harry Silver (National Association of Retired Federal Employees, Chapter 301) reiterated the problem of the taxation of retired federal employees pensions and discussed the inadequacies of the system. He urged Congressman Eilberg to initiate a Discharge Resolution to move the legislation from the House Ways and Means Committee.

Ms. Mary McCann (St. Matthews Senior Citizens) requested the status of the Bill that was introduced in Congress, whereby senior citizens would pay only $1 for prescriptions. People are living longer today and with this extended life span comes the expectancy of many bodily ailments. Some of these senior citizens must live with their ailments because they cannot afford to pay the high cost of medicine. She urged Congressman Eilberg to use his influence in

Congress to alleviate the pain and suffering of the elderly and advocated passage of the Kennedy-Corman Bill.

Mr. Bernard Marks (Assistant Executive Director, Jewish Y's and Centers of Greater Philadelphia) requested Congressman Eilberg make one of his legislative priorities the elimination of the Means Test which became effective October 1, 1975. He noted that if the Means Test is not eliminated, hundreds of senior citizens will choose not to participate in services they are now receiving. Social agencies like the JYC will be required to change staff assignments solely for the purpose of the Means Tests. In reality, this would mean that a portion of the JYC's staff time would be diverted from direct service responsibility in order to maintain the additional required paperwork.

At the present time the JYC provides daily 120 congregate meals and 30 home-bound meals, a nutrition hot lunch program funded under Title VII through the Department of Welfare of the Commonwealth and the local area Office on Aging, the Philadelphia Corporation for Aging. There is a constant demand for the JYC to increase this food service. He urged that every effort be made to broaden the funding source so that the JYC will be able to expand the congregate and home-delivered meal service.

The senior adult population in the Northeast and particularly the Fourth Congressional District has increased rapidly over the past decade. Because of this dense senior adult population, the Federation of Jewish Agencies and the Jewish Y's and Centers of Greater Philadelphia have converted the Neighborhood Center Building at 6600 Bustleton Avenue, into a Senior Adult Center now known as Senior Center/Northeast. This building is now the largest facility providing group services to the elderly in the Delaware Valley.

Ms. Caroline Smith (Liddonfield Senior Citizens) stated that the older people living in Liddonfield are afraid to go out in the evening due to the fact that they are constantly harassed by older children. They also have been faced with an increase in burglaries throughout the neighborhood. She indicated that the Pennypack Housing Project faces the same danger and requested added police protection for everyone living in these areas.

Councilman Greenberg advised Ms. Smith that the City has presently budgeted for over 2 million dollars to be utilized for the erection of a new Police Building, east of Roosevelt Blvd. By dividing the District in half, additional manpower and equipment will be brought into the area thereby alleviating a majority of the police protection problem. Development of the new Police Building is currently underway, with construction of the Building due sometime next year.

Congressman Eilberg stated that he would submit Ms. Smith's complaint to the appropriate authorities, in order to rectify the situation and protect the lives and property of senior citizens living in these areas.

Mr. Morrone stated that the Philadelphia Housing Authority is also aware of this problem and urged Ms. Smith to plead her case before the Executive Court to apprise them of the degree of severity of the situation as a favor to the Community.

Mr. Sol Balkind (Senior Citizen) stated that he was deeply concerned over the rising cost of the "65 Special" provided by Blue Cross and Blue Shield. He indicated that since 1969, this plan has risen 22%. He recommended that a freeze be placed on the price of the "65 Special", with the federal government paying the difference.

Mr. Willie LaSalva (United Auto Workers) stated that due to the rising cost of health care, it is imperative that Congress pass the Kennedy-Corman Bill. He urged Congressman Eilberg to do everything in his power to move the legislation through Congress.

Mr. LaSalva also mentioned House Resolution 21, currently in the Supreme Court, whereby they ruled that the Pittsburgh Glass Company does not have to negotiate for retirees. He indicated that these retirees have put in a great deal of time with the company and he feels that this ruling is unjust. He urged Congressman Eilberg to investigate this Bill and take whatever measures necessary to rescind the ruling.

Mr. LaSalva stated that he was deeply concerned over the rising rental costs and urged that something be done to control the situation.

Councilman Greenberg stated that he was in favor of rent control and that during the recent Public Hearings held on this subject the rent control bill was defeated by a vote of 9 to 6. He also indicated that it did not appear likely the Bill would be passed in the immediate future.

Mrs. Bertha Rabinowitch (Federation Walk-In Center) stated that at the present time, insufficient housing exists for the aged. She indicated that they are all on Social Security and very few have extra funds to pay for housing. The major problem appears to be the annual rent increases, sometimes as much as $25. It has reached a point in our community that in order to have a place to live, many senior citizens do not have food or other things that are required as necessities of life. There are a few remedies that can be taken to alleviate this problem, i.e., more federally funded housing, or if the government could build up housing for these people within their means. Also, efficiency type quarters are desperately needed as there is very little of this type housing in the Northeast. Boarding houses are also in demand for people who are not ready for nursing homes but yet need some type of private care. This situation is becoming a more and more serious and steps should be taken to correct these problems as soon as possible.

Councilman Greenberg reiterated the fact that City Council is aware of the rent problem and last year proposed a Bill to regulate rent control. This Bill was subsequently declared unconstitutional and Councilman Greenberg stated that he will work for and support any new legislation regarding rent control.

Mr. Morrone stated that the Philadelphia Housing Authority is currently negotiating with Federation Housing for the construction of 310 units for the elderly. It is hoped that ground breaking for these units will commence the end of this year. The 310 units will be located on Red Lion Road and will help to ease the housing shortage in the Northeast.

Mr. Morrone also stated that within 2 months the federal government has plans to establish a rent subsidy program to assist individuals living on a fixed income. He urged all senior citizens to take advantage of the new program.

Mr. Goldstein stated that Federation Housing is currently negotiating with the City and State for the 310 units on Red Lion Road. This project was scheduled to be underway last spring, but was delayed due to the lack of federal funds. Federation Housing is very much aware of the housing problem not only in Philadelphia but throughout the country. Since the Nixon Administration, there has been a restriction on the disbursement of federal funds for the elderly. Congress has done its part by proposing a series of Bills to assist the elderly but these Bills were either vetoed by the President or lost in the legislative shuffle.

Mr. Goldstein asked Congressman Eilberg the status of the revised House Resolution 202, wherein 375 million dollars would be subsidized for older adult housing. He also urged the people to write to the Secretary of Housing, Carla Hills, to voice their opposition to the restriction of federal funds for housing.

In response to Mr. Goldstein's question, Congressman Eilberg stated that at the present time the authorizing of funds as indicated in House Resolution 202 does not appear good. In light of our present economic condition and the President's views toward the allocation of federal funds, he supported Mr. Goldstein's statement and urged the people to write to Ms. Hills in order that the Administration may favorably reassess their position on this matter.

One of the senior citizens stated that she has been advised that the delay in building the Red Lion Road Housing Project was due to the negative reaction from the people living in the area, as was the case in the Strahle and Horrocks Housing Project.

Mr. Goldstein stated that the Strahle and Horrocks Housing Project is maintained by Federation Housing and that the Red Lion Road Housing Project will also be under the management of Federation Housing. He admitted the fact that when Federation Housing started to construct the Strahle and Horrocks Project there was a great deal of opposition from the people in the Community. They feared a variety of things, i.e., undesirables moving into the neighborhood, their real estate would drop sharply, there would be a drain on their resources, the height of the proposed building, and environmental impact, to name a few. The Community has since realized that this is untrue, and are now wholeheartedly endorsing this program.

Mr. Saul Rosenstein (Mature Adults of Beth Ami) stated that there are many problems facing the senior citizens today. He indicated that consideration and compassion should be the order of things in dealing with senior Americans. There are many inadequacies and injustices in our system that should be corrected in order for the senior citizens to live with dignity and respect. The senior citizens should be prepared for retirement and the government and other agencies should establish a program to assist in preparing individuals for their "Golden Years". They can be golden, if the government will help to see that they are golden.

Our society is under the impression that when an individual reaches the age of 64 or 65, they have lost their usefulness and are unable to work. This is a total fallacy, and we are wasting great resources and human energy. Senior citizens can play an important role in America by using their wealth of experience in a majority of fields, i.e., guidance counselors, advisors, teachers, etc.

Councilman Greenberg stated that he is quite interested in the money that has been allocated to the City Senior Citizen Centers. He stated that 55 to 65 million dollars has been allocated for Community Development and that 1 million has been earmarked for Senior Citizen Centers. It is hoped that the City will construct Senior Citizen Centers throughout the City in the not too distant future.

Ms. Sadie Weisgold (Shaare Shamayim Senior Adults) requested information as to why people of better income have the apartments in the Strahle and Horrocks Housing Project rather than people of lower income.

Mr. Goldstein stated that the Strahle Building is subsidized under the Housing Act which provides for low and middle income elderly and handicapped people. There is also an additional subsidized rent supplementation of the interest on the mortgage and, therefore, 40% of the rents are double subsidized and the rental is reduced across the board.

Mr. Morrone reiterated his previous remarks by advising the senior citizens to take advantage of the federal government's rent subsidy program that is forthcoming.

Mr. Goldstein indicated that he was a little critical of the federal government's new program. He stated that at the present time we need more housing and the government should initiate legislation of this nature.

Congressman Eilberg took exception to Mr. Goldstein's remarks and stated that the senior citizens cannot wait two and three years for construction of new housing, they need assistance now.

Mr. Ned Egnal (Gray Panthers) stated that someone once wrote a long time ago that a society is rated by the manner in which it cares for its old people. Based on what he has heard today, it appears that our society is not going to be given a good rating. An important thing is that there is not a single program or item that is not subjected to some kind of legislation. It appears that the people must get out and vote for those individuals who are in favor of legislation that will assist the low and middle class citizens. Statistics show that less than 50% of the people go to the poles and vote. With this type of attitude, we can only blame ourselves for the lack of financial assistance we so desperately need today.

Congressman Eilberg recognized Mrs. Mary Moors stating that she has been submitting various ideas and recommendations to his District Office throughout the year. He encouraged those in attendance to feel free to communicate with his office during the upcoming year.

Mrs. Mary Moors (Eberhartville, Northeast Coalition for Community Programs) stated that there are many people in the Community who own homes that would be happy to take in senior citizens. The problem lies in the fact that most of these homes need remodeling. The home owners are aware of the fact that if they remodel, they are faced with an increase in their assessment. She recommended that the city put a freeze on assessments, due to remodeling, and have the federal government reimburse the city for the loss of revenue.

Congressman Eilberg voiced his concern over the increase in complaints regarding late Social Security payments and asked Mr. O'Brien to addres the forum on this problem.

Mr. O'Brien stated that he shares Congressman Eilberg's concern regarding late payments. He indicated that Social Security has certain operative procedures that they must follow in order to facilitate payments. One of the procedures is called a "Guarantee Payment" which insures payment within 10 days after a complaint is received. Mr. O'Brien urged the attendees to contact him immediately when payment is not received and he will undertake the necessary measures to effect payment in a timely manner.

Rev. Nevin Kershner (Pastor, Philadelphia Protestant Home) stated that the rights and dignity of all people should be respected. He is appalled at the attitude that because a person is 65 or retired he should be taken out of circulation and placed in the "Out of Date File". As long as possible, people should have the right to live as they choose and make their own decisions. When health or other reasons make this impossible, the elderly should still be treated with dignity and respect.

Rev. Kershner stated that he advocated the following House Resolutions:

HR 2041—which would establish a guaranteed minimum income for the elderly.

HR 4165—which would increase the outside earnings not subject to Social Security deductions.

HR 2836—which would include qualifying drugs of out-patients under Medicare.

HR 8577—which would attempt to reach eligible people under the SSI benefits.

HR 13631—which corrected the interpretation of SSI eligibility under HR 8577.

He appealed for legislation tempered with reason to enable the elderly to receive the care they need at reasonable costs.

Mr. Tony Polard (Citizens Alliance) requested information pertaining to Landis Hospital.

Mrs. Peralto stated that Landis Hospital is a State facility and in time will be turned over to the City. Negotiations are underway and major renovations will have to take place to meet the stringent Life Safety Code of the City of Philadelphia before it is utilized by the public.

In response to a question regarding the facilities at Valley Forge General Hospital, Mrs. Peralto stated that the situation has not been clarified. Valley Forge General Hospital is being taken over by the State and the utilization of this facility has been and should be of great concern to the senior citizens.

Congressman Eilberg suggested that senior citizens write to the Governor and State Legislators and apprise them of their domestic needs. If reductions must be made, they should be made in our appropriations for defense, foreign aid and agricultural subsidies not in domestic needs.

Mr. Al Conti (St. Martins Senior Citizens) referenced the previous discussion regarding Landis Hospital and stated that he was informed that 500 beds at the facility were not being utilized during the past 3 years, which is inconceivable due to the demand for nursing home care.

Ms. Elsie Pinkowitz (Association of Concerned Citizens, Jewish Y's and Centers of Greater Philadelphia) stated that she has made a survey on private home care for the senior citizen. One of the aspects of this survey dealt with the availability of home care after a stay in the hospital. She reported that there is little assistance available. There should be more people available to take care of senior citizens in private home care facilities in order to keep the senior citizens out of nursing homes.

Mrs. Peralto stated that Adult Services is fully aware of this problem throughout the city. In Philadelphia alone, we need $40 million for this type of program and we are only receiving $10 million. People are hesitant to partake in the program, due to the fact that reimbursement is slow and many services have been curtailed due to lack of funds.

She urged all senior citizens to attend the Mass Rally scheduled for Tuesday, October 21, 1975, at 10:00 a.m. at Broad and Spring Garden Streets to bring this matter to the attention of State and City officials.

Mr. Harry Kaplan (Friendly Mens' Club, Jewish Y's and Centers of Greater Philadelphia) stated that he advocated wage and price control coinciding with a Social Security raise. He indicated that a Social Security raise is meaningless without the wage and price control measures.

Congressman Eilberg agreed with Mr. Kaplan and added that wage and price control should also include profits and dividends and interest as well.

Ms. Lorraine Mazuret (First Vice President, Farnkford Senior Citizens) raised the question of some 500 beds not being utilized at the Naval Hospital.

Mr. Lax stated that the Naval Hospital is under the jurisdiction of the Department of Defense. The Veterans Administration does have a contract with the Naval Hospital to utilize some of their facilities. Also, the Veterans Hospital has a very fast turnover of patients and in emergency situations have utilized facilities in Wilmington, Delaware to afford our Philadelphia veterans the best care possible. Mr. Lax advised the attendees to contact his office for further information regarding the benefits that all veterans are entitled to under the Veterans Law.

Mr. John Crawford (Resurrection Roman Catholic Church) stated that his sister passed away on July 28, 1975 and he was instructed to return her Social Security check. He asked Mr. O'Brien the reason for this procedure.

Mr. O'Brien stated that the law requires that a check issued to an individual during the month in which he dies must be returned. Congressman Eilberg has introduced legislation to stop this practice. Until the law is changed, the procedure will remain in effect.

Mr. Nathan Miller (President, Shaare Shamayim Senior Adults) requested information on when Landis Hospital would be renovated and made operational.

Mrs. Peralto stated that they were moving as fast as possible and urged attendees to write to their city and state officials asking them to expedite their efforts on this project.

Mr. William Muhr (National Association of Retired Federal Employees) referenced House Resolution 8023 and Senate Bill 1966, which will enable Blue Cross to increase its premiums by approximately 35%. Mr. Muhr stated that this increase was the culmination of a secret meeting between the Civil Service Commission and the Carriers. He thanked Congressman Eilberg for opposing action on the House Resolution.

Congressman Eilberg advised the attendees that his district office is there to serve the public. He indicated that the office has a free line to Washington. If anyone desires to know the status of a bill, or would like a copy of a bill, he urged them to call the district office.

Dr. William Irwin (Jewish Y's and Centers of Greater Philadelphia) stated that he is opposed to the proposed $28 billion dollar tax cut in Social Services. He indicated that most of the members of Congress are also opposed to this tax cut. He urged the separation of Social Security from the Department of Health, Education, and Welfare and the abolishment of the unified budget. In this way, we will know how much is in the Social Security Fund and how much Social Security can afford to pay. Dr. Irwin stated that if anyone is on Welfare and Social Security practically all of his medical expenses are paid for but if he earns just $1 more than the base, he can no longer qualify. Dr. Irwin stated that he advocated the Kennedy-Corman Bill.

Mr. Whitely indicated that there have been some delays in the issuance of compensation checks. He urged anyone who had a problem in this area to contact his office and he would do his best to expedite payment. As of October 16, 1975, positions in the clerical and commercial fields will be handled by the Employment Security Office located at 2048 Arch Street in lieu of the office at 5115 Griscom Street.

Mr. Benjamin Tucker (Senior Citizen) stated that the Social Security checks for the Amalgamated Cutters cannot go directly to the bank for deposit due to the fact that they must register their check number with the Union. He also would like to see some tax relief in the area of interest and pensions.

Mr. John Fischer stated that he was currently on disability Social Security and was somewhat confused over the fare he should be paying to SEPTA for transportation.

Mr. Lynch advised Mr. Fischer that he was entitled to the handicapped reduction in SEPTA fare, which is 15¢. He suggested that Mr. Fischer visit the SEPTA Office to apply for the necessary card that will entitle him to the reduced fare. He noted that senior citizens ride free, except during peak hours, when they are subjected to a 10¢ fare.

Mr. Goldstein asked Mr. Lynch if SEPTA had plans to revamp its service for the handicapped, i.e., dial-a-ride, ramp step-up, etc.

Mr. Lynch stated that one of the priorities of the six year SEPTA Plan is directed toward the establishment of special programs for the handicapped. As you know, SEPTA does not make money, therefore, due to our economic situation no effective date can be given for the implementation of these programs.

Mr. Sam Hinkle (Retired, Federal Order of Police) stated that many individuals currently receiving food stamps do not need them and those who need them do not qualify for them. He recommended that the legislators change the requirements for eligibility for food stamps.

Sister M. Beata (Administrator, Blessed John Neumann Nursing Home) stated that after reviewing the list of bills introduced into the legislature dealing with the problems of senior citizens, it is very evident that government is attempting to give more attention to the concerns of the elderly. There is not a lack of nursing home beds as such, but there is the inability of nursing homes to remain open to render service to the sick and the elderly due to the high cost of remaining open, and meeting all the governmental, state and local regulations and with inadequate reimbursement from the state. Regulations and standards, as such, we do need.

The question is not necessarily with the regulations, whether they are logical, practical and just. The problem, the concerns, are with the state's lack of equitable reimbursement for simply the "care of the sick elderly in nursing homes"—not even addressing the subject of "quality" care of the sick elderly and all its ramifications. Increasing the Social Security, money that comes from the taxpayer's pocket, does nothing for the recipient in a nursing home but reduces the amount the state, in turn, pays the provider, i.e., the nursing home, for health services to the institutionalized elderly.

Sister Beata urged the senior citizens to write to their legislators, both state and federal and request that they move to implement House Resolution 154 now. House Resolution 154 is requesting the State to increase the rate $5 a day immediately. Our Federal legislators can, through legislation, force the state to move to a cost related system as quickly as possible. This is the only answer to the nursing home bed shortage, to the quality care we want to render, to an open door policy for all people regardless of their ability or inability to pay.

Mrs. Mary Moors (Eberhartville, Northeast Coalition for Community Programs) recommended that home owners who are 65 years of age and older be exempt from paying School Tax.

Mr. Dave Clark (Senior Citizen) recommended that Congressman Eilberg invite some State legislators to his next seminar to answer the questions pertaining to State programs.

Congressman Eilberg stated that he would take Mr. Clark's recommendation under advisement.

Mr. Mike Tamburri (Field Vice President, National Association of Retired Federal Employees) requested Congressman Eilberg use his influence to exempt retired federal employees from paying income tax on their pensions.

Ms. Dora Schatz (Legislative Chair Person, Senior Citizens Central Association of Philadelphia and Vicinity) submitted a statement advocating "Home Maker Services" as an alternative to nursing home care for the elderly. She indicated that studies and testimonies in Washington have proven that the elderly ill improve more quickly and happily when given care in their own homes. She called upon Congressman Eilberg to give this new approach his earnest attention and to help in the fight for Home Maker Services in 1976.

Mr. Irvin Sannit (Secretary, Senior Citizens Committee, AFL–CIO) submitted a statement reflecting the AFL–CIO's position with respect to financial aid to senior citizens. He stated that the AFL–CIO support the immediate passage of the Kennedy-Corman Health Security Bill. The time is now for an adequate health delivery system for all of our citizens. Such needed legislation would provide preventive health care so that better health will be in store for our senior citizens in their later years. It is long past time for a strong system of health care cost controls. Medical costs have been pyramiding at a tremendous pace.

It is important to note that those who oppose the enactment of a comprehensive National Health Security Bill such as the Kennedy-Corman legislation are using such attacks on the soundness of social security. These attacks have the double purpose of destroying social security and killing the enactment of health care legislation.

An acute need is for high health and safety standards in nursing homes. The Senate Special Committee on Aging Subcommittee on Long-Term Care, headed by Senator Frank E. Moss, has produced an all-inclusive report on the state nursing homes to excellent standards. Senator Moss has introduced a Bill (S. 1568) to require the U.S. Department of Health, Education and Welfare to establish a rating system for nursing homes participating in federal programs.

Close attention has to be given to the deplorable conditions which prevail in too many of the boarding homes. This is a field which has been neglected for too long.

Legal services for older persons should be made available in all community programs under the auspices of the new Legal Services Corporation. This is a basic need for our elderly who often find themselves the victims in the consumer field and all other services which affect their lives.

The Administration is actively engaged in placing obstacles in the way of construction of low-cost housing for the elderly. A section of the Housing and Community Development Act of 1974 calls for the 202 Housing for the Elderly Program. This program had worked successfully from 1959 until arbitrarily halted in 1969. This would allow non-profit organizations to receive long-term, low-interest operating loans from the U.S. Department of Housing and Urban Development to construct and operate housing rental units for low-income elderly. The regulations have been rewritten so that the loan money would be available only for short-term construction loans with no preference for non-profit sponsors. This would effectively freeze out non-profit sponsors and would mean that the very poor elderly who Congress intended to help would have to pay high rentals for low-income rental units.

Congressman Eilberg stated that he hoped the senior citizens found the seminar to be informative and beneficial and also thanked the panel of experts for their contributions to the meeting.

The Seminar adjourned at 1:00 p.m.

THE JOINT COMMITTEE ON DEFENSE PRODUCTION: DOING A GOOD JOB FOR THE CONGRESS AND THE PEOPLE

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, in my almost 47 years of congressional service, I have witnessed both the strengths and weaknesses of the legislative process, and it is my considered judgment that the Congress most often goes astray when it acts precipitously, departing from those rules and procedures that have developed through almost two centuries of American legislative history to insure orderly and informed action on far-reaching legislation. Fundamental to the legislative process are public committee hearings where all interested parties have an opportunity to comment, followed by full and meaningful debate by the House and Senate.

But the House on Friday, November 14, ignored these principles of responsible legislation when it approved a hastily devised and ill-considered amendment to H.R. 10031, the Defense Production Act Amendments of 1975, that would abolish the Joint Committee on Defense Production of which I am chairman during the 94th Congress.

There were no committee hearings on this amendment, Mr. Speaker. In fact, the proponents of the amendment apparently do not desire any hearings since they have not introduced a bill to abolish the Joint Committee which could be considered by the respective House and Senate Banking Committees. Neither had any Member of the House or Senate discussed with me or with Vice Chairman PROXMIRE the possibility of terminating the committee. Instead, this amendment was offered when the House was meeting in the Committee of the Whole with only about 50 Members on the floor, and it was approved by an unrecorded voice vote—without meaningful debate or consideration.

Mr. Speaker, the November 14 vote proves only one thing—some two dozen Members, without knowledge of the facts, were willing to go along with an amendment because it was billed as an economy measure. That is the sum total of the Friday action.

The move to abolish the Joint Committee on Defense Production is ironic in its timing, coming as it does when we are making an unprecedented effort to carry out the first comprehensive congressional investigation of illegal and improper relationships between private contractors and Federal contracting agencies. Many of the widely publicized revelations concerning the Northrop Corp. and its clandestine entertainment of high-ranking Department of Defense personnel at an Eastern Shore hunting lodge would have never come to light but for the investigation by the Joint Committee on Defense Production. And our committee is now investigating allegations that many other companies which do business with the Pentagon have been and are engaging in similar activities.

This is more than a matter of passing interest, Mr. Speaker, as we have reason to believe that the expenses of these lavish entertainment activities are being borne by the American taxpayer. The penny-wise and pound-foolish Members who expressed concern on the House floor last Friday about the cost of keeping our Defense Production Committee on the job might better direct their attention to the shocking and patently unlawful waste of millions of tax dollars that is the subject of our investigations.

Mr. Speaker, illegal entertainment of Pentagon decisionmakers is only one example of what the Joint Committee has been doing this year. For the information of Members, I have here a brief listing of the major committee activities during 1975. I think it will be clear to all Members that the committee has been extremely active in fulfilling its responsibilities, particularly in view of the fact that the Joint Committee on Defense Production has the smallest staff and the lowest operating budget of any substantive congressional committee. The committee's record in 1975 deserves the thanks and not the condemnation of the Congress.

At a time when the expenditure of every tax dollar must be carefully examined and justified, the Joint Committee on Defense Production is more important than ever before. I assure my colleagues that BILL PROXMIRE and I are strongly committed to economy and efficiency in Government and to effective enforcement of our Federal laws and regulations. We believe very strongly that the Defense Production Committee is a needed information-gathering arm of the Congress and I am confident that an informed House and Senate will vote to continue this committee which is presently engaged in investigations aimed at eliminating the tragically wasteful and corrupting practices that are potentially ruinous to the Federal budget, the American economy, and our national defense system.

The summary of Defense Production Committee activities for 1975 follows:

SUMMARY OF ACTIVITIES OF THE JOINT COMMITTEE ON DEFENSE PRODUCTION: JANUARY 1–NOVEMBER 17, 1975

1. Investigated and held oversight hearings on the Cost Accounting Standards Board and the Defense Department's failure to enforce Uniform Cost Accounting Standards against defense contractors.

2. Investigated and held hearings on the Defense Priority System utilized by the Department of Defense to secure scarce resources and consumer goods, uncovering numerous instances where DOD's priority was improperly exercised.

3. Initiated an investigation of unlawful and improper relationships between Department of Defense officials and defense contractors including entertainment of Federal employees, allocation of such illicit entertainment costs to government contracts, and the adequacy of present Cost Accounting Standards and auditing procedures to identify and recapture such misallocated costs.

4. Instituted staff reviews in the following areas:

a. Industry efforts to evade Uniform Cost Accounting Standards.

b. Machine Tool Trigger Order Program.

c. Defense Materials System.

d. Strategic Stockpile Objectives.

e. Programs established by DOD 1975 Management Objective 8, regarding DOD/Industry relations.

5. Conducted investigation into security of national stockpiles of strategic materials.

6. Studied, at the request of the Senate Banking Committee, antitrust exemptions of Intra-Industry Voluntary Agreements authorized by the Defense Production Act.

7. Monitored House and Senate Banking Committee hearings on Defense Production Act extension.

8. Prepared amending and extension Defense Production Act legislation, including provisions authorizing a narrow grant of antitrust immunity necessary to implement the International Energy Agreement.

9. Investigated, at the request of the Senate Banking Committee, allegations of improper exercise of influence in the grant of franchises to operate financial institutions on military bases.

10. Studied the feasibility and desirability of establishing national economic stockpiles of critical materials.

MEMBERS OF JOINT COMMITTEE ON DEFENSE PRODUCTION

HOUSE MEMBERS

Wright Patman, Chairman; Leonor K. Sullivan, Henry Reuss, Garry Brown, Albert Johnson.

SENATE MEMBERS

William Proxmire, Vice Chairman; John Sparkman, Harrison A. Williams, Jr., John G. Tower, Edward Brooke.

STAFF OF JOINT COMMITTEE ON DEFENSE PRODUCTION

Staff Director, William Kincade.
Asst. Staff Director, Cary H. Copeland.
Clerk, Robert Riggs.
Professional Staff Member, Leon Reed.
Research Assistant, Margaret Rayhawk.
Secretary, Martha Braddock.
Minority Professional Staff Member, Michael Hemphill.

BUDGET OF JOINT COMMITTEE ON DEFENSE PRODUCTION

Fiscal Year 1976, $160,465.00.

SOVIETS IN CUBA

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, from time to time I have called the attention of our colleagues to the continuing and expanding Soviet military presence in Cuba, based upon the excellent sources of Dr. Manolo Reyes, the distinguished Latin American news editor of station WTVJ in Miami.

Dr. Reyes has received information on a new military facility in the suburbs of Havana which has been greatly fortified since the beginning of the year. I would like to include in the RECORD a United Press International dispatch of November 7 and Dr. Reyes' statement giving fuller information on this latest development:

UNITED PRESS INTERNATIONAL DISPATCH

MIAMI. — A new military complex in the suburbs of the Cuban capital of Havana has been greatly fortified since the beginning of the year and is presently manned exclusively by Russian officials and personnel, it was reported here Thursday.

Manolo Reyes, a Cuban exile broadcast newsman, said he had learned from sources inside the island the complex is located in the northern part of Cuba, at the point closest to the United States.

"The focal point of this new military complex is a military base situated at 4 kilometers (about 6.4 miles) of Santa Fe beach on the outskirts of Havana," Reyes said.

"Since the beginning of 1975, the year in which the base started spreading considerably, it has been completely handled by Russian officials and personnel.

"The base is being increased mainly underground and now it has six floors down, where it used to be three," Reyes added.

Reyes said the military complex encompasses four points: Cabanas, Mariel, Caimitos del Guayabal and Santa Fe. He said that "since last spring and particularly during the past weeks, there has been a constant activity in Cabanas and Mariel.

"Many Russian ships . . . apparently cargo ships . . . have docked at Mariel port," Reyes said. "Much of the unloading is being made at night and then loads of truck convoys with their headlights turned off and covered with canvas have gone directly to the base of Santa Fe."

In addition, Reyes said, "there has been a great increase in the number of helicopters bought recently, which are kept at a base in Cabanas, and these fly frequently from this base to the base of Santa Fe carrying Soviet personnel . . . just arrived at Mariel (from the Russian cargo ship.)"

Reyes noted the reports point to an increasing Soviet military presence in Cuba at a time when the United States and Russia are involved in a policy of detente.

STATEMENT OF DR. MANOLO REYES

During the past years there has been much attention given to the Russian military and naval activities performed at the southern part of Cuba. This has been so because of the many denouncements through the press, radio and television and several committees and sub-committees of the United States Congress and the OAS.

Starting in the spring of 1970, the Russians established a large naval complex in Cuba which included 4 essential points: Isle of Pines, Giron Key Largo (Cuba) and Cienfuegos with the facility for Russian nuclear submarines located at Alcatraz Key. The Russians have maintained the naval complex in full operation at a cost of 25 million dollars. Nevertheless for the past 7 months the policy of "Detente" has increased. This policy has been used by the Russians meaning: "United States, you stop, while we continue arming ourselves." And together with the policy of Detente, the Cuban Patriotic Resistance inside the island reports that there is now a strong military increase extending to a large base at the northern part of the island, in Habana province in the suburbs of the Cuban capital, which we might add is the nearest point close to the United States.

The new military complex that the Patriotic Resistance informs us is being fortified at great speed is located at Cabanas, Mariel, Caimito del Guayabal and Santa Fe.

The focal point of this new military complex is a military base situated at 4 kilometers of Santa Fe beach on the outskirts of Habana. It is believed that the Russians are using logistic for a new military increase in that part of Cuba.

Initially, in the surroundings of Santa Fe airport, the Castro communist regime established a ground to air missile base. This base was built under the guidance of a brother of Antonio Nuñez Jimenez alias "el Gallego". The group that was working with him in that construction was a demolition expert and had placed dynamite in a big section of Habana in case of an invasion, they would blow Habana.

When this base was built its working personnel was made up of Cubans chosen from the youth that was highly indoctrinated by political instructors from the army and by Russian officials that taught them how to use the missiles.

Since the beginning of 1975, the year in which the base started spreading considerably, it has been completely handled by Russian officials and personnel.

This information is brought to us by the Cuban Patriotic Resistance. This base is being increased mainly underground and now it has 6 floors down, where it used to be 3. The main entrance has an opening of exactly 100 meters and following it there is a large tunnel.

The main entrance to this base stands approximately 2 miles away from the highway and just across it there is a man-made hill so no one can see the entrance.

There are 2 points of identification before a person can go in. The guards keeping it are Russians although they speak perfect Spanish and sometimes they wear the uniform of Castro's army.

The Patriotic Resistance has informed us that apparently with the tremendous spreading of this base, the whole electric system has been changed and they have placed enormous light transformers in an area surrounding the base.

The Resistance also informs us that since last spring and particularly during the past weeks there has been a constant activity in Cabanas and Mariel. Many Russian ships have docked at Mariel port, apparently they have been cargo ships. Much of the unloading is being made at night and then loads of truck convoys with their headlights turned off and covered with canvas have gone directly to the base of Sante Fe.

There has been a great increase in the number of helicopters bought recently which are being kept at a base in Cabanas and then fly frequently from this base to the base of Sante Fe carrying Soviet personnel which has just arrived at Mariel from Russian cargo ships. There are two outside buildings which are part of this military complex that have been fortified this year, they are the old Miramar Yacht Club—which is now in the hands of Castro's military and that of the Russians—and the other building is near Barlovento, a suburb of Habana, and I have the picture right here.

The latter is a radar and communication center and is always under the custody of a Castro gun-boat. In its vicinity more than a dozen Cubans were murdered, men, women and children, when they tried to flee Cuba in the 1960's.

This report is the latest information received of the Soviet military increase in Cuban territory.

A QUESTION OF BALANCE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a distinguished lawyer of Miami, Fla., and my long-time friend, W. L. Gray, Jr., has sent me a copy of an address by James H. Higgins, chairman of the Mellon Bank, on the subject, "A Question of Balance." In this able address Mr. Higgins discusses Federal financial and budget policies over the past few years and raises questions in his able statement of serious concern to all Americans. Whether one agrees with all of Mr. Higgins' conclusions or not it is an able and thoughtful address deserving of careful consideration by the Congress and the country. Therefore, Mr. Speaker, I include this able address in the RECORD immediately following these remarks:

A QUESTION OF BALANCE

(By James H. Higgins)

It is difficult to comprehend, perhaps, why an extraordinarily successful American free enterprise system which, despite its flaws, has given us so much in the way of material well-being and personal freedom might be faced with possible extinction. Indeed, no other system, past or present, can even approach its record of achievement as a provider of material wealth for the many—not just the privileged few. But it is clear that the accelerating trend toward big government poses a threat to the very survival of the American free enterprise system. Why, then, are we drifting toward a government controlled economy? To some extent, I think, we have lost confidence in our abilities and capacities as individuals and have mistakenly cast government in the role of protector and benefactor. This may explain, at least in part, the seemingly ready acceptance of more and more government intervention in the market process.

One form of intrusion is visible in the explosion of government spending, especially during the past 15 years. All of us, I am sure, are well aware of the fact that Federal expenditures have climbed at an extraordinarily rapid pace since 1960. But I have a feeling that many people still fail to comprehend the extent to which the very fundamentals of our economic system are now threatened by an increasingly dominant Federal government—and Federal bureaucracy. The following facts and figures illustrate in a rather dramatic way the striking ascendency of government spending within our economy.

Between fiscal 1960 and fiscal 1976 Federal budget outlays will have soared from less than $100 billion to almost $350 billion. It took this nation roughly 180 years to reach the first $100 billion, nine to exceed the second hundred billion and only four to surpass the third hundred billion. The end of this upsurge is not in sight. Based on current budget commitments and planned Administration initiatives Federal spending will pass the $400 billion mark within the next couple of years and approach the $500 billion barrier by 1980. Think about it. In less than 20 years the Federal budget will have grown from $100 billion to almost $500 billion.

During this period of unprecedented growth in Federal spending, tax collections have failed to keep pace, with the result that in 14 out of the past 15 years—including fiscal 1975—the Federal budget has been in a deficit position. Since 1961, the cumulative budget deficit has totaled roughly $170 billion, and if government-sponsored enterprises are included, the figure is probably in excess of one-quarter of a trillion dollars. Without question these enormous budget deficits have become a major source of financial instability and inflationary pressures.

Despite all the rhetoric and emotion about military spending, a careful examination of the Federal budget clearly shows that outlays for national defense have not been responsible for skyrocketing government expenditures and the accompanying multibillion dollar deficits. Measured as a percentage of total Federal budget outlays, spending for defense and space has declined drastically from 42% in 1966 to an anticipated 27% in fiscal 1976.

In absolute terms defense expenditures have climbed from $56 billion in 1966 to an estimated $94 billion in 1976. But during this same period of time social welfare spending soared from $4 billion to around $182 billion in the current fiscal year. Moreover, if similar expenditures by state and local governments are included, this country is now spending a staggering $240 billion for domestic social programs. And some of the critics have called this a starvation diet!

Total government spending, including Federal, state and local, is presently running at an annual rate of more than $530 billion. What this bare statistic means is that 37 cents out of every dollar spent in the United States is now spent by some level of government—a massive escalation from 27 cents in 1960 and only 12 cents in the 1920's. What does this portend for the future? Just suppose for the moment that the 1960–75 trend persists through the end of this century. By the year 2000 government outlays would then account for roughly 55% of the gross national product—an alarming prospect and one which, in my opinion, has some sobering implications for individual freedom in this country.

Consider, too, the fact that one person out of every six at work in this country today is employed by the government. Unless the juggernaut of Federal spending is halted or at least placed under firm control, we could find that 25 years from now one out of every three employed Americans could be a government worker.

I am under no illusion that the seemingly inexorable trend toward big government will be quickly or easily reversed. Even with the best will in the world there are formidable obstacles in the path of any attempt to curb the rise in government spending. For one thing, those who advocate a wider role for government will probably do so on humanitarian grounds, citing for example, poverty, substandard housing, and inadequate medical care as compelling reasons for injecting more Federal funds into the economy. And any opposition to such proposals will undoubtedly be seen as a sign of callous indifference to the poor and disadvantaged.

Needless to say, however, compassion is not the real issue. The dismal record of most social welfare programs, especially those implemented during the 1960's, provides convincing evidence that money is not the answer for each and every problem. Briefly stated, this country has pursued a misguided policy of extending benefits to all in an effort to help the few. Small wonder that the vast majority of social welfare projects have failed to help those in need when the benefits have been indiscriminately scattered throughout the population, most of whom are in the category of "haves" as opposed to "have-nots."

The food stamp program is an almost classic illustration of how a small, well intentioned effort to help the needy has turned into a multibillion dollar boondoggle. As Treasury Secretary William E. Simon recently noted: "The food stamp program began as a small, $14 million experiment in 1962. By 1976, it will cost over $6.6 billion a year—a 47,000 percent increase—and it is a well-known haven for the chiselers and rip-off artists."

Failure of past programs is not likely to deter the proponents of more government spending from pressing forward with new and ambitious projects. One reason for this rather perverse reaction is that the phenomenal expansion of social welfare programs has also been accompanied by the emergence of powerful self-interest groups who clearly exert enormous influence on Congress, the Executive and state government.

The plain fact is that many spending programs, even those which have become increasingly irrelevant to present-day needs, can still count on a well-entrenched bureaucracy which, coupled with strong political support, is often able to withstand pressures for the curtailment or elimination of wasteful, nonproductive projects. Unfortunately, also, spending has a certain political appeal which often makes it difficult for electorally-motivated politicians to resist the temptation of appropriating more and more funds for social welfare purposes—irrespective of the results. But overspending like overeating, while pleasurable at the time, can produce a violent attack of indigestion later on. Thus, after more than a decade of profligate spending, legislators are learning the painful truth of Mr. Micawber's simple homily, "Annual income twenty pounds, annual expenditures nineteen six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery."

The current financial crisis taking place in New York City is an object lesson on how the chickens of fiscal irresponsibility inevitably come home to roost. Most of us appreciate that many of that beleaguered city's problems—and their causes—are common to our Federal budget. The only real difference, as Secretary Simon himself has pointed out, is that the Federal printing press relieves the Treasury of one of the symptoms of New York's situation: "the cash flow crisis." In other words, the standard method for Congress and the Federal government to solve Washington's cash flow problems over the past twenty years has been to run the printing presses—and thereby to inflict upon everyone the most unjust tax of all: inflation.

But why has this been allowed to happen? Part of the answer must lie in the rapid escalation of public expectations and entitlements which has taken place since the end of World War II. People have come to believe that regardless of individual effort and at no cost to themselves government can provide them with steady gains in living standards. Forgotten or ignored is the fact that government is not a source of wealth. What government gives to the public must first be taken from them in the form of taxes. True, the notion that somebody else will always foot the bill may account for the tendency of politicians to condone outrageously large wage increases to a few well-organized and militant public sector unions while at the same time extending and expanding welfare benefits to a sizable segment of the population.

There is, however, as politicians are beginning to discover, a finite limit to which taxes can be increased without curbing the incentive to work and innovate. Stated another way, the imposition of an ever-increasing tax burden on those who work and produce will inevitably weaken and possibly destroy individual enterprise and effort. And without a productive society which adequately rewards initiative and risk-taking we may discover to our sorrow that we have unwittingly killed the goose which up to now has so obligingly laid the golden eggs.

In my judgment, the sea of red ink which has washed over the Federal budget in recent years—and the budgets of many major cities as well—illustrates the extent to which legislators have shared in the naive and mistaken belief that government represents a virtually unlimited source of spendable funds which can be tapped at will. Failure to perceive the disastrous, long-run consequences of uncontrolled spending helps explain the chronic inability to enforce even a semblance of fiscal discipline in recent years. On second thought, however, this is really an excuse—not an explanation. Indeed, I find it almost incomprehensive that we have taken so long to realize that spending beyond our means invites vicious inflationary pressures which can dangerously strain the fabric of a democratic society.

Government intervention in the marketplace is by no means limited to the upsurge in spending. Along with the rising curve of government purchases and transfer payments has come a veritable army of regulators, bringing in their train a bewildering proliferation of rules, edicts and regulations which is beginning to strangle the creativity, productivity and ingenuity of the free enterprise system. Ironically, the lifeless hand of the bureaucrat, while throttling incentive and perpetuating inefficiency, does little to help the consumer—the supposed beneficiary of government regulation.

Has the public really been told about the extent to which government regulation is raising the cost of living? There is no longer any doubt that thousands of regulations promulgated in recent years have substantially raised costs and prices throughout the economy. For example, the estimated cost of complying with one set of government-proposed industrial noise standards would be nearly $32 billion. The question which arises is whether the American people are prepared to pay the huge price that will be needed to achieve environmental purity. I suspect they may be willing to settle for something less than perfection—at a substantially lower cost.

Already it seems our legislative and regulatory processes have probably gone far beyond the desires of the vast majority of the American people who, when they are aware of the true costs, will demand a halt. Interestingly—and encouragingly—the public is beginning to sit up and take notice. One of the most costly automobile safety features mandated by the Federal government—the interlock system between seat belt and ignition—was removed by Congressional legislation following a public outcry. Could it be that the tide is slowly beginning to turn?

This is not to say that I am recommending a return to the laissez faire conditions of an earlier age. Not at all. I certainly recognize that in the past we have frequently failed to perceive the human costs associated with pollution, dangerous working conditions, and other similar situations. But we must surely be much more alert to the very real danger that overzealous and unreasonable governmental regulation can stifle productivity, lower operating efficiencies and sharply escalate costs throughout industry. Another even more pressing concern is that over-regulation is starting to constitute a serious threat to the entire free enterprise system—and personal freedom.

To be sure it can and will be argued that the regulators are well-meaning and that their purpose is benevolent and humanitarian. The peril, however, is no less because the intent is benign. Indeed, the dangers inherent in the current situation were summed up concisely almost fifty years ago by Justice Brandeis, when he observed: "Experience should teach us to be most on guard to protect liberty when the Government's purposes are beneficent. . . . The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding."

To suggest any similarity between the growing influence of government in our economy and George Orwell's fearsome vision of the future will undoubtedly be dismissed either as an overwrought reaction to recent developments or as the product of a somewhat feverish imagination. This may be so. But if without protest we permit the government to dominate our economic lives, then we should not be surprised to find ourselves traveling down a road which could lead eventually to political despotism. After all, is it so farfetched to believe that economic regulation might be the prelude to political control?

Despite the threat to individual freedoms, we continue to hear an almost incessant political drumbeat for increased reliance on government intervention and control. Evidently we are to believe that more government regulation rather than a return to essentially free market arrangements will pave the way for a return to vigorous and noninflationary economic growth. History suggests quite a contrary view. It has been freedom of enterprise rather than stultifying government controls and the uncomprehending mind of bureaucracy which has made the American economic system not only the most successful in the world but also the most envied.

Aside from the threats posed by over-regulation and the upsurge in government spending, the free enterprise system is endangered from yet another source. Even though the record of government in the field of economic and social policy is scarcely one to inspire confidence—I am reminded of George Will's comment that "World War II was the last government program that really worked"—there is a move afoot to further expand the economic power and influence of government. I refer to the latest enthusiasm for national planning as a means of resolving some of our present-day economic difficulties.

I do not doubt the sincerity of many of the eminent persons—including businessmen, financiers, labor leaders and scholars—who have joined in this effort. However, national planning would be yet another addition to the growing apparatus of "invisible government" with power to "guide" us toward a chosen goal. In essence, this means less freedom for individuals, firms, and local governments. It also means the potential for a vast waste of resources, human and material, if the chosen few who formulate the goals and "guide" us toward them make errors in their assumptions about the development of technology, trends in population growth, and the state of the world economy. The judgment of a planner, no matter how well endowed with brains, degrees or computers he or she may be, is no substitute for the collective wisdom of the marketplace. The basic question is who should decide what will be produced: consumers expressing their wishes and desires through the marketplace or government planners arbitrarily handing down orders and regulations?

Nothing I have said should be construed as suggesting that I am opposed to planning per se. Of course not. We all endeavor to plan, taking into consideration our own aspirations and resources. We can and do make mistakes. But by and large the rewards and penalties for success or failure, for guessing correctly—or incorrectly—about the future, are our own responsibility. However, planning by governments, in the manner envisioned by the enthusiasts of national economic planning, means the removal of decision-making power—and freedom—from individuals. Perhaps this might remove some of the dangers of failure for individual firms. But do we really want to eliminate the possibility of failure, or of wrong choices? Consider what Benjamin Franklin had to say, "Those, who would give up essential liberty to purchase a little temporary safety, deserve neither liberty nor safety."

Ben Franklin's words merit careful study. He implies that when the government poses a threat to freedom, that threat comes about because people feel insecure and helpless. "More power to the government" looks like the easy way out. This is precisely the attitude of those who are currently advocating national planning. But if we open our eyes to its true consequenes, to the implications of massive government expenditures and deficits, and to the true costs of government-mandated safety, health, and environmental expenditures, perhaps we will recognize in time the enormity of the current threat to freedom.

Prosperity in the future, therefore, will depend heavily on our willingness and ability to foster a climate in which the entrepreneurial spirit and the free enterprise system will again be allowed to flourish. To accomplish this objective will imply recognition of the fact that we have already reached the outer limits of government regulation and intervention in the marketplace. In addition we must also rid ourselves of the pernicious but nonetheless widely-held doctrine that a government-managed economy serves the public interest while the free enterprise system necessarily must pander to corporate greed and thus conspires against the consumer.

I submit that this nation has lost economic balance. We are in serious danger of allowing a huge and fast-growing governmental apparatus gradually to subjugate the private sector. Instead of a judicious balance between public and private spending—characteristic of a mixed economy—we find that the steamroller of government is steadily encroaching upon the private sector. And at the same time, the proliferation of clumsy regulations and guidelines is forcing the once free enterprise system into an economic strait jacket from which it may be difficult to escape.

Time is short. Unless we can reverse the tide which is carrying us toward a government-controlled economy, I question whether the high aspirations of the American people can be met. Only a dynamic and productive free enterprise system which is allowed to function without undue interference can ensure our return to a path of healthy noninflationary growth which is essential for the fulfillment of ambitious social and economic goals. Let us, therefore, reaffirm our dedication to the principles of economic freedom which, as in the past, can make us prosperous as a nation and guarantee our liberty as individuals.

POLITICS AND EMPLOYEES

(Mr. GUDE asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, once again, within the past few days, an article in an area paper has brought to light the serious and devastating effects of H.R. 8617, a bill to undo the present restrictions on partisan political activity by civil servants.

I would like to share this "Letter to the Editor" which appeared in the Washington Post Friday, November 14:

Politics and Employees

The "Federal Employees Political Activities Act of 1975," recently passed by the House and sent to the Senate, prohibits the use of "official authority or influence" for the purpose of "intimidating, threatening, coercing, commanding, influencing, or attempting to intimidate, threaten, coerce, command, or influence" any employee in his newly permitted political activities.

But is anyone naive enough to believe that such unpleasant actions would be necessary to induce "appropriate" political activity in subordinate employees? Only the very subtlest kind of appeal to the employees' normal human self-interest and career hopes would suffice in most cases.

In fact, there need be no actual appeal at all because, should the boss decide to run for full-time office, all his subordinates would know about it right away. And while he would be taking leave during the campaign, he would be back if he lost. Moreover, even if he should win, he would most likely have a lot to say about who his successor would be.

I think federal employees should be up in arms, storming the Senate hearings in testimony against this bill.

Ernest W. Grove.

Arlington.

CONFERENCE REPORT ON H.R. 8841

Mr. FOLEY submitted the following conference report and statement on the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes (pursuant to an order of the House on November 14, 1975):

Conference Report (H. Rept. No. 94–668)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, and 13.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 9, 10, and 11, and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

On page 2, lines 5 and 6 of the Senate engrossed amendments, strike out "September 30, 1977, the sum of $47,200,000" and insert the following: "March 31, 1977, the sum of $23,600,000".

And the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

On page 2, line 7 of the Senate engrossed amendments, strike out "may" and insert the following: "shall, under a State plan submitted for approval,".

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

On page 2, line 8 of the Senate engrossed amendments, strike out "pass" and insert the following: "take, pursuant to a requirement prescribed by the Administrator,".

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

Sec. 12. Section 3(c)(1)(D) of the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, is amended to read as follows:

"(D) if requested by the Administrator, a full description of the tests made and the results thereof upon which the claims are based, except that data submitted on or after January 1, 1970, in support of an application shall not, without permission of the applicant be considered by the Administrator in support of any other application for registration unless such other applicant shall have first offered to pay reasonable compensation for producing the test data to be relied upon and such data is not protected from disclosure by section 10(b). This provision with regard to compensation for producing the test data to be relied upon shall apply with respect to all applications for registration or registration submitted on or after October 21, 1972. If the parties cannot agree on the amount and method of payment, the Administrator shall make such determination and may fix such other terms and conditions as may be reasonable under the circumstances. The Administrator's determination shall be made on the record after notice and opportunity for hearing. If either party does not agree with said determination, he may, within thirty days, take an appeal to the Federal district court for the district in which he resides with respect to either the amount of the payment or the terms of payment, or both. Registration shall not be delayed pending the determination of reasonable compensation between the applicants, by the Administrator or by the court.".

And the Senate agree to the same.

Thomas S. Foley,
W. R. Poage,
E. de la Garza,
Joseph P. Vigorito,
Walter B. Jones,
Ed Jones,
John Melcher,
William C. Wampler,
Richard Kelly,
Managers on the Part of the House.

Herman E. Talmadge,
George McGovern,
James Allen,
Dick Clark,
Patrick Leahy,
Robert Dole,
Henry Bellmon,
Jesse Helms,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8841) to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

(1) *Consultation with the Secretary of Agriculture on proposed notices of intent.*

(a) The *House* bill required that prior to issuance of notices of intent of proposed action regarding cancellation of registration or changes in classification, the Administrator of EPA must submit the proposed notice to the Secretary of Agriculture for comment. The *House* bill authorized the Administrator to waive the requirement for notice to and consultation with the Secretary of Agriculture if the Administrator determines that suspension of pesticide registration is necessary to prevent an imminent hazard "to human health".

The *Senate* amendment deleted the limitation that the imminent hazard must be to human health, so that the waiver would apply to an imminent hazard to the environment and to an endangered species as well as an imminent hazard to human health.

The *Conference* substitute adopts the *House* provision.

(b) The *Senate* amendment also provided that simultaneous with submission of the proposed notice of intent to the Secretary for comment, the proposed notice must be published in the Federal Register.

The *Conference* substitute deletes the *Senate* amendment.

(2) *Consultation with the Secretary of Agriculture on proposed or final form of regulations.*

The *House* bill required the Administrator of EPA to provide the Secretary of Agriculture with copies of proposed regulations and the final form of regulations within a prescribed time period prior to publication for his comment prior to issuance.

The *Senate* amendment retained this provision of the *House* bill but provided for publication in the Federal Register of any advance notification to the Secretary of proposed or final regulations simultaneous with the notification to the Secretary.

The *Conference* substitute adopts the *Senate* amendment.

(3) *Extension of funding authorization.*

The *House* bill provided a one-year extension of the authorization for appropriations through September 30, 1976, at a level of $47,868,000 for the year.

The *Senate* amendment extended the authorization another year through September 30, 1977, at a level of $47,200,000 for the second year.

The *Conference* substitute adopts the *House* provision with an amendment to extend the authorization through March 31, 1977, at a level of $23,600,000 for the period October 1, 1976, through March 31, 1977.

(4) *Self-certification form for private applicators.*

The *House* bill provided that the standards prescribed by the Administrator for certification of a private applicator "shall" be deemed fulfilled by his signing a self-certification form with information and affirmations to carry out the Act, and may include an affirmation that the private applicator completed an approved training program, so long as the program does not require the private applicator to "take" any examination.

The *Senate* amendment provided, instead, that the certification "may" (rather than "shall") be deemed fulfilled by his signing a self-certification form, and that the training program completed by the private applicator cannot require the private applicator to "pass" (rather than "take") an examination.

The *House* bill provided for certification standards for a private applicator to be fulfilled by his signing a self-certification form with the affirmations stated above. According to the *House* Committee report, it was intended that if a State were to submit for approval a more rigorous plan for certification of private applicators, the Administrator would be authorized to approve the plan, although the plan could not be required by the Administrator if it were not requested by the State. Under the *House* bill, no person could be required to take an exam as a condition of self-certification, unless a State were to mandate it.

The *Senate* amendment retained the basic provisions of the *House* bill regarding the certification of private applicators of pesticides. According to the *Senate* Committee report, the changes were designed to make clear that—

(a) the completion of a certification form is not the only acceptable certification procedure which a State may elect to exercise, and

(b) a State, at its option, may give an examination or require the completion of a set of study questions as a part of its program.

The *Conference* substitute adopts the *House* provision with an amendment to make clear that a State plan shall qualify for approval if it provides for certification standards for a private applicator to be deemed fulfilled by his completing a certification form with the information and affirmations as specified in the *House* provision, but that a State would have the option, at its election, to submit for approval a different plan which comports with the requirements of the Act.

(5) *Scientific Advisory Panel.*

The *House* bill provided for appointment of a scientific advisory panel with which the Administrator of EPA must consult on notices of intent issued under section 6(b) and on proposed and final form of regulations.

The *Senate* amendment provided that the Administrator—

(a) may require of nominees information necessary to determine their fitness for appointment;

(b) shall publish in the Federal Register their name, address and professional affiliation; and

(c) shall issue regulations regarding conflicts of interest.

The *Conference* substitute adopts the *Senate* amendment.

The Conferees note that the procedure in section 7 establishing a Scientific Advisory Panel is not retroactive and would not apply to any ongoing section 6(b) or section 25 proceeding begun before the date of enactment of H.R. 8841. Nevertheless, in keeping with the spirit of section 7, the Conferees believe that EPA should utilize appropriate scientific advisory committees in order to obtain independent scientific and medical advice in connection with any actions it takes. For example, the Conferees believe that the Administrator and the American public should have the most complete record possible with respect to the pending heptachlor/chlordane cancellation matter. According to a letter to the Conferees from Senator Fong, the principal agricultural crop in Hawaii, pineapple, faces extinction within ten years if the only effective existing pesticides, heptachlor and mirex, are no longer available to control ants and mealybug wilt.

(6) *Integrated pest management.*

The *House* bill provided for EPA and the States to make available to individuals at their request instructional materials on integrated pest management.

The *Senate* amendment added to this a provision that this be done in accordance with section 23(c) of the Act; namely, in cooperation with the Extension Service.

The *Conference* substitute adopts the *Senate* amendment.

(7) *Data compensation.*

New section 12 added by the *Senate* amended sec ion 3(c)(1)(D) of FIFRA which requires that an applicant for registration of a pesticide pay reasonable compensation if he relies on the test data submitted by another applicant. The amendment provides that only data submitted on or after October 21, 1972, is compensable; the data compensation provision applies to all applications for registration submitted on or after October 21, 1972; both parties to a dispute on compensation of data are given the same rights in the courts; and registration of a pesticide is not to be delayed pending the determination of a dispute on reasonable compensation.

The *House* bill had no specific language amending section 3(c)(1)(D). However, in the discussion of the bill on the *House* floor, it was stated that it was the Committee's intent that on new registrations, the reasonable compensation data provision be applied regardless of when the data relied on was originally received by EPA. If, however, a reregistration is made of a pesticide registered originally prior to October 21, 1972, and data to support the reregistration was in the files of EPA prior to such date, no compensation would be required at the time of reregistration.

The *Conference* substitute adopts the *Senate* amendment with a modification which (a) provides that all data submitted in support of an application on or after January 1, 1970 (in lieu of October 21, 1972, as provided in the *Senate* amendment), is compensable, and (b) makes clear that the provision with regard to compensation for producing test data to be relied upon shall apply with respect to all applications for both registration and reregistration submitted on or after October 21, 1972.

(8) *Review by Court of Appeals.*

New section 13 added by the *Senate* amends section 16(b) of FIFRA to confine review by the Court of Appeals to cases following a public hearing "for which there is a reviewable record". Review of all other EPA actions would be confined to the District Courts.

The *Conference* substitute deletes the *Senate* amendment. It is the intent of the Conferees, however, that an adequate reviewable record be developed by the Environmntal Protection Agency in each of its public hearings although such hearings need not necessarily be adjudicatory in nature.

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W. R. POAGE,
E DE LA GARZA,
JOSEPH P. VIGORITO,
WALTER B. JONES,
ED JONES,
JOHN MELCHER,
WILLIAM C. WAMPLER,
RICHARD KELLY,
Managers on the Part of the House.

HERMAN E. TALMADGE,
GEORGE MCGOVERN,
JAMES ALLEN,
DICK CLARK,
PATRICK LEAHY,
ROBERT DOLE,
HENRY BELLMON,
JESSE HELMS,
Managers on the Part of the Senate.

CONFERENCE REPORT ON OLDER AMERICANS AMENDMENTS OF 1975

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes:

CONFERENCE REPORT (H. REPT. NO. 94–670)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such Act, to prohibit discrimination on the basis of age, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Older Americans Amendments of 1975".

TITLE I—AMENDMENTS TO OLDER AMERICANS ACT OF 1965

TRANSMISSION OF CERTAIN RECOMMENDATIONS RELATING TO FEDERAL COUNCIL OF AGING

SEC. 101. (a) Section 205(g) of the Older Americans Act of 1965 (42 U.S.C. 3015(g)) (hereinafter in this title referred to as the "Act") is amended by striking out "eighteen months after enactment of this Act" and inserting in lieu thereof "January 1, 1976,".

(b) Section 205(h) of the Act (42 U.S.C. 3015(h)) is amended by striking out "eighteen months after enactment of this Act," and inserting in lieu thereof "January 1, 1976,".

APPLICATION OF OTHER LAWS

SEC. 102. Title II of the Act (42 U.S.C. 3011 et seq.) is amended by adding at the end thereof the following new section:

"APPLICATION OF OTHER LAWS

"SEC. 211. The provisions and requirements of the Act of December 5, 1974 (Public Law 93–510; 88 Stat. 1604) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.".

DEFINITION OF SOCIAL SERVICES

SEC. 103. Section 302(1) of the Act (42 U.S.C. 3022(1)) is amended—

(1) in subparagraph (E) thereof, by striking out "or" at the end thereof; and

(2) by redesignating subparagraph (F) as subparagraph (H) and by inserting immediately after subparagraph (E) the following new subparagraphs:

"(F) services designed to provide legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, to older persons;

"(G) services designed to enable older persons to attain and maintain physical and mental well being through programs of regular physical activity and exercise; or".

GRANTS TO INDIAN TRIBES

SEC. 104. (a) Section 303(b) of the Act (42 U.S.C. 3023(b)) is amended by redesignating paragraph (3) as paragraph (4) and by inserting immediately after paragraph (2) the following new paragraph:

"(3)(A) In any State in which the Commissioner determines (after having taken into account the amount of funds available to the State agency or to an appropriate area agency on aging to carry out the purposes of this title) that the members of an Indian tribe are not receiving benefits under this title that are equivalent to benefits provided to other older persons in the State or appropriate area, and if he further determines that the members of such tribe would be better served by means of grants made directly to provide such benefits, he shall reserve from sums that would otherwise be allotted to such State under paragraph (2) not less than 100 per centum nor more than 150 per centum of an amount which bears the same ratio to the State's allotment for the fiscal year involved as the population of all Indians aged sixty or over for whom a determination under this paragraph has been made bears to the population of all persons aged sixty or over in such State.

"(B) The sums reserved by the Commissioner on the basis of his determination under this paragraph shall be granted to the tribal organization serving the individuals for whom such a determination has been made, or where there is no tribal organization, to such other entity as he determines has the capacity to provide services pursuant to this title.

"(C) In order for a tribal organization or other entity to be eligible for a grant for a fiscal year under this paragraph, it shall submit to the Commissioner a plan for such fiscal year which meets such criteria as the Commissioner may prescribe by regulation and which meets criteria established by section 305(a), to the extent the Commissioner determines such criteria to be appropriate.

"(D) Recipients of grants under this paragraph may retain for administrative purposes an amount equal to the amount available for the cost of the administration of area plans under section 303(e)(1).".

(b) Section 102 of the Act (42 U.S.C. 3002) is amended by adding at the end thereof the following new paragraphs:

"(4) The term 'Indian' means a person who is a member of an Indian tribe.

"(5) The term 'Indian tribe' means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (Public Law 92–203; 85 Stat. 688)) which (A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; or (B) is located on, or in proximity to, a Federal or State reservation or rancheria.

"(6) The term 'tribal organization' means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body. In any case in which a contract is let or grant made to an organization to perform services benefiting more than one Indian tribe, the approval of each such Indian tribe shall be a prerequisite to the letting or making of such contract or grant.".

(c) The first sentence of section 303(b)(2) of the Act (42 U.S.C. 3023(b)(2)) is amended by striking out "From" and inserting in lieu thereof "Subject to the provisions of paragraph (3), from".

(d) Section 303(b)(4) of the Act (42 U.S.C. 3023(b)(4)), as so redesignated by subsection (a), is amended by inserting immediately after "States" a comma and the following: "and the number of Indians aged sixty or over on, or in proximity to, any Federal or State reservation or rancheria".

AREA PLAN REQUIREMENTS

SEC. 105. (a) Section 304(c)(4) of the Act (42 U.S.C. 3024(c)(4)) is amended by striking out subparagraph (C) and by redesignating subparagraph (D) through subparagraph (F) as subparagraph (C) through subparagraph (E), respectively.

(b) Section 304 of the Act (42 U.S.C. 3024) is amended by inserting after subsection (c) the following new subsection:

"(d)(1) Subject to regulations prescribed by the Secretary of Health, Education, and Welfare, an area agency on aging designated under subsection (a) or, in areas of a State where no such agency has been designated, the State agency, is authorized to enter into agreements with agencies administering programs under the Rehabilitation Act of 1973, and titles VI, XIX, and XX of the Social Security Act for the purpose of developing and implementing plans for meeting the common need for transportation services of persons receiving benefits under such Acts and older persons participating in programs authorized by titles III and VII of this Act.

"(2) Pursuant to an agreement entered into under paragraph (1), funds appropriated under titles III and VII of this Act may be used to purchase transportation services for older persons and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973, and titles VI, XIX, and XX of the Social Security Act.".

NATIONAL PRIORITY SERVICES

SEC. 106. (a) Section 305(a) of the Act (42 U.S.C. 3025(a)) is amended by striking out "and" immediately after the semicolon in paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and", and by inserting the following new paragraph immediately after paragraph (9):

"(10) provides assurances in such form as the Commissioner shall prescribe that of the funds allotted to the State under section 303(b) in any fiscal year to carry out the State plan, not less than 50 per centum of the amount by which such allotment exceeds the allotment made for the same purpose in the fiscal year ending June 30, 1975, shall be used for the purposes set forth in section 305(b), except with respect to any State which provides assurances found satisfactory by the Commissioner that at least 33⅓ per centum of the total amount allotted to the State under section 303(b) to carry out the State plan in any fiscal year shall be used for the purposes set forth in section 305(b), but in no case shall less than 20 per centum of the funds allotted to any State under section 303(b) to carry out the State plan in any fiscal year beginning after September 30, 1976, be used for the purposes set forth in section 305(b).".

(b) Section 305(a) of the Act (42 U.S.C. 3025(a)) is amended by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively, and by inserting the following new subsection immediately after subsection (a):

"(b) Every State plan shall provide for the establishment or maintenance of programs (including related training) for the provision of some or all of the following services designed to assist older persons in leading independent lives and avoiding unnecessary institutionalization:

"(1) Transportation services.

"(2) Home services, including homemaker services, home health services, shopping services, escort services, reader services, letter writing services, and other services designed to assist such persons to continue living independently in a home environment.

"(3) Legal and other counseling services and assistance program, including tax counseling and assistance and financial counseling, for older persons.

"(4) Residential repair and renovation programs designed to enable older persons to maintain their homes in conformity with minimum housing standards or to adapt homes to meet the needs of elderly persons suffering from physical disabilities.".

(c) Section 304(c)(2) of the Act (42 U.S.C. 3024(c)(2)) is amended by inserting immediately after "priorities," the following: "and consistent with the provisions of the State plan relating to the services required to be provided under section 305(a)(10),".

Administration of state plans

SEC. 107. (a) Section 306(b)(1) of the Act (42 U.S.C. 3026(b)(1)) is amended by striking out "$160,000" in clause (A) and inserting in lieu thereof "$200,000", and by striking out "$50,000" in clause (B) and inserting in lieu thereof "$62,500".

(b) Section 306(b) of the Act (42 U.S.C. 3026(b)) is amended by redesignating paragraph (4), and by inserting immediately after paragraph (1) the following new paragraphs:

"(2)(A) Any State which desires to receive amounts, in addition to amounts allotted to such State under paragraph (1), to be used in the administration of its State plan in accordance with subsection (a) may transmit an application to the Commissioner in accordance with this paragraph. Any such application shall be transmitted in such form, and according to such procedures, as the Commissioner may require, except that such application may not be made as part of, or as an amendment to, the State plan.

"(B) The Commissioner may approve any application transmitted by a State under subparagraph (A) if the Commissioner determines, based upon a particularized showing of need, that—

"(i) such State will be unable to fully and effectively administer its State plan and to carry out programs and projects authorized by this title and by title VII unless such additional amounts are made available by the Commissioner;

"(ii) such State is making full and effective use of its allotment under paragraph (1) and of the personnel of the State agency and area agencies designated under section 305 in the administration of its State plan in accordance with subsection (a); and

"(iii) the State agency and area agencies of such State designated under section 805 are carrying out, on a full-time basis, programs and activities which are in furtherance of the purposes of this Act.

"(C) The Commissioner may approve that portion of the amount requested by a State in its application under subparagraph (A) which he determines has been justified in such application.

"(D) Amounts which any State may receive in any fiscal year under this paragraph may not exceed three-fourths of 1 per centum of the sum of the amounts allotted to such State to carry out the State plan under section 303(b) and section 703(a) for such fiscal year.

"(E) No application by a State under subparagraph (A) shall be approved unless it contains assurances that no amounts received by such State under this paragraph will be used to hire any person to fill a job opening created by the action of such State in laying off or terminating the employment of any regular employee not supported under this Act in anticipation of filling the vacancy so created by hiring an employee to be supported through use of amounts received under this paragraph.

"(3) Each State shall be entitled to an allotment under this section for any fiscal year in an amount which is not less than the amount of the allotment to which such State was entitled under paragraph (1) for the fiscal year ending June 30, 1975.".

MODEL PROJECT REQUIREMENTS

SEC. 108. Section 308(a) of the Act (42 U.S.C. 3028(a)) is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and "or", and by inserting immediately after paragraph (4) the following new paragraphs:

"(5) enable State agencies on aging and other public and private nonprofit organizations to assist in the promotion and development of ombudsman services for residents of nursing homes;

"(6) meet the special needs of, and improve the delivery of services to, older persons who are not receiving adequate services under other provisions of this Act, with emphasis on the needs of low-income, minority, Indian, and limited-English speaking individuals, and the rural elderly; or

"(7) assist older persons to remain within their communities and out of institutions and to maintain their independent living by (A) providing financial assistance for the establishment and operation of senior ambulatory care day centers (providing a planned schedule of health, therapeutic, educational, nutritional, recreational, and social services at least twenty-four hours per week, transportation arrangements at low or no cost for participants to and from the center, a hot mid-day meal, outreach and public information programs, and opportunities for maximum participation of senior participants and senior volunteers in the planning and operation of such center), and (B) maintaining or initiating arrangements (or providing reasonable assurances that such arrangements will be maintained or initiated) with the agency of the State concerned which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act, and with other appropriate social services agencies receiving, or reimbursed through, Federal financial assistance, for the payment of all or a part of such center's costs in providing services to eligible persons."

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

Sec. 109. Section 403 of the Act (42 U.S.C. 3033) is amended by inserting immediately after "education" the following: "as defined in section 1201(a) of the Higher Education Act of 1965".

TRAINING PERSONNEL IN THE FIELD OF AGING

Sec. 110. (a) Section 404(a) of the Act (42 U.S.C. 3034(a)) is amended by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively.

(b) Section 404(a) of the Act (42 U.S.C. 3034(a)) is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraphs:

"(1) to assist in paying the costs, in whole or in part, of short-term and inservice training courses, workshops, institutes and other activities designed to improve the capabilities of participants to provide services to older persons and to administer programs related to the purposes of this Act,

"(2) to assist in paying the costs, in whole or in part, of postsecondary education courses of training or study related to the purposes of this Act, including the payment of stipends to students enrolled in such courses,".

(c) Section 404 of the Act (42 U.S.C. 3034) is amended by adding at the end thereof the following new subsection:

"(c) The Commissioner may make grants under subsection (a) to assist in (1) the training of lawyers and paraprofessional persons who will (A) provide legal (including tax and financial) counseling and services to older persons; or (B) monitor the administration of any program by any public or private nonprofit institution, organization, or agency, or any State or political subdivision of a State, designed to provide assistance or services to older persons, including nursing home programs and other similar programs; and (2) the training of persons employed by or associated with public or private nonprofit agencies or organizations, including a State or political subdivision of a State, who will identify legal problems affecting older persons, develop solutions for such problems, and mobilize the resources of the community to respond to the legal needs of older persons.".

PURCHASE AND DONATION OF CERTAIN PRODUCTS BY SECRETARY OF AGRICULTURE

Sec. 111. (a) Section 707 of the Act (42 U.S.C. 3405f) is amended by inserting "(1)" immediately before the first sentence of subsection (a), by striking out "this section" in subsection (d) each place it appears therein and inserting in lieu thereof "this subsection", by redesignating subsections (b), (c), and (d) as paragraphs (2), (3), and (4), respectively, by redesignating subsection (e) as subsection (b), and by adding at the end thereof the following new subsection:

(c) (1) During each of the fiscal years ending June 30, 1975, and June 30, 1976, and during the period beginning July 1, 1976, and ending September 30, 1976, the Secretary of Agriculture shall purchase high protein foods, meat, and meat alternates on the open market, at prices not in excess of market prices, out of funds appropriated under this section, as determined under paragraph (3), for distribution to recipients of grants or contracts to be used for providing nutritional services in accordance with the provisions of this title. High protein food, meat, and meat alternates purchased by the Secretary of Agriculture under this subsection shall be grown and produced in the United States.

"(2) High protein food, meat, and meat alternates donated under this subsection shall not be considered donated commodities for purposes of meeting the requirement of subsection (a) (4) with respect to the annually programed level of assistance under subsection (a).

"(3) There are authorized to be appropriated such sums as may be necessary in order to carry out the program established under paragraph (1).".

(b) Section 707(a) (4) of the Act, as so redesignated by subsection (a), is amended by striking out "10 cents per meal:" and inserting in lieu thereof "15 cents per meal during the fiscal year ending September 30, 1976, and 25 cents per meal during the fiscal year ending September 30, 1977:".

(c) Section 707(a) of the Act (42 U.S.C. 3045f) is amended in paragraphs (1), (2), and (3) by striking out "may" each place it appears therein and inserting in lieu thereof "shall".

(d) Section 707 of the Act, as amended by subsection (a), is further amended by adding at the end thereof the following new subsection:

"(d) (1) Notwithstanding any other provision of law, in any case in which a State has phased out its commodity distribution facilities before June 30, 1974, such State may, for purposes of the programs authorized by this Act, elect to receive cash payments in lieu of donated foods. In any case in which a State makes such an election, the Secretary of Agriculture shall make cash payments to such State in an amount equivalent in value to the donated foods which the State otherwise would have received if such State had retained its commodity distribution facilities.

"(2) When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of commodities to recipients of grants or contracts. Such disbursements shall be used by such recipients of grants or contracts to purchase United States agricultural commodities and other foods for their nutrition projects.".

(e) The first sentence of section 708 of the Act (42 U.S.C. 3045g) is amended by inserting after "this title" the following: (other than section 707(c))".

(f) Section 707(a) (4) of the Act (42 U.S.C. 3045f(a) (4)), as so redesignated by subsection (a), is amended by striking out "subsection (d)" and inserting in lieu thereof "paragraph".

AUTHORIZATION OF APPROPRIATIONS

Sec. 112. (a) Section 204(c) of the Act (42 U.S.C. 3014(c)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975", the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, and 1978,".

(b) (1) Section 303(a) of the Act (42 U.S.C. 3023(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "$180,000,000 for the fiscal year ending June 30, 1976, $57,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, $231,000,000 for the fiscal year ending September 30, 1977, and $287,200,000 for the fiscal year ending September 30, 1978,".

(2) Section 303(b) (2) of the Act (42 U.S.C. 3023(b) (2)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975," the following: "for the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal years ending September 30, 1977, and 1978,".

(c) Section 308(b) of the Act (42 U.S.C. 3028(b)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, and 1978".

(d) Section 431 of the Act (42 U.S.C. 3037) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: ", the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, and 1978".

(e) Section 505(a) of the Act (42 U.S.C. 3041d(a)) is amended by striking out "and" immediately after "1974," and by inserting immediately after "1975" the following: "the fiscal year ending June 30, 1976, the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, and 1978".

(f) Section 708 of the Act (42 U.S.C. 3045g) is amended by striking out "and" immediately after "1976," and by inserting in lieu thereof "$62,500,000 for the period beginning July 1, 1976, and ending September 30, 1976,", and by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1977, and $275,000,000 for the fiscal year ending September 30, 1978".

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Sec. 113. (a) The Act is amended by adding at the end thereof the following new title:

"TITLE IX—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

"SHORT TITLE

"Sec. 901. This title may be cited as the 'Older American Community Service Employment Act'.

"OLDER AMERICAN COMMUNITY SERVICE EMPLOYMENT PROGRAM

"Sec. 902. (a) In order to foster and promote useful part-time opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter in this title referred to as the 'Secretary') is authorized to establish an older American community service employment program.

"(b) (1) In order to carry out the provisions of this title, the Secretary is authorized to enter into agreements with public or private nonprofit agencies or organizations, including national organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or tribal organizations in order to further the purposes and goals of the program. Such agreements may include provisions for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make the program effective or to supplement the program. No payment shall be made by the Secretary toward the cost of any project established or administered by any such organization or agency unless he determines that such project—

"(A) will provide employment only for eligible individuals, except for necessary technical, administrative, and supervisory personnel, but such personnel shall, to the fullest extent possible, be recruited from among eligible individuals;

"(B) will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities;

"(C) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under the provisions of section 501(c)(3) of the Internal Revenue Code of 1954, except projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

"(D) will contribute to the general welfare of the community;

"(E) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor;

"(F)(i) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (ii) will not result in the displacement of currently employed workers (including partial displacement, such as a reduction in the hours of nonovertime work or wages or employment benefits), and (iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed;

"(G) will not employ or continue to employ any eligible individual to perform work the same or substantially the same as that performed by any other person who is on layoff;

"(H) will utilize methods of recruitment and selection (including listing of job vacancies with the employment agency operated by any State or political subdivision thereof) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project;

"(I) will include such training as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance;

"(J) will assure that safe and healthy conditions of work will be provided, and will assure that persons employed in community service jobs assisted under this title shall be paid wages which shall not be lower than whichever is the highest of (i) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (ii) the State or local minimum wage for the most nearly comparable covered employment, or (iii) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

"(K) will be established or administered with the advice of persons competent in the field of service in which employment is being provided, and of persons who are knowledgeable with regard to the needs of older persons;

"(L) will authorize pay for necessary transportation costs of eligible individuals which may be incurred in employment in any project funded under this title, in accordance with regulations promulgated by the Secretary;

"(M) will assure that, to the extent feasible, such project will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State; and

"(N) will authorize funds to be used, to the extent feasible, to include individuals participating in such project under any State unemployment insurance plan.

"(2) The Secretary is authorized to establish, issue, and amend such regulations as may be necessary to effectively carry out the provisions of this title.

"(c)(1) The Secretary is authorized to pay not to exceed 90 per centum of the cost of any project which is the subject of an agreement entered into under subsection (b), except that the Secretary is authorized to pay all of the costs of any such project which is (A) an emergency or disaster project, or (B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Director of the Community Services Administration.

"(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Secretary is authorized to attribute fair market value to services and facilities contributed from non-Federal sources.

"ADMINISTRATION

"SEC. 903. (a) In order to effectively carry out the provisions of this title, the Secretary shall, through the Commissioner of the Administration on Aging, consult with the State agency on aging designated under section 304(a)(1) and the appropriate area agencies on aging established under section 304(a)(2) with regard to—

"(1) the localities in which community service projects of the type authorized by this title are most needed;

"(2) consideration of the employment situations and the type of skills possessed by available local individuals who are eligible to participate; and

"(3) potential projects and the number and percentage of eligible individuals in the local population.

"(b) If the Secretary determines that to do so would increase job opportunities available to individuals under this title, the Secretary is authorized to coordinate the program assisted under this title with programs authorized under the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, and the Emergency Employment Act of 1971. Appropriations under this Act may not be used to carry out any program under the Emergency Jobs and Unemployment Assistance Act of 1974, the Comprehensive Employment and Training Act of 1973, the Community Services Act of 1974, or the Emergency Employment Act of 1971.

"(c) In carrying out the provisions of this title, the Secretary is authorized to use, with their consent, the services, equipment, personnel, and facilities of Federal and other agencies with or without reimbursement, and on a similar basis to cooperate with other public and private agencies and instrumentalities in the use of services, equipment, and facilities.

"(d) Payments under this title may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

"(e) The Secretary shall not delegate any function of the Secretary under this title to any other department or agency of the Federal Government.

"PARTICIPANTS NOT FEDERAL EMPLOYEES

"SEC. 904. (a) Eligible individuals who are employed in any project funded under this title shall be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

"(b) No contract shall be entered into under this title with a contractor who is, or whose employees are, under State law, exempted from operation of the State workmen's compensation law, generally applicable to employees, unless the contractor shall undertake to provide either through insurance by a recognized carrier, or by self-insurance, as authorized by State law, that the persons employed under the contract, shall enjoy workmen's compensation coverage equal to that provided by law for covered employment.

"INTERAGENCY COOPERATION

"SEC. 905. (a) The Secretary shall consult with, and obtain the written views of, the Commissioner of the Administration on Aging prior to the establishment of rules or the establishment of general policy in the administration of this title.

"(b) The Secretary shall consult and cooperate with the Director of the Community Services Administration, the Secretary of Health, Education, and Welfare, and the heads of other Federal agencies carrying out related programs, in order to achieve optimal coordination with such other programs. In carrying out the provisions of this section, the Secretary shall promote programs or projects of a similar nature. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this title and in promoting the identification and interests of individuals eligible for employment in projects assisted under this title.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 906. (a)(1) From sums appropriated under this title for each fiscal year, the Secretary shall first reserve such sums as may be necessary for national grants or contracts with public agencies and public or private nonprofit organizations to maintain the level of activities carried on under such grants or contracts at least at the level of such activities supported under this title and under any other provision of Federal law relating to community service employment programs for older Americans in the fiscal year ending June 30, 1975. Preference in awarding such grants or contracts shall be given to national organizations of proven ability in providing employment services to older persons under this program and similar programs. The Secretary, in awarding grants and contracts under this section, shall, to the extent feasible, assure an equitable distribution of activities under such grants and contracts, in the aggregate, among the States, taking into account the needs of underserved States.

"(2) The Secretary shall allot for projects within each State the remainder of the sums appropriated for any fiscal year under section 908 so that each State will receive an amount which bears the same ratio to such remainder as the product of the number of persons aged fifty-five or over in the State and the allotment percentage of such State bears to the sum of the corresponding product for all States, except that (A) no State shall be allotted less than one-half of 1 per centum of the remainder of the sums appropriated for the fiscal year for which the determination is made, or $100,000, whichever is greater, and (B) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall each be allotted an amount which is not less than one-fourth of 1 per centum of the remainder of the sums appropriated for the fiscal year for which the determination is made, or $50,000, whichever is greater. For the purpose of the exception contained in this paragraph the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(3) For the purpose of this subsection—

"(A) the allotment percentage of each State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (i) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (ii) the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the

Trust Territory of the Pacific Islands shall be 75 per centum;

"(B) the number of persons aged fifty-five or over in any State and in all States, and the per capita income in any State and in all States, shall be determined by the Secretary on the basis of the most satisfactory data available to him; and

"(C) for the purpose of determining the allotment percentage, the term 'United States' means the fifty States and the District of Columbia.

"(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for such year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects within such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

"(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration (1) the proportion which eligible individuals in each such area bears to the total number of such individuals, respectively, in that State, and (2) the relative distribution of such individuals residing in rural and urban areas within the State.

"DEFINITIONS

"SEC. 907. As used in this title—

"(1) the term 'State' means any of the several States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands;

"(2) the term 'eligible individual' means an individual who is fifty-five years old or over, who has a low income, and who has or would have difficulty in securing employment, except that, pursuant to regulations prescribed by the Secretary, any such individual who is sixty years old or over shall have priority for the work opportunities provided for under this title;

"(3) the term 'community service' means social, health, welfare, and educational services, legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe; and

"(4) the term 'program' means the older American community service employment program established under this title.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 908. There are authorized to be appropriated to carry out this title $100,000,000 for the fiscal year ending June 30, 1976, $37,500,000 for the period beginning July 1, 1976, and ending September 30, 1976, $150,000,000 for the fiscal year ending September 30, 1977, and $200,000,000 for the fiscal year ending September 30, 1978."

(b) Title IX of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 3061 et seq.) is hereby repealed.

(c) Notwithstanding any other provision of law, sums appropriated to carry out title IX of the Older Americans Comprehensive Services Amendments of 1973 for the fiscal year ending June 30, 1975, may be used for older American community service employment projects conducted as part of the Operation Mainstream program under title III of the Comprehensive Employment and Training Act of 1973.

TECHNICAL AMENDMENTS

SEC. 114. (a) Section 102(1) of the Act (42 U.S.C. 3002(1)) is amended by striking out the semicolon at the end thereof and inserting in lieu thereof a period.

(b) The heading for section 202 of the Act 42 U.S.C. 3012) is amended by striking out "OFFICE" and inserting in lieu thereof "ADMINISTRATION".

(c) Section 202(a)(8) of the Act (42 U.S.C. 3022(a)(8) is amended by striking out "and" at the end thereof.

(d) Section 303(b)(1) of the Act (42 U.S.C. 3023(b)(1)) is amended by striking out "authorized to be".

(e) The last sentence of section 305(e) of the Act (42 U.S.C. 3025(e)) is amended by striking out "Commissioners'" and inserting in lieu thereof "Commissioner's".

(f) Section 432(b) of the Act (42 U.S.C. 3037a(b)) is amended by striking out "part" and inserting in lieu thereof "title".

(g) The last sentence of section 507(b) of the Act (42 U.S.C. 3041f(b)) is amended by striking out "or" the second place it appears therein and inserting in lieu thereof "of".

(h) The heading for section 703 of the Act (42 U.S.C. 3045b) is amended by striking out "ALLOTTMENT" and inserting in lieu thereof "ALLOTMENT".

(i) The last sentence of section 703(c) of the Act (42 U.S.C. 3045b(c)) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(j) The last sentence of section 703(d) of the Act (42 U.S.C. 3045b(d)) is amended by striking out "in kind" and inserting in lieu thereof "in-kind".

(k) Section 705(a)(2) of the Act (42 U.S.C. 3045d(a)(2)) is amended by striking out "sets" and inserting in lieu thereof "set".

(l) Section 705(a)(2)(B) of the Act (42 U.S.C. 3045d(a)(2)(B)) is amended by striking out "cost, for the fiscal year ending June 30, 1973," and all that follows through "1973, funds" and inserting in lieu thereof "cost. Funds".

(m) Section 705(a)(5) of the Act (42 U.S.C. 3045d(a)(5)) is amended by striking out "areas" and inserting in lieu thereof "area".

(n) The last sentence of section 705(c) of the Act (42 U.S.C. 3045d(c)) is amended by inserting a comma immediately after "failure" the first place it appears therein, and such sentence is further amended by striking out "part" and inserting in lieu thereof "title".

(o) Section 706(a)(5) of the Act (42 U.S.C. 3045e(a)(5)) is amended by inserting a comma immediately after "requirements" the second place it appears therein.

(p) Section 706(a)(8) of the Act (42 U.S.C. 3045e(a)(8)) is amended by inserting a comma immediately after "program" the second place it appears therein.

TITLE II—AMENDMENTS TO OTHER LAWS

HIGHER EDUCATION ACT OF 1955

SEC. 201. Section 110(b) of the Higher Education Act of 1965 (20 U.S.C. 1008a(b)) is amended by striking out "July 1, 1977" and inserting in lieu thereof "October 1, 1978", by striking out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

ADULT EDUCATION ACT

SEC. 202. Section 310(b) of the Adult Education Act (20 U.S.C. 1208s(b)) is amended in lieu thereof "October 1, 1978", by striking by striking out "July 1, 1975" and inserting out "and" immediately after "1973," and inserting in lieu thereof "for", and by inserting immediately before the period at the end thereof the following: ", and for the period beginning July 1, 1976, and ending September 30, 1976".

OLDER AMERICANS COMPREHENSIVE SERVICES AMENDMENTS OF 1973

SEC. 203. Section 805 of the Older Americans Comprehensive Services Amendments of 1973 (42 U.S.C. 2809 note) is amended—

(1) by striking out "fiscal year" the second place it appears therein and inserting in lieu thereof "five fiscal years and the period beginning July 1, 1976, and ending September 30, 1976"; and

(2) by striking out "Economic Opportunity Act of 1964" and inserting in lieu thereof "Community Services Act of 1974".

VOCATIONAL EDUCATION ACT OF 1963

SEC. 204. Section 161(d) of the Vocational Education Act of 1963 (20 U.S.C. 1341(d)) is amended by inserting "(1)" immediately before "At least one-third" and by adding at the end thereof the following new paragraph:

"(2) From funds made available under this section, special consideration shall be given to special consumer and homemaking programs for persons aged sixty or older who are in need of services provided by such programs, as determined by the Commissioner. Such programs shall be designed to assist such persons to live independently in their own homes and to alleviate the adverse effects of loneliness and isolation.".

DOMESTIC VOLUNTEER SERVICE ACT OF 1973

SEC. 205. (a)(1) Section 502(a) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(a)), hereinafter in this section referred to as the "Act", is amended—

(A) by striking out "and" immediately after "1974,"; and

(B) by inserting immediately after "respectively," the following: "$6,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $22,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

(2) Section 502(b)(1) of the Act (42 U.S.C. 5082(b)(1)) is amended—

(A) by striking out "and" immediately after "1974," each place it appears therein;

(B) by inserting immediately after "respectively," the first place it appears therein the following: "$10,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $43,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,";

(C) by inserting immediately after "respectively," the second place it appears therein the following: "$8,750,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $35,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,"; and

(D) by inserting immediately after "respectively," the third place it appears therein the following: "$2,000,000 for the period beginning July 1, 1976, and ending September 30, 1976, and $8,000,000 for each of the fiscal years ending September 30, 1977, and September 30, 1978,".

(b)(1) The first sentence of section 211(a) of the Act (42 U.S.C. 5011(a)) is amended—

(A) by striking out "volunteers" the first and third places it appears therein and inserting in lieu thereof "individuals"; and

(B) by striking out "serve as volunteers to".

(2) Section 211(b) of the Act (42 U.S.C. 5011(b)) is amended by striking out "volunteers" and inserting in lieu thereof "individuals".

(3) Section 212(a)(1) of the Act (42 U.S.C. 5012(a)(1)) is amended by striking out "volunteers" and inserting in lieu thereof "individuals".

(c)(1) In order to provide maximum coordination between programs carried out under title III and title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.; 42 U.S.C. 3045 et seq.) and national older American volunteer programs carried out under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.), and in order to enhance the effectiveness of the support provided to such national older American volunteer programs by the ACTION Agency, the Director of the ACTION Agency shall designate an aging resource specialist with respect to programs carried out in each State under title II of the Domestic Volunteer Service Act of 1973.

(2)(A) Each aging resource specialist designated under paragraph (1) shall be qualified to serve in such capacity by appropriate experience and training, and shall be stationed in a State office of the ACTION Agency.

(B) The primary responsibility of each aging resource specialist shall be—

(i) to support programs carried out under title II of the Domestic Volunteer Service Act of 1973 in any State or other jurisdiction served by the State office involved; and

(ii) to seek to coordinate such programs with programs carried out under title III and title VII of the Older Americans Act of 1965 in any such State or other jurisdiction.

(3) For purposes of this subsection—

(A) the term "ACTION Agency" means the ACTION Agency established by section 401 of the Act (42 U.S.C. 5041);

(B) the term "primary responsibility" means the devotion of more than one-half of regular working hours to the performance of duties described in paragraph (2)(B); and

(C) the term "State" means the several States, the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

AMENDMENT TO RESEARCH ON AGING ACT OF 1974

SEC. 206. Section 464 of the Public Health Service Act (42 U.S.C. 289k-5) is amended by striking out "one year" and inserting in lieu thereof "two years".

TITLE III—PROHIBITION OF DISCRIMINATION BASED ON AGE

SHORT TITLE

SEC. 301. The provisions of this title may be cited as the "Age Discrimination Act of 1975".

STATEMENT OF PURPOSE

SEC. 302. It is the purpose of this title to prohibit unreasonable discrimination on the basis of age in programs or activities receiving Federal financial assistance, including programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1221 et seq.).

PROHIBITION OF DISCRIMINATION

SEC. 303. Pursuant to regulations prescribed under section 304, and except as provided by section 304(b) and section 304(c), no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.

REGULATIONS

SEC. 304. (a)(1) Not later than one year after the transmission of the report required by section 307(b), or two and one-half years after the date of the enactment of this Act, whichever occurs first, the Secretary of Health, Education, and Welfare shall publish in the Federal Register proposed general regulations to carry out the provisions of section 303.

(2)(A) The Secretary shall not publish such proposed general regulations until the expiration of a period comprised of—

(i) the forty-five day period specified in section 307(e); and

(ii) an additional forty-five day period, immediately following the period described in clause (i), during which any committee of the Congress having jurisdiction over the subject matter involved may conduct hearings with respect to the report which the Commission is required to transmit under section 307(d), and with respect to the comments and recommendations submitted by Federal departments and agencies under section 307(e).

(B) The forty-five day period specified in subparagraph (A)(ii) shall include only days during which both Houses of the Congress are in session.

(3) Not later than ninety days after the Secretary publishes proposed regulations under paragraph (1), the Secretary shall publish in the Federal Register final general regulations to carry out the provisions of section 303, after taking into consideration any comments received by the Secretary with respect to the regulations proposed under paragraph (1).

(4) Not later than ninety days after the Secretary publishes final general regulations under paragraph (a)(3), the head of each Federal department or agency which extends Federal financial assistance to any program or activity by way of grant, entitlement, loan, or contract other than a contract of insurance or guaranty, shall transmit to the Secretary and publish in the Federal Register proposed regulations to carry out the provisions of section 303 and to provide appropriate investigative, conciliation, and enforcement procedures. Such regulations shall be consistent with the final general regulations issued by the Secretary.

(5) Notwithstanding any other provision of this section, no regulations issued pursuant to this section shall be effective before January 1, 1979.

(b)(1) It shall not be a violation of any provision of this title, or of any regulation issued under this title, for any person to take any action otherwise prohibited by the provisions of section 303 if, in the program or activity involved—

(A) such action reasonably takes into account age as a factor necessary to the normal operation or the achievement of any statutory objective of such program or activity; or

(B) the differentiation made by such action is based upon reasonable factors other than age.

(2) The provisions of this title shall not apply to any program or activity established under authority of any law which (A) provides any benefits or assistance to persons based upon the age of such persons; or (B) establishes criteria for participation in age-related terms or describes intended beneficiaries or target groups in such terms.

(c)(1) Except with respect to any program or activity receiving Federal financial assistance for public service employment under the Comprehensive Employment and Training Act of 1974 (29 U.S.C. 801 et seq.), as amended, nothing in this title shall be construed to authorize action under this title by any Federal department or agency with respect to any employment practice of any employer, employment agency, or labor organization, or with respect to any labor-management joint apprenticeship training program.

(2) Nothing in this title shall be construed to amend or modify the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621–634), as amended, or to affect the rights or responsibilities of any person or party pursuant to such Act.

ENFORCEMENT

SEC. 305. (a) The head of any Federal department or agency who prescribes regulations under section 304 may seek to achieve compliance with any such regulation—

(1) by terminating, or refusing to grant or to continue, assistance under the program or activity involved to any recipient with respect to whom there has been an express finding on the record, after reasonable notice and opportunity for hearing, of a failure to comply with any such regulation; or

(2) by any other means authorized by law.

(b) Any termination of, or refusal to grant or to continue, assistance under subsection (a)(1) shall be limited to the particular political entity or other recipient with respect to which a finding has been made under subsection (a)(1). Any such termination or refusal shall be limited in its effect to the particular program or activity, or part of such program or activity, with respect to which such finding has been made. No such termination or refusal shall be based in whole or in part on any finding with respect to any program or activity which does not receive Federal financial assistance.

(c) No action may be taken under subsection (a) until the head of the Federal department or agency involved has advised the appropriate person of the failure to comply with the regulation involved and has determined that compliance cannot be secured by voluntary means.

(d) In the case of any action taken under subsection (a), the head of the Federal department or agency involved shall transmit a written report of the circumstances and grounds of such action to the committees of the House of Representatives and the Senate having legislative jurisdiction over the program or activity involved. No such action shall take effect until thirty days after the transmission of any such report.

(e) The provisions of this section shall be the exclusive remedy for the enforcement of the provisions of this title.

JUDICIAL REVIEW

SEC. 306. (a) Any action by any Federal department or agency under section 305 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by any such department or agency on other grounds.

(b) In the case of any action by any Federal department or agency under section 305 which is not otherwise subject to judicial review, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with the provisions of chapter 7 of title 5, United States Code. For purposes of this subsection, any such action shall not be considered committed to unreviewable agency discretion within the meaning of section 701(a)(2) of such title.

STUDY OF DISCRIMINATION BASED ON AGE

SEC. 307. (a) The Commission on Civil Rights shall (1) undertake a study of unreasonable discrimination based on age in programs and activities receiving Federal financial assistance; and (2) identify with particularity any such federally assisted program or activity in which there is found evidence of persons who are otherwise qualified being, on the basis of age, excluded from participation in, denied the benefit of, or subjected to discrimination under such program or activity.

(b) As part of the study required by this section, the Commission shall conduct public hearings to elicit the views of interested parties, including Federal departments and agencies, on issues relating to age discrimination in programs and activities receiving Federal financial assistance, and particularly with respect to the reasonableness of distinguishing, on the basis of age, among potential participants in, or beneficiaries of, specific Federally-assisted programs.

(c) The Commission is authorized to obtain, through grant or contract, analyses, research and studies by independent experts of issues, relating to age discrimination and to publish the results thereof. For purposes of the study required by this section, the Commission may accept and utilize the services of voluntary or uncompensated personnel, without regard to the provisions of section 105(b) of the Civil Rights Act of 1957 (42 U.S.C. 1975d(b)).

(d) Not later than eighteen months after the date of the enactment of this Act, the Commission shall transmit a report of its findings and its recommendations for statutory changes (if any) and administrative action, including suggested general regulations, to the Congress and to the President and shall provide a copy of its report to the head of each Federal department and agency with respect to which the Commission makes findings or recommendations.

(e) Not later than forty-five working days after receiving a copy of the report required by subsection (d), each Federal department or agency with respect to which the Commission makes findings or recommendations shall submit its comments and recommendations regarding such report to the President and to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives.

(f) The head of each Federal department or agency shall cooperate in all respects with the Commission with respect to the study required by subsection (a), and shall provide to the Commission such data, reports, and documents in connection with the subject matter of such study as the Commission may request.

(g) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

DEFINITIONS

SEC. 308. For purposes of this title—

(1) the term "Commission" means the Commission on Civil Rights;

(2) the term "Secretary" means the Secretary of Health, Education, and Welfare; and

(3) the term "Federal department or agency" means any agency as defined in section 551 of title 5, United States Code, and includes the United States Postal Service and the Postal Rate Commission.

And the Senate agree to the same.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
LLOYD MEEDS,
SHIRLEY CHISHOLM,
WILLIAM LEHMAN,
ROBERT J. CORNELL,
EDWARD P. BEARD,
LEO C. ZEFERETTI,
GEORGE MILLER,
TIM L. HALL,
ALBERT H. QUIE,
ALPHONZO BELL,
PETER A. PEYSER,
JAMES M. JEFFORDS,
LARRY PRESSLER,
Managers on the Part of the House.

THOMAS F. EAGLETON,
ALAN CRANSTON,
EDWARD M. KENNEDY,
JENNINGS RANDOLPH,
HARRISON A. WILLIAMS, JR.,
CLAIBORNE PELL,
GAYLORD NELSON,
J. GLENN BEALL, JR.,
RICHARD SCHWEIKER,
BOB TAFT, JR.,
ROBERT T. STAFFORD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such Act, to prohibit discrimination on the basis of age, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The House bill, the Senate amendment, and the conference substitute provide that this legislation may be cited as the "Older Americans Amendments of 1975".

AMENDMENTS TO OLDER AMERICANS ACT OF 1965

Special programs for the elderly

House Bill

Section 101(a) of the House bill amended the Older Americans Act of 1965 (hereinafter in this statement referred to as the "Act") by adding a new title VIII, relating to special service programs for the elderly. Part A of title VIII contains definitions and certain other administrative provisions. Section 801, relating to statement of purpose, provides that it is the purpose of title VIII to stimulate actions and provide assistance to meet the critical needs of elderly persons to enable such persons to lead meaningful and independent lives.

Section 802, relating to definitions, defines the following terms:

(1) The term "elderly person" is defined to mean any person who, as determined by the Commissioner on Aging (hereinafter in this statement referred to as the "Commissioner", is in need of any service provided under title VIII. The Commissioner, in making such determination, shall give preference to persons aged 60 or older.

(2) The term "State agency" means a State agency designated under section 304 (a)(1) of the Act which administers any State plan approved under section 305 of the act.

Section 803, relating to administration, provides that the Commissioner shall administer the provisions of title VIII, other than provisions relating to mortgage interest reduction and insurance payments, through the Administration on Aging. Section 803(b) provides, that the Commissioner shall seek assistance and cooperation from various Federal agencies in carrying out the provisions of title VIII.

Section 803(c) provides that the Commissioner may use the services and facilities of Federal agencies and other agencies with or without reimbursement, and may cooperate with other public and private agencies in the use of services and facilities.

Section 803(d) provides that the Commissioner may provide consultative services and assistance to public agencies and private organizations, may provide training and technical instruction, and may prepare and distribute educational or informational materials.

Section 804, relating to payment of grants, provides that the Commissioner may make payments under title VIII in installments, and in advance or by way of reimbursement.

Section 805, relating to general program requirements, provides that any agency or organization receiving funds under title VIII shall agree (1) to use methods of administration which achieve maximum participation of elderly persons in the programs involved; (2) to provide for proper training of personnel; (3) to seek the advice of persons with suitable training or experience in establishing and administering programs under title VIII; (4) to provide suitable evaluation opportunities with respect to such programs; (5) to give preference to persons aged 60 or older for staff positions with respect to such programs; and (6) to comply with other standards prescribed by the Commissioner.

Section 806(b) provides that the Commissioner and the Comptroller General of the United States shall have access to books and records relating to grants or contracts received under title VIII, for the purpose of audit and examination.

Section 806, relating to application of our Federal laws, applies the provisions of the Davis-Bacon Act (40 U.S.C. 276a et seq.) to certain programs established under title VIII.

Section 807, relating to expenditure of allotments, provides that any State receiving allotments under section 303(b)(2) of the Act shall use at least 20 percent of such allotments to carry out programs under title VIII, other than programs established under part F of such title. Such section also provides that the Commissioner may designate a portion of the allotment of any State for use in establishing transportation programs for older persons in such State.

Such section also provides that expenditures made by a State agency or area agency under such section shall be in addition to, and not in lieu of, any expenditures made to carry out programs under title III of the Act or under any other provision of law which are similar to programs described in title VIII.

Part B of title VIII establishes homemaker and other home services for the elderly. Section 811, relating to statement of purpose, provides that the purpose of part B is to assist States in providing elderly persons with homemaker services, home health services, shopping services, escort services, reader services, letter writing services, and other services designed to assist such persons in leading independent and meaningful lives.

Section 812, relating to program requirements, provides that funds allotted to any State under section 303(b)(2) of the Act may be disbursed by such State to establish programs to provide elderly persons with the services described in section 811. Such section also contains definitions of the term "homemaker services" and the term "home health services".

Part C of title VIII establishes a counseling assistance program. Section 821, relating to statement of purpose, provides that the purpose of part C is to assist States in providing elderly persons with necessary or appropriate legal and other counseling services and assistance, including assistance to elderly persons living in nursing homes, through the establishment of programs designed to train lawyers and to direct the attention of the legal profession to the problems of elderly persons.

Section 822, relating to program requirements, provides that funds allotted to any State under section 303(b)(2) of the Act may be disbursed by the State for the establishment of programs for elderly persons to provide the services and assistance described in section 821.

Part D of title VIII establishes a program for residential repairs and renovations for elderly persons. Section 831, relating to statement of purpose, provides that the purpose of part D is to assist States to meet the special housing needs of elderly persons by ensuring adequate housing for such persons to enable such persons to lead independent and meaningful lives.

Section 832, relating to program requirements, provides that funds allotted to any State under section 303(b)(2) of the Act may be disbursed to establish programs (1) to enable elderly persons to make necessary repairs and renovations with respect to their homes; and (2) to adapt existing housing, or construct new housing, to meet the needs of elderly persons suffering from physical disabilities.

Part E of title VIII establishes programs to meet the transportation needs of elderly persons. Section 841, relating to statement of purpose, provides that the purpose of part E is to assist States in establishing programs to meet the transportation needs of elderly persons so that such persons may participate in the benefits of their surrounding community.

Section 842, relating to program requirements, provides that funds allotted to any State under section 303(b)(2) may be disbursed to establish programs to meet the transportation needs of elderly persons, with special emphasis on (1) supportive transportation in connection with nutrition projects under title VII of the Act; (2) supportive transportation in connection with obtaining medical services; and (3) additional low-cost transportation to provide elderly persons with better access to existing urban rapid transit systems.

Section 842(b) provides that any agency or organization receiving funds to establish a program under part E shall seek to use existing transportation operations in connection with such programs.

Section 842(c) provides that State agencies, in making grants under part E, shall give priority to applicants proposing to serve areas with no public transportation or with inadequate public transportation.

Part F of title VIII establishes a program of mortgage interest reduction and insurance payments to assist elderly persons. Section 851, relating to statement of purpose, provides that the purpose of part F is to encourage the conversion and renovation of housing for elderly persons and the reduction of rentals paid by elderly persons. Such purpose is to be achieved by establishing a program of mortgage interest reduction payments and mortgage insurance for the benefit of elderly persons.

Section 852, relating to definitions, defines the following terms for purposes of part F: (1) sponsor; (2) convertible housing; (3) supportive services; (4) mortgage insurance premium; (5) mortgage; (6) first mortgage; (7) mortgagee; and (8) mortgagor.

Section 853, relating to administration, requires the Commissioner to administer part F through the Administration on Aging and in consultation with the Secretary of Housing and Urban Development.

Section 854, relating to interest reduction payments, provides that the Commissioner may make periodic interest reduction payments on behalf of the sponsor of a housing project in order to assist such sponsor in purchasing convertible housing, converting such housing through dwelling units suitable for occupancy by elderly persons, reducing rentals for low- and moderate-income elderly persons, and renovating convertible housing and other existing housing.

Section 854(b) provides that such interest reduction payments may be made only during such time as the housing project involved is operated as a rental project and is subject to a mortgage meeting the requirements of section 856 of the Act, as added by the House bill.

Such subsection also provides that such interest reduction payments shall be in an amount not exceeding the difference between the monthly payment for principal, interest, and mortgage insurance premiums which the sponsor involved is obligated to pay under the mortgage involved, and the monthly payment for principal and interest such sponsor would be obligated to pay if the mortgage were to bear interest at the rate of 1 percent per year.

Section 855, relating to condition for receipt of payments, provides that, as a condition for receiving interest reduction payments, a sponsor (1) must demonstrate that it is providing a fully comprehensive system of supportive services for elderly persons; and (2) must operate the project involved in accordance with certain requirements prescribed by the Commissioner.

Section 855(b) provides that there shall be established for each dwelling unit (1) a basic rental charge based on operating the project with payments of principal and interest under the mortgage bearing interest at the rate of 1 percent per year; and (2) a fair market rental charge based on criteria established by such subsection.

Section 855(c) contains provisions requiring sponsors to pay to the Commissioner rental charges collected in excess of the basic rental charge.

Section 856, relating to insurance, provides that the Commissioner may insure a mortgage which meets the requirements of part F. Section 856(b) provides that a mortgage meeting the requirements specified in subsection (d)(1) and subsection (d)(3) of section 221 of the National Housing Act is eligible for insurance under section 856.

Section 856(c) and section 856(d) contain further requirements and criteria with respect to the insurance of mortgages under Part F.

Section 857, relating to agreements with States, provides that the Commissioner may enter into agreements with any State under which such State will make interest reduction payments subject to the provisions of part F, with respect to any project covered by a mortgage insured under such part. Such section specifies certain requirements and criteria with respect to agreements entered into by the Commissioner and any State under such section.

Section 858, relating to regulations, agreements, and procedures, provides that the Commissioner may prescribe such regulations, enter into such agreements, and prescribe such procedures, as may be necessary to carry out part F.

Section 859, relating to authorization of appropriations, authorizes the appropriation of such sums as may be necessary to carry out part F. Such section also establishes limitations with respect to the amount of appropriated funds which may be used to assist elderly persons having incomes above income levels described in such section.

Senate Amendment

Section 109 of the Senate amendment amended section 309 of the Act. Section 309 (a) authorizes the following appropriations to be allotted under section 303 of the Act: (1) $50,000,000 for the fiscal year ending June 30, 1976; (2) $12,500,000 for the period beginning July 1, 1976, and ending September 30, 1976; and (3) $50,000,000 for the fiscal year ending September 30, 1977.

Such subsection also provides that the Commissioner may make grants to each State which has a State plan approved under section 305 in order to pay not more than 90 percent of the costs of the following: (A) projects to meet the special transportation needs of elderly persons, with emphasis on providing supportive transportation in connection with nutrition projects under title VII of the Act, and on providing transportation in connection with obtaining medical services; (B) projects to meet the needs of elderly persons for home services, including homemaker services, home health services, shopping services, escort services, reader services, letter writing services, and other services designed to assist elderly persons to live independently in a home environment; and (C) projects to establish or support legal, tax, and financial counseling and services programs for elderly persons.

Section 309(b) of the Act provides that the State allotment under section 309 shall be available for grants to area agencies or, in any case in which there is no area agency, to other qualified agencies or organizations. State agencies are required to give preference to applicants proposing to serve areas in which there is an inadequate supply of services provided under section 309.

Section 309 also requires the Commissioner to prescribe regulations and to request technical assistance and cooperation from the Secretary of Transportation and the heads of other Federal agencies.

Conference Substitute

The conference substitute amends section 305(a) of the Act to establish a new State plan requirement under which States are required to provide assurances that they will commit at least 50 percent of the amount by which their title III State plan allotment exceeds the amount allotted for such purposes in fiscal year 1975 to provide the four categories of services specified in the House bill—transportation, home care, legal services, and residential renovation and repair—but in no case shall any State commit less than 20 percent of its title III State plan funds for the purpose of providing these four categories of services in any fiscal year beginning after September 30, 1976. States which assure the Commissioner that they will use at least 33⅓ percent of their State plan allotment to provide some or all of the four above-mentioned services are exempt from the first two requirements.

In arriving at this compromise, the conferees sought to retain the large area of local discretion in determining what services are to be provided that is currently contained in the Act, while at the same time establishing priorities with respect to the provision of four services that the Congress has determined are important in assisting older persons in leading independent lives and avoiding unnecessary institutionalization. States which make a substantial effort in these areas by using 33⅓ percent or more of their funds for this purpose are exempt from any of the new requirements with respect to the allocation of their State plan funds. States which are making relatively little effort are required to use at least 20 percent of their funds for these purposes, beginning in fiscal year 1977. Since the new fiscal year has already begun, the conferees determined that this requirement of minimum funding for national priority areas should not take effect until the next fiscal year so as to allow the States involved some time to prepare for the new requirement. Both the low effort States, the 20 percent States, and all other States which are spending less than 33⅓ percent of their title III funds for these purposes must use at least half of their "new" money (the amount of their title III State plan allotment that exceeds the similar allotment in fiscal year 1975) for the provision of such services.

The conferees wish to stress that requiring that the funds allotted to a State be used for these purposes does not mean that State and area agencies on aging must provide them directly. Their funds may continue to be used for stimulating and coordinating the provision of services so long as the required amounts are used in the four service areas described above. Moreover, area agencies are required by an amendment to section 304 (c)(2) of the Act to develop their area plans consistent with the provision of the State plan regarding the four national priority service areas.

Finally, the conferees note that the conference substitute is based in part upon a survey taken by the Congressional Research Service at the direction of the House Committee on Education and Labor. The survey inquired of State agencies on aging as to how their funds are being used. With 49 of 56 States and jurisdictions responding, it was found that 10 States are currently spending less than 20 percent of their funds in the four priority areas designated in the House bill. Eight States are spending more than 20 percent but less than 33⅓ percent. Thirty-one of the States are already spending more than 33⅓ percent of their State plan allotment to provide the four priority services and thus presumably will not be affected by the conference substitute language. Many of the States that are spending heavily in these four areas are concentrating their resources primarily on transportation for the elderly. While the conferees are in agreement that transportation is a vitally important service to older people, it is hoped that all States will also expand their activities to cover the other three priority services, as well, to the extent that funds permit.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

A. Short title

Section 102(a) of the House bill, and section 115(a) of the Senate amendment, amended the Act by adding a new title IX, relating to community service employment for older Americans. Section 901 of the Act, as added by the House bill, the Senate amendment, and the conference substitute, provides that title IX may be cited as the "Older American Community Service Employment Act".

B. Older American community service employment program

House Bill

Section 902(a) of the Act, as added by the House bill, authorizes the Secretary of Labor to establish an older American community service employment program to promote part-time work opportunities for unemployed low-income persons aged 55 or older.

Section 902(b)(1) authorizes the Secretary to enter into agreements with public and private agencies and organizations, and with Indian tribes on Federal or State reservations, to carry out the purposes of title IX.

The Secretary may not make payments to any project unless the Secretary determines that such project (1) will provide employment only for eligible individuals (except for necessary technical, administrative, and supervisory personnel); (2) will provide employment for eligible individuals in communities in which they reside, or in nearby communities; (3) will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by tax-exempt organizations (other than political parties), except projects relating to facilities for religious instruction or worship; (4) will contribute to the general welfare of the community; (5) will provide employment for eligible individuals whose opportunities for other suitable public or private paid employment are poor; (6) will increase employment opportunities for eligible individuals, and will not displace employed workers or impair existing contracts; (7) will use methods of recruitment and selection which assure maximum participation of eligible individuals; (8) will provide necessary training and pay reasonable expenses of individuals being trained; (9) will provide safe and healthy work conditions, and will pay wages which are not lower than the highest of (A) the minimum wage which would be applicable to the employee involved under the Fair Labor Standards Act of 1938, (B) the State or local minimum wage for comparable work, or (C) prevailing rates of pay for employees doing comparable work for the same employer; (10) will be established or administered with the advice of persons competent in the field of service involved; (11) will authorize pay for necessary transportation costs of eligible individuals; (12) will assure that the project will serve the needs of minority, Indian, and limited English-speaking eligible individuals in proportion to their numbers in the State involved; and (13) will authorize funds to be used to include individuals participating in such projects under a State unemployment insurance plan.

Section 902(b)(2) provides that the Secretary may prescribe regulations to carry out title IX.

Section 902(c) authorizes the Secretary to pay not more than 90 percent of any project approved by the Secretary, except that the Secretary may pay all of the cost of a project which is (1) an emergency or disaster project; or (2) a project located in an economically depressed area. Section 902(c) also provides that the non-Federal share shall be in cash or kind, and that the Secretary may attribute fair market value to services and facilities in determining the non-Federal share.

Senate Amendment

The Senate amendment was the same as the House bill, with the following differences:

1. In describing those entities which are eligible to enter into agreements with the Secretary for projects under section 902, the Senate amendment referred to tribal organizations, rather than to Indian tribes on Federal or State reservations.

2. In establishing criteria for the approval of projects, the Senate amendment—

(a) required that the project involved may not result in the displacement of workers, and that such displacement includes partial displacement such as a reduction in the hours of nonovertime work or wages or employment benefits;

(b) provided that the project may not substitute Federal for other funds in connection with work that would otherwise be performed; and

(c) prohibited the project from employing or continuing to employ an eligible individual to perform work which is the same or substantially the same as work performed by any other person who is on layoff.

Conference Substitute

The conference substitute is the same as the Senate amendment.

C. Administration

House Bill

Section 903(a) of the Act, as added by the House bill, provides that the Secretary of Labor may consult with State and local agencies with respect to (1) localities in which community service projects are most needed; (2) employment situations and skills possessed by eligible individuals; and (3) potential projects, and the number and percentage of eligible individuals in the local population involved.

Section 903(b) permits the Secretary to coordinate title IX programs with programs authorized under (1) the Emergency Jobs and Unemployment Assistance Act of 1974; (2) the Comprehensive Employment and Training Act of 1973; (3) the Community Services Act of 1974; and (4) the Emergency Employment Act of 1971. Appropriations under the Act may not be used to carry out programs under such Acts.

Section 903(c) authorizes the Secretary to use services and facilities of Federal and other agencies with or without reimbursement, and to cooperate with other public and private agencies in the use of services and facilities. Section 903(d) provides that payments under title IX may be made in advance or by way of reimbursement, and in such installments as the Secretary may determine. Section 903(e) prohibits the Secretary from delegating any functions of the Secretary under title IX to any other Federal agency.

Senate Amendment

The Senate amendment was the same as the House bill, except that the Senate amendment (1) required the Secretary to consult with the State agency and area agencies of each State; and (2) required such consultation to be carried out through the Commissioner.

Conference Substitute

The conference substitute is the same as the Senate amendment.

D. Participants not Federal employees

House Bill

Section 904(a) of the Act, as added by the House bill, provides that eligible individuals shall not be considered to be Federal employees. Section 904(b) provides that contracts may not be entered into under title IX with a contractor who is exempted by State law from the operation of the State workmen's compensation law, unless the contractor undertakes to provide comparable coverage for the employees of such employer.

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

E. Interagency Cooperation

House Bill

Section 905(a) of the Act, as added by the House bill, requires the Secretary of Labor to consult with, and obtain the written views of, the Commissioner, before establishing rules or general policy under title IX.

Section 905(b) requires the Secretary to consult and cooperate with the Director of the Community Services Administration, the Secretary of Health, Education, and Welfare, and the heads of other Federal agencies carrying out related programs. Each Federal agency is required to cooperate with the Secretary in distributing information with respect to the availability of assistance under title IX.

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

F. Equitable distribution of assistance

House Bill

Section 906(a)(1) of the Act, as added by the House bill, requires the Secretary of Labor to first reserve, from sums appropriated to carry out title IX in any fiscal year, such sums as may be necessary for contracts with national organizations currently funded under title IX, to enable such organizations to maintain their level of activities at least at the level of such activities supported under title IX and under any other Federal authority in the fiscal year ending June 30, 1975.

Each contract with a national organization is required to contain provisions to assure that funds received under the contract will be allotted in the same manner as provided for the allotment of funds within each State under section 906(a)(2).

Section 906(a)(2) requires the Secretary to allot for projects in each State the remainder of funds appropriated for any fiscal year (after allotments are made to national organizations under section 906(a)(1)) in a manner which assures that equal proportions are distributed on the basis of an amount which bears the same ratio to such remaining sums as the number of persons aged 55 and older with low incomes in the State involved bears to the number of such persons in all States.

The allotment formula contained in section 906(a)(2) is subject to the following exceptions: (1) no State may be allotted less than one-half of 1 percent of the total sum appropriated for the fiscal year involved, or $100,000, whichever is greater; and (2) Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands are each allotted an amount equal to one-fourth of 1 percent of the sum appropriated for the fiscal year involved, or $50,000, whichever is greater.

Section 906(a)(3) provides that the number of persons aged 55 or older with low incomes, in any State and in all States, shall be determined by the Secretary on the basis of the most recent satisfactory data available.

Section 906(b) provides that the Secretary shall reallot amounts allotted to each State in any fiscal year if the Secretary determines that the State involved does not need the entire allotment to carry out projects under title IX. Any reallotment received by a State is deemed as part of such State's original allotment.

Section 906(c) requires that amounts allotted for projects in each State shall be apportioned among areas in the State in an equitable manner, taking into account (1) the number of eligible individuals in each such area; and (2) the relative distribution of such individuals in rural and urban areas in the State.

Senate Amendment

The Senate amendment was the same as the House bill, with the following differences:

1. The Senate amendment specified that the Secretary of Labor, after first reserving funds for national organizations under section 906(a)(1), may reserve such additional funds as may be desirable for the funding of national organizations.

2. The Senate amendment did not limit funding under section 906(a)(1) to national organizations currently being funded, but instead allowed the Secretary to make grants with public agencies and public or private nonprofit organizations to administer agencies under title IX. The Senate amendment required the Secretary to give preference, in awarding grants and contracts, to national organizations of proven ability in providing employment services to older people. The Senate amendment also provided that each grant or contract awarded by the Secretary shall contain a provision to assure that projects conducted under the grant or contract during fiscal year 1975 will be continued if the Secretary determines that the project involved is carrying out the purposes of title IX.

3. Instead of setting the funding level reserved for national contractors at the level of all activities supported by all Federal authority in fiscal year 1975, the Senate amendment specified that the funding level is the level of activities supported under title IX and under title III of the Comprehensive Employment and Training Act of 1973 during such fiscal year.

4. The allotment formula contained in section 906(a)(2) of the Act, as added by the Senate amendment, is not based upon low income, but only upon age.

5. The Senate amendment required the Secretary to reduce State allotments under section 906(a)(2) by the amount reserved for national organizations in such State under section 906(a)(1). The Senate amendment provided that no State may receive an allotment under section 906(a)(2) until the Secretary determines that the amount to be allotted to the State is equal to the amount reserved for national organizations in such State under section 906(a)(1).

Conference Substitute

The conference substitute requires that the Secretary of Labor initially reserve from the total sums appropriated funds sufficient to maintain the fiscal year 1975 level of activities as conducted by national contractors under the Older Americans Community Service Employment Program (title IX of the Older Americans Comprehensive Services Amendments of 1973) and Operation Mainstream (under title III of the Comprehensive Employment and Training Act). The reserve will include funds sufficient to maintain the authorized older worker slot level in fiscal year 1975. These sums shall be awarded to national contractors for these activities with preference given to national organizations of proven ability in providing employment services to older persons under this and similar programs.

The remainder of the funds appropriated is to be distributed based on a formula which takes into account the number of persons aged 55 or over and the per capita income in each State, with a minimum guaranteed to each. More specifically, each State will receive an amount which bears the same ratio to the remaining funds as the product of the number of persons aged 55 or over in the State times the "allotment percentage" of that State, bears to the sum of the corresponding products for all States. However, no State shall be allotted less than one-half of one percent of the funds remaining after the reserve of $100,000, whichever is greater, and Guam, American Samoa, the Virgin Islands and the Trust Territories of the Pacific Islands shall each receive no less than one-fourth of one percent of the remainder or $50,000, whichever is greater. The "allotment percentage" of each State is 100 percent less the percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States, except that the allotment percentage shall in no case be more than 75 percent or less than 33⅓ percent; and the allotment percentage for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa and the Trust Territories of the Pacific Islands shall be 75 percent. Provision is included for reallotment of funds not required by any State for any fiscal year.

The conferees have agreed to language which requires the Secretary to the extent feasible to assure equitable distribution of activity among the States under the national contractor authority. This agreement was reached in anticipation of increases in funding for title IX and in the hope of a more equitable distribution of monies as the program grows. In the event that increased funding is not forthcoming, the conferees do not believe that it will be feasible to alter in any significant way the existing distribution.

G. Definitions

House Bill

Section 907 of the Act, as added by the House bill, contains the following definitions:

1. The term "State" is defined to mean the several States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands.

2. The term "eligible individual" is defined to mean an individual who is 55 years old or older, who has a low income, and who would have difficulty in securing employment. The Secretary of Labor is required to give priority to individuals who are 60 years old or older for work opportunities provided under the act.

3. The term "community service" is defined to mean social, health, welfare, educational, library, recreational, and other similar services, together with additional services relating to conservation, community betterment, environmental quality, economic development, and other similar community services.

4. The term "program" is defined to mean the older American community services employment program established under title IX of the act.

Senate Amendment

The Senate amendment was the same as the House bill, except that the definition of "community service" included legal counseling.

Conference Substitute

The conference substitute is the same as the Senate amendment.

H. Authorization of appropriations

House Bill

Section 908 of the Act, as added by the House bill, authorizes the following amounts to carry out title IX of the Act: (1) $100,000,000 for fiscal year 1975 and fiscal year 1976; (2) $37,500,000 for the period beginning July 1, 1976, and ending September 30, 1976; (3) $150,000,000 for fiscal year 1977; (4) $200,000,000 for fiscal year 1978; and (5) $250,000,000 for fiscal year 1979.

Senate Amendment

The Senate amendment was the same as the House bill, except that the Senate amendment did not make an authorization for fiscal year 1975 or fiscal year 1979.

Conference Substitute

The conference substitute is the same as the Senate amendment.

I. Repeal of certain services

House Bill

Section 102(b) of the House bill repealed title IX of the Older American Comprehensive Services Amendments of 1973 (42 U.S.C. 3061 et seq.).

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

J. Use of certain funds

House Bill

No provision.

Senate Amendment

Section 115(c) of the Senate amendment provided that funds appropriated to carry out title IX of the Older Americans Comprehensive Services Amendments of 1973 for fiscal year 1975 may be used for employment projects conducted as part of the Operation Mainstream program under title III of the Comprehensive Employment and Training Act of 1973.

Conference Substitute

The conference substitute is the same as the Senate amendment.

FEDERAL COUNCIL ON AGING RECOMMENDATIONS

House Bill

Section 103 of the House bill amended section 205 of the Act to require the President to transmit to the Congress recommendations based upon the Federal Council on Aging's study no later than January 1, 1976.

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

APPLICATION OF OTHER LAWS

House Bill

Section 104 of the House bill added a new section 211 to the Act which provides that the Act of December 5, 1974 (P.L. 93-510; 88 Stat. 1604) shall not apply to the administration of the Act or to the administration of any program or activity under the Act.

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

The Joint Funding Simplification Act allows the transfer of programs from one Federal agency or department to another Federal agency or department by mutual agreement reached between the Federal agencies. The amendment made by the conference substitute is included to reaffirm the intent of the Older Americans Act that the Administration on Aging be the focal point and advocacy point for aging within the Federal Government. Permitting the Commissioner on Aging to enter into such agreements which could result in a transfer of program and financial authority for Older Americans Act programs from the Administration on Aging to another Federal agency would seriously erode the purpose of the Act. The conferees' concern that program and fiscal responsibility for Older Americans Act programs remain solely with the Administration on Aging parallels their concern for maintaining the integrity of the network of State and area agencies on aging which have been established under title III.

Some States are considering proposals which would incorporate the title III and title VII programs into other services delivery programs administered by the States within a multi-purpose or "umbrella" State agency. Such an arrangement effectively eliminates a single focal and advocacy point on aging at the State level.

Although the conferees underscore the need for coordination of programs to expand resources for older persons, they do not agree that the interests of older persons are served by an organizational arrangement at the State or area levels which eliminates the single focal and advocacy point on aging which must be established under title III. The report of the Committee on Education and Labor of the House at the time of the 1973 Amendments to the Act expressed concern that the State agencies on aging established under the former title III program had not developed into strong and effective advocates for older persons at the State level. The 1973 Amendments were designed to strengthen the State Agency on Aging while also building in requirements for coordination between these and other agencies. The requirement for a sole State agency was reasserted. The funding available for administration of the State Plan was increased. The State agencies were to designate area agencies on aging and approve area plans and budgets approved by these agencies.

The conferees wish to assert their belief, that in order to set responsibility and to provide the power and authority necessary to take effective action on behalf of older Americans, a strong and easily identifiable single State agency on aging charged with providing support to strong and easily identifiable area agencies on aging is necessary. Furthermore, the conferees believe that there should be coordination between program agencies but that the State agency on aging and area agencies on aging should maintain their own identity in order to serve as strong advocates for older persons with all other agencies which may have programs of benefit to older persons.

The conferees agree that States should have some flexibility in organizing themselves to administer Federal programs in which they elect to participate, including Older Americans Act programs. However, any organizational scheme relative to title III and title VII must conform to the intent and purpose of the Older Americans Act. The Commissioner on Aging should not approve any State plan which does not provide for a single, identifiable focal point on aging.

The conferees intend that area plans approved by the State agencies also conform to the intent of title III relative to a single focal point on aging.

DEFINITION OF SOCIAL SERVICES

House Bill

Section 105 of the House bill amended section 302(1) of the Act to provide that the definition of "social services" includes services designed to provide legal counseling assistance to older persons.

Senate Amendment

The Senate amendment was the same as the House bill, with the following differences:

1. The Senate amendment included tax and financial counseling in addition to legal counseling.

2. The Senate amendment also included services designed to enable older persons to maintain physical and mental welfare through programs of regular physical activity and exercise.

Conference Substitute

The conference substitute is the same as the Senate amendment.

The conferees wish to note their intent that tax counseling include assistance in the actual preparation of income tax forms.

ALLOTMENTS TO INDIANS

House Bill

Section 106 of the House bill amended section 303(b) of the Act by adding a new paragraph (3), relating to allotments to Indian tribes. Paragraph (3)(A) provides that the Commissioner shall reserve from sums appropriated for any fiscal year under section 303(b)(2) of the Act not less than 100 percent nor more than 105 percent of an amount which bears the same ratio to such appropriated sums as the population of all Indians aged 60 or older on all Federal and State reservations bears to the population of all persons aged 60 or older in all States.

Paragraph (3)(B) provides that each Indian tribe on a Federal or State reservation shall be allotted, from sums reserved by the Commissioner under paragraph (3)(A), not less than 100 percent nor more than 150 percent of an amount which bears the same ratio to such reserved sums as the population of Indians aged 60 or older on the reservation involved bears to the population of all Indians aged 60 or older on all reservations in the State.

Paragraph (3)(C) requires Indian tribes seeking to be eligible for grants to submit a plan to the Commissioner which meets such criteria as the Commissioner may prescribe, taking into account appropriate criteria established by section 305(a) of the Act.

Paragraph (3)(D) permits the Commissioner to reallot sums allotted to an Indian tribe if the Commissioner determines that such sums will not be used by such Indian tribe for carrying out the purpose for which the allotment was made. Any reallotment received by an Indian tribe shall be considered as part of the allotment of such tribe for the fiscal year involved.

Section 106 of the House bill also provided that the number of Indians aged 60 or over on any Federal or State reservation and on all Federal or State reservations shall be determined by the Commissioner on the basis of the most recent and satisfactory data available.

Senate Amendment

Section 104 of the Senate amendment amended section 303(b) of the Act by adding a new paragraph (3). Paragraph (3)(A) provides that any State in which the Commissioner determines (after taking into account sums available to the State agency or area agency to carry out title III of the Act) that members of an Indian tribe are not receiving benefits under title III which are equivalent to benefits provided to other older persons in the State or area involved, and if the Commissioner further determines that the members of such tribe would be better served by direct Federal grants, the Commissioner shall reserve from sums which would otherwise be allotted to the State involved not less than 100 percent nor more than 150 percent of an amount which bears the same ratio to the State's allotment for the fiscal year involved as the population of all Indians aged 60 or older for whom a determination under subparagraph (A) has been made bears to the population of all persons aged 60 or older in such State.

Paragraph (3)(B) provides that sums reserved by the Commissioner shall be granted to the tribal organization serving the individuals affected by the determination of the Commissioner, or, in any case in which there is no tribal organization, to such other entity as the Commissioner determines has the capacity to provide services under title III.

Paragraph (3)(C) is the same as paragraph (3)(C) as added by the House bill, except that the Senate amendment related to tribal organization or other entities rather than to Indian tribes.

Paragraph (3)(D) provides that recipients of grants under paragraph (3) may retain for administrative purposes amounts equal to amounts available for the administrative costs of area plans under section 303(e)(1) of the Act.

Section 104 of the Senate amendment also provided that the number of Indians aged 60 or older on, or in proximity to, any Federal or State reservation or rancheria shall be determined by the Commissioner on the basis of the the most recent and satisfactory data available.

Section 104 of the Senate amendment also added the following definitions to section 102 of the Act:

1. The term "Indian" was defined to mean a person who is a member of an Indian tribe.

2. The term "Indian tribe" was defined to mean any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation) which (a) is recognized as eligible for special programs and services provided by the United States to Indians because of their status as Indians; or (b) is located on, or in proximity to, a Federal or State reservation or rancheria.

3. The term "tribal organization" was defined to mean the recognized governing body of any Indian tribe or any legally established organization of Indians which is controlled by such governing body. In any case in which a contract or grant is made to an organization to perform services for more than one Indian tribe, the approval of each such tribe is a prerequisite to such contract or grant.

Conference Substitute

The conference substitute is the same as the Senate amendment.

STATE AND AREA PLAN REQUIREMENTS

House Bill

Section 107 of the House bill amended section 314(c) of the Act to require that area plans provide for the establishment of programs of assistance to older persons as described in part B of title VIII of the Act, relating to homemaker and other home services, part C of such title, relating to counseling assistance, part D of such title, relating to residential repairs and renovations, and part E of such title, relating to transportation.

Such section also amended section 304(c)(4) of the Act in order to eliminate existing area plan requirements relating to the provision of legal services to older persons.

Section 108 of the House bill amended section 305(a) of the Act to require that State plans include provisions for the establishment of programs of assistance to older persons as described in parts B, C, D, and E of title VIII of the Act.

Senate Amendment

Section 105 of the Senate amendment amended section 304(a)(1) of the Act to require State agencies, in conjunction with the agency designated under section 2003(d)(1)(C) of the Social Security Act to coordinate activities under the State plan with the provision of services to older Americans under part A of title XX of the Social Security Act.

Such section also eliminated existing legal services requirements in the same manner as the House bill.

Such section also amended section 304 of the Act by adding a new subsection (d), which permits area agencies and State agencies to enter into agreements with agencies administering programs under the Rehabilitation Act of 1973 and under titles VI, XIX and XX of the Social Security Act, in order to develop plans to meet the transportation needs of persons receiving benefits under such Acts and older Americans participating in programs under title III and title VII of the Act. The Senate amendment also provided that funds appropriated under title III and title VII of the Act may be used to purchase transportation services for older persons and may be pooled with funds available for transportation services under the Rehabilitation Act of 1973, and under titles VI, XIX, and XX of the Social Security Act.

Conference Substitute

The conference substitute omits the provision contained in section 107 of the House bill which amended section 304(c) of the Act regarding area plans. This section is omitted in keeping with the decision of the conferees concerning the substitute for title VIII of the House bill and section 309 of the Senate amendment.

The conference substitute also omits section 108 of the House bill which amends section 305(a) of the Act concerning State plans for the same reasons.

The conference substitute also omits section 105 of the Senate amendment which would amend section 304(a)(1) of the Act to require State agencies on aging to coordinate activities under their State plan with the provision of services under title XX of the Social Security Act. This requirement was omitted because of the conferees' concern that the language of the Senate amendment in this regard would be read to mean that the plan developed under title III of the Older Americans Act would be required to be in conformity with the requirements of title XX of the Social Security Act. Unlike title XX, title III has never contained income standards for eligibility for services. Rather than convey any impression that title III services must be provided in the same manner as title XX services, the conferees have omitted this section of the Senate amendment. However, it should be stressed that the Governor of each State has the ultimate responsibility for the development of both the title III and title XX plans and it is expected that he will take such action as may be necessary to insure that the title III State agency participates actively, and affirmatively makes known its views, in the preparation of the title XX plan, as is required by section 2004(2)(4) of the Social Security Act.

The House recedes with respect to the language of the Senate amendment permitting State and area agencies on aging to enter into "pooling agreements" with agencies providing services under other authorities in order to meet the common transportation needs of the beneficiaries of their various programs. Because of eligibility requirements incorporating income and other standards in various of these other programs, the coordination of transportation services will undoubtedly be difficult. Nevertheless, the conferees firmly believe that transportation is now too often provided on a fragmented and uncoordinated basis within a single community with funds provided from several different Federal programs but having many participants in common. The conferees urge that every effort be made to bring these services together and, where necessary and lawful, to waive formal requirements that impede the provision of transportation services through an integral and coordinated system.

LOW-INCOME INDIVIDUALS AND RURAL ELDERLY

House Bill

No provision.

Senate Amendment

Section 106 of the Senate amendment amended section 305(a) of the Act to require the State plan to (1) provide that the needs of low-income elderly persons will be taken into account in developing and implementing the State plan; and (2) provide that the relative distribution of older persons residing in rural and urban areas in the State involved will be taken into account in developing and implementing the State plan.

Conference Substitute

The conference substitute omits the provisions of the Senate amendment. However, with respect to the second Senate provision discussed above, requiring the State to take into account the relative distribution of older Americans residing in urban and rural areas, the conferees wish to reemphasize concerns expressed in the Senate committee report (Senate Report 94-255) on this issue.

The conference substitute omits this provision only because of information brought to the attention of the conferees that it might result in a redistribution of moneys inconsistent with the intent of the provision. The conferees agree with the statement in the Senate report that the needs of the 5.4 million rural aged are largely overlooked or ignored. Too often, they have been left behind by our rapid industrial growth and changing living arrangements. Yet they have an urgent need for supportive services to enable them to live independently. The conferees recognize that it is frequently more difficult—as well as more expensive—to deliver services for the rural elderly because of the low population density and larger geographical areas. The conferees believe that the States have a responsibility to give special attention to their needs in developing priorities because of the intensity of their problems.

ADMINISTRATION OF STATE PLANS

House Bill

No provision.

Senate Amendment

Section 107 of the Senate amendment amended section 306(b)(1) of the Act to (1) increase the floor for State administrative costs to $200,000; and (2) increase the floor for administrative costs of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands to $62,500.

Such section also amended section 306(b) of the Act to provide that, for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, each State agency may retain whichever is greater of an amount equal to (1) the floor for administrative costs (as amended by the Senate amendment); or (2) an amount not exceeding 8 percent of the amount by which the allotment for the State involved under section 303 of the Act, together with the allotment for such State under section 703(i), for (A) the fiscal year involved exceeds the sum of such allotments for fiscal year 1974, but in any case an amount not to exceed $100,000; and (B) the period beginning July 1, 1976, and ending September 30, 1976, exceeds an amount equal to 25 percent of such allotments for fiscal year 1974, but in any case an amount not to exceed $25,000.

For fiscal year 1977, and for each succeeding fiscal year, each State agency specified in section 306(b)(2)(A) of the Act (as added by the Senate amendment) may retain an amount equal to an amount not to exceed 8 percent of the amount by which the allotment for the State involved under section 303, together with the allotment for such State under section 703, exceeds the sum of such allotments for fiscal year 1976, but in any case an amount not to exceed $100,000.

For fiscal year 1977, and for each succeeding fiscal year, each State agency specified in section 306(b)(2)(B) of the Act (as added by the Senate amendment) may retain an amount equal to an amount not to exceed 8 percent of the amount by which the allotment for the State involved under section 303 together with the allotment for such State under section 703, exceeds the sum of such allotments for fiscal year 1974, but in any case an amount not to exceed $100,000.

The Senate amendment also provided that no State shall receive less than such State received under section 306(b) of the Act for fiscal year 1975. Amounts received under section 306(b)(2) of the Act (as added by the Senate amendment) shall be used for administration of programs under title III of the Act and under title VII of the Act.

Conference Substitute

The conference substitute retains the provision of the Senate amendment regarding the increase in the floor for State administrative costs to $200,000 for States and $62,500 for outlying territories. The remainder of the Senate amendment is omitted by the conference substitute and in lieu thereof the conference substitute authorizes States to apply to the Commissioner for authority to use funds allotted to the State under section 303 for State administrative purposes. No State may be authorized to use more than three-fourths of one percent of the amount of its allotments under section 303(b) and section 703(a) in any fiscal year under the special authority granted by section 303(b)(2) of the Act, as added by the conference substitute. Moreover, before the Commissioner may authorize the use of such funds for administrative purposes he must find that the State has made a sufficient showing of a particular need for such funds for administrative purposes and that the State is making full and effective use of its existing funds. Under this provision, if a State can demonstrate, for example, that it is in need of additional personnel to carry out new programs, that it cannot administer its existing programs with its allotment under section 306, that additional funds are needed for the purpose of retaining existing personnel, or any other reason which the Commissioner finds meets the criteria defined in the conference substitute he may authorize a State to spend up to three-fourths of one percent of its title III and title VII allotment for such purpose, with the funds to be derived from the section 303 allotment.

The conferees note that the principal complaint with respect to inadequacy of State administrative funds has been regarding the cost of administering title VII. The 1973 amendments to the Act deleted the authority to use 10 percent of title VII funds for State administration and consolidated all State administration costs under section 306. The conferees emphasize that funds allotted under section 306 are intended to be used for meeting the cost of administering *both* title III and title VII programs and States should not shortchange title VII administration simply because the administrative money is provided through title III.

MODEL PROJECT REQUIREMENTS

House Bill

Section 109 of the House bill amended section 308(a) of the Act to eliminate certain model projects which are made permanent programs by the provisions of title VIII of the Act (as added by the House bill), and to provide that model projects under section 308 of the Act will include projects to provide continuing education to older persons, including free tuition arrangements, and projects to provide preretirement education, information, and related services.

Senate Amendment

Section 108 of the Senate amendment amended section 308(a) of the Act to provide for the following new model projects: (1) projects for the promotion and development of ombudsman services for residents of nursing homes; (2) projects to meet the needs of older Americans who are not receiving adequate services under other provisions of the Act, with emphasis on the needs of low-income, minority, Indian, and limited-English speaking individuals, and elderly persons residing in rural areas; (3) projects to encourage the participation of older persons in bicentennial activities; and (4) projects to assist older persons to remain within their communities by (A) providing assistance to establish senior ambulatory care day centers, and (B) maintaining arrangements with the agency of the State involved which administers a State plan approved under title XIX of the Social Security Act, and with other appropriate social services agencies, for payment of all or part of the costs of such senior ambulatory care day centers in providing services to eligible persons.

Conference Substitute

The conference substitute is the same as the Senate amendment, except that the conference substitute deletes the reference to model projects designed to promote participation of senior citizens in bicentennial activities. The bicentennial celebration is a temporary program and the conferees did not believe it was appropriate to include such a provision in the permanent law.

However, the conferees believe that the upcoming bicentennial celebration provides senior citizens with a significant opportunity to become involved in an important national undertaking. Retired persons have the knowledge, the skill, the ability, and the time to become involved in the thousands of bicentennial projects that will be taking place in every State, county, and community all across the Nation. Senior citizens can play an important leadership role on the local level so as to make certain that the bicentennial is meaningful and relevant to each and every segment of our society no matter where they live. The conferees would therefore urge the Commissioner to take steps designed to encourage the active participation of older persons in the bicentennial celebration.

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF AGING

House Bill

No provision.

Senate Amendment

Section 110 of the Senate amendment amended section 403 of the Act to provide that both 2- and 4-year institutions of higher education are eligible for grants and contracts to carry out the purposes of such section.

Conference Substitute

The conference substitute provides that the term "institution of higher education" has the meaning given it by section 1201(a) of the Higher Education Act of 1965. Such Act defines such term to include any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation.

TRAINING PERSONNEL FOR COUNSELING AND MONITORING FUNCTIONS

House Bill

Section 110 of the House bill amended section 404 of the Act to provide that the Commissioner may make grants under such section to assist in the training of lawyers, lay advocates, and paraprofessional persons who will (1) provide legal counseling assistance to older persons; or (2) monitor the administration of any program designed to provide assistance or services to older persons, including nursing home programs and other similar programs.

Senate Amendment

Section 111 of the Senate amendment amended section 404(a) of the Act to provide that the Commissioner may make grants to assist in covering training costs for 2- or 4-year college or university-based programs, including the coverage of such costs as faculty support, student support, courses within the appropriate curricula, and such costs as technical assistance and program development in working with older persons.

The Senate amendment amended section 404(a)(3) of the Act to permit the Commissioner to make grants for short-term or inservice training to (1) support program operational activities; (2) strengthen program management; (3) improve the effectiveness of agencies carrying out administrative responsibilities under the Act; and (4) clarify the relationships among various agencies which administer programs necessary to carry out the purposes of the Act.

The Senate amendment amended section 404 of the Act by adding a new subsection (c), which permits the Commissioner to make grants to assist in (1) the training of lawyers and paraprofessional persons who will (A) provide legal (including tax and financial) counseling to older persons; or (B) monitor the administration of any program designed to provide assistance to older persons, including nursing home programs and other similar programs; and (2) the training of persons employed by various public or private agencies who will identify legal problems affecting older persons, develop solutions for such problems, and mobilize community resources to respond to the legal needs of older persons.

Conference Substitute

The conference substitute retains the main thrust of the Senate amendment by providing separate and distinct authority for the Commissioner to make training grants both for short-term, inservice training and college and university-based training, as well. However, the conference substitute clarifies the language of the Senate amendment.

The conference substitute adopts the language of the Senate amendment with respect to training of personnel for counseling and monitoring functions and the conferees note that the provision of authority for the Commissioner to make grants for the purpose of training individuals to provide legal and counseling services to older individuals in no way is intended to preempt State laws with respect to authorizing the practice of law.

STATE PLANS

House Bill

No provision.

Senate amendment

Section 112 of the Senate amendment amended section 705(a)(4) of the Act to require each State to plan to take into account, in awarding grants, the relative distribution of older persons in rural and urban areas in the State involved.

Conference Substitute

The conference substitute omits the provisions of the Senate amendment. However, the rationale for so doing is identical to the conferees' action with respect to a similar Senate provision dealing with the distribution of title III moneys. Here again the conferees wish to note that they are concerned with respect to the lack of services for older persons living in rural areas. It is the opinion of the conferees that States should allocate additional resources to achieve the provisions of better services for older persons living in rural areas.

PURCHASE OF CERTAIN PRODUCTS BY SECRETARY OF AGRICULTURE

House Bill

Section 111 of the House bill amended section 707 of the Act to require the Secretary of Agriculture to purchase meats and other high protein foods to be used in nutrition programs under title VII of the Act. The House bill authorized the following amounts to carry out the purchasing program under section 707 of the Act: (1) $8,000,000 for fiscal year 1975; (2) $10,000,000 for fiscal year 1976; and (3) $2,500,000 for the period beginning July 1, 1976, and ending September 30, 1976.

Senate Amendment

Section 113 of the Senate amendment amended section 707 of the Act to require the Secretary of Agriculture to donate surplus commodities to nutrition projects under title VII of the Act. The Senate amendment increased the level of assistance from 10 cents per meal to 25 cents per meal in fiscal year 1976, and to 50 cents per meal in fiscal year 1977.

The Senate amendment also allowed a State which had phased out its commodity distribution facilities before June 30, 1974, to elect to receive cash in lieu of donated commodities.

Conference Substitute

The conference substitute retains the provision of the House bill with one change. The substitute provides that such sums as may be necessary are authorized to be appropriated to carry out this new authority. The conference substitute also retains provisions of the Senate amendment with one change. The substitute provides that the level of assistance will be 15 cents per meal in fiscal year 1976 and 25 cents per meal in fiscal year 1977.

AUTHORIZATION OF APPROPRIATIONS

A. National Information and Resource Clearinghouse for the Aging

House Bill

Section 112(a) of the House bill amended section 204(c) of the Act to extend the authorization of appropriations for the National Information and Resource Clearinghouse for the Aging through fiscal year 1979.

Senate Amendment

Section 114(a) of the Senate amendment amended section 204(c) of the Act to extend the authorization of appropriations for the Clearinghouse through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

B. Area planning and social service programs

House Bill

Section 112(b) of the House bill amended section 303(a) of the Act to provide for the following authorizations: (1) $180,000,000 for fiscal year 1976; (2) $57,750,000 for the period beginning July 1, 1976, and ending September 30, 1976; (3) $231,000,000 for fiscal year 1977; (4) $287,200,000 for fiscal year 1978; and (5) $349,640,000 for fiscal year 1979.

Senate Amendment

Section 114(b) of the Senate amendment amended section 303(a) of the Act to provide for the following authorizations: (1) $200,000,000 for fiscal year 1976; (2) $60,000,000 for the period beginning July 1, 1976, and ending September 30, 1976; and (3) $240,000,000 for fiscal year 1977.

Conference Substitute

The conference substitute retains the amounts authorized in the House bill, but omits any authorization for fiscal year 1979.

C. Model projects

House Bill

Section 112(c) of the House bill amended section 308(b) of the Act to extend the authorization of appropriations through fiscal year 1979.

Senate Amendment

Section 114(c) of the Senate amendment amended section 308(b) of the Act to extend the authorization of appropriations through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

D. Training and research

House Bill

Section 112(d) of the House bill amended section 431 of the Act to, extend the authorization of appropriations through fiscal year 1979.

Senate Amendment

Section 114(d) of the Senate amendment amended section 431 of the Act to extend the authorization of appropriations through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

E. Multipurpose senior centers

House Bill

Section 112(e) of the House bill amended section 505(a) of the Act to extend the authorization of appropriations through fiscal year 1979.

Senate Amendment

Section 114(e) of the Senate amendment amended section 505(a) to extend the authorization of appropriations through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

F. Nutrition programs for the elderly

House Bill

Section 112(f) of the House bill amended section 708 of the Act to provide for the following authorizations: (1) $62,500,000 for the period beginning July 1, 1976, and ending September 30, 1976; (2) $275,000,000 for fiscal year 1978; and (3) $300,000,000 for fiscal year 1979.

Senate Amendment

Section 114(f) of the Senate amendment amended section 708 of the Act as follows: (1) the Senate amendment increased the authorization for fiscal year 1976 from $200,000,000 to $225,000,000; and (2) the Senate amendment increased the authorization for fiscal year 1977 from $250,000,000 to $275,000,000.

Conference Substitute

The conference substitute retains the amounts authorized in the House bill, but omits any authorization for fiscal year 1979.

TECHNICAL AMENDMENTS

House Bill

Section 113 of the House bill made various technical and conforming amendments to the Act.

Senate Amendment

Section 116 of the Senate amendment was substantially the same as the House bill.

Conference Substitute

The conference substitute is the same as the Senate amendment.

AMENDMENTS TO OTHER LAWS

HIGHER EDUCATION ACT OF 1973

House Bill

Section 201 of the House bill amended section 110(b) of the Higher Education Act of 1965 to extend the authorization of appropriations for special programs and projects relating to problems of the elderly through fiscal year 1979.

Senate Amendment

Section 201 of the Senate amendment was the same as the House bill, except that the authorization was extended through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

ADULT EDUCATION ACT

House Bill

Section 202 of the House bill amended section 310 of the Adult Education Act to extend the authorization of appropriations for special projects for the elderly through fiscal year 1979.

Senate Amendment

Section 202 of the Senate amendment was the same as the House bill, except that the authorization was extended through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

OLDER AMERICANS COMPREHENSIVE SERVICE AMENDMENTS OF 1973

House Bill

Section 203 of the House bill amended section 805 of the Older Americans Comprehensive Service Amendments of 1973 to extend the authorization of appropriations for the senior opportunities and services program through fiscal year 1979.

Senate Amendment

Section 203 of the Senate amendment was the same as the House bill, except that the authorization was extended through fiscal year 1977.

Conference Substitute

The conference substitute extends the authorization of appropriations through fiscal year 1978.

Vocational Education Act of 1963

House Bill

Section 204 of the House bill amended section 161(d) of the Vocational Education Act of 1963 to provide that, from funds made available under section 161, special consideration shall be given to consumer and homemaking programs for persons aged 60 or older who are in need of services provided by such programs.

Senate Amendment

The Senate amendment was the same as the House bill.

Conference Substitute

The conference substitute is the same as the House bill.

Domestic Volunteer Service Act of 1973

House Bill

The House bill amended the Domestic Volunteer Service Act of 1973 to extend the authorizations for appropriations for the Older American Volunteer Programs (R.S.V.P., Foster Grandparents, and Senior Companions) under title II of that Act for 3 fiscal years beyond fiscal year 1976—through fiscal year 1979. The amounts authorized to be appropriated were as follows: R.S.V.P.—$24 million for fiscal year 1977, $28.8 million for fiscal year 1978, and $34.56 million for fiscal year 1979; Foster Grandparents—$38.4 million for fiscal year 1977, $46.08 million for fiscal year 1978, and $55.296 million for fiscal year 1979; and Senior Companions—$9.6 million for fiscal year 1977, $11.52 million for fiscal year 1978, and $13.824 million for fiscal year 1979.

The House bill amended the Domestic Volunteer Service Act of 1973 to require the ACTION Agency to reimburse each State agency on aging, established under the Older Americans Act of 1965, for the salary of a resource person designated by such agency to coordinate programs carried out under title II of the Domestic Volunteer Service Act and title III of the Older Americans Act.

The House bill also amended the Domestic Volunteer Service Act of 1973 to eliminate the word "volunteer" from the title of title II of that Act ("Older American Volunteer Programs") and throughout Part B of that title regarding the Foster Grandparent program; and to mandate the conduct of the R.S.V.P. program (part A).

Senate Amendment

No provision.

Conference Substitute

The conference substitute provides for authorizations of appropriations for the Older American Volunteer Programs in title II of the Domestic Volunteer Service Act of 1973 for 2 fiscal years beyond fiscal year 1976—through fiscal year 1978—as follows: R.S.V.P.—$22 million for fiscal years 1977 and 1978; Foster Grandparents—$35 million for fiscal years 1977 and 1978; and Senior Companions—$8 million for fiscal years 1977 and 1978.

The conference substitute provides that the ACTION Agency shall designate in each of its State offices an "aging resource specialist" whose primary responsibility (devoting more than one-half of regular working hours) shall be to support programs carried out under title II of the Domestic Volunteer Service Act and to seek to coordinate those programs with programs carried out under titles III and VII of the Older Americans Act in the State or States served by the State offices involved.

In reaching this compromise provision, the conferees drew general guidance from the ACTION Agency directive of July 7, 1975, providing for a comparable State office administrative arrangement. Under the conference substitute provision, the conferees intend that the person designated as the aging resource specialist shall be the "state program director" only in extraordinary circumstances and only when that individual is clearly the most qualified by reason of experience and training to carry out responsibilities in the aging field. The conferees also stress that they do not intend by mandating such a State office administrative arrangement to require, as a matter of law, the establishment or continuation of State ACTION Agency offices but merely to require that ACTION Agency aging resource specialists be stationed in the States.

The conferees direct the Director of the ACTION Agency to submit to the appropriate committees of the Congress, not later than 90 days after the enactment of the conference report, a list of the names and specific responsibilties of the employees designated as aging resource specialists. The conferees also direct the Director of the ACTION Agency and the Commissioner on Aging each to report annually on the effectiveness of this administrative arrangement in contributing to effective program implementation under the two Acts.

The conferees wish to express their concern that older American volunteer programs have not received sufficient emphasis or staff support, at either the headquarters or regional staff levels, under the ACTION Agency. This is not to suggest that the overall Agency personnel ceiling should be increased. The conferees believe, however, that with the present staffing level one way to improve this situation would be for the ACTION Agency to establish in the Older American Volunteer Program Division an Agency official primarily responsible for the Retired Senior Volunteer Program and another such official primarily responsible for the Foster Grandparent/Senior Companion programs. The establishment of the aging resource specialist position required in the conference substitute should be another way of improving this situation. The conferees intend that the respective committees will review the effectiveness of the aging resource specialist arrangement provided for in the conference substitute after receiving the fiscal year 1976 first annual report from the Director of the ACTION Agency and the Commissioner on Aging.

The conferees note their disapproval of the manner in which the ACTION Agency has dealt with the question of establishing a maximum age after which a "child" is no longer eligible to be served by Foster Grandparents. Of special concern are instances where the Agency has acted in a way which has caused the termination or disruption of established relationships between Foster Grandparents and their "grandchildren" when the child reaches the age of 18.

The conferees believe that generally there can be no hard and fast cut-off point for the maximum age after which a "child" is no longer eligible under present law to be served by a Foster Grandparent. As a starting point, it is the intention of the conferees that Foster Grandparent services be continued up to the age of 21—not 18 as the Agency regulations have provided. No efforts should be made to discontinue established relationships or seek alternative arrangements merely because the "child" enters his or her eighteenth year.

The Agency has advised the committees that between 300 and 400 individuals now being served by Foster Grandparents are over the age of 21 and that all of these individuals are mentally retarded. The conferees are especially concerned about maintaining these relationships and reversing certain Agency actions which have been seen as threatening the withdrawal of the Foster Grandparent. Both committees have made known to the Agency their strongly held view that existing relationships between the Older American participants and those over 21 whom they are now serving must not be disrupted. In order to accomplish this, the conferees believe that existing or replacement Foster Grandparents must be permitted to continue serving these individuals over 21 presently served by the program. The Foster Grandparent relationship should be permitted to cease when and only when the Agency is certain that an alternative arrangement—mutually satisfactory to the Foster Grandparent, the child's family, and the sponsor institution—can be made, including enrollment of both parties in the Senior Companion program or other comparable program. Such an alternative arrangement should, if at all possible, be accomplished during the grant cycle during which the "child" becomes 21 years old.

Moreover, in future years, with respect to individuals served by a Foster Grandparent and who approach the age of 21, transitional arrangements during their twentieth year should be made to ensure the maintenance of a companionship relationship for that individual (under section 211 of the Domestic Volunteer Service Act of 1973 or another comparable program) if continued need for such companionship is indicated. If it is not possible to make such an arrangement, the Foster Grandparent relationship must be maintained.

The conferees note that the Domestic Volunteer Service Act of 1973 provided for expansion of the successful Foster Grandparent model by providing for the establishment of the Senior Companion program to enable older low-income Americans to work with "persons (other than children) having exceptional needs, including . . . persons having developmental disabilities or other special needs for companionship." This newer program was intended to complement the Foster Grandparent effort by providing for similar services to those 21 and over. It should also be used, on a priority basis, to ensure a continuation of companionship, where needed, for "children" who become 21 years old while being served by the Foster Grandparent program. Indeed, for those presently served mentally retarded "children", the statutory purpose of the Senior Companion program—to serve "persons (other than children) having developmental disabilities"—clearly envisions such a continuation.

The conferees thus believe that the ACTION Agency should establish, to the maximum extent possible, at appropriate Foster Grandparent program sites, Senior Companion program components under the administration of a single director, so that these two programs can complement each other. This would enable a transitional mechanism to be established for transferring the Older American participants from the Foster Grandparent program to the Senior Companion program, when appropriate, in a smooth and orderly process with compassionate concern for all parties involved. No Foster Grandparent program or Senior Companion program should be terminated on the basis that a dual program arrangement is not possible at that site.

It is anticipated that enactment of the fiscal year 1976 appropriations act, containing the ACTION Agency's appropriation will make available for both the Foster Grandparent and the Senior Companion programs a combined increased level of funding. Until such funding flexibility is available, the conferees direct that, in order to deal with the immediate situation, service to all those over 21 years old presently being served by the program be continued (using the mental age rather than chronological age of the person served as the basis for continued eligibility for Foster Grandparent services).

The conferees also are aware that State money may be available to fund Foster Grandparent components without regard to any federally-imposed age limitation. This is another alternative arrangement that can be explored by the mutual agreement of the Foster Grandparent, the child's family, and the sponsor institution.

In view of the foregoing, the conferees direct the ACTION Agency to revise its regulations to comply fully with the above-stated policies, and to ensure that each sponsor organization (which should in turn notify all Foster Grandparents and families involved) is fully apprised of the policies reflected and that no existing Foster Grandparent companionship relationship will be endangered under any circumstances regardless of the age of the person presently being served.

Research on aging act of 1974

House Bill

N provision.

Senate Amendment

Section 205 of the Senate amendment section 464 of the Public Health Service Act to allow an additional year (until May 31, 1976) for the development of a plan for a research program on aging.

Conference Substitute

The conference substitute is the same as the Senate amendment.

PROHIBITION OF DISCRIMINATION BASED ON AGE

House Bill

Title III of the House bill related to the prohibition of discrimination based on age. Section 301 of the House bill provided that title III may be cited as the "Age Discrimination Act of 1975".

Section 302, relating to statement of purpose, provided that it is the purpose of title III to prohibit discrimination on the basis of age in any program or activity receiving Federal financial assistance.

Section 303, relating to prohibition of discrimination, provided that no person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal funds. Section 303(b) provided the following exceptions to the general rule prohibiting discrimination on the basis of age: (1) any person may take any action which is otherwise prohibited by section 303 if, in the program or activity involved, such action reasonably takes into account age as a factor necessary to the normal operation of the program or activity, or the differentiation made by such action is based upon reasonable factors other than age; and (2) title III does not apply to any program or activity which provides any benefits or assistance to persons based on the age of such persons.

Section 304, relating to regulations, required the heads of Federal agencies extending Federal funds to any program or activity to prescribe regulations to carry out the prohibition of discrimination on the basis of age. Such section also provided that no such regulation shall take effect until it is approved by the Secretary of Health, Education and Welfare.

Section 305, relating to enforcement, provided that the head of any Federal agency may seek to achieve compliance with regulations prescribed under section 304(1) by terminating assistance under the program or activity involved; or (2) by any other means authorized by law.

Such section also provided that any such termination shall be limited to the particular political entity or other recipient of Federal funds involved, and shall be limited in its effect to the particular program or activity involved. Such section also provided that no termination of funds or other action may be taken until the head of the Federal agency involved has notified the person involved of the failure to comply with the regulations involved, and has determined that compliance cannot be secured by voluntary means.

Such section also required the head of a Federal agency who has terminated funds or taken any other action to achieve compliance to transmit a written report with respect to such action to the appropriate committees of the House of Representatives and the Senate.

Section 306, relating to civil actions by the Attorney General, permitted the Attorney General of the United States to bring a civil action in any appropriate United States district court for appropriate relief if the Attorney General has reason to believe that any person is engaged in a pattern or practice in violation of title III.

Section 307, relating to judicial review, provided that any action to terminate funds or achieve compliance by any other means taken by the head of any Federal agency shall be subject to such judicial review as may otherwise be provided by law for similar action. Such section also provided that any person aggrieved may obtain judicial review of any such action by the head of a Federal agency in accordance with chapter 7 of title 5, United States Code.

Section 308, relating to employment practices, provided that title III does not authorize any action by any department or agency with respect to any employment practice of any employer, employment agency, or labor organization, except where a primary objective of the Federal funds involved is to provide employment.

Section 309, relating to definition, provided that the term "Federal financial assistance" includes any payment made to any State or local government under the State and Local Fiscal Assistance Act of 1972.

Senate Amendment

Title III of the Senate amendment directed the Civil Rights Commission to undertake a study to determine whether there is age discrimination in programs or activities receiving Federal funds. The Commission was required to report its findings and recommendations to the Congress and the President no later than one year after the appropriation of funds to carry out such study.

Conference Substitute

Title III of the conference substitute provides for the prohibition of discrimination based on age. The conference substitute incorporates major elements of the prohibition against age discrimination in federally-assisted programs and activities contained in the House bill, along with an expanded version of the provisions of the Senate amendment relating to a study of age discrimination in such programs and activities to be conducted by the United States Commission on Civil Rights.

Section 301 of the conference substitute provides that title III may be cited as the "Age Discrimination Act of 1975".

Section 302 provides that it is the purpose of title III to prohibit unreasonable discrimination based on age in programs or activities receiving Federal financial assistance, including programs or activities receiving funds under the State and Local Fiscal Assistance Act of 1972.

Section 303 provides that no person may be subjected to any discrimination based on age in any program or activity receiving Federal financial assistance.

Section 304(a)(1) requires the Secretary of Health, Education, and Welfare to publish proposed general regulations to carry out the age discrimination prohibition. Such regulations must be published no later than one year after the Commission on Civil Rights transmits its report under section 307(b), or two and one-half years after the date of the enactment of title III, whichever occurs first.

Section 304(a)(2) provides that the Secretary may not publish proposed general regulations until the close of specified time periods, during which Federal departments and agencies affected by the regulations may comment upon the regulations and appropriate committees of the Congress may conduct hearings with respect to (1) comments made by such Federal departments and agencies; and (2) the report which the Commission transmits under section 307(d).

Section 304(a)(3) provides that the Secretary shall publish final general regulations no later than 90 days after he publishes proposed regulations.

Section 304(a)(4) provides that Federal departments and agencies extending Federal financial assistance must transmit to the Secretary, no later than 90 days after he publishes final general regulations, proposed regulations to carry out the age discrimination prohibition. Such regulations must be consistent with the final general regulations prescribed by the Secretary. Section 304(a)(5) provides that no regulation prescribed under section 304 may take effect before January 1, 1979.

Section 304(b)(1) provides that it is not a violation of title III for a person to take any action if, in the program or activity involved (1) such action reasonably takes into account age as a factor necessary to the normal operation of the program or activity or to the achievement of any statutory objective of the program or activity; or (2) the differentiation made by the action is based upon reasonable factors other than age.

Section 304(b)(2) provides that title III shall not apply to any program or activity which is established by law which (1) provides benefits or assistance to persons based on the age of such persons; or (2) establishes criteria for participation which are expressed in age-related terms or describes intended beneficiaries or target groups in age-related groups.

Section 304(c)(1) provides that, except for public service employment programs under the Comprehensive Employment and Training Act of 1974, nothing in title III authorizes any action by any Federal department or agency regarding any employment practice of an employer, employment agency, or labor organization, or regarding any labor-management joint apprenticeship training program.

Section 304(c)(2) provides that the provisions of the Age Discrimination in Employment Act of 1967 are not affected by the provisions of title III.

Section 305(a) requires heads of Federal departments and agencies to enforce age discrimination regulations by terminating financial assistance or by other means authorized by law.

Section 305(b) provides that a termination of financial assistance must be limited to the funding recipient directly involved in a finding of noncompliance made by the Federal department or agency. A termination of financial assistance may not be made with respect to any program or activity which does not receive Federal financial assistance.

Section 305(c) prohibits a Federal department or agency from taking action to gain compliance until the person who is in noncompliance has been notified, and the Federal department or agency has determined that compliance cannot be achieved by voluntary means.

Section 305(d) provides that a Federal department or agency taking compliance action must transmit a report to the appropriate committees of the House and Senate regarding such action. The compliance action may not take effect until 30 days after the transmission of such report.

Section 305(e) provides that the provisions of section 305 are the exclusive remedy for the enforcement of title III.

Section 306 provides for judicial review with respect to enforcement actions taken by Federal departments or agencies under section 305.

Section 307(a) requires the Commission on Civil Rights to (1) conduct a study of unreasonable discrimination based on age in programs and activities receiving Federal financial assistance; and (2) identify any program or activity receiving Federal financial assistance in which there is evidence of age discrimination.

Section 307(b) requires the Commission to conduct public hearings in conjunction with the study made under subsection (a). Section 307(c) permits the Commission to obtain analyses and studies by independent experts relating to age discrimination.

Section 307(d) requires the Commission to transmit a report of its findings and its recommendations for statutory changes and administrative action, including suggested general regulations, to the Congress and to the President. A copy of the report must be provided to each Federal department or agency with respect to which the Commission makes findings or recommendations. The Commission is required to transmit its report no later than 18 months after the enactment of title III.

Section 307(e) requires each Federal department or agency receiving the report of the Commission under subsection (d) to transmit comments and recommendations to the President and to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House. Such comments and recommendations must be transmitted no later than 45 working days after the Federal department or agency involved receives the report of the Commission.

Section 307(f) requires the heads of Federal departments and agencies to cooperate with the Commission in order to assist it in carrying out its duties.

Section 307(g) authorizes to be appropriated such sums as may be necessary to carry out section 307.

Section 308 defines the term "Commission" and "Secretary", and defines the term "Federal department or agency" to mean any agency as defined in section 551 of title 5, United States Code. Such term also includes the United States Postal Service and the Postal Rate Commission.

The provisions in the House bill relating to age discrimination were modeled on title VI of the Civil Rights Act of 1964—which authorizes the cut-off of funds to federally-assisted programs found guilty of racial discrimination—but with a significant difference. Distinguishing among individuals on the basis of race for purposes of determining their eligibility to receive the benefits of, or participate in, federally-assisted programs is per se unfair treatment and violative of the Constitution; in this context, race is an arbitrary distinction. But age may often be a reasonable distinction for these purposes, indeed, the prohibition against age discrimination contained in the House bill excluded cases where age is "a factor necessary to the normal operation of such [federally-assisted] program or activity," or where the "differentiation . . . is based upon reasonable factors other than age," or where the program or activity in question "provides any benefits or assistance to persons based on the age of such persons".

What the House bill implies in this regard, the conference substitute makes explicit. The purpose of the title is stated to be the prohibition of *unreasonable* age discrimination in federally-assisted programs and activities. The actual prohibitory language of section 303 that is central to this title is modified by considerations of reasonableness, as the exclusions quoted in the preceding paragraph make clear. Moreover, the Civil Rights Commission is directed to conduct a study of "unreasonable discrimination based on age," to identify programs in which "otherwise qualified" persons are barred because of age.

The difficulty, obviously, lies in establishing what age-related distinctions are "reasonable" with respect to each federally-assisted program or activity, and on this there is not a clear consensus among the conferees. There are basic differences on the extent to which age may validly be taken into account by program administrators in determining who is eligible to participate in programs, in the absence of statutorily-established criteria regarding age.

The age discrimination provisions of the House bill have been modified in two respects by the conferees so that the difficulties resulting from this disagreement on fundamental policy may ultimately be resolved and the ban on unreasonable age discrimination effectively implemented by Federal departments and agencies.

First, as previously mentioned, the United States Commission on Civil Rights has been directed to undertake a study to identify programs and activities receiving Federal financial assistance in which unreasonable age discrimination is being practiced and, in addition, to obtain the views of interested parties, including Federal departments and agencies, on the reasonableness of any age-related distinctions used in such programs and activities. The Commission is to make a report of its findings and recommendations to the Congress and the President, along with suggested regulations for implementing the prohibition on age discrimination. Affected Federal departments and agencies are required to respond in a timely fashion to the report of the Commission. This process should provide Congress with a substantial body of information and, moreover, stimulate the entire Federal establishment to address the policy issues involved.

Second, the House bill has been modified to provide that regulations issued by Federal departments and agencies shall be the sole means to effectuate the policy against age discrimination embodied in this title, and the effective date for such regulations has been established as no earlier than January 1, 1979. Neither the private right to seek a remedy through civil suit contemplated by the House bill nor the authority of the Attorney General to bring "pattern and practice" actions contained therein is included in the conference substitute; thus, implementation will proceed through a set of consistent Federal regulations rather than on a case by case method in the courts. The period of time preceding the effective date of such regulations is intended to give the Congress ample time to re-examine the subject after the Civil Rights Commission's report is issued but before any regulations become final or any enforcement actions are initiated. The designation of January 1, 1979, as the earliest date on which regulations under this title may be effective will ensure that the Commission's report, the required agency comments thereon, and possibly the proposed regulations themselves will be issues in 1978 when the committees of the Congress having legislative jurisdiction will be considering the reauthorization of programs under the Older Americans Act.

The timetable established by the conference substitute for action under this title is as follows, assuming the full time allotted is used at each stage:

(a) Eighteen months after enactment—Civil Rights Commission to issue its report.

(b) Forty-five working days thereafter—submission of the comments and recommendations of Federal departments and agencies affected by the Commission's report.

(c) Forty-five days following the submission of agency comments—period for congressional hearings on the report and comments, counting only days in which both Houses of the Congress are in session. The appropriate committees of the Congress may also hold hearings on this matter at such other times as they may choose; this provision is intended only to suggest a time reference for such hearings.

(d) One year following transmission of the Commission's report, or two and one-half years after enactment, whichever comes first, but not before expiration of the two periods of forty-five days each mentioned in (b) and (c), above—the Secretary of the Department of Health, Education, and Welfare shall publish proposed general regulations to implement the prohibition against age discrimination contained in this title.

(e) Ninety days after publication of such proposed regulations—the Secretary shall publish final general regulations for implementation of this title.

(f) Ninety days after publication of such general regulations—each Federal department and agency which provides Federal financial assistance to programs or activities (including HEW) shall publish regulations for implementing this title as applied to such programs or activities, which regulations shall be consistent with the general regulations issued by the Secretary of Health, Education, and Welfare.

(g) January 1, 1979—earliest date on which regulations issued pursuant to this title may be effective.

Several other changes made by the conference substitute merit comment. Section 304(b) sets forth in exclusions from coverage by this title in substantially the same form as in the House bill, but with some additional language included to clarify congressional intent. Under subsection (b)(1)(A), in language taken from the House bill, what would otherwise be a prohibited discriminatory action is excluded if "such action reasonably takes into account age as a factor necessary to the normal operation" of the program or activity. To this, the conferees have added the further provision that such action is not prohibited if it reasonably takes into account "the achievement of any statutory objective" of the program or activity involved.

In section 304(b)(2), the language of the House bill excluded from coverage of this title programs for which the law provides benefits to persons based on such person's age, such as with Social Security. The conferees have expanded this concept so as to exclude, as well, programs for which the law describes intended beneficiaries or target groups in age-related terms without reference to specific chronological age, as in the use of such terms as "older Americans", or "elderly", or "children".

The conferees have further modified provisions in the House bill to make clear that employment practices (except for public service employment under the Comprehensive Employment and Training Act of 1974) and admission to labor-management joint apprenticeship training programs are not covered by this title. A provision has also been added to state that this title in no way affects enforcement of the Age Discrimination in Employment Act of 1967.

The provisions of the House bill that deal with enforcement and judicial review have been retained with only minor changes.

These provisions were also taken from title VI of the Civil Rights Act of 1964. There are currently pending revised regulations proposed by the Secretary of Health, Education, and Welfare to establish a new enforcement scheme with respect to prohibited discrimination in federally assisted programs. The adoption of title VI-type provisions in this title is in no way intended to convey or imply any endorsement or approval of such proposed regulations. Resolutions to disapprove the proposed regulations have been introduced in both the Senate and the House of Representatives. It is the expectation of the conferees that the disputed issues raised by the proposed regulations will be resolved one way or the other, but without regard to the provisions of this title. Once those issues are resolved and final regulations are adopted, the conferees intend that regulations for the enforcement of this title be consistent with the overall regulatory structure.

In conclusion, the conferees wish to stress the importance of the study of age discrimination in federally-assisted programs to be conducted by the Civil Rights Commission, and the report and recommendations of the Commission based on such study. Where there is found evidence that participation in such programs is affected by distinctions based on age, then the Commission ought to consider the reasonableness of such distinctions and, where appropriate, review the social, economic, legal, and administrative effects of alternative responses to the question of what is reasonable in each case. A thorough, objective, and thoughtful study of this subject is essential to a final resolution by the Congress of the difficult policy issues that are left undecided by this legislation.

Carl D. Perkins,
John Brademas,
Patsy T. Mink,
Lloyd Meeds,
Shirley Chisholm,
William Lehman,
Robert J. Cornell,
Edward P. Beard,
Leo C. Zeferetti,
Geo. Miller,
Tim L. Hall,
Albert H. Quie,
Alphonzo Bell,
Peter A. Peyser,
James M. Jeffords,
Larry Pressler,
Managers on the Part of the House.

Thomas F. Eagleton,
Alan Cranston,
Edward M. Kennedy,
Jennings Randolph,
Harrison A. Williams,
Claiborne Pell,
J. Glenn Beall, Jr.,
Richard Schweiker,
Bob Taft, Jr.,
Robert T. Stafford,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GAYDOS (at the request of Mr. O'Neill), for this week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Schulze) to revise and extend their remarks and include extraneous material:)

Mr. Edwards of Alabama, for 5 minutes, today.

(The following Members (at the request of Mr. Brodhead) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.
Mr. Diggs, for 15 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mrs. Meyner, for 5 minutes, today.
Mr. Patman, for 45 minutes, today.
Mr. Vanik, for 10 minutes, today.
Mr. Addabbo, for 30 minutes, November 18, 1975.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Heinz and to include extraneous matter.

Mr. Eilberg notwithstanding it is estimated to exceed 3½ pages of the Congressional Record at a cost of $1,001, to revise and extend his remarks in the body of the Record.

Mr. Ichord, immediately following the remarks of Mr. Brown of Michigan.

(The following Members (at the request of Mr. Schulze) and to include extraneous matter:)

Mr. Archer.
Mr. Myers of Indiana.
Mr. McCloskey.
Mr. Bell.
Mr. Ketchum in two instances.
Mr. Symms.
Mr. Gradison.
Mr. Sebelius.
Mr. Ashbrook in four instances.
Mr. Bafalis.
Mr. Kasten.

(The following Members (at the request of Mr. Brodhead) and to include extraneous matter:)

Mr. Fraser.
Mr. Moorhead of Pennsylvania.
Mr. Carney.
Mr. Taylor of North Carolina.
Mr. Wirth.
Mr. Harrington in three instances.
Mr. Mazzoli.
Mr. Rosenthal in two instances.
Mr. Annunzio in six instances.
Mr. Anderson of California in three instances.
Mr. Gonzalez in three instances.
Mr. Rangel in eight instances.
Mrs. Burke of California in 12 instances.
Mr. Bingham in 10 instances.
Mr. Montgomery.

Mr. MILLER of California in two instances.

Mr. JONES of Oklahoma.

Mr. BENNETT.

Mr. YATRON.

Mr. ROGERS in five instances.

Mr. O'HARA.

Mr. DIGGS.

Mr. DRINAN.

Mr. RISENHOOVER in two instances.

Mr. YOUNG of Georgia in two instances.

Mr. MCDONALD of Georgia in two instances.

Mr. REUSS.

Mr. TEAGUE in six instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2195. An act to establish a National Center for Productivity and Quality of Working Life; to provide for a review of the activities of all Federal agencies including implementation of all Federal laws, regulations, and policies which impede the productive performance and efficiency of the American economy; to encourage joint labor, industry, and Government efforts to improve national productivity and the character of working conditions; to establish a Federal policy with respect to continued productivity growth and improved utilization of human resources in the United States; and for other purposes.

ADJOURNMENT

Mr. BRODHEAD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Tuesday, November 18, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2063. A letter from the President and chairman, Export-Import Bank of the United States, transmitting a statement describing a proposed transaction with Companhia do Metropolitano do Rio de Janeiro (Rio Metro), which exceeds $60 million, pursuant to section 2(b)(3) of the Export-Import Bank Act of 1945; to the Committee on Banking, Currency and Housing.

2064. A letter from the Assistant Secretary of State for Congressional Relations, transmitting notice of the intention of the Department of State to consent to a request by the Government of Iran for permission to transfer to the Government of Jordan certain military equipment produced in the United States, pursuant to section 3(a) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2065. A letter from the President, Overseas Private Investment Corporation, transmitting the annual report of the Corporation for fiscal year 1975, pursuant to section 240A(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on International Relations.

2066. A letter from the national executive secretary, Navy Club of the United States of America, transmitting the proceedings of the organization's 1974 and 1975 national conventions and an audit for the 3 years ended July 31, 1975, pursuant to section 3 of Public Law 88-504; to the Committee on the Judiciary.

2067. A letter from the Director, National Science Foundation, transmitting the statistical portion of the annual report for fiscal year 1974 on Federal support to universities, colleges, and selected nonprofit institutions, pursuant to section 3(a)(7) of the National Science Foundation Act, as amended; to the Committee on Science and Technology.

2068. A letter from the Chairman, National Transportation Safety Board, transmitting the Board's fiscal year 1977 budget, pursuant to section 304(b)(7) of Public Law 93-633; jointly, to the Committees on Appropriations, and Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to the order of the House on November 14, 1975, the following report was filed on November 15, 1975*]

Mr. FOLEY: Committee of conference. Conference report on H.R. 8841 (Rept. No. 94-668). Ordered to be printed.

[*Filed on November 17, 1975*]

Mr. HAYS of Ohio: Committee on House Administration. H.R. 1686. A bill to establish a Voter Registration Administration within the General Accounting Office for the purpose of administering a voter registration program through the Postal Service; with amendment (Rept. No. 94-669). Referred to the Committee of the Whole House on the state of the Union.

Mr. PERKINS: Committee of conference. Conference report on HR. 3922 (Rept. No. 94-670). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BUTLER:

H.R. 10779. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to provide that elections of officers of intermediate bodies of labor organizations may be by officers representative of the members in good standing only if any officer representative of less than 50 members is entitled to one vote and any officer representative of more than 50 members is entitled to one additional vote for every additional 50 members; to the Committee on Education and Labor.

H.R. 10780. A bill to amend the Labor-Management Reporting and Disclosure Act of 1959 to provide that local labor organizations may not be consolidated unless such consolidation has been approved by majority vote of the members of each local labor organization to be consolidated; to the Committee on Education and Labor.

By Mr. HEINZ (for himself, Mr. KASTEN, Mr. CHARLES WILSON of Texas, and Mr. PATTISON of New York):

H.R. 10781. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. KASTENMEIER:

H.R. 10782. A bill to amend section 321(b) of the Consolidated Farm and Rural Development Act for the purpose of changing the date on which applications for assistance under such section may be made without being subject to the requirement that the applicant be unable to obtain credit elsewhere in order to be eligible for such assistance; to the Committee on Agriculture.

By Mr. LEHMAN (for himself and Mr. SIMON):

H.R. 10783. A bill to amend title 39, United States Code, to provide that buildings constructed for use by the U.S. Postal Service shall be designed and constructed in a manner making them accessible to the physically handicapped; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania:

H.R. 10784. A bill to increase mortgage limits under homeownership assistance programs administered by the Secretary of Housing and Urban Development; to the Committee on Banking, Currency and Housing.

By Mr. RINALDO (for himself and Mr. MITCHELL of Maryland):

H.R. 10785. A bill to expedite construction starts on certain approved public works projects, and to eliminate certain procedural requirements in order to reduce delays and accelerate certain public works programs and projects in the nature of flood control; to the Committee on Public Works and Transportation.

By Mr. SEBELIUS:

H.R. 10786. A bill to amend title 5, United States Code, to provide for the payment of overtime to certain personnel employed in the Department of Agriculture, Animal and Plant Health Inspection Service; to the Committee on Post Office and Civil Service.

By Mr. SOLARZ (for himself, Mr. BADILLO, Mr. EDGAR, Mr. EILBERG, Mr. HARRINGTON, Mr. HYDE, Mr. MCHUGH, Mr. MELCHER, Mr. METCALFE, Mr. OTTINGER, Mr. PRITCHARD, Mr. RODINO, Mr. RANDALL, Mr. ROE, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SCHEUER, Mr. WEAVER, and Mr. WHITEHURST):

H.R. 10787. A bill to require recipients of Federal aid to higher education to provide senior citizens with access, on a space available basis, to already scheduled courses and programs; to the Committee on Education and Labor.

By Mr. CHARLES H. WILSON of California:

H.R. 10788. A bill to amend the Federal employee health insurance provisions of title 5, United States Code, to require that notice and hearing be provided before the effective date of any reduction of health benefits, any increase of premium payment charges or any exclusion of any type of provider of health services; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida (for himself, Mr. BEARD of Rhode Island, and Mr. BINGHAM):

H.R. 10789. A bill to amend part A of title XVIII of the Social Security Act to freeze the inpatient hospital deductible under the medicare program at its 1975 level; to the Committee on Ways and Means.

By Mr. FRASER (for himself, Mr. NOLAN, and Mr. OBEY):

H. Con. Res. 481. Concurrent resolution indicating the sense of Congress that every person throughout the world has the right to a nutritionally adequate diet; and that this country increase its assistance for self-help development among the world's poorest people until such assistance has reached the target of 1 percent of our total national production (GNP); jointly to the Committees on Agriculture, and International Relations.

By Mr. WOLFF (for himself, Mr. BADILLO, Mr. CLANCY, Mr. DE LA GARZA, Mr. GILMAN, Mr. GUYER, Mr. MYERS of Indiana, Mr. MINETA, Mr. SIMON, Mr. SOLARZ, and Mr. YATRON):

H. Con. Res. 482. Concurrent resolution expressing the sense of the Congress that the President actively seek an international convention which has as its goal a multilateral treaty to deny sanctuary to international terrorists; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOWNEY of New York:

H.R. 10790. A bill for the relief of Anthony Casamento; to the Committee on Armed Services.

By Mr. LUJAN:

H.R. 10791. A bill for the relief of Michael A. MacEachen; to the Committee on the Judiciary.

By Mr. METCALFE:

H.R. 10792. A bill for the relief of Jana Hlavaty; to the Committee on the Judiciary.

By Mr. SEIBERLING:

H.R. 10793. A bill for the relief of Mrs. Afaf Kanafani Yassine, Najla Yassine, Walid Yassine, Mona Yassine, and Maher Yassine; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

305. By the SPEAKER: Petition of the county legislature, Orange County, N.Y., relative to revenue sharing; to the Committee on Government Operations.

306. Also, petition of the city council, Weatherford, Okla., relative to revenue sharing; to the Committee on Government Operations.

307. Also, petition of Allan G. Kaplan, Paterson, N.J., relative to redress of grievances; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 10481

By Mr. CRANE:

Page 2, line 22 identify the existing section as paragraph (a).

Page 3, after line 4 add the following paragraph:

"(b) The Intergovernmental Emergency Assistance Board shall not be exempt from the provisions of the Securities Act of 1933, Section 3, Paragraph 2 of that Act notwithstanding."

Page 9, strike lines 7 through 16, inclusive and insert the following:

"(a) No guarantee may be made under this title for the benefit of any State or political subdivision thereof unless

"1. such State or political subdivision thereof relinquishes its exemption under the Securities Act of 1933, Section 3, Paragraph 2 of that Act notwithstanding; and

"2. the General Accounting Office is authorized to make such audits as may be deemed appropriate by either the Board or the General Accounting Office of all accounts, books, records, and transactions of the State, the political subdivision, if any, involved, and any agency or instrumentality of such State or political subdivision. The General Accounting Office shall report the results of any such audit to the Board, to the Congress and to the public."

Page 4, strike line 25 and page 5 strike line 1 and insert: "detail and in accordance with the principles of accrual accounting, a plan for bringing its".

Page 5, strike lines 23, 24, and 25 and insert "cal year or portion thereof as determined in accordance with the principals of accrual accounting;"

EXTENSIONS OF REMARKS

CONSUMER PROTECTION: BASIC NECESSITY OR COSTLY LUXURY?

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ROSENTHAL. Mr. Speaker, the House Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs, which I chair, will hold hearings Wednesday morning on a Treasury Department decision against ingredient labeling of alcoholic beverages.

Treasury's Bureau of Alcohol, Tobacco, and Firearms, in making that decision last week, became "the latest Federal regulatory body to bow to the wishes of an industry it is supposed to regulate," according to an editorial in the Long Island Press November 15, 1975.

The subcommittee will want to know all the ingredients in that decision, including how much the alcoholic beverage industry contributed.

This is another example of the overwhelming need for an Agency for Consumer Protection. Such an independent, nonregulatory Federal body could represent consumers at such agencies as ATF when decisions vitally affecting the public interest are made.

But the Ford administration and its friends in big business would have us believe that such public representation is an unnecessary frivolity. Newsday puts this scurrilous argument to rest in a November 14, 1975, editorial:

> If it's unnecessary for consumers to be represented, why is it necessary for big corporations to employ battalions of high-priced lawyers to represent *their* interests at federal hears . . .?

Mr. Speaker, I commend both editorials to the attention of our colleagues and am inserting them in the Record at this point:

[From the Long Island Press, Nov. 15, 1975]

Consumers Kept in the Dark—Again

A Treasury Department bureau that deals with alcohol, tobacco and firearms is the latest federal regulatory body to bow to the wishes of an industry it is supposed to regulate.

The bureau has withdrawn a proposed regulation that would require ingredient labeling for beer, wine and liquor on the grounds it would be too costly and confusing for consumers.

The pressure to kill the labeling came from liquor distillers and winemakers, but, oddly enough, not from brewers. The Treasury Department bureau then ruled that it would be unfair to force beer labeling while exempting the others, so the idea was dropped for all.

That didn't square with the Food and Drug Administration, which, to its credit, supports ingredient labeling at being in the best interest of consumers.

The FDA is right. As pointed out by the Center for Science in the Public Interest, which petitioned the Treasury Department three years ago to require the labeling, the cost would have been miniscule and would have been no more confusing than labels on other foods.

Fortunately, the fight isn't over. Some time ago, the FDA mistakenly delegated its authority over alcoholic beverages to the Treasury Department, and may reassert it as a result of this latest anticonsumer decision. Lets' hope it does and promptly drops it own labeling rules.

[From Newsday, Nov. 14, 1975]

Reducing the Odds Against Consumers

After six years, a bill to create a federal consumer protection agency has finally been approved by both houses of Congress. Its future, however, is just as cloudy as ever; it faces an almost certain presidential veto.

The bill that passed the House by a narrow margin last week would give consumers some long-overdue representation at federal regulatory hearings. That Congress has taken so long to act on it, and that it may still wind up in the ashcan, is a tribute to the lobbying efforts of big business and the Ford administration, both of which insist that a consumer agency is unnecessary and too costly.

If it's unnecesary for consumers to be represented, why is it necessary for big corporations to employ battalions of high-priced lawyers to represent their interests at federal hearings on such vital consumer subjects as drug safety standards, airline fares and nuclear plant siting? As for cost, the House bill calls for an outlay of $10 million a year, which wouldn't keep most regulatory agencies in pencils.

We're happy to report that five of Long Island's six congressmen voted for the consumer bill. The single exception was Representative John Wydler (R-Garden City). Back in May, Senator Jacob Javits voted for the Senate version of the consumer bill and Senator James Buckley voted against it. It will take a two-thirds vote in each house to override a presidential veto, which means every vote counts. If you share our view that a consumer protection agency is long overdue, write immediately to the While House, Wydler and Buckley.

TRIBUTE TO MS. BARRYING MORRISON

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mrs. BURKE of California. Mr. Speaker, under leave to extend my remarks in the Record, I wish to bring to the attention of my distinguished colleagues in the House the excellent example of community leadership shown by Ms. Barrying Morrison.

Friends from far and near joined with the Board of Directors of the YWCA of Los Angeles at a reception earlier this year in honor of Ms. Morrison on the occasion of her retirement as executive director of the Los Angeles YWCA. She served the YWCA not only in this country but also traveled on behalf of that organization throughout the Middle East, Africa, and Australia.

Ms. Morrison, an ordained minister, was well-equipped to carry out dedicated Christian work by virtue of her academic training in such fine schools as Trevecca College in Nashville, Tenn.; Bonebreake Seminary in Dayton, Ohio; The Los Angeles Baptist Theological Seminary; The University of Istanbul, Turkey; and The University of Southern California in Los Angeles.

Ms. Morrison was one of the founders of the Los Angeles Job Corps Centers which have graduated more than 2,000 young adults since 1965. It is not surprising to those who know Ms. Morrison's dedication that they have been acclaimed as being among the best of such centers in the Nation.

Ms. Morrison has given excellent leadership and religious inspiration to many civic, social and religious organizations worldwide, although especially in the Los Angeles area where she has immeasurably enriched so many lives. I know that I join her many friends in wishing this remarkable lady well in her retirement.

U.N. ACTION AGAINST ISRAEL

HON. JOHN T. MYERS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. MYERS of Indiana. Mr. Speaker, I thought that many would find the statement of my colleague, ELWOOD H. HILLIS referencing the recent United Nations action against Israel of interest. His remarks of November 14, 1975, before the Indianapolis Hebrew Congregation follow:

STATEMENT BY CONGRESSMAN ELWOOD H. HILLIS IN REFERENCE TO RECENT UNITED NATIONS ACTION AGAINST ISRAEL

I think many of us remember 30 years ago when a war-weary world turned its hopes toward the belief that a world organization must be created to guarantee peace for future generations.

From these hopes came a meeting in San Francisco where delegates assembled to draft a charter adopting the broad principles of such an organization—the United Nations Organization. This would then be the vehicle for affirming a dedication to peace and tolerance for member nations.

I quote from the first article of this charter: "The purpose of the United Nations is to achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language or religion."

The recent action taken in the General Assembly whereby a resolution adopted November 10 declares Zionism to be racism is a distinct contradiction to the intent of the U.N. Charter. It is a direct contradiction and affront to all of those who placed their hopes and dreams of peace into the writing of this charter. To equate Zionism with racism is unthinkable! To me it is all the more deplorable since the date of its enactment fell upon the same day as Kristall Nacht.

I support our Secretary of State Henry Kissinger, who said: "We think that it is an example of the bloc voting, of the one-way morality, that has weakened the public support in the United States for the United Nations."

It is my thought that this vote represents a move *away* from peace, rather than *toward* peace. It is an action by a political power bloc to achieve indirectly what some members of that bloc had been unable to achieve with a policy of direct military action.

Needless to say, there are some who say we should now leave the United Nations—I do not feel that we can take such action. For us to leave the field would only permit the forces which follow such a wrongful course to move forward unchallenged.

In turn, it is my feeling that now is the time to assert a uniform policy of support for the nation of Israel. We must work within the United Nations and do everything within our power to reverse this wrongful act which violates the very intent of the U.N. Charter. We must work hard toward restoring and reasserting that feeling that the U.N. can stand for peace, cooperation, tolerance, and understanding, in the family of nations.

TRIBUTE TO RALPH KREISER

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. KETCHUM. Mr. Speaker, today I would like to share with my colleagues the many accomplishments of the late Ralph Kreiser, a veteran journalist of Bakersfield, Calif.

A California newsman for over 50 years, Ralph began his journalistic career on the Highland Park Community Press. From there, he moved to the Los Angeles Times, the Los Angeles Express, and the Progress Bulletin of Ponoma, before joining the staff of the Bakersfield Californian in 1936. Ralph served in a number of capacities with the Californian for 22 years, including county editor, sports editor, city editor, editorial writer, and assistant managing editor. His editorials proved him to be a concerned and able spokesman for many causes, and his efforts brought to public attention such issues as conservation and recreation. Ralph's attempts aided greatly in gaining public support for such recreational areas as Lake Isabella, Calif. Additionally, he edited the award-winning, four-part 1966 centennial edition of the Californian.

In 1970, Mr. Kreiser left the Californian to become managing editor of the Bakersfield News Bulletin. There he remained until last year, when failing health forced his resignation.

Not only was Ralph Kreiser a fine newspaperman—he was a dedicated and public-spirited individual, recognized as an authority on the history of California, and Kern County in particular. He was a member of the Kern County Historical Society, and served as president of that organization in 1959–60. He also worked for the Kern County Museum, and his historical interests led him to aid in the founding of the Peter Lebec chapter of E Clampus Vitus. Additionally, he has served as manager of the Kern County Chamber of Commerce.

Ralph Kreiser has been honored on many occasions for his contributions to the community, his profession, and the State of California. In June of last year, the Kern Press Club paid tribute to Ralph for his journalistic efforts; the California Legislature honored his fine work not only in his own field, but as a dedicated citizen.

I counted Ralph Kreiser among my friends, and can only say that his life was one of contribution to all around him. He will be sorely missed, and I know that Members of the House will join with me in recognizing this outstanding man today.

RESOLUTION ON THE BUDGET MANDATES LARGER DEFICITS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ASHBROOK. Mr. Speaker, I strongly opposed House Concurrent Resolution 466, the second concurrent resolution on the budget. The spending and deficit levels proposed in this legislation will only trigger more inflation and delay economic recovery.

As I have stated repeatedly, inflation is the No. 1 problem facing our Nation. Inflation was the major cause of the current recession. It remains the major roadblock along the path to economic recovery. Unless inflation is finally brought under control there is little chance of revitalizing our economy.

How can inflation be brought under control? The only way is to reduce Government spending. We must stop the reckless spending policies that have created large deficits and fueled inflation.

Unfortunately a majority of the Members still seem to believe that massive deficit spending is the answer to our economic difficulties. If we just spend more, they say, then surely everything will get better.

Consequently the second budget resolution proposes budget outlays totaling $373.76 billion. This is nearly $7 billion beyond the already ridiculous spending levels provided in the first budget resolution. The deficit figure has been pushed up to $71.968 billion. This is $3.2 billion in excess of the earlier resolution. Both threaten to go even higher.

Let me point out to the budget-busters in the 94th Congress that for the past several years we have chalked up the biggest budget deficits in our history as a nation. Let me also point out that for 16 of the last 18 years the United States has engaged in deficit spending.

If deficit spending is truly the answer to a healthy economy then the United States should now be feeling the glow of our healthiest economy ever. This, of course, is not the case.

The "spend, spend and spend some more" policies of the liberal politicians have instead led to an economic nightmare. Inflation and recession are the products of the liberal economics. More Federal spending will mean even more inflation and higher unemployment, not less.

It is time that the Congress learned from its mistakes and brought the inflation-recession cycle to a halt. It is time that we cut Government spending and began balancing the budget. This is the only effective way of reducing inflation and getting our unemployed citizens back to work. This is the only way of restoring a healthy economy to our Nation.

THE PEOPLE CAN BE HEARD; WHY WILL NOT CONGRESS LISTEN?

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. HARRINGTON. Mr. Speaker, the need for gun control legislation is an issue that only the Congress cannot seem to agree upon. The American people know how they feel; they have favored stronger gun control measures since 1938. According to the most recent Harris poll, the majority of Americans continue to support stronger gun laws, as do the major law enforcement agencies in the Nation. Yet the Congress continues in its refusal to act.

While we again debate whether or not the Congress should follow the lead, and indeed, wishes of majority of Americans, thousands of people are being needlessly killed by handguns. And it does not appear that Congress will do much about it this year either.

A rather insightful article appeared in the Wall Street Journal by Allan L. Otten on November 13, which explores the reasons why Congress is not being responsive in this crucial area of national concern. I strongly recommend that my colleagues take a moment to read it. The text of the article follows:

GUNS DO KILL PEOPLE

(By Alan L. Otten)

WASHINGTON.—Congress usually likes to listen to experts.

Senate and House committees are always gathering advice from leading economists and businessmen on proper economic policy, from tax experts on changes in tax laws, from military men on new weapons systems or from scientists on medical or space problems. And, to a substantial degree, the lawmakers heed this advice.

In one area, though, Congress turns a deaf ear on the experts: on controlling handguns. FBI directors, Secret Service chiefs, big city police commissioners and others who are directly on the line in fighting murder, robberies and other crime and violence all urge tough handgun laws—and still nothing happens.

This train of thought was prompted by recent testimony to a Senate committee by five key law enforcement officials. The men involved—in charge of police in Los Angeles County, Boston, Atlanta, Newark and San Antonio—can hardly be called woolly-headed criminal coddlers, yet one after the other they pled with the Senators to enact the strictest sort of federal controls on handguns. Their testimony was completely convincing to any remotely open mind.

* * * * *

Over and over they stressed the growing number of violent crimes committed with a handgun—and how much deadlier guns are than any other possible weapon.

Handguns, asserted Boston Police Commissioner Robert diGrazia, are "the main source of violent crime. . . . The handgun is used for nothing except to kill people."

If the country doesn't soon adopt a tough gun control law, warned Los Angeles County Sheriff Peter Pitchess, more and more people will be buying guns in mistaken hopes of self-defense, and soon "we are going to revert to the old law of the West where the fastest gun will prevail." For every robber stopped by an armed homeowner or storeowner, he said, "four homeowners or members of the family suffer death in a gun accident."

Atlanta's Commissioner of Public Safety A. Reginald Eaves said three-fourths of the 161 handgun homicides in his city last year were motivated by "anger and drunken argument, jealousy and revenge—three out of four deaths which I believe could have been prevented, were a handgun not available.'

Hubert Williams, police director of Newark, pointed out that handguns are not only being used in more crimes, but escalate the damage caused in those crimes, and "an even more ominous trend . . . is the rapid increase in gun violence by juveniles." In 1974, he reported, one-fourth of Newark's 75 gun homicides were charged to youths between 12 and 18. Mr. Eaves similarly stressed that "teenagers really feel superior with the use of a handgun. Once taken out of their hands, you will cut down the numbers of teenagers involved in aggravated assaults and homicides."

Police Chief E. E. Peters reported that during the first eight months of 1975, San Antonio had 92 murders, included 60 committed with handguns. Despite state and local laws against carrying firearms, the city has had 595 robberies and 419 assaults with guns.

One after another, the police officials rejected the argument that "guns don't kill people, people kill people." Responded Mr. Pitchess: "If we accept such ridiculous logic, then there is no reason to restrict people from owning machine guns, hand grenades and bombs. After all, we have nothing to fear from such weapons so long as the people who possessed them behave." In most cases, Mr. diGrazia said, "the unavailability of a handgun could mean the noncommission of a violent crime."

Unanimously, the five men found state and local laws incapable of doing the job, since "guns don't observe state boundaries" but flow easily from one place to another. Four of the five urged a federal law outlawing handgun ownership for all but police and military personnel, arguing that mere registration would be ineffective and a waste of time. Mr. Peters endorsed either registration or outlawing handguns.

* * * * *

Why, in the face of such overwhelming expert judgment, doesn't Congress act? The reason, everyone here pretty well agrees, is that the National Rifle Association and other opponents of gun control have managed to establish the notion that the office-holder who backs gun curbs faces certain defeat at the next election. They claim the scalps of former Sen. Joseph Tydings, former Sen. Joseph Clark, and half a dozen others.

Yet if these groups aren't paper tigers, they may be at best cardboard tigers. Pollster Louis Harris told the same Senate committee that his most recent survey, admittedly taken just a few weeks after the two assassination attempts on President Ford, showed a whopping 77% to 19% majority for mandatory federal registration of handguns, up sharply from a 66% to 30% margin in 1971. Even handgun owners, he said, were 61% to 33% in favor.

Groups fighting gun control are politically effective, Mr. Harris suggested, only because candidates fail to mobilize the far more numerous pro-control voters. Any candidate making tough gun controls a major campaign issue will win, he predicted. In the same vein, the U.S. Conference of Mayors calls the political clout of gun control opponents a "myth," and says that "most of the alleged NRA victories over political foes can be attributed to factors other than the issue of gun control and NRA power."

The pattern of congressional interest in gun control has been a flurry of concern right after some dramatic event: the assassination of John Kennedy, the assassination of Martin Luther King and Robert Kennedy, the attempts on Mr. Ford. Then the events recede in time, and congressional concern ebbs.

This hasn't quite happened yet, but there are signs it may be about to happen. Gun control advocates in Congress are squabbling among themselves on the proper approach, and the closer election day come, the slimmer the chances of action.

Perhaps, though, it really is time for Congress to listen to the gun control experts. Maybe the people are more in line with the experts than Congress thinks.

TRIBUTE TO MR. SPENCER WILEY

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mrs. BURKE of California. Mr. Speaker, on September 1 of this year, Mr. Spencer Wiley, an international representative of the United Auto Workers—UAW—retired after 31 years of dedicated service to labor, social services, and politics—for which he will be honored on October 19, 1975, in Los Angeles, Calif.

In 1944, Mr. Wiley was one of the first blacks to join the UAW Local 509. Thereafter, he served on the following committees: Education, By-Laws, Fair Employment Practices, Safety, Recreation and Welfare, and Bargaining. He was also one of the founders of the UAW Local 509 Federal Credit Union.

In 1951, Mr. Wiley was elected as a trustee of the California CIO, a post he held until the 1958 merger of the AFL–CIO Union. In the AFL–CIO, he served as vice president of the Los Angeles County Federation of Labor.

As an elected delegate, in 1954, to the UAW International Convention, Mr. Wiley was chairman of the Region 6 Caucus.

The following year, the late Mr. Walter Reuther, then president of UAW, appointed Mr. Wiley a UAW International Representative. As a UAW International Representative, Mr. Wiley served in the education department, and the citizenship department.

Born in Hennessey, Okla., in 1910, Mr. Wiley has lived in California since 1941 where he began his labor career as a welder and ship-fitter. Throughout the years, he has been an active, influential force in the black and minority communities of California.

In Los Angeles, Mr. Wiley has served as a vice president of the Urban League, a board member of the NAACP, and as a chairman of the NAACP housing committe. In 1960, he was elected as a California delegate to the Democratic National Convention.

Mr. Wiley and his wife, Hattie, have one son, Robert. Robert Wiley is also an active member of the United Auto Workers.

It has been my special privilege to know Mr. Spencer Wiley as a personal friend, but more importantly to know him as a man dedicated to the advancement of blacks and other minorities in labor.

Mr. Spencer Wiley should be remembered by many for his social, political, and labor efforts over the past quarter century. He represents the pioneer spirit of California and the Nation. Mr. Speaker, I pray that this Nation continues to produce men possessing the spirit and dedication of Spencer Wiley.

THE CASE OF THE MISSING FISHERMEN

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. YOUNG of Georgia. Mr. Speaker, a year ago this month, five black men left Atlanta on a fishing trip to the Gulf of Mexico off the Florida coast. They never returned.

The Southern Christian Leadership Conference has been investigating this mysterious case, and has raised serious questions about what really happened. Some of those questions are reported in the following article by Glen Ford in the May 5, 1975, issue of Encore American & Worldwide News:

THE CASE OF THE MISSING FISHERMEN

Santa Rosa Island lies 38 miles from Pensacola, Florida, in the Gulf of Mexico. It is flat, sandy, and pockmarked with caves that once served to hide U.S. gun implacements when this country and Spain fought over control of the Caribbean. Today Santa Rosa Island is largely deserted. At its tip rises Fort Pickens, a relic of the conflict with Spain, breaking the outline of sand dunes and scrub pines with the crude stone angles of a European castle. Fort Pickens is under the jurisdiction of the U.S. Navy, but the Whites of this part of Florida believe its inlets and coves, it caves and hidden places belong to them.

This part of the country is known also for good fishing.

On November 29, 1974, five Black men leave the bustling New South city of Atlanta for a weekend of fishing on the Gulf. Robert Walker is driving, towing behind him his 19 foot, 135 horsepower boat. The party is relaxed, good natured, glad to have the work week behind them, and looking forward to some friendly competition for the biggest catch.

High? Most likely. Alcohol helps keep the conversation going and the driver awake until the group's arrival in Pensacola, at approximately 3:00 a.m.

Seven hours later, Saturday, November 30, the coast guard found Robert Walker's boat drifting in the Santa Rosa Sound, in 30 feet of water. All five life preservers were sitting in the bottom of the boat; the throttle was in neutral; both tanks were full of gasoline; and the anchor line was cut. On the shore the camper belonging to the five men was parked, filled with the paraphernalia men usually take fishing with them. According to the coast guard everything was normal and there were no signs of foul play.

The coast guard dragged the bottom of Santa Rosa Sound three days, but found nothing resembling a body. The five Black men from Atlanta, Georgia, were listed as missing and presumed dead. And the case was closed.

But the relatives of the missing men cannot accept the deaths so easily.

On December 7, four days after the coast guard called off its search, the Southern Christian Leadership Conference (SCLC) received a call from a deacon of the West Hunter Street Church in Atlanta requesting assistance for the bereaved families in locating the men's bodies and in determining what happened to them. The SCLC report read like the script for an English mystery-horror movie, complete with castles, torture, and death. But the scenario was totally American. This time the bitter fruit of White racism was waterborne, floating in the Gulf of Mexico instead of hanging from the trees of Georgia.

The SCLC received word that a female friend of one of the missing men got a bizarre telephone call on the day the men disappeared. The fisherman reported that he and his companions had been captured by Whites and were being held in what seemed to be a castle. Before the conversation was completed, the connection was broken. Mrs. Doris Mason, investigator for SCLC, was dispatched to Pensacola to see what she could find out.

In Club 506 in a Black section of Pensacola, Mason was prepared to pay for information. She talked with a 19- or 20-year-old waitress, who claimed to be dating a Black policeman. The waitress informed Mason, in whispers, that she had heard from her boyfriend of five Black men being held 38 miles from the city in something resembling a castle. The young, afro-haired woman was extremely articulate. She said she feared for her life, should it become known she had divulged this information. Mason paid her $45.

A bait shop would have been the five fishermen's last stop in the pre-dawn hours of November 30 before launching their boat into the waters of the Santa Rosa Sound. Mason spoke with the shop's White owner. In a belligerent manner, the owner said, yes, he had seen the five Black men. He recalled having argued with one of them on a previous occasion and remembered telling "nigger Sterling" he would "get him" if he ever returned to Pensacola again. Did he "get" Sterling when he returned on the morning of November 30, asked Mason? "No," he smiled.

That was December 7. On December 8 the SCLC issued a public statement declaring its intention to find out what happened to the five fishermen.

The next day the coast guard found the body of Marvin Walker floating in the Santa Rosa Sound. Three days later, and miles away, authorities recovered two more Black corpses, supposedly those of Robert Walker and John Sterling.

At County Hospital in Pensacola SCLC communications director Tyrone Brooks from Atlanta joined the investigation. Brooks viewed the two Black male bodies taken that morning from the Sound. To Brooks the bodies looked remarkably normal, not what would be expected of bodies that had floated in salty, fishy water 12 days.

Brooks spoke to the sheriff, Royal Untriever, who didn't have anything new to add, explaining that he was gathering his information "from the newspaper."

Two more Black bodies were discovered floating in the Sound the next day. With this, all five fishermen were officially accounted for.

Meanwhile, in Atlanta Lottie Bell Sterling gazed in horror at what was supposed to be the body of John Sterling, the man she had reared since adopting him at the age of three months. The corpse lacked ears and eyes and appeared to have been burned. Lottie Sterling swore to Tyrone Brooks that the body she saw was not her son's. Brooks believed her, for just days before in Pensacola he had been shown a normal looking body, with no sign of mutilation, labeled "John Sterling."

The SCLC decided an official investigation was needed. The Florida Bureau of Investigation declared the case closed, the verdict, accidental drowning. Jimmy Carter, the then outgoing governor of Georgia, promised to press for a probe of the deaths. Seemingly, no official person was or is interested in answering the many questions left by the disappearance of five Black men who only wanted to spend a weekend fishing.

What happened to the Black fishermen? The SCLC theory is grisly, bizarre, and horribly cruel.

The trouble started, the SCLC feels, in the bait shop. Here five friends stopped to pick up fishing supplies. Weary from the hours of driving, the alcohol consumed on the road from Atlanta having taken its toll, exhilarated at the prospect of salty air and fishing, the men attempted to make a purchase from the White store owner who is characteristically arrogant. An argument erupted, probably with "nigger Sterling," who the store owner particularly disliked. At some point local lawmen were called in—White men from the Pensacola area, "good old boys" who know how to deal with abrasive Blacks from Atlanta.

With the knowledge of at least some local police officials and possibly even a few of the token Blacks on the force, the five men were taken 38 miles away to all-White Santa Rosa Island. There they could be taught how to behave. They were held in or near what looked like a "castle," Fort Pickens.

One of the Blacks broke away and located one of the pay telephones strung, at intervals, along the road to the fort. He called a woman friend to report his and his colleagues' capture. The woman, who is married to someone else, was afraid to do any more than anonymously "tip" the victim's family. In the middle of the conversation, the Black man was found by the Whites. The telephone went dead.

Soon afterward the sun rose. The men's boat would be found a few hours later, drifting.

Now, the Whites had a problem: What to do with five captured Blacks when tired of tormenting them? The game was getting complicated.

On December 9 the SCLC publicly announced its involvement in tracing the movements of the five missing fishermen. The game was over. The captives must be disposed of. One Black body turned up the next day and two more three days later. SCLC official Tyrone Brooks viewed the two normal looking corpses, which showed no effects of their supposed 13-day immersion in salt water. An official told Brooks he was sure the other bodies would be found the next day.

Later in Atlanta relatives of the dead men viewed what were supposed to be the same corpses, but the bodies were horribly mutilated.

The SCLC believes County Hospital officials conspired with local police to cover up what happened to the five Black fishermen. Many blank spaces, however, are in the theory. The families of the dead men repeatedly have asked the governors of Florida and Georgia to reopen the investigation and post rewards for information. But until official action is taken, little hope exists that this tale of five fishermen will be anything but a chilling, intriguing mystery—one that cries out for an ending, a logical conclusion.

SHAPP TESTIFIES BEFORE JEC ON GETTING AMERICA BACK TO WORK

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, on Friday, November 14, the Joint Economic Committee had the privilege of receiving testimony from the Honorable Milton J. Shapp, Governor of Pennsylvania. Governor Shapp presented a series of innovative and constructive suggestions designed to correct the problems in the national economy and to put America back to work.

The major proposal that Governor Shapp made was that we should embark on a national public investment program to stimulate economic development. In Governor Shapp's words, recent economic policy has ignored "the enormous potential of public sector investments in stimulating economic growth and providing full employment and full production in all sectors of the economy."

Governor Shapp also suggested that the national economy would be far more productive if business principles were applied to Government budgeting. Specifically, he suggested that Government investments that generate jobs in the long run be separated, for budgeting purposes, into a capital budget. Such a budget would allow the Federal Government to ascertain which expenditures were really producing new jobs and which ones were not making a contribution to the economy.

I recommend Governor Shapp's creative remarks to all of my colleagues and insert his statement at this point in the RECORD:

SHAPP TELLS CONGRESS "LET'S PUT AMERICA BACK TO WORK"

Gov. Milton J. Shapp today told Congress that "we can put America back to work" by launching a program of economic revitalization based on cooperation between the public and private sectors.

Shapp described a national investments policy which he said will generate millions of new jobs and increase income and wealth for all Americans.

In testimony before the Joint Economic Committee of the Congress Shapp described a plan which "mobilizes the tremendous resources of the public sector to stimulate the even larger resources of the private sector and reinforce the actions of government."

If the government fails to act now, Shapp warned, "the nation may indeed pass its peak and abdicate its role of world leadership and become a second or third rate power."

According to the Pennsylvania's plan, each dollar invested by the public sector will trigger a $2.50 investment by private industry, the combined $3.50 will result in $8–10 worth of increased Gross National Product.

Shapp also said the federal government must abandon its outmoded budgeting system and adopt the capital budgeting principles used by private industry.

Calling the current budget system nothing but a cash flow sheet, Shapp said America can limit spending while planning a budget which will include long-range planning for economic development.

With a budget reflecting not merely incoming and outgoing revenues the nation can plan future capital investments, to encourage the expansion of private industry.

According to Shapp such a program will dampen the raging rate of inflation, since it will avoid borrowing.

The Shapp program will further curb inflation by increasing the sluggish rate of productivity from the current rate of 66 per cent to at least 85 per cent of capacity.

Citing his home state as an example of successful economic planning the governor said such a program must be national in scope if it is to work.

Shapp told the Committee that local participation and planning must increase.

Citing rising unemployment, increased crime and welfare costs the Pennsylvania governor said the American people have lost confidence in their government to do the job.

"It's time for a change for the better. It's time to stop tinkering with an outmoded motor and put in a brand new engine with sufficient power to get America moving forward.

"Yes, it's time that we change our outmoded federal budgetary principles in Washington and devise a program of public sector investments to maximize the stimulation of the private sector and put America back to work."

TESTIMONY OF MILTON J. SHAPP

Mr. Chairman, members of the Committee, I welcome this opportunity to appear before you today.

I have come to discuss plans and programs to rebuild our economy and put America back to work.

It can be done. The basic ideas are not new.

I applaud the efforts of this Committee for focusing the spotlight on the need for public sector planning to stimulate the national economy.

"Planning is the process that enables executives to make better decisions."

This is the theme of seminars I conducted for businessmen in the early and mid 1960's at the American Management Association in New York.

For years, in the United States, planning was looked upon as a dirty word, closely identified with Soviet efforts to achieve a completely planned society.

In our efforts to show public scorn of what they were doing in Moscow, we swung the pendulum full scale in the 1950's and 60's and rejected the concept of doing any economic or social planning in the operation of our government.

It's time we realize that a public policy of doing no planning is just as bad for the United States as would be a policy for government to do complete planning of an economy.

We need a new approach to economic recovery which mobilizes the tremendous resources of the public sector to stimulate the even larger resources of the private sector and reinforce the actions of government.

We cannot meet today's challenges successfully with the shop-worn strategies of yesterday. The formula of one part 19th century predatory monopoly and one part 20th century Herbert Hooverism won't work.

We must recognize the enormous potential of public sector investments in stimulating economic growth and providing full employment and full production in all sectors of the economy.

More than a century ago government investments spurred development of our great cities and opened the West to development. These investments in canals, and railroads, in water systems and natural resources, and in public education for all Americans fueled the Industrial Revolution and Age of Industrialization in America.

Today, public sector investments can power a full scale revitalization of the economy, generating millions of new jobs, and increasing income and wealth for all Americans.

It can be done. America has great wealth, an enormous variety and quantity of essential resources and a huge reservoir of human talent. With proper planning and forceful execution of logical plans our government today can stimulate the national economy to accomplish this goal.

Let me put it in reverse. If we fail to do so—if we continue to wallow about without coming to grips with our basic economic problems then I fear this nation may indeed pass its peak and, like many other great nations before it in history, abdicate its role of world leadership and become a second or third rate power.

So, this is not a time to fear the implementation of essential programs based upon realistic public sector planning to get America moving ahead.

The federal government must change its outmoded system of budgeting and adopt the capital budgeting principles that are used by almost every major business enterprise in the world.

The goal of business is to budget its resources so as to maximize growth and profits.

The goal of our federal government should be to use its financial and physical resources to take care of legitimate, essential needs of the American people. This includes providing for the safety of the nation and giving maximum stimulation to the economy to increase the production of needed goods and services and thus stimulate the growth of the job market.

Public sector investments, if properly selected, will trigger $2.50 in follow-on investment by private industry for each public dollar invested. The combined $3.50 will result in $8–10 worth of increased Gross National Product.

Unfortunately, our present federal budget is not designed to accomplish this goal. It is nothing more than a cash flow sheet that measures "dollars out" versus "dollars in" during any given fiscal year. If AT&T used our federal budgetary system we'd still be using crank telephones in the United States.

The worst example of putting the cart before the horse that shows the lack of understanding of the business principle involved in proper budgeting is the President's recent demand to limit federal spending for next year to $395 billion.

I am all in favor of limiting spending to the lowest level possible, but there are two sides to the budgetary equation—revenue income and expenditures.

I was chief executive of The Jerrold Corporation in Philadelphia from its beginning in 1948 until I sold my interest in 1966. During that time we grew from two employees to over 2,200, and from a $500 investment to a company doing over $50 million a year.

In 17 of the 18 years that I was chief executive officer, we showed profits. But we never started our budgetary process by limiting spending. We first projected our expected sales and income then made sure our expenses were under that amount.

If we found we had sales of 7,000 units instead of 5,000 units originally projected, we hired more people and bought more raw materials and thus increased expenditures and also our profits.

The President, in making his demand for spending limitation, ignores this principle, and in doing so jeopardizes the financing of essential public programs that could either reduce expenditures or increase revenues or both.

Let me give you a very practical example of how public sector investments in human development can help people and also lower the operating costs of government.

One recent study estimated that there are more than a million American infants or young people who have suffered brain damage because of malnutrition of their mothers during pregnancy.

The costs of maintaining these people through their lives are enormous. In cases where they must be institutionalized it may cost $500,000 to $750,000 over a typical lifetime. On the other hand, it may cost about $1,500 to give a woman adequate health care and nutrition through her pregnancy.

The simple economic fact is that a one-time investment of $1,500 will save a total of up to three-quarters of a million dollars—and also improve the quality of life in America.

We must adopt business principles and make long-term public sector investments that will generate sufficient future yield in the form of increased tax receipts, user fees or rents, or result in future annual savings in the operation of government. These investments, for which income or savings could be projected over a calculated period of years, should be separated in the annual budget presentation from the identified operating costs of government which would then include annual amortization and interest charges against these investments.

This is the way business budgets its resources. This is the businesslike way for the federal government to operate.

With such a budget in operation, we could then establish a National Investment Plan that would give maximum stimulation to the American economy, encouraging private industry to expand in order to produce greater quantities of goods and services, thereby generating the jobs that are so essential in our Nation.

The return on public investment is so great that the only limitation should be the ability timewise to gear the productive capacity of this Nation to meet the demands for services and products that would be generated.

Over-stimulation supplied too quickly could increase inflation. But with proper public sector planning, this could be minimized or avoided.

With a money supply growth rate in the 7% to 7.5% range—the objective of the Federal Reserve Board—the program I recommend could be instituted without necessitating any excessive federal borrowing which might be inflationary. Further, if such borrowing should become necessary, then a decision could be made at that time whether to accelerate or dampen the public investment programs based upon money market conditions at that time.

The program I advocate will not by itself increase the rate of inflation. It should do the reverse.

A major cause of inflation today is that productivity in America has dropped to about 66%. This means that 100% of our national plant overhead is carried by two-third's productivity.

To reduce the inflationary impact on our economy we must raise the productivity rate—hopefully to at least 85%. This will only come about under present circumstances by public sector stimulation of the economy that will cause America's private sector to expand and modernize facilities.

Money should be used by government as it is by business as a tool to increase wealth.

The only practical limitation to the application of federal capital budgeting and the economic stimulation it would create is the ability of this nation to produce.

I support the concept of investment planning for the public sector based in part on our experience in Pennsylvania. Since I became Governor in 1971 we have come to rely heavily on the work of a revitalized state planning operation.

Through the Office of State Planning and Development, which I established, the Commonwealth began assessing the long-term needs of our economy and of our people and we began revising our programs to meet these needs.

There efforts have been successful, but they also brought home to us the limits of economic planning by any one state.

No state is an economic entity in and of itself, and economic programs at the state level can have only partial effects without the benefit of coherent national efforts.

It is often not possible for states individually, or even collectively, to achieve needed programs (however well identified, conceived or planned) independent or federal involvement.

Not only does the federal outlay for goods and services represent nearly 40 percent of all government expenditures (including state and local), but by tying eligibility for federal funds to predicated program areas, it has become a very large tail wagging a barely larger dog.

What states can do, however—and are doing—is to begin the process, identify the problems, initiate the process of education and help develop the models for such a program.

States must be full and active partners with the federal establishment if we are to achieve a genuinely national program.

Their role must not be limited to review—even at state levels of government this process is unweildly and uneven in quality.

States must participate fully and from the outset, working within a uniform system of data and analysis procedures in order to insure our ability to coordinate planning and programs at regional and national levels.

Other states, which have followed innovative approaches to the problem of long range development have also been frustrated by the lack of action and lack of direction here in Washington.

Representatives of 29 states recently came together to discuss their experience and to evaluate proposals for national planning under the sponsorship of the Commonwealth of Pennsylvania and the Council of State Governments.

I think the proceedings of that conference, which we shall be pleased to submit to the Committee, indicate the importance with which the states view the role of the Federal government in economic planning.

Although better government planning would be necessary under capital budgeting, it will not be necessary for government to plan the private sector.

No outside planning would be needed by General Electric, U.S. Steel, Alcoa, Johns Manville, and other great American enterprises to calculate how much steel, aluminum, electrical or construction products would have to be manufactured or how many people would have to be hired by these individual companies to furnish the materials to rebuild our railroads or construct 10,000; 20,000 or 100,000 new units of housing or respond to public sector investments in other areas.

The private sector would be better able doing its own calculating of the markets, demand and production requirements.

There would have to be some planning of future job skills that these companies would need, but here again the educational and training needs can be identified and training facilities expanded. In the meanwhile, the millions of unemployed workers who have the required skills would be absorbed into the newly created job markets.

Yes, we can put America back to work if we start with basics—that is, if we start with the budgetary process in Washington, change it to conform to business principles and adopt a National Investment Plan.

More than a decade ago, President John Kennedy spoke of the limits of the Federal budgetary process which did not allow government policy makers to discern clearly public sector investments.

In a commencement address at Yale University on June 11, 1962, Kennedy said:

"The administrative budget has sound administrative uses. But for wider purposes it is less helpful. It omits our special trust funds and the effect that they have on the economy; it neglects changes in assets and inventories. It cannot tell a loan from a straight expenditure—and worst of all it cannot distinguish between operating expenditures and long term investments.

"This budget, in relation to the great problems of Federal fiscal policy which are basic to our economy . . . is not simply irrelevant; it can be actively misleading."

At the time I was consultant to Luther Hodges in the Department of Commerce and part of a group working to reform the budget and adopt public investment programs along the lines Kennedy described.

Today, I think that task is more urgent than ever.

We have almost 12 million unemployed or underemployed and no one knows exactly how many million who have dropped out of the labor market.

Welfare and crime prevention costs have soared to all time highs.

Our people have become disillusioned with government and with government officials at all levels.

It's time for a change for the better. It's time to stop tinkering with an outmoded motor and put in a brand new engine with sufficient power to get America moving forward.

Yes, it's time that we change our outmoded Federal budgetary principles in Washington and devise a program of public sector investments to maximize the stimulation of the private sector and put America back to work.

It can be done. Let's do it!

Mr. Chairman, that concludes my formal statement. I will be happy to answer any questions you or other members of the Committee may have.

MORE OSHA HORROR STORIES

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. KETCHUM. Mr. Speaker, as a member of the Republican Regulatory Reform Task Force and an ardent defender of the cause of small businessmen versus the big bully of Federal regulatory agencies, I wish to bring to my colleagues' attention three more examples of flagrant regulatory ineptitude. The culprit is OSHA and the stories are true.

A gentleman from my district submitted to my office a copy of OSHA form No. 103, covering work related injury or illness for calendar year 1974; a quite lengthy and quite detailed document. Not only did the gentleman resent being handed this mandatory report—as one farmer with one permanent employee plus one part-time seasonal—he was attempting to point out that he had ceased farm operations over a year before. In other words, OSHA was wasting time, paper, and energy—instead of performing useful regulatory functions. OSHA's obsequious response:

> As Mr. B. has ceased operations, we will send a copy of this correspondence to the California Department of Industrial Relations so they can remove Mr. B.'s name from their address file.

Better late than never?

A local company, involved in oil production, suffered a fatal accident, resulting in a fine for infraction of Cal-OSHA safety orders. Since the company and its lawyer believed the fine to be unjustified, they contested the citation. Naturally, an administrative hearing ensued. Meanwhile, however, another branch of Cal-OSHA began a separate investigation for criminal intent. At the administrative hearing into the contested fine, the vice president and rig foreman of the company took the fifth, in order to avoid self-incrimination with regard to the concurrent criminal intent investigation. The hearing was adjourned with the defendents' attorney advised to obtain a contempt order from the superior court.

Since this case was not already sufficiently snarled, the Labor Department then advised the State to seek a stay until a determination was made in regard to the ongoing criminal investigation. Labor's regional solicitor's statement of noninvolvement read:

> Section 18 of the Occupational Safety and Health Act of 1971 does not permit the Department to intervene on a day-to-day or case-by-case basis with OSHA proceedings of the various states. Our authority is limited to making a determination on the overall performance of the States.

I leave it to you to draw your own conclusions as to the reliability of such determinations.

Finally, I bring to your attention a telling item published in the November 10, 1975, issue of Farm Bureau News as "an insight into the Government's way of doing business":

> Consider the plight, if you will, of the small businessman or farmer who tries to deal with the Occupational Safety and Health Administration (OSHA). Let's take what you think would be a simple matter, the definition of the work "exit." The dictionary tells us that exist is "a passage or way out."
>
> But that is far too simple for OSHA. Defining exit is a challenge to their bureaucratic instincts and they are not found wanting. To OSHA, an exit is "that portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this subpart to provide a protected way of travel to the exit discharge."
>
> Needless to say, this calls for a definition of "means of egress" and we go on from there into the never-never land of the bureaucrat who is supposedly protecting your interest.

The facts speak for themselves: OSHA is a nightmare which we must dispel.

LETTER SENT TO THE CHAIRMAN OF WAYS AND MEANS COMMITTEE ON MY POSITION TO H.R. 10612

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. RISENHOOVER. Mr. Speaker, the responsibility of tax policy which encourages proper formation of capital rests heavily upon this Congress. During the days ahead, the House will be considering the tax reform bill, H.R. 10612, which greatly affects capital formation.

Tied closely with the availability of capital is our country's effort to achieve greater self-sufficiency in energy. I insert a copy of a letter I have sent the distinguished chairman of Ways and Means contrasting my position on these important issues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 14, 1975.

Hon. AL ULLMAN,
Chairman, Committee on Ways and Means, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: The Freshman Democrat's Committee on Tax Reform, of which I am a member, issued a report October 13 which claimed to be "a sound first step in restoring the equity and integrity of the federal income tax." I declined to sign that report.

Among other recommendations, the report urged that the current law option to expense intangible drilling and development costs be severely impaired and that the so-called minimum tax be made even more arbitrary by ignoring the payment of regular income taxes on the computation of the taxable base subject to the minimum tax rate.

I reject the views and offer the following as a dissent on the report on "Tax Shelters and the Minimum Tax" of the Freshman Democrat's Committee on Tax Reform insofar as the recommendations relate to the petroleum industry's endeavors to achieve a marked improved position of self-sufficiency for the Nation.

The arguments by my colleagues are largely a rehash of previously discredited contentions. In terms of economic reality, they are without substance and their repetition is contrary to the national interest.

The capsulated economic facts concerning the energy outlook are as follows:

The Nation's goal of energy independence urgently requires the commitment of vast capital expenditures. In the current year the domestic petroleum industry is making capital expenditures at the $15 billion level. The domestic petroleum industry will be required to make a capital commitment ranging upward from $30 billion annually over the next decade. Even if immediate price decontrol resulted in a price of $11.50 per barrel, the net additional funds to producers would total $4.4 billion; a $13.50 price would provide $5.9 billion:

NET ADDITIONAL INVESTMENT FUNDS AVAILABLE FROM IMMEDIATE DECONTROL OF ALL CRUDE OIL

	At uncontrolled prices of (per barrel)—	
	$11.50	$13.50
	(Billions)	
Gross revenue from decontrol of old crude	$11.3	$14.9
Less:		
Royalty owners share (average 15 percent)	1.7	2.2
Severance taxes on producers (7 percent)	.7	.9
Federal income tax at 50 percent composite rate	4.5	5.9
Total payments to others	6.9	9.0
Net additional funds to producers	4.4	5.9
Estimated 1975 volume of controlled crude oil (5 million barrels per day times 365) (billion barrels)		1.8
Current average price of controlled crude (per barrel)		$5.25

In relation to capital needs, current earnings in the petroleum industry are inadequate; and the direction of profits has been down. The Chase Manhattan Bank has stated that a return on equity in the 15–20 percent range is required if the domestic petroleum industry is to attract the capital it needs. During the first half of 1975, the industry's rate of return on equity was only 12 percent—a level associated with the depressed drilling activity experienced in the period from 1956 to the early 1970's. There are indications that third quarter earnings will be even more depressed.

The foregoing data makes it irrefutably clear that there is a compelling national urgency in bringing about an enhanced level of capital formation available for investment in energy resource development. Such improvement will not occur if the incentives to commit investments in high-risk capital-intensive energy projects are impaired by punitive legislative tax policy.

It is private enterprise, not government enterprise, that will provide the solution to the Nation's energy problems. The role of government should be to abet and not hinder such endeavors. Sound and equitable tax policy applied to energy producers will inescapably redound to the benefit of energy consumers.

Sincerely,

TED RISENHOOVER,
Member of Congress.

DO NOT BE JUST AN AMERICAN! BE A GREAT AMERICAN!

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. BENNETT. Mr. Speaker, John W. Bowden, the business representative for the Ironworkers Local 597 in Jacksonville, Fla., recently dropped me a note about a very worthwhile endeavor of that local and of the Northeast Florida Building Trades, but I have a feeling that it was his hand that did the most to promote it. What they have produced is a beautiful automobile tag, which carries the American symbol of the Eagle, the 1776 American flag and the 1976 American Flag and the two dates 1776 and 1976 and over it all the phrase "Don't Be Just An American! Be A Great American!". At the bottom of the tag there is the identification of the North East Florida Building Trades. It is a beautiful automobile tag and I have put it on my automobile.

In the letter sending me this John Bowden wrote as follows:

> Charles, I think what this country needs is to go back to some of the early thoughts that our forefathers had when they wrote the Constitution, being a little more dedicated to being great Americans, with concern about what is happening to our country. I think many an American has lost sight of his responsibility to his fellow man and to his country; and we need to re-establish more loyalty to the country, if we are going to maintain leadership in the world, and also have some control over our own destiny.

I think all will agree that John Bowden and the North East Florida Building Trade and the Ironworkers Local and all others who went into the production of this tag deserve sincere congratulations.

THE TRUTH IN GOVERNMENT ACCOUNTING ACT

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. KASTEN. Mr. Speaker, we are all aware of the phenomenal growth which has occurred in the public sector in recent years. Whether or not we approve of this growth, it is a fact. The public sector is an integral part of our economy, and its correct management is essential for continued and balanced economic growth.

Such management requires financial information that is correct and complete, yet understandable and concise. To this end, I am today introducing legislation requiring the Federal Government to adopt accrual accounting in place of the currently utilized system of cash accounting.

At the present time, the Federal Government considers a transaction to have occurred when the checks are written for outlays and cash is received for revenues. Accrual accounting, on the other hand, is used by most private organizations and is the commercial method used in this country. Accrual accounting considers a transaction to have occurred at the time when the revenue is earned or the liability incurred, regardless of when the actual transfer of cash or assets occurs.

Cash accounting, then, does not measure either the actual assets or liabilities of the Federal Government, but simply the transfer of assets between the Government and the private sector over a period of time. Neither does it establish a valuation for the capital assets of the Federal Government or depreciate them over time. As a result, cash accounting produces what is basically a picture of the flow of resources through the Federal Government, and even from this viewpoint it is not complete. Certainly, it in no way represents the financial position and condition of the Federal Government in the way that accrual accounting would permit.

Recently, the noted accounting firm of Arthur Andersen & Co. prepared a set of consolidated financial statements for the Federal Government on the accrual basis. The results are interesting. The statements constructed by Arthur Andersen & Co. present financial data of virtually all Federal operations, including the trust funds and those agencies that are usually excluded from the budget as it is currently prepared. As a result, the public can see how much the Government is taking in and paying out in a given year. It also gives some idea of the commitments which have been undertaken, but have not been funded out of current revenues. These procedures permit us to construct a much more accurate picture of our national debt. Under cash accounting procedures the national debt was simply the sum of cash shortages accumulated over the years. Under accrual accounting, it represents the actual difference between our assets and liabilities. I am sure you will be as concerned as I am to learn that Arthur Andersen & Co. reported the accumulated debt of the Federal Government to be $811.7 billion at the end of fiscal year 1974.

In its report, Arthur Andersen & Co. pointed to a number of other areas in which the adoption of accrual accounting would be beneficial:

First. The Federal Government does not have a central accounting department. Various agencies, including the Treasury, OMB, GAO, and GSA have some overview functions. The Government produces an enormous amount of financial material and many reports. But there is often much duplication of information, Additionally, it is not collected in one place or consolidated into reports or statements which permit an assessment of the overall financial condition of the Federal Government. Accrual accounting would help overcome this deficiency.

Second. Governmental accounting procedures are designed to insure control over the spending of various agencies by limiting the total amount each can spend. It follows that it is a cash-basis system and cannot be used to report on operating results. Accrual accounting would facilitate such reporting.

Third. There is currently no method or provision for summarizing or distributing financial reports to the citizens of the United States in a form which would be meaningful. Accrual accounting provides for such a methodology. In my examination of the Andersen report, I was struck by how much concise, relatively understandable information was included in the 15 pages which made up the core of the report. Anyone who is familiar with the maze that makes up the Federal budget as it is currently constructed cannot fail to be favorably impressed.

The introduction of accrual accounting into the Federal Government procedures is not a new idea. Both Hoover Commissions recommended the adoption of accrual accounting. This led to the passage of Public Law 84-863 in 1956. This law requires that each agency adopt accrual accounting systems approved by the Comptroller General. Despite this legal mandate, however, the adoption of such systems has been slow.

In October of 1967, the President's Commission on Budget Concepts, in its final recommendations, supported accrual accounting for the Federal Government:

> With respect to timing, the Commission recommends that budget expenditures be reported on an accrual basis instead of the present cash basis.
>
> This is a logical use of the modern cost accounting systems which most government agencies have adopted in recent years, and will result in budget totals which provide a better measure of the impact of government activities of the economy.
>
> The Commission considers this recommendation to be an extremely important and valuable contribution to improved budget presentation. It is a normal, natural and straightforward concept of expenditures which should be easily understandable. The business community is already quite familiar with accrual of expenditures, revenues, and costs. Business practices are not always, or necessarily, correct practices for government. But a large share of the government's expenditures represent income to private business, and there are obvious advantages of having the two sides of the transaction recorded as consistently as possible on the books of both buyers and sellers.

The Commission recognized that the change to the accrual basis could not be effected immediately because of the need for changes in accounting procedures, but expressed the view that it could be accomplished for the 1971 budget.

The Bureau of the Budget announced plans for implementing this recommendation during the administration of President Johnson. The instructions to the executive branch agencies were promulgated on April 26, 1968. The Department of the Treasury issued instructions on June 20, 1968. The General Accounting Office did the same on May 4, 1968, and July 22, 1968. Each issued instructions within its own sphere of responsibility. A trial of agency monthly reporting to the Treasury on the accrual basis was instituted, starting with the business for July 1968.

The program for the adoption of the accrual basis was reaffirmed by President Nixon on February 22, 1969. But because of the practical difficulties involved, the timing of the formal changeover was deferred until the 1972 budget. On July 1, 1969, Bureau of the Budget issued instructions modifying its original instructions slightly. They called for a new trial period and set a revised timetable for the conversion. The President reaffirmed his commitment to the accrual accounting system on August 12, 1969, in his memorandum to all agencies on the joint financial management improvement program.

The Bureau of the Budget issued an announcement, on April 13, 1970, which permitted agencies to report figures in the 1972 budget on a modified accrual basis. Then, on September 15, 1970, the Director of the Office of Management and Budget rescinded the April 15 instructions. He restored cash receipts and outlays as the measure of results for the 1972 budget. However, the object of converting the budget to an accrual basis was reaffirmed, with the date being pushed back to the 1973 budget.

Since that date, no action has been taken, and the issue has been allowed to languish. I would like to see further efforts made in the direction of converting our accounting procedures to the accrual basis. The new insight and perspective which it would infuse into Federal financial management, along with the opportunity for the citizen to understand, perhaps for the first time, the position, functioning, and economic importance of his Government's operations, make any difficulties experienced in implementing it worthwhile. I urge speedy and favorable consideration of this bill.

HEARINGS BEGIN ON H.R. 66

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ANDERSON of California. Mr. Speaker, today began the first of 2 days of hearings on H.R. 66, legislation I introduced, along with about 100 cosponsors, which would discourage the use of inhumane devices in wildlife trapping practices.

The Subcommittee on Fisheries and Wildlife Conservation and the Environment today heard some most persuasive and complete testimony on H.R. 66 from several capable witnesses, including Mr. Cleveland Amory, president of the Fund for Animals, my colleague from California, Congressman Leo J. Ryan, Congressman Andy Jacobs, actress Mary Tyler Moore, and Mrs. Christine Stevens, secretary of the Society for Animal Protective Legislation, to name just a few.

Coincidentally, today's issue of the Los Angeles Times provides us with a quite accurate account of what these hearings are all about. I would like this excellent article, written by the Times' Marlene Cimons, to be introduced into the Record at this time:

Lovely Fur, Ugly Origin—Stars Back Bill To Ban Animal Trap

(By Marlene Cimons)

Washington.—"Behind every beautiful wild fur, there is an ugly story," says Mary Tyler Moore.

She is among television personalities and other entertainment figures, including Jayne Meadows, Doris Day, Angie Dickinson and Amanda Blake, who, in recent years, have led a national anti-fur campaign.

Today, in Washington, Moore, who serves as national chairwoman of the Fund for Animals, and writer Cleveland Amory, who is president of the fund, will be the major witnesses testifying in support of a bill that would ban use of the steeljaw leghold trap.

The trap, the one most commonly used in this country, has long been the focus of a highly emotional battle between animal protection groups and those who speak for the millions of Americans who trap for recreation or profit.

"I'm sure that there are millions of men and women who are experiencing a growing awareness of what is involved in the wearing of fur and what it means to the creature who was once alive and functioning," Moore said in a telephone interview.

PRACTICE "DESPICABLE"

"There are so many animal-loving people who wear furs and don't think about it," she added. "If anyone ever saw an animal in a leghold trap, gnawing at its leg to get away, they would never wear a fur again. It's cruel and despicable and barbaric. It just isn't worth it."

The anti-trap bill reaches Congress today for the first time in a series of hearings expected to bring dramatic testimony from both sides before the House subcommittee on fisheries and wildlife, conservation and the environment. Members of the subcommittee are considering legislation introduced by Rep. Glenn Anderson (D-Los Angeles) which would ban use of the leghold trap and seek alternative, more humane methods of trapping.

The trap works exactly the way its name implies. A triggering device releases a spring which snaps a steel jaw around an animal's leg.

"From that moment on, the best the animal can hope for is to chew off his leg so he can get away leaving just part of his leg behind," Amory said.

"When he makes any movement of his paw between the jaws, the result is an immediate cutting, tearing of flesh and even bone," Amory continued. "If he cannot get free that way, the animal may remain in the trap for days on end, sometimes weeks, enduring every possible variety of fear, pain and suffering, until it finally dies either by exhaustion, starvation, cold, heat or the attacks of other animals, or is killed by the trapper."

"It is a brutal, bloody, barbaric story," said Moore. "The animal is not killed—it is tortured to death. Most people do not think the coat they are wearing rightfully belongs to something else—that the toy they are using to stroke their vanity is made out of the pain and death of fellow creatures. Someone has to help their minds make that leap."

Opponents of the bill, who represent the fur industry, trapping associations and trap manufacturers, say that banning the leghold trap will create more problems than it will solve.

EFFICIENT AND ECONOMICAL

"First of all, it would be extremely harmful to our business," said Joseph E. Poser, a fur dealer and president of the American Fur Merchants Assn., who also expects to testify.

"The trap that they are trying to eliminate is the most efficient trap known, and it's cheap compared to others, which has a bearing on the trapper's ability to buy them," he said.

Secondly, Poser said, trapping is essential to maintaining the balance of nature. "Banning that trap would result in much more suffering for wildlife," he said. "If we are going to manage land, we have to manage wildlife. When man builds, wildlife is forced out. They don't move in with relatives. You can't get 50 raccoons to occupy an area that 25 occupied before. We are interested in maintaining the maximum population that the habitat can sustain."

John Reid, a spokesman for Woodstream Corp. of Lititz, Pa., one of the country's major trap manufacturers, agreed.

"When there are more animals in less space, something has to occur to reduce or eliminate the possibility of over-population," he said. "If man doesn't do it, nature will. Often nature's solution is much more severe than man's—such as mange, and other contagious diseases that kill off these animals in a horrible way."

Amory's response to this is simple. "Man has an infinite capacity to rationalize his own cruelty," he said. "For the trapper, the infinite is necessity."

Those against the Anderson measure also argue that, in most cases, if the wrong animal gets caught in the trap—such as a domestic pet—it can be released without permanent disability. "The preservationists just don't want to accept this," Poser said.

He is right. They do not accept it. "We can prove it is not true," said Marian Probst, administrative assistant to the Fund for Animals. "In fact, we have photographs we are going to show of a cat that got caught in a leghold and was brought into a shelter in Dayton, Ohio. It was in that trap for at least three days. It was in such bad shape, it had to be put to sleep."

Poser said trappers who seek fur-bearing animals for their livelihood return frequently to their traps, preventing prolonged suffering on the part of the captured animal. "It doesn't make sense for him not to come back," Poser said.

Amory, however, said the major problem was not with those who trap for profit.

LOOKED ON AS SPORT

"It's the weekend trappers, the ones who don't make their living that way," he said. "It's an enormous sport from the government to the 4-H club. Kids are told that waiting to see what's in their traps by the river can be as exciting as seeing what's under the tree on Christmas morning."

(Poser, incidentally, was one of 32 fur dealers who signed a voluntary consent injunction in 1973 to refrain from dealing in certain wildlife pelts which were illegal. His company, as well as the others, was under investigation for those actions, although no subsequent civil or criminal charges were filed. The signing of the injunction, however, was related to a case in which a New York fur merchants firm, Vesely-Forte, Inc., pleaded guilty to 50 counts of purchasing and receiving illegal pelts, i.e., hides of animals endangered or diminishing species.)

The Anderson bill would specifically prohibit the interstate or foreign shipment of the steeljaw leghold trap and would forbid the interstate shipment of hide, skin or feathers of any creature taken from such a trap. It would also establish a committee to determine alternative, more humane types of traps.

There are other types of traps available. They include the "box trap," in which the animal is captured alive and uninjured, and the conibear, or "quick-kill," trap. Both are much larger than the leghold trap and, as opponents of the bill claim, more cumbersome. An additional problem, they say, is that some animals—such as foxes or coyotes—will not enter a conibear trap.

"The conibear is not necessarily a trap I would call humane," said John Reid of the Woodstream Corp. "When an animal goes in it, he's dead. That ain't very humane if that's your family dog walking through. If a dog walks into a leghold, he's going to be around tomorrow. If he walks through a conibear, he ain't going to be around anymore."

BANNED ABROAD

A number of countries have banned the leghold trap, including England, Norway, Denmark, Germany, Austria, Wales, Switzerland, Ireland, Chile, and Scotland, according to the fund, as well as two U.S. states—Florida and Massachusetts—and 10 counties in New Jersey.

"The enactment of this legislation in this country is long overdue," said Anderson, who has nearly 100 co-sponsors in the House. The same bill has been introduced in the Senate by Sen. Birch Bayh (D-Ind.), although action has not yet been scheduled there on the measure.

Moore said her involvement with the Funds for Animals began about six years ago after she saw a television program about the clubbing of baby seals. "I was so emotionally upset—I don't remember ever having had such a physical reaction to anything," she said. "I called the station and asked how I could get involved. They put me in touch with Cleveland."

Since then she has devoted considerable time and energy toward the promotion of the so-called "fake furs," which do not involve the taking of an animal's life. "These days, status is related more to actions and beliefs than what we put on our bodies," she said.

"Also, I would never consider wearing a fur on the screen, no matter what the script called for. We've removed all format shots in which fur appears. I keep an eagle eye on everyone from guest stars to extras. If I see anyone with a fur, I go straight to Wardrobe and say, 'Can you fix that woman up with a decent coat?' "

Ideally, the fund would prefer that most trapping be eliminated. But Amory realizes such a stand would be unrealistic at this time.

"The animal movement is filled with black and white positions, in which there are no grays," he said. "The only advances are made step by step."

He describes laws passed in recent years to protect wild mustangs, ocean mammals, and endangered species as "landmark legislation" and said he hopes to add the Anderson bill to the list.

"This is the fourth important bill we have to pass," he said. "To ban the most fiendish device—from an animal's point of view—from the face of the earth—one that was invented in 1823—and on which there has not been one single improvement since."

INTERGOVERNMENTAL EMERGENCY ASSISTANCE ACT

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. REUSS. Mr. Speaker, by direction of the Committee on Banking, Currency and Housing, when H.R. 10481, the Intergovernmental Emergency Assistance Act is considered by the House, I shall offer the following amendments:

Page 3, strike lines 6 through 10, and insert in lieu thereof the following:

Subject to the provisions of this title, the Board may guarantee, with the full faith and credit of the United States, the payment, in whole or in part, of interest, principal, or both, of obligations of States (including agencies and instrumentalities thereof as described in section 101(d)) the interest on which will be subject to Federal taxation in accordance with section 103(e) of the Internal Revenue Code of 1954. The Board shall

Page 7, strike lines 3 through 5, inclusive, and insert in lieu thereof the following:

per annum. Any such fees shall be paid into the Treasury as miscellaneous receipts.

Page 9, strike line 17 and all that follows through page 10, line 22, and insert in lieu thereof the following:

(a) There are authorized to be appropriated such sums as may be necessary for the payment of the expenses of the Board (including any reimbursement by the Board of Federal Reserve banks pursuant to section 112 of this Act).

(b) There are authorized to be appropriated such sums as may be necessary for the payment of any obligations of the United States which may arise out of any guarantees made by the Board pursuant to section 103 of this Act. Any sums so appropriated shall remain available without fiscal year limitation.

Page 11, strike line 9 and insert in lieu thereof the following:

Treasury as miscellaneous receipts.

Page 12, strike lines 2 through 5, inclusive, and insert in lieu thereof the following:

of Federal revenue, and at such rate, as may be determined in Acts making appropriations.

Page 7, strike lines 7 through 22 and insert in lieu thereof the following:

(a) The aggregate principal amount of all guarantees which may be outstanding under this title at any one time shall not exceed $3,000,000,000.

(b) No obligation may be guaranteed under this title which matures (1) more than five years after date of issue, or (2) after December 15, 1982, whichever is earlier.

Page 9, strike lines 1 through 5 and insert in lieu thereof the following:

(b) The Board shall so conduct itself as not to assume the day-to-day operation of any political subdivision.

Page 8, line 15, strike "of" and insert "or" in lieu thereof.

Page 14, strike lines 15 and 16.

ALL THE NEWS THAT'S FIT TO TINT: (PART V) FREE CHINA AND COMMUNIST CHINA

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ASHBROOK. Mr. Speaker, if a reader only glanced at headlines, a recent one in the New York Times would be very misleading. The headline read "Gallup Poll Finds 61 Percent Favor Recognition of China." The heading does not state that 70 percent of those polled oppose withdrawal of diplomatic recognition from Free China in order to have relations with Communist China. Even more interesting is the result that shows that 80 percent of these favoring relations with Communist China oppose withdrawal of recognition from the Republic of China on Taiwan. Only 21 percent favor such a withdrawal.

This Gallup poll is only one more indication of the American people's opposition to abandoning our friend and ally the Republic of China on Taiwan. President Ford should keep these results in mind when visiting Peking. The U.S. Government should do nothing in Peking to weaken the continued free existence of the Republic of China and its people. Taiwan should not be made the topic for further concessions by this country to the Communist Chinese.

At this point I include in the RECORD the results of the Gallup poll on the questions dealing with diplomatic recognition:

Six in ten Americans (61%), favor establishing diplomatic relations with the People's Republic of China, while 23% opposed. A favorable attitude toward establishing diplomatic ties with Mainland China is particularly prevalent among upper socio-economic status groups—approximately eight in ten college educated, upper income, and business and professional respondents favor diplomatic relations with the People's Republic of China. Those who have an overall favorable attitude toward Nationalist China are as likely as those who do not, to favor establishing diplomatic ties with Mainland China; thus it would appear that favoring diplomatic ties with the People's Republic of China is not linked to unfavorable attitudes toward Nationalist China.

ESTABLISHING DIPLOMATIC RELATIONS WITH MAINLAND CHINA

	In percent				
	Favor	Oppose	Do not know	Total	Interviews
Total	61	23	16	100	1,592
Sex:					
Male	68	19	13	100	783
Female	55	26	19	100	809
Age:					
18 to 34 yr	67	19	14	100	607
35 to 49 yr	64	26	10	100	412
50 and older	52	25	23	100	557
Occupation:					
Professional and business	77	16	7	100	393
Clerical and sales	72	19	9	100	184
Manual workers	57	27	16	100	597
Farmers	38	36	26	100	37
Nonlabor force	47	21	32	100	306
Education:					
College	81	14	5	100	514
High school	59	26	15	100	875
Grade school	37	27	36	100	198
Annual family income:					
$20,000 and over	82	12	6	100	293
$15,000 to $19,999	73	19	8	100	235
$10,000 to $14,999	63	25	12	100	387
$7,000 to $9,999	56	28	16	100	188
Under $7,000	44	28	28	100	467
Region:					
East	68	20	12	100	432
Midwest	63	22	15	100	481
South	46	27	27	100	423
West	67	25	8	100	256
Interest in international affairs:					
Very interested	71	19	10	100	432
Somewhat interested	69	18	13	100	457
Not too interested	49	29	22	100	703
Overall ratings of Nationalist China:					
Highly favorable	59	32	9	100	131
Mildly favorable	71	20	9	100	663
Mildly unfavorable	62	23	15	100	390
Highly unfavorable	51	38	11	100	209

When asked whether the United States should continue diplomatic relations with Nationalist China, seven in ten replied affirmatively. Others were about equally divided betwen those opposed to diplomatic relations (14%) and those with no opinion (16%). Once again, the demographic groups who are most inclined to favor diplomatic relations are the upper socio-economic groups and those interested in international affairs, the same groups most likely to favor diplomatic relations with Mainland China. As might be anticipated, the more favorable one is in overall attitude toward Nationalist China, the more likely one is to favor diplomatic relations. However, even among those with an unfavorable overall attitude toward Nationalist China, the majority support continuing diplomatic relations.

It would appear that a favorable attitude toward diplomatic relations with the People's Republic of China does not preclude a favorable attitude toward relations with Nationalist China. In fact, nine in ten of those who favor diplomatic relations with the People's Republic of China also favor diplomatic relations with Nationalist China. It is of further interest that a relatively large minority (41%) of those opposed to diplomatic relations with the People's Republic of China also oppose relations with Nationalist China.

CONTINUING RELATIONS WITH NATIONALIST CHINA

	In percent				
	Favor	Oppose	Do not know	Total	Interviews
Total	70	14	16	100	1,592
Sex:					
Male	76	13	11	100	783
Female	66	14	20	100	809
Age:					
18 to 34 years	76	12	12	100	607
35 to 49 years	76	13	11	100	412
50 and older	62	15	23	100	557
Occupation					
Professional and business	85	8	7	100	393
Clerical and sales	80	12	8	100	184
Manual workers	68	17	15	100	597
Farmers	61	17	22	100	37
Nonlabor force	55	14	31	100	306
Education:					
College	85	8	7	100	514
High school	70	16	14	100	875
Grade school	51	15	34	100	198
Income:					
$20,000 and over	89	5	6	100	293
$15,000 to $19,999	82	12	6	100	235
$10,000 to $14,999	73	16	11	100	387
$7,000 to $9,999	74	11	15	100	188
Under $7,000	54	18	28	100	467
Region:					
East	73	13	14	100	432
Midwest	75	12	13	100	481
South	59	15	26	100	423
West	78	16	6	100	256
Interest in international affairs:					
Very interested	80	12	8	100	432
Somewhat interested	78	11	11	100	457
Not too interested	61	16	23	100	703
Overall rating of Nationalist China:					
Highly favorable	86	10	4	100	131
Mildly favorable	84	8	8	100	663
Mildly unfavorable	70	15	15	100	390
Highly unfavorable	56	29	15	100	209
Diplomatic relations with People's Republic of China:					
Favor	91	6	3	100	989
Oppose	53	41	6	100	367

The majority of the public (70%) do not believe the United States should withdraw diplomatic recognition of Nationalist China in order to establish relations with the People's Republic of China, and only one in ten (10%) would favor such a move on the part of the United States. Even among those whose attitude toward Nationalist China is highly unfavorable, 63% do not feel recognition of Nationalist China should be withdrawn. Furthermore, those who favor recognition of the People's Republic of China are just as likely to oppose withdrawing recognition of Nationalist China as those who favor diplomatic relations with Mainland China.

The response to this question is similar to that given last year. When asked a similar question, 72% opposed recognizing the People's Republic of China at the expense of breaking diplomatic ties with Nationalist China.

SHOULD THE UNITED STATES WITHDRAW RECOGNITION FROM NATIONALIST CHINA

	Percent				
	Should	Should not	Do not know	Total	Interviews
Total	10	70	20	100	1,592
Sex:					
Male	9	76	15	100	783
Female	10	65	25	100	809
Age:					
18 to 34 years	9	75	16	100	607
35 to 49 years	9	77	14	100	412
50 and older	11	61	28	100	557
Occupation:					
Professional and business	11	78	11	100	393
Clerical and sales	9	76	15	100	184
Manual labor	9	70	21	100	597
Farmer	5	67	28	100	37
Nonlabor force	10	58	32	100	306
Education:					
College	10	79	11	100	514
High School	10	72	18	100	875
Grade School	7	54	39	100	198
Annual family income:					
$20,000 and over	10	80	10	100	293
$15,000 to $19,999	8	79	13	100	235
$10,000 to $14,999	9	76	15	100	387
$7,000 to $9,999	7	73	20	100	188
Under $7,000	11	56	33	100	467
Region:					
East	8	72	20	100	432
Midwest	10	72	18	100	481
South	8	64	28	100	423
West	15	73	12	100	256
Interest in international affairs:					
Very interested	10	77	13	100	432
Somewhat interested	10	73	17	100	457
Not too interested	9	65	26	100	703
Overall rating of Nationalist China:					
High favorable	12	79	9	100	131
Mildly favorable	7	80	13	100	663
Mildly unfavorable	10	73	17	100	390
Highly unfavorable	17	63	20	100	209
Diplomatic relations with mainland China:					
Favor	12	81	7	100	989
Oppose	10	75	15	100	367

FARM EXPORT MARKETS

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. SEBELIUS, Mr. Speaker, the following is the seventh in a series of 10 messages sponsored by Far-Mar-Co Inc., Hutchinson, Kans., in U.S. News & World Report to increase public understanding of the role of the American farmer in our Nation's economy. If farmers are to be encouraged to increase production they must have the assurance of a free and unrestricted access to domestic and foreign markets. The message follows:

DAM FOOD EXPORTS . . . AND WE'LL FLOOD OUT THE AMERICAN FARMER

We all know the law of supply and demand. And yet we ask the American farmer to produce at full capacity while threatening to limit his markets.

Obviously a surplus of farm products would put a glut on the market and drop the bottom out of prices. Unless the American farmer can turn to foreign markets as an outlet for his surplus production.

Allowing the farmer to have access to foreign sales doesn't just help him. Farm exports are a vital part of our country's foreign policy. And that helps the entire American economy.

In 1974, for example, the U.S. balance of trade was a deficit $3.8 billion. It would have been almost $15 billion without the American farmer. Our agricultural exports of over $22 billion—with a surplus of $11.8 billion—wiped out a huge percentage of the deficit.

The American farmer can not only feed us, he can dramatically help our international economic position. If he's allowed the opportunity.

FORCED BUSING

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. TEAGUE. Mr. Speaker, since 1971 I have worked for the passage of a constitutional amendment to prohibit forced busing. In the immediate future, both the Democratic Caucus and the Republican conference will consider such an amendment. I am heartened to know that Members of the House will have an opportunity to clearly vote their position on the busing issue. I think the American people deserve to know where their Representatives stand on such an important issue.

Mrs. Kathy Carter, chairwoman of Citizens for Neighborhood Schools, and a constituent in my Sixth District of Texas, has been a tireless leader in the effort to end the pointless inequities of forced busing. Her comments describe the negative effects of busing in Dallas and reflect the concerns of many of my constituents. Most importantly, as a parent, she presents a message to all parents. I commend her statement to all of my colleagues, and especially to those who have not been personally faced with the tragedy of forced busing:

STATEMENT BY MRS. KATHY CARTER

Mr. Chairman and Distinguished Committee Members: My name is Kathy Carter, Chairwoman of Citizens for Neighborhood Schools. Our organization represents the concerns of approximately 300,000 people in Dallas County, Texas; and I want to thank you for the opportunity to present our testimony on forced busing.

Let me emphasize that I speak not as a trained lawyer or as a sociologist, but as a concerned parent, a parent interested in the growth and values of my children and all children in a complex and changing world.

Citizens for Neighborhood Schools was formed in Dallas in 1971 by parents of every ethnic group in our city, parents who cared deeply about their important role in the moral and educational development of their children; yet, parents who felt the frustration of watching their children being maneuvered as pawns in an idealistic dream, known as forced busing, that was in reality a child's nightmare.

We, as parents, believe that in a time of increasingly rapid social change and rootlessness, when more than one in three marriages ends in divorce, our children must be given some roots upon which they can grow, upon which they can depend. Traditionally, in America these roots have been fostered through a child's home and the natural environment of the neighborhood, with its familiar churches and friends.

I want my son to have the fun that all little boys have, which grown men looks back on as fond memories—of wading in creeks, of extracurricular activities in school or or playing ball with neighborhood friends—all the small things in life that have been part of the American childhood. I do not want him to have to replace such memories with those of long bus rides to and from unfamiliar areas.

We in Citizens for Neighborhood Schools wonder what the benefits of busing are that could justify the further rootlessness of our children? Even the original proponents of busing are now pointing out that it solves no problems—it creates them. Busing does not solve segregation—it furthers it. Busing does not improve education—it bankrupts school districts. Busing does not ease racial tensions—it inflames them.

Mr. Chairman, these problems are evident across the nation; but let me illustrate what has happened in Oak Cliff, the area of Dallas in which my family resides. Before the 1971 court order requiring the busing of Oak Cliff children, Oak Cliff was becoming the only naturally integrated area of Dallas, with a 30% black and 14% Mexican-American population. Blacks, browns, and whites lived together as neighbors and friends. Since that busing order, which would have required my three children to be bused to six different schools in six years, never to attend the same school together, Oak Cliff is becoming a resegregated area that is presently more than 60% black. Our shopping centers are now ghost towns and many homes that have not been abandoned are being sold at give away prices. From 1970 to 1974, student enrollment in the Dallas Independent School District dropped from 174,206 to 149,373. This year the projected loss is 7,463, or 5.1% of the entire student population. Much of that loss is being felt in Oak Cliff. This is a sad situation when I remember that before the order, we lived together in peace. Instead of spending money to upgrade education for all children, Dallas now spends $500,000 annually for school security forces, not to mention the thousands being spent on buses. Such folly, and we ask in the name of what?

Our country is steeped in democratic traditions; and we are proud of that fact. Surely, one of the finest examples of democratic thought is expressed in the Declaration of Independence, which declares that "governments are instituted among men, deriving their powers from the consent of the governed;" yet, the nightmare of busing continues, despite the fact that 75% of all Americans oppose it. How can this be so in a democracy? Indeed, it can only further the disrespect of our laws at a time when more respect is so desparately needed.

Mr. Chairman, the United States Constitution is a cherished and fragile document. We commend anyone who thinks carefully about changing it. However, the minds and welfare of our children are also cherished possessions. We must act to protect them from the senselessness of an unworkable socio-economic experiment.

Citizens for Neighborhood Schools urges your Committee to report out a constitutional amendment prohibiting forced busing, for the sake of our children, our schools and our country.

JEWS, BLACKS, AND WOMEN—THE HYPOCRISY OF OTHER NATIONS

HON. H. JOHN HEINZ III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. HEINZ. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

JEWS, BLACKS, WOMEN OUT OF JOB PLAN

SACRAMENTO, Nov. 15.—Jewish, black and female workers have been disqualified from a California plan to send as many as 500 soon-to-be unemployed highway engineers to Saudi Arabia to build roads, a Transportation Department official said Friday.

It was disclosed earlier that the financially troubled department is working on a proposal to send employees to work in the oil-rich country while they technically remain on the state payroll.

The Saudi government would pay their salaries, fringe benefits and living expenses, but the employees would be allowed to keep their state seniority and vested retirement rights.

Robert Best, chief deputy of the department, said Saudi policy is "not to issue a visa to anyone connected with the Israeli government."

"Anyone who is Jewish is automatically connected with the Israeli government in the eyes of the Saudis," Best said.

"Another aspect of the situation is we would want to protect Jewish people by not sending them there because it is a very emotional issue," he said.

Robert Cassano, planning engineer for the department's Division of Structures, said blacks and women also are being excluded because blacks aren't welcome in the country and "women definitely don't participate in the business life of the Saudis."

CONCERNS OVER NATIONAL HEALTH INSURANCE

HON. L. A. (SKIP) BAFALIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. BAFALIS. Mr. Speaker, recently Dr. Vernon B. Astler, president of the Florida Medical Association, testified before the Health Subcommittee of the House Ways and Means Committee of national health insurance. While his views are perhaps not unique, his case in opposition to federally financed, first-dollar coverage for all medical expenses is so well-stated and documented that I felt it worthy of the attention of each Member of the Congress. Furthermore, my own surveys of constituent opinion reveal that his position on this important matter is shared by a majority of the people I represent, and, I believe, a majority of all Americans.

The article follows:

TESTIMONY OF DR. VERNON B. ASTLER

Mr. Chairman and Honorable Committee Members, my name is Doctor Vernon B. Astler. I am a fourth generation physician, practicing general and vascular surgery in Delray Beach, Florida. I have received my training at Miami University, Temple University Medical School, and the University of Michigan Graduate School. I have served two years overseas as a captain in the United States Army Medical Corp. In Korea and Japan during the Korean conflict. I am currently president of the Florida Medical Association and represent over ten thousand physician members of this association.

I am honored to have been asked to appear before this most important committee. I am here to encourage you to oppose any proposed sweeping national health insurance program modeled after the state supported schemes of Europe and exemplified by the Kennedy-Corman plan, (S. 3, H.R. 21) which bears striking similarity to the British system.

I shall try to explain why such a sweeping national health system should be opposed based upon logical analysis of fact and figures. Our national health spending in 1973 was 94.1 billion dollars or $441.00 per person, up 11 percent over the previous year. If we were to analyze per capital health expenditures by the year, we would see that in 1950 we spent approximately $78.00 per person or 4.6 percent of the gross national product. By 1960, $141.00 or 5.2 percent of the gross national product and by 1973, $441.00 or 7.7 percent of the gross national product.

The economic hardship created by a national health care system simply cannot be borne by our workers and producers. I feel that health care delivery in the United States is related in a general way to other problems facing our country. Problems such as unemployment, high jury awards, the increased cost of living, inflation, the national debt, standards of luxury unimagined 20 years ago, food stamps, the oil crisis, the drug problem, and immorality, just to mention a few. It is my feeling that these problems are influenced in this age of meliorism by permissiveness in our society, the welfare syndrome, and diminished demand for individual responsibility As we reflect on figures concerning government spending, I think it is not surprising that costs have also risen in a similar way in the field of health care.

Government spending in the United States this year will reach over ½ trillion dollars. A trillion is one thousand billion or a million, million dollars. This amount is twice that spent in 1967 and over 25 times the amount spent in 1940. If we divide this ½ trillion figure by the number of households in the United States, estimated at 71 million in January of 1975, this works out to a total government expenditure per household of almost $7,792.00 or more than double the figure of $3,592.00 per household spent in 1965. Now we are hearing again the outcries for a Federal program for financing health care for all our citizens. A sweeping program to replace the free enterprise system which has been delivering in this country. A health system which covered 160 million people in this country under private medical insurance plans when medicare began in 1967 and covered over 181 million by 1971. Today, medicare covers only 10% of our total population yet costs the same as insuring the other 90% (14.7 versus 14.8 billion expended in 1971). I will not argue the comparison since the 65 plus age group carries a higher risk of illness but, certainly it is not 9 times greater. Many of you will remember that before medicare we enacted in 1967, the Government actuaries insisted this program would cost a mere 1.6 billion dollars in 1975. But by 1974 the cost was already 9 times that much, more than 14 billion dollars.

Let us analyze these costs and let us look at the giant Department of Health, Education, and Welfare. This Department is spending almost twice as much each year as the "after tax" profits from all corporations in the United States. If all corporate profits plus all personal savings of United States citizens were confiscated by the Federal Government, the money would run the Department of HEW for only about 14 months. This swollen, over-grown, giant Department now spends more than 118.4 billion dollars a year. More than any other department including the Department of Defense. Incidentally, that is more money than was spent by the entire United States Government in 1960. Now how would a sweeping national health insurance program affect these costs?

A brief review of political medicine and national health schemes in Great Britain and Sweden clearly predict the course one could logically expect with a similar national health scheme in the United States. In Great Britain an estimated ½ million people await hospitalization and there is up to a 2½ year wait for elective surgery. Medical doctors have fled the country in great numbers and been replaced in substantial part by physicians migrating from India.

In Sweden, the costs have risen 9 fold since the onset of the system in 1960. A Swedish family of four, earning 50 thousand kroner a year (about 12½ thousand U.S. dollars) pays 55% of their income in taxes as compared to 20% for a comparable U.S. family of four in a similar income bracket. There are no beds available in Stockholm and 4,000 people in that city await admission and 1,000 await surgery.

Let us consider the physician shortage, even the Department of Health, Education, and Welfare is retreating somewhat from their former concerns. Former Assistant Secretary of Health, Charles C. Edwards, expressed belief recently that we may be heading for a glut of health professionals. If the United States merely maintains the current output of health professionals in our present institutions, by 1985 we will have 50% more physicians, 40% more dentists, and 60% more registered nurses than we had in 1970. This does not take into consideration the marked influx of foreign medical graduates. Yes, we hear of the doctor shortage and yet the MD. physician population has grown 33.6% since 1964, while the overall U.S. population is up 9.1%.

I would say it would be foolhardy to embark on a major overhaul of the health care system considering the fact that over 181 million Americans have at least one private health insurance policy and 74 million Americans have comprehensive major medical policies. If we add the 24 million actual recipients of medicaid, we see that over 90% of the American people are presently covered by some health care coverage. In a recent nationwide poll, Americans were asked to rate 18 listed concerns in their order of importance. It was of interest that inflation and Government spending were 1 and 2, whereas health care was listed 16th.

Where are the areas of need? First, catastrophic insurance is essential, for none of us can afford a catastrophic illness such as a stroke, crushed pelvis, serious kidney disease or a massive and disabling heart attack. Actuaries have estimated that if catastrophic insurance coverage were offered to and accepted by every American the cost would be a mere $50.00 per family per year and less than $25.00 per year per individual. I might add that the thought of consumer abuse for catastrophic health insurance does not concern me since most folks are not going to go out and have a catastrophic illness merely to collect on their insurance. However, abuse certainly would result if our Government were to offer first dollar health care coverage for all citizens. Under such a system the "worried well" would clog the health care facilities in our country. I am alluding to those who are not truly ill but simply suspect they are, or are usurping the benefits of the system because it is offered at Government expense.

Second, care to the unemployed, the physically handicapped and the self employed should be a matter for national concern. I do not feel the health insurance industry or the health providers could or should assume the cost for these truly noteworthy categories.

Third, Federal assistance for health is needed for the 10–15% of our population for whom the barrier is truly cost. It is possible to provide mainstream health care to most disadvantaged people by introducing them into the mainstream. It is not necessary to move or totally disrupt the mainstream. The two key words dominating the successful operation of our system are access and mainstream. Many people lack access to the mainstream health care, either from lack of education or lack of personal initiative to seek it. Here greater emphasis on health care education is needed, others need access because of matters of geography or cost.

Fourth, the problem of rural health care is substantial but should be dealt with separately. The numbers of people here are small and the geography is vast. Fewer than 3% of our population reside more than 20 miles from some medical facility. It is likely that a transportation system has more to offer these people than redistribution of medical personnel or construction of new and costly health facilities.

Lastly, I would like to say a word about nursing homes for I feel some changes are necessary. Most of our nursing home facilities offer one standard class of care. This concept decidedly needs updating. Just as we grade patient care in hospitals, the same graded care should be available for nursing home patients. Those with serious strokes, terminal cancer, pulmonary or kidney disease should be separated from others and should pay a price commensurate with the type of care rendered. Others who are merely unwanted by the family or without relatives, who are able as ambulatory patients to dress, bathe, and eat by themselves should be offered domiciliary care. This type of care we offered in years past in so-called "rest homes". Of course, the cost of care for these individuals must be in a much more realistic price range and they must be separated from those who are seriously ill.

In summary, I would say that Americans have access to the finest medical care in the world. Our system of essentially private free enterprise health delivery has its failings to be sure, but it is infinitely superior to the state supported schemes of Europe. Let us make changes in a thoughtful and sensible way but not embark on a major overhaul of a health care system which is delivering. I would like to close by reading ten rules of conduct for individuals and nations.

1. You cannot bring about prosperity by discouraging thrift.
2. You cannot strengthen the weak by weakening the strong.
3. You cannot help small men by tearing down big men.
4. You cannot help the wage earner by pulling down the wage payer.
5. You cannot further the brotherhood of man by encouraging class hatred.
6. You cannot help the poor by destroying the rich.
7. You cannot establish sound security on borrowed money.
8. You cannot keep out of trouble by spending more than you earn.
9. You cannot build character and courage by taking away man's initiative and independence.
10. You cannot help men permanently by doing for them what they could and should do for themselves.

These words were spoken by Abraham Lincoln.

THE ASSAULT ON INTELLIGENCE GATHERING: CENTER FOR NATIONAL SECURITY STUDIES

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. McDONALD of Georgia. Mr. Speaker, on February 20 of this year, I provided a brief survey of some of the groups taking the lead in attacks on America's intelligence gathering agencies. One of those groups, the Center for National Security Studies—CNSS—is worthy of additional review.

In association with the American Civil Liberties Union—ACLU—the Center for National Security Studies held a press conference on October 30 to announce the publication of a new CNSS publication, "The Abuses of the Intelligence Agencies," a 185-page paperback being sold for $2.75. Edited by Jerry J. Berman and former National Security Council aide, Morton H. Halperin, a defense consultant to Daniel Ellsberg during the Pentagon Papers trial, the book project was funded by the Field Foundation, a major contributor to the ACLU and other radical left causes, and by the Veatch Committee.

The CNSS staff has scoured a variety of sources—books by "revolutionary socialist" and former CIA agent Philip Agee, Victor Marchetti, L. Fletcher Prouty, Communist espionage and propaganda agent Wilfred Burchett, and identified CPUSA member Frank Donner; press reports and articles by "anti-establishment" writers; assorted documents released by the intelligence gathering agencies under the Freedom of Information Act; and various congressional hearings—to arrive at a small number of allegations of official misconduct.

A reading of "The Abuses of the Intelligence Agencies" reveals that most of the activities described, contrary to expectations raised by the title, are not abuses. Many additional so-called abuses are matters of interpretation by CNSS or the ACLU.

For example, the CNSS objects to the fact that the Central Intelligence Agency was aware of the activities of certain U.S.-based groups. The CIA was aware of such groups as the American Indian Movement, Students for a Democratic Society, the American Friends Service Committee, Women Strike for Peace, the Women's International League for Peace and Freedom, and the Black Panther Party.

In each case, the organization was involved with foreign Communist governments, supported Communist-backed terrorists under the guise of "liberation movements," or was involved with obtaining training in sabotage and guerrilla warfare.

From the wealth of information available at hand on those organizations are taken the following brief characterizations:

American Indian Movement has established a record for armed violence and terrorism with innumerable riots, shootings, and snipings credited to its members. Led by persons with long records for major felony convictions, a number of principal AIM leaders have traveled to Communist countries seeking assistance and recognition for their organization. In the United States, the AIM representatives are active in Communist Party, U.S.A., and in Cuban-sponsored front organizations.

Students for a Democratic Society—leaders and members of SDS frequently traveled to Communist Cuba during the 1960's. In 1969, members of SDS close to Castro's regime founded the Venceremos Brigade which has brought several hundred American radicals, revolutionaries and potentially useful "contacts" to Cuba for indoctrination.

Persons who were formerly members and leaders of SDS are now fugitive members of the Weather Underground Organization, performing bombings in this country in support of other Cuban-inspired causes such as the so-called Puerto Rican "independence" movement and the vilification of the anti-Marxist government in Chile.

Other former SDS activists continue to work closely in various intelligence gathering radical organizations such as the North American Congress on Latin America for Cuba, and in other groups which spread the line of the Vietnamese or Chinese Communists or internationally active terrorist groups like the Palestine Liberation Organization.

American Friends Service Committee—capitalizing on its name which implies religious rather than political principles, AFSC has worked closely with dozens of Marxist, Communist, and radical left organizations since 1930. The AFSC has staunchly supported Soviet calls for disarmament and détente, and its leaders have met frequently in Paris and Hanoi with the Vietnamese Communists to plan both propaganda pressure and material support campaigns for the Communists.

AFSC workers stationed in Indochina generally expressed hostility to the non-Communist governments and support for the Communist terrorists of the Vietcong and Khmer Rouge "liberation movements." In addition, some AFSC members performed an intelligence service for the Communists by "exposing" and denouncing counter-measures. AFSC continues in the news attempting to pressure the Government to approve export permits for tons of supplies from the AFSC to Communist Vietnam.

Women Strike for Peace—works closely with the Communist Party, U.S.A. and the internationally active Soviet Communist fronts—the World Peace Council and the Women's International Democratic Federation—in carrying out Soviet foreign policy goals. WSP leaders have traveled extensively abroad to Communist-sponsored conferences, and have had many contacts with the Vietnamese Communists in Paris and Hanoi, dating at least since 1965 when the WSP delegation met in Jakarta, Indonesia with a Vietcong and North Vietnamese delegation, and signed a statement calling for American women to "work with dedication" to end U.S. military support of the South Vietnamese.

Women's International League for Peace and Freedom—a socialist-oriented pacifist organization which since the Second World War has come more and more under pro-Soviet influence. As has the WSP, WILPF has worked closely with several internationally active Soviet Communist fronts, and WILPF leaders have traveled to Communist sponsored conferences and met with and supported the Vietnamese Communists.

Black Panther Party—espoused and popularized Mao Tse-tung's armed struggle tactics and slogans—"Every Communist must grasp the truth, 'Political power grows out of the barrel of a gun.' " The BPP split into two factions in 1971. The Eldridge Cleaver faction, operating from Algeria, encouraged its U.S. followers to form what became to date America's most vicious urban terorist band, the Black Liberation Army, whose members numbered some 200 at its height and who specialized in bank robbery and assassination of police officers.

Black Panther Party members have traveled to North Korea and have reportedly received some training in sabotage in the Palestinian commando camps run by Yasir Arafat's Al Fatah.

Identified CPUSA member Charles Garry, attorney for BPP founder and leader Huey P. Newton, has confirmed that his client, a fugitive on murder charges, is living in Havana.

It is inconceivable that the American voter would want the CIA to be forbidden to take note of a group in contact with our foreign enemies simply because American citizens were involved.

In addition to the Central Intelligence Agency, the CNSS publication has sections on the FBI, the National Security Agency, Secret Service, the Internal Revenue Service and other topics.

The equating of intelligence gathering with "official crime" was the principal theme of the CNSS's second annual Capitol Hill conference, "Controlling the Intelligence Agencies," held November 3–4 in the Dirksen Senate Office Building.

The 2-day Capitol Hill meeting, which attracted some 200 people, was cosponsored by several other radical and left-of-center organizations which included:

Americans for Democratic Action—ADA—an anti-anti-Communist group whose national board includes Sylvia Crane, the "vice-chairwoman" of the National Committee Against Repressive Legislation—NCARL—an identified Communist Party front, and who also serves with pro-Cuban "revolutionary socialist" Philip Agee as an adviser to the Organizing Committee for the Fifth Estate whose goal is to "leak a classified document a day."

United Auto Workers Union.

Common Cause—a so-called "citizens lobby" controlled by Rockefeller interests, and which was instrumental earlier this year in the destruction in caucus of the House Internal Security Committee.

Institute for Policy Studies—IPS—a "New Left" think-tank which has dedicated itself not only to ushering in a socialist society in America "by inquiry and experimentation," but which "is also doing what it can to hasten the demise of the present one." IPS, whose senior fellow and cofounder, Arthur Waskow, developed the plans for the Mayday 1971 disruptions of Washington, D.C., whose fellow Leonard Rodberg was a figure in the

Pentagon Papers case, and whose co-director, Richard J. Barnet, was a traveler to Hanoi, is involved with court actions objecting to law enforcement interest in its activities.

Committee for Public Justice—CPJ—founded in 1970 by identified Communist Party, U.S.A. member Lillian Hellman, recently described in a Washington Post story on a CPJ "radical chic" fundraiser in New York as having "survived" embarrassment during the "McCarthy era"—the embarrassment being public revelation of her CP membership.

American Civil Liberties Union—ACLU—which masquerades as a nonpartistan defender of constitutional liberties, is in fact highly partisan in defense of civil rights for Marxist-Leninist revolutionaries and subversives. The ACLU's extremist position against intelligence gathering, which is the first line of defense against revolutionary subversion, may be seen in its 1970-71 annual report which said:

> The ACLU has made the dissolution of the Nation's vast surveillance network a top priority. * * * The ACLU's attack on the political surveillance is being pressed simultaneously through a research project, litigation, and legislative action.

ACLU neglected to state that its research project on "political surveillance" is headed by thrice-identified CPUSA member Frank J. Donner.

Typical of the sort of distortion of fact presented at the CNSS "Controlling the Intelligence Agencies" conference was the presentation by ACLU counsel John Shattuck.

Shattuck, who represents Detroit attorney Abdeen Jabara in a lawsuit, described his client in the following terms:

> This individual is an American citizen whose name is of Arab-American extraction. He lives in Detroit and was the founder of something called the Association of Arab-American University Graduates. Beginning in 1967 and continuing to this day, he is the subject of a variety of forms of FBI surveillance; and through civil litigation * * * we have forced the Bureau to concede that he has never been the subject of a criminal investigation.

Mr. Shattuck neglects to mention that Abdeen Jabara, in addition to heading the AAAUG, has been a member of a revolutionary organization, the National Lawyers Guild, which, as I pointed out in my remarks of September 9 and October 22, has reconfirmed its support of "armed struggle tactics." Mr. Shattuck is also no doubt aware that the FBI classifies "criminal" investigations separately from national security investigations, under which Jabara's case falls.

Shattuck continued misleadingly:

> He's been overheard more than 50 times on 13 separate warrantless wiretaps each of which was authorized and installed after the 1972 Supreme Court decision in U.S. v. District Court.

The Court's decision in that case did not prevent electronic surveillance of foreign espionage agents, as apparently in these 13 instances. That was specifically exempted. Perhaps Mr. Jabara was in telephone contact with such persons.

Shattuck continued:

> Each of these wiretaps was placed on someone in the United States.

The FBI has responsibility for investigating foreign intelligence operatives working within the U.S.

And concluded:

> Whether or not (these persons were U.S.) citizen(s), we do not know; but all indications, at least from my client, are that it is unlikely he would have conferred with very many persons who were foreign financed, directed and controlled within the meaning (of the 1972 Supreme Court case).

This is plainly not a denial of contact with foreign agents. How many is very many—13?

It is clear that those who hate our constitutional system are doing whatever they can to use their constitutional and legal rights to destroy that system. It is the responsibility of all Americans to examine the tactics of these groups who would blind and deafen our law enforcement and intelligence agencies and to reject them.

NATIONAL PARKS SYSTEM

HON. ROY A. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. TAYLOR of North Carolina. Mr. Speaker, the attached articles, the first entitled "Penny Pinching in the Parks—A Shadow Over Spirit of 1976," from U.S. News & World Report of October 13, 1975; and, the second entitled, "National Parks Getting Short End of Budgeting," from the Asheville Citizen of November 3, 1975, deserves the consideration of Members of Congress and other American citizens.

Since 1960, 99 new areas have been added to the National Park System and visits to the parks have tripled, but personnel to operate and manage the parks have not kept pace. In 1960 it was one employee for each 27,000 visitors, now it is one for each 44,000. National parks are being shortchanged in the budget process.

The two articles follow:

PENNY PINCHING IN THE PARKS—A SHADOW OVER SPIRIT OF 1976

Millions of financially pinched Americans are planning to spend all or part of their Bicentennial vacations in the national parks in 1976. But the way things stand now, many face bitter disappointment.

Because of a federal-budget squeeze, cutbacks are in prospect for the 286 U.S.-Government-operated parks stretching from Maine and the Virgin Islands to Hawaii and Alaska—during the year, ironically, when a record 250 million or more visits are expected.

Among possible results of the economy measures:

Parts of Philadelphia's Independence National Historical Park—a keystone of the nation's 200th-birthday celebration—may be closed for lack of manpower.

Independence Hall, where the Declaration of Independence was signed in 1776, will definitely be open. But other points of interest in the old city area, such as the Thaddeus Kosciuszko National Memorial, where the Polish general and Revolutionary War hero once lived, may remain locked. Reconstruction of the home is nearly complete—supposedly for the Bicentennial.

Many concerts and plays that were to have been among highlights of the Bicentennial program in the nation's capital have been eliminated.

In Yellowstone National Park, half the picnic grounds are closed, because there is inadequate manpower to maintain and clean the areas.

The ancient El Morro Castle in San Juan, Puerto Rico, faces collapse into the Atlantic unless millions of dollars are allocated for repairs and a sea wall.

Restrictions may be ordered against use of parts of many parks. In some, such as Shenandoah in Virginia, roads in certain sections have deteriorated to the point where fire-access trails are impassable. "I hate to think what would happen if there was a fire now," commented one ranger.

In New York City, the Hamilton Grange National Memorial—a mansion built by Alexander Hamilton—is rapidly decaying, with a leaking roof, falling plaster and weakened floors.

Camping has been curtailed in many areas, and restoration of a national reservation system has been hampered by a shortage of funds.

Bicentennial activities have been hard hit. Although the parks still hope to provide a wide range of historical programs in 1976, the effort is suffering from a staff shortage, because the Park Service was unable to retain top Bicentennial planners whose temporary appointments expired.

Congressional sources say the main difficulty is that the Ford Administration is unwilling to spend enough money to maintain the parks properly or develop new ones established in recent years.

Since 1960, visits to the parks have tripled, and 99 new areas—containing 7 million acres—have been added. In 1960, there was 1 employe for each 27,000 visitors. Now it's 1 for each 44,000.

Observes Gary Everhardt, Director of the National Park Service: "I'm sure that some of our perennial park visitors noticed this summer that the standard of service was not quite what it used to be. With a budget that is almost constant and a system and visitation that keep growing, the only way to cope is to spread ourselves a little thinner and to ask visitors to 'do it yourself' a little more often."

Park officials say their budget has been badly outpaced by inflation and increased acreage approved by Congress and the President. The Service is asking for 347 million dollars for the fiscal year starting July 1, 1976—but estimates are that about 600 million actually is needed just to keep maintenance from slipping further backward.

Mr. Everhardt says it would take almost 3 billion dollars to restore parks properly. That figure does not include funds for possible development of more than 40 acres which Congress is considering as future additions. Nor is any money in the works for 32 million acres proposed for new parks in Alaska—which would double the size of the system.

Requests for more money by park officials have been turned down by the Interior Department, which maintains that other priorities—such as developing new techniques for strip mining—rank higher.

The President's Office of Management and Budget, which prepares the Administration's budget proposals for submission to Congress, also has turned a deaf ear to pleas for more funds because of a general effort to hold down Government spending.

Some conservationists contend that continued neglect of the parks at a time when use is growing will lead to even more serious deterioration. Consideration has been given to closing whole parks, but that idea, so far, has been rejected.

One environmentalist complains: "The trouble is that nobody's lobbying for the little guy—the one that uses the parks—even though this is one of the few places where everybody gets something for his tax dollar. Something's got to be done before the parks fall apart completely."

NATIONAL PARKS GETTING SHORT END OF BUDGETING

Fears of drastic inadequacies in 1976 expenditures for upkeep of the 286 U.S.-operated parks are surfacing in many quarters.

It is ironic, as The Atlanta Journal notes, that 1976 is the nation's Bicentennial year when a record 250 million or more visits to these playgrounds and historic sites are expected.

A recent survey by U.S. News and World Report turned up special concern over the national park situation. For instance, in Yellowstone National Park half the picnic grounds have been closed due to lack of manpower for maintaining and cleaning the areas.

It is anticipated, in fact, that restrictions will be ordered against use of parts of many parks. Camping has already been curtailed in many areas, "even though millions of financially pinched Americans plan to spend all or part of their Bicentennial vacations in national parks," according to The Journal.

Only figures can display fully the fearsome prospects in the federal budget squeeze. The National Park Service is asking for $347 million for the next fiscal year, but estimates show that about $600 million is actually needed, and that just to keep maintenance from slipping.

It would actually take about $3 billion and the employment of many workers to restore the parks properly, officials are saying.

Yet the federal government, concerned about high unemployment and finding ways to put people to work, seem oblivious to this opportunity.

Really, this is just narrow-minded penny-pinching. The National Park allocation ought to be increased, and the Ford administration should push the effort.

No group of Americans could be more appreciative of the objectives and programs of the National Park Service than the people who reside in Western North Carolina. All about us are shining monuments to its great work.

Still, one can hardly expect business as usual in expenditures at this time when, for the sake of fiscal soundness, all segments of the federal structure are viewed as rationally subject to some trimming. But we, too, trust the great agency for conservation and preservation will be treated as tenderly as possible by the budget-cutters. Ground lost will be extremely hard to regain.

SYLVIA PORTER WRITES ABOUT THE FOOD STAMP PROGRAM

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. CARNEY. Mr. Speaker, last week the House debated an amendment designed to limit benefits provided under the food stamp program. Other attempts to amend the food stamp program undoubtedly will be made, resulting in many hours of debate.

Noted columnist Sylvia Porter, whom President Ford appointed "National Chairperson of the Citizens' Action Committee To Fight Inflation" earlier this year, has done some useful research on the food stamp program. Her recent column, entitled: "Food Stamp Diet Inadequacies," contains an analysis of the U.S. Department of Agriculture's plans to modify the food stamp program.

I commend Mrs. Porter for her timely research on this important issue. Her perceptive observations about the food stamp program deserve the careful consideration of my colleagues in the U.S. Congress. Mr. Speaker, I insert the article written by Mrs. Porter in the RECORD at this time:

[From the Washington Star, Nov. 11, 1975]

FOOD STAMP DIET INADEQUACIES

(By Sylvia Porter)

While the startling tales circulating about the food stamp program and the character of its participating involve issues that Congress is now properly investigating, one aspect of this program should be abundantly clear:

Those needy Americans who are entitled to use food stamps also are entitled to the "nutritionally adequate diet" the law guarantees. To create a program of this magnitude to protect our nation's nutritional health and then to give people less nutrition than they need is self-defeating, if not ridiculously wasteful.

Food stamps recipients are being shortchanged, charges the Food Research and Action Center, a New York-based antihunger group, and FRAC has convinced the Court of Appeals it is correct.

Food stamp households must "buy into" the program by paying, on average, 24 percent of their income. In return, they get a larger "Coupon allotment," supposed to buy each month's food.

These coupon allotments, geared to family size, are now based on the U.S. Department of Agriculture's "Economy Food Plan"—the USDA's lowest food plan developed for emergency or temporary use. This plan, a USDA survey discloses, enables less than 10 percent of the households spending at that cost level to obtain the recommended dietary allowances (RDA) and less than 50 percent to achieve even two-thirds of the RDA.

In response to the FRAC lawsuit the Appeals Court delayed a ruling on the Economy Food Plan's adequacy. But it did say that many food stamp households could not buy even that (inadequate) food plan with the coupon allotments they get, and it ordered NSDA to upgrade its coupon allotments.

The problem is that USDA bases coupon allotments on the cost of its food plan for a hypothetical family of four (two adults, two young children). But a household with two teenagers must buy more food than the household with younger children. A four-person household with a pregnant woman, or with two male adults, or a grandparent instead of a youngster, would have greater needs. The Court demands coupon allotments that insure nutritional adequacy for all.

The Agriculture Department's astonishing "compliance" would not meet the criticisms but actually would cut benefits for many households.

Instead of its inadequate Economy Food Plan, USDA offers a "Thrifty Food Plan," even cheaper than the old, that has little relationship with nutritional needs.

This plan fails to provide all the essential nutrients in the RDA, specifically vitamin B–6, magnesium, folic acid (important for pregnant women), zinc and iron (particularly for women of child-bearing age, teenage girls, young children).

The plan utterly ignores the reality that our poor (especially the aged) are often in poor health and that working poor are in jobs requiring strenuous physical exertion, and have higher nutritional needs.

The plan makes no allowances for varying food costs, making it nutritionally deficient in urban areas. It also makes no allowances for the increased food costs where there is a tax on food purchases.

Based on all this ill-conceived Thrifty Food Plan, USDA has offered three proposals—the first two of which would slash benefits for most of the elderly on the program, and for all women with young children. These two plans, in addition, would turn already complex administrative procedures into a nightmare.

Plan II differs from Plan I only in the fact that it dealys the damage to these needy groups. And the Thrifty Food Plan mocks the adequacy of any diet based on it. Plan III, still inadequate because it too is based on the Thrifty Food Plan, maintains the present system for most, increases benefits only for large households.

Given the damage Plans I and II would cause, Plan III is the best of the lot.

For more details, write FRAC, 25 West 43rd St., New York, N.Y., 10036. And if you wish to express an opinion to the USDA, write to Jack Nichols, Food Stamp Division, Food and Nutrition Service, USDA, Washington, D.C. 20250. The deadline for comments is Nov. 13.

REVENUE SHARING

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. WIRTH. Mr. Speaker, I have been following with interest the hearings conducted by the Subcommittee on Intergovernmental Relations and Human Resources of the Committee on Government Operations on the State and Local Assistance Act of 1972. The general revenue sharing funds which have been transferred to the State and local governments under this program since 1972 have become an essential part of their financing. These funds have been utilized in ways locally determined to best meet the objectives of State and local governments. They have provided for needed capital projects, reduced the pressure to increase the usually regressive State and local taxes, and provided more and better governmental services than would have otherwise been possible.

The current program is not without its faults. At the time of its original enactment, general revenue sharing was seen as a tool to encourage greater public participation in government. The availability of this additional money was expected to engender great debates among citizens as to its best use, almost as though the existing governmental machinery would not know what to do with it. It should be no surprise that things did not work that way. State and local governments are like this body, in that there are always more worthy programs than funds to support them.

One of the few strings in the current law forbids use in any way which discriminates against any individual on the basis of race, color, national origin, or sex. This could have been a useful weapon with which to attack discrimination at both the State and local level. Unfortunately, the Office of Revenue Sharing has neither the manpower nor the inclination to take any meaningful action. The Congress can remedy this by transferring the enforcement of this provision to the Department of Justice.

General revenue sharing has also been a disappointment to those who believed that social programs would be the principal beneficiaries of these funds. Only about 4 percent of these funds have been reported as being applied to social programs for the poor and aged. It is proposed that the new general revenue-sharing program should contain specific requirements to insure the dedication of substantial sums to social programs.

I am very much in sympathy with the need to provide for these social programs; however, I do not believe that general revenue sharing is the most effective means of achieving these objectives. The Congress should deal with long-term social problems directly, not pass the buck to State and local governments. General revenue-sharing funds should be available to meet pressing local needs without onerous restrictions and reporting requirements.

As we consider whether and how general revenue sharing should be continued, we should not condemn the program for its failure to achieve goals which were probably unrealistic from the start. We should instead consider the benefits which the program has provided, and the consequences of not extending the program past the end of calendar year 1976. The program can be improved by transferring civil rights enforcement to the Department of Justice, and by tuning the allocation formulae to increase funding in the most needy units of government.

Mr. Speaker, I am concerned that we may put our State and local governments in the position of not being able to plan for 1977. Unless Congress moves quickly in this matter, virtually every unit of government in the country will face the choice between cutting services and raising taxes to cover the loss of several percent of their revenues. Congress should not permit this uncertainty to exist any longer than is absolutely necessary.

STUDENTS HAVE CHOICE OF U.S. AID PROGRAMS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. MAZZOLI. Mr. Speaker, many of our high school students preparing for a college education are finding it difficult to "scrape up the money" to cover the steadily increasing costs of tuition, room and board, books and the like.

Help is available, however. The Federal Government has several student financial aid programs on the books, and $10,000.
they are varied enough to give almost any student some kind of help.

It is sometimes hard, though, to identify the precise program needed because they are administered by several agencies and divisions of Federal Government.

Recently, in one of her syndicated columns, Sylvia Porter identified and explained the major student-aid programs. For informational purposes, I insert Ms. Porter's column in the RECORD at this point:

STUDENTS HAVE CHOICE OF U.S. AID PROGRAMS

(By Sylvia Porter)

Probably the best single source of information about available aid for college costs and requirements is the financial aid officer at the school you want to attend—for most money, no matter what its source, is awarded through colleges.

You can find general information about aid programs at various colleges in "The College Handbook," a directory of 2,863 two-year and four-year institutions published by the College Entrance Examination Board. (Ask your financial aid officer for the handbook.)

The Federal government sponsors the largest aid programs for undergraduate college students which include all types of assistance: grants that do not have to be repaid; loans that must be repaid but often at low interest and after leaving school; jobs.

In 1975–76, Federal sources alone will provide more than $2 billion in aid.

You will find valuable facts in the fact sheet "Five Federal Financial Aid Programs," available free from the United States Office of Education, Room 1069, 400 Maryland Avenue, South West, Washington, D.C. 20202.

Besides the widely known and utilized Supplemental Educational Opportunity Grants, you should consider the following programs:

Basic Education Opportunity Grants (BEOG). Eligibility for these grants has been opened in 1975–76 to include college sophomores and juniors, as well as freshmen, who are half or full-time students.

You can get applications through your high schools, community agencies, libraries and colleges, or by writing to BEOG, Box 84, Washington, D.C. 20044.

Many people did not know about this program at all last year. Others did not realize that it also was open to students who attend vocational and technical schools, or that you are acceptable for eligibility with a high school equivalency.

Awards for the 1975–76 year will average about $800 a student, may go up to $1,400.

College Work-Study. The CWS program has $420 million available for students in the 1975–76 year. By providing summer and part-time jobs for students with great need, financial aid officers can use funds from this program to prepare a full aid package.

The U.S. government provides up to 80 per cent of the salaries for students who qualify, with the average earned by students under this program slightly more than $600 a year.

You may average 15 hours of work a week while attending classes or 40 hours during breaks and summer.

National Direct Student Loans. Even though these NDSL funds are administered by the colleges, 90 per cent of the money comes from the Federal government and you must demonstrate your need.

Student aid officers determine if you are eligible and the total to be loaned. Maximums are: $2,500 for students in the first two years of a program; $5,000 for the bachelor's degree. If you are a graduate or professional student, you can borrow up to $10,000.

You must be enrolled at least half-time to qualify. Repayment and interest (3 per cent a year) do not begin until nine months after you stop your studies. In some cases, all or part of your loan can be canceled if you enter certain fields or the armed forces.

Apply through your college financial aid officer.

Government Student Loan Program (GSLP) and Federally Insured Student Loans (FISL). Some states have their own guarantee for loans, but, for states that do not, the Federal government makes loan repayment guarantees available to students who are attending college at least part time.

Some states may stipulate only full-time students are eligible.

Students at many vocational, business, trade, correspondence and technical schools also are eligible for guaranteed loans. (But beware of gyps in this field which are hurting the many reputable schools. Don't be lured by fanciful promises.)

Loans may be up to $2,500 a year, or a total of $7,500 for undergraduates—from banks, savings institutions, insurance companies, pension plans, credit unions and some colleges.

If you need to borrow more than $2,000, or if your family adjusted income is more than $15,000, your need for the loan must be verified by the college financial officer.

You begin to repay a maximum 7 per cent interest nine to 12 months after you leave school. In a few cases—if you join the Peace Corps or the armed forces or if you continue your studies—repayment of the loan can be deferred.

SHOULD RUMSFELD AND BUSH TAKE THE PLEDGE?

HON. PAUL N. McCLOSKEY, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. McCLOSKEY. Mr. Speaker, it would be regrettable if political considerations were permitted to delay or inhibit the President's desire to exercise leadership through the individuals he nominates to key executive positions. Tom Wicker stated this argument with precision and clarity in the New York Times of November 14, 1975:

SHOULD RUMSFELD AND BUSH TAKE THE PLEDGE?

(By Tom Wicker)

If the Democrats who control Congress have a good reason not to confirm Donald Rumsfeld as Secretary of Defense, it is not that he might be President Ford's running mate in 1976. And if the same Democrats have a good reason to deny confirmation to George Bush as director of the Central Intelligence Agency, it is not that he once was chairman of the Republican National Committee.

In fact, the two cases are quite different. To take that of Mr. Rumsfeld first: As a former member of Congress, a former ambassador to the North Atlantic Treaty Organization and more recently a high-level Presidential assistant, he not only meets the general standard of experience that has been required of previous Secretaries of Defense; he is at least as well-qualified as, say, Melvin Laird was in 1969, or any number of businessmen who preceded him to the Pentagon in the Eisenhower Administration.

Unless Congressional inquisitors turn up some conflict of interest or other disqualifying fact, therefore, Mr. Rumsfeld's political future should be his own business. Previous Secretaries have been forced in some cases to forsake valuable stock holdings; but no one demanded of them that they shed ambition. Indeed, at least one Secretary, Robert S. McNamara, was actively considered by President Lyndon Johnson as a possible running mate in 1964.

Nor is there anything so inherently nonpolitical about the Department of Defense that Mr. Rumsfeld or anyone should have to rule himself out of post-Pentagon politics. He has pledged not to make partisan speeches for Mr. Ford next year, which is sufficient observance of whatever nonpolitical appearance the Pentagon should maintain. Besides, even if Congress could force him to forswear the chance to be a Vice-Presidential candidate next year, should such an imposed condition by Democrats take precedence over Mr. Ford's choice of a running mate or the Republican National Convention's right to choose its own candidates? Hardly.

Finally, what is wrong with a President maneuvering men of political potential into advantageous positions, so long as they are qualified for those positions? Why shouldn't Mr. Ford, or any President, move able associates into demanding positions if they are convinced that the results will enhance the public standing of the associates?

The case of George Bush is entirely different, because the Defense Department and the C.I.A. are different. Almost by its nature, the Defense Department cannot be kept out of politics; while the C.I.A. *must* be kept out of politics. Not only are its resources too secret and too vast to place under any but the most rigidly neutral control; but its intelligence reports to the Government must be kept as free as possible of partisan or ideological taint. Anyone who heads a secret intelligence agency, moreover, probably is disqualified by the job itself—by the agency's entanglements with foreign governments, by the distasteful orders which may have to be given—from becoming an acceptable head of state.

For those reasons, the Democrats in Congress seem within their rights and responsibilities to seek reasonable assurances that Mr. Bush will not be snatched from the C.I.A. to the Republican ticket next year. And in fact any potential C.I.A. director who might be nominated by any President of either party might reasonably be required to forsake national political ambition and express willingness to continue serving in the next Administration. Like the directorship of the F.B.I., this is not a job that should change hands every time a new President is sworn in.

It is another thing, however, to assume that a past party chairman of necessity is such a partisan figure that he could not be trusted to keep the C.I.A. out of politics. The record shows that the trained professional, Richard Helms, failed to keep the C.I.A. out of politics; and that vaunted nonpoliticians before him, like Allen Dulles and John McCone, failed to prevent some of the illegal practices now being disclosed.

Mr. Bush's political experience—backed by his essentially nonpartisan service at the United Nations and in China—might even be an asset at the C.I.A. His knowledge of politics could have helped him to see the pitfalls into which the agency was slipping in recent years; his experience in Congress might have served it better in its current agony than the professional, William Colby, has been able to do.

If the Senate finds that Mr. Bush is not qualified by reason of character or experience to head the C.I.A., of course he should not be confirmed; but the mere fact of his political background should not make such a finding inevitable, much less automatic.

BARRY ASHTON AND WOLF KOCHMANN

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. REES. Mr. Speaker, I wish to address myself on behalf of two extraordinary gentlemen, Barry Ashton and Wolf Kochmann and their company, Ashton-Kochmann Productions, Inc. These two have received an honor never before accorded any American. In recognition of our country's Bicentennial, Japan's well-known Toho Productions has invited the two Americans to Tokyo to produce a special "American Bicentennial" stage presentation for Toho's famed Nichigeki Theatre. The Nichigeki is world-renowned for its stage presentations and has been frequently compared throughout the Orient and the world with the Los Angeles' Music Center, and the famed Radio City Music Hall in New York City.

In Japan, Toho Productions occupies a position of reverence; Toho is the monolith of Japan's ever-growing entertainment industry. It is, therefore, an extraordinary recognition of the talents of Messrs. Ashton and Kochmann that they were requested to produce this very special "American Bicentennial." Rarely, if ever, does Toho go outside Japan in search of talented entrepreneurs. This is precisely what Toho has done, however, in their choice of Messrs. Ashton and Kochmann and their production facilities.

Mr. Ashton will, this month, embark on a nationwide search for 20 of our most "all-American," all-talented young women—the best America has to offer. These 20 American dancers will travel to Tokyo and will then prepare for their showcasing in this very special segment for the Nichigeki Theatre. This segment is a "first"—never before has a group of Americans been seen on the stage of this fine theater.

In addition, I am happy to add, our American ladies will then join their Japanese counterparts for the grand finale, also staged by Ashton and Kochmann.

This endeavor of Mr. Ashton and Mr. Kochmann will not only reflect their own individual and tandem talents, but, most importantly, will bring together the two great countries of the East and West in a massive, joint salute to our Nation's 200th anniversary.

The contributions I have mentioned—all attributable to Messrs. Ashton and Kochmann—will promote unity between Los Angeles and Tokyo and the peoples of both the United States of America and Japan—one of our closest allies. I sincerely and most strongly feel that the work of these two men is worthy of whatever honors can be conferred.

In closing, I would like to add that the recent visit of Japan's Emperor Hirohito serves to point out more than ever how far both nations have traveled in their joint journey across the Pacific. I would also add that the Messrs. Ashton and Kochmann—while most certainly not of political nor "statesmen" status—are doing their utmost to continue our vitally important East and West relationship.

The city of Los Angeles and the State of California are very proud of these two gentlemen.

BIG BROTHER AND THE CLAM

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. BAUMAN. Mr. Speaker, it seems that the Food and Drug Administration is not satisfied with regulating the lives of citizens alone. FDA now hopes to extend its authority over shellfish. It hopes to promulgate regulations which require biographical histories of individual clams and oysters from the bottom of the bay to the palate of the gourmet. It is pushing rules which force fishermen into devoting more time to recordkeeping, writing the who's who of shellfish, than to actually fishing.

This would be funny were it not so tragic, because what the FDA is planning would effectively end the livelihoods of thousands of watermen around this country and destroy a $200 million industry. Its overly stringent regulations to solve a problem which does not exist result in outrageous overhead costs for the fisherman and processors, added costs which, in the end, hurt the consumer and devastate the waterman who cannot afford to stay in business.

A recent editorial in the Wall Street Journal, "The FDA's Happy Clams," speaks to this point, and I submit it for your information. Because of the bill I have introduced, H.R. 7153, and other efforts to place a moratorium on proposed FDA regulations until the completion of a comprehensive impact study, there is still hope for the twin fates of clam and citizen.

The editorial follows:

[From the Wall Street Journal, Wed., Nov. 12, 1975]

THE FDA's HAPPY CLAMS

What has your federal government done for you lately? Just wait a while. The nice people at the Food and Drug Administration, never ones to let grass grow under their feet, are about to impose a regulation on the shellfish industry that will make it a little bit safer for you to eat an oyster or a clam.

Never mind that there hasn't been a serious problem with tainted clams or oysters for 30 years, since the industry and state governments combined in a voluntary program of shellfish bed inspections. To be really safe FDA wants the oyster and clam harvesters to tag and segregate on their boats shellfish that are taken from different beds. Processors would also be required to continue this process so that right down to retail it will be possible to trace back to a tainted shellfish bed. Should an oyster eater turn green, FDA will be able to shut down its bed of origin in a jiffy.

The wonderful thing about this extra safety is that it won't cost the government a penny. The shellfish harvester and processors in this $200 million industry will have to redesign their boats and plants, which FDA allows may run to $25 million. FDA didn't bother with an inflation impact study on the grounds that it is obviously trivial, there being so few oysters and clams in the Consumer Price Index.

The Council on Wage and Price Stability, though, figures the move would push the price of a pint of oysters, now about $2.40, up to about $3.40, cutting oyster demand and wiping out a lot of little harvesters and processors. An extra dollar a pint? That's not too high a price to pay to guarantee that if you eat a bad oyster FDA will be able to tell you where it came from. Is it?

THE ECONOMIC EFFECTS OF A NEW YORK CITY DEFAULT

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. GRADISON. Mr. Speaker, we will soon be voting on H.R. 10481 which would provide for Federal guarantees of New York City debt. In connection with this legislation, there has been an ongoing debate about the economic consequences of a New York City default. The November 1975 Monthly Economic Letter, published by First National City Bank, contains an interesting analysis of the economic consequences of a default. I would like to bring to the attention of my colleagues several conclusions of the Citibank analysis.

Regarding the effects of a default on the municipal bond market, the report notes:

> Many people worry that a default by New York City would lead to a drying up of funds to other cities. While a number of state and local governments are subject to skeptical scrutiny in the marketplace today, and some are virtually barred from the market at this time, municipal bond yields on the average are not high in relation to other bond yields. In fact, municipal yields, on the whole, are relatively much lower today than they were in 1969 when Congress threatened to abridge the tax-exempt privilege of municipalities.

The Citibank report goes on to discuss possible effects of a default on the banking system. To quote again:

> Central to the thesis that a default would set off a chain reaction in financial markets is the fear of a wholesale flight of funds from banks holding substantial obligations of New York State, New York City, and other major cities and agencies in the state. This possibility seems extremely remote since the Federal Reserve has recently offered assurances that it would protect depositors and preserve bank liquidity.

The staff of the Joint Economic Committee has issued a study which states:

> While it is difficult to ascertain precisely how New York's financial crisis will effect the national economy, it is very possible that a default could weaken the strength of the economic recovery.

The JEC staff study indicates that a default could increase unemployment by 300,000 and reduce the growth rate of GNP by 1 percentage point in the fourth quarter of 1976. These conclusions were based on computer analysis performed using the Wharton econometric model.

In evaluating the JEC study, the following comments in the Citibank report should be noted:

> Some economists have generalized from this local impact to a curtailment in spending and employment across the country. But such projections, even when they are the product of elaborate computer models, are no better than guesswork. Because they have been fitted to the experience of the past 30 years, a period in which there have been no major municipal defaults, the models must be manipulated to assume paralysis of the bond market and a sharp drop in state and local spending, a procedure that predetermines the forecast.
>
> In short, there is no firm basis on which to conclude that a New York City default would have significant national economic repercussions. Dire predictions about the impact of a default on the economic recovery cannot be used to justify a Federal loan guarantee for New York City.

THE VETERANS' ADVISORY COMMITTEE FOR THE SEVENTH DISTRICT OF CALIFORNIA

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. MILLER of California. Mr. Speaker, today, November 11, millions of Americans will pause to remember the contributions and sacrifices made in the last 200 years by members of this country's Armed Forces. Our veterans deserve our respect and our gratitude. I believe it fitting, therefore, to bring to the attention of the House a most interesting and successful endeavor undertaken by the veterans of my district.

Early this year at my request, a Veterans' Congressional Advisory Committee was organized to advise me so that I could better understand and serve the needs of veterans. The members of the committee have been chosen by veterans themselves, one from each established veterans' organization in Contra Costa County, others from local colleges and from agencies designed to aid veterans. The committee members are in constant contact with my district office. It meets monthly to discuss and evaluate legislation upon which I am then advised, to develop efforts to deal with various problems concerning the Veterans' Administration, and to help the congressional office provide assistance in efforts to improve employment opportunities for veterans.

I have found my Congressional Veterans' Advisory Committee an invaluable aid in educating me and my staff of the needs of veterans and to maximizing the ability of my office to help the veterans of my district. I feel that I am most fortunate to have such dedicated assistance. The following people have my sincere gratitude and thanks for their efforts in the establishment and continual operation of the Congressional Veterans' Advisory Committee for the Seventh District of California:

Guy Alberigo, Diablo Valley College Veterans' representative.

Ron Bean, Diablo Valley College Veterans' representative.

Olan C. Belton, U.S. Department of Labor Veterans' Employment Service.

Hugh Berdan, Veterans of Foreign Wars.

Dale Bosley, American Legion.

Waymond Bradley, Contra Costa College Veterans' representative.

Shaffe T. Courey, Military Order of Purple Heart.

Jim Friedl, Fleet Reserve Association.

Ryland Freeman, Fleet Reserve Association.

George R. King, Disabled American Veterans.

John W. Lay, American Ex-Prisoners of War.

George Newcomb, World War I Veterans.

K. Wayne Pope, Amvets.

Elmer Rieger, Veterans Service Officer for Contra Costa County.

Al St. John, Disabled American Veterans.

Feliciano Salcido, American G.I. Forum.

Eleanor Sheehan, Veteran's Office, Diablo Valley College.

Manuel R. Souza, Pearl Harbor Survivors.

Donna Willets, Disabled American Veterans.

Robert E. Wise, Regular Veterans' Association.

MORE QUESTIONS FOR COMMERCE SECRETARY MORTON CONCERNING THE ARAB BOYCOTT

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. DRINAN. Mr. Speaker, in preparation for upcoming hearings on policies undertaken by the Commerce Department with respect to the Arab boycott, the gentleman from New York (Mr. ROSENTHAL), who serves as chairman of the Government Operations Subcommittee on Commerce, Consumer, and Monetary Affairs, has sent a series of letters to Secretary Morton detailing the specific interests of the subcommittee. Two previous letters have been inserted into the RECORD. A third letter, dated November 10, is reproduced below. I am certain that all of my colleagues will be interested in hearing the response of Secretary Morton to all of these questions when he appears before the subcommittee in the near future. I am confident that increased congressional scrutiny will reveal in greater depth the discrepancy between the antiboycott rhetoric and proboycott policies practiced by this administration.

The letters follow:

NOVEMBER 10, 1975.

Hon. ROGERS C. B. MORTON,
Secretary, Department of Commerce, Washington, D.C.

DEAR MR. SECRETARY: The Subcommittee on Commerce, Consumer and Monetary Affairs, in carrying out congressional responsibility to oversee the operations of the Department of Commerce, desires the following information:

1. In your administration of the Export Administration Act, set forth any distinction you make relating to (a) boycott requests and (b) boycott-related requests.

2. How do you correlate the Ford Administration's alleged urging of U.S. companies to refuse to cooperate with the Arab boycott or boycott-related requests and, at the same time, urging U.S. companies to invest in Egypt to produce goods for the

Mideast markets in which case the companies must provide documents that they have ceased *all* dealing with Israel? A full and complete policy statement is desired.

3. Recently the Associate Press and the Egyptian State News Service MINA reported that Mohammed Mahgoub (Muhammed Muhjub), Commissioner General of the Arab Boycott Office, stated that General Telephone and Electronics Corporation, Rockwell International Corporation and Berkey Photo, Inc., were placed on the Arab League's Boycott Office's "blacklist". He stated that thirty companies have been removed from the list including three U.S.-based multinational concerns with 100 subsidiaries around the world dealing in cars, machines, glass and plastic products. Another statement attributed to Mister Mahgoub was that Egypt asked the Arab Boycott Office to review the situation of Ford Motor Company and Coca-Cola Company so the firms could establish plants in Egypt. In turn, he said the two U.S. companies were requested to present documents proving they have ceased all dealings with Israel.

a. Have the Coca Cola Company, General Telephone & Electronics Corporation, Rockwell International Corporation, and Berkey Photo, Inc., reported Arab boycott or boycott-related requests to the Department of Commerce?

b. Kindly provide the Subcommittee with copies of all internal Department of Commerce memoranda and documents relating to the Arab boycott or boycott-related requests made of the Coca Cola Company, General Telephone & Electronics Corporation, Rockwell International Corporation and Berkey Photo, Inc.

c. Please provide a statement of the Department's position and action steps regarding the Coca Cola Company fact situation, as well as General Telephone & Electronics Corporation, Rockwell International Corporation and Berkey Photo, Inc.

d. Kindly provide the Subcommittee with all interagency memoranda and documents relating to the Arab boycott or boycott-related requests made of the Ford Motor Company, the Coca Cola Company, General Telephone & Electronics Corporation, Rockwell International Corporation and Berkey Photo, Inc.

e. Kindly provide the Subcommittee with the names of the three U.S.-based multinational companies of which the names were removed from the Arab League's Boycott office "blacklist".

f. Kindly supply the Subcommittee with all internal and interagency memoranda and documents relating to the Arab boycott-related matters concerning the three multinational corporations.

4. Adnan Khashoggi is the Saudi Arabian middleman, sometimes bagman, who figured in the Northrop, Raytheon, Litton Industries and other incidents involving payoff and possible bribery. The U.S. Embassy in Saudi Arabia constantly and continually wires your Department recommending the services of Mr. Khashoggi and/or his companies as an agent or representative for U.S. firms intending to or doing business in Saudi Arabia. The telegrams are filed by the Embassy as part of a routine service to U.S. business under your World Traders Data Report (WTDR) Program (a Department of Commerce program operated in cooperation with the Department of State). In this case your Department and the Department of State continue to provide recommendations as to the reliability and reputation of Mr. Khashoggi, his associates and companies for a standard $15 fee.

a. In view of the disclosures concerning Northrop, Raytheon, Litton Industries and others and their relationship with Mr. Khashoggi, why does your Department, under the WDTR Program, continue to recommend Mr. Khashoggi and/or his associated companies? Set forth in a full and complete statement the Department's present policy position concerning the recommending of individuals such as Mr. Khashoggi.

b. When was the standard $15 fee established for such services?

c. What is the actual estimated cost for each such WTDR Program request made? Has a cost-benefit analysis of such cost and operations been made? If so, the Subcommittee desires a copy of such a report.

d. Break down item c, as to the estimated cost of telecommunications, research, compilation and forwarding of a WTDR Report.

Your prompt attention to this request would be gratefully appreciated.

Sincerely yours,

BENJAMIN S. ROSENTHAL,
Chairman.

THE ORIGIN OF DÉTENTE?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. SYMMS. Mr. Speaker, for many years now many Americans have wondered why the United States seems to make so many foreign policy blunders—blunders that seem to work out to the advantage of our adversaries. Many people have asked why we did not go for all-out victory in Korea, even when we could have done so without risking another world war because at that time the United States was the sole possesser of the atomic bomb and the means to deliver it. Going back a little further, many ask why the United States made such massive concessions to Stalin at the close of World War II, literally giving the Communists half of Europe and enslaving millions and millions of people, when there was absolutely no reason to do so. And, Mr. Speaker, I have always wanted to know just why it was that we fought a 10-year "no-win" war in Vietnam that caused great turmoil within our country and weakened us strategically and economically while the Soviet Union rapidly built up their strategic nuclear forces. Then we go to the bargaining table with Russia and agree to a Strategic Arms Limitation pact—SALT I—that allows the Russians to have 50 percent more ballistic missiles with much greater throw-weight than we do—all in the name of Henry Kissinger's policy of "détente."

There are a number of explanations and theories for the tragic events mentioned. Recently, I ran across one that is chilling to say the least. It was offered by Dr. Howard Kershner of the Northwood Institute in Houston, Tex. Dr. Kershner's comment is as follows:

ORIGIN OF DÉTENTE?

(By Howard E. Kershner)

At mid-century, Republican Congressman B. Carroll Reece of Tennessee was appointed chairman of the committee to investigate the big foundations. A friend of mine, Norman Dodd, was associate counsel in charge of research. One of his responsibilities was to interview the president, or other officers, of the larger foundations. Among others, he interviewed Mr. Rowan Gaither, at that time president of the Ford Foundation.

In answer to Mr. Dodd's request for information as to how the policies of the foundations were determined, Mr. Gaither replied:

"We who are working for the large foundations, formerly worked for the State Department, the Marshall Plan, the United Nations Relief and Rehabilitation Association, or other foreign relief agencies. In those capacities, we were working under instructions from the White House to bring about such sociological, economic, and political changes as would make union with Communist Russia easy and comfortable for the American people."

"Now," he continued, "in the foundations we are working toward the same objective."

That was a frank statement of the purpose of detente. Years earlier Franklin Roosevelt inaugurated the policy when he reversed the policies of four previous Presidents: Wilson, Harding, Coolidge, Hoover, and their secretaries of state, by recognizing Communist Russia. From that day to this, every man who raised his voice against communism in high places in our country was persecuted, hounded, and in some cases, lost his life as a reward for his efforts to counteract the Communist movement in our country.

What Rowan Gaither reported, as stated above, was in line with this policy of assisting communism.

It is hard for patriotic Americans to believe these facts. I asked Norman Dodd to give me a written statement concerning the incident I have quoted. He did so, and I have it on file. I have quoted it on the platform, over the radio, and in print, for a score of years, and it has never been challenged.

NEW YORK CITY RELATIVELY SAFE

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. BINGHAM. Mr. Speaker, during the past couple of months, I have talked to many of my colleagues about the need for Federal financial backing of New York City. It appears their mail against such aid is based on a number of misconceptions. One of the greatest misconceptions is New York's level of crime.

New York has long endured notoriety as a city of crime, a notoriety which is undeserved. In 1972, New York ranked last among 13 major cities in crime per population. The figures, based on scientific polling techniques, were compiled by the Census Bureau for the Law Enforcement Assistance Administration.

The overall findings show that in 1972, New Yorkers were victims of violent crimes less frequently than the residents of the 12 other major cities studied, and specifically, New Yorkers had a significantly smaller chance of being raped, assaulted, or having their households broken into. For example, New York was tied for last in the number of rapes per resident over 12. This pattern is also reflected in other categories of crime: New York was sixth in robberies, twelfth in auto thefts, and last in assaults, burglaries, and larcenies.

A detailed examination of the 1973 and 1974 crime statistics for the 13 cities confirms the 1972 results. New York continued to rank at the bottom of the list in violent crimes, especially in the categories of assault, burglary, rape, and larceny.

I commend the following LEAA chart to my colleagues so that they may see for themselves that New York is not the "city of crime" that some make it out to be:

CRIME VICTIMIZATION IN 13 SELECTED CITIES FOR 1972

	Crime victimization rate per 1,000 residents 12 and over				Household victimization per 1,000 households			Commercial victimization per 1,000 business establishments		Ratio of unreported crime to reported crime
	Crimes victims	Rape and attempted rape	Robbery	Assault	Burglary	Household larceny	Auto theft	Burglary	Robbery	
Detroit	68	3	32	33	174	106	49	615	179	2.7 to 1.
Denver	67	3	17	48	158	168	44	443	54	2.9 to 1.
Philadelphia	63	1	28	34	109	37	42	390	116	5.1 to 1.
Portland, Ore	59	3	17	40	151	149	34	355	39	2.6 to 1.
Baltimore	56	1	26	28	116	100	35	578	135	2.2 to 1.
Chicago [1]	56	3	26	27	118	77	36	317	77	2.8 to 1.
Cleveland	54	2	24	26	124	80	76	357	77	2.4 to 1.
Los Angeles	53	2	16	35	148	131	42	311	47	2.9 to 1.
Atlanta	48	2	16	30	161	102	29	741	157	2.3 to 1.
Dallas	43	2	10	31	147	147	24	355	48	2.6 to 1.
Newark	47	1	29	12	123	44	37	631	96	1.4 to 1.
St. Louis	42	1	16	25	125	81	47	531	94	1.5 to 1.
New York	36	1	24	11	68	33	26	328	100	2.1 to 1.

[1] Information for 5 largest cities covers 1972. Information for 8 others is based on surveys carried out in July–October 1972 covering previous 12 mos.

Source: National Crime Panel Surveys, Laws Enforcement Assistance Administration. Justice Department.

NATIONAL SMALL BUSINESS ASSOCIATION REPRESENTATIVE TESTIFIES ON BEHALF OF 2 MILLION SMALL BUSINESSMEN URGING PRESERVATION OF ROBINSON-PATMAN ACT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. EVINS of Tennessee. Mr. Speaker, the Subcommittee on Antitrust, the Robinson-Patman Act and Related Matters of the House Small Business Committee, under the chairmanship of HENRY B. GONZALEZ, the able gentleman from Texas, is currently conducting a series of informative hearings concerning enforcement of the antitrust laws.

In this connection, Mr. John E. Lewis, executive vice president of the National Small Business Association, recently testified before the subcommittee on behalf of his association which is among 53 other associations representing 2 million small businesses urging preservation of the Robinson-Patman Act.

Mr. Lewis strongly supported the Robinson-Patman Act, opposed any weakening amendments and urged more effective enforcement of the act by the Federal Trade Commission and the Department of Justice with prosecution of violators.

Because of the interest of my colleagues and the American people in this important matter, I place the statement by Mr. Lewis in the RECORD herewith.

The statement follows:

STATEMENT OF JOHN LEWIS

I am John E. Lewis, Executive Vice President of the National Small Business Association. When top officials of the Department of Justice began sending up their trial balloons about the repeal of the Robinson-Patman Act, or the revising of a number of its provisions—we were alarmed.

When their drafts of proposed legislation which would "reform" Robinson-Patman by emasculating it began surfacing—we recognized that the threat to Robinson-Patman was a reality.

Because of the concern of the members of National Small Business Association about this threat to the "Magna Carta of Small Business," we conferred with other trade associations whose industries and members represented a most substantial segment of the 10½ million small business community. They were as equally concerned as National Small Business Association.

Therefore, we recognized that small business needed a forum to (1) counter the testimony of Mr. Sims of July 10, 1975, before the Subcommittee on Activities of Regulatory Agencies of the House Small Business Committee; (2) to set the record straight on the need of Robinson-Patman; and (3) to express the concerns of the small business community about any attempt to repeal or weaken the Act.

For these reasons we are most grateful to the Hon. Joe Evins, Chairman of the House Small Business Committee, for establishing this Special Ad Hoc Subcommittee on Antitrust Law Enforcement.

We are most grateful to Congressman Gonzalez for accepting the Chairmanship of this Special Subcommittee and to all the Members of the Subcommittee.

We are also most grateful for the appointment of the Hon. Everette MacIntyre as Special Counsel. No fairer, or more objective, or more knowledgeable expert on Robinson-Patman could have been secured.

We believe that small business would be so disadvantaged if Robinson-Patman were repealed or weakened by amendments that their major battle would be one of survival. There is no question that thousands would be driven from the market place. There would be a disastrous impact on our economy, tax revenues, and jobs.

It is in the public interest to prohibit predatory practices that would destroy both competition and competitors.

To paraphrase Justice Holmes: "The life of competition is not price; the life of competition is numbers (of competitors)."

Repeal or weakening of Robinson-Patman would severely jeopardize our system of private enterprise and accelerate the trend toward giantism in the distibution of commodities. The greatest bulwark against monopoly is a strong small business community. To insure that small business remains strong in numbers and in economic health, it needs fair rules of competition as typified by Robinson-Patman.

But the mere existence of a statute on the books is not enough. It must be enforced. The Federal Trade Commission has, in effect, abandoned the Robinson-Patman Act.

In 1969, the Commission filed eight Robinson-Patman complaints and nine orders. In 1972, five complaints and two orders were issued. In the year ending June 30, 1975, there were only two complaints issued and three orders entered.

The record of the Department of Justice is almost unbelievable. Section 3 of the Robinson-Patman Act is directed to predatory pricing and price discrimination for the purpose of destroying competition. Since Robinson-Patman was enacted in 1936, the Department of Justice has not yet successfully prosecuted a litigated case under Section 3.

Small business is still suffering from a most severe recession. This is not the time to tamper with a basic fair play antitrust statute. Instead it is essential that Robinson-Patman be preserved without weakening amendments and that, for the first time, it be enforced.

We urge that the existence of this Special Ad Hoc Subcommittee on Antitrust Law Enforcement be continued so as to serve as a watchdog for the small business community. Continuance of this Special Subcommittee would serve salutary purposes. One would be to monitor and report to Congress on the enforcement (or lack of enforcement) of the antitrust statutes by the Department of Justice and the Federal Trade Commission.

Another would be its service as a vital forum for the small business community in the event that further attacks on basic antitrust statutes are made.

And also very, very important I believe it is essential that when the Federal Trade Commission goes before the Appropriations Committee that Congress and small business learn just how much of its budget is going to be allocated to the enforcement of Robinson-Patman. They would say exactly how much they are going to spend to carry out the mandate of Congress which is that the Federal Trade Commission enforce Robinson-Patman.

Fifty-three associations representing practically every standard industrial classification and more than 2 million small business units, and that is a conservative figure, have already been enlisted in urging preservation of Robinson-Patman and better enforcement of the basic antitrust statute. Our own Association, the National Small Business Association, represents more than 1,000 of the 1,200 standard industrial classifications.

THE DÉTENTE TIGHTWIRE

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. BELL. Mr. Speaker, in view of the President's upcoming trip to China and in light of continuing concern by Americans over the implications of détente, I wish to call to the attention of my colleagues a thoughtful analysis of those subjects by John J. O'Malley which was recently published in the San Diego Union.

The text of the editorial follows:

[Reprinted from the San Diego Union, Nov. 9, 1975]

KISSINGER WALKS DIPLOMATIC TIGHTWIRE

(By John J. O'Malley)

Mr. Kissinger went to China on a mission that most Americans would not have undertaken at any price. His purpose was to arrange for a state visit by the President of the United States to the most populous country in the world, without knowing who was in charge.

Not before he went. Not after he returned.

In the diplomatic pecking order it would have been nice had our secretary of state been met, welcomed—or at least received—by the prime minister, Chou En-lai.

But Chou didn't show up. He is said to be gravely ill. Not that it would have made any difference if he had been well because the Tenth Party Congress earlier this year literally stripped him of all but ceremonial functions.

Instead Mr. Kissinger was met and hosted by Chou's deputy—Vice Prime Minister Teng Hsiao-ping, possessed of better health, greater ambitions, but even less authority than Chou himself.

And in the wings—Mao Tse-tung; ailing and infirm but still able, at the critical moment, to exhibit his dissatisfaction with Soviet-U.S. detente. In characteristic Chinese fashion Mao did it by waiting until the climax hour of Kissinger's diplomatic reception, prominently attended by the Russians, and then snapping his fingers to take the Secretary away from his guests.

Mao underscored his views subsequently by turning up the volume of Chiao Kuan-hua, an official of dubious credentials, commanding him to deliver what had to be about the most cutting offense that the secretary could hear—the statement that the Helsinki conference—regarded by Mr. Kissinger as a major step toward detente—was "a Munich."

It is against the backdrop of this something less than triumphant trip that the United States now must appraise just how we should behave with China in the immediate future, and most particularly what should be done in connection with the President's contemplated visit to Peking.

Our appraisal must, of necessity, include the Soviet Union, too, because the aspirations of the two giants, where we are concerned, are in direct conflict.

With good reason, the Chinese fear the Soviet Union which has fully half a million men, 2,000 aircraft, and a terrifying nuclear arsenal arrayed along their 4,000 mile common border.

With equally good reason the Russians mistrust the Chinese. They know, better than most, that there is now no unified leadership in Peking, where a major generational change is under way; the latent chauvinism and anti-Soviet sentiment could explode at any time in a bloody border adventure.

Both see the United States as a possible ally, one whose industrial might, technology and overall productivity could be mobilized to neutralize the threat to the other. That is what the Chinese want out of Mr. Ford's visit.

Mr. Kissinger, an extraordinary combination of pragmatist, romanticist and egotist, understands this circumstance perfectly. The question is just which of his personal characteristics will govern his diplomatic relationship with the Chinese in the wake of his Peking trip.

The pragmatist would declare that there is no possible benefit to our affairs to be found in joining with either contestant, that the safest and most practical course would be to remain wholly aloof from the Sino-Soviet conflict, and to tell them both so; not to visit Peking—or Moscow either.

The romanticist would perceive the long range possibility of mediation—the concept of replacing Sino-Soviet fear and hatred with an atmosphere of trust and tranquility, as the United States serves in the role of catalyst, relying on our deserved renown for sincerity, generosity and international good will.

The egotist would presume an American capability—a Kissinger capability, if you will—to maintain a stable relationship with both camps, with a net benefit to our country and a minimal likelihood of hazardous or unfavorable involvement.

This concept of walking an international tight wire is obviously the course Mr. Kissinger has pursued up to this time, and the one which governed his trip to Peking.

He aims, by personal magnetism alone, to persuade the two enemies that we can have a concurrent mutual, helpful and non-conflicting relationship with both.

Just how he can do this and still come out with a net benefit to the United States is not clear.

The greater likelihood is that each will take what it can get from us—be it grain, technology, machinery, credits or disarmament—and give us nothing in return. Alexander Solzhenitsyn describes it as "a process of giving up, giving up and giving up, and hoping that perhaps at some time the wolf will have eaten enough."

That, in truth, is the reality of detente—whether with China or the Soviet Union. It is why we would be far better off were Mr. Kissinger's pragmatic side to dominate his behavior.

With our long term survival in mind he ought now to tell the Chinese that so far as we are concerned the two underdeveloped giants are going to have to manage on their own, that the leaders in Peking—whoever they are—can expect no help or comfort from us in prosecuting their mutual quarrel, that unless this is clearly understood there is no basis whatever for a visit by President Ford.

CRITICAL PROBLEMS FACING OUR NATION AT THIS TIME

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. YATRON. Mr. Speaker, when considering the critical problems facing our Nation at this time, I believe it is particularly important for Members of Congress to solicit and heed the views of the citizens of this country. To do this, I issued my annual constituent questionnaire to the residents of Pennsylvania's Sixth District in August of this year.

I endeavored to touch upon not only the well-publicized issues, but also the numerous, less well-known problems whose resolution will affect the lives of all Americans.

I am grateful to all of my constituents who responded, and offer the results of the questionnaire for the use and interest of my colleagues:

QUESTIONNAIRE RESULTS

[In percent]

1. Many ideas have been proposed in an effort to ease and improve the complex and multi-faceted situation we have come to identify as the "energy crisis." Please indicate by letter how you would rate each of the following possible solutions:

A. Favor enthusiastically
B. Acceptable
C. Uncertain
D. Unacceptable
E. Oppose emphatically

	A–B	D–E
a. Gas rationing	40	47
b. Gas tax at the pump with a 20 to 30 gallon a month refund	19	58
c. Gas tax "straight across the board"	26	60
d. Research to improve coal efficiency and gasification of coal	92	3
e. Conversion to solar energy wherever possible	92	2
f. Mass transit	77	10
g. Prohibition of large automobiles	38	46
h. Added tax on large automobiles	55	36
i. Government funding of energy research	71	17
j. Monetary incentives to successful energy research	75	11
k. Abolition and/or relaxation of environmental laws	35	51
l. Nuclear energy development	76	9

2. The President has called the Middle East tension "the most serious international issue of our time." I would like your opinion of what United States policy should be in the Middle East. The United States should: (indicate choice of answer)

a. Support Israel with foreign aid and allow Israel to make its own decisions in all negotiations	20
b. Encourage Israel to compromise by returning all Arab land won in the 1967 conflict, in return for guarantee of continued American support and secure borders in the future	38
c. Urge Arabs to make concessions to Israel in the negotiations	23
d. Undecided	17

3. Please indicate below the five most pressing issues we face today in order of their importance: (Indicate choice of answer)

1. Inflation
2. Energy situation
3. Unemployment
4. Welfare reform
5. Crime control

4. The Social Security Advisory Council recently expressed concern that in a few years the Social Security Trust Fund will not be able to pay the anticipated retirement benefits unless changes are made in either the benefits or the financing. To improve the system, would you favor: (Indicate one)

a. Increasing federal income tax to suplement, out of the general Federal Treasury, future Social Security benefits	14
b. Eliminate the $14,100 per year earnings ceiling on which Social Security taxes are based, and levy Social Security taxes on all income	66
c. Raise the minimum retirement age to 68	9
d. Increase the Social Security payroll tax on the first $14,100 of earnings to a higher percentage than the present rate of 5.85%	11

5. Government policies to deal with the troubled American economy involve many difficult and complex choices. Do you agree or disagree with each of the following policies:

a. The federal government should not try to regulate the economy

Agree	48
Disagree	52

b. The federal government should cut its spending, even if it means higher unemployment

Agree	68
Disagree	32

c. The federal government should increase its spending to put more people back to work even if it means a bigger deficit

Agree	26
Disagree	74

d. The federal government should institute wage and price controls to try to curb inflation (i.e. the higher cost of living)

Agree	60
Disagree	40

6. Congress has recently provided for partial federal funding of Presidential elections, in an effort to make them more open and honest. Would you favor the federal government

	Yes	No
a. Not financing any election but limiting amounts that can be spent	89	11
b. Partially financing Congressional elections	26	74
c. Fully funding Congressional elections	13	87

7. Which of the following is closest to your view of environmental policy? (Indicate choice of answer)

a. Commitment to environmental protection and conservation will pay off in the long run with savings in energy and raw materials and we should continue a vigorous protective policy toward our environment	46
b. The current state of the economy demands that we put environmental considerations aside and concentrate on developing our resources (such as coal) and electric power without worrying too much about the environment for the time being	50
c. Undecided	4

8. If a system of national health insurance were created, which of the following would be the best means of financing? (Indicate choice of answer)

a. Total medical care for everyone through a payroll tax similar to Social Security	23
b. Long-term or catastrophic illness coverage only, financed same as above	17
c. Progressive tax based on ability to pay	16
d. Continued reliance on some system of private health insurance with government paying only for the poor, elderly, and disabled	44

9. Do you feel that the United States should establish diplomatic relations with Cuba?

Yes	50
No	33
Undecided	17

10. The past year has seen evidence of the growing crisis in world hunger and malnutrition. What role should America play in coping with this problem? (Indicate choice of answer)

a. We should give our surplus food to those nations who need it most, with "no strings attached"	9
b. We should not give food to hungry nations, but should put our surplus food into some kind of international "bank" and let an independent organization such as the United Nations distribute it	10
c. We should barter our surplus food with other nations in return for raw materials we need	60
d. We should devote less time and money to producing surplus food and more to agricultural research in underdeveloped nations	21

11. Do you feel the Congress and the American people should be kept more informed of the policies and general activities of the CIA in the future?

Yes	53
No	34
Undecided	13

12. The governments of oil exporting countries (OPEC) drove prices up by taking over control of all their national petroleum exports. The U.S. government should try to lower oil prices by acting in a similar way, as the sole buyer of all U.S. foreign oil imports.

Agree	53
Disagree	25
Undecided	22

13. I believe that the United States should continue its membership in the United Nations.

Agree	70
Disagree	22
Undecided	8

14. Do you favor the creation of an independent consumer protection agency to act as a spokesman for the consumer before other federal agencies and in the courts?

Yes	64
No	27
Undecided	9

15. The current U.S.-Russian "detente" has recently come under attack as not being in the best interests of the United States. State which of the following most closely expresses your opinion: (Indicate choice of answer)

a. Detente merely a vehicle by which Russia hopes to conclude another suspicious wheat deal	6
b. Current detente is a sincere Soviet desire for friendship with the U.S.	2
c. Detente represents Soviets attempt to take advantage of the U.S. for its own ultimate gain and defeat of the U.S. system	56
d. Favor continued U.S.-Soviet detente on its present course	14
e. Favor free and expanded trade with Russia and China	22

16. What areas of government, if any, would you prefer to see cut back? (Rank in the order you believe they should be cut, with the one you think should be most reduced as number one)

1. Foreign aid.
2. Social Programs (social security, welfare).
3. Defense.
4. Education.
5. None of the above.

17. Should target prices and loan levels for farmers be increased as farm costs increase and prices fluctuate?

Yes	46
No	22
Undecided	32

18. a. Should the United States extend diplomatic recognition to the government of South Viet Nam?

Yes	34
No	46
Undecided	20

b. Should the U.S. give rehabilitative aid to South Viet Nam?

Yes	8
No	84
Undecided	8

19. Congress is approaching a critical decision on the auto cleanup deadlines set by the 1970 Clean Air Act. Should we: (Indicate choice of answer)

a. Delay the clean-up deadlines in order to help the auto industry	52
b. Keep the original deadlines for environmental reasons	41
c. Undecided	7

20. In efforts to alleviate the crime problem in the United States, how would you rate the following (list in order of choices):

1. Revision of the U.S. criminal code to set mandatory sentences for certain crimes.
2. Reinstatement of the death penalty as an option.
3. Compensation to victims of crimes.
4. Some form of gun control.
5. Constitutional amendment to allow Bible reading in our schools.
6. Allotment of more federal money to expand district courts and judgeships.
7. Furlough program as means of prison reform.

REFLECTIONS ON THE U.N., ZIONISM, AND AMERICA'S INTERNATIONAL RESPONSIBILITIES

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. DIGGS. Mr. Speaker, the three articles that follow relate to the unfortunate U.N. Zionism controversy which threatens, in its emotionalism, to blind us to our international responsibilities as a freedom-loving and democratic people. All three, appearing in the New York Times, and taken together, may—I hope—add a much needed sense of proportion to our response to the U.N. General Assembly's action in linking Zionism and racism, which is prompting our reassessment of America's U.N. role. Anthony Lewis' contribution to this dialog is most valuable, I think, in cautioning us to "avoid the tempetation to be self-righteous" while recognizing that the UNGA "deserves every bit of the outrage aroused by its resolution terming Zionism 'a form of racism'." The next selection by A. M. El-Messiri provides some illuminating insights into the intellectual justification behind the Zionism resolution, while the last item analyzes the practical political why and how of its adoption.

It is my sincere hope that we will avoid overreacting in a way that will prove harmful to our national interests in what is inescapably an interdependent world. We should understand, for example, that the more dangerous threat to Israel, which was its expulsion or suspension from the United Nations, was decisively defeated with the help of many of our African allies through the Organization of African Unity. We should not, at a time when feelings are understandably inflamed, forget this critical and timely display of African leadership. And to place things on a positive note as soon as possible, we should remember Africa's role in preventing Israel's ouster from the U.N. when we vote on our token $25 million contribution to the African Development Fund which, for the first time, will establish our long-promised participation in this vital institution designed to help Africa help itself.

With this hope in mind, I strongly

urge all of my colleagues to read the attached articles:

[From the New York Times, Nov. 13, 1975]

The U.N. and Zionism

(By Anthony Lewis)

Boston, November 12—The United Nations General Assembly deserves every bit of the outrage aroused by its resolution terming Zionism "a form of racism." Fear and anger are appropriate reactions.

Plain old anti-Semitism in the world is one reason for passage of the resolution, and it is necessary to face up to that grizzly fact. Averting one's eyes from the incitment of hatred against Jews—pretending that it is a passing phenomenon in some other place—was tried in the 1930's.

Nor is it possible to take much comfort from the fact that the General Assembly has long since lost its right to be treated seriously as a maker of moral statements to the world. Whatever its foolishness, the resolution will almost certainly be used as the basis for new discriminations against Jews (who will be called "Zionists") in the Soviet Union and elsewhere.

But it is not enough for Americans to be angry at the United Nations. It is certainly not enough to nod in agreement at preachments by such well-known exemplars of moral sensitivity as Gerald Ford and Jacob Javits. For the unhappy truth is that this country has a share of responsibility for the disaster.

A generation ago the United States was in a position to talk of moral standards in world affairs. There was, for example, a strong idealistic element in America's support for the creation of Israel and in our effective leadership of the U.N. to that end. In those days there was an extraordinary respect around the world, for American idealism.

That hold on the world's imagination—that unique form of leadership—has been lost by our own actions. Successive Governments of the United States put aside ethical considerations as amateur stuff and went in for the cynical use of power. If we make short-term interest our guide, with power as the only limit, how can we object to the Arabs or anyone else doing the same thing?

A superpower that drops 500,000 tons of bombs on Cambodia is in rather a doubtful position to lecture others on morality. So is a Secretary of State who asserts the right to upset the constitutional government of a friendly country by covert means.

The funny thing about all the hardnosed "realism" practiced by Henry Kissinger and others is that it evidently does not gain votes for our side when we want to make a stand on principle. The torturers whom Mr. Kissinger and the C.I.A. helped to power in Chile, and are helping to keep in power now, did not vote with us in the General Assembly. Chile abstained.

A particularly grotesque example of the results of "realism" in this regard is provided by Burundi. When the Burundi Government engaged in mass tribal slaughter of a truly genocidal character, the United States Government declined to take any disapproving action—apparently because of American economic interests there. But even in tiny Burundi such a policy earned no return favors in the U.N. Burundi voted for the resolution.

A word has to be said, too, about Israel's responsbility. While it is true that declared opposition to "Zionism" often cloaks anti-Semitism, it is also true that Israel's policy made it easier for the Arabs to push through an extremist resolution.

Israel has persistently refused to make a real commitment to return the Arab territories won in the 1967 war. Her policy instead has been to rely on American arms, playing for time on the ultimate territorial issue—time that I think is making life progressively harder for Israel, not easier.

There is every reason for Israel to have survival as its first national thought—and second, and third. But it does not follow that the correct policy is to take a diplomatic line so hard that moderate Arabs are given no encouragement and extremism thrives.

As for the United States, the temptation it must avoid now is to luxuriate in self-righteousness. To respond in kind to the opportunists and tyrants who pushed this resolution through—to boycott the U.N. or punish it financially—would be unhelpful. That is the Soviet way. When the game goes wrong pick up your marbles. The United States should show that it is bigger than that, and more patient in the cause of freedom.

If we believe in freedom, then we should be prepared to go on arguing the case for it, with other free countries, in what remains for all its distortions the most complete international forum. Some day, too, an American Government will understand again that cynical manipulation does not work for this country in foreign policy—that our strength lies in our ideals.

Zionism and Racism

(By A. M. El-Messiri)

Asian and African states that supported the United Nations resolution equating Zionism with racism acted the way they did not out of fear of Arab threats or blackmail, nor for love of Arab gold. They were simply giving a legal and concrete form to their long-held view of the Zionist state.

From the perspective of an Afro-Asian, it is not difficult to see Israel as yet another manifestation of a racist form of colonialization—namely, settler colonialism.

Nineteenth-century Europe was over-burdened not only with a surplus of commodities but also with what came to be termed "the human surplus." This last factor led to the establishment of pockets of settler colonialists in Algeria, Rhodesia, Angola, South Africa and Palestine, in order to absorb Europe's unwanted surplus.

If some "idealists" saw the settlement of the Zionist pioneers as a fulfillment of biblical prophecies, the displaced and evicted victims of the Zionist vision choose to see the whole process otherwise.

The Balfour Declaration of 1917, the first European official sanction of the Zionist ideal, referred to the Arab Moslems and Christians of Palestine, who made up over 90 percent of the population, as the "non-Jewish communities"—that is, the indigenous majority was already being ruthlessly relegated to the status of a minority in favor of Europe's forthcoming surplus.

Zionist visionaries, under the aegis of British imperialism, did not come to share their knowledge and culture with the native Palestinians. The settlers, guided by such ideals as Hebrew Labor, or Conquest of Soil, which implied that the redemption of the land of Israel and the regeneration of the "Jewish character" could be achieved except through purely "Jewish" labor, actively set up institutions that acquired, by necessity, military traits because they excluded the indigenous population.

It was this exclusivist vision of the purely Jewish state that led all the Afro-Asian countries represented in the United Nations in 1947 to vote against the creation of a Jewish state in Palestine, South Africa being the only obvious exception.

Through the years, the attitude of the Afro-Asian to Zionist supremacist isolationism solidified. The new state promulgated the Law of Return granting the right to any Jew to become a citizen of Israel upon his arrival there, while denying the same right to a Palestinian who was probably born and reared there.

The collaboration between Israel and Britain and France in the 1956 invasion of Egypt helped to demonstrate that the new state was encapsulated in its racist view of itself as existing in Asia and Africa but not of them.

But Zionist racism is not a matter of political practice alone, for Zionist literature is rife with such phrases and terms as "Oriental barbarism" or "the super-nation," a term coined by Ahad Haam, a leading spiritual Zionist.

Even a soft-spoken "liberal" as Abba Eban claims that the goal of Israel is not one of integration. "Quite the contrary," he has assured everyone, "integration is rather something to be avoided." In a 1957 book, he expressed his fears of brother Jews coming from "Oriental" countries, lest they should "force Israel to equalize its cultural level with that of the neighboring world."

The United Nations resolution on Zionism is simply applying the principles of the United Nations to a structure and a movement about which some of the Western powers feel uneasy.

But it is a moral myopia to try to solve Auschwitz by Deir Yassin (the 1948 massacre of 254 unarmed Arab villagers by Irgun and Stern Gang terrorists) and, in answer to the Occidental concentration camps, propose the dispersion of the Palestinians: Justice knows no discrimination.

We even claim that the resolution helps the cause of peace in the Middle East, because as long as the Zionist state is free to impose its racist practices, the Arabs, with the support of other nations, will have to fight for their human rights and dignity. An Israeli community, on the other hand, willing to integrate in being accepted would lay the foundation for a just and permanent peace, permanent precisely because it is just.

Nor does the condemnation of Zionism imply any condemnation of Judaism, which is a matter of religious choice, unrelated to any land. The Jews have undoubtedly religious and spiritual ties with a land they consider holy, a feeling comparable to that of many other peoples for many other lands; but that feeling is different from a political ideology that claims monopoly of a piece of land and dispossesses its people.

To insist on the identity of Zionism and Judaism is to insist that all Jews are Zionists, and, by implication, to attribute eternal" political attitudes and loyalties to the Jew regardless of time and place. Is not that the essence of anti-Semitism, which objectifies the Jew, rather than sees him as an ordinary human being rooted in his history, who has his quota of vices and virtues, and who is likely to espouse any political position?

The civil rights of the Jews are "sacred" insofar as human rights are sacred, but there is nothing inherently sacred or profane about any political ideology, even if it Zionism, or any state, even if it is Israel.

A condemnation of Zionism as a form of racism is a condemnation of certain political ideals the Arabs consider exclusionary, and of certain political practice we consider racist.

Let me reiterate: Not all Jews are Zionists and not all Zionists are Jews. One can even startle the American reader by pointing out that there are non-Zionist and even anti-Zionist groups and public figures inside Israel itself. Their critique of Zionism is getting sharper and more radical. Are they, too, going to be muzzled by being labeled anti-Semites?

[From the New York Times, Nov. 14, 1975]

Why and How Anti-Zionism Move Won

(By Paul Hofmann)

United Nations, N.Y., November 11.—Despite ominous warnings that the future of the United Nations might be at stake, the resolution condemning Zionism as a form of racism was approved by a wide margin in the General Assembly last night. Today the questions were why and how.

Interviews with delegates of many countries that sponsored or voted for the resolution indicated that some of the principal factors were the determination of some Arabs to destroy Israel, effective lobbying by the Palestinians. Moslem unity, the persuasive influence of the Moslem-dominated oil cartel, and anti-Amreican pique in a number of third-world countries.

Many third-world delegates also said that the hard-line Arab governments—especially Syria, Iraq and Kuwait—and the Palestine Liberation Organization had started the anti-Zionist campaign in the United Nations "to save face" after their drive to have Israel expelled from the world organization had failed.

MANY DELEGATIONS TROUBLED

Diplomats and other United Nations experts who analyzed the debate and backstage maneuvers that preceded the vote stressed the ideological and political perplexities besetting many delegations.

"There was a lot of confusion," the representative of Mauritius, Radha Krishne Ramphul, said today. "Many people voted without knowing what Zionism is. I am confused."

The delegate from Mauritius, the small island state in the Indian Ocean that has opted for the African group in the world body, suggested that many delegations had backed the anti-Zionism drive because they were against "what the Palestinians tell us Zionism is."

The vote on the anti-Zionist resolution last night was 72 to 35 with 32 abstentions and three members not participating.

INSTRUCTIONS FROM HOME

Mauritius abstained. In the committee poll on Oct. 17, Mr. Ramphul supported the draft resolution condemning Zionism, but said he was doing so only because of the instructions he had received from his Government, not of his own choice. Last night he told the Assembly that there had been big-power pressures—hinting they had come from Washington—on his Government to vote against the anti-Zionist draft.

The quandary of the delegate from Mauritius typifies the dilemma in which many third-world countries found themselves on the Zionism issue.

Mr. Ramphul was one of two dozen diplomats from Asia, Africa and Latin America questioned by a reporter about their views on Zionism and the United Nations.

Most refused to be identified or quoted in print. Each of the third-world representatives professed to condemn anti-Semitism. All the delegates who spoke in support of the anti-Zionism document in yesterday's Assembly debate made a point of stressing their respect for the Jewish faith.

ANTI-JEWISH OVERTONES

However, some sensitive listeners said they had detected faint anti-Jewish overtones in at least a few of yesterday's speeches. They pointed, for example, to the remarks of Jamil M. Baroody, who has for many years been a delegate of Saudi Arabia.

Mr. Baroody said that the Zionists were "an alien people in our midst." He declared that the "exclusivity and exclusiveness, this setting themselves apart from other people will be the bane of the Zionists," and if "God forbid, they become the scapegoat in any society," persons like himself would be "in the forefront to save them from the claws of those who would think that all their ills came from the Zionists."

Mr. Baroody added an ominous warning: "Do not think that what happened before may not recur."

In the series of interviews, some delegates said, or gave to understand privately, that their position in the debate and vote on Zionism did not reflect their personal views but had been dictated by their governments.

Several diplomats said Arab representatives and other agents here and in capitals around the world had insistently requested an affirmative vote on the anti-Zionism text.

Such Arab pressures were successful in many cases, according to these sources, because they were coupled with promises of preferential treatment by members of the Organization of Petroleum Exporting Countries.

A meeting of heads of state of the Organization of African Unity in Kampala, Uganda, in July, and a foreign ministers' conference of the 82-country Nonaligned Movement in Lima, Peru, in August both sidetracked extremist Arab demands for Israel's ouster from the United Nations.

The Islamic Conference, a six-year-old grouping of 40 Moslem states, decided at a meeting in Jiddah, Saudi Arabia, in July to seek Israel's expulsion. However, the foreign ministers of the Islamic group met at the United Nations on Sept. 30 and in effect suspended the Jiddah resolution.

MOVE FOR A SUBSTITUTE

Failure of the Arab extremists to win Islamic, African and third-world backing for their "Oust Israel" plan prompted them to come up with a substitute, the anti-Zionism campaign according to almost every diplomat who was questioned.

The sources indicated that governments went along with the drive to denounce Zionism for a variety of reasons.

The representative from Iran, Fereydoun Hovevda, explained that his nation supported the anti-Zionism resolution "because we belong to the Islamic Conference," which was committed to the Palestinian cause.

A Latin American said: "Arab propagandists have been working very hard and very successfully to sell us Latins a big cargo of anti-United States grudge under a flag of convenience, Zionism. The Latin American countries that approved the anti-Zionism text or abstained from voting also did so, of course, to butter up the Arabs whose oil and investment capital they want; but to a good measure they acted just out of resentment against the Yankees."

The Latin American diplomat said Arabs had for years kept insisting that Israel and Zionism were really only creatures of United States imperialism and big business.

He noted that Cuba was among the original sponsors of the anti-Zionism document, having learned from the Soviet Union to say "Zionists" when the meaning was "Jews." The Latin American said: "The Cubans added a lot of anti-Yankee spice to the recipe and our left wing radicals just swallowed it. Some Latin American governments that aren't radical swallowed it too, because they wanted to display machismo and bait the Yankees."

The delegate of Brazil, Sergio Correa da Costa, who yesterday voted for the anti-Zionism resolution, told the Assembly that this was not to be interpreted as being hostile to Jews. He said Jews had made valuable contributions to his nation, which maintained diplomatic relations with Israel, but this did not imply acceptance of the doctrine of Zionism.

NEW YORK TIMES EDITORIAL CITES ENERGY BILL FLAWS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. JONES of Oklahoma. Mr. Speaker, the conferees on S. 622, the Energy Policy and Conservation Act, have concluded their work. I would like to share with my colleagues the lead editorial in the New York Times last Friday, entitled "Flawed Energy Bill."

Of particular importance is the paragraph relating to the pricing provisions of this bill. According to the New York Times, this bill "could increase American dependence on imported oil for the next few years, slow the rate of domestic energy production, and—create another gasoline shortage."

This bill now works to the interests of the major oil companies. It punishes the independent producers who drill more than 85 percent of our onshore wells.

S. 622 is not in the long-term best interests of this Nation, and those who support it will bear the ultimate responsibility when, in fact, our dependence on foreign oil does increase, and domestic production does decline.

Although I disagree with the reluctant conclusion of this editorial, at least the New York Times is willing to recognize the consequences of S. 622:

FLAWED ENERGY BILL

With oil price controls to expire tomorrow, the long deadlock between President Ford and the Democratic Congress appears to have been broken. Election-year politics on both the Democratic and Republican sides seems to have triumphed over the need for progress toward energy independence.

Congress was determined not only to hold oil prices down in an election year but even to roll them back. And Mr. Ford, who started the year by calling for total decontrol of oil in his State of the Union Message and who has consistently held to a higher price policy, has apparently decided to avoid the political onus—and the economic risk—of vetoing the bill and thus letting oil prices jump with the expiration of controls.

As we have observed before, there were strong reasons for not permitting controls suddenly to expire; to have done so would almost certainly have worsened inflation and, by increasing business and consumer costs by billions of dollars, jeopardized economic recovery. But the oil price rollback—which Congress has now scaled down to 12 percent from 14 percent—will immediately increase oil consumption in the United States. And uncertainties about future prices will tend to curb domestic oil production and development over the coming 40 months of controls.

Congress has written an extremely complicated bill with respect to prices. After the initial rollback, oil prices could start climbing at the maximum rate of 10 percent a year. But, starting in February 1977, safely after the election, the President could decree a faster rate of increase—unless either the House or the Senate vetoed it. At the same time, either House or Senate could also freeze oil prices at their prevailing rate.

These pricing provisions seriously mar a bill with many otherwise excellent provisions. These include establishment of an oil reserve to provide greater protection against another Arab oil embargo; mandatory fuel-efficiency standards for automobiles; energy-efficiency standards for household appliances; Federal funds for states that set energy-saving plans. The bill would extend loan guarantees to stimulate coal production by small operators. It would increase the reliability of Government information about the oil industry by Congressional auditing of the books of certain oil and gas companies.

However, the bill's price provisions could increase American dependence on imported oil for the next few years, slow the rate of domestic energy development and even—if and when the economy moves into a stronger recovery—create another gasoline shortage. The bill's grant of standby authority to the President to impose gasoline rationing in the event of such a shortage is no substitute for policies aimed at preventing a shortage while reducing dependence on imported oil.

Given the immediate danger to the nation's economy of sudden and total decontrol, we believe that Congress should pass and the President should sign this bill. But it seems most unlikely to have established the definitive national energy policy. The issue seems sure to recur—when the 1976 election is over, or perhaps even sooner.

FACTS SUPPORT A SUPREME COURT REVIEW OF THE WILMINGTON 10 CASE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. RANGEL. Mr. Speaker, attorneys have filed a petition for certiorari to the U.S. Supreme Court in the case of Rev. Benjamin Chavis and the "Wilmington 10"—North Carolina against Chavis. The writ asks the Supreme Court to review the case and overturn their convictions due to a number of errors committed by the trial court which defense attorneys feel have violated the defendants constitutional rights.

The "Wilmington 10" were convicted and sentenced in October 1972 to a total of 282 years for burning property with an incendiary device and conspiracy to assault emergency personnel with dangerous weapons.

The indictments against the "Wilmington 10" arose during a period when the schools had recently been desegregated and extreme racial tension existed in the city. This tension increased when black students began a boycott which publicized their requests for the beginning of a black studies program, for the hiring of more black coaches, for a stop to unwarranted suspension of black students, and for the declaration of a school holiday on the birthday of Dr. Martin Luther King Jr. The students staged a march and anger swelled in the black community when the school board did not respond to the requests.

On February 4, 1971 the white minister of the Gregory Congregational Church—which had become the center of boycott activity—received numerous bomb threats against the building. Following these threats, black students in the area expressed strong support for the church and the surrounding community. Reverend Chavis, who was active in the North Carolina civil rights movement, was invited to Wilmington by black leaders. A march was held to protest conditions in the schools.

As tension increased, reactionary white groups such as the Ku Klux Klan and the "Rights of White People" came into the black neighborhood and sniping, arson, and slayings occured. Despite this violence, city officials refused a request by community leaders to impose a nighttime curfew, Subsequently a black youth was killed by police and a store was burned down. Three white men were also arrested for being "armed to the terror of the populace." Finally, after a white man and three others were wounded, National Guardsmen were called in and a curfew was the presiding judge of the trial that Chavis and nine others who had occupied the church during this period were indicted.

After a jury of 10 blacks and 2 whites were selected, the prosecutor became ill and the judge declared a mistrial. This is not standard procedure; most judges in this situation would have instead appointed another prosecutor. A second jury of 10 whites and 2 blacks were selected who convicted the defendants. These convictions were unsuccessfully appealed to the North Carolina Court of Appeals and the North Carolina Supreme Court. One member of the court of appeals was Judge Robert Martin, who was the presiding judge of the trial that originally convicted Reverend Chavis and his codefendants.

I believe there are questions presented in the Wilmington 10 petitior that warrant a Supreme Court review of the case. These questions concern violations of the defendants rights under the sixth amendment and their right to a fair trial under the due process clause of the 14th amendment. Specifically, defense attorneys believe they were denied the opportunity to effectively cross-examine key prosecution witnesses and feel that critical impeaching material was concealed from the jury.

One striking example of the denial of effective defense cross-examination appeared when the defense was denied access by the trial court to an "amended" statement by the main prosecution witness, Allen Hall. This statement allegedly explained inconsistencies between trial testimony and written pretrial statements. At one point in the trial Mr. Hall testified that two of the defendants had guns in their possession. This contradicted his pretrial statement of February 18. Mr. Hall attempted to explain this inconsistency by stating he had mentioned the guns in a later statement to the assistant prosecutor, which the defense was prohibited from seeing.

The court denied access to this document, explaining that it was the assistant prosecutors "work product." The North Carolina Court of Appeals reviewed the statement and told the defense that it did not disclose evidence favorable to them.

Defense attorneys were also prohibited from asking prosecution witnesses if they received special housing during the trial—which they did—and to other matters relating to possible bias and motivation of the witnesses. Possible motivation was a crucial point since the main witness was involved in events for which the Wilmington 10 were being tried.

Additionally, the prosecutor was permitted to call 14 witnesses whose names did not appear on a witness list that was furnished by the prosecutor to the defense before the trial. The defense was not told the names of the witnesses until the day of the testimony. Accordingly, this resulted in inadequate defense preparation with no explanation from the prosecution as to why these names were excluded from the witness list.

Defense attorneys were also denied the right to question jurors as to whether they maintained racially discriminatory attitudes. This was a crucial question, since the case was based on charges of violent, racially motivated crimes against white persons.

Finally, the trial court refused to allow petitioners to challenge for cause to several jurors who admitted they had formed opinions toward the defendants. This meant that the petitioners had to use peremptory challenges on those jurors and thus deprived them of the use of challenges to excuse jurors who were not so clearly biased but who were still unsatisfactory. The petitioners were also denied the opportunity to have the voir dire examination of prospective jurors conducted out of the presence of other prospective jurors, a practice which is in accordance with ABA standards for actions under circumstances similar to those in this case.

These and other questions about the trial strongly indicate the need for a Supreme Court review of the case. I call upon my colleagues in the House of Representatives to show support for such a review. This case, which arose out of the civil rights struggle, is one of major importance in the pursuit of racial and social justice. Thus it is imperative to determine if the case was decided on its merits, or else reflected a political vengeance directed against the civil rights movement. Only the highest court in the land can make a final judgment on this issue, and thus a court review is a necessity.

FLOOD DISASTER PROTECTION ACT OF 1973 MUST BE AMENDED

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ASHBROOK. Mr. Speaker, one of the worst bills enacted during the 93d Congress was the Flood Disaster Protection Act of 1973. This legislation constituted a serious invasion by the Federal Government into local matters.

I voted against the act because of its dictatorial restrictions. I was concerned that it would seriously hamper industrial expansion and residential improvements in many parts of Ohio. Unfortunately I was joined by only 20 other Members and the bill passed the House by a vote of 359 to 21.

At the start of the 94th Congress I introduced legislation aimed at eliminating the crippling restrictions in the 1973 Flood Act. My bill would remove the requirement that everyone located in a flood-prone area must purchase Federal flood insurance or else suffer a Government cutoff of their loans. It also deletes a section that prevents any Federal office or agency from approving financial assistance in an area unless the community participates in the flood insurance program.

It is time that the Congress rectified its mistake on this issue. It is time that the Congress repealed the worst features of the 1973 law.

Following is an excellent article on the Flood Act by columnist James J. Kilpatrick:

[From the Washington Star, Nov. 13, 1975]

SMALL CARROT, BIG STICK IN FED FLOOD INSURANCE

(By James J. Kilpatrick)

Reflect, if you will, on a couple of homely maxims. One copybook adage says that the road to hell is paved with good intentions. Another says that he who acts in haste repents at leisure. Both reminders apply to Congress as it gropes to make sense of the Flood Insurance Protection Act of 1973.

Almost no one questions the good intentions. Flood damage in the U.S. claims a terrible toll each year of homes, factories, schools, roads, bridges, and farm buildings. Without some form of federal underwriting, which began in 1968, the cost of flood insurance would be prohibitive. Even the most dogmatic conservatives tend to support the concept.

But the unusually severe floods of 1973, which caused damage estimated at $1.2 billion, had an unfortunate influence on Congress. Late in December of that year, when members were in a hurry to get home for Christmas, some drastic amendments to the 1968 act were called up for voice vote. With little debate and less comprehension, members voted for a new scheme of sanctions, prohibitions, and controls. What emerged was a classic example of bad legislation.

The amended act now affects an estimated 22,000 towns, cities, and counties across the nation. The law has forced property owners into a kind of Catch 22 situation. If their community refuses to come into the federal program, the owners are helpless; they can't get insurance, and no federally insured bank or savings and loan association can loan them money. If their community agrees to come into the program, the owners can get flood insurance, but under such restrictive provisions that rebuilding after a flood could be prohibitive.

The 1973 act gives meaning to warnings that conservatives constantly have voiced about federal legislation in the field of "land use." These critics have insisted that no federal agency, even with the very best intentions, could draft regulations that could fairly be applied to communities across the nation. They have warned that federal aid means federal control. They have complained that "carrot and stick" policies involve small carrots and large sticks. And so far as the 1973 law is concerned, all this is true.

Thus the Department of Housing and Urban Development, through the insurance administrator, had to start with some uniform definition of a flood plain. It hit upon those areas subject to flooding at least once in one hundred years. As Senator Tom Eagleton of Missouri has complained, this is a "highly theoretical concept." The 100-year line takes in communities that never have had a flood in their recorded history.

The regulation has caused consternation in parts of Appalachia, where the need for flood insurance is keen. In scores of mountain communities, elevations vary so abruptly that one building may be above flood levels and an adjoining building may be subject to risk. It is impossible, critics say, "simply to draw a circle on an old map." HUD officials say they recognize the difficulty, and they are constantly redrawing local lines to meet topographical exceptions.

The element of federal control has raised widespread objections. Hundreds of communities, suspicious of any involvement with the guvmint, have voted flatly against participation. Senator Eagleton, who is leading a fight for further amendment of the act, cites the example of Lincoln County, Mo. Residents of the flood plain area three times have sought referendums on local participation, and three times they have been beaten at the polls. The fear of control is real.

And in the case of this act, the control itself is formidable. Controls are applied through the powerful mechanism of banks and other insured lending institutions. Property owners must comply with federal requirements, or else. The "or else" can amount to something approaching the self-destruction of their property.

Senate hearings are being held this week on amendments that would restore certain elements of voluntaries to the program. Eagleton is joined in his effort by an unlikely coalition of cosponsors—McGovern, Bayh, Hartke, and Abourezk on the liberal side, and Thurmond, Dole and Eastland among the conservatives. They are agreed on the need for a workable federal program, but "too much control," says Eagleton, "is just too much control." The affected communities and the hard-put property owners doubtless would agree.

HANDICAPPED PUSHING THEIR DRIVE TO EASE OBSTACLES TO TRAVEL

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. LEHMAN. Mr. Speaker, in keeping with my hope that we begin to focus our attention on the problems of handicapped people, I am reprinting an article that appeared in today's edition of the New York Times.

This article deals with the problems that handicapped persons have in traveling. This is only one of the many different problems the handicapped experience. Employment, housing, recreation, and the use of public buildings are other problems faced by the handicapped. However, as serious as these problems are, they are dwarfed by the immense attitudinal barriers that the handicapped confront; the attitude that they are different from others.

As I have stated before, the breaking down of the attitudinal barriers that exist is our most important task as we seek solutions to the full range of problems experienced by our handicapped citizens.

It is my hope in reprinting this article, that my colleagues in the House will become increasingly aware of the problems and the urgent need for finding solutions to them.

The article follows:

[From the New York Times, Nov. 17, 1975]

HANDICAPPED PUSHING THEIR DRIVE TO EASE OBSTACLES TO TRAVEL

(By Ralph Blumenthal)

When Phyllis Zlotnick arrived at the Hartford railroad station last Friday for her first train ride, she quickly encountered two large obstacles: She could not reach the ticket counter or manage the stairs to the platform.

Nor, she found, could she make a telephone call, use the ladies room, get in or out of the station unaided or, carry out most of the other tasks she has taught herself to handle in the 33 years she has been confined to a wheelchair.

Although Miss Zlotnick, who was born with muscular dystrophy, eventually reached the train by way of the baggage elevator, she was not surprised to find that public transportation still presents overwhelming barriers to the handicapped.

Although the last few years have brought progress in the design and adaptation of transportation and other public facilities for use by the handicapped, the pace of the progress has been too slow for many. And so, reacting with growing impatience and frustration, they are sparking an increasing action among the nation's handicapped, who number up to 44 million, according to a survey of the United States Public Health Service. Demonstrations by the handicapped are no longer unusual. Miss Zlotnick's train and bus trip, which she publicized in advance, was the latest example. Last August, the National Federation of the Blind demonstrated in Washigton against allegedly discriminatory airline policies, and last year handicapped people in New York blocked traffic to win passage of a state human rights bill for the disabled. Other demonstrations here won some changes in the subway car design after a blind newsdealer fell to his death between cars.

In California and New Mexico and Idaho and elsewhere around the country, protests and law suits by the handicapped have confronted officials with the issue of spending public funds on facilities that bar the handicapped.

Particularly galling to the handicapped has been the Federal Government's delay in formulating new rules for air travel to replace the current vague guidelines that leave it up to each carrier to decide who can be classified as "incapable of caring for himself," and thus be denied passage, unless accompanied.

The Civil Aeronautics Board studied the question in the 1960's, then gave up and turned it over to the Federal Aviation Administration, which proposed new rules in July 1974 and scheduled them for promulgation last January. The F.A.A. now promises them for this January.

"This is the kind of buckpassing at its fullest," complained Edmond Leonard, the staff expert on the President's Committee on Employment of the Handicapped, which has been pressing for new rules for 13 years.

"We're fed up with the delays," said Eunice K. Fiorito, director in New York City of the Mayor's Office for the Handicapped.

"Yes, we're becoming pushy," she said. "It's damn well high time that we do. We're still the lowest group on the totem pole, with no political base."

The new activism of the long silent minority is attracting public attention. "We're making them nervous because we don't want to stay in the institutions or under the rug," said Miss Zlotnick.

In one recent manifestation of the growing awareness, the Greyhound Bus Company last month started what it termed its "helping hand service," allowing attendants accompanying handicapped travelers to ride free.

Similarly, transit authorities in communities across the country have adopted reduced fares for the handicapped. Among some of the other innovative programs are the following:

In June, Chicago appointed a 23-year-old blind man, Steven P. Hastalis, to prepare a braille transit authority guide for sightless riders and to develop other programs for the handicapped. It has also ordered 20 buses especially designed for the elderly and handicapped and has put out an airport guide for the handicapped.

Denver last summer began testing 12 buses adapted for wheelchairs. Each can carry 4 wheelchairs and 12 other passengers.

Bridgeport and Rochester, among other cities, have inaugurated dial-a-ride service with special adapted minibuses for the handicapped. New York State last July received Federal grants of $1.9 million for the purchase by 80 nonprofit agencies of equipment to transport the elderly and handicapped. In addition New York City has on order "kneeling" buses that lower themselves for easier entry by the elderly and handicapped.

The still-formidable problems remaining for handicapped travelers were demonstrated Friday in Miss Zlotnick's grueling nine-hour trip, which was co-sponsored by the United Cerebral Palsy Association of Connecticut, of which she is a board member, and the Citizen Government Transportation Planning Center of Windsor, Conn.

Miss Zlotnick, a hard-driving and cheerful 84-pound woman who has mobilized demonstrations at the state capital, began her journey with several associates just after 8 A.M. from the West Hartford apartment building where she lives with her parents.

Leaving behind her 160-pound motorized wheelchair in favor of a conventional 30-pound model, she was wheeled to the bus stop where two employes of the Connecticut Company bus line, alerted in advance, lifted her and the wheel chair into the bus for a 20-minute ride to the Hartford train station.

At the station, Miss Zlotnick could not reach the ticket window or the pay telephone. Even if she could have reached the coin lock on the outer door of the ladies room she could not have pushed open the heavy door. Beyond it, also, was an impassable barrier—stairs.

Since the train platform was also down an impassable flight of steps, she was taken there.

CARRIED TO HER SEAT

The train aisle was too narrow for the wheel chair so Miss Zlotnick had to be carried in by Bob Sadler of the Transportation Planning Center and propped up in a seat with pillows.

"Now I know how grapes feel in jello," she joked.

In New Haven she changed trains. It took 15 minutes to wheel her on a roundabout route from the platform into the station. To return to the platform she had to be pulled up 28 steps.

She took another, newer Amtrak train that could accommodate her wheelchair, to South Norwalk There, she caught a Greyhound bus back to Hartford. Her attendant traveled free, as advertised, but Miss Zlotnick again found, that the wheelchair could not fit in the bus. So Mr. Sadler once more carried her to a seat.

From Hartford she was again carried into a taxi for the ride home.

"If there weren't attitudinal barriers, there wouldn't be architectural barriers," she said. "What good is housing and employment if we can't get there?"

Special facilities for the handicapped are not the answer, she said adding, "baggage cars and back doors are out."

Even special buses are distasteful in her view: "You might as well put a sign on them, 'Here come the crips,'" she said.

She said she looked for some good developments to come out of a National Conference on Transportation for the Disadvantaged in Washington Dec. 3 to 5.

"I'd like to go," she said, "but I'm not sure I can get there."

REGULATORY REFORM, OSHA—PART 2

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ARCHER. Mr. Speaker, I placed in the CONGRESSIONAL RECORD the first part of Murray Weidenbaum's comments on OSHA in his book "Government Mandated Price Increases." His concluding remarks on the cost of Government controls should be of particular interest to every Member of Congress. I hope all of my colleagues will take the time to read the following:

COST OF GOVERNMENT CONTROLS

Estimates of current industry expenditures to meet government safety or other requirements are often no more than reasonable guesses. Survey results are not easy to interpret. It is often difficult for a company to separate clearly investment to meet federal requirements and investment in production equipment which would be purchased in the absence of the governmental restriction. Thus, the data in Table 10 should be taken mainly as illustrative of the substantial costs involved in meeting federally mandated requirements. In some cases, safety and health investment is reported to be a significant part of an industry's total capital spending. In 1972, 8 percent of the textile industry's investments and 12 percent of steel's were so related.[23]

According to McGraw-Hill Department of Economics, already planned industrial investments in health and safety equipment are estimated to rise from $2.5 billion in 1972 to $3.4 billion in 1977. To some unspecified extent—that is, to the extent that these capital outlays succeed in reducing job-related injuries and illnesses—they can be considered as a form of investment in employee productivity.

A recent study commissioned by the Occupational Safety and Health Administration estimates that it will cost American industry an aggregate of $13.5 billion to bring existing facilities into compliance with the current OSHA noise standard of 90 A scale decibels (dbA). If the more stringent standard of 85 dbA is adopted—and this is the recommendation of the U.S. National Institute for Occupational Safety and Health—the compliance cost is expected to increase to $31.6 billion (see Table 11). Hearings on the NIOSH proposal have been scheduled. The more stringent standard is supported by the Environmental Protection Agency.[24]

TABLE 10.—ESTIMATED COMPLIANCE COSTS OF OSHA SAFETY STANDARDS, BY INDUSTRY

[Dollar amounts in millions]

Industry	Investment in employee safety and health 1972	1973	Percent change
Manufacturing:			
Stone, clay, and glass	$30	$87	+190
Miscellaneous transportation equipment	6	15	+150
Rubber	15	35	+133
Aerospace	14	26	+86
Miscellaneous durables	37	66	+78
Instruments	12	21	+75
Machinery	86	131	+52
Petroleum	68	99	+46
Fabricated metals	20	29	+45
Food and beverages	71	95	+34
Chemicals	72	96	+33
Paper	50	66	+32
Nonferrous metals	37	46	+24
Textiles	58	67	+16
Electrical machinery	57	64	+12
Iron and steel	193	215	+11
Miscellaneous nondurables	24	25	+4
Autos and trucks	88	74	−16
Nonmanufacturing:			
Electric utilities	203	370	+82
Communications	404	569	+41
Mining	84	116	+38
Gas utilities	23	26	+13
Railroads	31	34	+10
Airlines	54	55	+2
Miscellaneous transportation	70	66	−6
Trade	702	663	−6
Total	2,509	3,156	+26

Source: "Business Week," May 26, 1973, p. 27.

TABLE 11.—ESTIMATED COMPLIANCE COSTS OF OSHA NOISE STANDARDS, BY INDUSTRY

[In millions of dollars]

Industry	85 dbA (proposed)	90 dbA (existing)
Utilities	$6,300	$3,200
Nonelectrical machinery	4,200	1,400
Fabricated metal products	3,200	1,100
Transportation equipment	2,900	1,100
Textile mill products	2,700	1,100
Food and kindred products	2,600	590
Electrical machinery	2,300	780
Primary metals	1,900	900
Chemicals and allied products	1,400	1,100
Printing and publishing	1,000	870
Lumber and wood products	650	150
Furniture and fixtures	580	190
Stone, clay and glass	520	290
Paper and allied products	500	140
Rubber and plastic products	500	302
Petroleum and coal products	260	210
Tobacco	90	48
Apparel and related products	10	0
Leather and leather products	8	0
Total	31,618	13,470

Source: Bolt, Beranek and Newman, Inc., reported in "Business Week," July 20, 1974, p. 28.

In evaluating the merits of such an investment, an economist is concerned not only with the magnitude of the resources involved, but also with the alternative uses to which those resources could be put (the "opportunity cost"). As Paul McCracken has stated the matter: "resources used in one direction are then not available to be used elsewhere. Whether they should be so used, therefore, depends not only on whether the intended use is 'good,' but on whether it is better than the uses to which the resources would otherwise be put."[25] In that spirit it should be noted that for many industries the time lost due to illnesses and injuries off the job far exceeds that due to on-the-job hazards. The medical director of Exxon, for example, states that non-job-related diseases and injuries account for about 96 percent of the time lost due to disability.[26] Assuming these figures are typical for industry in general, the expensive OSHA-mandated efforts apply to approximately 4 percent of disability-caused absenteeism.

ANNOUNCEMENT EFFECT

One unmeasureable impact of federal regulation is the "announcement effect." For many years economists have noted the existence of this effect in the field of government spending or taxation. Thus, potential government contractors may start preparing to bid on a project before Congress has appropriated the funds, or consumers may increase their expenditures as soon as a tax cut is voted on or even while it is being considered.

Anticipated changes in governmental regulatory programs may stimulate somewhat similar responses. In Illinois, the very rumor that the Occupational Safety and Health Administration might impose more stringent standards for migrant worker housing caused strawberry farmers to reduce their production. Lester Pitchford, the largest grower in the Centralia area, was quoted as saying, "We don't know if OSHA is coming or not, but when it was even rumored, it put it [strawberry production] out."[27] The basis for the concern was the possibility that farmers would have to provide migrant workers with the same amenities as permanent workers—100 square feet of living space (the present state standard is 60 square feet), flush toilets and showers in each room. Apparently at least some Illinois strawberry farmers concluded that the capital investment required could not be justified for a two-week harvest. According to James Mills, an official with the Illinois Department of Public Health, a basic problem is the lack of distinction under OSHA regulations between long-term and short-term migratory farm worker housing. Centralia farmers, he was quoted as saying, "just can't compete and, if OSHA puts the pressure on them, they'll get out of the migrant business completely and go strictly U-Pick"[28]—that is, where consumers pick the fruit for their own use for a fee.

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[23] "The High Price of Job Safety," *Business Week*, May 26, 1973, p. 27.

[24] "OSHA Noise Standard Compliance Could Cost Industry $13.5 Billion," *Washington Report*, February 11, 1974, p. 4; "The Expensive Sound of Silence," *Business Week*, July 20, 1974, p. 28.

[25] McCracken, "Will There Be Economics in 2024?" *University of Michigan Business Review*, September 1974, p. 13.

[26] N. J. Roberts, M.D., "Medicine at Work," *The Lamp*, Fall 1974, p. 21.

[27] Pamela Meyer, "Fear of OSHA Making Farmers Plow Under Strawberry Crops," *St. Louis Post-Dispatch*, June 11, 1974, p. 7C.

THE CONSUMER'S RIGHT TO KNOW—GROCERY PRICES

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. ROSENTHAL. Mr. Speaker, we are facing a revolutionary change in the retail food industry, a change that has much potential for good but contains a threat of much harm to consumers and, I believe, to the industry itself.

The industry is planning to spend some $400 million over the next few years to install automated checkout systems in supermarkets. At the heart of the system is the universal product codes, the now familiar line markings that appear on the majority of packages in the stores.

The new system is intended to speed up checkouts, make them more accurate, improve inventory efficiency, and generally reduce costs to retailers. Unfortunately, in the words of one veteran observer of the grocery industry, the "drive toward front end automation is motivated more by the 'almost endless' dividends it will reap than by consideration for the consumer."

Ironically, the industry in its preoccupation with increasing profits has been remarkably silent about passing any of these dividends on to consumers in the form of lower prices.

UPC and electronic checkout are expected to produce a net savings before taxes of 1 to 1.5 percent of sales, or about $149 million annually. Since most food store operators realize a net profit of less than 1.5 percent of sales, these savings promise substantially increased profits.

Along with the promises this system holds is the threat of needless confrontation with consumers. This is because of the industry's apparent insistence on removing price markings from individual packages as part of its computerized conversion.

Mr. Speaker, I think the conversion to universal product codes and computerized checkouts is potentially one of the best things that ever happened to grocery shoppers, especially if the saving are shared with consumers and not just used to swell profits. But using it as an excuse to remove item prices could well be one of the worst hoaxes ever to happen to consumers.

Individual price markings are something consumers already have—and use—and are infinitely more important than any savings that would accrue by their removal—even if those savings were passed on through lower prices, something I doubt would ever happen.

Giant Food, Inc., of the Washington-Baltimore area, one of the most vocal opponents of this legislation, admits that it probably would still realize over 80 percent of the potential UPC savings even if item pricing were continued.

Other industry figures estimate that the difference between price marking and removal is about $225 a week per store. A major confrontation with consumers hardly seems worth such a small sum for a store with over $60,000 a week in receipts.

Actually, the true cost may be only a fraction of that $225. According to a study by Garvery Labelmatics Inc., a company producing price marking equipment, individual item pricing may cost only about a penny a customer for a store doing $60,000 a week business. That comes to less than $48 a week, or under $2,500 a year. A bare scratch in the potential $34,700 the industry expects to save at each automatic checkout store if permitted to eliminate price marking.

Before greed gets the best of them, I urge the grocery industry to think twice about price removal.

To protect the customer's right to know the price being charged in supermarkets and other computerized stores, I have introduced H.R. 4551, the Price Disclosure Act. This legislation would mandate item pricing as well as retail unit pricing. Sixty of our colleagues have joined to cosponsor my bill.

When the trend is toward a greater disclosure, as exemplified in laws mandating truth in lending, truth in advertising, and so on, what the grocery industry proposes would be a giant step backward to the days of customer-be-damned.

The National Association of Food Chains, which is leading the opposition to this legislation, claims to have the best interest of the consumer at heart. If this is so, I wonder why it has consistently opposed every major piece of consumer legislation that Congress has considered since I have been a Member. It opposed truth-in-lending, it opposed truth-in-packaging, and it led the fight against the creation of a consumer protection agency. The evidence speaks for itself. The association's record belies its lip service dedication to consumer rights.

In these times of inflation and recession, we must do everything possible to give the consumer the tools needed to maximize the value of each dollar. The elimination of item pricing is inconsistent with that goal.

It would make virtually impossible the consumer's tallying of purchases while shopping. It also prevents shoppers from comparing prices in the store and previous purchases at home. In addition—and this is probably what appeals to retailers most—it reduces the all-important consumer consciousness of food prices and price increases.

Retailers contend shelf labels will be able to take the place of item pricing. That is absurd. Shelf pricing has been notoriously sloppy and would require platoons of stock clerks to keep packages and prices together.

Repeated studies have shown that shelf markings are not a good substitute for item pricing because they are such an inaccurate source of information. A recent investigation by the Government Accounting Office found that between 17 percent and 50 percent of the shelf labels in 100 stores surveyed may have been unusable by the consumer.

There are no safeguards that shelf labels will be accurate or kept from sliding around in their slots. Anyone who has ever gone shopping can tell you that merchandise does not stay neatly stacked throughout the day and that it is virtually impossible to memorize the price on every item in the grocery cart.

Once the customer gets ready to check out, he probably will discover that several of the registers have been closed because the store has found that automation allows a fewer number of clerks to handle the same number of customers in the same amount of time as before. For the customer, that means the wait will be just as long. And when he finally gets to the counter, the speed of items being passed over the optical scanner and their prices being flashed on the visual terminal will hardly allow him time to check the price.

One of the greatest potential abuses in the new system comes when the latest price is entered on the computer before it gets marked on the shelf. A typical 10,000-item supermarket may have 300 price changes a week. A store manager whose sales are lagging might be reluctant to post promptly newer and higher prices that already are registered in the computer. Or he might just be too busy to get to it right away.

In the discussion of this bill, we tend to overlook a very important provision—retail unit pricing.

As the person who introduced one of the first unit pricing bills ever before the House of Representatives, I consider this a fundamental anti-inflationary measure that is essential to the consumer's effort to combat the tide of rising prices.

Unit pricing is long overdue and much needed. It permits shoppers to make precise price comparisons among the multitude of sizes and varieties of the same product, and select the one that most economically fits his needs.

One manufacturer's output of a single product like soda pop or breakfast cereal or tea bags or beans often comes in a half-dozen or more sizes. It is hard enough choosing which among them is the best buy, let alone comparing all of them to the packages of another brand. And then there's the difficulty of selecting among the various forms in which foods may be available—fresh, frozen or in cans. Even a match whiz with a pocket calculator would have to make dozens of computations for each selection.

All too often, Mr. Speaker, opposition

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[28] Ibid.

to unit pricing is a shield behind which many rip-offs are concealed. No honest businessman should be unwilling to tell his customers just how much he is really charging for any given product.

Many enlightened supermarkets already have adopted unit pricing on their own and are to be commended. And a number of State and local governments, including New York City, have mandated unit pricing. The latter situation confronts many retailers with a maze of potentially conflicting regulations they must observe. Enactment of this legislation will aid both industry and consumers by establishing a consistent and uniform system of unit pricing, and I urge its adoption.

We hear industry spokesmen piously testify that they are not opposed to item pricing or unit pricing. They tell us they simply have the consumer's best interest at heart and want to defeat this legislation in an effort to defend the consumer's "freedom of choice."

True freedom of choice does not mean denying vital information. It means making all the information available—in this case, individual item price markings and retail unit prices—and letting consumers choose for themselves what use they wish to make of that data.

I am tired of hearing big business tell us just how great it is and how all its new innovations are there just because we consumers demanded them. I wonder who the miracle makers of Madison Avenue were listening to when they fulfilled our every wish by giving us Pam aerosol cooking spray, 5-day deodorant pads, sugar coated cereals like Frute Brute, ballpoint pens that write on butter and under water, feminine deodorant sprays, flavored shampoos, squeezably soft and scented toilet paper, artificial potato chips, and aerosol cans of artificial cheese to spread on artificially flavored crackers.

Another aspect of this "freedom of choice" myth is that customers who do not like UPC and the removal of item prices will bring the industry to its knees by shopping elsewhere.

This is a fraud perpetrated by an oligopolistic industry. As the current FTC antitrust case against several large supermarket chains indicates, a select handful of big grocery chains dominate many metropolitan areas. The choice simply isn't there. And neither is the competition.

One supermarket executive said that customers at his automated stores who want prices marked on the products they pick up can do it themselves and he'll supply the crayon. He's my candidate for the Marie Antoinette Award for Public Understanding.

Opponents of item pricing like to refer to it as "duplicate pricing." Let us clear up that fallacy right now. For those of us who do not own million-dollar optical scanners and computers, the choice is between pricing and not pricing. We are not asking for duplicate pricing. We want the price marked just once right there on the package we are buying.

Those much-touted "descriptive" register tapes also are a farce. With space for only a dozen computerized characters, they can hardly tell the name of the product, the brand, the size and the other information consumers need to make price comparisons in the home. In fact, those tapes are so incomplete as to be misleading in many cases. This was effectively demonstrated in the testimony of Mr. Walter Davis of the Retail Clerks International Association and his examples of tapes recording purchases of different varieties or sizes of identical items but failing to distinguish among them.

Mr. Speaker, I urge prompt enactment of H.R. 4551 in the interest of protecting and preserving the consumer's basic right to know the price he is being charged for the food he buys. This is especially important in these days of high inflation and constant food price fluctuation.

Without mandatory price marking, it is altogether conceivable that prices could go up between the time the consumer picks an item off the shelf and the time he gets to the checkout counter, and he would never know it.

We must not permit this to happen.

WHAT HAPPENED TO NO-FAULT DRIVE?

HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. HARRINGTON. Mr. Speaker, two articles from the Washington Star, written by Sylvia Porter have recently come to my attention. Sylvia Porter's articles deal with no-fault insurance, and give a keen insight into why there has been a lag in the implementation of no-fault nationwide.

Despite the fact that all branches of the public—labor, business, consumer advocates, public officials, educators, and the media—have endorsed the concept of no fault, only 15 other States have added bona fide no-fault laws since Massachusetts initiated its program in 1970. The obvious disparity between what should be done and what is being done is, I believe, caused in part by lawyers who are serving their own self interest in delaying the widespread application of no-fault programs.

One way in which this disparity could be corrected is by the passage of H.R. 9650, the "National Standards for No-Fault Benefits Act," which would provide direction for Federal guidelines for State programs. It is abundantly clear that if this bill is passed, it will greatly aid the so often overlooked consumer, remove court backloads, and eliminate costly and unneeded litigation. For the benefit of my colleagues I would like to enter the text of the two articles in the RECORD.

[From the Washington Star, Sept. 23, 1975]

WHAT HAPPENED TO NO-FAULT DRIVE?

(By Sylvia Porter)

What has happened to the drive for "no-fault" auto insurance—the concept under which the burden of proving who was at fault to an auto accident is eliminated, lawsuits are limited to only the more serious injury cases and insurance dollars are spread more rapidly and more fairly among victims?

In 1970, Massachusetts became the first state to test no-fault. Florida followed in 1971. Connecticut, Michigan and New Jersey went along in 1972. The move to no-fault peaked in 1975 when six more states—Colorado, Hawaii, Kansas, Nevada, New York, and Utah—passed no-fault laws.

And since then, the going has been slow. In 1974, only four states—Georgia, Minnesota, Pennsylvania and Kentucky got no-fault. In 1975, only North Dakota has acted to bring the broader benefits to its motorists.

(While eight other states have passed no-fault laws, these are dismissed as "bogus" by experts in the field, for they generally do no more than add a limited layer of coverage without any moves to control costs.)

Thus, the discouraging answer to the question is:

More than two-thirds of the states do not have bona fide no-fault laws;

Prospects for progress in these states—as demonstrated by activity in the past few years—are disheartening;

Even the 16 genuine no-fault laws cannot be called totally adequate in terms of benefit levels and limits on lawsuits.

These 16 laws do put some restriction on access to "pain and suffering" damages so popular in many lawsuits (while none takes away your right to a day in court). Most of the 16 allows suits for pain and suffering only when medical bills reach a certain dollar level (the threshold). The Michigan law has no threshold but limits suits to cases of "serious" injury.

With effective no-fault in every state, the auto reparations system would be rid of the waste, delay, injustice and personal tragedy that so often pervades the fault system. With effective no-fault, our auto insurance premiums could pay for a substantial part of the losses of those seriously injured in auto accidents (as against the mere 30 percent of the losses they now receive). What's more, insurance experts say that based on today's cost factors, this could be done without any increase in premiums.

The next logical question must be "why the slowdown?" Why hasn't the concept been embraced across the nation in face of the fact that virtually every element in our society—labor, business, consumer organizations, educators, public officials, the press—has hailed no-fault as indisputably in the public interest?

The equally discouraging answer to this question is:

Opposition from one major source—the personal liability bar.

And since the liability bars heavily represented in the various state legislatures and no-fault strikes at the core of many lawyers' livelihoods (auto accident injury lawsuits), the lawmakers themselves have consistently attacked the concept and repeatedly been successful either in blocking entirely or substantially watering down no-fault bills in their own legislatures.

Unless those deeply in favor of no-fault become fully aware of what is at stake and take strong countermeasures to the personal liability lawyers' tactics, there is absolutely no reason to believe the lawyers will be less successful in the future than in the past.

The concept of no-fault auto insurance was introduced as far back as the 1930s—a full 40-plus years ago. The reform has been a major issue for the past 10 years—ever since law professors Robert Keeton and Jeffrey O'Connell, in a 1965 book, outlined the inequities in the fault system for paying auto accident damages and called for an overhaul.

Yet we—America's motorists—who stand to benefit so greatly from good no-fault legislation—are still waiting, waiting, waiting and paying.

[From the Washington Star, Sept. 24, 1975]

SPEAK OUT TO PUSH NO-FAULT THROUGH

(By Sylvia Porter)

It took from 1911 to 1948—a startling 37 years—for every state to pass worker's compensation insurance laws. And when all were law, no two were alike.

No-fault auto insurance apparently is heading for the same fate. After 10 years of public debate, no-fault insurance laws are in effect in fewer than one-third of our states. And the 16 states that do have genuine no-fault laws on their books do not provide what are considered totally adequate benefits or cost curbs.

Basically, good no-fault legislation:

Allows accident victims to recover their medical and hospital expenses and lost income from their own insurance company, regardless of who was at fault in an accident;

Provides for broader, more readily available benefits;

Pays for the cost of these broader benefits by a limitation on "nuisance" lawsuits (although the victim's access to court in more serious cases is fully retained).

Virtually every segment of the public—labor, business, consumer organizations, educators, public officials, the press—has endorsed the concept of no-fault. The notable exception is the personal liability bar—and since lawyers are heavily represented in state legislatures, it is more than likely that the personal liability bar will make sure that progress in the state legislatures continues dishearteningly slow.

Thus, bills have been introduced into Congress—S. 354 in the Senate, H.R. 9650 in the House—that would push the states into acting within a specified time. Failing voluntary state action, a federal system would be imposed.

Distasteful as another federal "layer" may seem to you, it is obvious that no-fault will be a long, long time arriving without this sort of prodding.

In the Senate, the no-fault bill has been sent by the Commerce Committee to the full chamber. In the House, it is awaiting a public outcry from us, America's motorists and key beneficiaries. Chances for passage are reported touch-and-go.

The threat of climbing cost has been raised by opponents to the federal guidelines—but this seems to be fading. Initially opponents claimed our auto insurance costs could go up as much as 17 percent; this was revised downward to a rise of 4 percent; revised downward again to actual cost savings of as much as 10 percent, a calculation comparable to that of proponents of the federal legislation.

An independent, third-party actuarial study said modest decreases could be expected. (These projections are based on today's conditions.)

According to the nation's largest car insurer, a customer who pays $160 a year for a full coverage auto policy pays about $100 of that total for property damage coverages and about $60 for personal injury coverages. Using that figure, auto insurance costs could either go down $6 a year or up about $10 a year under the federal guidelines no-fault law—depending on whose cost estimates you believe. That cost of less than $1 a month is inconsequential.

What's more, informed estimates are that from 60 to 75 percent more people will be paid for their losses under no-fault than are presently paid under the pure fault system.

Any decreases or increases in premiums would apply to the personal injury portion of the total premium only, because that's what no-fault affects.

No-fault does affect the larger part of the premium, the property damage coverages, such as collison and theft, fire, vandalism, etc.

In essence, all that Congress would be legislating would be federal standards or guidelines which the states then would meet in their individual no-fault laws.

Regulation of the insurance business would remain with the states. There would be no need at all for creation of another federal bureaucracy to administer a guidelines-type law.

Cost, to stress it again, is not a factor.

America's workers had to wait 37 years for full protection under worker's compensation legislation. Will you, the American motorist, wait and pay during a similar span of procrastination? Will you let the lawyers so dominate your lives that they can bottle up indefinitely legislation you know is in your own interest? Who among you speaks for you?

THE TAX REFORM ACT

Hon. Theodore M. (Ted) Risenhoover

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. RISENHOOVER. Mr. Speaker, one of the most keen minds in government finance and in the red meat industry is our distinguished Oklahoma treasurer, the Honorable Leo Winters. I asked Mr. Winters for his comments about H.R. 10612, the Tax Reform Act. He made four points which I heartily endorse and capsulize:

First. Feed, seed, and fertilizer acquired during the autumn harvest period should not suffer a tax penalty because the tax year starts January 1. Tax laws should respect the inalterable cycle of nature.

Second. Farm income should be carefully defined so that we can stop abuses by "Wall Street Cowboys" while protecting and encouraging the cowboys and farmers who actually produce the food we eat.

Third. We should not penalize persons for the form of their business—most simply, corporations are owned by individuals and that should be neither a tax advantage nor disadvantage. We should strive for equity.

Fourth. The bill should not increase—rather strive to decrease—bookkeeping costs and redtape for cattlemen, farmers, and all businesses.

I have asked the distinguished chairman of Ways and Means to consider Mr. Winters' advice and comments about the bill, contained in a letter to me, which follows:

Hon. THEODORE RISENHOOVER,
Longworth House Office Building,
Washington, D.C.

DEAR TED: Thank you for your letter of October 31, 1975, and it is indeed a pleasure to know that someone in Washington is watching out for the farmers of America. I am, of course, quite aware of the House Ways and Means Committee's tentative decisions regarding the taxation of agriculture and I appreciate the opportunity to give you my views.

You are quite correct in assessing the current tax reform provisions as an attempt to encourage people to go into agricultural investments on a strictly economic basis and to end tax abuses in agricultural investments. All of the agricultural industries support this theory. However, I seriously doubt whether or not the bill now drafted by Ways and Means actually accomplishes this theory. While certainly the bill does go a long way in eliminating tax abuses in agriculture, it also goes a long way to disrupt legitimate business practices of legitimate farmers.

The main abuse in the cattle industry in the United States today has been, as you pointed out, the use of nonrecourse financing. Indeed, the investors can generate tax deductions far in excess of their actual cash investment in agriculture. In a very unique combination of opposing forces, the American National Cattlemen's Association, the National Livestock Tax Committee and the National Livestock Feeders Organization all united to present one method for curbing this abuse which the livestock industry felt would get rid of the problem but leave the existing legitimate farmers intact. This approach was to limit the amount of tax deduction a person can receive from an agricultural investment to the amount of capital he has at risk in farming. This is the approach that the Ways and Means has adopted. Unfortunately, the Ways and Means Committee has not stopped there and has insisted on needless over-kill.

In addition to the limitation of loss to the amount of capital at risk, the House Ways and Means Committee has drafted the LAL provisions. These provisions currently consider prepaid supplies as artificial losses and would not allow their deduction against nonfarm income. This presents two problems. The first is a definition of just what is prepaid. Is anything that is on hand December 31st prepaid? Most farmers have feed, seed or fertilizer on hand as of December 31. It makes good economic business sense to buy your grain at harvest when it's cheaper. Unfortunately, Congress has made the tax year end December 31. Mother Nature also dictates that harvest is in the fall of the year. We can't fool Mother Nature. When the grains are harvested, they are bought. The fact that it is close to year-end has absolutely nothing to do with the farmer's decision to buy corn or other grains at the absolute lowest price he thinks possible. It makes good business sense but Congress doesn't seem to see that.

The second and more pressing problem is just what definition do you give to farm income? If the LAL concept has to become law, absolutely the only way to have an equitable administration of the law is to define the farm income to include income from all agricultural sources no matter in what form that income is paid. Thus, the farmer who has incorporated his family farm for estate planning purposes and draws only a salary from his farm would still have farm income. If certain farmers jointly own the neighboring co-op all dividends or income from that co-op should be considered farm income, just as it would be if they ran their own individual operation. It should not make any difference in what form or entity the farmer chooses to operate. If the ultimate source of the income is agriculture, it should most certainly be defined as agricultural income when considering the LAL limitations.

The other provision in the current tax reform concerns forcing most corporations involved in agriculture to the accrual method of accounting. The fact that this provision will not apply to Subchapter S Corporations or most family owned corporations is a mitigation somewhat but I still feel that this is an unfair restriction. Our tax laws should try to encourage investment and production from our agricultural sector. If a corporation is going to engage in farming on an economically sound basis they should be able to benefit from the very same tax treatment as the individual farming. Forcing corporations to account for their income differently than individuals to me is patently unfair.

As you pointed out, there is an exemption from LAL for farmers whose non-farm income is less than $20,000. Without the all inclusive definition of farm income which I mentioned earlier, this exemption is of little value. Assuming a broad definition of farm income, I still feel that many many legitimate farmers will unsuspectingly be captured by this provision. While the small family farm would probably not have to come under LAL, the great percentage of agricultural production, both in Oklahoma and the country as a whole, comes from big farmers. These big farmers are also businessmen and would indeed have to account for their incomes using the LAL provisions.

One final point. The various exceptions would probably allow a great number of farmers to actually not have to report their taxes using the LAL method. A problem arises, however, in that they will have to increase their accounting records in order to determine whether or not LAL applies to them. In other words, even though they don't have to ultimately report their tax return using LAL, they would have to adopt the LAL accounting method to determine that it does not apply! As pointed out in the November, 1975, issue of the *Oklahoma Cowman*, the National Livestock Tax Committee has estimated that these proposals would increase smaller farmers and ranchers accounting costs by 100% to 300%. Medium and larger size farming units could incur annual accounting costs of $15,000 to $20,000.

I think the cattle industry would welcome closing the loop holes in our laws which lead to the abuses of the Wall Street Cowboys. We do, however, resent closing the loop holes in such a fashion as to also eliminate the cowboy. It's a classic example of throwing out the baby with the bath water. Hopefully, when this legislation reaches the floor of the House you and the other knowledgeable farm state Congressmen can correct the Ways and Means erroneous thinking.

Yours very truly,

LEO WINTERS.

HOUSING AND SECTION 235 PROGRAM

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, those of us familiar with the deteriorating situation in the housing industry, the knowledge that the newest Federal programs are not functioning well, and the fact that there are still thousands of Americans living in substandard housing, welcome the action by the Department of Housing and Urban Development to reactivate the section 235 homeownership assistance program.

As a member of the Housing Subcommittee, which authored this program in the landmark 1968 Housing Act, I never have agreed with critics who point to the large number of 235 defaults and allege the program was flawed. A closer study shows that shoddy administration allowed unscrupulous speculators to fleece unqualified buyers thus causing the program to receive an unwarranted black eye.

Today, I am introducing an amendment to the National Housing Act to increase the mortgage limits for eligible homes under the reactivated section 235 program.

I feel that in order for section 235 to be successful, in its goal of helping moderate income families achieve homeownership, the mortgage limits must be realistic.

As my colleagues are well aware, the cost of construction has risen tremendously over the past few years, just as the cost of everything else has risen. This resulted in a dramatic increase in the cost of new homes. Let me illustrate. According to the Census Bureau, the exact same home built today would cost 50 percent more than if built at the start of 1970. What caused this rapid increase? Labor and materials jumped more than 37 percent. The cost of land rose over 62 percent. Financing costs are up an astronomical 100 percent.

Yet, in the face of these tremendous cost increases and the high rates of inflation we have experienced, we have to work with a 235 program which has been increased just 20 percent since 1970. That is unrealistic and, in my view, unworkable. It seems to me that the section 235 mortgage limits must at least keep pace with inflation.

Each of us would like the cost of housing to be lower. The fact is, however, that the cost of housing has been forced to keep pace with the inflationary spiral of the last few years. Therefore, it seems imperative to me that we raise these mortgage limits to a reasonable level which at least approaches the actual increase in the cost of building a home today. My bill would do this. I would suggest for a single family home in a standard-cost area of the country that a $25,000 mortgage limit is realistic. For those families which require four bedrooms, $29,000 seems a reasonable mortgage amount. As you know, many areas of the country have been classified as high cost areas. For these areas, I would suggest mortgage limits of $29,000 for a three bedroom or less house; and $33,000 for a four bedroom or more house.

A large majority of the country's moderate income families are centered in our urban areas which traditionally are high cost areas. I think that the limits I have proposed for these high cost areas are within reason and will have the effect of helping the greatest number of moderate income families achieve homeownership; and, after all, that is the goal as stated by the administration with the reactivation of the section 235 program.

I hope my colleagues agree.

THE 20TH ANNIVERSARY OF MONTGOMERY BUS BOYCOTT TO BE OBSERVED DECEMBER 5-6-7

HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 17, 1975

Mr. YOUNG of Georgia. Mr. Speaker, on December 5, 6, and 7, people from throughout the Nation will meet in Montgomery, Ala. on the 20th anniversary of a momentous event in American history: The Montgomery bus boycott.

On December 1, 1955, Mrs. Rosa Parks, a black woman, was arrested for refusing to give up her seat to a white passenger on a Montgomery bus. That arrest touched off the boycott, which began on December 5, 1955, lasted for 381 days, and brought the emergence of the leadership of Dr. Martin Luther King, Jr., and the modern-day civil rights movement.

Over the years, this movement achieved many lasting progressive changes in the United States, including the dismantling of the legal system of segregation and the beginning of a quite revolution in the political life of the South. The movement, then and now, spoke to the conscience of the Nation and the world, and developed a powerful advocacy for peace, justice, and freedom through nonviolent social change.

This year, on December 5, 6, and 7, the 20th anniversary of the boycott will be observed in a series of meetings in Montgomery. A cross section of human rights organizations and other supportive groups and their leadership will participate. It will be a weekend of very meaningful events in which people can assess our past gains and our future challenges. The discussions will include such subjects as the 1976 elections, the building of a nonviolent economy, education issues, unemployment, and other national problems, as well as reflections over the past 20 years by some of the principal figures in the Montgomery boycott.

Those attending will include Mrs. Rosa Parks, Mrs. Coretta Scott King, president of the Martin Luther King, Jr. Center for Social Change; Dr. Ralph David Abernathy, president of the Southern Christian Leadership Conference; Vernon Jordan, executive director of the National Urban League; Senator Julian Bond; and John Lewis, executive director of the Voter Education project.

People interested in attending the December 5-6-7 observances in Montgomery may contact the following organizations:

Montgomery Improvement Association—Montgomery—(205)-288-8610.

Martin Luther King, Jr. Center for Social Change—Atlanta—(40) 524-1956. Mr. Leon Hall.

Southern Christian Leadership Conference—Atlanta—(404) 522-1420. Rev. Bernard Scott Lee.